

TAN SRI DATO' LIM KANG HOO

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Ref : 20230927/TSL/ProposalLetter/WMR

Date : 27 September 2023

To : (1) EKOVEST BERHAD (“Ekovest”)

Wisma Ekovest
118 Jalan Gombak
53000 Kuala Lumpur

Attention: Board of Directors

(2) KNUSFORD BERHAD (“Knusford”)

First Floor, Wisma Ekovest
118 Jalan Gombak
53000 Kuala Lumpur

Attention: Board of Directors

(3) ISKANDAR WATERFRONT HOLDINGS SDN BHD (“IWH”)

#G 08, Block 8, Danga Bay
Jalan Skudai
80200 Johor Bahru
Johor

Attention: Board of Directors

(4) ISKANDAR WATERFRONT CITY BERHAD (“IWCity”)

#G 08, Block 8, Danga Bay
Jalan Skudai
80200 Johor Bahru
Johor

Attention: Board of Directors

Dear Boards of Directors of Ekovest, Knusford, IWH and IWCity,

REQUEST FOR EKOVEST, KNUSFORD, IWH AND IWCITY (COLLECTIVELY, THE “COMPANIES” OR “PARTIES”) TO CONSIDER PARTICIPATING IN A REORGANISATION, RATIONALISATION AND MERGER PROPOSAL INVOLVING THE COMPANIES

1.0 Proposals

1.1 I write in my personal capacity as a major shareholder of the Companies to the respective Boards of Directors of the Companies to convey my intention to explore a reorganisation, rationalisation and merger proposal involving the Companies, for consideration by the Parties.

1.2 **My proposal is intended to reorganise and rationalise the businesses/assets currently owned and controlled by me and persons acting in concert with me ("PACs") through the various public listed and non-listed companies as well as to consolidate my direct shareholding in the Companies.**

1.3 I set out below my various proposals:

(I) proposed merger of the construction and construction-related businesses of Ekovest and Knusford through the acquisition of the entire issued share capital of Ekovest Construction Sdn Bhd ("**ECSB**") (a wholly-owned subsidiary of Ekovest, being the existing construction arm of Ekovest) (including the outstanding redeemable preference shares in ECSB) by Knusford, whereby the purchase consideration is proposed to be satisfied via the allotment and issuance of new ordinary shares in Knusford to Ekovest or its nominee(s) ("**Proposed Knusford-ECSB Merger**"), the indicative salient terms of which are set out in **Appendix I** of this letter;

(II) proposed acquisition of the following lands located in Johor which are intended for potential transit-oriented development along the alignment of the Johor Bahru–Singapore Rapid Transit System Link by Ekovest:

(i) 2 parcels of freehold lands measuring approximately 269,182 square feet (approximately 6.18 acres) in aggregate (collectively, the "**TOD 2**"), through the acquisition of the entire issued share capital of Danga City Mall Sdn Bhd ("**DCMSB**"), being the registered proprietor of the TOD 2 ("**Proposed TOD 2 Acquisition by Ekovest**").

For information, as at the date of this letter, Credence Resources Sdn Bhd ("**Credence**") (which presently holds 63.13% equity interest in IWH, which in turn holds 34.29% equity interest in IWCity) and few other companies related to me are the holders of redeemable preference shares in DCMSB; and

(ii) 2 parcels of leasehold lands measuring approximately 419,792 square feet (approximately 9.64 acres) in aggregate (collectively, the "**TOD 3**"), through the acquisition of the entire issued share capital of Khazanah Melati Sdn Bhd ("**KMSB**"), being the registered proprietor of the TOD 3 ("**Proposed TOD 3 Acquisition by Ekovest**").

whereby the purchase consideration is proposed to be satisfied via a combination of cash and the allotment and issuance of new ordinary shares in Ekovest to the vendor(s) (being the existing ordinary shareholders of DCMSB and KMSB) (collectively, the "**TOD 2 & 3 Vendors**") or their nominee(s), the indicative salient terms of which are set out in **Appendix II** of this letter;

- (III) proposed acquisition of at least 51% or more of the issued share capital of Credence by Ekovest, whereby the purchase consideration is proposed to be satisfied via the allotment and issuance of new ordinary shares in Ekovest to the vendor(s) (being the existing ordinary shareholder(s) of Credence) (“**Credence Vendors**”) or their nominee(s) (“**Proposed Credence Acquisition by Ekovest**”), the indicative salient terms of which are set out in **Appendix III** of this letter; and
- (IV) proposed merger of the properties and assets of IWH and IWCity under a single entity through the acquisition of the entire issued share capital of all the existing direct subsidiaries of IWH by IWCity, whereby the purchase consideration is proposed to be satisfied via the allotment and issuance of new ordinary shares in IWCity to IWH or its nominee(s) (“**Proposed IWH-IWCity Assets Amalgamation**”), the indicative salient terms of which are set out in **Appendix IV** of this letter,

(collectively, the “**Proposals**”).

