THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has not perused the contents of this Circular in relation to the Proposed Amendments (as defined herein) prior to its issuance as it is prescribed as an exempt circular pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Securities. Bursa Securities takes no responsibility for the contents of this Circular and the Valuation Letter (as defined herein) prepared in relation to the Proposals (as defined herein), makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

Bursa Securities has perused Part C of this Circular in respect of the Proposed New Shareholders' Mandate (as defined herein) on a limited review basis pursuant to the provision of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities prior to the issuance of this Circular.

The Securities Commission Malaysia ("**SC**") had on 12 November 2026 notified that it has no further comments to the contents of this Circular and the independent advice letter ("**IAL**") for the Proposed Exemptions (as defined herein). However, such notification shall not be taken to suggest that the SC agrees with the recommendation of the independent adviser or assumes responsibility for the correctness of any statements made, opinions expressed or reports contained in this Circular and the IAL. The SC takes no responsibility for the contents of this Circular and the IAL, makes no representation as to their accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or part of the contents of this Circular and the IAL.

Epicon

EPICON BERHAD
Registration No. 200301015160 (617580-T)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser for Part A

Maybank Investment Bank
Company Registration No. 197301002412
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Independent Adviser for Part B

TA SECURITIES
AN UNWAVERING COMMITMENT

TA SECURITIES HOLDINGS BERHAD
(Registration No. 197301001467 (14948-M))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The notice of the extraordinary general meeting ("**EGM**") of Epicon Berhad ("**Epicon**" or "**Company**") which is scheduled to be held at Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Tuesday, 8 December 2026 at 10:00 a.m. or any adjournment thereof for the purposes of considering the Proposals and the Proposed New Shareholders' Mandate, together with the Proxy Form are enclosed in this Circular.

A member who is entitled to attend, participate, speak and vote at the EGM is entitled to appoint more than one (1) proxy to attend, participate, speak and vote on his/her behalf. In such event, the completed and signed Proxy Form must be deposited with the Share Registrar of the Company situated at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or by electronic lodgement via the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com or via email at bsr.helpdesk@boardroomlimited.com, not less than forty-eight (48) hours before the time and date fixed for holding the EGM.

Last date and time for lodging the Proxy Form	: Sunday, 6 December 2026 at 10:00 a.m.
Date and time of the EGM	: Tuesday, 8 December 2026 at 10:00 a.m. or any adjournment thereof

This Circular is dated 16 November 2026

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

PART A

(I) PROPOSED ACQUISITIONS;

(II) PROPOSED CALL OPTION;

(III) PROPOSED PRIVATE PLACEMENT;

(IV) PROPOSED AMENDMENTS; AND

(V) PROPOSED EXEMPTIONS

(COLLECTIVELY KNOWN AS THE "PROPOSALS")

PART B

INDEPENDENT ADVICE LETTER FROM TA SECURITIES HOLDINGS BERHAD TO THE NON-INTERESTED SHAREHOLDERS AND DIRECTORS OF EPICON IN RELATION TO THE PROPOSALS

PART C

PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/OR TRADING NATURE

DEFINITIONS

Unless the context requires otherwise, the following definitions will apply throughout this Circular:

Act	:	Companies Act 2016
Additional Securities	:	Any new securities, rights relating to new securities, dividends, distributions or other entitlements issued or to be issued to the Stakeholder on behalf of the Vendor and/or accruing to the Vendor, including those arising from any bonus issue or capitalisation of profits or reserves, but excluding any rights issue
Adjusted Option Consideration	:	The adjustments to the Option Consideration if the total guaranteed profit of RM238.00 million is not met during the guaranteed periods of FYE 2027 and the FYE 2028 collectively as set out in Section 2.2.1 of Part A of this Circular
Aggregate PAT	:	Aggregate audited combined PAT achieved by the Target Companies for both the FYE 2027 and the FYE 2028
Agreed Implied P/E Multiple	:	A P/E Multiple of 7.61 times, being the Maximum Purchase Consideration divided by the Average Profit Guarantee
Amount Due	:	The Shortfall and any ancillary cost incurred or to be incurred by the Stakeholder in connection with the disposal of the Pledged Shares
Announcement	:	Epicon's announcement in relation to the Proposals dated 14 July 2026
Attributable Interest	:	60%, being the equity interest in the Target Companies attributable to Epicon pursuant to the Proposed Acquisitions
Auditor	:	The auditors of the Target Companies, to be procured by Epicon to issue the PAT/LAT Certificate for the purpose of determining the PAT/LAT of the Target Companies for the FYE 2027 and the FYE 2028
Average Profit Guarantee	:	RM119.00 million, being the average Profit Guarantee per annum
BDOCC or **Independent Valuer**	:	BDO Capital Consultants Sdn Bhd (Registration No. 199601032957 (405309-T)), being the independent valuer appointed by Epicon and Lagenda to appraise the fair value of the entire equity interest of the Target Companies
Binari Maju	:	Binari Maju Sdn Bhd (Registration No. 201001012645 (896876-D)), being one of the Placement Investors
Board	:	Board of Directors of Epicon
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Call Option	:	The irrevocable right granted by Lagenda to Epicon, to require Lagenda to sell the Remaining Sale Shares to Epicon, exercisable by Epicon during the Call Option Period at the Option Consideration

Call Option Conditions	:	The following conditions which must be satisfied in connection with the exercise of the Call Option: (a) any issuance of the Option Consideration Shares arising from the exercise of the Call Option will not result in non-compliance with the Public Spread Requirement by the Company; and (b) any issuance of the Option Consideration RCPS A arising from the exercise of the Call Option will not result in non-compliance with Paragraph 6.50 of the Listing Requirements by the Company
Call Option Period	:	Thirty (30) months commencing from the Profit Guarantee Determination Date, in which the Company may exercise the Call Option
Cash Top-Up	:	Any outstanding portion of the Amount Due remaining unpaid following the disposal of the Pledged Shares, which shall be payable by Lagenda to Epicon in cash
Circular	:	This circular to Shareholders in relation to the Proposals dated 16 November 2026
CMSA	:	Capital Markets and Services Act 2007
Code	:	Malaysian Code on Take-Overs and Mergers, 2016
Consideration RCPS A	:	A total of 1,353,190,292 new RCPS A to be issued and allotted by Epicon to the Vendor at the Consideration RCPS A Issue Price pursuant to the Proposed Acquisitions
Consideration RCPS A Issue Price	:	The issue price of RM0.13 per Consideration RCPS A
Consideration Share(s)	:	A total of 1,857,142,857 new Epicon Shares to be issued and allotted by Epicon to the Vendor at the Consideration Share Issue Price pursuant to the Proposed Acquisitions
Consideration Share Issue Price	:	The issue price of RM0.13 per Consideration Share
CTA	:	Comparable Transaction Analysis
Datin Ding	:	Datin Ding Bee Sing, being one of the PACs of Doh Properties and Lagenda in relation to the Proposed Exemption 1 and the Proposed Exemption 2 respectively, further details of which are set out in Sections 6.1.1 and 6.2.1 of Part A of this Circular
Datin Lee	:	Datin Lee Hong King, being one of the PACs of Doh Properties and Lagenda in relation to the Proposed Exemption 1 and the Proposed Exemption 2 respectively, further details of which are set out in Sections 6.1.1 and 6.2.1 of Part A of this Circular
Dato' Doh NC	:	Dato' Doh Neng Chiong, being one of the PACs of Doh Properties and Lagenda in relation to the Proposed Exemption 1 and the Proposed Exemption 2 respectively, further details of which are set out in Sections 6.1.1 and 6.2.1 of Part A of this Circular

Dato' Jimmy	:	Dato' Doh Jee Ming, being one of the PACs of Doh Properties and Lagenda in relation to the Proposed Exemption 1 and the Proposed Exemption 2 respectively, further details of which are set out in Sections 6.1.1 and 6.2.1 of Part A of this Circular
Dato' Marcus	:	Dato' Doh Tee Leong, being one of the PACs of Doh Properties and Lagenda in relation to the Proposed Exemption 1 and the Proposed Exemption 2 respectively, further details of which are set out in Sections 6.1.1 and 6.2.1 of Part A of this Circular
DCF	:	Discounted cashflow
Director(s)	:	A natural person who holds a directorship in the Company, whether in an executive or non-executive capacity, within the meaning given in Section 2(1) of the Act and Section 2(1) of the CMSA
Doh Properties	:	Doh Properties Sdn Bhd (Registration No. 201401001661 (1077734-A))
Doh Properties RCPS Undertaking Letter	:	Written irrevocable and unconditional undertaking from Doh Properties via a letter dated 14 July 2026 pursuant to which Doh Properties undertakes, among others, to effect the RCPS Conversion prior to the date of completion of the Proposed Acquisitions
EGM	:	Extraordinary general meeting
Enlarged Epicon Group	:	Collectively, the Epicon Group and the Target Companies following the completion of the Proposed Acquisitions
Epicon or **Company**	:	Epicon Berhad (Registration No. 200301015160 (617580-T))
Epicon Group or **Group**	:	Collectively, Epicon and its subsidiaries as set out in **Appendix XI** of this Circular
Epicon Share(s) or **Share(s)**	:	Ordinary share(s) in Epicon
EPS	:	Earnings per Share
Equity Guidelines	:	Equity Guidelines issued by the SC
FPE	:	Financial period ended
FYE	:	Financial year ended/ending 31 December, as the case may be
GDV	:	Gross development value
High Court	:	High Court of Malaya
IAL	:	Independent advice letter prepared by TA Securities in relation to the Proposals, as set out in Part B of this Circular dated 16 November 2026
Issue Prices	:	Collectively, the Consideration Share Issue Price, the Consideration RCPS A Issue Price, the Option Share Issue Price and the Option RCPS A Issue Price
JMJ Mega Bina	:	JMJ Mega Bina Sdn Bhd (Registration No. 201901043656 (1352986-A)), being one of the Placement Investors

Lagenda or **Vendor**	:	Lagenda Properties Berhad (Registration No. 200101000008 (535763-A))
Lagenda Group	:	Collectively, Lagenda and its group of companies as set out in **Appendix XII** of this Circular
LAT	:	Loss after tax
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LLSB	:	Lagenda Land Sdn Bhd (Registration No. 201501040633 (1165951-X))
LPBC	:	LPB Construction Sdn Bhd (Registration No. 201801005998 (1268012-T))
LPBC Sale Shares	:	450,000 LPBC Shares, representing 60% equity interest in LPBC, to be acquired by Epicon from the Vendor pursuant to the Proposed LPBC Acquisition
LPBC Share(s)	:	Ordinary share(s) in LPBC
LPD	:	22 October 2026, being the latest practicable date prior to the printing of this Circular
Major Shareholder	:	Pursuant to Paragraph 1.01 of the Listing Requirements, a person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is: (a) 10% or more of the total number of voting shares in the Company; or (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company. For the purposes of this definition, "interest" shall have the meaning of "interest in shares" given in Section 8 of the Act. A "Major Shareholder" includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the Company, or any other corporation which is its subsidiary or holding company
Matthew	:	Matthew Kong Len Ern, being one of the Placement Investors
Maximum Purchase Consideration	:	Up to RM905.27 million, being the aggregate of the Purchase Consideration and the Option Consideration
Maybank IB or **Principal Adviser**	:	Maybank Investment Bank Berhad (Company Registration No. 197301002412)
MGO	:	Mandatory take-over offer
MGO 1 PACs	:	Collectively, Dato' Jimmy, Dato' Marcus, Dato' Doh NC, Datin Lee, and Datin Ding
MGO 2 PACs	:	Collectively, Dato' Jimmy, Dato' Marcus, Dato' Doh NC, Datin Lee, Datin Ding, Doh Properties and Hariza Binti Haron

Moore Stephens or **Reporting Accountants**	:	Moore Stephens Associates PLT (Registration No.: 201304000972 (LLP0000963-LCA))
NA	:	Net assets
Option Consideration	:	Up to RM362.11 million, being the maximum purchase consideration for the acquisition of the Remaining Sale Shares
Option Consideration RCPS A	:	Up to 1,392,714,200 new RCPS A to be issued and allotted by Epicon to the Vendor at the Option RCPS A Issue Price pursuant to the Proposed Call Option
Option Consideration Share(s)	:	Up to 1,392,714,200 new Epicon Shares to be issued and allotted by Epicon to the Vendor at the Option Share Issue Price pursuant to the Proposed Call Option
Option RCPS A Issue Price	:	The issue price of RM0.13 per Option Consideration RCPS A
Option Share Issue Price	:	The issue price of RM0.13 per Option Consideration Share
P/E Multiple	:	Price-to-earnings multiple
PAC(s)	:	Person(s) acting in concert with Doh Properties and Lagenda (as the case may be) pursuant to subsections 216(2) and/or 216(3) of the CMSA, the identity of which is set out in Sections 6.1.1 and 6.2.1, Part A of this Circular (as the case may be)
PAT	:	Profit after tax
PAT/LAT Certificate	:	The certificate issued by the Auditor confirming the PAT/LAT of the Target Companies for the FYE 2027 and the FYE 2028
Placement Investors	:	Collectively, Binari Maju, JMJ Mega Bina, Teoh WS and Matthew, all of which are not related to the existing Directors, Major Shareholders and/or chief executive of Epicon as well as persons connected with them
Placement Issue Price	:	The issue price of RM0.13 per Placement Share
Placement Shares	:	240,000,000 new Epicon Shares to be issued pursuant to the Proposed Private Placement
Pledged Shares	:	A total of 1,098,461,539 Consideration Shares, amounting to RM142.80 million (based on the Consideration Share Issue Price) and representing 37.14% of the total issued Epicon Shares after the Proposed Acquisitions and the Proposed Private Placement, to be pledged to the Stakeholder as security for the performance of the Vendor's obligation in respect of the Profit Guarantee
Profit Guarantee	:	Collectively, an audited combined PAT of the Target Companies of RM110.00 million for the FYE 2027, RM128.00 million for the FYE 2028 and an Aggregate PAT of RM238.00 million
Profit Guarantee Determination Date	:	The date on which the Aggregate PAT of the Target Companies have been determined, as evidenced by Lagenda and Epicon receiving the PAT/LAT Certificate for the FYE 2028
Proposals	:	Collectively, the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement, the Proposed Amendments and the Proposed Exemptions

Proposed Acquisitions	:	Collectively, the Proposed RUSB Acquisition and the Proposed LPBC Acquisition
Proposed Amendments	:	Proposed amendments to the constitution of Epicon to facilitate the issuance and allotment of the Consideration RCPS A and the Option Consideration RCPS A
Proposed Call Option	:	Proposed call option for the acquisition of the Remaining Sale Shares, representing up to 40% equity interest in the Target Companies, by Epicon from the Vendor for the Option Consideration
Proposed Exemption 1	:	Proposed exemption under subparagraph 4.08(1)(c) of the Rules to be sought by Doh Properties and the MGO 1 PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them upon the RCPS Conversion, pursuant to subsection 218(2) of the CMSA read together with subparagraph 4.01(a) of the Rules
Proposed Exemption 2	:	Proposed exemption under subparagraph 4.08(1)(a) of the Rules to be sought by Lagenda and the MGO 2 PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them after the Proposed Acquisitions, pursuant to subsection 218(2) and 218(3) of the CMSA read together with subparagraphs 4.01(a) and 4.01(b) of the Rules
Proposed Exemptions	:	Collectively, the Proposed Exemption 1 and the Proposed Exemption 2
Proposed LPBC Acquisition	:	Proposed acquisition of 450,000 LPBC Shares, at RM584.47 per LPBC Share, representing 60% equity interest in LPBC, by Epicon from the Vendor for a purchase consideration of RM263.01 million
Proposed New Shareholders' Mandate	:	Proposed new Shareholders' mandate for recurrent related party transactions of a revenue and/or trading nature, details of which are set out in Part C of this Circular
Proposed Private Placement	:	Proposed private placement of 240,000,000 Placement Shares at the Placement Issue Price to the Placement Investors
Proposed RUSB Acquisition	:	Proposed acquisition of 600,000 RUSB Shares, at RM466.91 per RUSB Share, representing 60% equity interest in RUSB, by Epicon from the Vendor for a purchase consideration of RM280.15 million

Public Shareholders	:	Holders of Epicon Shares falling within the definition of 'public' under Paragraph 1.01 of the Listing Requirements, being all persons or members of the public holding Epicon Shares, but excluding: (i) directors of the Epicon Group; (ii) substantial shareholders of Epicon except where such a shareholder fulfils all the following requirements in which case such shareholder may be included as a "public" shareholder: (a) such shareholder's interest, directly or indirectly, is not more than 15% of the total number of Epicon Shares; (b) such shareholder is not a specified shareholder of Epicon; and (c) such shareholder is either: (A) a statutory institution who is managing funds belonging to contributors or investors who are members of the public; or (B) an entity established as a collective investment scheme, such as close-end funds, unit trusts or investment funds (but excluding investment holding companies); (iii) associates of directors or substantial shareholders of Epicon; (iv) a securities holder whose securities are subject to moratorium pursuant to the Equity Guidelines; and (v) a person who holds or acquires securities through artificial means, including giving away free securities or securities as gifts or providing financial assistance or loans to acquire securities to nominees of the directors, substantial shareholders or substantial unit holders
Public Spread Requirement	:	Requirement under Paragraph 8.02(1) of the Listing Requirements which stipulates that a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders
Purchase Consideration	:	Aggregate purchase consideration of RM543.16 million payable by Epicon to the Vendor pursuant to the Proposed Acquisitions
RCPS	:	The existing and outstanding unlisted redeemable convertible preference shares in Epicon which were issued on 29 December 2021 and maturing on 29 December 2026
RCPS A	:	Redeemable convertible preference shares – class A in Epicon to be issued pursuant to the Proposed Acquisitions and the Proposed Call Option, the salient terms of which are set out in **Appendix III** of this Circular
RCPS Conversion	:	Proposed full conversion of 233,000,000 RCPS held by Doh Properties into 233,000,000 new Epicon Shares

Related Party Advances	:	Related party advances amounting to RM125.82 million as at 20 May 2026, being a date mutually agreed between Epicon and Lagenda in determining the Related Party Advances, which remain owing by the Lagenda Group to the Target Companies as at the date of the SSA, the payment obligation of which will be assumed by Epicon
Remaining Sale Shares	:	Up to the remaining 400,000 RUSB Shares and 300,000 LPBC Shares held by the Vendor upon completion of the Proposed Acquisitions, representing up to 40% equity interest in the Target Companies
RM and sen	:	Ringgit Malaysia and sen, respectively
RRPT	:	Recurrent related party transactions
Rules	:	Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC
RUSB	:	Rantau Urusan (M) Sdn Bhd (Registration No. 200001016286 (518893-U))
RUSB Sale Shares	:	600,000 RUSB Shares, representing 60% equity interest in RUSB, to be acquired by Epicon from the Vendor pursuant to the Proposed RUSB Acquisition
RUSB Share(s)	:	Ordinary share(s) in RUSB
RVA	:	Relative Valuation Approach
Sale Shares	:	Collectively, the RUSB Sale Shares and the LPBC Sale Shares
SAPSB	:	Setia Awan Plantation Sdn Bhd (Registration No. 200401007541 (646045-X))
SC	:	Securities Commission Malaysia
Set-Off Arrangement	:	The settlement and discharge of the Related Party Advances against the Purchase Consideration
Shareholder(s)	:	Shareholder(s) of Epicon
Shareholders' Agreements	:	Collectively, the shareholders' agreements to be entered into between Epicon, the Vendor and each of the Target Companies to regulate their rights as shareholders of the Target Companies and govern the management and operations of the Target Companies upon completion of the Proposed Acquisitions
Shortfall	:	The Attributable Interest multiplied with the difference between the Aggregate PAT and the total guaranteed profit of RM238.00 million, to be paid in cash by the Vendor to the Company
SSA	:	Conditional share sale agreement between Epicon and the Vendor in respect of the Proposed Acquisitions and the Proposed Call Option dated 14 July 2026
SSA LTD	:	13 July 2026, being the last trading day prior to the execution of the SSA

Stakeholder	:	A trust company, incorporated under the laws of Malaysia and registered under Section 4 of the Trust Companies Act 1949, to be appointed by the Company and the Vendor as stakeholder of the Pledged Shares
Stakeholder Agreement	:	A stakeholder agreement to be entered into between Epicon, the Vendor and the Stakeholder pursuant to the SSA
Subscription Agreements	:	Collectively, the four (4) individual conditional subscription agreements, all dated 14 July 2026, between Epicon and the respective Placement Investors for the subscription by the Placement Investors of the Placement Shares at the Placement Issue Price, for an aggregate sum of RM31.20 million to be fully satisfied in cash
TA Securities or **Independent Adviser**	:	TA Securities Holdings Berhad (Registration No. 197301001467 (14948-M))
Target Companies	:	Collectively, RUSB and LPBC
TBSB	:	Transnational Builder Sdn Bhd (Registration No. 202101024905 (1425205-U))
Teoh WS	:	Teoh Wei Sheng, being one of the Placement Investors
Traded P/E Multiple	:	P/E Multiple based on the market capitalisation of the comparable companies as set out in Section 2.3 of Part A of this Circular divided by trailing 12 months PAT in accordance with the latest available quarterly results of the respective comparable companies as at the Valuation Date.
Valuation Date	:	31 December 2025, being the date as at which BDOCC valued the entire equity interest in the Target Companies
Valuation Letter	:	Valuation letter on the entire equity interest in the Target Companies dated 14 July 2026 prepared by BDOCC
VWAP	:	Volume weighted average price

References to "**Company**", "**we**", "**us**" and "**our**" in this Circular are to the Company. References to the "Group" in this Circular are to the Company and its subsidiaries. All references to "**you**" and "**your**" in this Circular are to the Shareholders.

Words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and/or neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference to any act, rule, written law, ordinance, enactment or guideline in this Circular is a reference to that act, rule, written law, ordinance, enactment or guideline as amended or re-enacted from time to time.

Any references to a time of day in this Circular shall be reference to Malaysian time, unless otherwise stated.

Certain amounts and percentage figures included in this Circular have been subject to rounding adjustments. Any discrepancy in the figures included in this Circular between the amounts stated and the totals thereof is due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements.

In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that Epicon's plans and objectives will be achieved.

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PROXY FORM		**ENCLOSED**
ADMINISTRATIVE NOTES		**ENCLOSED**

The Proposals comprise the following:

(1) **Proposed Acquisitions:** Proposed acquisitions by the Company of 60% equity interest in the Target Companies from Lagenda for an aggregate purchase consideration of RM543.16 million to be satisfied via the issuance of 1,857,142,857 Consideration Shares and 1,353,190,292 Consideration RCPS A;

(2) **Proposed Call Option:** Proposed call option for the acquisition of the remaining up to 40% equity interest in the Target Companies by Epicon from Lagenda for the Option Consideration of up to RM362.11 million to be satisfied via a combination of cash, Option Consideration Shares and Option Consideration RCPS A;

(3) **Proposed Private Placement:** Proposed private placement of 240,000,000 Placement Shares at the Placement Issue Price to the Placement Investors;

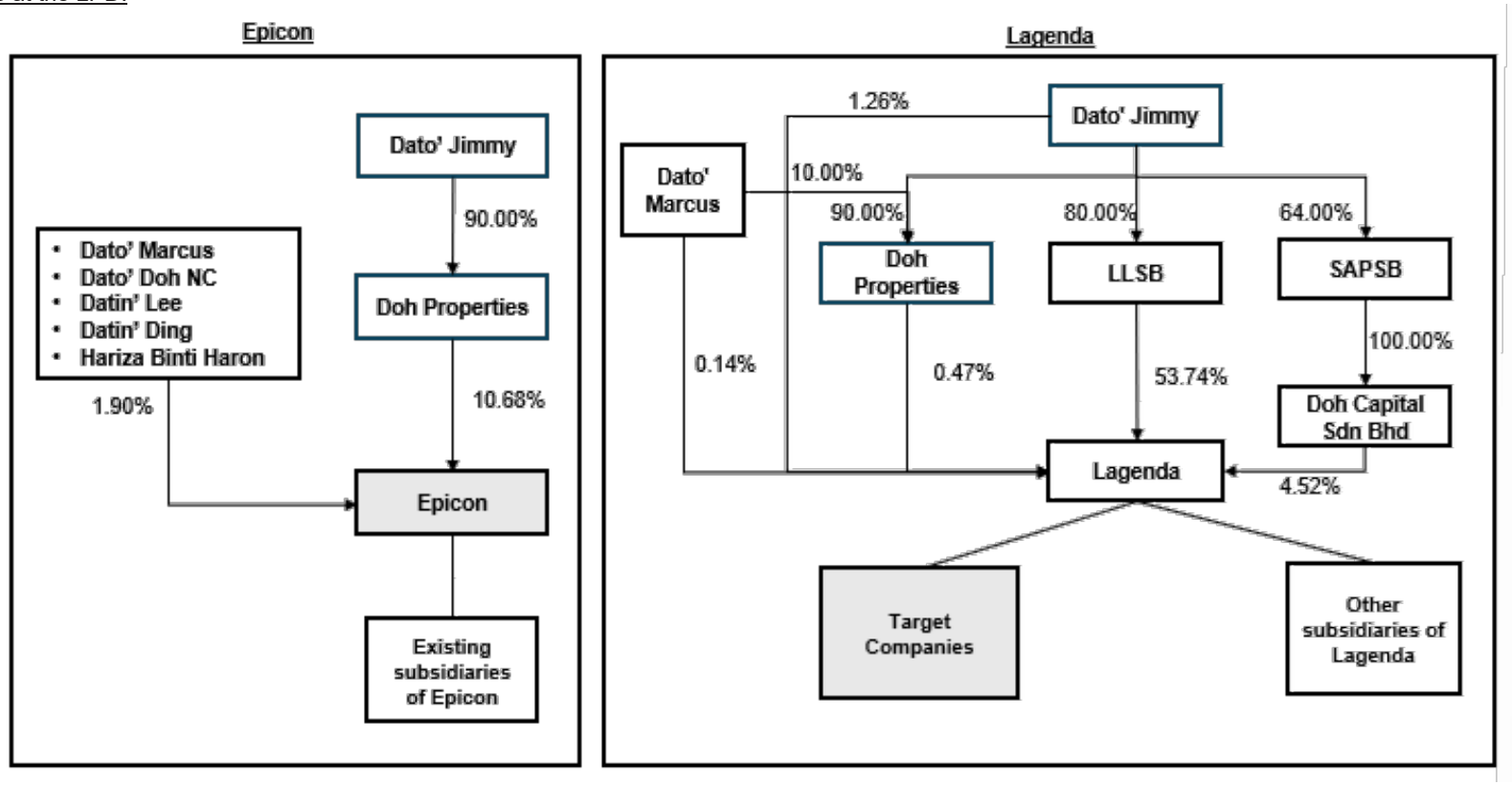
(4) **Proposed Amendments:** Proposed amendments to the constitution of Epicon to facilitate the issuance and allotment of the RCPS A pursuant to the Proposed Acquisitions and the Proposed Call Option;

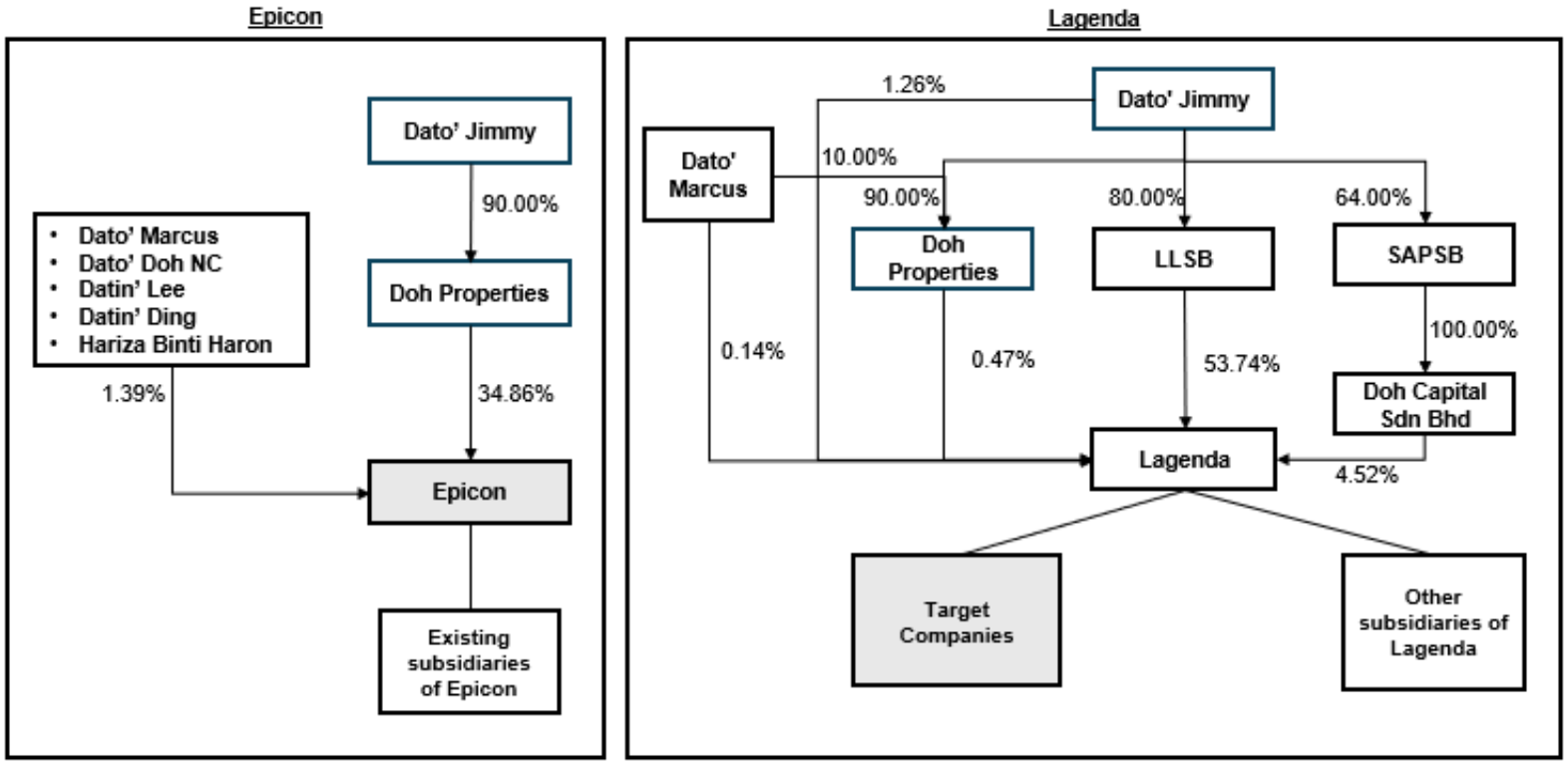
(5) **Proposed Exemption 1:** Proposed exemption under subparagraph 4.08(1)(c) of the Rules to be sought by Doh Properties and the MGO 1 PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them upon the RCPS Conversion; and

(6) **Proposed Exemption 2:** Proposed exemption under subparagraph 4.08(1)(a) of the Rules to be sought by Lagenda and the MGO 2 PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them after the Proposed Acquisitions.

The following illustrates the corporate structure of Epicon and Lagenda before and after the Proposals:

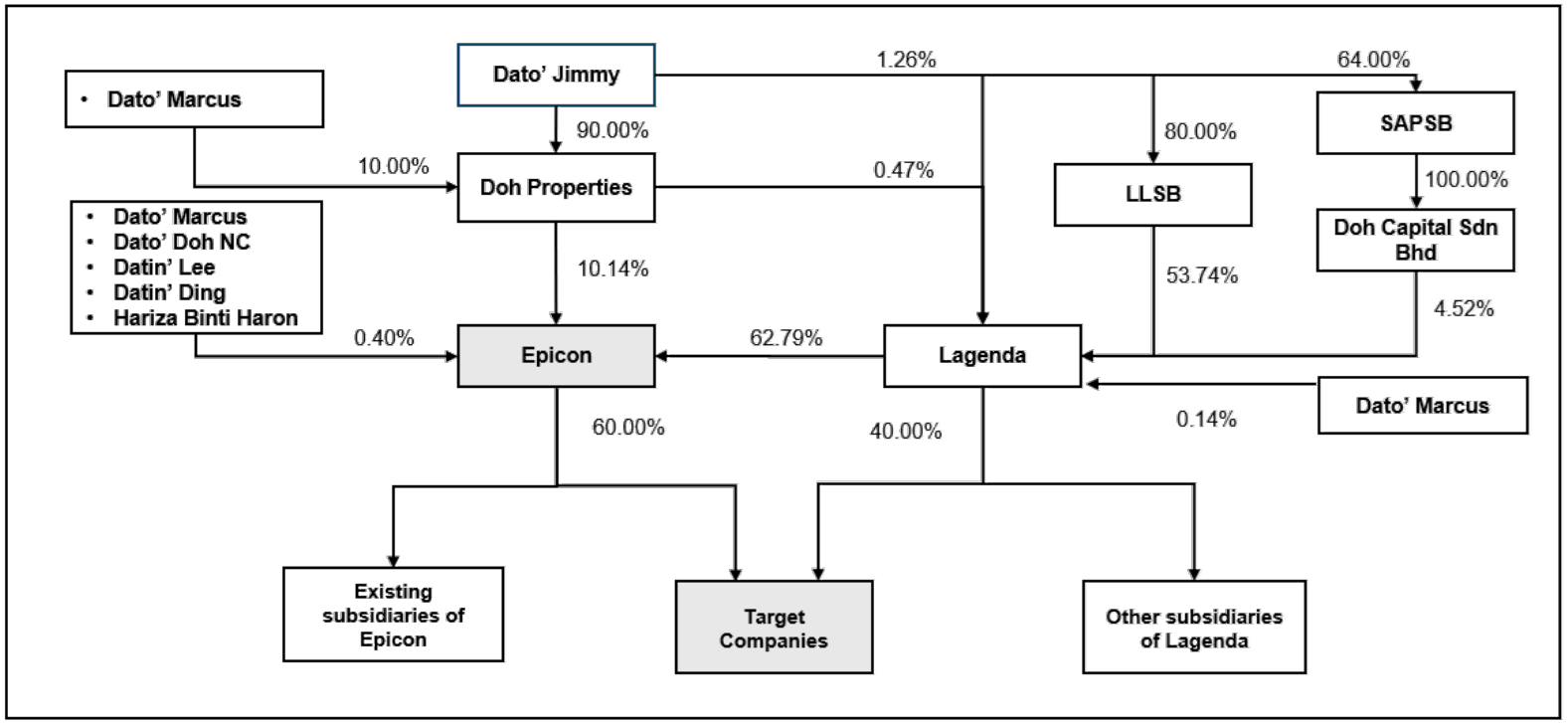
Proposals involved	Corporate Structure
1 -	As at the LPD:



Proposals involved	Corporate Structure
2 RCPS Conversion (being the subject matter of the Proposed Exemption 1)	After the RCPS Conversion: 

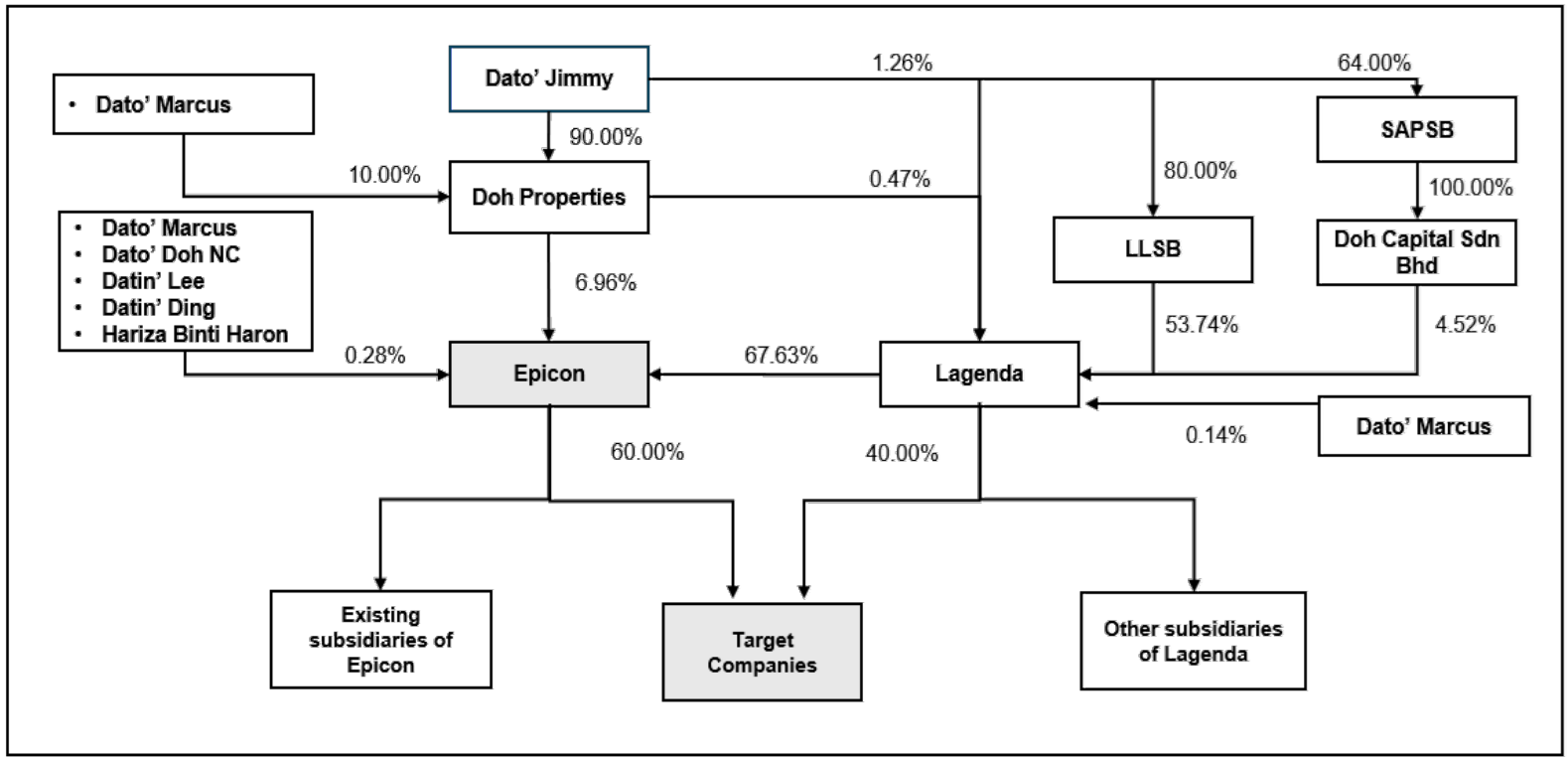
Proposals involved	Corporate Structure
3 The Proposed Acquisitions, the Proposed Private Placement, the Proposed Call Option and the Proposed Exemption 2	3A) After the issuance of the 1,857,142,857 Consideration Shares and 1,353,190,292 Consideration RCPS A pursuant to the Proposed Acquisitions and 240,000,000 Placement Shares pursuant to the Proposed Private Placement:

Enlarged Epicon Group and Lagenda Group



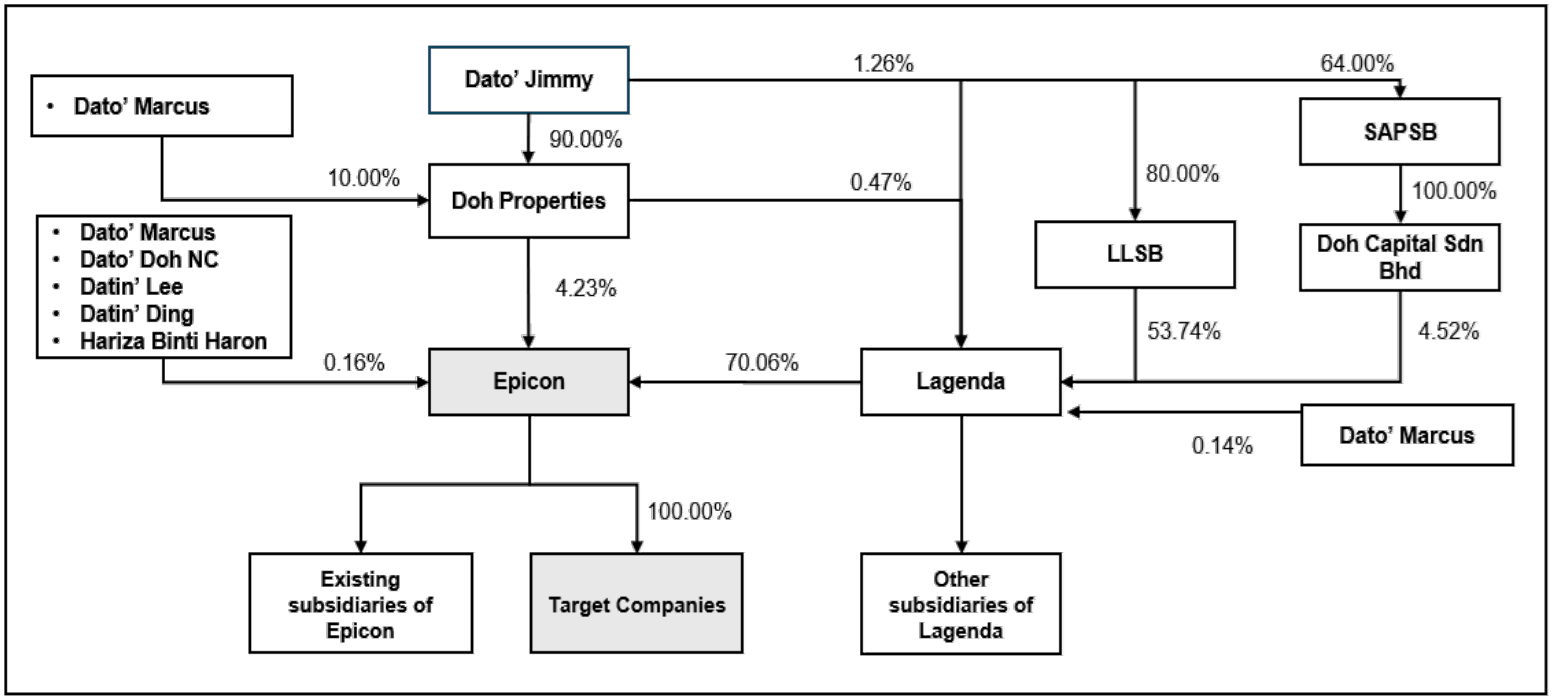
Proposals involved	Corporate Structure
	3B) After 3A and assuming the full conversion of the 1,353,190,292 Consideration RCPS A and assuming that Lagenda undertakes an offer for sale of an aggregate of 295,000,000 Epicon Shares to the Public Shareholders of Epicon:

Enlarged Epicon Group and Lagenda Group



Proposals involved	Corporate Structure
4 Exercise of the Call Option upon commencement of the Call Option Period i.e. second quarter of 2029	After 3B and assuming the exercise of the Call Option wherein it is assumed that (i) the Option Consideration is settled in equal proportion via the issuance of 1,392,714,200 Option Consideration Shares and 1,392,714,200 Option Consideration RCPS A; (ii) the full conversion of 1,392,714,200 Option Consideration RCPS A; and (iii) Lagenda undertakes an offer for sale of an additional 729,000,000 Epicon Shares to the Public Shareholders of Epicon:

Enlarged Epicon Group and Lagenda Group



Further details of the Proposals are set out in the Executive Summary and Part A of this Circular.

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION ON THE PROPOSALS. YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR, AND NOT RELY SOLELY ON THIS EXECUTIVE SUMMARY IN FORMING A DECISION ON THE PROPOSALS BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

No.	Key Information	Summary	Reference to this Circular
1.	**Details of the Proposed Acquisitions**	The Proposed Acquisitions entail Epicon acquiring 60% equity interest in RUSB and LPBC for a purchase consideration of RM280.15 million and RM263.01 million respectively. The aggregate Purchase Consideration for the Proposed Acquisitions amounting to RM543.16 million, which shall first be partly satisfied by way of a Set-Off Arrangement amounting to RM125.82 million, and the remaining amount of the Purchase Consideration of RM417.34 million shall be satisfied via a combination of 1,857,142,857 Consideration Shares and 1,353,190,292 Consideration RCPS A. Pursuant to the terms of the SSA, Lagenda irrevocably and unconditionally guarantees that the Target Companies shall, on a combined basis, achieve the following: (a) an audited combined PAT of the Target Companies of not less than RM110.00 million for the FYE 2027; (b) an audited combined PAT of the Target Companies of not less than RM128.00 million for the FYE 2028; and (c) a minimum Aggregate PAT of the Target Companies of not less than RM238.00 million A total of 1,098,461,539 Consideration Shares, representing 60% of the total guaranteed profit of RM238.00 million, will be pledged to the Stakeholder as security in respect of the Profit Guarantee. Details of scenarios in which the security may be enforced are set out in Section 4(e) of **Appendix II** of this Circular. For the avoidance of doubt, the exercise of voting rights of the Stakeholder pertaining to the Pledged Shares by the Stakeholder will be made in accordance with the terms of the Stakeholder Agreement, the key terms of which will be in line with the conditions governing the Profit Guarantee and the Pledged Shares as contained in the SSA and set out under Section 4 of **Appendix II** of this Circular.	Section 2.1 of Part A

No.	Key Information	Summary	Reference to this Circular
2.	**Details of the Proposed Call Option**	Lagenda agrees to grant the Call Option to the Company to acquire the remaining up to 40% equity interest in the Target Companies, at the Option Consideration of up to RM362.11 million (or up to RM186.76 million and up to RM175.35 million for RUSB and LPBC respectively). The Call Option must be exercised in respect of the Remaining Sale Shares of both Target Companies simultaneously and may be satisfied via a combination of: (a) cash; (b) allotment and issuance of up to 1,392,714,200 Option Consideration Shares to the Vendor; and/or (c) allotment and issuance of up to 1,392,714,200 Option Consideration RCPS A to the Vendor, the exact proportion of which has yet to be determined at this juncture and will be dependent on Epicon's public shareholding spread, the number of new Epicon Shares which will arise from the exercise of the Consideration RCPS A in issuance as well as available cash and financing facilities of the Epicon Group at the point the Call Option is exercised. The Call Option may be exercisable by the Company in tranches within the Call Option Period, subject to the following conditions: (a) any issuance of the Option Consideration Shares will not result in non-compliance with the Public Spread Requirement by the Company; and (b) any issuance of the Option Consideration RCPS A will not result in non-compliance with Paragraph 6.50 of the Listing Requirements by the Company. As part of the Company's assessment whether to exercise the Call Option, the Company will review key performance indicators, including the Target Companies' revenue, PAT, remaining order book, contracts under tender/ negotiation, performance of the Profit Guarantee, as well as the Lagenda Group's property pipeline. For the avoidance of doubt, the Call Option shall lapse upon the expiry of the Call Option Period and any Remaining Sale Shares not acquired pursuant to the Call Option shall remain with Lagenda.	Section 2.2 of Part A

<table>
<tr><th>No.</th><th>Key Information</th><th>Summary</th><th>Reference to this Circular</th></tr>
<tr><td>3.</td><td>Maximum Purchase Consideration and mode of settlement</td><td>

(a) Maximum purchase consideration being the aggregate of the Purchase Consideration and the Option Consideration

<table>
<tr><th rowspan="2"></th><th colspan="3">Consideration (RM' million)</th><th rowspan="2">Remarks</th></tr>
<tr><th>RUSB</th><th>LPBC</th><th>Total</th></tr>
<tr><td>Proposed acquisitions of 60% equity interest in the Target Companies</td><td>280.15</td><td>263.01</td><td>543.16</td><td>The Purchase Consideration shall first be partly settled by way of the Set-Off Arrangement and the remaining amount of the Purchase Consideration shall be satisfied by way of a combination of Consideration Shares and Consideration RCPS A.</td></tr>
<tr><td>Call option granted to Epicon to acquire up to 40% of the remaining equity interest in the Target Companies</td><td>186.76</td><td>175.35</td><td>362.11</td><td>The Call Option is only exercisable within a period of thirty (30) months after the issuance date of the PAT/LAT Certificate for the FYE 2028, subject to the Call Option Conditions.</td></tr>
<tr><td>Maximum Purchase Consideration</td><td>466.91</td><td>438.36</td><td>905.27</td><td>Represents a P/E Multiple of approximately 7.61 times (being the Maximum Purchase Consideration divided by the Average Profit Guarantee of RM119.00 million).</td></tr>
</table>

(b) Mode of settlement of Maximum Purchase Consideration

<table>
<tr><th rowspan="2">% equity interest in Target Companies</th><th rowspan="2">Method of settlement</th><th colspan="2">RUSB</th><th colspan="2">LPBC</th><th rowspan="2">Total consideration (RM' million)</th><th rowspan="2">Pledged Shares to be released in tranches</th></tr>
<tr><th>RM' million</th><th>No. of securities</th><th>RM' million</th><th>No. of securities</th></tr>
<tr><td rowspan="3">60%</td><td>Set-Off Arrangement</td><td>119.43(3)</td><td>-(1)</td><td>6.39(3)</td><td>-(1)</td><td>125.82</td><td>-</td></tr>
<tr><td>Consideration Shares</td><td>80.48</td><td>619,047,615</td><td>160.95</td><td>1,238,095,242</td><td>241.43</td><td>1,098,461,539</td></tr>
<tr><td>Consideration RCPS A</td><td>80.24</td><td>617,279,331</td><td>95.67</td><td>735,910,961</td><td>175.91</td><td>-</td></tr>
<tr><td colspan="2">Sub-total</td><td>280.15</td><td>1,236,326,946</td><td>263.01</td><td>1,974,006,203</td><td>543.16</td><td>1,098,461,539</td></tr>
<tr><td>40%</td><td>Option Consideration Shares, Option Consideration RCPS A and/or cash(2)</td><td>186.76</td><td>-(2)</td><td>175.35</td><td>-(2)</td><td>up to 362.11</td><td></td></tr>
<tr><td colspan="2">Grand total</td><td>466.91</td><td>-(2)</td><td>438.36</td><td>-(2)</td><td>Up to 905.27</td><td></td></tr>
</table>

</td><td>Sections 2.1 and 2.2 of Part A</td></tr>
</table>

<table>
<tr><th>No.</th><th>Key Information</th><th>Summary</th><th>Reference to this Circular</th></tr>
<tr><td></td><td></td><td>

Notes:

(1) Not applicable. There is no issuance of securities for the Set-Off Arrangement.

(2) The Option Consideration may be satisfied via a combination of cash, Option Consideration Shares and/or Option Consideration RCPS A, which the exact breakdown cannot be determined at this juncture.

(3) Being the related party advances owing by Lagenda Group to the respective Target Companies.

</td><td></td></tr>
<tr><td>4.</td><td>Basis and justification for the Maximum Purchase Consideration</td><td>

The Maximum Purchase Consideration of up to RM905.27 million was arrived at after negotiation on a willing-buyer and willing-seller basis, taking into consideration, among others, the aggregate fair value range of the Target Companies of RM860.23 million and RM948.52 million as appraised by the Independent Valuer vide the Valuation Letter.

A summary of the valuation of the Target Companies is as follows:

<table>
<tr><th></th><th colspan="2">Primary approach</th><th colspan="3">Secondary approach</th></tr>
<tr><th></th><th colspan="2">DCF Method</th><th colspan="2">RVA</th><th>CTA</th></tr>
<tr><th>100% equity interest in</th><th>Range of equity / fair value (RM' million)</th><th>Aggregate range of equity / fair value [A] + [B] (RM' million)</th><th>Agreed Implied P/E Multiple (times)</th><th>Traded P/E Multiples (times)</th><th>Comparable transaction's P/E Multiple based on selected companies' transactions (times)</th></tr>
<tr><td>RUSB</td><td>444.05 to 489.39 [A]</td><td rowspan="2">860.23 to 948.52</td><td rowspan="2">7.61</td><td rowspan="2">3.8 to 13.1</td><td rowspan="2">5.4 to 10.2</td></tr>
<tr><td>LPBC</td><td>416.18 to 459.13 [B]</td></tr>
</table>

The Maximum Purchase Consideration falls within such aggregate fair value range, which is derived after taking into consideration the Related Party Advances, borrowings, lease liabilities and surplus assets. In addition, the Maximum Purchase Consideration also translates into the Agreed Implied P/E Multiple of 7.61 times which falls within:

(a) the range of the Adjusted Traded P/E Multiples of the comparable companies of 3.8 times and 13.1 times; and

(b) the range of P/E Multiples of the precedent transactions of 5.4 times and 10.2 times.

Further details on the selection criteria of the comparable companies are set out under Section 2.3 of Part A of this Circular.

</td><td>Section 2.3 of Part A</td></tr>
</table>

No.	Key Information	Summary	Reference to this Circular
		In deriving the aggregate fair value range, the Independent Valuer adopted the DCF methodology after taking into consideration, inter-alia: (a) the financial projections of the Target Companies for the 5 FYEs 2026 to 2030; (b) the Target Companies' remaining combined construction order book based on their on-going projects as at the Valuation Date of RM1.15 billion; (c) the Target Companies' expected replenishment rate, representing the future potential contracts to be secured by the Target Companies from Lagenda as the Target Companies are the principal construction service providers to the Lagenda Group; (d) the financial position of the Target Companies; and (e) the profitability of the Target Companies over the past 3 FYEs.	
5.	**Details of the Proposed Private Placement**	The Company had, on 14 July 2026, entered into the Subscription Agreements with the Placement Investors, where the Placement Investors shall collectively subscribe for 240,000,000 Placement Shares, representing approximately 38.25% of the total issued Epicon Shares as at the LPD or 8.11% of the enlarged issued Shares after the RCPS Conversion, the Proposed Acquisitions and the Proposed Private Placement. The Placement Issue Price was arrived at on a willing-buyer willing-seller basis after taking into consideration, among others, the Issue Prices of RM0.13 as set out under Section 2.4 of Part A of this Circular and the historical market prices of the Epicon Shares which ranged between RM0.1150 and RM0.1850 for the 6-months up to and including the SSA LTD.	Section 3 of Part A

<table>
<tr><th>No.</th><th>Key Information</th><th>Summary</th><th>Reference to this Circular</th></tr>
<tr><td></td><td></td><td>
The proposed allocation of the Placement Shares to the respective Placement Investors is as follows:

<table>
<tr><th>Name</th><th>No. of Placement Shares</th><th>Percentage of the enlarged issued Epicon Shares after the RCPS Conversion, the Proposed Acquisitions and the Proposed Private Placement[(i)] (%)</th><th>Subscription amount (RM)</th></tr>
<tr><td>Binari Maju</td><td>71,428,600</td><td>2.42</td><td>9,285,718</td></tr>
<tr><td>JMJ Mega Bina</td><td>71,428,600</td><td>2.42</td><td>9,285,718</td></tr>
<tr><td>Teoh WS</td><td>57,142,800</td><td>1.93</td><td>7,428,564</td></tr>
<tr><td>Matthew</td><td>40,000,000</td><td>1.34</td><td>5,200,000</td></tr>
<tr><td>Total</td><td>240,000,000</td><td>8.11</td><td>31,200,000</td></tr>
</table>

Note:

(i) Before taking into account the conversion of the Consideration RCPS A. The final allocation is determined based on discussions between Epicon and each of the Placement Investors.

The Placement Investors are not related to the existing Directors, Major Shareholders and/or chief executive of Epicon as well as persons connected with them.

The primary basis of the allocation of the Proposed Private Placement is to ensure that none of the Placement Investors will hold equity interest of more than 5% of the issued Epicon Shares in order for Epicon to comply with the Public Spread Requirement and also includes the following criteria:

(a) Entities / individuals that are not PACs of Doh Properties and Lagenda;

(b) Entities / individuals that are not persons connected to Directors / Major Shareholders / chief executive of Epicon; and

(c) Business associates, existing Shareholders of Epicon and/or acquaintances of the Major Shareholders with financial capabilities to subscribe for the Placement Shares and are not deemed as the PACs of Doh Properties and Lagenda as set out in item (a) above.
</td><td></td></tr>
</table>

<table>
<tr><th>No.</th><th>Key Information</th><th>Summary</th><th>Reference to this Circular</th></tr>
<tr><td></td><td></td><td>The Placement Investors have confirmed that they have sufficient financial resources comprising, among others, cash and bank balances and/or borrowings to subscribe for their respective Placement Shares pursuant to the Subscription Agreements and such confirmations have been verified by Maybank IB, being the Principal Adviser to the Company for the Proposals.

Based on the Placement Issue Price, the Company will raise gross proceeds of RM31.20 million to be utilised in the following manner:

<table>
<tr><th>Description of use</th><th>RM'000</th><th>Percentage (%)</th><th>Estimated timeframe for utilisation from the listing of the Placement Shares</th></tr>
<tr><td>Working capital of the Enlarged Epicon Group</td><td>11,880</td><td>38.08</td><td>Within 12 months</td></tr>
<tr><td>Repayment of bank borrowings</td><td>17,500</td><td>56.09</td><td>Within 6 months</td></tr>
<tr><td>Defray expenses relating to the Proposals</td><td>1,820</td><td>5.83</td><td>Immediate</td></tr>
<tr><td>Total</td><td>31,200</td><td>100.00</td><td></td></tr>
</table>
</td><td></td></tr>
<tr><td>6.</td><td>Details of the Proposed Amendments</td><td>Proposed amendments to the constitution of Epicon to facilitate the issuance and allotment of the Consideration RCPS A and the Option Consideration RCPS A pursuant to the Proposed Acquisitions and the Proposed Call Option.

The salient terms of the Consideration RCPS A and the Option Consideration RCPS A are set out in Appendix III of this Circular.</td><td>Section 4 of Part A</td></tr>
<tr><td>7.</td><td>Details of the RCPS Conversion</td><td>The RCPS was issued to Doh Properties on 29 December 2021 as part of a placement exercise undertaken by Epicon (formerly known as Konsortium Transnasional Berhad).

Doh Properties has not converted the 233,000,000 RCPS. In view of the impending maturity date of the RCPS, i.e. on 29 December 2026, it is the intention of Doh Properties to convert all the outstanding 233,000,000 RCPS into new Epicon Shares.

Based on the issue price per RCPS and the conversion ratio of one RCPS to one Epicon Share, the implied conversion price is RM0.10 per Epicon Share, unless adjusted due to any alteration to the Epicon's share capital, such as rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital ("Adjustments").</td><td>Section 5 of Part A</td></tr>
</table>

No.	Key Information	Summary	Reference to this Circular
		Further details of the RCPS are set out in Section 5 of Part A of this Circular. Details of the RCPS Conversion included in this Circular are strictly for information purposes only and do not form part of the Proposals to be tabled to Shareholders at the forthcoming EGM. Nonetheless, the RCPS Conversion is conditional upon the Proposed Exemption 1, which will be tabled to Shareholders at the forthcoming EGM. Pursuant to the Doh Properties RCPS Undertaking Letter, Doh Properties undertakes that it will convert all the outstanding 233,000,000 RCPS into 233,000,000 new Epicon Shares prior to the date of completion of the Proposed Acquisitions. The RCPS Conversion is undertaken upfront and save for the Proposed Exemption 1, it is not conditional upon the other corporate exercises in the Proposals, in order to avoid delays from the other parts of the Proposals especially given the maturity date of the RCPS is on 29 December 2026.	
8.	**Details of the Proposed Exemption 1**	Upon completion of the RCPS Conversion: (a) the direct shareholding of Doh Properties in the Company will increase from 10.68% to 34.86%; and (b) the collective shareholding of Doh Properties and the MGO 1 PACs in the Company will increase from 12.58% to 36.25%. As the direct shareholding of Doh Properties and the collective shareholding of Doh Properties and the MGO 1 PACs will increase to more than 33% of the enlarged issued Shares after the RCPS Conversion, Doh Properties and the MGO 1 PACs will trigger a MGO obligation pursuant to subsection 218(2) of the CMSA, read together with subparagraph 4.01(a) of the Rules arising from the RCPS Conversion. As it is not the intention of Doh Properties and the MGO 1 PACs to undertake the MGO for all the remaining Epicon Shares not already owned by them after the RCPS Conversion, Doh Properties and the MGO 1 PACs intend to seek an exemption from the SC under subparagraph 4.08(1)(c) of the Rules from the obligation to undertake the MGO, subject to the approval of the non-interested Shareholders to be sought at the forthcoming EGM of the Company. In the event the Proposed Exemption 1 is not approved, Doh Properties may partially convert a portion of the RCPS or Epicon to mandatorily convert the RCPS in full on the maturity date of RCPS, resulting in Doh Properties triggering a MGO in compliance with the Rules or Epicon to redeem all the outstanding 233,000,000 RCPS prior to the maturity date of RCPS. Should Epicon mandatorily convert the RCPS in full on their maturity date, Doh Properties and the MGO 1 PACs still intend to maintain Epicon's listing status on the Main Market of Bursa Securities.	Section 6.1 of Part A

No.	Key Information	Summary	Reference to this Circular
9.	**Details of the Proposed Exemption 2**	Upon issuance and allotment of the 1,857,142,857 Consideration Shares to Lagenda as part of the settlement of the Purchase Consideration as well as the issuance and allotment of the 240,000,000 Placement Shares: (a) the direct shareholding of Lagenda in the Company will increase from nil to 62.79%; and (b) the collective shareholding of Lagenda and the MGO 2 PACs will increase from 36.25% to 73.34%. The changes in the shareholding structure and corporate structure of Epicon before and after the Proposals are set out in Section 6.4 of Part A of this Circular. As the direct shareholding of Lagenda will increase to more than 33% of the enlarged issued Epicon Shares and the collective shareholding of Lagenda and the MGO 2 PACs will increase by more than 2% of the enlarged issued Shares within a 6-month period, Lagenda and the MGO 2 PACs will trigger a MGO obligation pursuant to subsection 218(2) and 218(3) of the CMSA, read together with subparagraph 4.01(a) and 4.01(b) of the Rules. As it is not the intention of Lagenda and the MGO 2 PACs to undertake the MGO for all the remaining Epicon Shares not already owned by them after the Proposed Acquisitions, Lagenda and the MGO 2 PACs intend to seek an exemption from the SC under subparagraph 4.08(1)(a) of the Rules from the obligation to undertake the MGO, subject to the approval of the non-interested Shareholders to be sought at the forthcoming EGM of the Company. For the avoidance of doubt, in the event the Proposed Exemption 2 is not approved by the non-interested Shareholders, the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement and the Proposed Amendments will not be implemented. For information purposes, the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement, the Proposed Amendments and the Proposed Exemption 2 are conditional upon the Proposed Exemption 1, but not vice versa.	Section 6.2 of Part A
10.	**Rationale and benefits of the Proposals**	**(a) Proposed Acquisitions** (i) The Target Companies have achieved an aggregate revenue and PAT of RM474.38 million and RM41.96 million for the FYE 2025 and RM488.74 million and RM43.30 million for the 8-month FPE 31 August 2026 respectively, further details of which are set out in Section 4 of **Appendix I** of this Circular.	Section 9 of Part A

No.	Key Information	Summary	Reference to this Circular
		(ii) The Proposed Acquisitions provide Epicon with a strategic opportunity to amalgamate its construction business with that of the Target Companies, creating a larger and stronger construction-based listed entity with higher sustainable earnings. The Target Companies have an existing outstanding order book of RM1.48 billion as at the LPD which is expected to contribute to the earnings of the Target Companies for the next 3 years following the completion of the Proposed Acquisitions. (iii) While the Target Companies contribute expertise in large scale landed housing development, Epicon offers proven high-rise construction capabilities and a robust track record in managing diverse third-party contracts. As a unified entity, the Enlarged Epicon Group is uniquely positioned to successfully bid for and execute large-scale external projects comprising infrastructure and township development and high-rise projects. (iv) Epicon envisages that the consolidation of the Target Companies' businesses will improve the operational efficiency and enhance operational synergies of the Enlarged Epicon Group through the integration of operations, streamlining of processes, optimisation of organisational structures and alignment of systems across the Enlarged Epicon Group. (v) The Proposed Acquisitions are expected to immediately enhance the Epicon Group's earnings with the consolidation of the Target Companies' financial results after the completion of the Proposed Acquisitions. The EPS is expected to increase from 0.64 sen to 2.55 sen upon completion of the Proposed Acquisitions and the Proposed Private Placement. Thereafter, the EPS is expected to decrease to between 1.75 sen and 1.73 sen, under the Minimum Scenario and the Maximum Scenario respectively. Further details of the effects of the EPS are set out in Section 12.4 of Part A of this Circular. (vi) The settlement of the Purchase Consideration via the issuance of the Consideration Shares and the Consideration RCPS A will allow the Company to conserve its cash reserves, thereby providing the necessary working capital to support the Enlarged Epicon Group's on-going and future construction order book. The issuance of securities to partly settle the Purchase Consideration will reduce the need for the Company to seek external financing which will increase the financing costs to the Epicon Group. Furthermore, it will enable the Company to manage its gearing at a more manageable level.	

No.	Key Information	Summary	Reference to this Circular
		(b) Proposed Call Option (i) The Proposed Call Option and the Proposed Acquisitions are undertaken simultaneously as it will provide greater certainty for the Company to ultimately acquire 100% equity interest in the Target Companies, while allowing Epicon to better manage its capital outlay because an outright acquisition requires significant upfront capital outlay. The approach taken by the Company will allow it to optimise its cash flow by deferring a substantial portion of the Purchase Consideration. Consequently, Epicon gains greater flexibility in capital allocation, enabling the Company to prioritise integration activities and other strategic initiatives during the initial phase. (ii) The Call Option which is only exercisable during the Call Option Period provides a reasonable timeframe and opportunity to both Epicon and Lagenda to undertake the necessary steps to improve Epicon's share liquidity and increase its public shareholding spread prior to the exercise of the Call Option. (iii) The final mode of settlement of the Option Consideration, whether through cash, Option Consideration Shares, Option Consideration RCPS A, or a combination thereof will depend on the circumstances at the time the Call Option is exercised. As Epicon is unable to determine the level of excess cash at this juncture and in order for the Company to retain the flexibility as well as ensuring that the Call Option can be exercised in a timely manner, it is proposing to seek the necessary approvals for the issuance of the maximum number of Option Consideration Shares and Option Consideration RCPS A. (iv) The Call Option must be exercised simultaneously for both Target Companies as Epicon and Lagenda have agreed that the principle for the exercise of the Call Option will be similar to the Proposed Acquisitions, where the equity interest of both RUSB and LPBC will be acquired simultaneously. This aligns with each of the Target Companies' roles as the principal construction service providers for Lagenda Group's township developments, ensuring operational continuity for ongoing and future project awards, and collectively strengthening the financial performance of the Enlarged Epicon Group.	

No.	Key Information	Summary	Reference to this Circular
		(c) Proposed Private Placement (i) The Company takes cognisance that after the Proposed Acquisitions, Epicon's public shareholding spread would fall below the Public Spread Requirement. In order for Epicon to comply with the Public Spread Requirement, the Company intends to undertake the Proposed Private Placement simultaneously with the Proposed Acquisitions. (ii) The Proposed Private Placement can be implemented in an expeditious manner which enables the Company to achieve a timely completion for the Proposed Acquisitions, thereby gaining the benefits from the Proposed Acquisitions expeditiously. (iii) The commitment provided by the Placement Investors via the Subscription Agreements provides a degree of certainty for Epicon to meet the Public Spread Requirement upon completion of the Proposed Acquisitions and the Proposed Private Placement. (iv) The Proposed Private Placement will enable the Company to raise funds and utilise the proceeds in the manner as set out in item 5 above, which would facilitate the Enlarged Epicon Group to undertake its on-going and future construction projects in a more cost-efficient manner without having to incur additional interest costs, thereby conserving the Enlarged Epicon Group's cash flow for reinvestment and/or operational purposes for its future growth. (v) The Proposed Private Placement will also enable the Enlarged Epicon Group to strengthen its equity base, thereby strengthening its NA which provides greater financial flexibility to meet its funding requirements in the future. (vi) Whilst the Board has considered alternative fund-raising exercises such as a rights issue, such exercise may not be effective in addressing the Company's objective of maintaining compliance with the Public Spread Requirement, as the level of subscription would depend on the participation of existing Shareholders and may not result in a required level of shareholdings by Public Shareholders if the desired level of subscription is not achieved. In addition, the relatively longer implementation timeframe of a rights issue would prolong the completion of the Proposed Acquisitions. As such, the Board is of the view that the Proposed Private Placement is the most appropriate avenue to achieve the aforementioned objective.	

No.	Key Information	Summary	Reference to this Circular
		(d) Proposed Amendments The Proposed Amendments are necessary to facilitate the issuance and allotment of the Consideration RCPS A and the Option Consideration RCPS A pursuant to the Proposed Acquisitions and the Proposed Call Option. **(e) Proposed Exemption 1** (i) The Proposed Exemption 1 is proposed to relieve Doh Properties and the MGO 1 PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them upon the RCPS Conversion as it is not the intention of Doh Properties and the MGO 1 PACs to undertake such MGO. (ii) The Proposed Exemption 1 is proposed to ensure the successful completion of the Proposed Exemption 2, the Proposed Acquisitions, the Proposed Call Option, the Proposed Amendments and the Proposed Private Placement, which are conditional upon the Proposed Exemption 1. **(f) Proposed Exemption 2** (i) The Proposed Exemption 2 is proposed to relieve Lagenda and the MGO 2 PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them after the Proposed Acquisitions as it is not the intention of Lagenda and the MGO 2 PACs to undertake such MGO. (ii) The Proposed Exemption 2 is proposed to ensure the successful completion of the Proposed Acquisitions, the Proposed Call Option, the Proposed Amendments and the Proposed Private Placement, which are inter-conditional with the Proposed Exemption 2.	

No.	Key Information	Summary	Reference to this Circular
11.	**Risk factors**	The Proposed Acquisitions and the Proposed Call Option will not materially change the risk profile of the Enlarged Epicon Group as the Target Companies operate in the same industry as the Epicon Group. The risks factors relating to the Proposed Acquisitions and the Proposed Call Option include the following: (i) dilution of shareholding risk The shareholdings and voting interest of the existing Shareholders will be diluted upon the issuance of the new Epicon Shares arising from the RCPS Conversion, the Consideration Shares, the Option Consideration Shares, the Placement Shares and the new Epicon Shares to be issued upon conversion of the Consideration RCPS A and the Option Consideration RCPS A. Consequently, the existing Shareholders' entitlement to any future distribution, rights issue and/or allotment that the Company may undertake after the completion of the Proposals will also correspondingly be diluted. (ii) non-completion risk The completion of the Proposed Acquisitions is subject to, among others, the fulfilment of all conditions precedent of the SSA as set out in Section 1 of **Appendix II** of this Circular (collectively, "**Conditions Precedent**") and the performance by the relevant parties of their respective covenants. There is no assurance that the Company will be able to obtain all the requisite approvals nor ensure that all parties fulfil their respective obligations as set out in the SSA which may cause the SSA to lapse and the Call Option not being exercisable if such Conditions Precedent are not fulfilled or waived. Consequently, the Company will not be able to complete the Proposed Acquisitions and the Proposed Call Option, and the potential benefits arising therefrom will not be materialised. (iii) concentration risk and dependency on the Lagenda Group The Target Companies are presently wholly-owned subsidiaries of Lagenda and are the principal construction service providers to the Lagenda Group. For the FYE 2025 and up to the LPD, construction contracts awarded by the Lagenda Group accounted for 100% of the revenue of the Target Companies. Accordingly, the financial performance of the Target Companies may be materially and adversely affected if there is a decrease in future construction contracts from the Lagenda Group.	Section 11 of Part A

No.	Key Information	Summary	Reference to this Circular
		(iv) risk of potential share sales pursuant to the Profit Guarantee and/or Public Spread Requirements affecting the price of Epicon Shares The sale or potential sale of a substantial number of Epicon Shares in the public market following the Proposed Acquisitions could adversely affect the market price of Epicon Shares. This risk primarily stems from potential Pledged Shares liquidation and Public Spread Requirement compliance. There is no assurance that these large-scale market placements or share disposals will not create significant downward pressure on the market price of Epicon Shares. (v) investment and integration risk Although the Proposed Acquisitions and the Proposed Call Option are expected to contribute positively to future earnings, there is no assurance that the anticipated benefits will be realised or that sufficient returns will be generated to offset the associated investment costs. (vi) achievability of the Profit Guarantee The Profit Guarantee is based on various bases and assumptions which are deemed reasonable and realistic by the Board, but is subject to certain uncertainties and contingencies beyond Epicon's control. While reasonable steps have been taken to assess the achievability of the Profit Guarantee, there is no assurance that the Profit Guarantee will be met. (vii) funding and interest rate risks The Enlarged Epicon Group may require external financing for the Option Consideration, redemption of RCPS A and future construction projects, subject to factors including economic conditions, interest rates, credit availability and the Group's gearing ratio. There is no assurance that financing will be available in amounts or on acceptable terms, and fluctuations in interest rates may negatively impact the Group's cash flows and profitability.	

No.	Key Information	Summary	Reference to this Circular
		(viii) goodwill and impairment risk The Proposed Acquisitions will result in the recognition of goodwill by the Enlarged Epicon Group, the amount of which will depend on the fair value of identifiable assets acquired and liabilities assumed. The goodwill will be subject to periodic impairment testing and any downward adjustment may materially and adversely affect the financial position and results of the Enlarged Epicon Group. (ix) Exposure to credit and collection risk arising from significant receivables The Target Companies are exposed to delays in collection and/or non-recoverability of trade receivables and/or retention sum from customers. Although the Target Companies have not encountered any material collection issues or incurred any material impairment losses on trade receivables as at the LPD, there is no assurance that its customers will continue to fulfil their payment obligations and the Target Companies will not encounter collection issues in the future which may result in potential cash flow constraints and/or impairment losses by the Target Companies. (x) Risk of property overhang Malaysia's property overhang poses a moderate-to-high structural risk to developers and capital efficiency. For the first half of 2026, total completed unsold housing stock stands at 56,469 units valued at RM37.11 billion, the highest volume recorded since the first half of 2022. Accordingly, any persistent property overhang situation may affect the sales of Lagenda Group's property projects and in turn affect the construction order book and financial performance of the Target Companies.	
12.	**Approvals/consents required**	The Proposals are subject to the following approvals/consents being obtained: (a) Bursa Securities for the following: (i) listing and quotation of the 1,857,142,857 Consideration Shares; (ii) listing and quotation of up to 1,392,714,200 Option Consideration Shares; (iii) listing and quotation of the 240,000,000 Placement Shares;	Section 13 of Part A

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<tr><th>No.</th><th>Key Information</th><th>Summary</th><th>Reference to this Circular</th></tr>
<tr><td></td><td></td><td>
(iv) listing and quotation of up to 1,353,190,292 new Epicon Shares to be issued upon full conversion of the Consideration RCPS A; and

(v) listing and quotation of up to 1,392,714,200 new Epicon Shares to be issued upon full conversion of the Option Consideration RCPS A,

on the Main Market of Bursa Securities. The approval was obtained vide its letter dated 12 November 2026 and subject to the following conditions:
<table>
<tr><th>No.</th><th>Condition</th><th>Status of compliance</th></tr>
<tr><td>(a)</td><td>Epicon and Maybank IB must ensure full compliance with the 25% public shareholding spread requirement pursuant to Paragraph 8.02(1) of the Listing Requirements upon the listing and quotation of the new Epicon Shares pursuant to the Proposed Acquisitions and the Proposed Call Option.</td><td>To be complied</td></tr>
<tr><td>(b)</td><td>Epicon and Maybank IB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposals.</td><td>To be complied</td></tr>
<tr><td>(c)</td><td>Epicon to furnish Bursa Securities with the certified true copy of the resolutions passed by the Shareholders at EGM approving the Proposals.</td><td>To be complied</td></tr>
<tr><td>(d)</td><td>Maybank IB to inform Bursa Securities upon the completion of the Proposals.</td><td>To be complied</td></tr>
<tr><td>(e)</td><td>Maybank IB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposals are completed.</td><td>To be complied</td></tr>
<tr><td>(f)</td><td>Epicon must observe and ensure full compliance with Paragraph 6.50 of the Listing Requirements at all times.</td><td>To be complied</td></tr>
</table>
(b) non-interested Shareholders at the forthcoming EGM for the Proposals;

(c) the SC for the Proposed Exemptions; and
</td><td></td></tr>
</table>

No.	Key Information	Summary	Reference to this Circular
		(d) the financiers of Epicon and the Target Companies for the implementation of the Proposals. The Company has already obtained the approval of Bursa Securities via its letter dated 29 November 2021 for the listing and quotation of 233,000,000 new Epicon Shares to be issued pursuant to the RCPS Conversion on the Main Market of Bursa Securities.	
13.	**Conditionality of the Proposals**	The Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement, the Proposed Amendments and the Proposed Exemption 2 are inter-conditional upon each other, and are conditional upon the Proposed Exemption 1, but not vice versa. The RCPS Conversion is conditional upon the Proposed Exemption 1. For the avoidance of doubt, if the non-interested Shareholders and/or the SC approve(s) the Proposed Exemption 1 but do(es) not approve the Proposed Exemption 2, Doh Properties will still proceed with the RCPS Conversion. However, if the non-interested Shareholders and/or the SC do(es) not approve the Proposed Exemption 1, the Company will not implement the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement, the Proposed Amendments and the Proposed Exemption 2. For information purposes, the Proposed Call Option is inter-conditional with the Proposed Acquisitions as it is the intention of the Company to acquire the entire equity interest of the Target Companies. However, given the size and valuation of the Target Companies, the Proposed Call Option will allow Epicon to manage and optimise its cashflows by deferring a substantial portion of the acquisition cost to a later date.	Section 14 of Part A
14.	**Percentage ratio**	The highest percentage ratio for the Proposed Acquisitions and the Proposed Call Option pursuant to Paragraph 10.02(g) of the Listing Requirements is 1,047.63%, computed based on the audited combined PAT of the Target Companies for the FYE 2025 over the audited PAT of the Epicon Group for the FYE 2025. For the avoidance of doubt, although the percentage ratio for the Proposed Acquisitions and Proposed Call Option exceeds 100% pursuant to the Equity Guidelines, the Proposed Acquisitions and the Proposed Call Option do not result in a significant change in the business direction or policy of the Epicon Group pursuant to paragraph 7.01A of the Equity Guidelines as the Target Companies and the Epicon Group have similar core business, with both being involved in the construction business. In addition, while Lagenda will emerge as the controlling Shareholder and the single largest Shareholder in Epicon post the Proposed Acquisitions and Proposed Call Option, this will not result in a change in the controlling Shareholder nor emergence of a single largest Shareholder in Epicon taking into consideration Dato' Jimmy will continue to be the ultimate controlling shareholder in both Epicon and Lagenda which are companies ultimately owned by Dato' Jimmy. Furthermore, the Proposed Acquisitions and the Proposed Call Option will not result in a change in the composition of the Board.	Section 17 of Part A

<table>
<tr><th>No.</th><th>Key Information</th><th>Summary</th><th>Reference to this Circular</th></tr>
<tr><td>15.</td><td>Directors' recommendation</td><td>The Board, having considered on all aspects of the Proposals, including but not limited to, the salient terms and conditions of the SSA (including the draft Shareholders' Agreements annexed therein) and the Subscription Agreements, the rationale and benefits of the Proposals, the prospects of the Enlarged Epicon Group, the valuation of the Target Companies performed by the BDOCC, the ability of the Target Companies to achieve their expected replenishment rate of construction contracts and the inherent risk adjustments adopted by BDOCC in arriving at the aggregate fair value range as set out in Section 2.3 of Part A of this Circular, the achievability of the Profit Guarantee as set out in Section 2.1.3 of Part A of this Circular, the anticipated earnings enhancement as set out in Section 12.4 of Part A of this Circular as well as the evaluation of the Independent Adviser, is of the opinion that the Proposals are:

(a) in the best interest of the Company;

(b) fair, reasonable and on normal commercial terms; and

(c) not detrimental to the interest of the non-interested Shareholders.

Accordingly, the Board recommends that you vote in favour of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.</td><td>Section 19 of Part A</td></tr>
<tr><td>16.</td><td>Estimated time frame for completion</td><td>The tentative timeline for the implementation of the Proposals is as follows:<table><tr><th>Timing</th><th>Event</th></tr><tr><td>Early-December 2026</td><td>• EGM for the Proposals
• Submission of the application for the Proposed Exemptions to the SC by Maybank IB on behalf of Doh Properties, Lagenda and their PACs
• Completion of the Proposed Amendments
• Expected approval from the SC on the Proposed Exemptions
• Doh Properties to initiate the RCPS Conversion</td></tr><tr><td>Mid December 2026</td><td>• Listing and quotation of the new Epicon Shares arising from the RCPS Conversion</td></tr><tr><td>First quarter of 2027</td><td>• Concurrent issuance and allotment of the Placement Shares and the Consideration Shares
• Issuance and allotment of the Consideration RCPS A (post issuance and allotment of the Placement Shares and Consideration Shares)</td></tr></table></td><td>Section 21 of Part A</td></tr>
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<tr><th>No.</th><th>Key Information</th><th>Summary</th><th>Reference to this Circular</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><th>Timing</th><th>Event</th></tr>
<tr><td></td><td>• Listing and quotation of the Consideration Shares and the Placement Shares
• Completion of the Proposed Acquisitions and the Proposed Private Placement</td></tr>
<tr><td>31 December 2027</td><td>• End of the FYE 2027</td></tr>
<tr><td>Second quarter of 2028</td><td>• Last date for the issuance of the PAT/LAT Certificate for the FYE 2027
• Release of a maximum of 507,692,308 Pledged Shares</td></tr>
<tr><td>31 December 2028</td><td>• End of the FYE 2028</td></tr>
<tr><td>Second quarter of 2029</td><td>• Last date for the issuance of the PAT/LAT Certificate for the FYE 2028, being the Profit Guarantee Determination Date
• Release of the remaining up to 590,769,231 Pledged Shares (assuming the maximum 507,692,308 Pledged Shares had been released earlier)
• Determination of the Option Consideration/Adjusted Option Consideration
• Commencement of the Call Option Period</td></tr>
<tr><td>Fourth quarter of 2031</td><td>• Expiry of the Call Option Period</td></tr>
<tr><td>First quarter of 2032</td><td>• Maturity date of the Consideration RCPS A</td></tr>
<tr><td>Fourth quarter of 2036</td><td>• Maturity date of the Option Consideration RCPS A (assuming that the Option Consideration RCPS A are issued in fourth quarter of 2031)</td></tr>
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PART A

LETTER TO THE SHAREHOLDERS OF EPICON IN RELATION TO THE PROPOSALS

EPICON BERHAD
Registration No. 200301015160 (617580-T)
(Incorporated in Malaysia)

Registered Office
Third Floor, No. 77, 79 & 81
Jalan SS21/60
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan

16 November 2026

Board of Directors
Datuk Kong Woon Jun (Independent Non-Executive Chairman)
Ahmed Azhar bin Abdullah (Independent Non-Executive Director)
Loh Pek Mee (Independent Non-Executive Director)
Fahariah binti Abdul Wahab (Independent Non-Executive Director)

To: Shareholders

Dear Sir/Madam,

(I) PROPOSED ACQUISITIONS;
(II) PROPOSED CALL OPTION;
(III) PROPOSED PRIVATE PLACEMENT;
(IV) PROPOSED AMENDMENTS; AND
(V) PROPOSED EXEMPTIONS

1. INTRODUCTION

On 14 July 2026, Maybank IB had, on behalf of the Board, announced that:

(a) the Company had on even date entered into the SSA with the Vendor for the Proposed Acquisitions and in accordance with the terms and conditions of the SSA, the Proposed Call Option was granted;

(b) in conjunction with the Proposed Acquisitions and the Proposed Call Option, the Company is proposing to undertake the Proposed Private Placement and the Proposed Amendments; and

(c) Doh Properties and the MGO 1 PACs, as well as Lagenda and the MGO 2 PACs, are proposing to seek the Proposed Exemption 1 and the Proposed Exemption 2 respectively.

In view of the interests of certain Major Shareholders in the Proposed Acquisitions and the Proposed Call Option, details of which are set out in Section 16 of Part A of this Circular, the Proposed Acquisitions and the Proposed Call Option are related party transactions pursuant to Paragraph 10.08 of the Listing Requirements. Pursuant to the above and in view of the conditionality of the Proposals as set out in Section 14 of Part A of this Circular, TA Securities has been appointed to advise the non-interested Shareholders in respect of the Proposals.

TA Securities has also been appointed as the independent adviser on 15 June 2026 pursuant to Paragraph 3.06 of the Rules to advise the non-interested Shareholders and the Directors on the Proposed Exemptions. TA Securities had on 18 June 2026 submitted its declaration of its independence from any conflict of interest or potential conflict of interest to the SC.

On 12 November 2026, Maybank IB had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 12 November 2026, granted its approval for the listing and quotation of the following on the Main Market of Bursa Securities:

(a) 1,857,142,857 Consideration Shares;

(b) up to 1,392,714,200 Option Consideration Shares;

(c) 240,000,000 Placement Shares;

(d) up to 1,353,190,292 new Epicon Shares to be issued upon full conversion of the Consideration RCPS A; and

(e) up to 1,392,714,200 new Epicon Shares to be issued upon full conversion of the Option Consideration RCPS A.

The approval of Bursa Securities is subject to the conditions as set out in Section 13 of Part A of this Circular.

THE PURPOSE OF PART A OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT DETAILS IN RELATION TO THE PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.

SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR, INCLUDING THE IAL AS SET OUT IN PART B OF THIS CIRCULAR, BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED ACQUISITIONS AND THE PROPOSED CALL OPTION

2.1 Details of the Proposed Acquisitions

The Proposed Acquisitions entail Epicon acquiring 60% equity interest in RUSB and LPBC for a purchase consideration of RM280.15 million and RM263.01 million respectively.

The Purchase Consideration shall be satisfied as follows:

	RUSB		LPBC		Total consideration (RM' million)
Method of settlement	**RM' million**	**No. of securities**	**RM' million**	**No. of securities**	
Set-Off Arrangement[(i)]	119.43[(ii)]	-	6.39[(ii)]	-	125.82
Consideration Shares	80.48	619,047,615	160.95	1,238,095,242	241.43
Consideration RCPS A[(iii)]	80.24	617,279,331	95.67	735,910,961	175.91
Total	**280.15**	**1,236,326,946**	**263.01**	**1,974,006,203**	**543.16**

Notes:

(i) *The Set-Off Arrangement reduces Epicon's required cash payout from RM543.16 million to RM417.34 million. The Related Party Advances represent amount owing by Lagenda Group to the Target Companies to finance its property development projects. The Related Party Advances currently bear interest at the rate of 5.5% per annum and shall remain the same after Epicon assumes the debt, unless Epicon and the Target Companies agree to a new rate that complies with transfer pricing requirements. As at the LPD, all interest accrued on the Related Party Advances has been fully settled.*

The Related Party Advances were fixed at RM125.82 million as at the date of the SSA for purposes of the Set-Off Arrangement. In accordance with the terms of the SSA, any additional related party advances in excess of RM125.82 million will be settled in cash by the Lagenda Group on or before the completion of the Proposed Acquisitions. As at the LPD, the amount of the Related Party Advances remains unchanged, comprising RM105.14 million (aged for a period of 1 year or less) and RM20.68 million (aged for a period of more than 1 to 3 years).

Post completion of the Proposed Acquisitions, as the Target Companies will become 60%-owned subsidiaries of Epicon, the Related Party Advances will become intra-group balances and will be eliminated upon consolidation in the financial statements of the Epicon Group. In the event there are advances/guarantees to be provided by the Target Companies to the Enlarged Epicon Group following the completion of the Proposed Acquisitions, Epicon will comply with the provisions of the Listing Requirements, where applicable.

(ii) *Being the related party advances owing by Lagenda Group to the respective Target Companies.*

(iii) *The salient terms of the Consideration RCPS A are set out in* ***Appendix III*** *of this Circular.*

For information purposes, the Consideration RCPS A can only be converted into Share if it does not result in non-compliance with the Public Spread Requirement. Any outstanding Consideration RCPS A on the maturity date will be mandatorily redeemed in cash at 100% of their nominal value of the maturity date. Epicon's source of funds for the redemption will be via a combination of internally generated funds and/or bank borrowings, the exact proportion of which can only be determined closer to the maturity date of the RCPS A and also after taking into consideration the public shareholding spread of the Company.

Depending on the mix and amount of funds required, the redemption, if any, may increase the Group's gearing ratio and/or reduce the working capital available for on-going projects at that time. Strictly for illustration purposes, under a worst-case scenario where the Company exercises the Call Option and fails to remedy its public shareholding spread prior to the expiry of the RCPS A, the maximum potential cost payable by Epicon for both the Consideration RCPS A and Option Consideration RCPS A would amount to RM356.97 million.

Based on the terms and conditions of the SSA, the issuance and allotment of new Epicon Shares arising from the RCPS Conversion shall be completed prior to the issuance and allotment of the Consideration Shares and the Placement Shares, while the Consideration RCPS A will only be issued and allotted thereafter. Accordingly, the total number of Consideration RCPS A to be issued and allotted pursuant to the Proposed Acquisitions complies with Paragraph 6.50 of the Listing Requirements where the total number of new Epicon Shares which will arise from the conversion of all the Consideration RCPS A will not exceed 50% of the total number of issued Epicon Shares (excluding treasury shares and before the exercise of convertible securities) at all times, as shown below:

		No. of Shares ('000)	%
As at the LPD	(A)	627,464	
New Shares to be issued pursuant to the RCPS Conversion	(B)	233,000	
Percentage of (B) / (A)			**37.13**
Enlarged number of Shares after the RCPS Conversion	**(C) = (A) + (B)**	**860,464**	
New Shares to be issued pursuant to the Proposed Acquisitions and Proposed Private Placement	(D)	2,097,143	
Enlarged number of Shares after the Proposed Acquisitions and Proposed Private Placement	**(E) = (C) + (D)**	**2,957,607**	
New Shares to be issued pursuant to the full conversion of Consideration RCPS A	(F)	1,353,190	
Percentage of (F) / (E)			**45.75**
Enlarged number of Shares after the full conversion of Consideration RCPS A	**(G) = (E) + (F)**	**4,310,797**	
New Shares to be issued assuming full conversion of the Option Consideration RCPS A	(H)	1,392,714	
Percentage of (H) / (G)			**32.31**

The Sale Shares are to be sold (i) free from all claims, liens, charges and encumbrances and with full legal and beneficial title; and (ii) with all rights attaching thereto (including all dividends and distributions, whether declared or undeclared, in respect thereof), with effect from the date of completion of the Proposed Acquisitions, in accordance with the terms and conditions of the SSA.

Pursuant to the SSA, it is a condition precedent that the Company and Lagenda shall enter into the Shareholders' Agreements with each of the Target Companies to regulate their rights as shareholders of the Target Companies and to govern the management and operations of the Target Companies upon completion of the Proposed Acquisitions. The indicative salient terms and conditions of the Shareholders' Agreements are set out in **Appendix IV** of this Circular.

2.1.1 Brief details of the Target Companies

Both RUSB and LPBC are registered with the Construction Industry Development Board as a grade G7 contractor and are principally involved in building construction. The Target Companies have achieved an aggregate revenue and PAT of RM474.38 million and RM41.96 million for the FYE 2025 and RM488.74 million and RM43.30 million for the 8-month FPE 31 August 2026 respectively. Both the Target Companies are managed by their directors, namely Lau Kok Lian and Alfiyan bin Mohd Yunus who are responsible for the day-to-day operations. The Target Companies each maintain the necessary construction fleet and workforce, comprising, among others, project directors, site supervisors, safety officers and project engineers.

Historically, the contract distribution between the Target Companies is based on geographical location where RUSB primarily focus its operations within the state of Perak while LPBC primarily manages township developments in other states in Malaysia. However, as the construction activities of the Target Companies increase, the Target Companies may also undertake construction works out of their historical geographical location depending on availability and progress of their respective projects. Further information on the Target Companies is set out in **Appendix I** of this Circular.

2.1.2 Profit Guarantee

As part of the terms and conditions of the SSA, Lagenda irrevocably and unconditionally guarantees that the Target Companies shall, on a combined basis[(i)] achieve the following:

(a) an audited combined PAT of the Target Companies of not less than RM110.00 million for the FYE 2027;

(b) an audited combined PAT of the Target Companies of not less than RM128.00 million for the FYE 2028; and

(c) a minimum Aggregate PAT of the Target Companies of not less than RM238.00 million i.e. the amount of the Profit Guarantee provided by the Vendor for both the FYE 2027 and the FYE 2028.

Note:

(i) For information purposes, the Profit Guarantee represents Lagenda's guidance on the Target Companies' projected future earnings. In formulating this guidance, Lagenda had considered the outstanding order book of the Target Companies, expected replenishment rate of the construction order book of the Target Companies taking into consideration Lagenda's existing landbank portfolio and future development plan and the outlook for the Malaysian economy and construction industry.

The Profit Guarantee was negotiated on a combined basis as the Proposed RUSB Acquisition and the Proposed LPBC Acquisition were structured as a single transaction. Accordingly, Epicon had assessed the overall commercial value and expected earnings contribution of both Target Companies collectively and agreed that the Profit Guarantee would be determined based on their combined profit performance.

Out of the 1,857,142,857 Consideration Shares to be issued pursuant to the Proposed Acquisitions, 1,098,461,539 Pledged Shares, representing 60% of the total guaranteed profit of RM238.00 million, shall be deposited in the securities account maintained by the Stakeholder as security for the performance of Lagenda's obligations in respect of the Profit Guarantee, in accordance with the terms and conditions of the SSA and the Stakeholder Agreement. Details of scenarios in which the security may be enforced are set out in Section 4(e) of **Appendix II** of this Circular.

For the avoidance of doubt, if the Target Companies achieve an Aggregate PAT that is higher than the Profit Guarantee during both the FYE 2027 and the FYE 2028, the maximum number of Pledged Shares to be released to Lagenda shall remain unchanged at 1,098,461,539 Epicon Shares, which amounts to RM142.80 million (computed based on 60% of the total guaranteed profit of RM238.00 million).

The exercise of voting rights pertaining to the Pledged Shares by the Stakeholder will be made in accordance with the terms of the Stakeholder Agreement, the key terms of which will be in line with the conditions governing the Profit Guarantee and the Pledged Shares as contained in the SSA and set out under Section 4 of **Appendix II** of this Circular.

The salient features of the mechanism of the Profit Guarantee are as follows:

(A) In respect of the FYE 2027, if the audited combined PAT of the Target Companies:

	Implication	References
(i) Is equivalent to or exceeds RM110.00 million	Stakeholder shall release and transfer to Lagenda a maximum of 507,692,308 Pledged Shares	Section 4(d)(i) of **Appendix II** of this Circular Illustrated under Scenarios 1, 3, 4 and 6 as set out **in Appendix II** of this Circular.
(ii) Is below RM110.00 million	There will not be any release of the Pledged Shares to Lagenda	Section 4(d)(i) of **Appendix II** of this Circular. Illustrated under Scenarios 2, 5, 7 and 8 as set out in **Appendix II** of this Circular

If the audited combined PAT of the Target Companies for FYE 2027 exceeds RM110.00 million, such excess profits shall be carried forward to FYE 2028 for the purpose of calculating the total guaranteed profit of RM238.00 million. The scenarios for the carry forward of such excess profit are illustrated in Scenarios 3 and 4 as set out in **Appendix II** of this Circular.

(B) In respect of the FYE 2028, if the Aggregate PAT of the Target Companies:

	Implication	References
(i) Is equivalent to or exceeds RM238.00 million	Stakeholder shall release and transfer to Lagenda 507,692,308 Pledged Shares (if not already released under (A) above) and the remaining 590,769,231 Pledged Shares	Section 4(d)(ii) of **Appendix II** of this Circular Illustrations are set out in Scenarios 1, 2 and 4 as set out in **Appendix II** of this Circular.
(ii) Is below RM238.00 million or if the Target Companies record an aggregate audited combined LAT for both the FYE 2027 and the FYE 2028	Lagenda shall pay the Company an amount equivalent to the Shortfall in cash. Failing which, the Stakeholder shall dispose such number of Pledged Shares (including Additional Securities) equivalent in value to the Amount Due, and pay the Amount Due to Epicon. Any remaining Pledged Shares (including Additional Securities) after the above shall be released to Lagenda.	Section 4(e)(i) of **Appendix II** of this Circular. The formula for the computation of Shortfall and number of Pledged Shares to be disposed of are set out in Sections 4(e)(iv)(1) and 4(e)(iv)(2) of **Appendix II** of this Circular respectively. Illustrations are set out in Scenarios 3, 5, 6, 7 and 8 as set out in **Appendix II** of this Circular.

	Implication	References
	For avoidance of doubt, any aggregate audited combined LAT will be added to the amount payable by Lagenda as Shortfall If the disposal proceeds are insufficient to settle the Amount Due, Lagenda shall pay the balance (i.e. the Cash Top-Up) in cash, within 30 days from the Company's written demand, to the Company, failing which Lagenda shall be liable for liquidated damages at the rate of 8.00% per annum calculated on a daily basis until the date on which full payment is made.	

Strictly for illustration purposes, in the event Lagenda is required to dispose all the Pledged Shares to pay for the Shortfall, its shareholdings in Epicon will reduce by approximately 37.14% from 62.79% to approximately 25.65%.

2.1.3 Reasonableness of the Profit Guarantee

The Board is of the opinion that the Profit Guarantee is reasonable and realistic after taking into consideration the following:

(a) earnings potential of the Target Companies in view of the expected replenishment of their construction order book which is premised on, inter-alia, the Lagenda Group's upcoming launches as well as development plans for its landbank which in turn will translate to projects expected to be awarded by the Lagenda Group to the Target Companies since the Target Companies are the principal construction service providers to the Lagenda Group. As at 30 June 2026, the Lagenda Group has a sizeable landbank of approximately 3,998 acres with an estimated remaining GDV of approximately RM10.28 billion, a significant part of it is expected to be launched over the next 3 years. The optimistic view with regard to these launches stems from the Lagenda Group's strong sales momentum whereby in the FYE 2025, the Lagenda Group has launched projects with an aggregate GDV of approximately RM2.3 billion and achieved confirmed sales of approximately RM1.71 billion, reflecting a compounded annual growth rate of more than 20% over the past 3 years. The projected project launches are expected to result in substantial construction contract awards for the Target Companies, acting as principal contractors for the Lagenda Group, thus enabling them to achieve the Profit Guarantee.

Arising from above, the Board has considered the Target Companies' earnings potential, supported by (i) an outstanding construction order book of RM1,478.04 million as at the LPD ("**Secured Awards**") (ii) the anticipated construction contract awards of RM547.14 million by the FYE 2026 ("**FYE 2026 Unsecured Awards**") and (iii) the future construction awards to be secured ("**Future Awards**"), which will contribute to the Target Companies' earnings during both the FYE 2027 and the FYE 2028 as follows:

Construction awards	**Order book contribution during both the FYE 2027 and the FYE 2028 (RM'million)**	**% of total expected revenue**	**Remarks**
Indicative unbilled Secured Awards as at 31 December 2026	1,328.49	43.70	Note (1)
FYE 2026 Unsecured Awards	547.14	18.00	Note (2)
Future Awards	1,164.11	38.30	Note (3)
Total expected revenue	**3,039.74**	**100.00**	**@**

Notes:

@ Denoting the revenue expected to be achieved by the Target Companies for the FYE 2027 and FYE 2028 as extracted from the valuation undertaken by BDOCC which are expected to contribute to the Profit Guarantee.

(1) Secured Awards

The breakdown of the Secured Awards is as follows:

Target Companies	***No. of on-going projects with brief description on the role, nature of the projects and location***	***Ranges of start and expected completion dates***	***Total contract value as at the LPD (RM'million)***	***Outstanding order book as at the LPD (RM'million)***
RUSB	*8 projects involving civil, infrastructure, earthworks, building works for selected projects of the Lagenda Group, all located within Peninsular Malaysia*	*September 2019 to October 2029*	*1,416.48*	*873.22*
LPBC	*5 projects involving civil, infrastructure, earthworks, building works for selected projects of the Lagenda Group, all located within Peninsular Malaysia*	*November 2023 to October 2029*	*1,066.24*	*604.82*
Total				***1,478.04***
Less: expected work to be done between 23 October 2026 to 31 December 2026				*(149.55)*
Total indicative unbilled Secured Awards as at 31 December 2026				***1,328.49***

*Further details of the Secured Awards are set out in Sections 1.8 and 2.8 of **Appendix I** of this Circular.*

(2) FYE 2026 Unsecured Awards

According to the management of Lagenda, these contracts stem from development projects that have already been launched or is expected to be launched by end of the FYE 2026 and hence, are due for construction awards. The Target Companies are currently finalising, inter-alia, the bills of quantities of these contracts and are expected to secure the construction contracts for these projects progressively, with all awards completed before the FYE 2026 to meet the scheduled launch dates.

(3) Future Awards

Future Awards represent awards from identifiable upcoming projects of the Lagenda Group. These awards include new phases of existing township development as well as new launches from the Lagenda Group's current landbank.

By the FYE 2026, the Target Companies are on track to secure approximately 61.70% of the order book required to meet the Profit Guarantee. Furthermore, there is clear visibility and a defined pipeline of future project awards from the Lagenda Group to secure the remaining balance necessary to fulfil the Profit Guarantee, driven by the Lagenda Group's major development projects as detailed below:

Name of each development with brief description	**Landbank (in acres) and location**	**GDV (RM billion)**	**Project launches**	**Status of the development**	**Status of construction awards as at the LPD**
La' Lumiere (on-going) An integrated township development, planned across 9 phases, featuring around 14,000 affordable residential and commercial properties.	692 acres / Kulai, Johor Bahru	2.66	Phases 1 to 3 Launched between 2025 and 2026 Remaining phases planned to be launched progressively over the next 5 to 7 years	For phases 1 to 2, the project achieved approximately 90% take-up rate. Its latest phase 3 achieved a 86% take-up rate (including bookings) as at 30 June 2026.	Unbilled Secured Award: RM182.95 million Anticipated Future Award: RM453.06 million Further details of the awards are set out in Section 1.8 of **Appendix I** of this Circular
La'Indera (on-going) An integrated township development, planned across 4 phases, featuring over 5,000 affordable residential and commercial properties.	163 acres / Penor, Pahang	0.47	Phases 1 to 2 launched in 2024 and 2026 respectively Remaining phases planned to be launched progressively over the next 3 years	For phase 1, the project achieved 99% take-up. Its latest phase 2 achieved a 73% take-up rate (including bookings) as at 30 June 2026.	Unbilled Secured Award: RM372.19 million Anticipated Future Award: RM75.02 million Further details of the awards are set out in Section 2.8 of **Appendix I** of this Circular.
Kedah 855 (to be launched) An integrated township development, planned across 8 phases, featuring around 8,000 affordable residential and commercial properties.	855 acres / Sungai Petani, Kedah	2.00	To be launched progressively over the next 5 to 7 years	Lagenda Group has obtained the necessary approvals for the launch of Kedah 855 and RUSB is currently undertaking earthworks for the said development	Unbilled Secured Award: RM261.70 million Anticipated Future Award: RM11.75 million Further details of the awards are set out in Section 1.8 of **Appendix I** of this Circular.

Name of each development with brief description	Landbank (in acres) and location	GDV (RM billion)	Project launches	Status of the development	Status of construction awards as at the LPD
Puncak Warisan (on-going) An integrated township development, planned across 7 phases, featuring around 4,000 affordable residential and commercial properties.	174 acres / Kota Tinggi, Johor	0.95	Phase 1 launched in 2024 Remaining phases planned to be launched progressively over the next 2 to 3 years	The launched phase has been fully taken up.	Unbilled Secured Award: RM91.33 million Anticipated Future Award: RM7.31 million Further details of the awards are set out in Section 2.8 of **Appendix I** of this Circular.
Lagenda Suria (on-going) An integrated township development, planned across 3 phases, featuring around 3,500 affordable residential and commercial properties.	230 acres / Mersing, Johor	0.26	Phases 1 to 2 launched in 2024 and 2025 respectively Remaining phase planned to be launched in next year	For phase 1, the project achieved over 90% take-up. Its latest phase 2 achieved a 52% take-up rate (including bookings) as at 30 June 2026.	Unbilled Secured Award: RM138.39 million Further details of the awards are set out in Section 2.8 of **Appendix I** of this Circular.
Lagenda Teluk Intan (on-going) An integrated township development, planned across 6 phases, featuring over 10,000 affordable residential and commercial properties.	912 acres / Teluk Intan, Perak	1.27	Phase 1 to 3A has been completed. Phase 3B launched in 2025 Remaining phases planned to be launched progressively over the next 5 to 7 years	Phase 1 to 3B has achieved 98% take up rate.	Unbilled Secured Award: RM161.34 million Further details of the awards are set out in Section 1.8 of **Appendix I** of this Circular.
Lagenda Damai (on-going) An integrated township development, planned across 4 phases, featuring around 7,000 affordable residential and commercial properties.	544 acres / Tapah, Perak	1.17	Phase 1A launched in 2026 Remaining phases planned to be launched progressively over the next 6 to 8 years	The launched phase has achieved 19% take up rate (including bookings) as at 30 June 2026	Unbilled Secured Award: RM134.40 million Further details of the awards are set out in Section 1.8 of **Appendix I** of this Circular.
Others (**Note A)**	428 acres	1.50			Unbilled Secured Award: RM135.74 million
Total	**3,998 acres**	**10.28**			**Unbilled Secured Award: RM1,478.04 million** **Anticipated Future Award: RM547.14 million**

***Note**:*

(A) *Comprising other on-going development projects and upcoming development projects located in Perak, Kedah, Selangor and Negeri Sembilan.*

(b) the Target Companies which are established construction companies with more than 5 years and approximately 4 years of track record for RUSB and LPBC respectively within the construction industry. In this respect, the Target Companies have recorded an aggregate combined revenue and PAT for the FYE 2025 of RM474.38 million and RM41.96 million, and for the 8-month FPE 31 August 2026 of RM488.74 million and RM43.30 million respectively. Additionally, the Target Companies have completed construction projects amounting up to an aggregate of approximately RM2.02 billion in the past 5 financial years up to the LPD.

A summary of the completed construction projects of the Target Companies for the past 5 financial years up to and including the LPD is as follows:

Target Companies	**No. of projects with brief descriptions on the role, nature of the projects and location**	**Ranges of start and completed dates**	**Total completed construction projects (RM'billion)**
RUSB	9 projects involving the execution and completion of building works, internal and major infrastructure works, earthworks and site clearing works for various phases of residential township developments in Perak and Selangor.	April 2018 – October 2026	1.78
LPBC	3 projects involving the execution and completion of civil, structural, earthworks, internal infrastructure and foundation works for various phases of township developments in Kedah and Johor.	July 2022 – October 2026	0.24
Total			**2.02**

Further details of the completed projects are set out in Sections 1.9 and 2.9 of **Appendix I** of this Circular.

While a significant gap exists between the Target Companies' FYE 2025 historical performance and the Profit Guarantee, the Board considers the Profit Guarantee reasonable and realistic. This view is supported by a strong resurgence in construction activity starting in the 2nd quarter of the FYE 2026, driven by ongoing progress on the Lagenda Group's main development projects in Kulai, Kuantan and Selangor. Consequently, the Target Companies achieved robust month-on-month growth in the 2nd quarter and 3rd quarter of the FYE 2026 whereby in the last 3 months up to 31 August 2026, the Target Companies had achieved an average combined revenue of RM83.79 million per month and average PAT of RM7.36 million per month.

However, there are potential risk which may affect the Lagenda Group's development plans which could lower construction awards and delay project rollouts. Strictly for illustrative purposes, every 1% reduction in unsecured construction contracts of approximately RM2.50 billion as at the Valuation Date could reduce the Target Companies' revenue by RM25.00 million and PAT by RM2.42 million during the FYE 2027 and FYE 2028.

Notwithstanding the above, the Board remains confident that this risk can be offset given that these key projects belong to the Lagenda Group's ongoing township developments with favourable take-up rates and represents one of the phases forming part of a larger multi-stage township where the risk of discontinuity is minimal. Accordingly, the Board expects this strong financial momentum to continue into the FYE 2027 and FYE 2028; and

(c) growth potential and prospects of the Target Companies as set out in Section 10.12 of Part A of this Circular, after taking into consideration, among others, the overview and outlook of the Malaysian economy as well as the outlook of the construction and property market in Malaysia as set out in Sections 10.1 to 10.11 of Part A of this Circular.

The other details of the Profit Guarantee are set out in **Appendix II** of this Circular.

2.2 Details of the Proposed Call Option

Pursuant to the terms and conditions of the SSA, Lagenda agrees to grant the Call Option to the Company to acquire up to 400,000 RUSB Shares and up to 300,000 LPBC Shares which represents up to 40% equity interest in the Target Companies, at the Option Consideration (or up to RM186.76 million and up to RM175.35 million for RUSB and LPBC respectively). Further details of the Proposed Call Option are set out in Section 5 of **Appendix II** of this Circular.

The Call Option may be exercisable by the Company in tranches (subject to a maximum equity interest of 40%), at any time within the Call Option Period by serving a call option notice to Lagenda, subject to the Call Option Conditions.

Prior to exercising the Call Option, the Company shall obtain a confirmation from an approved adviser, which will be appointed at such future point in time, to provide their views on the Company's compliance with the Call Option Conditions.

The Company will decide as to whether to exercise the Call Option at such time in the future after evaluating, among others, the Target Companies' financial and business performance as well as their prospects and the Company's compliance with the Call Option Conditions at that point in time, including the Target Companies' revenue, PAT, remaining order book, contracts under tender/ negotiation, performance of the Profit Guarantee, as well as the Lagenda Group's property pipeline.

The Call Option Period will provide sufficient time for Epicon to plan its financial resources to raise the requisite financing to partially settle the Option Consideration in cash. Since the Option Consideration can also be settled via the Option Consideration Shares and the Option Consideration RCPS A, the thirty (30) months period will also provide the Company with more time to improve Epicon's share liquidity and increase its public shareholding spread.

The Call Option Conditions are required to be met for the Call Option to be exercised. In such event, the Call Option may be settled via manner as set out in Section 2.2.1 of Part A of this Circular.

In view that the Option Consideration was negotiated on a combined basis and Epicon assessed the commercial value and expected earnings contribution of both Target Companies collectively, the Call Option must be exercised in respect of the Remaining Sale Shares of both Target Companies simultaneously. In this respect, as the Call Option represents the acquisition of the remaining 40% equity interest in the Target Companies by Epicon, both Epicon and Lagenda have agreed that the principle for the exercise of the Call Option will be similar to the Proposed Acquisitions, where the equity interest of both RUSB and LPBC will be acquired simultaneously. For the avoidance of doubt, the Call Option cannot be exercised in respect of the Remaining Sale Shares for one of the Target Companies unless it is simultaneously exercised for the same percentage of the Remaining Sale Shares of the other respective target company.

The Call Option shall lapse upon the expiry of the Call Option Period and any Remaining Sale Shares not acquired pursuant to the Call Option shall remain with Lagenda.

2.2.1 Details of the Option Consideration

The Option Consideration of up to RM362.11 million represents the purchase consideration to collectively acquire up to 40% equity interest in the Target Companies. The Option Consideration may be satisfied via a combination of:

(a) cash;

(b) allotment and issuance of such number of Option Consideration Shares to the Vendor; and/or

(c) allotment and issuance of such number of Option Consideration RCPS A to the Vendor.

The exact proportion of the aforementioned mode of settlement has yet to be determined at this juncture as it is dependent on the Company’s public shareholding spread, the number of new Epicon Shares which will arise from the exercise of the Consideration RCPS A in issuance as well as available cash and financing facilities of the Epicon Group at the point the Call Option is exercised. For the avoidance of doubt, the Company has the sole discretion to determine the mode of settlement for each tranche of the Call Option (if any) and the Company is required to comply with the Call Option Conditions prior to exercising the Call Option.

For illustrating the effects throughout this Circular, it is assumed that the Option Consideration shall be satisfied via the following:

(a) up to RM181.05 million to be satisfied via the issuance of up to 1,392,714,200 Option Consideration Shares at the Option Share Issue Price; and

(b) up to RM181.05 million to be satisfied via the issuance of up to 1,392,714,200 Option Consideration RCPS A at the Option RCPS A Issue Price.

If the Aggregate PAT is not met during both the FYE 2027 and the FYE 2028, the Option Consideration shall be subject to adjustments which will be calculated in the following manner:

Adjusted Option Consideration = (A x 7.61[(i)]) x B%

where:

"A" is the Target Companies' average Aggregate PAT;

"B" is the percentage of equity interest in the Target Companies to be acquired via the Call Option, subject to a maximum equity interest of 40%;

Note:

(i) Being the Agreed Implied P/E Multiple.

For the avoidance of doubt, no adjustment will be made to the Option Consideration if the Target Companies' Aggregate PAT is equivalent to or exceeds the Profit Guarantee.

For illustration purposes, assuming that:

Aggregate PAT achieved	**Adjusted Option Consideration**
RM200.00 million	Adjusted as follows: (RM200.00 million / 2) x 7.61 x 40% = RM304.4 million
RM250.00 million	No adjustment as the Aggregate PAT exceeds the Profit Guarantee. The Option Consideration remains at the maximum of RM362.11 million.

Should the Call Option be exercised, the Remaining Sale Shares are to be sold (i) free from all claims, liens, charges and encumbrances and with full legal and beneficial title; and (ii) with all rights attaching thereto (including all dividends and distributions, whether declared or undeclared, in respect thereof), with effect from the date of acquisition of the Remaining Sale Shares by Epicon, in accordance with the terms and conditions of the SSA.

If the Call Option is exercised such that the entire 40% equity interest in the Target Companies is acquired by Epicon, the Target Companies will become wholly-owned subsidiaries of Epicon.

For the avoidance of doubt, the Company has the sole and absolute discretion to decide whether to exercise the Call Option regardless of whether the Profit Guarantee is met.

2.3 Basis and justification for the Maximum Purchase Consideration

The Maximum Purchase Consideration of up to RM905.27 million was negotiated and arrived at after negotiation on a willing-buyer and willing-seller basis, taking into consideration, among others, the aggregate fair value range of the Target Companies of RM860.23 million and RM948.52 million as appraised by BDOCC vide the Valuation Letter as set out below:

100% equity interest in	Range of equity/ fair value as per the Valuation Letter (RM'million)[(1)]	Aggregate range of equity / fair value as per the Valuation Letter (RM'million)[(1)]
RUSB	444.05 to 489.39	860.23 to 948.52
LPBC	416.18 to 459.13	

Note:

(1) The range of equity/ fair value is after taking into consideration the Related Party Advances, borrowings, lease liabilities and surplus assets of the Target Companies.

A summary of the Maximum Purchase Consideration is set out below:

	RUSB (RM million)	LPBC (RM million)	Total (RM million)
Fair value of 100% equity interest[(i)]	466.91	438.36	905.27
Purchase Consideration			
Purchase consideration based on 60% of the fair value **[A]**	280.15	263.01	543.16
Option Consideration			
40% of the fair value, subject to the Option Consideration Adjustment **[B]**	186.76	175.35	Up to 362.11
Maximum Purchase Consideration [A] + [B]			**Up to 905.27**

Note:

(i) The fair value of the entire equity interest of RUSB and LPBC was determined in reference to the range of equity value for RUSB and LPBC respectively as per the Valuation Letter.

Based on the aggregate fair value range, the Purchase Consideration of RM543.16 million falls within the fair value range attributable to the 60% equity interest of the Target Companies of RM516.14 million to RM569.11 million and is only approximately RM0.55 million or 0.1% above the midpoint of the aforesaid fair value range of RM542.61 million.

BDOCC has adopted the DCF methodology ("**DCF Method**") as the primary and most appropriate method of valuation of the Target Companies as it incorporates the projected future earnings and cash flows of the Target Companies, as well as the timing of such cash flows, having considered the Target Companies' established operating track record, historical profitability and existing construction order book. The details of the DCF Method of valuation are as follows:

(a) The DCF Method uses the free cash flow projected to be generated from the business of the Target Companies ("**FCF Projections**") and discounts the FCF Projections at a discount rate to derive the present value of all future cash flows from the business.

