

**FOR IMMEDIATE RELEASE**

**MEDIA STATEMENT**

Kuala Lumpur, 17 December 2012

**KHAZANAH TO DIVEST ITS INTEREST IN TIME ENGINEERING BERHAD**

Khazanah Nasional Berhad (“Khazanah”) is pleased to announce the proposed divestment of its entire equity interest of approximately 45% in Time Engineering Berhad (“TEB”), via a tender process, to a qualified Bumiputera entrepreneur.

The proposed divestment of TEB, which main business is providing solutions for e-commerce, cyber security and integrated intelligent infrastructure, is part of Khazanah’s efforts to assist the Government in encouraging entrepreneurship and growing Bumiputera equity. TEB is listed on the Main Market of Bursa Malaysia Securities Berhad.

This divestment is also in line with Khazanah’s overall divestment strategy of disposing non-core assets in a gradual and orderly manner to fulfil the role of Government-linked Investment Companies (“GLICs”) and Government-linked Companies (“GLCs”) under the New Economic Model (“NEM”). Between 2004 and 2011, Khazanah had divested a total of 45 assets and companies valued at RM31.7 billion with some of the assets taken up by capable and dynamic entrepreneurs, notable among them are Pos Malaysia, Time dotCom and Royal Mint Exchange. Recently in 2012, Proton Holdings Berhad was added to the list of divested assets.

The Bumiputera Agenda Action Council (“MTAB”) had on 9 February 2012 announced that Khazanah and Permodalan Nasional Bhd. (“PNB”) will divest a total of 10 non-core assets to Bumiputera companies. This exercise is part of the plan by *Unit Peneraju Agenda Bumiputera* (“TERAJU”), a unit under the Prime Minister’s Department, to spearhead the economic transformation of the Bumiputera community in the country.

TEB is the final of five non-core assets identified by Khazanah to be divested under this exercise, this year. Earlier this year, announcements and tenders were issued with regard to the proposed divestments of STLR Sdn. Bhd. (STLR) by Khazanah, TM Resorts by Telekom Malaysia Bhd., Celcom Childcare Sdn. Bhd. by Celcom Axiata Bhd. and Special Builders Sdn. Bhd. by UEM Group Bhd. The divestment process of STLR has been concluded with the signing of the Sale and Purchase Agreement while the other three companies are at various stages of the divestment process.

**Time Engineering Berhad, provider of e-commerce, cyber security and integrated intelligent infrastructure solutions**

TEB was chosen for this divestment exercise as it could offer an opportunity for the acquiring party to tap into TEB’s expertise and participate in a potential extension of its concession with the government which is due to expire in 2014.

The divestment exercise will also allow TEB to enjoy financial and strategic benefits through the ownership and management of a qualified Bumiputera company with expertise in the relevant field.

The divestment of TEB will involve a three-stage bidding process, which includes a pre-qualification stage, an indicative bid stage and a binding bid stage. The divestment of TEB will be conducted in a transparent and merit-based manner and will be presided by an independent evaluation panel guided by a merit-based assessment.

It is intended that the potential buyer should fulfil several pre-qualifying criteria which include being a 51% or more Bumiputera-owned and majority Bumiputera-managed company with good financial track record and experience in the relevant sector.

Other selection criteria considered for the potential buyer include possessing strong entrepreneurship and business acumen, with management capabilities in the information and communication technology sector, and offer the best bid for value creation.

The new shareholder of TEB will be selected based on both financial and strategic considerations. The list of the financial and strategic evaluation criteria will be outlined in the invitation to bid in due course.

All eligible and interested parties can refer to the notice on the offer for sale by Khazanah, which will be advertised in all major newspapers, this week.

**END**

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### **About Khazanah Nasional Berhad**

Khazanah is the strategic investment fund of the Government of Malaysia entrusted to hold and manage the commercial assets of the Government and to undertake strategic investments. Khazanah is involved in various sectors such as power, telecommunications, banking, healthcare, airport management, infrastructure, leisure & tourism, property development, broadcasting, investment holding, and technology. Some of the key listed companies in Khazanah's investment portfolio include Telekom Malaysia Bhd., Tenaga Nasional Bhd., CIMB Group, Axiata Group Bhd, IHH Healthcare Bhd, Malaysia Airports Holdings Bhd., and UEM Land Holdings Bhd.. For further information on Khazanah, please visit [www.khazanah.com.my](http://www.khazanah.com.my).