

EKOVEST BERHAD (“EKOVEST” OR THE “COMPANY”)

PROPOSED DISPOSAL OF 40% EQUITY INTEREST HELD IN KONSORTIUM LEBUHRAYA UTARA-TIMUR (KL) SDN BHD TO EMPLOYEES PROVIDENT FUND BOARD (“EPF”) (“PROPOSED DISPOSAL”)

We refer to the announcement dated 19 August 2016 in relation to the Proposed Disposal.

The Board of Directors of Ekovest wishes to announce that its wholly-owned subsidiary, Nuzen Corporation Sdn. Bhd. (“**Nuzen**”), has today entered into a binding term sheet with EPF to dispose a 40% equity interest held in Konsortium Lebuhraya Utara-Timur (KL) Sdn. Bhd. (“**Kesturi**”) to EPF, comprising of the following:-

- (i) 2,000,000 ordinary shares of RM1.00 each and 18,000,000 redeemable preference shares of RM1.00 each held in Kesturi; and
- (ii) 1,440,400 new ordinary shares of RM1.00 each to be issued by Kesturi at an issue price of RM100.00 each upon the completion of a proposed capitalisation exercise to be undertaken by Kesturi of the outstanding 3,601 Series B Redeemable Preference Shares in the capital of Kesturi which is currently held by Ekovest Construction Sdn. Bhd. (a wholly-owned subsidiary of the Company),

collectively representing 40% of the issued and paid-up share capital of Kesturi, for an aggregate cash consideration of RM1,130 million, which is payable in the following manner:-

- (a) Upon the completion of the Proposed Disposal as contemplated under the SPA, EPF shall pay a fixed sum of RM921 million in cash, as part payment of the consideration to Nuzen
- (b) A sum of RM60 million shall be paid upon the certificate of practical completion (“**CPC**”) for the Duta–Ulu Klang Expressway Phase 2 being issued.
- (c) Subject to Nuzen’s fulfilment of the post-completion conditions as stipulated in an agreement to be entered into between Nuzen and EPF, EPF will pay a further fixed sum of RM149 million in cash to Nuzen subject to the achievement of pre-agreed targeted returns in the event of certain exit scenarios.

The Proposed Disposal is conditional upon, amongst others, the approval of Ekovest’s shareholders, consent from the Government of Malaysia under the relevant concession agreement entered into by Kesturi, consent from the holders of the existing senior sukuk issued by Kesturi and EPF being satisfied with the outcome of a due diligence exercise to be carried out on Kesturi.

The parties have agreed that they shall, within 30 business days from the date of the binding term sheet, or such further date as may be mutually agreed upon, enter into a definitive sale and purchase agreement (“**SPA**”).

The parties have also agreed to cooperate exclusively with each other with respect to the Proposed Disposal for a period of 30 business days from the date of the binding term sheet, subject to further extension upon written confirmation of all parties.

A detailed announcement on the Proposed Disposal will be made upon finalisation of the SPA for the Proposed Disposal.

The parties have also entered into a conditional term sheet to govern their rights and obligations as shareholders of Kesturi following the completion of the Proposed Disposal.

Astramina Advisory Sdn Bhd has been appointed as the Financial Advisor for the Proposed Disposal.

This announcement is dated 21 September 2016.