

PRESS RELEASE

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GEORGE KENT DELIVERS ANOTHER RECORD RESULTS FOR FINANCIAL YEAR ENDED 31 JANUARY 2017

PUCHONG, 20 MARCH 2017 – George Kent (Malaysia) Berhad (“George Kent” or “the Group”) today announced its 4th quarter (“Q4FYE2017”) and full year (“FYE2017”) results for the financial year ended 31 January 2017 as follows :-

4th Quarter vs Corresponding Quarter Last Year

- **Profit before tax of RM58.0 million** (FY2016: RM27.8 million), **up 109%**
- **Profit after tax of RM42.1 million** (FY2016: RM19.7 million), **up 114%**

Full Year vs Corresponding Period Last Year

- **Revenue of RM599.0 million** (FY2016: RM536.2 million), **up 12%**
- **Profit before tax of RM134.2 million** (FY2016: RM70.7 million), **up 90%**
- **Profit after tax of RM101.4 million** (FY2016: RM50.1 million), **up 102%**

The full year profit after tax doubled to RM101.4 million from RM50.1 million on the back of a turnover of RM599.0 million. The significant increase in the Group’s full year top-line and bottom-line was brought on by record contributions from the Group’s Engineering and Metering divisions.

The engineering division contributed 79% of the top-line to the tune of RM471 million and is the main growth driver for FYE2017. The metering division also saw higher revenue amounting to RM128 million which makes up 21% of the topline for FYE2017.

Dividend

Subject to Shareholder's approval at the forthcoming Annual General Meeting, the Directors have recommended a final dividend of 5.0 sen per share (FY2016: 3.5 sen per share) on the enlarged 375.51 million shares (FY2016: 300.41 million shares). In Ringgit term, this amounts to RM18.78 million (FY2016: RM10.51 million) an increase of 79% compared to the previous corresponding period.

Two interim dividends have been paid for the financial year ended 31 January 2017. The first and second interim dividends of 3.0 sen per share (FY2016: 2.0 sen per share) and 2.0 sen per share (FY2016: 1.5 sen per share) respectively on the enlarged share capital amounting to RM18.78 million (FY2016: RM10.51 million) were paid on 10 November 2016 and 13 January 2017 respectively.

In Ringgit term, the total dividend for the financial year ended 31 January 2017 will be RM37.56 million (FY2016: RM21.03 million), up by 79%.

Proposed Corporate Exercise

The Board proposed to undertake a subdivision of every two (2) existing George Kent shares into three (3) George Kent shares, thereby increasing the number of George Kent shares in issue from 375,512,710 to 563,269,065. The lower adjusted ex-price of George Kent shares will make the shares more affordable and improve the liquidity of the shares traded on the Main Board of Bursa Securities.

Award of Contract for MRT 2 System Works Package SSP-SY-204

During the year, George Kent and their joint venture partner received a Letter of Acceptance from Mass Rapid Transit Corporation Sdn Bhd appointing the George Kent (Malaysia) Berhad - China Communications Construction Company Limited Joint Venture as the contractor for the trackworks, maintenance vehicles and work trains package for the Mass Rapid Transit Sungai Buloh-Serdang-Putrajaya Line for a contract sum of RM1.01 billion.

The Contract entails the engineering, procurement, construction, testing and commissioning of trackworks, maintenance vehicles and works trains for the MRT SSP Line and the date for completion of Phase 1 is 1 May 2021 and the whole of the works to be completed by 1 May 2022.

Award of Contract to Design and Build a 220-bed Endocrine Hospital in Precinct 7, Putrajaya

During the year, George Kent accepted the Letter of Award from Jabatan Kerja Raya Malaysia, in respect of George Kent's tender to design and build a 220-bed Endocrine Hospital in Precinct 7, Putrajaya for a contract sum of RM364.9 million.

The Hospital is to be constructed at Lot 842, Lot 3, Precinct 7 on 2 areas measuring approximately 4,100 square meters and 6,140 square meters beside the existing Hospital Putrajaya. The scope of works include the design and build of a 220-bed Hospital extension complex with link bridge to existing main building block of Hospital Putrajaya and a multi-storey vehicle parking and is expected to be completed in 36 months.

Award of Contract to Design and Build a 150-bed Hospital in Tanjung Karang, Selangor Darul Ehsan

During the year, George Kent received a Letter of Award from Jabatan Kerja Raya Malaysia accepting George Kent's tender to design and build a 150-bed Hospital in Tanjung Karang, Selangor Darul Ehsan, for a contract sum of RM277.2 million.

The Hospital is to be constructed at a 17 acres site facing the main trunk road between Tanjung Karang and Kuala Selangor, Selangor. The scope of works include the design and build of a 150-bed Medical and Ward block, 30 Units of Houseman's quarters, 24 Units of Class "F" and "G" Quarters, a 50-pax Child Nursery Centre, an Engineering Block, a Cafeteria and a visitor gallery, 2 fully equipped operating theatre (OT) amongst other medical facilities and equipment. This project is expected to be completed in 48 months.

Chairman's Statement

Commenting on the Group's fantastic performance across the segments, George Kent Chairman, Tan Sri Dato' Tan Kay Hock said:

"The Group has announced yet another set of record results for the year. This sterling achievement is due to our ability to develop strong management teams in their respective business areas to successfully execute and deliver the many jobs in a professional and efficient manner. There is all round improvement in contribution from all divisions. These included the rail projects, water infrastructure projects, turnkey hospital projects and the supply of water meters.

Going forward, we will build on these successes as we continue to strengthen our management team, processes and delivery of the projects in hand. We will continue to work towards meeting our customers' expectations and to continue to improve shareholders' value. The Board is optimistic of our prospects as our strong order book provides immense earnings visibility going forward."

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About George Kent (Malaysia) Berhad

George Kent is an established metering and engineering company with core businesses focused on the water industry and the delivery of specialised infrastructure projects. For the past 80 years, it has provided a broad range of water metering solutions for households, industrial and plant use. Known for proven engineering excellence, George Kent has a strong track record of successfully completing high value projects in the water and other infrastructure sectors. The Group also undertakes technology-critical projects in the healthcare and rail transportation sectors and is currently completing the Ampang Line LRT Extension works and is undertaking the LRT3 project as Project Delivery Partner via MRCB-George Kent JV.

For more information, please visit www.georgekent.net

Issued by: Imej Jiwa Communication Sdn. Bhd. on behalf of George Kent (Malaysia) Berhad

Date: 20 March 2017

MEDIA QUERY

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