



NEWS RELEASE

IWH-CREC CONSORTIUM WINS TENDER FOR BANDAR MALAYSIA

KUALA LUMPUR: - State-owned China Railway Engineering Corporation (CREC), in filings with the Shanghai and Hong Kong Stock Exchange today, announced that it has been selected by 1Malaysia Development Berhad Real Estate (1MDB RE) as the preferred bidder to be the equity investor and development partner for Bandar Malaysia, which owns 486-acres of prime land in the heart of Kuala Lumpur.

The announcement follows the submission of an earnest deposit today to WTW Real Estate Sdn Bhd, the exclusive transaction advisor to 1MDB RE, by CREC through its consortium with Iskandar Waterfront Holdings Sdn Bhd (IWH) called IWH-CREC Consortium.

On June 22, 1MDB RE took out an advertisement calling for expression of interest to develop the 486 acres in Sungai Besi called Bandar Malaysia. 1MDB RE, a wholly owned subsidiary of 1MDB, is the master developer.

The tender drew bids from some 40-odd companies.

1MDB RE, which eventually shortlisted the bids to just two companies, had issued a "Letter of a Preferred Bidder" to IWH-CREC Consortium on Nov 24.

CREC Malaysia managing director, Cai Zemin said the company was very happy to join hands with IWH to undertake this catalytic development.

The parcel of land now houses the Sungai Besi airfield and other government facilities such as the army and police air wings. It is the single largest piece of development land in the heart of the city.

The Bandar Malaysia development will serve as Kuala Lumpur's gateway for the high-speed rail-line to Singapore and become a central transport hub in the city via MRT lines 2 and 3, KTM Komuter, ERL, and future access to major highway networks.

The transit-oriented development will also be supported by a myriad of residential, commercial financial and tourism development components.

“CREC will offer its global experience and expertise to develop Bandar Malaysia. We believe our global partners will also be keen to invest and undertake the various components of this exciting development,” added Cai Zemin.

He said as CREC and IWH shared the same vision, which is also in sync with the Bandar Malaysia development vision, it was relatively easy to synergise each other’s strength and resources and spearhead the development quickly with government support.

CREC, a Fortune Global 500 company, is a major player in large-scale integrated infrastructure projects globally and especially in Southeast Asia and Africa.

Its current order book of projects in Malaysia total over RM2 billion, including the Gemas-Johor Baru double-tracking rail and Sabah Railway projects. It is also among the top contenders for the proposed KL-Singapore High Speed Rail project.

IWH, a public-private partnership involving the State and Federal governments and local investors, is the master developer of 4,300 acres of waterfront land on the eastern and western sides of the Johor Causeway.

IWH has secured “done deals” with no less than 11 strategic partners who are all ready to roll out high-impact projects along a 8km coastal stretch of Danga Bay in Johor. These projects, which are in various stages of implementation and involving a cumulative gross development value of RM125 billion, will be completed over the next 10-15 years.

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