

PRESS RELEASE

For immediate release

EVERSENDAI CONFIDENT OF UPWARD PROFIT TREND

Kuala Lumpur, February 28, 2017 - Eversendai Corporation Berhad ('The Group') today announced its financial results for the year ended 31st December 2016. The Group recorded a revenue of RM1.57 billion and a pre-tax loss of RM248.0 million for the said period. The losses incurred during the 2016 financial year were mainly due to provisions and impairments on fair value of financial assets, provision of doubtful debts, higher costs resulting from delays in project funding as well as low utilisation of the fabrication facility due to exceptionally slow recovery of the Oil and Gas industry. However, the company, known to make revolutionary business moves, is unperturbed by this and has already drawn plans to turn around the situation in early 2017.

Eversendai Corporation Berhad's Executive Chairman and Group Managing Director, Tan Sri A K Nathan said "This is the first year the company is recording a loss owing to both internal and external factors. The Group has since identified all shortfalls, re-strategised and aligned towards moving out of the losses incurred during the financial year of 2016 with progressive profits projected from the 1st quarter of 2017 onwards. With over 45 ongoing projects in UAE, Saudi Arabia, Qatar, Kuwait, Thailand, India, Singapore and Malaysia along with an impressive number of newly secured projects coupled by an experienced and committed team and skilled workforce, we are sure to step out of this phase in early 2017".

To-date the Group has secured projects worth RM801.4 million for the year 2017, of which RM117.4 million is from the Oil and Gas sector, bringing Eversendai's Order Book to approximately RM3 billion. As of 31st December 2016, projects from the Middle East make up 37.7% of this secured projects list while the South East Asian region and India make up 24.7% and 22.3% respectively. The Oil and Gas sector makes up the remaining 15.3%. Some notable projects secured are a university project in Kuwait, ICD Brookfield Place in Dubai, gallery works for the Statue of Unity in India as well as the supply and installation of piping works for the Jimah East 2x1,000MW Super-Critical Coal Fired Power Plant and a motorcar assembly plant in Malaysia.

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Even though the Oil and Gas sector had been facing an uphill challenge this past year, Eversendai Offshore was able to make a breakthrough, winning new contracts while creating its own track record from ground zero. The new wins are an engineering, construction and start-up of an Offshore Services Support Building for a new refinery in the Middle East; a project management, fabrication engineering and construction of jacket and piles for Wellhead Platform in the Persian Gulf and an engineering, fabrication and assembly of TEG module for the North Sea in the United Kingdom.

Tan Sri A K Nathan said, “The current order book is the highest the company has recorded since its inception. We are very confident of achieving higher wins and profitable returns hereafter. We will focus on further strengthening our operations in the current markets where we operate and streamline our cost control to improve profit.”

“It has been a tough year for the Group, but we are confident we will achieve our target working progressively towards declaring profits. The recovery in the oil & gas industry will give us a good push to improve the business further. We know it is going to be upward trends for the Eversendai Group from here on,”

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About Eversendai Corporation Berhad

Eversendai Corporation Berhad is one of the most sought after turnkey contractors in the world; delivering highly complex projects with innovative construction methodologies for steel structures, power and petrochemical plants as well as composite and reinforced building structures in the Asian and Middle Eastern regions. With a workforce of almost 15,000 personnel, Eversendai has served clients in over 14 countries such as Malaysia, Singapore, Thailand, Philippines, Indonesia, Hong Kong, India, Oman, Saudi Arabia, Bahrain, Qatar, United Arab Emirates, Azerbaijan and Iraq, and constructed some of the world's most famous landmark structures. More information on Eversendai Corporation Berhad is available at www.eversendai.com.

For further information, please contact:

VJ Veerasamy

Group Corporate Communications

at 03-7733 3300

or e-mail jayaradha@eversendai.com