- 1.4 For the avoidance of doubt, the various corporate proposals contemplated under the Proposals are not intended to be conditional or inter-conditional upon each other, and should be implemented separately and independently, if deemed fit by the Board of Directors of the respective Companies.
- 1.5 I have also set out in **Appendix V** of this letter the existing and post-Proposals corporate structure of the Companies for your reference.

2.0 Rationale for the Proposals

- 2.1 Ekovest, a Malaysia-based conglomerate listed on the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), is engaged in four (4) core business activities, including (i) construction, (ii) property development and investment, (iii) infrastructure concession (i.e. toll operations, namely the Duta-Ulu Kelang Expressway (DUKE) Phases 1 and 2 and Setiawangsa-Pantai Expressway (SPE) (previously, known as DUKE Phase 3)), and (iv) plantation and agriculture (via PLS Plantations Berhad (“**PLS**”), a 61.66%-owned subsidiary of Ekovest listed on the Main Market of Bursa Securities).
- 2.2 Knusford, a company listed on the Main Market of Bursa Securities, is principally involved in the businesses of (i) contracting for civil works, (ii) rental of machinery and equipment, provision of transportation services and trading in building materials for the construction industry, and (iii) property development and property investment.

2.3 IWH is a Public-Private Partnership (“PPP”) company working with the Federal and the State Government to master plan the economic corridor and position Johor Bahru as the key investment destination for Malaysia and the region. IWCity, a company listed on the Main Market of Bursa Securities, is a 34.29%-owned subsidiary of IWH and is principally involved in the businesses of property development and construction.

IWH has 3,250 acres of strategic land bank (excluding IWCity group), mainly located in the City Centre of Johor Bahru Waterfront, whereas IWCity group presently owns approximately 962 acres of landbank in Johor.

IWH Group has a unique business model and proposition involved in the planning and development of large tracts of land. The clients of IWH are renowned local and foreign developers focused on generating revenue from developing smaller plots of lands. IWH’s key mission is to attract foreign direct investment (FDI) which will bring in economic benefits for Malaysia. IWH is entirely assets-backed which has the inherent benefit of a low level of leverage.

2.4 Given the similar core businesses among the Parties, the Proposals are aimed to consolidate the assets, resources, capabilities and core strengths of the respective Parties through Ekovest in order to strengthen the performance, competitiveness and sustainability of the enlarged conglomerate, which I believe will create value for the shareholders of the respective Companies.

2.5 The Proposals are also aimed at mitigating any potential conflict of interests and speculations relating to the alignment of interest of myself as a major shareholder of the Companies. The Proposals will also eliminate many of the existing recurrent related party transactions and transfer pricing concerns among the Companies moving forward.

2.6 The enlarged conglomerate through Ekovest post the Proposals will have a stronger financial position, assets portfolio, vast strategic landbank as well as the skill and expertise required to compete both locally and internationally.

2.7 The Proposals will enable the enlarged group to become one of the listed PPP conglomerates in Malaysia involved in, among others, construction, property development, infrastructure and plantation with the following value creation:

- (i) strengthening of construction order book;
- (ii) expanding landbank and development into prime locations in Malaysia and key economic spine;
- (iii) enhancing networking and joint venture relationship with foreign and Fortune Global 500 companies; and
- (iv) unlocking synergistic value of the various business segments.



2.8 It is my goal to share the economic propositions and benefits that I have for my business assets with all minority shareholders of the Companies, of which I am also a major shareholder.

2.9 My hope is that the respective Boards of Directors and shareholders of the Companies will share this ambitious and realisable vision that I have for the Companies.

3.0 Request for Consideration

3.1 This letter represents the first step in commencing what I hope will be successful discussions and negotiations for the Proposals.

3.2 In issuing this letter, I am seeking to be completely transparent with the respective Boards of Directors of the Companies relating to my intention and vision for the Companies.

3.3 In view of the merits of the Proposals, I am proposing for the Companies to consider their respective proposal and if thought fit implement them.

3.4 To this end, I hope to receive a written confirmation from the Companies respectively via the execution of the binding heads of agreements or its equivalent that the Companies are agreeable to consider their respective Proposals no later than 5.00 p.m. on 27 October 2023 to bring the matter forward and for the Parties to commence discussions and negotiations and to appoint their advisers (where required) in relation to the Proposals.

Kindly acknowledge receipt by signing and returning to me the duplicate of this letter.

Thank you.

