



DELEUM BERHAD (715640-T)

TYPE: GENERAL ANNOUNCEMENT

DESCRIPTION: CONTRACT AWARD

1. INTRODUCTION

The Board of Directors of **Deleum Berhad** (“**Deleum**” or the “**Company**”) is pleased to announce that Deleum Oilfield Services Sdn. Bhd. (“**DOSSB**”), a wholly-owned subsidiary of Deleum, has been awarded a new contract under the Oilfield Services Segment.

Deleum had recently obtained prior written approval from the relevant PSC operator to make this announcement.

2. DURATION AND VALUE OF THE CONTRACT

The contract awarded to DOSSB is as follows:

Contract Title	Client	Duration
Provision of Slickline Equipment and Services for EMEPMI Contract No: A2637876	ExxonMobil Exploration and Production Malaysia Inc. (“EMEPMI”)	3 years primary term with 1 year extension option. Shall be effective from the date that will be specified in contract document.

The value of the Contract depends on the agreed rates and work order issued by customers for the duration of the Contract.

3. RISK FACTORS

The risks associated with the Contract includes but not limited to, execution risks such as availability of skilled manpower, changes in cost of manpower and equipment as well as external factors such as weather condition, changes in political, economic and regulatory conditions. Deleum has, throughout the years, established its track record and expertise to undertake such project. As such, management believes that Deleum is able to mitigate the above-mentioned risk factors.

4. FINANCIAL EFFECTS

The Contract will have no effect on the issued share capital of the Company and is expected to contribute positively towards the earnings and net assets per share of the Company for the duration of the Contract.

5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

None of the Directors and/or major shareholders and/or persons connected with the Directors and/or major shareholders of the Company has any direct or indirect interest in the contract.

6. DIRECTORS' STATEMENT

The Board of Directors of the Company is of the opinion that the acceptance of the contract is in the best interest of the Company.

This announcement is dated 27 December 2018.