



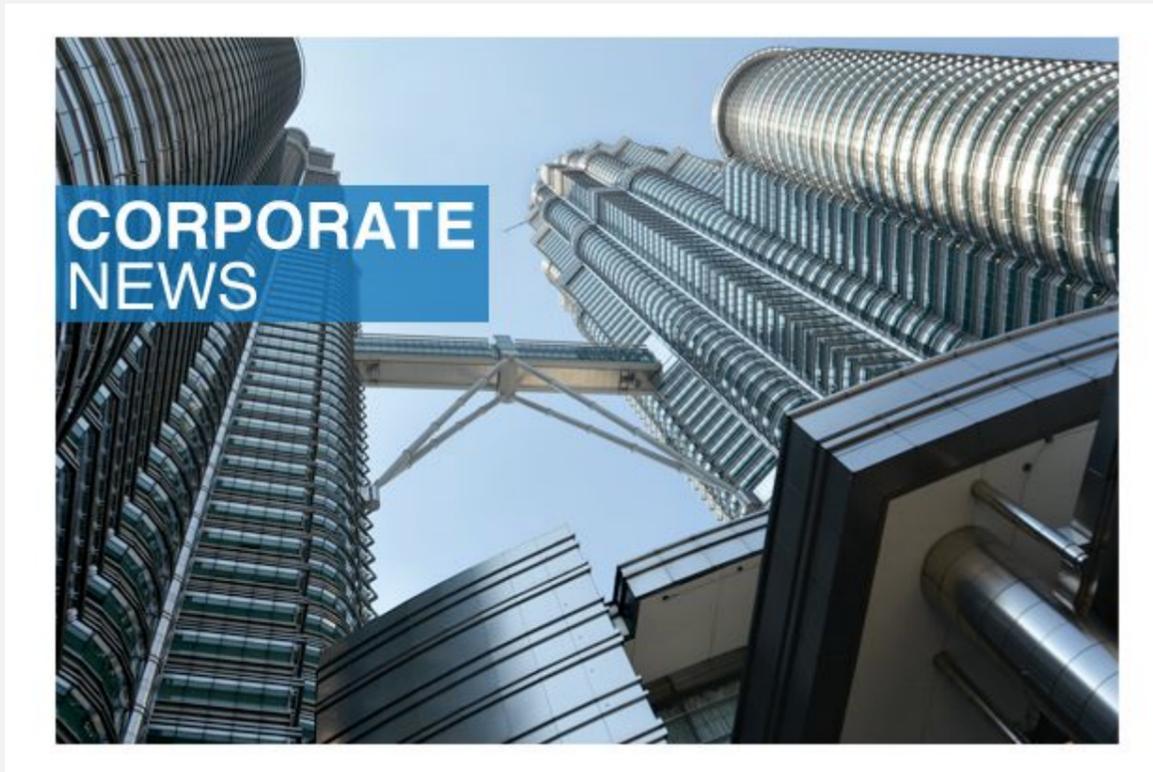
Business News

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AsiaBio secures Rapid-related subcontract worth RM220mil

BY M. HAFIDZ MAHPAR



KUALA LUMPUR: [Asia Bioenergy](#) Technologies Bhd (AsiaBio) has clinched a subcontract worth an estimated RM220mil to provide ancillary services related to the proposed Refinery and Petrochemical Integrated Development (Rapid) complex in Pengerang, Johor.

In a filing with Bursa Malaysia, the biotechnology and renewable energy incubator said its unit AsiaBio Petroleum Sdn Bhd (ABP) had received a letter of award (LOA) from Tenisha Construction Sdn Bhd that involved the design, maintenance and dismantling of scaffolding systems for the utilities, interconnecting, officesite (UIO) facilities.

AsiaBio said ABP and Tenisha were expected to ink a subcontract agreement within a month from the date of the LOA.

“The contract value is expected to be on a unit rate basis as set in the LOA for works carrying RM220mil in total estimated value over a 30-month period,” the company said.

Tenisha is a Petronas-accredited service provider based in Johor that specialises in providing multi-disciplinary engineering and construction services in the oil and gas industry.

In a press statement, ABP project manager (Rapid) Alex Ee said: “We are excited as this award signifies a major step for ABP to be part of Petronas’ Rapid mega-project and position itself to benefit from the long-term opportunities available in the Pengerang Integrated Petroleum Complex. This also validates ABP’s business direction of focusing on engineering and maintenance works, which continues to be in demand across upstream and downstream sections of the oil and gas industry.”

AsiaBio said that subsequent to this award, ABP and Tenisha would explore entering into various agreements to outline roles and responsibilities of each party, with the possibility of setting up a joint-venture company to expand the repertoire of ancillary services such as blasting & painting services and minor fabrication works through an integrated yard.

“Approximately 250,000 cu metres of scaffolding is required monthly to meet the terms of this letter of award. Estimates by industry experts put the total minimum requirement for this particular package to be between RM240mil and RM260mil over a three-year period,” said MN Rajah, project director of Tenisha Construction Sdn Bhd.

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