Yours faithfully,



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TAN SRI DATO' LIM KANG HOO

Appendix I – Indicative salient terms for the Proposed Knusford-ECSB Merger

The indicative salient terms for the Proposed Knusford-ECSB Merger set out below are intended to be used as a basis for discussions for the Proposed Knusford-ECSB Merger and will be legally binding on the parties upon the execution of a heads of agreement in respect of the Proposed Knusford-ECSB Merger:

1. Pre-implementation of the Proposed Knusford-ECSB Merger

- (a) Prior to the implementation of the Proposed Knusford-ECSB Merger, Ekovest shall pay and settle all the outstanding inter-company debts owing by Ekovest to ECSB ("**Proposed Debt Settlement**"), via the transfer of the entire issued and paid-up share capital of Ekovest Capital Sdn. Bhd., being a wholly-owned subsidiary of Ekovest to ECSB. As at the date of this letter, Ekovest Capital Sdn. Bhd. owns the following property and asset:
 - (i) a shopping mall known as "EkoCheras Mall" with a total net lettable area of approximately 613,957 square feet in areas; and
 - (ii) the entire issued and paid-up share capital of Duke Hotel Sdn. Bhd., which owns and operates a hotel known as INNSIDE by Melia Kuala Lumpur Cheras, with a total built up area of approximately 11,462 square feet.
- (b) Knusford shall, upon the completion of the Proposed Debt Settlement undertaken by Ekovest, undertake a share split exercise, involving the subdivision of the ordinary shares of Knusford to arrive at an audited net assets per share of Knusford of RM0.60 per share as at 31 March 2023, of which will be the proposed issue price for the Proposed Knusford-ECSB Merger Consideration Shares (as hereinafter defined).

2. Details of the Proposed Knusford-ECSB Merger

- (a) Upon the completion of the share split exercise to be undertaken by Knusford, the parties shall undertake the Proposed Knusford-ECSB Merger whereby Ekovest shall sell and dispose off, and Knusford shall purchase and acquire the entire issued and paid-up share capital of ECSB (including the outstanding redeemable preference shares in ECSB), free from all claims, liens, charges and encumbrances and with full legal and beneficial title and all rights attaching thereto (including, unless mutually agreed by Ekovest and Knusford, all dividends and distributions, whether declared or undeclared, in respect thereof) with effect from the completion date to be fixed, at an indicative consideration which shall be arrived at on a willing-buyer, willing-seller basis, after taking into account the audited net assets of ECSB as at 30 June 2023.
- (b) The purchase consideration shall be satisfied by Knusford on the completion date via the allotment and issuance of such number of new ordinary shares in

Knusford to Ekovest or its nominee(s) (if any) a fixed issue price of RM0.60 per ordinary share in Knusford ("**Proposed Knusford-ECSB Merger Consideration Shares**").

3. **Basic of determining the issue price of the Proposed Knusford-ECSB Merger Consideration Shares**

The issue price had been arrived at and fixed based on Knusford's audited net assets per share as at 31 March 2023 after adjusted for the share split exercise.

4. **Post-completion of the Proposed Knusford-ECSB Merger**

(a) Upon the completion of the Proposed Knusford-ECSB Merger, in order to meet the public shareholding spread requirement as imposed under the Main Market Listing Requirements of Bursa Securities that a listed corporation must, on a continuing basis, ensure that at least 25% of its total listed shares (excluding treasury shares) or such lower percentage as may be allowed by Bursa Securities are in the hands of public shareholders, Ekovest and Knusford shall agree to give effect to the following proposals:

(i) Ekovest to allocate a certain percentage of the Proposed Knusford-ECSB Merger Consideration Shares, to be determined, by way of private placement to identified third party investors; or

(ii) Knusford to seek exemption from Bursa Securities to comply with the public shareholding spread requirement at a lower percentage of 15% if it is satisfied that such lower percentage is sufficient for a liquid market in such securities.

(b) Knusford shall, upon completion of the Proposed Knusford-ECSB Merger, capitalise all the existing debts owing by ECSB to Knusford via the issuance of new ordinary shares in ECSB to Knusford.

5. **Conditions precedent**

I envisage that the Proposed Knusford-ECSB Merger will be conditional upon the following:

(a) Knusford being satisfied at its absolute discretion with the results of the due diligence review by Knusford on ECSB and its group of companies;

(b) Ekovest having obtained an exemption from Securities Commission Malaysia ("**SC**") under subparagraph 4.08(1)(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions from the obligation of Ekovest and persons acting in concert with it to undertake a mandatory take-over offer to acquire the remaining securities in Knusford not already owned by Ekovest and persons acting in concert with it upon completion, where required;

- (c) Knusford having obtained the approval of its shareholders at an extraordinary general meeting to be convened for the acquisition of the entire issued and paid-up share capital of ECSB (including the outstanding redeemable preference shares in ECSB), and the issuance of the Proposed Knusford-ECSB Merger Consideration Shares in accordance with the terms and conditions of the definitive agreement to be entered into and where required, the exemption as described under paragraph 5(b) of Appendix I above;
- (d) Ekovest having obtained the approval of its shareholders at an extraordinary general meeting to be convened for the Proposed Knusford-ECSB Merger in accordance with the terms and conditions of the definitive agreement to be entered into;
- (e) Ekovest having obtained the approval or consent of the financiers/creditors of ECSB or its group of companies for the Proposed Knusford-ECSB Merger, where required;
- (f) Ekovest having obtained the approval or consent of any other party which has entered into any subsisting arrangement, contract or undertaking or guarantee with or involving ECSB or its group of companies, where required, in each case to the extent that at the completion date the same remain to be completed or performed or remain in force;
- (g) Knusford having obtained the approval of Bursa Securities for the listing of and quotation for the Proposed Knusford-ECSB Merger Consideration Shares on the Main Market of Bursa Securities, where required;
- (h) any other approvals, waivers or consents of any authorities or parties as may be required by law or regulation or deemed necessary by the parties; and
- (i) such other conditions precedent as shall be mutually agreed by the parties to the Proposed Knusford-ECSB Merger and stipulated in the definitive agreement to be entered into.

