

## **COMINTEL CORPORATION BHD (“Comcorp” or “the Company”)**

### **– Tripartite Memorandum of Understanding (hereinafter referred to as “Tripartite MoU”) entered into between the Company and the Government of the Republic of Guinea and Export-Import Bank of Malaysia Berhad**

#### **1. Introduction**

The Board of Directors of Comcorp wishes to announce that the Company have entered into a Tripartite Memorandum of Understanding (hereinafter referred to as the “Tripartite MoU”) with the Government of the Republic of Guinea and Export-Import Bank of Malaysia Berhad (hereinafter referred to as the “EXIM Bank”) (hereinafter collectively referred to as the “Parties”) on 1 August 2016 in Jakarta, Indonesia to implement innovative telecommunications and information and communications technology (ICT) solutions in the Republic of Guinea (hereinafter referred to as the “Project”)

The Tripartite MoU is valid for a period of one (1) year from the date of signing unless earlier terminated or upon execution of the definitive agreement(s).

#### **2. Information on the Government of Republic of Guinea**

The Republic of Guinea is a country in the West coast of Africa and was formerly known as French Guinea. The said Republic has a population of ten point five (10.5) million and an area of two hundred and forty five thousand and eight hundred and sixty (245,860) square kilometers and is a predominantly Islamic country with Muslims representing eight five per cent (85%) of the population. Although French, the official language of the said Republic is the main language of communication in schools, in government administration, in the media but more than twenty-four indigenous languages are also spoken. The said Republic is largely dependent on agriculture and mineral production and it is the world’s second largest producer of bauxite and has rich deposits of diamonds and gold.

#### **3. Information on EXIM Bank**

EXIM Bank is Malaysia’s sole development financial institution under the Minister of Finance Inc., which is dedicated to the promotion of external or cross-border trade providing banking facilities to support export and imports of goods, services and overseas investments as well as providing export credit insurance services, export financing insurance, political risk insurance and guarantee facilities.

4. Rationale for the Tripartite MoU

The Parties shall collaborate and work together to evaluate the feasibility of the Project for the Parties' best interests. The Tripartite MoU shall form the basis of consensus of the Parties to examine the feasibility of the Project until such time as the definitive agreement(s) is entered into by the Parties.

5. Effects of the Tripartite MoU

The Tripartite MoU is not expected to have any material effect on the earnings per share, net assets per share, gearing, share capital and substantial shareholders' shareholding of the Company for the financial year ending 31 January 2017. Should the project materialize, it is expected to contribute positively to the future earnings of the Group.

6. Statement by Directors

The Board of Directors of the Company, having taken into consideration all aspects of the Tripartite MoU, is of the opinion that the Tripartite MoU is in the best interest of the Company and its subsidiaries.

7. Approvals required

The Tripartite MoU is not subject to the shareholders' approval of the Company and any relevant government authorities.

This announcement is dated 4 August 2016