



## **PROJECT DELIVERY PARTNER FOR IMPLEMENTATION OF PENANG TRANSPORT MASTER PLAN**

Reference is made to the announcements made by Gamuda Berhad [Company Registration No. 197601003632 (29579-T)] (“Gamuda” or “Company”) on 14 August 2015, 4 August 2016, 15 March 2017, 5 September 2017, 6 September 2017, 24 September 2018, 10 September 2019 and 2 March 2020.

### **INTRODUCTION**

The Company wishes to announce that its 60% owned subsidiary, SRS Consortium Sdn Bhd [Company Registration No. 201701031438 (1245608-K)] (“PDP”) has on 1 July 2020 executed the Master Agreement with the State Government of Penang (“Owner”) in respect of the appointment of the PDP to manage and deliver the Penang transport master plan (“PTMP”) (“Master Agreement”).

### **SALIENTS TERMS OF THE MASTER AGREEMENT**

#### **1. INFORMATION ON PDP**

The PDP is a company incorporated in Malaysia with a total issued share capital of RM10/- divided into 10 fully paid-up ordinary shares.

All of the issued shares of the PDP are held as follows: -

<u>Shareholders</u>	<u>Equity Interest (%)</u>
Gamuda	60
Loh Phoy Yen Holdings Sdn Bhd [Company Registration No. 198001006026 (59810-P)] (“LPY”)	20
Ideal Property Development Sdn Bhd (Company Registration No. 200001007833 (510439-D)) (“Ideal Property”)	20

#### **2. PDP RESPONSIBILITIES**

The PDP was incorporated on 5 September 2017 as the single purpose vehicle to undertake the responsibilities and obligations of the project delivery partner to manage and to deliver the PTMP comprising the following: -

- a. the different public transport components including highways;
- b. the provision of new reclamation sites comprising Islands A, B and C of the Penang South Reclamation;

- c. a funding plan which includes the provision of a bridge financing, where the PDP will provide a bridging loan of RM1.3 billion to the Owner upon terms to be mutually agreed to bridge the funding gap in respect of Reclamation Island A (as defined below).

Aligned to Penang2030 vision and approach, the PDP will after the execution of the Master Agreement look into the implementation of the following, all of which form part of the PTMP:

- a. the works for the creation and formation of Island A of the Penang South Reclamation ("Reclamation Island A");
- b. a rail transit comprising a rail line with a total of twenty (20) stations including four (4) interchange stations, one (1) depot at Penang South Reclamation and five (5) potential park-and-ride sites, with an approximate route length of 23.5 kilometres ("Rail System");
- c. a dual-three carriageway highway which commences at the Gurney Interchange, traverses southwards through the Timur Laut and Barat Daya districts and terminates with an interchange at the Bayan Lepas Expressway/Tun Dr Lim Chong Eu Expressway, with an approximate length of 19.5 kilometres consisting six (6) interchanges involving the construction of viaducts, tunnels and embankment roads ("Highway PIL 1");
- d. a dual-three carriageway highway which commences with a connection to/from the existing Penang Second Bridge and traverses as a viaduct in a south west direction along Jalan Batu Maung / Jalan Permatang Damar Laut passing through Taman Sunway Mutiara and connects to the proposed arterial road in Island A of the Penang South Reclamation with an interchange whereby the total alignment is approximately 5 kilometres and are more particularly described in the Master Agreement ("Highway PIL 2A");
- e. the common infrastructure works to be constructed on Island A of Penang South Reclamation ("Common Infrastructure"); and
- f. the master planning for Penang South Reclamation and investor marketing and the tender and sales of the lands comprised in Island A of Penang South Reclamation ("Masterplanning Investors Marketing and Land Tenders" or "MPIL").

### **3. TARGET COST, FEE AND COMPLETION DATES**

Save for the MPIL Component for which the PDP will not be paid a Fee; each PTMP Component shall have its own separate Target Cost and Target Completion Date that will be discussed at a later stage and to be mutually agreed. The PDP fee is between 5.0% - 5.75%.

### **SOURCE OF FUNDS**

Gamuda shall fund its share in the PDP through internally generated funds and bank borrowings.

## **FINANCIAL EFFECTS**

### **1. SHARE CAPITAL AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS**

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

### **2. EARNINGS**

The PTMP is not expected to have any material effect on the earnings of the Gamuda Group for the financial year ending 31 July 2020.

However, it is expected to contribute positively to the future earnings of the Gamuda Group.

### **3. NET ASSETS ("NA")**

The PTMP is not expected to have any material impact on the NA of the Gamuda Group for the financial year ending 31 July 2020.

## **APPROVAL(S) REQUIRED**

The execution of the Master Agreement is not subject to the approval of the shareholders of Gamuda or any government authorities.

## **DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

None of the Directors, major shareholders or persons connected to them has any interest, direct or indirect, in the PTMP.

This announcement is dated 1 July 2020.