Appendix II – Indicative salient terms for the Proposed TOD 2 Acquisition by Ekovest and the Proposed TOD 3 Acquisition by Ekovest

The indicative salient terms for the Proposed TOD 2 Acquisition by Ekovest and the Proposed TOD 3 Acquisition by Ekovest set out below are intended to be used as a basis for discussions for the Proposed TOD 2 Acquisition by Ekovest and the Proposed TOD 3 Acquisition by Ekovest and will be legally binding on the respective parties upon the execution of a heads of agreement in respect of the Proposed TOD 2 Acquisition by Ekovest and the Proposed TOD 3 Acquisition by Ekovest respectively:

1. Details of the Proposed TOD 2 Acquisition by Ekovest

- (a) Ekovest and the vendors of DCMSB shall undertake the Proposed TOD 2 Acquisition by Ekovest whereby the vendors of DCMSB shall sell and dispose off, and Ekovest or its nominee(s) shall purchase and acquire the entire issued and paid-up ordinary share capital of DCMSB, free from all claims, liens, charges and encumbrances and with full legal and beneficial title and all rights attaching thereto (including, unless mutually agreed by the vendors of DCMSB and Ekovest, all dividends and distributions, whether declared or undeclared, in respect thereof) with effect from the completion date to be fixed, at a consideration which shall be based on the market value opined by an independent valuer whose appointment is to be mutually agreed by the parties.
- (b) The purchase consideration shall be satisfied by Ekovest on the completion date partly in cash and partly via the allotment and issuance of such number of new ordinary shares in Ekovest at a fixed issue price of RM0.60 each to the vendors of DCMSB or their nominee(s) (if any) ("**Proposed TOD 2 Acquisition Consideration Shares**").

2. Details of the Proposed TOD 3 Acquisition by Ekovest

- (a) Ekovest and the vendors of KMSB shall undertake the Proposed TOD 3 Acquisition by Ekovest whereby the vendors of KMSB shall sell and dispose off, and Ekovest or its nominee(s) shall purchase and acquire the entire issued and paid-up share capital of KMSB, free from all claims, liens, charges and encumbrances and with full legal and beneficial title and all rights attaching thereto (including, unless mutually agreed by the vendors of KMSB and Ekovest, all dividends and distributions, whether declared or undeclared, in respect thereof) with effect from the completion date to be fixed, at a consideration which shall be based on the market value opined by an independent valuer whose appointment is to be mutually agreed by the parties.
- (b) The purchase consideration shall be satisfied by Ekovest on the completion date partly in cash and partly via the allotment and issuance of such number of new ordinary shares in Ekovest at a fixed issue price of RM0.60 each to the vendors of KMSB or their nominee(s) (if any) ("**Proposed TOD 3 Acquisition Consideration Shares**").

3. Basic of determining the issue price of the Proposed TOD 2 Acquisition Consideration Shares and the Proposed TOD 3 Acquisition Consideration Shares

The issue price had been arrived at and fixed based on a 2.8% premium to the 5-day volume-weighted average market price of Ekovest shares up to the market day preceding the date of this letter of RM0.5839.

4. Conditions precedent

I envisage that the Proposed TOD 2 Acquisition by Ekovest and the Proposed TOD 3 Acquisition by Ekovest will be conditional upon the following:

4.1 In respect of the Proposed TOD 2 Acquisition by Ekovest:

- (a) Ekovest being satisfied at its absolute discretion with the results of the due diligence review by Ekovest on DCMSB and its group of companies;
- (b) Ekovest having obtained the approval of its shareholders at an extraordinary general meeting to be convened for the acquisition of the entire issued and paid-up share capital of DCMSB and the issuance of the Proposed TOD 2 Acquisition Consideration Shares in accordance with the terms and conditions of the definitive agreement to be entered into;
- (c) the vendors of DCMSB having obtained the approval or consent of the financiers/creditors of DCMSB or its group of companies for the Proposed TOD 2 Acquisition by Ekovest, where required;
- (d) the vendors of DCMSB having obtained the approval or consent of any other party which has entered into any subsisting arrangement, contract or undertaking or guarantee with or involving DCMSB or its group of companies, where required, in each case to the extent that at the completion date the same remain to be completed or performed or remain in force;
- (e) Ekovest having obtained the approval of Bursa Securities for the listing of and quotation for the Proposed TOD 2 Acquisition Consideration Shares on the Main Market of Bursa Securities, where required;
- (f) any other approvals, waivers or consents of any authorities or parties as may be required by law or regulation or deemed necessary by the parties; and



- (g) such other conditions precedent as shall be mutually agreed by the vendors of DCMSB and Ekovest and stipulated in the definitive agreement to be entered into.

