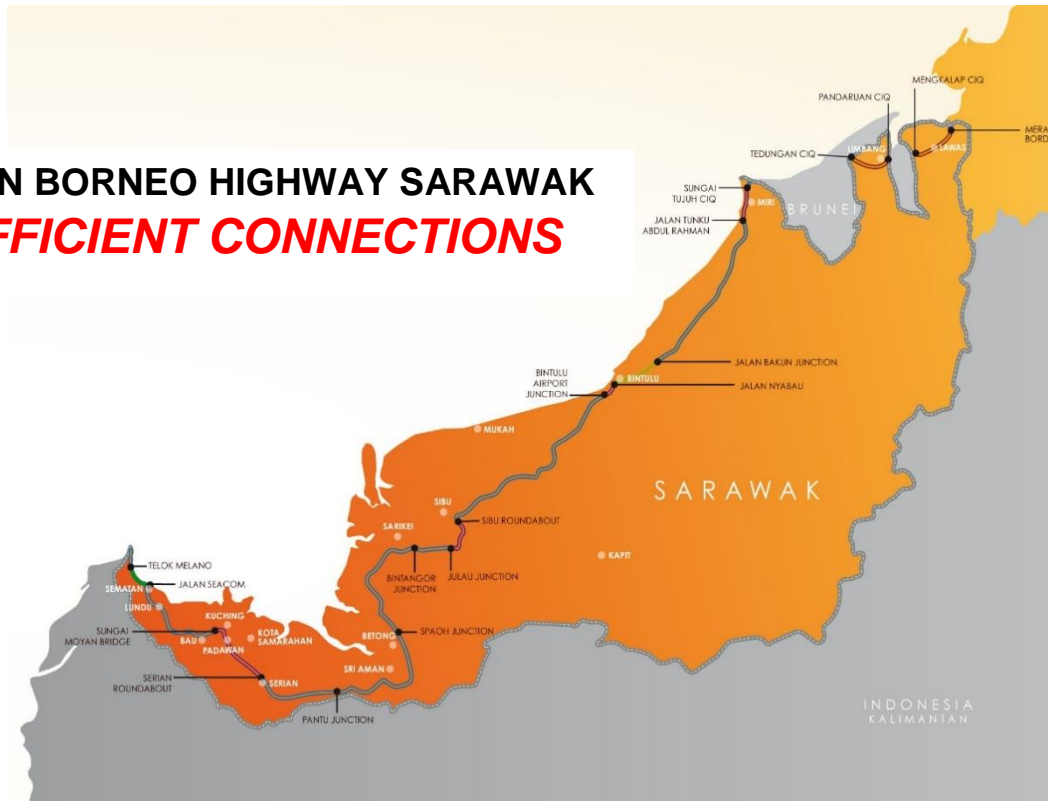




PRE-QUALIFICATION REGISTRATION & BRIEFING 29 & 30 SEPTEMBER 2015

FREQUENTLY ASKED QUESTIONS

PAN BORNEO HIGHWAY SARAWAK *EFFICIENT CONNECTIONS*



Project Delivery Partner for
Pan Borneo Highway Sarawak

REGISTRATION

1) Q: What is the purpose of this Pre-Q exercise?

A: The purpose is to have a pool of pre-qualified contractors that comply with the technical and financial requirements for the Works. Only those who are pre-qualified during this exercise shall be invited to bid for Tenders.

2) Q: How many works packages will be procured through this Pre-Q exercise?

A: There will be 10 Main Works Package Contracts under Category 1. The specified works packages under Category 2 and 3 will be determined later upon receipt of all Pre-Q submissions and evaluation.

3) Q: Will there be any other Pre-Q exercises to be conducted in the future?

A: No. This Pre-Q shall be conducted only once and shall be comprehensive for all future works package contracts. However, an update on information may be required prior to the actual Tender for each WPC.

4) Q: Are companies allowed to register in more than one category?

A: No. An applicant is only allowed to register one company for one category only.

5) Q: Can a Malaysian-incorporated company with foreign equity be accepted for registration in the Pre-Q?

A: No.

6) Q: Can a consortium of Bumiputera companies having G7, G6 and G5 licences register under Category 3?

A: No. All members of any consortium participating in any category must have G7 licence.

7) Q: My company has licence G7 CE01, CE02 and CE21 but does not have B04 and B05. Is my company qualified to register?

A: Yes. Companies without CIDB B04 and B05 licences will be accepted for registration, however such licences are preferred, if available.

8) Q: Does a local Sarawak company have to be registered with UPKJ only, or both UPKJ and CIDB?

A: Local Sarawak companies are required to be registered with both UPKJ and CIDB.

9) Q: Our company is registered in West Malaysia, and we do not have UPKJ licence. Can we register on our own?

A: Yes, you may register individually with your CIDB G7 licence under Category 1 only. However, you must meet the 70% Sarawak equity requirements for your Pre-Q submission, in the form of a JV or consortium.

10)Q: What forms of the Companies Act, 1965 need to be submitted in the Pre-Q?

A: Forms 9, 13, 24, 44 and 49 of the Companies Act, 1965 need to be submitted, copies of which must be duly certified by the Company Secretary.