(b) A summary of the key inputs adopted by BDOCC for the DCF Method is as follows:

Key inputs	Assumption	Description
Cost of equity	**RUSB** 9.1% to 10.0% **LPBC** 8.9% to 11.2%	Cost of equity represents the rate of return on the entity required by an investor on the cash flow streams generated by the entity, given, amongst others, the risks associated with the cash flow. The estimated cost of equity is derived using the Capital Asset Pricing Model, which is based on risk-free rate of return, expected market rate of return and beta of available listed comparable companies. The cost of equity of the Target Companies varies over the projection period due to changes in its expected debt-to-equity ratio, which results in different geared betas being derived for each financial year. Accordingly, the cost of equity ranges from 9.1% to 10.0% for RUSB and from 8.9% to 11.2% for LPBC.
Adjusted cost of equity	**RUSB** 15.2% to 17.5% **LPBC** 14.9% to 18.9%	The cost of equity has been adjusted to account for inherent risk as well as size and marketability considerations. The inherent risk adjustment is commonly adopted in valuation practice to reflect the uncertainties in the FCF Projections. Accordingly, BDOCC has applied an adjustment of 3.0% to 4.0%, after taking into account the Target Companies' projected revenue growth, execution and margin risks associated with the construction contracts and the expected replenishment of construction contracts throughout the projection period. In addition, a size and marketability adjustment of 25.0% has been applied after taking into consideration the size of the Target Companies relative to the comparable companies and an adjustment for lack of marketability given their unlisted status. This adjustment is derived from the illiquidity discount of unlisted companies, which ranges between 20.0% to 30.0%.
Risk-free rate	4.0%	Risk free rate of return represents the expected rate of return from a risk-free investment. The best available approximation of the risk-free rate of return is the gross yield of the Malaysian Government Securities with remaining term to maturity of 30 years and 6.7 months. As extracted from the Bank Negara Malaysia website, the said yield is 4.0% as at the Valuation Date.

Key inputs	Assumption	Description
Cost of debt (net of tax)	**RUSB** 3.9% **LPBC** 3.8%	Cost of debt represents the effective interest rate that a corporation pays on its total borrowings. For the purpose of this valuation, the cost of debt (net of tax) is based on the weighted average rate of respective Target Companies' credit facilities.
Tax rate	24.0%	Tax rate represents the Malaysian statutory corporate income tax rate, which is adopted in view that the Target Companies are resident companies in Malaysia.
Weighted average cost of capital ("**WACC**")	**RUSB** 12.3% to 14.2% **LPBC** 11.5% to 14.5%	WACC represents the weighted average of the rates of return required by each of the capital providers (comprising both equity and debt) where the weights are the proportions of the firm's total value from each capital source.
Terminal growth rate	2.0%	Terminal growth rate represents an estimate of the company's growth in expected future cash flows beyond a projection period. A terminal growth rate of 2.0% is adopted after taking into consideration the average ten (10)-year consumer price index year-on-year movement from 2016 to 2025 in Malaysia of 2.1% (excluding 2020 due to the deflation which was affected by the COVID-19 pandemic).

(c) A terminal value, which is the value of the Target Companies' businesses beyond the five (5)-year financial projection period, is estimated based on the Gordon Growth Model, being a dividend discount model used to determine the intrinsic value of shares based on a series of dividends that grow at a constant rate, based on the normalised maintainable free cash flow in the terminal year. This is then applied accordingly to arrive at the respective fair values of the Target Companies.

The valuation undertaken as at the Valuation Date was derived based on projected future earnings and cashflows of the Target Companies which is premised on a set of assumptions including inter-alia, progress of on-going construction works that is based on secured order book as well as expected new construction awards, which is based on the Lagenda Group's project pipeline. As at the LPD, barring any unforeseen circumstances, the assumptions in the projections remains reasonable as all the on-going projects are progressing and remain on track to achieve the forecasted outcomes and none of them has been terminated. Furthermore, the management of Lagenda has also guided that its upcoming launches and future development plans based on its existing landbank portfolio remains on track.

In deriving the aggregate fair value range, BDOCC adopted the DCF Method of valuation after taking into consideration, inter-alia:

(a) the financial projections of the Target Companies for the five (5) FYEs 2026 to 2030 ("**Financial Projection Period**");

(b) the Target Companies' remaining combined construction order book based on their on-going projects as at the Valuation Date of RM1.15 billion;

(c) the Target Companies' expected replenishment rate, represents the future potential contracts to be secured by the Target Companies from Lagenda as the Target Companies are the principal construction service providers to the Lagenda Group. The ability of the Target Companies to successfully replenish their construction awards (which is based on the award of construction projects from the Lagenda Group to the Target Companies) is dependent on the Lagenda Group's existing development plans for its landbank portfolio and upcoming launches of development projects. In this respect, the Target Companies have good prospects of replenishing their current order book after taking into consideration that the majority of the FYE 2026 Unsecured Projects are for development projects which had been launched and had recorded favourable take-up rates as well as the Future Awards (both of which are further detailed in Section 2.1.3 of Part A of this Circular) which are identifiable development projects i.e. specifically future phases of on-going development projects as well as new launches from the Lagenda Group's existing landbanks;

(d) the financial position of the Target Companies; and

(e) the profitability of the Target Companies over the past 3 FYEs.

The assumptions underlying the construction awards serve as an important basis for determining the aggregate fair value range. If the assumed construction contracts to be awarded fail to materialise, be delayed, or are secured at lower value than projected in the valuation, the financial performance of the Target Companies and the resultant aggregate fair value range may be adversely affected.

Hence, as part of its assessment of the reasonableness of the construction award assumptions, BDOCC has evaluated the certainty and timing of these awards. In this regard, the majority of the expected future awards relate to the Lagenda Group's identifiable ongoing township development projects which encompasses both launched and planned phases where BDOCC has also considered the historical take-up rates and the development approvals obtained to facilitate the launch of the projects.

Notwithstanding, in determining the aggregate fair value range, BDOCC has applied an inherent risk adjustment of 3.0% to 4.0% in determining the discount rates used in the DCF valuation, taking into consideration the Target Companies' projected revenue growth, execution and margin risks associated with construction contracts, and expected replenishment of construction contracts throughout the projection period. The adjustment reflects the uncertainties inherent in the financial projections, including those associated with the expected future construction awards, such as potential delays or the award of contracts at lower values than assumed in the financial projections.

In justifying the Maximum Purchase Consideration, the Board has taken into consideration, among others, the following:

(i) the secondary valuation methodologies adopted by BDOCC to cross check against the DCF Method, being the RVA and the CTA. The P/E Multiple has been selected as the metric of comparison for both methodologies. Further details of the RVA and CTA are as follows:

(a) RVA

The range of implied P/E Multiple based on the aggregate fair value range of the Target Companies, the Traded P/E Multiple of the comparable companies are set out as follows:

Aggregate fair value range (RM million)	**PAT [(1)] (RM million)**	**Range of implied P/E Multiple (times)**
860.23 to 948.52	119.00	7.2 to 8.0

Note:

(1) The PAT adopted for the computation of implied P/E Multiple is the Average Profit Guarantee.

The RVA was assessed based on the Traded P/E Multiple of the comparable companies of the Target Companies which (i) are principally involved in building construction where at least 50% of their revenue is derived from construction activities; (ii) have a market capitalisation ranging between RM250.00 million and RM1,000.00 million as at the Valuation Date; and (iii) are listed on Bursa Securities for at least one (1) year.

The threshold of at least 50% of revenue derived from construction activities was adopted as a minimum criterion to ensure that construction activities constitute the majority of the comparable companies' revenue. Notwithstanding that certain comparable companies, such as Pesona Metro Holdings Berhad and MGB Berhad, also undertake non-construction activities, their construction activities have consistently contributed more than 50% of their respective total revenue over FYE 2023 to FYE 2025. Accordingly, both companies were included in the selection of comparable companies based on their historical revenue composition and the predominance of their construction activities.

The market capitalisation range of RM250.00 million to RM1,000.00 million was adopted having regard to the range of equity value of RUSB and LPBC respectively as per the Valuation Letter and the aggregate fair value range of RM860.23 million to RM948.52 million, all of which fall within the selected range. Although the market capitalisations of the selected comparable companies are below the aggregate fair value range, their Traded P/E Multiples were considered relevant valuation benchmarks as construction activities constitute the majority of their respective revenue as well as after taking into consideration the need to identify a meaningful group of comparable companies with profiles relatively similar to the Target Companies to ensure a reliable basis for the valuation whereby there is no comparable construction company falling within RM550.00 million and RM1.0 billion. Accordingly, notwithstanding the differences in their respective market capitalisations, the Traded P/E Multiples of the selected comparable companies were considered appropriate as a cross-check to the equity values derived using the DCF method.

The minimum listing period of one (1) year was adopted to ensure that the comparable companies have an established trading history and sufficient publicly available financial information for the computation of their Traded P/E Multiples.

These selection criteria were adopted to identify listed construction companies that are comparable to the Target Companies in terms of size and business nature, while maintaining a sufficiently representative pool of comparable companies.

The comparable companies as at the Valuation Date are as follows:

Comparable companies	Percentage of revenue derived from construction[1]	Market capitalisation (RM million)	Number of years listed	Principal activity	Adjusted Traded P/E Multiple [2] [3] (times)
GDB Holdings Berhad	100%	427.4	7	GDB Holdings Berhad operates as a holding company. The company, through its subsidiaries, provides building construction services. The company constructs and develops residential, commercial, infrastructure, and mixed development projects. The company serves customers in Malaysia.	5.9
Kimlun Corporation Berhad	74%	536.7	15	Kimlun Corporation Berhad is an investment holding company. The company, through its subsidiaries, is an engineering and construction services provider. The company specialises in infrastructure and building construction, construction management, provision of industrial building systems and manufacturer of concrete products as well as trades in construction and building materials.	3.9
Mitrajaya Holdings Berhad	88%	492.0	31	Mitrajaya Holdings Berhad is an investment holding company. Through its subsidiaries, the company constructs buildings and roads, provides civil engineering services, supplies construction materials, and manufactures and sells ready-mix concrete. The company also invests, manages and leases plant and machinery.	4.4
Varia Berhad	96%	332.8	27	Varia Berhad and its subsidiaries are primarily involved in the construction of high-rise residential developments, commercial buildings and healthcare facilities and the development of residential and mixed-use projects.	13.1
Inta Bina Group Berhad	86%	251.5	8	Inta Bina Group Berhad provides construction and engineering services. The company constructs residential, commercial, industrial, and leisure properties. The company serves customers in Malaysia.	4.7
Pesona Metro Holdings Berhad	68%	266.4	21	Pesona Metro Holdings Berhad operates as a holding company. Through its subsidiaries, the company focuses on planning, designing, financing, and constructing public buildings and amenities, student hostels, laboratories, and infrastructure projects. The company serves customers in Malaysia.	5.1
Kumpulan Kitacon Berhad	100%	348.5	2	Kumpulan Kitacon Berhad operates as a construction service provider. The company offers design, renovation, and construction services for residential, commercial, institutional, and specialty buildings. The company serves customers in Malaysia.	5.1
MGB Berhad	57%	257.2	9[4]	MGB Berhad operates as a building sub-contractor. The company offers designing, building, construction, engineering, project management, and geotechnical services. The company serves customers in Malaysia.	3.8
Vestland Berhad	100%	429.9	2	Vestland Berhad operates as a construction company. The company provides construction services of residential and non-residential buildings. The company serves customers in Malaysia.	9.2
				High	**13.1**
				Low	**3.8**
				Average	**6.1**

(Source : Bloomberg)

Notes:

(1) Extracted from latest annual reports available of the comparable companies, as announced on Bursa Securities.

(2) The Traded P/E Multiple is derived based on the market capitalisation of the comparable companies divided by trailing 12 months PAT in accordance with the latest available quarterly results of the respective comparable companies as at the Valuation Date.

*(3) The Traded P/E Multiple was adjusted by applying a 25.00% discount due to lack of marketability given the size of the Target Companies relative to the comparable companies and the unlisted status of the Target Companies ("**Adjusted Traded P/E Multiples**").*

(4) Based on date MGB Berhad was reclassified into Construction Sector by Bursa Securities.

Whilst the Agreed Implied P/E Multiple of 7.61 times is higher than the average Adjusted Traded P/E Multiple of the comparable companies of 6.1 times, such premium remains reasonable as the Agreed Implied P/E Multiple is still within the range of Adjusted Traded P/E Multiple of comparable companies and precedent transactions and taking into consideration the Target Companies' established operating track record and historical profitability, existing construction order book which provides visibility over future earnings and Target Companies' position as the principal construction service providers to Lagenda Group.

(b) CTA

The CTA was assessed based on the P/E Multiple of precedent transactions that were selected based on the following criteria: (i) completed past transactions in Malaysia that involved construction companies as the target; and (ii) completion date of such transaction is within the past 5 years up to the Valuation Date. The details of the precedent transactions as at the Valuation Date are as follows:

Acquirer	Description	Market	Nature of transaction	Date of announcement	Purchase consideration (RM million)	P/E Multiple (times)
Chin Hin Group Berhad ("**CHGB**")	Disposal of 95% equity interest in Kayangan Kemas Sdn Bhd to CHGB for a cash consideration of RM93.5 million	Main	Related party transaction ("**RPT**")	29 February 2024	93.50	7.3
Taghill Holdings Berhad	Acquisition of entire equity interest in Taghill Projects Sdn Bhd for a total purchase consideration of RM122.0 million which was satisfied via cash payment and issuance of new shares	ACE	Non-RPT	18 July 2023	122.00	10.2
Lim Seong Hai Capital Berhad	Acquisition of entire equity interest in Astana Setia Sdn Bhd for a total purchase consideration of RM95.0 million which was satisfied via issuance of new shares	ACE	Non-RPT	28 March 2022	95.00	7.4
Citaglobal Berhad	Acquisition of entire equity interest in Citaglobal Engineering Services Sdn Bhd for a purchase consideration of RM140.0 million which was satisfied via issuance of new shares	Main	RPT	17 November 2021	140.00	7.0
AB Concession Venture Sdn Bhd	Disposal of the entire equity interest in KAS Engineering Sdn Bhd for a cash consideration of RM93.8 million	N/A	RPT	16 November 2020	93.79	5.4

Acquirer	Description	Market	Nature of transaction	Date of announcement	Purchase consideration (RM million)	P/E Multiple (times)
					High	**10.2**
					Low	**5.4**
					Average	**7.5**

(Source : Bloomberg and companies' announcements)

Based on the above, the Agreed Implied P/E Multiple represented by the Maximum Purchase Consideration falls within the range of the Adjusted Traded P/E Multiples of the comparable companies of between 3.8 times and 13.1 times as well as the precedent transactions of between 5.4 times and 10.2 times.

(ii) the Profit Guarantee as set out in Section 2.1.2 of Part A of this Circular. The Maximum Purchase Consideration represents Agreed Implied P/E Multiple;

(iii) rationale and benefits of the Proposed Acquisitions as set out in Section 9 of Part A of this Circular; and

(iv) prospects of the Target Companies and the Enlarged Epicon Group as set out in Section 10.12 of Part A of this Circular.

2.4 Basis and justification for the Consideration Share Issue Price, the Consideration RCPS A Issue Price, the Option Share Issue Price, the Option RCPS A Issue Price and the implied conversion price of the Consideration RCPS A and the Option Consideration RCPS A

The Issue Prices of RM0.13[(i)] were arrived at on a willing-buyer and willing-seller basis after taking into consideration the five (5)-day VWAP of Epicon Shares up to and including the SSA LTD are as follows:

Up to the SSA LTD	VWAP (RM)	Discount	
		RM	%
5-day	0.1484	0.0184	12.40
1-month	0.1428	0.0128	8.96
3-month	0.1369	0.0069	5.04
6-month	0.1404	0.0104	7.41
12-month	0.1393	0.0093	6.68

(Source : Bloomberg)

For information purpose, the Issue Prices represent a discount of RM0.035 or approximately 21.21% to the closing price of Epicon Shares as at the SSA LTD of RM0.165. As the Proposed Acquisitions and Proposed Call Option are conditional upon the RCPS Conversion, the Board is of the view that the Issue Prices are justifiable after taking into consideration that the Issue Prices represent a premium of RM0.03 (or 30.00%) to the adjusted audited NA of Epicon Group as at 31 December 2025 of RM0.10[(ii)] after the RCPS Conversion. Furthermore, the Issue Prices fall within the range of the historical market prices of the Epicon Shares which ranged between RM0.1150 and RM0.1850, which are based on the highest and lowest daily closing market price of the Epicon Shares traded on the Main Market of Bursa Securities for the 6-months up to and including the SSA LTD. The partial settlement of the Purchase Consideration and Option Consideration through the allotment and issuance of the Consideration Shares, Consideration RCPS A, Option Consideration Shares and Option Consideration RCPS A minimises Epicon Group's cash outlay, thereby allowing Epicon to preserve its cash reserves which can be utilised for its construction activities.

Notes:

*(i) Based on the Consideration RCPS A Issue Price and the Option RCPS A Issue Price as well as the conversion ratio of one (1) Consideration RCPS A into one (1) new Epicon Share and one (1) Option Consideration RCPS A into one (1) new Epicon Share (as set out in **Appendix III** of this Circular), the implied conversion price of the Consideration RCPS A and the Option Consideration RCPS A is RM0.13 for each new Epicon Share to be issued upon conversion of the Consideration RCPS A and the Option Consideration RCPS A respectively.*

(ii) The pro forma effect of the RCPS Conversion on the audited NA and NA per Share of the Epicon Group as at 31 December 2025 is illustrated below:

	Audited as at 31 December 2025	***After the RCPS Conversion***
NA (RM'000)	*87,444*	*87,444*
Number of Epicon Shares in issue ('000)	*627,464*	*860,464*
NA per Share (RM)	*0.14*	*0.10*

2.5 Ranking of the Consideration Shares, the Consideration RCPS A, the Option Consideration Shares, the Option Consideration RCPS A and the new Epicon Shares to be issued upon conversion of the Consideration RCPS A and the Option Consideration RCPS A

The Consideration Shares, the Option Consideration Shares and the new Epicon Shares to be issued upon conversion of the Consideration RCPS A and the Option Consideration RCPS A will, upon allotment and issuance, rank equally in all respects with each other and with the then existing issued Epicon Shares, except that they shall not be entitled to any dividends, rights, benefits, entitlements, allotments and/or any other distributions which may be declared, made or paid to the shareholders of Epicon, the entitlement date of which is prior to the date of allotment and issuance of the Consideration Shares, the Option Consideration Shares and the new Epicon Shares to be issued upon conversion of the Consideration RCPS A and the Option Consideration RCPS A. For the avoidance of doubt, the Pledged Shares form part of the Consideration Shares and shall therefore rank equally in all respects with the other Consideration Shares.

The Consideration RCPS A and the Option Consideration RCPS A will constitute direct, unconditional, unsecured and unsubordinated obligations of Epicon and will, upon allotment and issuance, rank equally without any preference or priority between themselves and in priority to other RCPS that may be created in the future, but shall rank behind all secured and unsecured obligations of Epicon.

2.6 Listing and quotation of the Consideration Shares, the Consideration RCPS A, the Option Consideration Shares, the Option Consideration RCPS A and the new Epicon Shares to be issued upon conversion of the Consideration RCPS A and the Option Consideration RCPS A

Bursa Securities had, vide its letter dated 12 November 2026, granted its approval for the following on the Main Market of Bursa Securities:

(a) listing and quotation of the 1,857,142,857 Consideration Shares;

(b) listing and quotation of up to 1,392,714,200 Option Consideration Shares;

(c) listing and quotation of up to 1,353,190,292 new Epicon Shares to be issued upon full conversion of the Consideration RCPS A; and

(d) listing and quotation of up to 1,392,714,200 new Epicon Shares to be issued upon full conversion of the Option Consideration RCPS A.

Bursa Securities' approval is subject to the conditions as set out in Section 13 of Part A of this Circular.

The Consideration RCPS A and the Option Consideration RCPS A will not be listed, quoted or traded on Bursa Securities or any other stock exchange.

2.7 Source of funding

If the Call Option is exercised and should the Option Consideration be satisfied partly or entirely via cash, such amount is expected to be funded via a combination of internally generated funds and/or bank borrowings, the breakdown of which will be determined by the Company at the time when the Call Option is exercised.

2.8 Liabilities to be assumed

There are no liabilities, including contingent liabilities and guarantees, to be assumed by Epicon pursuant to the Proposed Acquisitions and the Proposed Call Option.

2.9 Additional financial commitment

The Company does not expect to incur any additional material financial commitment to put the Target Companies' business on-stream as the Target Companies' businesses are already in operation and are income-generating.

2.10 Background information on the Vendor

Lagenda was incorporated in Malaysia on 2 January 2001 under the Companies Act, 1965 as a private limited company under the name of D.B.E. Gurney Resources Sdn Bhd and is deemed registered under the Act. On 6 February 2003, Lagenda was converted to a public limited company and assumed the name D.B.E Gurney Resource Berhad. Lagenda was listed on the Second Board of Bursa Securities on 11 February 2004. It is currently listed on the Main Market of Bursa Securities. On 16 July 2020, Lagenda assumed the name Lagenda Properties Berhad.

Lagenda is an investment holding company and is engaged in the provision of management consultancy services and via its subsidiaries, is principally involved in property development, construction and trading and supply of hardware and related products.

As at the LPD, the total issued share capital of Lagenda is RM636,005,552 comprising 831,802,881 ordinary shares in Lagenda (excluding 5,524,300 treasury shares).

As at the LPD, the directors and substantial shareholders of Lagenda as well as their respective direct and/or indirect interest in Lagenda are as follows:

	Relationship with Lagenda	Direct		Indirect	
		No. of ordinary shares	%#	No. of ordinary shares	%#
LLSB	Substantial shareholder	446,990,428	53.74	-	-
Doh Capital Sdn Bhd	Substantial shareholder	37,571,208	4.52	-	-
SAPSB	Substantial shareholder	-	-	37,571,208(1)	4.52
Dato' Jimmy	Managing Director and substantial shareholder	10,500,800	1.26	488,461,636(2)	58.72
Dato' Marcus	Substantial shareholder	1,179,000	0.14	488,461,636(2)	58.72
Dato' Doh Jee Chai	Substantial shareholder	-	-	484,561,636(3)	58.25
Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj. Ahmad Badaruddin (Retired)	Independent Non-Executive Chairman	-	-	-	-
Dr. Lim Pang Kiam	Non-Independent Non-Executive Director	500,000	0.06	-	-
Looi Sze Shing	Independent Non-Executive Director	-	-	-	-

	Relationship with Lagenda	Direct		Indirect	
		No. of ordinary shares	%#	No. of ordinary shares	%#
Ts. Myrzela Binti Sabtu	Independent Non-Executive Director	-	-	-	-
Tengku Faradiza Binti Tengku Baharuddin	Independent Non-Executive Director	400	*	-	-
Datin Loa Bee Ha	Independent Non-Executive Director	-	-	-	-
Chua Seng Hooi	Executive Director	-	-	-	-

Notes:

 # Computed based on the total number of ordinary shares in Lagenda in issue of 831,802,881 (excluding 5,524,300 treasury shares).

** Represents less than 0.01% of the total number of ordinary shares in Lagenda in issue.*

(1) Deemed interested by virtue of its shareholding in Doh Capital Sdn Bhd pursuant to Section 8(4) of the Act.

(2) Deemed interested by virtue of his shareholding in LLSB, Doh Properties and SAPSB, being the holding company of Doh Capital Sdn Bhd, pursuant to Section 8(4) of the Act. For information purposes, Doh Properties holds 3,900,000 ordinary shares in Lagenda as at the LPD.

(3) Deemed interested by virtue of his shareholding in LLSB and SAPSB, being a holding company of Doh Capital Sdn Bhd, pursuant to Section 8(4) of the Act.

2.11 Original date and cost of investment

The original date and cost of investment by Lagenda in the Target Companies are as follows:

Date of investment	Original cost of investment	
	RUSB (RM)	LPBC (RM)
12 February 2018	-	1
12 August 2020	148,269,909	-
4 June 2022	-	749,999

2.12 Details of the RRPT Mandate

For information purposes, the Lagenda Group had, in the ordinary course of business, entered into the following transactions with the Target Companies (which are still subsisting as at the LPD):

Transacting party (as property developer)[1]	Target company (as main contractor)	Description of the contract	Date of letter of award	Transaction amount (RM'million)	Contract tenure (where applicable)
BDB Lagenda Sdn Bhd	LPBC	The execution and completion of civil and structural, including main and internal infrastructure for several phases of township development in Kedah.	Comprising multiple letters of awards with the earliest award dated 21 August 2023	140.83	Up to 33 months
Opti Vega Sdn Bhd	LPBC	The execution and completion of civil, structural and earthworks, including internal infrastructure for several phases of township development in Johor.	Comprising multiple letters of awards with the earliest award dated 28 August 2024 [2]	185.30	Up to 33 months
LPB Development Sdn Bhd	LPBC	The execution and completion of civil, structural and earthworks, including main and internal infrastructure for several phases of township development in Pahang.	Comprising multiple letters of awards with the earliest award dated 14 October 2024	491.16	Up to 36 months
Lagenda Mersing Sdn Bhd	LPBC	The execution and completion of civil, structural and earthworks, including main and internal infrastructure for several phases of township development in Johor.	Comprising multiple letters of awards with the earliest award dated 26 February 2024	246.23	Up to 36 months
Vivafirst Sdn Bhd	LPBC	The execution and completion of site clearing works for a township development in Senawang.	Comprising multiple letters of awards with the earliest award dated 15 August 2026	2.72	Up to 12 months
Taraf Nusantara Sdn Bhd	RUSB	The execution and completion of earthwork, building and internal infrastructure work for several phases of residential township development in Perak.	Comprising multiple letters of award with the earliest award dated 7 June 2022[2]	98.56	up to 36 months
Lagenda Harta Sdn Bhd	RUSB	The execution and completion of site clearance, road access, building and infrastructure work for a commercial development in Perak.	Comprising multiple letters of award with the earliest award dated 2 May 2024[2]	12.93	up to 24 months
Blossom Eastland Sdn Bhd	RUSB	The execution and completion of earthwork for several phases of residential township development in Kedah.	Comprising multiple letters of award with the earliest award dated 20 April 2026	268.70	up to 36 months
Lagenda Mersing Sdn Bhd	RUSB	The execution and completion of site clearing, earthwork, piling and building work for a mixed-use development in Johor.	Comprising multiple letters of award with the earliest award dated 7 April 2025	309.77	up to 30 months

Transacting party (as property developer)[1]	Target company (as main contractor)	Description of the contract	Date of letter of award	Transaction amount (RM'million)	Contract tenure (where applicable)
Blossom Eastland Sdn Bhd	RUSB	The execution and completion of site clearing, earthwork, major and internal infrastructure, piling and building work for several phases of residential township development in Selangor.	Comprising multiple letters of award with the earliest award dated 8 April 2024	288.44	up to 46 months
Taraf Nusantara Sdn Bhd	RUSB	The execution and completion of site clearing, earthwork, piling, internal and major infrastructure work for several phases of residential township development in Perak.	Comprising multiple letters of award with the earliest award dated 17 September 2019[2]	245.72	up to 24 months
Blossom Eastland Sdn Bhd	RUSB	The execution and completion of site clearing, earthwork, building and internal infrastructure work for a residential township development in Perak.	26 January 2026	19.75	up to 24 months
LPB Development Sdn Bhd	RUSB	The execution and completion of site clearing, earthwork, piling and building work, internal and major infrastructure work for a residential township development in Perak.	Comprising multiple letters of award with earliest award dated 30 June 2025	172.61	up to 36 months
Total				**2,482.72**	

Notes:

(1) Being a wholly-owned subsidiary of Lagenda.

(2) Notwithstanding the commencement date of the earliest award, the construction works had commenced at a later date.

The Enlarged Epicon Group may enter into additional RRPTs with the Lagenda Group as well as related parties of the Lagenda Group which will facilitate the growth of the Enlarged Epicon Group's construction business after the completion of the Proposed Acquisitions. In this respect, Epicon is proposing to seek the approval for the Proposed New Shareholders' Mandate from the Shareholders at the forthcoming EGM concurrently with the Proposals. Further details of the Proposed New Shareholders' Mandate are set out in Part C of this Circular.

3. DETAILS OF THE PROPOSED PRIVATE PLACEMENT

3.1 Placement size

As at the LPD, the issued share capital of the Company is RM33,344,100.71 comprising 627,464,015 Epicon Shares.

The Proposed Private Placement entails the issuance of 240,000,000 Placement Shares, representing approximately 38.25% of the total issued Epicon Shares as at the LPD or 8.11% of the enlarged issued Shares after the RCPS Conversion, the Proposed Acquisitions and the Proposed Private Placement.

3.2 Placement arrangement

The Company had, on 14 July 2026, entered into the Subscription Agreements with the Placement Investors, where the Placement Investors shall collectively subscribe for 240,000,000 Placement Shares at the Placement Issue Price for an aggregate sum of RM31.20 million for cash in accordance with the terms and conditions of the respective Subscription Agreements. The salient terms of the Subscription Agreements are set out in **Appendix IX** of this Circular. For the avoidance of doubt, the Subscription Agreements do not contain other terms favourable to the Placement Investors.

The Subscription Agreements are inter-conditional upon each other.

The proposed allocation of the Placement Shares to the respective Placement Investors in accordance with the Subscription Agreements is as follows:

Name	No. of Placement Shares	Percentage of the enlarged issued Epicon Shares after the RCPS Conversion, the Proposed Acquisitions and the Proposed Private Placement[(i)] (%)	Subscription amount (RM)
Binari Maju	71,428,600	2.42	9,285,718
JMJ Mega Bina	71,428,600	2.42	9,285,718
Teoh WS	57,142,800	1.93	7,428,564
Matthew	40,000,000	1.34	5,200,000
Total	**240,000,000**	**8.11**	**31,200,000**

Note:

(i) Before taking into account the conversion of the Consideration RCPS A.

The Placement Investors are not related to the existing Directors, Major Shareholders and/or chief executive of Epicon as well as persons connected with them. Further, the Placement Investors are not related to Doh Properties, Lagenda and their respective PACs.

The following are the criteria considered in the identification and selection process of the Placement Investors:

(i) Entities / individuals that are not PACs of Doh Properties and Lagenda;

(ii) Entities / individuals that are not persons connected to Directors / Major Shareholders / chief executive of Epicon; and

(iii) Business associates, existing Shareholders of Epicon and/or acquaintances of the Major Shareholders with financial capabilities to subscribe for the Placement Shares and are not deemed as the PACs of Doh Properties and Lagenda as set out in item (i) above.

The Placement Investors have confirmed that they have sufficient financial resources comprising, among others, cash and bank balances and/or borrowings to subscribe for their respective Placement Shares pursuant to the Subscription Agreements and such confirmations have been verified by Maybank IB, being the Principal Adviser to the Company for the Proposals.

The primary basis of the allocation of the Proposed Private Placement is to ensure that none of the Placement Investors will hold equity interest of more than 5% of the issued Epicon Shares in order for Epicon to comply with the Public Spread Requirement. Taking this into consideration, the final allocation is determined based on discussions between Epicon and each of the Placement Investors.

For the avoidance of doubt, the Proposed Private Placement is inter-conditional with the Proposed Acquisitions and is proposed to be implemented concurrently with the Proposed Acquisitions such that the issuance and allotment of the Placement Shares shall occur simultaneously with the issuance and allotment of the Consideration Shares, in order for Epicon to be in compliance with the Public Spread Requirement following the allotment of the Consideration Shares.

3.3 Information on the Placement Investors

(a) Binari Maju

Binari Maju was incorporated in Malaysia under the Companies Act, 1965 on 1 April 2010 as a private limited company and is deemed registered under the Act. It is principally involved in the construction of buildings and houses. As at the LPD, the issued share capital of Binari Maju is RM750,000 comprising 750,000 ordinary shares. The following is a summary of the financial information of Binari Maju as at 31 March 2025, based on its latest filings with the Companies Commission of Malaysia ("**CCM**"):

Summary of financial information	RM' million
Total assets	66.63
NA	34.33
Revenue	86.00
Profit/(loss) after tax	(6.07)

As at the LPD, the directors and shareholder of Binari Maju as well as their respective shareholding in Binari Maju are as follows:

Name	Relationship with Binari Maju	No. of ordinary shares	%
Foo Kwai Kheng	Director	-	-
Hafini Muhammad Rozi Bin Hanapi	Director	-	-
Ong Beng Leong	Director	-	-
Sunrise Binari Sdn Bhd[(i)]	Shareholder	750,000	100.00

Note:

(i) As at the LPD, the controlling shareholder of Sunrise Binari Sdn Bhd is Foo Kwai Kheng.

(b) JMJ Mega Bina

JMJ Mega Bina was incorporated in Malaysia under the Act on 3 December 2019 as a private limited company. It is principally involved in the business as a builder, contractor, project manager, construction manager, designer and sub-contractor for construction works. As at the LPD, the issued share capital of JMJ Mega Bina is RM750,000 comprising 750,000 ordinary shares. The following is a summary of the financial information of JMJ Mega Bina as at 31 March 2025, based on its latest filings with the CCM:

Summary of financial information	RM' million
Total assets	51.89
Net liabilities	19.67
Revenue	91.87
Profit/(loss) after tax	(4.44)

As at the LPD, the sole director and shareholder of JMJ Mega Bina is Seow Joon Khean.

(c) Teoh WS

Teoh WS, a Malaysian aged 46, is a director and shareholder of TKC Southern Sdn Bhd and Fortune Bit Solutions Sdn Bhd, being private companies, which are principally involved in the trading and dealership of motorcycles and the provision of information technology ("**IT**") solutions and services, including IT infrastructure management, software development, digital transformation and business process optimisation respectively.

He also holds directorships and has shareholdings in several other private companies including those which are principally involved in property investment and property development.

(d) Matthew

Matthew, a Malaysian aged 31, is a director and shareholder of Good Asia Construction Sdn Bhd and Smart Returns Sdn Bhd, being private companies, which are principally involved in construction and property development.

He also holds directorships and has shareholdings in several other private companies including those which are principally involved in construction, property development and food and beverages business.

3.4 Basis and justification for the Placement Issue Price

The Placement Issue Price was arrived at on a willing-buyer willing-seller basis after taking into consideration, among others, the Issue Prices of RM0.13 as set out under Section 2.4 of Part A of this Circular and the historical market prices of the Epicon Shares which ranged between RM0.1150 and RM0.1850 for the 6-months up to and including the SSA LTD.

3.5 Ranking of the Placement Shares

The Placement Shares will, upon allotment and issuance, rank equally in all respects with each other and the then existing issued Epicon Shares, except that they shall not be entitled to any dividends, rights, benefits, entitlements, allotments and/or other distributions which may be declared, made or paid to the shareholders of Epicon, the entitlement date of which is prior to the date of allotment and issuance of the Placement Shares.

3.6 Listing and quotation of the Placement Shares

Bursa Securities had, vide its letter dated 12 November 2026, granted its approval for the listing and quotation of the Placement Shares on the Main Market of Bursa Securities.

3.7 Utilisation of proceeds

Based on the Placement Issue Price, the Company will raise gross proceeds of RM31.20 million to be utilised in the following manner:

Description of use	Note	RM'000	Percentage (%)	Estimated timeframe for utilisation from the listing of the Placement Shares
Working capital of the Enlarged Epicon Group	(a)	11,880	38.08	Within 12 months
Repayment of bank borrowings	(b)	17,500	56.09	Within 6 months
Defray expenses relating to the Proposals	(c)	1,820	5.83	Immediate
Total		**31,200**	**100.00**	

Notes:

(a) Working capital

As at the LPD, the combined outstanding order book of the Epicon Group and the Target Companies is approximately RM2.07 billion from a total of 111 on-going construction projects undertaken by the Epicon Group and the Target Companies, details of which are set out below:

Companies	*No. of on-going projects with brief descriptions on the role, nature of the projects and location*	*Ranges of start and expected completion dates*	*Total contract value as at the LPD (RM'million)*	*Outstanding order book as at the LPD (RM'million)*
Epicon Group	*98 projects comprising earthworks, infrastructure works and building works for both high-rise and landed development and multiple smaller scale awards for casting, supply and installation of tension beams, all located within peninsular Malaysia*	*April 2022 to March 2029*	*1,100.84*	*590.37*
RUSB	*8 projects involving civil, infrastructure, earthworks, building works for selected projects of the Lagenda Group, all located within peninsular Malaysia*	*September 2019 to October 2029*	*1,416.48*	*873.22*

Companies	*No. of on-going projects with brief descriptions on the role, nature of the projects and location*	*Ranges of start and expected completion dates*	*Total contract value as at the LPD (RM'million)*	*Outstanding order book as at the LPD (RM'million)*
LPBC	*5 projects involving civil, infrastructure, earthworks, building works for selected projects of the Lagenda Group, all located within peninsular Malaysia*	*November 2023 to December 2028*	*1,066.24*	*604.82*
Total	***111***		***3,583.56***	***2,068.28***

Further details of the Target Companies' on-going construction projects are set out in Sections 1.8 and 2.8 of ***Appendix I*** *of this Circular.*

The Company intends to utilise RM11.88 million from the proceeds arising from the Proposed Private Placement for the following two major on-going construction projects of the Enlarged Epicon Group which are currently progressing in accordance with their respective schedule, which Epicon is proposing to finance via a combination of internally generated funds and bank borrowings in the absence of the Proposed Private Placement:

No.	*Entity undertaking the project*	*Awarder*	*Project name*	*Description of the project*	*Start date / Expected completion date*	*Contract value (RM million)*	*Percentage of completion as at the LPD (%)*	*Total budgeted cost (RM million)*	*Estimated balance of budgeted cost as at the LPD (RM million)*	*Outstanding order book as at the LPD (RM million)*
1.	*TBSB[(i)]*	*Aman Wijaya Sdn Bhd[(iii))]*	*PR1MA Kuantan*	*Construction of 340 units of single storey Semi-D houses, 8 units of single storey bungalow, 652 units of single storey terrace houses and 19 units of 2-storey shop lots located at Pahang*	*August 2023 / December 2027*	*152.97*	*68.69*	*120.11*	*37.60*	*54.81*

No.	Entity undertaking the project	Awarder	Project name	Description of the project	Start date / Expected completion date	Contract value (RM million)	Percentage of completion as at the LPD (%)	Total budgeted cost (RM million)	Estimated balance of budgeted cost as at the LPD (RM million)	Outstanding order book as at the LPD (RM million)
2.	*TBSB[(i)]*	*Maju Teluk Batik Sdn Bhd[(ii)]*	*Meru Raya Apartment 2*	*Building work for 2 blocks of apartments and a carpark together with ancillary building, mechanical and electrical services, infrastructure and landscaping works at Perak*	*March 2024 / March 2029*	*191.13*	*35.05*	*146.76*	*95.32*	*117.02*
Total						***344.10***		***266.87***	***132.92***	***171.83***

Notes:

(i) TBSB is a wholly-owned subsidiary of Epicon.

(ii) Maju Teluk Batik Sdn Bhd is 80.0% owned directly by Dato' Jimmy while 10.0% is each owned directly by Dato' Marcus and Dato' Doh Jee Chai. The Company had on 23 June 2026 obtained its Shareholders approval to enter into the RRPT with Maju Teluk Batik Sdn Bhd.

(iii) Aman Wijaya Sdn Bhd is an independent third-party awarder.

The working capital of the Enlarged Epicon Group is intended for the following:

Description	RM'000
Raw material and labour costs	*8,680*
Sub-contractor costs	*3,200*
Total	***11,880***

As these projects are currently on-going, the utilisation of the proceeds allocated will be dependent on the progress of each project at that material point in time. If required, the funding requirements of the projects (including the property development project of the Target Companies, if any) will be re-assessed from time to time and if necessary, the working capital of the Enlarged Epicon Group will be allocated among the on-going projects and/or any future construction projects to be secured by the Enlarged Epicon Group subsequent to the LPD, as and when the need arises.

(b) Repayment of bank borrowings

As at the LPD, our Group's total outstanding borrowings, all of which are denominated in Ringgit Malaysia, stood at RM83.10 million, which comprises term loans, trade financing and revolving credit facilities, as follows:

Type of borrowing	***Purpose of the facility***	***Average interest rate per annum/ Average Interest per month@ (RM'000)***	***Loan tenure***	***Outstanding amount as at the LPD (RM million)***	***Proposed repayment amount (RM million)***
Term loans	*To part finance the purchase consideration of a previously acquired subsidiary and to finance keyman insurance*	*6.07% / 61.51*	*48 months - 120 months*	*12.16*	*-*
Trade Financing	*To finance the purchase of goods and services rendered*	*5.13% / 145.09*	*120 days*	*33.94*	*-*
Short term revolving credit	*To finance working capital*	*5.34% / 80.10*	*3 years*	*18.00*	*-*
Revolving credit	*To finance working capital*	*5.31% / 84.08*	*Repayable on demand and subject to periodic review*	*19.00*	*17.50*
			Total	***83.10***	***17.50***

Note:

@ Computed based on the outstanding amount as at the LPD and the average interest rate per annum.

As at the LPD, the interest on the Group's total borrowings amounts to RM0.31 million per month and there are no overdue amounts and/or late payment charges incurred in relation to the Group's borrowings.

The repayment of the Company's revolving credit facility is expected to generate annual gross interest savings of approximately RM0.93 million, computed based on the repayment amount of RM17.50 million and an interest rate of 5.31% per annum. The Group intends to utilise the proceeds to repay the Group's revolving credit facilities as these facilities can be redrawn after the repayment, thereby providing greater financial flexibility whereas term loans have fixed repayment schedules and, upon repayment, the corresponding loan facilities cease to be available for further drawdown. There is no immediate intention for the Company to raise additional funds to settle the Group's bank borrowings.

While repaying the revolving credit facility reduces interest expenses, Epicon's primary strategic purpose in repayment of the revolving credit facility is to preserve financial agility. At this juncture, while Epicon has no immediate plans to redraw the revolving credit facilities upon repayment, the repayment of the revolving credit facility restores the available credit limit, allowing Epicon to redraw funds instantly to bridge any immediate and unforeseen funding requirements. Unlike a term loan facility which will be terminated upon repayment and would require a costly, time-consuming reapplication process, the revolving facility allows the Company to re-borrow without incurring additional charges, such as stamp duties, which have already been incurred.

Further, certain term loan facilities are subject to early settlement penalties whereas the revolving credit facilities may be repaid without incurring any early settlement penalties and allows the Group to retain access to approved credit lines for future drawdowns, if required, to support its working capital requirements. Additionally, the Group's revolving credit facilities have a higher average interest rate per annum as compared to the Group's trade financing facilities.

(c) Defray expenses relating to the Proposals

The estimated expenses relating to the Proposals comprise the following:

Description	***RM'000***
Professional fees[(i)]	*1,418*
Fees payable to authorities	*366*
Miscellaneous expenses (printing, advertisement and contingencies costs)	*36*
Total	***1,820***

Note:

(i) Comprises fees payable to the Principal Adviser, solicitors, independent valuer of the Target Companies, independent valuer for the Call Option, the Consideration RCPS A and the Option Consideration RCPS A, reporting accountants, share registrar, company secretary and independent adviser as mentioned in Section 22 of Part A of this Circular.

Any surplus or shortfall in the funds allocated for the expenses relating to the Proposals against actual expenses incurred will be adjusted accordingly to/from the amount allocated for the working capital of the Enlarged Epicon Group.

Pending utilisation of the proceeds from the Proposed Private Placement, the proceeds will be placed in interest/profit-bearing accounts with financial institution(s) and/or investments in short-term money market fund(s) / Islamic instrument(s). Any interest/profit income generated from the deposits with financial institution(s) and/or dividend income/profit rate arising from the short-term money market fund(s) / Islamic instrument(s) will be used as working capital for the Enlarged Epicon Group.

There will be no proceeds arising from the conversion of the Consideration RCPS A and the Option Consideration RCPS A into new Epicon Shares as the conversion will not require any cash payment by Lagenda. The salient terms of the Consideration RCPS A and the Option Consideration RCPS A are set out in **Appendix III** of this Circular.

3.8 Fund-raising exercises undertaken by the Company in the past twelve (12) months

The Company has not undertaken any fund-raising exercise in the past twelve (12) months.

4. DETAILS OF THE PROPOSED AMENDMENTS

The Company proposes to amend its constitution to facilitate the issuance and allotment of the Consideration RCPS A and the Option Consideration RCPS A pursuant to the Proposed Acquisitions and the Proposed Call Option.

The salient terms of the Consideration RCPS A and the Option Consideration RCPS A are set out in **Appendix III** of this Circular.

Further details of the Proposed Amendments are set out in **Appendix X** of this Circular.

5. DETAILS OF THE RCPS CONVERSION

The RCPS was issued to Doh Properties on 29 December 2021 as part of a placement exercise undertaken by Epicon (formerly known as Konsortium Transnasional Berhad) as an interim measure to raise working capital for the Epicon Group to address the Group's immediate obligations and sustain its existing business activities while the Group formulates a regularisation plan in order to address its Practice Note 17 classification pursuant to the Listing Requirements.

For the avoidance of doubt, Doh Properties has not converted the 233,000,000 RCPS. In view of the impending maturity date of the RCPS, i.e. on 29 December 2026, it is the intention of Doh Properties to convert all the outstanding 233,000,000 RCPS into new Epicon Shares.

Details of the RCPS are as follows:

Issue date	:	29 December 2021
Issue price	:	RM0.10 per RCPS
Issue size	:	RM23,300,000 by way of issuance of 233,000,000 RCPS in a single tranche at the issue price of RM0.10 per RCPS
Tenure	:	5 years commencing from and inclusive of the issue date
Maturity date of RCPS	:	5th anniversary of the issue date, being 29 December 2026
Conversion rights and mandatory conversion	:	The holder of RCPS shall be entitled to convert each RCPS held into such number of Epicon Share(s) in accordance with conversion ratio during conversion period at no cost payable by the RCPS holder. Unless previously redeemed or converted or purchased and cancelled, all outstanding RCPS will be mandatorily converted to new Epicon Shares on the maturity date of the RCPS
Conversion ratio of the RCPS	:	The conversion ratio shall be one RCPS to one Epicon Share, unless adjusted due to any alteration to the Epicon's share capital, such as rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital ("**Adjustments**")
Conversion price	:	Based on the issue price per RCPS and the conversion ratio of one RCPS to one Epicon Share, the implied conversion price is RM0.10 per Epicon Share, subject to Adjustments
Conversion period of the RCPS	:	The RCPS shall be convertible into new Epicon Shares on any market day at any time during the tenure of the RCPS commencing on and including the issue date up to and including the maturity date of the RCPS
Redemption price	:	Redemption price is equivalent to the issue price of RM0.10 per RCPS
Listing	:	The RCPS is not listed, quoted or traded on Bursa Securities or any other stock exchange

The details of the RCPS Conversion are included in this Circular are strictly for information purposes only and do not form part of the Proposals to be tabled to Shareholders at the forthcoming EGM. Nonetheless, the RCPS Conversion is conditional upon the Proposed Exemption 1, which will be tabled to Shareholders at the forthcoming EGM.

Pursuant to the Doh Properties RCPS Undertaking Letter, Doh Properties undertakes that it will convert all the outstanding 233,000,000 RCPS into 233,000,000 new Epicon Shares prior to the date of completion of the Proposed Acquisitions. The RCPS Conversion is undertaken upfront and save for the Proposed Exemption 1, it is not conditional upon the other corporate exercises in the Proposals, in order to avoid delays from the other parts of the Proposals especially given the maturity date of the RCPS is on 29 December 2026.

6. DETAILS OF THE PROPOSED EXEMPTIONS

6.1 Details of the Proposed Exemption 1

As at the LPD, Doh Properties holds 67,000,000 Epicon Shares, representing approximately 10.68% equity interest in the Company and 233,000,000 RCPS in the Company.

Upon completion of the RCPS Conversion:

(a) the direct shareholding of Doh Properties in the Company will increase from 10.68% to 34.86%; and

(b) the collective shareholding of Doh Properties and the MGO 1 PACs in the Company will increase from 12.58% to 36.25%.

The changes in the shareholding structure and corporate structure of Epicon before and after the Proposals are set out in Section 6.4 of Part A of this Circular.

As the direct shareholding of Doh Properties and the collective shareholding of Doh Properties and the MGO 1 PACs will increase to more than 33% of the enlarged issued Shares after the RCPS Conversion, Doh Properties and the MGO 1 PACs will trigger a MGO obligation pursuant to subsection 218(2) of the CMSA, read together with subparagraph 4.01(a) of the Rules arising from the RCPS Conversion.

As it is not the intention of Doh Properties and the MGO 1 PACs to undertake a MGO for all the remaining Epicon Shares not already owned by them after the RCPS Conversion, Doh Properties and the MGO 1 PACs intend to seek the approval of the SC for the Proposed Exemption 1, subject to the approval of the non-interested Shareholders to be sought at the forthcoming EGM of the Company. In the event the Proposed Exemption 1 is not approved:

(i) Doh Properties may partially convert a portion of the RCPS to ensure the total shareholding for Doh Properties and the MGO 1 PACs do not exceed the 33% MGO threshold and for Epicon to redeem all remaining unconverted RCPS prior to the maturity date of RCPS. Strictly for illustration purposes, assuming Doh Properties converts 180.00 million RCPS, the shareholdings of Doh Properties and the MGO 1 PACs shall remain below 33.00% and the remaining 53.00 million RCPS with nominal value of RM5.30 million shall be redeemed by Epicon via internally generated funds and/or borrowings; or

(ii) Epicon to mandatorily convert the RCPS in full on the maturity date of the RCPS, resulting in Doh Properties triggering a MGO in compliance with the Rules ("**Full Conversion Route**").

Under the Full Conversion Route, the RCPS Conversion will increase the individual and collective shareholdings of Doh Properties and the MGO 1 PACs to above 33.00%. This will trigger a mandatory obligation to extend a conditional MGO to acquire all remaining Epicon Shares not owned by Doh Properties and the MGO 1 PACs ("**Offer Share(s)**") at a cash consideration of RM0.10 per Offer Share, which represents the RCPS conversion price, or at the highest acquisition price of Epicon Shares paid by them, in accordance with subparagraph 6.03(1) of the Rules. If the Full Conversion Route is pursued, Doh Properties requires approximately RM54.85 million to satisfy full acceptance under the MGO, which is expected to be funded by Doh Properties and/or the MGO 1 PACs through a combination of bank borrowings and existing cash reserves and will ensure sufficient financial capability to fulfil the MGO. Should Epicon mandatorily convert the RCPS in full on their maturity date, Doh Properties and the MGO 1 PACs still intend to maintain Epicon's listing status on the Main Market of Bursa Securities. If the MGO is undertaken and receives full acceptance, it will reduce the public shareholding spread of Epicon. The exact impact of the MGO on the share trading liquidity of Epicon cannot be determined at this juncture, as the final public shareholding spread will depend on the actual level of acceptances received under the MGO; or

(iii) Epicon to redeem all the outstanding 233,000,000 RCPS prior to the maturity date of RCPS, in which the total redemption price would amount to RM23.30 million (i.e. RM0.10 per RCPS) payable in cash to Doh Properties where the source of funds will be a combination of internally generated funds and/or bank borrowings, the exact proportion of which can only be determined closer to the redemption date should such situation occur.

6.1.1 Identity of Doh Properties' PACs

Pursuant to subsections 216(2) and 216(3) of the CMSA, the PACs of Doh Properties in relation to the Proposed Exemption 1 as at the LPD are as follows:

Name	Description of relationship	Applicable provisions under subsection 216(3) of the CMSA
Dato' Jimmy	• Shareholder of Doh Properties who has 90% equity interest in Doh Properties • Director of Doh Properties	Paragraphs 216(3)(b) and 216(3)(f) of the CMSA
Dato' Marcus	• Brother of Dato' Jimmy • Shareholder of Doh Properties who holds 10% equity interest in Doh Properties • Shareholder of Epicon	Paragraphs 216(3)(b) and 216(3)(f) of the CMSA
Dato' Doh NC	• Father of Dato' Jimmy and Dato' Marcus • Shareholder of Epicon	Paragraphs 216(3)(b) and 216(3)(f) of the CMSA
Datin Lee	• Mother of Dato' Jimmy and Dato' Marcus • Shareholder of Epicon	Paragraphs 216(3)(b) and 216(3)(f) of the CMSA

Name	Description of relationship	Applicable provisions under subsection 216(3) of the CMSA
Datin Ding	• Sister-in-law of Dato' Jimmy and Dato' Marcus • Shareholder of Epicon	Paragraphs 216(3)(b) and 216(3)(f) of the CMSA

6.2 Details of the Proposed Exemption 2

Pursuant to the terms and conditions of the SSA, the issuance and allotment of the Consideration Shares to Lagenda, shall only occur following the completion of the RCPS Conversion and will be issued concurrently with the Placement Shares.

As at the LPD, Lagenda does not hold Epicon Shares while following the RCPS Conversion the collective shareholding of Lagenda and the MGO 2 PACs will be 36.25% (following RCPS Conversion).

Upon issuance and allotment of the 1,857,142,857 Consideration Shares to Lagenda as part of the settlement of the Purchase Consideration as well as the issuance and allotment of the 240,000,000 Placement Shares:

(a) the direct shareholding of Lagenda in the Company will increase from nil to 62.79%; and

(b) the collective shareholding of Lagenda and the MGO 2 PACs will increase from 36.25% to 73.34%.

The changes in the shareholding structure and corporate structure of Epicon before and after the Proposals are set out in Section 6.4 of Part A of this Circular.

As the direct shareholding of Lagenda will increase to more than 33% of the enlarged issued Epicon Shares and the collective shareholding of Lagenda and the MGO 2 PACs will increase by more than 2% of the enlarged issued Shares within a six (6) month period, Lagenda and the MGO 2 PACs will trigger a MGO obligation pursuant to subsection 218(2) and 218(3) of the CMSA, read together with subparagraph 4.01(a) and 4.01(b) of the Rules.

As it is not the intention of Lagenda and the MGO 2 PACs to undertake the MGO for all the remaining Epicon Shares not already owned by them after the Proposed Acquisitions, Lagenda and the MGO 2 PACs intend to seek the approval of the SC for the Proposed Exemption 2, subject to the approval of the non-interested Shareholders to be sought at the forthcoming EGM of the Company. For the avoidance of doubt, in the event the Proposed Exemption 2 is not approved by the non-interested Shareholders, the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement and the Proposed Amendments will not be implemented. For information purposes, the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement, the Proposed Amendments and the Proposed Exemption 2 are conditional upon the Proposed Exemption 1, but not vice versa. At this juncture, the Company has not contemplated any alternative structure or pursued any other funding arrangement. In any event, if the Proposed Exemption 2 is not approved, the Company will need to reassess the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement and the Proposed Amendments in its entirety prior to deciding on its next course of action.

The salient terms of the RCPS A are set out in **Appendix III** of this Circular.

6.2.1 Identity of Lagenda's PACs

Pursuant to subsections 216(2) and 216(3) of the CMSA, the PACs of Lagenda in relation to the Proposed Exemption 2 as at the LPD are as follows:

Name	Description of relationship	Applicable provisions under subsection 216(3) of the CMSA
Dato' Jimmy	• Shareholder of Lagenda who has 59.99% direct and indirect equity interest in Lagenda • Director of Lagenda	Paragraphs 216(3)(b) and 216(3)(f) of the CMSA
Dato' Marcus	• Brother of Dato' Jimmy • Shareholder of Epicon	Paragraph 216(3)(b) of the CMSA
Dato' Doh NC	• Father of Dato' Jimmy and Dato' Marcus • Shareholder of Epicon	Paragraph 216(3)(b) of the CMSA
Datin Lee	• Mother of Dato' Jimmy and Dato' Marcus • Shareholder of Epicon	Paragraph 216(3)(b) of the CMSA
Datin Ding	• Sister-in-law of Dato' Jimmy and Dato' Marcus • Shareholder of Epicon	Paragraph 216(3)(b) of the CMSA
Doh Properties	• Dato' Jimmy holds 90% in Doh Properties • Dato' Jimmy is the director of Doh Properties • Shareholder of Epicon	Paragraph 216(3)(h) of the CMSA
Hariza Binti Haron	• Spouse of the brother of Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj. Ahmad Badaruddin, being a director of Lagenda • Shareholder of Epicon	Paragraph 216(3)(b) of the CMSA

6.3 Dealings in Epicon Shares by the PACs

Doh Properties, Lagenda and their respective PACs have not dealt, directly or indirectly, in any voting shares or voting rights and/or any instruments convertible into new Epicon Shares or new instruments convertible into or options in respect of new Epicon Shares during the past six (6) months prior to the first announcement in relation to the Proposals dated 14 July 2026 and up to the LPD.

6.4 Effects of the Proposed Exemptions on shareholding in Epicon

The changes to the shareholding structure of Epicon (as set out in the table below) reflects the implementation sequence of the Proposals taking into consideration the inter-conditionality of the Proposals whereby the RCPS Conversion shall firstly be implemented (following the approvals obtained for the Proposed Exemption 1) followed by the Proposed Acquisitions, the Proposed Private Placement and the Proposed Call Option, all of which are conditional upon the Proposed Exemption 1:

			Proposed Exemption 1		**Proposed Exemption 2**	
	As at the LPD		**After the RCPS Conversion**		**After RCPS Conversion, the Proposed Acquisitions and the Proposed Private Placement**	
	No. of Epicon Shares	**%(1)**	**No. of Epicon Shares**	**%(2)**	**No. of Epicon Shares**	**%(3)**
Doh Properties	67,000,000	10.68	300,000,000	34.86	300,000,000	10.14
Lagenda	-	-	-	-	1,857,142,857	62.79
Dato' Marcus	10,212,700	1.63	10,212,700	1.19	10,212,700	0.35
Dato' Doh NC	1,600,000	0.25	1,600,000	0.19	1,600,000	0.05
Datin Lee	100,000	0.02	100,000	0.01	100,000	*
Datin Ding	20,000	*	20,000	*	20,000	*
Hariza Binti Haron	16,100	*	16,100	*	16,100	*
Total	**78,948,800**	**12.58**	**311,948,800**	**36.25**	**2,169,091,657**	**73.34**

Notes:

** Represents less than 0.01% of the total number of Epicon Shares in issue.*

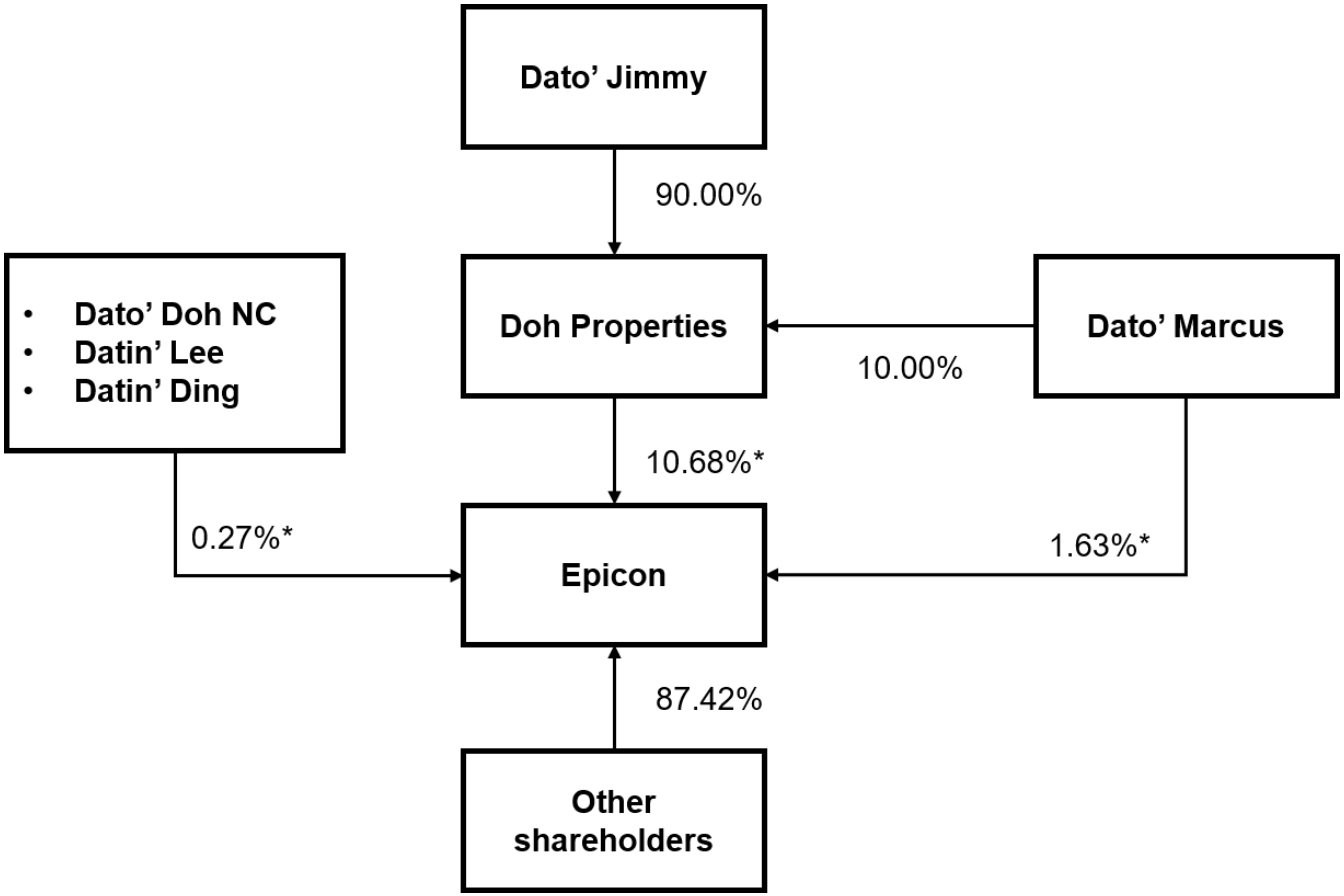
(1) Based on the total number of Epicon Shares in issue as at the LPD of 627,464,015.

(2) Based on the enlarged issued Shares after the RCPS Conversion of 860,464,015.

(3) Based on the enlarged issued Shares after the Proposed Acquisitions and the Proposed Private Placement of 2,957,606,872 as the Consideration Shares and the Placement Shares are to be allotted simultaneously.

The corporate structure of Epicon before and after the Proposals is as follows:

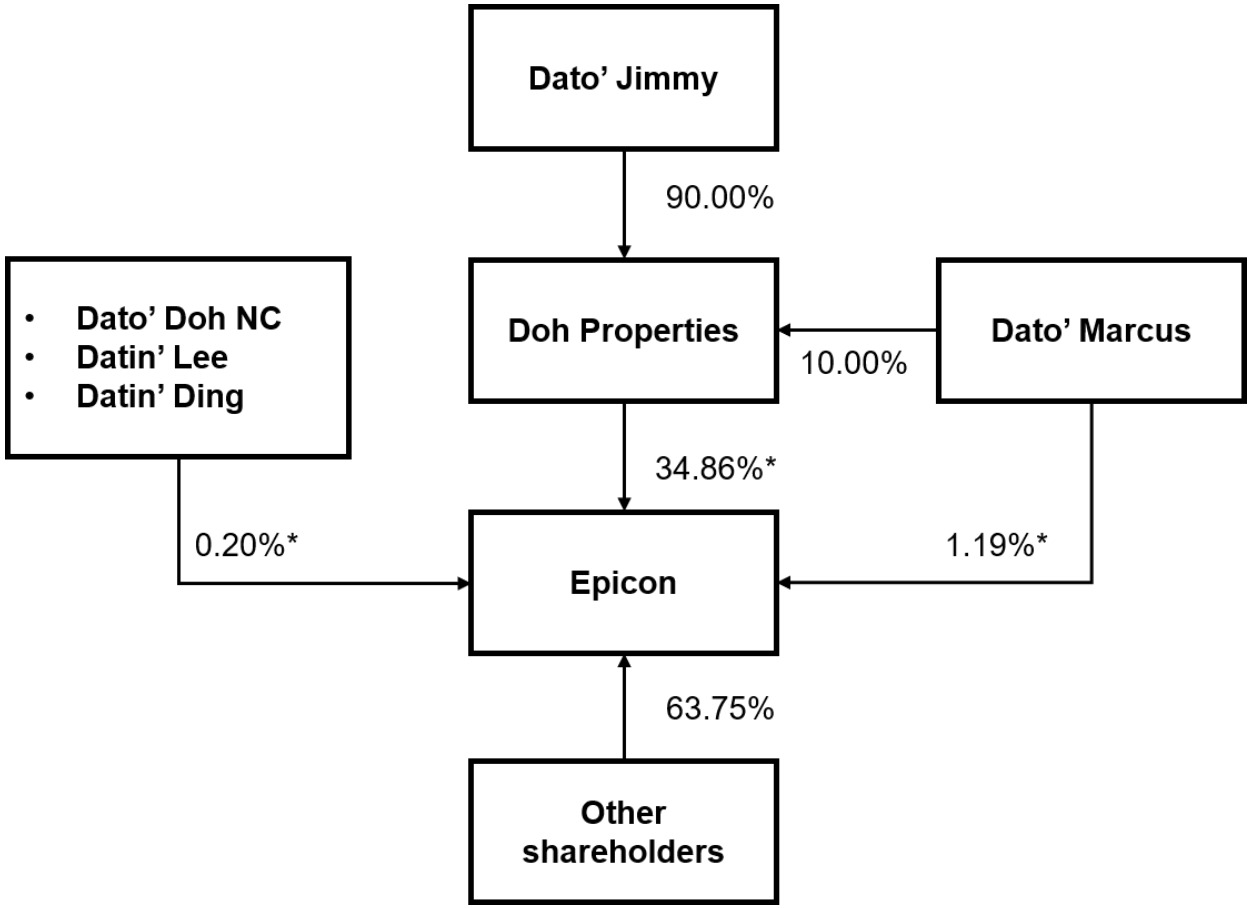
As at the LPD



Note:

* *Collective shareholding of Doh Properties and the MGO 1 PACs in Epicon is 12.58%.*

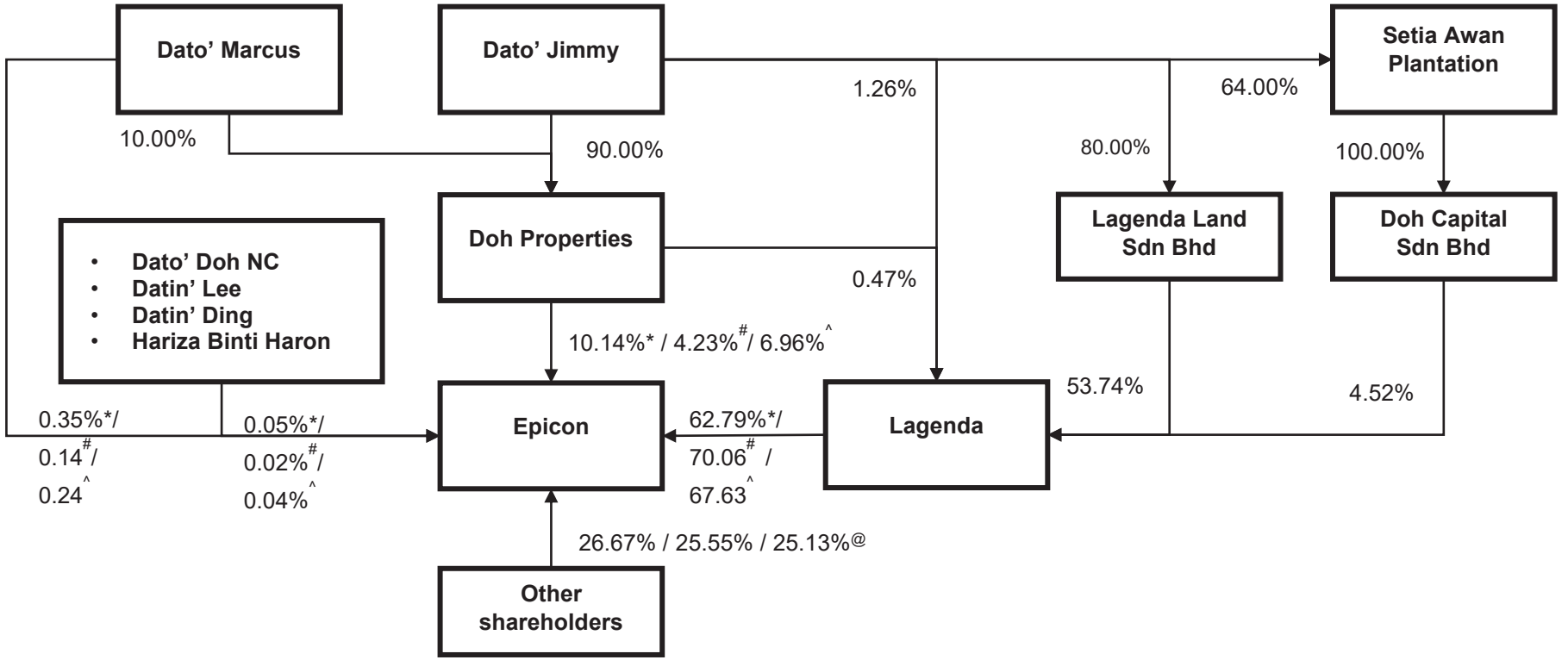
Proposed Exemption 1 (After the RCPS Conversion)



Note:

* *Collective shareholding of Doh Properties and the MGO 1 PACs in Epicon is 36.25%.*

Proposed Exemption 2 (After the RCPS Conversion, the Proposed Acquisitions, the Proposed Private Placement and the Proposed Call Option)



Notes:

* *Collective shareholding of Lagenda and the MGO 2 PACs in Epicon is 73.34% upon completion of the RCPS Conversion, the Proposed Acquisitions and the Proposed Private Placement.*

\# *Collective shareholding of Lagenda and the MGO 2 PACs in Epicon is 74.45% under the Maximum Scenario as set out in Section 12 of Part A of this Circular.*

^ *Collective shareholding of Lagenda and the MGO 2 PACs in Epicon is 74.87% under the Minimum Scenario as set out in Section 12 of Part A of this Circular.*

@ *Shareholding of other shareholders will be 26.67% upon completion of the RCPS Conversion, the Proposed Acquisitions and the Proposed Private Placement, 25.55% and 25.13% under the Maximum Scenario and Minimum Scenario respectively as set out in Section 12 of Part A of this Circular.*

7. TAKE-OVER OFFER IMPLICATIONS

As set out in Section 6 of Part A of this Circular:

(i) following the RCPS Conversion, the direct shareholding of Doh Properties and the collective shareholding of Doh Properties and the MGO 1 PACs in the Company will increase to more than 33% of the enlarged issued Epicon Shares. Accordingly, Doh Properties and the MGO 1 PACs will trigger a MGO obligation pursuant to subsection 218(2) of the CMSA, read together with subparagraph 4.01(a) of the Rules upon the RCPS Conversion. As it is not the intention of Doh Properties and the MGO 1 PACs to undertake the MGO for all the remaining Epicon Shares not already owned by Doh Properties and the MGO 1 PACs after the RCPS Conversion, Doh Properties and the MGO 1 PACs intend to seek the approval of the SC for the Proposed Exemption 1, subject to the approval of the non-interested Shareholders to be sought at the forthcoming EGM of the Company; and

(ii) as a result of the issuance and allotment of the Consideration Shares, Lagenda's direct shareholding in Epicon will increase to more than 33% of the enlarged issued Epicon Shares while the collective shareholding of Lagenda and the MGO 2 PACs will increase by more than 2% of the enlarged issued Epicon Shares within a six (6) month period. Accordingly, Lagenda and the MGO 2 PACs will trigger a MGO obligation under subsection 218(2) and 218(3) of the CMSA, read together with subparagraph 4.01(a) and 4.01(b) of the Rules. As it is not the intention of Lagenda and the MGO 2 PACs to undertake the MGO for all the remaining Epicon Shares not already owned by them after the Proposed Acquisitions, Lagenda and the MGO 2 PACs intend to seek the approval of the SC for the Proposed Exemption 2, subject to the approval of the non-interested Shareholders to be sought at the forthcoming EGM of the Company.

As set out in Section 12.3 of Part A of this Circular, in the event all the Consideration RCPS A are converted into new Epicon Shares, the direct shareholding of Lagenda and the collective shareholding of Lagenda and the MGO 2 PACs will not trigger a MGO obligation provided Lagenda's direct and collective shareholding with the MGO 2 PACs in Epicon is in excess of 50% at the point of conversion of the Consideration RCPS A.

Further, in the event the Call Option is exercised and is settled via the issuance of the Option Consideration Shares and/or the Option Consideration RCPS A, Lagenda's direct and collective shareholding with the MGO 2 PACs in Epicon will not trigger a MGO obligation provided that Lagenda's direct and collective shareholdings with the MGO 2 PACs in Epicon is in excess of 50% at the point of exercising of the Call Option as well as at the point of conversion of the Option Consideration RCPS A.

For the avoidance of doubt, none of the Placement Investors will trigger an MGO by virtue of the Proposed Private Placement.

8. PUBLIC SHAREHOLDING SPREAD

Pursuant to Paragraph 8.02(1) of the Listing Requirements, at least 25% of the Company's total listed shares (excluding treasury shares) or such lower percentage accepted by Bursa Securities if it is satisfied that such lower percentage is sufficient for liquid market in such securities, are required to be in the hands of public shareholders.

As at the LPD, the public shareholding spread of Epicon is approximately 87.42%.

The effects of the RCPS Conversion, the Proposed Acquisitions, the Proposed Private Placement and the Proposed Call Option on the public shareholding spread of Epicon are set out below:

	As at the LPD			(I) After the RCPS Conversion			(II) After (I) and the Proposed Acquisitions and the Proposed Private Placement			(III) After (II) and assuming full conversion of the Consideration RCPS A[(a) (b)]		
	No. of Shares ('000)	**No. of Shareholders**	**%**	**No. of Shares ('000)**	**No. of Shareholders**	**%**	**No. of Shares ('000)**	**No. of Shareholders**	**%**	**No. of Shares ('000)**	**No. of Shareholders**	**%**
Share capital	627,464	4,662	100.00	860,464	4,662	100.00	2,957,607	4,667	100.00	4,310,797	4,667	100.00
Less:												
Directors of the Company and its subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Substantial Shareholders of the Company (except where such Shareholder may be included as "public")	67,000	1	10.68	300,000	1	34.86	2,157,143	2	72.94	3,215,333[(a)]	2	74.59
Associates of Directors or substantial Shareholders of the Company	11,933	4	1.90	11,933	4	1.39	11,933	4	0.40	11,933	4	0.28
Shareholders holding less than 100 shares	15	406	-[(f)]	15	406	-[(f)]	15	406	-[(f)]	15	406	-[(f)]
Public shareholding spread	**548,516**	**4,251**	**87.42**	**548,516**	**4,251**	**63.75**	**788,516**	**4,255**	**26.66**	**1,083,516**	**4,255**	**25.13**

	(IV)			(V)		
	After (III) and the Proposed Call Option[(c) (d)]			After (IV) and assuming full conversion of the Option Consideration RCPS A[(e)]		
	No. of Shares ('000)	No. of Shareholders	%	No. of Shares ('000)	No. of Shareholders	%
Share capital	5,703,511	4,667	100.00	7,096,225	4,667	100.00
Less:						
Directors of the Company and its subsidiaries	-	-	-	-	-	-
Substantial Shareholders of the Company (except where such Shareholder may be included as "public")	4,243,047	2	74.39	5,271,762[(a)]	2	74.29
Associates of Directors or substantial Shareholders of the Company	11,933	4	0.21	11,933	4	0.17
Shareholders holding less than 100 shares	15	406	-[(f)]	15	406	-[(f)]
Public shareholding spread	**1,448,516**	**4,255**	**25.40**	**1,812,515**	**4,255**	**25.54**

Notes:

(a) Assuming that 295,000,000 Epicon Shares held by Lagenda are sold to the Public Shareholders of Epicon prior to the full conversion of the Consideration RCPS A.

(b) Assuming that all 1,353,190,292 Consideration RCPS A are fully converted.

(c) Assuming that the Option Consideration is settled via the issuance of 1,392,714,200 Option Consideration Shares and 1,392,714,200 Option Consideration RCPS A.

(d) Assuming that 365,000,000 Epicon Shares held by Lagenda are sold to the Public Shareholders of Epicon prior to the exercise of the Call Option in order to be in compliance with the Public Spread Requirement.

(e) Assuming that 364,000,000 Epicon Shares held by Lagenda are sold to the Public Shareholders of Epicon prior to the full conversion of the Option Consideration RCPS A in order for Epicon to be still in compliance with the Public Spread Requirement following the conversion of the Option Consideration RCPS A.

(f) Negligible.

Based on the above, Epicon would be in compliance with the Public Spread Requirement upon completion of the RCPS Conversion, the Proposed Acquisitions, the Proposed Private Placement and the Proposed Call Option.

Furthermore, the Call Option Conditions are required to be met prior to the exercise of the Call Option. Accordingly, this would necessitate, inter-alia, the sale of Epicon Shares held by Lagenda to the Public Shareholders of Epicon. Pursuant to the terms and conditions of the RCPS A, further details of which are set out in **Appendix III** of this Circular, Epicon is also entitled to:

(i) reject any conversion notice issued by Lagenda to the extent that Epicon will not be in compliance with the Public Spread Requirement; and

(ii) convert such number of remaining RCPS A on the maturity date provided that the collective shareholdings of such holder and its persons connected do not result in non-compliance with the Public Spread Requirement. Any remaining RCPS A not converted shall be redeemed by Epicon in cash at 100% of their nominal value.

Accordingly, on the maturity date of the RCPS A, Epicon shall pay Lagenda in cash for any remaining Consideration RCPS A and Option Consideration RCPS A that cannot be converted due to non-compliance with the Public Spread Requirement where the source of funds will be a combination of internally generated funds and/or bank borrowings, the exact proportion of which can only be determined closer to the maturity date and also after taking into consideration the public shareholding spread of the Company.

Epicon is mindful that its public shareholding spread position will be affected by the issuance of new Shares to Lagenda arising from the Proposed Acquisitions and exercise of the Call Option. Nevertheless, Epicon remains optimistic that the Enlarged Epicon Group's improved financial outlook will improve trading liquidity and market demand for its Shares. Such positive outlook is expected to facilitate future equity placements to third-party investors, thereby enhancing Epicon's public shareholding spread.

9. RATIONALE AND BENEFITS OF THE PROPOSALS

9.1 Proposed Acquisitions

Since strategically diversifying into construction sector in 2021, Epicon has remained steadfast in growing its construction order book, consistently pursuing new opportunities to expand its construction order book and to improve its financial performance. The Target Companies have achieved an aggregate revenue and PAT of RM474.38 million and RM41.96 million for the FYE 2025 and RM488.74 million and RM43.30 million for the 8-month FPE 31 August 2026 respectively, further details of which are set out in Section 4 of **Appendix I** of this Circular.

The Target Companies possess an experienced in-house construction team comprising, among others, project managers, site managers as well as site and safety supervisors with a total workforce of 61 personnel as at the LPD. The Target Companies, which are the main construction outfit of the Lagenda Group, have been profitable for three (3) consecutive financial years. As at the LPD, the Target Companies have a combined outstanding order book of RM1.48 billion. Additionally, as the Target Companies are the principal construction service providers to the Lagenda Group, Lagenda will prioritise awarding major construction awards to the Target Companies. The Lagenda Group's sizeable development pipeline is expected to translate into a corresponding pipeline of construction works to be awarded to the Target Companies. As at 30 June 2026, the Lagenda Group has a sizeable landbank of approximately 3,998 acres with an estimated remaining GDV of approximately RM10.28 billion, a significant part of it is expected to be launched over the next three (3) years. In this respect, these future property projects are expected to translate into additional construction awards to the Target Companies and will assist in meeting the Profit Guarantees during FYE 2027 and FYE 2028. Notwithstanding some of these construction contracts may be awarded after the FYE 2028, Epicon views the Proposed Acquisitions as a vital long term strategy to grow its construction order book and improve its overall financial performance in the future.

As such, the Proposed Acquisitions will also provide Epicon with a strategic opportunity to amalgamate its construction business with that of the Target Companies, creating a larger and stronger construction-based listed entity with higher sustainable earnings. The Target Companies have an existing outstanding order book of RM1.48 billion as at the LPD which is expected to contribute to the earnings of the Target Companies for the next 3 years following the completion of the Proposed Acquisitions. The Proposed Acquisitions will substantially increase the Enlarged Epicon Group's revenue and profitability as well as enhance the Enlarged Epicon Group's asset base. With such significant increase in size, the Company believes that this will improve the Enlarged Epicon Group's bargaining position and compete more effectively in the Malaysian construction industry.

Additionally, the Lagenda Group, being a key property player in Malaysia, will also be the holding company of Epicon upon completion of the Proposed Acquisitions which will enable the Enlarged Epicon Group to tap into the strong property development pipeline of the Lagenda Group as it is expected for the Lagenda Group to continue relying on the Target Companies to predominantly undertake the construction works for its projects. In this respect, as both Lagenda and Epicon are separate listed entities, Epicon is cognisant of the regulatory requirements governing recurrent related party transactions for future construction awards secured by the Target Companies from the Lagenda Group and will endeavour to ensure the compliance with these rules.

While the Target Companies contribute expertise in large scale landed housing development, Epicon offers proven high-rise construction capabilities and a robust track record in managing diverse third-party contracts whereby as at the LPD, Epicon is currently undertaking an array of 98 diverse projects which are awarded by predominantly third party customers, comprising earthworks, infrastructure works and building works for both high-rise and landed development and multiple smaller scale awards for casting, supply and installation of tension beams. As a unified entity, the Enlarged Epicon Group is uniquely positioned to successfully bid for and execute large-scale external projects comprising infrastructure and township development and high-rise projects.

Further, Epicon envisages that the consolidation of the Target Companies' businesses will improve the operational efficiency and enhance operational synergies of the Enlarged Epicon Group through the integration of operations, streamlining of processes, optimisation of organisational structures and alignment of systems across the Enlarged Epicon Group. This is achieved by leveraging on each other's resources, expertise, experience as well as operational consolidation to achieve scale in operations and market presence. Additionally, the Proposed Acquisitions will provide a strategic opportunity for Epicon to adopt best practices already applied by the Target Companies and leverage on the proven expertise of Lagenda's management. Such best practices are reflected in the Target Companies' project management processes and operational practices across the construction value chain and includes project planning and execution, resources allocation, cost control as well as risk management and project governance.

In addition, since the Target Companies are already income-generating and profitable, the Proposed Acquisitions are expected to immediately enhance the Epicon Group's earnings with the consolidation of the Target Companies' financial results after the completion of the Proposed Acquisitions. The EPS is expected to increase from 0.64 sen to 2.55 sen upon completion of the Proposed Acquisitions and the Proposed Private Placement. Thereafter, the EPS is expected to decrease to between 1.75 sen and 1.73 sen, under the Minimum Scenario and the Maximum Scenario respectively. Further details of the effects of the EPS are set out in Section 12.4 of Part A of this Circular. Strictly for illustrative purposes only, based on the Target Companies' PAT for the FYE 2025 and based on 60% equity interest to be acquired pursuant to the Proposed Acquisitions and on the assumption that the Proposed Acquisitions had been effected on 1 January 2025, being the beginning of the FYE 2025, the proforma PAT of the Epicon Group attributable to the owners of the Company will increase from RM4.01 million to RM75.41 million as a result of the Proposed Acquisitions, as illustrated in Section 12.4 of Part A of this Circular. In view of this, the Proposed Acquisitions are expected to contribute positively to the future earnings and cash flows of the Enlarged Epicon Group.

Additionally, the settlement of the Purchase Consideration via the issuance of the Consideration Shares and the Consideration RCPS A will allow the Company to conserve its cash reserves, thereby providing the necessary working capital to support the Enlarged Epicon Group's on-going and future construction order book. The issuance of securities to partly settle the Purchase Consideration will reduce the need for the Company to seek external financing which will increase the financing costs to the Epicon Group. Furthermore, it will enable the Company to manage its gearing at a more manageable level.

The mode of settlement via the issuance of the Consideration Shares and the Consideration RCPS A was determined after taking into consideration the intention of Lagenda to own more than 50% equity interest in Epicon upon completion of the Proposed Acquisitions as well as the Public Spread Requirement. The issuance of the Consideration RCPS A will also allow the Group to better manage the dilutive effect on the EPS taking into consideration the timing required for the Group to realise the earnings contribution from the Enlarged Epicon Group's order book.

9.2 Proposed Call Option

The Proposed Acquisitions will allow Epicon to gain immediate control of the Target Companies' operations via the acquisition of a 60% equity interest in the Target Companies, together with a call option for the remaining 40% equity interest should Epicon decide to take full control of the Target Companies. The Proposed Call Option and the Proposed Acquisitions are undertaken simultaneously as it will provide greater certainty for the Company to ultimately acquire 100% equity interest in the Target Companies in order to maximise the benefits from the potential earnings of the Target Companies, while allowing Epicon to better manage its capital outlay because an outright acquisition requires significant upfront capital outlay. The approach taken by the Company will allow it to optimise its cash flow by deferring a substantial portion of the Purchase Consideration. Consequently, Epicon gains greater flexibility in capital allocation, enabling the Company to prioritise integration activities and other strategic initiatives during the initial phase.

For the avoidance of doubt, the Call Option cannot be exercised if the Call Option Conditions, including the compliance with the Public Spread Requirement, are not met. Under such circumstances, the Option Consideration may be satisfied via various manners, including, inter-alia, cash and Option Consideration RCPS A. Alternatively, the Company may elect not to exercise the Call Option. In this respect, the Call Option Period will provide a reasonable timeframe and opportunity to both Epicon and Lagenda to undertake the necessary steps to improve Epicon's share liquidity and increase its public shareholding spread prior to the exercise of the Call Option.

In correlation, the final mode of settlement of the Option Consideration, whether through cash, Option Consideration Shares, Option Consideration RCPS A, or a combination thereof will depend on the circumstances at the time the Call Option is exercised. Before determining the final payment structure, the Company will ascertain its cash on hand and the deployment rate of profits generated from the Profit Guarantee into existing projects. Additionally, the Company will also assess its gearing capacity and available facility limits. As Epicon is unable to determine the level of excess cash at this juncture and in order for the Company to retain the flexibility as well as ensuring that the Call Option can be exercised in a timely manner, it is proposing to seek the necessary approvals for the issuance of the maximum number of Option Consideration Shares and Option Consideration RCPS A.

The Call Option must be exercised simultaneously for both Target Companies as Epicon and Lagenda have agreed that the principle for the exercise of the Call Option will be similar to the Proposed Acquisitions, where the equity interest of both RUSB and LPBC will be acquired simultaneously. This aligns with each of the Target Companies' roles as the principal construction service providers for Lagenda Group's township developments, ensuring operational continuity for ongoing and future project awards, and collectively strengthening the financial performance of the Enlarged Epicon Group.

9.3 Proposed Exemptions

The purpose of the Proposed Exemption 1 is as follows:

(a) to relieve Doh Properties and the MGO 1 PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them arising from the RCPS Conversion as it is not the intention of Doh Properties and the MGO 1 PACs to undertake the MGO for all the remaining Epicon Shares not already owned by them; and

(b) for Epicon to ensure the successful completion of the Proposed Exemption 2, the Proposed Acquisitions, the Proposed Call Option, the Proposed Amendments and the Proposed Private Placement, which are conditional upon the Proposed Exemption 1.

The purpose of the Proposed Exemption 2 is as follows:

(a) to relieve Lagenda and the MGO 2 PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them arising from the completion of the Proposed Acquisitions as it is not the intention of Lagenda and the MGO 2 PACs to undertake the MGO for all the remaining Epicon Shares not already owned by them; and

(b) to ensure the successful completion of the Proposed Acquisitions, the Proposed Call Option, the Proposed Amendments and the Proposed Private Placement, which are inter-conditional with the Proposed Exemption 2.

9.4 Proposed Amendments

The Proposed Amendments are necessary to facilitate the issuance and allotment of the Consideration RCPS A and the Option Consideration RCPS A pursuant to the Proposed Acquisitions and the Proposed Call Option respectively, and to incorporate the requisite new provisions to set out the rights relating to the Consideration RCPS A and the Option Consideration RCPS A.

9.5 Proposed Private Placement

The Company takes cognisance that after the Proposed Acquisitions, Epicon's public shareholding spread would fall below the Public Spread Requirement. In order for Epicon to comply with the Public Spread Requirement, the Company intends to undertake the Proposed Private Placement simultaneously with the Proposed Acquisitions.

To this end, the Board is of the view that the Proposed Private Placement is the most appropriate method to achieve the aforementioned objective in view that:

(a) the Proposed Private Placement can be implemented in an expeditious manner which enables the Company to achieve a timely completion for the Proposed Acquisitions, thereby gaining the benefits from the Proposed Acquisitions expeditiously; and

(b) the commitment provided by the Placement Investors via the Subscription Agreements provides a degree of certainty for Epicon to meet the Public Spread Requirement upon completion of the Proposed Acquisitions and the Proposed Private Placement.

In addition, the Proposed Private Placement will enable the Company to raise funds and utilise the proceeds in the manner as set out in Section 3.7 of Part A of this Circular. Such funds would facilitate the Enlarged Epicon Group to undertake its on-going and future construction projects in a more cost-efficient manner without having to incur additional interest costs, thereby conserving the Enlarged Epicon Group's cash flow for reinvestment and/or operational purposes for its future growth.

Consequently, the Proposed Private Placement will also enable the Enlarged Epicon Group to strengthen its equity base, thereby strengthening its NA which provides greater financial flexibility to meet its funding requirements in the future.

Whilst the Board has considered alternative fund raising exercises such as a rights issue, such exercise may not be effective in addressing the Company's objective of maintaining compliance with the Public Spread Requirement, as the level of subscription would depend on the participation of existing Shareholders and may not result in a required level of shareholdings by Public Shareholders if the desired level of subscription is not achieved. In addition, the relatively longer implementation timeframe of a rights issue would prolong the completion of the Proposed Acquisitions. As such, the Board is of the view that the Proposed Private Placement is the most appropriate avenue to achieve the aforementioned objective.

9.6 Value creation and impact of the Proposed Private Placement to the Group and its shareholders

Given the expected enlarged scale of operations of the Enlarged Epicon Group post the Proposed Acquisitions, the Proposed Private Placement provides immediate funding for the Enlarged Epicon Group's working capital requirements. Additionally, the upfront execution of the Subscription Agreements allows Epicon to secure firm commitment from the Placement Investors to achieve its aforementioned objectives as well as ensuring certainty of funding. The Proposed Acquisitions represent a pivotal milestone in expanding the Group's construction portfolio. By integrating the Target Companies' robust outstanding order book of RM1.48 billion as at the LPD, Epicon aims to establish a larger and more resilient construction-based listed entity.

As set out in Section 12 of Part A of this Circular, the Proposed Private Placement is also expected to enlarge the share capital of the Company. However, whilst the shareholdings of existing Shareholders will be diluted, the Proposed Private Placement (which is inter-conditional with the Proposed Acquisitions) is expected to improve the EPS going forward following the completion of the Proposed Acquisitions given the earnings potential of the Target Companies.

9.7 Adequacy of the Proposed Private Placement in addressing the financial requirements of the Enlarged Epicon Group

The Proposed Private Placement is undertaken simultaneously with the Proposed Acquisitions in order for Epicon to comply with the Public Spread Requirement upon completion of the Proposed Acquisitions. Further details of Epicon's public shareholding spread are disclosed in Section 8 of Part A of this Circular.

The Group had recorded revenue and PAT attributable to owners of the Company of RM185.30 million and RM9.35 million respectively for the FYE 2024 as well as revenue and PAT attributable to owners of the Company of RM179.24 million and RM4.01 million respectively for the FYE 2025. Based on the Group's audited financial statements for the FYE 2025, the Group has cash and bank balances of RM29.64 million. As at the LPD, the Group has unutilised banking facilities of RM76.06 million available for drawdown to fund its working capital.

In view of this, the primary purpose of the Proposed Private Placement is not to raise funds as the Group is not facing any financial constraint but instead to address the Public Spread Requirement. Notwithstanding, the proceeds arising from the Proposed Private Placement will be able to enhance the Enlarged Epicon Group's cash flow position and ensure adequate liquidity to meet its working capital requirements, operational requirements and short term obligations and liabilities, thereby strengthening the Enlarged Epicon Group's financial position.

10. INDUSTRY OVERVIEW, OUTLOOK AND PROSPECTS OF THE TARGET COMPANIES AND THE ENLARGED EPICON GROUP

10.1 Overview and outlook of the Malaysian economy

Economic growth strengthened to 6% in the second quarter of 2026 (1Q 2026: 5.4%), driven by continued domestic demand and robust exports. Household spending was supported by steady income growth and ongoing policy support. Investment growth was underpinned by continued spending on structures and machinery & equipment. On the external front, exports accelerated, driven mainly by the continued strength in electrical & electronics ("**E&E**") products and sustained expansion in services, as well as the rebound in exports of liquefied natural gas and non-E&E manufacturing products. Gross imports expanded further amid robust growth in intermediate and consumer goods imports.

On the supply side, growth was underpinned by the expansion in services and manufacturing sectors. The higher growth in the services sector was supported by business-related subsectors, especially the information and communication technology subsector from the expanding operationalisation of data centres. The robust growth in the manufacturing sector was driven by export-oriented clusters, particularly in E&E following strong artificial intelligence-related demand. The mining and quarrying sector growth turned positive, reflecting stronger natural gas production. On a quarter-on-quarter seasonally adjusted basis, the economy expanded by 2.5% (1Q 2026: -0.03%).

(Source: Economic and Financial Developments in Malaysia in the Second Quarter of 2026, Bank Negara Malaysia)

Growth is projected to continue within the range of 4% to 4.8% in 2025 and 4% to 4.5% in 2026. These projections are consistent with the International Monetary Fund in the World Economic Outlook Update, July 2025, which forecasts Malaysia's growth at 4.5% for 2025 and 4% for 2026.

The growth will mainly be underpinned by strong domestic demand, moderate inflation, favourable labour market and proactive policies undertaken by the Malaysian Government. The performance will also be supported by the Association of Southeast Asian Nations Malaysia Chairmanship 2025 and Visit Malaysia 2026 ("**VM2026**"). The economy continues to be steered by the Ekonomi MADANI framework and the Malaysian Government remains committed to positioning Malaysia as an attractive destination for quality investments. At the same time, ongoing improvements in the wage-setting mechanism and rising business efficiency are expected to strengthen the wage structure, thus contributing to a higher labour income share.

Malaysia's economy is expected to maintain resilient growth trajectory, anchored by a diversified economic structure and sound policy management against heightened global uncertainties, stemming from unsettled trade tariffs and prolonged geopolitical tensions. While Malaysia's export-oriented markets remain vulnerable, domestic demand will continue to provide a solid foundation, supported by a strong labour market and vibrant private consumption. The upcoming VM2026 is strategically positioned to act as a lever for the economy. With the target of attracting 47 million foreign visitors, VM2026 is set to boost the services sector including retail, transportation and hospitality, while the manufacturing sector and trade remain supportive. The combination of a robust domestic economy, enhanced trade diversification and a major tourism impetus, positions Malaysia to navigate global headwinds and sustain the nation's growth momentum.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

10.2 Overview and outlook of the construction industry in Malaysia

The construction sector expanded strongly by 13.1% in the first half of 2025, supported by solid performance across all subsectors. The non-residential buildings subsector recorded robust expansion, driven by acceleration and realisation of private investment in industrial facilities, commercial complexes and data centres, reflecting sustained business activities and rising digitalisation. The residential buildings subsector also posted a steady growth, supported by continued demand for affordable housing and government initiatives to promote home ownership. In addition, the specialised construction activities subsector recorded stable growth, driven by telecommunications infrastructure projects and coastal reclamation activities. The civil engineering subsector sustained its positive performance, underpinned by ongoing works on infrastructure projects, such as the Pan Borneo Highway Sabah and Rapid Transit System Link.

For the rest of 2025, the sector is expected to grow by 7.3%. The civil engineering subsector is anticipated to expand, supported by continued rollout of large-scale public infrastructure projects towards the end of the Twelfth Malaysia Plan, 2021 – 2025 period. Ongoing projects, including the Sarawak Sabah Link Road, will continue to drive momentum in the subsector. The non-residential buildings subsector will continue to gain from investment in commercial and industrial facilities, including data centres development in Johor and Selangor. In addition, the residential buildings subsector growth is expected to be bolstered by new launches in the affordable and mid-market housing as well as integrated township development in key growth corridors amid favourable financing conditions.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

The construction sector continued to record an overall double-digit growth of 12.2% in 2025 (2024: 17.5%), underpinned by the non-residential and special trade subsectors. Stronger expansion in the non-residential subsector was driven by industrial and commercial projects including the construction of data centres. Continued strong growth in the special trade subsector was supported by solar projects under the National Energy Transition Roadmap, small scale projects under Budget 2025 and large infrastructure projects that were nearing completion. Meanwhile, the civil engineering subsector continued to expand, but at a more moderate pace, as multi-year infrastructure projects particularly in the transportation segment approached completion.

Growth in the construction sector is expected to expand by 9.1% in 2026 (2025: 12.2%), driven by continued activities across all subsectors. While some large infrastructure projects are nearing completion, growth in the civil engineering subsector will continue. It will be supported by the sustained development expenditure of the Malaysian Government including for provision and upgrades of essential public infrastructure as announced under the Budget 2026. The non-residential subsector will continue to be buoyed by strong demand for industrial spaces, driven in part by steady pipeline of data centres projects. The residential subsector will continue to see launches of affordable new housing projects from both private and public developers. Activities in these three subsectors will also translate to more early-stage and finish work, boosting the special trade subsector.

(Source: Economic and Monetary Review 2025, Bank Negara Malaysia)

The local construction industry is domestic-oriented, and it is a key component of the Malaysian economy given its strategic and extensive linkages with the rest of the economy. As such, the Malaysian Government's policies have been accommodative and supportive of the growth in the local construction industry, which typically includes proposed government projects as part of its development expenditure.

Under Budget 2026, the Malaysian Government allocated RM672 million for rakyat housing initiatives, including Program Perumahan Rakyat and Rumah Mesra Rakyat projects, alongside RM500 million to repair and rebuild over 3,300 dilapidated houses. Additional allocations include RM143 million for the maintenance of low medium cost strata housing and RM20 billion under the Skim Jaminan Kredit Perumahan guarantees offered to an additional 80,000 first-time homebuyers, enabling more gig workers and the self-employed individuals to own homes. Further measures include a full stamp duty exemption for first-time home purchases up to RM500,000 until 31 December 2027, a special tax deduction for converting commercial buildings into residential units, and the development of Kota MADANI as the nation's first artificial intelligence-driven green city.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

10.3 Overview and outlook of the property industry in Malaysia

The construction sector expanded strongly by 13.1% in the first half of 2025, supported by solid performance across all subsectors. The non-residential buildings subsector recorded robust expansion, driven by acceleration and realisation of private investment in industrial facilities, commercial complexes and data centres, reflecting sustained business activities and rising digitalisation. The residential buildings subsector also posted a steady growth, supported by continued demand for affordable housing and government initiatives to promote home ownership.

The residential buildings subsector is expected to benefit from government-led affordable housing programmes and targeted home ownership initiatives supported by policy measures under the Thirteenth Plan as well as new projects by private sectors.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

Property market activity in 2025 remained resilient, underpinned by domestic residential demand, while market participants continued to adopt a more cautious and selective approach. The industrial market showed a significant growth momentum, achieving an increase of 21.3% in value, while volume rose by 1.4%. This strong value growth driven by high-value industrial demand and improving investor confidence in strategic industrial zones. The performance is also driven by the sustainability of Malaysia's economy and the continuous government support, including Budget 2025, the full implementation of the New Industrial Master Plan 2030, and the Thirteenth Malaysia Plan. The growth in 2025 property market is highly supported by the implementation of various government efforts and initiatives to drive Malaysia's economy and simultaneously stimulating the expansion of the property market nationwide through the MADANI Economy Framework.

The property market's trajectory in 2026 is expected to remain resilient, underpinned by market activity, stable price movement and variation of construction activity. Residential demand is shifting toward more high value and affordable units. Nevertheless, the residential buildings subsector is anticipated to expand, driven by sustained demand for affordable housing as underlined by the Budget 2026. While policy support and selective demand drivers provide a foundation for stability, the broader outlook remains vulnerable to external economic shifts and domestic affordability constraints. Meanwhile, the non-residential subsector is projected to expand further, supported by strong demand for industrial facilities from the realisation of approved investments, coupled with the development of new industrial areas.

The property market is expected to continue its momentum supported by various initiatives outlined by the government under Budget 2026, among others:

(i) The full stamp duty exemption on the instrument of transfer and loan agreement for first-time homebuyers of the priced up to RM500,000 by Malaysian citizens has been extended until 31 December 2027.

(ii) The stamp duty on instruments of transfer for noncitizens, non-permanent residents, and foreign companies, raising it from 4% to 8%, depending on the property's value.

(iii) Increase Government Guarantees of up to RM20 billion under Housing Credit Guarantee Scheme ("**SJKP**") on housing financing for the benefit of 80,000 home buyers.

(iv) The Step-Up Financing Scheme under SJKP was introduced as a Government guarantee of up to RM10 billion specifically for young people seeking to own their first home, with a lower loan repayments for the first five years.

(v) Allocation of RM672 million for construction of Rakyat Housing, including:

- 49 Program Residensi Rakyat projects, with six expected to be completed by end 2026, involving 1,755 units;

- 6,545 Rumah Mesra Rakyat units are expected to be completed by end 2026, benefiting more than 26,000 new residents;
- 4,030 Residensi MADANI units are expected to be completed by end 2026;
- 5,981 new Residensi MADANI units targeted for implementation in 2026; and
- 3,000 PR1MA housing units expected to be completed in 2026;

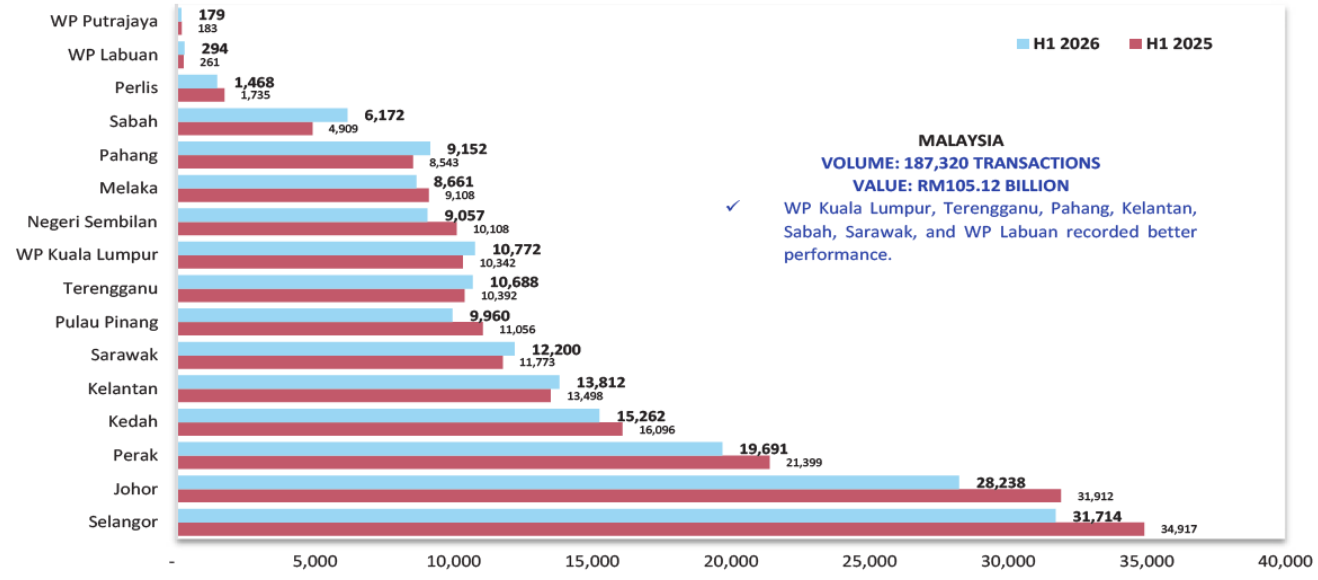
(vi) Allocation of RM100 million for construction of Program Residensi MADANI at several locations; Jalan Selimang/ Siakap, Bandar Tun Razak, Bandar Baru Sentul, Taman Desa (1) Lot 52958, Bandar Sri Permaisuri and Sg Besi (Wayfield).

*(Source: Property Market Report 2025, National Property Information Centre ("**NAPIC**") Valuation and Property Services Department of Ministry of Finance)*

Summary of performance of the Malaysian property market (First Half 2026)

The following chart summarises the performance of the Malaysian property market which depicts the states in which the Lagenda Group's projects are located, namely Johor, Selangor, Perak and Kedah having the highest property transaction volume among the states in Malaysia for both the first half of 2025 and 2026 while the state of Pahang had recorded an increase of approximately 7.1% in transaction volume in the first half of 2026 as compared to the first half of 2025:

Transactions Volume by State H1 2025 – H1 2026



*(Source: Property Market Report First Half 2026, NAPIC Valuation and Property Services Department of Ministry of Finance "**NAPIC H1 2026 Property Market Report**")*

10.4 Overview and outlook of the construction industry in Kedah

Residential construction activity in Kedah recorded mixed performance in H1 2026. In terms of completion, Kedah recorded the highest increase within the region, rising by more than fourfold to 2,654 units (H1 2025: 580 units). Meanwhile, construction starts and new planned supply declined by 33.2% and 42.1%, respectively.

Construction activity in the commercial sub-sector exhibited strong growth in H1 2026. Completed shop units increased by close to threefold to 71 units, while construction starts rose by close to threefold to 408 units. New planned supply also expanded significantly, increasing by more than fifteenfold to 181 units in H1 2026. No new construction activity was recorded for the serviced apartment / SOHO sub-sector in Kedah during H1 2026.

(Source: NAPIC H1 2026 Property Market Report)

10.5 Overview and outlook of the property industry in Kedah

The property market activity trend in Kedah showed a downward movement in H1 2026 compared to H1 2025, registering a total of 15,262 transactions with collective value of RM3.80 billion. In comparison to H1 2025, there was a 5.2% decrease in transacted volume with a corresponding decrease of 4.3% in transacted value (H1 2025: 16,096 transactions worth RM3.97 billion).

Residential property transaction activity in the Northern Region showed a slower pace in H1 2026 compared to H1 2025. The residential sub-sector in Kedah recorded 6,442 transactions worth RM1.85 billion in H1 2026 (H1 2025: 6,721 transactions valued at RM1.91 billion). Transaction volume and value were lower by 4.2% and 3.2%, respectively. Nevertheless, the House Price Index showed a positive trend in Q2 2026, recording an increase of 2.4% compared to Q2 2025 with a corresponding increase in average house price to RM333,193 (Q2 2025: RM325,355).

The commercial sub-sector recorded 544 transactions valued at RM0.5 billion in H1 2026 (H1 2025: 523 transactions worth RM0.3 billion). Transaction volume and value increased by 4.0% and 78.5%, respectively compared to H1 2025.

(Source: NAPIC H1 2026 Property Market Report)

10.6 Overview and outlook of the construction industry in Perak

During H1 2026, Perak recorded completed residential construction of 3,284 units (H1 2025: 5,624 units), construction starts of 2,506 units (H1 2025: 4,391 units) and new planned supply of 897 units (H1 2025: 563 units). This represented a decrease in completed units and construction starts of 41.6% and 42.9%, respectively, but an increase in new planned supply of 59.3% compared to H1 2025.

Shop construction activity showed an upward movement in H1 2026 with completed shop construction rising by more than twofold to 247 units. In addition, construction starts increased by close to fourfold to 79 units and new planned supply increased by more than twofold to 87 units in H1 2026. No new construction activity was recorded for the serviced apartment / SOHO sub-sector in Perak during H1 2026.

(Source: NAPIC H1 2026 Property Market Report)

10.7 Overview and outlook of the property industry in Perak

Property market activity in Perak moderated in H1 2026, with transaction volume declining by 8.0% to 19,691 transactions and transaction value decreasing by 17.5% to RM5.55 billion (H1 2025: 21,399 transactions valued at RM6.73 billion). Despite the softer market performance, Perak remained the largest contributor to transaction activity in the Northern Region (consisting of Pulau Pinang, Perak, Kedah and Perlis), contributing 42.5% of the total transaction volume and the second largest contributor in terms of transaction value.

Residential property transaction activity in Perak showed a slower pace in H1 2026 compared to H1 2025, recording 11,604 transactions with a collective value of RM3.03 billion in H1 2026 (H1 2025: 13,052 transactions worth RM3.10 billion). This reflected an 11.1% decline in volume of transactions with a corresponding decrease of 2.2% in transaction value. The House Price Index decreased by 2.2% to an average house price of RM283,162 in Q2 2026, compared to RM289,630 in Q2 2025.

The commercial sub-sector in Perak recorded 1,416 transactions at RM0.73 billion in H1 2026 (H1 2025: 1,400 transactions valued at RM0.84 billion). This reflected a 1.1% increase in volume but a 12.6% decline in value compared to H1 2025.

(Source: NAPIC H1 2026 Property Market Report)

10.8 Overview and outlook of the construction industry in Pahang

The performance of residential construction activity in the East Coast Region showed moderation during H1 2026, as housing completions declined to 2,104 units in H1 2026, compared to 5,203 units in H1 2025. Pahang recorded the highest number of completed units with 1,218 units, compared to 1,914 units in H1 2025.

In a similar trend, the performance of residential starts softened, recording 2,730 units compared to 3,473 units in H1 2025. Pahang led residential starts with 1,974 units, followed by Kelantan with 445 units and Terengganu with 311 units. Meanwhile, new planned supply in Pahang recorded 3,106 units in H1 2026 compared to 1,207 units in H1 2025.

In terms of supply, Pahang recorded the highest number of shop construction completion, shop construction starts and new planned supply at 116 units (H1 2025: 96 units), 308 units (H1 2025: 219 units) and 148 units (H1 2025: 89 units), respectively. The increase reflects more active new supply planning to align with prevailing market demand conditions.

(Source: NAPIC H1 2026 Property Market Report)

10.9 Overview and outlook of the property industry in Pahang

The performance of the East Coast Region property market, consisting of Kelantan, Pahang and Terengganu, recorded 33,652 transactions worth RM6.74 billion during H1 2026, compared to 32,422 transactions worth RM6.29 billion in H1 2025.

In terms of transaction value, the East Coast Region demonstrated an improved performance compared to H1 2025. Pahang remained the key contributor to the region's transaction value, recording RM3.25 billion during H1 2026 (H1 2025: RM3.13 billion), representing 48.2% of the region's overall property transaction value. In terms of transaction volume, Pahang recorded a 7.1% increase in volume of transactions at 9,152 transactions during H1 2026 (H1 2025: 8,543 transactions), representing 27.2% of the region's overall property transactions volume.

The residential sub-sector remained the main subsector across all states in the East Coast Region. In terms of transaction value, Pahang remained the key contributor to the East Coast Region's residential subsector, recording a transaction value of RM1.32 billion in H1 2026 (H1 2025: RM1.25 billion). The transaction value performance of all three states showed improvement compared to H1 2025, reflecting the recovery in residential subsector market activity within the region.

In addition, Pahang recorded transaction volume of 5,418 transactions in H1 2026 (H1 2025: 4,976 transactions). Transaction volume and value were higher by 8.9% and 5.7%, respectively. The House Price Index for Pahang recorded marginal increase to 215.1 points (Q2 2025: 214.7 points) with average house price at RM283,924 (Q2 2025: RM283,420).

The commercial subsector in the East Coast Region recorded 1,339 transactions during H1 2026, compared to 1,201 transactions in H1 2025. The market performance demonstrated positive growth momentum, with all three states recording higher transaction activities. Pahang remained the key contributor to both transaction volume and value with 665 transactions at a collective value of RM0.4 billion. This represented a 17.3% increase in transaction volume compared to H1 2025 (567 transactions), but a 31.7% decline in total value of transactions from RM0.6 billion.

(Source: NAPIC H1 2026 Property Market Report)

10.10 Overview and outlook of the construction industry in Johor

Residential construction activity in Johor recorded a mixed performance in H1 2026. In terms of completed units, Johor recorded the strongest growth with significant increase by 70.4%, from 4,385 units in H1 2025 to 7,474 units in H1 2026. This represented the second largest increase in residential supply nationwide, after Selangor.

In contrast, residential starts recorded a substantial decline of 35.9%, with construction starts decreasing from 6,173 units in H1 2025 to 3,954 units in H1 2026. Meanwhile, new planned supply recorded a significant increase of 29.3%, rising from 3,916 units in H1 2025 to 5,065 units in H1 2026.

Overall, commercial shop construction activity in the Southern Region recorded a mixed trend during H1 2026. Johor recorded the highest increase in completion activity, nearly three-fold to 562 units (H1 2025: 198 units). In addition, Johor also recorded an increase in new planned supply of 57.7% to 481 units (H1 2025: 305 units). Meanwhile, construction starts declined from 476 units in H1 2025 to 322 units in H1 2026.

The construction activity for serviced apartments / SOHO recorded mixed trends across the various stages in the Southern Region. Johor registered an increase of 2,456 units at the planned new supply stage (H1 2025: 1,623 units). At the construction commencement stage, Johor was the only state within the Southern Region to record movement in the number of units under construction at 4,305 units (H1 2025: 4,458 units).

(Source: NAPIC H1 2026 Property Market Report)

10.11 Overview and outlook of the property industry in Johor

During H1 2026, the Southern Region property market, consisting of Johor, Melaka and Negeri Sembilan recorded 45,956 transactions valued at RM30.73 billion, representing a moderate decline of 10.1% and increase of 3.7% in terms of transaction volume and value.

Johor dominated the region's overall property transactions with 61.4% in volume (28,838 transactions) and 76.2% in value (RM23.43 billion) of total transactions. This reflected an 11.5% decrease in volume (H1 2025: 31,912 transactions) but an 8.2% increase in value (H1 2025: RM21.65 billion) compared to H1 2025.

Overall, the residential property market recorded a marginal decline in both transaction volume and value, indicating a relatively subdued market performance during H1 2026. Johor registered 17,871 transactions worth a total of RM9.09 billion, marking a 15.1% decline in volume of transactions compared to H1 2025 (21,061 transactions) and a 7.7% drop in total value of transactions from RM9.86 billion. Nevertheless, Johor recorded marginal growth in House Price Index of 3.6% at 313.9 points in Q2 2026 (Q2 2025: 302.9 points).

The commercial sub-sector recorded 4,202 transactions with a total value of RM5.45 billion in H1 2026 (H1 2025: 4,387 transactions worth RM4.33 billion). This reflected a 4.2% decline in volume but a 25.8% increase in value compared to H1 2025.

The shop subsector dominated the commercial property market in the Southern Region during H1 2026, accounting for 45.3% of the total market share. Johor remained the leading state nationwide in terms of transaction volume, contributing 20.1% of total shop transactions with 1,823 transactions recorded in H1 2026 (H1 2025: 1,935 transactions). In terms of transaction value, Johor ranked second nationwide, with transactions valued at RM2.25 billion (H1 2025: RM2.17 billion).

(Source: NAPIC H1 2026 Property Market Report)

10.12 Prospects of the Target Companies and the Enlarged Epicon Group

The Proposed Acquisitions are in line with the Group's strategic efforts to expand its construction order book and strengthen its financial performance.

The Target Companies have an established track record and have secured approximately RM3.50 billion (comprising completed contract sum as well as remaining order book of on-going projects) in aggregate of construction projects in the past 5 financial years up to the LPD, thereby demonstrating their credibility and expertise in the industry.

