

**CONSTRUCTION AND DEVELOPMENT OF MELAKA GATEWAY PORT (Pulau Panjang) BEGINS WITH THE INAUGURAL FOUNDATION LAYING CEREMONY**

Melaka Gateway, 19 October 2016 - It was a historic day today at Melaka Gateway with the inaugural foundation laying ceremony for the construction and development of its deep sea port, which is now known officially as MELAKA GATEWAY PORT.

At the same time, KAJ Development Sdn Bhd (KAJD) and its investment partner Powerchina International Group Limited (Powerchina International), held a Memorandum of Agreement ("MOA") signing ceremony with its 2 new partners for the development and construction of Melaka Gateway Port. They are Shenzhen Yantian Port Group Co., Ltd, which is based in Shenzhen, Guangdong, China., together with Rizhao Port Group Co., Ltd., which is based in Shandong, China. KAJD and Powerchina International recently signed a partnership agreement on 1<sup>st</sup> September 2016 for a RM30 billion deal for the investment, development and construction of the 3 out of 4 islands at Melaka Gateway.

On hand to witness this inaugural foundation laying ceremony and partnership agreement signing are YB Dato' Sri Liow Tiong Lai, Minister of Transport, Malaysia; YAB Datuk Seri Utama Ir. Haji Idris bin Haji Haron, Chief Minister of Melaka; H.E. Dr. Huang Huikang, Ambassador, Embassy of the People's Republic of China to Malaysia, and Mr Wang Bin, Vice President of Power Construction Corporation of China.

Located on the natural island of Pulau Panjang, the strategic location of MELAKA GATEWAY PORT at the Straits of Malacca naturally inherits its deep waterway of 25 to 30 metres, making it an ideal choice for a deep sea port facility. As only a few ports in Malaysia have this advantage, Pulau Panjang is the ideal choice for a deep sea port facility.

The MELAKA GATEWAY PORT will be designated as a Liquid Cargo Terminal. It will have storage facilities for liquid cargo, benefiting oil trading in Southeast Asia, Asian countries, Europe and the Middle East.

The deep sea port at Pulau Panjang will also complement the Maritime Industrial Park, which will be built on the 4<sup>th</sup> island of Melaka Gateway, where it will house a container terminal, break and dry bulk terminal, shipbuilding and ship repair services, as well as marine engineering and manufacturing.

The cost development of MELAKA GATEWAY PORT is estimated to be RM8.0 billion. Once operational, it will lead to the creation of 6,000 jobs, as part of the overall 40,000 to 45,000 jobs which will be created upon the completion of the entire Melaka Gateway project. The MELAKA GATEWAY PORT is expected to be completed by 2019, but with the new international partnership with the two port management and operations companies, MELAKA GATEWAY PORT could commence operations much earlier.

At the MOA signing ceremony with its two new partners, signing for KAJ Development Sdn Bhd was YBhg Dato' Sri Yahya bin Hamzah, Executive Chairman and YBhg Datuk Michelle Ong, Chief Executive Officer. Powerchina International Group Limited was represented by Mr Ji Xiaoyong, President Asia Pacific. As for the two new partners, signing for Shenzhen Yantian Port Group Co., Ltd is Mr Tong Yaming, Chairman of the Board and for Rizhao Port Group Co., Ltd is Mr Zhuang Guangan, Member of the Board.

With this strategic partnership in place, KAJD and Powerchina International Group Limited stand to gain extensive benefits from Shenzhen Yantian Port Group's and Rizhao Port Group's technical expertise and experience in port construction, operations and management, as well as their extensive network of shipping lines and alliances around the globe. This will catapult Melaka Gateway and Malaysia as a prime location and international maritime gateway to the world.

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*About KAJ Development Sdn Bhd -*

KAJ Development Sdn Bhd ("KAJD") is the master developer of the premier mixed development project at Melaka Gateway. KAJD was incorporated in Malaysia as a private limited company under the Companies Act, 1965 on 5 January 2007. KAJD conceptualised and master-planned this prestigious project in 2013, which was officially launched by the Prime Minister of Malaysia in 2014. As the master developer, the company is fully committed to forge ahead with intensified efforts to ensure its success upon the project's completion by the year 2025. Towards this end, KAJD will collaborate and work with globally renowned property developers and industry players in the respective fields.

*About Melaka Gateway -*

Melaka Gateway is a premier mixed development project by KAJ Development Sdn. Bhd, which comprise of three (3) reclaimed and one (1) natural islands totalling 1,366 acres, set in a strategic and idyllic area of Straits of Malacca, Malaysia. Melaka Gateway was officially launched on 7 February 2014 by the Prime Minister of Malaysia, YAB Dato' Sri Mohd. Najib bin Tun Haji Abdul Razak. It is recognized as a National Project and part of the Economic Transformation Programme (ETP) by the Federal government of Malaysia. Melaka Gateway will bring about a strong economic impact to the state of Melaka and Malaysia, as a world-class centre for integrated tourism, financial, commercial, port and maritime industry activities.

*About Powerchina International Group Limited -*

Powerchina International Group Limited (Powerchina International) is a subsidiary of Power Construction Corporation of China for the integration and group-oriented management of its international business. Powerchina International provides comprehensive and full-range of services from planning, investigation, designing, consulting, civil works construction to M&E installation and manufacturing services in the fields of hydropower, thermal power, new energy and all kinds of infrastructure such as dredging, seaport, airport, road and bridge etc. The business also extends into real estate, investment, finance and O&M services. The company has 160 branches in 101 countries, business presence in 116 countries with the total contract value of projects reaching over USD 100 billion.

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