

JOINT VENTURE WITH DNeX SOLUTIONS SDN BHD (CO. REGN. NO. (198101012324 (78454-P)) FOR PROVISION OF GOOGLE DISTRIBUTED CLOUD AIR-GAPPED SERVICES IN MALAYSIA (“JOINT VENTURE”)

1. INTRODUCTION

The Board of Directors (“**Board**”) of Gamuda Berhad (Co. Regn. No. 197601003632 (29579-T)) (“**Gamuda**”) wishes to inform that its wholly-owned subsidiary, Gamuda Technologies Sdn Bhd (Co. Regn. No. 202401050776 (1596619-D)) has entered into a Joint Venture and Shareholders Agreement (“**JVSA**”) with DNeX Solutions Sdn Bhd (Co. Regn. No. 198101012324 (78454-P)) (“**DNeX Solutions**”), a wholly-owned subsidiary of Dagang NeXchange Berhad (Co. Regn. No. 197001000738 (10039-P)) (“**DNeX**”) on 10 December 2024 pertaining to the setting up of a joint venture company with equal shareholding of 50% (“**JV Company**”), as detailed below:

No.	Parties	Co. Regn. No.	Equity Interest
1.	Gamuda Technologies	202401050776 (1596619-D)	50%
2.	DNeX Solutions	198101012324 (78454-P)	50%

*(collectively, the parties above are referred to as the “**JV Partners**”).*

This is a voluntary announcement under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

2. DETAILS OF DNeX SOLUTIONS

DNeX Solutions, incorporated on 25 November 1981, specialises in public sector Information Technology (“**IT**”) Project Management and Infrastructure Consulting, emphasising the importance of aligning standard operating procedures in Planning, Developing, and Executing tailored project solutions for clients. Its service offerings encompass comprehensive Supply Management for IT hardware and solutions, including procurement, delivery, installation, testing, and commissioning nationwide in Malaysia.

DNeX Solutions, as DNeX’s wholly-owned subsidiary, is the identified company to undertake and execute DNeX’s role as per the Google Cloud Partner Advantage Commercial Partner Agreement signed between DNeX and Google on 30 September 2024.

For the purpose of the JVSA, DNeX Solutions is DNeX’s vehicle to undertake and deliver the GDC Services (as defined below). The Directors of DNeX Solutions are as follows:

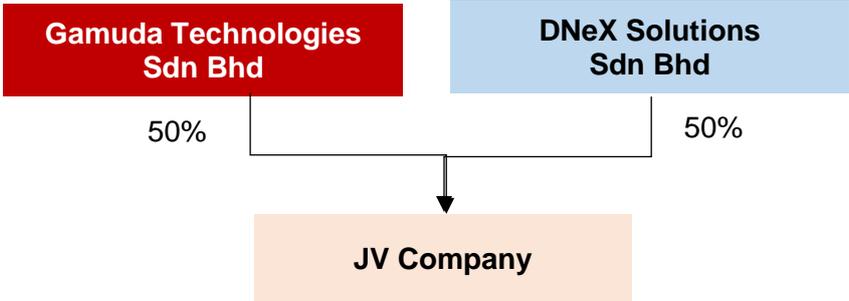
- a) Mahendran Gnasamoorthy (Executive Committee Member of DNeX)
- b) Ammar bin Ghazali (Executive Committee Member of DNeX).

DNeX, incorporated on 12 October 1970, is a global technology company operating in three business divisions namely Technology, Energy, and IT. In Technology, the company is a leading semiconductor foundry while in Energy, the company is making its mark in upstream exploration and production as well as equipment supply and maintenance. In IT, the company is a leading provider of award-winning eServices for Trade Facilitation and has a wealth of knowledge, expertise and operational know-how in the provisioning of eServices for Trade Facilitation, Technology Consulting and Systems Integration.

DNeX is listed on the Main Market of Bursa Malaysia with a market capitalisation of RM1.23 billion as of 9 December 2024.

3. DETAILS OF THE JV COMPANY

The shareholding structure of the JV Company is as follows:-



The purpose of the Joint Venture is to set up the Joint Venture Company to deliver Google Distributed Cloud air-gapped services (“**GDC Services**”) to Government (including Federal and State related entities) and private clients.