As at the LPD, the Target Companies have a combined outstanding order book of RM1.48 billion. Upon completion of the Proposed Acquisitions, the Enlarged Epicon Group will have a collective outstanding order book of RM2.07 billion which is expected to provide earnings visibility over the next 3 financial years. In correlation, this will be further bolstered by (i) the envisaged contracts to be awarded by the Lagenda Group in view that the Target Companies are expected to remain as the primary construction vehicles for the Lagenda Group's property development projects. In this regard, the Lagenda Group has a sizeable landbank of approximately 3,998 acres with an estimated remaining GDV of RM10.28 billion as at 30 June 2026, a significant part of it is expected to be launched over the next three (3) years.

In addition, the Board is optimistic of the prospects of the Enlarged Epicon Group in view of the expected growth momentum of the property and construction industry in Malaysia with the construction industry projected to expand by 9.1% in 2026 which is supported by the sustained development expenditure of the Malaysian Government based on the Budget 2026.

Furthermore, following the integration of the Target Companies' experienced and sizeable construction team, the Board envisages the Enlarged Epicon Group to attain synergistic benefits via leveraging on Epicon's and the Target Companies' resources as well as expertise to undertake a larger scale of projects and to expand its market presence. The sizeable workforce of the Target Companies, comprising 61 personnel, will also allow the Enlarged Epicon Group to improve its resilience against shortages of manpower and improve its capacity to undertake more projects simultaneously which provides an opportunity to benefit from economies of scale via bulk purchases of materials.

Epicon expects its expanded construction capabilities, manpower resources and stronger asset base to drive growth following the Proposed Acquisitions. The integration of the Target Companies' operational best practices and management expertise will also strengthen Epicon's capacity to secure third-party construction contracts, alongside sustained project awards from the Lagenda Group.

In view of the above prospects, the expectation of an optimistic performance of Malaysia's construction and property industry as set out in Sections 10.2 to 10.11 of Part A of this Circular and barring any unforeseen circumstances which may have an adverse impact on the construction industry in Malaysia, the Board envisages that the Proposed Acquisitions will contribute positively to the Enlarged Epicon Group's financial performance and enhance its presence as a capable construction player in Malaysia.

11. RISK FACTORS

The Proposed Acquisitions and the Proposed Call Option will not materially change the risk profile of the Enlarged Epicon Group as the Target Companies operate in the same industry as the existing Epicon Group.

The risk factors relating to the Proposed Acquisitions and the Proposed Call Option, which may not be exhaustive, are as follows:

11.1 Dilution of shareholding risk

The shareholdings and voting interest of the Shareholders will be diluted upon the issuance of the new Epicon Shares arising from the RCPS Conversion, the Consideration Shares, the Option Consideration Shares, the Placement Shares and the new Epicon Shares to be issued upon conversion of the Consideration RCPS A and the Option Consideration RCPS A. Consequently, the Shareholders' entitlement to any future distribution, rights issue and/or allotment that the Company may undertake after the completion of the Proposals will also correspondingly be diluted.

For illustration purposes, the dilution to the percentage shareholdings of existing Shareholders are as follows:

	As at the LPD	(I) After the RCPS Conversion	(II) After (I), the Proposed Acquisitions, the Proposed Call Option and the Proposed Private Placement	(III) After (II) and assuming full conversion of the Consideration RCPS A	(IV) After (III) and the exercise of the Call Option	(V) After (IV) and assuming full conversion of the Option Consideration RCPS A
Number of Epicon Shares held by existing Shareholders ('000) (A)	627,464	627,464	627,464	627,464	627,464	627,464
Number of Epicon Shares in issue ('000) (B)	627,464	860,464	2,957,607	4,310,797	5,703,511	7,096,225
% (A / B)	100.00%	72.92%	21.22%	14.56%	11.00%	8.84%
PAT (RM'000)	4,005	4,005	75,405[ii]	75,405	123,005[iii]	123,005
Share of PAT (RM'000)[i]	4,005	2,921	15,997	10,976	13,532	10,876

Notes:

(i) Represents PAT attributable to the existing Shareholders of Epicon

(ii) The illustrative PAT under pro forma (II) is assumed to include the Average Profit Guarantee of RM119.00 million based on 60% equity interest to be held by Epicon, amounting to RM71.40 million.

(iii) The pro forma PAT under pro forma (IV) is assumed to include the remaining Average Profit Guarantee sum of RM47.60 million derived based on the Average Profit Guarantee multiplied with the additional 40% equity interest to be held by Epicon in the Target Companies if the Call Option is exercised.

11.2 Non-completion risk

The completion of the Proposed Acquisitions is subject to, among others, the fulfilment of all conditions precedent of the SSA as set out in Section 1 of **Appendix II** of this Circular (collectively, "**Conditions Precedent**") and the performance by the relevant parties of their respective covenants, undertakings and/or obligations within the stipulated timeframe as set out in the SSA. Additionally, the exercise of the Call Option is subject to compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements, hence should such compliance not be met, the Call Option will not be exercisable. The Proposed Acquisitions and the Proposed Call Option are also conditional upon the approval of Epicon's non-interested shareholders and other relevant authorities, wherever applicable, for the Proposals.

There is no assurance that the Company will be able to obtain all the requisite approvals nor ensure that all parties fulfil their respective obligations as set out in the SSA. In the event that any of the Conditions Precedent are not fulfilled or waived, or if the relevant approvals are not obtained from the relevant parties, the SSA will lapse and the Call Option will not be exercisable. Consequently, the Company will not be able to complete the Proposed Acquisitions and the Proposed Call Option, and the potential benefits arising therefrom will not be materialised.

However, the Company will take all reasonable steps that are within its control to ensure that the Conditions Precedent, its compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements as well as its respective obligations as set out in the SSA are met within the stipulated timeframe in accordance with the provisions of the SSA as well as to obtain all the requisite approvals for the Proposed Acquisitions and the Proposed Call Option.

11.3 Concentration risk and dependency on the Lagenda Group

The Target Companies are presently wholly-owned subsidiaries of Lagenda and are the principal construction service providers to the Lagenda Group. For the FYE 2025 and up to the LPD, construction contracts awarded by the Lagenda Group accounted for 100% of the revenue of the Target Companies. Accordingly, the financial performance of the Target Companies may be materially and adversely affected if there is a decrease in future construction contracts from the Lagenda Group.

Notwithstanding the above, such risk is mitigated after taking into consideration the performance of the development projects undertaken by the Lagenda Group which has recorded favorable take-up rates for launched phases of its township development coupled with the continuity in future potential awards arising from planned upcoming launches following thereto. Furthermore, Epicon noted that the Lagenda Group's on-going and future development projects are also geographically diverse, located across multiple locations within Peninsular Malaysia including Johor, Kedah, Pahang, Perak and Negeri Sembilan which is expected to mitigate concentration of the Target Companies' projects on any single location.

11.4 Risk of potential share sales pursuant to the Profit Guarantee and/or Public Spread Requirements affecting the price of Epicon Shares

The sale or potential sale of a substantial number of Epicon Shares in the public market following the Proposed Acquisitions could adversely affect the market price of Epicon Shares. Under the terms of the SSA, if the Vendor fails to settle any Shortfall in cash, the Stakeholder is entitled to dispose of the Pledged Shares within 30 days of the Vendor's direction. Depending on the quantum of the Shortfall, this liquidation could involve up to 1,098,461,539 Consideration Shares, representing 37.14% of Epicon's total issued shares post Proposed Acquisitions and Proposed Private Placement. Furthermore, additional Epicon Shares may need to be placed out and/or disposed into the market if the Company is required to increase its public shareholding spread to facilitate either the conversion of the Consideration RCPS A or the exercise of the Call Option and thereafter the conversion of Option Consideration RCPS A. There is no assurance that these large-scale market placements or share disposals will not create significant downward pressure on the market price of Epicon Shares.

Epicon and Lagenda will take all reasonable measures to ensure that any disposal of the Pledged Shares is executed in an orderly manner, mitigating the risk of flooding the market with Epicon Shares which may result in downward price pressure. Furthermore, as the Call Option is exercisable within 30 months from the Profit Determination Date, the Company will collaborate with its major shareholder to gradually increase the public shareholding spread, utilising the ample timeframe to strategically plan the execution of the Call Option.

11.5 Investment and integration risk

Although the Proposed Acquisitions and the Proposed Call Option are expected to contribute positively to the future earnings of the Enlarged Epicon Group, there is no assurance that the anticipated benefits will be realised or that the Enlarged Epicon Group will be able to generate sufficient returns from the construction projects of the Target Companies to offset the associated cost of investment and/or the upfront costs incurred. In addition, any decline in economic conditions may affect the potential benefits to be derived from the Proposed Acquisitions as well as the Proposed Call Option, and the duration required for Epicon to recoup its investments in the Target Companies could be longer than anticipated.

Nevertheless, the Company has exercised due care in considering the potential risks and benefits associated with the Proposed Acquisitions and the Proposed Call Option, and believes that the Proposed Acquisitions and the Proposed Call Option will be earnings accretive and synergistic to the Enlarged Epicon Group, after taking into consideration, among others, the prospects of the Enlarged Epicon Group and the Profit Guarantee.

11.6 Achievability of the Profit Guarantee

As set out in Section 2.1.3 of Part A of this Circular, the Profit Guarantee is based on various bases and assumptions which are deemed reasonable and realistic by the Board, but is subject to certain uncertainties and contingencies which are beyond Epicon's control.

While the Company has taken reasonable steps to assess the achievability of the Profit Guarantee which includes assessing the Target Companies' past financial performance as well as their prospects, there is no assurance that the Profit Guarantee will be met.

Nonetheless, the Pledged Shares will only be released to Lagenda upon fulfilment of the Profit Guarantee throughout both the FYE 2027 and the FYE 2028 in accordance with the terms and conditions of the SSA and the Stakeholder Agreement.

Should there be a Shortfall at the end of the FYE 2028, Lagenda is required to pay the Shortfall in cash, failing which the Stakeholder shall be authorised to dispose such number of Pledged Shares equivalent to the Amount Due, and the proceed of which shall accrue to Epicon. Any balance not recovered from such disposal shall be paid by Lagenda in cash as the Cash Top-Up.

11.7 Funding and interest rate risks

Should the Call Option be exercised and if the Option Consideration is wholly or partly settled via cash, the Company may seek external financing to finance the cash consideration. Likewise, should the Consideration RCPS A and the Option Consideration RCPS A be redeemed in cash, the Company may similarly be required to secure external financing to finance such redemption. Furthermore, the Enlarged Epicon Group may potentially obtain additional financing to fund its construction projects in the future given the enlarged scale of operations. The Group's ability to secure external borrowings and the resultant financing costs are dependent on various factors which include general economic and capital market conditions, prevailing interest rates, credit availability from the banks and other lenders, investors' confidence in the Company, any restrictions imposed by the Government of Malaysia as well as political, economic and social conditions in Malaysia and the gearing ratio of the Group.

There is no assurance that the necessary financing will be available in amounts or on terms acceptable to the Group. Further, the Group will incur interest expense on the bank borrowings and any interest charged on bank borrowings is dependent on prevailing interest rates which expose the Group to risk of unfavourable fluctuation in interest rates which in turn, may have a negative impact to the Group's cash flows and profitability.

In mitigating such risks, the Group will actively monitor and review its financing portfolio, which includes taking into consideration its financing level, financing costs as well as cash flows and will seek to adopt cost effective financing options to address any increase in interest rates in order to ensure its financing portfolio remains at a sustainable and optimal level.

11.8 Goodwill and impairment risk

The Proposed Acquisitions will result in the recognition of goodwill by the Enlarged Epicon Group, the amount of which will depend on the fair value of Epicon's (i.e. the accounting acquiree) identifiable assets acquired and liabilities assumed as at the completion date of the Proposed Acquisitions due to the application of the reverse accounting in accordance with the Malaysian Financial Reporting Standard 3 – Business Combinations ("**MFRS 3**").

Furthermore, the goodwill, if any, will be subject to periodic impairment testing and any downward adjustment to the goodwill may materially and adversely affect the financial position and results of the Enlarged Epicon Group. Nevertheless, Epicon will continuously monitor the performance and cash flows of the Enlarged Epicon Group to ensure that the goodwill is supported by the cash flows of the relevant construction projects of the Enlarged Epicon Group at all times.

11.9 Exposure to credit and collection risk arising from significant receivables

The Target Companies are exposed to delays in collection and/or non-recoverability of trade receivables and/or retention sum from customers. Presently, the Target Companies' credit terms for trade receivables are 30 to 90 days, while retention sums are generally only due after the expiry of the 24-month retention period following issuance of the Certificate of Practical Completion.

Based on audited FYE 2025, trade receivables of the Target Companies (net of retention sum), all of which are non-interest-bearing, amounted to RM156.07 million (or 33.26% of the total assets) whilst other receivables (net of amount owing from immediate holding company and fellow subsidiaries, a portion of which comprise the Related Party Advances) amounted to RM22.39 million (or 4.77% of total assets). The trade receivables' turnover period was approximately 122 days, which exceeded its credit terms of 30 to 90 days. Nonetheless, Epicon noted that during the corresponding financial year, the Target Companies recorded net cash inflow from operating activities of RM34.51 million and 99.23% of the outstanding trade receivables as at the FYE 2025 has been collected up to the LPD. The remaining outstanding amount of RM1.21 million, which has exceeded the credit term, are expected to be collected by end of FYE 2026.

Although the Target Companies have not encountered any material collection issues or incurred any material impairment losses on trade receivables as at the LPD, there is no assurance that its customers will continue to fulfil their payment obligations and the Target Companies will not encounter collection issues in the future which may result in potential cash flow constraints and/or impairment losses by the Target Companies.

In this respect, Epicon will closely monitor and review the Target Companies' receivables position vis-à-vis the cash flow requirements of the Enlarged Epicon Group and will proactively work with the Lagenda Group to ensure due payment of long outstanding trade receivables.

11.10 Risk of property overhang

Malaysia's property overhang poses a moderate-to-high structural risk to developers and capital efficiency. According to the NAPIC, an overhang unit is a completed property with a Certificate of Completion and Compliance that remains unsold for more than nine months after launch. Data from the NAPIC H1 2026 Property Market Report shows that completed, unsold residential units climbed 8.6% from late 2025 to 33,094 units valued at RM17.78 billion. When combined with 23,375 unsold serviced apartments worth RM19.33 billion, total completed unsold housing stock stands at 56,469 units valued at RM37.11 billion, which is the highest volume recorded since 1st half of 2022. Accordingly, any persistent property overhang situation may affect the sales of Lagenda Group's property projects and in turn affect the construction order book and financial performance of the Target Companies.

Notwithstanding the above, based on Lagenda Group's project composition and historical track record, Epicon is optimistic that the Target Companies are able to mitigate the overall property overhang situation as Lagenda Group's projects are oriented towards affordable housing schemes and located within Malaysian states with encouraging property volume. In this respect, according to Economic Outlook 2025 report, residential building subsector has seen steady growth supported by continued demand for affordable housing which is also aligned with government stamp duty exemptions and Housing Credit Guarantee Scheme. Furthermore, Epicon also noted that the states in which Lagenda Group's current and future projects are located (namely, Johor, Selangor, Perak and Kedah) had recorded the highest property transaction volume among the states in Malaysia for both the first half of 2025 and 2026.

12. EFFECTS OF THE PROPOSALS

The Proposed Amendments and the Proposed Exemptions will not have any effect on the issued share capital, substantial Shareholders' shareholding, NA, gearing and earnings of the Group as well as EPS.

For illustrative purposes, the effects of the Proposed Acquisitions, the Proposed Call Option and the Proposed Private Placement, all of which shall be implemented following the completion of the RCPS Conversion, have been shown based on the following scenarios:

Minimum Scenario : Assuming that:

(i) the 1,857,142,857 Consideration Shares has been issued;

(ii) the Call Option is not exercised and lapses at the end of the Call Option Period;

(iii) the 1,353,190,292 Consideration RCPS A are fully converted into 1,353,190,292 new Epicon Shares; and

(iv) Lagenda undertakes an offer for sale of an aggregate of 295,000,000 Epicon Shares to the Public Shareholders of Epicon[(1)].

Maximum Scenario : Assuming that:

(i) the 1,857,142,857 Consideration Shares has been issued;

(ii) the Call Option is exercised and the Option Consideration is settled in equal proportion via the issuance of 1,392,714,200 Option Consideration Shares and 1,392,714,200 Option Consideration RCPS A;

(iii) the 1,353,190,292 Consideration RCPS A are fully converted into 1,353,190,292 new Epicon Shares;

(iv) the 1,392,714,200 Option Consideration RCPS A are fully converted into 1,392,714,200 new Epicon Shares; and

(v) Lagenda undertakes an offer for sale of an aggregate of 1,024,000,000 Epicon Shares to the Public Shareholders of Epicon[(1)].

Note:

(1) For the avoidance of doubt, the proposed offer for sale has been included to illustrate that the Public Spread Requirement will be met upon completion of the Proposals.

12.1 Issued share capital

The pro forma effects of the Proposed Acquisitions, the Proposed Call Option and the Proposed Private Placement on the issued share capital of the Company are as follows:

	Minimum Scenario		**Maximum Scenario**	
	No. of Shares ('000)	**Share capital (RM'000)**	**No. of Shares ('000)**	**Share capital (RM'000)**
As at the LPD	627,464	33,344	627,464	33,344
To be issued pursuant to the RCPS Conversion	233,000	23,300	233,000	23,300
After the RCPS Conversion	**860,464**	**56,644**	**860,464**	**56,644**
To be issued pursuant to the Proposed Acquisitions	1,857,143	241,428	1,857,143	241,428
To be issued pursuant to the Proposed Private Placement	240,000	31,200	240,000	31,200
After the Proposed Acquisitions and the Proposed Private Placement	**2,957,607**	**329,272**	**2,957,607**	**329,272**
To be issued assuming full conversion of Consideration RCPS A	1,353,190	175,915[(i)]	1,353,190	175,915[(i)]
After the full conversion of the Consideration RCPS A	**4,310,797**	**505,187**	**4,310,797**	**505,187**
To be issued pursuant to the Proposed Call Option	-	-	1,392,714	181,053[(ii)]
After the exercise of the Call Option	**4,310,797**	**505,187**	**5,703,511**	**686,240**
To be issued assuming full conversion of the Option Consideration RCPS A	-	-	1,392,714	181,053[(iii)]
Enlarged number of Epicon Shares and share capital	**4,310,797**	**505,187**	**7,096,225**	**867,293**

Notes:

(i) Assuming full conversion of the 1,353,190,292 Consideration RCPS A into (1) new Epicon Share at RM0.13 conversion price, the liability component of RM29.97 million, which was initially measured using a DCF method based on the present value of the contractual cash flows comprising periodic coupon payments, together with the equity component of RM145.95 million would be derecognised and recognised in equity as issued share capital.

The liability and equity components of the Consideration RCPS A are determined as follows:

		RM'000
Total Consideration RCPS A (1,353,190,292 Consideration RCPS A x RM0.13)	*(A)*	*175,915*
*Total contractual coupon payments**		*35,183*
*Less: Present value adjustment, discounted at 5.60%***		*(5,217)*
Liability component	*(B)*	***29,966***
Equity component (residual amount in accordance with MFRS 132)	*(A) – (B)*	*145,949*
Total liability and equity components of the Consideration RCPS A		***175,915***

** The total contractual coupon payments is calculated based on the total Consideration RCPS A of RM175.92 million, multiplied by the cumulative preferential dividend rate of 4.00% per annum over the five-year tenure of the RCPS A.*

*** The discount rate of 5.60% was determined based on the 5-year Malaysian Government bond yield of approximately 3.40% per annum, plus an estimated credit spread of approximately 2.20%.*

(ii) After taking into consideration the 1,392,714,200 Option Consideration Shares to be issued at the Option Share Issue Price of RM0.13 pursuant to the Exercise of the Call Option.

(iii) Assuming the full conversion of the 1,392,714,200 Option Consideration RCPS A into (1) new Epicon Share at RM0.13 conversion price, the liability component of RM30.84 million, which was initially measured using a DCF method based on the present value of the contractual cash flows comprising periodic coupon payments, together with the equity component of RM150.21 million would be derecognised and recognised in equity as issued share capital.

12.2 NA per Share and gearing

Based on the latest audited consolidated statements of financial position of Epicon as at 31 December 2025 and assuming the Proposals had been effected on that date, the pro forma effects of the Proposed Acquisitions, the Proposed Call Option and the Proposed Private Placement on the NA per Share and gearing of the Epicon Group are as follows:

Minimum Scenario

	Audited as at 31 December 2025	(I) After the RCPS Conversion	(II) After (I), the Proposed Acquisitions[(i)], the Proposed Call Option and the Proposed Private Placement	(III) After (II) and assuming full conversion of the Consideration RCPS A	(IV) After (III) and the lapse of the Call Option
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Share capital	33,344	56,644	329,272	505,187	505,187
RCPS	23,300	-	145,949	-	-
Reverse acquisition reserve	-	-	(463,262)[(ii)]	(463,262)	(463,262)
Capital contribution	-	-	1,251	1,251	1,251
Retained earnings	30,800	30,800	120,228[(iii)]	113,036	91,226[(vi)]
NA attributable to the owners of the Company	**87,444**	**87,444**	**133,438**	**156,212**	**134,402**
Number of Epicon Shares in issue ('000)	627,464	860,464	2,957,607	4,310,797	4,310,797
NA per Share (RM)	0.14	0.10	0.05	0.04	0.03
Total borrowings	89,250	89,250	186,112[(iv)]	156,146[(v)]	156,146
Gearing (times)	1.02	1.02	1.39	1.00	1.16

Notes:

(i) MFRS 3 applies to an acquisition whereby an acquirer shall be identified for all business combinations and the acquirer is defined as the entity that obtains control of the combining entities or businesses.

*The Proposed Acquisitions are accounted for in accordance with MFRS 3, where the combined Target Companies ("**Combined Target Companies**") which are under common control of their shareholders (i.e. Lagenda), is regarded as the accounting acquirer and the Epicon Group is regarded as the accounting acquiree and the consolidation is prepared using reverse acquisition accounting method ("**Reverse Acquisition Accounting**"). Hence, Epicon's pro forma consolidated statements of financial position as presented in Pro Forma II represents a continuation of the financial position of the Combined Target Companies, except for the equity structure (i.e. the number and type of equity instruments issued) appearing in the pro forma consolidated financial statements which reflects the equity structure of Epicon, including the equity instruments issued by Epicon to effect the Proposed Acquisitions.*

The resultant pro forma share capital is derived as follows:

Share capital	***RM'000***
Share capital of Epicon under (I)	*56,644*
Add: Total value of the Consideration Shares	*241,428*
Add: Total value of the Placement Shares	*31,200*
Total	***329,272***

(ii) The resultant pro forma reverse acquisition reserve is derived as follows:

Reverse acquisition reserve	***RM'000***
Reverse acquisition reserve of Epicon under (I)	*-*
Purchase Consideration	*(543,158)*
Less: Call option assets	*21,810*
Consideration transferred	*(521,348)*
Reverse Acquisition Accounting	
Elimination of 60% of the share capital of the Target Companies	*1,050*
Elimination of retained earnings of the Epicon Group	*30,800*
Goodwill	*26,236*
Total	***(463,262)***

(iii) Represents the retained earnings of the Combined Target Companies due to the application of Reverse Acquisition Accounting, after taking into account deferred tax asset arising from the Consideration RCPS A and the estimated expenses relating to the Proposals.

The resultant pro forma retained earnings is derived as follows:

Retained earnings	***RM'000***
Retained earnings of Epicon under (I)	*30,800*
Add:	
Combined retained earnings of the Target Companies	*191,426*
Deferred tax asset arising from the Consideration RCPS A	*7,192*
Less:	
40% of the combined retained earnings of the Target Companies, being the portion of the non-controlling interests pursuant to the Proposed Acquisitions	*(76,570)*
Retained earnings of the Epicon Group	*(30,800)*
Estimated expenses in relation to the Proposals	*(1,820)*
Total	***120,228***

(iv) After taking into account the borrowings of the Target Companies of RM84.40 million, the liability component of the Consideration RCPS A of RM29.97 million and the repayment of bank borrowings of RM17.50 million via the proceeds to be raised from Proposed Private Placement.

(v) After taking into account the reversal of the liability component of the Consideration RCPS A of RM29.97 million.

(vi) After taking into account the reversal of the fair value of the call option asset arising from the Proposed Call Option with the assumption that the Option Consideration remains the same at RM362.11 million upon maturity of the Call Option.

Maximum Scenario

	Audited as at 31 December 2025	(I) After the RCPS Conversion	(II) After (I), the Proposed Acquisitions[(i)], the Proposed Call Option and the Proposed Private Placement	(III) After (II) and assuming full conversion of the Consideration RCPS A	(IV) After (III) and the exercise of the Call Option	(V) After (IV) and assuming full conversion of the Option Consideration RCPS A
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Share capital	33,344	56,644	329,272	505,187	686,240	867,293
RCPS	23,300	-	145,949	-	150,212	-
Reverse acquisition reserve	-	-	(463,262)[(ii)]	(463,262)	(846,478)[(vi)]	(846,478)
Capital contribution	-	-	1,251	1,251	2,085	2,085
Retained earnings	30,800	30,800	120,228[(iii)]	113,036	197,008[(vii)]	189,606[(ix)]
NA attributable to the owners of the Company	**87,444**	**87,444**	**133,438**	**156,212**	**189,067**	**212,506**
Number of Epicon Shares in issue ('000)	627,464	860,464	2,957,607	4,310,797	5,703,511	7,096,225
NA per Share (RM)	0.14	0.10	0.05	0.04	0.03	0.03
Total borrowings	89,250	89,250	182,112[(iv)]	156,146[(v)]	186,987[(viii)]	156,146[(x)]
Gearing (times)	1.02	1.02	1.39	1.00	0.99	0.73

Notes:

(i) *The MFRS 3 applies to an acquisition whereby an acquirer shall be identified for all business combinations and the acquirer is defined as the entity that obtains control of the combining entities or businesses.*

The Proposed Acquisitions are accounted for in accordance with MFRS 3, where the Combined Target Companies which are under common control of their shareholders (i.e. Lagenda), is regarded as the accounting acquirer and the Epicon Group is regarded as the accounting acquiree and the consolidation is prepared using Reverse Acquisition Accounting. Hence, the Epicon Group's pro forma consolidated statements of financial position as presented in Pro Forma II represents a continuation of the financial position of the Combined Target Companies, except for the equity structure (i.e. the number and type of equity instruments issued) appearing in the pro forma consolidated financial statements which reflects the equity structure of Epicon, including the equity instruments issued by Epicon to effect the Proposed Acquisitions.

The resultant pro forma share capital is derived as follows:

Share capital	***RM'000***
Share capital of Epicon under (I)	*56,644*
Add: Total value of the Consideration Shares	*241,428*
Add: Total value of the Placement Shares	*31,200*
Total	***329,272***

(ii) *The resultant pro forma reverse acquisition reserve is derived as follows:*

Reverse acquisition reserve	***RM'000***
Reverse acquisition reserve of Epicon under (I)	*-*
Purchase Consideration	*(543,158)*
Less: Call option assets	*21,810*
Consideration transferred	*(521,348)*
Reverse Acquisition Accounting	
Elimination of 60% of the share capital of the Target Companies	*1,050*
Elimination of retained earnings of the Epicon Group	*30,800*
Goodwill	*26,236*
Total	***(463,262)***

(iii) *Represents the retained earnings of the Combined Target Companies due to the application of Reverse Acquisition Accounting, after taking into account deferred tax asset arising from the Consideration RCPS A and the estimated expenses relating to the Proposals.*

The resultant pro forma retained earnings is derived as follows:

Retained earnings	***RM'000***
Retained earnings of Epicon under (I)	*30,800*
Add:	
Combined retained earnings of the Target Companies	*191,426*
Deferred tax asset arising from the Consideration RCPS A	*7,192*
Less:	
40% of the combined retained earnings of the Target Companies, being the portion of the non-controlling interests pursuant to the Proposed Acquisitions	*(76,570)*
Retained earnings of the Epicon Group	*(30,800)*
Estimated expenses in relation to the Proposals	*(1,820)*
Total	***120,228***

(iv) After taking into account the borrowings of the Target Companies of RM84.40 million, the liability component of the Consideration RCPS A of RM29.97 million and the repayment of bank borrowings of RM17.50 million via the proceeds to be raised from Proposed Private Placement.

(v) After taking into account the reversal of the liability component of the Consideration RCPS A of RM29.97 million.

(vi) The exercise of Call Option is accounted for as a transaction with owners, with the resulting adjustment recognised directly in equity. For pro forma illustration purposes, such adjustment is included within the reverse acquisition reserve. The resultant pro forma reverse acquisition reserve is derived as follows:

Reverse acquisition reserve	***RM'000***
Reverse acquisition reserve of Epicon under (II)	*(463,262)*
Exercise of Call Option	
Option Consideration	*(362,106)*
Consolidation adjustments	
Elimination of 40% of the share capital of the Target Companies	*700*
Derecognition of call option assets	*(21,810)*
Total	***(846,478)***

(vii) After taking into account the derecognition of the 40% non-controlling interest in the Target Companies pursuant to the exercise of the Call Option.

(viii) After taking into account the liability component of the Option Consideration RCPS A of RM30.84 million.

(ix) After taking into account the full conversion of the 1,392,714,200 Option Consideration RCPS A and derecognition of deferred tax assets on the Option Consideration RCPS A.

(x) After taking into account the reversal of the liability component of the Option Consideration RCPS A of RM30.84 million.

12.3 Substantial Shareholders' shareholding

The pro forma effects of the Proposed Acquisitions and the Proposed Private Placement on the shareholdings of the substantial Shareholders in the Company are as follows:

Minimum Scenario

	As at the LPD				(I) After the RCPS Conversion			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%(1)	No. of Shares	%(1)	No. of Shares	%(2)	No. of Shares	%(2)
Doh Properties	67,000,000	10.68	-	-	300,000,000	34.86	-	-
Dato' Jimmy	-	-	67,000,000(5)	10.68	-	-	300,000,000(5)	34.86
Lagenda	-	-	-	-	-	-	-	-
LLSB	-	-	-	-	-	-	-	-

	(II) After (I), the Proposed Acquisitions and the Proposed Private Placement				(III) After (II) and assuming full conversion of the Consideration RCPS A			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%(3)	No. of Shares	%(3)	No. of Shares	%(4)	No. of Shares	%(4)
Doh Properties	300,000,000	10.14	-	-	300,000,000	6.96	-	-
Dato' Jimmy	-	-	2,157,142,857(7)	72.94	-	-	3,215,333,149(7)	74.59
Lagenda	1,857,142,857	62.79	-	-	2,915,333,149(6)	67.63	-	-
LLSB	-	-	1,857,142,857(8) (9)	62.79	-	-	2,915,333,149(9)	67.63

Notes:

(1) Based on the issued Shares as at the LPD comprising 627,464,015 Epicon Shares.

(2) Based on the enlarged issued Shares assuming full conversion of the RCPS comprising 860,464,015 Epicon Shares.

(3) Based on the enlarged issued Shares after the Proposed Acquisitions and the Proposed Private Placement of 2,957,606,872 Epicon Shares pursuant to the issuance of 1,857,142,857 Consideration Shares.

(4) Based on the enlarged issued Shares assuming full conversion of the Consideration RCPS A of 4,310,797,164 Epicon Shares.

(5) Deemed interested by virtue of his shareholding in Doh Properties pursuant to Section 8(4) of the Act.

(6) Based on the enlarged issued Shares after the Proposed Acquisitions of 1,857,142,857 Consideration Shares and assuming full conversion of the 1,353,190,292 Consideration RCPS A and assuming that 295,000,000 Epicon Shares held by Lagenda are sold to the Public Shareholders of Epicon.

(7) Deemed interested by virtue of his shareholding in Doh Properties pursuant to Section 8(4) of the Act as well as his interest in Lagenda via his direct shareholding in Lagenda and his shareholding in LLSB, Doh Properties and SAPSB, being a holding company of Doh Capital Sdn Bhd, pursuant to Section 8(4) of the Act.

(8) Strictly for illustrative purposes, under the worst-case scenario, Lagenda's shareholding in Epicon would be reduced by 37.14% in the event of the disposal of the Pledged Shares.

(9) Deemed interested by virtue of its direct shareholding in Lagenda pursuant to Section 8(4) of the Act.

Maximum Scenario

	As at the LPD				(I) After the RCPS Conversion			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%(1)	No. of Shares	%(1)	No. of Shares	%(2)	No. of Shares	%(2)
Doh Properties	67,000,000	10.68	-	-	300,000,000	34.86	-	-
Dato' Jimmy	-	-	67,000,000(5)	10.68	-	-	300,000,000(5)	34.86
Lagenda	-	-	-	-	-	-	-	-
LLSB	-	-	-	-	-	-	-	-

	(II) After (I), the Proposed Acquisitions and the Proposed Private Placement				(III) After (II) and the Proposed Call Option as well as assuming full conversion of the Consideration RCPS A and the Option Consideration RCPS A			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%(3)	No. of Shares	%(3)	No. of Shares	%(4)	No. of Shares	%(4)
Doh Properties	300,000,000	10.14	-	-	300,000,000	4.23	-	-
Dato' Jimmy	-	-	2,157,142,857(6)	72.94	-	-	5,271,761,549(6)	74.29
Lagenda	1,857,142,857	62.79	-	-	4,971,761,549(4)	70.06	-	-
LLSB	-	-	1,857,142,857(7) (8)	62.79	-	-	4,971,761,549(8)	70.06

Notes:

(1) Based on the issued Shares as at the LPD comprising 627,464,015 Epicon Shares.

(2) Based on the enlarged issued Shares assuming full conversion of the RCPS comprising 860,464,015 Epicon Shares.

(3) Based on the enlarged issued Shares after the Proposed Acquisitions and the Proposed Private Placement of 2,957,606,872 Epicon Shares pursuant to the issuance of 1,857,142,857 Consideration Shares.

(4) Based on the enlarged issued Shares of 7,096,225,564 Epicon Shares after (i) the Proposed Call Option and the issuance of 1,392,714,200 Option Consideration Shares; (ii) assuming full conversion of the 1,353,190,292 Consideration RCPS A; (iii) the full conversion of the 1,392,714,200 Option Consideration RCPS A; and (iv) assuming that 1,024,000,000 Epicon Shares held by Lagenda are sold to the Public Shareholders of Epicon.

(5) Deemed interested by virtue of his shareholding in Doh Properties pursuant to Section 8(4) of the Act.

(6) Deemed interested by virtue of his shareholding in Doh Properties pursuant to Section 8(4) of the Act as well as his interest in Lagenda via his direct shareholding in Lagenda and his shareholding in LLSB, Doh Properties and SAPSB, being a holding company of Doh Capital Sdn Bhd, pursuant to Section 8(4) of the Act.

(7) Strictly for illustrative purposes, in the worst-case scenario, Lagenda's shareholding in Epicon would be reduced by 37.14% in the event of the disposal of the Pledged Shares.

(8) Deemed interested by virtue of its direct shareholding in Lagenda pursuant to Section 8(4) of the Act.

12.4 Earnings and EPS

The Proposed Acquisitions and the Proposed Private Placement are expected to be completed by the first quarter of 2027 whilst the Proposed Call Option is only expected to be exercisable following the Profit Guarantee Determination Date.

Upon the completion of the Proposed Acquisitions, the Target Companies will become 60%-owned subsidiaries of Epicon and the Company will be able to consolidate 60% of the Target Companies' earnings. The impact of the Proposed Acquisitions on the EPS will depend upon, among others, the future earnings of the Enlarged Epicon Group following the contribution from the Target Companies, the realisation of the benefits arising from the use of the proceeds from the Proposed Private Placement to primarily fund its working capital requirements vis-à-vis the dilution in the share capital of Epicon arising from the issuance of the Consideration Shares, the Option Consideration Shares and the Placement Shares, as well as the conversion of the Consideration RCPS A and the Option Consideration RCPS A into new Epicon Shares.

Strictly for illustrative purposes, assuming that the Proposals had been effected on 1 January 2025, being the beginning of the FYE 2025, the pro forma effects of the Proposed Acquisitions, the Proposed Call Option and the Proposed Private Placement on the earnings of the Group and EPS are as follows:

		(I)	(II)	(IIIA) Minimum Scenario	(IIIB) Maximum Scenario
	For the FYE 2025	After the RCPS Conversion	After (I), the Proposed Acquisitions and the Proposed Private Placement	After (II) and the lapse of Call Option as well as assuming full conversion of Consideration RCPS A	After (II) and the Proposed Call Option as well as assuming full conversion of the Consideration RCPS A and the Option Consideration RCPS A
PAT[(i)] (RM'000)	4,005	4,005	75,405[(ii)]	75,405	123,005[(iii)]
No. of Epicon Shares ('000)	627,464	860,464	2,957,607	4,310,797	7,096,225
Pro forma EPS (sen)	0.64	0.47	2.55	1.75	1.73

Notes:

(i) Represents PAT attributable to the owners of the company.

(ii) The illustrative PAT under pro forma (II) is assumed to include the Average Profit Guarantee of RM119.00 million based on 60% equity interest to be held by Epicon, amounting to RM71.40 million.

(iii) The pro forma PAT under pro forma (IIIB) is assumed to include the remaining Average Profit Guarantee sum of RM47.60 million derived based on the Average Profit Guarantee multiplied with the additional 40% equity interest to be held by Epicon in the Target Companies if the Call Option is exercised.

While the Board acknowledges that the issuance of securities for the Proposals will substantially dilute the shareholding of the Shareholders, the Board expects the resulting earnings enhancement from the contribution from the Target Companies to mitigate or offset the dilutive impact. Post the Proposals, on a proforma basis, the EPS will increase significantly to RM1.75 under the Minimum Scenario and RM1.73 under the Maximum Scenario, as compared to RM0.47 (after the RCPS conversion but prior to the Proposed Acquisitions, the Proposed Call Option and the Proposed Private Placement). Additionally, the Board believes that Lagenda's remaining 3,998 acres landbank and expected RM10.28 billion in launches over the next three years will provide a strong boost to the Epicon Group's prospective order book which will further enhance the financial performance of the enlarged Epicon Group.

12.5 Convertible securities

As at the LPD, save for the 233,000,000 RCPS, the Company does not have any other outstanding convertible securities in issue.

13. APPROVALS/CONSENTS REQUIRED

The Proposals are subject to the following approvals/consents being obtained:

(a) Bursa Securities for the following:

(i) listing and quotation of the 1,857,142,857 Consideration Shares;

(ii) listing and quotation of up to 1,392,714,200 Option Consideration Shares;

(iii) listing and quotation of the 240,000,000 Placement Shares;

(iv) listing and quotation of up to 1,353,190,292 new Epicon Shares to be issued upon full conversion of the Consideration RCPS A; and

(v) listing and quotation of up to 1,392,714,200 new Epicon Shares to be issued upon full conversion of the Option Consideration RCPS A,

on the Main Market of Bursa Securities. The approval was obtained vide its letter dated 12 November 2026 and subject to the following conditions:

No.	Condition	Status of compliance
(a)	Epicon and Maybank IB must ensure full compliance with the 25% public shareholding spread requirement pursuant to Paragraph 8.02(1) of the Listing Requirements upon the listing and quotation of the new Epicon Shares pursuant to the Proposed Acquisitions and the Proposed Call Option.	To be complied
(b)	Epicon and Maybank IB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposals.	To be complied
(c)	Epicon to furnish Bursa Securities with the certified true copy of the resolutions passed by the Shareholders at EGM approving the Proposals.	To be complied
(d)	Maybank IB to inform Bursa Securities upon the completion of the Proposals.	To be complied
(e)	Maybank IB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposals are completed.	To be complied
(f)	Epicon must observe and ensure full compliance with Paragraph 6.50 of the Listing Requirements at all times.	To be complied

(b) non-interested Shareholders at the forthcoming EGM for the Proposals;

(c) the SC for the Proposed Exemptions; and

(d) the financiers of Epicon and the Target Companies for the implementation of the Proposals.

The Company has already obtained the approval of Bursa Securities via its letter dated 29 November 2021 for the listing and quotation of 233,000,000 new Epicon Shares to be issued pursuant to the RCPS Conversion on the Main Market of Bursa Securities.

14. CONDITIONALITY OF THE PROPOSALS

The Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement, the Proposed Amendments and the Proposed Exemption 2 are inter-conditional upon each other, and are conditional upon the Proposed Exemption 1, but not vice versa.

The RCPS Conversion is conditional upon the Proposed Exemption 1. For the avoidance of doubt, if the non-interested Shareholders and/or the SC approve(s) the Proposed Exemption 1 but do(es) not approve the Proposed Exemption 2, Doh Properties will still proceed with the RCPS Conversion. However, if the non-interested Shareholders and/or the SC do(es) not approve the Proposed Exemption 1, the Company will not implement the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement, the Proposed Amendments and the Proposed Exemption 2. For information purposes, the Proposed Call Option is inter-conditional with the Proposed Acquisitions as it is the intention of the Company to acquire the entire equity interest of the Target Companies. However, given the size and valuation of the Target Companies, the Proposed Call Option will allow Epicon to manage and optimise cashflows by deferring a substantial portion of the acquisition cost to a later date.

The Proposals are not conditional upon any other corporate exercise/scheme of the Company.

15. CORPORATE EXERCISE/SCHEME ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals and the proposed joint development between Epicon Land Sdn Bhd ("**ELSB**") (as developer), a wholly-owned subsidiary of Epicon, and NCT Noble Sdn Bhd ("**NCT Noble**") (as landowner), a wholly-owned subsidiary of NCT Alliance Berhad, for the development of single-storey terrace houses together with supporting facilities and amenities on a portion of the land forming part of Lot Nos. 2529 and 2530 held under Title No. Geran 47606, Mukim Batang Kali, Daerah Ulu Selangor, State of Selangor, measuring approximately 72.14 acres pursuant to a joint development agreement dated 30 September 2025 entered into between ELSB and NCT Noble ("**ELSB-NCT Noble JDA**"), the Board is not aware of any other outstanding proposals which have been announced but not yet completed prior to the printing of the Circular. As at the LPD, save for the landowner's obligation to procure the issuance of separate documents of title to the land free from all encumbrances, all the other conditions precedent as set out in the ELSB-NCT Noble JDA has been fulfilled.

16. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

Save as disclosed below, none of the Directors, Major Shareholders, chief executive of Epicon and/or persons connected with them have any interest, direct or indirect, in the Proposals:

(a) Proposed Acquisitions and the Proposed Call Option

(i) Doh Properties is a Major Shareholder holding 10.68% equity interest as at the LPD;

(ii) Dato' Jimmy is a shareholder of Doh Properties holding 90% equity interest in Doh Properties;

(iii) Dato' Marcus is the brother of Dato' Jimmy, Dato' Doh NC is the father of Dato' Jimmy and Dato' Marcus, Datin Lee is the mother of Dato' Jimmy and Dato' Marcus and Datin Ding is the sister-in-law of Dato' Jimmy and Dato' Marcus; and

(iv) Dato' Jimmy is the Managing Director and an indirect major shareholder of Lagenda, being the Vendor.

In view of the above, Doh Properties, Dato' Jimmy, Dato' Marcus, Dato' Doh NC, Datin Lee and Datin Ding are deemed interested in the Proposed Acquisitions and the Proposed Call Option.

(b) Proposed Exemption 1

(i) Doh Properties is the holder of 233,000,000 RCPS which is the subject matter of the RCPS Conversion;

(ii) Dato' Jimmy is a shareholder of Doh Properties, holding 90% equity interest in Doh Properties; and

(iii) Dato' Marcus, Dato' Doh NC, Datin Lee and Datin Ding are family members of Dato' Jimmy and Shareholders of Epicon. All the above parties are Shareholders and the PACs of Doh Properties and Dato' Jimmy.

Doh Properties and the MGO 1 PACs are the parties seeking the Proposed Exemption 1. Accordingly, Dato' Jimmy, Dato' Marcus, Dato' Doh NC, Datin Lee and Datin Ding are deemed interested in the Proposed Exemption 1.

(c) Proposed Exemption 2

Lagenda and the MGO 2 PACs are the parties seeking the Proposed Exemption 2. Accordingly, Lagenda, Doh Properties, Dato' Jimmy, Dato' Marcus, Dato' Doh NC, Datin Lee, Datin Ding and Hariza Binti Haron are deemed interested in the Proposed Exemption 2.

(d) Proposed Amendments and the Proposed Private Placement

In view that the Proposed Acquisitions, the Proposed Call Option, the Proposed Amendments, the Proposed Private Placement and the Proposed Exemption 2 are inter-conditional upon each other, Lagenda, Doh Properties, Dato' Jimmy, Dato' Marcus, Dato' Doh NC, Datin Lee and Datin Ding are also accordingly deemed interested in the Proposed Amendments and the Proposed Private Placement.

Accordingly, save for Hariza Binti Haron who will abstain from voting on the resolution pertaining to Proposed Exemption 2, Doh Properties, Dato' Jimmy, Dato' Marcus, Dato' Doh NC, Datin Lee and Datin Ding will abstain from voting in respect of their direct and/or indirect shareholdings in Epicon, if any, on the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM of the Company.

In addition, Doh Properties and Dato' Jimmy, being the interested Major Shareholders of Epicon, as well as Lagenda, will undertake to ensure that persons connected with them, if any, to abstain from voting, in respect of their direct and/or indirect shareholdings in Epicon, if any, on the resolution pertaining to the Proposals to be tabled at the forthcoming EGM of the Company.

As at the LPD, the shareholding of the interested parties in Epicon is as follows:

	Direct		Indirect	
	No. of Shares	%(1)	No. of Shares	%(1)
Doh Properties	67,000,000	10.68	-	-
Dato' Marcus	10,212,700	1.63	-	-
Dato' Doh NC	1,600,000	0.25	-	-
Datin Lee	100,000	0.02	-	-
Datin Ding	20,000	*	-	-
Hariza Binti Haron	16,100	*	-	-
Dato' Jimmy	-	-	67,000,000(2)	10.68

Notes:

*** *Represents less than 0.01% of the total number of Epicon Shares in issue.*

(1) *Based on the total number of Epicon Shares in issue as at the LPD of 627,464,015.*

(2) *Deemed interested by virtue of his shareholding in Doh Properties pursuant to Section 8(4) of the Act.*

17. PERCENTAGE RATIO

The highest percentage ratio for the Proposed Acquisitions and the Proposed Call Option pursuant to Paragraph 10.02(g) of the Listing Requirements is 1,047.63%, computed based on the audited combined PAT of the Target Companies for the FYE 2025 over the audited PAT of the Epicon Group for the FYE 2025.

For the avoidance of doubt, although the percentage ratio for the Proposed Acquisitions and Proposed Call Option exceeds 100% pursuant to the Equity Guidelines, the Proposed Acquisitions and the Proposed Call Option do not result in a significant change in the business direction or policy of the Epicon Group pursuant to paragraph 7.01A of the Equity Guidelines as the Target Companies and the Epicon Group have similar core business, with both being involved in the construction business. In addition, while Lagenda will emerge as the controlling Shareholder and the single largest Shareholder in Epicon post the Proposed Acquisitions and Proposed Call Option, this will not result in a change in the controlling Shareholder nor emergence of a single largest Shareholder in Epicon taking into consideration Dato' Jimmy will continue to be the ultimate controlling shareholder in both Epicon and Lagenda which are companies ultimately owned by Dato' Jimmy. Furthermore, the Proposed Acquisitions and Proposed Call Option will not result in a change in the composition of the Board.

18. AMOUNT TRANSACTED WITH THE INTERESTED MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM FOR THE PRECEDING 12 MONTHS

Save as disclosed below, there were no other transactions entered into by the Company with the interested Major Shareholders and/or persons connected with them for the preceding 12 months up to the LPD:

(a) the Proposals; and

(b) the RRPT as disclosed in the Company's circular to shareholders dated 29 April 2026.

19. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered on all aspects of the Proposals, including but not limited to the salient terms and conditions of the SSA (including the draft Shareholders' Agreements annexed therein) and the Subscription Agreements, the rationale and benefits of the Proposals, the prospects of the Enlarged Epicon Group, the valuation of the Target Companies performed by BDOCC, the ability of the Target Companies to achieve their expected replenishment rate of construction contracts and the inherent risk adjustments adopted by BDOCC in arriving at the aggregate fair value range as set out in Section 2.3 of Part A of this Circular, the achievability of the Profit Guarantee as set out in Section 2.1.3 of Part A of this Circular, the anticipated earnings enhancement as set out in Section 12.4 of Part A of this Circular as well as the evaluation of the Independent Adviser, is of the opinion that the Proposals are:

(a) in the best interest of the Company;

(b) fair, reasonable and on normal commercial terms; and

(c) not detrimental to the interest of the non-interested Shareholders.

Accordingly, the Board recommends that you **vote in favour** of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

20. AUDIT AND RISK MANAGEMENT COMMITTEE'S STATEMENT

The Audit and Risk Management Committee of the Company, after having considered all aspects of the Proposals, including but not limited to the salient terms and conditions of the SSA (including the draft Shareholders' Agreements annexed therein) and the Subscription Agreements, the rationale and benefits of the Proposals, the prospects of the Enlarged Epicon Group, the valuation of the Target Companies performed by BDOCC, the ability of the Target Companies to achieve their expected replenishment rate of construction contracts and the inherent risk adjustments adopted by BDOCC in arriving at the aggregate fair value range as set out in Section 2.3 of Part A of this Circular, the achievability of the Profit Guarantee as set out in Section 2.1.3 of Part A of this Circular, the anticipated earnings enhancement as set out in Section 12.4 of Part A of this Circular as well as the evaluation of the Independent Adviser, is of the opinion that the Proposals are:

(a) in the best interest of the Company;

(b) fair, reasonable and on normal commercial terms; and

(c) not detrimental to the interest of the non-interested Shareholders.

21. ESTIMATED TIME FRAME FOR COMPLETION

The tentative timeline for the implementation of the Proposals is as follows:

Timing	Event
Early-December 2026	• EGM for the Proposals • Submission of the application for the Proposed Exemptions to the SC by Maybank IB on behalf of Doh Properties, Lagenda and their PACs • Completion of the Proposed Amendments • Expected approval from the SC on the Proposed Exemption 1 and the Proposed Exemption 2 • Doh Properties to initiate the RCPS Conversion

Timing	Event
Mid December 2026	• Listing and quotation of the new Epicon Shares arising from the RCPS Conversion
First quarter of 2027	• Concurrent issuance and allotment of the Placement Shares and the Consideration Shares • Issuance and allotment of the Consideration RCPS A (post issuance and allotment of the Placement Shares and Consideration Shares) • Listing and quotation of the Consideration Shares and the Placement Shares • Completion of the Proposed Acquisitions and the Proposed Private Placement
31 December 2027	• End of the FYE 2027
Second quarter of 2028	• Last date for the issuance of the PAT/LAT Certificate for the FYE 2027 • Release of a maximum of 507,692,308 Pledged Shares
31 December 2028	• End of the FYE 2028
Second quarter of 2029	• Last date for the issuance of the PAT/LAT Certificate for the FYE 2028, being the Profit Guarantee Determination Date • Release of 590,769,231 Pledged Shares (assuming the Target Companies achieved an audited combined PAT of RM128.00 million during the FYE 2028) • Determination of the Option Consideration/Adjusted Option Consideration • Commencement of the Call Option Period
Fourth quarter of 2031	• Expiry of the Call Option Period
First quarter of 2032	• Maturity date of the Consideration RCPS A
Fourth quarter of 2036	• Maturity date of the Option Consideration RCPS A (assuming that the Option Consideration RCPS A are issued in fourth quarter of 2031)

22. ADVISERS

Maybank IB has been appointed as the Principal Adviser to the Company for the Proposals.

Pursuant to Paragraph 10.08 of the Listing Requirements, TA Securities has been appointed as the Independent Adviser to advise the Directors and non-interested Shareholders of the following:

(a) comment as to whether the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement and the Proposed Amendments are:

(i) fair and reasonable so far as the non-interested Shareholders are concerned; and

(ii) to the detriment of the non-interested Shareholders,

and set out the reasons for the key assumptions made and the factors taken into consideration, in forming that opinion;

(b) advise the non-interested Shareholders on whether they should vote in favour of the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement and the Proposed Amendments; and

(c) take all reasonable steps to satisfy itself that it has a reasonable basis to make the comments and advise in relation to items (a) and (b) above.

In addition, pursuant to Paragraph 3.06 of the Rules, TA Securities has also been appointed as the independent adviser to advise the non-interested Shareholders on the Proposed Exemptions.

The IAL from TA Securities is set out in Part B of this Circular.

BDOCC has been appointed to conduct a valuation on the Target Companies.

23. EGM

The EGM, the notice of which is enclosed in this Circular, will be held at Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Tuesday, 8 December 2026 at 10:00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing, inter-alia, with or without modifications, the resolutions pertaining to the Proposals.

If you are unable to participate in the EGM and wish to appoint proxy(ies) instead, the Proxy Form must be deposited with the Share Registrar of the Company situated at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or electronically through the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com, not less than forty-eight (48) hours before the time for holding the EGM. The lodging of the Proxy Form will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

24. FURTHER INFORMATION

You are requested to refer to the enclosed appendices in this Circular for further information.

Yours faithfully
For and on behalf of the Board of
EPICON BERHAD

Datuk Kong Woon Jun
Independent Non-Executive Chairman

PART B

INDEPENDENT ADVICE LETTER TO THE DIRECTORS AND NON-INTERESTED SHAREHOLDERS IN RELATION TO THE PROPOSALS

ALL DEFINITIONS USED IN THIS EXECUTIVE SUMMARY SHALL HAVE THE SAME MEANING AS THOSE DEFINED IN THE "DEFINITIONS" SECTION OF THE CIRCULAR, EXCEPT WHERE THE CONTEXT OTHERWISE REQUIRES OR WHERE OTHERWISE DEFINED HEREIN. ALL REFERENCES TO "WE", "US" OR "OUR" IN THIS IAL ARE REFERENCES TO TA SECURITIES, BEING THE INDEPENDENT ADVISER FOR THE PROPOSED ACQUISITIONS, PROPOSED CALL OPTION AND THE PROPOSED EXEMPTIONS.

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSALS. WE ADVISE ALL NON-INTERESTED SHAREHOLDERS OF THE COMPANY TO READ AND UNDERSTAND THIS IAL IN ITS ENTIRETY, TOGETHER WITH PART A OF THE CIRCULAR AND THE APPENDICES THERETO. NON-INTERESTED SHAREHOLDERS OF THE COMPANY ARE NOT TO RELY SOLELY ON THIS EXECUTIVE SUMMARY BEFORE FORMING AN OPINION ON THE PROPOSED ACQUISITIONS, PROPOSED CALL OPTION AND THE PROPOSED EXEMPTIONS. YOU ARE ALSO ADVISED TO CONSIDER CAREFULLY THE RECOMMENDATION CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED ACQUISITIONS, PROPOSED CALL OPTION AND THE PROPOSED EXEMPTIONS TO BE TABLED AT THE FORTHCOMING EGM. IF YOU ARE IN DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT, BANKER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

1. INTRODUCTION

On 14 July 2026, Maybank IB, on behalf of the Board, announced that the Company is proposing to undertake the following:

(i) Proposed Acquisitions (comprising the Proposed RUSB Acquisition and Proposed LPBC Acquisition)

The Proposed Acquisitions entail Epicon acquiring 600,000 RUSB Sale Shares and 450,000 LPBC Sale Shares, representing 60% equity interest of the Target Companies, for a purchase consideration of RM280.15 million and RM263.01 million respectively. The aggregate Purchase Consideration for the Sale Shares amounting to RM543.16 million, which shall first be partly satisfied by way of a Set-Off Arrangement amounting to RM125.82 million, and the remaining amount of the Purchase Consideration of RM417.34 million shall be satisfied via a combination of 1,857,142,857 Consideration Shares and 1,353,190,292 Consideration RCPS A.

Pursuant to the terms of the SSA, Lagenda irrevocably and unconditionally guarantees that the Target Companies shall, on a combined basis, achieve the following:

(a) an audited combined PAT of the Target Companies of not less than RM110.00 million for the FYE 2027;

(b) an audited combined PAT of the Target Companies of not less than RM128.00 million for the FYE 2028; and

(c) a minimum Aggregate PAT of the Target Companies of not less than RM238.00 million i.e. the amount of the Profit Guarantee provided by the Vendor for both the FYE 2027 and FYE 2028.

(ii) Proposed Call Option

Lagenda agrees to grant the Call Option to the Company to acquire the remaining up to 40% equity interest in the Target Companies, at the Option Consideration of up to RM362.11 million (or up to RM186.76 million and up to RM175.35 million for RUSB and LPBC respectively). The Call Option must be exercised in respect of the Remaining Sale Shares of both Target Companies simultaneously and may be satisfied via a combination of:

(a) cash;

(b) allotment and issuance of up to 1,392,714,200 Option Consideration Shares to the Vendor; and/or

(c) allotment and issuance of up to 1,392,714,200 Option Consideration RCPS A to the Vendor,

the exact proportion of which has yet to be determined at this juncture and will be dependent on Epicon's public shareholding spread, the number of new Epicon Shares which will arise from the exercise of the Consideration RCPS A in issuance as well as available cash and financing facilities of the Epicon Group at the point the Call Option is exercised.

The Call Option may be exercisable by the Company in tranches within the Call Option Period, subject to the following conditions:

(a) any issuance of the Option Consideration Shares will not result in non-compliance with the Public Spread Requirement by the Company; and

(b) any issuance of the Option Consideration RCPS A will not result in non-compliance with Paragraph 6.50 of the Listing Requirements by the Company.

The Call Option Conditions are required to be met for the Call Option to be exercised. In view that the Option Consideration was negotiated on a combined basis and Epicon assessed the commercial value and expected earnings contribution of both Target Companies collectively, the Call Option must be exercised in respect of the Remaining Sale Shares of both Target Companies simultaneously.

(iii) Proposed Private Placement

The Company had, on 14 July 2026, entered into the Subscription Agreements with the Placement Investors, where the Placement Investors shall collectively subscribe for 240,000,000 Placement Shares, representing approximately 38.25% of the total issued Epicon Shares as at the LPD or 8.11% of the enlarged issued Shares after the RCPS Conversion, the Proposed Acquisitions and the Proposed Private Placement.

The Placement Issue Price was arrived at on a willing-buyer willing-seller basis after taking into consideration, among others, the Issue Prices of RM0.13 as set out under Section 2.4 of Part A of the Circular and the historical market prices of the Epicon Shares which ranged between RM0.1150 and RM0.1850 for the 6-months up to and including the SSA LTD.

The proposed allocation of the Placement Shares to the respective Placement Investors is as follows:

Name	No. of Placement Shares	Percentage of the enlarged issued Epicon Shares after the RCPS Conversion, the Proposed Acquisitions and the Proposed Private Placement[(i)] (%)	Subscription amount (RM)
Binari Maju	71,428,600	2.42	9,285,718
JMJ Mega Bina	71,428,600	2.42	9,285,718
Teoh WS	57,142,800	1.93	7,428,564
Matthew	40,000,000	1.34	5,200,000
Total	**240,000,000**	**8.11**	**31,200,000**

Note:

(i) Before taking into account the conversion of the Consideration RCPS A. The final allocation is determined based on discussions between Epicon and each of the Placement Investors.

The Placement Investors are not related to the existing Directors, Major Shareholders and/or chief executive of Epicon as well as persons connected with them.

Based on the Placement Issue Price, the Company will raise gross proceeds of RM31.20 million to be utilised in the following manner:

Description of use	RM'000	Percentage (%)	Estimated timeframe for utilisation from the listing of the Placement Shares
Working capital of the Enlarged Epicon Group	11,880	38.08	Within 12 months
Repayment of bank borrowings	17,500	56.09	Within 6 months
Defray expenses relating to the Proposals	1,820	5.83	Immediate
Total	**31,200**	**100.00**	

(iv) Proposed Amendments

Proposed amendments to the constitution of Epicon to facilitate the issuance and allotment of the Consideration RCPS A and the Option Consideration RCPS A pursuant to the Proposed Acquisitions and the Proposed Call Option.

The salient terms of the Consideration RCPS A and the Option Consideration RCPS A are set out in Appendix III of the Circular.

(v) Proposed Exemptions (comprising Proposed Exemption 1 and Proposed Exemption 2)

Proposed Exemption 1

Doh Properties undertakes that it will convert all the outstanding 233,000,000 RCPS held by it into 233,000,000 new Epicon Shares prior to the date of completion of the Proposed Acquisitions pursuant to the Doh Properties RCPS Undertaking Letter. The RCPS Conversion is undertaken upfront and save for the Proposed Exemption 1, it is not conditional upon the other corporate exercises in the Proposals, in order to avoid delays from the other parts of the Proposals especially given the maturity date of the RCPS is on 29 December 2026 ("**RCPS Maturity Date**").

Upon completion of the RCPS Conversion:

(a) the direct shareholding of Doh Properties in the Company will increase from 10.68% to 34.86%; and

(b) the collective shareholding of Doh Properties and the MGO 1 PACs in the Company will increase from 12.58% to 36.25%.

As the individual shareholding of Doh Properties and collective shareholding of Doh Properties and the MGO 1 PACs in the Company are expected to increase to more than 33% of the enlarged issued Shares after the RCPS Conversion (as detailed in Section 6.1 of this IAL), Doh Properties and the MGO 1 PACs will trigger a MGO obligation pursuant to subsection 218(2) of the CMSA, read together with subparagraph 4.01(a) of the Rules.

In view that it is not the intention of Doh Properties and the MGO 1 PACs to undertake the MGO arising from the RCPS Conversion, Doh Properties and the MGO 1 PACs will submit an application to seek approval of the SC for the Proposed Exemption 1 under subparagraph 4.08(1)(c) of the Rules, subject to approval being obtained from the non-interested shareholders of Epicon at the forthcoming EGM.

In the event the Proposed Exemption 1 is not approved, the RCPS Conversion, the Proposed Exemption 2, the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement and the Proposed Amendments will not be implemented. Under such circumstances, Doh Properties may partially convert a portion of the RCPS or Epicon to mandatorily convert the RCPS in full on the maturity date of RCPS, resulting in Doh Properties triggering a MGO in compliance with the Rules or Epicon to redeem all the outstanding 233,000,000 RCPS prior to the maturity date of RCPS. Should Epicon mandatorily convert the RCPS in full on their maturity date, Doh Properties and the MGO 1 PACs still intend to maintain Epicon's listing status on the Main Market of Bursa Securities.

Proposed Exemption 2

Upon issuance and allotment of the 1,857,142,857 Consideration Shares to Lagenda as part of the settlement of the Purchase Consideration as well as the issuance and allotment of the 240,000,000 Placement Shares:

(a) the direct shareholding of Lagenda in the Company will increase from nil to 62.79%; and

(b) the collective shareholding of Lagenda and the MGO 2 PACs will increase from 36.25% to 73.34%.

As the individual shareholding of Lagenda is expected to increase to more than 33% of the enlarged issued Epicon Shares and the collective shareholdings of Lagenda and the MGO 2 PACs are expected to increase by more than 2% of the enlarged issued Shares within a six (6) month period upon issuance and allotment of the Consideration Shares to Lagenda as part of the settlement of the Purchase Consideration (as detailed in Section 6.1 of this IAL), Lagenda and the MGO 2 PACs will trigger a MGO obligation pursuant to subsection 218(2) of the CMSA, read together with subparagraphs 4.01(a) and 4.01(b) of the Rules.

In view that it is not the intention of Lagenda and the MGO 2 PACs to undertake the MGO arising from the completion of the Proposed Acquisitions, Lagenda and the MGO 2 PACs will submit an application to seek approval of the SC for the Proposed Exemption 2 under subparagraph 4.08(1)(a) of the Rules, subject to approval being obtained from the non-interested shareholders of Epicon at the forthcoming EGM.

In the event the Proposed Exemption 2 is not approved by the non-interested Shareholders, the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement and the Proposed Amendments will not be implemented. Further, in the event that the Proposed Exemption 1 is not approved by the non-interested Shareholders, the Proposed Exemption 2, the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement and the Proposed Amendments will not be implemented.

In view of the interests of certain major shareholders of Epicon, namely Doh Properties (a major shareholder of Epicon holding 10.68% equity interest as at the LPD) and persons connected with it, in the Proposed Acquisitions and the Proposed Call Option as set out in Section 15 of the Circular, the Proposed Acquisitions and the Proposed Call Option are deemed as related party transactions pursuant to Paragraph 10.08 of the Listing Requirements.

In compliance with the Listing Requirements and the Rules, the Board had on 15 June 2026, appointed TA Securities as the Independent Adviser to advise the non-interested shareholders of the Company on the Proposed Acquisitions and the Proposed Call Option pursuant to Paragraph 10.08 of the Listing Requirements and for the Proposed Exemptions pursuant to Paragraph 3.06 of the Rules. In view of the inter-conditionality of the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement and the Proposed Amendments, TA Securities will also be advising on the Proposed Private Placement and the Proposed Amendments.

The SC had, vide its letter dated 12 November 2026, notified that it has no further comments on the contents of this IAL. However, such notification shall not be taken to suggest that the SC recommends the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions, or that the SC agrees with the recommendation contained herein or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this IAL.

The purpose of this IAL is to provide you with our independent evaluation on the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions on a holistic basis together with our recommendation on whether you should vote in favour or against the resolutions in relation to the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions to be tabled at the forthcoming EGM, subject to the scope of our role and limitations specified herein.

2. EVALUATION OF THE PROPOSED ACQUISITIONS, PROPOSED CALL OPTION AND PROPOSED EXEMPTIONS

In evaluating the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions, we have taken into consideration the following:

Areas of consideration	Section in this IAL	TA Securities' comments
(i) Rationale and benefits of the Proposals	Section 6.1	**Proposed Acquisitions** The Target Companies are principally involved in building construction. The Target Companies have, for the past 3 financial years, recorded PAT of between RM20.36 million and RM41.96 million, with an average of RM30.04 million per annum, on a combined basis. Over the past 5 financial years and up to the LPD, RUSB and LPBC have collectively completed construction projects with an aggregate contract value of approximately RM2.02 billion. As at the LPD, the Target Companies have a combined outstanding order book of RM1.48 billion. In view of the Target Companies' consistent earnings track record, coupled with their sizeable outstanding order book as discussed above, we are of the view that the Target Companies are well-positioned to sustain their earnings performance over the near to medium term through the progressive recognition of revenue from their existing construction contracts and continued replenishment of the order book as well as supported by the Profit Guarantee in respect of the FYE 2027 and FYE 2028. Further details on the Profit Guarantee and assessment on its achievability are set out in Section 6.8.6 of this IAL. We are of the view that the Proposed Acquisitions will enable the Epicon Group to amalgamate its construction business with that of the Target Companies to create a larger construction-based listed entity with a larger combined order book upon completion of the Proposed Acquisitions. On pro forma basis, the combined order book of the Epicon Group will increase from RM0.59 billion to RM2.07 billion upon completion of the Proposed Acquisitions based on the current order book of the Epicon Group and the Target Companies as at the LPD. The Proposed Acquisitions will substantially increase the Enlarged Epicon Group's revenue and profitability as well as enhance the Enlarged Epicon Group's asset base. Based on the PAT of the Epicon Group for the FYE 2025 and the Average Profit Guarantee of the Target Companies of RM119.0 million attributable to the 60% equity interest to be held by Epicon amounting to approximately RM71.40 million, the illustrative PAT attributable to the owners of the Epicon Group will increase from RM4.01 million (audited for the FYE 2025) to RM75.41 million (pro forma after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) with EPS increasing from 0.64 sen to 1.75 sen (after assuming full conversion of Consideration RCPS A but before the exercise of the Call Option).

Areas of consideration	Section in this IAL	TA Securities' comments
		For the avoidance of doubt, the potential earnings enhancement to the Enlarged Epicon Group is contingent upon the Target Companies achieving the agreed Profit Guarantee and maintaining the scale of operations and level of profitability beyond the FYE 2027 and FYE 2028, and, in respect of the additional earnings attributable to the remaining 40% equity interest, the subsequent exercise of the Call Option. Nevertheless, we note that the Profit Guarantee is secured by the Pledged Shares which will only be released to Lagenda upon the fulfilment of the Profit Guarantee throughout both the FYE 2027 and FYE 2028 in accordance with the terms and conditions of the SSA and Stakeholder Agreement. If there is any shortfall in the Profit Guarantee at the end of the FYE 2028, Lagenda is required to make the Cash Top-Up based on the mechanism as stipulated in the SSA and Stakeholder Agreement. However, such mechanism does not apply beyond the FYE 2027 and FYE 2028 and the actual earnings contribution from the Target Companies and, consequently, the Enlarged Epicon Group's future profitability may be lower than the pro forma illustration, which may result in lower PAT attributable to owners of the Company and EPS than those illustrated above, thereby reducing the anticipated earnings benefits of the Proposed Acquisitions to the shareholders of the Company. Further, the total assets of the Epicon Group will also increase from RM268.14 million (audited as at 31 December 2025) to RM652.20 million (based on pro forma consolidated statement of financial position as at 31 December 2025) after the completion of the Proposed Acquisitions. In view of the foregoing, we are of the view that the Proposed Acquisitions will enhance the Epicon Group's earnings and financial scale, as reflected by the increase in its asset and equity bases, following the consolidation of the Target Companies' financial results after the completion of the Proposed Acquisitions. The combined resources, technical experience and expertise of the Enlarged Epicon Group as well as the integration of operations, streamlining of processes, optimisation of organisational structures and alignment of systems across the Enlarged Epicon Group will enable the Enlarged Epicon Group to improve its operational efficiency and to gain and leverage from potential synergies arising from greater economies of scale. In evaluating the rationale of the Proposed Acquisition, we have also considered other methods of settlement and whether the settlement of the Purchase Consideration via the Set-Off Arrangement, issuance of the Consideration Shares and the Consideration RCPS A are the most appropriate method to settle the Purchase Consideration and in the best interest of the Company.

Areas of consideration	Section in this IAL	TA Securities' comments
		We note that the Set-Off Arrangement is intended to facilitate the settlement of the Purchase Consideration and to reduce Epicon's cash payout. Instead of paying a Purchase Consideration of RM543.16 million, which included the Related Party Advances, Epicon is only required to pay a Purchase Consideration of RM417.34 million by assuming the payment obligation of the Related Party Advances. We are of the view that the Set-Off Arrangement does not give rise to any material credit, recovery or impairment risks to Epicon, as the Related Party Advances will be assumed by Epicon upon completion of the Proposed Acquisitions and set-off against the Purchase Consideration payable. Nevertheless, Epicon will incur interest at 5.5% per annum on the Related Party Advances following completion. In this regard, we have considered the 5.5% interest rate against Epicon's prevailing cost of borrowings and is of the view that such rate is comparable to Epicon's prevailing borrowing cost of between 3.45% and 7.45% per annum, being the effective interest rate range for the Group's existing term loans in FYE 2025. Accordingly, the financing cost arising from the assumption of the Related Party Advances is not expected to result in any material downside risk to Epicon. We are of the view that the settlement of the Purchase Consideration via the combination of Set-Off Arrangement, issuance of the Consideration Shares and the Consideration RCPS A pursuant to the Proposed Acquisitions will allow the Company to facilitate the Proposed Acquisitions without incurring additional interest costs and principal repayment obligations associated with bank borrowings, thereby conserving its cash reserves necessary for the Enlarged Epicon Group's working capital and operational needs, while providing certainty to the implementation of the Proposed Acquisitions, maintaining its gearing at a manageable level and ensuring the Company to continue to comply with the Public Spread Requirement. While we note that the dilution impact on the non-interested shareholders' interest arising from the issuance of the Consideration Shares and Consideration RCPS A is significant, the issuance of the Consideration RCPS A enables the Company to manage the dilutive effect on its EPS, as the dilution will only arise upon conversion of the Consideration RCPS A, as compared to Consideration Shares. Furthermore, notwithstanding the significant increase in the number of issued Shares and dilution of existing non-interested shareholders' shareholdings in the Company due to the issuance of new Epicon Shares arising from the Proposed Acquisitions and the Proposed Call Option, the Proposed Acquisitions and the Proposed Call Option provide opportunities to the Company's shareholders to acquire the Target Companies which are earnings-accretive to the Company as the EPS for each Share held by the Company's existing shareholders is expected to increase from 0.64 sen to 2.55 sen (after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) and to 1.75 sen (after the full conversion of Consideration RCPS A but before the exercise of the Call Option) as illustrated in Section 6.6.4 of this IAL.

Areas of consideration	Section in this IAL	TA Securities' comments
		In addition, we also note that such illustrated earnings or EPS accretion arising from the Proposed Acquisitions is mainly supported by the Profit Guarantee which provides contractual safeguard in respect of the Target Companies' earnings during the FYE 2027 and FYE 2028 but does not eliminate the post-period risks of the Proposed Acquisitions such as the timely execution of the contracts for ongoing projects, order book replenishments and ability to maintain the level of profitability. Further details on the Profit Guarantee and assessment on its achievability are set out in Section 6.8.6 of this IAL. You should note that any compensation received by Epicon in respect of the Profit Guarantee does not restore the non-interested shareholders' proportionate ownership or voting interests, nor does the Profit Guarantee provide protection against underperformance beyond the FYE 2027 and FYE 2028. **Proposed Call Option** We are of the view that the Proposed Call Option enables Epicon to defer the acquisition of the remaining 40% equity interests in the Target Companies within the Call Option Period and does not necessitate Epicon to incur significant acquisition cost to acquire the entire equity interests in the Target Companies of up to RM905.27 million as compared to the acquisition of the 60% equity interests in the Target Companies pursuant to the Proposed Acquisitions with Purchase Consideration of RM543.16 million. The Proposed Call Option allows both the Company and Lagenda to take the necessary steps, which may include but not limited to the Company placing Shares to public shareholders and/or Lagenda paring down its equity interests over a period of time via secondary placements or offer for sale to public shareholders, to ensure the Company is in compliance with the Public Spread Requirement at all times. The Company will decide as to whether to exercise the Call Option at such time in the future after evaluating, among others, the Target Companies' financial and business performance as well as their prospects and the Company's compliance with the Call Option Conditions at that point in time, including the Target Companies' revenue, PAT, remaining order book, contracts under tender/negotiation, performance of the Profit Guarantee as well as the Lagenda Group's property development pipeline. In the event that the Profit Guarantee is not met but the Company nonetheless decides to exercise the Call Option, the benefits to be derived by Epicon and its shareholders from the acquisition of the remaining 40% equity interest may be affected. This risk is, however, mitigated by the Adjusted Option Consideration mechanism under the SSA, pursuant to which the Option Consideration is adjusted downward in the event the total guaranteed profit of RM238.00 million is not achieved during both the FYE 2027 and FYE 2028.

Areas of consideration	Section in this IAL	TA Securities' comments
		The Adjusted Option Consideration is computed based on the Target Companies' actual average audited combined PAT for the FYE 2027 and FYE 2028, rather than the guaranteed profit of RM110.00 million and RM128.00 million, multiplied by the Agreed Implied P/E Multiple of 7.61 times and the percentage equity interest acquired. This adjusts the purchase price for the remaining 40% equity interest to reflect the Target Companies' actual, rather than guaranteed, earnings, thereby mitigating the risk of the Company overpaying based on an unmet earnings target. Accordingly, a lower-than-guaranteed PAT would result in a correspondingly lower Option Consideration, providing a degree of financial protection to the Company and its shareholders should the Call Option be exercised despite the shortfall. **Proposed Exemption 1** Upon completion of the RCPS Conversion, the direct shareholding of Doh Properties in the Company will increase from 10.68% to 34.86%, and the collective shareholding of Doh Properties and the MGO 1 PACs in the Company will increase from 12.58% to 36.25%. As the individual shareholding of Doh Properties and collective shareholding of Doh Properties and the MGO 1 PACs in the Company will increase to more than 33% of the enlarged issued Shares after the RCPS Conversion, Doh Properties and the MGO 1 PACs will trigger a MGO obligation pursuant to subsection 218(2) of the CMSA, read together with subparagraph 4.01(a) of the Rules. As it is not the intention of Doh Properties and the MGO 1 PACs to undertake a MGO for all the remaining Epicon Shares not already owned by them after the RCPS Conversion, Doh Properties and the MGO 1 PACs will be seeking the approval of the SC for the Proposed Exemption 1, subject to the approval being obtained from the non-interested shareholders of Epicon at the forthcoming EGM. In view that the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement, Proposed Amendments and Proposed Exemption 2 are conditional upon the Proposed Exemption 1, and that the RCPS Conversion is conditional upon the Proposed Exemption 1, without the Proposed Exemption 1, the RCPS Conversion as well as the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments will not be implemented. Accordingly, Epicon will not be able to realise the potential benefits of the Proposed Acquisitions, Proposed Call Option and Proposed Private Placement.

Areas of consideration	Section in this IAL	TA Securities' comments
		Proposed Exemption 2 Upon issuance and allotment of the 1,857,142,857 Consideration Shares to Lagenda as part of the settlement of the Purchase Consideration as well as the issuance and allotment of the 240,000,000 Placement Shares, the individual shareholding of Lagenda in the Company will increase from nil to 62.79%, and the collective shareholding of Lagenda and the MGO 2 PACs will increase from 36.25% to 73.34%. As the individual shareholding of Lagenda will increase to more than 33% of the enlarged issued Epicon Shares and the collective shareholdings of Lagenda and the MGO 2 PACs will increase by more than 2% of the enlarged issued Shares within a six (6) month period, i.e. the Creeping Threshold, Lagenda and the MGO 2 PACs will trigger a MGO obligation pursuant to subsection 218(2) of the CMSA, read together with subparagraphs 4.01(a) and 4.01(b) of the Rules. As it is not the intention of Lagenda and the MGO 2 PACs to undertake the MGO for all the remaining Epicon Shares not already owned by them after the Proposed Acquisitions, Lagenda and the MGO 2 PACs will be seeking the approval of the SC for the Proposed Exemption 2, subject to approval being obtained from the non-interested shareholders of Epicon at the forthcoming EGM. In view that the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement, Proposed Amendments and Proposed Exemption 2 are inter-conditional upon each other, without the Proposed Exemption 2, the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments will not be implemented. Accordingly, Epicon will not be able to realise the potential benefits of the Proposed Acquisitions, Proposed Call Option and Proposed Private Placement. At this juncture, the Company has not contemplated any alternative structure or pursued any other funding arrangement. In any event, if the Proposed Exemption 2 is not approved, the Company will need to reassess the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement and the Proposed Amendments in its entirety prior to deciding on its next course of action. **Proposed Amendments** The Proposed Amendments allow the Company to incorporate the new provisions governing the terms and conditions (including the rights of the holders) relating to the Consideration RCPS A and the Option Consideration RCPS A. We are of the view that the Proposed Amendments are necessary to facilitate the issuance and allotment of the Consideration RCPS A and Option Consideration RCPS A pursuant to the Proposed Acquisitions and the Proposed Call Option, respectively.

Areas of consideration	Section in this IAL	TA Securities' comments
		Proposed Private Placement We are of the view that the Proposed Private Placement is the most appropriate method to enable Epicon to comply with the Public Spread Requirement after taking into consideration the reasonably available alternatives, as the commitment provided by the identified Placement Investors via the Subscription Agreements provides a degree of certainty of implementation of the Proposed Private Placement with agreed number of Placement Shares, i.e. 240,000,000 Placement Shares, and allows the Company to complete the Proposed Private Placement in a timely manner concurrently with the Proposed Acquisitions. In assessing the available alternatives, we have considered the respective advantages and limitations of each method, including the certainty of implementation, participation by shareholders or investors, execution requirements and timing of implementation. In view of the foregoing, the Proposed Private Placement represents a more direct and certain avenue for Epicon to increase its public shareholding spread and to raise additional equity funds without being entirely reliant on existing shareholders. **Premised on our evaluation as set out above, we are of the opinion that the rationale and benefits of the Proposals are reasonable after taking into consideration, among others, the following:** **(a) the Proposed Acquisitions will enable the Epicon Group to amalgamate its construction business with that of the Target Companies to create a larger construction-based listed entity with a larger combined order book upon completion of the Proposed Acquisitions;** **(b) the Proposed Acquisitions will substantially increase the Enlarged Epicon Group's revenue and profitability as well as enhance the Enlarged Epicon Group's asset base. As the Target Companies are already generating income and have a combined PAT for the past 3 financial years of between RM20.36 million and RM41.96 million, the Proposed Acquisitions will immediately enhance the Epicon Group's earnings with the consolidation of the Target Companies financial results pursuant to Epicon's 60% equity interest in the Target Companies after the Proposed Acquisitions;**

Areas of consideration	Section in this IAL	TA Securities' comments
		(c) we note that the potential earnings enhancement is dependent on the Target Companies achieving the Profit Guarantee and sustaining their operations and profitability beyond the FYE 2027 and FYE 2028, as well as the subsequent exercise of the Call Option for the remaining 40% equity interest. The achievement of the projected earnings of the Target Companies over the projection period, including the Profit Guarantee, is dependent on, among others, the timely execution of the contracts for ongoing projects with current order book of approximately RM1.48 billion as at the LPD, order book replenishments by securing new construction contracts and ability to maintain the level of profitability with PAT margin of approximately 7.6% over the projection period. Details on our assessments on the reasonableness and achievability of the projected revenue, Profit Guarantee and profitability are detailed in Sections 6.2.1 and 6.2.3 of this IAL. **The Profit Guarantee is secured by the Pledged Shares and the Cash Top-Up mechanism for any shortfall during the FYE 2027 and FYE 2028. However, as these protections do not extend beyond the FYE 2027 and FYE 2028, the Target Companies' actual future earnings may be lower than the pro forma illustration, potentially resulting in lower PAT and EPS and reducing the anticipated earnings benefits of the Proposed Acquisitions. Nonetheless, given the parent-subsidiary relationship between Lagenda and the Enlarged Epicon Group, together with the Target Companies' established role as the principal construction arm of the Lagenda Group, the Target Companies are expected to continue benefiting from a pipeline of construction contract awards from the Lagenda Group beyond the FYE 2027 and FYE 2028, which is expected to support the sustainability of their earnings thereafter;** **(d) the combined resources, technical experience and expertise of the Enlarged Epicon Group as well as the integration of operations, streamlining of processes, optimisation of organisational structures and alignment of systems across the Enlarged Epicon Group will enable the Enlarged Epicon Group to improve its operational efficiency and enhance the operational synergies, which will allow the Enlarged Epicon Group to broaden its customer base by pursuing construction opportunities from third-party property developers and other external customers which is currently undertaken by Epicon Group, the benefits of which are strategic in nature and are expected to persist beyond the FYE 2027 and FYE 2028;**

Areas of consideration	Section in this IAL	TA Securities' comments
		(e) we have considered other settlement methods and are of the view that settling the Purchase Consideration through the Set-Off Arrangement, issuance of the Consideration Shares and the Consideration RCPS A is in the best interests of the Company, as it enables the Company to implement the Proposed Acquisitions without incurring additional interest and principal repayment obligations from bank borrowings, thereby conserving cash for working capital and operational needs, maintaining manageable gearing and ensuring continued compliance with the Public Spread Requirement; **(f) the Proposed Call Option enables Epicon to defer the acquisition of the remaining 40% equity interests in the Target Companies during the Call Option Period, thereby avoiding the immediate significant acquisition cost of up to RM905.27 million, compared to RM543.16 million for the acquisition of the initial 60% equity interests under the Proposed Acquisitions; and** **(g) in view of the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement, Proposed Amendments and Proposed Exemption 2 are inter-conditional upon each other, and are conditional upon the Proposed Exemption 1, and that the RCPS Conversion is conditional upon the Proposed Exemption 1, the non-approval of the Proposed Exemptions will result in Doh Properties not be able to undertake the RCPS Conversion and the Epicon Group not be able to implement the Proposed Acquisitions and Proposed Private Placement and realise the potential benefits arising from the Proposed Acquisitions and Proposed Private Placement.** **Nevertheless, non-interested shareholders of Epicon should note that the potential benefits arising from the Proposed Acquisitions are subject to certain risk factors as outlined in Section 6.8 of this IAL.** Please refer to Section 6.1 of this IAL for further information on our evaluation of the rationale and benefits of the Proposals.
(ii) Basis and justification for the Purchase Consideration and the Option Consideration	Section 6.2	As stated in Section 2.3 of Part A of the Circular, we note that the Purchase Consideration and Option Consideration were arrived at after negotiation on a willing-buyer and willing-seller basis, taking into consideration, among others, the following: (i) fair value of the entire equity interests in the Target Companies as appraised by BDOCC as set out in the Valuation Letter. Based on the Valuation Letter, the valuation of the entire equity interest in RUSB and LPBC ranges between RM444.05 million and RM489.39 million and RM416.18 million and RM459.13 million respectively. In view of the simultaneous acquisition of the Target Companies in accordance with the terms and conditions of the SSA, the valuation of the Target Companies on an aggregate basis range between the aggregate fair value range of RM860.23 million and RM948.52 million;

Areas of consideration	Section in this IAL	TA Securities' comments
		(ii) the Profit Guarantee as detailed in Section 2.1.1 of Part A of the Circular; (iii) the rationale and benefits of the Proposed Acquisitions as set out in Section 8.1 of Part A of the Circular; and (iv) the prospects of the Enlarged Epicon Group as set out in Section 9.4 of Part A of the Circular. We are of the view that the valuation methodologies undertaken by BDOCC and the adoption of the DCF Method as the primary approach are reasonable after taking into consideration of the Target Companies' principal activities, i.e. building construction, and financial performance which generated uninterrupted PAT for the past 3 FYEs, i.e. from FYE 2023 to FYE 2025, as well as the availability of financial projections of the Target Companies for the FYE 2026 to FYE 2030. Under the DCF Method, the free cash flow to firm ("**FCFF**") projected to be generated by the Target Companies for the FYE 2026 to FYE 2030 ("**Projections**") are discounted at an appropriate weighted average cost of capital ("**WACC**") to reflect the rate of return required by both equity investors and debt investors to derive the present value of all future cash flows from the Target Companies' businesses. In assessing the present value of all future cash flows from the Target Companies' businesses using the DCF Method by BDOCC, we have reviewed the key bases and assumptions used to prepare the Projections. The Projections were prepared based on a set of assumptions made by the management of the Target Companies. We are satisfied that the bases and assumptions used to prepare the Projections are reasonable given the prevailing circumstances and significant factors that are known to us as at the LPD. **Premised on our evaluation of the Purchase Consideration and Option Consideration which are based on the valuation of the entire equity interest of the Target Companies as set out in this section, we are of the view that the Purchase Consideration of RM543.16 million and Option Consideration of up to RM362.11 million are fair, after taking into consideration the following:** **(a) as the Purchase Consideration of RM543.16 million for 60% equity interests in the Target Companies and the Option Consideration of up to RM362.11 million for up to 40% equity interests in the Target Companies as well as on aggregate basis of up to RM905.27 million for 100% equity interests in the Target Companies, are within the range of valuation arrived at based on DCF method computed by BDOCC and TA Securities as follows:**

<table>
<tr><th>Areas of consideration</th><th>Section in this IAL</th><th>TA Securities' comments</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><th rowspan="2">Target Companies</th><th colspan="2">By BDOCC</th><th colspan="2">By TA Securities</th></tr>
<tr><th>Low Scenario (RM'000)</th><th>High Scenario (RM'000)</th><th>Low Scenario (RM'000)</th><th>High Scenario (RM'000)</th></tr>
<tr><td>RUSB</td><td>444,052</td><td>489,388</td><td>432,988</td><td>476,152</td></tr>
<tr><td>LPBC</td><td>416,182</td><td>459,130</td><td>406,416</td><td>447,348</td></tr>
<tr><td>Total</td><td>860,234</td><td>948,518</td><td>839,404</td><td>923,500</td></tr>
<tr><td>60% of total value</td><td>516,140</td><td>569,111</td><td>503,642</td><td>554,100</td></tr>
<tr><td>40% of total value</td><td>344,094</td><td>379,407</td><td>335,762</td><td>369,400</td></tr>
</table>
(b) based on the RVA approach, the implied P/E Multiple derived from the Purchase Consideration and Option Consideration and the aggregate equity value of the Target Companies based on DCF Method computed by both BDOCC and TA Securities, taken as a whole, are within the range of the Adjusted Traded P/E Multiple of the Comparable Companies derived by BDOCC of between 3.8 times and 13.1 times and TA Securities of between 3.8 times and 13.0 times; and

(c) based on the CTA approach, the implied P/E Multiple derived from the Purchase Consideration and Option Consideration and the aggregate equity value of the Target Companies based on DCF Method computed by both BDOCC and TA Securities, taken as a whole, are within the range of the P/E Multiple of the Precedent Transactions selected by BDOCC of between 5.4 times and 10.2 times and TA Securities of between 5.4 times and 10.2 times.

Please refer to Section 6.2 of this IAL for further information on our evaluation of the Purchase Consideration and the Option Consideration.
</td></tr>
<tr><td>(iii) Basis and justification for the Consideration Share Issue Price, Consideration RCPS A Issue Price, Option Share Issue Price, Option RCPS A Issue Price and implied conversion price of the Consideration RCPS A and Option Consideration RCPS A</td><td>Section 6.3</td><td>The Issue Prices and Implied RCPS A Conversion Prices of RM0.13 represent the following:

(a) discount ranging from RM0.0184 or 12.40% to RM0.035 or 21.21% to the last closing price as at the SSA LTD and the 5-day VWAP up to the SSA LTD; and

(b) discount ranging from RM0.0069 or 5.04% to RM0.0128 or 8.96% to the 1-month, 3-month, 6-month and 12-month VWAPs up to the SSA LTD; and

(c) discount ranging from RM0.0509 or 28.14% to RM0.0550 or 29.73% to the last closing price as at the LPD and the 5-day VWAP up to the LPD.

The Issue Prices and Implied RCPS A Conversion Prices represent a discount of 7.14% to Epicon's latest audited NA per Share of RM0.14 as at 31 December 2025. The RCPS Conversion which will be undertaken by Doh Properties in conjunction with the Proposed Acquisitions will result in NA per Share to decrease from RM0.14 to RM0.10. The Issue Prices and the Implied RCPS A Conversion Prices are within the range of the closing prices of Epicon Shares for the past 2 years prior to the SSA LTD.</td></tr>
</table>

Areas of consideration	Section in this IAL	TA Securities' comments
		The amount of the Purchase Consideration of RM543.16 million is significant for the Epicon Group and, hence, the settlement of the Purchase Consideration via the issuance of the Consideration Shares and the Consideration RCPS A pursuant to the Proposed Acquisitions will allow the Company to conserve its cash reserves necessary for the Enlarged Epicon Group's working capital and ensure the Company to continue to comply with the Public Spread Requirement as detailed in Section 6.1 of this IAL. Further, the issuance of the Consideration RCPS A enables the Company to manage the dilutive effect on its EPS as compared to Consideration Shares. The cash redemption price for any outstanding RCPS A not converted by Lagenda arising from non-compliance with the Public Spread Requirement and that it is subject to mandatory conversion at the maturity date, is fixed at an amount equivalent to the RCPS A Issue Price and, hence, the Company's redemption obligation is capped at the original issued value of the RCPS A, with no premium, mark-up, or market-linked adjustment payable to Lagenda. As the redemption price does not fluctuate with the market price of Epicon Shares or any appreciation in the value of the Target Companies following completion of the Proposed Acquisitions, the non-interested shareholders are not exposed to a redemption obligation in excess of the amount originally agreed as consideration for the Proposed Acquisitions, regardless of the subsequent performance of the Enlarged Epicon Group. Further, the Option Consideration of up to RM362.11 million may be satisfied via a combination of cash, issuance and allotment of Option Consideration Shares and/or Option Consideration RCPS A, which provides flexibility to the Company to exercise the Proposed Call Option while ensuring compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements by the Company. **Premised on the above, we are of the view that the Issue Prices and the Implied RCPS A Conversion Price are fair and the method of settlement for the Purchase Consideration, comprising, among others, the combination of Consideration Shares and Consideration RCPS A, as well as the Option Consideration, which may comprise a combination of cash, the issuance and allotment of Option Consideration Shares and/or Option Consideration RCPS A, are reasonable. The non-interested shareholders should note that the dilution impact on NA per Share upon increase in the number of Epicon Shares in issue as a consequence of the implementation of the Proposals would be immediate, whereas the anticipated benefits arising from the Proposed Acquisitions, such as the projected increase in earnings and EPS of the Enlarged Epicon Group are dependent on the successful achievement of the Projections which is subject to uncertainties and risks as detailed in Sections 6.2.1 and 6.8.6(i) of this IAL.**

<table>
<tr><th>Areas of consideration</th><th>Section in this IAL</th><th>TA Securities' comments</th></tr>
<tr><td></td><td></td><td>For illustration purposes, upon completion of the Proposed Acquisitions and Proposed Private Placement, the shareholdings of the non-interested shareholders will be diluted significantly from 87.42% as at the LPD to 26.66%, and will be further diluted to 25.54% upon conversion of the Option Consideration RCPS A as follows:

<table>
<tr><th></th><th>Shareholdings of non-interested shareholders (%)</th></tr>
<tr><td>As at the LPD</td><td>87.42</td></tr>
<tr><td>After the RCPS Conversion</td><td>63.75</td></tr>
<tr><td>After the Proposed Acquisitions and the Proposed Private Placement</td><td>26.66</td></tr>
<tr><td>After full conversion of the Consideration RCPS A</td><td>25.13</td></tr>
<tr><td>After the Proposed Call Option</td><td>25.40</td></tr>
<tr><td>After the full conversion of the Option Consideration RCPS A</td><td>25.54</td></tr>
</table>

Further details on the analysis on the dilution of the non-interested shareholders' interests and potential accretion in the earnings and EPS of the Enlarged Epicon Group are set out in Section 6.6 of this IAL.

Please refer to Section 6.3 of this IAL for further information on our evaluation of the Consideration Share Issue Price, Consideration RCPS A Issue Price, Option Share Issue Price, Option RCPS A Issue Price and implied conversion price of the Consideration RCPS A and Option Consideration RCPS A.</td></tr>
<tr><td>(iv) Salient terms of the SSA and indicative salient terms of the Shareholders' Agreement</td><td>Section 6.4</td><td><u>Salient terms of the SSA</u>

The salient terms of the SSA include, among others, the Conditions Precedent, inter-conditionality of the Proposals, manner of payment of Purchase Consideration, Profit Guarantee obligations, termination and indemnities.

<u>Indicative salient terms of the Shareholders' Agreement</u>

The indicative salient terms of the Shareholders' Agreement include:

(a) shareholdings proportions;

(b) Directors and Target Companies' Board of Directors' meetings;

(c) general meetings of shareholders;

(d) dividend policy; and

(e) duration.

We are of the view that the salient terms of the SSA and indicative salient terms of the Shareholders' Agreement are reasonable and not detrimental to the interests of the non-interested shareholders of the Company.

Please refer to Section 6.4 of this IAL for further information on the salient terms of the SSA and indicative salient terms of the Shareholders' Agreement.</td></tr>
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Areas of consideration	Section in this IAL	TA Securities' comments
(v) Salient terms of the RCPS A	Section 6.5	The salient terms of the RCPS A include, among others, the issuer, RCPS A Issue Price, tenure, maturity date, dividend and voting rights. **We are of the view that the salient terms of the Consideration RCPS A and Option Consideration RCPS A are reasonable and not detrimental to the interests of the non-interested shareholders of the Company.** Please refer to Section 6.5 of this IAL for further information on the salient terms of the RCPS A.
(vi) Effects of the Proposals	Section 6.6	In evaluating the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions, we have taken note of the effects of the Proposals, all of which shall be implemented following the completion of the RCPS Conversion, as set out in Section 11 of Part A of the Circular based on the following scenarios: **Minimum Scenario** : Assuming that: (i) the 1,857,142,857 Consideration Shares has been issued; (ii) the Call Option is not exercised and lapses at the end of the Call Option Period; (iii) the 1,353,190,292 Consideration RCPS A are fully converted into 1,353,190,292 new Epicon Shares; and (iv) Lagenda undertakes an offer for sale of an aggregate of 295,000,000 Epicon Shares to the Public Shareholders of Epicon. **Maximum Scenario** : Assuming that: (i) the 1,857,142,857 Consideration Shares has been issued; (ii) the Call Option is exercised and the Option Consideration is settled in equal proportion via the issuance of 1,392,714,200 Option Consideration Shares and 1,392,714,200 Option Consideration RCPS A; (iii) the 1,353,190,292 Consideration RCPS A are fully converted into 1,353,190,292 new Epicon Shares; (iv) the 1,392,714,200 Option Consideration RCPS A are fully converted into 1,392,714,200 new Epicon Shares; and (v) Lagenda undertakes an offer for sale of an aggregate of 1,024,000,000 Epicon Shares to the Public Shareholders of Epicon. We note that the enlarged number of Epicon Shares will increase from 627,464,015 Shares as at the LPD, to up to 4,310,797,164 Shares (under the Minimum Scenario) or 7,096,225,564 Shares (under the Maximum Scenario) after the completion of the Proposals. Accordingly, the issued share capital of Epicon will increase from RM33.34 million as at the LPD, to up to RM508.19 million (under the Minimum Scenario) or RM867.29 million (under the Maximum Scenario) after the completion of the Proposals.

Areas of consideration	Section in this IAL	TA Securities' comments
		We also note that pursuant to the Proposals, the pro forma NA per Share will decrease from RM0.14 as at 31 December 2025 to RM0.03 after the Proposals under both Minimum and Maximum Scenario. Notwithstanding the decrease in pro forma NA per Share, the pro forma NA of Epicon will increase from RM87.44 million to RM134.40 million (under the Minimum Scenario) or RM212.51 million (under the Maximum Scenario). Based on the audited consolidated financial statements of Epicon as at 31 December 2025, Epicon has total borrowings of RM89.25 million as compared to its NA of RM87.44 million. The gearing of Epicon as at 31 December 2025 is expected to increase from 1.02 to 1.16 (under the Minimum Scenario) or decrease from 1.02 to 0.73 (under the Maximum Scenario) after the Proposals. As at the LPD, the public shareholding spread of Epicon is approximately 87.42%. Upon completion of the Proposed Acquisitions and the Proposed Private Placement, the public shareholding spread of the Company will decrease to approximately 26.66%. We also note that the issuance of the Consideration Shares and new Shares arising from conversion of the Consideration RCPS A pursuant to the Proposed Acquisitions as well as the Option Consideration Shares and new Shares arising from conversion of the Option Consideration RCPS A in the event the Call Option is exercised by Epicon are expected to result in a significant dilution to the non-interested shareholders' shareholdings in the Company and NA per Share as set out above. For illustration purpose, the shareholdings of the non-interested shareholders will be diluted significantly from **87.42% as at the LPD to 26.66%** upon the completion of the Proposed Acquisitions (issuance of the Consideration Shares) and Proposed Private Placement, and will be **further diluted to 25.54%** upon conversion of the Option Consideration RCPS A. Therefore, in assessing the significant dilution of the existing non-interested shareholders arising from the Proposed Acquisitions, we have considered that the Consideration Shares and Consideration RCPS A are issued as part of the settlement of the Purchase Consideration for the acquisition of 60% controlling equity interest in the Target Companies which have been assessed to be fair based on our assessments as set out in Section 6.2 of this IAL, and that the settlement through the Consideration Shares and Consideration RCPS A being the most viable options after having considered the existing cash position and various possible alternatives such as bank borrowings and/or fund raising exercise as detailed in Section 6.1(iii) of this IAL.

Areas of consideration	Section in this IAL	TA Securities' comments
		Further, upon completion of the Proposed Acquisitions, Epicon will immediately gain control over the ownership and economic interest in the Target Companies, which will contribute positively to the Epicon Group's earnings and EPS as supported by the Profit Guarantee. Upon completion of the Proposed Acquisitions, based on the PAT of the Epicon Group for the FYE 2025 and the Average Profit Guarantee of the Target Companies of RM119.0 million attributable to the 60% equity interest to be held by Epicon amounting to approximately RM71.40 million, the illustrative PAT attributable to the owners of the Epicon Group will increase from RM4.01 million (audited for the FYE 2025) to RM75.41 million (pro forma after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) with EPS increasing from 0.64 sen to 2.55 sen (after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) and to 1.75 sen (after assuming full conversion of Consideration RCPS A but before the exercise of the Call Option). We note that such illustrated earnings or EPS accretion arising from the Proposed Acquisitions is mainly supported by the Profit Guarantee which provides contractual safeguard in respect of the Target Companies' earnings during the FYE 2027 and FYE 2028 but does not eliminate the post-period risks of the Proposed Acquisitions such as the timely execution of the contracts for ongoing projects, order book replenishments and ability to maintain the level of profitability. Further details on the Profit Guarantee and assessment on its achievability are set out in Section 6.8.6 of this IAL. Each Share held by the Company's non-interested shareholders prior to the implementation of the Proposals represents NA of RM0.14 per Share (audited for FYE 2025) and EPS of 0.64 sen per financial year, based on the latest audited FYE 2025. After the RCPS Conversion, each Share is expected to represent a reduced NA of RM0.10 per Share while EPS is expected to decrease to 0.47 sen. Following the completion of the Proposals, on a fully-diluted basis, each Share held by the Company's non-interested shareholders is expected to represent NA of RM0.03 per Share, representing a dilution of RM0.07 per Share in terms of NA, while the EPS is expected to increase to 1.73 sen. We note that the dilution impact on the non-interested shareholders' interest is significant even without the conversion of the Consideration RCPS A and the Proposed Call Option. Nevertheless, the dilutive effect of the Consideration RCPS A and the Proposed Call Option is not immediate and is subject to the conversion of Consideration RCPS A by Lagenda and the exercises of the Call Option by Epicon. The dilution will only occur as and when Lagenda opts to convert its Consideration RCPS A and Epicon exercises the Call Option (which is only exercisable within a period of thirty (30) months after the Profit Guarantee Determination Date).

Areas of consideration	Section in this IAL	TA Securities' comments
		The immediate dilution in the non-controlling shareholders' proportion of shareholdings in the Company and NA per Share upon increase in the number of Epicon Shares in issue as a consequence of the implementation of the Proposals is not unduly detrimental to the non-interested shareholders of the Company after taking into consideration the potential benefits arising from the Proposed Acquisitions and the ability to recoup the loss in value of NA per Share over approximately 5.5 financial years in return for control in the Target Companies and participation in the growth of the much larger Enlarged Epicon Group on a longer term basis. **As such, the overall effects of the Proposed Acquisitions, Proposed Call Option and the Proposed Private Placement are reasonable and not detrimental to the interests of the non-interested shareholders of Epicon.** Please refer to Section 6.6 of this IAL for further information on the effects of the Proposals.
(vii) Industry overview and prospects of the enlarged Group	Section 6.7	The Target Companies are anticipated to contribute positively to the earnings and overall financial performance of the Enlarged Epicon Group upon the successful completion of the Proposed Acquisitions. This positive contribution is underpinned by their existing outstanding order book, which provides near-term revenue visibility, as well as the strong potential for securing additional construction contracts from Lagenda Group, thereby supporting sustained growth and long-term earnings prospects. **Premised on the above, we are of the view that the outlook and prospects of the Enlarged Epicon Group following the Proposed Acquisitions are favourable, after taking into consideration, among others, the outlook for the construction and property sectors in Malaysia, the established track record of the Target Companies, their existing outstanding order book, and the potential award of future construction contracts from the Lagenda Group.** Please refer to Section 6.7 of this IAL for our opinion on the industry overview and prospects of the Enlarged Epicon Group.
(viii) Risk factors in relation to the Proposed Acquisitions	Section 6.8	The risks of the Proposed Acquisitions include the following: **(a) <u>Dilution of shareholding risk</u>** The collective shareholdings of Doh Properties and the MGO 1 PACs are expected to increase from 12.58% to 36.25% after the RCPS Conversion. Upon completion of the Proposed Acquisitions and Proposed Private Placement, the collective shareholdings of Doh Properties, Lagenda and their respective PACs will increase from 36.25% to 73.34%. As a result, the shareholdings of the non-interested shareholders will be diluted significantly from **87.42% as at the LPD to 26.66%** upon the completion of the Proposed Acquisitions (issuance of the Consideration Shares) and Proposed Private Placement**,** and will be **further diluted to 25.54%** upon conversion of the Option Consideration RCPS A and consequently, their rights in the Company diminishes including their entitlement to any future distribution, rights issue and/or allotment that the Company may undertake after the completion of the Proposals.

Areas of consideration	Section in this IAL	TA Securities' comments
		(b) <u>Non-completion risk</u> The completion of the Proposed Acquisitions is subject to, among others, the fulfilment of all the Conditions Precedent as set out in Section 1 of Appendix II of the Circular and the performance by the relevant parties of their respective obligations within the stipulated timeframe as set out in the SSA. Additionally, the exercise of the Call Option is subject to compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements, hence should such compliance not be met, the Call Option will not be exercisable. If any of the Conditions Precedent are not fulfilled, obtained or waived, as the case may be, within the stipulated timeframe or any of the termination events under the SSA occur such that the Proposed Acquisitions and the Proposed Call Option cannot be completed, the SSA may be terminated. **(c) <u>Concentration risk and dependency on Lagenda Group</u>** The Target Companies are presently wholly-owned subsidiaries of Lagenda and serve as the principal construction service providers to the Lagenda Group. For FYE 2025 and up to the LPD, construction contracts awarded by the Lagenda Group accounted for 100% of the Target Companies' revenue. This reflects a concentration risk arising from the Target Companies' dependency on a single customer, as their revenue and earnings, including their ability to meet the Profit Guarantee, remain closely linked to the continued availability of construction contracts from the Lagenda Group. **(d) <u>Risk of potential share sales pursuant to the Profit Guarantee and/or Public Spread Requirements affecting the price of Epicon Shares</u>** The sale or potential sale of a substantial number of Epicon Shares in the public market following the Proposed Acquisitions could adversely affect the market price of Epicon Shares. This risk primarily stems from potential Pledged Shares liquidation and Public Spread Requirement compliance. Under the terms of the SSA, if the Vendor fails to settle any Shortfall in cash within the stipulated timeframe as set out in the SSA, Stakeholder is entitled to dispose of the Pledged Shares within 30 days of the Vendor's direction to recover the full Amount Due. Depending on the quantum of the Shortfall, this liquidation could involve up to 1,098,461,539 Consideration Shares, representing 37.14% of Epicon's total issued shares post Proposed Acquisitions and Proposed Private Placement. Furthermore, additional Epicon Shares may need to be placed out into the market if the Company is required to increase its public shareholding spread to facilitate either the conversion of the Consideration RCPS A or the exercise of the Call Option and thereafter the conversion of Option Consideration RCPS A. There can be no assurance that these large-scale market placements or share disposals will not create significant downward pressure on the market price of Epicon Shares.

Areas of consideration	Section in this IAL	TA Securities' comments
		(e) Investment and integration risk Although the Proposed Acquisitions and the Proposed Call Option are expected to contribute positively to the future earnings of the Enlarged Epicon Group, there can be no assurance that the anticipated benefits will be realised or that the Enlarged Epicon Group will be able to generate sufficient returns from the construction projects of the Target Companies to offset the associated cost of investment and/or the upfront costs incurred. In addition, any decline in economic conditions may affect the potential benefits to be derived from the Proposed Acquisitions as well as the Proposed Call Option, and the duration required for Epicon to recoup its investments in the Target Companies could be longer than anticipated. **(f) Achievability of the Profit Guarantee** The Profit Guarantee is based on various bases and assumptions which the Board deemed reasonable and realistic, but nevertheless is subject to certain uncertainties and contingencies, which are beyond the Target Companies' and the Epicon Group's control. While the Company has taken reasonable steps to assess the achievability of the Profit Guarantee, there can be no assurance that the Profit Guarantee will be met. **(g) Funding and interest rate risk** If the Call Option is exercised and/or the Option Consideration is wholly or partly settled via cash, the Company will seek external financing to finance the cash consideration. Likewise, should the Consideration RCPS A and the Option Consideration RCPS A be redeemed in cash, the Company will similarly be required to secure external financing to finance such redemption. Furthermore, the Enlarged Epicon Group may potentially obtain additional financing to fund its construction projects in the future given the enlarged scale of operations. There can be no assurance that the necessary financing will be available in amounts or on terms acceptable to the Group. Further, the Group will incur interest expense on the bank borrowings and any interest charged on bank borrowings is dependent on prevailing interest rates which expose the Group to risk of unfavourable fluctuation in interest rates which in turn, may have a negative impact to the Group's cash flows and profitability. **(h) Goodwill and impairment risk** Proposed Acquisitions will result in the recognition of a goodwill by the Enlarged Epicon Group, the amount of which will depend on the fair value of the Target Companies' identifiable assets acquired and liabilities assumed as at the completion date of the Proposed Acquisitions due to the application of the reverse accounting in accordance with the Malaysian Financial Reporting Standard 3 – Business Combinations ("**MFRS 3**"). Any subsequent fair value adjustments allocated to the identifiable assets acquired and liabilities assumed, if any, may materially affect the Enlarged Epicon Group's financial position.

Areas of consideration	Section in this IAL	TA Securities' comments
		(i) <u>Exposure to credit and collection risk arising from significant receivables</u> The Target Companies are exposed to delays in collection and/or non-recoverability of trade receivables and/or retention sum from customers. Presently, the Target Companies' credit terms for trade receivables are 30 to 90 days, while retention sums are generally only due after the expiry of the 24-month retention period following issuance of the Certificate of Practical Completion. Based on audited FYE 2025, trade receivables of the Target Companies (net of retention sum), all of which are non-interest-bearing, amounted to RM156.07 million (or 33.26% of the total assets) whilst other receivables (net of amount owing from immediate holding company and fellow subsidiaries, a portion of which comprise the Related Party Advances) amounted to RM22.39 million (or 4.77% of total assets). The trade receivables' turnover period was approximately 122 days, which exceeded its credit terms of 30 to 90 days. Nonetheless, Epicon noted that during the corresponding financial year, the Target Companies recorded net cash inflow from operating activities of RM34.51 million and 99.23% of the outstanding trade receivables as at the FYE 2025 has been collected up to the LPD. The remaining outstanding amount of RM1.21 million, which has exceeded the credit term, are expected to be collected by end of FYE 2026. **(j) <u>Risk of property overhang</u>** Malaysia's property overhang poses a moderate-to-high structural risk to developers and capital efficiency. According to the NAPIC, an overhang unit is a completed property with a Certificate of Completion and Compliance that remains unsold for more than nine months after launch. Data from the NAPIC H1 2026 Property Market Report shows that completed, unsold residential units climbed 8.6% from late 2025 to 33,094 units valued at RM17.78 billion. When combined with 23,375 unsold serviced apartments worth RM19.33 billion, total completed unsold housing stock stands at 56,469 units valued at RM37.11 billion, which is the highest volume recorded since 1st half of 2022. Accordingly, any persistent property overhang situation may affect the sales of Lagenda Group's property projects and in turn affect the construction order book and financial performance of the Target Companies. **(k) <u>Risk of valuation</u>** On combined basis, the unsecured projects (identified and unidentified) made up approximately 84.15% of the total projected revenue of the Target Companies over the projection period. The projected revenue mainly relies on Lagenda's continued award of construction contracts to the Target Companies, as the projected revenue is derived solely from construction contracts awarded/expected to be awarded by the Lagenda Group.

Areas of consideration	Section in this IAL	TA Securities' comments
		The projected revenue is also dependent on the Lagenda Group continuing to undertake new development projects, as any reduction or delay in its development activities may result in fewer construction contracts being available for award to the Target Companies and, in turn, adversely affect their projected financial performance. As the valuation is based on the DCF method, which takes into consideration the Target Companies' projected future cash flows, any material deviation from the projected revenue and cash flows arising from the above factors may affect the resulting valuation. **We wish to highlight that although efforts and measures will be taken by the Enlarged Epicon Group to mitigate the abovementioned risks, no assurance can be given that one or a combination of the risk factors will not occur and give rise to material adverse impact on the business operations, financial performance and/or prospects of the Enlarged Epicon Group.** Please refer to Section 6.8 of this IAL for further information on our opinion on the risk factors in relation to the Proposed Acquisitions.
(ix) Implications of the Proposed Exemptions	Section 6.9	(a) If you **VOTE IN FAVOUR** of the Proposed Exemptions: • Doh Properties and the MGO 1 PACs and Lagenda and the MGO 2 PACs would be able to submit an application for the Proposed Exemption 1 and Proposed Exemption 2, as the case may be, to the SC for its consideration. Approvals from the SC for the Proposed Exemption 1 and Proposed Exemption 2 would then exempt Doh Properties and the MGO 1 PACs and Lagenda and the MGO 2 PACs, as the case may be, from the obligation to undertake the MGO. • The approval of the Proposed Exemptions would imply that you agree to waive your rights to and exempt Doh Properties and the MGO 1 PACs and Lagenda and the MGO 2 PACs from the obligation to undertake the MGO as a result of the RCPS Conversion and the Proposed Acquisitions, as the case may be (which shall be undertaken at a price no lower than the highest price paid by Doh Properties and the MGO 1 PACs and/or Lagenda and the MGO 2 PACs for Epicon Shares in the past 6 months preceding the commencement of the offer period). As such, Doh Properties and the MGO 1 PACs and Lagenda and the MGO 2 PACs will be able to increase their shareholdings in Epicon without incurring an obligation to make a MGO upon completion of the RCPS Conversion and the Proposed Acquisitions, as the case may be. • Under the Minimum Scenario, the collective shareholdings of Doh Properties, Lagenda and their respective PACs in Epicon will increase from 36.25% after the RCPS Conversion as at the LPD to 73.34%. Meanwhile, the shareholdings of the non-interested shareholders of the Company will decrease from 63.75% to 26.66% after the Proposed Acquisitions and Proposed Private Placement.

Areas of consideration	Section in this IAL	TA Securities' comments
		• Under the Maximum Scenario, the collective shareholdings of Doh Properties, Lagenda and their respective PACs in Epicon will increase from 12.58% as at the LPD to 74.46%. Meanwhile, the shareholdings of the non-interested shareholders of the Company will decrease from 87.42% to 26.66% upon the completion of the Proposed Acquisitions (issuance of the Consideration Shares) and Proposed Private Placement**,** and will be further diluted to 25.54% upon conversion of the Option Consideration RCPS A. With a shareholding of more than 50% in Epicon upon completion of the Proposed Acquisitions, any further increase in the shareholdings of Lagenda and/or collectively with its PACs in Epicon (including through subsequent purchases of Epicon Shares in the open market) would not trigger an obligation for Lagenda and the MGO 2 PACs to undertake a MGO provided Lagenda and the MGO 2 PACs does not trigger such MGO on an individual or single entity basis. For the avoidance of doubt, each PAC remains subject to the requirements under the Rules, including the obligation to undertake a MGO if his/her individual interest in Epicon exceeds 33%. In addition, Lagenda and the MGO 2 PACs will have statutory control over Epicon and unless they are required to abstain from voting on resolutions sought at shareholders' general meetings of Epicon, they will be able to determine the outcome of any ordinary resolution (which requires approval from more than 50% of the total voting shares) and are likely to influence the outcome of any special resolution (which requires approval from at least 75% of the total voting shares). • In view that the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement, Proposed Amendments and Proposed Exemption 2 are inter-conditional upon each other, and are conditional upon the Proposed Exemption 1, and that the RCPS Conversion is conditional upon the Proposed Exemption 1: (i) without the Proposed Exemption 1, the RCPS Conversion as well as the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments will not be implemented; and/or (ii) without the Proposed Exemption 2, the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments will not be implemented but Doh Properties will still be able to undertake the RCPS Conversion without being required to undertake a MGO (as exempted under the Proposed Exemption 1), in the event the Proposed Exemption 1 is approved. Therefore, voting in favour of the Proposed Exemptions will enable Epicon to realise the potential benefits of the Proposals.