4.2 In respect of the Proposed TOD 3 Acquisition by Ekovest:

- (a) Ekovest being satisfied at its absolute discretion with the results of the due diligence review by Ekovest on KMSB and its group of companies;
- (b) Ekovest having obtained the approval of its shareholders at an extraordinary general meeting to be convened for the acquisition of the entire issued and paid-up share capital of KMSB and the issuance of the Proposed TOD 3 Acquisition Consideration Shares in accordance with the terms and conditions of the definitive agreement to be entered into;
- (c) the vendors of KMSB having obtained the approval or consent of the financiers/creditors of KMSB or its group of companies for the Proposed TOD 3 Acquisition by Ekovest, where required;
- (d) the vendors of KMSB having obtained the approval or consent of any other party which has entered into any subsisting arrangement, contract or undertaking or guarantee with or involving KMSB or its group of companies, where required, in each case to the extent that at the completion date the same remain to be completed or performed or remain in force;
- (e) Ekovest having obtained the approval of Bursa Securities for the listing of and quotation for the Proposed TOD 3 Acquisition Consideration Shares on the Main Market of Bursa Securities, where required;
- (f) any other approvals, waivers or consents of any authorities or parties as may be required by law or regulation or deemed necessary by the parties; and
- (g) such other conditions precedent as shall be mutually agreed by the vendors of KMSB and Ekovest and stipulated in the definitive agreement to be entered into.



Appendix III – Indicative salient terms for the Proposed Credence Acquisition by Ekovest

The indicative salient terms for the Proposed Credence Acquisition by Ekovest set out below are intended to be used as a basis for discussions for the Proposed Credence Acquisition by Ekovest and will be legally binding on the parties upon the execution of a heads of agreement in respect of the Proposed Credence Acquisition by Ekovest:

1. Details of the Proposed Credence Acquisition by Ekovest

- (a) Ekovest and the Credence Vendors shall undertake the Proposed Credence Acquisition by Ekovest whereby the Credence Vendors shall sell and dispose off, and Ekovest or its nominee(s) shall purchase and acquire at least 51% or more of the issued and paid-up share capital of Credence, free from all claims, liens, charges and encumbrances and with full legal and beneficial title and all rights attaching thereto (including, unless mutually agreed by the Credence Vendors and Ekovest, all dividends and distributions, whether declared or undeclared, in respect thereof) with effect from the completion date to be fixed, at an indicative consideration which shall be arrived at on a willing-buyer, willing-seller basis, after taking into account the audited net assets of Credence as at 31 December 2022.
- (b) The purchase consideration shall be satisfied by Ekovest on the completion date via the allotment and issuance of such number of new ordinary shares in Ekovest to the Credence Vendors or its nominee(s) (if any) at an issue price of RM0.60 per ordinary share in Ekovest ("**Proposed Credence Acquisition Consideration Shares**").

2. Basic of determining the issue price of the Proposed Credence Acquisition Consideration Shares

The issue price had been arrived at and fixed based on a 2.8% premium to the 5-day volume-weighted average market price of Ekovest shares up to the market day preceding the date of this letter of RM0.5839.

3. Pre-condition to the Proposed Credence Acquisition by Ekovest

Ekovest shall, immediately (if required) after the execution of a heads of agreement, but prior to the execution of the definitive agreement, submit a consultation paper to the SC seeking and obtaining its concurrence that –

- (a) the Proposed Credence Acquisition by Ekovest will not result in a significant change in business direction of Ekovest as prescribed under the Equity Guidelines issued by the SC; and
- (b) the Proposed Credence Acquisition by Ekovest will not trigger the mandatory offer of IWCity arising from the acquisition of a company through upstream

entity as prescribed under the Note 3 to paragraph 4.01 of the Rules on Take-overs, Mergers and Compulsory Acquisitions.

4. Conditions precedent

I envisage that the Proposed Credence Acquisition by Ekovest will be conditional upon the following:

- (a) Ekovest being satisfied at its absolute discretion with the results of the due diligence review by Ekovest on Credence and its group of companies;
- (b) the Credence Vendors having obtained an exemption from the SC under subparagraph 4.08(1)(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions from the obligation of the Credence Vendors and persons acting in concert with them to undertake a mandatory take-over offer to acquire the remaining securities in Ekovest not already owned by the Credence Vendors and persons acting in concert with them upon completion, where required;
- (c) Ekovest having obtained the approval of its shareholders at an extraordinary general meeting to be convened for the acquisition of the entire issued and paid-up share capital of Credence and the issuance of the Proposed Credence Acquisition Consideration Shares in accordance with the terms and conditions of the definitive agreement to be entered into, and where required, the exemption as described in paragraph 4(b) of Appendix III above;
- (d) the Credence Vendors having obtained the approval or consent of the financiers/creditors of Credence or its group of companies for the Proposed Credence Acquisition by Ekovest, where required;
- (e) the Credence Vendors having obtained the approval or consent of any other party which has entered into any subsisting arrangement, contract or undertaking or guarantee with or involving Credence or its group of companies, where required, in each case to the extent that at the completion date the same remain to be completed or performed or remain in force;
- (f) Ekovest having obtained the approval of Bursa Securities for the listing of and quotation for the Proposed Credence Acquisition Consideration Shares on the Main Market of Bursa Securities, where required;
- (g) any other approvals, waivers or consents of any authorities or parties as may be required by law or regulation or deemed necessary by the parties; and
- (h) such other conditions precedent as shall be mutually agreed by the Credence Vendors and Ekovest and stipulated in the definitive agreement to be entered into.