GDC Services is a fully managed cloud experience for organisations that require complete isolation to meet stringent sovereignty and regulatory requirements. GDC Services does not require connectivity to Google Cloud to manage the infrastructure, service, Application Programming Interface or tooling and is built to remain disconnected in *perpetuity*.

The GDC Services will involve procurement of GDC hardware, providing customised Artificial Intelligence (“**AI**”) solutions, applications development, ongoing client support, data migration and infra maintenance to clients via the JV Company.

The initial paid up capital of the JV Company is set at RM1,000,000.00 comprising of 1,000,000 ordinary shares issued. Any future capital increases will be undertaken based on the requirements of the JV Company and in accordance with the equal shareholding structure of the JV Partners.

4. SALIENT TERMS OF THE JVSA

- a) **Objective:** The parties aim to jointly develop and provide GDC Services to the Government (including Federal and State related entities) and private clients. GDC Services include among others, procurement of GDC hardware, customised AI solutions, applications development, ongoing client support, data migration and infra maintenance.
- b) **Shareholding Proportion:** equally with each party holding 50% of the total issued shares of the JV Company;
- c) **Governance Arrangement:** an Executive Committee comprising of equal representations from each entity will be established to oversee and expedite key activities of the JV Company prior to the official appointment of the management team;
- d) **Board Composition:** The JV Company will have a maximum of four (4) directors appointed to its board with equal nomination from each shareholder;
- e) **Initial Setup and Development:** Both entities shall be jointly responsible in performing the activities of the JV Company including business model development, license application, partnership development, human resource acquisition and rules & regulations development;
- f) **Roles of respective shareholders** in the JV Company:
 - i. **Gamuda:** to provide technical expertise in AI and cloud technologies, including the preparation of financial assessments, financing and the development of business schemes required by the JV Company. Additionally, to leverage the strengths of Gamuda's existing AI Academy to promote and expand AI adoption in Malaysia;
 - ii. **DNeX:** to manage relationship engagements and facilitate the sharing of existing business, commercial, technical, customer base and other relevant information related to the GDC services;
 - iii. **Gamuda and DNeX, jointly:** to identify potential customers, develop a Go-To-Market (GTM) strategy and business plan, commit each party's resources, technical expertise in AI and existing products to the JV Company and fund equity injections proportionately based on the respective shareholding.

5. RATIONALE FOR THE JOINT VENTURE

Malaysia is actively embracing AI as a key driver of technological advancement to spur the nation's economic growth. This is evident via the launch of the Malaysia Artificial Intelligence Roadmap (MAIR) and the more recent establishment of National AI Office (NAIO) which will be launched in December 2024.

Malaysia's promising digital economy and capacity to drive long term growth is shared and recognised by leading global data and cloud players. This is evident in the announced plans of global hyperscalers to invest in Malaysia, notably USD2 billion by Google to house its data centre in Malaysia as part of Google Cloud region in May 2024.

Given the strong push for AI adoption, a joint venture between Gamuda and DNeX intends to leverage the strengths of both entities to deliver generative AI solutions, specifically GDC Services to government and private sector in Malaysia.

Gamuda's existing expertise in developing generative AI to enhance operational efficiencies and customer experience, coupled with strong established relationship with Google, complements DNeX value proposition as an established market player and eServices provider to the Government of Malaysia.

The JV Company will be the sole provider for GDC Services in Malaysia.

6. SOURCE OF FUNDS FOR THE JV COMPANY

The funding for the JV Company will be a combination of equity injections and external borrowings, if required.

7. FINANCIAL EFFECTS OF THE JOINT VENTURE

The Joint Venture will not have any effect on the share capital and substantial shareholders' shareholdings of Gamuda.

The Joint Venture is not expected to have any immediate material impacts on net assets, gearing, revenue and earnings per share of Gamuda group of companies for the financial year ending 31 July 2025.

8. APPROVAL REQUIRED

The Joint Venture is not subject to the approval of shareholders of Gamuda and/or any regulatory authority.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED

None of the Directors and major shareholders of Gamuda and/or persons connected to them have any interest, direct or indirect, in the Joint Venture.

This announcement is dated 10 December 2024.