Areas of consideration	Section in this IAL	TA Securities' comments
		(b) If you **VOTE AGAINST** the Proposed Exemptions: • Doh Properties and the MGO 1 PACs and Lagenda and the MGO 2 PACs would not be able to submit an application for the Proposed Exemption 1 and Proposed Exemption 2, as the case may be, to the SC. • In view of the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement, Proposed Amendments and Proposed Exemption 2 are inter-conditional upon each other, and are conditional upon the Proposed Exemption 1, and that the RCPS Conversion is conditional upon the Proposed Exemption 1, Doh Properties will not be able to undertake the RCPS Conversion and the Epicon Group will not be able to implement the Proposed Acquisitions and Proposed Private Placement and realise the potential benefits arising from the Proposed Acquisitions and Proposed Private Placement. You should also note that the 233,000,000 RCPS held by Doh Properties are expiring on the RCPS Maturity Date and the RCPS Mandatory Conversion will take place, unless previously redeemed or converted or purchased and cancelled. In the event the RCPS is not redeemed by the Company prior to the RCPS Maturity Date, the RCPS Mandatory Conversion will take place on the RCPS Maturity Date resulting in the individual shareholding of Doh Properties and collective shareholding of Doh Properties and the MGO 1 PACs in the Company to increase to more than 33% of the enlarged issued Shares after the RCPS Mandatory Conversion. As such, Doh Properties and the MGO 1 PACs will be required to undertake a MGO (*which shall be undertaken at a price no lower than the highest price paid by Doh Properties and the MGO 1 PACs for Epicon Shares in the past 6 months preceding the commencement of the offer period*). In the event the Proposed Exemption 1 is not approved, Doh Properties may either (i) partially convert a portion of the RCPS to ensure the total shareholding for Doh Properties and the MGO 1 PACs to not exceed the 33% MGO threshold and for Epicon to redeem all remaining unconverted RCPS prior to the RCPS Maturity Date, or (ii) for Epicon to allow the RCPS to be mandatorily converted in full on the RCPS Maturity Date, resulting in Doh Properties triggering a MGO in compliance with the Rules, or (iii) for Epicon to redeem all the outstanding 233,000,000 RCPS prior to the maturity date of RCPS. In the event the Proposed Exemption 2 is not approved, the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments will not be implemented.

Areas of consideration	Section in this IAL	TA Securities' comments
		Notwithstanding the above, in the event the Proposed Exemption 1 is approved by the non-interested shareholders of the Company and the SC, Doh Properties will still be able to undertake the RCPS Conversion without being required to undertake a MGO (as exempted under the Proposed Exemption 1) as the RCPS Conversion is not conditional upon the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments. Please refer to Section 6.9 of this IAL for the further information on the implications of the Proposed Exemptions.

3. CONCLUSION AND RECOMMENDATION

In arriving at our conclusion and recommendation, we have assessed and evaluated the Proposals on a holistic basis taking into consideration the various factors set out in Section 6 of this IAL. You should carefully consider the merits and demerits of the Proposals based on all relevant and pertinent factors including those set out in this IAL and Part A of the Circular (including all the appendices) before making a decision to vote on the resolutions pertaining to the Proposals.

The Proposed Exemptions, if approved by the non-interested shareholders of the Company and the SC, will allow Epicon to undertake the Proposed Acquisitions, subject to the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments being approved and implemented. The potential advantages and disadvantages of the Proposals are summarised as follows:

Potential advantages	
(i)	The Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement, Proposed Amendments and Proposed Exemption 2, are inter-conditional upon each other, and are conditional upon the Proposed Exemption 1, and that the RCPS Conversion is conditional upon the Proposed Exemption 1 as set out in Section 13 of Part A of the Circular. The Proposed Exemptions will exempt Doh Properties and the MGO 1 PACs and Lagenda and the MGO 2 PACs, as the case may be, from the obligation to undertake the MGO to facilitate the implementation of the Proposals which will allow the Epicon Group to reap the potential benefits of the Proposals. Meanwhile, the Proposed Private Placement will enable Epicon to comply with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements after the Proposed Acquisitions. The Proposed Amendments are necessary to facilitate the issuance and allotment of the Consideration RCPS A and Option Consideration RCPS A pursuant to the Proposed Acquisitions and the Proposed Call Option, respectively. The inter-conditionality of the Proposals is to ensure that the implementation of each of the Proposals is in compliance with the relevant regulatory requirements (such as the Proposed Exemption 1 and Proposed Exemption 2) and compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements.

	Potential advantages
(ii)	The Proposed Acquisitions provide an opportunity to the Epicon Group to merge with the Target Companies into the Enlarged Epicon Group, which will substantially increase the Enlarged Epicon Group's revenue and profitability as well as enhanced asset base. The Enlarged Epicon Group is also expected to benefit from the combined resources, technical experience and expertise of the Enlarged Epicon Group, as well as the consolidation of operations of the Target Companies with the Epicon Group. The Proposed Acquisitions are expected to contribute positively to the earnings of the Enlarged Epicon Group in view of the Profit Guarantee provided by the Vendor, giving a certain degree of assurance on the future financial performance of the Target Companies, and prospects of the Enlarged Epicon Group as disclosed in Section 9.4 of Part A of the Circular. In addition, as evaluated in Section 6.6 of this IAL, the illustrative PAT attributable to the owners of the Epicon Group will increase from RM4.01 million (audited for the FYE 2025) to RM75.41 million (pro forma after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) with EPS increasing from 0.64 sen to 2.55 sen (after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) and to 1.75 sen (after assuming full conversion of Consideration RCPS A but before the exercise of the Call Option). Upon completion of the Proposed Acquisitions, Lagenda will also be the holding company of Epicon which will enable the Enlarged Epicon Group to tap into the strong property development pipeline of the Lagenda Group, which is backed by the Lagenda Group's landbank of approximately 3,998 acres across several states within Malaysia with a total estimated gross development value of RM10.28 billion worth of property development projects as at 30 June 2026. Further, the Enlarged Epicon Group are expected to continue benefiting from a pipeline of construction contract awards from the Lagenda Group (based on the parent-subsidiary relationship between Lagenda and the Enlarged Epicon Group) beyond the FYE 2027 and FYE 2028, which is expected to support the sustainability of their earnings thereafter. Each Share held by the Company's non-interested shareholders prior to the implementation of the Proposals represents NA of RM0.14 per Share (audited for FYE 2025) and EPS of 0.64 sen per financial year, based on the latest audited FYE 2025. After the RCPS Conversion, each Share is expected to represent a reduced NA of RM0.10 per Share while EPS is expected to decrease to 0.47 sen. Following the completion of the Proposals, on a fully-diluted basis, each Share held by the Company's non-interested shareholders is expected to represent NA of RM0.03 per Share, representing a dilution of RM0.07 per Share in terms of NA, while the EPS is expected to increase to 1.73 sen. Accordingly, the expected increase in EPS of 1.26 sen per financial year following the Proposed Acquisitions would enable the non-interested shareholders to recoup the dilution in NA per Share of RM0.07 over approximately 5.5 financial years, assuming that the projected incremental EPS is achieved and maintained. In view of the above, the immediate dilution in the non-controlling shareholders' proportion of shareholdings in the Company and NA per Share upon increase in the number of Epicon Shares in issue as a consequence of the implementation of the Proposals is not unduly detrimental to the non-interested shareholders of the Company after taking into consideration the potential benefits arising from the Proposed Acquisitions and the ability to recoup the loss in value of NA per Share over approximately 5.5 financial years in return for control in the Target Companies and participation in the growth of the much larger Enlarged Epicon Group on a longer term basis.

	Potential advantages
(iii)	The settlement of the Purchase Consideration via the issuance of the Consideration Shares and the Consideration RCPS A will allow the Company to undertake the Proposed Acquisitions while conserving its cash reserves necessary for the Enlarged Epicon Group's working capital while ensuring the Company to continue to comply with the Public Spread Requirement. Further, the issuance of the Consideration RCPS A enables the Company to manage the dilutive effect on its EPS as compared to Consideration Shares.
(iv)	The Proposed Call Option allows Epicon to manage and optimise cash flows by deferring the acquisition of the remaining 40% equity interests in the Target Companies within the Call Option Period and does not necessitate Epicon to incur significant acquisition cost to acquire the entire equity interests in the Target Companies. In addition, the Proposed Call Option provides flexibility to the Company to exercise the Proposed Call Option while ensuring compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements by the Company. Further, the Proposed Call Option provides flexibility for Epicon to assess the Target Companies before committing for further acquisition by exercising the Call Option. As part of Epicon's assessment whether to exercise the Call Option, Epicon will review key performance indicators, including the Target Companies' revenue, PAT, remaining order book, contracts under tender/negotiation, performance of the Profit Guarantee, as well as the Lagenda Group's property pipeline.

	Potential disadvantages
(i)	The Proposed Exemption 1 will allow the collective shareholdings of Doh Properties and the MGO 1 PACs to increase from 12.58% to 36.25% upon completion of the RCPS Conversion, without being required to undertake a MGO. As Doh Properties is also a PAC to Lagenda, the Proposed Exemption 2 will allow the collective shareholdings of Doh Properties, Lagenda and their respective PACs in Epicon to further increase from 36.25% to 73.34% (upon completion of the Proposed Acquisitions and Proposed Private Placement). As a result, the shareholdings of the non-interested shareholders will be diluted significantly from **87.42% as at the LPD to 26.66%** upon the completion of the Proposed Acquisitions (issuance of the Consideration Shares) and Proposed Private Placement**,** and will be **further diluted to 25.54%** upon conversion of the Option Consideration RCPS A and their rights in the Company diminishes accordingly. Based on the foregoing, Doh Properties, Lagenda and their respective PACs will have statutory control over Epicon and enabling them to determine the outcome of ordinary resolutions which require a simple majority of 50% plus 1 share, including the appointment of directors and other corporate exercises which require a simple majority of 50% plus 1 share, and the outcome of special resolutions which require at least 75% votes, unless Doh Properties, Lagenda, their PACs and/or persons connected to them are required to abstain from voting. Accordingly, the minority shareholders of Epicon may have a reduced ability to influence the outcome of certain corporate actions, strategic direction and key decisions of the Enlarged Epicon Group following the completion of the Proposed Acquisitions.

	Potential disadvantages
(ii)	With a shareholding of more than 50% in Epicon upon completion of the Proposed Acquisitions, any further increase in the shareholdings of Lagenda and/or collectively with its PACs in Epicon (including through subsequent purchases of Epicon Shares in the open market) would not trigger an obligation for Lagenda and the MGO 2 PACs to undertake a MGO provided Lagenda and the MGO 2 PACs does not trigger such MGO on an individual or single entity basis. As a result, the non-interested shareholders of Epicon will not be entitled to receive a MGO and the associated exit opportunity at a prescribed minimum offer price notwithstanding any future increase in the shareholdings of Lagenda and the MGO 2 PACs in Epicon. For the avoidance of doubt, subsequent to the Proposed Acquisitions, Lagenda and the MGO 2 PACs would still be bound to undertake a MGO if any one of them increase their individual shareholdings in Epicon to 33% or more, unless an exemption is granted by the SC.
(iii)	Upon completion of the Proposed Acquisitions, Epicon Group may be exposed to certain risks associated with the Proposed Acquisitions, including investment and integration risk, risk relating to the achievability of the Profit Guarantee, goodwill and impairment risk as well as risk of dilution of non-interested shareholders' interests and increased influence of the major shareholders in the Company as disclosed in Section 10 of Part A of the Circular which may affect the realisation of the potential benefits of the Enlarged Epicon Group.
(iv)	After the RCPS Conversion which will be undertaken by Doh Properties, the pro forma NA per Share will be diluted from RM0.14 to RM0.10 and further diluted to RM0.03 (after assuming full conversion of the Consideration RCPS A and Option Consideration RCPS A under the Maximum Scenario) as a result of an increase in the number of Shares in issue after the issuance of the Consideration RCPS A and conversion of Option Consideration RCPS A. Further, the gearing of Epicon as at 31 December 2025 is expected to increase from 1.02 to 1.16 (under the Minimum Scenario) or decrease from 1.02 to 0.73 (under the Maximum Scenario) after the Proposals as detailed in Section 6.6.2 of this IAL.
(v)	The dilution in the non-controlling shareholders' proportion of shareholdings in the Company and NA per Share upon increase in the number of Epicon Shares in issue as well as the increase and/or decrease in gearing ratio as a consequence of the implementation of the Proposals is immediate while the anticipated benefits arising from the Proposed Acquisitions, such as the projected increase in earnings and EPS of the Enlarged Epicon Group are dependent on the successful achievement of the Projections which is subject to uncertainties and risks as detailed in Sections 6.2.1 and 6.8.6(i) of this IAL.

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Notwithstanding the above, you should note that upon completion of the Proposed Acquisitions and Proposed Private Placement, the shareholdings of the non-interested shareholders will be diluted significantly from **87.42% as at the LPD to 26.66%**, and will be **further diluted to 25.54%** upon conversion of the Option Consideration RCPS A. In assessing the significant increase in the number of issued Shares and dilution of existing non-interested shareholders' shareholdings in the Company due to the issuance of new Epicon Shares upon completion of the Proposed Acquisitions which is immediate and irreversible, we have considered that the Consideration Shares and Consideration RCPS A are issued as part of the settlement of the Purchase Consideration for the acquisition of 60% controlling equity interest in the Target Companies, upon completion of which, Epicon will immediately gain control over the ownership and economic interest in the Target Companies, including their existing business operations, assets, outstanding order book and future earnings attributable to such equity interest, and that the settlement through the Consideration Shares and Consideration RCPS A being the most viable options after having considered the existing cash position and various possible alternatives such as bank borrowings and/or fund-raising exercise. Further, the Proposed Acquisitions provide opportunities to the Company's shareholders to acquire the Target Companies at the Purchase Consideration which is assessed to be fair based on our assessments as set out in Section 6.2 of this IAL, including the valuation based on the DCF Method, RVA and CTA (as defined in Section 6.2 of this IAL) as well as achievability of the Profit Guarantee, and commensurate with the value of the 60% equity interests acquired in the Target Companies pursuant to the Proposed Acquisitions after taking into consideration the bases and assumptions as well as factors as detailed in Section 6.2 of this IAL. In addition, we have also considered the following merits of the Proposed Acquisitions against the disadvantages relating to the immediate dilution of existing non-interested shareholders' shareholdings in the Company and uncertainties linked to the anticipated benefits arising from the Proposed Acquisitions outlined above:

(i) upon completion of the Proposed Acquisitions, Lagenda will also be the holding company of Epicon which will enable the Enlarged Epicon Group to tap into the strong property development pipeline of the Lagenda Group, which is backed by the Lagenda Group's landbank of approximately 3,998 acres across several states within Malaysia with a total estimated gross development value of RM10.28 billion worth of property development projects as at 30 June 2026;

(ii) the Enlarged Epicon Group are expected to continue benefiting from a pipeline of construction contract awards from the Lagenda Group (based on the parent-subsidiary relationship between Lagenda and the Enlarged Epicon Group) beyond the FYE 2027 and FYE 2028, which is expected to support the sustainability of their earnings thereafter; and

(iii) the combined resources, technical experience and expertise of the Enlarged Epicon Group as well as the integration of operations, streamlining of processes, optimisation of organisational structures and alignment of systems across the Enlarged Epicon Group will enable the Enlarged Epicon Group to improve its operational efficiency and enhance the operational synergies, which will allow the Enlarged Epicon Group to broaden its customer base by pursuing construction opportunities from third-party property developers and other external customers which is currently undertaken by Epicon Group, the benefits of which are strategic in nature and are expected to persist beyond the FYE 2027 and FYE 2028.

After taking into consideration the above and our overall assessment and evaluation of the Proposals based on the information available to us up to the LPD, we are of the view that the advantages outweigh the disadvantages of the Proposals. Therefore, the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions are **fair and reasonable** and are **not detrimental** to the non-interested shareholders of the Company.

Accordingly, we recommend that you **vote in favour** of the resolutions pertaining to the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions to be tabled at the Company's forthcoming EGM.

Address:
Corporate Finance Department
32nd Floor, Menara TA One
22, Jalan P. Ramlee
50250 Kuala Lumpur

16 November 2026

To: The Non-Interested Shareholders and Directors of Epicon Berhad

Dear Sir/Madam,

IAL TO THE NON-INTERESTED SHAREHOLDERS AND DIRECTORS OF EPICON BERHAD IN RELATION TO THE PROPOSED ACQUISITIONS, PROPOSED CALL OPTION AND THE PROPOSED EXEMPTIONS

This IAL has been prepared to accompany Part A of the Circular. Definitions or defined terms used in this IAL have the same meaning as defined in the "Definitions" section of Part A of the Circular, except where the context requires otherwise or as otherwise defined.

All references to "we", "us" and "our" in this IAL are to TA Securities, being the Independent Adviser for the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions.

1. INTRODUCTION

On 14 July 2026, Maybank IB, on behalf of the Board, announced that the Company is proposing to undertake the following:

(i) Proposed Acquisitions which comprising the Proposed RUSB Acquisition and Proposed LPBC Acquisition,
(ii) Proposed Call Option;
(iii) Proposed Private Placement;
(iv) Proposed Amendments; and
(v) Proposed Exemptions.

In view of the interests of certain major shareholders of Epicon, namely Doh Properties (a major shareholder of Epicon holding 10.68% equity interest as at the LPD) and persons connected with it, in the Proposed Acquisitions and the Proposed Call Option as set out in Section 15 of the Circular, the Proposed Acquisitions and the Proposed Call Option are deemed as related party transactions pursuant to Paragraph 10.08 of the Listing Requirements.

In conjunction with the Proposed Acquisitions, Doh Properties undertakes that it will convert all the outstanding 233,000,000 RCPS held by it into 233,000,000 new Epicon Shares prior to the date of completion of the Proposed Acquisitions pursuant to the Doh Properties RCPS Undertaking Letter. As the individual shareholding of Doh Properties and collective shareholding of Doh Properties and the MGO 1 PACs in the Company are expected to increase to more than 33% of the enlarged issued Shares after the RCPS Conversion (as detailed in Section 6.1 of this IAL), Doh Properties and the MGO 1 PACs will trigger a MGO obligation pursuant to subsection 218(2) of the CMSA, read together with subparagraph 4.01(a) of the Rules.

In view that it is not the intention of Doh Properties and the MGO 1 PACs to undertake the MGO arising from the RCPS Conversion, Doh Properties and the MGO 1 PACs will submit an application to seek approval of the SC for the Proposed Exemption 1 under subparagraph 4.08(1)(c) of the Rules, subject to approval being obtained from the non-interested shareholders of Epicon at the forthcoming EGM.

As the individual shareholding of Lagenda is expected to increase to more than 33% of the enlarged issued Epicon Shares and the collective shareholdings of Lagenda and the MGO 2 PACs are expected to increase by more than 2% of the enlarged issued Shares within a six (6) month period upon issuance and allotment of the Consideration Shares to Lagenda as part of the settlement of the Purchase Consideration (as detailed in Section 6.1 of this IAL), Lagenda and the MGO 2 PACs will trigger a MGO obligation pursuant to subsection 218(2) of the CMSA, read together with subparagraphs 4.01(a) and 4.01(b) of the Rules.

In view that it is not the intention of Lagenda and the MGO 2 PACs to undertake the MGO arising from the completion of the Proposed Acquisitions, Lagenda and the MGO 2 PACs will submit an application to seek approval of the SC for the Proposed Exemption 2 under subparagraph 4.08(1)(a) of the Rules, subject to approval being obtained from the non-interested shareholders of Epicon at the forthcoming EGM.

In compliance with the Listing Requirements and the Rules, the Board had on 15 June 2026, appointed TA Securities as the Independent Adviser to advise the non-interested shareholders of the Company on the Proposed Acquisitions and the Proposed Call Option pursuant to Paragraph 10.08 of the Listing Requirements and for the Proposed Exemptions pursuant to Paragraph 3.06 of the Rules. In view of the inter-conditionality of the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement and the Proposed Amendments, TA Securities will also be advising on the Proposed Private Placement and the Proposed Amendments.

Pursuant to Paragraph 3.07 of the Rules, we had on 18 June 2026 declared our independence from any conflict of interest or potential conflict of interest to the SC in relation to our appointment as the Independent Adviser for the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions.

The SC had, vide its letter dated 12 November 2026, notified that it has no further comments on the contents of this IAL. However, such notification shall not be taken to suggest that the SC recommends the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions, or that the SC agrees with the recommendation contained herein or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this IAL.

The purpose of this IAL is to provide you with our independent evaluation on the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions together with our recommendation on whether you should vote in favour or against the resolutions in relation to the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions to be tabled at the forthcoming EGM, subject to the scope of our role and limitations specified herein. This IAL is prepared solely for you to consider the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions and should not be used or relied upon by any other party or for any other purpose whatsoever.

NON-INTERESTED SHAREHOLDERS OF EPICON ARE ADVISED TO READ BOTH THIS IAL AND PART A OF THE CIRCULAR, TOGETHER WITH THE ACCOMPANYING APPENDICES, AND CAREFULLY CONSIDER THE RECOMMENDATION CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED ACQUISITIONS, PROPOSED CALL OPTION AND THE PROPOSED EXEMPTIONS TO BE TABLED AT THE FORTHCOMING EGM OF EPICON.

IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, ACCOUNTANT, SOLICITOR OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

We note from Section 15 of Part A of the Circular, the interests of certain major shareholders in respect of the Proposals are as follows:

(i) The MGO 1 PACs (i.e. Dato' Jimmy, Dato' Marcus, Dato' Doh NC, Datin Lee and Datin Ding) are deemed interested in the Proposed Exemption 1;

(ii) Doh Properties and the MGO 1 PACs are deemed interested in the Proposed Acquisitions and the Proposed Call Option;

(iii) Lagenda, Doh Properties and the MGO 1 PACs are deemed interested in the Proposed Exemption 2; and

(iv) In view that the Proposed Acquisitions, the Proposed Call Option, the Proposed Amendments, the Proposed Private Placement and the Proposed Exemption 2 are inter-conditional upon each other, Doh Properties and the MGO 1 PACs are also accordingly deemed interested in the Proposed Amendments and the Proposed Private Placement.

Accordingly, Doh Properties and the MGO 1 PACs will abstain from voting and undertake to ensure that persons connected with them, if any, to abstain from voting in respect of their direct and/or indirect shareholdings in Epicon, if any, on the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

Further information on the interests of the major shareholders in respect of the Proposals is set out in Section 15 of Part A of the Circular.

3. SCOPE AND LIMITATION TO OUR EVALUATION OF THE PROPOSED ACQUISITIONS AND THE PROPOSED EXEMPTIONS

We have not been involved in the formulation, deliberation and/or negotiation of the terms of the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions. Our scope as independent adviser is limited to expressing an independent opinion on the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions based on information and documents provided to us or which are available to us, including the following:

(i) the information contained in Part A of the Circular and the appendices attached thereto;

(ii) the SSA;

(iii) the Valuation Letter;

(iv) the Target Companies' audited financial statements for the FYEs 31 December 2023, 2024 and 2025 and unaudited financial statements for the FPE 31 August 2026;

(v) other relevant information and documents furnished to us by the Directors and senior management of the Epicon Group ("**Management**") or obtained in or derived from our discussions with the Management; and

(vi) other relevant publicly available information.



We have made all reasonable enquiries to the Board and the Management and have relied on the Board and the Management to take due care to ensure that all the information, documents and representations in respect of the Epicon Group and the Proposals provided to us by them to facilitate our evaluation of the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions are accurate, complete and free from material omission. We have not undertaken any independent investigation into the business and affairs of the Epicon Group, the Target Companies and all relevant parties involved in the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions. However, after making all reasonable enquiries and to the best of our knowledge and belief, we acknowledge that this IAL constitutes a full and true disclosure of all material facts concerning the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions, and we are satisfied that the information used is free from material omission and adequate for us to form the basis of our opinion and recommendation. Our advice should be considered in the context of the entirety of this IAL.

In preparing this IAL, we have taken into consideration those factors that we believe are relevant and of general importance to the non-interested shareholders of Epicon for an assessment of the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions and which are of concern to the non-interested shareholders of Epicon as a whole.

Since our evaluation as set out in this IAL is rendered for the benefit of the non-interested shareholders of Epicon as a whole, we have not taken into consideration any specific investment objectives, financial and tax position, risk profiles, financial situation and particular needs of any individual shareholder or any specific group of shareholders.

If you are in doubt as to the action to be taken or require specific advice in relation to the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions in the context of your individual investment objectives, financial and tax position, risk profiles, financial situation or particular needs, we recommend that you consult your stockbroker, solicitor, accountant, banker or other professional adviser immediately.

Our evaluation and opinion as set out in this IAL are based on prevailing equity capital market, economic, industry, regulatory, monetary, socio-political and other conditions (if applicable), and the information/documents made available to us as at the LPD. Such conditions and/or information may change significantly over a short period of time.

The Board has seen and approved the contents of this IAL. The Board collectively and individually accepts full responsibility for the accuracy and completeness of all statements and/or information stated in this IAL and after having made all reasonable enquiries and to the best of the Board's knowledge and belief, the Board confirms all statements and/or information in this IAL are free from material omission and:

(a) no statement and/or information in this IAL is inaccurate or incomplete;

(b) there are no other facts and/or information, the omission of which would make any statement or information in this IAL unreasonable, inaccurate or incomplete; and

(c) all relevant material facts and/or information, including those required under the Listing Requirements and the Rules, have been disclosed in this IAL.

Information pertaining to the Target Companies was extracted from publicly available information and information provided by the management and/or directors of the Target Companies. The responsibility of the Board is restricted to the accurate reproduction of the said information in this IAL.

The responsibility of the Board in respect of the independent advice and expression of opinion by TA Securities in relation to the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions as set out in this IAL, is to ensure that all information in relation to the Epicon Group and the Proposals that is relevant to TA Securities' evaluation of the Proposals has been accurately and completely disclosed to TA Securities and is free from material omission.

We shall immediately disclose to the SC in writing and notify the non-interested shareholders of Epicon by way of press notice and announcement on Bursa Securities if, after the issuance of this IAL, as guided by Paragraph 11.07(1) of the Rules, we become aware that this IAL:

(i) contains a material statement which is false or misleading;

(ii) contains a statement from which there is a material omission; or

(iii) does not contain a statement relating to a material development.

If circumstances require, a supplementary IAL will be sent to the non-interested shareholders of Epicon in accordance with Paragraph 11.07(2) of the Rules.

4. DECLARATION OF CONFLICT OF INTEREST

Save for our role as the Independent Adviser for the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions, we, TA Securities, do not have any other professional relationship with Epicon in the past 2 years prior to the LPD. Further, we confirm that there are no conflict of interest that exists or is likely to exist in relation to our role as the Independent Adviser for the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions.

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5. CREDENTIALS AND EXPERIENCE OF TA SECURITIES

We are a holder of a Capital Markets Services License issued by the Securities Commission Malaysia ("**SC**") as a Principal Adviser permitted to carry on the regulated activity of advising on corporate finance under the CMSA. The corporate finance department of TA Securities supports clients in the areas of take-overs, mergers and acquisitions, initial public offerings, reverse take-overs, secondary equity issuance and independent advisory services. Our corporate finance team comprises experienced personnel with the requisite qualifications and experiences to provide, amongst others, independent advice and render opinion on the fairness and reasonableness of transactions relating to acquisitions, disposals and take-over offers. Amongst others, we have undertaken the following assignments as independent adviser:

(i) independent advice in relation to the proposed acquisition by Systech Bhd of 552,255 ordinary shares in Wilstech Sdn. Bhd., representing the entire equity interest of Wilstech Sdn. Bhd., for a total purchase consideration of RM75,000,000, to be satisfied via cash consideration of RM20,000,000 and the remaining RM55,000,000 to be settled via the issuance of 152,777,777 ordinary shares in Systech Bhd at an issue price of RM0.36 each. The independent advice letter was issued on 3 April 2024;

(ii) independent advice in relation to the unconditional mandatory take-over offer by Smartpro Capital Sdn Bhd to acquire all the remaining ordinary shares in Systech Bhd not already owned by Smartpro Capital Sdn Bhd for a cash consideration of RM0.22 each. The independent advice letter was issued on 9 October 2023;

(iii) independent advice in relation to the proposed acquisition of 92 commercial units comprising the ground and first floor within 46 stratifed 2-storey shop/offices within Bandar Tun Razak Business Park, 26400 Bandar Tun Abdul Razak Jengka, Maran, Pahang Darul Makmur, by FBO Land (Setapak) Sdn Bhd, for a total purchase consideration of RM24,800,000 via the issuance of 381,538,461 new shares in Eastland Equity Bhd (now known as Meta Bright Group Berhad) to be issued to Leading Ventures Sdn Bhd at an issue price of RM0.065 each. The independent advice letter was issued on 23 June 2022;

(iv) independent advice in relation to the unconditional voluntary take-over offer by Scientex Berhad ("**Scientex**") to acquire (i) all the remaining ordinary shares in Daibochi Berhad ("**Daibochi**") ("**Daibochi Shares**") (now known as Scientex Packaging (Ayer Keroh) Bhd) not already held by Scientex as well as such number of new Daibochi Shares that may be issued prior to the closing date of the offer arising from the exercise of the outstanding 2017/2022 warrants in Daibochi ("**Daibochi Warrants**") ("**Offer Share(s)**") for a cash offer price of RM2.70 per Offer Share; and (ii) all the remaining Daibochi Warrants not already held by Scientex ("**Offer Warrants**") for a cash offer price of RM0.32 per Offer Warrant. The independent advice letter was issued on 14 October 2021;

(v) independent advice in relation to the unconditional mandatory take-over offer by Pitahaya (M) Sdn Bhd ("**Pitahaya**") to acquire all the remaining ordinary shares in Pimpinan Ehsan Berhad not already owned by Pitahaya, Lim Beng Guan and the parties acting in concert with them for a cash offer price of RM1.07 for each offer share. The independent advice letter was issued on 22 March 2021;

(vi) independent advice in relation to the subscription of ordinary shares in Builtech Acres Sdn Bhd ("**Builtech**") by Paragon Globe Berhad, representing approximately 99.06% of the enlarged issued share capital of Builtech for a cash consideration of RM52,900,000. The independent advice letter was issued on 3 March 2020;

(vii) independent advice in relation to (i) acquisition of 8,000,000 ordinary shares in Supercomal Medical Products Sdn Bhd ("**SMP**"), representing the remaining 80% equity interest in SMP not owned by Supercomnet Technologies Berhad ("**STB**"), for a total consideration of RM80,000,000 to be satisfied via the issuance of 400,000,000 new ordinary shares in STB ("**STB Shares**") at an issue price of RM0.19 per STB Share and cash of RM4,000,000; and (ii) exemption under Paragraph 4.08(1)(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions for Shiue, Jong-Zone and persons acting in concert with him, from the obligation to undertake a mandatory take-over offer to acquire the remaining STB Shares not already owned by them after the acquisition. The independent advice letter was issued on 14 February 2018; and

(viii) independent advice in relation to the disposal by Rev Asia Berhad (now known as Catcha Digital Berhad) of 11,080,182 ordinary shares in Rev Asia Holdings Sdn Bhd ("**Rev Asia Holdings**"), representing its entire 70% equity interest in Rev Asia Holdings, to Media Prima Digital Sdn Bhd, an indirect wholly-owned subsidiary of Media Prima Berhad, for a cash consideration of RM73.50 million. The independent advice letter was issued on 5 July 2017.

Premised on the foregoing, TA Securities has the credentials, experience and expertise to act as the Independent Adviser to advise the non-interested shareholders of Epicon in relation to the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions.

6. EVALUATION OF THE PROPOSED ACQUISITIONS AND THE PROPOSED EXEMPTIONS

In evaluating the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions, we have taken into consideration the following:

Areas of consideration		Section in this IAL
(i)	Rationale and benefits of the Proposals	Section 6.1
(ii)	Basis and justification for the Purchase Consideration and the Option Consideration	Section 6.2
(iii)	Basis and justification for the Consideration Share Issue Price, Consideration RCPS A Issue Price, Option Share Issue Price, Option RCPS A Issue Price and implied conversion price of the Consideration RCPS A and Option Consideration RCPS A	Section 6.3
(iv)	Salient terms of the SSA and indicative salient terms of the Shareholders' Agreement	Section 6.4
(v)	Salient terms of the RCPS A	Section 6.5
(vi)	Effects of the Proposals	Section 6.6
(vii)	Industry overview and prospects of the enlarged Group	Section 6.7
(viii)	Risk factors in relation to the Proposed Acquisitions	Section 6.8
(ix)	Implications of the Proposed Exemptions	Section 6.9

6.1 RATIONALE AND BENEFITS OF THE PROPOSALS

Proposed Acquisitions

We take note of the rationale of the Proposed Acquisitions as set out in Section 9.1 of Part A of the Circular, and our commentaries are as follows:

TA Securities' comments on the reasonableness of the rationale of the Proposed Acquisitions

Our evaluation of the rationale of the Proposed Acquisitions is as follows:

(i) Provide Epicon with a strategic opportunity to amalgamate its construction business with that of the Target Companies and immediately enhance the Epicon Group's earnings with the consolidation of the Target Companies' financial results after the completion of the Proposed Acquisitions

Since the Epicon Group's diversification into construction segment in 2021, its construction segment has contributed significantly to the Epicon Group's financial performance with contribution to total revenue of approximately 30.4% for FYE 2021 which increased to make up the entire revenue of the Epicon Group for FYE 2025 and the Epicon Group's revenue grew at a compound annual growth rate ("**CAGR**") of 60.4% (1) for the period from FYE 2021 to FYE 2025 whereas profitability also improved over the same period from loss after tax of RM5.26 million for FYE 2021 to PAT of RM4.46 million for the latest FYE 2025 as summarised below:

Epicon Group	*FYE 2021 (RM'000)	*FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FYE 2025 (RM'000)
Segment Revenue					
Investment holding	*-*	*-*	*-*	*4,502*	*5,577*
Construction	*8,251*	*54,964*	*128,066*	*183,581*	*179,242*
Others (2)	*18,854*	*20,702*	*22,086*	*1,719*	*-*
Adjustments (3)	*-*	*-*	*-*	*(4,502)*	*(5,577)*
Total	**27,105**	**75,666**	**150,152**	**185,300**	**179,242**
(Loss before tax) / PBT	(9,991)	13,035	9,277	13,548	7,046
(Loss after tax) / PAT	(5,260)	9,602	4,357	9,351	4,459

Notes:

* *Restated.*

(1) Computed based on the following formula:

$$CAGR = \left[\left(\frac{\text{Revenue of Epicon Group for FYE 2025}}{\text{Revenue of Epicon Group for FYE 2021}} \right)^{1/n} - 1 \right] \times 100\%$$

$$= \left[\left(\frac{\text{RM 179.24 million}}{\text{RM 27.11 million}} \right)^{1/4} - 1 \right] \times 100\%$$

$$= 60.4\%$$

, where n is the number of years within the period.

(2) Comprises the revenue derived from the provision of stage and express bus services across Peninsular Malaysia (which the express bus business has ceased since 2023 and reclassified to the discontinued operations in the restated financial statements for the FYE 2022, whereas the stage bus business has ceased since 2024).

(3) Adjustment was made to exclude intercompany transactions.

The Target Companies are principally involved in building construction. We noted that while the Target Companies contribute expertise in large scale landed housing development, Epicon offers proven high-rise construction capabilities and a robust track record in managing diverse third-party contracts. As a unified entity, the Enlarged Epicon Group is uniquely positioned to successfully bid for and execute large-scale external projects comprising infrastructure and township development and high-rise projects.

We noted that the Target Companies, which are the main construction outfit of the Lagenda Group, have demonstrated a consistent earnings track record, supported by a sizeable outstanding order book. The Target Companies have, for the past 3 financial years, recorded PAT of between RM20.36 million and RM41.96 million, with an average of RM30.04 million per annum, on a combined basis. The historical financial performance of the Target Companies is summarised below:

	Audited FYE			Unaudited FPE 31 August	
	2023 (RM'000)	2024 (RM'000)	2025 (RM'000)	2025 (RM'000)	2026 (RM'000)
Revenue	466,459	533,194	474,381	304,523	488,736
Gross profit ("**GP**")	35,153	43,301	65,865	38,532	69,218
Profit before tax ("**PBT**")	28,978	35,968	56,375	35,203	57,794
PAT	20,360	27,798	41,958	26,501	43,299
GP margin (%)	7.54	8.12	13.88	12.65	14.16
PBT margin	6.21	6.75	11.88	11.56	11.83
PAT margin	4.36	5.21	8.84	8.70	8.86

We note that the Target Companies' revenue for the FYE 2025 decreased by RM58.81 million or 11.03%, compared to the FYE 2024. This was mainly due to a number of projects reaching the completion stage, which led to lower revenue recognition during the FYE 2025.

Notwithstanding the decrease in revenue, the Target Companies' PAT for the FYE 2025 had increased by RM14.16 million or 50.94% in comparison to the FYE 2024, primarily attributable to, among others, the higher margins generated from newly secured projects, namely Lagenda Ardea and La Lumiere, which are related parties within the Lagenda Group as well as the cost savings recognised from economies of scale in bulk procurement of materials and negotiated subcontractor rates for ongoing and completed projects during the financial year. Such improvements in profit margins are expected to be sustainable based on, among others, the expected project costs (which substantially have been contracted based on the Target Companies' contracts with sub-contractors) and contract values awarded for its ongoing projects as well as the Target Companies' performance subsequent to FYE 2025, i.e. for FPE 31 August 2026, the GP margin and PAT margin remain relatively stable at 14.2% and 8.9% respectively. In addition, it is further analysed that the expected GP margin (in the range from 12.3% to 13.2%) and PAT margin (in the range from 7.2% to 8.0%) derived from the Projections are comparable to the profit margins achieved in FYE 2025 and FPE 31 August 2026 which reflect the current level of profitability and performance of the Target Companies. Notwithstanding the foregoing, you should note that such anticipated profitability or profit margins are dependent on the successful achievement of the Projections which is subject to uncertainties and risks as detailed in Sections 6.2.1 and 6.8.6(i) of this IAL.

Over the past 5 financial years and up to the LPD, RUSB and LPBC have collectively completed construction projects with an aggregate contract value of approximately RM2.02 billion. As at the LPD, the Target Companies have a combined outstanding order book of RM1.48 billion.

RUSB

RUSB commenced its business operations under the Lagenda Group in August 2020 and is principally engaged in the building construction business. RUSB's profitability has improved over the past 3 financial years from the PAT of RM18.64 million for FYE 2023 to PAT of RM29.38 million for the latest FYE 2025 as summarised below:

	Audited FYE			Unaudited FPE 31 August	
	2023 (RM'000)	2024 (RM'000)	2025 (RM'000)	2025 (RM'000)	2026 (RM'000)
PAT	18,636	17,706	29,378	16,860	24,019

Over the past 5 financial years and up to the LPD, RUSB has completed major construction projects with an aggregate contract value of RM1,778.54 million. As at the LPD, RUSB has an outstanding order book of RM873.22 million, comprising the following projects, for which it acts as the main contractor:

No.	Project name	Customer name	Start date / Expected completion date	Contract value (RM million)	Percentage of completion as at the LPD	Outstanding order book as at the LPD (RM million)
1.	Bandar Baru Setia Awan Perdana ("**BBSAP**")	Taraf Nusantara Sdn Bhd	June 2022 / November 2028	98.56	72%	27.60
2.	BBSAP - other building	Lagenda Harta Sdn Bhd	May 2024 / March 2027	12.93	58%	5.40
3.	Kedah 855	Blossom Eastland Sdn Bhd	May 2026 / October 2029	268.70	3%	261.70
4.	La Lumiere	Lagenda Mersing Sdn Bhd	April 2025 / July 2028	309.77	41%	182.95
5.	Lagenda Ardea	Blossom Eastland Sdn Bhd	October 2024 / September 2028	288.44	71%	83.88
6.	Lagenda Teluk Intan	Taraf Nusantara Sdn Bhd	September 2019 / August 2028	245.72	34%	161.34
7.	Setia Residen	Blossom Eastland Sdn Bhd	February 2026 / January 2028	19.75	19%	15.95
8.	Lagenda Damai	LPB Development Sdn Bhd	July 2025 / October 2028	172.61	22%	134.40
				1,416.48		**873.22**

The scope of works for the above projects primarily comprises site clearing, earthworks, piling works, construction of buildings, and the provision of internal infrastructure works. Please refer to Appendix I of the Circular for the details of RUSB's ongoing and completed projects.

LPBC

LPBC began its business operations in July 2022 and is principally engaged in construction of buildings and houses. LPBC's profitability has improved over the past 3 financial years from the PAT of RM1.72 million for FYE 2023 to PAT of RM12.58 million for the latest FYE 2025 as summarised below:

	Audited FYE			Unaudited FPE 31 August	
	2023 (RM'000)	2024 (RM'000)	2025 (RM'000)	2025 (RM'000)	2026 (RM'000)
PAT	1,724	10,092	12,580	9,641	19,280

Since commencement of its business operation up to the LPD, LPBC has completed major construction projects with an aggregate contract value of RM245.68 million. As at the LPD, LPBC has an outstanding order book of RM604.82 million, comprising the following projects:

No.	Project name	Customer name	Start date / Expected completion date	Contract value (RM million)	Percentage of completion as at the LPD	Outstanding order book as at the LPD (RM million)
1.	Darulaman Lagenda	BDB Lagenda Sdn Bhd	November 2023 / October 2026	140.83	99%	0.19
2.	Puncak Warisan	Opti Vega Sdn Bhd	March 2024 / September 2027	185.30	51%	91.33
3.	La' Indera	LPB Development Sdn Bhd	October 2024 / December 2028	491.16	23%	372.19
4.	Lagenda Suria	Lagenda Mersing Sdn Bhd	March 2024 / December 2028	246.23	44%	138.39
5.	Senawang	Vivafirst Sdn Bhd	August 2026 / August 2027	2.72	0%	2.72
				1,066.24		**604.82**

The scope of works for the above projects primarily comprises civil, structural and earthworks, including the provision of main and internal infrastructure works. Please refer to Appendix I of the Circular for details of LPBC's ongoing and completed projects.

In view of the Target Companies' consistent earnings track record, coupled with their sizeable outstanding order book of RM1.48 billion as at the LPD as discussed above, we are of the view that the Target Companies are well-positioned to sustain their earnings performance over the near to medium term through the progressive recognition of revenue from their existing construction contracts and continued replenishment of the order book as well as supported by the Profit Guarantee in respect of the FYE 2027 and FYE 2028. Further details on the Profit Guarantee and assessment on its achievability are set out in Section 6.8.6 of this IAL.

As at the LPD, the Epicon Group has a combined order book of RM0.59 billion. In comparison, the Target Companies' outstanding order book is larger, at approximately 2.5 times, than that of the Epicon Group.

In view of the foregoing, we are of the view that the Proposed Acquisitions will enable the Epicon Group to amalgamate its construction business with that of the Target Companies to create a larger construction-based listed entity with a larger combined order book upon completion of the Proposed Acquisitions. On pro forma basis, the combined order book of the Epicon Group will increase from RM0.59 billion to RM2.07 billion upon completion of the Proposed Acquisitions based on the current order book of the Epicon Group and the Target Companies as at the LPD.

We also note that, the Proposed Acquisitions will substantially increase the Enlarged Epicon Group's revenue and profitability as well as enhance the Enlarged Epicon Group's asset base. As the Target Companies are already generating income and have a combined PAT for the past 3 financial years of between RM20.36 million and RM41.96 million, the Proposed Acquisitions will immediately enhance the Epicon Group's earnings with the consolidation of the Target Companies financial results pursuant to Epicon's 60% equity interest in the Target Companies after the Proposed Acquisitions.

The summary of the illustrative PAT of the Enlarged Epicon Group's is as follows:

	Audited FYE 2025 (RM'000)	**After the RCPS Conversion (RM'000)**	**(1) After the Proposed Acquisitions and Proposed Private Placement (RM'000)**	**(2) After the Proposed Call Option (RM'000)**
PAT attributable to the owners of the Epicon Group	4,005	4,005	4,005	4,005
Add: Average Profit Guarantee	-	-	71,400	119,000
Illustrative PAT	**4,005**	**4,005**	**75,405**	**123,005**
Number of issued Shares ('000)	627,464	860,464	4,310,797	7,096,225
EPS (sen) (3)	0.64	0.47	1.75	1.73

Notes:

(1) Assuming full conversion of the 1,353,190,292 Consideration RCPS A and assuming that 295,000,000 Epicon Shares held by Lagenda are sold to the Public Shareholders of Epicon pursuant to the offer for sale.

(2) Assuming full conversion of the Option Consideration RCPS A and assuming that 729,000,000 Epicon Shares held by Lagenda are sold to the Public Shareholders of Epicon.

(3) Computed based on the PAT attributable to the owners of the Epicon Group/ illustrative PAT divided by the number of issued Shares

Based on the PAT of the Epicon Group for the FYE 2025 and the Average Profit Guarantee of the Target Companies of RM119.0 million attributable to the 60% equity interest to be held by Epicon amounting to approximately RM71.40 million, the illustrative PAT attributable to the owners of the Epicon Group will increase from RM4.01 million (audited for the FYE 2025) to RM75.41 million (pro forma after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) with EPS increasing from 0.64 sen to 1.75 sen (after assuming full conversion of Consideration RCPS A but before the exercise of the Call Option).

Further, in the event the Call Option is exercised and assuming the Option Consideration is settled in equal proportion via the issuance of 1,392,714,200 Option Consideration Shares and 1,392,714,200 Option Consideration RCPS A, the illustrative PAT attributable to owners of the Company will increase from RM75.41 million (after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) to RM123.01 million (after issuance of the Option Consideration Shares and assuming full conversion of the Option Consideration RCPS A) while the Epicon Group's EPS will decrease slightly from 1.75 sen to 1.73 sen due to the increase in the number of Epicon Shares in issue after the issuance of the Option Consideration Shares and conversion of Option Consideration RCPS A.

For the avoidance of doubt, the potential earnings enhancement to the Enlarged Epicon Group is contingent upon the Target Companies achieving the agreed Profit Guarantee and maintaining the scale of operations and level of profitability beyond the FYE 2027 and FYE 2028, and, in respect of the additional earnings attributable to the remaining 40% equity interest, the subsequent exercise of the Call Option. In this regard, the achievement of the projected earnings of the Target Companies over the projection period, including the Profit Guarantee, is dependent on, among others, the timely execution of the contracts for ongoing projects with current order book of approximately RM1.48 billion as at the LPD, order book replenishments by securing new construction contracts and ability to maintain the level of profitability with PAT margin of approximately 7.6% over the projection period. Details on our assessments on the reasonableness and achievability of the projected revenue, Profit Guarantee and profitability are detailed in Sections 6.2.1 and 6.2.3 of this IAL.

Nevertheless, we note that the Target Companies have demonstrated a consistent earnings track record over the past 3 financial years and maintain a sizeable outstanding order book as at the LPD, which provides a degree of earnings visibility.

We also note that the Profit Guarantee is secured by the Pledged Shares which will only be released to Lagenda upon the fulfilment of the Profit Guarantee throughout the FYE 2027 and FYE 2028 in accordance with the terms and conditions of the SSA and Stakeholder Agreement. If there is any shortfall in the Profit Guarantee at the end of the FYE 2028, Lagenda is required to make the Cash Top-Up based on the mechanism as stipulated in the SSA and Stakeholder Agreement as detailed in Section 6.4 of this IAL. However, such mechanism does not apply beyond the FYE 2027 and FYE 2028 and the actual earnings contribution from the Target Companies and, consequently, the Enlarged Epicon Group's future profitability may be lower than the pro forma illustration, which may result in lower PAT attributable to owners of the Company and EPS than those illustrated above, thereby reducing the anticipated earnings benefits of the Proposed Acquisitions to the shareholders of the Company. Nonetheless, given the parent-subsidiary relationship between Lagenda and the Enlarged Epicon Group, together with the Target Companies' established role as the principal construction arm of the Lagenda Group, the Target Companies are expected to continue benefiting from a pipeline of construction contract awards from the Lagenda Group beyond the FYE 2027 and FYE 2028, which is expected to support the sustainability of their earnings thereafter. In addition, the Proposed Acquisitions are expected to result in a larger construction-based entity with improved operational efficiency and enhanced operational synergies as discussed in item (ii) below, which will allow the Enlarged Epicon Group to broaden its customer base by pursuing construction opportunities from third-party property developers and other external customers which is currently undertaken by Epicon Group, the benefits of which are strategic in nature and are expected to persist beyond the FYE 2027 and FYE 2028.

Further, the total assets of the Epicon Group will also increase from RM268.14 million (audited as at 31 December 2025) to RM652.20 million (based on pro forma consolidated statement of financial position as at 31 December 2025) after the completion of the Proposed Acquisitions. The summary of the Pro Forma Consolidated Statements of Financial Position of the Enlarged Epicon Group's (excluding the effects of the Profit Guarantee) are as follows:

	Audited FYE 2025 (RM'000)	**After the RCPS Conversion (RM'000)**	**After the Proposed Acquisitions, Proposed Call Option and Proposed Private Placement* (RM'000)**
Total assets	268,137	268,137	652,197
Total liabilities	170,881	170,881	430,843
Total equity	97,256	97,256	221,354
NA attributable to owners of the Company	87,444	87,444	133,438

Note:

* *After the completion of the Proposed Acquisitions, issuance of the Call Option and the Proposed Private Placement (which shall be completed concurrently with the Proposed Acquisitions) but before the exercise of the Call Option.*

In view of the foregoing, we are of the view that the Proposed Acquisitions will enhance the Epicon Group's earnings and financial scale, as reflected by the increase in its asset and equity bases, following the consolidation of the Target Companies' financial results after the completion of the Proposed Acquisitions.

We are of the view that the potential benefits arising from the exercise of the Call Option are further illustrated by the increase in illustrative PAT attributable to owners of the Company from RM75.41 million to RM123.01 million, reflecting Epicon's increase in its attributable equity interest in the Target Companies from 60% to 100% and, consequently, its entitlement to a greater proportion of the Target Companies' earnings, thereby increasing the proportion of earnings attributable to the shareholders of the Company. However, the shareholders should also take into consideration the corresponding increase in the number of Epicon Shares in issue, which results in a marginal reduction in EPS from 1.75 sen to 1.73 sen. Accordingly, while the exercise of the Call Option would increase the absolute earnings attributable to the owners of the Company, it would not result in an increase in EPS based on the assumptions above.

In addition, we are of the view that the potential earnings enhancement is subject to the Target Companies achieving the Profit Guarantee and, in respect of the additional earnings attributable to the remaining 40% equity interest, the exercise of the Call Option and fulfilment of the relevant conditions under the SSA. In the event of any shortfall in the Profit Guarantee, the Cash Top-Up mechanism and the Pledged Shares provide a degree of contractual protection to the Company to recover the shortfall from the Vendor.

Shareholders should note that the mitigating measures as discussed above in respect of, among others, the achievability of projected earnings of the Target Companies over the projection period, including the Profit Guarantee, reduce, but do not eliminate, the risks arising from the Proposed Acquisitions such as the permanent dilution in the shareholdings of the existing shareholders' shareholdings in the Company immediately upon issuance of the Consideration Shares, reliance on future contract replenishments to support the sustainability of the earnings of the Target Companies and limited duration of the Profit Guarantee

(ii) Improve the operational efficiency and enhance operational synergies of the Enlarged Epicon Group

The Proposed Acquisitions enable the consolidation of operations of the Target Companies with the Epicon Group as well as their respective resources and technical expertise for the markets that they currently served. The Epicon Group currently mainly serves developers and main contractors while the Target Companies are construction arm predominantly undertaking construction works for the Lagenda Group's property development projects.

In view of the foregoing, we are of the view that the combined resources, technical experience and expertise of the Enlarged Epicon Group as well as the integration of operations, streamlining of processes, optimisation of organisational structures and alignment of systems across the Enlarged Epicon Group will enable the Enlarged Epicon Group to improve its operational efficiency and to gain and leverage from potential synergies arising from greater economies of scale.

(iii) Settlement of the Purchase Consideration via the issuance of the Consideration Shares and the Consideration RCPS A will allow the Company to conserve its cash reserves while ensuring the Company to continue to comply with the Public Spread Requirement

The Purchase Consideration of RM543.16 million shall first be partly satisfied by the Set-Off Arrangement, the payment obligation of which will be assumed by Epicon [(i)], and the remaining amount of the Purchase Consideration of RM417.34 million shall be satisfied via a combination of Consideration Shares and Consideration RCPS A. In evaluating the rationale of the Proposed Acquisition, we have also considered other methods of settlement and whether the settlement of the Purchase Consideration via the Set-Off Arrangement, issuance of the Consideration Shares and the Consideration RCPS A are the most appropriate method to settle the Purchase Consideration and in the best interest of the Company.

Note:

(i) The details of the Related Party Advances are set out under Section 2.1 of the Circular and currently bear interest at the rate of 5.5% per annum. Such interest rate will continue to apply following the assumption by Epicon of the payment obligation of the Related Party Advances, unless otherwise agreed between Epicon and the Target Companies in compliance with the applicable transfer pricing requirements. The Related Party Advances were utilised to fund Lagenda Group's property development projects. As at the LPD, all interest accrued on the Related Party Advances has been fully settled.

The Related Party Advances were fixed at RM125.82 million as at the date of the SSA for the purposes of the Set-Off Arrangement. In accordance with the terms of the SSA, any additional related party advances incurred thereafter up to the completion date of the SSA will be settled in cash by the Lagenda Group and will not form part of the Set-Off Arrangement such that there will no longer be any outstanding related party balances between Lagenda Group and the Target Companies following the completion of the Proposed Acquisitions. As at the LPD, the amount of the Related Party Advances remains unchanged, comprising RM105.14 million aged for a period of 1 year or less and RM20.68 million aged for a period of more than 1 to 3 years.

Post completion of the Proposed Acquisitions, as the Target Companies will become 60%-owned subsidiaries of Epicon, the Related Party Advances will become intra-group balances and will be eliminated upon consolidation in the financial statements of the Epicon Group. In the event there are advances/guarantees to be provided by the Target Companies to the Enlarged Epicon Group following the completion of the Proposed Acquisitions, it will comply with the provisions of the Listing Requirements, where applicable.

We note that the Set-Off Arrangement is intended to facilitate the settlement of the Purchase Consideration and to reduce Epicon's cash payout. Instead of paying a Purchase Consideration of RM543.16 million, which included the Related Party Advances, Epicon is only required to pay a Purchase Consideration of RM417.34 million by assuming the payment obligation of the Related Party Advances. We are of the view that the Set-Off Arrangement does not give rise to any material credit, recovery or impairment risks to Epicon, as the Related Party Advances will be assumed by Epicon upon completion of the Proposed Acquisitions and set-off against the Purchase Consideration payable.

Nevertheless, Epicon will incur interest at 5.5% per annum on the Related Party Advances following completion. In this regard, we have considered the 5.5% interest rate against Epicon's prevailing cost of borrowings and is of the view that such rate is comparable to Epicon's prevailing borrowing cost of between 3.45% and 7.45% per annum, being the effective interest rate range for the Group's existing term loans in FYE 2025. Accordingly, the financing cost arising from the assumption of the Related Party Advances is not expected to result in any material downside risk to Epicon.

The Epicon Group's cash and cash equivalents as at 30 June 2026 is approximately RM27.78 million (unaudited), which is significantly lower than the Purchase Consideration of RM543.16 million. As such, the Epicon Group does not have sufficient cash resources to settle the Purchase Consideration in cash and would need to utilise alternative sources of funding to finance the Proposed Acquisitions such as bank borrowings and/or fund-raising exercise such as rights issue.

Based on the Group's current financial performance and financial position, and taking into consideration the Purchase Consideration of RM543.16 million, the Company's ability to obtain additional bank borrowings to fund the Purchase Consideration may be limited subject to, among others, its existing borrowings and debt servicing capacity. As at 31 December 2025, the Group had total borrowings of RM89.25 million against total equity of RM97.26 million, representing a gearing ratio of approximately 0.92 times.

Assuming that the Group is able to obtain new borrowings to settle the Purchase Consideration of RM543.16 million, such additional borrowings would significantly increase the Group's financial leverage and result in estimated annual interest expenses of approximately RM29.60 million, based on an assumed interest rate of 5.45% per annum, being the median of the effective interest rate range for the Group's existing term loans in FYE 2025 (i.e. between 3.45% and 7.45% per annum). The substantial increase in interest costs will reduce the anticipated earnings benefit from the Proposed Acquisitions. Further, the additional borrowings may result in additional financial covenants and borrowing requirements, which could constrain the Group's financial flexibility moving forward.

Apart from obtaining bank borrowings as detailed above, the Company may undertake fund-raising exercise such as rights issue to fund the Purchase Consideration. However, reliance on rights issue will not provide certainty to the implementation of the Proposed Acquisitions as the actual amount of proceeds raised may not be adequate to fund the Purchase Consideration as it is dependent on the subscription rate by the Company's shareholders. Further, the existing shareholders' shareholdings in the Company may also be subject to dilution to the extent of their respective entitlements under the rights issue are not subscribed for.

In view of the foregoing and after taking into consideration the amount of the Purchase Consideration of RM543.16 million which is significant for the Epicon Group, we are of the view that the settlement of the Purchase Consideration via the combination of Set-Off Arrangement, issuance of the Consideration Shares and the Consideration RCPS A pursuant to the Proposed Acquisitions will allow the Company to facilitate the Proposed Acquisitions without incurring additional interest costs and principal repayment obligations associated with bank borrowings, thereby conserving its cash reserves necessary for the Enlarged Epicon Group's working capital and operational needs, while providing certainty to the implementation of the Proposed Acquisitions, maintaining its gearing at a manageable level and ensuring the Company to continue to comply with the Public Spread Requirement, i.e. the Company's public shareholding spread upon completion of the Proposed Acquisitions (together with the Proposed Private Placement which shall occur simultaneously) is 26.66%. For illustrative purpose only, in the event the Purchase Consideration is fully settled via issuance of Consideration Shares only (assuming no issuance of Consideration RCPS A), the Company's public shareholding spread would be 18.29% after the Proposed Acquisitions (together with the Proposed Private Placement which shall occur simultaneously) which is below the threshold of the Public Spread Requirement.

The shareholdings of the non-interested shareholders will be diluted significantly from 87.42% as at the LPD to 26.66% upon the completion of the Proposed Acquisitions (issuance of the Consideration Shares) and Proposed Private Placement, and will be further diluted to 25.54% upon conversion of the Option Consideration RCPS A. The issuance of the Consideration RCPS A enables the Company to manage the dilutive effect on its EPS, as the dilution will only arise upon conversion of the Consideration RCPS A, as compared to Consideration Shares. As illustrated on Section 11.4 of Part A of the Circular, the Epicon Group's pro forma EPS after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement is 2.55 sen, which will be diluted to 1.75 sen after the full conversion of Consideration RCPS A but before the exercise of the Call Option. In assessing the significant increase in the number of issued Shares and dilution of existing non-interested shareholders' shareholdings in the Company due to the issuance of new Epicon Shares upon completion of the Proposed Acquisitions which is immediate and irreversible, we have considered that the Consideration Shares and Consideration RCPS A are issued as part of the settlement of the Purchase Consideration for the acquisition of 60% controlling equity interest in the Target Companies, upon completion of which, Epicon will immediately gain control over the ownership and economic interest in the Target Companies, including their existing business operations, assets, outstanding order book and future earnings attributable to such equity interest, and that the settlement through the Consideration Shares and Consideration RCPS A being the most viable options after having considered the existing cash position and various possible alternatives such as bank borrowings and/or fund-raising exercise as detailed above. Further, the Proposed Acquisitions provide opportunities to the Company's shareholders to acquire the Target Companies at the Purchase Consideration which is assessed to be fair based on our assessments as set out in Section 6.2 of this IAL, including the valuation based on the DCF Method, RVA and CTA (as defined in Section 6.2 of this IAL) as well as achievability of the Profit Guarantee, and commensurate with the value of the 60% equity interests acquired in the Target Companies pursuant to the Proposed Acquisitions after taking into consideration the bases and assumptions as well as factors as detailed in Section 6.2 of this IAL. The Proposed Acquisitions are expected to be earnings-accretive to the Company as the EPS for each Share held by the Company's existing shareholders is expected to increase from 0.64 sen to 2.55 sen (after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) and to 1.75 sen (after the full conversion of Consideration RCPS A but before the exercise of the Call Option) as detailed in Section 6.6.4 of this IAL. However, it should be noted that our opinion on the fairness and reasonableness of the Proposed Acquisitions is based on the information available as at the LPD and the assessment of the transaction terms, underlying value and relevant risks at that material time. It does not constitute an assurance that the Projections or the illustrated EPS accretion will be achieved. In this regard, for strictly for illustration purposes, as the future unsecured contracts remains uncertain in terms of the Projections which will significantly impact the valuation of the Target Companies, a sensitivity analysis of the valuation based on DCF method to the assumed changes in the cashflow from construction contracts in the Projections which remain unsecured as at the Valuation Date is as set out in Section 6.2.1 of this IAL. In addition, if a larger value of construction contracts in the Projections which remain unsecured as at the LPD are not subsequently secured by the Target Companies, the Target Companies' equity value would be significantly affected. As such, a subsequent shortfall against the illustrated EPS would not, in itself, establish that the transaction terms were unfair or unreasonable at the outset. Nevertheless, sustained underperformance after the FYE 2027 and FYE 2028 could reduce the value of the acquired businesses and the economic benefits attributable to the non-interested shareholders in the Target Companies, while their reduced proportionate ownership and voting interests would remain and not reversible.

In addition, we also note that such illustrated earnings or EPS accretion arising from the Proposed Acquisitions is mainly supported by the Profit Guarantee which provides contractual safeguard in respect of the Target Companies' earnings during the FYE 2027 and FYE 2028 but does not eliminate the post-period risks of the Proposed Acquisitions such as the timely execution of the contracts for ongoing projects, order book replenishments and ability to maintain the level of profitability. Further details on the Profit Guarantee and assessment on its achievability are set out in Section 6.8.6 of this IAL. You should note that any compensation received by Epicon in respect of the Profit Guarantee does not restore the non-interested shareholders' proportionate ownership or voting interests, nor does the Profit Guarantee provide protection against underperformance beyond the FYE 2027 and FYE 2028.

We noted that based on the terms and conditions of the SSA, the issuance and allotment of new Epicon Shares arising from the RCPS Conversion shall be completed prior to the issuance and allotment of the Consideration Shares and the Placement Shares, while the Consideration RCPS A will only be issued and allotted thereafter. Accordingly, the total number of Consideration RCPS A to be issued and allotted pursuant to the Proposed Acquisitions complies with Paragraph 6.50 of the Listing Requirements where the total number of new Epicon Shares which will arise from the conversion of all the Consideration RCPS A will not exceed 50% of the total number of issued Epicon Shares (excluding treasury shares and before the exercise of convertible securities) at all times.

We further noted that the conversion of the Consideration RCPS A is an optional conversion, which is subject to the terms and conditions of the Consideration RCPS A. Epicon is entitled to reject any conversion notice issued by Lagenda to the extent that Epicon will not be in compliance with the Public Spread Requirement and convert such number of remaining RCPS A on the maturity date provided that the collective shareholdings of such holder and its persons connected do not result in non-compliance with the Public Spread Requirement. Any remaining RCPS A not converted shall be redeemed by Epicon in cash at 100% of their nominal value. In the event a material portion of the Consideration RCPS A cannot be converted due to non-compliance with the Public Spread Requirement, Epicon would need to fund the cash redemption for the unconverted Consideration RCPS A of up to RM175.91 million (being the redemption price for up to 1,353,190,292 Consideration RCPS A) from its internally generated funds and/or bank borrowings.

Shareholders should note that a significant cash redemption obligation could impact Epicon's cash flow and financial position, and there is no assurance that sufficient internal funds will be available without recourse to external fund. The quantum of such cash redemption will be reduced by the extent of Lagenda's ability to undertake an offer for sale of Epicon Shares to the Public Shareholders of Epicon prior to the conversion of the Consideration RCPS A.

Upon completion of the Proposed Acquisitions, the scale of operations of the Epicon Group is expected to increase significantly, particularly in terms of the number and value of construction projects undertaken, with the combined outstanding order book of the Epicon Group and the Target Companies amounted to approximately RM2.07 billion, comprising 111 ongoing construction projects as at the LPD. The enlarged order book is expected to require the Enlarged Epicon Group to deploy additional working capital to support the execution of its construction projects, including upfront and ongoing expenditures for raw materials, labour and sub-contractor costs, as well as other project-related operating expenses, before the corresponding progress billings and payments are received from the project owners.

In this regard, the amount of working capital to be raised from the Proposed Private Placement are expected to ensure the Enlarged Epicon Group is able to execute its construction projects in a timely manner without any disruption. We noted that the Proposed Private Placement will raise gross proceeds of RM31.20 million of which RM11.88 million is earmarked for the working capital. The Company intends to utilise the said proceeds for the funding of the working capital requirements of two major ongoing construction projects currently undertaken by the Group, namely PR1MA Kuantan and Meru Raya Apartment 2, as follows:

Description	RM'000
Raw material and labour costs	8,680
Sub-contractor costs	3,200
Total	**11,880**

The proceeds for the working capital are expected to be utilised within 12 months from the listing of the Placement Shares. The allocation is intended to support the cash flow requirements of the Enlarged Epicon Group during the execution of these projects and enable the projects to progress in accordance with their respective construction schedules. The working capital requirement is necessary as construction activities generally require the Group to incur costs progressively throughout the project execution period, while the recovery of such costs through progress billings is subject to the achievement of the relevant stages of work and subsequent certification and payment by the project owners.

We note that PR1MA Kuantan and Meru Raya Apartment 2 are existing projects of the Epicon Group that commenced prior to completion of the Proposed Acquisitions. Nonetheless, the proceeds raised from the Proposed Private Placement provide additional liquidity to the Enlarged Epicon Group and forms part of its available working capital (in addition to its cash and financing facilities) to support the expected enlarged scale of operations of the Enlarged Epicon Group. While the Proposed Private Placement proceeds are formally earmarked for these two projects, their utilisation frees up the Group's internal cash resources that would otherwise fund these projects, thereby allowing such resources to be redeployed towards the working capital needs of the enlarged order book of the Enlarged Epicon Group, which increased significantly to an order book of approximately RM2.07 billion across 111 ongoing projects following the Proposed Acquisitions.

Accordingly, the additional working capital is expected to provide the Enlarged Epicon Group with sufficient liquidity to meet its project-related obligations as they fall due and minimise the risk of delays or disruptions to the execution of its construction projects.

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Proposed Call Option

We take note of the rationale of the Proposed Call Option as set out in Section 9.2 of Part A of the Circular, and our commentaries are as follows:

TA Securities' comments on the reasonableness of the rationale of the Proposed Call Option

Our evaluation of the rationale of the Proposed Call Option is as follows:

(i) Allows Epicon to manage and optimise cash flows by deferring a relatively substantial portion of the acquisition cost

The Proposed Acquisitions allow Epicon to gain immediate control of the Target Companies by owning 60% equity interests in the Target Companies while retaining the option to take full control of the Target Companies at a later date should Epicon decides so pursuant to the Proposed Call Option which is exercisable within a period of thirty (30) months after the Profit Guarantee Determination Date ("**Call Option Period**") at a pre-determined price, i.e. the Option Consideration.

In view of the foregoing, we are of the view that the Proposed Call Option enables Epicon to defer the acquisition of the remaining 40% equity interests in the Target Companies within the Call Option Period and does not necessitate Epicon to incur significant acquisition cost to acquire the entire equity interests in the Target Companies of up to RM905.27 million as compared to the acquisition of the 60% equity interests in the Target Companies pursuant to the Proposed Acquisitions with Purchase Consideration of RM543.16 million.

(ii) Provide reasonable timeframe and opportunity to both Epicon and Lagenda to undertake necessary steps to address the Public Spread Requirement

In view of the Company's intention to conserve its cash reserves necessary for the Enlarged Epicon Group's working capital to undertake its construction projects, the issuance of such number of new Shares to acquire the entire equity interests of the Target Companies (which is valued at up to RM905.27 million) would result in the Company not being able to meet the Public Spread Requirement.

In view thereof, we are of the view that the Proposed Call Option which defers the acquisition of the remaining 40% equity interests in the Target Companies within the Call Option Period while the Company first acquires the 60% equity interests in the Target Companies pursuant to the Proposed Acquisitions, allows both the Company and Lagenda to take the necessary steps, which may include but not limited to the Company placing Shares to public shareholders and/or Lagenda paring down its equity interests over a period of time via secondary placements or offer for sale to public shareholders, to ensure the Company is in compliance with the Public Spread Requirement at all times.

In this regard, Lagenda is assumed to pare down its equity interests in Epicon progressively through the disposal of an aggregate of 1,024,000,000 Epicon Shares to the Public Shareholders at the relevant stages of the Proposals, comprising 295,000,000 Epicon Shares prior to the full conversion of the Consideration RCPS A, 365,000,000 Epicon Shares prior to the exercise of the Proposed Call Option and 364,000,000 Epicon Shares prior to the full conversion of the Option Consideration RCPS A, as follows:

	As at the LPD	(I) After the RCPS Conversion	(II) After (I) and the Proposed Acquisitions and the Proposed Private Placement	(III) After (II) and assuming full conversion of the Consideration RCPS A[(a) (b)]	(IV) After (III) and the Proposed Call Option[(c) (d)]	(V) After (IV) and assuming the full conversion of the Option Consideration RCPS A[(e)]
Public shareholding spread (%)	87.42	63.75	26.66	25.13	25.40	25.54

Notes:

(a) Assuming that 295,000,000 Epicon Shares held by Lagenda are sold to the Public Shareholders of Epicon pursuant to the offer for sale prior to the full conversion of the Consideration RCPS A.

(b) Assuming that all 1,353,190,292 Consideration RCPS A are fully converted.

(c) Assuming that the Option Consideration is settled via the issuance of 1,392,714,200 Option Consideration Shares and 1,392,714,200 Option Consideration RCPS A.

(d) Assuming that 365,000,000 Epicon Shares held by Lagenda are sold to the Public Shareholders of Epicon prior to the exercise of the Proposed Call Option in order to be in compliance with the Public Spread Requirement.

(e) Assuming that 364,000,000 Epicon Shares held by Lagenda are sold to the Public Shareholders of Epicon prior to the full conversion of the Option Consideration RCPS A in order for Epicon to be still in compliance with the Public Spread Requirement following the conversion of the Option Consideration RCPS A.

We are of the view that the abovementioned measures are highly likely to be successfully implemented to address the Public Spread Requirement due to the favourable prospects of the Enlarged Epicon Group after the Proposed Acquisitions subject to the price of the Epicon Shares to be placed out by Lagenda at the relevant point in time as indicated above. Furthermore, Epicon is entitled to reject any conversion notice issued by Lagenda to the extent that such conversion of the Consideration RCPS A and/or the Option Consideration RCPS A would result in Epicon not being in compliance with the Public Spread Requirement. Accordingly, Epicon is also able to prevent any conversion of the Consideration RCPS A and/or the Option Consideration RCPS A to the extent that such conversion would cause the public shareholding spread of Epicon to fall below the Public Spread Requirement.

(iii) Provide flexibility to the Company to exercise the Proposed Call Option

We note that the Option Consideration of up to RM362.11 million (or up to RM186.76 million and up to RM175.35 million for RUSB and LPBC respectively), may be satisfied via a combination of cash, issuance and allotment of Option Consideration Shares and/or Option Consideration RCPS A, which provides flexibility to the Company to exercise the Proposed Call Option while ensuring compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements by the Company.

Therefore, in evaluating the rationale of the Proposed Call Option, we have also considered the mode of settlement of the Option Consideration.

Cash settlement

The settlement of the Option Consideration in cash would be dependent on the Company's cash and bank balances at the time of exercising the Call Option. In the event that the Company has sufficient surplus cash and bank balances after taking into consideration its working capital requirements, the Company may opt to settle part of the Option Consideration in cash, thereby reducing the potential dilution arising from the issuance of securities.

Nevertheless, cash settlement will only be considered by the Company to the extent that it does not adversely affect the Company's liquidity position or its ability to meet its ongoing working capital and day-to-day operational requirements.

Option Consideration Shares

The settlement of the Option Consideration through the issuance of Option Consideration Shares would reduce the need for a substantial cash outlay by the Epicon Group and preserve its cash reserves for the working capital requirements of the Enlarged Epicon Group.

Notwithstanding the above, the Company will take into consideration the potential dilution arising from the issuance of the Option Consideration Shares, as well as the need to maintain compliance with the Public Spread Requirement prior to the issuance of the Option Consideration Shares.

Option Consideration RCPS A

The settlement of the Option Consideration through the issuance of Option Consideration RCPS A would mitigate the immediate dilutive impact on the Company's EPS compared to the issuance of Option Consideration Shares, while providing the Company with greater flexibility to manage its compliance with the Public Spread Requirement, and when considered together with Option Consideration Shares, the compliance with Paragraph 6.50 of the Listing Requirements.

We note that the exact proportion of the aforementioned mode of settlement has yet to be determined at this juncture and the Company will take into consideration on the Company's public shareholding spread, the number of new Epicon Shares which will arise from the exercise of the Consideration RCPS A in issuance as well as available cash and financing facilities of the Epicon Group at the point the Call Option is exercised at the Company's sole discretion. This provides flexibility to the Company in exercising the Proposed Call Option if it decides to do so.

(iv) Provide flexibility for Epicon to assess the Target Companies before committing for further acquisition

We note that the Call Option may be exercisable by the Company in tranches (subject to a maximum equity interest of 40%), at any time within the Call Option Period by serving a call option notice to Lagenda, subject to the Call Option Conditions. Prior to exercising the Call Option, the Company shall obtain a confirmation from an approved adviser, which will be appointed at such future point in time, to provide their views on the Company's compliance with the Call Option Conditions.

We also note that the Call Option must be exercised simultaneously for both Target Companies and we have taken into consideration that the Proposed Acquisitions and the Proposed Call Option were negotiated and structured on a combined basis, whereby the Target Companies were collectively evaluated and valued for purposes of determining the Purchase Consideration and Option Consideration. Further, the Profit Guarantee is provided on a combined basis and, in determining the Adjusted Option Consideration, the actual average audited combined PAT of the Target Companies is applied against the Agreed Implied P/E Multiple of 7.61 times. Accordingly, the simultaneous exercise requirement ensures that the acquisition of the Remaining Sale Shares is consistent with the basis on which the Target Companies were collectively valued, the Option Consideration was determined and the Profit Guarantee was negotiated.

The Company will decide as to whether to exercise the Call Option at such time in the future after evaluating, among others, the Target Companies' financial and business performance as well as their prospects and the Company's compliance with the Call Option Conditions at that point in time, including the Target Companies' revenue, PAT, remaining order book, contracts under tender/negotiation, performance of the Profit Guarantee, as well as the Lagenda Group's property development pipeline.

In the event that the Profit Guarantee is not met but the Company nonetheless decides to exercise the Call Option, the Adjusted Option Consideration mechanism under the SSA will take effect, pursuant to which the Option Consideration is adjusted downward based on the Target Companies' actual average audited combined PAT for the FYE 2027 and FYE 2028, instead of the Average Profit Guarantee of RM119.00 million, multiplied by the Agreed Implied P/E Multiple of 7.61 [(1)] times and the percentage equity interest acquired. This adjusts the purchase price for the remaining 40% equity interest to reflect the Target Companies' actual, rather than guaranteed, earnings achieved during the FYE 2027 and FYE 2028, thereby mitigating the risk of the Company overpaying based on an unmet earnings target. Accordingly, a lower-than-guaranteed PAT would result in a correspondingly lower Option Consideration which shall reflect the actual lower level of earnings of the Target Companies at the point of exercise of the Call Option, should the Call Option be exercised despite the shortfall.

Note:

(1) Being the Agreed Implied P/E Multiple (as defined in Section 2.3 of Part A of the Circular) of 7.61 times.

We are of the view that the Agreed Implied P/E Multiple of 7.61 times for the Call Option is deemed to be fair and reasonable as it falls within the P/E Multiple range of the Comparable Companies under the RVA and CTA as assessed in Section 6.2.2 of this IAL, in view that the terms of the Call Option is agreed upfront as part of the SSA and that the Adjusted Option Consideration factored in consequence of the actual average PAT for the FYE 2027 and FYE 2028 being lower than the Average Profit Guarantee for the purpose of the Call Option as detailed above.

We also note that the Call Option shall lapse upon the expiry of the Call Option Period and any Remaining Sale Shares not acquired pursuant to the Call Option shall remain with Lagenda.



In view of the foregoing, we are of the view that the Proposed Call Option provides the Company with the flexibility to assess the Target Companies' financial and business performance and prospects before committing to further acquisition of the remaining 40% equity interests in the Target Companies. It also enables the Company to acquire additional equity interest at a predetermined exercise price and participate in the potential future growth and earnings of the Target Companies, should their performance meet the Company's expectations. Accordingly, the Proposed Call Option allows the Company to make a more informed investment decision and mitigates the risk of committing additional capital before the Target Companies' performance and prospects are sufficiently demonstrated. Furthermore, the Call Option is exercisable at the sole discretion of the Company and not mandatory (i.e. it does not form an obligation for the Company). The illustrative PAT attributable to owners of the Company will increase from RM75.41 million (after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) to RM123.01 million (after the full exercise of the Call Option), upon consolidation of the PAT attributable to the remaining 40% equity interests in the Target Companies.

Notwithstanding the above, the exercise of the Call Option and settlement of the Option Consideration through the issuance of Option Consideration Shares and/or Option Consideration RCPS A may result in dilution to the existing non-interested shareholders' shareholdings in the Company and the EPS. The extent of such dilution would depend on the number and type of securities ultimately issued and the mode of settlement adopted by the Company, as discussed in Note (iii) above. The Epicon Group's EPS will decrease slightly from 1.75 sen to 1.73 sen due to the increase in the number of Epicon Shares in issue after the issuance of the Option Consideration Shares and conversion of Option Consideration RCPS A as illustrated in Sections 6.6.4 of this IAL. Such dilution to the Epicon Group's EPS will be greater in the event the Company decides to exercise the Call Option even when the Target Companies' actual earnings are lower than the Profit Guarantee.

Proposed Exemption 1

We take note of the rationale of the Proposed Exemption 1 as set out in Section 9.3 of Part A of the Circular, and our commentaries are as follows:

TA Securities' comments on the reasonableness of the rationale of the Proposed Exemption 1

Our evaluation of the rationale of the Proposed Exemption 1 is as follows:

(i) Relieve Doh Properties and the MGO 1 PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them arising from the RCPS Conversion

We note that, pursuant to the terms of the RCPS, all outstanding RCPS will be mandatorily converted into new Epicon Shares on the maturity date. The redemption of the RCPS, on the other hand, is at the sole discretion of Epicon during the tenure of the RCPS and is not an automatic requirement upon maturity. Pursuant to the Doh Properties RCPS Undertaking Letter, Doh Properties undertakes that it will convert all the outstanding 233,000,000 RCPS into 233,000,000 new Epicon Shares prior to the date of completion of the Proposed Acquisitions. The RCPS Conversion is undertaken upfront and save for the Proposed Exemption 1, it is not conditional upon the other corporate exercises in the Proposals, in order to avoid delays from the other parts of the Proposals especially given the RCPS Maturity Date is on 29 December 2026. This also provides greater certainty over Epicon's capital structure prior to completion of the Proposed Acquisitions.

Upon completion of the RCPS Conversion, the direct shareholding of Doh Properties in the Company will increase from 10.68% to 34.86%, and the collective shareholding of Doh Properties and the MGO 1 PACs in the Company will increase from 12.58% to 36.25%.

As the individual shareholding of Doh Properties and collective shareholding of Doh Properties and the MGO 1 PACs in the Company will increase to more than 33% of the enlarged issued Shares after the RCPS Conversion, Doh Properties and the MGO 1 PACs will trigger a MGO obligation pursuant to subsection 218(2) of the CMSA, read together with subparagraph 4.01(a) of the Rules.

As it is not the intention of Doh Properties and the MGO 1 PACs to undertake a MGO for all the remaining Epicon Shares not already owned by them after the RCPS Conversion, Doh Properties and the MGO 1 PACs will be seeking the approval of the SC for the Proposed Exemption 1, subject to the approval being obtained from the non-interested shareholders of Epicon at the forthcoming EGM.

In the event the Proposed Exemption 1 is not approved, the RCPS Conversion will not be implemented. Under such circumstances:

(a) Doh Properties may partially convert a portion of the RCPS to ensure its total shareholding does not exceed the 33% MGO threshold and for Epicon to redeem all remaining unconverted RCPS prior to the RCPS Maturity Date. For illustration purposes, assuming Doh Properties converts 180.00 million RCPS, the shareholdings of Doh Properties and the MGO 1 PACs shall remain below 33.00% and the remaining 53.00 million RCPS with nominal value of RM5.30 million shall be redeemed by Epicon via internally generated funds and/or borrowings; or

(b) Epicon to mandatorily convert the RCPS in full on the RCPS Maturity Date, resulting in Doh Properties triggering a MGO in compliance with the Rules ("**Full Conversion Route**").

Under the Full Conversion Route, the RCPS Conversion will increase the individual and collective shareholdings of Doh Properties and the MGO 1 PACs to above 33.00%. This will trigger a mandatory obligation to extend a conditional MGO to acquire all remaining Epicon Shares not owned by Doh Properties and the MGO 1 PACs ("**Offer Share(s)**") at a cash consideration of RM0.10 per Offer Share, which represents the RCPS conversion price. We note that the offer price of RM0.10 per Offer Share is in accordance with the subparagraph 6.03(1) of the Rules, which require the offer price for a MGO at a price no lower than the highest price paid by Doh Properties and the MGO 1 PACs for Epicon Shares in the past 6 months preceding the commencement of the offer period. In this regard, Doh Properties and the MGO 1 PACs had not acquired any Epicon Shares in the past 6 months prior to the announcement of the Proposals and up to the LPD.

If the Full Conversion Route is pursued, Doh Properties requires approximately RM54.85 million to satisfy full acceptance under the MGO, which is expected to be funded by Doh Properties and/or the MGO 1 PACs through a combination of bank borrowings and existing cash reserves and will ensure sufficient financial capability to fulfil the MGO. If the MGO is undertaken and receives full acceptance, it will reduce the public shareholding spread of Epicon. The exact impact of the MGO on the share trading liquidity of Epicon cannot be determined at this juncture, as the final public shareholding spread will depend on the actual level of acceptances received under the MGO; or

(c) Epicon to redeem all the outstanding 233,000,000 RCPS prior to the RCPS Maturity Date, in which the redemption amount would be up to RM23.30 million (assuming all outstanding RCPS are redeemed in full at redemption price of RM0.10 per RCPS) payable in cash to Doh Properties where the source of funds will be a combination of internally generated funds and/or bank borrowings, the exact proportion of which can only be determined closer to the redemption date should such situation occur.

We note that the redemption by Epicon would be subject to the availability of cash and bank balances of Epicon Group at that point in time, with alternative financing arrangements to be considered, if required. Based on Epicon Group's audited financial statements for the FYE 2025, Epicon Group had cash and bank balances of RM29.64 million. The Company may exhaust its cash and bank balances to redeem the RCPS, however, that will significantly reduce its liquidity for its working capital requirements which may affect the timely execution of its construction activities.

(ii) Ensure the successful completion of the Proposed Exemption 2, the Proposed Acquisitions, the Proposed Call Option, the Proposed Amendments and the Proposed Private Placement

In view that the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement, Proposed Amendments and Proposed Exemption 2 are conditional upon the Proposed Exemption 1, and that the RCPS Conversion is conditional upon the Proposed Exemption 1, without the Proposed Exemption 1, the RCPS Conversion as well as the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments will not be implemented. Accordingly, Epicon will not be able to realise the potential benefits of the Proposed Acquisitions, Proposed Call Option and Proposed Private Placement.

However, if the non-interested shareholders of Epicon approve the Proposed Exemption 1 but do not approve the Proposed Exemption 2, Doh Properties will proceed with the RCPS Conversion but the shareholders of Epicon will not be able to realise the potential benefits of the Proposed Acquisitions, Proposed Call Option and Proposed Private Placement.

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Proposed Exemption 2

We take note of the rationale of the Proposed Exemption 2 as set out in Section 9.3 of Part A of the Circular, and our commentaries are as follows:

TA Securities' comments on the reasonableness of the rationale of the Proposed Exemption 2

Our evaluation of the rationale of the Proposed Exemption 2 is as follows:

(i) Relieve Lagenda and the MGO 2 PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them arising from the completion of the Proposed Acquisitions

Pursuant to the SSA, the issuance and allotment of the Consideration Shares to Lagenda, shall only occur following the completion of the RCPS Conversion and will be issued concurrently with the Placement Shares.

Upon issuance and allotment of the 1,857,142,857 Consideration Shares to Lagenda as part of the settlement of the Purchase Consideration as well as the issuance and allotment of the 240,000,000 Placement Shares, the individual shareholding of Lagenda in the Company will increase from nil to 62.79%, and the collective shareholding of Lagenda and the MGO 2 PACs will increase from 36.25% to 73.34%.

As the individual shareholding of Lagenda will increase to more than 33% of the enlarged issued Epicon Shares and the collective shareholdings of Lagenda and the MGO 2 PACs will increase by more than 2% of the enlarged issued Shares within a six (6) month period, i.e. the Creeping Threshold, Lagenda and the MGO 2 PACs will trigger a MGO obligation pursuant to subsection 218(2) of the CMSA, read together with subparagraphs 4.01(a) and 4.01(b) of the Rules.

As it is not the intention of Lagenda and the MGO 2 PACs to undertake the MGO for all the remaining Epicon Shares not already owned by them after the Proposed Acquisitions, Lagenda and the MGO 2 PACs will be seeking the approval of the SC for the Proposed Exemption 2, subject to approval being obtained from the non-interested shareholders of Epicon at the forthcoming EGM.

The approval of the Proposed Exemption 2 would imply that the non-interested shareholders agree to waive their rights to and exempt Lagenda and the MGO 2 PACs from the obligation to undertake the MGO *(which shall be undertaken at a price no lower than the highest price paid by Lagenda and the MGO 2 PACs for Epicon Shares in the past 6 months preceding the commencement of the offer period)* as a result of the Proposed Acquisitions. As such, Lagenda and the MGO 2 PACs will be able to increase their shareholdings in Epicon without incurring an obligation to make a MGO upon completion of the Proposed Acquisitions. The shareholdings of the non-interested shareholders of the Company will decrease from 87.42% as at the LPD to 26.66% upon the completion of the Proposed Acquisitions (issuance of the Consideration Shares) and Proposed Private Placement, and will be further diluted to 25.54% upon conversion of the Option Consideration RCPS A. The non-interested shareholders, by continuing to hold Epicon Shares after the Proposed Acquisitions, will be able to continue to participate in the growth of the much larger Enlarged Epicon Group and benefit from the potential higher earnings as detailed below.

Whilst the issuance of the Consideration Shares is expected to be dilutive in respect of the non-interested shareholders' shareholdings in the Company, but the dilution impact will be mitigated by the anticipated benefits of the Proposed Acquisitions which will contribute positively to the Epicon Group's earnings and EPS as supported by the Profit Guarantee and as detailed in Section 6.6 of this IAL. Based on the PAT of the Epicon Group for the FYE 2025 and the Average Profit Guarantee of the Target Companies of RM119.0 million attributable to the 60% equity interest to be held by Epicon amounting to approximately RM71.40 million, the illustrative PAT attributable to the owners of the Epicon Group will increase from RM4.01 million (audited for the FYE 2025) to RM75.41 million (pro forma after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) with EPS increasing from 0.64 sen to 1.75 sen (after assuming full conversion of Consideration RCPS A but before the exercise of the Call Option).

(ii) Ensure the successful completion of the Proposed Acquisitions, the Proposed Call Option, the Proposed Amendments and the Proposed Private Placement

In view that the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement, Proposed Amendments and Proposed Exemption 2 are inter-conditional upon each other, without the Proposed Exemption 2, the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments will not be implemented. Accordingly, Epicon will not be able to realise the potential benefits of the Proposed Acquisitions, Proposed Call Option and Proposed Private Placement.

At this juncture, the Company has not contemplated any alternative structure or pursued any other funding arrangement. In any event, if the Proposed Exemption 2 is not approved, the Company will need to reassess the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement and the Proposed Amendments in its entirety prior to deciding on its next course of action.

Proposed Amendments

We take note of the rationale of the Proposed Amendments as set out in Section 9.4 of Part A of the Circular, and our commentaries are as follows:

TA Securities' comments on the reasonableness of the rationale of the Proposed Amendments

The Proposed Amendments allows the Company to incorporate the new provisions governing the terms and conditions (including the rights of the holders) relating to the Consideration RCPS A and the Option Consideration RCPS A. We are of the view that the Proposed Amendments are necessary to facilitate the issuance and allotment of the Consideration RCPS A and Option Consideration RCPS A pursuant to the Proposed Acquisitions and the Proposed Call Option, respectively.

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Proposed Private Placement

We take note of the rationale of the Proposed Private Placement as set out in Section 8.5 of Part A of the Circular, and our commentaries are as follows:

TA Securities' comments on the reasonableness of the rationale of the Proposed Private Placement

Our evaluation of the rationale of the Proposed Private Placement is as follows:

(i) Is the most appropriate method to enable Epicon to comply with the Public Spread Requirement after the Proposed Acquisitions

We note that the Company had entered into Subscription Agreements with four (4) third-party investors, i.e. the Placement Investors for the subscription of an aggregate of 240,000,000 Placement Shares with total cash proceeds of RM31.20 million.

For illustrative purpose only, without the issuance and allotment of the Placement Shares, after the RCPS Conversion and upon issuance and allotment of the Consideration Shares, the Company's public shareholding spread would be 20.18% after the Proposed Acquisitions, which is below the threshold of the Public Spread Requirement.

As such, the issuance and allotment of the Placement Shares to occur simultaneously with the issuance and allotment of the Consideration Shares will ensure that the Company continue to comply with the Public Spread Requirement, i.e. the Company's public shareholding spread upon completion of the Proposed Acquisitions (together with the Proposed Private Placement which shall occur simultaneously) is 26.66%.

In view of the foregoing, we are of the view that the Proposed Private Placement is the most appropriate method to enable Epicon to comply with the Public Spread Requirement after taking into consideration the reasonably available alternatives, as the commitment provided by the identified Placement Investors via the Subscription Agreements provides a degree of certainty of implementation of the Proposed Private Placement with agreed number of Placement Shares, i.e. 240,000,000 Placement Shares, and allows the Company to complete the Proposed Private Placement in a timely manner concurrently with the Proposed Acquisitions.

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In assessing the available alternatives, we have considered the respective advantages and limitations of each method, including the certainty of implementation and participation by shareholders or investors and timing of implementation. In this regard, while an offer for sale by the controlling shareholder of Epicon (i.e. Doh Properties with 34.86% shareholdings after the RCPS Conversion) or the Vendor (offer for sale of the Consideration Shares to be issued) could help in maintaining the compliance with the Public Spread Requirement without requiring Epicon to issue new Shares and, accordingly, would not result in further dilution to existing shareholders' interest in the Company, the proceeds from the offer for sale would accrue entirely to Doh Properties or the Vendor and the Company will not be able to raise funds for the purposes as detailed in item (ii) below and Section 3.7 of Part A of the Circular. A rights issue could provide existing shareholders with an opportunity to participate and maintain their proportionate shareholdings (assuming all existing shareholders fully subscribe to their respective entitlements under the rights issue) and raise such portion of cash proceeds to reduce the number of Consideration Shares to be issued and for purposes as detailed in item (ii) below to mitigate the risk of dilution of the Company's public shareholding spread. However, as there is no certainty in terms of level of subscription under the rights issue, opting for a rights issue will not have certainty of successful implementation of the Proposed Acquisitions (which may be due to insufficient cash proceeds being raised or failure to comply with the Public Shareholding Spread arising from inadequate subscription by non-interested public shareholders) and the existing shareholders' shareholdings in the Company may also be subject to dilution to the extent of their respective entitlements under the rights issue are not subscribed for. Further, the relatively longer implementation timeframe of a rights issue as compared to the current structure of the Proposed Private Placement whereby the Placement Investors have been identified, would also prolong the completion of the Proposed Acquisitions.

In view of the foregoing, the Proposed Private Placement represents a more direct avenue and provides certainty of implementation for both the Proposed Acquisitions and the Proposed Private Placement as well as to raise additional funds for purposes as detailed in item (ii) below.

(ii) Enable the Company to raise funds and utilise the proceeds for the Enlarged Epicon Group's ongoing and future construction projects and repayment of bank borrowings

The Proposed Private Placement will enable the Company to raise total cash proceeds of RM31.20 million and utilise such proceeds in the manner as set out in **Section 3.7** of Part A of the Circular, which include, among others, working capital of the Enlarged Epicon Group for the undertaking of its ongoing and future construction projects and repayment of bank borrowings.

In particular, we note that the Company intends to utilise RM11.88 million of the total proceeds for the funding of the working capital requirements of two major ongoing construction projects currently undertaken by the Group, namely PR1MA Kuantan and Meru Raya Apartment 2, as detailed under **Section 6.1** of this IAL. While the proceeds allocated for working capital are intended to be utilised for these existing projects undertaken by Epicon Group prior to the completion of the Proposed Acquisitions, the cash within the Enlarged Epicon Group is fungible in nature. Accordingly, the utilisation of the proceeds for these projects will free up the Group's internal cash resources that would otherwise be utilised for these projects, thereby allowing such resources to be redeployed towards the working capital needs of the Enlarged Epicon Group following the Proposed Acquisitions.

The Proposed Private Placement provides immediate funding for the Enlarged Epicon Group's working capital requirements for the expected enlarged scale of operations of the Enlarged Epicon Group via the integration of the Target Companies' robust order book of RM1.48 billion as at the LPD after the completion of the Proposed Acquisitions.

In addition, the availability of such funds to be raised from the Proposed Private Placement also provides additional liquidity to the Enlarged Epicon Group to meet its working capital requirements of the expected enlarged scale of operations of the Enlarged Epicon Group, thereby reducing its reliance on banking facilities which will incur additional interest costs.

Further, the part utilisation of proceeds from the Proposed Private Placement of approximately RM17.50 million to repay the Epicon Group's revolving credit facilities which carry an average interest rate of 5.31% per annum is expected to result in an annual gross interest saving of approximately RM0.93 million.

(iii) Enable the Enlarged Epicon Group to strengthen its equity base

The Proposed Private Placement will further strengthen the Company's equity base as the issued share capital of the Company will increase by the quantum of the total proceeds to be raised from the Proposed Private Placement of RM31.20 million which will resultantly increase the NA attributable to the owners of the Company by the same quantum.

Notwithstanding that the shareholdings of existing shareholders of the Company will be diluted upon the issuance and allotment of the Placement Shares, we are of the view that the Proposed Private Placement, which shall be completed concurrently with the Proposed Acquisitions, is expected to improve the EPS moving forward, notwithstanding the dilution in the shareholdings and voting interest of the existing Shareholders arising from the issuance of Placement Shares, given the earnings potential of the Target Companies following the completion of the Proposed Acquisitions. Upon completion of the Proposed Acquisitions, based on the PAT of the Epicon Group for the FYE 2025 and the Average Profit Guarantee of the Target Companies of RM119.0 million attributable to the 60% equity interest to be held by Epicon amounting to approximately RM71.40 million, the illustrative PAT attributable to the owners of the Epicon Group will increase from RM4.01 million (audited for the FYE 2025) to RM75.41 million (illustrative PAT after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) with EPS increasing from 0.64 sen to 1.75 sen (assuming full conversion of Consideration RCPS A but before the exercise of the Call Option). Therefore, the additional earnings contribution from the Target Companies is expected to enhance the Enlarged Epicon Group's overall profitability and, based on the above pro forma analysis, may offset the dilutive effect arising from the increase in the number of Epicon Shares in issue pursuant to the Proposed Private Placement, thereby supporting an improvement in the EPS of Epicon.

Premised on our evaluation as set out above, we are of the opinion that the rationale and benefits of the Proposals are reasonable after taking into consideration, among others, the following:

(a) the Proposed Acquisitions will enable the Epicon Group to amalgamate its construction business with that of the Target Companies to create a larger construction-based listed entity with a larger combined order book upon completion of the Proposed Acquisitions;

(b) the Proposed Acquisitions will substantially increase the Enlarged Epicon Group's revenue and profitability as well as enhance the Enlarged Epicon Group's asset base. As the Target Companies are already generating income and have a combined PAT for the past 3 financial years of between RM20.36 million and RM41.96 million, the Proposed Acquisitions will immediately enhance the Epicon Group's earnings with the consolidation of the Target Companies financial results pursuant to Epicon's 60% equity interest in the Target Companies after the Proposed Acquisitions;

(c) **we note that the potential earnings enhancement is dependent on the Target Companies achieving the Profit Guarantee and sustaining their operations and profitability beyond the FYE 2027 and FYE 2028, as well as the subsequent exercise of the Call Option for the remaining 40% equity interest. The achievement of the projected earnings of the Target Companies over the projection period, including the Profit Guarantee, is dependent on, among others, the timely execution of the contracts for ongoing projects with current order book of approximately RM1.48 billion as at the LPD, order book replenishments by securing new construction contracts and ability to maintain the level of profitability with PAT margin of approximately 7.6% over the projection period. Details on our assessments on the reasonableness and achievability of the projected revenue, Profit Guarantee and profitability are detailed in Sections 6.2.1 and 6.2.3 of this IAL.**

The Profit Guarantee is secured by the Pledged Shares and the Cash Top-Up mechanism for any shortfall during the FYE 2027 and FYE 2028. However, as these protections do not extend beyond the FYE 2027 and FYE 2028, the Target Companies' actual future earnings may be lower than the pro forma illustration, potentially resulting in lower PAT and EPS and reducing the anticipated earnings benefits of the Proposed Acquisitions. Nonetheless, given the parent-subsidiary relationship between Lagenda and the Enlarged Epicon Group, together with the Target Companies' established role as the principal construction arm of the Lagenda Group, the Target Companies are expected to continue benefiting from a pipeline of construction contract awards from the Lagenda Group beyond the FYE 2027 and FYE 2028, which is expected to support the sustainability of their earnings thereafter;

(d) **the combined resources, technical experience and expertise of the Enlarged Epicon Group as well as the integration of operations, streamlining of processes, optimisation of organisational structures and alignment of systems across the Enlarged Epicon Group will enable the Enlarged Epicon Group to improve its operational efficiency and enhance the operational synergies, which will allow the Enlarged Epicon Group to broaden its customer base by pursuing construction opportunities from third-party property developers and other external customers which is currently undertaken by Epicon Group, the benefits of which are strategic in nature and are expected to persist beyond the FYE 2027 and FYE 2028;**

(e) **we have considered other settlement methods and are of the view that settling the Purchase Consideration through the Set-Off Arrangement, issuance of the Consideration Shares and the Consideration RCPS A is in the best interests of the Company, as it enables the Company to implement the Proposed Acquisitions without incurring additional interest and principal repayment obligations from bank borrowings, thereby conserving cash for working capital and operational needs, maintaining manageable gearing and ensuring continued compliance with the Public Spread Requirement;**

(f) **the Proposed Call Option enables Epicon to defer the acquisition of the remaining 40% equity interests in the Target Companies during the Call Option Period, thereby avoiding the immediate significant acquisition cost of up to RM905.27 million, compared to RM543.16 million for the acquisition of the initial 60% equity interests under the Proposed Acquisitions; and**

(g) **in view of the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement, Proposed Amendments and Proposed Exemption 2 are inter-conditional upon each other, and are conditional upon the Proposed Exemption 1, and that the RCPS Conversion is conditional upon the Proposed Exemption 1, the non-approval of the Proposed Exemptions will result in Doh Properties not be able to undertake the RCPS Conversion and the Epicon Group not be able to implement the Proposed Acquisitions and Proposed Private Placement and realise the potential benefits arising from the Proposed Acquisitions and Proposed Private Placement.**

Nevertheless, non-interested shareholders of Epicon should note that the potential benefits arising from the Proposed Acquisitions are subject to certain risk factors as outlined in Section 6.8 of this IAL.

In addition to the above, we also take note of the details of the RCPS Conversion as set out in Section 5 of the Circular as follows:

Details of the RCPS Conversion

You should take note that the details of the RCPS Conversion are included herein for information purposes only and do not form part of the Proposals to be tabled to Shareholders at the forthcoming EGM. Nonetheless, the RCPS Conversion is conditional upon the Proposed Exemption 1, which will be tabled to Shareholders at the forthcoming EGM.

The RCPS was issued to Doh Properties on 29 December 2021 as part of a placement exercise undertaken by Epicon (formerly known as Konsortium Transnasional Berhad) as an interim measure to raise working capital for the Epicon Group to address the Group's immediate obligations and sustain its existing business activities while the Group formulates a regularisation plan in order to address its Practice Note 17 classification pursuant to the Listing Requirements.

For the avoidance of doubt, Doh Properties has not converted the 233,000,000 RCPS. In view of the impending maturity date of the RCPS, i.e. on 29 December 2026, it is the intention of Doh Properties to convert all the outstanding 233,000,000 RCPS into new Epicon Shares.

Details of the RCPS are as follows:

Issue date	:	29 December 2021
Issue price	:	RM 0.10 per RCPS
Issue size	:	RM23,300,000 by way of issuance of 233,000,000 RCPS in a single tranche at the issue price of RM0.10 per RCPS
Tenure	:	5 years commencing from and inclusive of the issue date
RCPS Maturity date	:	5th anniversary of the issue date, being 29 December 2026
Conversion rights and mandatory conversion	:	The holder of RCPS shall be entitled to convert each RCPS held into such number of Epicon Share(s) in accordance with conversion ratio during conversion period at no cost payable by the RCPS holder. Unless previously redeemed or converted or purchased and cancelled, all outstanding RCPS will be mandatorily converted to new Epicon Shares on the RCPS Maturity Date.
Conversion ratio of the RCPS	:	The conversion ratio shall be one RCPS to one Epicon Share, unless adjusted due to any alteration to the Epicon's share capital, such as rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital ("**Adjustments**").
Conversion price	:	Based on the issue price per RCPS and the conversion ratio of one RCPS to one Epicon Share, the implied conversion price is RM0.10 per Epicon Share, subject to Adjustments.
Conversion Period of the RCPS	:	The RCPS shall be convertible into new Epicon Shares on any market day at any time during the tenure of the RCPS commencing on and including the issue date up to and including the RCPS Maturity Date.
Redemption price	:	Redemption price is equivalent to the issue price of RM0.10 per RCPS
Listing	:	The RCPS is not listed, quoted or traded on Bursa Securities or any other stock exchange.

We had considered the RCPS Conversion and its effects in our evaluation of the Proposed Exemption 1 in this IAL.

We also note that the RCPS Conversion is undertaken upfront and save for the Proposed Exemption 1, it is not conditional upon the other corporate exercises in the Proposals, in order to avoid delays from the other parts of the Proposals especially given the RCPS Maturity Date is on 29 December 2026, which is reasonable as the Proposals may be implemented as soon as the relevant approvals being obtained from the non-interested shareholders of the Company for the Proposals and the SC for the Proposed Exemptions.

6.2 BASIS AND JUSTIFICATION FOR THE PURCHASE CONSIDERATION AND OPTION CONSIDERATION

We noted from Section 2.3 of Part A of the Circular, the Purchase Consideration and Option Consideration are as set out below:

	RUSB (RM'million)	LPBC (RM'million)	Total (RM'million)
Purchase Consideration			
Purchase consideration based on 60% of the fair value [(i)]	280.15	263.01	543.16
Option Consideration			
40% of the fair value, subject to the Option Consideration Adjustment	186.76	175.35	Up to 362.11
Maximum Purchase Consideration			**Up to 905.27**

Note:

(i) The fair value of the entire equity interest of RUSB and LPBC was determined in reference to the range of equity value for RUSB and LPBC respectively as per the Valuation Letter.

As stated in Section 2.3 of Part A of the Circular, we noted that the Purchase Consideration and Option Consideration were arrived at after negotiation on a willing-buyer and willing-seller basis, taking into consideration, among others, the following:

(i) fair value of the entire equity interests in the Target Companies as appraised by BDOCC as set out in the Valuation Letter. Based on the Valuation Letter, the valuation of the entire equity interest in RUSB and LPBC ranges between RM444.05 million and RM489.39 million and RM416.18 million and RM459.13 million respectively. In view of the simultaneous acquisition of the Target Companies in accordance with the terms and conditions of the SSA, the valuation of the Target Companies on an aggregate basis range between the aggregate fair value range of RM860.23 million and RM948.52 million;

(ii) the Profit Guarantee as detailed in Section 2.1.1 of Part A of the Circular;

(iii) the rationale and benefits of the Proposed Acquisitions as set out in Section 8.1 of Part A of the Circular; and

(iv) the prospects of the Enlarged Epicon Group as set out in Section 9.4 of Part A of the Circular.

We further noted that BDOCC, the independent valuer appointed by the Board, had adopted the discounted cashflow methodology ("**DCF Method**") as the primary method of valuation of the Target Companies, and compared the implied price-to-earnings multiple derived by fair value of the entire equity interests in the Target Companies by the average Profit Guarantee per annum ("**Implied P/E Multiple**") to the P/E Multiple of selected Comparable Companies, i.e. relative valuation analysis ("**RVA**") and comparable transactions, i.e. comparable transaction analysis ("**CTA**"), for cross-checking purposes.

We are of the view that the valuation methodologies undertaken by BDOCC and the adoption of the DCF Method as the primary approach are reasonable after taking into consideration of the Target Companies' principal activities, i.e. building construction, and financial performance which generated uninterrupted PAT for the past 3 FYEs, i.e. from FYE 2023 to FYE 2025, as well as the availability of financial projections of the Target Companies for the FYE 2026 to FYE 2030.

Under the DCF Method, the free cash flow to firm ("**FCFF**") projected to be generated by the Target Companies for the FYE 2026 to FYE 2030 ("**Projections**") are discounted at an appropriate weighted average cost of capital ("**WACC**") to reflect the rate of return required by both equity investors and debt investors to derive the present value of all future cash flows from the Target Companies' businesses.

In assessing the present value of all future cash flows from the Target Companies' businesses using the DCF Method by BDOCC, we have reviewed the key bases and assumptions used to prepare the Projections. The Projections were prepared based on a set of assumptions made by the management of the Target Companies. We are satisfied that the bases and assumptions used to prepare the Projections are reasonable given the prevailing circumstances and significant factors that are known to us as at the LPD.

Please refer to the Valuation Letter as set out in Appendix VII of the Circular for the key bases and assumptions adopted in the preparation of the Projections.

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6.2.1 DCF Method (primary approach)

The key bases and assumptions adopted by BDOCC to derive at the valuation using the DCF Method are as follows:

<table>
<tr><th>No.</th><th colspan="2">Key bases and assumptions adopted by BDOCC</th><th>TA Securities' comments</th></tr>
<tr><td>(i)</td><td>FCFF</td><td>Based on the Projections</td><td>FCFF is the free cash flows from operations available to both equity holders and debt holders of a company after taking into consideration all operating expenses, movements in working capital and net investing cash flows.

The specific assumptions adopted in the Valuation Letter in deriving the FCFF for the projected period of FYE 2026 to FYE 2030 and our view on the said assumptions are as follows:

(1) revenue for RUSB and LPBC are projected mainly from construction contracts from the Lagenda Group as follows:

<table>
<tr><th>Revenue</th><th>FYE 2026 (RM'000)</th><th>FYE 2027 (RM'000)</th><th>FYE 2028 (RM'000)</th><th>FYE 2029 (RM'000)</th><th>FYE 2030 (RM'000)</th></tr>
<tr><td><u>RUSB</u></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Secured projects</td><td>248,191</td><td>96,902</td><td>13,870</td><td>-</td><td>-</td></tr>
<tr><td>Unsecured projects (identified)</td><td>131,447</td><td>591,446</td><td>746,163</td><td>873,825</td><td>578,057</td></tr>
<tr><td>Unsecured projects (unidentified)</td><td>-</td><td>-</td><td>9,618</td><td>119,002</td><td>359,960</td></tr>
<tr><td>RUSB's revenue</td><td>379,638</td><td>688,348</td><td>769,651</td><td>992,827</td><td>938,017</td></tr>
<tr><td><u>LPBC</u></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Secured projects</td><td>361,716</td><td>254,416</td><td>154,974</td><td>62,660</td><td>8,981</td></tr>
<tr><td>Unsecured projects (identified)</td><td>96,896</td><td>462,480</td><td>700,255</td><td>620,198</td><td>603,977</td></tr>
<tr><td>Unsecured projects (unidentified)</td><td>-</td><td>-</td><td>9,618</td><td>119,002</td><td>359,960</td></tr>
<tr><td>LPBC's revenue</td><td>458,612</td><td>716,896</td><td>864,847</td><td>801,860</td><td>972,918</td></tr>
<tr><td><u>Total combined</u></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Secured projects</td><td>609,907</td><td>351,318</td><td>168,844</td><td>62,660</td><td>8,981</td></tr>
<tr><td>Unsecured projects (identified)</td><td>228,343</td><td>1,053,926</td><td>1,446,418</td><td>1,494,023</td><td>1,182,035</td></tr>
<tr><td>Unsecured projects (unidentified)</td><td>-</td><td>-</td><td>19,236</td><td>238,004</td><td>719,919</td></tr>
<tr><td>Total combined revenue</td><td>838,250</td><td>1,405,244</td><td>1,634,498</td><td>1,794,687</td><td>1,910,935</td></tr>
</table>
</td></tr>
</table>

No.	Key bases and assumptions adopted by BDOCC	TA Securities' comments

The above projected revenue is derived from the following three (3) components:

(a) remaining order book of RUSB and LPBC for the construction projects for which LOA have already been awarded or ongoing as at 31 December 2025, i.e. being the Valuation Date, as follows:

	As at 31 December 2025	
Remaining order book	**(RM'000)**	**%**
RUSB	379,163	49.73
LPBC	383,339	50.27
Total	**762,502**	**100.00**

The management represented that the difference between the total amounts of revenue projected for FYE 2026 to FYE 2030 and the remaining order book as at the Valuation Date is due to the timing difference between the recognition of revenue in the statement of comprehensive income which is based on percentage of completion method measured by actual costs incurred for the construction projects and the order book value which is based on remaining contract value after deducting actual billings raised as at the particular date.

(b) unsecured but identified projects comprise upcoming construction projects that have been identified in the development pipeline of the Lagenda Group but for which LOA have yet to be awarded as at the Valuation Date; and

(c) unsecured and unidentified projects comprise of construction projects that have yet to be identified in the development pipeline of the Lagenda Group as at the Valuation Date. The projections are derived taking into consideration Lagenda Group's historical land acquisition activities and land banking strategy and its expected continued landbank replenishment and development activities.

The breakdown of the total projected revenue of the Target Companies, which comprises of construction projects from the secured and unsecured projects, are as follows:

	Revenue	
Projects	**RM'000**	**%**
Awarded/on-going	1,201,710	15.85
Unsecured (identified)	5,404,745	71.27
Unsecured (unidentified)	977,159	12.88
Total revenue over projection period	**7,583,614**	**100.00**

No.	Key bases and assumptions adopted by BDOCC		TA Securities' comments
			We note that on combined basis, the unsecured projects (identified and unidentified) made up approximately 84.15% of the total projected revenue of the Target Companies over the projection period. Notwithstanding the above, we are of the view that the DCF Method remains appropriate, as it incorporates the projected future earnings and cash flows of the Target Companies, as well as the timing of such cash flows, having considered the Target Companies' established operating track record, historical profitability and existing construction order book. We are of the view that the projected revenue of the Target Companies above is reasonable after taking into consideration the following: (i) the projected revenues of the Target Companies are mainly derived from construction contracts which have been awarded or ongoing (approximately 15.85% of the total projected revenue) and construction projects which have been identified but unsecured in the development pipeline of the Lagenda Group (approximately 71.27% of the total projected revenue). The Target Companies' expected replenishment rate, represents potential future contracts to be secured by the Target Companies from Lagenda as the Target Companies are the principal construction service providers to the Lagenda Group. The ability of the Target Companies to successfully replenish their construction awards (which is based on the award of construction projects from Lagenda Group to the Target Companies) is dependent on the Lagenda Group's existing development plans for its land bank portfolio and upcoming launches of development projects. In this respect, the Target Companies have good prospects of replenishing their current order book after taking into consideration that the majority of the FYE 2026 Unsecured Projects are for development projects which had been launched and had recorded favourable take-up rates as well as the Future Awards (both of which are further detailed in Section 2.1.1 of Part A of the Circular) which are identifiable development projects i.e. specifically future phases of on-going development projects as well as new launches from the Lagenda Group's existing landbanks. These forms a reasonable basis for the future phases of on-going development projects and new development projects from the Lagenda Group to be launched in a timely manner. The combined revenue of the Target Companies for the past 3 FYEs 2023 to 2025 ranged from approximately RM466.46 million to RM533.19 million with an average combined revenue per annum of approximately RM491.35 million. The average combined revenue of the Target Companies projected over the projection period is approximately RM1.52 billion per annum, which is derived entirely from the projects expected to be awarded by the Lagenda Group to the Target Companies, which represents approximately 208.7% over the average combined revenue per annum achieved by the Target Companies for the past 3 FYEs 2023 to 2025.

No.	Key bases and assumptions adopted by BDOCC		TA Securities' comments
			We note that the projected revenue mainly relies on Lagenda's continued award of construction contracts to the Target Companies, as the projected revenue is derived solely from construction contracts awarded/expected to be awarded by the Lagenda Group. This may expose the Target Companies to customer concentration and contract replenishment risks. In particular, any delay, postponement or cancellation of the Lagenda Group's development projects, changes to its development plans, or failure to award the anticipated construction contracts to the Target Companies could adversely affect the Target Companies' ability to replenish their order book and, consequently, their future revenue, profitability and cash flows. The projected revenue are also dependent on the Lagenda Group continuing to undertake new development projects, as any reduction or delay in its development activities may result in fewer construction contracts being available for award to the Target Companies and, in turn, adversely affect their projected financial performance. Nevertheless, the projected revenue of the Target Companies is backed by the Lagenda Group's landbank of approximately 3,998 acres across several states within Malaysia, notably Johor, Kedah and Perak, with a total estimated gross development value of RM10.28 billion worth of property development projects as at 30 June 2026. The unsecured but identified projects to be awarded to the Targe Companies are in the form of future phases of on-going development projects and new development projects to be launched over the projection period, based on the respective development plans and project timelines. Further, as at the LPD, the Target Companies have a combined outstanding order book of approximately RM1.48 billion. Subsequent to the Valuation Date and up to the LPD, the Target Companies had secured additional order book of approximately RM1.08 billion, representing approximately 19.98% of the total unsecured projects identified in the Lagenda Group's development pipeline for the entire projection period. (ii) the Target Companies are the main construction arms within the Lagenda Group undertaking the construction activities for the Lagenda Group's property development projects. Over the past 5 financial years up to the LPD, the value of construction works completed by the Target Companies (including the value of work done for ongoing projects) is approximately RM3.03 billion.