Appendix IV – Indicative salient terms for the Proposed IWH-IWCity Assets Amalgamation

The indicative salient terms for the Proposed IWH-IWCity Assets Amalgamation set out below are intended to be used as a basis for discussions for the Proposed IWH-IWCity Assets Amalgamation and will create a binding legal obligation on the parties following the execution of a heads of agreement in respect of the Proposed IWH-IWCity Assets Amalgamation:

1. Proposed IWH-IWCity Assets Amalgamation

IWH and IWCity shall undertake the Proposed IWH-IWCity Assets Amalgamation whereby IWH shall sell and dispose off, and IWCity shall purchase and acquire the entire issued share capital of all the existing direct subsidiaries of IWH (collectively, the "**Identified Companies**"), free from all claims, liens, charges and encumbrances and with full legal and beneficial title and all rights attaching thereto (including, unless mutually agreed by IWH and IWCity, all dividends and distributions, whether declared or undeclared, in respect thereof) with effect from the completion date to be fixed at an indicative purchase consideration which has been arrived at on a willing-buyer, willing-seller basis after taking into account the consolidated net assets of the Identified Companies as at 31 December 2022.

2. Manner of settlement of purchase consideration

The purchase consideration shall be satisfied by IWCity on the completion date via the allotment and issuance of such number of new ordinary shares in IWCity to IWH or its nominee(s) (if any) at a fixed issue price of RM0.80 per ordinary share in IWCity ("**Proposed IWH-IWCity Assets Amalgamation Consideration Shares**").

3. Basic of determining the issue price of the Proposed IWH-IWCity Assets Amalgamation Consideration Shares

The issue price had been arrived at and fixed based on a 5.2% premium to the 5-day volume-weighted average market price of IWCity shares up to the market day preceding the date of this letter of RM0.7604.

4. Post-completion of the Proposed IWH-IWCity Assets Amalgamation

Upon the completion of the Proposed IWH-IWCity Assets Amalgamation, IWH and IWCity may consider to undertake any one of the following exercise to enable IWCity to meet the public shareholding spread requirement as imposed by Bursa Securities:

- (a) IWH shall allocate a certain percentage of its shares held in IWCity by way of private placement to the identified investors; or

- (b) IWH shall distribute its shares in IWCity to Credence Sdn. Bhd. and Kumpulan Prasarana Rakyat Johor Sdn. Bhd., being IWH's shareholders, via declaration and payment of the dividend-in specie, of which Credence Sdn. Bhd. and Kumpulan Prasarana Rakyat Johor Sdn. Bhd. shall then undertake to meet the public shareholding spread requirement imposed by Bursa Securities; or
- (c) IWCity shall seek exemption from Bursa Securities to comply with the public shareholding spread requirement imposed by Bursa Securities at a lower percentage of 15%.

5. Conditions precedent

I envisage that the Proposed IWH-IWCity Assets Amalgamation will be conditional upon the following:

- (a) IWCity being satisfied at its absolute discretion with the results of the due diligence exercise conducted on the Identified Companies;
- (b) IWH having obtained an exemption from Securities Commission Malaysia under subparagraph 4.08(1)(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions from the obligation of IWH and persons acting in concert with it to undertake a mandatory take-over offer to acquire the remaining securities in IWCity not already owned by IWH and persons acting in concert with it upon completion, where required;
- (c) IWCity having obtained the approval of its shareholders at an extraordinary general meeting to be convened for the acquisition of the entire issued and paid-up share capital of the Identified Companies and the issuance of the Proposed IWH-IWCity Assets Amalgamation Consideration Shares, and where required, the exemption as described in paragraph 5(b) of Appendix IV above;
- (d) IWH having obtained the approval or consent of the financiers/creditors of the Identified Companies or their group of companies for the Proposed IWH-IWCity Assets Amalgamation, where required;
- (e) IWH having obtained the approval or consent of any other party which has entered into any subsisting arrangement, contract or undertaking or guarantee with or involving the Identified Companies or their group of companies, where required, in each case to the extent that at the completion date the same remain to be completed or performed or remain in force;
- (f) IWCity having obtained the approval of Bursa Securities for the listing of and quotation for the Proposed IWH-IWCity Assets Amalgamation Consideration Shares on the Main Market of Bursa Securities, where required;

