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MEDIA STATEMENT

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Khazanah divests its interest in TIME Engineering Berhad to Censof Holdings Berhad

Khazanah Nasional Berhad (“Khazanah”) announced today the divestment of its entire equity interest of 45.03% in TIME Engineering Berhad (“TEB”) to Censof Holdings Berhad (“Censof”) at RM0.20 per share for a total cash consideration of RM69.8 million. This decision was made following an extensive tender process initiated by Khazanah to select a new shareholder that would be able to develop TEB to its next phase of growth.

The divestment price was determined based on the fundamentals of TEB, reflecting the remaining concession period with the Royal Malaysian Customs Department (“Customs”) up to September 2014 by TEB’s majority-owned subsidiary, Dagang Net Technologies Sdn. Bhd. (“DNT”), and the other two TEB subsidiaries which are operating at a loss. DNT has submitted a tender proposal for the new uCustoms system to be implemented by Customs.

The divestment of TEB involved a three-stage tender process namely, a pre-qualification stage, indicative bid stage and binding stage. The tender facilitated a transparent process through which a group of bidders were selected to proceed to each of the following stages based on a set of evaluation criteria – price, business plan and strategy for TEB, financial track record and availability of funds, and experience in the information and communication technology sector.

“Censof was selected out of the 10 interested parties based on the merit of its overall bid and a defined strategy in line with our divestment objectives for TEB, following a transparent and stringent tender process presided by an independent Evaluation Panel,” said Khazanah’s Managing Director Tan Sri Dato’ Azman Hj. Mokhtar.

“We believe that Censof brings with it the strong entrepreneurship and business acumen as well as management capabilities, leadership, and the technical and financial capabilities that can take TEB to the next level of performance,” he added.

TEB’s main business is providing solutions for e-commerce, cyber security and integrated intelligent infrastructure. It ended the first half of its 2013 financial year with an EBITDA of RM14.02 million and pre-tax profit of RM7.08 million, while net assets stood at 11 sen per share.

The divestment of TEB is pursuant to the initiative announced by Prime Minister Y.A.B. Dato’ Sri Mohd Najib Tun Razak at the Bumiputera Agenda Action Council meeting on 9 February 2012, whereby Khazanah and Permodalan Nasional Bhd will divest a total of 10 non-core assets to Bumiputera companies. This exercise is also part of the plan by *Unit Peneraju Agenda Bumiputera* (“TERAJU”), a unit under the Prime Minister’s Department, to spearhead the economic



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transformation of the Bumiputera community in the country. The divestment is in line with Khazanah's overall strategy of disposing non-core assets in a gradual and orderly manner to fulfill the role of Government-linked Investment Companies and Government-linked Companies under the New Economic Model.

TEB is one of the five non-core assets identified by Khazanah for divestment under the TERAJU initiative and is the fourth company to be divested under this initiative. The divestment of STLR Sdn. Bhd., another of the identified non-core assets, was successfully completed by Khazanah earlier this year.

Between 2004 and 2012, Khazanah divested a total of 55 assets and companies valued at RM35.7 billion, with some of the assets, notably Proton Holdings Berhad, Pos Malaysia Berhad and Time dotcom Berhad, taken up by capable and dynamic Bumiputera entrepreneurs. The divestment of TEB is the 57th divestment made by Khazanah since the start of its transformation programme in May 2004. In total, the divestments have generated gains of RM16.3 billion.

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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 Sunrise Bhd.

About Censof

Censof has two core businesses, namely Financial Management System Solutions under Century Software (M) Sdn Bhd ("CSM") and e-Payment Gateway Solutions under T-Melmax Sdn. Bhd. ("TMX"). CSM is principally involved in the design, development, implementation and marketing of financial and related software whereas TMX is principally involved in providing services for financial applications, electronic payments and collections solutions.