No.	Key bases and assumptions adopted by BDOCC		TA Securities' comments
			Upon completion of the Proposed Acquisitions, Lagenda will also be the holding company of Epicon which will enable the Enlarged Epicon Group to tap into the strong property development pipeline of the Lagenda Group as detailed above. Given the parent-subsidiary relationship between Lagenda and the Enlarged Epicon Group, as well as the Target Companies established role as the main construction arms of the Lagenda Group, it is reasonable to expect the Lagenda Group to continue relying on the Target Companies to predominantly undertake the construction works for its property development projects. Notwithstanding the expected continuation of the commercial relationship, the subsisting and future transactions, i.e. the Target Companies' execution of the ongoing and future construction projects awarded and/or to be awarded by the Lagenda Group, will constitute as RRPTs with the Lagenda Group which are subject to the Company's shareholders' mandate which is renewed annually through resolutions passed by non-interested shareholders at the Company's general meetings. Accordingly, the continued award of construction contracts by the Lagenda Group is subject to, among others, the requisite renewal of the RRPT mandate. Such RRPTs are required to be made on arm's length basis and on normal commercial terms which are those generally available to the public and are not detrimental to the minority shareholders of the Company. As such, the renewal of the RRPT mandate provides a framework for the continuation of the commercial relationship while safeguarding the interests of the minority shareholders. Notwithstanding the above, we are of the opinion that the above does not give rise to any concern to the ability of the Target Companies to secure and execute the construction projects from the Lagenda Group as the Target Companies' proven track record and experience in construction of affordable landed properties for the Lagenda Group (which are the primary element of the Lagenda Group's property development projects in the past and those in the development pipeline) provides the Target Companies with a competitive edge in its ability to bid for and deliver the construction projects in a cost-efficient and timely manner. Following completion of the Proposed Acquisitions, the Target Companies are expected to remain economically dependent on the Lagenda Group, particularly in the near to medium term, given their role as the principal construction arms of the Lagenda Group and their established track record in undertaking construction projects for the Lagenda Group. Nevertheless, as part of its long-term growth plan after the Proposed Acquisitions, while continuing to leverage on the Target Companies' established capabilities and track record and the increase in its capacity, the Enlarged Epicon Group intends to progressively and continue to broaden its customer base by pursuing construction opportunities from third-party property developers and other external customers which is currently undertaken by Epicon Group. This is expected to reduce the Enlarged Epicon Group's reliance on the Lagenda Group over time and provide additional sources of revenue and order book replenishment. Furthermore, the Target Companies are expected to have adequate resources to undertake the construction activities expected to be carried out based on the Projections after taking into consideration, among others, that the Target Companies engage sub-contractors to carry out certain construction activities, the working capital cycle of the Target Companies as detailed below and net cashflows from its operating activities after factoring the timing of receipts and payments in respect of its construction projects over the projection period.

No.	Key bases and assumptions adopted by BDOCC		TA Securities' comments
			(iii) unsecured and unidentified projects, which made up approximately 12.89% of the total projected revenue of the Target Companies, are comprised of construction projects that have yet to be identified in the development pipeline of the Lagenda Group. The revenue from unsecured and unidentified projects was projected to commence from 2nd half of FYE 2028 based on the historical values of construction projects undertaken for the Lagenda Group, historical landbank replenishment by the Lagenda Group, expected timing of new development activities to be launched in phases (with 1st phase launch within 1 year from acquisition of new landbank) and duration of construction projects of approximately 3 years for each phase. Notwithstanding the above, we acknowledge that the timing and scale of such future unsecured and unidentified projects cannot presently be determined with certainty. Accordingly, this poses a certain degree of uncertainty of realisation as it is not represented by landbank or development plan currently available to the Lagenda Group. Nevertheless, we are of the opinion that this is reasonable considering that the Lagenda Group, being one of the prominent property developers in Malaysia, will continuously seek to replenish its landbank for development as part of its ordinary course of business. In this regard, over past 5 financial years, the Lagenda Group has acquired landbanks with a total area of approximately 4,089 acres having total estimated development value of RM12.35 billion, which represents an average landbank acquired of approximately 818 acres per financial year and average estimated development value of approximately RM3.0 million per acre. The total projected revenue from unsecured and unidentified projects for the period from FYE 2028 to FYE 2030 of approximately RM0.98 billion, which is not unreasonable in comparison to an assumed landbank acquired and launched by the Lagenda Group over the projection period of about 800 acres which is estimated to generate development value of approximately RM2.40 billion (by assuming the average estimated development value of RM3.0 million per acre over the past 5 financial years), subject to, among others, the award of the future contracts to the Target Companies, the actual landbank replenishment by the Lagenda Group and the timing of launch of its development activities. Based on the foregoing, the projected revenue for this portion is reasonable considering the continuation of the business model and subsidiary-parent relationship between the Enlarged Epicon Group and the Lagenda Group. Notwithstanding significant proportion of the projected revenue is derived from unsecured projects, we are of the view that the DCF valuation remains appropriate and reasonable for the purpose of assessing the values of the Target Companies, after taking into consideration, amongst others, the following: (i) the construction projects which had not been formally awarded as at the Valuation Date does not, in itself, indicate that the underlying projects are speculative or that the corresponding projected revenue is incapable of being realised. Such projects are at various stages of the Lagenda Group's development cycle, with the formal award of the construction contracts expected to take place closer to the commencement of the respective phases of the projects. The projected revenue therefore reflects the expected timing of contract awards and the subsequent execution of the construction works during the projection period, rather than an assumption that all construction contracts would have been secured upfront as at the Valuation Date.

No.	Key bases and assumptions adopted by BDOCC		TA Securities' comments
			This is in line with the industry norm as construction contracts are generally awarded to the main contractor(s) as the respective property development projects approach their launch and/or construction commencement stage, rather than being awarded upfront at the early stage when the development project is initially identified or included in property developers' development pipeline. (ii) approximately 87.11% of the projected revenue are made up of construction contracts which have been awarded or ongoing and construction projects which have been identified in the development pipeline of the Lagenda Group and not premised on the Target Companies securing construction contracts from unrelated third-party customers or entering into a new market. Instead, it is based on the continuation of the existing business model whereby construction projects undertaken by the Lagenda Group are expected to be awarded to the Target Companies progressively based on its development pipeline. It is reasonable to expect that the Lagenda Group will continue with the existing business model and arrangement with the Target Companies as the Target Companies are the principal construction service providers to the Lagenda Group with an established business relationship and operating track record between the Lagenda Group and the Target Companies, under which the Target Companies have historically undertaken construction works for the Lagenda Group as detailed above. This expectation is further supported by the subsidiary-parent relationship between the Enlarged Epicon Group and the Lagenda Group following the Proposed Acquisitions. Accordingly, the Lagenda Group is expected to continue awarding construction contracts to the Enlarged Epicon Group which would enable the Enlarged Epicon Group to participate in the construction activities arising from the Lagenda Group's development projects and retain the corresponding construction margins within the enlarged group, benefiting the shareholders of both the Company and Lagenda. Whilst the Projections does not include any assumption that there are any construction contracts to be secured from unrelated third-party customers which may be subject to high degree of uncertainty and speculative, there is no prohibition or restriction for the Target Companies to tender and/or undertake construction projects from third-party customers other than the Lagenda Group. Any construction contracts from third-party customers successfully secured by the Target Companies is expected to contribute positively and further enhance the Enlarged Epicon Group's ability to replenish its order book and improve its earnings, subject to the availability of adequate resources from time to time.

No.	Key bases and assumptions adopted by BDOCC		TA Securities' comments
			(iii) the significant increase in the projected average revenue of approximately RM1.52 billion per annum compared with the historical average combined revenue of approximately RM491.35 million per annum is principally attributable to the substantially larger scale and number of development projects expected to be undertaken by the Lagenda Group during the projection period, which are expected to generate corresponding construction opportunities for the Target Companies. As the Target Companies' historical revenue reflects the level of construction activities undertaken during FYEs 2023 to 2025, whereas the projected revenue reflects the expected construction activities arising from the Lagenda Group's development pipeline over the projection period, the projected revenue should be considered in the context of the underlying development pipeline and expected project roll-out rather than solely by reference to the Target Companies' historical revenue with consideration of the Target Companies' track record and experience in delivering the construction service for the Lagenda Group. (2) cost of sales mainly comprises sub-contractor related expenses which are estimated by taking into account the scope of work, expected contract value and anticipated profit margins for each project. We are of the view that the projected cost of sales is reasonable as the cost of sales were derived from the value of actual sub-contracts awarded and estimated value of sub-contracts to be awarded for the Target Companies' construction projects as well as the estimated amount of work done for each project based on the project timeline over the projection period. The amounts of subcontractor-related expenses under those subcontracts yet to be awarded projected over the projection period are comparable with the Target Companies' current and past sub-contracts awarded. (3) administrative expenses which comprise staff cost, depreciation, management fees and other administration expenses projected to increase by 20% per annum from FYE 2026 to FYE 2028 and increase by 10% per annum from FYE 2029 to FYE 2030. We are of the view that the projected administrative expenses are reasonable after taking into consideration: (i) for the period from FYE 2026 to FYE 2028, the resources required to support the anticipated business expansion as a result of the enlarged scale of operations of the Enlarged Epicon Group after the Proposed Acquisitions. During the same period, the combined revenue of the Target Companies is projected to increase significantly at a CAGR of 39.64% (1) premised on the basis as set out in item (1) above;

No.	Key bases and assumptions adopted by BDOCC		TA Securities' comments
			Note: *(1) Computed based on the following formula:* $$CAGR = \left[\left(\frac{\text{Revenue of Target Companies for FYE 2028}}{\text{Revenue of Target Companies for FYE 2026}} \right)^{1/n} - 1 \right] \times 100\%$$ $$= \left[\left(\frac{\text{RM 1,634.50 million}}{\text{RM 838.25 million}} \right)^{1/2} - 1 \right] \times 100\%$$ $$= 39.64\%$$ *, where n is the number of years within the period.* (ii) for the period from FYE 2029 to FYE 2030, the increase of administrative expenses is adequate to account for inflation, based on the forecasted inflation in Malaysia ranged from 1.3% to 2.0% in 2026 (Source: Economic Outlook 2026 issued by the Ministry of Finance Malaysia), and a normalised growth rate of the Target Companies' operations in line with the projected growth in combined revenue of the Target Companies at an annual growth rate of 6.47% (1) during the same period; and ***Note:*** *(1) Computed based on the following formula:* $$\text{Annual growth rate} = \left(\frac{\text{Revenue of Target Companies for FYE 2030}}{\text{Revenue of Target Companies for FYE 2029}} - 1 \right) \times 100\%$$ $$= \left(\frac{\text{RM1,910.94 million}}{\text{RM1,794.89 million}} - 1 \right) \times 100\%$$ $$= 6.47\%$$

(iii) the expected operational efficiencies arising from the Proposed Acquisitions, including the integration of operations, streamlining of processes, optimisation of organisational structures and alignment of systems across the Enlarged Epicon Group. These measures are expected to enable the Enlarged Epicon Group to consolidate overlapping functions and centralisation of procurement and administrative functions to generate cost efficiencies and improve resource utilisation in support of the anticipated growth in operations while maintaining control over the increase in administrative expenses.

(4) borrowings for the Target Companies over the projection period are based on full utilisation of the following revolving credit facilities currently secured by the Target Companies:

Financing facilities	Credit limit (RM'000)	Interest rate (%)
RUSB		
Revolving credit – Alliance Bank Malaysia Berhad	50,000	5.2
Revolving credit – RHB Bank Berhad	40,000	4.9
LPBC		
Revolving credit – HSBC Bank Malaysia Berhad	20,000	5.0
Revolving credit – RHB Bank Berhad	30,000	4.9

We note that the Projections assumed that the Target Companies are not required to procure additional financing facilities over the projection period. We are of the view that the projected borrowings of RM140.0 million over the projection period are reasonable and adequate to support the anticipated scale of operations of the Enlarged Epicon Group after taking into consideration, among others, the working capital cycle of the Target Companies as detailed below and net cashflows from its operating activities after factoring the timing of receipts and payments in respect of its construction projects over the projection period. Any additional funding requirements funded via additional bank borrowings, if necessary, will result in increase in interest expense.

<table>
<tr><th>No.</th><th colspan="2">Key bases and assumptions adopted by BDOCC</th><th>TA Securities' comments</th></tr>
<tr><td></td><td colspan="2"></td><td>(5) working capital cycle of the Target Companies are projected based on turnover period for its trade receivables and trade payables of 60 days and 30 days respectively which represents the typical credit terms given to its customers, i.e. the Lagenda Group, and given by its subcontractors. In addition, the turnover days for trade receivables and trade payables of the Target Companies are also within the historical range for the past 3 FYEs 31 December 2023 to 31 December 2025 as summarised below:

<table>
<tr><th>Working capital cycle</th><th>Range of turnover days</th></tr>
<tr><td>Trade receivables</td><td>30 to 90 days</td></tr>
<tr><td>Trade payables</td><td>30 to 60 days</td></tr>
</table>

The Target Companies do not have inventory for its business operations. As such, the inventory turnover period is not applicable for the Target Companies. We also note that the retention sums (for both receivables and payables) are assumed to be retained for 24 months which is in line with the industry norm.

Based on the foregoing, we are of the view that the working capital cycle assumptions adopted are reasonable.

(6) capital expenditures ("CAPEX") projected to be incurred by the Target Companies for purchase of site vehicles for FYE 2026 to FYE 2028 in line with the anticipated business expansion of the Target Companies over the said period. The management of the Target Companies represented that there is no significant CAPEX expected to be incurred over the projection period. We are of the view that the assumption is reasonable after taking into consideration that the Target Companies mainly engage subcontractors for services and/or works required for the construction projects and do not require any capital investments to carry out its construction projects.

(7) tax expenses are projected based on the effective tax rates for the FYE 2025 of 26.6% and 26.3% for RUSB and LPBC respectively throughout the projection period. We are of the view that the tax rates adopted are reasonable as it reflects the effective tax rate of RUSB and LPBC based on their latest audited financial statements for FYE 2025, and after considering the Malaysian corporate income tax rate of 24%.</td></tr>
</table>

<table>
<tr><th>No.</th><th colspan="2">Key bases and assumptions adopted by BDOCC</th><th>TA Securities' comments</th></tr>
<tr><td>(ii)</td><td>Cost of equity ("K_e")</td><td><u>RUSB:</u>
15.17% to 17.53% (adjusted)

<u>LPBC:</u>
14.90% to 18.94% (adjusted)</td><td>Cost of equity represents the rate of return required by an investor on the cash flow streams generated by the businesses of the Target Companies given the risks associated with such cash flows.

The cost of equity used for the DCF Method was derived using the Capital Asset Pricing Model (CAPM):

$K_e = R_f + \beta (R_m - R_f)$

where:

R_f = risk-free rate of return
β = beta
R_m = expected market rate of return

The cost of equity derived for the Target Companies based on the above and the expected capital structure for the respective financial year over the projection period are as follows:

<table><tr><th></th><th>Cost of equity</th></tr><tr><td>RUSB</td><td>9.14% to 10.03%</td></tr><tr><td>LPBC</td><td>8.92% to 11.15%</td></tr></table>
The adopted rates and our comments on each component used to derived the range of cost of equity are further elaborated in items (iii), (iv) and (v) below.

We note that BDOCC had adjusted the cost of equity to take into consideration the inherent risk as well as size and marketability adjustments by applying additional discount rates for inherent risk of 3.00% (High Scenario) and 4.00% (Low Scenario), after taking into account the Target Companies' projected revenue growth, execution and margin risks associated with the construction contracts and the expected replenishment of construction contracts throughout the projection period, and size and marketability adjustment of 25%.

In view of the foregoing, we are of the view that the discount rates for inherent risk adopted by BDOCC in the Valuation Letter are reasonable, and had applied similar discount rates.</td></tr>
</table>

<table>
<tr><th>No.</th><th colspan="2">Key bases and assumptions adopted by BDOCC</th><th>TA Securities' comments</th></tr>
<tr><td></td><td colspan="2"></td><td>The abovementioned adjustments have resulted in the higher adjusted cost of equity as follows:

<table><tr><th></th><th colspan="2">Adjusted cost of equity</th></tr><tr><th></th><th>Low Scenario</th><th>High Scenario</th></tr><tr><td>RUSB
LPBC</td><td>16.42% to 17.53%
16.15% to 18.94%</td><td>15.17% to 16.28%
14.90% to 17.69%</td></tr></table>
The adjustments made to the cost of equity have resulted in the increase in cost of equity for RUSB of between 5.14% and 7.50% and for LPBC of between 3.75% and 7.79%. We are of the view that the adjustments made to the cost of equity are reasonable after taking into consideration that the additional discount rates for inherent risk have been applied to reflect the uncertainty risks inherent in the Projections, including those associated with the expected future construction awards, such as potential delays or the award of contracts at lower values than assumed in the Projections, which are subjective and judgemental in nature and the size and marketability adjustment of 25% in view of the Target Companies' unlisted status and lack of marketability of the shares of the Target Companies. For avoidance of doubt, we have applied similar adjustments in our assessment.</td></tr>
<tr><td>(iii)</td><td>Risk-free rate of return ("R_f")</td><td>3.98%</td><td>Risk-free rate of return represents the expected rate of return from a risk-free investment. We note that BDOCC has adopted the yield of 30-year Malaysian Government Securities of 3.98% per annum as at the Valuation Date (as extracted from Bank Negara Malaysia's website) as the risk-free rate of return.

As a cross check, the yield of 10-year Malaysian Government Securities and 30-year Malaysian Government Securities as at the SSA LTD (as extracted from Bank Negara Malaysia's website) are 3.63% and 4.09% respectively. The risk-free rate of return adopted by BDOCC in the Valuation Letter of 3.98% is within the range of between 3.63% and 4.09%.

In view of the foregoing, we are of the view that the risk-free rate of return adopted by BDOCC in the Valuation Letter is reasonable.</td></tr>
<tr><td>(iv)</td><td>Expected market rate of return ("R_m")</td><td>8.53%</td><td>Expected market rate of return represents the expected rate of return of investing in a portfolio consisting of a weighted sum of assets representing the entire equity market.

We noted that BDOCC applied expected market rate of return of 8.53% based on the rate of return of the FTSE Bursa Malaysia Top 100 Index as at the Valuation Date. In our opinion, the historical rate of return of the FTSE Bursa Malaysia Top 100 Index is a good indicator of the equity market return in Malaysia. Given the volatility of the stock market, we are of the view that a 3-year average historical rate of return of the said index is more appropriate to estimate the expected market rate of returns as it normalises the year-on-year fluctuations of the stock market and mitigates market bias.</td></tr>
</table>



<table>
<tr><th>No.</th><th colspan="2">Key bases and assumptions adopted by BDOCC</th><th>TA Securities' comments</th></tr>
<tr><td></td><td colspan="2"></td><td>Based on the information sourced from Bloomberg, we have derived an average expected market rate of return for the Malaysian equity market of 9.96% based on daily market data for the period of 3 years up to the Valuation Date. As a cross check, the expected market rate of return as derived from Bloomberg is 9.51% as at the SSA LTD. From our said assessment, the expected market return adopted by BDOCC in the Valuation Letter of 8.53% is lower than the market rate of return derived by us ranging between 9.51% (as at the SSA LTD) and 9.96% (average for 3 years up to the Valuation Date).

Nevertheless, while the expected market return adopted by BDOCC is lower than the market rate of return derived by us, we note that the difference is attributable to the different approaches adopted. BDOCC's assumption reflects the prevailing market return as at the Valuation Date, while our assumption takes into consideration market performance over a longer observation period of 3-year period to normalise fluctuations over the time period. Notwithstanding the said difference in approaches for estimating the market rate of return, we are of the view that BDOCC's expected market rate of return is reasonable for the purpose of its valuation as the difference does not affect the overall assessment on the fairness of the Purchase Consideration as the implied P/E Multiple based on the Purchase Consideration is within the range for both the equity value of the Target Companies derived by BDOCC and TA Securities.</td></tr>
<tr><td>(v)</td><td>Beta ("β")</td><td><u>RUSB:</u>
1.13 to 1.33

<u>LPBC:</u>
1.08 to 1.57

(Based on the expected capital structure for the respective financial year over the projection period)</td><td>Beta is the sensitivity of an asset's return to the changes in market returns. It measures the correlation of systematic risk between the said asset and the market. A beta of more than 1 signifies that the asset is riskier than the market and vice versa.

We noted that BDOCC has selected the following listed companies that they deemed comparable to the Target Companies (i) which have more than 50% of total revenue derived from construction activities; (ii) with market capitalisation in the range of RM250 million and RM1,000 million (based on 3-month daily volume weighted average closing price up to the Valuation Date and number of shares in issue as at the Valuation Date); and (iii) which have been listed on Bursa Securities for 1 year or more ("Comparable Companies"), as extracted from the Valuation Letter:
<table>
<tr><th>No.</th><th>Comparable Companies</th><th>Principal activities(1)</th><th>Market capitalisation as at the Valuation Date(2) (RM'million)</th><th>Percentage of revenue derived from construction(3)</th></tr>
<tr><td>1</td><td>GDB Holdings Berhad</td><td>GDB Holdings Berhad operates as a holding company. The company, through its subsidiaries, provides building construction services. GDB Holdings constructs and develops residential, commercial, infrastructure, and mixed development projects. GDB Holdings serves customers in Malaysia.</td><td>427.4</td><td>100%</td></tr>
</table></td></tr>
</table>

No.	Key bases and assumptions adopted by BDOCC	TA Securities' comments

No.	Comparable Companies	Principal activities[1]	Market capitalisation as at the Valuation Date[2] (RM'million)	Percentage of revenue derived from construction[3]
2	Kimlun Corporation Berhad	Kimlun Corporation Berhad is an investment holding company. The company is an engineering and construction services provider. Kimlun Corporation specialises in infrastructure and building construction, construction management, provision of IBS and manufacturer of concrete products as well as trades in construction and building materials.	536.7	74%
3	Mitrajaya Holdings Berhad	Mitrajaya Holdings Berhad is an investment holding company. Through its subsidiaries, the company constructs buildings and roads, provides civil engineering services, supplies construction materials, and manufactures and sells ready-mix concrete. Mitrajaya Holdings also invests, manages and leases plant and machinery.	492.0	88%
4	Varia Berhad	Varia Berhad builds water treatment and distribution infrastructure. The company operates in Malaysia.	332.8	96%
5	Inta Bina Group Berhad	Inta Bina Group Berhad provides construction and engineering services. The company constructs residential, commercial, industrial, and leisure properties. Inta Bina Group serves customers in Malaysia.	251.5	86%
6	Pesona Metro Holdings Berhad	Pesona Metro Holdings Berhad operates as a holding company. The company focuses on planning, designing, financing, and constructing public buildings and amenities, student hostels, laboratories, and infrastructure projects. Pesona Metro Holdings serves customers in Malaysia.	266.4	68%

No.	Key bases and assumptions adopted by BDOCC		TA Securities' comments

No.	Comparable Companies	Principal activities[1]	Market capitalisation as at the Valuation Date[2] (RM'million)	Percentage of revenue derived from construction[3]
7	Kumpulan Kitacon Berhad	Kumpulan Kitacon Berhad operates as a construction services. The cmpany offers design, renovation, and construction services for residential, commercial, institutional, and specialty buildings. Kumpulan Kitacon serves customers in Malaysia.	348.5	100%
8	Vestland Berhad	Vestland Berhad operates as a construction company. The Company provides construction services of residential and non-residential buildings. Vestland serves customers in Malaysia.	429.9	100%
9	MGB Berhad	MGB Berhad operates as a building sub-contractor. The Company offers designing, building, construction, engineering, project management, and geotechnical services. MGB serves customers in Malaysia.	257.2	57%
10	Citaglobal Berhad	Citaglobal Berhad operates as an investment holding company. The company, through its subsidiaries, provides engineering, oil and gas, power generation, properties investment, community credit, and digital media services. Citaglobal serves customers worldwide.	402.8	56%

Notes:

(1) As noted from the Valuation Letter, the principal activities of the Comparable Companies are extracted from Bloomberg.

(2) Based on three (3)-month daily volume weighted average closing price up to 31 December 2025 multiplied by the number of Comparable Companies' shares in issue as of 31 December 2025.

(3) Extracted from latest annual reports available via respective Comparable Companies' announcements on Bursa Securities.

No.	Key bases and assumptions adopted by BDOCC		TA Securities' comments
			In comparison against the Comparable Companies, the Target Companies derived all its revenue from construction activities and the estimated equity value of RUSB and LPSB each range from RM444.1 million to RM489.4 million and from RM416.2 million to RM459.1 million, respectively, based on DCF Method computed by BDOCC. However, the Comparable Companies may not be directly comparable due to, among others, earnings profile, composition of business activities, business models, scale of operations, project pipeline, risk profile, growth prospects and capital structure. Nonetheless, we are of the view that the Comparable Companies are sufficiently comparable to the Target Companies based on our assessment as set out below. We had on our best effort basis conducted a screening of listed companies with market capitalisations ranging from RM250 million to RM1,000 million to derive the list of Comparable Companies with more than 50% of their revenue from construction activities and having been listed for at least one year. We noted that there was no directly comparable listed company identified which fulfilled all the relevant selection criteria and had a market capitalisation comparable to the equity value of the Target Companies. We are of the view that the selected Comparable Companies were considered relevant valuation benchmarks as construction activities constitute the majority of their respective revenue as well as after taking into consideration the need to identify a meaningful group of comparable companies with profiles relatively similar to the Target Company to ensure a reliable basis for the valuation whereby there is limited sample size of comparable construction companies falling within RM550 million and RM1.0 billion. We had also reviewed the selected Comparable Companies and note that the construction activities of certain Comparable Companies could not be ascertained whether comprised of mainly or substantially of building construction which is more reflective of the profile of business dynamics and risks of the Target Companies as compared to construction and/or civil engineering services relating to infrastructure and/or public utilities. In assessing the comparability of Comparable Companies' construction activities with that of the Target Companies, we had on our best effort basis ascertain the construction activities undertaken by the Comparable Companies comprise construction of buildings instead of mainly infrastructure, public utilities and/or civil engineering based on publicly available information such as annual reports and announcements on Bursa Securities of the respective Comparable Companies. From our said assessment, 1 of the Comparable Companies selected by BDOCC, namely Citaglobal Berhad, is mainly involved in construction of infrastructures and public utilities as well as civil engineering services. We are of the view that, notwithstanding that the Comparable Companies may not be directly comparable due to factors as detailed above, the Comparable Companies (save for Citaglobal Berhad) are adequately comparable to the Target Companies as all of them have more than 50% revenue contribution from construction activities which include building construction and therefore, are subject to broadly similar industry dynamics and risks as those faced by the Target Companies which are primarily involved in building construction. Thus, the Comparable Companies can be reasonably adopted for the purposes of deriving the estimated beta of the industry. Nevertheless, the exclusion of Citaglobal Berhad from the Comparable Companies selected by BDOCC will not affect its computation on the beta of the Target Companies as Citaglobal Berhad's beta has been excluded from deriving the average ungeared beta of the Comparable Companies due to being outlier.

<table>
<tr><th>No.</th><th colspan="2">Key bases and assumptions adopted by BDOCC</th><th>TA Securities' comments</th></tr>
<tr><td></td><td colspan="2"></td><td>
In deriving the estimated beta of the Target Companies, we note that BDOCC had relied on the 3-year weekly beta up to the Valuation Date of the Comparable Companies. As the Comparable Companies are listed entities whereas the Target Companies are unlisted, the beta of the Comparable Companies is adjusted to remove the impact arising from their respective capital structures before applying the expected capital structure of the Target Companies. BDOCC has unlevered the beta of the Comparable Companies to strip out the effect of financial leverage and isolate the underlying business risk, and then re-levered the average unlevered beta of the Comparable Companies based on the expected capital structure of RUSB and LPBC for the respective financial year over the projection period, to derive an equity beta specific to the Target Companies. This ensures the resulting beta, and consequently the discount rate applied, reflects the business risk of comparable industry participants while being calibrated to the Target Companies' own financing structure, rather than being distorted by the differing leverage levels of the Comparable Companies. Based on BDOCC's computation, the re-levered beta of RUSB and LPBC for the respective financial year over the projection period are between 1.13 and 1.33 (for RUSB) and between 1.08 and 1.57 (for LPBC) respectively.

As a cross check, we derive the estimated beta of the Target Companies by relying on the 5-year daily beta up to the Valuation Date of the Comparable Companies, which covers a 5-year period matching the 5-year projection period of the Projections. We have also unlevered the beta of the Comparable Companies and then re-levered them based on the expected capital structure of RUSB and LPBC for the respective financial year over the projection period. Based on our computation, the re-levered beta of RUSB and LPBC for the respective financial year over the projection period are between 0.91 and 1.07 (for RUSB) and between 0.87 and 1.26 (for LPBC) respectively.

The estimated re-levered beta for the Target Companies computed by BDOCC and us are derived as follows:
<table>
<tr><th></th><th colspan="2">BDOCC</th><th colspan="2">TA Securities</th></tr>
<tr><th></th><th>RUSB</th><th>LPBC</th><th>RUSB</th><th>LPBC</th></tr>
<tr><td>Ungeared beta</td><td>0.97</td><td>0.97</td><td>0.78</td><td>0.78</td></tr>
<tr><td>Debt to equity ratio (D/E)</td><td>0.21x – 0.48x</td><td>0.15x-0.81x</td><td>0.21x – 0.48x</td><td>0.15x-0.81x</td></tr>
<tr><td>Tax rate (T)</td><td>24.0%</td><td>24.0%</td><td>24.0%</td><td>24.0%</td></tr>
<tr><td>Re-levered beta</td><td>1.13 to 1.33</td><td>1.08 to 1.57</td><td>0.91 to 1.07</td><td>0.87 to 1.26</td></tr>
</table>
The re-levered beta of the Comparable Companies computed by us is lower than that being computed by BDOCC. The difference in the computation of beta adopted by BDOCC and us is due to, among others, the following:

(a) By BDOCC: Relied on 3-year weekly beta up to the Valuation Date of the Comparable Companies.

(b) By TA Securities: Relied on 5-year daily beta up to the Valuation Date of the Comparable Companies.
</td></tr>
</table>

No.	Key bases and assumptions adopted by BDOCC		TA Securities' comments
			While both approaches are acceptable and have their respective merits, with BDOCC's 3-year weekly beta placing greater emphasis on recent market data whereas TA Securities' 5-year daily beta provides a longer historical observation period consistent with the projection period of the Projections, the higher beta derived by BDOCC does not in itself indicate greater reliability or appropriateness, it results in a higher cost of equity and consequently, a lower valuation outcome.
(vi)	Pre-tax cost of debt ("**K_d**")	**RUSB:** 5.08% **LPBC:** 4.95%	Pre-tax cost of debt is the effective rate that a corporation pays on its total borrowings. We noted that BDOCC has assumed that the estimated prevailing interest rates for the borrowings of the Target Companies would be the future estimated pre-tax cost of debt. We are of the view that the cost of debt of the Target Companies adopted by BDOCC in the Valuation Letter are reasonable after taking into consideration that the pre-tax cost of debt adopted for RUSB and LPBC of 5.08% and 4.95% are based on the weighted average interest rates applicable for RUSB and LPBC's revolving credit facilities, respectively. We are of the view that the weighted average interest rates applicable for RUSB and LPBC's revolving credit facilities adopted instead of interest rates from other financing facilities of the Target Companies are reasonable as any financing needs for the Target Companies' working capital requirements will be financed through its revolving credit facilities.
(vii)	WACC	**RUSB:** 13.12% to 14.22% (Low Scenario) 12.27% to 13.19% (High Scenario) **LPBC:** 12.15% to 14.55% (Low Scenario) 11.46% to 13.46% (High Scenario)	The WACC is the weighted average of the rates of return required by each of the capital providers (usually just equity and debt) where the weights are the proportions of the firm's total market value from each capital source. WACC is derived based on the following formula: $$WACC = \frac{Equity}{Equity + Debt} \times K_e + \frac{Debt}{Equity + Debt} \times K_d \ (1 - T)$$ where: E = Value of equity D = Value of debt K_e = Cost of equity K_d = Pre-tax cost of debt T = Statutory corporate income tax rate We had adjusted the WACC using the beta of the Target Companies derived based on the 5-year daily beta up to the Valuation Date of the Comparable Companies and the expected market rate of return for the Malaysian equity market of 9.96% based on daily market data for the period of 3 years up to the Valuation Date. The WACC range under the High Scenario and Low Scenario is derived by applying an additional discount rate for inherent risk on top of the base cost of equity, being 3.00% under the High Scenario and 4.00% under the Low Scenario. A summary of the WACC derived by BDOCC and TA Securities are as follows:

<table>
<tr><th>No.</th><th colspan="2">Key bases and assumptions adopted by BDOCC</th><th>TA Securities' comments</th></tr>
<tr><td></td><td colspan="2"></td><td>
<table>
<tr><th rowspan="3"></th><th colspan="4">WACC</th></tr>
<tr><th colspan="2">RUSB</th><th colspan="2">LPBC</th></tr>
<tr><th>Low Scenario</th><th>High Scenario</th><th>Low Scenario</th><th>High Scenario</th></tr>
<tr><td>BDOCC</td><td>13.12% to 14.22%</td><td>12.27% to 13.19%</td><td>12.15% to 14.55%</td><td>11.46% to 13.46%</td></tr>
<tr><td>TA Securities</td><td>13.39% to 14.50%</td><td>12.55% to 13.47%</td><td>12.41% to 14.83%</td><td>11.72% to 13.74%</td></tr>
</table>
</td></tr>
<tr><td>(viii)</td><td>Perpetuity growth ("g')</td><td>2.00%</td><td>The terminal value is computed based on the following formula:

Terminal value (in present terms) = $\frac{\text{(FCFF for FYE 2030 – maintenance CAPEX) x (1 + g)}}{\text{(WACC - g)}} \times \frac{1}{(1 + \text{WACC})^n}$

Whereby, n represents the year in which the expected sustainable level of FCFF is derived.

We noted that BDOCC has adopted the following:

(1) the expected sustainable level of FCFF of the Target Companies are derived based on the average of the FCFF for the last 3 years of the Projections for the Target Companies, i.e. FYE 2028 to FYE 2030, which we view to be reasonable after taking into consideration the following:

(i) the average value of the FCFF for the FYE 2028 to FYE 2030 reflects the normalised level of operations after taking into consideration the anticipated business expansion of the Enlarged Epicon Group during the period from FYE 2026 to FYE 2028, and reduces the risk on relying on an estimated value of a single terminal year, i.e. FYE 2030;

(ii) the average value adopted is not higher than the FCFF derived for the terminal year, i.e. FYE 2030; and

(iii) notwithstanding that a significant portion of the projected FCFF for FYE 2028 to FYE 2030 is derived from unsecured projects, we note that such projects form part of the expected roll-out of the Lagenda Group's development pipeline. The Lagenda Group has substantial landbank of approximately 3,998 acres across several states in Malaysia, notably Johor, Kedah and Perak, with an estimated total GDV of RM10.28 billion as at 30 June 2026, in addition to the Target Companies' combined outstanding order book of approximately RM1.48 billion as at the LPD. Coupled with the continuity of the Target Companies as the construction service provider to the Lagenda Group on basis as detailed in item (i) "FCFF" of this table, the potential pipeline of future developments by the Lagenda Group underpins the Target Companies' order book and sustainability of their construction activities. For context, approximately 81.7% of the aggregate projected revenue for FYE 2028 to FYE 2030 are made up of construction contracts which have been awarded or ongoing and construction projects which are unsecured but have been identified in the development pipeline of the Lagenda Group, which further supports the sustainability of the Target Companies' level of operations.</td></tr>
</table>

No.	Key bases and assumptions adopted by BDOCC		TA Securities' comments
			We recognise that the timing and award of individual construction projects are subject to uncertainty, including changes in development plans, project delays and prevailing market conditions, which are inherent characteristics of the construction and property development industry. However, such uncertainty relates principally to the timing and composition of the Target Companies' order book rather than the continuation of their underlying construction activities. Furthermore, the Target Companies have not experienced any delays in completing construction projects for the Lagenda Group to-date. Accordingly, we are of the view that the projected FCFF for FYE 2028 to FYE 2030 represents a reasonable basis for assessing the normalised level of operations and cash flows of the Target Companies, having regard to their established operating track record and the Lagenda Group's development pipeline. The expected normalised level of FCFF does not assume any particular construction project will continue indefinitely but rather individual projects will be progressively completed and replaced by new projects to be secured by the Target Companies. Further, the adoption of the average FCFF for FYE 2028 to FYE 2030, rather than the FCFF of FYE 2030 (i.e. the terminal year) alone, mitigates the impact of fluctuations of FCFF in any single year, and therefore provides a more balanced basis for determining the terminal value. (2) 2.0% perpetuity growth rate on the Target Companies' FCFF, which we view to be reasonable considering it is within the range of the following: (i) the headline inflation for the past 12 months prior to 31 December 2025 ranged from 1.1% to 1.6% *(Source: Bank Negara Malaysia)*; and (ii) the forecasted inflation in Malaysia ranged from 1.3% to 2.0% in 2026 *(Source: Economic Outlook 2026 issued by the Ministry of Finance Malaysia)*.
(ix)	Statutory corporate income tax rate	24.0%	The statutory corporate income tax rate is the official, legally mandated percentage of net income that a government requires businesses to pay. We noted that BDOCC has adopted 24.0% statutory corporate income tax rate which we view to be reasonable considering it is consistent with the statutory corporate income tax rate of Malaysia, in which the Target Companies primarily operate.

The breakdown of the valuation of the equity interests in the Target Companies based on the DCF Method by BDOCC is as follows:

RUSB

	Low Scenario (RM'000)	High Scenario (RM'000)
WACC[(1)]	*13.12% to 14.22%*	*12.27% to 13.19%*
Enterprise value of RUSB	**457,066**	**502,402**
Less:		
Borrowings and lease liabilities as at 31 December 2025	(84,222)	(84,222)
Add:		
Surplus assets[(2)]	3,785	3,785
	376,629	**421,966**
Add:		
Net amount due from holding company and fellow subsidiaries[(3)]	119,423	119,423
Less:		
Dividend distribution[(4)]	(52,000)	(52,000)
Equity value (100% equity interest) of RUSB	**444,052**	**489,388**

Notes:

*(1) The WACC range under the High Scenario and Low Scenario was applied to derive a corresponding range of enterprise values. Specifically, the Adjusted WACC under each scenario was applied on a year-by-year basis across the Projection Period to derive the corresponding present value ("**PV**") factors, which were in turn applied to discount the projected FCFF for each year of the Projection Period, as well as the terminal value, to their respective present values. The resulting net present value of cash flow and net present value of terminal value were then aggregated to arrive at the enterprise value under each scenario.*

(2) Based on the carrying amount of cash and cash equivalents comprising investments in short to medium-term fixed income fund as well as investment properties comprising 5 units of shop office / house in Seri Iskandar, Perak Darul Ridzuan, that were measured at fair value as per RUSB's accounting policy, as at 31 December 2025.

(3) Being the net amount due from the Lagenda Group (excluding net amount due from LPBC) to RUSB as at 31 May 2026, which forms part of the Related Party Advances. The Related Party Advances is fixed as at the date of the SSA for the purposes of the Set-Off Arrangement. Upon completion of the Proposed Acquisitions, as the Target Companies will become subsidiaries of Epicon, the Related Party Advances will constitute intra-group balances and will be eliminated upon consolidation in the financial statements of the Epicon Group.

(4) Being dividend intended to be declared and paid by RUSB for the FYE 31 December 2026. We note that the proposed dividend to be declared and paid by RUSB prior to completion of the Proposed Acquisitions is intended to distribute part of RUSB's accumulated surplus cash to its existing holding company, i.e. Lagenda, prior to completion, while allowing the Target Companies to retain sufficient cash to meet their ongoing operational and working capital requirements.

We note that the Target Companies' future working capital requirements have been assessed taking into consideration the proposed dividend distribution. Based on the Target Companies' projected cash flows and working capital requirements during the projection period, the Target Companies are expected to retain sufficient cash and internally-generated funds to support their ongoing operations and meet their working capital requirements following the proposed dividend distribution. Accordingly, we have reviewed the Projections and are of the view that the proposed dividend distribution is not expected to adversely affect the Target Companies' ability to fund their ongoing operations or fulfil their financial obligations following completion of the Proposed Acquisitions.

LPBC

	Low Scenario (RM'000)	High Scenario (RM'000)
WACC[(1)]	*12.15% to 14.55%*	*11.46% to 13.46%*
Enterprise value of LPBC	**437,963**	**480,911**
Less:		
Borrowings and lease liabilities as at 31 December 2025	(174)	(174)
	437,789	**480,737**
Add:		
Net amount due from holding company and fellow subsidiaries[(2)]	6,393	6,393
Less:		
Dividend distribution[(3)]	(28,000)	(28,000)
Equity value (100% equity interest) of LPBC	**416,182**	**459,130**

Notes:

(1) The WACC range under the High Scenario and Low Scenario was applied to derive a corresponding range of enterprise values. Specifically, the Adjusted WACC under each scenario was applied on a year-by-year basis across the Projection Period to derive the corresponding PV factors, which were in turn applied to discount the projected FCFF for each year of the Projection Period, as well as the terminal value, to their respective present values. The resulting net present value of cash flow and net present value of terminal value were then aggregated to arrive at the enterprise value under each scenario.

(2) Being the net amount due from the Lagenda Group (excluding net amount due from RUSB) to LPBC as at 31 May 2026, which forms part of the Related Party Advances. The Related Party Advances is fixed as at the date of the SSA for the purposes of the Set-Off Arrangement. Upon completion of the Proposed Acquisitions, as the Target Companies will become subsidiaries of Epicon, the Related Party Advances will constitute intra-group balances and will be eliminated upon consolidation in the financial statements of the Epicon Group.

(3) Being dividend intended to be declared and paid by LPBC for the FYE 31 December 2026. We note that the proposed dividend to be declared and paid by LPBC prior to completion of the Proposed Acquisitions is intended to distribute part of LPBC's accumulated surplus cash to its existing holding company, i.e. Lagenda, prior to completion, while allowing the Target Companies to retain sufficient cash to meet their ongoing operational and working capital requirements.

We note that the Target Companies' future working capital requirements have been assessed taking into consideration the proposed dividend distribution. Based on the Target Companies' projected cash flows and working capital requirements during the projection period, the Target Companies are expected to retain sufficient cash and internally-generated funds to support their ongoing operations and meet their working capital requirements following the proposed dividend distribution. Accordingly, we have reviewed the Projections and are of the view that the proposed dividend distribution is not expected to adversely affect the Target Companies' ability to fund their ongoing operations or fulfil their financial obligations following completion of the Proposed Acquisitions.

Based on the foregoing, the aggregate equity value of the Target Companies based on the DCF Method by BDOCC is as follows:

By BDOCC	Low Scenario (RM'000)	High Scenario (RM'000)
Equity value		
- RUSB	444,052	489,388
- LPBC	416,182	459,130
Aggregate equity value (100% equity interest) in Target Companies	**860,234**	**948,518**

Based on our computation by adjusting the WACC using the beta derived based on the 5-year daily beta up to the Valuation Date of the Comparable Companies and the expected market rate of return for the Malaysian equity market of 9.96% based on daily market data for the period of 3 years up to the Valuation Date, the valuation of the Target Companies would be as follows:

By TA Securities	Low Scenario (RM'000)	High Scenario (RM'000)
Equity value		
- RUSB	432,988	476,152
- LPBC	406,416	447,348
Aggregate equity value (100% equity interest) in Target Companies	**839,404**	**923,500**

Based on the foregoing, the aggregate valuation of the entire equity interest in the Target Companies ranges between the aggregate fair value range of RM860.23 million and RM948.52 million based on DCF Method computed by BDOCC and between RM839.40 million and RM923.50 million based on DCF Method computed by us.

In this regard, strictly for illustration purposes only, as the future unsecured contracts remains uncertain in terms of the Projections which will significantly impact the valuation of the Target Companies, a sensitivity analysis of the valuation based on DCF method to the assumed changes in the cashflow from construction contracts in the Projections which remain unsecured as at the Valuation Date are not subsequently secured by the Target Companies is as follows:

Aggregate equity value (100% equity interest) of Target Companies	Percentage change in cashflow from construction contracts in the Projections which remain unsecured as at the Valuation Date				
	-10%	-5%	0%	+5%	+10%
Low Scenario (RM'000)	757,587	798,296	839,404	880,112	921,236
High Scenario (RM'000)	832,697	877,870	923,500	968,673	1,014,320

Based on the above, assuming 10% of the cashflow from construction contracts in the Projections which remain unsecured as at the Valuation Date are not subsequently secured by the Target Companies, the range of valuation arrived at based on DCF method computed by us will correspondingly decrease to between RM757.59 million to RM832.70 million or decrease by approximately between 9.75% and 9.83%. In such scenario, the Purchase Consideration and Option Consideration will fall outside the decreased range of valuation of the Target Companies under the DCF Method. However, we wish to highlight that the base valuation under the DCF Method has incorporated additional discount rates of 4% and 3% for the Low Scenario and High Scenario respectively (as detailed in Section 6.2.1(ii), "Cost of equity" of this IAL) for inherent risk to reflect the uncertainty risks inherent in the Projections, including those associated with the expected future construction awards, such as potential delays or the award of contracts at lower values than assumed in the Projections. Strictly for illustration purposes only, such additional discount rates had effectively reduced the equity value of the Target Companies derived from the DCF Method by 35.6% and 29.2% for the Low Scenario and High Scenario respectively as compared to the values where there is no additional discount rate being applied for the inherent risks.

Premised on the above, we are of the view that the bases and assumptions used in the DCF Method are reasonable. Notwithstanding that the Purchase Consideration is on the higher end of the valuation range derived by us, we are of the view that the Purchase Consideration is not excessive based on our assessment of the reasonableness of the bases and assumptions, including but not limited to the projected revenue and expenses (i.e. the FCFF), cost of equity, expected market rate of return, beta and terminal value used in the DCF Method as well as adjustments considered by us to further assess the valuation of the Target Companies as detailed in the table above under this Section 6.2.1.

6.2.2 RVA and CTA (secondary approach)

RVA

We note that BDOCC has adopted P/E Multiple comparison method as a cross-check method to determine how the Implied P/E Multiple compares with the traded P/E Multiples of the Comparable Companies.

The Implied P/E Multiple by dividing the indicative values of the Target Companies with the Average Profit Guarantee of the Target Companies of RM119.0 million per financial year which we assumed as maintainable PAT of the Target Companies consistent with the expected normalised level of operations after taking into consideration the anticipated business expansion of the Enlarged Epicon Group during the period from FYE 2026 to FYE 2028. Then, the Implied P/E Multiple is compared against the traded P/E Multiple of the Comparable Companies which has been applied with size and marketability adjustment of 25% in view of the Target Companies' unlisted status and lack of marketability of the shares of the Target Companies. We are of the view that the use of Average Profit Guarantee based on the aggregate Profit Guarantee of RM238.0 million over the FYE 2027 and FYE 2028 for deriving the Implied P/E Multiple is reasonable as the Average Profit Guarantee would normalise the year-on-year fluctuations and avoid using higher or lower profit at any particular year which could affect the valuation. Further, as the DCF valuation is substantially driven by projected cash flows and terminal value assumptions beyond the FYE 2027 and FYE 2028, the Average Profit Guarantee provides a more objective and observable benchmark of the Target Companies' earnings capacity which is supported by the Profit Guarantee guaranteed by Lagenda. Further details on the Profit Guarantee and assessment on its achievability are set out in Section 6.8.6 of this IAL.

A summary of the traded P/E Multiple of the Comparable Companies as well as the implied P/E Multiple of the Target Companies computed by BDOCC is as follows:

	Market capitalisation as at the Valuation Date(1) (RM'million)	**Traded P/E Multiple(2) (times)**	**Adjusted traded P/E Multiple(3) (times)**
Comparable Companies			
GDB Holdings Berhad	427.4	7.9	5.9
Kimlun Corporation Berhad	536.7	5.1	3.9
Mitrajaya Holdings Berhad	492.0	5.9	4.4
Varia Berhad	332.8	17.5	13.1
Inta Bina Group Berhad	251.5	6.2	4.7
Pesona Metro Holdings Berhad	266.4	6.8	5.1
Kumpulan Kitacon Berhad	348.5	6.8	5.1
Vestland Berhad	429.9	12.3	9.2
Citaglobal Berhad	402.8	32.7 (4)	24.6 (4)
MGB Berhad	257.2	5.1	3.8
Highest	**536.7**	**17.5**	**13.1**
Lowest	**251.5**	**5.1**	**3.8**
Average	**371.4**	**8.2**	**6.1**
Implied P/E Multiple of the Target Companies (times)			
- Low Scenario			7.2
- High Scenario			8.0

Notes:

(1) Based on 3-month daily volume weighted average closing price up to 31 December 2025 multiplied by the number of Comparable Companies' shares in issue as of 31 December 2025.
(2) Computed based on trailing 12-month net income up to 31 December 2025 extracted from Bloomberg.
(3) After taking into consideration size and marketability adjustment of 25%.
(4) Excluded due to being outlier.

We have adopted the same Comparable Companies (which excluded Citaglobal Berhad) that we used in determining the estimated beta of the Target Companies in Section 6.2.1 of this IAL, for analysing the P/E Multiple for cross check purpose. Further, the exclusion of Citaglobal Berhad is also reasonable due to its traded P/E Multiple of 32.7 times (before size and marketability adjustment) being outlier compared to the other Comparable Companies. We have computed the market capitalisation of the Comparable Companies as at the Valuation Date based on the 3-month daily VWAP (instead of volume weighted average closing price as adopted by BDOCC) up to 31 December 2025. A summary of the traded P/E Multiple of the Comparable Companies as well as the implied P/E Multiple of the Target Companies computed by us is as follows:

	Market capitalisation as at the Valuation Date(1) (RM'million)	**Traded P/E Multiple(2) (times)**	**Adjusted traded P/E Multiple(3) (times)**
Comparable Companies			
GDB Holdings Berhad	422.2	7.8	5.8
Kimlun Corporation Berhad	534.3	5.0	3.8
Mitrajaya Holdings Berhad	487.3	5.8	4.4
Varia Berhad	328.2	17.3	13.0
Inta Bina Group Berhad	247.9	6.2	4.6
Pesona Metro Holdings Berhad	265.5	6.8	5.1
Kumpulan Kitacon Berhad	343.1	6.7	5.0
Vestland Berhad	429.7	12.3	9.2
MGB Berhad	257.6	5.1	3.8
Highest	**534.3**	**17.3**	**13.0**
Lowest	**247.9**	**5.0**	**3.8**
Average	**368.4**	**8.1**	**6.1**
Implied P/E Multiple of the Target Companies (times)			
- Low Scenario			7.1
- High Scenario			7.8

Notes:

(1) Based on 3-month daily VWAP up to 31 December 2025 multiplied by the number of Comparable Companies' shares in issue as of 31 December 2025.

(2) Computed based on trailing 12-month PAT attributable to owners of the company up to 31 December 2025 extracted from quarterly reports of the respective Comparable Companies.

(3) After taking into consideration size and marketability adjustment of 25%.

We note that there is no material difference between the traded P/E Multiples of the Comparable Companies computed by BDOCC and us. As such, the analysis on traded P/E Multiples of the Comparable Companies carried out by BDOCC is reasonable. Notwithstanding the wide range of P/E Multiples which ranges from 3.8 times to 13.0 times, which may be attributable to differences in, among others, earnings profile, composition of business activities, business models, scale of operations, project pipeline, risk profile, growth prospects, liquidity of shares and capital structure of the Comparable Companies, we are of the view that the selected Comparable Companies remains appropriate for the purposes of the RVA as their construction activities which include building construction represent majority of their overall business (i.e. more than 50% of the total revenue) and therefore, are subject to broadly similar industry dynamics and risks as those faced by the Target Companies which are primarily involved in building construction.

The comparison of the implied P/E Multiple derived from the aggregate of the Purchase Consideration and Option Consideration as well as DCF Method computed by BDOCC and TA Securities respectively, with the adjusted traded P/E Multiple of the Comparable Companies derived by BDOCC and TA Securities respectively.

	Based on Purchase Consideration and Option Consideration (RM'million)	DCF Method by BDOCC (RM'million)		DCF Method by TA Securities (RM'million)	
		Low Scenario	High Scenario	Low Scenario	High Scenario
Target Companies					
Value of 100% equity interest in the Target Companies	905.3	860.23	948.52	839.40	923.50
Average Profit Guarantee	119.0	119.0	119.0	119.0	119.0
Implied P/E Multiple (times)	**7.6**	**7.2**	**8.0**	**7.1**	**7.8**
Comparable Companies					
Adjusted traded P/E Multiple:		Derived by BDOCC		Derived by TA Securities	
Highest		**13.1**		**13.0**	
Lowest		**3.8**		**3.8**	
Average		**6.1**		**6.1**	

We note that the implied P/E Multiple of the Target Companies:

(i) derived from the Purchase Consideration and Option Consideration of 7.6 times:

(a) is higher than the average adjusted traded P/E Multiple of the Comparable Companies derived by BDOCC of 6.1 times but within the range of the Adjusted Traded P/E Multiple of the Comparable Companies derived by BDOCC of between 3.8 times and 13.1 times; and

(b) is higher than the average adjusted traded P/E Multiple of the Comparable Companies derived by TA Securities of 6.1 times but within the range of the adjusted traded P/E Multiple of the Comparable Companies derived by TA Securities of between 3.8 times and 13.0 times.

(ii) derived from the aggregate equity value of the Target Companies based on DCF Method computed by BDOCC,

of 7.2 times (Low Scenario):

(a) is higher than the average adjusted traded P/E Multiple of the Comparable Companies derived by BDOCC of 6.1 times but within the range of the Adjusted Traded P/E Multiple of the Comparable Companies derived by BDOCC of between 3.8 times and 13.1 times; and

(b) is higher than the average adjusted traded P/E Multiple of the Comparable Companies derived by TA Securities of 6.1 times but within the range of the Adjusted Traded P/E Multiple of the Comparable Companies derived by TA Securities of between 3.8 times and 13.0 times.

and 8.0 times (High Scenario):

(a) is higher than the average adjusted traded P/E Multiple of the Comparable Companies derived by BDOCC of 6.1 times but within the range of the Adjusted Traded P/E Multiple of the Comparable Companies derived by BDOCC of between 3.8 times and 13.1 times; and

(b) is higher than the average adjusted traded P/E Multiple of the Comparable Companies derived by TA Securities of 6.1 times but within the range of the Adjusted Traded P/E Multiple of the Comparable Companies derived by TA Securities of between 3.8 times and 13.0 times.

(iii) derived from the aggregate equity value of the Target Companies based on DCF Method computed by TA Securities,

of 7.1 times (Low Scenario):

(a) is higher than the average adjusted traded P/E Multiple of the Comparable Companies derived by BDOCC of 6.1 times but within the range of the Adjusted Traded P/E Multiple of the Comparable Companies derived by BDOCC of between 3.8 times and 13.1 times; and

(b) is higher than the average adjusted traded P/E Multiple of the Comparable Companies derived by TA Securities of 6.1 times but within the range of the adjusted traded P/E Multiple of the Comparable Companies derived by TA Securities of between 3.8 times and 13.0 times.

and 7.8 times (High Scenario):

(a) is higher than the average adjusted traded P/E Multiple of the Comparable Companies derived by BDOCC of 6.1 times but within the range of the Adjusted Traded P/E Multiple of the Comparable Companies derived by BDOCC of between 3.8 times and 13.1 times; and

(b) is higher than the average adjusted traded P/E Multiple of the Comparable Companies derived by TA Securities of 6.1 times but within the range of the adjusted traded P/E Multiple of the Comparable Companies derived by TA Securities of between 3.8 times and 13.0 times.

The implied P/E multiple of the Target Companies is towards the upper end of the P/E multiple range and higher than the average adjusted P/E Multiple of the Comparable Companies as assessed above. However, we are of the view that this has not affected the appropriateness of the implied P/E Multiple after taking into consideration, among others, the Profit Guarantee of RM238.0 million over the FYE 2027 and FYE 2028 provided by Lagenda and the Target Companies' earnings visibility over the next 5 years which is backed by the Target Companies' combined outstanding order book of approximately RM1.48 billion as at the LPD and Lagenda Group's development pipeline with an estimated total GDV of RM10.28 billion as at 30 June 2026 as well as the continuation of the business and subsidiary-parent relationships between the Enlarged Epicon Group and the Lagenda Group as detailed in Section 6.2.1 of this IAL.

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CTA

We note that the CTA by BDOCC was assessed based on the P/E Multiple of completed precedent transactions involving the acquisition of construction and construction related companies in Malaysia completed in the past five (5) years up to the Valuation Date ("**Precedent Transactions**") as follows:

Buyer	Seller	Target	Transaction details	Announcement date	Completion date	Transacted value (RM'million)		Latest audited net income[2] / Profit guarantee[3] (RM'million)	P/E Multiple (times)
						Actual	Adjusted[1]		
Chin Hin Group Berhad ("**CHGB**")	Chin Hin Group Property Berhad ("**CHGP**")	Chin Hin Construction Engineering Sdn Bhd	Proposed acquisition of entire equity interest in Chin Hin Construction Engineering Sdn Bhd from CHGP for a cash consideration of RM16.5 million	29/02/2024	27/11/2024	16.5	16.5	4.4	3.7[4]
CHGB	CHGP	Kayangan Kemas Sdn Bhd	Proposed acquisition of 95% equity interest in Kayangan Kemas Sdn Bhd from CHGP for a cash consideration of RM93.5 million	29/02/2024	27/11/2024	93.5	98.4	13.4	7.3
Siab Holdings Berhad (currently known as Taghill Holdings Berhad)	Chu Yee Hong, Wong Yih Ming and Yap Kek Siung	Taghill Projects Sdn Bhd	Proposed acquisition of entire equity interest in Taghill Projects Sdn Bhd from Chu Yee Hong, Wong Yih Ming and Yap Kek Siung for a total purchase consideration of RM122.0 million to be satisfied via cash payment and issuance of shares	18/07/2023	28/06/2024	122.0	122.0	12.0[5]	10.2

Buyer	Seller	Target	Transaction details	Announcement date	Completion date	Transacted value (RM'million)		Latest audited net income[2] / Profit guarantee[3]	P/E Multiple
						Actual	Adjusted[1]	(RM'million)	(times)
Lim Seong Hai Capital Berhad	Lim Seong Hai Resources Sdn Bhd, Datuk Lim Keng Guan, Lim Pak Lian, Lim Keng Hun and Lim Ding Shyong	Astana Setia Sdn Bhd	Proposed acquisition of entire equity interest in Astana Setia Sdn Bhd from Lim Seong Hai Resources Sdn Bhd, Datuk Lim Keng Guan, Lim Pak Lian, Lim Keng Hun and Lim Ding Shyong for a total purchase consideration of RM95.0 million to be satisfied via issuance of shares	28/03/2022	19/04/2023	95.0	95.0	12.9	7.4
WZ Satu Berhad (currently known as Citaglobal Berhad)	Citaglobal Sdn Bhd (currently known as TIZA Global Sdn Bhd)	Citaglobal Engineering Services Sdn Bhd	Proposed acquisition by WZ Satu Berhad of entire equity interest in Citaglobal Engineering Services Sdn Bhd at a purchase consideration of RM140.0 million to be satisfied via issuance of shares	17/11/2021	10/11/2022	140.0	140.0	20.0[6]	7.0
AB Concession Venture Sdn Bhd	BGMC International Limited	KAS Engineering Sdn Bhd	Proposed acquisition of entire equity interest in KAS Engineering Sdn Bhd from BGMC International Limited for a cash consideration of RM93.8 million	16/11/2020	11/06/2021	93.8	93.8	17.3	5.4
								Highest	**10.2**
								Lowest	**5.4**
								Average	**7.5**

Notes:

(1) Adjusted transacted value based on 100% equity interest.
(2) Latest audited profit attributable to the owners of the target prior to the date of first announcement of the transaction.
(3) Based on the average profit guarantee per annum across the guaranteed financial period.
(4) Excluded due to being outlier.
(5) Total profit guarantee of RM24.0 million or the FYE 31 December 2024 and FYE 31 December 2025.
(6) Total profit guarantee of RM60.0 million for the FYE 31 December 2022, FYE 31 December 2023 and FYE 31 December 2024.

The precedent transactions selected by TA Securities for the CTA involving the acquisition of construction and construction related companies in Malaysia completed in the past five (5) years up to the Valuation Date and up to the SSA LTD as cross-check are as follows:

Buyer	Seller	Target	Transaction details	Announcement date	Completion date	Transacted value (RM'million)		Latest audited net income[2] / Profit guarantee[3]	P/E Multiple
						Actual	Adjusted[1]	(RM'million)	(times)
Chin Hin Group Berhad ("**CHGB**")	Chin Hin Group Property Berhad ("**CHGP**")	Chin Hin Construction Engineering Sdn Bhd	Proposed acquisition of entire equity interest in Chin Hin Construction Engineering Sdn Bhd from CHGP for a cash consideration of RM16.5 million	29/02/2024	27/11/2024	16.5	16.5	4.4	3.7[4]
CHGB	CHGP	Kayangan Kemas Sdn Bhd	Proposed acquisition of 95% equity interest in Kayangan Kemas Sdn Bhd from CHGP for a cash consideration of RM93.5 million	29/02/2024	27/11/2024	93.5	98.4	13.4	7.3
Siab Holdings Berhad (currently known as Taghill Holdings Berhad)	Chu Yee Hong, Wong Yih Ming and Yap Kek Siung	Taghill Projects Sdn Bhd	Proposed acquisition of entire equity interest in Taghill Projects Sdn Bhd from Chu Yee Hong, Wong Yih Ming and Yap Kek Siung for a total purchase consideration of RM122.0 million to be satisfied via cash payment and issuance of shares	18/07/2023	28/06/2024	122.0	122.0	12.0[5]	10.2

Buyer	Seller	Target	Transaction details	Announcement date	Completion date	Transacted value (RM'million)		Latest audited net income[2] / Profit guarantee[3]	P/E Multiple
						Actual	Adjusted[1]	(RM'million)	(times)
LFE Corporation Berhad	Resolute Accomplishment Sdn Bhd ("**RASB**")	Cosmo Property Management Sdn Bhd ("**CPMSB**")	Proposed acquisition of remaining 49.0% equity interest in CPMSB from RASB at a purchase consideration of RM29.4 million to be satisfied via cash and issuance of shares	8/12/2022	26/05/2023	29.4	60.0	7.3	8.2
Lim Seong Hai Capital Berhad	Lim Seong Hai Resources Sdn Bhd, Datuk Lim Keng Guan, Lim Pak Lian, Lim Keng Hun and Lim Ding Shyong	Astana Setia Sdn Bhd	Proposed acquisition of entire equity interest in Astana Setia Sdn Bhd from Lim Seong Hai Resources Sdn Bhd, Datuk Lim Keng Guan, Lim Pak Lian, Lim Keng Hun and Lim Ding Shyong for a total purchase consideration of RM95.0 million to be satisfied via issuance of shares	28/03/2022	19/04/2023	95.0	95.0	12.9	7.4
AB Concession Venture Sdn Bhd	BGMC International Limited	KAS Engineering Sdn Bhd	Proposed acquisition of entire equity interest in KAS Engineering Sdn Bhd from BGMC International Limited for a cash consideration of RM93.8 million	16/11/2020	11/06/2021	93.8	93.8	17.3	5.4
WZ Satu Berhad (currently known as Citaglobal Berhad)	Citaglobal Sdn Bhd (currently known as TIZA Global Sdn Bhd)	Citaglobal Engineering Services Sdn Bhd	Proposed acquisition by WZ Satu Berhad of entire equity interest in Citaglobal Engineering Services Sdn Bhd at a purchase consideration of RM140.0 million to be satisfied via issuance of shares	17/11/2021	10/11/2022	140.0	140.0	20.0[6]	7.0

Buyer	Seller	Target	Transaction details	Announcement date	Completion date	Transacted value (RM'million)		Latest audited net income[2] / Profit guarantee[3]	P/E Multiple
						Actual	Adjusted[1]	(RM'million)	(times)
G Neptune Berhad (currently known as Southern Score Builders Berhad)	Super Advantage Sdn Bhd ("**Super Advantage**")	Southern Score Sdn Bhd	Proposed acquisition of entire equity interest in Southern Score Sdn Bhd from Super Advantage at a purchase consideration of RM252.0 million to be satisfied via issuance of shares	9/07/2021	9/11/2022	252.0	252.0	26.7[7]	9.4
								Highest	**10.2**
								Lowest	**5.4**
								Average	**7.8**

Notes:

(1) Adjusted transacted value based on 100% equity interest.
(2) Latest audited profit attributable to the owners of the target prior to the date of first announcement of the transaction.
(3) Based on the average profit guarantee per annum across the guaranteed financial period.
(4) Excluded due to being outlier.
(5) Total profit guarantee of RM24.0 million for the FYE 31 December 2024 and FYE 31 December 2025.
(6) Total profit guarantee of RM60.0 million for the FYE 31 December 2022, FYE 31 December 2023 and FYE 31 December 2024.
(7) Total profit guarantee of RM80.0 million for the FYE 31 December 2022, FYE 31 December 2023 and FYE 31 December 2024.

The comparison of the implied P/E Multiple derived from the aggregate of the Purchase Consideration and Option Consideration as well as DCF Method computed by BDOCC and TA Securities respectively, with the P/E Multiple of the Precedent Transactions selected by BDOCC and TA Securities respectively.

	Based on Purchase Consideration and Option Consideration (RM'million)	**DCF Method by BDOCC (RM'million)**		**DCF Method by TA Securities (RM'million)**	
		Low Scenario	**High Scenario**	**Low Scenario**	**High Scenario**
Target Companies					
Value of 100% equity interest in the Target Companies	905.3	860.23	948.52	839.40	923.50
Average Profit Guarantee	119.0	119.0	119.0	119.0	119.0
Implied P/E Multiple (times)	**7.6**	**7.2**	**8.0**	**7.1**	**7.8**
Precedent Transactions					
P/E Multiple:		Selected by BDOCC		Selected by TA Securities	
Highest		**10.2**		**10.2**	
Lowest		**5.4**		**5.4**	
Average		**7.5**		**7.8**	

We note that the implied P/E Multiple of the Target Companies:

(i) derived from the Purchase Consideration and Option Consideration of 7.6 times:

(a) approximates the average P/E Multiple of the Precedent Transactions selected by BDOCC of 7.5 times and within the range of the P/E Multiple of the Precedent Transactions selected by BDOCC of between 5.4 times and 10.2 times; and

(b) is lower than the average P/E Multiple of the Precedent Transactions derived by TA Securities of 7.8 times and within the range of the P/E Multiple of the Precedent Transactions selected by TA Securities of between 5.4 times and 10.2 times.

(ii) derived from the aggregate equity value of the Target Companies based on DCF Method computed by BDOCC,

of 7.2 times (Low Scenario):

(a) is lower than the average P/E Multiple of the Precedent Transactions selected by BDOCC of 7.5 times and within the range of the P/E Multiple of the Precedent Transactions selected by BDOCC of between 5.4 times and 10.2 times; and

(b) is lower than the average P/E Multiple of the Precedent Transactions derived by TA Securities of 7.8 times and within the range of the P/E Multiple of the Precedent Transactions selected by TA Securities of between 5.4 times and 10.2 times.

and 8.0 times (High Scenario):

(a) is higher than the average P/E Multiple of the Precedent Transactions selected by BDOCC of 7.5 times but within the range of the P/E Multiple of the Precedent Transactions selected by BDOCC of between 5.4 times and 10.2 times; and

(b) is higher than the average P/E Multiple of the Precedent Transactions derived by TA Securities of 7.8 times but within the range of the P/E Multiple of the Precedent Transactions selected by TA Securities of between 5.4 times and 10.2 times.

(iii) derived from the aggregate equity value of the Target Companies based on DCF Method computed by TA Securities,

of 7.1 times (Low Scenario):

(a) is lower than the average P/E Multiple of the Precedent Transactions selected by BDOCC of 7.5 times and within the range of the P/E Multiple of the Precedent Transactions selected by BDOCC of between 5.4 times and 10.2 times; and

(b) is lower than the average P/E Multiple of the Precedent Transactions derived by TA Securities of 7.8 times and within the range of the P/E Multiple of the Precedent Transactions selected by TA Securities of between 5.4 times and 10.2 times.

and 7.8 times (High Scenario):

(a) is higher than the average P/E Multiple of the Precedent Transactions selected by BDOCC of 7.5 times but within the range of the P/E Multiple of the Precedent Transactions selected by BDOCC of between 5.4 times and 10.2 times; and

(b) is equal to the average P/E Multiple of the Precedent Transactions derived by TA Securities of 7.8 times and within the range of the P/E Multiple of the Precedent Transactions selected by TA Securities of between 5.4 times and 10.2 times.

The implied P/E multiple of the Target Companies, which is around the average P/E Multiple of the Precedent Transactions as assessed above, is reasonable after taking into consideration, among others, the Profit Guarantee of RM238.0 million over the FYE 2027 and FYE 2028 provided by Lagenda and the Target Companies' earnings visibility over the next 5 years which is backed by the Target Companies' combined outstanding order book of approximately RM1.48 billion as at the LPD and Lagenda Group's development pipeline with an estimated total GDV of RM10.28 billion as at 30 June 2026 as well as the continuation of the business and subsidiary-parent relationships between the Enlarged Epicon Group and the Lagenda Group as detailed in Section 6.2.1 of this IAL.

6.2.3 Profit Guarantee

The detailed information on the Profit Guarantee is set out in Section 2.1.1 of Part A of the Circular.

We note that Lagenda, as part of the Proposed Acquisitions, provided Profit Guarantee in respect of the Target Companies for each FYE 2027 and FYE 2028 as well as on aggregate basis the FYE 2027 and FYE 2028 as follows:

	FYE 2027 (RM'million)	**FYE 2028 (RM'million)**	**Aggregate (RM'million)**
Combined audited PAT	110.0	128.0	238.0
Combined audited PAT (60% Attributable Interest)	66.0	76.8	142.8

The Pledged Shares, comprising 1,098,461,539 Consideration Shares which represents the sum equivalent to the Profit Guarantee multiplied with 60% (being the Attributable Interest) of RM142.80 million, which in turn represents approximately 26.29% of the Purchase Consideration, will be deposited in the securities account maintained by a Stakeholder and only be released based on the mechanism of the Profit Guarantee upon achievement of the actual PAT of the Target Companies vis-à-vis the Profit Guarantee over the FYE 2027 and FYE 2028. In the event of the aggregate combined PAT for the FYE 2027 and FYE 2028 is less than the total guaranteed profit of RM238.00 million, Lagenda shall pay Epicon the shortfall amount being the difference between the aggregate PAT and the total guaranteed profit of RM238.00 million multiplied by the Attributable Interest in cash. Further, should the Target Companies record an aggregate combined LAT for the FYE 2027 and FYE 2028, such amount of LAT will be added to the total guaranteed profit of RM238.00 million to be paid by Lagenda to Epicon. In the event of such shortfall amount due to Epicon is not paid by Lagenda, Epicon will be entitled to, by notifying the Stakeholder, to dispose such number of Pledged Shares representing the amount to be compensated by Lagenda.

The mechanism on the release of the Pledged Shares for each financial year during the FYE 2027 and FYE 2028 pursuant to the Profit Guarantee are illustrated with assumptions in the manner set out in Section 2.1.1 of Part A of the Circular.

The Pledged Shares (including the mechanism) serves as a safeguard to Epicon on the recovery of any shortfall in the Profit Guarantee for the FYE 2027 and FYE 2028 and only be released to the Vendor upon fulfilment of the relevant portion of the Profit Guarantee. The Profit Guarantee also provides a certain degree of assurance by the Vendor on the future financial performance of the Target Companies which would contribute positively to Epicon's earnings over the FYE 2027 and FYE 2028.

We are of the view that the quantum of the Pledged Shares, taken together with the Cash Top-Up, provides sufficient security to the Company for the full amount of the Profit Guarantee attributable to Epicon's Attributable Interest, after considering the following:

(i) the Pledged Shares are sized to represent 100% of the total guaranteed profit of RM238.00 million attributable to Epicon's 60% Attributable Interest (i.e., RM142.80 million), based on the Issue Price at the point of pledging. In the event of a full shortfall against the Profit Guarantee, the value of the Pledged Shares, at the value ascribed at the point of pledging, would be sufficient to compensate the Company for the entire quantum of the Attributable Interest's total guaranteed profit of RM238.00 million; and

(ii) we note that the value of the Pledged Shares as security is subject to market risk, as the Pledged Shares comprise Epicon Shares rather than cash. In the event of a shortfall, the proceeds realisable from the disposal of the Pledged Shares would depend on the prevailing market price of Epicon Shares at the time of disposal, which may be higher or lower than the value ascribed to the Pledged Shares at the point of pledging. Notwithstanding the above, we note that this market risk is mitigated by the Cash Top-Up under the SSA, pursuant to which the Vendor undertakes to pay to Epicon, in cash, the difference between the aggregate proceeds from the disposal of the Pledged Shares (including any Additional Securities) and the Amount Due, within 30 days from the date of Epicon's written demand, failing which the Vendor shall be liable for liquidated damages on the Cash Top-Up at the rate of 8% per annum calculated on a daily basis. Accordingly, the Cash Top-Up serves as a supplementary backstop to the Pledged Shares, such that any shortfall arising from adverse market price movements at the point of disposal would ultimately still be made good by the Vendor in cash.

We are of the view that the Profit Guarantee is reasonable and achievable by the Target Companies after taking into consideration the following:

(i) the combined outstanding order book of the Target Companies of approximately RM1.48 billion as at the LPD. Subsequent to the Valuation Date up to the LPD, the Target Companies had further secured additional order book valuing approximately RM1.08 billion represents approximately 19.98% of the total value of unsecured projects which have been identified in the development pipeline of the Lagenda Group projected for the entire projection period; and

(ii) the Profit Guarantee is supported by the Projections, the key bases and assumptions of which have been evaluated and are deemed reasonable as detailed in Section 6.2.1 of this IAL. As at the LPD, the Target Companies' outstanding order book made up approximately 48.68% of the total projected revenue of approximately RM3.04 billion over the FYE 2027 and FYE 2028.

During the FYE 2027 and FYE 2028, the Target Companies' revenue is projected to grow at a CAGR of 39.64%*. In assessing the achievability of the projected revenue, we note that the Target Companies' total projected revenue for the FYE 2027 and FYE 2028 will be supported by the following (as detailed in Section 2.1.1 of Part A of the Circular):

Construction awards	**Order book contribution during the FYE 2027 and FYE 2028 (RM'million)**	**% of total expected revenue for the FYE 2027 and FYE 2028**
Indicative unbilled Secured Awards as at 31 December 2026	1,328.49 (1)	43.70
FYE 2026 Unsecured Awards	547.14 (2)	18.00
Future Awards	1,164.11 (3)	38.30
Total expected revenue for the FYE 2027 and FYE 2028	**3,039.74**	**100.00**

Notes:

* *Computed based on the following formula:*

$$CAGR = \left[\left(\frac{\text{Revenue of Target Companies for FYE 2028}}{\text{Revenue of Target Companies for FYE 2026}} \right)^{1/n} - 1 \right] \times 100\%$$

$$= \left[\left(\frac{\text{RM 1,634.50 million}}{\text{RM 838.25 million}} \right)^{1/2} - 1 \right] \times 100\%$$

$$= 39.64\%$$

, where n is the number of years within the period.

(1) This value is arrived at after taking into consideration the expected work to be done between 23 October 2026 (immediately after the LPD) and 31 December 2026 of approximately RM149.55 million, which is based on the construction works to be carried out during the period according to the schedule of works for the Target Companies' ongoing projects.

(2) The contracts stem from development projects that have already been launched or is expected to be launched and construction contracts are expected to be awarded by the end of FYE 2026.

(3) The contracts represent identified upcoming projects in Lagenda Group's development pipeline, which include new phases of existing township development as well as new launches from the Lagenda Group's current landbank.

The expected revenue for the FYE 2027 and FYE 2028 as detailed above are reasonable as it is substantially supported by existing order book for Secured Awards and FYE 2026 Unsecured Awards which is based on the value of contracts currently in discussion between the Target Companies and the Lagenda Group subject to the finalisation of the bill of quantities, which in aggregate covers approximately 58.67% of the total expected revenue for the FYE 2027 and FYE 2028. The remaining 41.33% are subject to Future Awards which rely on timely award of construction contracts by the Lagenda Group to the Target Companies that are unsecured at this juncture. The Lagenda Group's landbank of approximately 3,998 acres across several states within Malaysia, notably Johor, Kedah and Perak, with a total estimated gross development value of RM10.28 billion worth of property development projects as at 30 June 2026 provides visibility over its development pipeline and potential construction opportunities to support the Future Awards to be secured by the Target Companies.

Further to the above, while the Lagenda Group's project launches and confirmed sales are not direct benchmarks of the value of construction contracts that may be secured by the Target Companies, they provide an indication of the scale and growth of the underlying development activities that may generate construction opportunities for the Target Companies. In FYE 2025, the Lagenda Group launched projects with an aggregate GDV of approximately RM2.3 billion and achieved confirmed sales of approximately RM1.71 billion, representing a CAGR of more than 20% over the past 3 financial years. This growth, together with the Target Companies' established track record in undertaking construction projects for the Lagenda Group provides a basis for the continued replenishment of the Target Companies' order book and supports the achievability of the projected revenue and consequently, the Profit Guarantee.

We note that the Target Companies' PAT for the FYE 2025 had increased by RM14.16 million or 50.94% in comparison to the FYE 2024, primarily attributable to, among others, the higher margins generated from newly secured projects, namely Lagenda Ardea and La Lumiere, which are related parties within the Lagenda Group as well as the cost savings recognised from economies of scale in bulk procurement of materials and negotiated subcontractor rates for ongoing and completed projects during the financial year. Such improvements in profit margins are expected to be sustainable based on, among others, the expected project costs (which substantially have been contracted based on the Target Companies' contracts with sub-contractors) and contract values awarded for its ongoing projects as well as the Target Companies' performance subsequent to FYE 2025, i.e. for FPE 31 August 2026, the GP margin and PAT margin remain relatively stable at 14.2% and 8.9% respectively. In addition, it is further analysed that the expected GP margin (in the range from 12.3% to 13.2%) and PAT margin (in the range from 7.2% to 8.0%) derived from the Projections are comparable to the profit margins achieved in FYE 2025 and FPE 31 August 2026 which reflect the current level of profitability and performance of the Target Companies.

Furthermore, the Profit Guarantee also reflects Lagenda's commitment to support the Target Companies in achieving the targeted profit for the FYE 2027 and FYE 2028, which in turn is expected to contribute to the overall achievement of the projected performance of the Target Companies over the projection period. This is premised on the Target Companies achieving the Profit Guarantee by end of FYE 2028, by which time the Target Companies are expected to have secured construction contracts which comprise approximately 89.7% of the total projected revenue from construction contracts that are unsecured but identified in the Lagenda Group's development pipeline as at the Valuation Date over the projection period.

Notwithstanding the foregoing, you should note that the achievement of the Profit Guarantee and the projected profitability or profit margins are dependent on the successful achievement of the Projections (including the securing of the FYE 2026 Unsecured Awards and Future Awards) which is subject to uncertainties and risks as detailed in Sections 6.2.1 and 6.8.6(i) of this IAL which include, among others, reliance on Lagenda's development pipeline and continued award of construction contracts to the Target Companies.

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Premised on our evaluation of the Purchase Consideration and Option Consideration which are based on the valuation of the entire equity interest of the Target Companies as set out in this section, we are of the view that the Purchase Consideration of RM543.16 million and Option Consideration of up to RM362.11 million are fair, after taking into consideration the following:

(i) as the Purchase Consideration of RM543.16 million for 60% equity interests in the Target Companies and the Option Consideration of up to RM362.11 million for up to 40% equity interests in the Target Companies as well as on aggregate basis of up to RM905.27 million for 100% equity interests in the Target Companies, are within the range of valuation arrived at based on DCF method computed by BDOCC and TA Securities as follows:

	By BDOCC		By TA Securities	
Target Companies	Low Scenario (RM'000)	High Scenario (RM'000)	Low Scenario (RM'000)	High Scenario (RM'000)
RUSB	444,052	489,388	432,988	476,152
LPBC	416,182	459,130	406,416	447,348
Total	**860,234**	**948,518**	**839,404**	**923,500**
60% of total value	516,140	569,111	503,642	554,100
40% of total value	344,094	379,407	335,762	369,400

Notwithstanding that the Purchase Consideration is on the higher end of the valuation range derived by us, we are of the view that the Purchase Consideration is not excessive based on our assessment of the reasonableness of the bases and assumptions, including but not limited to the projected revenue and expenses (i.e. the FCFF), cost of equity, expected market rate of return, beta and terminal value used in the DCF Method as well as adjustments considered by us to further assess the valuation of the Target Companies as detailed in the table under Section 6.2.1 of this IAL;

(ii) based on the RVA approach, the implied P/E Multiple derived from the Purchase Consideration and Option Consideration and the aggregate equity value of the Target Companies based on DCF Method computed by both BDOCC and TA Securities, taken as a whole, are within the range of the Adjusted Traded P/E Multiple of the Comparable Companies derived by BDOCC of between 3.8 times and 13.1 times and TA Securities of between 3.8 times and 13.0 times.

The implied P/E multiple of the Target Companies is towards the upper end of the P/E multiple range and higher than the average adjusted P/E Multiple of the Comparable Companies as assessed in Section 6.2.2 of this IAL. However, we are of the view that this has not affected the appropriateness of the implied P/E Multiple after taking into consideration, among others, the Profit Guarantee of RM238.0 million over the FYE 2027 and FYE 2028 provided by Lagenda and the Target Companies' earnings visibility over the next 5 years which is backed by the Target Companies' combined outstanding order book of approximately RM1.48 billion as at the LPD and Lagenda Group's development pipeline with an estimated total GDV of RM10.28 billion as at 30 June 2026 as well as the continuation of the business and subsidiary-parent relationships between the Enlarged Epicon Group and the Lagenda Group as detailed in Section 6.2.1 of this IAL; and

(iii) based on the CTA approach, the implied P/E Multiple derived from the Purchase Consideration and Option Consideration and the aggregate equity value of the Target Companies based on DCF Method computed by both BDOCC and TA Securities, taken as a whole, are within the range of the P/E Multiple of the Precedent Transactions selected by BDOCC of between 5.4 times and 10.2 times and TA Securities of between 5.4 times and 10.2 times.

The implied P/E multiple of the Target Companies, which is around the average P/E Multiple of the Precedent Transactions as assessed in Section 6.2.2 of this IAL, is reasonable after taking into consideration, among others, the Profit Guarantee of RM238.0 million over the FYE 2027 and FYE 2028 provided by Lagenda and the Target Companies' earnings visibility over the next 5 years which is backed by the Target Companies' combined outstanding order book of approximately RM1.48 billion as at the LPD and Lagenda Group's development pipeline with an estimated total GDV of RM10.28 billion as at 30 June 2026 as well as the continuation of the business and subsidiary-parent relationships between the Enlarged Epicon Group and the Lagenda Group as detailed in Section 6.2.1 of this IAL.

6.3 BASIS AND JUSTIFICATION FOR THE CONSIDERATION SHARE ISSUE PRICE, CONSIDERATION RCPS A ISSUE PRICE, OPTION SHARE ISSUE PRICE, OPTION RCPS A ISSUE PRICE AND IMPLIED CONVERSION PRICE OF THE CONSIDERATION RCPS A AND OPTION CONSIDERATION RCPS A

Consideration Share Issue Price, Consideration RCPS A Issue Price, Option Share Issue Price and Option RCPS A Issue Price

As set out in Section 2.4 of Part A of the Circular, we note that the Consideration Share Issue Price, Consideration RCPS A Issue Price, Option Share Issue Price and Option RCPS A Issue Price of RM0.13 (collectively, the "**Issue Prices**") were determined on a willing-buyer and willing-seller basis after taking into consideration the 5-day VWAP of Epicon Shares up to and including the SSA LTD of RM0.1484 per Epicon Share. The Issue Prices represents a discount of 12.40% to the 5-day VWAP of Epicon Shares up to and including the SSA LTD.

Further, we note that the implied conversion price of the Consideration RCPS A and the Option Consideration RCPS A is RM0.13 for each new Epicon Share to be issued upon conversion of the Consideration RCPS A and the Option Consideration RCPS A respectively ("**Implied RCPS A Conversion Prices**") based on the following:

(i) the Consideration RCPS A Issue Price of RM0.13 and conversion ratio of 1 Consideration RCPS A into 1 new Epicon Share; and

(ii) the Option RCPS A Issue Price of RM0.13 and conversion ratio of 1 Option Consideration RCPS A into 1 new Epicon Share.

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In evaluating the fairness of the Issue Prices and Implied RCPS A Conversion Prices, we have taken into consideration the following:

(i) Historical market price of Epicon Shares

The movement of the market price of Epicon Shares over the past 2 years up to the SSA LTD as illustrated in the price chart below:



(Source: Bloomberg)

Based on the price chart above, we noted that Epicon Shares have closed between a range of RM0.110 to RM0.345 for the past 2 years up to the SSA LTD. Hence, the Issue Prices and Implied RCPS A Conversion Prices of RM0.13 fall within the range of RM0.110 to RM0.345.

We are not aware of any particular reasons which might have led to the upward or downward movements of the market price of Epicon Shares for the past 2 years up to the SSA LTD, and we had not noted any material announcements made by Epicon on Bursa Securities prior to the SSA LTD. We noted that the principal activities of Epicon remained the same throughout the past 2 years up to the SSA LTD.

During the same period, a summary of the Epicon Group's consolidated financial results based on its quarterly reports are as follows:

		For individual 3-month FPE period (Unaudited)		
		Revenue	PBT	PAT/LAT
3-month FPE	Announcement date	RM'000	RM'000	RM'000
31 December 2023	22 February 2024	58,878	6,378	4,686
31 March 2024	23 May 2024	56,213	5,246	3,570
30 June 2024	22 August 2024	47,962	3,807	2,533
30 September 2024	21 November 2024	41,374	2,709	2,516
31 December 2024	25 February 2025	39,751	1,823	769
31 March 2025	22 May 2025	39,923	2,178	1,463
30 June 2025	20 August 2025	53,237	2,808	1,667
30 September 2025	19 November 2025	45,001	1,505	1,298
31 December 2025	26 February 2026	41,056	558	34
31 March 2026	26 May 2026	38,291	77	(302)
30 June 2026	27 August 2026	52,114	2,858	1,843

Based on the table above, we noted that Epicon's financial performance has generally showed a declining trend over the past 2 years up to the SSA LTD. The quarterly revenue decreased from RM58.88 million for the FPE 31 December 2023 to RM52.11 million for the FPE 30 June 2026. Correspondingly, the PBT and PAT declined from RM6.38 million to RM2.86 million and RM4.69 million to RM1.84 million, respectively, over the same period. Such declining financial performance is in line with the downward trend in the historical market price of Epicon Shares over the past 2 years up to the SSA LTD.

In addition, we have also compared the Issue Prices and Implied RCPS A Conversion Prices of RM0.13 to the historical VWAPs of Epicon Shares over various timeframes up to the SSA LTD and LPD, this yields the following discounts to the closing market prices and VWAPs of the Epicon Shares:

	Closing market price or VWAP of Epicon Shares	**Discount of the Issue Prices and Implied RCPS A Conversion Prices over the closing market price or VWAP of Epicon Shares**	
	RM	**RM**	**%**
Up to the SSA LTD:			
Last closing market price	0.1650	0.0350	21.21
5-day VWAP	0.1484	0.0184	12.40
1-month VWAP	0.1428	0.0128	8.96
3-month VWAP	0.1369	0.0069	5.04
6-month VWAP	0.1404	0.0104	7.41
12-month VWAP	0.1393	0.0093	6.68
Up to the LPD:			
Last closing market price	0.1850	0.0550	29.73
5-day VWAP	0.1809	0.0509	28.14

(Source: Bloomberg)

Based on the table above, we noted that the Issue Prices and Implied RCPS A Conversion Prices of RM0.13 represent the following:

(a) discount ranging from RM0.0184 or 12.40% to RM0.035 or 21.21% to the last closing price as at the SSA LTD and the 5-day VWAP up to the SSA LTD; and

(b) discount ranging from RM0.0069 or 5.04% to RM0.0128 or 8.96% to the 1-month, 3-month, 6-month and 12-month VWAPs up to the SSA LTD; and

(c) discount ranging from RM0.0509 or 28.14% to RM0.0550 or 29.73% to the last closing price as at the LPD and the 5-day VWAP up to the LPD.

(ii) NA per Epicon Share

We also noted that the Issue Prices and Implied RCPS A Conversion Prices represent a discount of 7.14% to Epicon's latest audited NA per Share of RM0.14 as at 31 December 2025.

We also noted that after the RCPS Conversion which will be undertaken by Doh Properties in conjunction with the Proposed Acquisitions, the number of Epicon Shares will increase while the NA attributable to the owners of the Company remain unchanged which will result in NA per Share to decrease from RM0.14 to RM0.10, as illustrated in Section 11.2 of Part A of the Circular.

Further, as illustrated in Section 11.2 of Part A of the Circular, the Proposals would result in an increase in the Epicon Group's NA but a decrease in NA per Share from RM0.10 (after the RCPS Conversion) to RM0.03 (after assuming full conversion of the Consideration RCPS A and Option Consideration RCPS A under the Maximum Scenario) on a pro forma basis.

Notwithstanding the issuance of the Consideration Shares and new Shares arising from the conversion of the Consideration RCPS A and Option Consideration RCPS A are expected to result in:

(i) the dilution to the shareholdings of the non-interested shareholders of Epicon to the extent of the new Epicon Shares to be issued to the Vendor;

(ii) the Issue Prices and the Implied RCPS A Conversion Prices represent a discount ranging from 5.04% to 21.21% from the last closing price, 5-day, 1-month, 3-month, 6-month and 12-month VWAPs as at and up to the SSA LTD;

(iii) the Issue Prices and the Implied RCPS A Conversion Prices represent a discount of ranging from 28.14% to 29.73% to the last closing price as at the LPD and the 5-day VWAP up to the LPD; and

(iv) the decrease in the NA per Share from RM0.10 (after the RCPS Conversion) to RM0.03 (after assuming full conversion of the Consideration RCPS A and Option Consideration RCPS A under the Maximum Scenario) on a pro forma basis,

we have also considered the following factors:

(i) the Issue Prices and the Implied RCPS A Conversion Prices are within the range of the closing prices of Epicon Shares for the past 2 years prior to the SSA LTD;

(ii) the amount of the Purchase Consideration of RM543.16 million is significant for the Epicon Group and, hence, the settlement of the Purchase Consideration via the issuance of the Consideration Shares and the Consideration RCPS A pursuant to the Proposed Acquisitions will allow the Company to conserve its cash reserves necessary for the Enlarged Epicon Group's working capital and ensure the Company to continue to comply with the Public Spread Requirement as detailed in Section 6.1 of this IAL.

Further, the issuance of the Consideration RCPS A enables the Company to manage the dilutive effect on its EPS as compared to Consideration Shares;

(iii) the cash redemption price for any outstanding RCPS A not converted by Lagenda arising from non-compliance with the Public Spread Requirement and that it is subject to mandatory conversion at the maturity date, is fixed at an amount equivalent to the RCPS A Issue Price and, hence, the Company's redemption obligation is capped at the original issued value of the RCPS A, with no premium, mark-up, or market-linked adjustment payable to Lagenda. As the redemption price does not fluctuate with the market price of Epicon Shares or any appreciation in the value of the Target Companies following completion of the Proposed Acquisitions, the non-interested shareholders are not exposed to a redemption obligation in excess of the amount originally agreed as consideration for the Proposed Acquisitions, regardless of the subsequent performance of the Enlarged Epicon Group.

(iv) the Option Consideration of up to RM362.11 million may be satisfied via a combination of cash, issuance and allotment of Option Consideration Shares and/or Option Consideration RCPS A, which provides flexibility to the Company to exercise the Proposed Call Option while ensuring compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements by the Company; and

(v) the Proposed Acquisitions enable the Epicon Group to amalgamate its construction business with that of the Target Companies to create a larger construction-based listed entity with a larger combined order book increasing from RM0.59 billion to RM2.07 billion upon completion of the Proposed Acquisitions which is expected to substantially increase the Enlarged Epicon Group's revenue and profitability as well as enhance the Enlarged Epicon Group's asset base.

In addition, the Proposed Acquisitions are earnings accretive to the Epicon Group as illustrated on Section 11.4 of Part A of the Circular, the illustrative PAT attributable to the owners of the Epicon Group will increase from RM4.01 million (audited for the FYE 2025) to RM75.41 million (pro forma after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) with EPS increasing from 0.64 sen to 1.75 sen (after assuming full conversion of Consideration RCPS A but before the exercise of the Call Option). Further, the Purchase Consideration is fair based on our assessments as set out in Section 6.2 of this IAL, which include valuation of the Target Companies based on the DCF Method and comparisons of Implied P/E Multiple against the P/E Multiples of the Comparable Companies and the Precedent Transactions.

In the event the Call Option is exercised and assuming the Option Consideration is settled in equal proportion via the issuance of 1,392,714,200 Option Consideration Shares and 1,392,714,200 Option Consideration RCPS A, the illustrative PAT attributable to owners of the Company will increase from RM75.41 million (after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) to RM123.01 million (after issuance of the Option Consideration Shares and assuming full conversion of the Option Consideration RCPS A) while the Epicon Group's EPS will decrease slightly from 1.75 sen to 1.73 sen due to the increase in the number of Epicon Shares in issue after the issuance of the Consideration RCPS A and conversion of Option Consideration RCPS A.

Premised on the above, we are of the view that the Issue Prices and the Implied RCPS A Conversion Price are fair and the method of settlement for the Purchase Consideration, comprising, among others, the combination of Consideration Shares and Consideration RCPS A, as well as the Option Consideration, which may comprise of a combination of cash, the issuance and allotment of Option Consideration Shares and/or Option Consideration RCPS A, are reasonable. The non-interested shareholders should note that the dilution impact on NA per Share upon increase in the number of Epicon Shares in issue as a consequence of the implementation of the Proposals would be immediate, whereas the anticipated benefits arising from the Proposed Acquisitions, such as the projected increase in earnings and EPS of the Enlarged Epicon Group are dependent on the successful achievement of the Projections which is subject to uncertainties and risks as detailed in Sections 6.2.1 and 6.8.6(i) of this IAL.

For illustration purposes, upon completion of the Proposed Acquisitions and Proposed Private Placement, the shareholdings of the non-interested shareholders will be diluted significantly from **87.42% as at the LPD to 26.66%**, and will be **further diluted to 25.54%** upon conversion of the Option Consideration RCPS A as follows:

	Shareholdings of non-interested shareholders (%)
As at the LPD	87.42
After the RCPS Conversion	63.75
After the Proposed Acquisitions and the Proposed Private Placement	26.66
After full conversion of the Consideration RCPS A	25.13
After the Proposed Call Option	25.40
After the full conversion of the Option Consideration RCPS A	25.54

Further details on the analysis on the dilution of the non-interested shareholders' interests and potential accretion in the earnings and EPS of the Enlarged Epicon Group are set out in Section 6.6 of this IAL.

6.4 SALIENT TERMS OF THE SSA AND INDICATIVE SALIENT TERMS OF THE SHAREHOLDERS' AGREEMENT

SSA

We have reviewed the salient terms of the SSA in its entirety as disclosed in **Appendix II** of the Circular and our comments are as set out below:

No.	Salient terms of the SSA	TA Securities' comments
(i)	**Conditions Precedent** The obligations of the parties that are set out in the SSA in respect of the sale and purchase of the Sale Shares are conditional upon the following Conditions Precedent being obtained/fulfilled or waived (as the case may be) by the day falling 6 months from the date of the SSA with a further automatic extension of 3 months (such extension shall take effect automatically if the Conditions Precedent are not fulfilled/waived (as the case may be) within the initial 6-month period and neither party have the discretion to object or prevent the automatic extension), or such later date as the parties may mutually agree upon: (a) The completion of the due diligence on the financial and other affairs of the Target Companies by accountants, valuers, solicitors and such other professionals (if required) appointed by Epicon for the purposes of the SSA and the results thereof being reasonably satisfactory to Epicon [(1)(2)]. (b) The completion of the due diligence on the financial and other affairs of the Epicon Group by accountants, valuers, solicitors and such other professionals (if required) appointed by the Vendor for the purposes of the SSA and the results thereof being reasonably satisfactory to the Vendor [(1)]. (c) The Vendor having delivered the disclosure letter to Epicon within 14 days after the execution of the SSA and Epicon being satisfied at its discretion with the contents of the disclosure letter, where required [(1)]. (d) Epicon having delivered the disclosure letter to the Vendor within 14 days after the execution of the SSA and the Vendor being satisfied at its discretion with the contents of the disclosure letter, where required [(1)].	The 6-month period from the date of SSA for fulfilment of the Conditions Precedent and the automatic extension of 3 months are reasonable as it allows sufficient time for the relevant parties to procure the relevant approvals and cater for processes which are beyond the parties' control. This buffer minimises the need for repeated formal extensions and provides certainty for both Vendor and Purchaser in managing the transaction timeline. The terms of the Conditions Precedent are reasonable as they are mainly relating to the following: (i) due diligence matters in respect of the Target Companies and Epicon Group which are the subject matter of the Proposed Acquisitions and securities of entity in which the Vendor will receive as consideration; (ii) necessary approvals to give effect to the Proposed Acquisitions and the issuance of the Consideration Shares and Consideration RCPS A as well as Option Consideration Shares and Consideration RCPS A pursuant to the Proposed Acquisitions and the Proposed Call Option; (iii) the Proposed Call Option being inter-conditional with the other Proposals, which is consistent with the Company's intention to ultimately acquire the entire equity interest of the Target Companies. However, given the size and valuation of the Target Companies, the Proposed Call Option allows Epicon to manage and optimise its cash flows by deferring a substantial portion of the acquisition consideration to a later date subject to the flexibility accorded to Epicon in exercising the Call Option; and (iv) relevant agreements and documents to regulate the rights as shareholders of the Target Companies and put in place clear mechanism pertaining to the Pledged Shares and authority of the Stakeholder, to protect the interests of the Company.

No.	Salient terms of the SSA	TA Securities' comments
	(e) The Vendor applying for and obtaining the approval of its shareholders at the forthcoming EGM for the disposal of the Sale Shares, the granting of the Call Option to Epicon in accordance with the terms and conditions of the SSA [(3)]. (f) Epicon applying for and obtaining the approval of its shareholders at the forthcoming EGM for the Proposed Acquisitions, including the acquisition of the Sale Shares, the issuance of the Consideration Shares and the Consideration RCPS A and the acceptance of the Call Option from the Vendor, and the issuance of the Option Consideration Shares and the Option Consideration RCPS A or settlement of the Option Consideration / Adjusted Option Consideration in cash in accordance with the terms and conditions of the SSA, the Proposed Amendments, the Proposed Private Placement, the Proposed Exemption 1 and the Proposed Exemption 2 [(3)]. (g) Epicon procuring Doh Properties to apply for and obtain the approval of the SC in respect of the Proposed Exemption 1 [(3)]. (h) The Vendor applying for and obtaining the approval of the SC in respect of the Proposed Exemption 2 [(3)]. (i) Epicon applying for and obtaining the approval of Bursa Securities for the listing of and quotation for the Consideration Shares to be issued pursuant to the Proposed Acquisitions, the new Epicon Shares arising from the conversion of the Consideration RCPS A to be issued pursuant to the Proposed Acquisitions, the new Epicon Shares to be issued pursuant to the Proposed Private Placement, the Option Consideration Shares to be issued pursuant to the Proposed Call Option and the new Epicon Shares arising from the conversion of the Option Consideration RCPS A to be issued pursuant to the Proposed Call Option, on the Main Market of Bursa Securities [(3)]. (j) The Vendor applying for and obtaining the approval or consent of the financiers/creditors of the Vendor and/or the Target Companies for, among others, the sale and transfer of the Sale Shares in favour of Epicon, the Call Option, upon the terms and subject to the conditions of the SSA, where required [(4)(5)].	We further considered whether the subjective nature of certain Conditions Precedent, in particular those relating to the parties' satisfaction with the due diligence findings and disclosure letters, could affect the certainty of completion of the Proposed Acquisitions. In this regard, we note that the due diligence Conditions Precedent are qualified by a standard of reasonableness, in that the relevant due diligence findings must be reasonably satisfactory to the receiving party, rather than being subject to that party's unqualified or arbitrary judgement. This reasonableness threshold provides an objective check against which the receiving party's assessment may be measured. However, we note that the Conditions Precedent relating to the disclosure letters are satisfied at the receiving party's discretion, without an equivalent reasonableness qualifier. Accordingly, this Condition Precedent involves a greater degree of subjectivity, and its fulfilment is dependent on the relevant party's own assessment of the disclosure letter's contents. Notwithstanding this, we note that this discretion is reciprocal in nature, as both the Vendor and Epicon are each required to deliver a disclosure letter to the other and, correspondingly, each is entitled to rely on its own discretion in assessing the disclosure letter received. This symmetry provides a degree of balance between the parties, as neither party is subject to a unilateral or one-sided discretion to which the other is not equally entitled. The remaining Conditions Precedent, comprising the requisite shareholder, SC, Bursa Securities and financier/creditor approvals, are not subject to either party's discretion and are objectively ascertainable. Accordingly, while the Conditions Precedent relating to the disclosure letters involve an element of subjective discretion, we are of the view that this does not materially undermine the overall certainty of completion, given that such discretion applies reciprocally to both the Vendor and Epicon, and that the remaining Conditions Precedent are governed by objective, ascertainable standards.

No.	Salient terms of the SSA	TA Securities' comments
	(k) The Vendor applying for and obtaining the approval or consent of any other party which has entered into any subsisting arrangement, contract or undertaking or guarantee with or involving the Target Companies, where required, in each case to the extent that at the completion date of the SSA the same remain to be completed or performed or remain in force [4][6]. (l) Epicon applying for and obtaining the amendments of the constitution/articles of association of Epicon to incorporate the terms of the SSA and the rights, privileges and restrictions of the Consideration RCPS A to be issued pursuant to the Proposed Acquisitions and the Option Consideration RCPS A to be issued pursuant to the Proposed Call Option and the lodgement of the requisite forms with the Registrar of Companies in relation to such amendments of the constitution/articles of association of Epicon, where required [3]. (m) The execution by the parties of the Shareholders' Agreements to regulate their rights as shareholders of the Target Companies, in the form and substance set out in Appendix IV of this Circular which shall be deposited with the Epicon's solicitors in escrow and only dated and take effect on and from the completion date of the SSA [1]. (n) The execution by the parties and the Stakeholder of the Stakeholder Agreement [1]. (o) The parties being satisfied that no force majeure event as contemplated under the SSA has occurred [1]. (p) 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 (if applicable) [1]. As at the LPD, all Conditions Precedent are still in the midst of being obtained/fulfilled.	

No.	Salient terms of the SSA	TA Securities' comments
	Notes: *(1) The Condition Precedent is capable to be waived mutually by Epicon and Lagenda.* *(2) In the event that either party is not satisfied with the findings of their respective due diligence, the parties may negotiate the manner to rectify the relevant adverse findings (either prior to or post the completion of the SSA), or to seek an indemnity from the other party from and against losses arising from such adverse findings. In the event such adverse findings cannot be resolved by the parties, the Condition Precedent is deemed not fulfilled and the SSA may be terminated.* *(3) The Condition Precedent is not capable of being waived by Epicon and Lagenda in view that such Condition Precedent is mandatory under the applicable laws and regulations.* *(4) The Condition Precedent is capable to be waived by Epicon.* *(5) RUSB is required to apply for and obtain the written consent of Alliance Bank Malaysia Berhad, Alliance Islamic Bank Berhad, CIMB Islamic Bank Berhad and RHB Islamic Bank Berhad while LPBC is required to apply for and obtain the written consent of HSBC Bank Malaysia Berhad, pursuant to the terms of the respective banking facilities granted by these financiers to the Target Companies.* *(6) As at the LPD, no approval or consent is required from any other party that has entered into any subsisting arrangement, contract, undertaking or guarantee with or involving the Target Companies. For the avoidance of doubt, the approvals and consents referred herein encompass all subsisting arrangements, contracts, undertakings and guarantees with or involving the Target Companies that contain an express requirement for approval or consent in connection with the transactions contemplated under the SSA, and are not limited to those classified as material agreements.*	

No.	Salient terms of the SSA	TA Securities' comments
(ii)	**Inter-conditionality of the Proposals** The parties agree that the conditionality of the Proposals is as follows: (a) The RCPS Conversion is conditional upon the Proposed Exemption 1. (b) The Proposed Acquisitions, the Proposed Call Option, the Proposed Amendments, the Proposed Exemption 2 and the Proposed Private Placement (collectively, the "**Acquisition Proposals**") are inter-conditional with each other. (c) The Acquisition Proposals are conditional upon the Proposed Exemption 1 but not vice-versa. The parties agree and acknowledge that Epicon shall undertake the RCPS Conversion and the Proposed Exemption 1 prior to the completion of the Acquisition Proposals. To ensure compliance with Paragraph 6.50 of the Listing Requirements, the Consideration Shares and the Epicon Shares to be issued pursuant to the Proposed Private Placement shall be issued concurrently prior to the issuance of the Consideration RCPS A.	The inter-conditionality of the Proposals is reasonable in order to ensure that the implementation of each of the Proposals is in compliance with the relevant regulatory requirements (such as the Proposed Exemption 1 and Proposed Exemption 2) and compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements.
(iii)	**Manner of Payment of Purchase Consideration** (a) The Purchase Consideration shall be satisfied by Epicon on the completion date of the SSA in the following manner: (i) RM125,815,229 shall be satisfied by way of settlement and discharge of the Related Party Advances, the payment obligation in respect thereof having been assumed by Epicon. (ii) Epicon shall allot and issue 758,681,318 Consideration Shares to the Vendor at the Consideration Share Issue Price. (iii) Epicon shall allot and issue 1,353,190,292 Consideration RCPS A to the Vendor at the Consideration RCPS A Issue Price.	The Purchase Consideration is fair based on our assessments as set out in Section 6.2 of this IAL, which include valuation of the Target Companies based on the DCF Method and comparisons of Implied P/E Multiple against the P/E Multiples of the Comparable Companies and the Precedent Transactions. The manner of settlement of the Purchase Consideration is reasonable after taking into consideration of the following: (i) by way of settlement and discharge of the Related Party Advances, the payment obligation of which been assumed by Epicon and to clear the inter-company balances between the Target Companies with the Vendor; (ii) via allotment of Consideration Shares and Consideration RCPS A provides benefits such as, among others, allowing Epicon to conserve its cash reserves and compliance with the Public Spread Requirement as compared to alternative sources of funding to finance the Proposed Acquisitions such as bank borrowings and/or fund-raising exercise such as rights issue as detailed in Section 6.1 of this IAL; and

No.	Salient terms of the SSA	TA Securities' comments
	(iv) Epicon shall allot and issue the Pledged Shares to the Stakeholder who shall deposit the Pledged Shares in the securities account maintained by the Stakeholder ("**Securities Account**") and to be held as escrow and to deal with it in accordance with Section 4 of Appendix II of this Circular below and the Stakeholder Agreement. (b) The Consideration Share Issue Price and the Consideration RCPS A Issue Price shall not be revised unless mutually agreed upon by the parties.	(iii) deposit of the Pledged Shares with the Stakeholder in accordance with the Stakeholder Agreement which shall be treated based on the mechanism as detailed in item (iv) below. We noted that there is no deposit required to be paid by the Company and that the Purchase Consideration will be satisfied on the completion date of the SSA which is reasonable as the rights over the Sale Shares will only be transferred to the Company upon completion of the SSA.
(iv)	**Profit Guarantee Obligations** (a) <u>Profit Guarantee</u> (i) Subject to completion of the SSA, the Vendor irrevocably and unconditionally guarantees to Epicon that the Aggregate PAT for both the FYE 2027 and FYE 2028 shall collectively be not less than RM238.00 million. (ii) For the purposes of determining the PAT/LAT of the Target Companies for both the FYE 2027 and FYE 2028, Epicon and the Vendor shall procure and cause the Auditor to: (1) complete its audit in respect of the accounts of the Target Companies not later than 6 months after the last day of each of the FYE 2027 and FYE 2028 or such longer period to be mutually agreed by the parties, to determine the PAT/LAT for both the FYE 2027 and FYE 2028; and (2) issue the PAT/LAT Certificate to the parties within 6 months or such longer period to be mutually agreed by the parties following the last day of each of the FYE 2027 and FYE 2028, and the said certificate shall, in the absence of manifest error, be conclusive, final and binding.	The Profit Guarantee provided by the Vendor is reasonable and beneficial to the Company and its shareholders as such Profit Guarantee provides a degree of assurance by the Vendor on the future financial performance of the Target Companies as projected or represented by the Vendor, whereby any shortfall from the Profit Guarantee amount will be recovered via disposal of Pledged Shares deposited with the Stakeholder or Cash Top-Up. The terms of the Profit Guarantee which sets out the manner of determination of the PAT/LAT of the Target Companies for both the FYE 2027 and FYE 2028, the appointment of Stakeholder as well as the mechanism for the release of Pledged Shares, Shortfall and Cash-Top Up are reasonable as they provide clearly defined and legally enforceable mechanism to mitigate the risk of any dispute over the determination or enforceability of the Profit Guarantee provided. Further, the Profit Guarantee is reasonable and achievable by the Target Companies based on our evaluation as set out in Section 6.2.3 of this IAL.

No.	Salient terms of the SSA	TA Securities' comments
	(b) Appointment of Stakeholder and execution of Stakeholder Agreement As one of the Conditions Precedent, the Vendor and Epicon shall, prior to the relevant date upon which the SSA becomes unconditional, agree to the appointment of a trust company in Malaysia to act as the Stakeholder and thereafter the Vendor, Epicon and the Stakeholder shall in good faith and acting reasonably negotiate to finalise the form and contents of the Stakeholder Agreement. (c) Deposit of Pledged Shares as security (i) As a security, among others, for the performance by the Vendor of its obligations under Section 4(a)(i) of **Appendix II** of this Circular above, the Pledged Shares shall be deposited with the Stakeholder and dealt with by the Stakeholder in accordance with the terms of Section 4 of **Appendix II** of this Circular and the Stakeholder Agreement. (ii) The parties agree and covenant that any Additional Securities shall be held by the Stakeholder and shall accrue to and form part of the securities to be held and dealt with by the Stakeholder under the terms of the SSA and the Stakeholder Agreement. For the avoidance of doubt, any securities held by the Vendor arising from a rights issue shall not accrue to and form part of the securities to be held and dealt with by the Stakeholder. (iii) The fees, charges, costs and expenses of the Stakeholder shall be borne by Epicon. (d) Release of Pledged Shares (i) Upon issuance of the PAT/LAT Certificate in respect of the FYE 2027 within the time prescribed by the SSA, if the PAT for the FYE 2027 is RM110,000,000 or more, the parties shall notify the Stakeholder in writing within 14 business days from the date the parties receive the PAT/LAT Certificate for the FYE 2027 to release 507,692,308 Pledged Shares, together with any Additional Securities, to the Vendor.	

No.	Salient terms of the SSA	TA Securities' comments
	For the avoidance of doubt, if the audited combined PAT of the Target Companies for the FYE 2027 is less than RM110,000,000 or if the Target Companies record an audited combined LAT for the FYE 2027, the release of 507,692,308 Pledged Shares, together with any Additional Securities, shall not occur. (ii) Upon issuance of the PAT/LAT Certificate in respect of the FYE 2028 within the time prescribed by the SSA, if the Aggregate PAT is equivalent to or more than RM238,000,000, the parties shall notify the Stakeholder in writing within 14 business days from the date the parties receive the PAT/LAT Certificate for the FYE 2028to release the remaining 590,769,231 Pledged Shares, together with any Additional Securities, to the Vendor. For the avoidance of doubt, upon achievement of the total guaranteed profit of RM238.00 million, the Vendor shall be entitled to the full benefit of all Pledged Shares, whether released when the PAT for the FYE 2027 is met or released pursuant to this Section 4(d)(ii). (e) Shortfall (i) If following the issuance of the PAT/LAT Certificate in respect of the FYE 2028, the Aggregate PAT for both the FYE 2027 and FYE 2028 is less than the total guaranteed profit of RM238.00 million or the Target Companies recorded aggregate LAT for both the FYE 2027 and FYE 2028 ("**Aggregate LAT**"), the Vendor shall, within 14 business days from the date Epicon and the Vendor receive the PAT/LAT Certificate for the FYE 2028, pay to Epicon in full the Shortfall in cash.	

No.	Salient terms of the SSA	TA Securities' comments
	(ii) Without prejudice to any other rights or remedies available to Epicon for the recovery of the Shortfall (whether in cash or otherwise), in the event the Vendor fails to pay the Shortfall to Epicon within 14 days from the date the parties receive the PAT/LAT Certificate for the FYE 2028, Epicon is entitled (but not obliged) to give notice in writing to the Stakeholder of the Vendor's breach in paying the Shortfall in cash pursuant to Section 4(e)(i) of **Appendix II** of this Circular above. Upon receipt of such notice, the Vendor shall be entitled, within 14 days from the date of such notice ("**Disposal Period**"), to direct the Stakeholder in writing as to the manner and timing for the disposal of the Pledged Shares, provided that any such direction shall be designed to recover in full the Amount Due. If the Vendor fails to provide such direction within the Disposal Period, or if the disposal directed by the Vendor fails to recover the Amount Due in full within 30 days from the date of the Vendor's direction, the Stakeholder shall and is authorised to forthwith, without incurring any liability of whatever nature whatsoever towards Epicon or the Vendor and without any duty to give reasons therefor and without any prior notice to or concurrence on the part of the Vendor, dispose or procure the disposal (by sale or otherwise or whether in one or series of transaction(s)) of such number of Pledged Shares (including Additional Securities) from the Securities Account that are equivalent in value to: (1) the Shortfall; and (2) such costs, charges and expenses (including brokerage and legal costs on a solicitor-client basis) incurred or to be incurred by the Stakeholder in connection with the disposal of the Pledged Shares ("**Stakeholder Disposal Costs**"), and an amount representing the Amount Due shall be deducted from the proceeds of the disposal of the Pledged Shares and paid to Epicon. Epicon shall thereafter pay the Stakeholder Disposal Costs to the Stakeholder for and on behalf of the parties.	

No.	Salient terms of the SSA	TA Securities' comments
	(iii) For the avoidance of doubt, nothing in this Section 4(e) of **Appendix II** of this Circular shall be construed as imposing a duty or duty of care on the Stakeholder to act in the best interests of Epicon and/or the Vendor or to obtain the best possible price in the sale or disposal of the Pledged Shares. If the Stakeholder is authorised to dispose of the Pledged Shares pursuant to Section 4(e)(ii) of **Appendix II** of this Circular above, the Stakeholder shall consult with Epicon on the manner and timing for the disposal of the Pledged Shares and act in accordance with any written instructions of Epicon issued by Epicon from time to time. Without limitation to the foregoing, Epicon shall be entitled to instruct the Stakeholder to defer or stagger the disposal of all or any part or tranche of the Pledged Shares for / over such period deemed appropriate by Epicon (which shall not in any event exceed a period of 30 days after the date of first disposal of the Pledged Shares) so as to maintain an orderly market in trading of the shares of Epicon. (iv) In the event the proceeds from the disposal of the Pledged Shares are less than the amount of the Amount Due, the Vendor undertakes to pay to Epicon in cash the amount representing the difference, if any, between (1) the aggregate proceeds from the disposal of the Pledged Shares (including Additional Securities) and (2) the Amount Due (being the Cash Top-Up) within 30 days from the date of demand in writing by Epicon, failing which (without prejudice to any other rights or remedies available to Epicon) the Vendor shall be liable for liquidated damages on the Cash Top-Up at the rate of 8% per annum calculated on a daily basis, commencing from the day falling immediately after the lapse of the aforesaid period of 30 days until the date on which full payment is made towards the satisfaction of the Cash Top-Up to Epicon. (v) For illustration purposes: (1) The Shortfall shall be computed in accordance with the following formula: $A = (B – C) \times D$	

No.	Salient terms of the SSA	TA Securities' comments
	Where: "A" is the Shortfall to be paid by the Vendor to Epicon; "B" is the total guaranteed profit of RM238.00 million; "C" is the Aggregate PAT / Aggregate LAT; and "D" is 60% i.e. the Attributable Interest For the avoidance of doubt, in the event of an Aggregate LAT, "C" will be represented as a negative sum and accordingly the amount of the Aggregate LAT attributable to Epicon shall be added to the Shortfall. (2) In the event the Shortfall is settled in accordance with Section 4(e)(i) of **Appendix II** of this Circular above, the number of Pledged Shares, together with any Additional Securities accruing on, deriving from or attributable to such Pledged Shares, to be released to the Vendor, shall be computed in accordance with the following formula: Y = W – Z – Q Where: "Y" is the number of Pledged Shares (together with any Additional Securities accruing on, deriving from or attributable to such Pledged Shares) to be released to the Vendor; "W" is the total number of Pledged Shares pursuant to the Profit Guarantee (i.e., 1,098,461,539 Pledged Shares); "Z" is the number of Pledged Shares released when the audited combined PAT for the FYE 2027 of RM110.00 million is met;	

No.	Salient terms of the SSA	TA Securities' comments
	"Q" is the number of Pledged Shares disposed to meet the Amount Due, which is computed in accordance with the following formula: $Q = \left(\frac{\text{Amount Due}}{\text{MP}} \right)$ Where: "MP" is the market price of the disposed Pledged Shares (together with any Additional Securities accruing on, deriving from or attributable to such Pledged Shares); and if Q is greater than W – Z, no Pledged Share shall be released to the Vendor and a Cash Top-Up is required; (3) The Cash Top-Up shall be computed in accordance with the following formula: T = R – S Where: "T" is the amount of Cash Top-Up; "R" is the Amount Due; and "S" is the aggregate proceeds from the disposal of the Pledged Shares (including Additional Securities) (i.e. [W– Z] x MP) (vi) Upon the Vendor having fully discharged its obligations under this Section 4(e) of **Appendix II** of this Circular, including settlement of the Shortfall and interest accrued thereon (if any), Epicon shall within 14 days from the date of the discharge, instruct the Stakeholder to transfer all the balance of the Pledged Shares and balance of the proceeds from the disposal of the Pledged Shares and other securities or other monies, or the balance thereof held by the Stakeholder, after deducting all costs, charges and expenses (including brokerage and legal costs on a solicitor-client basis) incurred by the Stakeholder in connection with the placement, withdrawal and transfer or disposal of the Pledged Shares, in favour of the Vendor.	