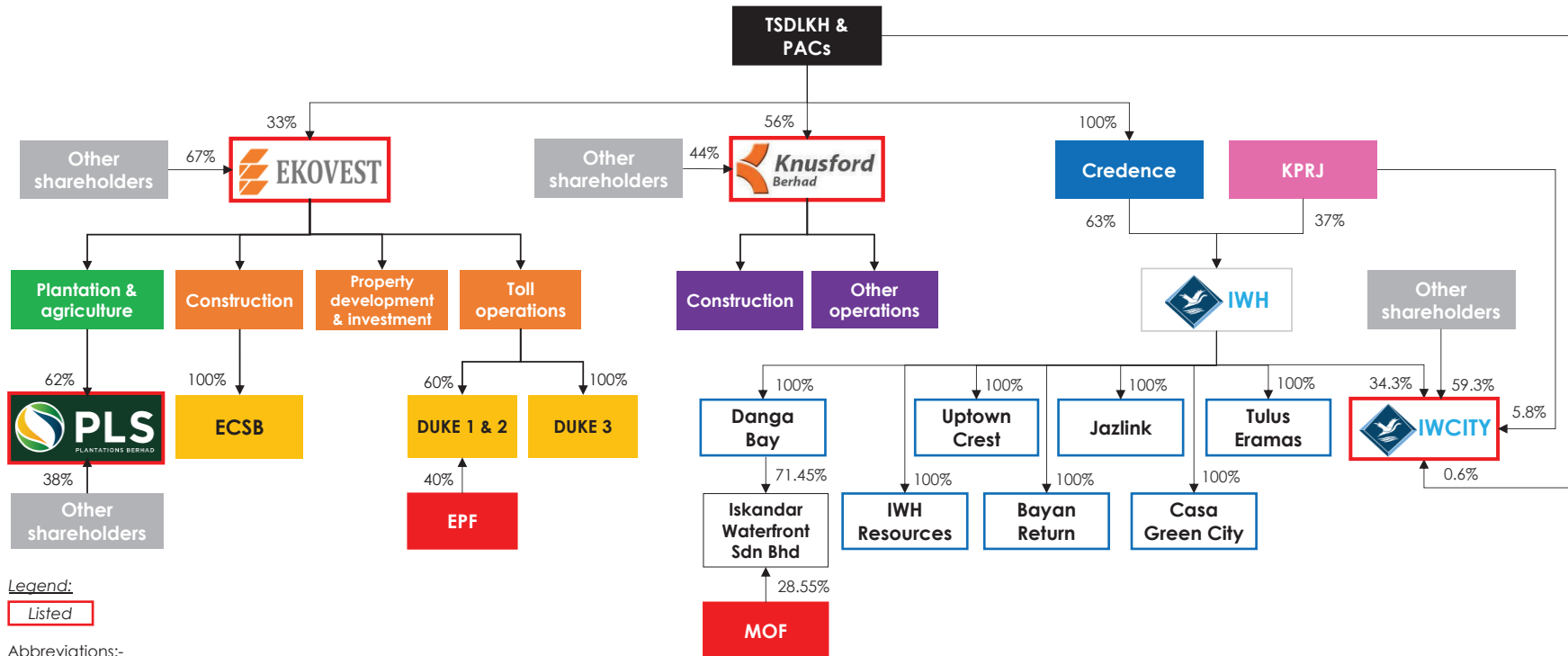


- (g) IWH having obtained tax exemption or relief from the Inland Revenue Board in respect of the stamp duty, real property gain tax or income tax, arising from the Proposed IWH-IWCity Assets Amalgamation, where required;
- (h) IWCity having obtained the approval of Bursa Securities for the Proposed IWH-IWCity Assets Amalgamation to serve as a part of the regularisation plan for IWCity as an affected listed issuer pursuant to paragraph 8.03A of the Main Market Listing Requirements of Bursa Securities;
- (i) any other approvals, waivers or consents of any authorities or parties as may be required by law or regulation or deemed necessary by the parties; and
- (j) such other conditions precedent as shall be mutually agreed by IWH and IWCity and stipulated in the definitive agreement to be entered into.

REQUEST FOR EKOVEST, KNUSFORD, IWH AND IWCITY (COLLECTIVELY, THE “COMPANIES” OR “PARTIES”) TO CONSIDER PARTICIPATING IN A REORGANISATION, RATIONALISATION AND MERGER PROPOSAL INVOLVING THE COMPANIES

Appendix V

Existing Corporate Structure



Legend:

