KUALA LUMPUR-SINGAPORE HIGH SPEED RAIL ("HSR") PROJECT

INTRODUCTION

Reference is made to the announcements made by Gamuda Berhad (Company No. 29579-T) ("Gamuda" or "Company") on 28 November 2017 and 5 April 2018 respectively, pertaining to the joint participation in the tender for the appointment as the Project Delivery Partner ("PDP") for the HSR Project under a 50 : 50 consortium known as MRCB Gamuda Consortium ("Consortium") formed by the Company with Malaysian Resources Corporation Berhad (Company No. 7994-D) ("MRCB").

The Company wishes to announce that the Consortium has on 2 May 2018 accepted a Letter of Appointment ("LoA") from MyHSR Corporation Sdn Bhd (Company No. 1147719-M) ("MyHSR Corp") appointing the Consortium as the PDP for the northern section of the HSR project i.e. from Bandar Malaysia Station to the Contract Boundary being the first standard viaduct pier on the south side of Melaka Station on "plain line track" beyond the station fan at approximate chainage 200 366 from the International Boundary (PDP-North Package Project").

SALIENT TERMS OF THE LoA

The salient terms of the LoA are as follows: -

(a) The aforesaid appointment shall take effect from the date of the LoA upon: -

(i) the acceptance of the LoA by the Consortium; and

(ii) submission of the following to MyHSR Corp within 14 days from the date of the LoA: -

- a Commitment Bond in the amount of RM5.0 million; and
- corporate guarantees issued by each of the parent companies of the Consortium in favour of MyHSR Corp;

in the form as prescribed by MyHSR Corp.

(b) Upon fulfillment of item (a) above, an Articles of Agreement (incorporating the Conditions of Contract) will be executed between the Consortium and MyHSR Corp by 1 June 2018.

PDP COMPANY

The PDP-North Package Project shall be novated to a PDP company known as MRCB Gamuda Sdn Bhd in due course for implementation purposes.

The breakdown of the total capital and investment outlay of both, Gamuda and MRCB in the PDP company will be according to their respective proportion of interest in the Consortium i.e. 50 : 50.

FINANCIAL IMPACT

The Project will not have any significant effect on the earnings and net assets of the Gamuda Group for the financial year ending 31 July 2018. However, it is expected to contribute positively to the future earnings of Gamuda Group.

Gamuda plans to finance its portion of its investment in the PDP company through internally generated funds and/or borrowings.

DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors and/or major shareholders of the Company and/or persons connected with them, has any interest, direct or indirect, in the PDP-North Package Project.

Gamuda will make the necessary announcement to Bursa Malaysia as and when there is a material development in relation to the PDP-North Package Project.

This announcement is dated 2 May 2018.