Media Release: 1MDB Governance Update

Tuesday, May 31 2016

The Minister of Finance Incorporated (MOF Inc.) is pleased to announce the appointment of a new board of directors for 1Malaysia Development Berhad (1MDB), succeeding the previous board, whose resignations take effect today.

The new three-member board is chaired by YBhg. Tan Sri Dr. Mohd Irwan Serigar Abdullah, Secretary-General of Treasury, Ministry of Finance. Fellow members of the board are:

i. YBhg. Dato' Norazman Ayob, Senior Private Secretary to the Chief Secretary of the Government; and
ii. YBhg. Dato' Kamal Mohd Ali, Chief Operating Officer of Prokhas Sdn Bhd.

However, Mr. Arul Kanda will continue as President of 1MDB.

The change of board reflects 1MDB's new direction as a non-operating company, focusing on completion of the successful rationalisation plan and on servicing future debt repayments. MoF Inc. expresses its appreciation and thanks to the previous board, who remained committed and steered the company through a challenging period, resulting in the successful rationalisation plan.

MOF Inc., as the 100% shareholder of 1MDB, is pleased to confirm it has implemented the recommendations by the Public Accounts Committee (PAC) to amend the 1MDB Articles of Association, with effect from 31 May 2016. This includes, amongst others, dissolution of the 1MDB Board of Advisors, removal of the current Article 117 and change of all references from "Prime Minister" to "Minister of Finance".

Tangible progress is being made on the transfer of ownership of Bandar Malaysia Sdn Bhd, TRX City Sdn Bhd, Air Itam lands and Pulau Indah land to MoF Inc., and further announcements will be made in due course on this matter.

Ministry of Finance Malaysia
Putrajaya
31 May 2016

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