Listed

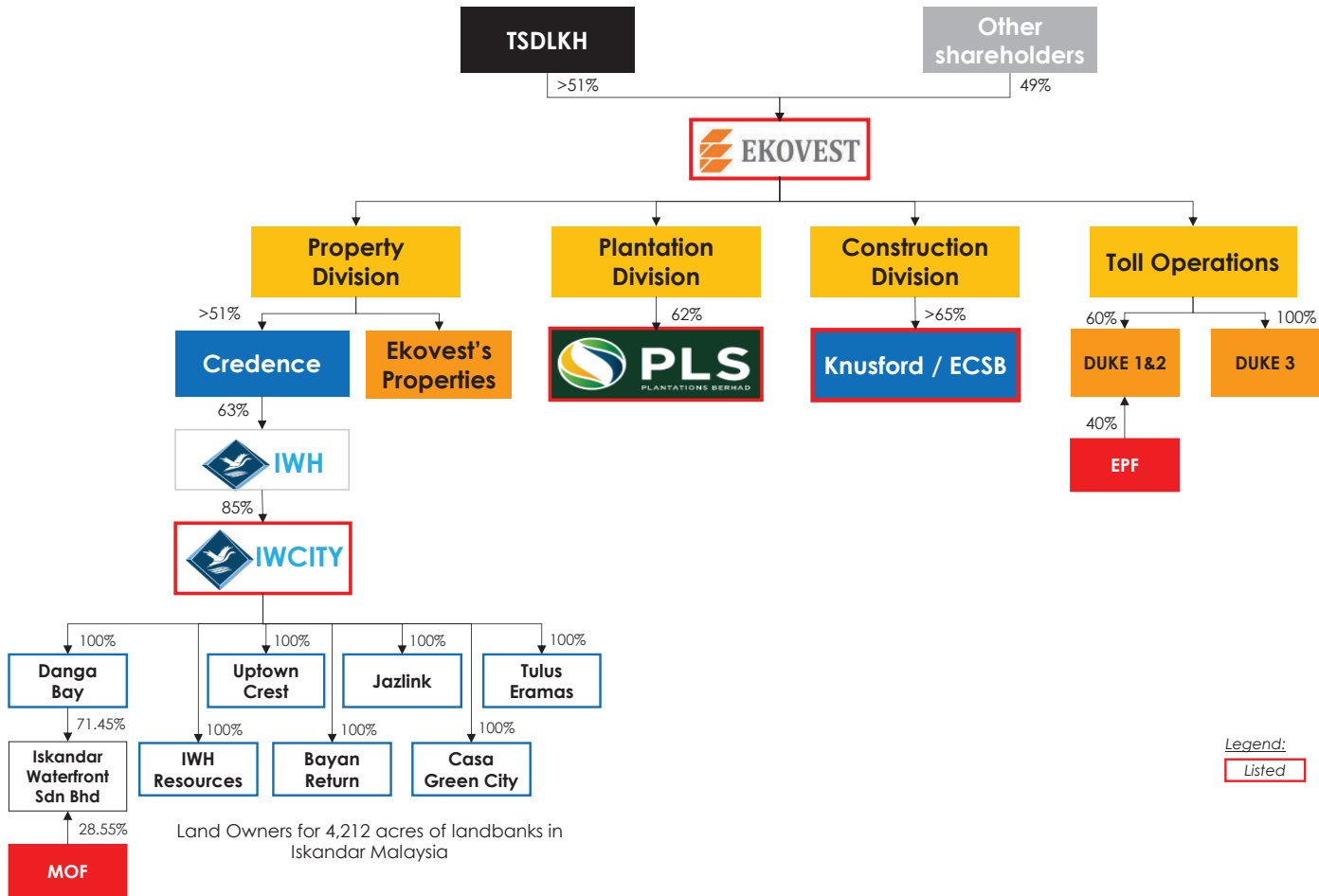
Abbreviations:-

- EPF – Employees Provident Fund
- KPRJ – Kumpulan Prasarana Rakyat Johor Sdn Bhd
- MOF – Ministry of Finance

REQUEST FOR EKOVEST, KNUSFORD, IWH AND IWCITY (COLLECTIVELY, THE "COMPANIES" OR "PARTIES") TO CONSIDER PARTICIPATING IN A REORGANISATION, RATIONALISATION AND MERGER PROPOSAL INVOLVING THE COMPANIES

Appendix V (cont'd)

Target Corporate Structure Post Completion of the Proposals



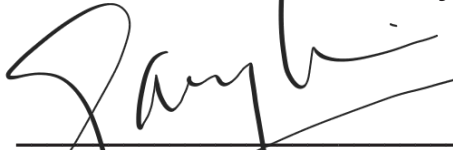
REQUEST FOR EKOVEST, KNUSFORD, IWH AND IWCITY (COLLECTIVELY, THE “COMPANIES” OR “PARTIES”) TO CONSIDER PARTICIPATING IN A REORGANISATION, RATIONALISATION AND MERGER PROPOSAL INVOLVING THE COMPANIES

- To: (1) EKOVEST BERHAD (“Ekovest”)
(2) KNUSFORD BERHAD (“Knusford”)
(3) ISKANDAR WATERFRONT HOLDINGS SDN BHD (“IWH”)
(4) ISKANDAR WATERFRONT CITY BERHAD (“IWCity”)

We, ~~Ekovest / Knusford / IWH / IWCity~~, hereby acknowledge receipt of the letter dated 27 September 2023 (Reference: 20230927/TSL/ProposalLetter/WMR).

For and on behalf of the Board of Directors of

~~Ekovest / Knusford / IWH / IWCity~~



Name :
Designation :
Date :
Company Chop :