

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

– Letter of Intent (hereinafter referred to as “LOI”) entered into between Green Waste Management Sdn Bhd (“GWM”), a wholly-owned subsidiary of the Company and Thanh Cong cooperative (Enterprise Code: 0012TX) (“Thanh Cong”)

1. Introduction

The Board of Directors of Comcorp wishes to announce that Green Waste Management Sdn Bhd (“GWM”), a wholly-owned subsidiary of the Company have entered into a Letter of Intent (hereinafter referred to as the “LOI”) with Thanh Cong cooperative (Enterprise Code: 0012TX) (hereinafter referred to as the “Thanh Cong”) (hereinafter collectively referred to as the “Parties”) on 17 January 2018 in Hanoi, Vietnam to implement the Xuan Son Municipal Solid Waste (“MSW”) Treatment Plant using Green Waste Management’s waste to energy system (hereinafter referred to as the “GWM WtE System”) (hereinafter referred to as the “Project”)

2. Information on GWM

GMW was incorporated on 23 October 2017 and is involved in providing engineering, procurement, construction and programme management services for green waste management and waste-to-energy solutions and is a wholly-owned subsidiary of the Company with a paid up share capital of Ringgit Malaysia Three Million (RM3,000,000.00) divided into three million (3,000,000) ordinary shares of RM1.00 each.

3. Information on Thanh Cong

Thanh Cong is a legal entity incorporated under the laws of Vietnam with its registered address at No. 145, Ho Me Tri Road, Nhan Chinhward, Thanh Xuan district, Hanoi city and in the business of developing environmental technology and municipal solid waste (“MSW”) treatment. Thanh Cong was awarded a MSW treatment investment certificate (Certificate No. 0121001046) by the people’s committee of Hanoi city to treat MSW waste at the Xuan Son MSW treatment area, Son Tay district, Hanoi city, Vietnam (hereinafter referred to as the “Xuan Son MSW treatment plant”). The Xuan Son MSW treatment plant has tenure of fifty (50) years from the year 2011.

4. Salient Terms of the LOI

The salient terms of the LOI are as follows –

- (a) GWM will be appointed as the engineering procurement and construction contractor to supply, install and commission the GWM WtE System with a design capacity to treat six hundred (600) metric tons of MSW per day and

generate approximate five mega watts (“5MW”) of electric energy. GWM undertakes to complete the said Project within twenty four (24) months from the date of the Contract should the Contract be awarded to GWM.

(b) GWM will also be awarded a contract to operate and maintain the said Project under a separate contract after the commissioning of the said Project.

5. Rationale for the LOI

The LOI 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.

6. Contract Price of the Project

The contract price of the said Project is still being negotiated.

7. Effects of the LOI

The LOI 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 2018. Should the project materialize, it is expected to contribute positively to the future earnings of the Group.

8. Statement by Directors

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

9. Approvals required

The LOI is not subject to the shareholders’ approval of the Company and any relevant government authorities.

This announcement is dated 19 January 2018