

## **OTHERS Award of Engineering, Procurement, Construction and Commissioning ["EPCC"] Contract by Peterborough Green Energy Ltd. ["PGEL"] to China Western Power Industrial Co. Ltd. ["CWPC"]**

KNM GROUP BERHAD

Type	Announcement
Subject	OTHERS
Description	Award of Engineering, Procurement, Construction and Commissioning ["EPCC"] Contract by Peterborough Green Energy Ltd. ["PGEL"] to China Western Power Industrial Co. Ltd. ["CWPC"]

### **1. Introduction**

KNM Group Berhad ("KNM") is pleased to announce that its United Kingdom ["UK"] subsidiary, Peterborough Green Energy Ltd. ["PGEL"], has executed and awarded a GBP346.0 million (equivalent to approximately RM1.9 billion) EPCC Contract to China Western Power Industrial Co. Ltd. ["CWPC"] on a deferred payment scheme.

The EPCC Contract pertains to the erection of a net 36MW Energy from Waste ["EfW"] Power Plant for its Peterborough Green Energy Project in UK for a period of 37 months from the commencement date of the construction, which is expected to commence in 1st quarter of 2018.

### **2. Information about the parties**

KNM is a diversified multinational group with core businesses in process equipment manufacturing, provision of integrated solutions, project management, engineering and construction services for the renewable energy, power, utilities, refining and petrochemical industries.

Peterborough Green Energy Ltd, a company incorporated in UK, is a wholly owned subsidiary of KNM Group Berhad. It is principally involved in developing and operating the Peterborough Green Energy Project.

CWPC, a company incorporated in UK, is listed on the Shenzhen Stock Exchange. It principally undertakes research & development, manufacturing and exporting large scale boilers, auxiliary equipment and is an EPCC service provider for energy and power stations. CWPC also has investments into waste treatment facilities in China.

### **3. Approvals**

The award is not subject to the approval of the shareholders of KNM or any regulatory authority in Malaysia or UK.

#### **4. Directors' and major shareholders' interest**

None of the directors and/or major shareholders of KNM, and/or any persons connected with them, have any direct or indirect interest in the said EPCC Contract.

#### **5. Effect of the Project**

Upon successful completion and commissioning of the plant, the Project is expected to yield positive returns in line with KNM's long term strategic direction of generating sustainable and recurring income streams from its renewable energy businesses for KNM Group.

This announcement is dated 10 October 2017.