11)Q: Can I change category after Registration to form a JV?

A: Yes, you may change your category after the Registration or Briefing days. However, your application for the original category made during Registration will be cancelled and your original document fees shall be forfeited. Your new (replacement) registration for the JV must be done within the Pre-Q document selling period, ie by 5 October 2015, and new fees shall be required to be paid.

FINANCIAL

1) Q: How do we calculate the net worth of JV companies at the time of registration?

A: The net worth of a JV / consortium will be calculated based on the cumulative net worth computed in proportion to their respective equities in the JV. For companies that have yet to form JVs or consortiums at the time of Registration, simple checks will be made on the validity of each company's Audited Accounts.

2) Q: If an applicant is a subsidiary of a larger group of companies, can the Group's Audited Accounts be taken into consideration for the Pre-Q submission?

A: No, the applicant is required to submit its own Audited Accounts, not that of the holding / group of companies. Evaluation will be made based on the applicant's financial statements only.

3) Q: Will support letters from the Holding Companies / Group of Companies be taken into consideration?

A: Yes.

4) Q: Can Management Accounts be accepted for registration?

A: No. Only Audited Accounts (2014 or later) will be accepted for registration.

5) Q: Can Audited Accounts of 2013 be accepted?

A: Only Audited Accounts (2014 or later) will be accepted.

JOINT VENTURE

1) Q: What is the main criteria for a JV company to be registered in this Pre-Q exercise?

A: Collaborations in the form of Joint Venture (JV) or consortium are welcomed from qualified Malaysian-owned companies registered with the relevant agencies provided that the lead company shall be a local Sarawak company and the total cumulative equity held by local Sarawak companies in the JV shall not be less than 70%.

2) Q: I intend to go for Category 1 with a JV partner(s), but my partner(s) cannot come for the Registration. Can I register on behalf of the JV?

A: Yes, you can register for and behalf of the JV. A consent letter from each partner for the JV is required for Registration. You are required to demonstrate your intended structure for the JV.

In cases where the consent letter is not available, your intention to form the JV will not be recorded and registered as such.

In any case, proof must be shown that the JV has met the minimum requirements for the Categories intended. You are later required to submit the JV / MoU / Teaming agreement for the Pre-Q submission.

3) Q: Can individual companies intending to form a JV / consortium register individually?

A: Yes, companies can register individually provided that the applicant itself meets the minimum requirement under each category.

4) What happens if at the time of Registration, the JV / consortium has not yet been established?

A: JV / consortiums are only required to be finalised and submitted during the Pre-Q submission. MoUs / Teaming Agreements are acceptable. However, a stamped copy of the MOU / Teaming agreement is required as part of the Pre-Q Submission with a specific clause on the formalisation of the JV / consortium during the Tender stage.

The JV / consortium partners must indicate in the JV / MOU / Teaming Agreement their agreement on the Lead Partner. The Lead Partner must be represented during Registration. In turn the Lead Partner must give the Power of Attorney / Approval of the Board to the person attending the Registration on their behalf.

5) Q: At the time of submitting the Pre-Q, do we need to submit a JV Agreement?

A: Yes. A JV / MoU / Teaming agreement based on a joint and several liability of the parties and stipulating their respective shareholdings is required to be submitted with the Pre-Q Submission. The agreement shall specify that in the event that the JV is successful in the Pre-Q, the partners shall incorporate a JV company via an SPV (Special Purpose Vehicle) on the same equity proportions for the future Tender submission. The criteria for the SPV shall be further clarified in the Tender Document.

6) Q: Can the equity structure of the SPV be changed at any time?

A: No, unless due to extenuating circumstances (eg. an insolvency of one of the shareholders) and only with the prior written approval from LBU. However, at all times, the equity shall be at least 70% Sarawak-owned.

7) Q: Is it compulsory for all applicants of a JV to attend the Pre-Q Registration and Briefing Session?

A: In cases of an intended JV, at least one of the partners must attend the Registration and Briefing session. Failure to do so will result in the applicants being disqualified from purchasing the Pre-Qualification documents.

8) Q: Must all companies in the JV hold valid CIDB and UPKJ licenses as stipulated in the advert?

A: Both valid CIDB and UPKJ are required for Sarawak companies. For non-Sarawak companies, only a valid CIDB licence is required.

9) Q: Are all JV partners required to show their respective company CIDB G7 and UPKJ licenses independently during Pre-Q Submission?

A: Yes, however during Registration, only a consent letter is required for the intended JV. During Pre-Q Submission, a JV /MoU / Teaming Agreement is required to be submitted together with the Pre-Q documents. An incorporated JV shall only be required for Tender submission purposes later, after the Pre-Q process.

10)Q: Is the lead partner in a JV required to hold majority equity in the JV?

A: Yes, the lead partner in the JV must be a local Sarawak company. It must hold majority equity of more than 30% in the JV.

TECHNICAL

1) Q: We are currently doing work for LBU, are we required to register?

A: Yes.

2) Q: Can I list projects which are still in progress?

A: LBU requires that you identify only completed projects within the past 5 years.