No.	Salient terms of the SSA	TA Securities' comments
	(vii) For the avoidance of doubt, provisions in the SSA on Profit Guarantee obligations shall survive the completion of the sale and purchase of the Sale Shares under the SSA.	
(v)	**Option** (a) Grant of Call Option (i) The Vendor grants to Epicon the irrevocable right to require the Vendor to sell all or part of the Remaining Sale Shares ("**Option Shares**") ("**Call Option**") to Epicon, in one or more tranches, exercisable by Epicon during the Call Option Period at the Option Consideration / Adjusted Option Consideration. (ii) Notwithstanding any other provision of this Section 5 of **Appendix II** of this Circular, the Call Option must be exercised in respect of the shares of both Target Companies collectively and shall not be capable of being exercised in respect of the shares of any single Target Company without the simultaneous exercise of the Call Option in respect of the same percentage of share capital of another Target Company. (b) Exercise of Call Option The Call Option is exercisable by Epicon at any time during the Call Option Period, by Epicon serving the call option notice to the Vendor. Upon the expiry of the Call Option Period, the Call Option (insofar as it has not already been exercised) shall lapse and cease to be valid for any purpose, provided that on the assumption the Option Consideration / Adjusted Option Consideration is to be satisfied wholly via Option Consideration Shares and/or Option Consideration RCPS A, there is a manner of composition, as confirmed by an approved adviser, in which the issuance of the Option Consideration Shares and/or Option Consideration RCPS A will not result in: (i) Epicon breaching the public shareholding spread requirement then applicable, or in the case the public shareholding spread requirement has been breached, it would not further reduce Epicon's public shareholding spread; and/or	The terms relating to the Call Option are reasonable as it provides the Company with flexibility to acquire the remaining equity interest in the Target Companies at an agreed Option Consideration and terms. The Proposed Call Option provides the Company with the flexibility to assess the Target Companies' financial and business performance and prospects before committing to further acquisition of the remaining 40% equity interests in the Target Companies. It also enables the Company to acquire additional equity interest at a predetermined exercise price and participate in the potential future growth and earnings of the Target Companies, should their performance meet the Company's expectations. Accordingly, the Proposed Call Option allows the Company to make a more informed investment decision and mitigates the risk of committing additional capital before the Target Companies' performance and prospects are sufficiently demonstrated. Notwithstanding that the exercise of the Call Option must be simultaneous (i.e. the Company cannot exercise in respect of shares in any one single Target Company), the Call Option is exercisable at the sole discretion of the Company and not mandatory (i.e. it does not form an obligation for the Company), within the specified duration, i.e. the Call Option Period. The mode of settlement of the Option Consideration via a combination of cash, Option Consideration Shares and Option Consideration RCPS A is reasonable as it provides flexibility to the Company in respect of satisfying the Option Consideration while ensuring compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements at the point in time when the Company elects to exercise the Call Option. The adjustment to the Option Consideration in the event of the total guaranteed profit of RM238.00 million is not met is reasonable as the adjustment takes into consideration the agreed P/E Multiple of 7.61 times which represents the P/E Multiple represented by the Option Consideration agreed between the parties and the 40% equity interest comprised within the Call Option.

No.	Salient terms of the SSA	TA Securities' comments
	(ii) Epicon breaching Paragraph 6.50 of the Listing Requirements. (c) <u>Option Consideration</u> (i) The sale and purchase consideration for the entire Option Shares is up to RM362,105,692, which shall be apportioned accordingly in the event the exercise of the Call Option is exercised in respect of only part of the Option Shares. (ii) In the event the total guaranteed profit of RM238.00 million is not met during the FYE 2027 and FYE 2028, the Adjusted Option Consideration shall be computed in accordance with the following formula: A = (B x C) x D Where: "A" is the Adjusted Option Consideration to be paid by Epicon to the Vendor; "B" is the Target Companies' average Aggregate PAT for the FYE 2027 and FYE 2028; "C" is 7.61, being the Agreed Implied P/E Multiple of 7.61 times; and "D" is the percentage of equity interest in the Target Companies to be acquired by Epicon via the Call Option, subject to a maximum equity interest of 40% For the avoidance of doubt, no adjustment will be made to the Option Consideration in the event the Target Companies' Aggregate PAT for the FYE 2027 and FYE 2028 is equivalent to or more than the total guaranteed profit of RM238.00 million. (iii) The Option Consideration / Adjusted Option Consideration shall be satisfied by Epicon within a period of 30 days from the date of the call option notice via a combination of:	Further, our evaluation on the fairness and reasonableness of the Option Consideration as well as the Option Share Issue Price and Option RCPS A Issue Price are set out in Section 6.2 and 6.3 of this IAL respectively.

No.	Salient terms of the SSA	TA Securities' comments
	(1) cash; (2) allotment and issuance of Option Consideration Shares to the Vendor at the Option Share Issue Price; and/or (3) allotment and issuance of Option Consideration RCPS A to the Vendor at the Option RCPS A Issue Price, at the sole discretion of Epicon, in accordance with the terms and conditions of the SSA, provided that the manner of satisfaction of the Option Consideration / Adjusted Option Consideration determined by Epicon shall not result in: (A) Epicon breaching the public shareholding spread requirement then applicable, or in the case the public shareholding spread requirement has been breached, it would not further reduce Epicon's public shareholding spread; and/or (B) Epicon breaching Paragraph 6.50 of the Listing Requirements, which requires that the total number of new Epicon Shares which will arise from the exercise or conversion of all outstanding convertible securities issued by Epicon (including the convertible securities to be issued pursuant to the exercise of the Call Option) does not exceed 50% of the total number of Epicon Shares (excluding treasury shares and before the exercise of the convertible securities) at all times. (d) <u>Covenants during Call Option Period</u> The Vendor covenants and agrees that at any time prior to the expiry of the Call Option Period, it shall not be entitled to grant or agree to grant any third party right in respect of the Option Shares or assign or agree to assign or dispose of or agree to dispose of or grant any option in respect of the Option Shares or any part thereof or otherwise encumber, deal with or dispose of the same in any manner whatsoever.	

No.	Salient terms of the SSA	TA Securities' comments
(vi)	**Termination** (a) Each party to the SSA shall be entitled to issue a notice of termination to the other party, if, at any time prior to the completion of the sale and purchase of the Sale Shares, the other party commits any continuing or material breach of any of the obligations under the SSA which is incapable of remedy or if capable of remedy, is not remedied 14 days of them being given notice so to do, or amongst others, a winding up or insolvency event occurs, or any warranties, representations and undertakings given by the other party under the SSA (subject to the qualifications to warranties, representations and undertakings as contemplated under the SSA and any matter which is disclosed, contained or referred to in the disclosure letter provided by either party to the other under the SSA) and is found at any time to be untrue or inconsistent. (b) If the SSA is terminated by Epicon and Epicon elects not to pursue the remedy of specific performance, the Vendor shall within 14 days after receipt of the notice of termination: (i) return to Epicon all documents, if any, delivered to it by or on behalf of Epicon; (ii) procure the Target Companies to return to Epicon all such documents, if any, and Epicon shall, in exchange for the performance by the Vendor of its obligations, return to the Vendor all documents, if any, delivered to it by or on behalf of the Target Companies or the Vendor. (c) If the SSA is terminated by the Vendor and the Vendor elects not to pursue the remedy of specific performance: (i) Epicon shall within 14 days after receipt of the notice of termination, return to the Vendor all documents, if any, delivered to it by or on behalf of the Target Companies or the Vendor; and (ii) the Vendor shall in exchange with the performance by Epicon of its obligations, return to Epicon all documents, if any, delivered to it by or on behalf of Epicon.	Each party has the right to terminate the SPA prior to the completion of the sale and purchase of the Sale Shares in the event of the other party commits any continuing or material breach of any of the obligations under the SSA which is incapable of remedy or if capable of remedy, is not remedied 14 days of them being given notice so to do. The remedial period of 14 days for the party receiving the notice to rectify the breach is reasonable. The right to terminate accorded to each party is parallel and reciprocal. We noted that in the event the SSA is terminated by either party, the parties are required to return to the other party all documents delivered within 14 days after receipt of the notice of termination. This term and the agreed period is reasonable as both parties are subject to the same term and period which is not detrimental to the Company and/or non-interested shareholders of the Company. We further noted that there is no requirement for any refund of any part of the Purchase Consideration upon termination which is reasonable as the right of termination under the SSA is only exercisable at any time prior to the completion of the sale and purchase of the Sale Shares and that the Company is only required to settle the Purchase Consideration on the completion date of the SSA pursuant to the manner of settlement of the Purchase Consideration set out in item (iii) above. The terms relating to the termination clause are reasonable.

No.	Salient terms of the SSA	TA Securities' comments
(vii)	**Vendor Fundamental Warranties** The Vendor warrants to the Company the following fundamental warranties (collectively, the "**Vendor Fundamental Warranties**"): (a) The Sale Shares constitute 60% of the issued and paid-up share capital of the Target Companies, are free from all charges, liens, encumbrances and are not subject to any options. (b) The Vendor is the legal and beneficial owner of the Sale Shares at the date of the SSA, will be the legal and beneficial owner of the Sale Shares immediately prior to completion of the SSA and save as otherwise provided in the SSA, has the absolute right to transfer to Epicon in accordance with the terms of the SSA without the consent of any third party, the full legal and beneficial ownership of its respective proportions and amount of holdings of Sale Shares. (c) There are no agreements or arrangements in force other than the SSA, which grant to any person the right to call for the issue, allotment or transfer of any share or loan capital of the Target Companies and the Target Companies have not since their respective dates of incorporation, issued or transferred or agreed to issue or transfer any shares or given or agreed to give any option in respect of any shares nor issued or agreed to issue or given any option in respect of any debenture or other securities or any right to convert any debt or obligation into shares, whether fully paid or otherwise, of the Target Companies. (d) The issued share capital of the Target Companies is as set out in the SSA. (e) All issued ordinary shares of the Target Companies have been duly authorised and validly issued in compliance with Malaysian law. (f) The Vendor has taken all necessary action and obtained all necessary consents and approvals (including consents and approvals required for the Target Companies to comply with any contractual undertaking or covenant or requirement of law or regulation binding on any of them) to authorise the execution, delivery and performance of the SSA and any other agreements contemplated by them in accordance with its terms.	The warranties given by the Vendor are reasonable which comprise customary contractual protections generally provided in merger and acquisitions transactions which principally address the Vendor's title to the Sale Shares, the validity of the Target Company's issued share capital, the Vendor's authority and capacity to enter and perform the SSA, the absence of encumbrances which will affect the rights to the Sale Shares and the solvency and corporate standing of both the Vendor and the Target Companies. These warranties provide, among others, assurance that the Company will acquire good and marketable title to the Sale Shares upon completion without competing ownership claims, reducing the risk of challenges to the enforceability of the transaction documents and reasonable assurance that there are no material insolvency or financial distress issues affecting the Vendor or the Target Companies.

No.	Salient terms of the SSA	TA Securities' comments
	(g) The SSA constitutes the valid and binding obligation of the Vendor enforceable in accordance with its terms. (h) No order has been made or petition presented or resolution passed for the winding up of the Vendor, the Target Companies, nor has any distress, execution or other process been levied against the Vendor or the Target Companies or action taken to repossess goods in the Vendor's or the Target Companies' possession. (i) No steps have been taken for the appointment of an administrator or receiver of any part of the Vendor's or the Target Companies' property. (j) No floating charge has been created by the Target Companies over any part of their business. (k) The Vendor and the Target Companies have not made or proposed any arrangement or composition with their creditors or any class of their creditors. (l) The Target Companies are not insolvent or will not be rendered insolvent by consummation of the sale and purchase of the Sale Shares. For the avoidance of doubt, apart from the Vendor Fundamental Warranties as set out above, the Vendor further provided other general warranties in respect of, amongst others, properties, assets, business and financial position, statutory and other requirements, licences, consents and compliances, litigation, contracts, financial accounts and the construction works and defect claims of the Target Companies.	
(viii)	**Epicon Fundamental Warranties** Epicon warrants to the Vendor the following fundamental warranties (collectively, the "**Epicon Fundamental Warranties**"): (a) Epicon is a public company limited by shares duly incorporated and validly existing under the laws of Malaysia and is listed on the Main Market of Bursa Securities, has the corporate power and authority to own and operate its assets and to carry on its business as presently conducted and is not subject to any restriction, whether contractual or otherwise, which prevents or restricts Epicon from entering into and performing its obligations under the SSA.	The warranties given by Epicon are reasonable which comprise reciprocal contractual protections provided by Epicon in favour of the Vendor and are generally consistent with market practice for share sale and purchase transactions of a similar nature. The warranties principally relate to Epicon's corporate existence and capacity, the legal status and operational standing of the Epicon Group, the validity of its issued share capital, the absence of undisclosed rights affecting its securities, its authority to enter into and perform the SSA and the absence of insolvency or other financial distress events that may adversely affect its ability to complete the transaction. The warranties given by Epicon are also not detrimental to the interests of the non-interested shareholders of the Company.

No.	Salient terms of the SSA	TA Securities' comments
	(b) Each company within the Epicon Group ("**Epicon Group Company**") is duly incorporated and validly existing under the laws of Malaysia, has the corporate power and authority to own and operate its respective assets and to carry on its respective business as presently conducted and holds all licences, permits, authorisations and approvals necessary for the conduct of its respective business as presently conducted. (c) There are no agreements or arrangements in force other than the SSA, which grant to any person the right to call for the issue, allotment or transfer of any share or loan capital of any Epicon Group Company and no Epicon Group Company has since its respective date of incorporation, issued or transferred or agreed to issue or transfer any shares or given or agreed to give any option in respect of any shares nor issued or agreed to issue or given any option in respect of any debenture or other securities or any right to convert any debt or obligation into shares, whether fully paid or otherwise, of any Epicon Group Company, other than as disclosed in Epicon's latest audited financial statements or as contemplated by the SSA. (d) The issued share capital of Epicon as at the date of the SSA are all duly authorised, validly issued and allotted and are fully paid-up, free of further capital contribution obligations. (e) The issued share capital of Epicon upon completion of the Proposals shall be RM329,272,672.12 comprising 2,957,606,872 Epicon Shares and 1,353,190,292 RCPS A. (f) There is no outstanding option, warrant, convertible or exchangeable security, right, subscription, call, legally binding commitment, pre-emptive right or other agreement or right or obligation of any kind to require Epicon to sell, transfer, grant or issue, or redeem, repurchase or otherwise acquire, any of Epicon's share capital, other than as contemplated by the SSA. (g) Epicon has taken all necessary action and obtained all necessary consents and approvals (including consents and approvals required for Epicon to comply with any contractual undertaking or covenant or requirement of law or regulation binding on it) to authorise the execution, delivery and performance of the SSA and any other agreements contemplated under the SSA in accordance with its terms.	

No.	Salient terms of the SSA	TA Securities' comments
	(h) The SSA constitutes the valid and binding obligation of Epicon enforceable in accordance with its terms. (i) No order has been made or petition presented or resolution passed for the winding up of Epicon, the Epicon Group Companies, nor has any distress, execution or other process been levied against Epicon or the Epicon Group Companies or action taken to repossess goods in Epicon's or the Epicon Group Companies' possession. (j) No steps have been taken for the appointment of an administrator or receiver of any part of Epicon's or the Epicon Group Companies' property. (k) No floating charge has been created by the Epicon Group Companies over any part of their business. (l) Epicon and the Epicon Group Companies have not made or proposed any arrangement or composition with their creditors or any class of their creditors. For the avoidance of doubt, apart from the Epicon Fundamental Warranties as set out above, Epicon further provided other general warranties in respect of, amongst others, accounts, write-offs and adjustments, properties, assets, business and financial position, statutory and other requirements, licences, consents and compliances, litigation, contracts, financial accounts and the construction works and defect claims of the Epicon Group Companies.	
(ix)	**Limitation of liability** Notwithstanding anything to the contrary contained in the SSA, the following shall apply to create and impose limitations on the liability of the parties for any and all claims under the SSA: (a) The parties shall not be liable for any claim unless a notice of the claim is given by a party to the other party: (i) in the case of any tax-related claims as contemplated under the SSA: (1) within 7 years following the completion date of the SSA, in the case of claims relating to transfer pricing;	The liability limitation provisions under the SSA are commonly included in share sale and purchase agreements of similar nature to provide certainty regarding the extent and duration of each party's contractual exposure under the SSA. The prescribed limitation periods for bringing claims under the SSA are reasonable taking into account the nature of the underlying obligations. The limitation periods ranging from 5 to 7 years depending on the type of tax for tax-related claims which correspond with the statutory timeframes within which tax authorities may raise assessments or conduct audits.

No.	Salient terms of the SSA	TA Securities' comments
	(2) within 6 years following the completion date of the SSA, in the case of claims relating to sales and service tax; and (3) within 5 years following the completion date of the SSA, in the case of claims relating to corporate tax and all other claims in respect of Tax; (ii) in the case of any claim relating to the Vendor's business warranties or Epicon's business warranties as contemplated under the SSA (as the case may be), within 24 months following the completion date of the SSA; (iii) in the case of any claim relating to the Vendor Fundamental Warranties or the Epicon Fundamental Warranties (as the case may be), 6 years following the completion date of the SSA; and (iv) in the case of any other claim, within 3 years following the completion date of the SSA.	The 6-year limitation period for claims relating to the Vendor Fundamental Warranties and Epicon Fundamental Warranties reflects the fundamental nature of such warranties, which concern matters such as title, ownership, authority, corporate existence and solvency. Such limitation broadly corresponds with the contractual statutory limitation period of 6 years. The shorter limitation periods for business warranties of 24 months and other claims of 3 years are also in line with general market practice, as these matters are generally expected to become apparent within a reasonable period following Completion.
	(b) The Vendor shall not be liable for breach of any representations and warranties on the part of the Vendor under or pursuant to the SSA ("**Vendor Warranty**") in respect of any individual claim (or a series of claims arising from substantially identical facts or circumstances) where the liability agreed or determined (disregarding the provisions of this Section 8(b)) in respect of any such claim or series of claims does not exceed RM2,000,000. Where the liability agreed or determined in respect of any such claim or series of claims exceeds RM2,000,000, the Vendor shall be liable for the aggregate amount of all claims as agreed or determined. (c) Epicon shall not be liable for breach of any representations and warranties on the part of Epicon under or pursuant to the SSA ("**Epicon Warranty**") in respect of any individual claim (or a series of claims arising from substantially identical facts or circumstances) where the liability agreed or determined (disregarding the provisions of this Section 8(c)) in respect of any such claim or series of claims does not exceed RM1,000,000. Where the liability agreed or determined in respect of any such claim or series of claims exceeds RM1,000,000, Epicon shall be liable for the aggregate amount of all claims as agreed or determined.	The inclusion of de minimis thresholds of RM2.00 million for claims against the Vendor and RM1.00 million for claims against Epicon serves to discourage immaterial or frivolous claims while allowing recovery once the relevant threshold has been exceeded. Although the monetary thresholds differ, we are of the view that the thresholds are reasonable as it corresponds with the size of the Target Companies and Epicon whereby the Target Companies has approximately RM1.48 billion while the Epicon Group has approximately RM0.59 billion worth of order book as at the LPD and that the Vendor will be the holding company of Epicon after the completion of the Proposed Acquisitions.

No.	Salient terms of the SSA	TA Securities' comments
	(d) The aggregate liability of each party under the SSA: (i) in respect of claims relating to Vendor Fundamental Warranties or Epicon Fundamental Warranties (as the case may be), shall not exceed 100% of the Purchase Consideration; (ii) in respect of any other claims, shall not exceed 50% of the Purchase Consideration, provided that the total aggregate amount of liability of each party for all claims shall not in any event exceed 100% of the Purchase Consideration.	We note that the caps on aggregate liability are determined for breaches of fundamental warranties to 100% of the Purchase Consideration is consistent with the importance of such warranties, while capping liability for other warranty claims at 50% of the Purchase Consideration represents a reasonable allocation of commercial risk. The overall cap of 100% of the Purchase Consideration ensures that neither party's total exposure exceeds the value of the transaction, providing certainty without unduly restricting legitimate claims.
	(e) If a party has paid an amount in discharge of any claim for breach of any Vendor Warranty or Epicon Warranty (as the case may be) under the SSA and the other party is entitled to recover (whether by payment, discount, credit, relief, insurance or otherwise) from a third party a sum which indemnifies or compensates the other party (in whole or in part) in respect of the loss or liability which is the subject matter of the claim, the other party shall, pay to the party as soon as practicable after receipt an amount equal to the lesser of – (i) any sum recovered from the third party less any costs and expenses incurred in obtaining such recovery and less any taxation attributable to the recovery after taking account of any tax relief available in respect of any matter giving rise to the claim; or (ii) the amount previously paid by the party to the other party less any taxation attributable to the recovery.	The recovery mechanism requiring a party to account for any subsequent recovery from third parties, whether through insurance or other means, is also reasonable as it prevents double recovery while ensuring that the compensating party is not prejudiced from any costs or expenses as well as taxation attributable to such recovery incurred by the compensating party.
	(f) None of the limitations contained in this Section 8 shall apply to any claim which arises or is increased, or to the extent to which it arises or is increased, as the consequence of, or which is delayed as a result of, fraud, fraudulent misrepresentation, wilful misconduct, wilful non-disclosure or gross negligence by the parties, any Target Company or any Epicon Group Company (as the case may be) or any of its respective directors, officers, employees or agents.	The contractual limitations do not apply where a claim arises from fraud, fraudulent misrepresentation, wilful misconduct, wilful non-disclosure or gross negligence by the relevant party or its representatives. This carve-out ensures that a party cannot rely on contractual limitation provisions to avoid liability for serious misconduct or dishonest conduct. Based on the foregoing, we are of the view that the liability limitation provisions are reasonable as they represent a balanced and commercially acceptable allocation of risk between the contracting parties and are not detrimental to the interests of the non-interested shareholders of the Company.

No.	Salient terms of the SSA	TA Securities' comments
(x)	**Indemnities** (a) The Vendor covenants with Epicon to indemnify and save harmless Epicon from and against any and all losses which such Target Companies or Epicon (as the case may be) may at any time and from time to time sustain, incur, suffer or arise in respect of the period up to the completion date of the SSA, in connection with or arising from any of the following: (i) Any claim, investigation or proceedings brought or initiated by any regulatory authority, arising out of or in connection with the absence or invalidity of the required certificate of accommodation in respect of the properties owned / tenanted by the Target Companies for accommodation of employees. (ii) Any claim, investigation or proceedings brought or initiated by any regulatory authority, arising out of or in connection with the inadequate stamping or non-stamping of any letter of award or agreement of the Target Companies. (iii) Any claim, investigation or proceedings brought or initiated by any regulatory authority arising out of or in connection with the non-renewal or delayed renewal of the Construction Personnel Registration Card issued by the Construction Industry Development Board of Malaysia in respect of the employees of the Target Companies who are construction personnel. (iv) Any undisclosed litigation suit(s) for a claim value of RM2,500,000 or above (whether as claimant, defendant, third party, or otherwise, and whether in respect of any initial proceedings or any related, ancillary or consequential proceedings). (b) Epicon covenants with the Vendor to indemnify and save harmless the Vendor from and against any and all losses which the Vendor may, or the relevant Epicon Group Company may, at any time and from time to time sustain, incur or suffer (whether as claimant, defendant, third party, or otherwise, and whether in respect of any initial proceedings or any related, ancillary or consequential proceedings) or arise in respect of the period up to the completion date of the SSA, in connection with or arising from any undisclosed litigation suit(s) for a claim value of RM2,500,000 or above.	The Vendor provides indemnity to Epicon against losses arising from specified pre-completion matters relating to the Target Companies, including claims or regulatory actions arising from the absence or invalidity of employee accommodation certificates, inadequate or non-stamping of letters of award or agreements, non-renewal or delayed renewal of Construction Personnel Registration Cards issued by the Construction Industry Development Board Malaysia, and undisclosed litigation involving claims of RM2.50 million or more. These matters relate to historical regulatory compliance and operational issues of the Target Companies which existed prior to the Completion and are therefore appropriately allocated to the Vendor, being the party responsible for the management of the Target Companies during the relevant period prior to the Completion. Conversely, Epicon provides a corresponding indemnity to the Vendor in respect of undisclosed litigation involving the Epicon Group with a claim value of RM2.50 million or above. This reciprocal arrangement ensures that each party remains responsible for material undisclosed legal exposures relating to its own business prior to the Completion.

No.	Salient terms of the SSA	TA Securities' comments
	(c) In addition and without prejudice to the provisions of Section 10(a) above, each party ("**Indemnifying Party**") agrees and undertakes with the other party ("**Indemnified Party**") that it will indemnify the Indemnified Party in full on demand and hold the Indemnified Party harmless from and against any and all losses which the Indemnified Party may at any time and from time to time sustain, incur, suffer or arise in respect of the period up to the completion date of the SSA, in connection with or arising from: (i) any amount of taxation, whether or not it is already assessed or imposed or which may from time to time be assessed or imposed by the tax authority on the Relevant Group Companies after completion of the SSA except in so far as full provision is made for such liabilities in the audited accounts of the Relevant Group Companies; or (ii) any claim for income tax in respect of any dividend paid or any distribution made by the Relevant Group Companies before the completion date of the SSA except insofar as full provision is made for such liabilities in the audited accounts of the Relevant Group Companies, notwithstanding that notice of such claim or liability is served after the completion date of the SSA. For the purposes of this Section 10(c), "**Relevant Group Companies**" means (a) in the case of the Vendor as Indemnifying Party, the Target Companies, and (b) in the case of Epicon as Indemnifying Party, the Epicon Group Companies.	The tax indemnity provisions further require each party to indemnify the other against tax liabilities of the relevant group companies that were not adequately provided for in the audited financial statements, including liabilities arising from subsequent assessments by the tax authorities and taxes relating to dividends or distributions made prior to the Completion. Such tax indemnities are reasonable as tax liabilities for historical periods may only be imposed or assessed by the tax authority after the Completion. Based on the foregoing, we are of the view that the indemnity provisions are reasonable and not detrimental to the interests of the non-interested shareholders of the Company as they are reciprocal in nature and are limited to specific identified risks, material undisclosed litigation, and historical tax liabilities that are appropriately attributable to the relevant party.

Based on the above, we are of the view that the salient terms of the SSA are reasonable and not detrimental to the interests of the non-interested shareholders of the Company.

Shareholders' Agreement

We have reviewed the indicative salient terms of the Shareholders' Agreement in its entirety as disclosed in **Appendix IV** of the Circular and our comments are as set out below:

<table>
<tr><th>No.</th><th>Indicative salient terms of the Shareholders' Agreement</th><th>TA Securities' comments</th></tr>
<tr><td>(ii)</td><td>Shareholdings Proportions

(a) Upon the completion of the SSA, the Vendor and Epicon (collectively, the "Target Companies' Shareholders" and "Target Companies' Shareholder" shall mean any one of them) will be the legal and beneficial owners of the entire issued share capital of the Target Companies, in the respective proportions ("Shareholding Proportions") and amounts as follows:

<table>
<tr><th></th><th>Parties</th><th>No. of shares in RUSB</th><th>Shareholding Proportions in RUSB</th><th>No. of shares in LPBC</th><th>Shareholding Proportions in LPBC</th></tr>
<tr><td>1</td><td>Epicon</td><td>600,000</td><td>60.00%</td><td>450,000</td><td>60.00%</td></tr>
<tr><td>2</td><td>Lagenda</td><td>400,000</td><td>40.00%</td><td>300,000</td><td>40.00%</td></tr>
<tr><td></td><td>Total</td><td>1,000,000</td><td>100.00%</td><td>750,000</td><td>100.00%</td></tr>
</table>
(b) The Target Companies' Shareholders shall be entitled to participate in any dividends or distributions lawfully declared by the Target Companies in accordance with the Shareholding Proportions.</td><td>The shareholding and dividend entitlement provisions are reasonable as they appropriately reflect the ownership of the equity interests in the Target Companies upon completion of the SSA.</td></tr>
<tr><td>(ii)</td><td>Directors and Target Companies' Board of Directors' Meetings

(a) Number of directors

At all times while the Shareholders' Agreements remain in force, the Target Companies' Shareholders shall procure that at any one time, unless otherwise expressly agreed by the Target Companies' Shareholders, the number of directors shall not be more than 3 in number, and the Target Companies' Shareholders will be entitled to appoint and remove directors in accordance with Section 2(ii) of Appendix IV of this Circular below.</td><td>The board composition provisions provide that the board of directors of each Target Company shall comprise not more than 3 directors, with Epicon and Lagenda entitled to appoint directors broadly in proportion to their respective shareholdings.</td></tr>
</table>

No.	Indicative salient terms of the Shareholders' Agreement	TA Securities' comments
	(b) Appointment and removal of directors (i) Except as otherwise provided in the Shareholders' Agreements: (1) Epicon shall, while it remains as a Target Companies' Shareholder, be entitled to nominate and appoint 2 directors; and (2) Lagenda shall, while it remains as a Target Companies' Shareholder, be entitled to nominate and appoint 1 director, and each director shall hold office for such term as may be determined by that party who appointed him and shall not be subject to retirement by rotation. (ii) For the purposes of preserving Lagenda's ability to achieve the total guaranteed profit of RM238.00 million during the FYE 2027 and FYE 2028 under the SSA, the parties agree that for the entire duration of the FYE 2027 and FYE 2028: (1) the existing directors on the board of directors of the Target Companies as at the completion date of the SSA, i.e. Lau Kok Lian and Alfiyan Bin Mohd Yunus (collectively, the "**Existing Directors**"), shall remain on the board of directors of the Target Companies; (2) Epicon shall be entitled to nominate and appoint 1 director; ***Note:*** *For the avoidance of doubt, the above board composition shall apply only during the FYE 2027 and FYE 2028. This arrangement was proposed by Lagenda to ensure continuity of management and operations and to facilitate the achievement of the Profit Guarantee by the Target Companies. Notwithstanding the foregoing, Epicon shall remain entitled to appoint one (1) director to the board of directors of the Target Companies commensurate with its 60% equity interest, for the purpose of protecting and safeguarding its investment and shareholder rights in the Target Companies during the FYE 2027 and FYE 2028.*	The retention of the Existing Directors and the appointment mechanism are intended to preserve management continuity and facilitate the achievement of the Profit Guarantee under the SSA during the FYE 2027 and FYE 2028, while allowing Epicon to maintain board representation as the majority shareholder. We note that this arrangement represents a departure from the general board appointment rights under the Shareholders' Agreements, pursuant to which Epicon would otherwise be entitled to nominate 2 directors and Lagenda 1 director, commensurate with their respective 60% and 40% equity interests; the reduced representation during the FYE 2027 and FYE 2028 is therefore a specific, time-bound carve-out rather than the standing governance arrangement between the parties. Notwithstanding the above, all board reserved matters cannot be passed during the FYE 2027 and FYE 2028 unless they receive the affirmative vote of at least 1 director appointed by Lagenda and 1 director appointed by Epicon. This effectively grants Epicon's sole director a blocking right over all board reserved matters, notwithstanding its minority board representation during the FYE 2027 and FYE 2028.

No.	Indicative salient terms of the Shareholders' Agreement	TA Securities' comments
	(3) in the event any director, who is not a director appointed by Lagenda, resigns, dies, is found guilty of any misconduct, is disqualified from being a director, is removed by mutual agreement of the Target Companies' Shareholders or otherwise ceases to hold office as a director, Epicon shall be entitled to nominate and appoint a fresh director in place of such director by giving a notice in writing to such effect to the board of directors of the relevant Target Company; and (4) for the purposes of the board reserved matters and quorum for board meeting as contemplated under the Shareholders' Agreements, one of the Existing Directors shall be designated as a director appointed by Lagenda as at the date of the Shareholders' Agreements and the director appointed in accordance with Section 2(b)(ii)(2) of this Appendix IV shall be designated as a director appointed by Epicon.	
	(iii) Subject to the provisions of the Act, a party will be entitled at any time and from time to time to remove any director so appointed by that party and appoint a fresh director in his place and to appoint a fresh director in the event of any director appointed by that party resigning, dying, retiring or otherwise ceasing to hold office as a director by giving a notice in writing to such effect to the board of directors of the relevant Target Company. The board of directors of the relevant Target Company shall pass the relevant resolution or convene a meeting and pass the relevant resolution upon receipt of the notice from the party.	The entitlement of a party to remove a director so appointed by that party and appoint a new director in his place for whatsoever reason is reasonable as the board composition will be preserved.
	(iv) There will not be any shareholding qualification for directors.	
	(c) Voting	
	(i) At any meetings of directors, each director shall have 1 vote each.	The voting provisions, whereby each director has one vote and ordinary board matters are decided by a simple majority, are consistent with customary corporate practices. In addition, the requirement for board reserved matters during the FYE 2027 and FYE 2028 to receive the affirmative vote of at least one director appointed by each of Epicon and Lagenda provides appropriate safeguards for both shareholders in respect of key strategic decisions, without conferring disproportionate control on either party.
	(ii) Subject to Section 2(c)(iii) of this Appendix IV and the board reserved matters as contemplated under the Shareholders' Agreements, matters and resolutions thereof arising at any meeting of the board of directors of the Target Companies will be decided by a simple majority of votes of the directors present and voting at that meeting.	

No.	Indicative salient terms of the Shareholders' Agreement	TA Securities' comments
	(iii) During the FYE 2027 and FYE 2028, all board reserved matters as contemplated under the Shareholders' Agreements shall be put to a vote before the board of directors of the Target Companies, and no board reserved matter shall be considered passed during the FYE 2027 and FYE 2028 unless it receives the affirmative vote of at least 1 director appointed by Lagenda and 1 director appointed by Epicon. (d) Chairman Unless otherwise agreed, the chairman of the board of directors of the Target Companies and any shareholders' meetings of the Target Companies ("**Chairman**") shall be a director nominated by Epicon and shall not be entitled to exercise any casting vote. ***Note:*** *The Chairman is not given a casting vote to preserve neutrality and maintain joint control of the Target Companies, ensuring that decisions are made collectively and that no single individual exercises disproportionate influence over the affairs and decisions of the Target Companies.*	The appointment of a chairman nominated by Epicon reflects Epicon's status as the majority shareholder. It is noted that the Chairman does not have casting vote such that the Chairman cannot unilaterally determine the outcome of board decisions in the event of a deadlock at board of directors' meetings of the Target Companies. Accordingly, this will preserve neutrality and maintain joint control of the Target Companies, ensuring that decisions are made collectively and that no single individual exercises disproportionate influence over the affairs and decisions of the Target Companies. Based on the foregoing, we are of the view that the provisions relating to directors and board of directors' meetings are reasonable and not detrimental to the interests of the non-interested shareholders of the Company as they reflects the proportion of shareholdings by the parties in the Target Companies after the Completion and the retention of Existing Directors during the FYE 2027 and FYE 2028 to ensure management continuity and facilitate achievement of the Profit Guarantee.

No.	Indicative salient terms of the Shareholders' Agreement	TA Securities' comments
(iii)	**General Meetings of Shareholders** (a) Except as otherwise required by the Act and save in respect of any shareholders' reserved matter as contemplated under the Shareholders' Agreements, any resolution to be passed at a general meeting of the Target Companies ("**General Meeting**") shall be passed by votes representing more than 50% of the RUSB Shares or LPBC Shares (as the case may be) held by the Target Companies' Shareholders present and voting at the General Meeting. (b) All shareholders' reserved matters as contemplated under the Shareholders' Agreements shall be put to a vote before the Target Companies' Shareholders, and no shareholders' reserved matter as contemplated under the Shareholders' Agreements shall be considered passed unless it is passed by votes representing at least 85% of the RUSB Shares or LPBC Shares (as the case may be) held by the Target Companies' Shareholders. (c) Each Target Companies' Shareholder (or its representative or proxy or attorney or other duly authorised representative) shall have 1 vote for every RUSB Share or LPBC Share (as the case may be) that it holds. (d) If within 30 minutes of the time appointed for any adjourned General Meeting, the quorum for General Meeting as contemplated under the Shareholders' Agreements is not present, such adjourned General Meeting shall be further adjourned and the matter to be decided at such General Meeting ("**Disputed Matter**") shall be escalated to the chief executive officer or managing director (or equivalent senior executive) of each Target Companies' Shareholder ("**Senior Executives**") for their consideration and determination. (e) Upon escalation pursuant to Section 3(d) of this Appendix IV, the Senior Executives shall meet (whether in person, by telephone or video conference) within 14 days of such escalation and shall in good faith endeavour to resolve the Disputed Matter amicably. The Target Companies' Shareholders shall use their best endeavours to arrive at a mutually acceptable decision on the Disputed Matter within 30 days of the escalation (or such longer period as the Target Companies' Shareholders may agree in writing). Following such resolution, the Target Companies' Shareholders shall procure that the necessary resolutions are passed to give effect to such decision as soon as practicable.	The shareholders' voting provisions provide that ordinary resolutions of the Target Companies shall be passed by a simple majority of votes (i.e. 50%), while shareholders' reserved matters require a higher approval threshold of 85% of the shares held by the Target Companies' Shareholders. We are of the view that the provisions relating to the shareholders' votes at general meetings of the Target Companies are reasonable after taking into consideration that each Target Companies' Shareholders is entitled to voting rights in proportion to the number of shares in the Target Companies held by it and that Epicon and Lagenda hold 60% and 40% equity interests respectively after the Completion such that the 85% approval threshold for shareholders' reserved matters ensures that neither shareholder is able to unilaterally approve reserved matters, thereby promoting a balanced decision-making process.

No.	Indicative salient terms of the Shareholders' Agreement	TA Securities' comments
	(f) If the Disputed Matter is not resolved within the period referred to in Section 3(e) of this Appendix IV, the adjourned General Meeting shall be reconvened 3 business days after the expiry of the period referred to in Section 3(e) of this Appendix IV, at the same time and place as the first adjourned General Meeting, and the quorum for such reconvened adjourned General Meeting shall be at least one representative duly authorised by Epicon, personally present or present by its representative or by proxy.	
(iv)	**Dividend Policy** The parties agree that the determination of the dividend to be declared and paid by the Target Companies for each financial year shall be a shareholders' reserved matter as contemplated under the Shareholders' Agreements, subject to the cash flow requirements of the Target Companies and compliance with the requirements of the Act and all other applicable laws.	The provision requires the declaration and payment of dividends by the Target Companies to be subject to shareholders' approval as a shareholders' reserved matter, taking into consideration the Target Companies' cash flow requirements and applicable legal requirements. We are of the view that the dividend policy provision is reasonable as such provision provides an appropriate mechanism to ensure that dividend decisions are made with regard to the financial position and operational requirements of the Target Companies, while allowing both shareholders to participate in decisions affecting the distribution of profits. The requirement for compliance with the Act and applicable laws further ensures that any dividend declaration is undertaken in accordance with the relevant statutory requirements.
(v)	**Duration** The Shareholders' Agreements will be effective upon the date of completion of the SSA and continue in full force and effect until terminated in accordance with the provisions of the Shareholders' Agreements.	The effective period of the Shareholders' Agreement is reasonable as the commencement of which is upon the date of completion of the SSA when Epicon becomes a shareholder of the Target Companies.

Based on the above, we are of the view that the indicative salient terms of the Shareholders' Agreement are reasonable and not detrimental to the interests of the non-interested shareholders of the Company.

6.5 SALIENT TERMS OF THE RCPS A

We have reviewed the salient terms of the RCPS A (which comprises the Consideration RCPS A and Option Consideration RCPS A) in its entirety as disclosed in **Appendix III** of the Circular and our comments are as set out below:

Salient terms of the Consideration RCPS A and Option Consideration RCPS A		TA Securities' comments
Issuer	Epicon	This term is reasonable as Epicon is the purchaser of the Proposed Acquisition.
RCPS A issue price	RM0.13 per RCPS A.	The RCPS A issue price is fair based on our evaluation as set out in Section 6.3 of this IAL.
Tenure	(a) In respect of the first issuance of the RCPS A, the tenure shall be five (5) years commencing from and inclusive of the issuance date, unless otherwise redeemed. (b) In respect of the subsequent issuance of the RCPS A, the tenure shall be five (5) years commencing from and inclusive of the issuance date of the second issuance of the RCPS A, unless otherwise redeemed. For the avoidance of doubt, if the subsequent issuance of the RCPS A is carried out in tranches, the tenure shall be five (5) years commencing from and inclusive of the issuance date of the first tranche of the second issuance of the RCPS A.	The tenure of 5 years from the respective issuance date is reasonable as it is a common tenure for convertibles issued in the equity market and mitigate immediate dilution on the shareholders in Epicon over a 5-year period while ensuring Public Spread Requirement is met.
Maturity date	(a) In respect of the first issuance of the RCPS A, the maturity date shall be the fifth (5th) anniversary of the issuance date. (b) In respect of the subsequent issuance of the RCPS A, the maturity date shall be the fifth (5th) anniversary of the issuance date of the second issuance of the RCPS A. For the avoidance of doubt, if the subsequent issuance of the RCPS A is carried out in tranches, the maturity date shall be the fifth (5th) anniversary of the issuance date of the first tranche of the second issuance of the RCPS A.	The maturity date of the RCPS A is reasonable as it corresponds with the tenure of the RCPS A.
Transferability	The RCPS A shall not be transferable without the consent of the Company.	Any transfer of RCPS A being subject to the consent of the Company is reasonable as the RCPS A is not listed.

Salient terms of the Consideration RCPS A and Option Consideration RCPS A		TA Securities' comments
Dividend	The holders of the RCPS A shall be entitled to receive cumulative preferential dividend at the rate of 4.00% per annum, unless otherwise redeemed or converted or purchased and cancelled. Any preferential dividend payable shall only be payable if declared by the Board and only out of the Company's distributable profit. Where there is no distributable profit, the entitlement to the preferential dividend shall be accumulated but shall not compound. For information purposes, the preferential dividend rate of 4.00% per annum was negotiated by the Company on the basis that it represents a lower cost than the Company's effective borrowing rate of 5.08%.	The cumulative preferential dividend at the rate of 4% per annum is reasonable after taking into consideration that the RCPS A is not listed and the Vendor will not be able to realise the value of the RCPS A, unless redeemed by the Company or converted into Epicon Shares (which is listed on the Main Market of Bursa Securities) over the tenure of the RCPS A, and that the RCPS A will not be entitled to any dividend to be declared and paid in respect of ordinary shares of the Company. Further, the 4% preferential dividend rate is also approximate the yield of 10-year Malaysian Government Securities and 30-year Malaysian Government Securities as at the SSA LTD (as extracted from Bank Negara Malaysia's website) of 3.63% and 4.09% respectively. The preferential dividend rate of 4.00% per annum also represents a lower cost than then Company's effective borrowing rate of 5.08%.
Ranking	The RCPS A shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and shall upon allotment and issuance, rank pari passu without any preference or priority among themselves and in priority to other redeemable convertible preference shares that may be created in future but shall rank behind all secured and unsecured obligations of the Company. In the event of liquidation, dissolution or winding up, the RCPS A shall rank in priority to any other unsecured securities or shares of the Company.	Notwithstanding that the RCPS A shall rank in priority to any other unsecured securities or shares of the Company in the event of liquidation, dissolution or winding up, RCPS A holders are not entitled to participate in any surplus capital, assets or profits of the Company which are accorded to the ordinary shareholders of the Company. A such, this term is reasonable as it represents the Vendor's right to receive the value of the Purchase Consideration and/or Option Consideration comprised by the RCPS A held by it without additional entitlements or rights to participate in any surplus capital, assets or profits of the Company.
Voting rights	The RCPS A shall carry no right to vote at any general meeting of the ordinary shareholders of the Company except with regard to: (a) any proposal to reduce the capital of the Company; (b) any proposal to dispose of all or substantially all of the Company's assets, property, business and/or undertakings; or (c) any proposal to wind-up the Company and at any time during the winding up of the Company. The holders of the RCPS A shall be entitled to vote at any class meeting of the holders of the RCPS A in relation to any proposal by the Company to vary or abrogate the rights of the RCPS A as stated in the constitution of the Company.	The voting rights granted to the RCPS A holders are reasonable as the proposals relating to reduction of capital, disposal of all or substantially all assets, property, business and/or undertakings and winding-up of the Company are circumstances which may affect the interests of the RCPS A holders in the Company. Further, entitlement to vote in relation to any proposal by the Company to vary or abrogate the rights of the RCPS A is also reasonable as it affects the rights of the RCPS A in the Company.

Salient terms of the Consideration RCPS A and Option Consideration RCPS A		TA Securities' comments
	Every holder of the RCPS A who is present in person at such class meeting will have one (1) vote on a show of hands and/or on a poll and every holder of RCPS A who is present in person or by proxy will have one (1) vote for every RCPS A of which he is the holder.	
Conversion rights and mandatory conversion on maturity date	The holders of the RCPS A shall be entitled to convert each RCPS A held into such number of Epicon Share(s) in accordance with the conversion ratio during the conversion period provided that if the conversion of such RCPS A shall cause the Company to breach the public shareholding spread, the Company shall be entitled to reject the conversion of such RCPS A. Unless previously redeemed or converted or purchased and cancelled, all outstanding RCPS A will be mandatorily converted into new Epicon Shares on the maturity date based on the conversion ratio provided that if the conversion of all RCPS A shall cause the Company to breach the public shareholding spread, the Company is entitled to only convert such number of RCPS A such that the collective shareholdings of such holder and its persons connected do not breach the public shareholding spread requirement wherein any remaining RCPS A not converted shall be redeemed in cash at 100% of its nominal value.	The conversion right of RCPS A given to its holders over the conversion period as it gives them the flexibility to convert their RCPS A to new Epicon Shares based on the conversion ratio during the conversion period. The provision that entitles the Company to reject any conversion of RCPS A if such conversion will cause the Company to breach the Public Spread Requirement is an added protection to ensure that the Company is able to ensure its compliance with the Public Spread Requirement notwithstanding the conversion right of the RCPS A which rests with the holders of RCPS A. The term relating to the mandatory conversion of the RCPS A on maturity date is reasonable as such conversion is based on the same conversion ratio throughout the conversion period and that the Company has the right to redeem any RCPS A at its discretion depending on their cash resources prior to such mandatory conversion of the RCPS A. Similarly, any such mandatory conversion of RCPS A is also subject to the Company being in continued compliance with the Public Spread Requirement with any remaining RCPS A not converted will be redeemed in cash at 100% of its nominal value is fair and not detrimental to the interests of non-interested shareholders of the Company.
Conversion ratio	The conversion ratio shall be one (1) RCPS A to one (1) new Epicon Share, subject to adjustments from time to time at the determination of the Board on a fair and proportionate basis in the event of any alteration to the Company's share capital, whether by way of rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital howsoever being effected, in accordance with the provisions of the constitution of the Company. For clarity purposes, the RCPS A are convertible into new Epicon Shares on a one (1) RCPS A for one (1) Epicon Share basis, and no cash outlay, additional payment or consideration shall be payable by the holders of the RCPS A upon such conversion.	The conversion ratio of 1 RCPS for 1 new Epicon Share implies that the effective conversion price of the RCPS A is RM0.13 which is fair and reasonable based on our evaluation as set out in Section 6.3 of this IAL. Further, the adjustments to the conversion ratio due to any alteration to the Company's share capital is reasonable as such circumstances will affect the interests of the RCPS A holders in the Company. Such adjustments are not expected to be prejudicial to either RCPS A holders or ordinary shareholders of the Company as it is subject to the Board's determination on a fair and equitable basis.

Salient terms of the Consideration RCPS A and Option Consideration RCPS A		TA Securities' comments
Conversion period	The RCPS A shall be convertible into new Epicon Shares on any market day at any time during the tenure of the RCPS A commencing on and including the issuance date up to and including the maturity date.	The conversion period of the RCPS A is reasonable as it corresponds with the tenure of the RCPS A.
Ranking of new Epicon Shares	The new Epicon Shares to be issued pursuant to the conversion of the RCPS A shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing Epicon Shares of the Company, except that they will not be entitled to any dividends or distribution made prior to the date of allotment of such new Epicon Shares.	The new Epicon Shares to be issued pursuant to the conversion of RCPS A to rank pari passu (equally) in all respects with the then existing Epicon Shares, except that the new Epicon Shares shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid, where the entitlement date is before the date of allotment of such new Epicon Shares is reasonable as there is no differential treatment as to the rights of those new Epicon Shares arising from the conversion of the RCPS A, upon allotment of such new Epicon Shares, as compared to the existing Epicon Shares.
Redemption	Unless previously redeemed or converted or purchased and cancelled, the RCPS A may at the option of the Company be redeemed, in whole or in part, at any time during the tenure of the RCPS A at the redemption price. The Company shall give not less than thirty (30) days prior written notice to the holders of the RCPS A of the redemption of the RCPS A. All RCPS A which are redeemed or purchased by the Company shall be cancelled immediately and cannot be resold or reissued.	The terms relating to redemption of the RCPS A are reasonable as the redemption of the RCPS A is at the option of the Company, whether in whole or in part, at the Redemption Price which is equivalent to the RCPS A issue price. The 30-days period of prior notice for the redemption notice to be given to the holders of the RCPS A is also reasonable as it is only a procedural notice to be given and has no impact to Epicon's rights to the redemption of the RCPS A and/or the value at which the redemption shall be carried out.
Redemption price	Being an amount equivalent to the RCPS A issue price.	The redemption price being equivalent to the RCPS A issue price is reasonable as it does not infer any premium over or discount from the RCPS A Issue Price being the price at which the RCPS A are issued.
Listing	The RCPS A shall not be listed or quoted on Bursa Securities or any other stock exchange.	The RCPS A not being listed or quoted on Bursa Securities or any stock exchange is reasonable as it does not fulfil public spread requirement for any listed securities on Bursa Securities and it is not detrimental to the interests of the non-interested shareholders of the Company.

Salient terms of the Consideration RCPS A and Option Consideration RCPS A		TA Securities' comments
Modification of rights	Any variation, modification or abrogation of the rights and privileges attached to the RCPS A shall require the sanction of a special resolution of the holders of the RCPS A holding or representing not less than seventy five per centum (75%) of the outstanding RCPS A.	The term on variation, modification or abrogation of the rights and privileges attached to the RCPS A requiring the sanction of a special resolution of the holders of the RCPS A, i.e. being not less 75% of the outstanding RCPS A, is reasonable as such variation, modification or abrogation of the rights and privileges attached to the RCPS A is a matter tantamount to alteration or amendment to the Constitution which is required under the Act and the Constitution to be passed by a special resolution.
Governing law	Laws of Malaysia.	This term is reasonable as the RCPSA is issued by Epicon which is a company incorporated in Malaysia.

Based on the above, we are of the view that the salient terms of the Consideration RCPS A and Option Consideration RCPS A are reasonable and not detrimental to the interests of the non-interested shareholders of the Company.

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6.6 EFFECTS OF THE PROPOSALS

In evaluating the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions, we have taken note of the effects of the Proposals, all of which shall be implemented following the completion of the RCPS Conversion, as set out in Section 11 of Part A of the Circular which are based on the following scenarios and as set out in this section:

Minimum Scenario : Assuming that:

(i) the 1,857,142,857 Consideration Shares has been issued;

(ii) the Call Option is not exercised and lapses at the end of the Call Option Period;

(iii) the 1,353,190,292 Consideration RCPS A are fully converted into 1,353,190,292 new Epicon Shares; and

(iv) Lagenda undertakes an offer for sale of an aggregate of 295,000,000 Epicon Shares to the Public Shareholders of Epicon (1).

Maximum Scenario : Assuming that:

(i) the 1,857,142,857 Consideration Shares has been issued;

(ii) the Call Option is exercised and the Option Consideration is settled in equal proportion via the issuance of 1,392,714,200 Option Consideration Shares and 1,392,714,200 Option Consideration RCPS A;

(iii) the 1,353,190,292 Consideration RCPS A are fully converted into 1,353,190,292 new Epicon Shares;

(iv) the 1,392,714,200 Option Consideration RCPS A are fully converted into 1,392,714,200 new Epicon Shares; and

(v) Lagenda undertakes an offer for sale of an aggregate of 1,024,000,000 Epicon Shares to the Public Shareholders of Epicon (1).

Note:

(1) For the avoidance of doubt, the proposed private placement has been included to illustrate that the public shareholding spread requirement will be met upon completion of the Proposals.

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6.6.1 Issued share capital

The effects of the Proposals on the issued share capital of Epicon is as follows:

	Minimum Scenario		Maximum Scenario	
	No. of Shares ('000)	**Share capital (RM'000)**	**No. of Shares ('000)**	**Share capital (RM'000)**
As at the LPD	627,464	33,344	627,464	33,344
To be issued pursuant to the RCPS Conversion	233,000	23,300	233,000	23,300
After the RCPS Conversion	**860,464**	**56,644**	**860,464**	**56,644**
To be issued pursuant to the Proposed Acquisitions	1,857,143	241,428	1,857,143	241,428
To be issued pursuant to the Proposed Private Placement	240,000	31,200	240,000	31,200
After the Proposed Acquisitions and the Proposed Private Placement	**2,957,607**	**329,272**	**2,957,607**	**329,272**
To be issued assuming full conversion of Consideration RCPS A	1,353,190	175,915[(i)]	1,353,190	175,915 [(i)]
After the full conversion of the Consideration RCPS A	**4,310,797**	**505,187**	**4,310,797**	**505,187**
To be issued pursuant to the Proposed Call Option	-	-	1,392,714	181,053[(ii)]
After the exercise of the Call Option	**4,310,797**	**505,187**	**5,703,511**	**686,240**
To be issued assuming full conversion of the Option Consideration RCPS A	-	-	1,392,714	181,053[(iii)]
Enlarged number of Epicon Shares and share capital	**4,310,797**	**505,187**	**7,096,225**	**867,293**

Notes:

(i) Assuming full conversion of the 1,353,190,292 Consideration RCPS A into (1) new Epicon Share at RM0.13 conversion price, the liability component of RM29.97 million, which was initially measured using a DCF method based on the present value of the contractual cash flows comprising periodic coupon payments, together with the equity component of RM145.95 million would be derecognised and recognised in equity as issued share capital.

The liability and equity components of the Consideration RCPS A are determined as follows:

		RM'000
Total Consideration RCPS A (1,353,190,292 Consideration RCPS A x RM0.13)	*(A)*	*175,915*
*Total contractual coupon payments**		*35,183*
*Less: Present value adjustment, discounted at 5.60%***		*(5,217)*
Liability component	*(B)*	***29,966***
Equity component (residual amount in accordance with MFRS 132)	*(A) – (B)*	*145,949*
Total liability and equity components of the Consideration RCPS A		***175,915***

* *The total contractual coupon payments is calculated based on the total Consideration RCPS A of RM175.92 million, multiplied by the cumulative preferential dividend rate of 4.00% per annum over the five-year tenure of the RCPS A.*

** *The discount rate of 5.60% was determined based on the 5-year Malaysian Government bond yield of approximately 3.40% per annum, plus an estimated credit spread of approximately 2.20%.*

(ii) After taking into consideration the 1,392,714,200 Option Consideration Shares to be issued at the Option Share Issue Price of RM0.13 pursuant to the Exercise of the Call Option.

(iii) Assuming the full conversion of the 1,392,714,200 Option Consideration RCPS A into (1) new Epicon Share at RM0.13 conversion price, the liability component of RM30.84 million, which was initially measured using a DCF method based on the present value of the contractual cash flows comprising periodic coupon payments, together with the equity component of RM150.21 million would be derecognised and recognised in equity as issued share capital.

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6.6.2 NA per Epicon Share and gearing

Based on the latest audited consolidated statements of financial position of Epicon as at 31 December 2025 and assuming the Proposals had been effected on that date, the proforma effects of the Proposed Acquisitions, Proposed Call Option and Proposed Private Placement on the audited consolidated NA per Share and gearing of the Group are as follows:

Minimum Scenario

	Audited as at 31 December 2025	(I) After the RCPS Conversion	(II) After (I), the Proposed Acquisitions[(i)], the Proposed Call Option and the Proposed Private Placement	(III) After (II) and assuming full conversion of the Consideration RCPS A	(IV) After (III) and the lapse of the Call Option
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Share capital	33,344	56,644	329,272	505,187	505,187
RCPS	23,300	-	145,949	-	-
Reverse acquisition reserve	-	-	(463,262) [(ii)]	(463,262)	(463,262)
Capital contribution	-	-	1,251	1,251	1,251
Retained earnings	30,800	30,800	120,228 [(iii)]	113,036	91,226[(vi)]
NA attributable to the owners of the Company	**87,444**	**87,444**	**133,438**	**156,212**	**134,402**
Number of Epicon Shares in issue ('000)	627,464	860,464	2,957,607	4,310,797	4,310,797
NA per Share (RM)	0.14	0.10	0.05	0.04	0.03
Total borrowings	89,250	89,250	186,112 [(iv)]	156,146[(v)]	156,146
Gearing (times)	1.02	1.02	1.39	1.00	1.16

Notes:

(i) MFRS 3 applies to an acquisition whereby an acquirer shall be identified for all business combinations and the acquirer is defined as the entity that obtains control of the combining entities or businesses.

*The Proposed Acquisitions are accounted for in accordance with MFRS 3, where the combined Target Companies ("**Combined Target Companies**") which are under common control of their shareholders (i.e. Lagenda), is regarded as the accounting acquirer and the Epicon Group is regarded as the accounting acquiree and the consolidation is prepared using reverse acquisition accounting method ("**Reverse Acquisition Accounting**"). Hence, Epicon's pro forma consolidated statements of financial position as presented in Pro Forma II represents a continuation of the financial position of the Combined Target Companies, except for the equity structure (i.e. the number and type of equity instruments issued) appearing in the pro forma consolidated financial statements which reflects the equity structure of Epicon, including the equity instruments issued by Epicon to effect the Proposed Acquisitions.*

The resultant pro forma share capital is derived as follows:

Share capital	***RM'000***
Share capital of Epicon under (I)	*56,644*
Add: Total value of the Consideration Shares	*241,428*
Add: Total value of the Placement Shares	*31,200*
Total	***329,272***

(ii) The resultant pro forma reverse acquisition reserve is derived as follows:

Reverse acquisition reserve	***RM'000***
Reverse acquisition reserve of Epicon under (I)	*-*
Purchase Consideration	*(543,158)*
Less: Call option assets	*21,810*
Consideration transferred	*(521,348)*
Reverse Acquisition Accounting	
Elimination of 60% of the share capital of the Target Companies	*1,050*
Elimination of retained earnings of the Epicon Group	*30,800*
Goodwill	*26,236*
Total	***(463,262)***

(iii) Represents the retained earnings of the Combined Target Companies due to the application of Reverse Acquisition Accounting, after taking into account deferred tax asset arising from the Consideration RCPS A and the estimated expenses relating to the Proposals.

The resultant pro forma retained earnings is derived as follows:

Retained earnings	***RM'000***
Retained earnings of Epicon under (I)	*30,800*
Add:	
Combined retained earnings of the Target Companies	*191,426*
Deferred tax asset arising from the Consideration RCPS A	*7,192*
Less:	
40% of the combined retained earnings of the Target Companies, being the portion of the non-controlling interests pursuant to the Proposed Acquisitions	*(76,570)*
Retained earnings of the Epicon Group	*(30,800)*
Estimated expenses in relation to the Proposals	*(1,820)*
Total	***120,228***

(iv) After taking into account the borrowings of the Target Companies of RM84.40 million, the liability component of the Consideration RCPS A of RM29.97 million and the repayment of bank borrowings of RM17.50 million via the proceeds to be raised from Proposed Private Placement.

(v) After taking into account the reversal of the liability component of the Consideration RCPS A of RM29.97 million.

(vi) After taking into account the reversal of the fair value of the call option asset arising from the Proposed Call Option with the assumption that the Option Consideration remains the same at RM362.11 million upon maturity of the Call Option.

Maximum Scenario

	Audited as at 31 December 2025	(I) After the RCPS Conversion	(II) After (I), the Proposed Acquisitions[(i)], the Proposed Call Option and the Proposed Private Placement	(III) After (II) and assuming full conversion of the Consideration RCPS A	(IV) After (III) and the exercise of the Call Option	(V) After (IV) and assuming full conversion of the Option Consideration RCPS A
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Share capital	33,344	56,644	329,272	505,187	686,240	867,293
RCPS	23,300	-	145,949	-	150,212	-
Reverse acquisition reserve	-	-	(463,262)(ii)	(463,262)	(846,478) [(vi)]	(846,478)
Capital contribution	-	-	1,251	1,251	2,085	2,085
Retained earnings	30,800	30,800	120,228 [(iii)]	113,036	197,008[(vii)]	189,606[(ix)]
NA attributable to the owners of the Company	**87,444**	**87,444**	**133,438**	**156,212**	**189,067**	**212,506**
Number of Epicon Shares in issue ('000)	627,464	860,464	2,957,607	4,310,797	5,703,511	7,096,225
NA per Share (RM)	0.14	0.10	0.05	0.04	0.03	0.03
Total borrowings	89,250	89,250	182,112 [(iv)]	156,146[(v)]	186,987[(viii)]	156,146[(x)]
Gearing (times)	1.02	1.02	1.39	1.00	0.99	0.73

Notes:

(i) The MFRS 3 applies to an acquisition whereby an acquirer shall be identified for all business combinations and the acquirer is defined as the entity that obtains control of the combining entities or businesses.

The Proposed Acquisitions are accounted for in accordance with MFRS 3, where the Combined Target Companies which are under common control of their shareholders (i.e. Lagenda), is regarded as the accounting acquirer and the Epicon Group is regarded as the accounting acquiree and the consolidation is prepared using Reverse Acquisition Accounting. Hence, the Epicon Group's pro forma consolidated statements of financial position as presented in Pro Forma II represents a continuation of the financial position of the Combined Target Companies, except for the equity structure (i.e. the number and type of equity instruments issued) appearing in the pro forma consolidated financial statements which reflects the equity structure of Epicon, including the equity instruments issued by Epicon to effect the Proposed Acquisitions.

The resultant pro forma share capital is derived as follows:

Share capital	***RM'000***
Share capital of Epicon under (I)	*56,644*
Add: Total value of the Consideration Shares	*241,428*
Add: Total value of the Placement Shares	*31,200*
Total	***329,272***

(ii) The resultant pro forma reverse acquisition reserve is derived as follows:

Reverse acquisition reserve	***RM'000***
Reverse acquisition reserve of Epicon under (I)	*-*
Purchase Consideration	*(543,158)*
Less: Call option assets	*21,810*
Consideration transferred	*(521,348)*
Reverse Acquisition Accounting	
Elimination of 60% of the share capital of the Target Companies	*1,050*
Elimination of retained earnings of the Epicon Group	*30,800*
Goodwill	*26,236*
Total	***(463,262)***

(iii) Represents the retained earnings of the Combined Target Companies due to the application of Reverse Acquisition Accounting, after taking into account deferred tax asset arising from the Consideration RCPS A and the estimated expenses relating to the Proposals.

The resultant pro forma retained earnings is derived as follows:

Retained earnings	***RM'000***
Retained earnings of Epicon under (I)	*30,800*
Add:	
Combined retained earnings of the Target Companies	*191,426*
Deferred tax asset arising from the Consideration RCPS A	*7,192*
Less:	
40% of the combined retained earnings of the Target Companies, being the portion of the non-controlling interests pursuant to the Proposed Acquisitions	*(76,570)*
Retained earnings of the Epicon Group	*(30,800)*
Estimated expenses in relation to the Proposals	*(1,820)*
Total	***120,228***

(iv) After taking into account the borrowings of the Target Companies of RM84.40 million, the liability component of the Consideration RCPS A of RM29.97 million and the repayment of bank borrowings of RM17.50 million via the proceeds to be raised from Proposed Private Placement.

(v) After taking into account the reversal of the liability component of the Consideration RCPS A of RM29.97 million.

(vi) The exercise of Call Option is accounted for as a transaction with owners, with the resulting adjustment recognised directly in equity. For pro forma illustration purposes, such adjustment is included within the reverse acquisition reserve. The resultant pro forma reverse acquisition reserve is derived as follows:

Reverse acquisition reserve	***RM'000***
Reverse acquisition reserve of Epicon under (II)	*(463,262)*
Exercise of Call Option	
Option Consideration	*(362,106)*
Consolidation adjustments	
Elimination of 40% of the share capital of the Target Companies	*700*
Derecognition of call option assets	*(21,810)*
Total	***(846,478)***

(vii) After taking into account the derecognition of the 40% non-controlling interest in the Target Companies pursuant to the exercise of the Call Option.

(viii) After taking into account the liability component of the Option Consideration RCPS A of RM30.84 million.

(ix) After taking into account the full conversion of 1,392,714,200 Option Consideration RCPS A and derecognition of deferred tax assets on the Option Consideration RCPS A.

(x) After taking into account the reversal of the liability component of the Option Consideration RCPS A of RM30.84 million.

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6.6.3 Substantial shareholders' shareholdings

The effects of the Proposed Acquisitions and Proposed Private Placement on the substantial shareholders' shareholdings in the Company are as follows:

Minimum Scenario

	As at the LPD				(I) After the RCPS Conversion			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%(1)	No. of Shares	%(1)	No. of Shares	%(2)	No. of Shares	%(2)
Doh Properties	67,000,000	10.68	-	-	300,000,000	34.86	-	-
Dato' Jimmy	-	-	67,000,000(5)	10.68	-	-	300,000,000(5)	34.86
Lagenda	-	-	-	-	-	-	-	-
LLSB	-	-	-	-	-	-	-	-

	(II) After (I), the Proposed Acquisitions and the Proposed Private Placement				(III) After (II) and assuming full conversion of the Consideration RCPS A			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%(3)	No. of Shares	%(3)	No. of Shares	%(4)	No. of Shares	%(4)
Doh Properties	300,000,000	10.14	-	-	300,000,000	7.35	-	-
Dato' Jimmy	-	-	2,157,142,857(7)	72.94	-	-	3,215,333,149(7)	74.59
Lagenda	1,857,142,857	62.79	-	-	2,915,333,149 (6)	67.63	-	-
LLSB	-	-	1,857,142,857(8)(9)	62.79	-	-	2,915,333,149(9)	67.63

Notes:

(1) Based on the issued Shares as at the LPD comprising 627,464,015 Epicon Shares.

(2) Based on the enlarged issued Shares assuming full conversion of the RCPS comprising 860,464,015 Epicon Shares.

(3) Based on the enlarged issued Shares after the Proposed Acquisitions and the Proposed Private Placement of 2,957,606,872 Epicon Shares pursuant to the issuance of 1,857,142,857 Consideration Shares and 240,000,000 Placement Shares.

(4) Based on the enlarged issued Shares assuming full conversion of the Consideration RCPS A of 4,310,797,164 Epicon Shares.

(5) Deemed interested by virtue of his shareholding in Doh Properties pursuant to Section 8(4) of the Act.

(6) Based on the enlarged issued Shares after the Proposed Acquisitions of 1,857,142,857 Consideration Shares and assuming full conversion of the 1,353,190,292 Consideration RCPS A and assuming that 295,000,000 Epicon Shares held by Lagenda are sold to the Public Shareholders of Epicon pursuant to the offer for sale.

(7) *Deemed interested by virtue of his shareholding in Doh Properties pursuant to Section 8(4) of the Act as well as his interest in Lagenda via his direct shareholding in Lagenda and his shareholding in LLSB, Doh Properties and SAPSB, being a holding company of Doh Capital Sdn Bhd, pursuant to Section 8(4) of the Act.*

(8) *Strictly for illustrative purposes, under the worst-case scenario, Lagenda's shareholding in Epicon would be reduced by 37.14% in the event of the disposal of the Pledged Shares.*

(9) *Deemed interested by virtue of its direct shareholding in Lagenda pursuant to Section 8(4) of the Act.*

Maximum Scenario

	As at the LPD				(I) After the RCPS Conversion			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%(1)	No. of Shares	%(1)	No. of Shares	%(2)	No. of Shares	%(2)
Doh Properties	67,000,000	10.68	-	-	300,000,000	34.86	-	-
Dato' Jimmy	-	-	67,000,000(5)	10.68	-	-	300,000,000(5)	34.86
Lagenda	-	-	-	-	-	-	-	-
LLSB	-	-	-	-	-	-	-	-

	(II) After (I), the Proposed Acquisitions and the Proposed Private Placement				(III) After (II) and the Proposed Call Option as well as assuming full conversion of the Consideration RCPS A and the Option Consideration RCPS A			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%(3)	No. of Shares	%(3)	No. of Shares	%(4)	No. of Shares	%(4)
Doh Properties	300,000,000	10.14	-	-	300,000,000	4.23	-	-
Dato' Jimmy	-	-	2,157,142,857(6)	72.94	-	-	5,271,761,549(6)	74.29
Lagenda	1,857,142,857	62.79	-	-	4,971,761,549 (4)	70.06	-	-
LLSB	-	-	1,857,142,857(7)(8)	62.79	-	-	4,971,761,549 (8)	70.06

Notes:

(1) *Based on the issued Shares as at the LPD comprising 627,464,015 Epicon Shares.*

(2) *Based on the enlarged issued Shares assuming full conversion of the RCPS comprising 860,464,015 Epicon Shares.*

(3) *Based on the enlarged issued Shares after the Proposed Acquisitions and the Proposed Private Placement of 2,957,606,872 Epicon Shares pursuant to the issuance of 1,857,142,857 Consideration Shares and 240,000,000 Placement Shares.*

(4) *Based on the enlarged issued Shares of 7,096,225,564 Epicon Shares after (i) the Proposed Call Option and the issuance of 1,392,714,200 Option Consideration Shares; (ii) assuming full conversion of the 1,353,190,292 Consideration RCPS A; (iii) the full conversion of the 1,392,714,200 Option Consideration RCPS A; and (iv) assuming that 1,024,000,000 Epicon Shares held by Lagenda are sold to the Public Shareholders of Epicon.*

(5) Deemed interested by virtue of his shareholding in Doh Properties pursuant to Section 8(4) of the Act.

(6) Deemed interested by virtue of his shareholding in Doh Properties pursuant to Section 8(4) of the Act as well as his interest in Lagenda via his direct shareholding in Lagenda and his shareholding in LLSB, Doh Properties and SAPSB, being a holding company of Doh Capital Sdn Bhd, pursuant to Section 8(4) of the Act.

(7) Strictly for illustrative purposes, in the worst-case scenario, Lagenda's shareholding in Epicon would be reduced by 37.14% in the event of the disposal of the Pledged Shares.

(8) Deemed interested by virtue of its direct shareholding in Lagenda pursuant to Section 8(4) of the Act.

6.6.4 Earnings and EPS

For illustrative purposes only, based on the latest audited consolidated statement of profit or loss and other comprehensive income of the Company for the FYE 2025 and assuming that the Proposals had been effected on 1 January 2025, being the beginning of the FYE 2025, the pro forma effect of the Proposed Acquisitions, Proposed Call Option and Proposed Private Placement on the earnings of the Group and EPS are as follows:

		(I)	(II)	(IIIA) Minimum Scenario	(IIIB) Maximum Scenario
	For the FYE 2025	After the RCPS Conversion	After (I), the Proposed Acquisitions and the Proposed Private Placement	After (II) and the lapse of Call Option as well as assuming full conversion of Consideration RCPS A	After (II) and the Proposed Call Option as well as assuming full conversion of the Consideration RCPS A and the Option Consideration RCPS A
PAT[(i)] (RM'000)	4,005	4,005	75,405[(ii)]	75,405	123,005[(iii)]
No. of Epicon Shares ('000)	627,464	860,464	2,957,607	4,310,797	7,096,225
Pro forma EPS (sen)	0.64	0.47	2.55	1.75	1.73

Notes:

(i) Represents PAT attributable to the owners of the company.

(ii) The illustrative PAT under pro forma (II) is assumed to include the Average Profit Guarantee of RM119.00 million based on 60% equity interest to be held by Epicon, amounting to RM71.40 million.

(iii) The illustrative PAT under pro forma (IIIB) is assumed to include the remaining Average Profit Guarantee sum of RM47.60 million derived based on the Average Profit Guarantee multiplied with the additional 40% equity interest to be held by Epicon in the Target Companies if the Call Option is exercised.

6.6.5 Convertible securities

We noted that as at the LPD, save for 233,000,000 RCPS, the Company does not have any other outstanding convertible securities.

In addition to the effects of the Proposals as set out above, we further note on the effects of the RCPS Conversion, Proposed Acquisitions, Proposed Call Option and the Proposed Private Placement on the public shareholding spread of Epicon set out in Section 7 of Part A of the Circular as follows:

Public shareholding spread

As at the LPD, the public shareholding spread of Epicon is approximately 87.42%. Upon completion of the Proposed Acquisitions and the Proposed Private Placement, the public shareholding spread of the Company will decrease to approximately 26.66% and the Company will be in compliance with Paragraph 8.02(1) of the Listing Requirements (i.e. the Public Spread Requirement), which stipulates that at least 25% of the Company's total listed shares, are required to be in the hands of public shareholders.

We further note that Lagenda has undertaken that, among others, it will not convert any or all of its Consideration RCPS A and Option Consideration RCPS A if upon such conversion Epicon will not be in compliance with the Public Spread Requirement. In addition, pursuant to the terms and conditions of the Consideration RCPS A and the Option Consideration RCPS A, Epicon is entitled to only convert such number of Consideration RCPS A and the Option Consideration RCPS A such that the collective shareholdings of such holder and its persons connected do not result in non-compliance with the Public Spread Requirement by the Company whereas any remaining Consideration RCPS A and Option Consideration RCPS A not converted shall be redeemed in cash at 100% of their nominal value pursuant to the conversion of such Consideration RCPS A and the Option Consideration RCPS A on the maturity date.

In view of the foregoing, the conversion of Consideration RCPS A and Option Consideration RCPS A to be held by Lagenda is subject always to the Company's compliance with the Public Spread Requirement and Epicon's entitlement to reject any conversion notice issued by Lagenda to the extent that Epicon will not be in compliance with the Public Spread Requirement arising from such conversions.

For illustrative purposes, assuming that:

(i) the Proposed Private Placement is not implemented, upon issuance and allotment of the Consideration Shares, the Company's public shareholding spread would be 20.18% after the Proposed Acquisitions;

(ii) Lagenda does not dispose of any of the 295,000,000 Epicon Shares assumed to be sold to the Public Shareholders of Epicon pursuant to the offer for sale prior to the full conversion of the Consideration RCPS A, the Company's public shareholding spread would be 18.29% after the issuance of the Consideration Shares and Placement Shares which shall occur simultaneously as well as the full conversion of RCPS A into new Epicon Shares;

(iii) Lagenda does not dispose of any of the 365,000,000 Epicon Shares assumed to be sold to the Public Shareholders of Epicon prior to the issuance of the Option Consideration Shares, the Company's public shareholding spread would be 19.00% after the issuance of the Consideration Shares and Placement Shares which shall occur simultaneously, the full conversion of RCPS A into new Epicon Shares as well as the issuance of the Option Consideration Shares; and

(iv) Lagenda does not dispose of any of the 364,000,000 Epicon Shares assumed to be sold to the Public Shareholders of Epicon prior to the full conversion of the Option Consideration RCPS A in new Epicon Shares, the Company's public shareholding spread would be 20.41% after the issuance of the Consideration Shares and Placement Shares which shall occur simultaneously, the full conversion of RCPS A into new Epicon Shares, the issuance of the Option Consideration Shares as well as the full conversion of the Option Consideration RCPS A in new Epicon Shares.

We are of the view that the illustrations are reasonable as the assumptions regarding disposals of Epicon Shares by Lagenda to Public Shareholders of Epicon whilst not fixed or binding, Lagenda has undertaken that, among others, shall at all times as and when Lagenda converts its Consideration RCPS A and Option Consideration RCPS A ensure that Epicon will not be in non-compliance with the Public Spread Requirement. Based on the terms of the RCPS A, Epicon is also entitled to reject any conversion notice issued by Lagenda to the extent that Epicon will not be in compliance with the Public Spread Requirement arising from such conversion of the Consideration RCPS A and Option Consideration RCPS A. Furthermore, based on the terms of the SSA, if Epicon elects to exercise the Call Option, the actual mode of settlement of the Option Consideration is based on Epicon's sole discretion subject to Epicon's compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements.

In view of the foregoing, we are of the view that the terms and conditions of the SSA and the RCPS A provide sufficient safeguards to ensure Epicon is able to comply with the Public Spread Requirement arising from the conversions of the Consideration RCPS A and Option Consideration RCPS A.

Comments from TA Securities on the effects of the Proposed Acquisitions, Proposed Call Option and the Proposed Private Placement

Based on the above, the issuance of the Consideration Shares and new Shares arising from conversion of the Consideration RCPS A pursuant to the Proposed Acquisitions as well as the Option Consideration Shares and new Shares arising from conversion of the Option Consideration RCPS A in the event the Call Option is exercised by Epicon are expected to result in a significant dilution to the non-interested shareholders' shareholdings in the Company and NA per Share as set out above. The shareholdings of the non-interested shareholders will be diluted significantly from 87.42% as at the LPD to 26.66% upon the completion of the Proposed Acquisitions (issuance of the Consideration Shares) and Proposed Private Placement, and will be further diluted to 25.54% upon conversion of the Option Consideration RCPS A. In assessing the significant dilution of the existing non-interested shareholders arising from the Proposed Acquisitions, we have considered that the Consideration Shares and Consideration RCPS A are issued as part of the settlement of the Purchase Consideration for the acquisition of 60% controlling equity interest in the Target Companies which have been assessed to be fair based on our assessments as set out in Section 6.2 of this IAL, and that the settlement through the Consideration Shares and Consideration RCPS A being the most viable options after having considered the existing cash position and various possible alternatives such as bank borrowings and/or fund raising exercise as detailed in Section 6.1(iii) of this IAL. Further, upon completion of the Proposed Acquisitions, Epicon will immediately gain control over the ownership and economic interest in the Target Companies, which will contribute positively to the Epicon Group's earnings and EPS as supported by the Profit Guarantee. Upon completion of the Proposed Acquisitions, based on the PAT of the Epicon Group for the FYE 2025 and the Average Profit Guarantee of the Target Companies of RM119.0 million attributable to the 60% equity interest to be held by Epicon amounting to approximately RM71.40 million, the illustrative PAT attributable to the owners of the Epicon Group will increase from RM4.01 million (audited for the FYE 2025) to RM75.41 million (pro forma after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) with EPS increasing from 0.64 sen to 2.55 sen (after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) and to 1.75 sen (after assuming full conversion of Consideration RCPS A but before the exercise of the Call Option). In the event the Call Option is exercised and assuming the Option Consideration is settled in equal proportion via the issuance of 1,392,714,200 Option Consideration Shares and 1,392,714,200 Option Consideration RCPS A, the illustrative PAT attributable to owners of the Company will increase from RM75.41 million (after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) to RM123.01 million (after issuance of the Option Consideration Shares and assuming full conversion of the Option

Consideration RCPS A) while the Epicon Group's EPS will decrease slightly from 1.75 sen to 1.73 sen. We note that such illustrated earnings or EPS accretion arising from the Proposed Acquisitions is mainly supported by the Profit Guarantee which provides contractual safeguard in respect of the Target Companies' earnings during the FYE 2027 and FYE 2028 but does not eliminate the post-period risks of the Proposed Acquisitions such as the timely execution of the contracts for ongoing projects, order book replenishments and ability to maintain the level of profitability. Further details on the Profit Guarantee and assessment on its achievability are set out in Section 6.8.6 of this IAL.

Each Share held by the Company's non-interested shareholders prior to the implementation of the Proposals represents NA of RM0.14 per Share (audited for FYE 2025) and EPS of 0.64 sen per financial year, based on the latest audited FYE 2025. After the RCPS Conversion, each Share is expected to represent a reduced NA of RM0.10 per Share while EPS is expected to decrease to 0.47 sen. Following the completion of the Proposals, on a fully-diluted basis, each Share held by the Company's non-interested shareholders is expected to represent NA of RM0.03 per Share, representing a dilution of RM0.07 per Share in terms of NA, while the EPS is expected to increase to 1.73 sen. Accordingly, strictly for illustration purposes only, the expected increase in EPS of 1.26 sen per financial year following the Proposed Acquisitions would enable the non-interested shareholders to recoup the dilution in NA per Share of RM0.07 over approximately 5.5 financial years, assuming that the projected incremental EPS is achieved and maintained.

We note that the dilution impact on the non-interested shareholders' interest is significant even without the conversion of the Consideration RCPS A and the Proposed Call Option. Nevertheless, the dilutive effect of the Consideration RCPS A and the Proposed Call Option is not immediate and is subject to the conversion of Consideration RCPS A by Lagenda and the exercises of the Call Option by Epicon. The dilution will only occur as and when Lagenda opts to convert its Consideration RCPS A and Epicon exercises the Call Option (which is only exercisable within a period of thirty (30) months after the Profit Guarantee Determination Date).

In this regard, considerations shall be given to our assessments on the reasonableness of the Projections and achievability of the Profit Guarantee as set out in Sections 6.2.1 and 6.2.3 of this IAL, respectively.

In view of the above, the immediate dilution in the non-controlling shareholders' proportion of shareholdings in the Company and NA per Share upon increase in the number of Epicon Shares in issue as a consequence of the implementation of the Proposals is not unduly detrimental to the non-interested shareholders of the Company after taking into consideration the potential benefits arising from the Proposed Acquisitions and the ability to recoup the loss in value of NA per Share over approximately 5.5 financial years in return for control in the Target Companies and participation in the growth of the much larger Enlarged Epicon Group on a longer term basis.

As such, the overall effects of the Proposed Acquisitions, Proposed Call Option and the Proposed Private Placement are reasonable and not detrimental to the interests of the non-interested shareholders of Epicon.

We note that the Proposed Amendments and the Proposed Exemptions will not have any effect on the issued share capital, substantial shareholders' shareholdings, NA, gearing and earnings of the Group as well as EPS.

6.7 INDUSTRY OVERVIEW AND PROSPECTS OF THE ENLARGED GROUP

We summarise below some key points for evaluation in relation to the overview and outlook of the Malaysian economy and construction and property industries in Malaysia as well as the prospects of the Enlarged Epicon Group as set out in Section 9 of Part A of the Circular.

6.7.1 Overview and outlook of the Malaysian economy

Economic growth strengthened to 6% in the second quarter of 2026 (1Q 2026: 5.4%), driven by continued domestic demand and robust exports. Household spending was supported by steady income growth and ongoing policy support. Investment growth was underpinned by continued spending on structures and machinery & equipment. On the external front, exports accelerated, driven mainly by the continued strength in electrical & electronics ("E&E") products and sustained expansion in services, as well as the rebound in exports of liquefied natural gas and non-E&E manufacturing products. Gross imports expanded further amid robust growth in intermediate and consumer goods imports.

On the supply side, growth was underpinned by the expansion in services and manufacturing sectors. The higher growth in the services sector was supported by business-related subsectors, especially the information and communication technology subsector from the expanding operationalisation of data centres. The robust growth in the manufacturing sector was driven by export-oriented clusters, particularly in E&E following strong artificial intelligence-related demand. The mining and quarrying sector growth turned positive, reflecting stronger natural gas production. On a quarter-on-quarter seasonally adjusted basis, the economy expanded by 2.5% (1Q 2026: -0.03%).

(Source : Economic and Financial Developments in Malaysia Economy in the Second Quarter of 2026, Bank Negara Malaysia)

Growth is projected to continue within the range of 4% to 4.8% in 2025 and 4% to 4.5% in 2026. These projections are consistent with the International Monetary Fund in the World Economic Outlook Update, July 2025, which forecasts Malaysia's growth at 4.5% for 2025 and 4% for 2026.

The growth will mainly be underpinned by strong domestic demand, moderate inflation, favourable labour market and proactive policies undertaken by the Malaysian Government. The performance will also be supported by the Association of Southeast Asian Nations Malaysia Chairmanship 2025 and Visit Malaysia 2026 ("**VM2026**"). The economy continues to be steered by the Ekonomi MADANI framework and the Malaysian Government remains committed to positioning Malaysia as an attractive destination for quality investments. At the same time, ongoing improvements in the wage-setting mechanism and rising business efficiency are expected to strengthen the wage structure, thus contributing to a higher labour income share.

Malaysia's economy is expected to maintain resilient growth trajectory, anchored by a diversified economic structure and sound policy management against heightened global uncertainties, stemming from unsettled trade tariffs and prolonged geopolitical tensions. While Malaysia's export-oriented markets remain vulnerable, domestic demand will continue to provide a solid foundation, supported by a strong labour market and vibrant private consumption. The upcoming VM2026 is strategically positioned to act as a lever for the economy. With the target of attracting 47 million foreign visitors, VM2026 is set to boost the services sector including retail, transportation and hospitality, while the manufacturing sector and trade remain supportive. The combination of a robust domestic economy, enhanced trade diversification and a major tourism impetus, positions Malaysia to navigate global headwinds and sustain the nation's growth momentum.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

6.7.2 Overview and outlook of the construction industry in Malaysia

The construction sector expanded strongly by 13.1% in the first half of 2025, supported by solid performance across all subsectors. The non-residential buildings subsector recorded robust expansion, driven by acceleration and realisation of private investment in industrial facilities, commercial complexes and data centres, reflecting sustained business activities and rising digitalisation. The residential buildings subsector also posted a steady growth, supported by continued demand for affordable housing and government initiatives to promote home ownership. In addition, the specialised construction activities subsector recorded stable growth, driven by telecommunications infrastructure projects and coastal reclamation activities. The civil engineering subsector sustained its positive performance, underpinned by ongoing works on infrastructure projects, such as the Pan Borneo Highway Sabah and Rapid Transit System Link.

For the rest of 2025, the sector is expected to grow by 7.3%. The civil engineering subsector is anticipated to expand, supported by continued rollout of large-scale public infrastructure projects towards the end of the Twelfth Malaysia Plan, 2021 – 2025 period. Ongoing projects, including the Sarawak Sabah Link Road, will continue to drive momentum in the subsector. The non-residential buildings subsector will continue to gain from investment in commercial and industrial facilities, including data centres development in Johor and Selangor. In addition, the residential buildings subsector growth is expected to be bolstered by new launches in the affordable and mid-market housing as well as integrated township development in key growth corridors amid favourable financing conditions.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

The construction sector continued to record an overall double-digit growth of 12.2% in 2025 (2024: 17.5%), underpinned by the non-residential and special trade subsectors. Stronger expansion in the non-residential subsector was driven by industrial and commercial projects including the construction of data centres. Continued strong growth in the special trade subsector was supported by solar projects under the National Energy Transition Roadmap, small scale projects under Budget 2025 and large infrastructure projects that were nearing completion. Meanwhile, the civil engineering subsector continued to expand, but at a more moderate pace, as multi-year infrastructure projects particularly in the transportation segment approached completion.

Growth in the construction sector is expected to expand by 9.1% in 2026 (2025: 12.2%), driven by continued activities across all subsectors. While some large infrastructure projects are nearing completion, growth in the civil engineering subsector will continue. It will be supported by the sustained development expenditure of the Malaysian Government including for provision and upgrades of essential public infrastructure as announced under the Budget 2026. The non-residential subsector will continue to be buoyed by strong demand for industrial spaces, driven in part by steady pipeline of data centres projects. The residential subsector will continue to see launches of affordable new housing projects from both private and public developers. Activities in these three subsectors will also translate to more early-stage and finish work, boosting the special trade subsector.

(Source: Economic and Monetary Review 2025, Bank Negara Malaysia)

The local construction industry is domestic-oriented, and it is a key component of the Malaysian economy given its strategic and extensive linkages with the rest of the economy. As such, the Malaysian Government's policies have been accommodative and supportive of the growth in the local construction industry, which typically includes proposed government projects as part of its development expenditure.

Under Budget 2026, the Malaysian Government allocated RM672 million for rakyat housing initiatives, including Program Perumahan Rakyat and Rumah Mesra Rakyat projects, alongside RM500 million to repair and rebuild over 3,300 dilapidated houses. Additional allocations include RM143 million for the maintenance of low medium cost strata housing and RM20 billion under the Skim Jaminan Kredit Perumahan guarantees offered to an additional 80,000 first-time homebuyers, enabling more gig workers and the self-employed individuals to own homes. Further measures include a full stamp duty exemption for first-time home purchases up to RM500,000 until 31 December 2027, a special tax deduction for converting commercial buildings into residential units, and the development of Kota MADANI as the nation's first artificial intelligence-driven green city.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

6.7.3 Overview and outlook of the property industry in Malaysia

The construction sector expanded strongly by 13.1% in the first half of 2025, supported by solid performance across all subsectors. The non-residential buildings subsector recorded robust expansion, driven by acceleration and realisation of private investment in industrial facilities, commercial complexes and data centres, reflecting sustained business activities and rising digitalisation. The residential buildings subsector also posted a steady growth, supported by continued demand for affordable housing and government initiatives to promote home ownership.

The residential buildings subsector is expected to benefit from government-led affordable housing programmes and targeted home ownership initiatives supported by policy measures under the Thirteenth Plan as well as new projects by private sectors.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

Property market activity in 2025 remained resilient, underpinned by domestic residential demand, while market participants continued to adopt a more cautious and selective approach. The industrial market showed a significant growth momentum, achieving an increase of 21.3% in value, while volume rose by 1.4%. This strong value growth driven by high-value industrial demand and improving investor confidence in strategic industrial zones. The performance is also driven by the sustainability of Malaysia's economy and the continuous government support, including Budget 2025, the full implementation of the New Industrial Master Plan 2030, and the Thirteenth Malaysia Plan. The growth in 2025 property market is highly supported by the implementation of various government efforts and initiatives to drive Malaysia's economy and simultaneously stimulating the expansion of the property market nationwide through the MADANI Economy Framework.

The property market's trajectory in 2026 is expected to remain resilient, underpinned by market activity, stable price movement and variation of construction activity. Residential demand is shifting toward more high value and affordable units. Nevertheless, the residential buildings subsector is anticipated to expand, driven by sustained demand for affordable housing as underlined by the Budget 2026. While policy support and selective demand drivers provide a foundation for stability, the broader outlook remains vulnerable to external economic shifts and domestic affordability constraints. Meanwhile, the non-residential subsector is projected to expand further, supported by strong demand for industrial facilities from the realisation of approved investments, coupled with the development of new industrial areas.

The property market is expected to continue its momentum supported by various initiatives outlined by the government under Budget 2026, among others:

(i) The full stamp duty exemption on the instrument of transfer and loan agreement for first-time homebuyers of the priced up to RM500,000 by Malaysian citizens has been extended until 31 December 2027.

(ii) The stamp duty on instruments of transfer for noncitizens, non-permanent residents, and foreign companies, raising it from 4% to 8%, depending on the property's value.

(iii) Increase Government Guarantees of up to RM20 billion under Housing Credit Guarantee Scheme ("**SJKP**") on housing financing for the benefit of 80,000 home buyers.

(iv) The Step-Up Financing Scheme under SJKP was introduced as a Government guarantee of up to RM10 billion specifically for young people seeking to own their first home, with a lower loan repayments for the first five years.

(v) Allocation of RM672 million for construction of Rakyat Housing, including:

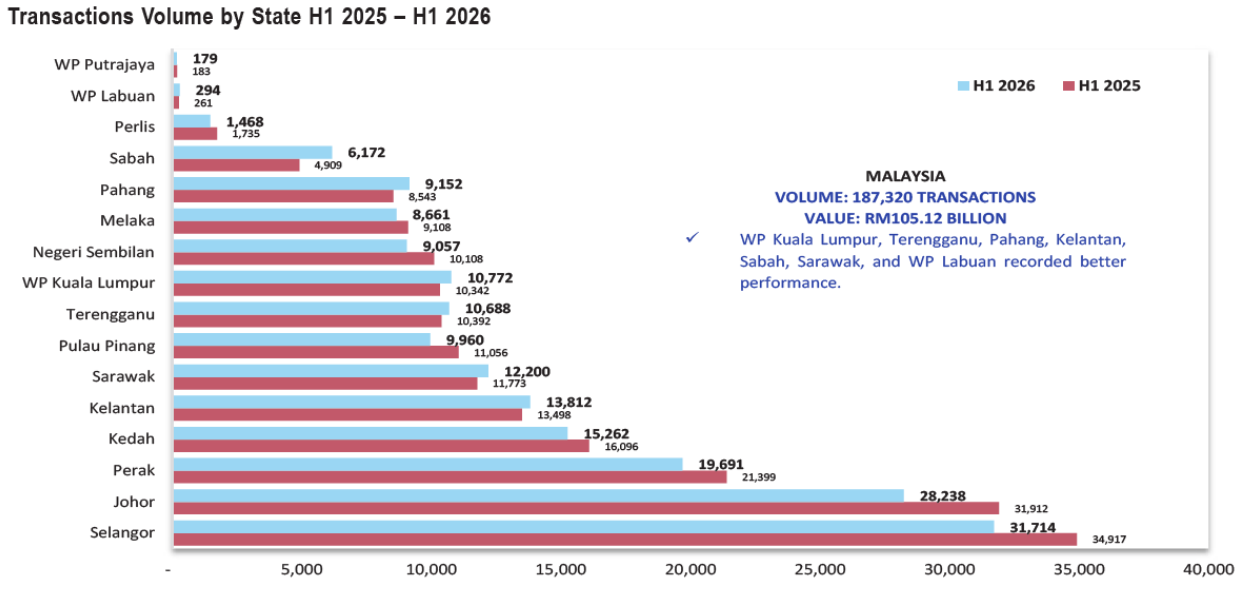
- 49 Program Residensi Rakyat projects, with six expected to be completed by end 2026, involving 1,755 units;
- 6,545 Rumah Mesra Rakyat units are expected to be completed by end 2026, benefiting more than 26,000 new residents;
- 4,030 Residensi MADANI units are expected to be completed by end 2026;
- 5,981 new Residensi MADANI units targeted for implementation in 2026; and
- 3,000 PR1MA housing units expected to be completed in 2026;

(vi) Allocation of RM100 million for construction of Program Residensi MADANI at several locations; Jalan Selimang/ Siakap, Bandar Tun Razak, Bandar Baru Sentul, Taman Desa (1) Lot 52958, Bandar Sri Permaisuri and Sg Besi (Wayfield).

*(Source: Property Market Report 2025, National Property Information Centre ("**NAPIC**") Valuation and Property Services Department of Ministry of Finance)*

Summary of performance of the Malaysian property market (First Half 2026)

The following chart summarises the performance of the Malaysian property market which depicts the states in which the Lagenda Group's projects are located, namely Johor, Selangor, Perak and Kedah having the highest property transaction volume among the states in Malaysia for both the first half of 2025 and 2026 while the state of Pahang had recorded an increase of approximately 7.1% in transaction volume in the first half of 2026 as compared to the first half of 2025:



*(Source: Property Market Report First Half 2026, NAPIC Valuation and Property Services Department of Ministry of Finance "**NAPIC H1 2026 Property Market Report**")*

6.7.4 Overview and outlook of the construction industry in Kedah

Residential construction activity in Kedah recorded mixed performance in H1 2026. In terms of completion, Kedah recorded the highest increase within the region, rising by more than fourfold to 2,654 units (H1 2025: 580 units). Meanwhile, construction starts and new planned supply declined by 33.2% and 42.1%, respectively.

Construction activity in the commercial sub-sector exhibited strong growth in H1 2026. Completed shop units increased by close to threefold to 71 units, while construction starts rose by close to threefold to 408 units. New planned supply also expanded significantly, increasing by more than fifteenfold to 181 units in H1 2026. No new construction activity was recorded for the serviced apartment / SOHO sub-sector in Kedah during H1 2026.

(Source: NAPIC H1 2026 Property Market Report)

6.7.5 Overview and outlook of the property industry in Kedah

The property market activity trend in Kedah showed a downward movement in H1 2026 compared to H1 2025, registering a total of 15,262 transactions with collective value of RM3.80 billion. In comparison to H1 2025, there was a 5.2% decrease in transacted volume with a corresponding decrease of 4.3% in transacted value (H1 2025: 16,096 transactions worth RM3.97 billion).

Residential property transaction activity in the Northern Region showed a slower pace in H1 2026 compared to H1 2025. The residential sub-sector in Kedah recorded 6,442 transactions worth RM1.85 billion in H1 2026 (H1 2025: 6,721 transactions valued at RM1.91 billion). Transaction volume and value were lower by 4.2% and 3.2%, respectively. Nevertheless, the House Price Index showed a positive trend in Q2 2026, recording an increase of 2.4% compared to Q2 2025 with a corresponding increase in average house price to RM333,193 (Q2 2025: RM325,355).

The commercial sub-sector recorded 544 transactions valued at RM0.5 billion in H1 2026 (H1 2025: 523 transactions worth RM0.3 billion). Transaction volume and value increased by 4.0% and 78.5%, respectively compared to H1 2025.

(Source: NAPIC H1 2026 Property Market Report)

6.7.6 Overview and outlook of the construction industry in Perak

During H1 2026, Perak recorded completed residential construction of 3,284 units (H1 2025: 5,624 units), construction starts of 2,506 units (H1 2025: 4,391 units) and new planned supply of 897 units (H1 2025: 563 units). This represented a decrease in completed units and construction starts of 41.6% and 42.9%, respectively, but an increase in new planned supply of 59.3% compared to H1 2025.

Shop construction activity showed an upward movement in H1 2026 with completed shop construction rising by more than twofold to 247 units. In addition, construction starts increased by close to fourfold to 79 units and new planned supply increased by more than twofold to 87 units in H1 2026. No new construction activity was recorded for the serviced apartment / SOHO sub-sector in Perak during H1 2026.

(Source: NAPIC H1 2026 Property Market Report)

6.7.7 Overview and outlook of the property industry in Perak

Property market activity in Perak moderated in H1 2026, with transaction volume declining by 8.0% to 19,691 transactions and transaction value decreasing by 17.5% to RM5.55 billion (H1 2025: 21,399 transactions valued at RM6.73 billion). Despite the softer market performance, Perak remained the largest contributor to transaction activity in the Northern Region (consisting of Pulau Pinang, Perak, Kedah and Perlis), contributing 42.5% of the total transaction volume and the second largest contributor in terms of transaction value.

Residential property transaction activity in Perak showed a slower pace in H1 2026 compared to H1 2025, recording 11,604 transactions with a collective value of RM3.03 billion in H1 2026 (H1 2025: 13,052 transactions worth RM3.10 billion). This reflected an 11.1% decline in volume of transactions with a corresponding decrease of 2.2% in transaction value. The House Price Index decreased by 2.2% to an average house price of RM283,162 in Q2 2026, compared to RM289,630 in Q2 2025.

The commercial sub-sector in Perak recorded 1,416 transactions at RM0.73 billion in H1 2026 (H1 2025: 1,400 transactions valued at RM0.84 billion). This reflected a 1.1% increase in volume but a 12.6% decline in value compared to H1 2025.

(Source: NAPIC H1 2026 Property Market Report)

6.7.8 Overview and outlook of the construction industry in Pahang

The performance of residential construction activity in the East Coast Region showed moderation during H1 2026, as housing completions declined to 2,104 units in H1 2026, compared to 5,203 units in H1 2025. Pahang recorded the highest number of completed units with 1,218 units, compared to 1,914 units in H1 2025.

In a similar trend, the performance of residential starts softened, recording 2,730 units compared to 3,473 units in H1 2025. Pahang led residential starts with 1,974 units, followed by Kelantan with 445 units and Terengganu with 311 units. Meanwhile, new planned supply in Pahang recorded 3,106 units in H1 2026 compared to 1,207 units in H1 2025.

In terms of supply, Pahang recorded the highest number of shop construction completion, shop construction starts and new planned supply at 116 units (H1 2025: 96 units), 308 units (H1 2025: 219 units) and 148 units (H1 2025: 89 units), respectively. The increase reflects more active new supply planning to align with prevailing market demand conditions.

(Source: NAPIC H1 2026 Property Market Report)

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6.7.9 Overview and outlook of the property industry in Pahang

The performance of the East Coast Region property market, consisting of Kelantan, Pahang and Terengganu, recorded 33,652 transactions worth RM6.74 billion during H1 2026, compared to 32,422 transactions worth RM6.29 billion in H1 2025.

In terms of transaction value, the East Coast Region demonstrated an improved performance compared to H1 2025. Pahang remained the key contributor to the region's transaction value, recording RM3.25 billion during H1 2026 (H1 2025: RM3.13 billion), representing 48.2% of the region's overall property transaction value. In terms of transaction volume, Pahang recorded a 7.1% increase in volume of transactions at 9,152 transactions during H1 2026 (H1 2025: 8,543 transactions), representing 27.2% of the region's overall property transactions volume.

The residential sub-sector remained the main subsector across all states in the East Coast Region. In terms of transaction value, Pahang remained the key contributor to the East Coast Region's residential subsector, recording a transaction value of RM1.32 billion in H1 2026 (H1 2025: RM1.25 billion). The transaction value performance of all three states showed improvement compared to H1 2025, reflecting the recovery in residential subsector market activity within the region.
In addition, Pahang recorded transaction volume of 5,418 transactions in H1 2026 (H1 2025: 4,976 transactions). Transaction volume and value were higher by 8.9% and 5.7%, respectively. The House Price Index for Pahang recorded marginal increase to 215.1 points (Q2 2025: 214.7 points) with average house price at RM283,924 (Q2 2025: RM283,420).

The commercial subsector in the East Coast Region recorded 1,339 transactions during H1 2026, compared to 1,201 transactions in H1 2025. The market performance demonstrated positive growth momentum, with all three states recording higher transaction activities. Pahang remained the key contributor to both transaction volume and value with 665 transactions at a collective value of RM0.4 billion. This represented a 17.3% increase in transaction volume compared to H1 2025 (567 transactions), but a 31.7% decline in total value of transactions from RM0.6 billion.

(Source: NAPIC H1 2026 Property Market Report)

6.7.10 Overview and outlook of the construction industry in Johor

Residential construction activity in Johor recorded a mixed performance in H1 2026. In terms of completed units, Johor recorded the strongest growth with significant increase by 70.4%, from 4,385 units in H1 2025 to 7,474 units in H1 2026. This represented the second largest increase in residential supply nationwide, after Selangor.

In contrast, residential starts recorded a substantial decline of 35.9%, with construction starts decreasing from 6,173 units in H1 2025 to 3,954 units in H1 2026. Meanwhile, new planned supply recorded a significant increase of 29.3%, rising from 3,916 units in H1 2025 to 5,065 units in H1 2026.

Overall, commercial shop construction activity in the Southern Region recorded a mixed trend during H1 2026. Johor recorded the highest increase in completion activity, nearly three-fold to 562 units (H1 2025: 198 units). In addition, Johor also recorded an increase in new planned supply of 57.7% to 481 units (H1 2025: 305 units). Meanwhile, construction starts declined from 476 units in H1 2025 to 322 units in H1 2026.

The construction activity for serviced apartments / SOHO recorded mixed trends across the various stages in the Southern Region. Johor registered an increase of 2,456 units at the planned new supply stage (H1 2025: 1,623 units). At the construction commencement stage, Johor was the only state within the Southern Region to record movement in the number of units under construction at 4,305 units (H1 2025: 4,458 units).

(Source: NAPIC H1 2026 Property Market Report)

6.7.11 Overview and outlook of the property industry in Johor

During H1 2026, the Southern Region property market, consisting of Johor, Melaka and Negeri Sembilan recorded 45,956 transactions valued at RM30.73 billion, representing a moderate decline of 10.1% and increase of 3.7% in terms of transaction volume and value.

Johor dominated the region's overall property transactions with 61.4% in volume (28,838 transactions) and 76.2% in value (RM23.43 billion) of total transactions. This reflected an 11.5% decrease in volume (H1 2025: 31,912 transactions) but an 8.2% increase in value (H1 2025: RM21.65 billion) compared to H1 2025.

Overall, the residential property market recorded a marginal decline in both transaction volume and value, indicating a relatively subdued market performance during H1 2026. Johor registered 17,871 transactions worth a total of RM9.09 billion, marking a 15.1% decline in volume of transactions compared to H1 2025 (21,061 transactions) and a 7.7% drop in total value of transactions from RM9.86 billion. Nevertheless, Johor recorded marginal growth in House Price Index of 3.6% at 313.9 points in Q2 2026 (Q2 2025: 302.9 points).

The commercial sub-sector recorded 4,202 transactions with a total value of RM5.45 billion in H1 2026 (H1 2025: 4,387 transactions worth RM4.33 billion). This reflected a 4.2% decline in volume but a 25.8% increase in value compared to H1 2025.

The shop subsector dominated the commercial property market in the Southern Region during H1 2026, accounting for 45.3% of the total market share. Johor remained the leading state nationwide in terms of transaction volume, contributing 20.1% of total shop transactions with 1,823 transactions recorded in H1 2026 (H1 2025: 1,935 transactions). In terms of transaction value, Johor ranked second nationwide, with transactions valued at RM2.25 billion (H1 2025: RM2.17 billion).

(Source: NAPIC H1 2026 Property Market Report)

6.7.12 Prospects of the Enlarged Epicon Group

We noted that the Proposed Acquisitions are in line with the Group's strategic efforts to expand its construction order book and strengthen its financial performance.

The Target Companies have an established track record and have secured approximately RM3.50 billion (comprising completed contract sum as well as remaining order book of on-going projects) in aggregate of construction projects in the past 5 financial years up to the LPD, thereby demonstrating their credibility and expertise in the industry.

As at the LPD, the Target Companies have a combined outstanding order book of RM1.48 billion. Upon completion of the Proposed Acquisitions, the Enlarged Epicon Group will have a collective outstanding order book of RM2.07 billion which is expected to provide earnings visibility over the next 3 financial years. In correlation, this will be further bolstered by (i) the envisaged contracts to be awarded by the Lagenda Group in view that the Target Companies are expected to remain as the primary construction vehicles for the Lagenda Group's property development projects. In this regard, the Lagenda Group has a sizeable landbank of approximately 3,998 acres with an estimated remaining GDV of RM10.28 billion as at 30 June 2026, a significant part of it is expected to be launched over the next three (3) years.

We further noted that the prospects of the Enlarged Epicon Group is optimistic in view of the expected growth momentum of the property and construction industry in Malaysia with the construction industry projected to expand by 9.1% in 2026 which is supported by the sustained development expenditure of the Malaysian Government based on the Budget 2026.

Furthermore, following the integration of the Target Companies' experienced and sizeable construction team, the Enlarged Epicon Group is anticipated to attain synergistic benefits via leveraging on Epicon's and the Target Companies' resources as well as expertise to undertake a larger scale of projects and to expand its market presence. The sizeable workforce of the Target Companies, comprising 61 personnel, will also allow the Enlarged Epicon Group to improve its resilience against shortages of manpower and improve its capacity to undertake more projects simultaneously which provides an opportunity to benefit from economies of scale via bulk purchases of materials.

We noted that Epicon expects its expanded construction capabilities, manpower resources and stronger asset base to drive growth following the Proposed Acquisitions. The integration of the Target Companies' operational best practices and management expertise will also strengthen Epicon's capacity to secure third-party construction contracts, alongside sustained project awards from the Lagenda Group.

In view of the above prospects, the expectation of an optimistic performance of Malaysia's construction and property industry as set out in Sections 9.2 and 9.3 of Part A of the Circular and barring any unforeseen circumstances which may have an adverse impact on the construction industry in Malaysia, the Proposed Acquisitions are expected to contribute positively to the Enlarged Epicon Group's financial performance and enhance its presence as a capable construction player in Malaysia.

Comments from TA Securities on the prospects of the Enlarged Epicon Group

Based on the above, the Target Companies are anticipated to contribute positively to the earnings and overall financial performance of the Enlarged Epicon Group upon the successful completion of the Proposed Acquisitions. This positive contribution is underpinned by their existing outstanding order book, which provides near-term revenue visibility, as well as the strong potential for securing additional construction contracts from Lagenda Group, thereby supporting sustained growth and long-term earnings prospects.

Premised on the above, we are of the view that the outlook and prospects of the Enlarged Epicon Group following the Proposed Acquisitions are favourable, after taking into consideration, among others, the outlook for the construction and property sectors in Malaysia, the established track record of the Target Companies, their existing outstanding order book, and the potential award of future construction contracts from the Lagenda Group.

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6.8 RISK FACTORS IN RELATION TO THE PROPOSED ACQUISITIONS

We noted that the Proposed Acquisitions and the Proposed Call Option will not materially change the risk profile of the Enlarged Epicon Group as the Target Companies operate in the same industry as the existing Epicon Group.

In considering the Proposed Acquisitions, the non-interested shareholders of Epicon are advised to give careful consideration to the risk factors as set out in Section 11 of Part A of the Circular. Our comments on the risk factors relating to the Proposed Acquisitions are as follows:

6.8.1 Dilution of shareholding risk

We noted that the collective shareholdings of Doh Properties and the MGO 1 PACs are expected to increase from 12.58% to 36.25% after the RCPS Conversion. Doh Properties is also a PAC to Lagenda. Upon completion of the Proposed Acquisitions and Proposed Private Placement, the collective shareholdings of Doh Properties, Lagenda and their respective PACs will increase from 36.25% to 73.34%. As a result, the shareholdings of the non-interested shareholders will be diluted significantly from **87.42% as at the LPD to 26.66%** upon the completion of the Proposed Acquisitions (issuance of the Consideration Shares) and Proposed Private Placement, and will be **further diluted to 25.54%** upon conversion of the Option Consideration RCPS A, and consequently, their rights in the Company diminishes including their entitlement to any future distribution, rights issue and/or allotment that the Company may undertake after the completion of the Proposals.

For illustration purposes, the dilution to the percentage shareholdings of existing Shareholders are as follows:

	As at the LPD	(I) After the RCPS Conversion	(II) After (I), the Proposed Acquisitions, the Proposed Call Option and the Proposed Private Placement	(III) After (II) and assuming full conversion of the Consideration RCPS A	(IV) After (III) and the exercise of the Call Option	(V) After (IV) and assuming full conversion of the Option Consideration RCPS A
Number of Epicon Shares held by existing Shareholders ('000) (A)	627,464	627,464	627,464	627,464	627,464	627,464
Number of Epicon Shares in issue ('000) (B)	627,464	860,464	2,957,607	4,310,797	5,703,511	7,096,225
% (A / B)	100.00%	72.92%	21.22%	14.56%	11.00%	8.84%
PAT (RM'000)	4,005	4,005	75,405[ii]	75,405	123,005[iii]	123,005
Share of PAT (RM'000)[i]	4,005	2,921	15,997	10,976	13,532	10,876

Notes:

(i) Represents PAT attributable to the existing Shareholders of Epicon

(ii) The illustrative PAT under pro forma (II) is assumed to include the Average Profit Guarantee of RM119.00 million based on 60% equity interest to be held by Epicon, amounting to RM71.40 million.

(iii) The pro forma PAT under pro forma (IV) is assumed to include the remaining Average Profit Guarantee sum of RM47.60 million derived based on the Average Profit Guarantee multiplied with the additional 40% equity interest to be held by Epicon in the Target Companies if the Call Option is exercised.

Based on the foregoing, Doh Properties, Lagenda and their respective PACs may be able to exert greater influence over the outcome of ordinary resolutions which require a simple majority of 50% plus 1 share, including the appointment of directors and other corporate exercises which require a simple majority of 50% plus 1 share, and the outcome of special resolutions which require at least 75% votes, unless Doh Properties, Lagenda, their PACs and/or persons connected to them are required to abstain from voting either by laws and by relevant guidelines or regulations. Accordingly, the minority shareholders of Epicon may have a reduced ability to influence the outcome of certain corporate actions, strategic direction and key decisions of the Enlarged Epicon Group following the completion of the Proposed Acquisitions.

While we noted that Lagenda and the MGO 2 PACs would be able to exert significant influence over the management and operations of the Company to the extent of their controlling interests in the Company after the Proposed Acquisitions, Epicon has a Board which currently comprised entirely of independent non-executive Directors who are responsible to provide check and balance in respect of, among others, the governance of the Epicon Group. Further, the independent non-executive Directors would also be expected to deliberate on the Board matters to ensure the conduct and affairs of the Epicon Group are undertaken in the best interest of the Epicon Group and not detrimental to the shareholders of Epicon.

6.8.2 Non-completion risk

We noted that the completion of the Proposed Acquisitions is subject to, among others, the fulfilment of all the Conditions Precedent as set out in Section 1 of Appendix II of the Circular and the performance by the relevant parties of their respective obligations within the stipulated timeframe as set out in the SSA. Additionally, the exercise of the Call Option is subject to compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements, hence should such compliance not be met, the Call Option will not be exercisable.

If any of the Conditions Precedent are not fulfilled, obtained or waived, as the case may be, within the stipulated timeframe or any of the termination events under the SSA occur such that the Proposed Acquisitions and the Proposed Call Option cannot be completed, the SSA may be terminated.

We further noted that, to mitigate such risk, the Company will take reasonable steps that are within its control to ensure the Conditions Precedent, its compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements as well as its respective obligations as set out in the SSA are met within the stipulated timeframe in accordance with the provisions of the SSA as well as to obtain all the requisite approvals for the Proposed Acquisitions and the Proposed Call Option.

We are of the view that the non-completion risk of the Proposed Acquisitions is a common aspect of similar acquisition proposals or arrangements. We noted that in the event any of the Conditions Precedent, the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements are not met, some of which are beyond the control of the Company, the Company will not be able to complete the Proposed Acquisitions and/or the Proposed Call Option, thus resulting in non-materialisation of the potential benefits expected from the Proposed Acquisitions and the Proposed Call Option.

6.8.3 Concentration risk and dependency on the Lagenda Group

We noted that the Target Companies are presently wholly-owned subsidiaries of Lagenda and serve as the principal construction service providers to the Lagenda Group. For FYE2025 and up to the LPD, construction contracts awarded by the Lagenda Group accounted for 100% of the Target Companies' revenue. This reflects a concentration risk arising from the Target Companies' dependency on a single customer, as their revenue and earnings, including their ability to meet the Profit Guarantee, remain closely linked to the continued availability of construction contracts from the Lagenda Group.

Notwithstanding the above, we noted that this risk is partially mitigated when considering the Lagenda Group's own development track record and project pipeline. The Lagenda Group's development projects have recorded favourable take-up rates for launched phases of its township developments, which supports the continuity of future contract awards arising from its planned upcoming launches. In addition, the Lagenda Group's ongoing and future development projects are geographically diverse, spanning multiple locations within Peninsular Malaysia, including Johor, Kedah, Pahang, Perak and Negeri Sembilan, which is expected to reduce the Target Companies' reliance on the performance of any single location or project.

We are of the view that this concentration risk is, to a certain extent, inherent in the commercial rationale of the Proposed Acquisitions, as the Target Companies are expected to continue functioning as a key construction contractor to the Lagenda Group. In this regard, the continuity of construction contract awards from the Lagenda Group to the Target Companies is closely linked to the scale and pace of the Lagenda Group's own project launches and development pipeline, underpinned by its landbank of approximately 3,998 acres with an estimated remaining GDV of approximately RM10.28 billion. As Lagenda will remain the holding company of the Enlarged Epicon Group upon completion of the Proposed Acquisitions, the alignment of interest between Lagenda and the Company is expected to support the continued award of construction contracts to the Target Companies.

6.8.4 Risk of potential share sales pursuant to the Profit Guarantee and/or Public Spread Requirements affecting the price of Epicon Shares

We noted that the sale or potential sale of a substantial number of Epicon Shares in the public market following the Proposed Acquisitions could adversely affect the market price of Epicon Shares. Under the terms of the SSA, if the Vendor fails to settle any Shortfall in cash, the Stakeholder is entitled to dispose of the Pledged Shares within 30 days of the Vendor's direction. Depending on the quantum of the Shortfall, this liquidation could involve up to 1,098,461,539 Consideration Shares, representing 37.14% of Epicon’s total issued shares post Proposed Acquisitions and Proposed Private Placement. Furthermore, additional Epicon Shares may need to be placed out and/or disposed into the market if the Company is required to increase its public shareholding spread to facilitate either the conversion of the Consideration RCPS A or the exercise of the Call Option and thereafter the conversion of Option Consideration RCPS A. There can be no assurance that these large-scale market placements or share disposals will not create significant downward pressure on the market price of Epicon Shares.

We further noted that, to mitigate such risk, Epicon and Lagenda will take all reasonable measures to ensure that any disposal of the Pledged Shares is executed in an orderly manner, mitigating the risk of flooding the market with Epicon Shares which may result in downward price pressure. Furthermore, as the Call Option is exercisable within 30 months from the Profit Determination Date, the Company will collaborate with its major shareholder to gradually increase the public shareholding spread, utilising the ample timeframe to strategically plan the execution of the Call Option.

6.8.5 Investment and integration risk

We noted that although the Proposed Acquisitions and the Proposed Call Option are expected to contribute positively to the future earnings of the Enlarged Epicon Group, there can be no assurance that the anticipated benefits will be realised or that the Enlarged Epicon Group will be able to generate sufficient returns from the construction projects of the Target Companies to offset the associated cost of investment and/or the upfront costs incurred. In addition, any decline in economic conditions may affect the potential benefits to be derived from the Proposed Acquisitions as well as the Proposed Call Option, and the duration required for Epicon to recoup its investments in the Target Companies could be longer than anticipated.

Notwithstanding the abovementioned risks, we note that the Proposed Acquisitions and the Proposed Call Option will be earnings accretive and synergistic to the Enlarged Epicon Group, after taking into consideration, among others, the prospects of the Enlarged Epicon Group as detailed in Section 6.7.4 of this IAL and the Profit Guarantee.

6.8.6 Achievability of the Profit Guarantee

We note the Profit Guarantee is based on various bases and assumptions which the Board deemed reasonable and realistic, but nevertheless is subject to certain uncertainties and contingencies, which are beyond the Target Companies' and the Epicon Group's control. While the Company has taken reasonable steps to assess the achievability of the Profit Guarantee, there can be no assurance that the Profit Guarantee will be met. Furthermore, the achievement of the Profit Guarantee over the FYE 2027 and FYE 2028 does not provide assurance that similar level of profits can be achieved by the Target Companies beyond the FYE 2027 and FYE 2028.

Nonetheless, the Profit Guarantee is secured by the Pledged Shares which will only be released to Lagenda upon the fulfilment of the Profit Guarantee throughout both the FYE 2027 and FYE 2028 in accordance with the terms and conditions of the SSA and Stakeholder Agreement. If there is any shortfall in the Profit Guarantee at the end of the FYE 2028, Lagenda is required to pay the Shortfall in cash, failing which the Stakeholder shall be authorised to dispose such number of Pledged Shares equivalent to the Amount Due, and the proceed of which shall accrue to Epicon. Any balance not recovered from such disposal shall be paid by Lagenda in cash as the Cash Top-Up. We note that there is no express cap or maximum monetary limit on the Cash Top-Up payable by Lagenda under the SSA. The Cash Top-Up represents the difference between the Amount Due and the aggregate proceeds derived from the disposal of the remaining Pledged Shares and any Additional Securities. Accordingly, Lagenda is required to pay the entire deficiency remaining after the application of such disposal proceeds. To the extent that any Pledged Shares are disposed of pursuant to the Cash Top-Up mechanism, Lagenda's shareholding in the Company would correspondingly be reduced by the number of Pledged Shares so disposed of.

We are of the view that the abovementioned risk is mitigated after taking into consideration the mechanism of the Profit Guarantee (including the Pledged Shares) which serves as a safeguard to Epicon on the recovery of any shortfall in the Profit Guarantee for the FYE 2027 and FYE 2028 and our assessments as set out in Section 6.2.3 of this IAL. In particular, the absence of an express cap on the Cash Top-Up and the availability of the Pledged Shares and any Additional Securities for disposal provide safeguards to Epicon in respect of any shortfall in the Profit Guarantee.

6.8.7 Funding and interest rate risk

We noted that the if the Call Option is exercised and/or the Option Consideration is wholly or partly settled via cash, the Company will seek external financing to finance the cash consideration. Likewise, should the Consideration RCPS A and the Option Consideration RCPS A be redeemed in cash, the Company will similarly be required to secure external financing to finance such redemption. Furthermore, the Enlarged Epicon Group may potentially obtain additional financing to fund its construction projects in the future given the enlarged scale of operations.

The Group's ability to secure external borrowings and the resultant financing costs are dependent on various factors which include general economic and capital market conditions, prevailing interest rates, credit availability from the banks and other lenders, investors' confidence in the Company, any restrictions imposed by the Government of Malaysia as well as political, economic and social conditions in Malaysia and the gearing ratio of the Group.

There can be no assurance that the necessary financing will be available in amounts or on terms acceptable to the Group. Further, the Group will incur interest expense on the bank borrowings and any interest charged on bank borrowings is dependent on prevailing interest rates which expose the Group to risk of unfavourable fluctuation in interest rates which in turn, may have a negative impact to the Group's cash flows and profitability.

We are of the view that the funding and interest rate risk of the Proposed Acquisitions is common for any similar acquisition proposals which involve financing via bank borrowings albeit at different finance costs and/or availability subject to the Company's financial position and condition as well as cash flows.

6.8.8 Goodwill and impairment risk

We noted that Proposed Acquisitions will result in the recognition of a goodwill by the Enlarged Epicon Group, the amount of which will depend on the fair value of the Target Companies' identifiable assets acquired and liabilities assumed as at the completion date of the Proposed Acquisitions due to the application of the reverse accounting in accordance with the Malaysian Financial Reporting Standard 3 – Business Combinations ("**MFRS 3**"). Any subsequent fair value adjustments allocated to the identifiable assets acquired and liabilities assumed, if any, may materially affect the Enlarged Epicon Group's financial position.

We are of the view that this risk is inherent in nature and customary for transactions of similar nature. This risk has been adequately considered, after taking into consideration the basis and justifications for the Purchase Consideration and Option Consideration which are based on fair values as appraised by BDOCC as detailed and evaluated by us in Section 6.2 of this IAL.

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6.8.9 Exposure to credit and collection risk arising from significant receivables

We noted that the Target Companies are exposed to delays in collection and/or non-recoverability of trade receivables and/or retention sum from customers. Presently, the Target Companies' credit terms for trade receivables are 30 to 90 days, while retention sums are generally only due after the expiry of the 24-month retention period following issuance of the Certificate of Practical Completion.

Based on audited FYE 2025, trade receivables of the Target Companies (net of retention sum), all of which are non-interest-bearing, amounted to RM156.07 million (or 33.26% of the total assets) whilst other receivables (net of amount owing from immediate holding company and fellow subsidiaries, a portion of which comprise the Related Party Advances) amounted to RM22.39 million (or 4.77% of total assets). The trade receivables' turnover period was approximately 122 days, which exceeded its credit terms of 30 to 90 days. Nonetheless, Epicon noted that during the corresponding financial year, the Target Companies recorded net cash inflow from operating activities of RM34.51 million and 99.23% of the outstanding trade receivables as at the FYE 2025 has been collected up to the LPD. The remaining outstanding amount of RM1.21 million, which has exceeded the credit term, are expected to be collected by end of FYE 2026.

Although the Target Companies have not encountered any material collection issues or incurred any material impairment losses on trade receivables as at the LPD, there can be no assurance that its customers will continue to fulfil their payment obligations and the Target Companies will not encounter collection issues in the future which may result in potential cash flow constraints and/or impairment losses by the Target Companies.

Given the Target Companies' exposure to project-related payment delays inherent in the construction industry, we are of the view that Epicon should continue to closely monitor the Target Companies' receivables and retention sum position against the cash flow requirements of the Enlarged Epicon Group, and where necessary, proactively engage with the Lagenda Group to facilitate timely collection of outstanding amounts.

6.8.10 Risk of property overhang

We noted that Malaysia's property overhang poses a moderate-to-high structural risk to developers and capital efficiency. According to the NAPIC, an overhang unit is a completed property with a Certificate of Completion and Compliance that remains unsold for more than nine months after launch. Data from the NAPIC H1 2026 Property Market Report shows that completed, unsold residential units climbed 8.6% from late 2025 to 33,094 units valued at RM17.78 billion. When combined with 23,375 unsold serviced apartments worth RM19.33 billion, total completed unsold housing stock stands at 56,469 units valued at RM37.11 billion, which is the highest volume recorded since 1st half of 2022. Accordingly, any persistent property overhang situation may affect the sales of Lagenda Group's property projects and in turn affect the construction order book and financial performance of the Target Companies.

(Source: NAPIC H1 2026 Property Market Report)

Notwithstanding the above, based on Lagenda Group's project composition and historical track record, we are of the view that the Target Companies will be able to mitigate the overall property overhang situation as Lagenda Group's projects are oriented towards affordable housing schemes and located within Malaysian states with encouraging property volume. In this respect, according to Economic Outlook 2025 report, residential building subsector has seen steady growth supported by continued demand for affordable housing which is also aligned with government stamp duty exemptions and Housing Credit Guarantee Scheme. Furthermore, we also noted that the states in which Lagenda Group's current and future projects are located (namely, Johor, Selangor, Perak and Kedah) had recorded the highest property transaction volume among the states in Malaysia for both the first half of 2025 and 2026

In addition to the abovementioned risk factors as set out in Section 11 of Part A of the Circular, we would like to draw the attention of the non-interested shareholders of the Company to the following additional risk factor:

(i) Risk of valuation

We noted that on combined basis, the unsecured projects (identified and unidentified) made up approximately 84.15% of the total projected revenue of the Target Companies over the projection period. We also note that the projected revenue mainly relies on Lagenda's continued award of construction contracts to the Target Companies, as the projected revenue under the Projections is derived solely from construction contracts awarded/expected to be awarded by the Lagenda Group.

This may expose the Target Companies to customer concentration and contract replenishment risks. In particular, any delay, postponement or cancellation of the Lagenda Group's development projects, changes to its development plans, or failure to award the anticipated construction contracts to the Target Companies could adversely affect the Target Companies' ability to replenish their order book and, consequently, their future revenue, profitability and cash flows.

The projected revenue is also dependent on the Lagenda Group continuing to undertake new development projects, as any reduction or delay in its development activities may result in fewer construction contracts being available for award to the Target Companies and, in turn, adversely affect their projected financial performance. As the valuation is based on the DCF Method, which takes into consideration the Target Companies' projected future cash flows, any material deviation from the projected revenue and cash flows arising from the above factors may affect the resulting valuation which forms the key basis for the Purchase Consideration. Furthermore, the Profit Guarantee covers the FYE 2027 and FYE 2028 only while the Projections are prepared for the period from FYE 2026 to FYE 2030.

Notwithstanding the above risks, the projected revenue of the Target Companies is supported by the Lagenda Group's substantial landbank of approximately 3,998 acres across several states in Malaysia, notably Johor, Kedah and Perak, with an estimated total GDV of RM10.28 billion as at 30 June 2026. The Target Companies' position as the principal construction service providers to the Lagenda Group and the subsidiary-parent relationship between the Enlarged Epicon Group and the Lagenda Group following the Proposed Acquisitions provide visibility over its development pipeline and potential future construction opportunities. This is further supported by the Target Companies' combined outstanding order book of approximately RM1.48 billion as at the LPD, providing revenue visibility over the near-term projection period and reasonable support for the projected revenue assumptions. Further details on our assessment of the bases and assumptions used to prepare the Projections are set out in Section 6.2.1 of this IAL.

We wish to highlight that although efforts and measures will be taken by the Enlarged Epicon Group to mitigate the abovementioned risks, no assurance can be given that one or a combination of the risk factors will not occur and give rise to material adverse impact on the business operations, financial performance and/or prospects of the Enlarged Epicon Group.

6.9 IMPLICATIONS OF THE PROPOSED EXEMPTIONS

You should note that the SC may consider granting the Proposed Exemption 1 and Proposed Exemption 2 if Doh Properties and the MGO 1 PACs and/or Lagenda and the MGO 2 PACs, as the case may be, have satisfied the following conditions pursuant to Paragraph 4.08(2) of the Rules:

(a) there is no acquisition of shares or instruments convertible into shares and options in respect of shares (other than subscriptions for new shares or new instruments convertible into or options in respect of new shares which have been disclosed in the whitewash circular) by Doh Properties and persons acting in concert with it and/or Lagenda and persons acting in concert with it, in the six (6) months prior to the announcement of the Proposals on 14 July 2026 but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors of the Company in relation to the Proposed Acquisitions and the Proposed Call Option until the completion of the issuance of the new Shares arising from the RCPS Conversion and the Consideration Shares, as the case may be; and

(b) approval has been obtained from independent holders of voting shares or voting rights of the Company at a meeting of the holders of the relevant class of voting shares or voting rights to waive their rights to receive the MGO from Doh Properties and persons acting in concert with it and/or Lagenda and persons acting in concert with it.

Any exemption granted will be invalidated if Doh Properties or any persons acting in concert with it and/or Lagenda or any persons acting in concert with it have engaged or engages in a disqualifying transaction (as set out in item (a) above).

In addition, pursuant to Paragraph 18.02 of the Rules, upon your approvals for the Proposals, Doh Properties and persons acting in concert with it and/or Lagenda and persons acting in concert with it shall not acquire any Epicon Shares within a period of six (6) months after the date of the EGM convened for the Proposals from a person who was a director or substantial shareholder of the Company at the time of the Proposed Exemptions, as such acquisition will be deemed to be a favourable deal under Rule 18 of the Rules. The SC may consider granting a waiver to Doh Properties and the MGO 1 PACs and/or Lagenda and the MGO 2 PACs and if such acquisition, if any, is de minimis.

The implications of the non-interested shareholders of Epicon's votes on the Proposed Exemptions to be tabled at the forthcoming EGM are set out in the ensuing sections.

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6.9.1 If you <u>VOTE IN FAVOUR</u> of the Proposed Exemptions

(i) Doh Properties and the MGO 1 PACs and Lagenda and the MGO 2 PACs would be able to submit an application for the Proposed Exemption 1 and Proposed Exemption 2, as the case may be, to the SC for its consideration. Approvals from the SC for the Proposed Exemption 1 and Proposed Exemption 2 would then exempt Doh Properties and the MGO 1 PACs and Lagenda and the MGO 2 PACs, as the case may be, from the obligation to undertake the MGO. Accordingly, the Proposed Exemption 1 is valid for the issuance of the new Shares arising from the RCPS Conversion and the Proposed Exemption 2 is valid for the issuance of Consideration Shares.

(ii) The approval of the Proposed Exemptions would imply that you agree to waive your rights to and exempt Doh Properties and the MGO 1 PACs and Lagenda and the MGO 2 PACs from the obligation to undertake the MGO under subsection 218(2) of the CMSA, read together with subparagraphs 4.01(a) and 4.01(b) of the Rules, as a result of the RCPS Conversion and the Proposed Acquisitions, as the case may be *(which shall be undertaken at a price no lower than the highest price paid by Doh Properties and the MGO 1 PACs and/or Lagenda and* the MGO 2 *PACs for Epicon Shares in the past 6 months preceding the commencement of the offer period)*. As such, Doh Properties and the MGO 1 PACs and Lagenda and the MGO 2 PACs will be able to increase their shareholdings in Epicon without incurring an obligation to make a MGO upon completion of the RCPS Conversion and the Proposed Acquisitions, as the case may be.

(iii) The non-interested shareholders should also note that by voting for the Proposed Exemptions, they could be forgoing the opportunity to receive a general offer from another person (any other person, save for Doh Properties, Lagenda and their PACs) who may be discouraged from making a general offer in view of the potential dilution effect of the Consideration RCPS A and Option Consideration RCPS A.

(iv) You should note the following effects on the shareholdings of Doh Properties, Lagenda and their PACs as well as the shareholdings of the non-interested shareholders of the Company upon completion of the Proposals:

(a) RCPS Conversion

Upon completion of the RCPS Conversion, the collective shareholdings of Doh Properties, Lagenda and their respective PACs in Epicon will increase from 12.58% as at the LPD to 36.25%. Meanwhile, the shareholdings of the non-interested shareholders of the Company will decrease from 87.42% as at the LPD to 63.75%.

(b) Proposed Acquisitions, Proposed Call Option and Proposed Private Placement

Under the Minimum Scenario, upon completion of the Proposed Acquisitions and the Proposed Private Placement (which is intended to be completed concurrently with the Proposed Acquisitions), the collective shareholdings of Doh Properties, Lagenda and their respective PACs in Epicon will increase from 36.25% after the RCPS Conversion to 73.34%. Meanwhile, the shareholdings of the non-interested shareholders of the Company will **decrease from 63.75%** after the RCPS Conversion **to 26.66%.**

Further to the above, under the Maximum Scenario, assuming the following:

(aa) the 1,353,190,292 Consideration RCPS A are fully converted into 1,353,190,292 new Epicon Shares;

(bb) the Call Option is fully exercised to acquire the entire remaining 40% equity interests in the Target Companies and the Option Consideration is settled in equal proportion via the issuance of 1,392,714,200 Option Consideration Shares and 1,392,714,200 Option Consideration RCPS A;

(cc) the 1,392,714,200 Option Consideration RCPS A are fully converted into 1,392,714,200 new Epicon Shares; and

(dd) Lagenda undertakes a private placement of an aggregate of 1,024,000,000 Epicon Shares to the Public Shareholders, which is required to be carried out to ensure that the Company complies with the Public Spread Requirement upon conversion of the Consideration RCPS A, exercise of the Call Option and conversion of the Option Consideration RCPS A,

the collective shareholdings of Doh Properties, Lagenda and their respective PACs in Epicon will increase from 12.58% as at the LPD to 74.46%. Meanwhile, the shareholdings of the non-interested shareholders of the Company will **decrease from 87.42% as at the LPD to 26.66%** upon the completion of the Proposed Acquisitions (issuance of the Consideration Shares) and Proposed Private Placement, and will be **further diluted to 25.54%** upon conversion of the Option Consideration RCPS A.

With a shareholding of more than 50% in Epicon upon completion of the Proposed Acquisitions, any further increase in the shareholdings of Lagenda and/or collectively with its PACs in Epicon (including through subsequent purchases of Epicon Shares in the open market) would not trigger an obligation for Lagenda and the MGO 2 PACs to undertake a MGO provided Lagenda and the MGO 2 PACs does not trigger such MGO on an individual or single entity basis. For the avoidance of doubt, each PAC remains subject to the requirements under the Rules, including the obligation to undertake a MGO if its individual interest in Epicon exceeds 33%.

In addition, Lagenda and the MGO 2 PACs will have statutory control over Epicon and unless they are required to abstain from voting on resolutions sought at shareholders' general meetings of Epicon, they will be able to determine the outcome of any ordinary resolution (which requires approval from more than 50% of the total voting shares) and are likely to influence the outcome of any special resolution (which requires approval from at least 75% of the total voting shares).

(v) In view that the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement, Proposed Amendments and Proposed Exemption 2 are inter-conditional upon each other, and are conditional upon the Proposed Exemption 1, and that the RCPS Conversion is conditional upon the Proposed Exemption 1 as set out in Section 13 of Part A of the Circular:

(a) without the Proposed Exemption 1, the RCPS Conversion as well as the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments will not be implemented; and/or

(b) without the Proposed Exemption 2, the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments will not be implemented but the Doh Properties will still be able to undertake the RCPS Conversion without being required to undertake a MGO (as exempted under the Proposed Exemption 1), in the event the Proposed Exemption 1 is approved.

Therefore, voting in favour of the Proposed Exemptions will enable Epicon to realise the potential benefits of the Proposals.

6.9.2 If you VOTE AGAINST the Proposed Exemptions

(i) Doh Properties and the MGO 1 PACs and Lagenda and the MGO 2 PACs would not be able to submit an application for the Proposed Exemption 1 and Proposed Exemption 2, as the case may be, to the SC.

(ii) In view of the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement, Proposed Amendments and Proposed Exemption 2 are inter-conditional upon each other, and are conditional upon the Proposed Exemption 1, and that the RCPS Conversion is conditional upon the Proposed Exemption 1 as set out in Section 13 of Part A of the Circular, in the event:

(a) the Proposed Exemption 1 is not approved, the RCPS Conversion as well as the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments will not be implemented.

You should also note that the 233,000,000 RCPS held by Doh Properties are expiring on 29 December 2026 and will be mandatorily converted into new Epicon Shares on the RCPS Maturity Date ("**RCPS Mandatory Conversion**"), unless previously redeemed or converted or purchased and cancelled.

In the event the RCPS is not redeemed by the Company prior to the RCPS Maturity Date, the RCPS Mandatory Conversion will take place on the RCPS Maturity Date resulting in the individual shareholding of Doh Properties and collective shareholding of Doh Properties and the MGO 1 PACs in the Company to increase to more than 33% of the enlarged issued Shares after the RCPS Mandatory Conversion. As such, Doh Properties and the MGO 1 PACs will be required to undertake a MGO *(which shall be undertaken at a price no lower than the highest price paid by Doh Properties and the MGO 1 PACs for Epicon Shares in the past 6 months preceding the commencement of the offer period)* pursuant to subsection 218(2) of the CMSA, read together with subparagraph 4.01(a) of the Rules. In this regard, Doh Properties and the MGO 1 PACs had not acquired any Epicon Shares in the past 6 months prior to the announcement of the Proposals and up to the LPD.

In the event that the Proposed Exemption 1 is not approved, Doh Properties may either partially convert a portion of the RCPS to ensure the total shareholding for Doh Properties and the MGO 1 PACs to not exceed the 33% MGO threshold and for Epicon to redeem all remaining unconverted RCPS prior to the RCPS Maturity Date, or for Epicon to allow the RCPS to be mandatorily converted in full on the RCPS Maturity Date, resulting in Doh Properties triggering a MGO in compliance with the Rules, or for Epicon to redeem all the outstanding 233,000,000 RCPS prior to the maturity date of RCPS.

(b) the Proposed Exemption 2 is not approved, the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments will not be implemented.

In this regard, the Epicon Group will not be able to implement the Proposed Acquisitions and Proposed Private Placement and realise the potential benefits arising from the Proposed Acquisitions and Proposed Private Placement.

Notwithstanding the above, in the event the Proposed Exemption 1 is approved by the non-interested shareholders of the Company and the SC, Doh Properties will still be able to undertake the RCPS Conversion without being required to undertake a MGO (as exempted under the Proposed Exemption 1) as the RCPS Conversion is not conditional upon the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments.

7. DIRECTORS INTENTION TO VOTE

As at the LPD, none of the Directors have any interest (direct or indirect) in the Company.

8. DIRECTORS' RESPONSIBILITY STATEMENT

This IAL has been seen and approved by the Board, who collectively and individually accept full responsibility for the accuracy of the information contained in this IAL and confirm that, after making all reasonable enquiries and to the best knowledge of the Board, all information relevant to the evaluation of the Proposals have been disclosed and that there is no omission of any material facts which would make any statement in this IAL false or misleading.

Further, the responsibility of the Board in respect of:

(i) the information related to Lagenda and the MGO 2 PACs (as provided by the directors, management and/or appointed representatives of Lagenda) is limited to ensuring that such information is accurately reproduced in this IAL; and

(ii) the independent advice and expression of opinion by TA Securities in relation to the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions are limited to ensuring that accurate information in relation to the Group was provided to TA Securities for its evaluation of the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions and to ensure that all information in relation to the Group that are relevant to TA Securities' evaluation of the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions have been completely disclosed to TA Securities and that there is no material fact, the omission of which would make any information provided to TA Securities false or misleading.

9. FURTHER INFORMATION

The non-interested shareholders of the Company are advised to refer to Part A of the Circular as well as the attached appendices for further information.

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10. CONCLUSION AND RECOMMENDATION

In arriving at our conclusion and recommendation, we have assessed and evaluated the Proposals on a holistic basis, in accordance with Schedule 2: Part III of the Rules, taking into consideration the various factors set out in Section 6 of this IAL. You should carefully consider the merits and demerits of the Proposals based on all relevant and pertinent factors including those set out in this IAL as well as those highlighted by the Board in its letter to the shareholders of the Company in relation to the Proposals as set out in Part A of the Circular (including all the appendices) before making a decision to vote on the resolutions pertaining to the Proposals.

The Proposed Exemptions, if approved by the non-interested shareholders the Company and the SC, will allow Epicon to undertake the Proposed Acquisitions, subject to the Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement and Proposed Amendments being approved and implemented. The potential advantages and disadvantages of the Proposals are summarised as follows:

Potential advantages	
(i)	The Proposed Acquisitions, the Proposed Call Option, Proposed Private Placement, Proposed Amendments and Proposed Exemption 2, are inter-conditional upon each other, and are conditional upon the Proposed Exemption 1, and that the RCPS Conversion is conditional upon the Proposed Exemption 1 as set out in Section 13 of Part A of the Circular. The Proposed Exemptions will exempt Doh Properties and the MGO 1 PACs and Lagenda and the MGO 2 PACs, as the case may be, from the obligation to undertake the MGO to facilitate the implementation of the Proposals which will allow the Epicon Group to reap the potential benefits of the Proposals. Meanwhile, the Proposed Private Placement will enable Epicon to comply with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements after the Proposed Acquisitions. The Proposed Amendments are necessary to facilitate the issuance and allotment of the Consideration RCPS A and Option Consideration RCPS A pursuant to the Proposed Acquisitions and the Proposed Call Option, respectively. The inter-conditionality of the Proposals is to ensure that the implementation of each of the Proposals is in compliance with the relevant regulatory requirements (such as the Proposed Exemption 1 and Proposed Exemption 2) and compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements.
(ii)	The Proposed Acquisitions provide an opportunity to the Epicon Group to merge with the Target Companies into the Enlarged Epicon Group, which will substantially increase the Enlarged Epicon Group's revenue and profitability as well as enhanced asset base. The Enlarged Epicon Group is also expected to benefit from the combined resources, technical experience and expertise of the Enlarged Epicon Group, as well as the consolidation of operations of the Target Companies with the Epicon Group. The Proposed Acquisitions are expected to contribute positively to the earnings of the Enlarged Epicon Group in view of the Profit Guarantee provided by the Vendor, giving a certain degree of assurance on the future financial performance of the Target Companies, and prospects of the Enlarged Epicon Group as disclosed in Section 9.4 of Part A of the Circular. In addition, as evaluated in Section 6.6 of this IAL, the illustrative PAT attributable to the owners of the Epicon Group will increase from RM4.01 million (audited for the FYE 2025) to RM75.41 million (pro forma after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) with EPS increasing from 0.64 sen to 2.55 sen (after the RCPS Conversion, Proposed Acquisitions and Proposed Private Placement) and to 1.75 sen (after assuming full conversion of Consideration RCPS A but before the exercise of the Call Option).

	Potential advantages
	Upon completion of the Proposed Acquisitions, Lagenda will also be the holding company of Epicon which will enable the Enlarged Epicon Group to tap into the strong property development pipeline of the Lagenda Group, which is backed by the Lagenda Group's landbank of approximately 3,998 acres across several states within Malaysia with a total estimated gross development value of RM10.28 billion worth of property development projects as at 30 June 2026. Further, the Enlarged Epicon Group are expected to continue benefiting from a pipeline of construction contract awards from the Lagenda Group (based on the parent-subsidiary relationship between Lagenda and the Enlarged Epicon Group) beyond the FYE 2027 and FYE 2028, which is expected to support the sustainability of their earnings thereafter. Each Share held by the Company's non-interested shareholders prior to the implementation of the Proposals represents NA of RM0.14 per Share (audited for FYE 2025) and EPS of 0.64 sen per financial year, based on the latest audited FYE 2025. After the RCPS Conversion, each Share is expected to represent a reduced NA of RM0.10 per Share while EPS is expected to decrease to 0.47 sen. Following the completion of the Proposals, on a fully-diluted basis, each Share held by the Company's non-interested shareholders is expected to represent NA of RM0.03 per Share, representing a dilution of RM0.07 per Share in terms of NA, while the EPS is expected to increase to 1.73 sen. Accordingly, the expected increase in EPS of 1.26 sen per financial year following the Proposed Acquisitions would enable the non-interested shareholders to recoup the dilution in NA per Share of RM0.07 over approximately 5.5 financial years, assuming that the projected incremental EPS is achieved and maintained. In view of the above, the immediate dilution in the non-controlling shareholders' proportion of shareholdings in the Company and NA per Share upon increase in the number of Epicon Shares in issue as a consequence of the implementation of the Proposals is not unduly detrimental to the non-interested shareholders of the Company after taking into consideration the potential benefits arising from the Proposed Acquisitions and the ability to recoup the loss in value of NA per Share over 5.5 financial years in return for control in the Target Companies and participation in the growth of the much larger Enlarged Epicon Group on a longer term basis.
(iii)	The settlement of the Purchase Consideration via the issuance of the Consideration Shares and the Consideration RCPS A will allow the Company to undertake the Proposed Acquisitions while conserving its cash reserves necessary for the Enlarged Epicon Group's working capital while ensuring the Company to continue to comply with the Public Spread Requirement. Further, the issuance of the Consideration RCPS A enables the Company to manage the dilutive effect on its EPS as compared to Consideration Shares.
(iv)	The Proposed Call Option allows Epicon to manage and optimise cash flows by deferring the acquisition of the remaining 40% equity interests in the Target Companies within the Call Option Period and does not necessitate Epicon to incur significant acquisition cost to acquire the entire equity interests in the Target Companies. In addition, the Proposed Call Option provides flexibility to the Company to exercise the Proposed Call Option while ensuring compliance with the Public Spread Requirement and Paragraph 6.50 of the Listing Requirements by the Company. Further, the Proposed Call Option provides flexibility for Epicon to assess the Target Companies before committing for further acquisition by exercising the Call Option. As part of Epicon's assessment whether to exercise the Call Option, Epicon will review key performance indicators, including the Target Companies' revenue, PAT, remaining order book, contracts under tender/negotiation, performance of the Profit Guarantee, as well as the Lagenda Group's property pipeline.

Potential disadvantages	
(i)	The Proposed Exemption 1 will allow the collective shareholdings of Doh Properties and the MGO 1 PACs to increase from 12.58% to 36.25% upon completion of the RCPS Conversion, without being required to undertake a MGO. As Doh Properties is also a PAC to Lagenda, the Proposed Exemption 2 will allow the collective shareholdings of Doh Properties, Lagenda and their respective PACs in Epicon to further increase from 36.25% to 73.34% (upon completion of the Proposed Acquisitions and Proposed Private Placement). As a result, the shareholdings of the non-interested shareholders will be diluted significantly from **87.42% as at the LPD to 26.66%** upon the completion of the Proposed Acquisitions (issuance of the Consideration Shares) and Proposed Private Placement, and will be further diluted to 25.54% upon conversion of the Option Consideration RCPS A, and their rights in the Company diminishes accordingly. Based on the foregoing, Doh Properties, Lagenda and their respective PACs will have statutory control over Epicon and enabling them to determine the outcome of ordinary resolutions which require a simple majority of 50% plus 1 share, including the appointment of directors and other corporate exercises which require a simple majority of 50% plus 1 share, and the outcome of special resolutions which require at least 75% votes, unless Doh Properties, Lagenda, their PACs and/or persons connected to them are required to abstain from voting. Accordingly, the minority shareholders of Epicon may have a reduced ability to influence the outcome of certain corporate actions, strategic direction and key decisions of the Enlarged Epicon Group following the completion of the Proposed Acquisitions.
(ii)	With a shareholding of more than 50% in Epicon upon completion of the Proposed Acquisitions, any further increase in the shareholdings of Lagenda and/or collectively with its PACs in Epicon (including through subsequent purchases of Epicon Shares in the open market) would not trigger an obligation for Lagenda and the MGO 2 PACs to undertake a MGO provided Lagenda and the MGO 2 PACs does not trigger such MGO on an individual or single entity basis. As a result, the non-interested shareholders of Epicon will not be entitled to receive a MGO and the associated exit opportunity at a prescribed minimum offer price notwithstanding any future increase in the shareholdings of Lagenda and the MGO 2 PACs in Epicon. For the avoidance of doubt, subsequent to the Proposed Acquisitions, Lagenda and the MGO 2 PACs would still be bound to undertake a MGO if any one of them increase their individual shareholdings in Epicon to 33% or more, unless an exemption is granted by the SC.
(iii)	Upon completion of the Proposed Acquisitions, Epicon Group may be exposed to certain risks associated with the Proposed Acquisitions, including investment and integration risk, risk relating to the achievability of the Profit Guarantee, goodwill and impairment risk as well as risk of dilution of non-interested shareholders' interests and increased influence of the major shareholders in the Company as disclosed in Section 10 of Part A of the Circular which may affect the realisation of the potential benefits of the Enlarged Epicon Group.
(iv)	After the RCPS Conversion which will be undertaken by Doh Properties, the pro forma NA per Share will be diluted from RM0.14 to RM0.10 and further diluted to RM0.03 (after assuming full conversion of the Consideration RCPS A and Option Consideration RCPS A under the Maximum Scenario) as a result of an increase in the number of Shares in issue after the issuance of the Consideration RCPS A and conversion of Option Consideration RCPS A. Further, the gearing of Epicon as at 31 December 2025 is expected to increase from 1.02 to 1.16 (under the Minimum Scenario) or decrease from 1.02 to 0.73 (under the Maximum Scenario) after the Proposals as detailed in Section 6.6.2 of this IAL.

Potential disadvantages	
(v)	The dilution in the non-controlling shareholders' proportion of shareholdings in the Company and NA per Share upon increase in the number of Epicon Shares in issue as well as the increase and/or decrease in gearing ratio as a consequence of the implementation of the Proposals is immediate while the anticipated benefits arising from the Proposed Acquisitions, such as the projected increase in earnings and EPS of the Enlarged Epicon Group are dependent on the successful achievement of the Projections which is subject to uncertainties and risks as detailed in Sections 6.2.1 and 6.8.6(i) of this IAL.

Notwithstanding the above, you should note that upon completion of the Proposed Acquisitions and Proposed Private Placement, the shareholdings of the non-interested shareholders will be diluted significantly from **87.42% as at the LPD to 26.66%**, and will be **further diluted to 25.54%** upon conversion of the Option Consideration RCPS A. In assessing the significant increase in the number of issued Shares and dilution of existing non-interested shareholders' shareholdings in the Company due to the issuance of new Epicon Shares upon completion of the Proposed Acquisitions which is immediate and irreversible, we have considered that the Consideration Shares and Consideration RCPS A are issued as part of the settlement of the Purchase Consideration for the acquisition of 60% controlling equity interest in the Target Companies, upon completion of which, Epicon will immediately gain control over the ownership and economic interest in the Target Companies, including their existing business operations, assets, outstanding order book and future earnings attributable to such equity interest, and that the settlement through the Consideration Shares and Consideration RCPS A being the most viable options after having considered the existing cash position and various possible alternatives such as bank borrowings and/or fund-raising exercise. Further, the Proposed Acquisitions provide opportunities to the Company's shareholders to acquire the Target Companies at the Purchase Consideration which is assessed to be fair based on our assessments as set out in Section 6.2 of this IAL, including the valuation based on the DCF Method, RVA and CTA (as defined in Section 6.2 of this IAL) as well as achievability of the Profit Guarantee, and commensurate with the value of the 60% equity interests acquired in the Target Companies pursuant to the Proposed Acquisitions after taking into consideration the bases and assumptions as well as factors as detailed in Section 6.2 of this IAL. In addition, we have also considered the following merits of the Proposed Acquisitions against the disadvantages relating to the immediate dilution of existing non-interested shareholders' shareholdings in the Company and uncertainties linked to the anticipated benefits arising from the Proposed Acquisitions outlined above:

(i) upon completion of the Proposed Acquisitions, Lagenda will also be the holding company of Epicon which will enable the Enlarged Epicon Group to tap into the strong property development pipeline of the Lagenda Group, which is backed by the Lagenda Group's landbank of approximately 3,998 acres across several states within Malaysia with a total estimated gross development value of RM10.28 billion worth of property development projects as at 30 June 2026;

(ii) the Enlarged Epicon Group are expected to continue benefiting from a pipeline of construction contract awards from the Lagenda Group (based on the parent-subsidiary relationship between Lagenda and the Enlarged Epicon Group) beyond the FYE 2027 and FYE 2028, which is expected to support the sustainability of their earnings thereafter; and

(iii) the combined resources, technical experience and expertise of the Enlarged Epicon Group as well as the integration of operations, streamlining of processes, optimisation of organisational structures and alignment of systems across the Enlarged Epicon Group will enable the Enlarged Epicon Group to improve its operational efficiency and enhance the operational synergies, which will allow the Enlarged Epicon Group to broaden its customer base by pursuing construction opportunities from third-party property developers and other external customers which is currently undertaken by Epicon Group, the benefits of which are strategic in nature and are expected to persist beyond the FYE 2027 and FYE 2028.

After taking into consideration the above and our overall assessment and evaluation of the Proposals based on the information available to us up to the LPD, we are of the view that the advantages outweigh the disadvantages of the Proposals. Therefore, the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions are **fair and reasonable** and are **not detrimental** to the non-interested shareholders of the Company.

Accordingly, we recommend that you **vote in favour** of the resolutions pertaining to the Proposed Acquisitions, Proposed Call Option and the Proposed Exemptions to be tabled at the Company's forthcoming EGM.

Yours faithfully
For and on behalf of
TA SECURITIES HOLDINGS BERHAD

DOMINIC SEAH
Head
Corporate Finance

JASON CHIN WAI KING
Vice President
Corporate Finance

INFORMATION ON EPICON

1. HISTORY AND PRINCIPAL ACTIVITIES

Epicon was incorporated in Malaysia on 5 June 2003 as a public limited company in Malaysia under the Companies Act 1965 under the name of Konsortium Transnasional Berhad and is deemed registered under the Act. Epicon assumed its present name on 13 July 2023.

Epicon is currently listed on the Main Market of Bursa Securities since June 2007. Epicon (previously known as Konsortium Transnasional Berhad) took over the listing status of Park May Berhad ("**PMB**") via a restructuring scheme wherein PMB was delisted from the Main Market of Bursa Securities and the Company was admitted to the Main Market of Bursa Securities in June 2007 in place of PMB.

The principal activity of Epicon is investment holding and the principal activities of its subsidiaries are set out in Section 5 of this Attachment.

2. SHARE CAPITAL

2.1 Issued share capital

As at the LPD, Epicon has an issued shares capital of RM33,344,100.71 comprising 627,464,015 Epicon Shares.

There is only 1 class of shares in Epicon, being the ordinary shares. All Epicon shares rank equally in terms of voting rights and entitlement to any dividends, rights, allotments and/or distributions (including any capital distributions) which may be declared, made or paid to shareholders.

2.2 Changes in issued share capital

There is no change in the issued share capital of Epicon since the end of the FYE 31 December 2025 up to the LPD.

2.3 Convertible securities

As at the LPD, save for the outstanding 233,000,000 RCPS (with tenure until 29 December 2026), Epicon does not have any other convertible securities in issue.

3. SUBSTANTIAL SHAREHOLDERS

As at the LPD, the substantial shareholders of Epicon as well as their respective direct and/or indirect interest in Epicon are as follows:

	Direct		Indirect	
Name	**No. of shares**	**(1) %**	**No. of shares**	**(1) %**
Doh Properties	67,000,000	10.68	-	-
Dato' Jimmy	-	-	(2) 67,000,000	10.68

Notes:

(1) Computed based on the issued Shares of 627,464,015 as at the LPD.

(2) Deemed interested by virtue of his interest in Doh Properties pursuant to Section 8(4) of the Act.

4. DIRECTORS

As at the LPD, the directors of Epicon (all are Malaysians) and their respective shareholdings in Epicon are as follows:

Name	Designation	Address	Direct		Indirect	
			No. of Epicon shares	(1) %	No. of Epicon shares	(1) %
Datuk Kong Woon Jun	Independent Non-Executive Chairman	No. 49, Jalan SHB 7, Taman Subang Heights, 47500 Subang Jaya, Selangor	-	-	-	-
Ahmed Azhar bin Abdullah	Independent Non-Executive Director	No. 22, Jalan Kent 2, 54000 Kuala Lumpur	-	-	-	-
Loh Pek Mee	Independent Non-Executive Director	93, Jalan Dedap Batik, Sierramas, 47000 Sungai Buloh, Selangor	-	-	-	-
Fahariah binti Abdul Wahab	Independent Non-Executive Director	12, Lorong Titiwangsa 10, 53200 Kuala Lumpur	-	-	-	-

Note:

(i) Computed based on the issued Shares of 627,464,015 as at the LPD.

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5. SUBSIDIARY, ASSOCIATE COMPANY AND JOINT VENTURE

As at the LPD, the subsidiaries of Epicon comprise the following:

Name of company	Country of incorporation	Effective equity interest (%)	Principal activities
Epicon Construction Sdn. Bhd. (formerly known as Cityliner Sdn. Bhd.)	Malaysia	100	Dormant
Transnational Builder Sdn. Bhd.	Malaysia	100	Construction works
Epik Bina Sdn. Bhd.	Malaysia	100	Dormant
Epicon Land Sdn. Bhd.	Malaysia	100	Property development
Concrete Empire Sdn. Bhd.	Malaysia	70	Construction works and related services
Concrete Empire Holdings Sdn. Bhd.	Malaysia	70	Construction works and related services
CE Precast Sdn. Bhd.	Malaysia	70	Concrete casting and paving
Maha Mentari Sdn. Bhd.	Malaysia	70	Construction works and related services
CE Mix Sdn. Bhd.	Malaysia	70	Trading of ready mixed concrete and acting as subcontractor for general construction

As at the LPD, Epicon does not have any associate company or joint ventures.

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6. PROFIT AND DIVIDEND RECORD

The profit and dividend record of Epicon Group based on its audited consolidated financial statements for the FYE 31 December 2023, FYE 31 December 2024, FYE 31 December 2025 and unaudited consolidated financial statements for the 6M-FPE 30 June 2026 are as follows:

	Audited			Unaudited
	FYE 31 December 2023 (RM'000)	**FYE 31 December 2024 (RM'000)**	**FYE 31 December 2025 (RM'000)**	**6M-FPE 30 June 2026 (RM'000)**
Revenue	150,152	185,300	179,242	90,405
PBT	9,277	13,548	7,046	2,935
PAT/(LAT):	**4,357**	**9,351**	**4,459**	**1,541**
Owners of the company	4,357	9,351	4,005	1,923
Non-controlling interests	-	-	454	(382)
Weighted average no. of shares outstanding ('000)	515,346	594,797	624,242	627,464
Net earnings/(loss) per share (sen) (1)	0.84	1.57	0.64	0.31
Dividend per share (RM) (2)	-	-	-	-

Notes:

(1) Computed based on the PAT attributable to the owners of the Company divided by the weighted average number of Shares in issue for the respective financial year or financial period.

(2) No dividend has been paid or declared by the Company for the respective financial year or financial period.

There have been no material exceptional items being recorded by the Epicon Group during the past 3 financial years up to FYE 31 December 2025 as well as up to the LPD.

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7. STATEMENT OF ASSETS AND LIABILITIES

The statements of assets and liabilities of the Epicon Group based on its audited consolidated financial statements as at the FYE 31 December 2023, FYE 31 December 2024, FYE 31 December 2025 and unaudited consolidated financial statements as at the 6M-FPE 30 June 2026 are as follows:

	Audited		Unaudited	
	As at 31 December 2023 (RM'000)	*** As at 31 December 2024 (RM'000)**	**As at 31 December 2025 (RM'000)**	**As at 30 June 2026 (RM'000)**
Assets				
Non-current assets				
Property, plant and equipment	2,311	5,358	22,102	22,239
Call option asset	-	-	2,791	2,244
Deferred tax assets	-	560	601	590
Trade receivables	-	-	556	556
Other receivables	-	227	106	106
Total non-current assets	**2,311**	**6,145**	**26,155**	**25,735**
Current assets				
Inventories	-	-	2,615	2,394
Trade receivables	68,916	105,193	152,741	173,156
Other receivables	8,403	11,523	11,092	10,696
Contract assets	936	43,584	44,612	32,851
Tax recoverable	-	-	1,286	1,244
Cash and cash equivalents	57,554	28,774	29,636	27,781
Total current assets	**135,809**	**189,074**	**241,982**	**248,122**
TOTAL ASSETS	**138,120**	**195,219**	**268,137**	**273,857**
EQUITY AND LIABILITIES				
Equity				
Ordinary shares	25,341	25,341	33,344	33,344
Redeemable convertible preference shares ("**RCPS**")	23,300	23,300	23,300	23,300
Retained earnings	17,444	26,795	30,800	32,723
Equity attributable to Owners of the Company	**66,085**	**75,436**	**87,444**	**89,367**
Non-controlling interests	-	-	9,812	9,430
Total Equity	**66,085**	**75,436**	**97,256**	**98,797**
Liabilities				
Non-current liabilities				
Borrowings	-	1,465	11,140	9,872
Lease liabilities	827	3,339	4,035	4,047
Deferred tax liabilities	43	-	267	267
Total non-current liabilities	**870**	**4,804**	**15,442**	**14,186**
Current liabilities				
Trade payables	36,192	70,265	73,066	73,683
Other payables	15,149	1,946	7,251	12,749
Contract liabilities	4,539	8,033	654	-
Borrowings	13,610	32,575	72,959	72,133
Lease Liabilities	242	605	1,116	1,309
Tax payable	1,433	1,555	393	1,000
Total current liabilities	**71,165**	**114,979**	**155,439**	**160,874**
Total Liabilities	**72,035**	**119,783**	**170,881**	**175,060**
TOTAL EQUITY AND LIABILITIES	**138,120**	**195,219**	**268,137**	**273,857**

Note:

* *Represented.*

As at the LPD, there is no known material change in the financial position or prospects of the Epicon Group subsequent to its latest audited consolidated financial statements for the FYE 31 December 2025.

8. ACCOUNTING POLICY

Epicon Group's audited consolidated financial statements for the past 3 financial years up to the FYE 31 December 2025 as well as the latest unaudited consolidated financial statements for the 6M-FPE 30 June 2026 have been prepared in accordance with approved accounting standards and there was no audit qualification for the Epicon Group's consolidated financial statements for the respective financial year or financial period.

There was no change in the accounting standards adopted by the Epicon Group which would result in a material variation to the comparable figures for the audited consolidated financial statements for the past 3 financial years up to the FYE 31 December 2025 as well as the latest unaudited consolidated financial statements for the 6M-FPE 30 June 2026.

9. BORROWINGS

As at 30 June 2026, the total outstanding borrowings of the Epicon Group is set out below:

	(Unaudited) As at 30 June 2026 RM'000
Long-term borrowings:	
Term loans	9,872
	9,872
Short-term borrowings:	
Trade financing	30,704
Revolving credit	38,000
Term loans	3,429
	72,133
	82,005

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10. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

10.1 Material commitments

Save as disclosed below, there are no material commitments incurred or known to be incurred by the Epicon Group, which upon becoming enforceable, may have a material impact on the financial results or position of the Epicon Group:

Material commitments of the Epicon Group	Unaudited 30 June 2026 RM'000	Audited 31 December 2025 RM'000
Authorised and contracted for		
Renovation works	-	15
Development right entitlement	72,027	72,027
	72,027	**72,042**

10.2 Contingent liabilities

As at the LPD, save for Suit 718 (as set out in Section 11 of this Attachment I), the Board confirms that there is no contingent liability incurred or known to be incurred by the Epicon Group, which upon becoming enforceable, may have a material impact on the financial position of the Company and/or the Epicon Group.

11. MATERIAL LITIGATION

Save as disclosed below, as at the LPD, the Epicon Group is not involved in any material litigation, either as plaintiff or defendant, and the Board has no knowledge of any proceedings pending or threatened against the Epicon Group or any facts which are likely to give rise to any proceedings, which may materially and adversely affect the business or financial position of the Group:

(a) Johor Bahru High Court Suit No. JA-22C-3-06/2026 by TBSB against IBSE, Zafrin Bin Ibrahim, Zulkflee Bin Ibrahim and Khaeromze Bin Ahmad (collectively, the "Suit 3 Defendants")

TBSB, a wholly-owned subsidiary of the Company, had via its solicitors, filed a writ of summons with statement of claim in the High Court of Johor Bahru against the Suit 3 Defendants for, among others, a total sum of RM20,358,636.17. TBSB obtained an ex-parte sealed order for a Mareva injunction ("**Mareva Injunction**") as well as an ad interim order against the Suit 3 Defendants on 29 June 2026. TBSB's solicitors have served the sealed order to the relevant banks, followed by the Suit 3 Defendants, on 1 July 2026.

On 2 October 2023, IBSE issued a letter of award to TBSB ("**LOA**") as subcontractor for installation, testing and commissioning underground cables for 5 contracts with Tenaga Nasional Berhad ("**TNB**") ("**TNB Awards**") with a total contract sum of RM130,893,582.

As required under the LOA, TBSB provided performance security by way of 2 bankers' cheques amounting to RM1,695,129.75 on 17 October 2023 and 13 December 2023. Subsequently, TBSB replaced the bankers' cheques with 2 bank guarantees issued by a licensed financial institution on 18 November 2024 and 21 November 2024 respectively, and requested for the refund of the RM1,695,129.75 from IBSE. However, IBSE has failed to refund the said amount, which remains outstanding as at the LPD.

Further to the above, TBSB has provided another 2 bank guarantees as the performance security issued by a licensed financial institution on 21 November 2024 and 25 November 2024. As a result, a total of 4 bank guarantees were issued, of which 3 bank guarantees remain active as at the LPD, with an aggregate value of RM1,949,549.35.
As at the LPD, there remains an unpaid amount by IBSE to TBSB in the sum of RM16,713,957.07, being outstanding amounts overdue and payable out of the total billing of RM42,411,628.15 based on work done by TBSB under the LOA.

The writ of summons with statement of claim includes, among others:

(i) A declaration that the LOA has been terminated and/or rescinded, and that TBSB is entitled to payment of all monies due and payable by the Suit 3 Defendants to TBSB pursuant to the LOA;

(ii) An order that the Suit 3 Defendants, jointly and/or severally, be liable to return and/or pay to TBSB the sum of RM1,949,549.35 being the value of the performance security bonds provided by TBSB;

(iii) An order that the Suit 3 Defendants, jointly and/or severally, be liable to return and/or pay to TBSB the sum of RM16,713,957.07 being monies due and owing to TBSB under the LOA;

(iv) An order that the Suit 3 Defendants, jointly and/or severally, be liable to return and/or pay to TBSB the sum of RM1,695,129.75 being the monies which ought to be returned to TBSB;

(v) An order that the Suit 3 Defendants render a full and proper account of all monies received by the Suit 3 Defendants from TNB pursuant to the TNB Awards entered into between IBSE and TNB with regard to the LOA;

(vi) Interest on the sums claimed in prayers (ii), (iii) and (iv) above from the respective dates the sums became due and payable at the rate of 5% per annum until one day before the date of judgment;

(vii) General damages;

(viii) Exemplary damages, aggravated damages and/or additional damages;

(ix) Interest at the rate of 5% per annum on all judgement sums awarded from the date of judgment until full settlement;

(x) Costs to be borne by the Suit 3 Defendants, such costs carrying interest at the rate of 5% per annum from the date of judgment until full settlement;

(xi) Such further and/or other relief as the High Court deems appropriate.

As at the LPD, the case management for the writ of summons has been fixed on 15 December 2026.

Mareva Injunction includes, among others:

(i) An order restraining all and each of the Suit 3 Defendants from transferring, disposing, dissipating, removing from the jurisdiction of the High Court, diminishing the value of and/or otherwise dealing with its/their assets within the jurisdiction, insofar as the same does not exceed the sum of RM20,358,636.17;

(ii) An order that the Suit 3 Defendants are restrained from parting with, transferring, disposing, dissipating, removing from the jurisdiction any sums it is to receive from TNB and/or any relevant third parties;

(iii) An order that the Suit 3 Defendants within 7 days from the date of the order, disclose to TBSB by way of sworn affidavit the full value and particulars of all their assets owned by them.

The High Court had on 2 September 2026 decided in favour of the Suit 3 Defendants in respect of the inter partes hearing of the Mareva Injunction and the Suit 3 Defendants' application to set aside the same, with costs. TBSB is proceeding with an appeal against this decision, together with an application for a stay on a certificate of urgency before the High Court.

The Suit 3 Defendants filed their defence and counterclaim against TBSB ("**Counterclaim**"), which was electronically served on 23 July 2026.

In the Counterclaim, the Suit 3 Defendants have prayed for:

(i) A declaration that the CTOS Data System Sdn Bhd ("**CTOS**") notification made by TBSB against IBSE is invalid and of no legal effect;

(ii) An order that TBSB cancels and removes the said CTOS notification against IBSE within 7 days from the date of the order;

(iii) Judgment against TBSB in the sum of RM7,999,895.00, being damages payable to IBSE arising from the cancellation of the purchase order issued by TNB;

(iv) Judgment against TBSB in the sum of RM14,500,000.00 as damages payable to IBSE arising from the cancellation of IBSE's banking and financing facilities offered by the banks and financial institutions;

(v) Alternatively to prayer (iv), general damages to be assessed by the High Court;

(vi) Exemplary damages to be assessed by the High Court;

(vii) Costs of this action, including costs on a solicitor-and-client basis;

(viii) Interest at the rate of 5% per annum on the judgment sums awarded under prayers (iii), (iv), (v) and (vi), calculated from the date of judgment until the date of full settlement; and

(ix) Such further and/or other relief or orders as the High Court deems fit and just.

TBSB had on 7 October 2026 filed an application with the High Court to strike out the Counterclaim with costs. The court hearing for the application to strike out the Counterclaim has been fixed on 10 December 2026.

As at the LPD, the writ of summons and the Mareva Injunction and the Counterclaim are not expected to have any immediate material financial impact on the Group for the FYE 2026. The solicitors acting for and on behalf of TBSB are of the view that TBSB has a good prospect of success in respect of the claims made in the writ of summons as well as the defence against the Counterclaim. The Company will continue to monitor the progress of this litigation and assess any potential financial impact as and when further development arises.

TBSB has ceased all works related to the LOA and this litigation is not expected to have any operational impact on the Group.

(b) Kuala Lumpur High Court Civil Suit No.: WA-22NCC-718-10/2025 by Tan Chong Industrial Equipment Sdn Bhd ("TCIE") against Transnasional Express Sdn Bhd, Plusliner Sdn Bhd, Syarikat Kenderaan Melayu Kelantan Berhad, Syarikat Rembau Tampin Sdn Bhd, Kenderaan Langkasuka Sdn Bhd (collectively, the "1st to 5th Suit 718 Defendants") and Epicon (collectively, the "Suit 718 Defendants"), with Nadicorp Holdings Sdn Bhd ("Nadicorp") as third party ("Suit 718")

On 30 October 2025, Epicon (as the 6th defendant) was served with a sealed writ ("**Suit 718 Writ**") and statement of claim ("**Suit 718 SOC**"), both dated 24 October 2025, filed by TCIE against the Suit 718 Defendants for sums alleged to be due and owing under a settlement agreement dated 4 July 2016 entered into between TCIE and the Suit 718 Defendants ("**Settlement Agreement**").

The Settlement Agreement was entered into in relation to alleged outstanding sums arising from various vehicle lease agreements and related maintenance and service agreements between TCIE and 1st to 5th Suit 718 Defendants which were then subsidiaries of Epicon.

Under the Settlement Agreement, the alleged outstanding sum of RM32,920,575.06 was to be settled partly by way of a transfer of land valued at RM16,000,000.00, with the balance of RM16,920,575.06 payable by 8 monthly instalments. TCIE alleges that, save for the first instalment of RM2,000,000.00 paid in July 2016, the remaining 7 instalments totaling RM14,920,575.06 were unpaid.

In the Suit 718 SOC, TCIE claims against the Suit 718 Defendants and each of them, among others, the following:

(i) the sum of RM26,154,635.21 as at 31 March 2025;

(ii) late payment interest on the overdue instalments of RM14,920,575.06 at the rate of 0.75% per calendar month calculated on daily basis from 1 April 2025 to the date of full payment;

(iii) costs; and

(iv) such further and/or other relief as the Court deems fit.

Epicon had on 27 November 2025 filed its statement of defence.

It is pertinent to note that the 1st to 5th Suit 718 Defendants ceased to be subsidiaries of Epicon following the disposal by Epicon of its entire equity interest in Park May Berhad, being the holding company of the 1st to 5th Suit 718 Defendants, to Nadicorp on 16 August 2023. Prior to the said disposal, Nadicorp had executed a letter of indemnity dated 13 October 2021 ("**LOI**"), pursuant to which Nadicorp agreed to indemnify and keep the Epicon Group fully indemnified and harmless, *inter alia*, against all amounts owing by the Epicon Group to its creditors (save and except for amounts owing by TBSB) up to the completion date of the Company's regularisation plan, being 24 August 2023.

In light of the LOI, Epicon filed an application for leave to issue a third-party notice against Nadicorp for indemnity and/or contribution from Nadicorp in the event that Epicon is found liable to TCIE. The said application was allowed by the Court on 15 April 2026.

TCIE had filed an application for summary judgement against the Suit 718 Defendants ("**Summary Judgement Application**"), while the 1st to 5th Suit 718 Defendants and Epicon had separately filed applications to strike out the Suit 718 Writ and the Suit 718 SOC (collectively, the "**Strike-Out Applications**"). The Summary Judgement Application and the Strike-Out Applications were dismissed with no order as to costs on 6 May 2026.

On 16 June 2026, the Court directed that the question of the liability of Nadicorp to indemnify Epicon be tried at the trial.

As at the LPD, the matter has been fixed for trials on 22 February 2027 to 25 February 2027.

The solicitors acting for and on behalf of Epicon are of the view that Epicon has a strong position in resisting TCIE's claim, particularly on the basis that TCIE's claim, which is premised on the Settlement Agreement and the alleged default arising on 20 July 2016, is statute-barred pursuant to section 6(1)(a) of the Limitation Act 1953.

The Board is of the view that the suit is not expected to have any material financial or operational impact on the Epicon Group.

(c) Adjudication claim 1 by TBSB against Everprima Construction Sdn Bhd ("ECSB")

On 23 June 2025, TBSB served an adjudication claim pursuant to Section 9 of the Construction Industry Payment and Adjudication Act 2012 ("**CIPAA 2012**") against ECSB, claiming, among others, a sum of approximately RM6.98 million in respect of outstanding payments for construction works completed under a project in Melaka, which included the final progress claim and retention sum due to TBSB.

Pursuant to the adjudicator's decision dated 29 August 2025:

(i) ECSB shall pay TBSB the sum of RM5,646,576.63 on or before 17 September 2025, failing which an interest at the rate of 5% per annum would accrue on the said sum from 28 March 2025 until the date of full payment; and

(ii) ECSB shall pay TBSB the costs of RM91,102.00 on or before 17 September 2025, failing which an interest at the rate of 5% per annum would accrue on the said costs from 17 September 2025 until the date of full payment.

As at the LPD, TBSB and ECSB are in the midst of finalising the detailed terms and conditions of the settlement plan in respect of the sum awarded under the adjudicator's decision.

The Group has progressively recognised impairment provisions in accordance with its policies, and the net carrying amount of the receivable is expected to be broadly aligned with the settlement amount under negotiation by the end of 2026. Accordingly, any difference arising from the final settlement is not expected to have a material financial impact on the Group.

(d) Adjudication claim 2 by TBSB against ECSB

On 26 June 2025, TBSB served an adjudication claim pursuant to Section 9 of the CIPAA 2012 against ECSB, claiming, among others, a sum of approximately RM0.87 million in respect of outstanding payments for construction works completed under a project in Melaka, which included the final progress claim and retention sum due to TBSB.

Pursuant to the adjudicator's decision dated 24 September 2025:

(i) ECSB shall pay TBSB an adjudicated amount of RM345,741.88 on or before 7 October 2025;

(ii) ECSB shall pay TBSB interest on the adjudicated amount at the rate of 5% per annum on daily rests on the amount due, i.e. from 30 December 2024 on the sum of RM303,723.40, and from 10 January 2025 on the sum of RM42,018.48, until the date where full payment is made for each respective item; and

(iii) ECSB shall pay TBSB the costs of the adjudication proceedings amounting to RM73,684.59 on or before 7 October 2025.

As at the LPD, TBSB and ECSB are in the midst of finalising the detailed terms and conditions of the settlement plan in respect of the sum awarded under the adjudicator's decision.

The Group has progressively recognised impairment provisions in accordance with its policies, and the net carrying amount of the receivable is expected to be broadly aligned with the settlement amount under negotiation by the end of 2026. Accordingly, any difference arising from the final settlement is not expected to have a material financial impact on the Group.

12. MATERIAL CONTRACTS

Save as disclosed below, there are no material contracts (not being contracts entered in the ordinary course of business of the Group) that the Group has entered during the 2 years prior the announcement of the Proposals on 14 July 2026:

(i) the SSA;

(ii) the Subscription Agreements; and

(iii) the ELSB-NCT Noble JDA.

13. HISTORICAL PRICES

The monthly closing prices and highest and lowest daily transacted prices of Epicon Shares for the past 12 months before the date of this IAL are as set out below:

	Closing price (RM)	Highest (RM)	Lowest (RM)
2025			
November	0.115	0.135	0.110
December	0.125	0.135	0.110
2026			
January	0.120	0.130	0.110
February	0.145	0.190	0.110
March	0.140	0.155	0.110
April	0.135	0.150	0.130
May	0.125	0.140	0.115
June	0.130	0.145	0.120
July	0.220	0.240	0.125
August	0.210	0.235	0.200
September	0.195	0.210	0.175
October	0.180	0.195	0.175
Closing market price on the LTD			0.165
Closing market price on the LPD			0.185
Closing market price from 14 January 2026 up to the LPD:			
(i) Highest on 4 August 2026			0.230
(ii) Lowest on 15, 19 and 20 January 2026, and 3, 4, 5 and 9 February 2026			0.115

INFORMATION ON DOH PROPERTIES AND ITS PACS

1. HISTORY AND PRINCIPAL ACTIVITIES

Doh Properties was incorporated in Malaysia under the Companies Act 2016 on 16 January 2014 as a private limited company, and is deemed registered under the Act.

Doh Properties is principally engaged in the business of real estate agency and management and property investment.

2. SHARE CAPITAL

As at the LPD, the total issued share capital of Doh Properties is RM2,000,000 comprising 2,000,000 ordinary shares in Doh Properties.

As at the LPD, Doh Properties does not have any convertible securities.

3. SHAREHOLDERS

As at the LPD, the shareholders of Doh Properties as well as their respective direct and/or indirect interest in Doh Properties are as follows:

	Direct		Indirect	
Name	**No. of shares**	**(1) %**	**No. of shares**	**(1) %**
Dato' Jimmy	1,800,000	90.00	-	-
Dato' Marcus	200,000	10.00	-	-

Note:

(1) Computed based on the total number of issued shares of Doh Properties of 2,000,000 as at the LPD.

4. DIRECTORS

As at the LPD, the director of Doh Properties, who is a Malaysian, and his shareholdings in Doh Properties are as follows:

			Direct		Indirect	
Name	**Designation**	**Address**	**No. of Doh Properties shares**	**%**	**No. of Doh Properties shares**	**%**
Dato' Jimmy	Director	No. 170, Persiaran Setia 6, Setia Residen, Kampung Selamat, 32000 Sitiawan, Perak	1,800,000	90.00	-	-

5. SUBSIDIARY, ASSOCIATE COMPANY AND JOINT VENTURE

As at the LPD, Doh Properties does not have any subsidiary, associate company or joint ventures.

6. PROFIT AND DIVIDEND RECORD

The profit and dividend record of Doh Properties based on its audited financial statements for the FYE 31 December 2023, FYE 31 December 2024 and FYE 31 December 2025 are as follows:

	Audited		
	FYE 31 December 2023 (RM'000)	**FYE 31 December 2024 (RM'000)**	**FYE 31 December 2025 (RM'000)**
Revenue	2,985	3,055	3,459
PBT/(LBT)	15,063	(14,216)	(5,049)
PAT/(LAT)	15,062	(14,216)	(5,049)
Weighted average no. of shares outstanding ('000)	2,000	2,000	2,000
EPS (sen) [(1)]	753.10	(710.8)	(252.45)
Dividend per share (sen)	[(2)] -	[(2)] -	[(2)] -

Notes:

(1) Computed based on PAT/(LAT) divided by the weighted average number of shares in issue in Doh Properties for the respective financial year.

(2) No dividend has been paid or declared by the Company for the respective financial year.

There have been no material exceptional items being recorded by Doh Properties during the past 3 financial years up to the FYE 31 December 2025.

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7. STATEMENT OF ASSETS AND LIABILITIES

The statements of assets and liabilities of Doh Properties based on its audited financial statements as at FYE 31 December 2023, 31 FYE December 2024 and FYE 31 December 2025 are as follows:

	Audited		
	As at 31 December 2023 (RM'000)	**As at 31 December 2024 (RM'000)**	**As at 31 December 2025 (RM'000)**
Assets			
Non-current assets			
Property, plant and equipment	15	447	353
Investment properties	37,762	29,994	48,066
Investments in equity instruments	54,790	46,499	42,375
Other investment	2,000	2,000	2,000
Total non-current assets	**94,567**	**78,941**	**92,794**
Current assets			
Trade and other receivables	547	3,972	2,551
Tax recoverable	638	745	745
Cash and cash equivalents	1,076	977	2,805
Total current assets	**2,261**	**5,694**	**6,101**
TOTAL ASSETS	**96,827**	**84,634**	**98,895**
EQUITY AND LIABILITIES			
Equity			
Contributed share capital	2,000	2,000	2,000
Retained earnings	17,638	3,422	(1,627)
Total Equity	**19,638**	**5,422**	**373**
Liabilities			
Non-current liabilities			
Bank Borrowings (non-current)	32,091	20,173	28,015
Lease liabilities (non-current)	-	127	95
Total non-current liabilities	**32,091**	**20,299**	**28,110**
Current liabilities			
Trade and other payables	15,843	24,685	20,871
Amount owing to directors	7,576	21,095	40,137
Bank Borrowings	21,680	13,103	9,372
Lease liabilities	-	30	32
Total current liabilities	**45,099**	**58,913**	**70,412**
Total Liabilities	**77,190**	**79,212**	**98,522**
TOTAL EQUITY AND LIABILITIES	**96,827**	**84,634**	**98,895**

Note:

As at the LPD, there is no known material change in the financial position of Doh Properties subsequent to its latest audited financial statements for the FYE 31 December 2025.

8. ACCOUNTING POLICY

Doh Properties' audited financial statements for the past 3 financial years up to the FYE 31 December 2025 have been prepared in accordance with approved accounting standards and there was no audit qualification for Doh Properties' audited financial statements for the respective financial year.

There was no change in the accounting standards adopted by Doh Properties which would result in a material variation to the comparable figures for the past 3 financial years up to the FYE 31 December 2025.

9. INFORMATION ON THE PACS

As at the LPD, the PACs of Doh Properties in respect of Epicon and the details of their relationships are set out below:

Name	Nationality	Description of relationship
Dato' Jimmy	Malaysian	• Shareholder of Doh Properties who has 90% equity interest in Doh Properties. • Director of Doh Properties.
Dato' Marcus	Malaysian	• Brother of Dato' Jimmy. • Shareholder of Doh Properties who holds 10% equity interest in Doh Properties. • Shareholder of Epicon.
Dato' Doh NC	Malaysian	• Father of Dato' Jimmy and Dato' Marcus. • Shareholder of Epicon.
Datin Lee	Malaysian	• Mother of Dato' Jimmy and Dato' Marcus. • Shareholder of Epicon.
Datin Ding	Malaysian	• Sister-in-law of Dato' Jimmy and Dato' Marcus. • Shareholder of Epicon.

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INFORMATION ON LAGENDA AND ITS PACS

1. HISTORY AND PRINCIPAL ACTIVITIES

Lagenda was incorporated in Malaysia on 2 January 2001 under the Companies Act 1965 as a private limited company under the name of D.B.E. Gurney Resources Sdn Bhd and is deemed registered under the Act. On 6 February 2003, Lagenda was converted to a public limited company and assumed the name D.B.E Gurney Resource Berhad. Lagenda was listed on the Second Board of Bursa Securities on 11 February 2004 which now known as the Main Market of Bursa Securities. On 16 July 2020, Lagenda assumed the name Lagenda Properties Berhad.

Lagenda is an investment holding company and the principal activities of its subsidiaries are set out in Section 5 of this attachment.

2. SHARE CAPITAL

As at the LPD, the total issued share capital of Lagenda is RM636,005,552 comprising 831,802,881 ordinary shares (excluding 5,524,300 treasury shares).

As at the LPD, save for the outstanding 296,192,288 redeemable convertible preference shares (with tenure until 11 August 2028) and 44,550,000 options issued under the employee share option scheme expiring on 20 October 2026, Lagenda does not have any convertible securities in issue.

3. SUBSTANTIAL SHAREHOLDERS

As at the LPD, the substantial shareholders of Lagenda as well as their respective direct and/or indirect interest in Lagenda are as follows:

	Direct		Indirect	
Name	**No. of shares**	**(1) %**	**No. of shares**	**(1) %**
Lagenda Land Sdn. Bhd ("**LLSB**") (2)	446,990,428	53.74	-	-
Doh Capital Sdn. Bhd. (3)	37,571,208	4.52	-	-
Setia Awan Plantation Sdn. Bhd. ("**SAPSB**") (4)	-	-	(5) 37,571,208	4.52
Dato' Doh Jee Ming ("**Dato' Jimmy**")	10,500,800	1.26	(6) 488,461,636	58.72
Dato' Doh Tee Leong ("**Dato' Marcus**")	1,179,00	0.14	(6) 488,461,636	58.72
Dato' Doh Jee Chai	-	-	(5) 484,561,636	58.25

Notes:

(1) Computed based on the total number of issued shares of Lagenda of 831,802,881 (excluding 5,524,300 treasury shares) as at the LPD.

(2) As at the LPD, the shareholders of LLSB are Dato' Jimmy (80.00%), Dato' Doh Jee Chai (10.00%) and Dato' Marcus (10.00%).

(3) As at the LPD, the sole shareholder of Doh Capital Sdn Bhd is SAPSB (100.00%).

(4) As at the LPD, the shareholders of SAPSB are Dato' Jimmy (64.00%), Dato' Marcus (18.00%) and Dato' Doh Jee Chai (18.00%).

(5) Deemed interested by virtue of its shareholding in Doh Capital Sdn Bhd pursuant to Section 8(4) of the Act.

(6) Deemed interested by virtue of his shareholding in LLSB, Doh Properties and SAPSB, being the holding company of Doh Capital Sdn Bhd, pursuant to Section 8(4) of the Act. For information purposes, Doh Properties holds 3,900,000 ordinary shares in Lagenda as at the LPD.

(7) Deemed interested by virtue of his shareholding in LLSB and SAPSB, being a holding company of Doh Capital Sdn Bhd, pursuant to Section 8(4) of the Act.

4. DIRECTORS

As at the LPD, the directors of Lagenda (all are Malaysians) and their respective shareholdings in Lagenda are as follows:

Name	Designation	Address	Direct		Indirect	
			No. of Lagenda shares	(1) %	No. of Lagenda shares	(1) %
Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj. Ahmad Badaruddin (Retired)	Independent Non-Executive Chairman	Unit C-3-1, Uthant Residence, 28, Jalan Taman Uthant, Taman Uthant, 55000 Kuala Lumpur	-	-	-	-
Dato' Jimmy	Managing Director	No. 170, Persiaran Setia 6, Setia Residen, Kampung Selamat, 32000 Sitiawan, Perak	10,500,800	1.26	(2) 488,461,636	58.68
Chua Seng Hooi	Executive Director	28-18-7, Prima Midah Heights, Jalan Midah 8, Taman Midah, 56000 Kuala Lumpur	-	-	-	-
Dr. Lim Pang Kiam	Non-Independent Non-Executive Director	64, Jalan SS 22/27, Damansara Jaya, 47400 Petaling Jaya, Selangor	500,000	0.06	-	-
Looi Sze Shing	Independent Non-Executive Director	11, Jalan SS 25/17, 47301 Petaling Jaya, Selangor	-	-	-	-
Ts. Myrzela Binti Sabtu	Independent Non-Executive Director	5, Jalan Memanah 13/55G, Laman Seri, Seksyen 13, 40100 Shah Alam, Selangor	-	-	-	-
Tengku Faradiza Binti Tengku Baharuddin	Independent Non-Executive Director	473, Jalan B10, Taman Melawati, 53100 Kuala Lumpur	400	*	-	-
Datin Loa Bee Ha	Independent Non-Executive Director	No. 7, Jalan Wan Sendari 1, Taman Sri Endah, 57000 Kuala Lumpur	-	-	-	-

INFORMATION ON LAGENDA AND ITS PACS *(Cont'd)*

Notes:

* *Being less than 0.01%.*

(1) Computed based on the total number of issued shares of Lagenda of 832,442,981 (excluding treasury shares) as at the LPD.

(2) Deemed interested by virtue of his shareholding in LLSB, Doh Properties and SAPSB, being the holding company of Doh Capital Sdn Bhd, pursuant to Section 8(4) of the Act. For information purposes, Doh Properties holds 3,900,000 ordinary shares in Lagenda as at the LPD.

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5. SUBSIDIARY, ASSOCIATE COMPANY AND JOINT VENTURE

As at the LPD, the subsidiaries and associate company of Lagenda comprise the followings:

Name of company	Country of incorporation	Effective equity interest (%)	Principal activities
LPB Development Sdn. Bhd. ("**LPBD**")	Malaysia	100	Property development
LPBC	Malaysia	100	Construction of buildings
Blossom Eastland Sdn. Bhd. ("**BESB**")	Malaysia	100	Property development
RUSB	Malaysia	100	Construction of building, residential buildings and non-residential buildings
Lagenda Harta Sdn. Bhd.	Malaysia	100	Property development, management consultancy services and real estate leasing
Lagenda Management Solutions Sdn. Bhd. (formerly known as Lagenda Sentral Sdn. Bhd.)	Malaysia	100	Management consultancy services
Yik Wang Trading Sdn. Bhd. ("**YWT**")	Malaysia	100	Trading of building materials and hardware and to carry on the production, refining supplying and installation of steel and steel related products including but not limited to fabricating, casting, rolling and forging of steel
Lagenda International Sdn. Bhd. ("**LINTSB**")	Malaysia	100	Activities of holding companies
Lagenda Capital Berhad	Malaysia	100	Other financial services activities, except insurance/takaful and pension funding n.e.c.
Vivafirst Sdn. Bhd.	Malaysia	100	Property development, property investment and investment holding
Vivahub Sdn Bhd	Malaysia	100	Property development, property investment and investment holding
Lagenda Perth Pty Ltd.	Australia	100	Proprietary company
Sitiawan Bolts and Nuts Hardware Sdn. Bhd.	Malaysia	100	Wholesale of other construction materials, hardware, plumbing and heating equipment and supplies n.e.c., manufacture of ready-mix and dry-mix concrete and mortars
Taraf Nusantara Sdn. Bhd. ("**TNSB**")	Malaysia	100	Property development
Triprise Sdn. Bhd.	Malaysia	100	Property management and property development
Maxitanah Sdn. Bhd.	Malaysia	100	Properties and housing development
Opti Vega Sdn. Bhd.	Malaysia	100	Activities of holding companies and property development
Lagenda Tapah Sdn. Bhd.	Malaysia	100	Property development, residential buildings and non-residential buildings
Lagenda Mersing Sdn. Bhd.	Malaysia	100	Residential buildings, construction of buildings n.e.c. and activities of holding companies
BDB Lagenda Sdn. Bhd.	Malaysia	100	Property development

As at the LPD, the joint ventures of Lagenda comprise the followings:

Name of company	Country of incorporation	Effective equity interest (%)	Principal activities
Lagenda Inta Sdn Bhd	Malaysia	50	Construction of buildings n.e.c., other building completion and finishing work n.e.c. and other construction installation n.e.c.

As at the LPD, Lagenda does not have any associate company.

6. PROFIT AND DIVIDEND RECORD

The profit and dividend record of the Lagenda Group based on its audited consolidated financial statements for the FYE 31 December 2023, FYE 31 December 2024, FYE 31 December 2025 and unaudited consolidated financial statements for the 6M-FPE 30 June 2026 are as follows:

	Audited			Unaudited
	FYE 31 December 2023 (RM'000)	FYE 31 December 2024 (RM'000)	FYE 31 December 2025 (RM'000)	6M-FPE 30 June 2026 (RM'000)
Revenue	834,874	988,767	1,053,423	598,358
PBT	212,556	248,384	246,816	136,620
PAT:	**148,112**	**184,009**	**179,380**	**100,751**
Owners of the company	148,325	184,008	179,370	100,740
Non-controlling interests	(213)	1	10	11
Weighted average no. of shares outstanding ('000)	837,327	837,327	836,675	832,453
EPS (RM) (1)	0.18	0.22	0.21	0.12
Dividend per share (sen)	6.50	6.50	6.50	3.50

Note:

(1) Computed based on the PAT attributable to the owners of the company divided by the weighted average number of shares in issue in Lagenda for the respective financial year.

There have been no material exceptional items being recorded by the Lagenda Group during the past 3 financial years up to the FYE 31 December 2025 as well as up to the LPD.

7. STATEMENT OF ASSETS AND LIABILITIES

The statements of assets and liabilities of the Lagenda Group based on its audited consolidated financial statements as at the FYE 31 December 2023, FYE 31 December 2024, FYE 31 December 2025 and unaudited consolidated financial statements as at the M-FPE 30 June 2026 are as follows:

	Audited			Unaudited
	As at 31 December 2023 (RM'000)	**As at 31 December 2024 (RM'000)**	**As at 31 December 2025 (RM'000)**	**As at 30 June 2026 (RM'000)**
Assets				
Non-current assets				
Property, plant and equipment	41,934	50,680	45,557	45,369
Investment properties	73,321	108,664	116,387	118,989
Goodwill	25,576	25,576	25,576	25,576
Investments in joint ventures	2,883	1,870	3,871	3,649
Other investment	13,500	31,029	-	-
Inventories	529,985	605,072	808,491	776,528
Deferred tax assets	-	1,798	9,193	13,826
Other receivables	-	40	182	116
Total non-current assets	**687,199**	**824,729**	**1,009,257**	**984,053**
Current assets				
Inventories	700,881	811,637	929,809	949,020
Trade receivables	184,265	203,993	197,819	276,213
Other receivables	50,525	94,426	112,075	87,365
Contract assets	178,562	179,443	387,891	443,278
Tax recoverable	-	17,193	2,762	1,008
Cash and cash equivalents	321,466	316,558	226,413	264,121
Total current assets	**1,435,699**	**1,623,250**	**1,856,769**	**2,021,005**
TOTAL ASSETS	**2,122,898**	**2,447,979**	**2,866,026**	**3,005,058**
EQUITY AND LIABILITIES				
Equity				
Ordinary shares	333,171	333,171	333,171	333,171
Treasury shares	-	-	(5,984)	(6,197)
Redeemable convertible preference shares ("**RCPS**")	-	-	-	-
Other reserves	(16,829)	(26,382)	(35,899)	(40,382)
Retained earnings	785,507	914,811	1,039,783	1,111,388
Equity attributable to Owners of the Company	**1,101,849**	**1,221,600**	**1,331,071**	**1,397,980**
Non-controlling interests	(204)	75	85	96
Total Equity	**1,101,645**	**1,221,675**	**1,331,156**	**1,398,076**
Liabilities				
Non-current liabilities				
Redeemable convertible preference shares ("RCPS")	-	-	-	
Borrowings	111,978	76,376	223,995	211,910
Lease liabilities	4,466	8,478	7,342	7,641
Deferred tax liabilities	1,632	-	-	-
Trade payables	7,504	35,646	71,917	73,122
Other payables	-	1,285	2,046	2,087
Total non-current liabilities	**125,580**	**121,785**	**305,300**	**294,760**

	Audited			Unaudited
	As at 31 December 2023 (RM'000)	As at 31 December 2024 (RM'000)	As at 31 December 2025 (RM'000)	As at 30 June 2026 (RM'000)
Current liabilities				
Trade payables	559,488	184,259	107,516	119,058
Other payables	132,754	164,099	340,504	371,713
Contract liabilities	4,304	5,630	15,844	16,656
Borrowings	190,388	738,921	737,744	773,482
Lease liabilities	2,794	2,353	2,053	1,894
Tax payable	5,945	9,257	25,909	29,419
Total current liabilities	**895,673**	**1,104,519**	**1,229,570**	**1,312,222**
Total Liabilities	**1,021,253**	**1,226,304**	**1,534,870**	**1,606,982**
TOTAL EQUITY AND LIABILITIES	**2,122,898**	**2,447,979**	**2,866,026**	**3,005,058**

As at the LPD, there is no known material change in the financial position of the Lagenda Group subsequent to its latest audited consolidated financial statements for the FYE 31 December 2025.

8. ACCOUNTING POLICY

Lagenda Group's audited consolidated financial statements for the past 3 financial years up to the FYE 31 December 2025 as well as the latest unaudited consolidated financial statements for the 6M-FPE 30 June 2026 have been prepared in accordance with approved accounting standards and there was no audit qualification for the Lagenda Group's consolidated financial statements for the respective financial year or financial period.

There was no change in the accounting standards adopted by the Lagenda Group which would result in a material variation to the comparable figures for the audited consolidated financial statements for the past 3 financial years up to the FYE 31 December 2025 as well as the latest unaudited consolidated financial statements for the 6M-FPE 30 June 2026.

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9. INFORMATION ON THE PACS

As at the LPD, the PACs of Lagenda in respect of Epicon and the details of their relationships are set out below:

Name	Nationality	Description of relationship
Dato' Jimmy	Malaysian	• Shareholder of Lagenda who has 59.99% direct and indirect equity interest in Lagenda. • Director of Lagenda.
Dato' Marcus	Malaysian	• Brother of Dato' Jimmy. • Shareholder of Epicon.
Dato' Doh NC	Malaysian	• Father of Dato' Jimmy and Dato' Marcus. • Shareholder of Epicon.
Datin Lee	Malaysian	• Mother of Dato' Jimmy and Dato' Marcus. • Shareholder of Epicon.
Datin Ding	Malaysian	• Sister-in-law of Dato' Jimmy and Dato' Marcus. • Shareholder of Epicon.
Doh Properties	Malaysia	• Major shareholder of Epicon with 10.68% equity interest in Epicon. • A company in which Dato' Jimmy and Dato' Marcus are the shareholders, while Dato' Jimmy is the sole director of Doh Properties.
Hariza Binti Haron	Malaysian	• Sister-in-law of Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj. Ahmad Badaruddin, being a director of Lagenda. • Shareholder of Epicon.

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10. HISTORICAL PRICES

The monthly closing prices and highest and lowest daily transacted prices of ordinary shares in Lagenda for the past 12 months before the date of this IAL are as set out below:

	Closing price (RM)	Highest (RM)	Lowest (RM)
2025			
November	1.280	1.310	1.240
December	1.250	1.300	1.200
2026			
January	1.500	1.560	1.240
February	1.480	1.530	1.360
March	1.420	1.470	1.270
April	1.450	1.500	1.370
May	1.420	1.550	1.350
June	1.400	1.450	1.350
July	1.400	1.430	1.340
August	1.530	1.590	1.400
September	1.510	1.650	1.500
October	1.440	1.550	1.240
Closing market price on the LTD			1.400
Closing market price on the LPD			1.400
Closing market price from 14 January 2026 up to the LPD:			
(i) Highest on 3 September 2026, 7 September 2026 and 18 September 2026			1.630
(ii) Lowest on 9 March 2026			1.300

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FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

The Board has seen and approved the contents of this IAL. The Board, collectively and individually, accept full responsibility for the accuracy and completeness of the information contained in this IAL and confirms that, after making all reasonable enquiries, that to the best of knowledge and belief:

(i) no statement and/or information relating to the Epicon Group in this IAL is incomplete, false or misleading;

(ii) there are no other facts and/or information, the omission of which would make any statement or information relating to the Epicon Group in this IAL incomplete, false or misleading; and

(iii) all material facts and/or information in relation to the Proposals, including those required under the Rules, have been disclosed in this IAL.

Further, the responsibility of the Board in respect of:

(i) the information in relation to the Doh Properties, Lagenda and their PACs (as extracted from Part A of this Document and the appendices attached thereto) is to ensure that such information is accurately reproduced in this IAL; and

(ii) the independent advice and expression of opinion by TA Securities in relation to the Proposals as set out in this IAL, is to ensure that accurate information in relation to the Epicon Group was provided to TA Securities for its evaluation of the Proposals and that all information in relation to the Epicon Group that is relevant to TA Securities' evaluation of the Proposals has been accurately and completely disclosed to TA Securities and that there is no material fact, the omission of which would make any information provided to TA Securities false or misleading.

2. DISCLOSURE OF INTEREST AND DEALINGS IN SHARES

2.1 By Epicon

2.1.1 Disclosure of interests in Doh Properties

As at the LPD, Epicon does not have any interest, whether directly or indirectly, in any voting shares or convertible securities of Doh Properties.

2.1.2 Dealings in the securities of Doh Properties

Epicon has not dealt, directly or indirectly, in any voting shares and/or convertible securities of Doh Properties during the period beginning 6 months prior to the date of the announcement of the Proposals on 14 July 2026 ("**Announcement**") and up to the LPD.

2.1.3 Disclosure of interests in Lagenda

As at the LPD, Epicon does not have any interest, whether directly or indirectly, in any voting shares or convertible securities of Lagenda.

2.1.4 Dealings in the securities of Lagenda

Epicon has not dealt, directly or indirectly, in any voting shares and/or convertible securities of Lagenda during the period beginning 6 months prior to the date of the Announcement and up to the LPD.

2.1.5 Dealings in its own securities

Epicon has not dealt, directly or indirectly, in any voting shares and/or convertible securities of Epicon during the period beginning 6 months prior to the date of the Announcement and up to the LPD.

2.2 By directors of Epicon

2.2.1 Disclosure of interests in Epicon

As at the LPD, the directors of Epicon do not have any interest whether direct or indirect, in any voting shares or convertible securities of Epicon.

2.2.2 Dealings in the securities of Epicon

As at the LPD, the directors of Epicon have not dealt, directly or indirectly, in any voting shares and/or convertible securities of Epicon during the period beginning 6 months prior to the date of the Announcement and up to the LPD.

2.2.3 Disclosure of interests in Doh Properties

As at the LPD, the directors of Epicon do not have any interest whether direct or indirect, in any voting shares or convertible securities of Doh Properties.

2.2.4 Dealings in the securities of Doh Properties

As at the LPD, the directors of Epicon have not dealt, directly or indirectly, in any voting shares and/or convertible securities of Doh Properties during the period beginning 6 months prior to the date of the Announcement and up to the LPD.

2.2.5 Disclosure of interests in Lagenda

As at the LPD, the directors of Epicon do not have any interest whether direct or indirect, in any voting shares or convertible securities of Lagenda.

2.2.6 Dealings in the securities of Lagenda

As at the LPD, the director of Epicon has not dealt, directly or indirectly, in any voting shares and/or convertible securities of Lagenda during the period beginning 6 months prior to the date of the Announcement and up to the LPD.

2.3 By the persons with whom Epicon or any person acting in concert with it has any arrangement over Epicon Shares

As at the LPD, there is no person with whom Epicon or any person acting in concert with it has entered into any arrangement, including any arrangement involving rights over Epicon Shares, any indemnity arrangement, and any agreement or understanding, formal or informal of whatever nature, relating to Epicon Shares which may be an inducement to deal or to refrain from dealing.

2.4 By the persons with whom Epicon or any person acting in concert with it has borrowed or lent

As at the LPD, there are no persons with whom Epicon or any person acting in concert with it has borrowed or lent any voting shares or convertible securities of Epicon shares.

2.5 By Doh Properties and its PACs

2.5.1 Disclosure of interests in Epicon

Save as disclosed below, Doh Properties and its PACs do not have any interest whether direct or indirect, in any voting shares or convertible securities of Epicon as at the LPD:

	Direct		Indirect	
Name	**No. of Epicon Shares**	**(1) %**	**No. of Epicon Shares**	**(1) %**
Doh Properties	67,000,000	10.68	-	-
Dato' Jimmy	-	-	(2) 67,000,000	10.68
Dato' Marcus	10,212,700	1.63	-	-
Dato' Doh NC	1,600,000	0.25	-	-
Datin Lee	100,000	0.02	-	-
Datin Ding	20,000	*	-	-

Notes:

** Represents less than 0.01% of the total number of Epicon Shares in issue.*

(1) Computed based on the total number of issued shares of Epicon of 627,464,015 as at the LPD.

(2) Deemed interested by virtue of his interest in Doh Properties Sdn. Bhd. pursuant to Section 8(4) of the Act.

2.5.2 Dealings in the securities of Epicon

Doh Properties and its PACs have not dealt, directly or indirectly, in any voting shares and/or convertible securities of Epicon during the period beginning 6 months prior to the date of the Announcement.

2.6 By directors of Doh Properties

2.6.1. Disclosure of interests in Epicon

Save as disclosed below, the director of Doh Properties does not have any interest whether direct or indirect, in any voting shares or convertible securities of Epicon as at the LPD:

	Direct		Indirect	
Name	**No. of Epicon Shares**	**(1) %**	**No. of Epicon Shares**	**(1) %**
Dato' Jimmy	-	-	(2) 67,000,000	10.68

Notes:

(1) Computed based on the total number of issued shares of Epicon of 627,464,015 as at the LPD.

(2) Deemed interested by virtue of his interest in Doh Properties Sdn. Bhd. pursuant to Section 8(4) of the Act.

2.6.2. Dealings in the securities of Epicon

As at the LPD, the director of Doh Properties has not dealt, directly or indirectly, in any voting shares and/or convertible securities of Epicon during the period beginning 6 months prior to the date of the Announcement.

2.7 By the persons with whom Doh Properties or its PACs has any arrangement over Epicon Shares

As at the LPD, there is no person with whom Doh Properties or its PACs has entered into any arrangement, including any arrangement involving rights over Epicon Shares, any indemnity arrangement, and any agreement or understanding, formal or informal of whatever nature, relating to Epicon Shares which may be an inducement to deal or to refrain from dealing.

2.8 By the persons with whom Doh Properties or its PACs has borrowed or lent

As at the LPD, there are no persons with whom Doh Properties or its PACs has borrowed or lent any voting shares or convertible securities of Epicon shares.

2.9 By Lagenda and its PACs

2.9.1. Disclosure of interests in Epicon

Save as disclosed below, Lagenda and their PACs do not have any interest whether direct or indirect, in any voting shares or convertible securities of Epicon as at the LPD:

	Direct		Indirect	
Name	**No. of Epicon Shares**	**(1) %**	**No. of Epicon Shares**	**(1) %**
Doh Properties	67,000,000	10.68	-	-
Dato' Jimmy	-	-	(2) 67,000,000	10.68
Dato' Marcus	10,212,700	1.63	-	-
Dato' Doh NC	1,600,000	0.25	-	-
Datin Lee	100,000	0.02	-	-
Datin Ding	20,000	*	-	-
Hariza Binti Haron	16,100	*		

Notes:

* *Represents less than 0.01% of the total number of Epicon Shares in issue.*

(1) Computed based on the total number of issued shares of Epicon of 627,464,015 as at the LPD.

(2) Deemed interested by virtue of his interest in Doh Properties Sdn. Bhd. pursuant to Section 8(4) of the Act.

2.9.2. Dealings in the securities of Epicon

Lagenda and their PACs have not dealt, directly or indirectly, in any voting shares and/or convertible securities of Epicon during the period beginning 6 months prior to the date of the Announcement.

2.10 By directors of Lagenda

2.10.1 Disclosure of interests in Epicon

Save as disclosed below, the directors of Lagenda do not have any interest whether direct or indirect, in any voting shares or convertible securities of Epicon as at the LPD:

	Direct		Indirect	
Name	**No. of Epicon Shares**	**(1) %**	**No. of Epicon Shares**	**(1) %**
Dato' Jimmy	-	-	(2) 67,000,000	10.68

Notes:

(1) Computed based on the total number of issued shares of Epicon of 627,464,015 as at the LPD.

(2) Deemed interested by virtue of his interest in Doh Properties Sdn. Bhd. pursuant to Section 8(4) of the Act.

2.10.2 Dealings in the securities of Epicon

As at the LPD, the directors of Lagenda has not dealt, directly or indirectly, in any voting shares and/or convertible securities of Epicon during the period beginning 6 months prior to the date of the Announcement.

2.11 By the persons with whom Lagenda or its PACs has any arrangement over Epicon Shares

As at the LPD, there is no person with whom Lagenda or its PACs has entered into any arrangement, including any arrangement involving rights over Epicon Shares, any indemnity arrangement, and any agreement or understanding, formal or informal of whatever nature, relating to Epicon Shares which may be an inducement to deal or to refrain from dealing.

2.12 By the persons with whom Lagenda or its PACs has borrowed or lent

As at the LPD, there are no persons with whom Lagenda or its PACs has borrowed or lent any voting shares or convertible securities of Epicon shares.

2.13 By the persons with who have irrevocably committed themselves to vote in favour or against the Proposals

As at the LPD, there is no person who has irrevocably committed himself to vote in favour or against the Proposals.

2.14 By TA Securities and funds whose investments are managed by TA Securities on a discretionary basis ("Discretionary Funds")

2.14.1. Disclosure of interests in Epicon

TA Securities and its Discretionary Funds do not have any interest, whether direct or indirect, in any voting shares and/or convertible securities of Epicon as at the LPD.

2.14.2. Disclosure of dealings in Epicon shares

TA Securities and its Discretionary Funds has not dealt, directly or indirectly, in any voting shares and/or convertible securities of Epicon during the period beginning 6 months prior to the date of the Announcement and up to the LPD.

3. SERVICE CONTRACTS

As at the LPD, save as disclosed below, neither Epicon nor its subsidiaries has any service contracts with any of its directors or proposed directors, which have been entered into or amended within 6 months before the date of the Announcement, or which are fixed term contracts with more than 12 months to run:

(i) a service contract dated 5 February 2025 entered into between Concrete Empire Sdn Bhd ("**CESB**"), a 70%-owned subsidiary of Epicon, and Wong Hon Pun, being a director of CESB and its subsidiaries ("**CESB Group**"), pursuant to which Wong Hon Pun is appointed as the project manager in the operation division of the CESB Group for a term of 36 months, commencing from 5 February 2025 to 4 February 2028.

For the purpose of this section, the term "service contracts" excludes those which expire within 12 months from the date of this IAL or which may be determinable by the Epicon Group within such period without payment of compensation.

4. ARRANGEMENT AFFECTING DIRECTORS

As at the LPD, there is no:

(i) payment or other benefit which will be made or given to any director of Epicon as compensation for loss of office or otherwise in connection with the Proposals;

(ii) agreement or arrangement between any director of Epicon and any other person which is conditional on or dependent upon the outcome of the Proposals or otherwise connected with the outcome of the Proposals; and

(iii) material contract entered into by the Doh Properties, Lagenda and/or their PACs in which any director of Epicon has a material personal interest; and

(iv) agreements, arrangement or understanding between Doh Properties, Lagenda and their PACs with any of the directors or recent directors, holders of voting shares or voting rights or recent holders of voting shares or voting rights of Epicon having any connection with or dependence after the Proposals. For clarity purposes, voting in favour of the resolutions relating to the Proposals does not, in itself, constitute an agreement, arrangement or understanding.

5. FUTURE PLANS OF THE GROUP AND ITS EMPLOYEE

As at the LPD, Doh Properties, Lagenda and their respective PACs have confirmed that they do not intend to effect any major change to the following:

(i) the continuation of the business of the Group;

(ii) the business of the Group, including any plans to liquidate any of the companies within the Group, sell any material assets or re-deploy the fixed assets of the Group or make any other major change in the business of the Group; and

(iii) the continued employment of the employees of the Group;

except where such changes are in the ordinary course of the Group's business or are necessary to rationalised or improve the Group's operations and/or financial performance and is in the best interest of the Group.

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PART C

LETTER TO SHAREHOLDERS IN RELATION TO THE PROPOSED NEW SHAREHOLDERS' MANDATE

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	:	Companies Act 2016
AGM	:	Annual General Meeting
Audit and Risk Management Committee	:	Audit and Risk Management Committee of Epicon
Board	:	The Board of Directors of Epicon
Bursa Securities	:	Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
Circular	:	This circular to the shareholders of the Company in relation to the Proposals dated 16 November 2026
CMSA	:	Capital Markets and Services Act, 2007
Code	:	Malaysian Code on Take-Overs and Mergers, 2016
Consideration RCPS A	:	A total of 1,353,190,292 new RCPS A to be issued and allotted by Epicon to the Vendor at the Consideration RCPS A Issue Price pursuant to the Proposed Acquisitions as satisfaction of part of the Purchase Consideration
Consideration RCPS A Issue Price	:	The issue price of RM0.13 per Consideration RCPS A
Director(s)	:	The meaning given in Section 2(1) of the CMSA and for the purpose of the Proposed New Shareholders' Mandate, includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director or a chief executive officer of Epicon and/or its subsidiary or holding company
Datin Ding	:	Datin Ding Bee Sing, sister-in-law of Dato' Jimmy and Dato' Marcus
Datin Lee		Datin Lee Hong King, mother of Dato' Doh JC, Dato' Marcus and Dato' Jimmy
Dato' Jimmy	:	Dato' Doh Jee Ming, a Major Shareholder of Epicon, Lagenda and Doh Properties
Dato' Doh JC	:	Dato' Doh Jee Chai, brother of Dato' Jimmy
Dato' Doh NC	:	Dato' Doh Neng Chiong, father of Dato' Doh JC, Dato' Marcus and Dato' Jimmy
Dato' Marcus	:	Dato' Doh Tee Leong, brother of Dato' Jimmy
Doh Properties	:	Doh Properties Sdn. Bhd. [Registration No. 201401001661 (1077734-A)]
EGM	:	Extraordinary general meeting
Epicon or **Company**	:	Epicon Berhad [Registration No. 200301015160 (617580-T)]

Epicon Group or Group	:	Epicon and its subsidiaries
Epicon Share(s) or **Share(s)**	:	Ordinary share(s) in Epicon
FYE	:	Financial year ended/ending 31 December, as the case may be
LLSB	:	Lagenda Land Sdn. Bhd. [Registration No. 201501040633 (1165951-X)], Major Shareholder of Lagenda
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities, including any amendments that may be made from time to time
Lagenda or **Vendor**	:	Lagenda Properties Berhad [Registration No. 200101000008 (535763-A)], a public company listed on the Main Market of Bursa Securities
Lagenda Group	:	Lagenda and its subsidiaries
LPBC	:	LPB Construction Sdn. Bhd. [Registration No. 201801005998 (1268012-T)]
LPBC Share(s)	:	Ordinary share(s) in LPBC
LPD	:	22 October 2026, being the latest practicable date prior to the printing of this Circular
Major Shareholder	:	Pursuant to Paragraph 1.01 of the Listing Requirements, a person who has an interest or interests in one or more voting shares in the Company and the aggregate number of those shares, is: (a) 10% or more of the total number of voting shares in the Company; or (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company. For the purpose of this definition, "interest" shall have the meaning of "interest in shares" given in Section 8 of the Act. For the purposes of the Proposed New Shareholders' Mandate, includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a Major Shareholder of the Company or any other corporation which is its subsidiary or holding company.
MGO	:	Mandatory take-over offer
MGO 1 PACs	:	Collectively, Dato' Jimmy, Dato' Marcus, Dato' Doh NC, Datin Lee, and Datin Ding
MGO 2 PACs	:	Collectively, Dato' Jimmy, Dato' Marcus, Dato' Doh NC, Datin Lee, Datin Ding, Doh Properties and Hariza Binti Haron
NA	:	Net assets
Option Consideration	:	Up to RM362.11 million, being the maximum purchase consideration for the acquisition of the Remaining Sale Shares

Option Consideration RCPS A	:	Up to 1,392,714,200 new RCPS A to be issued and allotted by Epicon to the Vendor at the Option RCPS A Issue Price pursuant to the Proposed Call Option as satisfaction of part of the Option Consideration
PACs	:	Person(s) acting in concert with Doh Properties and Lagenda (as the case may be) pursuant to subsections 216(2) and/or 216(3) of the CMSA, the identity of which is set out in Sections 6.1.1 and 6.2.1, Part A of this Circular (as the case may be)
Person(s) Connected	:	In relation to a Director or a Major Shareholder (collectively referred to as the "said Person"), means such person who falls under any one of the following categories: (a) A family member of the said Person, which means such person who falls within any one of the following categories: (i) spouse; (ii) parent; (iii) child including an adopted child and step-child; (iv) brother or sister; and (v) spouse of the person referred to in items (iii) and (iv) above (b) A trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person or a family member of the said Person is the sole beneficiary; (c) A partner of the said Person, which means such person who falls within any one of the following categories: (i) a person with whom the said Person, is in or proposes to enter into partnership with. "Partnership" for this purpose refers to a "partnership" as defined in Section 3 of the Partnership Act 1961 or "limited liability partnership" as defined in Section 2 of the Limited Liability Partnerships Act 2012, as the case may be; or (ii) a person with whom the said Person has entered or proposes to enter into a joint venture, whether incorporated or not. (d) A person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person; (e) A person, or whether the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under obligation, whether formal or informal, to act; (f) A body corporate in which the said Person, or person connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or (g) A body corporate which is a related corporation of the said Person.

Placement Investors	:	Collectively, Binari Maju Sdn. Bhd., JMJ Mega Bina Sdn. Bhd., Teoh Wei Sheng and Matthew Kong Len Ern, all of which are not related to the existing Directors, Major Shareholders and/or chief executive of Epicon as well as persons connected with them
Placement Issue Price	:	The issue price of RM0.13 per Placement Share
Placement Shares	:	240,000,000 new Epicon Shares to be issued pursuant to the Proposed Private Placement
Proposed Acquisitions	:	Collectively, the Proposed RUSB Acquisition and the Proposed LPBC Acquisition
Proposed Amendments	:	Proposed amendments to the constitution of Epicon to facilitate the issuance and allotment of the Consideration RCPS A and the Option Consideration RCPS A
Proposed Call Option	:	Proposed call option for the acquisition of the Remaining Sale Shares, representing up to 40% equity interest in the Target Companies, by Epicon from the Vendor for the Option Consideration
Proposed Exemption 1	:	Proposed exemption under subparagraph 4.08(1)(c) of the Rules to be sought by Doh Properties and the MGO 1 PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them upon the RCPS Conversion, pursuant to subsection 218(2) of the CMSA read together with subparagraph 4.01(a) of the Rules
Proposed Exemption 2	:	Proposed exemption under subparagraph 4.08(1)(a) of the Rules to be sought by Lagenda and the MGO 2 PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them after the Proposed Acquisitions, pursuant to subsection 218(2) of the CMSA, read together with subparagraphs 4.01(a) and 4.01(b) of the Rules
Proposed LPBC Acquisition	:	Proposed acquisition of 450,000 LPBC Shares, at RM584.47 per LPBC Share, representing 60% equity interest in LPBC, by Epicon from the Vendor for a purchase consideration of RM263.01 million
Proposed New Shareholders' Mandate	:	Proposed new shareholders' mandate for Epicon Group (including RUSB and LPBC) to enter into the RRPT as set out in Part C of this Circular
Proposed Private Placement	:	Proposed private placement of 240,000,000 Placement Shares at the Placement Issue Price to the Placement Investors, in accordance with the terms and conditions of the Subscription Agreements
Proposed RUSB Acquisition	:	Proposed acquisition of 600,000 RUSB Shares, at RM466.91 per RUSB Share, representing 60% equity interest in RUSB, by Epicon from the Vendor for a purchase consideration of RM280.15 million
Recurrent Related Party Transaction(s) or **RRPT**	:	Related party transaction(s) which is/are recurrent, of a revenue and/or trading nature, which are necessary for the day-to-day operations of Epicon Group within the ordinary course of business of Epicon Group
Related Party(ies)	:	A Director, Major Shareholder and/or Person Connected with such Director or Major Shareholder; and "Related Parties" shall be construed accordingly

Remaining Sale Shares	:	Up to the remaining 400,000 RUSB Shares and 300,000 LPBC Shares held by the Vendor upon completion of the Proposed Acquisitions, representing up to 40% equity interest in the Target Companies
RM and sen	:	Ringgit Malaysia and sen, respectively
Rules	:	Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC
RUSB	:	Rantau Urusan (M) Sdn. Bhd. [Registration No. 200001016286 (518893-U)]
RUSB Share(s)	:	Ordinary share(s) in RUSB
SBNHSB	:	Sitiawan Bolts and Nuts Hardware Sdn. Bhd. [Registration No. 201601029967 (1200908-X)]
Shareholder(s)	:	Shareholder(s) of Epicon
SSA	:	Conditional share sale agreement between Epicon and the Vendor in respect of the Proposed Acquisitions and the Proposed Call Option dated 14 July 2026
Subscription Agreements	:	Collectively, the four (4) individual conditional subscription agreements, all dated 14 July 2026, between Epicon and the respective Placement Investors for the subscription by the Placement Investors of the Placement Shares at the Placement Issue Price, for an aggregate sum of RM31.20 million to be fully satisfied in cash
Target Companies	:	Collectively, RUSB and LPBC
YWTSB	:	Yik Wang Trading Sdn. Bhd. [Registration No. 200401010109 (648612-V)]

All references to “we”, “us”, “our” and “ourselves” are to Epicon or Epicon Group. All references to “you” in Part C of this Circular are to the shareholders of Epicon.

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference in Part C of this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in Part C of this Circular shall be a reference to Malaysian time, unless otherwise specified.

EPICON BERHAD

Registration No. 200301015160 (617580-T)
(Incorporated in Malaysia)

Registered Office:
Third Floor, No. 77, 79 & 81
Jalan SS 21/60
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan

16 November 2026

Board of Directors:

Datuk Kong Woon Jun (Independent Non-Executive Chairman)
Ahmed Azhar bin Abdullah (Independent Non-Executive Director)
Loh Pek Mee (Independent Non-Executive Director)
Fahariah binti Abdul Wahab (Independent Non-Executive Director)

To: Shareholders

Dear Sir/Madam,

PROPOSED NEW SHAREHOLDERS' MANDATE

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1. INTRODUCTION

On 14 July 2026, Maybank Investment Bank Berhad had, on behalf of the Board, announced, among others, the SSA, the Proposed Acquisitions, Proposed Call Option and Proposed Private Placement.

On 16 October 2026, the Board announced to Bursa Securities that the Company intends to seek the Shareholders' approval for the Proposed New Shareholders' Mandate at the forthcoming EGM.

The Proposed New Shareholders' Mandate is being sought in conjunction with the Proposed Acquisitions, whereby:

(i) Upon completion of the Proposed Acquisitions, Lagenda shall become a Major Shareholder of the Company, and LLSB shall become a Major Shareholder of the Company, by virtue of its direct shareholding in Lagenda pursuant to Section 8(4) of the Act;

(ii) Lagenda Group had, in the ordinary course of business, entered into transactions with the Target Companies; and

(iii) Upon completion of the Proposed Acquisitions, the Target Companies shall become 60%-owned subsidiaries of Epicon, and intend to continue to enter into transactions with Lagenda Group.

Further details of the Proposed New Shareholders' Mandate are set out in the ensuing sections of Part C of this Circular.

The purpose of Part C of this Circular is to provide you with relevant details and information pertaining to the Proposed New Shareholders' Mandate together with the Board's recommendation and to seek your approval for the ordinary resolution pertaining to the Proposed New Shareholders' Mandate to be tabled at the forthcoming EGM of the Company. The notice of EGM and Proxy Form are set out in this Circular.

SHAREHOLDERS OF EPICON ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF PART C OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED NEW SHAREHOLDERS' MANDATE AT THE FORTHCOMING EGM OF THE COMPANY.

2. DETAILS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

2.1 Details of the Proposed New Shareholders' Mandate

In the ordinary course of the Group's business, the Company anticipates that the Group would enter into certain RRPT with the Related Parties. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

Pursuant to Paragraph 10.09(2) and Practice Note 12 of the Listing Requirements, the Company may seek a shareholders' mandate in respect of RRPT of a revenue or trading nature which are necessary for its day-to-day operations subject to the following:

(a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public;

(b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value of the RRPT is equal to or more than the prescribed threshold prescribed in Paragraph 10.09(1) of the Listing Requirements;

(c) the issuance of a circular to shareholders for the shareholders' mandate, which includes the information as may be prescribed by Bursa Securities, together with a checklist showing compliance with such information when submitting the circular to Bursa Securities;

(d) in a meeting to obtain shareholders' mandate, the relevant Related Party must comply with the requirements set out in Paragraph 10.08(7) of the Listing Requirements; and

(e) the Company immediately announces to Bursa Securities when the actual value of a RRPT entered into by the Company, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

In this regard, the Board proposes to seek the shareholders' mandate for Epicon Group to enter into transactions with the Related Parties, details of which are set out in Section 2.3 of Part C of this Circular, which are necessary for the day-to-day operations of Epicon Group and are based on normal commercial terms that are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of Epicon.

If approved, the Proposed New Shareholders' Mandate shall be valid for the period described in Section 2.5 of Part C of this Circular.

2.2 Principal activities of Epicon Group

The Company is an investment holding company. As at the LPD, the principal activities of its subsidiaries are as follows:

Name of company	Effective interest (%)	Principal activities
Direct		
Epicon Construction Sdn. Bhd. (formerly known as Cityliner Sdn. Bhd.)	100.00	Construction works
Transnational Builder Sdn. Bhd.	100.00	Construction works
Epik Bina Sdn. Bhd.	100.00	Construction of buildings
Epicon Land Sdn. Bhd.	100.00	Investment property, property development and management services
Concrete Empire Sdn. Bhd.	70.00	Contractor of construction work and related services
Indirect (Subsidiaries of Concrete Empire Sdn. Bhd.)		
Concrete Empire Holdings Sdn. Bhd.	70.00	Construction works
CE Precast Sdn. Bhd.	70.00	Concrete casting and paving
Maha Mentari Sdn. Bhd.	70.00	Construction works
Indirect (Subsidiary of Concrete Empire Holdings Sdn. Bhd.)		
CE Mix Sdn. Bhd.	70.00	Selling ready mixed concrete and acting as sub-contractor for general construction

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2.3 Related Party and Nature of RRPT contemplated under the Proposed New Shareholders' Mandate

The RRPT that are contemplated under the Proposed New Shareholders' Mandate comply with Paragraph 10.09(2) of the Listing Requirements and the relevant provisions under items 3.1 and 3.2 of Practice Note 12 of the Listing Requirements.

The types of RRPT which will be covered by the Proposed New Shareholders' Mandate are transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Epicon Group and are on terms not more favourable to the Related Parties than those generally available to the public, as follows:

Interested Directors[1]/ Major Shareholders/ Persons Connected	**Related Parties**	**Principal Activities**	**Nature of RRPT**	**Estimated aggregate value[3] during validity period of the mandate[4] ("Estimated Value")** **(RM)**
Interested Major Shareholders Lagenda[2] LLSB[2] Doh Properties[5] Dato' Jimmy[6] **Interested Persons Connected** Dato' Doh NC[7] Datin Lee[8] Dato' Marcus[9] Dato' Doh JC[10] Datin Ding[11]	All existing subsidiaries / associates / newly incorporated subsidiaries under Lagenda that are engaged in property development	Property development	Provision of construction services, project management and construction related services by RUSB[12] and LPBC[12] to Related Parties	800,000,000
Interested Major Shareholders Lagenda[2] LLSB[2] Doh Properties[5] Dato' Jimmy[6] **Interested Persons Connected** Dato' Doh NC[7] Datin Lee[8]	YWTSB[13], SBNHSB[13] and all other potential subsidiaries / associates / newly incorporated subsidiaries under Lagenda that trade in construction materials / fittings / leasing of construction equipment	Trades in construction materials / fittings / leasing of construction equipment	Purchase of construction materials / fittings / leasing of construction equipment by RUSB[12] and LPBC[12] from Related Parties	110,000,000

Interested Directors[1]/ Major Shareholders/ Persons Connected	Related Parties	Principal Activities	Nature of RRPT	Estimated aggregate value[3] during validity period of the mandate[4] ("Estimated Value") (RM)
Dato' Marcus[9] Dato' Doh JC[10] Datin Ding[11]				
Interested Major Shareholders Lagenda[2] LLSB[2] Doh Properties[5] Dato' Jimmy[6] **Interested Persons Connected** Dato' Doh NC[7] Datin Lee[8] Dato' Marcus[9] Dato' Doh JC[10] Datin Ding[11]	Lagenda Group	Investment holding	Provision of management services[14] by Related Parties to RUSB[12] and LPBC[12]	10,000,000

Notes:

(1) As at LPD, there is no interested Director been identified.

(2) Upon completion of the Proposed Acquisitions, Lagenda shall become a Major Shareholder of the Company, and LLSB shall become a Major Shareholder of the Company by virtue of its direct shareholding in Lagenda, pursuant to Section 8(4) of the Act.

(3) The Estimated Values stated are determined by the Group's management. Actual transaction values may differ from the values stated.

(4) The validity period of the Proposed New Shareholders' Mandate is described in Section 2.5 of Part C of this Circular.

(5) Doh Properties is deemed interested in view that Dato' Jimmy, the Managing Director and Major Shareholder of Lagenda is also the Director and Major Shareholder of Doh Properties.

(6) Dato' Jimmy is the Managing Director and Major Shareholder of Lagenda. As at the LPD, Dato' Jimmy holds 10.68% indirect interest in Epicon, 1.25% direct interest and 58.34% indirect interest in Lagenda.

(7) As at the LPD, Dato' Doh NC, father of Dato' Jimmy, holds 0.25% direct interest in Epicon.

(8) As at the LPD, Datin Lee, mother of Dato' Jimmy, holds 0.02% direct interest in Epicon.

(9) As at the LPD, Dato' Marcus, brother of Dato' Jimmy, holds 1.63% direct interest in Epicon and holds 0.14% direct interest and 58.34% indirect interest in Lagenda.

(10) As at the LPD, Dato' Doh JC, brother of Dato' Jimmy, holds 57.87% indirect interest in Lagenda.

(11) *As at the LPD, Datin Ding, sister-in-law of Dato' Jimmy, holds 0.003% direct interest in Epicon.*

(12) *Upon completion of the Proposed Acquisitions, RUSB and LPBC shall become 60%-owned subsidiaries of the Company.*

(13) *Subsidiaries of Lagenda.*

(14) *Including but not limited to the provision of management services in relation to administrative management, accounting, finance and tax reporting, human resources, information technology, company secretarial, contract management, legal, procurement and internal control and compliance to be provided by Lagenda Group during the profit guarantee period upon completion of the Proposed Acquisitions.*

2.4 Basis of estimates

The Estimated Value in respect of each transaction referred to in Section 2.3 of Part C of this Circular above is based on the prevailing prices obtained from the Related Parties which are reasonable market-competitive prices and are derived based on the normal level of transactions to be entered into by the Group for the period up to the conclusion of the next AGM. The Estimated Value is further based on the assumptions that the current level of operations will continue and all external conditions remain constant. Due to the nature of the transactions, the actual value of transactions may vary from the Estimated Value disclosed above in Section 2.3 of Part C of this Circular.

2.5 Validity period of the Proposed New Shareholders' Mandate

The authority from the shareholders of Epicon to undertake the Proposed New Shareholders' Mandate, if granted, shall be effective upon the passing of the ordinary resolution for the Proposed New Shareholders' Mandate at the forthcoming EGM and shall continue to be in force until:

(i) the conclusion of the next AGM of Epicon following the general meeting at which the ordinary resolution for the Proposed New Shareholders' Mandate was passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at that AGM; or

(ii) the expiration of the period within which the next AGM after that date it is required by law to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is the earliest.

2.6 Review procedures for the RRPT

Epicon has internal control systems to ensure that the RRPT are undertaken on an arm's length basis and on normal commercial terms consistent with the Company's usual business practices and policies, which are no more favourable to the related parties than those extended to third parties/public and are not detrimental to the interest of the minority shareholders. The management of Epicon will ensure that the RRPT with related parties will only be transacted at the prevailing market rates/prices for the services or products on the usual commercial terms, or otherwise in accordance with applicable industry norms, after taking into account the pricing, the level of services, quality of products and other related factors.

The following methods and procedures have been implemented by Epicon Group to ensure proper identification and reporting of RRPT and to ensure that RRPT contemplated under the Proposed New Shareholders' Mandate are undertaken on transaction prices and terms not more favourable to the Related Party than those generally available to the public and are not to the detriment of the minority shareholders:

(i) Any tender, quotation or contract received from or proposed to be entered with a Related Party will be reviewed by the senior management who will ascertain if it is an approved RRPT. Such tender, quotation or contract will not be approved unless the terms offered to the Group are comparable with those offered by other unrelated parties for the same or substantially similar type of transactions. The transactions with a Related Party will only be entered into after taking into account the pricing, quality, deliverables, level of service and other related facts including competitors' prices of similar products and services in the open market;

(ii) All transactions entered into pursuant to the Proposed New Shareholders' Mandate will be tabled to the Audit and Risk Management Committee for review on a quarterly basis. In its review of such transactions, the Audit and Risk Management Committee may, as it deems fit, request for additional information pertaining to the transactions from independent sources;

(iii) Records will be maintained by the Company to capture all RRPT entered into pursuant to the Proposed New Shareholders' Mandate to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to;

(iv) The Audit and Risk Management Committee has and shall continuously review the adequacy and appropriateness of the procedures, as and when required, with the authority to sub-delegate to individuals or committees within the Company as they deem appropriate;

(v) The pricing for services and products to be provided/supplied and/or received is determined based on the Group's business practices and policies to ensure that prices and terms and conditions are based on competitive prices of similar products and services in the open market;

(vi) Where practicable and/or feasible, at least two (2) other contemporaneous transactions with unrelated third parties for substantially similar products or services and/or quantities will be used as a comparison to determine whether the price and terms offered to/by the Related Party are fair and reasonable and comparable to those offered to/by other unrelated third parties, for the same or substantially similar type of products/services and/or quantities;

(vii) In the event that quotations or comparative pricing from unrelated third parties cannot be obtained for the proposed transactions, the Audit and Risk Management Committee shall review the transaction price based on the usual business practices of the Group to ensure that the RRPT are not detrimental to the Company and the Group;

(viii) Where any Director or person connected to him or the Audit and Risk Management Committee has an interest (direct or indirect) in any RRPT, he will abstain from deliberation and voting on any matter relating to any decision making by the Board or the Audit and Risk Management Committee in respect of such transactions; and

(ix) The said interested Director shall undertake that he will ensure that persons connected with him abstain from voting on the resolution deliberating or approving the RRPT at a general meeting.

2.7 Threshold for approval of RRPT

The RRPT which is below RM1.0 million in value for each transaction is subject to the approval of any one of the Executive Directors or if the Executive Director is an interested Director, the Group Chief Executive Officer of the Company. In the absence of an Executive Director or if the Group Chief Executive Officer is interested in the RRPT, the said RRPT is subject to the approval of the Audit and Risk Management Committee and the Board.

The RRPT which is RM1.0 million and above or 1% of any percentage ratios shall be reviewed and approved by the Audit and Risk Management Committee and the Board before the transaction is entered into.

2.8 Statement by the Audit and Risk Management Committee

The procedures and processes of RRPT as set out in the sections above are and will be reviewed annually. The Audit and Risk Management Committee is of the view that the Group has in place adequate procedures and processes to monitor, track and identify the RRPT in a timely and orderly manner.

The Audit and Risk Management Committee has also reviewed the RRPT and is of the opinion that the review procedures in Section 2.6 of Part C of this Circular are sufficient to ensure that RRPT will be carried out at arm's length and on commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

2.9 Disclosure in the annual report

Disclosure will be made in the Company's annual report on the breakdown of the aggregate value of the RRPT made during the financial year, amongst others, based on the following information:

(i) the type of the RRPT made; and

(ii) the names of the Related Parties involved in each type of RRPT made and their relationship with the Company.

3. RATIONALE FOR AND BENEFITS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

The rationale for and benefits of the Proposed New Shareholders' Mandate to the Group are as follows:

(i) the Proposed New Shareholders' Mandate will empower the Group to enter into transactions with the Related Parties which are necessary for the day-to-day operations of the Group, undertaken at arm's length, normal commercial terms, are not more favourable to the Related Parties than those generally made available to the public and are not detrimental to the minority shareholders;

(ii) the Proposed New Shareholders' Mandate will eliminate the need for the convening of general meetings on an ad hoc basis and hence will reduce substantially the administrative time, inconvenience, and expenses associated therewith;

(iii) the RRPT entered into by the Group are intended to meet business needs at the best possible terms and to allow the Group to tap into the expertise of the Related Parties which will be of benefit to all the companies within the Group; and

(iv) the benefits of transacting with Related Parties are that their experience and expertise in property development and construction business enabled the Group to ride on their existing resources and immediately kick start the Group's property development and construction business, hence providing returns to maximise shareholders' value.

4. EFFECTS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

The Proposed New Shareholders' Mandate is not expected to have any material effect on the issued share capital, substantial shareholders' shareholdings, NA and gearing of the Group.

5. APPROVAL REQUIRED

The Proposed New Shareholders' Mandate is subject to the approval of Epicon's shareholders to be obtained at the forthcoming EGM of the Company.

The Proposed New Shareholders' Mandate is conditional upon the Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement, the Proposed Amendments, the Proposed Exemption 1 and the Proposed Exemption 2, but not vice versa.

6. AMOUNT OWING BY THE RELATED PARTIES PURSUANT TO RRPT

As at LPD, there is no amount due and owing to Epicon Group by the Related Parties pursuant to the RRPT which has exceeded the credit term.

7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

As at LPD, there is no interested Director been identified, the direct and deemed interests of the interested Major Shareholders and/or Persons Connected with interested Major Shareholders of Epicon, in the Proposed New Shareholders' Mandate are as follows:

	Direct		Indirect	
Name	**No. of Shares**	**%(1)**	**No. of Shares**	**%(1)**
Interested Major Shareholders				
Lagenda	-	-	-	-
LLSB	-	-	-	-
Doh Properties	67,000,000	10.68	-	-
Dato' Jimmy	-	-	67,000,000(2)	10.68
Interested Persons Connected				
Dato' Doh NC	1,600,000	0.25	-	-
Dato' Marcus	10,212,700	1.63		
Dato' Doh JC	-	-	-	-
Datin Lee	100,000	0.02	-	-
Datin Ding	20,000	(3)	-	-

Notes:

(1) Based on the total number of issued shares of the Company as at the LPD of 627,464,015 Shares.

(2) Deemed interested by virtue of his shareholding in Doh Properties pursuant to Section 8(4) of the Act.

(3) Represents less than 0.01% of the total number of Epicon Shares in issue.

The interested Major Shareholders and interested Persons Connected will abstain from deliberation and voting in respect of their direct and indirect shareholdings on the resolution deliberating or approving the Proposed New Shareholders' Mandate at the forthcoming EGM of the Company. Further, the interested Major Shareholders have undertaken to ensure that all persons connected with them will abstain from deliberation and voting in respect of their direct and/or indirect shareholdings on the resolution deliberating or approving the Proposed New Shareholders' Mandate at the forthcoming EGM of the Company.

For information purposes, as at the LPD, Lagenda and LLSB do not hold any direct and indirect shareholdings in Epicon. Upon completion of the Proposed Acquisitions and Proposed Private Placement, the direct and deemed interests of the interested Major Shareholders and/or Persons Connected with interested Major Shareholders of Epicon, in the Proposed New Shareholders' Mandate are as follows:

Name	Direct		Indirect	
	No. of Shares	%(1)	No. of Shares	%(1)
Interested Major Shareholders				
Lagenda	1,857,142,857	62.79	-	-
LLSB	-	-	1,857,142,857(2)	62.79
Doh Properties	300,000,000	10.14	-	-
Dato' Jimmy	-	-	2,157,142,857(3)	72.94
Interested Persons Connected				
Dato' Doh NC	1,600,000	0.05	-	-
Dato' Marcus	10,212,700	0.35		
Dato' Doh JC	-	-	-	-
Datin Lee	100,000	(4)	-	-
Datin Ding	20,000	(4)	-	-

Notes:

(1) Based on the enlarged issued Shares after the Proposed Acquisitions and the Proposed Private Placement of 2,957,606,872 Epicon Shares pursuant to the issuance of 1,857,142,857 Consideration Shares.

(2) Deemed interested by virtue of its direct shareholding in Lagenda pursuant to Section 8(4) of the Act.

(3) Deemed interested by virtue of his shareholding in Doh Properties pursuant to Section 8(4) of the Act.

(4) Represents less than 0.01%.

8. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposed New Shareholders' Mandate, is of the opinion that the Proposed New Shareholders' Mandate is in the best interest of the Group.

Accordingly, the Board recommends that you **vote in favour** of the ordinary resolution pertaining to the Proposed New Shareholders' Mandate to be tabled at the forthcoming EGM of the Company.

9. EGM

The Notice of the EGM together with the Proxy Form, Administrative Notes and this Circular are available at the Company's website at https://www.epicon.com.my/. The EGM of the Company will be held for the purpose of considering and, if thought fit, passing, inter alia, with or without modifications, the resolution to give effect to the Proposed New Shareholders' Mandate.

If you are unable to participate in the EGM and wish to appoint proxy(ies) instead, the appointment of proxy(ies) must be deposited to the Share Registrar of the Company situated at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or by electronically through the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com, not less than forty-eight (48) hours before the time for holding the Meeting.

The last date and time for lodging the Proxy Form	:	Sunday, 6 December 2026 at 10:00 a.m.
Day, date and time of the EGM	:	Tuesday, 8 December 2026 at 10:00 a.m. or at any adjournment thereof
Venue	:	Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The lodging of Proxy Form does not preclude you from attending and voting in person should you subsequently decide to do so.

10. FURTHER INFORMATION

Shareholders are advised to refer to the attached Appendix XIII of this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
EPICON BERHAD

DATUK KONG WOON JUN
Independent Non-Executive Chairman

1. RUSB

1.1 Background information

RUSB was incorporated in Malaysia on 4 July 2000 as a private limited company under the Companies Act 1965 and is deemed registered under the Act.

It began its business operations under the Lagenda Group in August 2020 and is principally engaged in building construction. RUSB's existing order book mainly comprises of construction contracts awarded by the Lagenda Group for its development projects. For information purposes, RUSB operates solely in Malaysia in which RUSB's revenue was generated entirely in Malaysia for the past three (3) financial years. The raw materials for RUSB's construction business are principally sourced from local suppliers.

1.2 Share capital

The existing issued and fully paid-up share capital of RUSB as at the LPD is RM1,000,000 comprising 1,000,000 RUSB Shares.

1.3 Directors and shareholder

As at the LPD, the directors and shareholder of RUSB as well as their respective shareholding in RUSB are as follows:

Name	Nationality / Place of incorporation	Relationship	No. of RUSB Shares	%
Lagenda	Malaysia	Shareholder	1,000,000	100.00
Lau Kok Lian	Malaysian	Director	-	-
Alfiyan Bin Mohd Yunus	Malaysian	Director	-	-
		Total	**1,000,000**	**100.00**

1.4 Subsidiary and associated company

As at the LPD, RUSB does not have any subsidiary or associated company.

1.5 Material contracts, contingent liabilities and material commitment

1.5.1 Material contracts

As at the LPD, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by RUSB during the past 2 years immediately preceding the date of this Circular.

1.5.2 Contingent liabilities

As at the LPD, the directors of RUSB confirm that there are no contingent liabilities incurred or known to be incurred, which upon being enforceable, may have an impact on RUSB's profits or NA.

1.5.3 Material commitment

As at the LPD, the directors of RUSB confirm that there are no material commitments incurred or known to be incurred, which upon becoming enforceable, may have an impact on RUSB's profits or NA.

1.6 Audit qualification and accounting policies

For the past 3 FYEs 2023, 2024 and 2025 under review:

(a) there were no exceptional or extraordinary items;

(b) there were no accounting policies adopted by RUSB which are peculiar to RUSB due to the nature of its business or the industry in which it is involved in; and

(c) RUSB's external auditors had not issued any audit qualification on its financial statements.

1.7 Material litigation

As at the LPD, RUSB is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the directors of RUSB are not aware of any proceedings pending or threatened, against RUSB or of any factors likely to give rise to any proceedings, which might materially or adversely affect the business or financial position of RUSB.

1.8 On-going projects

As at the LPD, RUSB's on-going projects, for which it acts as the main contractor, are as follows:

No.	Project name	Description of the project	Customer name	Date of award	Start date / Expected completion date	Contract value (RM million)	Percentage of completion as at the LPD	Outstanding order book as at the LPD (RM million)
1.	Bandar Baru Setia Awan Perdana ("**BBSAP**")	The execution and completion of earthwork, building and internal infrastructure work for a residential township development in Perak.	Taraf Nusantara Sdn Bhd	7 June 2022	June 2022 / November 2028	98.56	72%	27.60
2.	BBSAP - other building	The execution and completion of site clearance, road access, building and infrastructure work for a commercial development in Perak.	Lagenda Harta Sdn Bhd	2 May 2024	May 2024 / March 2027	12.93	58%	5.40
3.	Kedah 855	The execution and completion of earthwork for several phases of residential township development in Kedah.	Blossom Eastland Sdn Bhd	20 April 2026	May 2026 / October 2029	268.70	3%	261.70
4.	La Lumiere	The execution and completion of site clearing, earthwork, piling and building work for several phases of a mixed-use development in Johor.	Lagenda Mersing Sdn Bhd	7 April 2025	April 2025 / July 2028	309.77	41%	182.95
5.	Lagenda Ardea	The execution and completion of site clearing, earthwork, major and internal infrastructure, piling and building work for several phases of residential township development in Selangor.	Blossom Eastland Sdn Bhd	8 April 2024	October 2024 / September 2028	288.44	71%	83.88

No.	Project name	Description of the project	Customer name	Date of award	Start date / Expected completion date	Contract value (RM million)	Percentage of completion as at the LPD	Outstanding order book as at the LPD (RM million)
6.	Lagenda Teluk Intan	The execution and completion of site clearing, earthwork, piling, internal and major infrastructure work for several phases of residential township development in Perak.	Taraf Nusantara Sdn Bhd	17 September 2019	September 2019 / August 2028	245.72	34%	161.34
7.	Setia Residen	The execution and completion of site clearing, earthwork, building and internal infrastructure work for a residential township development in Perak.	Blossom Eastland Sdn Bhd	26 January 2026	February 2026 / January 2028	19.75	19%	15.95
8.	Lagenda Damai	The execution and completion of site clearing, earthwork, piling and building work, internal and major infrastructure work for a residential township development in Perak.	LPB Development Sdn Bhd	30 June 2025	July 2025 / October 2028	172.61	22%	134.40
					Total	**1,416.48**		**873.22**

For information purposes, RUSB's on-going projects were awarded by subsidiaries of Lagenda, which in turn is the holding company of RUSB.

As at the LPD, none of RUSB's ongoing projects has experienced any material delay and all projects are progressing in accordance with their respective project schedules.

1.9 Completed projects

For the past 5 financial years up to the LPD, RUSB's major completed projects are as follows:

No.	Project name	Description of the project	Customer name	Date of award	Start date / Completion date	Contract value (RM million)
1.	Bemban Permai	The execution and completion of piling and building work, internal and major infrastructure work for a residential township development in Perak.	Taraf Nusantara Sdn Bhd	1 November 2020	November 2020 / February 2023	27.94
2.	BBSAP	The execution and completion of building and internal infrastructure work for several phases of residential township development in Perak.	Taraf Nusantara Sdn Bhd	9 March 2018	April 2018 / September 2026	686.06
3.	BBSAP – other building	The execution and completion of site clearing, earthwork, building and internal infrastructure for the commercial and recreational amenities in Perak.	Lagenda Harta Sdn Bhd	8 August 2019	August 2019 / June 2026	9.89
4.	Taman Mulia	The execution and completion of building and internal infrastructure work for several phases of residential township development in Perak.	Blossom Eastland Sdn Bhd	15 March 2021	April 2021 / March 2024	25.73
5.	Taman Perwira Jaya	The execution and completion of building work, internal and major infrastructure work for a residential township development in Perak.	Opti Vega Sdn Bhd	6 September 2021	October 2021 / September 2024	59.08
6.	Lagenda Tropika	The execution and completion of building work, internal and major infrastructure work for a residential township development in Perak.	Taraf Nusantara Sdn Bhd	28 December 2021	January 2022 / July 2025	202.84
7.	Lagenda Aman	The execution and completion of site clearing, earthwork, building work, major and internal infrastructure for a residential township development in Perak.	Lagenda Tapah Sdn Bhd	10 November 2021	November 2021 / January 2026	179.45
8.	Lagenda Ardea	The execution and completion of site clearing, earthwork and piling work for a residential township development in Selangor.	Blossom Eastland Sdn Bhd	8 April 2024	April 2024 / October 2026	18.14
9.	Lagenda Teluk Intan	The execution and completion of building and internal infrastructure work for several phases of a residential township development in Perak.	Taraf Nusantara Sdn Bhd	25 March 2019	May 2019 / January 2026	569.41
					Total	**1,778.54**

For information purposes, RUSB's completed projects were awarded by subsidiaries of Lagenda, which in turn is the holding company of RUSB.

2. LPBC

2.1 Background information

LPBC was incorporated under the name of D Construction Sdn Bhd in Malaysia on 12 February 2018 as a private limited company under the Act. On 9 October 2020, it assumed its present name, LPB Construction Sdn Bhd.

It began its business operations in July 2022 and is principally engaged in construction of buildings and houses. LPBC's existing order book mainly comprises of construction contracts awarded by the Lagenda Group for its development projects. For information purposes, LPBC operates solely in Malaysia in which LPBC's revenue was generated entirely in Malaysia for the past three (3) financial years. The main raw materials for LPBC's construction business are principally sourced from local suppliers.

2.2 Share capital

The existing issued and fully paid-up share capital of LPBC as at the LPD is RM750,000 comprising 750,000 LPBC Shares.

2.3 Directors and shareholder

As at the LPD, the directors and shareholder of LPBC as well as their respective shareholding in LPBC are as follows:

Name	Nationality / Place of incorporation	Relationship	No. of LPBC Shares	%
Lagenda	Malaysia	Shareholder	750,000	100.00
Lau Kok Lian	Malaysian	Director	-	-
Alfiyan Bin Mohd Yunus	Malaysian	Director	-	-
		Total	**750,000**	**100.00**

2.4 Subsidiary and associated company

As at the LPD, LPBC does not have any subsidiary or associated company.

2.5 Material contracts, contingent liabilities and material commitment

2.5.1 Material contracts

As at the LPD, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by LPBC during the past 2 years immediately preceding the date of this Circular.

2.5.2 Contingent liabilities

As at the LPD, the directors of LPBC confirm that there are no contingent liabilities incurred or known to be incurred, which upon being enforceable, may have an impact on LPBC's profits or NA.

2.5.3 Material commitment

As at the LPD, the directors of LPBC confirm that there are no material commitments incurred or known to be incurred, which upon becoming enforceable, may have an impact on LPBC's profits or NA.

2.6 Audit qualification and accounting policies

For the past 3 FYEs 2023, 2024 and 2025 under review:

(a) there were no exceptional or extraordinary items;

(b) there were no accounting policies adopted by LPBC which are peculiar to LPBC due to the nature of its business or the industry in which it is involved in; and

(c) LPBC's external auditors had not issued any audit qualification on its financial statements.

2.7 Material litigation

As at the LPD, LPBC is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the directors of LPBC are not aware of any proceedings pending or threatened, against LPBC or of any factors likely to give rise to any proceedings, which might materially or adversely affect the business or financial position of LPBC.

2.8 On-going projects

As at the LPD, LPBC's on-going projects, for which it acts as the main contractor, are as follows:

No.	Project name	Description of the project	Customer name	Date of award	Start date / Expected completion date	Contract value	Percentage of completion as at the LPD	Outstanding order book as at the LPD
						(RM million)		(RM million)
1.	Darulaman Lagenda	The execution and completion of civil and structural, including main and internal infrastructure for several phases of township development in Kedah.	BDB Lagenda Sdn Bhd	21 August 2023	November 2023 / October 2026	140.83	99%	0.19
2.	Puncak Warisan	The execution and completion of civil, structural and earthworks, including internal infrastructure for several phases of township development in Johor.	Opti Vega Sdn Bhd	28 August 2024	September 2024 / August 2028	185.30	51%	91.33
3.	La' Indera	The execution and completion of civil, structural and earthworks, including main and internal infrastructure for several phases of township development in Pahang.	LPB Development Sdn Bhd	14 October 2024	October 2024 / October 2029	491.16	23%	372.19
4.	Lagenda Suria	The execution and completion of civil, structural and earthworks, including main and internal infrastructure for several phases of township development in Johor.	Lagenda Mersing Sdn Bhd	26 February 2024	March 2024 / December 2028	246.23	44%	138.39
5.	Senawang	The execution and completion of site clearing works for a township development in Senawang.	Vivafirst Sdn Bhd	15 August 2026	August 2026/ August 2027	2.72	0%	2.72
					Total	**1,066.24**		**604.82**

For information purposes, LPBC's on-going projects were awarded by subsidiaries of Lagenda, which in turn is the holding company of LPBC.

As at the LPD, none of LPBC's ongoing projects has experienced any material delay and all projects are progressing in accordance with their respective project schedules.

2.9 Completed projects

Since commencement of its business operation up to the LPD, LPBC's major completed projects are as follows:

No.	Project name	Description of the project	Customer name	Date of award	Start date / Completion date	Contract value (RM million)
1.	Darulaman Lagenda	The execution and completion of civil, structural and earthwork including internal infrastructure for several phases of township development in Kedah.	BDB Lagenda Sdn Bhd	30 June 2022	July 2022 / September 2025	133.66
2.	Puncak Warisan	The execution and completion of foundation work for phase 3 of township development in Johor.	Optivega Sdn Bhd	10 March 2024	March 2024 / October 2026	16.17
3.	Lagenda Suria	The execution and completion of civil, structural and earthworks, including infrastructure for phase 1 of township development in Johor.	Lagenda Mersing Sdn Bhd	31 March 2023	April 2023 / October 2026	95.85
					Total	**245.68**

For information purposes, LPBC's completed projects were awarded by subsidiaries of Lagenda, which in turn is the holding company of LPBC.

3. Assets owned

Based on the accountants' report of the Target Companies for the FYEs 2023 to 2025, the combined total assets of the Target Companies for FYE 2025 stood at RM469,265,248, which comprises the following:

Types of assets	**RM**
Non-current assets	
Property, plant and equipment	841,396
Investment properties	3,060,000
Other receivables	22,600
Subtotal	**3,923,996**
Current assets	
Trade receivables	
(i) Trade receivables (Note A)	156,071,048
(ii) Retention sum	43,004,408
	199,075,456
Other receivables	157,444,204
Contract assets	57,693,194
Tax recoverable	685,716
Cash and cash equivalents	50,442,682
Subtotal	**465,341,252**
Total assets	**469,265,248**

Note:

(A) The trade receivables ageing as at the FYE 2025 is as tabulated below:

	RM
Not past due	*54,633,674*
Past due	
1 to 30 days	*8,981,877*
31 to 120 days	*33,717,401*
More than 120 days	*58,738,096*
	156,071,048

For information purposes, the Target Companies do not charge interests for trade receivables which exceeded its credit term. As at the LPD, save for a sum of RM1.21 million, all the trade receivables have been fully repaid.

4. Historical financial information

Combined Target Companies

	Audited FYE			Unaudited FPE	
	2023 (RM'000)	**2024 (RM'000)**	**2025 (RM'000)**	**31 August 2025 (RM'000)**	**31 August 2026 (RM'000)**
Revenue	466,459	533,194	474,381	304,523	488,736
Gross profit	35,153	43,301	65,865	38,532	69,218
Profit before tax	28,978	35,968	56,375	35,203	57,794
PAT	20,360	27,798	41,958	26,501	43,299
Net cash from operating activities	37,047	(71,556)	34,506	61,458	41,578
Shareholders' funds / NA	125,413	153,298	195,261	179,811	238,560
Total borrowings	23,204	59,126	84,396	83,598	99,488
Share capital	1,750	1,750	1,750	1,750	1,750
No. of ordinary shares ('000)	1,750	1,750	1,750	1,750	1,750
Basic EPS (RM)	11.63	15.88	23.98	15.14	24.74
NA per ordinary share (RM)	71.66	87.60	111.58	102.75	136.32
Current ratio (times)	1.56	1.60	1.71	1.66	1.57
Gearing ratio (times)	0.19	0.39	0.43	0.46	0.42

RUSB

	Audited FYE			Unaudited FPE	
	2023 (RM'000)	**2024 (RM'000)**	**2025 (RM'000)**	**31 August 2025 (RM'000)**	**31 August 2026 (RM'000)**
Revenue	429,097	337,149	270,495	161,811	249,540
Gross profit	31,908	26,645	42,848	24,188	37,858
Profit before tax	26,641	22,289	39,308	22,975	32,469
PAT	18,636	17,706	29,377	16,860	24,019
Shareholders' funds / NA	122,905	140,698	170,079	157,570	194,098
Total borrowings	21,805	57,895	83,560	83,598	79,488
Share capital	1,000	1,000	1,000	1,000	1,000
No. of ordinary shares ('000)	1,000	1,000	1,000	1,000	1,000
Basic EPS (RM)	18.64	17.71	29.38	16.86	24.02
NA per ordinary share (RM)	122.90	140.70	170.08	157.57	194.10
Current ratio (times)	1.65	1.74	1.80	1.76	1.75
Gearing ratio (times)	0.18	0.41	0.49	0.53	0.40

LPBC

	Audited FYE			Unaudited FPE	
	2023 (RM'000)	**2024 (RM'000)**	**2025 (RM'000)**	**31 August 2025 (RM'000)**	**31 August 2026 (RM'000)**
Revenue	37,362	196,045	203,887	142,712	239,196
Gross profit	3,244	16,656	23,017	14,344	31,360
Profit before tax	2,336	13,679	17,067	12,228	25,325
PAT	1,724	10,092	12,580	9,641	19,280
Shareholders' funds / NA	2,508	12,600	25,182	22,241	44,462
Total borrowings	-	-	-	-	20,000
Share capital	750	750	750	750	750
No. of ordinary shares ('000)	750	750	750	750	750
Basic EPS (RM)	2.30	13.46	16.77	12.85	25.71
NA per ordinary share (RM)	3.34	16.80	33.58	29.65	59.28
Current ratio (times)	0.95	1.15	1.31	1.34	1.28
Gearing ratio (times)	-	-	-	-	0.41

(a) Financial commentaries

FYE 2023 vs FYE 2024

The Combined Target Companies' revenue for the FYE 2024 increased by RM66.74 million or 14.31%, compared to the FYE 2023. This was mainly attributable to additional projects awarded by the Lagenda Group as the latter expanded its development pipeline.

The Combined Target Companies' PAT for the FYE 2024 had correspondingly increased by RM7.44 million or 36.53% in comparison to the FYE 2023, in line with the increase in the Combined Target Companies' revenue.

The Combined Target Companies' NA as at 31 December 2024 had increased by RM27.89 million or 22.23% in comparison to 31 December 2023 mainly due to the PAT recorded during the financial year.

As at 31 December 2024, the Combined Target Companies' borrowings increased by RM35.92 million or 154.81%, compared to 31 December 2023, primarily due to additional funding required to support the working capital needs arising from the expanding business operations. Correspondingly, the Combined Target Companies' gearing level increased from 0.19 times as at 31 December 2023 to 0.39 times as at 31 December 2024.

Net operating cash inflows of the Target Companies amounted to RM37.05 million in FYE 2023, primarily attributable to the increase in total payables due to higher accruals for construction works recognised, in line with the increase in ongoing projects.

In FYE 2024, the Target Companies recorded a net operating cash outflows of RM71.6 million, mainly attributable to an increase in trade receivables during the year consistent with the higher revenue recognized whereby the majority of the billings are recognized in the months of November and December 2024 as well as partly contributed by the increase in retention sum during FYE 2024.

FYE 2024 vs FYE 2025

The Combined Target Companies' revenue for the FYE 2025 decreased by RM58.81 million or 11.03%, compared to the FYE 2024. This was mainly due to a number of projects reaching the completion stage, which led to lower revenue recognition and comparatively flat revenue contributions during the FYE 2025.

The Combined Target Companies' PAT for the FYE 2025 had increased by RM14.16 million or 50.94% in comparison to the FYE 2024. This was primarily attributable to cost savings recognised from projects completed during the financial year and the higher margins generated from newly secured projects.

The Combined Target Companies' NA as at 31 December 2025 had increased by RM41.96 million or 27.37% in comparison to 31 December 2024 mainly due to the PAT recorded during the financial year.

As at 31 December 2025, the Combined Target Companies' borrowings increased by RM25.27 million or 42.74%, compared to 31 December 2024, primarily due to additional drawdown of borrowings to support the working capital needs arising from the expansion of the business operation of the Target Companies. This in turn led to the increase in the Combined Target Companies' gearing level from 0.39 times as at 31 December 2024 to 0.43 times as at 31 December 2025.

The Target Companies' cashflow from operating activities improved in FYE 2025, recording a net inflow of RM34.5 million mainly driven by favorable movements in trade receivables.

FPE 31 August 2025 vs FPE 31 August 2026

The Combined Target Companies revenue for the FPE 31 August 2026 increased by RM184.21 million or 60.49% compared to the FPE 31 August 2025. This was mainly due to the successful replenishment of the order book through newly awarded projects which compensated for the completion of certain existing projects.

The Combined Target Companies' PAT for the FPE 31 August 2026 had increased by RM16.80 million or 63.39% in comparison to the FPE 31 August 2025, in line with the increase in the Combined Target Companies' revenue.

The Combined Target Companies' NA as at 31 August 2026 had increased by RM58.75 million or 32.67% in comparison to 31 August 2025 primarily contributed by the increase in PAT recorded in FYE 2025 and during the FPE 31 August 2026.

As at 31 August 2026, the Combined Target Companies' borrowings increased by RM15.89 million or 19.01% compared to 31 August 2025, primarily due to additional drawdown of borrowings to support the working capital needs arising from the additional new awards secured. Despite the increase in borrowings, the Combined Target Companies' gearing level had improved from 0.46 times as at 31 August 2025 to 0.42 times as at 31 August 2026, mainly attributable to the higher NA recorded.

(b) Dividend paid/ declared

As at the LPD, the Target Companies had not declared or paid any dividends during FYEs 2023 to 2025 and the latest FPE ended 31 August 2026.

For information purposes, the management of the Target Companies intends to declare and distribute dividends of RM52.00 million and RM28.00 million for RUSB and LPBC, respectively, in FYE 2026.

The management is currently in the process of obtaining the requisite consent from the relevant banks for the proposed dividend distribution, which is expected to be obtained by the end of 2026. Subject to obtaining such consent, the dividends are expected to be declared and distributed by the end of 2026.

1. Conditions Precedent

The obligations of the parties that are set out in the SSA in respect of the sale and purchase of the Sale Shares are conditional upon the following Conditions Precedent being obtained/fulfilled or waived (as the case may be) by the day falling 6 months from the date of the SSA with a further automatic extension of 3 months, or such later date as the parties may mutually agree upon:

(a) The completion of the due diligence on the financial and other affairs of the Target Companies by accountants, valuers, solicitors and such other professionals (if required) appointed by Epicon for the purposes of the SSA and the results thereof being reasonably satisfactory to Epicon.

(b) The completion of the due diligence on the financial and other affairs of the Epicon Group by accountants, valuers, solicitors and such other professionals (if required) appointed by the Vendor for the purposes of the SSA and the results thereof being reasonably satisfactory to the Vendor.

(c) The Vendor having delivered the disclosure letter to Epicon within 14 days after the execution of the SSA and Epicon being satisfied at its discretion with the contents of the disclosure letter, where required.

(d) Epicon having delivered the disclosure letter to the Vendor within 14 days after the execution of the SSA and the Vendor being satisfied at its discretion with the contents of the disclosure letter, where required.

(e) The Vendor applying for and obtaining the approval of its shareholders at the forthcoming EGM for the disposal of the Sale Shares, the granting of the Call Option to Epicon in accordance with the terms and conditions of the SSA.

(f) Epicon applying for and obtaining the approval of its shareholders at the forthcoming EGM for the Proposed Acquisitions, including the acquisition of the Sale Shares, the issuance of the Consideration Shares and the Consideration RCPS A and the acceptance of the Call Option from the Vendor, and the issuance of the Option Consideration Shares and the Option Consideration RCPS A or settlement of the Option Consideration / Adjusted Option Consideration in cash in accordance with the terms and conditions of the SSA, the Proposed Amendments, the Proposed Private Placement, the Proposed Exemption 1 and the Proposed Exemption 2.

(g) Epicon procuring Doh Properties to apply for and obtain the approval of the SC in respect of the Proposed Exemption 1.

(h) The Vendor applying for and obtaining the approval of the SC in respect of the Proposed Exemption 2.

(i) Epicon applying for and obtaining the approval of Bursa Securities for the listing of and quotation for the Consideration Shares to be issued pursuant to the Proposed Acquisitions, the new Epicon Shares arising from the conversion of the Consideration RCPS A to be issued pursuant to the Proposed Acquisitions, the new Epicon Shares to be issued pursuant to the Proposed Private Placement, the Option Consideration Shares to be issued pursuant to the Proposed Call Option and the new Epicon Shares arising from the conversion of the Option Consideration RCPS A to be issued pursuant to the Proposed Call Option, on the Main Market of Bursa Securities.

(j) The Vendor applying for and obtaining the approval or consent of the financiers/creditors of the Vendor and/or the Target Companies for, among others, the sale and transfer of the Sale Shares in favour of Epicon, the Call Option, upon the terms and subject to the conditions of the SSA, where required.

(k) The Vendor applying for and obtaining the approval or consent of any other party which has entered into any subsisting arrangement, contract or undertaking or guarantee with or involving the Target Companies, where required, in each case to the extent that at the completion date of the SSA the same remain to be completed or performed or remain in force.

(l) Epicon applying for and obtaining the amendments of the constitution/articles of association of Epicon to incorporate the terms of the SSA and the rights, privileges and restrictions of the Consideration RCPS A to be issued pursuant to the Proposed Acquisitions and the Option Consideration RCPS A to be issued pursuant to the Proposed Call Option and the lodgement of the requisite forms with the Registrar of Companies in relation to such amendments of the constitution/articles of association of Epicon, where required.

(m) The execution by the parties of the Shareholders' Agreements to regulate their rights as shareholders of the Target Companies, in the form and substance set out in **Appendix IV** of this Circular which shall be deposited with the Epicon's solicitors in escrow and only dated and take effect on and from the completion date of the SSA.

(n) The execution by the parties and the Stakeholder of the Stakeholder Agreement.

(o) The parties being satisfied that no force majeure event as contemplated under the SSA has occurred.

(p) 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 (if applicable).

As at the LPD, all Conditions Precedent are still in the midst of being obtained/fulfilled.

2. Inter-conditionality of the Proposals

The parties agree that the conditionality of the Proposals is as follows:

(a) The RCPS Conversion is conditional upon the Proposed Exemption 1.

(b) The Proposed Acquisitions, the Proposed Call Option, the Proposed Amendments, the Proposed Exemption 2 and the Proposed Private Placement (collectively, the "**Acquisition Proposals**") are inter-conditional with each other.

(c) The Acquisition Proposals are conditional upon the Proposed Exemption 1 but not vice-versa.

The parties agree and acknowledge that Epicon shall undertake the RCPS Conversion and the Proposed Exemption 1 prior to the completion of the Acquisition Proposals. To ensure compliance with Paragraph 6.50 of the Listing Requirements, the Consideration Shares and the Epicon Shares to be issued pursuant to the Proposed Private Placement shall be issued concurrently prior to the issuance of the Consideration RCPS A.

3. Manner of Payment of Purchase Consideration

(a) The Purchase Consideration shall be satisfied by Epicon on the completion date of the SSA in the following manner:

(i) RM125,815,229 shall be satisfied by way of settlement and discharge of the Related Party Advances, the payment obligation in respect thereof having been assumed by Epicon.

(ii) Epicon shall allot and issue 758,681,318 Consideration Shares to the Vendor at the Consideration Share Issue Price.

(iii) Epicon shall allot and issue 1,353,190,292 Consideration RCPS A to the Vendor at the Consideration RCPS A Issue Price.

(iv) Epicon shall allot and issue the Pledged Shares to the Stakeholder who shall deposit the Pledged Shares in the securities account maintained by the Stakeholder ("**Securities Account**") and to be held as escrow and to deal with it in accordance with Section 4 of **Appendix II** of this Circular below and the Stakeholder Agreement.

(b) The Consideration Share Issue Price and the Consideration RCPS A Issue Price shall not be revised unless mutually agreed upon by the parties.

4. Profit Guarantee Obligations

(a) Profit Guarantee

(i) Subject to completion of the SSA, the Vendor irrevocably and unconditionally guarantees to Epicon that the Aggregate PAT for both the FYE 2027 and the FYE 2028 shall collectively be not less than RM238.00 million.

(ii) For the purposes of determining the PAT/LAT of the Target Companies for both the FYE 2027 and the FYE 2028, Epicon and the Vendor shall procure and cause the Auditor to:

(1) complete its audit in respect of the accounts of the Target Companies not later than 6 months after the last day of each of the FYE 2027 and the FYE 2028 or such longer period to be mutually agreed by the parties, to determine the PAT/LAT for both the FYE 2027 and the FYE 2028; and

(2) issue the PAT/LAT Certificate to the parties within 6 months or such longer period to be mutually agreed by the parties following the last day of each of the FYE 2027 and the FYE 2028, and the said certificate shall, in the absence of manifest error, be conclusive, final and binding.

(b) Appointment of Stakeholder and execution of Stakeholder Agreement

As one of the Conditions Precedent, the Vendor and Epicon shall, prior to the relevant date upon which the SSA becomes unconditional, agree to the appointment of a trust company in Malaysia to act as the Stakeholder and thereafter the Vendor, Epicon and the Stakeholder shall in good faith and acting reasonably negotiate to finalise the form and contents of the Stakeholder Agreement.

For information purposes and provided that Lagenda is not in breach of or in default under the SSA or the Stakeholder Agreement, Lagenda, as the beneficial owner of the Pledged Shares, would be entitled to exercise all voting rights attached to the Pledged Shares at any Shareholders' meeting and to appoint proxy(ies) in respect thereof. The Stakeholder will ensure that to the extent it is required to execute any proxy form in its capacity as the registered holder of the Pledged Shares, it shall act in accordance with Lagenda's instructions and take all necessary steps to ensure that any Proxy Form duly completed by or on behalf of Lagenda is deposited at the prescribed address or place within the applicable timeline specified therein. The Stakeholder will further ensure that all votes attaching to the Pledged Shares are cast in accordance with the directions set out in such Proxy Form.

(c) Deposit of Pledged Shares as security

(i) As a security, among others for the performance by the Vendor of its obligations under Section 4(a)(i) of **Appendix II** of this Circular above, the Pledged Shares shall be deposited with the Stakeholder and dealt with by the Stakeholder in accordance with the terms of Section 4 of **Appendix II** of this Circular and the Stakeholder Agreement.

(ii) The parties agree and covenant that any Additional Securities shall be held by the Stakeholder and shall accrue to and form part of the securities to be held and dealt with by the Stakeholder under the terms of the SSA and the Stakeholder Agreement. For the avoidance of doubt, any securities held by the Vendor arising from a rights issue shall not accrue to and form part of the securities to be held and dealt with by the Stakeholder.

(iii) The fees, charges, costs and expenses of the Stakeholder shall be borne by Epicon.

(d) Release of Pledged Shares

(i) Upon issuance of the PAT/LAT Certificate in respect of the FYE 2027 within the time prescribed by the SSA, if the PAT for the FYE 2027 is RM110,000,000 or more, the parties shall notify the Stakeholder in writing within 14 business days from the date the parties receive the PAT/LAT Certificate for the FYE 2027 to release 507,692,308 Pledged Shares, together with any Additional Securities, to the Vendor.

For the avoidance of doubt, if the audited combined PAT of the Target Companies for the FYE 2027 is less than RM110,000,000 or if the Target Companies record a audited combined LAT for the FYE 2027, the release of 507,692,308 Pledged Shares, together with any Additional Securities, shall not occur.

(ii) Upon issuance of the PAT/LAT Certificate in respect of the FYE 2028 within the time prescribed by the SSA, if the Aggregate PAT is equivalent to or more than RM238,000,000, the parties shall notify the Stakeholder in writing within 14 business days from the date the parties receive the PAT/LAT Certificate for the FYE 2028 to release the remaining 590,769,231 Pledged Shares, together with any Additional Securities, to the Vendor. For the avoidance of doubt, upon achievement of the total guaranteed profit of RM238.00 million, the Vendor shall be entitled to the full benefit of all Pledged Shares, whether released when the PAT for the FYE 2027 is met or released pursuant to this Section 4(d)(ii).

(e) Shortfall

(i) If following the issuance of the PAT/LAT Certificate in respect of the FYE 2028, the Aggregate PAT for both the FYE 2027 and the FYE 2028 is less than RM238.00 million or the Target Companies recorded aggregate LAT for both the FYE 2027 and the FYE 2028 ("**Aggregate LAT**"), the Vendor shall, within 14 business days from the date Epicon and the Vendor receive the PAT/LAT Certificate for the FYE 2028, pay to Epicon in full the Shortfall in cash.

(ii) Without prejudice to any other rights or remedies available to Epicon for the recovery of the Shortfall (whether in cash or otherwise), in the event the Vendor fails to pay the Shortfall to Epicon within 14 days from the date the parties receive the PAT/LAT Certificate for the FYE 2028, Epicon is entitled (but not obliged) to give notice in writing to the Stakeholder of the Vendor's breach in paying the Shortfall in cash pursuant to Section 4(e)(i) of **Appendix II** of this Circular above. Upon receipt of such notice, the Vendor shall be entitled, within 14 days from the date of such notice ("**Disposal Period**"), to direct the Stakeholder in writing as to the manner and timing for the disposal of the Pledged Shares, provided that any such direction shall be designed to recover in full the Amount Due. If the Vendor fails to provide such direction within the Disposal Period, or if the disposal directed by the Vendor fails to recover the Amount Due in full within 30 days from the date of the Vendor's direction, the Stakeholder shall and is authorised to forthwith, without incurring any liability of whatever nature whatsoever towards Epicon or the Vendor and without any duty to give reasons therefor and without any prior notice to or concurrence on the part of the Vendor, dispose or procure the disposal (by sale or otherwise or whether in one or series of transaction(s)) of such number of Pledged Shares (including Additional Securities) from the Securities Account that are equivalent in value to:

(1) the Shortfall; and

(2) such costs, charges and expenses (including brokerage and legal costs on a solicitor-client basis) incurred or to be incurred by the Stakeholder in connection with the disposal of the Pledged Shares ("**Stakeholder Disposal Costs**"),

and an amount representing the Amount Due shall be deducted from the proceeds of the disposal of the Pledged Shares and paid to Epicon. Epicon shall thereafter pay the Stakeholder Disposal Costs to the Stakeholder for and on behalf of the parties.

(iii) For the avoidance of doubt, nothing in this Section 4(e) of **Appendix II** of this Circular shall be construed as imposing a duty or duty of care on the Stakeholder to act in the best interests of Epicon and/or the Vendor or to obtain the best possible price in the sale or disposal of the Pledged Shares. If the Stakeholder is authorised to dispose of the Pledged Shares pursuant to Section 4(e)(ii) of **Appendix II** of this Circular above, the Stakeholder shall consult with Epicon on the manner and timing for the disposal of the Pledged Shares and act in accordance with any written instructions of Epicon issued by Epicon from time to time. Without limitation to the foregoing, Epicon shall be entitled to instruct the Stakeholder to defer or stagger the disposal of all or any part or tranche of the Pledged Shares for / over such period deemed appropriate by Epicon (which shall not in any event exceed a period of 30 days after the date of first disposal of the Pledged Shares) so as to maintain an orderly market in trading of the shares of Epicon.

(iv) In the event the proceeds from the disposal of the Pledged Shares are less than the amount of the Amount Due, the Vendor undertakes to pay to Epicon in cash the amount representing the difference, if any, between (1) the aggregate proceeds from the disposal of the Pledged Shares (including Additional Securities) and (2) the Amount Due (being the Cash Top-Up) within 30 days from the date of demand in writing by Epicon, failing which (without prejudice to any other rights or remedies available to Epicon) the Vendor shall be liable for liquidated damages on the Cash Top-Up at the rate of 8% per annum calculated on a daily basis, commencing from the day falling immediately after the lapse of the aforesaid period of 30 days until the date on which full payment is made towards the satisfaction of the Cash Top-Up to Epicon.

For illustration purposes:

(1) The Shortfall shall be computed in accordance with the following formula:

$$A = (B – C) \times D$$

Where:

"A" is the Shortfall to be paid by the Vendor to Epicon;

"B" is RM238.00 million;

"C" is the Aggregate PAT / Aggregate LAT; and

"D" is 60% i.e. the Attributable Interest

For the avoidance of doubt, in the event of an Aggregate LAT, "C" will be represented as a negative sum and accordingly the amount of the Aggregate LAT attributable to Epicon shall be added to the Shortfall.

(2) In the event the Shortfall is settled in accordance with Section 4(e)(i) of **Appendix II** of this Circular above, the number of Pledged Shares, together with any Additional Securities accruing on, deriving from or attributable to such Pledged Shares, to be released to the Vendor, shall be computed in accordance with the following formula:

$$Y = W – Z – Q$$

Where:

"Y" is the number of Pledged Shares (together with any Additional Securities accruing on, deriving from or attributable to such Pledged Shares) to be released to the Vendor;

"W" is the total number of Pledged Shares pursuant to the Profit Guarantee (i.e., 1,098,461,539 Pledged Shares);

"Z" is the number of Pledged Shares released when the audited combined PAT for the FYE 2027 of RM110.00 million is met;

"Q" is the number of Pledged Shares disposed to meet the Amount Due, which is computed in accordance with the following formula:

$$Q = \left(\frac{\text{Amount Due}}{\text{MP}} \right)$$

Where:

"MP" is the market price of the disposed Pledged Shares (together with any Additional Securities accruing on, deriving from or attributable to such Pledged Shares); and if Q is greater than W – Z, no Pledged Share shall be released to the Vendor and a Cash Top-Up is required;

(3) The Cash Top-Up shall be computed in accordance with the following formula:

T = R – S

Where:

"T" is the amount of Cash Top-Up;

"R" is the Amount Due; and

"S" is the aggregate proceeds from the disposal of the Pledged Shares (including Additional Securities) (i.e. [W– Z] x MP)

(v) Upon the Vendor having fully discharged its obligations under this Section 4(e) of **Appendix II** of this Circular, including settlement of the Shortfall and interest accrued thereon (if any), Epicon shall within 14 days from the date of the discharge, instruct the Stakeholder to transfer all the balance of the Pledged Shares and balance of the proceeds from the disposal of the Pledged Shares and other securities or other monies, or the balance thereof held by the Stakeholder, after deducting all costs, charges and expenses (including brokerage and legal costs on a solicitor-client basis) incurred by the Stakeholder in connection with the placement, withdrawal and transfer or disposal of the Pledged Shares, in favour of the Vendor.

(vi) For the avoidance of doubt, provisions in the SSA on Profit Guarantee obligations shall survive the completion of the sale and purchase of the Sale Shares under the SSA.

The following scenarios illustrate the possible outcomes of the Profit Guarantee mechanism:

Scenario 1:
Assuming the Target Companies achieve an audited combined PAT of RM110.00 million during the FYE 2027 and achieve an audited combined PAT of RM128.00 million during the FYE 2028.

	Profit guarantee (A) RM'000	Audited PAT (B) RM'000	Differences (C) = (A) – (B) RM'000	Shortfall (D) = (C) x 60% RM'000	Pledged Shares to be released
FYE 2027	110,000	110,000	-	-	507,692,308
FYE 2028	128,000	128,000	-	-	590,769,231
Total	**238,000**	**238,000**	**-**	**-**	**1,098,461,539**
Shortfall	**-**				

Effects
As an audited combined PAT of RM110.00 million is achieved during the FYE 2027, 507,692,308 Pledged Shares will be released to Lagenda for the FYE 2027.

Subsequently, as the total guaranteed profit of RM238.00 million is achieved for both the FYE 2027 and the FYE 2028, the remaining 590,769,231 Pledged Shares shall be released to Lagenda for the FYE 2028.

Scenario 2:
Assuming the Target Companies do not achieve an audited combined PAT of RM110.00 million during the FYE 2027 but achieve an audited combined PAT of RM128.00 million during the FYE 2028. However, the total guaranteed profit of RM238.00 million is met during both the FYE 2027 and the FYE 2028.

	Profit guarantee (A) RM'000	Audited PAT (B) RM'000	Differences (C) = (A) – (B) RM'000	Shortfall/ (Surplus) (D) = (C) x 60% RM'000	Pledged Shares to be released
FYE 2027	110,000	105,000	5,000	3,000	-
FYE 2028	128,000	133,000	(5,000)	(3,000)	1,098,461,539
Total	**238,000**	**238,000**	**-**	**-**	**1,098,461,539**
Shortfall	**-**				

As an audited combined PAT of RM110.00 million is not achieved during the FYE 2027, 507,692,308 Pledged Shares will not be released to Lagenda for the FYE 2027.

Subsequently, as the total guaranteed profit of RM238.00 million is achieved for both the FYE 2027 and the FYE 2028, all Pledged Shares shall be released to Lagenda for the FYE 2028.

Scenario 3:

Assuming the Target Companies achieve an audited combined PAT of RM110.00 million during the FYE 2027 but do not achieve an audited combined PAT of RM128.00 million during the FYE 2028. The total guaranteed profit of RM238.00 million is not met during both the FYE 2027 and the FYE 2028.

	Profit guarantee (A) RM'000	Audited PAT (B) RM'000	Differences (C) = (A) – (B) RM'000	Shortfall/ (Surplus) (D) = (C) x 60% RM'000	Pledged Shares to be released
FYE 2027	110,000	115,000	(5,000)	(3,000)	507,692,308
FYE 2028	128,000	116,000	12,000	7,200	558,461,538[(i)]
Total	**238,000**	**231,000**	**7,000**	**4,200**	**1,066,153,846**
Shortfall	**RM4.2 million**				

Note:

(i) Assuming the Shortfall was settled via the proceeds from the disposal of the Pledged Shares, the number of Pledged Shares to be released to Lagenda at the end of the FYE 2028 shall be as follows:

Y = W - Z - Q

Y = Number of Pledged Shares to be released to Lagenda (i.e. 558,461,538 Pledged Shares)
W = Total number of Pledged Shares pursuant to the Profit Guarantee (i.e. 1,098,461,539 Pledged Shares)
Z = Pledged Shares released to Lagenda at the end of the FYE 2027 (i.e. 507,692,308 Pledged Shares)
Q = Number of Pledged Shares disposed to meet the Shortfall (i.e. 32,307,693 Pledged Shares)

Q = Shortfall / MP, provided that Q shall not exceed the remaining Pledged Shares (RM4,200,000 / RM0.13) = 32,307,693 Pledged Shares

MP = Market price of the disposed Pledged Shares (assume at RM0.13 each)

As an audited combined PAT of RM110.00 million is achieved during the FYE 2027, 507,692,308 Pledged Shares will be released to Lagenda for the FYE 2027.

However, an audited combined PAT of RM128.00 million is not achieved during the FYE 2028 and the Aggregate PAT for both the FYE 2027 and the FYE 2028 falls short of the total guaranteed profit of RM238.00 million by RM7.0 million, which results in a Shortfall of RM4.2 million.

In the event the Shortfall is settled fully in cash, the number of Pledged Shares to be released to Lagenda at the end of the FYE 2028 would amount to an aggregate of 1,098,461,539 Pledged Shares.

In the event the Shortfall is settled via the disposal of the Pledged Shares, the number of Pledged Shares to be released to Lagenda at the end of the FYE 2028 would amount to an aggregate of 1,066,153,846 Pledged Shares.

No Cash Top-Up is required as the proceeds from the disposal of the Pledged Shares are sufficient to remedy the entire Shortfall.

Scenario 4:

Assuming the Target Companies achieve an audited combined PAT of RM110.00 million during the FYE 2027 but do not achieve an audited combined PAT of RM128.00 million during the FYE 2028. However, the total guaranteed profit of RM238.00 million is met for both the FYE 2027 and the FYE 2028.

	Profit guarantee (A) RM'000	Audited PAT (B) RM'000	Differences (C) = (A) – (B) RM'000	Shortfall/ (Surplus) (D) = (C) x 60% RM'000	Pledged Shares to be released
FYE 2027	110,000	120,000	(10,000)	(6,000)	507,692,308
FYE 2028	128,000	118,000	10,000	6,000	590,769,231
Total	**238,000**	**238,000**	**-**	**-**	**1,098,461,539**
Shortfall	**-**				

As an audited combined PAT of RM110.00 million is achieved during the FYE 2027, 507,692,308 Pledged Shares will be released to Lagenda for the FYE 2027.

Subsequently, as the total guaranteed profit of RM238.00 million is achieved for the entire FYE 2027 and the FYE 2028 collectively, the remaining 590,769,231 Pledged Shares will be released to Lagenda for the FYE 2028.

Scenario 5:

Assuming the Target Companies do not achieve an audited combined PAT of RM110.00 million during the FYE 2027 but achieve an audited combined PAT of RM128.00 million during the FYE 2028. However, the total guaranteed profit of RM238.00 million is not met for both the FYE 2027 and the FYE 2028.

	Profit guarantee (A) RM'000	Audited PAT (B) RM'000	Differences (C) = (A) – (B) RM'000	Shortfall (D) = (C) x 60% RM'000	Pledged Shares to be released
FYE 2027	110,000	103,000	7,000	4,200	-
FYE 2028	128,000	128,000	-	-	1,066,153,846[(i)]
Total	**238,000**	**231,000**	**7,000**	**4,200**	**1,066,153,846**
Shortfall	**RM4.2 million**				

As an audited combined PAT of RM110.00 million is not achieved during the FYE 2027, 507,692,308 Pledged Shares will not be released to Lagenda for the FYE 2027.

Subsequently, notwithstanding an audited combined PAT of RM128.00 million is achieved but the Aggregate PAT for the FYE 2027 and the FYE 2028 falls short of the total guaranteed profit of RM238.00 million by RM7.0 million, which results in a Shortfall of RM4.2 million.

In the event the Shortfall is settled fully in cash, the number of Pledged Shares to be released to Lagenda at the end of the FYE 2028 would amount to an aggregate of 1,098,461,539 Pledged Shares.

Note:

(i) Assuming the Shortfall was settled via the proceeds from the disposal of the Pledged Shares, the number of Pledged Shares to be released to Lagenda at the end of the FYE 2028 shall be as follows:

Y = W - Z - Q

Y = Number of Pledged Shares to be released to Lagenda (i.e. 1,066,153,846 Pledged Shares)
W = Total number of Pledged Shares pursuant to the Profit Guarantee (i.e. 1,098,461,539 Pledged Shares)
Z = Pledged Shares released to Lagenda at the end of the FYE 2027 (i.e. Nil)
Q = Number of Pledged Shares disposed to meet the Shortfall (i.e. 32,307,693 Pledged Shares)

Q = Shortfall / MP, provided that Q shall not exceed the remaining 1,098,461,539 Pledged Shares (RM4,200,000 / RM0.13) = 32,307,693 Pledged Shares

MP = Market price of the disposed Pledged Shares (assume at RM0.13 each)

In the event the Shortfall is settled via the disposal of the Pledged Shares, the number of Pledged Shares to be released to Lagenda at the end of the FYE 2028 would amount to an aggregate of 1,066,153,846 Pledged Shares.

No Cash Top-Up is required as the proceeds from the disposal of the Pledged Shares is sufficient to remedy the entire Shortfall.

Scenario 6:

Assuming the Target Companies achieve an audited combined PAT of RM110.00 million during the FYE 2027 but do not achieve an audited combined PAT of RM128.00 million during the FYE 2028. The total guaranteed profit of RM238.00 million is not met during the FYE 2027 and the FYE 2028.

	Profit guarantee (A) RM'000	Audited PAT / (LAT) (B) RM'000	Differences (C) = (A) – (B) RM'000	Shortfall (D) = (C) x 60% RM'000	Pledged Shares to be released
FYE 2027	110,000	110,000	-	-	507,692,308
FYE 2028	128,000	(12,000)	140,000	84,000	-(i)
Total	**238,000**	**98,000**	**140,000**	**84,000**	**507,692,308**
Shortfall	**RM84.0 million**				
Cash Top-Up	**RM7.20 million**(ii)				

As an audited combined PAT of RM110.00 million is achieved during the FYE 2027, 507,692,308 Pledged Shares will be released to Lagenda for the FYE 2027.

However, an audited combined PAT of RM128.00 million is not achieved during the FYE 2028 and the Aggregate PAT for the FYE 2027 and the FYE 2028 falls short of the total guaranteed profit of RM238.00 million by RM140.0 million, which results in a Shortfall of RM84.0 million.

In the event the Shortfall is settled fully in cash, the number of Pledged Shares to be released at the end of the FYE 2028 would amount to an aggregate of 1,098,461,539 Pledged Shares.

Notes:

(i) Assuming the Shortfall was settled via the proceeds from the disposal of the Pledged Shares, the number of Pledged Shares to be released to Lagenda at the end of the FYE 2028 shall be as follows:

Y = W - Z - Q

Y = Number of Pledged Shares to be released to Lagenda at the end of the FYE 2028 (i.e. Nil Pledged Shares)
W = Total number of Pledged Shares pursuant to the Profit Guarantee (i.e. 1,098,461,539 Pledged Shares)
Z = 507,692,308 Pledged Shares released to Lagenda at the end of the FYE 2027
Q = Number of Pledged Shares disposed to meet the Shortfall (i.e. 590,769,231 Pledged Shares)

Q = Shortfall / MP, provided that Q shall not exceed the remaining 590,769,231 Pledged Shares (RM84,000,000 / RM0.13) = 646,153,846 Pledged Shares. As Q exceeds the remaining 590,769,231 Pledged Shares, a Cash Top-Up is required.

MP = Market price of the disposed Pledged Shares (assume at RM0.13 each)

(ii) Cash Top-Up is calculated as follows:

A = R - S

A = Cash Top-Up (i.e. RM7,200,000)
R = Shortfall (i.e. RM84,000,000)
S = Proceeds received from the disposal of the remaining Pledged Shares, Q x MP (i.e. RM76,800,000)

In the event the Shortfall is settled via the disposal of the Pledged Shares and the proceeds from the disposal of the remaining 590,769,231 Pledged Shares are insufficient to cover the Shortfall, Lagenda shall settle such remaining balance in cash, i.e. Cash Top-Up.

Scenario 7

Assuming the Target Companies do not achieve an audited combined PAT of RM110.00 million during the FYE 2027 and do not achieve an audited combined PAT of RM128.00 million during the FYE 2028. The total guaranteed profit of RM238.00 million is not met during the FYE 2027 and the FYE 2028.

	Profit guarantee (A) RM'000	Audited PAT/ (LAT) (B) RM'000	Differences (C) = (A) – (B) RM'000	Shortfall (D) = (C) x 60% RM'000	Pledged Shares to be released
FYE 2027	110,000	(6,000)	116,000	69,600	-
FYE 2028	128,000	120,000	8,000	4,800	526,153,846 (i)
Total	**238,000**	**114,000**	**124,000**	**74,400**	**526,153,846**
Shortfall	**RM74.4 million**				

As an audited combined PAT of RM110.00 million is not achieved during the FYE 2027, 507,692,308 Pledged Shares will not be released to Lagenda for the FYE 2027.

Subsequently, an audited combined PAT of RM128.00 million is also not achieved during the FYE 2028 and the Aggregate PAT for the FYE 2027 and the FYE 2028 falls short of the total guaranteed profit of RM238.00 million by RM124.0 million, which results in a Shortfall of RM74.4 million.

In the event the Shortfall is settled fully in cash, the number of Pledged Shares to be released to Lagenda at the end of the FYE 2028 would amount to an aggregate of 1,098,461,539 Pledged Shares.

Note:

(i) Assuming the Shortfall was settled via the proceeds from the disposal of the Pledged Shares, the number of Pledged Shares to be released to Lagenda at the end of the FYE 2028 shall be as follows:

Y = W - Z - Q
Y = Number of Pledged Shares to be released to Lagenda (i.e. 526,153,846 Pledged Shares)
W = Total number of Pledged Shares pursuant to the Profit Guarantee (i.e. 1,098,461,539 Pledged Shares)
Z = Pledged Shares released to Lagenda at the end of the FYE 2027 (i.e. Nil)
Q = Number of Pledged Shares disposed to meet the Shortfall (i.e. 572,307,693 Pledged Shares)
Q = Shortfall / MP, provided that Q shall not exceed the remaining 1,098,461,539 Pledged Shares (RM74,400,000 / RM0.13) = 572,307,693 Pledged Shares
MP = Market price of the disposed Pledged Shares (assume at RM0.13 each)

In the event the Shortfall is settled via the disposal of the Pledged Shares, the number of Pledged Shares to be released to Lagenda at the end of the FYE 2028 would amount to an aggregate of 526,153,846 Pledged Shares.

Scenario 8

Assuming the Target Companies do not achieve an audited combined PAT of RM110.00 million during the FYE 2027 and do not achieve an audited combined PAT of RM128.00 million during the FYE 2028. The total guaranteed profit of RM238.00 million is not met and the Target Companies record an audited combined LAT during the FYE 2027 and the FYE 2028.

As an audited combined PAT of RM110.00 million is not achieved during the FYE 2027, 507,692,308 Pledged Shares, will not be released to Lagenda for the FYE 2027.

	Profit guarantee (A) RM'000	**Audited LAT (B) RM'000**	**Differences (C) = (A) – (B) RM'000**	**Shortfall (D) = (C) x 60% RM'000**	**Pledged Shares to be released**
FYE 2027	110,000	(10,000)	120,000	72,000	-
FYE 2028	128,000	(4,000)	132,000	79,200	-(i)
Total	**238,000**	**(14,000)**	**252,000**	**151,200**	**-**
Shortfall	**RM151.2 million**				
Cash Top-Up	**RM8.4 million**(ii)				

Subsequently, as an audited combined PAT of RM128.00 million is also not achieved during the FYE 2028 and the Aggregate PAT for the FYE 2027 and the FYE 2028 falls short of the total guaranteed profit of RM238.00 million by RM252.0 million, which results in a Shortfall of RM151.2 million, hence, none of the Pledged Shares will be released.

In the event the Shortfall is fully settled via cash, the entire 1,098,461,539 Pledged Shares will be released to Lagenda.

In the event the Shortfall is settled via the disposal of the Pledged Shares and the proceeds from the disposal of the remaining 1,098,461,539 Pledged Shares are insufficient to cover the Shortfall, Lagenda shall settle such remaining balance in cash, i.e. Cash Top-Up.

Notes:

(i) Assuming the Shortfall was settled via the proceeds from the disposal of the Pledged Shares, the number of Pledged Shares to be released to Lagenda at the end of the FYE 2028 shall be as follows:

Y = W - Z - Q
Y = Number of Pledged Shares to be released to Lagenda (i.e. Nil)
W = Total number of Pledged Shares pursuant to the Profit Guarantee (i.e. 1,098,461,539 Pledged Shares)
Z = Pledged Shares released to Lagenda at the end of the FYE 2027 (i.e. Nil)
Q = Number of Pledged Shares disposed to meet the Shortfall (i.e. 1,098,461,539 Pledged Shares)
Q = Shortfall / MP, provided that Q shall not exceed the remaining 1,098,461,539 Pledged Shares (RM151,200,000 / RM0.13) = 1,163,076,923 Shares. As Q exceeds the remaining 1,098,461,539 Pledged Shares, a Cash Top-Up is required.
MP = Market price of the disposed Pledged Shares (assume at RM0.13 each)

(ii) Cash Top-Up is calculated as follows:
A = R - S
A = Cash Top-Up (i.e. RM8,400,000)
R = Shortfall (i.e. RM151,200,000)
S = Proceeds received from the disposal of the remaining Pledged Shares, Q x MP (i.e. RM142,800,000)

5. Option

(a) Grant of Call Option

(i) The Vendor grants to Epicon the irrevocable right to require the Vendor to sell all or part of the Remaining Sale Shares ("**Option Shares**") ("**Call Option**") to Epicon, in one or more tranches, exercisable by Epicon during the Call Option Period at the Option Consideration / Adjusted Option Consideration.

(ii) Notwithstanding any other provision of this Section 5 of **Appendix II** of this Circular, the Call Option must be exercised in respect of the shares of both Target Companies collectively and shall not be capable of being exercised in respect of the shares of any single Target Company without the simultaneous exercise of the Call Option in respect of the same percentage of share capital of another Target Company.

(b) Exercise of Call Option

The Call Option is exercisable by Epicon at any time during the Call Option Period, by Epicon serving the call option notice to the Vendor. Upon the expiry of the Call Option Period, the Call Option (insofar as it has not already been exercised) shall lapse and cease to be valid for any purpose, provided that on the assumption the Option Consideration / Adjusted Option Consideration is to be satisfied wholly via Option Consideration Shares and/or Option Consideration RCPS A, there is a manner of composition, as confirmed by an approved adviser, in which the issuance of the Option Consideration Shares and/or Option Consideration RCPS A will not result in:

(i) Epicon breaching the public shareholding spread requirement then applicable, or in the case the public shareholding spread requirement has been breached, it would not further reduce Epicon's public shareholding spread; and/or

(ii) Epicon breaching Paragraph 6.50 of the Listing Requirements.

(c) Option Consideration

(i) The sale and purchase consideration for the entire Option Shares is up to RM362,105,692, which shall be apportioned accordingly in the event the exercise of the Call Option is exercised in respect of only part of the Option Shares.

(ii) In the event the total guaranteed profit of RM238.00 million is not met during the FYE 2027 and the FYE 2028, the Adjusted Option Consideration shall be computed in accordance with the following formula:

$$A = (B \times C) \times D$$

Where:

"A" is the Adjusted Option Consideration to be paid by Epicon to the Vendor;

"B" is the Target Companies' average Aggregate PAT for the FYE 2027 and the FYE 2028;

"C" is 7.61, being the Agreed Implied P/E Multiple; and

"D" is the percentage of equity interest in the Target Companies to be acquired by Epicon via the Call Option, subject to a maximum equity interest of 40%

For the avoidance of doubt, no adjustment will be made to the Option Consideration in the event the Target Companies' Aggregate PAT for the FYE 2027 and the FYE 2028 is equivalent to or more than the total guaranteed profit of RM238.00 million.

(iii) The Option Consideration / Adjusted Option Consideration shall be satisfied by Epicon within a period of 30 days from the date of the call option notice via a combination of:

(1) cash;

(2) allotment and issuance of Option Consideration Shares to the Vendor at the Option Share Issue Price; and/or

(3) allotment and issuance of Option Consideration RCPS A to the Vendor at the Option RCPS A Issue Price,

at the sole discretion of Epicon, in accordance with the terms and conditions of the SSA, provided that the manner of satisfaction of the Option Consideration / Adjusted Option Consideration determined by Epicon shall not result in:

(A) Epicon breaching the public shareholding spread requirement then applicable, or in the case the public shareholding spread requirement has been breached, it would not further reduce Epicon's public shareholding spread; and/or

(B) Epicon breaching Paragraph 6.50 of the Listing Requirements, which requires that the total number of new Epicon Shares which will arise from the exercise or conversion of all outstanding convertible securities issued by Epicon (including the convertible securities to be issued pursuant to the exercise of the Call Option) does not exceed 50% of the total number of Epicon Shares (excluding treasury shares and before the exercise of the convertible securities) at all times.

(d) Covenants during Call Option Period

The Vendor covenants and agrees that at any time prior to the expiry of the Call Option Period, it shall not be entitled to grant or agree to grant any third party right in respect of the Option Shares or assign or agree to assign or dispose of or agree to dispose of or grant any option in respect of the Option Shares or any part thereof or otherwise encumber, deal with or dispose of the same in any manner whatsoever.

6. Termination

(a) Each party to the SSA shall be entitled to issue a notice of termination to the other party, if, at any time prior to the completion of the sale and purchase of the Sale Shares, the other party commits any continuing or material breach of any of the obligations under the SSA which is incapable of remedy or if capable of remedy, is not remedied 14 days of them being given notice so to do, or amongst others, a winding up or insolvency event occurs, or any warranties, representations and undertakings given by the other party under the SSA (subject to the qualifications to warranties, representations and undertakings as contemplated under the SSA and any matter which is disclosed, contained or referred to in the disclosure letter provided by either party to the other under the SSA) and is found at any time to be untrue or inconsistent.

(b) If the SSA is terminated by Epicon and Epicon elects not to pursue the remedy of specific performance, the Vendor shall within 14 days after receipt of the notice of termination:

(i) return to Epicon all documents, if any, delivered to it by or on behalf of Epicon;

(ii) procure the Target Companies to return to Epicon all such documents, if any, and

Epicon shall, in exchange for the performance by the Vendor of its obligations, return to the Vendor all documents, if any, delivered to it by or on behalf of the Target Companies or the Vendor.

(c) If the SSA is terminated by the Vendor and the Vendor elects not to pursue the remedy of specific performance:

(i) Epicon shall within 14 days after receipt of the notice of termination, return to the Vendor all documents, if any, delivered to it by or on behalf of the Target Companies or the Vendor; and

(ii) the Vendor shall in exchange with the performance by Epicon of its obligations, return to Epicon all documents, if any, delivered to it by or on behalf of Epicon.

7. Vendor Fundamental Warranties

The Vendor warrants to the Company the following fundamental warranties (collectively, the "**Vendor Fundamental Warranties**"):

(a) The Sale Shares constitute 60% of the issued and paid-up share capital of the Target Companies, are free from all charges, liens, encumbrances and are not subject to any options.

(b) The Vendor is the legal and beneficial owner of the Sale Shares at the date of the SSA, will be the legal and beneficial owner of the Sale Shares immediately prior to completion of the SSA and save as otherwise provided in the SSA, has the absolute right to transfer to Epicon in accordance with the terms of the SSA without the consent of any third party, the full legal and beneficial ownership of its respective proportions and amount of holdings of Sale Shares.

(c) There are no agreements or arrangements in force other than the SSA, which grant to any person the right to call for the issue, allotment or transfer of any share or loan capital of the Target Companies and the Target Companies have not since their respective dates of incorporation, issued or transferred or agreed to issue or transfer any shares or given or agreed to give any option in respect of any shares nor issued or agreed to issue or given any option in respect of any debenture or other securities or any right to convert any debt or obligation into shares, whether fully paid or otherwise, of the Target Companies.

(d) The issued share capital of the Target Companies is as set out in the SSA.

(e) All issued ordinary shares of the Target Companies have been duly authorised and validly issued in compliance with Malaysian law.

(f) The Vendor has taken all necessary action and obtained all necessary consents and approvals (including consents and approvals required for the Target Companies to comply with any contractual undertaking or covenant or requirement of law or regulation binding on any of them) to authorise the execution, delivery and performance of the SSA and any other agreements contemplated by them in accordance with its terms.

(g) The SSA constitutes the valid and binding obligation of the Vendor enforceable in accordance with its terms.

(h) No order has been made or petition presented or resolution passed for the winding up of the Vendor, the Target Companies, nor has any distress, execution or other process been levied against the Vendor or the Target Companies or action taken to repossess goods in the Vendor's or the Target Companies' possession.

(i) No steps have been taken for the appointment of an administrator or receiver of any part of the Vendor's or the Target Companies' property.

(j) No floating charge has been created by the Target Companies over any part of their business.

(k) The Vendor and the Target Companies have not made or proposed any arrangement or composition with their creditors or any class of their creditors.

(l) The Target Companies are not insolvent or will not be rendered insolvent by consummation of the sale and purchase of the Sale Shares.

For the avoidance of doubt, apart from the Vendor Fundamental Warranties as set out above, the Vendor further provided other general warranties in respect of, amongst others, properties, assets, business and financial position, statutory and other requirements, licences, consents and compliances, litigation, contracts, financial accounts and the construction works and defect claims of the Target Companies.

8. Epicon Fundamental Warranties

Epicon warrants to the Vendor the following fundamental warranties (collectively, the "**Epicon Fundamental Warranties**"):

(a) Epicon is a public company limited by shares duly incorporated and validly existing under the laws of Malaysia and is listed on the Main Market of Bursa Securities, has the corporate power and authority to own and operate its assets and to carry on its business as presently conducted and is not subject to any restriction, whether contractual or otherwise, which prevents or restricts Epicon from entering into and performing its obligations under the SSA.

(b) Each company within the Epicon Group ("**Epicon Group Company**") is duly incorporated and validly existing under the laws of Malaysia, has the corporate power and authority to own and operate its respective assets and to carry on its respective business as presently conducted and holds all licences, permits, authorisations and approvals necessary for the conduct of its respective business as presently conducted.

(c) There are no agreements or arrangements in force other than the SSA, which grant to any person the right to call for the issue, allotment or transfer of any share or loan capital of any Epicon Group Company and no Epicon Group Company has since its respective date of incorporation, issued or transferred or agreed to issue or transfer any shares or given or agreed to give any option in respect of any shares nor issued or agreed to issue or given any option in respect of any debenture or other securities or any right to convert any debt or obligation into shares, whether fully paid or otherwise, of any Epicon Group Company, other than as disclosed in Epicon's latest audited financial statements or as contemplated by the SSA.

(d) The issued share capital of Epicon as at the date of the SSA are all duly authorised, validly issued and allotted and are fully paid-up, free of further capital contribution obligations.

(e) The issued share capital of Epicon upon completion of the Proposals shall be RM329,272,672.12 comprising 2,957,606,872 Epicon Shares and 1,353,190,292 RCPS A.

(f) There is no outstanding option, warrant, convertible or exchangeable security, right, subscription, call, legally binding commitment, pre-emptive right or other agreement or right or obligation of any kind to require Epicon to sell, transfer, grant or issue, or redeem, repurchase or otherwise acquire, any of Epicon's share capital, other than as contemplated by the SSA.

(g) Epicon has taken all necessary action and obtained all necessary consents and approvals (including consents and approvals required for Epicon to comply with any contractual undertaking or covenant or requirement of law or regulation binding on it) to authorise the execution, delivery and performance of the SSA and any other agreements contemplated under the SSA in accordance with its terms.

(h) The SSA constitutes the valid and binding obligation of Epicon enforceable in accordance with its terms.

(i) No order has been made or petition presented or resolution passed for the winding up of Epicon, the Epicon Group Companies, nor has any distress, execution or other process been levied against Epicon or the Epicon Group Companies or action taken to repossess goods in Epicon's or the Epicon Group Companies' possession.

(j) No steps have been taken for the appointment of an administrator or receiver of any part of Epicon's or the Epicon Group Companies' property.

(k) No floating charge has been created by the Epicon Group Companies over any part of their business.

(l) Epicon and the Epicon Group Companies have not made or proposed any arrangement or composition with their creditors or any class of their creditors.

For the avoidance of doubt, apart from the Epicon Fundamental Warranties as set out above, Epicon further provided other general warranties in respect of, amongst others, accounts, write-offs and adjustments, properties, assets, business and financial position, statutory and other requirements, licences, consents and compliances, litigation, contracts, financial accounts and the construction works and defect claims of the Epicon Group Companies.

9. Limitation of liability

Notwithstanding anything to the contrary contained in the SSA, the following shall apply to create and impose limitations on the liability of the parties for any and all claims under the SSA:

(a) The parties shall not be liable for any claim unless a notice of the claim is given by a party to the other party:

(i) in the case of any tax-related claims as contemplated under the SSA:

(1) within 7 years following the completion date of the SSA, in the case of claims relating to transfer pricing;

(2) within 6 years following the completion date of the SSA, in the case of claims relating to sales and service tax; and

(3) within 5 years following the completion date of the SSA, in the case of claims relating to corporate tax and all other claims in respect of Tax;

(ii) in the case of any claim relating to the Vendor's business warranties or Epicon's business warranties as contemplated under the SSA (as the case may be), within 24 months following the completion date of the SSA;

(iii) in the case of any claim relating to the Vendor Fundamental Warranties or the Epicon Fundamental Warranties (as the case may be), 6 years following the completion date of the SSA; and

(iv) in the case of any other claim, within 3 years following the completion date of the SSA.

(b) The Vendor shall not be liable for breach of any representations and warranties on the part of the Vendor under or pursuant to the SSA ("**Vendor Warranty**") in respect of any individual claim (or a series of claims arising from substantially identical facts or circumstances) where the liability agreed or determined (disregarding the provisions of this Section 8(b)) in respect of any such claim or series of claims does not exceed RM2,000,000. Where the liability agreed or determined in respect of any such claim or series of claims exceeds RM2,000,000, the Vendor shall be liable for the aggregate amount of all claims as agreed or determined.

(c) Epicon shall not be liable for breach of any representations and warranties on the part of Epicon under or pursuant to the SSA ("**Epicon Warranty**") in respect of any individual claim (or a series of claims arising from substantially identical facts or circumstances) where the liability agreed or determined (disregarding the provisions of this Section 8(c)) in respect of any such claim or series of claims does not exceed RM1,000,000. Where the liability agreed or determined in respect of any such claim or series of claims exceeds RM1,000,000, Epicon shall be liable for the aggregate amount of all claims as agreed or determined.

(d) The aggregate liability of each party under the SSA:

(i) in respect of claims relating to Vendor Fundamental Warranties or Epicon Fundamental Warranties (as the case may be), shall not exceed 100% of the Purchase Consideration;

(ii) in respect of any other claims, shall not exceed 50% of the Purchase Consideration,

provided that the total aggregate amount of liability of each party for all claims shall not in any event exceed 100% of the Purchase Consideration.

(e) If a party has paid an amount in discharge of any claim for breach of any Vendor Warranty or Epicon Warranty (as the case may be) under the SSA and the other party is entitled to recover (whether by payment, discount, credit, relief, insurance or otherwise) from a third party a sum which indemnifies or compensates the other party (in whole or in part) in respect of the loss or liability which is the subject matter of the claim, the other party shall, pay to the party as soon as practicable after receipt an amount equal to the lesser of:

(i) any sum recovered from the third party less any costs and expenses incurred in obtaining such recovery and less any taxation attributable to the recovery after taking account of any tax relief available in respect of any matter giving rise to the claim; or

(ii) the amount previously paid by the party to the other party less any taxation attributable to the recovery.

(f) None of the limitations contained in this Section 8 shall apply to any claim which arises or is increased, or to the extent to which it arises or is increased, as the consequence of, or which is delayed as a result of, fraud, fraudulent misrepresentation, wilful misconduct, wilful non-disclosure or gross negligence by the parties, any Target Company or any Epicon Group Company (as the case may be) or any of its respective directors, officers, employees or agents.

10. Indemnities

(a) The Vendor covenants with Epicon to indemnify and save harmless Epicon from and against any and all losses which such Target Companies or Epicon (as the case may be) may at any time and from time to time sustain, incur, suffer or arise in respect of the period up to the completion date of the SSA, in connection with or arising from any of the following:

(i) Any claim, investigation or proceedings brought or initiated by any regulatory authority, arising out of or in connection with the absence or invalidity of the required certificate of accommodation in respect of the properties owned / tenanted by the Target Companies for accommodation of employees.

(ii) Any claim, investigation or proceedings brought or initiated by any regulatory authority, arising out of or in connection with the inadequate stamping or non-stamping of any letter of award or agreement of the Target Companies.

(iii) Any claim, investigation or proceedings brought or initiated by any regulatory authority arising out of or in connection with the non-renewal or delayed renewal of the Construction Personnel Registration Card issued by the Construction Industry Development Board of Malaysia in respect of the employees of the Target Companies who are construction personnel.

(iv) Any undisclosed litigation suit(s) for a claim value of RM2,500,000 or above (whether as claimant, defendant, third party, or otherwise, and whether in respect of any initial proceedings or any related, ancillary or consequential proceedings).

(b) Epicon covenants with the Vendor to indemnify and save harmless the Vendor from and against any and all losses which the Vendor may, or the relevant Epicon Group Company may, at any time and from time to time sustain, incur or suffer (whether as claimant, defendant, third party, or otherwise, and whether in respect of any initial proceedings or any related, ancillary or consequential proceedings) or arise in respect of the period up to the completion date of the SSA, in connection with or arising from any undisclosed litigation suit(s) for a claim value of RM2,500,000 or above.

(c) In addition and without prejudice to the provisions of Sections 10(a) and 10(b) above, each party ("**Indemnifying Party**") agrees and undertakes with the other party ("**Indemnified Party**") that it will indemnify the Indemnified Party in full on demand and hold the Indemnified Party harmless from and against any and all losses which the Indemnified Party may at any time and from time to time sustain, incur, suffer or arise in respect of the period up to the completion date of the SSA, in connection with or arising from:

(i) any amount of taxation, whether or not it is already assessed or imposed or which may from time to time be assessed or imposed by the tax authority on the Relevant Group Companies after completion of the SSA except in so far as full provision is made for such liabilities in the audited accounts of the Relevant Group Companies; or

(ii) any claim for income tax in respect of any dividend paid or any distribution made by the Relevant Group Companies before the completion date of the SSA except insofar as full provision is made for such liabilities in the audited accounts of the Relevant Group Companies,

notwithstanding that notice of such claim or liability is served after the completion date of the SSA.

For the purposes of this Section 10(c), "**Relevant Group Companies**" means (a) in the case of the Vendor as Indemnifying Party, the Target Companies, and (b) in the case of Epicon as Indemnifying Party, the Epicon Group Companies.

Issuer	:	Epicon
RCPS A issue price	:	RM0.13 per RCPS A.
Tenure	:	(a) In respect of the first issuance of the RCPS A, the tenure shall be five (5) years commencing from and inclusive of the issuance date, unless otherwise redeemed. (b) In respect of the subsequent issuance of the RCPS A, the tenure shall be five (5) years commencing from and inclusive of the issuance date of the second issuance of the RCPS A, unless otherwise redeemed. For the avoidance of doubt, if the subsequent issuance of the RCPS A is carried out in tranches, the tenure shall be five (5) years commencing from and inclusive of the issuance date of the first tranche of the second issuance of the RCPS A.
Maturity date	:	(a) In respect of the first issuance of the RCPS A, the maturity date shall be the fifth (5th) anniversary of the issuance date. (b) In respect of the subsequent issuance of the RCPS A, the maturity date shall be the fifth (5th) anniversary of the issuance date of the second issuance of the RCPS A. For the avoidance of doubt, if the subsequent issuance of the RCPS A is carried out in tranches, the maturity date shall be the fifth (5th) anniversary of the issuance date of the first tranche of the second issuance of the RCPS A.
Transferability	:	The RCPS A shall not be transferable without the consent of the Company.
Dividend	:	The holders of the RCPS A shall be entitled to receive cumulative preferential dividend at the rate of 4.00% per annum, unless otherwise redeemed or converted or purchased and cancelled. Any preferential dividend payable shall only be payable if declared by the Board and only out of the Company's distributable profit. Where there is no distributable profit, the entitlement to the preferential dividend shall be accumulated and compounded annually. For information purposes, the preferential dividend rate of 4.00% per annum was negotiated by the Company on the basis that it represents a lower cost than the Company's effective borrowing rate of 5.08%.
Ranking	:	The RCPS A shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and shall upon allotment and issuance, rank pari passu without any preference or priority among themselves and in priority to other redeemable convertible preference shares that may be created in future but shall rank behind all secured and unsecured obligations of the Company. In the event of liquidation, dissolution or winding up, the RCPS A shall rank in priority to any other unsecured securities or shares of the Company.

Voting rights	:	The RCPS A shall carry no right to vote at any general meeting of the ordinary shareholders of the Company except with regard to: (a) any proposal to reduce the capital of the Company; (b) any proposal to dispose of all or substantially all of the Company's assets, property, business and/or undertakings; or (c) any proposal to wind-up the Company and at any time during the winding up of the Company. The holders of the RCPS A shall be entitled to vote at any class meeting of the holders of the RCPS A in relation to any proposal by the Company to vary or abrogate the rights of the RCPS A as stated in the constitution of the Company. Every holder of the RCPS A who is present in person at such class meeting will have one (1) vote on a show of hands and/or on a poll and every holder of RCPS A who is present in person or by proxy will have one (1) vote for every RCPS A of which he is the holder.
Conversion rights and mandatory conversion on maturity date	:	The holders of the RCPS A shall be entitled to convert each RCPS A held into such number of Epicon Share(s) in accordance with the conversion ratio during the conversion period provided that if the conversion of such RCPS A shall cause the Company to breach the public shareholding spread, the Company shall be entitled to reject the conversion of such RCPS A. Unless previously redeemed or converted or purchased and cancelled, all outstanding RCPS A will be mandatorily converted into new Epicon Shares on the maturity date based on the conversion ratio provided that if the conversion of all RCPS A shall cause the Company to breach the public shareholding spread, the Company is entitled to only convert such number of RCPS A such that the collective shareholdings of such holder and its persons connected do not breach the public shareholding spread requirement wherein any remaining RCPS A not converted shall be redeemed in cash at 100% of its nominal value.
Conversion ratio	:	The conversion ratio shall be one (1) RCPS A to one (1) new Epicon Share, subject to adjustments from time to time at the determination of the Board on a fair and proportionate basis in the event of any alteration to the Company's share capital, whether by way of rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital howsoever being effected, in accordance with the provisions of the constitution of the Company. For clarity, the RCPS A are convertible into new Epicon Shares on a one (1) RCPS A for one (1) Epicon Share basis, and no cash outlay, additional payment or consideration shall be payable by the holders of the RCPS A upon such conversion.
Conversion period	:	The RCPS A shall be convertible into new Epicon Shares on any market day at any time during the tenure of the RCPS A commencing on and including the issuance date up to and including the maturity date.
Ranking of new Epicon Shares	:	The new Epicon Shares to be issued pursuant to the conversion of the RCPS A shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing Epicon Shares of the Company, except that they will not be entitled to any dividends or distribution made prior to the date of allotment of such new Epicon Shares.

Redemption	:	Unless previously redeemed or converted or purchased and cancelled, the RCPS A may at the option of the Company be redeemed, in whole or in part, at any time during the tenure of the RCPS A at the redemption price. The Company shall give not less than thirty (30) days prior written notice to the holders of the RCPS A of the redemption of the RCPS A. All RCPS A which are redeemed or purchased by the Company shall be cancelled immediately and cannot be resold or reissued.
Redemption price	:	Being an amount equivalent to the RCPS A issue price.
Listing	:	The RCPS A shall not be listed or quoted on Bursa Securities or any other stock exchange.
Modification of rights	:	Any variation, modification or abrogation of the rights and privileges attached to the RCPS A shall require the sanction of a special resolution of the holders of the RCPS A holding or representing not less than seventy five per centum (75%) of the outstanding RCPS A.
Governing law	:	Laws of Malaysia.

1. Shareholding Proportions

(a) Upon the completion of the SSA, the Vendor and Epicon (collectively, the "**Target Companies' Shareholders**" and "**Target Companies' Shareholder**" shall mean any one of them) will be the legal and beneficial owners of the entire issued share capital of the Target Companies, in the respective proportions ("**Shareholding Proportions**") and amounts as follows:

	Parties	No. of RUSB Shares	Shareholding Proportions in RUSB	No. of LPBC Shares	Shareholding Proportions in LPBC
1.	Epicon	600,000	60.00%	450,000	60.00%
2.	Lagenda	400,000	40.00%	300,000	40.00%
	Total	**1,000,000**	**100.00%**	**750,000**	**100.00%**

(b) The Target Companies' Shareholders shall be entitled to participate in any dividends or distributions lawfully declared by the Target Companies in accordance with the Shareholding Proportions.

2. Directors and Target Companies' Board of Directors' Meetings

(a) Number of directors

At all times while the Shareholders' Agreements remain in force, the Target Companies' Shareholders shall procure that at any one time, unless otherwise expressly agreed by the Target Companies' Shareholders, the number of directors shall not be more than 3 in number, and the Target Companies' Shareholders will be entitled to appoint and remove directors in accordance with Section 2(ii) of **Appendix IV** of this Circular below.

(b) Appointment and removal of directors

(i) Except as otherwise provided in the Shareholders' Agreements:

(1) Epicon shall, while it remains as a Target Companies' Shareholder, be entitled to nominate and appoint 2 directors; and

(2) Lagenda shall, while it remains as a Target Companies' Shareholder, be entitled to nominate and appoint 1 director,

and each director shall hold office for such term as may be determined by that party who appointed him and shall not be subject to retirement by rotation.

(ii) For the purposes of preserving Lagenda's ability to achieve the total guaranteed profit of RM238.00 million during the FYE 2027 and the FYE 2028 under the SSA, the parties agree that for the entire duration of the FYE 2027 and the FYE 2028:

(1) the existing directors on the board of directors of the Target Companies as at the completion date of the SSA, i.e. Lau Kok Lian and Alfiyan Bin Mohd Yunus (collectively, the "**Existing Directors**") shall remain on the board of directors of the Target Companies;

(2) Epicon shall be entitled to nominate and appoint 1 director;

Note:

For the avoidance of doubt, the above board composition shall apply only during the FYE 2027 and the FYE 2028 . This arrangement was proposed by Lagenda to ensure continuity of management and operations and to facilitate the achievement of the Profit Guarantee by the Target Companies. Notwithstanding the foregoing, Epicon shall remain entitled to appoint one (1) director to the board of directors of the Target Companies commensurate with its 60% equity interest, for the purpose of protecting and safeguarding its investment and shareholder rights in the Target Companies during the FYE 2027 and the FYE 2028.

(3) in the event any director, who is not a director appointed by Lagenda, resigns, dies, is found guilty of any misconduct, is disqualified from being a director, is removed by mutual agreement of the Target Companies' Shareholders or otherwise ceases to hold office as a director, Epicon shall be entitled to nominate and appoint a fresh director in place of such director by giving a notice in writing to such effect to the board of directors of the relevant Target Company; and

(4) for the purposes of the board reserved matters and quorum for board meeting as contemplated under the Shareholders' Agreements, one of the Existing Directors shall be designated as a director appointed by Lagenda as at the date of the Shareholders' Agreements and the director appointed in accordance with Section 2(b)(ii)(2) of this **Appendix IV** shall be designated as a director appointed by Epicon.

(iii) Subject to the provisions of the Act, a party will be entitled at any time and from time to time to remove any director so appointed by that party and appoint a fresh director in his place and to appoint a fresh director in the event of any director appointed by that party resigning, dying, retiring or otherwise ceasing to hold office as a director by giving a notice in writing to such effect to the board of directors of the relevant Target Company. The board of directors of the relevant Target Company shall pass the relevant resolution or convene a meeting and pass the relevant resolution upon receipt of the notice from the party.

(iv) There will not be any shareholding qualification for directors.

(c) Voting

(i) At any meetings of directors, each director shall have 1 vote each.

(ii) Subject to Section 2(c)(iii) of this **Appendix IV** and the board reserved matters as contemplated under the Shareholders' Agreements, matters and resolutions thereof arising at any meeting of the board of directors of the Target Companies will be decided by a simple majority of votes of the directors present and voting at that meeting.

(iii) During the FYE 2027 and the FYE 2028, all board reserved matters as contemplated under the Shareholders' Agreements shall be put to a vote before the board of directors of the Target Companies, and no board reserved matter shall be considered passed during the FYE 2027 and the FYE 2028 unless it receives the affirmative vote of at least 1 director appointed by Lagenda and 1 director appointed by Epicon.

(d) Chairman

Unless otherwise agreed, the chairman of the board of directors of the Target Companies and any shareholders' meetings of the Target Companies ("**Chairman**") shall be a director nominated by Epicon and shall not be entitled to exercise any casting vote.

Note:

The Chairman is not given a casting vote to preserve neutrality and maintain joint control of the Target Companies, ensuring that decisions are made collectively and that no single individual exercises disproportionate influence over the affairs and decisions of the Target Companies.

3. General Meetings of Shareholders

(a) Except as otherwise required by the Act and save in respect of any shareholders' reserved matter as contemplated under the Shareholders' Agreements, any resolution to be passed at a general meeting of the Target Companies ("**General Meeting**") shall be passed by votes representing more than 50% of the RUSB Shares or LPBC Shares (as the case may be) held by the Target Companies' Shareholders present and voting at the General Meeting.

(b) All shareholders' reserved matters as contemplated under the Shareholders' Agreements shall be put to a vote before the Target Companies' Shareholders, and no shareholders' reserved matter as contemplated under the Shareholders' Agreements shall be considered passed unless it is passed by votes representing at least 85% of the RUSB Shares or LPBC Shares (as the case may be) held by the Target Companies' Shareholders.

(c) Each Target Companies' Shareholder (or its representative or proxy or attorney or other duly authorised representative) shall have 1 vote for every RUSB Share or LPBC Share (as the case may be) that it holds.

(d) If within 30 minutes of the time appointed for any adjourned General Meeting, the quorum for General Meeting as contemplated under the Shareholders' Agreements is not present, such adjourned General Meeting shall be further adjourned and the matter to be decided at such General Meeting ("**Disputed Matter**") shall be escalated to the chief executive officer or managing director (or equivalent senior executive) of each Target Companies' Shareholder ("**Senior Executives**") for their consideration and determination.

(e) Upon escalation pursuant to Section 3(d) of this **Appendix IV**, the Senior Executives shall meet (whether in person, by telephone or video conference) within 14 days of such escalation and shall in good faith endeavour to resolve the Disputed Matter amicably. The Target Companies' Shareholders shall use their best endeavours to arrive at a mutually acceptable decision on the Disputed Matter within 30 days of the escalation (or such longer period as the Target Companies' Shareholders may agree in writing). Following such resolution, the Target Companies' Shareholders shall procure that the necessary resolutions are passed to give effect to such decision as soon as practicable.

(f) If the Disputed Matter is not resolved within the period referred to in Section 3(e) of this **Appendix IV**, the adjourned General Meeting shall be reconvened 3 business days after the expiry of the period referred to in Section 3(e) of this **Appendix IV**, at the same time and place as the first adjourned General Meeting, and the quorum for such reconvened adjourned General Meeting shall be at least one representative duly authorised by Epicon, personally present or present by its representative or by proxy.

4. Dividend Policy

The parties agree that the determination of the dividend to be declared and paid by the Target Companies for each financial year shall be a shareholders' reserved matter as contemplated under the Shareholders' Agreements, subject to the cash flow requirements of the Target Companies and compliance with the requirements of the Act and all other applicable laws.

5. Duration

The Shareholders' Agreements will be effective upon the date of completion of the SSA and continue in full force and effect until terminated in accordance with the provisions of the Shareholders' Agreements.

MOORE

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14 July 2026

The Board of Directors
EPICON BERHAD
Unit 7-02, Level 7,
Menara Lagenda,
No. 3, Jalan SS20/27,
47400 Petaling Jaya, Selangor, Malaysia

Dear Sirs,

EPICON BERHAD ("Epicon" or the "Company") and its subsidiaries ("Epicon Group")

Report on the Compilation of the Pro Forma Consolidated Statements of Financial Position for inclusion in the circular to the shareholders of Epicon ("Circular") in connection with the:

(i) Proposed acquisitions by Epicon of 60% equity interest in Rantau Urusan (M) Sdn. Bhd. ("RUSB") and LPB Construction Sdn. Bhd. ("LPBC") (collectively, "Target Companies") from Lagenda Properties Berhad ("Lagenda"), for an aggregate purchase consideration of RM543.16 million, to first be partly satisfied by way of settlement and discharge of related party advances of RM125.82 million owing from Lagenda and its group of companies to the Target Companies as at the date of the SSA (as defined herein), the payment obligation of which will be assumed by Epicon, and the remaining amount of RM417.34 million shall be satisfied via the issuance of 1,857,147,857 new ordinary shares in Epicon ("Epicon Share(s)") and 1,353,190,292 new redeemable convertible preference shares – Class A in Epicon ("RCPS A") to Lagenda (collectively, "Proposed Acquisitions");

(ii) Proposed call option for the acquisition of up to the remaining 40% equity interest in the Target Companies by Epicon from Lagenda for a purchase consideration of up to RM362.11 million ("Proposed Call Option");

(iii) Proposed private placement of 240,000,000 new Epicon Shares ("Placement Share(s)") at an issue price of RM0.13 per Placement Share to the identified third-party investors ("Proposed Private Placement");

(iv) Proposed amendments to the Constitution of Epicon to facilitate the issuance of the RCPS A to be issued pursuant to the Proposed Acquisitions and the Proposed Call Option ("Proposed Amendments"); and

(v) Proposed exemptions under subparagraph 4.08(1) of the rules on take-overs, mergers and compulsory acquisitions issued by the Securities Commission Malaysia ("SC") ("Rules") to be sought by:

(a) Doh Properties Sdn. Bhd. ("Doh Properties") and persons acting in concert ("PAC(s)") with it from the obligation to undertake a mandatory take-over offer ("MGO") for all the remaining Epicon Shares not already owned by them upon full conversion of 233,000,000 redeemable convertible preference shares in Epicon ("RCPS") held by Doh Properties, pursuant to subsection 218(2) of the Capital Markets and Services Act, 2007 ("CMSA"), read together with subparagraph 15(1) of the Malaysian Code on Take-Overs and Mergers 2016 ("Code") and subparagraph 4.01(a) of the Rules ("Proposed Exemption 1"); and

(b) Lagenda and its PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned them after the Proposed Acquisitions, pursuant to subsection 218(2) of the CMSA, read together with subparagraphs 15(1) and 15(2) of the Code and subparagraphs 4.01(a) and 4.01(b) of the Rules ("Proposed Exemption 2").

(Collectively, "Proposed Exemptions")

An independent member firm of Moore Global Network Limited.
Member firms in principal cities throughout the world.

(The Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement, the Proposed Amendments and the Proposed Exemptions are collectively referred to as "Proposals")

We have completed our assurance engagement to report on the compilation of the Pro Forma Consolidated Statements of Financial Position of Epicon Group as at 31 December 2025 ("Pro Forma Consolidated Statements of Financial Position") together with the accompanying notes thereon (as set out in Appendix A, for which we have stamped for the purpose of identification), prepared by the Board of Directors of the Company (the "Directors").

The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information are described in the notes thereon to the Pro Forma Consolidated Statements of Financial Position and are in accordance with the Equity Guidelines issued by the Securities Commission Malaysia, the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad, and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants ("Applicable Criteria").

The Pro Forma Consolidated Statements of Financial Position have been compiled by the Directors for inclusion in the Circular solely to illustrate the impact of the Proposals as set out in the notes thereon to the Pro Forma Consolidated Statements of Financial Position as at 31 December 2025 had the transactions been effected as at 31 December 2025. As part of this process, information about the Group's consolidated statements of financial position has been extracted by the Directors from Epicon Group's audited consolidated financial statements for the financial year ended 31 December 2025, on which an audit report has been issued by us to its members without any modifications.

Directors' Responsibility for the Pro Forma Consolidated Statements of Financial Position

The Board of Directors of the Company are responsible for compiling the Pro Forma Consolidated Statements of Financial Position on the basis described in Note 2 of Appendix A and in accordance with the Applicable Criteria.

Reporting Accountants' Independence and Quality Control

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and IESBA Code.

Our firm applies the International Standard on Quality Management 1 (ISQM 1), *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, and Other Assurance or Related Services Engagements* adopted by the Malaysian Institute of Accountants and, accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion about whether the Pro Forma Consolidated Statements of Financial Position have been properly compiled, in all material respects, by the Directors on the basis described in the notes of Appendix A and in accordance with the Applicable Criteria.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board as adopted by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Consolidated Statements of Financial Position on the basis described in the notes of Appendix A and in accordance with the Applicable Criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position. In arriving this opinion, we do not accept any responsibility for such reports or opinion beyond that owed to those to whom those reports or opinion were addressed by us at the dates of their issue.

The purpose of Pro Forma Consolidated Statements of Financial Position included in the Circular is solely to illustrate the impact of significant events or transactions on unadjusted statements of financial position of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at 31 December 2025, would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position has been compiled, in all material respects, on the basis as set out in the notes thereon involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Consolidated Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Consolidated Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the events or transactions in respect of which the Pro Forma Consolidated Statements of Financial Position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Consolidated Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects by the Directors, on the basis stated in Note 2 of Appendix A and in accordance with the Applicable Criteria.

Other Matter

This report has been prepared solely for inclusion in the Circular in connection with the Proposals. As such, this report should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this report contrary to the aforesaid purpose.

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
Chartered Accountants (AF002096)

STEPHEN WAN YENG LEONG
02963/07/2027 J
Chartered Accountant

EPICON BERHAD
Pro Forma Consolidated Statements of Financial Position and the Notes thereon

APPENDIX A

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
Chartered Accountants (AF002096)
Moore
For Identification Purposes Only

The pro forma consolidated statements of financial position of Epicon Berhad ("Epicon" or "the Company") and its subsidiaries ("Epicon Group") as at 31 December 2025 ("Pro Forma Consolidated Statements of Financial Position") as set out below has been prepared for illustrative purposes only and to show the effects of the events or transactions referred to in the notes on the basis that these transactions have been effected on 31 December 2025, and should be read in conjunction with the notes accompanying the Pro Forma Consolidated Statements of Financial Position.

Minimum Scenario

	Note	Audited As at 31 December 2025 RM'000	Pro Forma I RCPS Conversion RM'000	Pro Forma II Proposed Acquisitions, Proposed Call Option and Proposed Private Placement RM'000	Pro Forma III Full Conversion of the Consideration RCPS A RM'000	Pro Forma IV Lapse of the Call Option RM'000
ASSETS						
Non-Current Assets						
Property, plant and equipment		22,101	22,101	22,942	22,942	22,942
Investment properties		-	-	3,060	3,060	3,060
Goodwill	4.1	-	-	26,236	26,236	26,236
Call option assets	4.2	2,791	2,791	24,601	24,601	2,791
Deferred tax assets	4.3	601	601	7,793	601	601
Trade receivables		556	556	556	556	556
Other receivables		106	106	129	129	129
		26,155	26,155	85,317	78,125	56,315
Current Assets						
Inventories		2,615	2,615	2,615	2,615	2,615
Trade receivables		152,741	152,741	351,816	351,816	351,816
Other receivables		11,092	11,092	18,697	18,697	18,697
Contract assets		44,612	44,612	102,305	102,305	102,305
Tax recoverable		1,286	1,286	1,972	1,972	1,972
Cash and cash equivalents	4.4	29,636	29,636	89,475	89,475	89,475
		241,982	241,982	566,880	566,880	566,880
TOTAL ASSETS		268,137	268,137	652,197	645,005	623,195

EPICON BERHAD
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Minimum Scenario (cont'd)

	Note	Audited As at 31 December 2025 RM'000	Pro Forma I RCPS Conversion RM'000	Pro Forma II Proposed Acquisitions, Proposed Call Option and Proposed Private Placement RM'000	Pro Forma III Full Conversion of the Consideration RCPS A RM'000	Pro Forma IV Lapse of the Call Option RM'000
EQUITY AND LIABILITIES						
Equity						
Ordinary shares	4.5	33,344	56,644	329,272	505,187	505,187
Redeemable convertible preference shares ("RCPS")	4.6	23,300	-	145,949	-	-
Reverse acquisition reserve	4.7	-	-	(463,262)	(463,262)	(463,262)
Capital contribution	4.8	-	-	1,251	1,251	1,251
Retained earnings	4.9	30,800	30,800	120,228	113,036	91,226
Equity attributable to Owners of the Company		87,444	87,444	133,438	156,212	134,402
Non-controlling interests	4.10	9,812	9,812	87,916	87,916	87,916
Total Equity		97,256	97,256	221,354	244,128	222,318
Non-Current Liabilities						
RCPS	4.6	-	-	29,966	-	-
Borrowings	4.11	11,140	11,140	12,567	12,567	12,567
Lease liabilities		4,035	4,035	4,425	4,425	4,425
Deferred tax liabilities		267	267	333	333	333
		15,442	15,442	47,291	17,325	17,325

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Minimum Scenario (cont'd)

	Note	Audited As at 31 December 2025 RM'000	Pro Forma I RCPS Conversion RM'000	Pro Forma II Proposed Acquisitions, Proposed Call Option and Proposed Private Placement RM'000	Pro Forma III Full Conversion of the Consideration RCPS A RM'000	Pro Forma IV Lapse of the Call Option RM'000
Current Liabilities						
Trade payables		73,066	73,066	140,661	140,661	140,661
Other payables		7,251	7,251	96,826	96,826	96,826
Contract liabilities		654	654	654	654	654
Borrowings	4.11	72,959	72,959	137,592	137,592	137,592
Lease liabilities		1,116	1,116	1,562	1,562	1,562
Tax payables		393	393	6,257	6,257	6,257
		155,439	155,439	383,552	383,552	383,552
Total Liabilities		170,881	170,881	430,843	400,877	400,877
TOTAL EQUITY AND LIABILITIES		268,137	268,137	652,197	645,005	623,195
Number of ordinary shares ('000)		627,464	860,464	2,957,607	4,310,797	4,310,797
Net assets ("NA") (RM'000)		87,444	87,444	133,438	156,212	134,402
NA per ordinary share attributable to Owners of the Company (RM'000)		0.14	0.10	0.05	0.04	0.03
Total borrowings (RM'000)		89,250	89,250	186,112	156,146	156,146
Gearing ratio (times) *		1.02	1.02	1.39	1.00	1.16

* *Gearing ratio is calculated based on total borrowings plus lease liabilities plus RCPS (liability component) divided by total equity attributable to Owners of the Company.*

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Maximum Scenario

	Note	Audited As at 31 December 2025 RM'000	Pro Forma I RCPS Conversion RM'000	Pro Forma II Proposed Acquisitions, Proposed Call Option and Proposed Private Placement RM'000	Pro Forma III Full Conversion of the Consideration RCPS A RM'000	Pro Forma IV Exercise of the Call Option RM'000	Pro Forma V Full Conversion of the Option Consideration RCPS A RM'000
ASSETS							
Non-Current Assets							
Property, plant and equipment		22,101	22,101	22,942	22,942	22,942	22,942
Investment properties		-	-	3,060	3,060	3,060	3,060
Goodwill	4.1	-	-	26,236	26,236	26,236	26,236
Call option assets	4.2	2,791	2,791	24,601	24,601	2,791	2,791
Deferred tax assets	4.3	601	601	7,793	601	8,003	601
Trade receivables		556	556	556	556	556	556
Other receivables		106	106	129	129	129	129
		26,155	26,155	85,317	78,125	63,717	56,315
Current Assets							
Inventories		2,615	2,615	2,615	2,615	2,615	2,615
Trade receivables		152,741	152,741	351,816	351,816	351,816	351,816
Other receivables		11,092	11,092	18,697	18,697	18,697	18,697
Contract assets		44,612	44,612	102,305	102,305	102,305	102,305
Tax recoverable		1,286	1,286	1,972	1,972	1,972	1,972
Cash and cash equivalents	4.4	29,636	29,636	89,475	89,475	89,475	89,475
		241,982	241,982	566,880	566,880	566,880	566,880
TOTAL ASSETS		268,137	268,137	652,197	645,005	630,597	623,195

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Maximum Scenario (cont'd)

	Note	Audited As at 31 December 2025 RM'000	Pro Forma I RCPS Conversion RM'000	Pro Forma II Proposed Acquisitions, Proposed Call Option and Proposed Private Placement RM'000	Pro Forma III Full Conversion of the Consideration RCPS A RM'000	Pro Forma IV Exercise of the Call Option RM'000	Pro Forma V Full Conversion of the Option Consideration RCPS A RM'000
EQUITY AND LIABILITIES							
Equity							
Ordinary shares	4.5	33,344	56,644	329,272	505,187	686,240	867,293
Redeemable convertible preference shares ("RCPS")	4.6	23,300	-	145,949	-	150,212	-
Reverse acquisition reserve	4.7	-	-	(463,262)	(463,262)	(846,478)	(846,478)
Capital contribution	4.8	-	-	1,251	1,251	2,085	2,085
Retained earnings	4.9	30,800	30,800	120,228	113,036	197,008	189,606
Equity attributable to Owners of the Company		87,444	87,444	133,438	156,212	189,067	212,506
Non-controlling interests	4.10	9,812	9,812	87,916	87,916	9,812	9,812
Total Equity		97,256	97,256	221,354	244,128	198,879	222,318
Non-Current Liabilities							
Redeemable convertible preference shares ("RCPS")	4.6	-	-	29,966	-	30,841	-
Borrowings	4.11	11,140	11,140	12,567	12,567	12,567	12,567
Lease liabilities		4,035	4,035	4,425	4,425	4,425	4,425
Deferred tax liabilities		267	267	333	333	333	333
		15,442	15,442	47,291	17,325	48,166	17,325

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Maximum Scenario (cont'd)

	Note	Audited As at 31 December 2025 RM'000	Pro Forma I RCPS Conversion RM'000	Pro Forma II Proposed Acquisitions, Proposed Call Option and Proposed Private Placement RM'000	Pro Forma III Full Conversion of the Consideration RCPS A RM'000	Pro Forma IV Exercise of the Call Option RM'000	Pro Forma V Full Conversion of the Option Consideration RCPS A RM'000
Current Liabilities							
Trade payables		73,066	73,066	140,661	140,661	140,661	140,661
Other payables		7,251	7,251	96,826	96,826	96,826	96,826
Contract liabilities		654	654	654	654	654	654
Borrowings	4.11	72,959	72,959	137,592	137,592	137,592	137,592
Lease liabilities		1,116	1,116	1,562	1,562	1,562	1,562
Tax payables		393	393	6,257	6,257	6,257	6,257
		155,439	155,439	383,552	383,552	383,552	383,552
Total Liabilities		170,881	170,881	430,843	400,877	431,718	400,877
TOTAL EQUITY AND LIABILITIES		268,137	268,137	652,197	645,005	630,597	623,195
Number of ordinary shares ('000)		627,464	860,464	2,957,607	4,310,797	5,703,511	7,096,225
Net assets ("NA") (RM'000)		87,444	87,444	133,438	156,212	189,067	212,506
NA per ordinary share attributable to Owners of the Company (RM'000)		0.14	0.10	0.05	0.04	0.03	0.03
Total borrowings (RM'000)		89,250	89,250	186,112	156,146	186,987	156,146
Gearing ratio (times) *		1.02	1.02	1.39	1.00	0.99	0.73

* *Gearing ratio is calculated based on total borrowings plus lease liabilities plus RCPS (liability component) divided by total equity attributable to Owners of the Company.*

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
Chartered Accountants (AF002096)
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1. INTRODUCTION

The pro forma consolidated statements of financial position of Epicon Berhad ("Epicon" or the "Company") and its subsidiaries ("Epicon Group") as at 31 December 2025 ("Epicon Group Pro Forma Consolidated Statements of Financial Position") have been prepared for inclusion in the Company's circular to shareholders in connection with the:

(i) Proposed acquisitions by Epicon of 60% equity interest in Rantau Urusan (M) Sdn. Bhd. ("RUSB") and LPB Construction Sdn. Bhd. ("LPBC") (collectively, "Target Companies") from Lagenda Properties Berhad ("Lagenda"), for an aggregate purchase consideration of RM543.16 million, to first be partly satisfied by way of settlement and discharge of related party advances of RM125.82 million owing from Lagenda and its group of companies to the Target Companies as at the date of the SSA (as defined herein), the payment obligation of which will be assumed by Epicon, and the remaining amount of RM417.34 million shall be satisfied via the issuance of 1,857,147,857 new ordinary shares in Epicon ("Epicon Share(s)") and 1,353,190,292 new redeemable convertible preference shares – Class A in Epicon ("RCPS A") to Lagenda (collectively, "Proposed Acquisitions");

(ii) Proposed call option for the acquisition of up to the remaining 40% equity interest in the Target Companies by Epicon from Lagenda for a purchase consideration of up to RM362.11 million ("Proposed Call Option");

(iii) Proposed private placement of 240,000,000 new Epicon Shares ("Placement Share(s)") at an issue price of RM0.13 per Placement Share to the identified third-party investors ("Proposed Private Placement");

(iv) Proposed amendments to the Constitution of Epicon to facilitate the issuance of the RCPS A to be issued pursuant to the Proposed Acquisitions and the Proposed Call Option ("Proposed Amendments"); and

(v) Proposed exemptions under subparagraph 4.08(1) of the rules on take-overs, mergers and compulsory acquisitions issued by the Securities Commission Malaysia ("SC") ("Rules") to be sought by:

   (a) Doh Properties Sdn. Bhd. ("Doh Properties") and persons acting in concert ("PAC(s)") with it from the obligation to undertake a mandatory take-over offer ("MGO") for all the remaining Epicon Shares not already owned by them upon full conversion of 233,000,000 redeemable convertible preference shares in Epicon ("RCPS") held by Doh Properties, pursuant to subsection 218(2) of the Capital Markets and Services Act, 2007 ("CMSA"), read together with subparagraph 15(1) of the Malaysian Code on Take-Overs and Mergers 2016 ("Code") and subparagraph 4.01(a) of the Rules ("Proposed Exemption 1"); and

   (b) Lagenda and its PACs from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned them after the Proposed Acquisitions, pursuant to subsection 218(2) of the CMSA, read together with subparagraphs 15(1) and 15(2) of the Code and subparagraphs 4.01(a) and 4.01(b) of the Rules ("Proposed Exemption 2").

   (Collectively, "Proposed Exemptions")

(The Proposed Acquisitions, the Proposed Call Option, the Proposed Private Placement, the Proposed Amendments and the Proposed Exemptions are collectively referred to as "Proposals")

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
Chartered Accountants (AF002096)
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2. BASIS OF PREPARATION

The Epicon Group Pro Forma Consolidated Statements of Financial Position have been compiled based on the audited financial statements of Epicon Group, RUSB and LPBC for the financial year ended 31 December 2025, which had been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"). The Epicon Group Pro Forma Consolidated Statements of Financial Position do not include effects of the adoption of MFRS issued by the Malaysian Accounting Standards Board which are effective for the annual period beginning on or after 1 January 2026.

The accounting policies, basis and assumptions used in the preparation of the Epicon Group Pro Forma Consolidated Statements of Financial Position are consistent with those adopted by Epicon Group in the preparation of their audited financial statements for the financial year ended 31 December 2025, and included the application of reverse acquisition accounting method.

MFRS 3 – Business Combinations applies to an acquisition whereby an acquirer shall be identified for all business combinations and the acquirer is defined as the entity that obtains control of the combining entities or businesses.

The Proposed Acquisitions are accounted for in accordance with *MFRS 3 – Business Combinations*, where the combined Target Companies (the "Combined Target Companies") which are under common control of their shareholders, is regarded as the accounting acquirer and Epicon Group is regarded as the accounting acquiree and the consolidation is prepared using reverse acquisition accounting ("Reverse Acquisition Accounting") method. Hence, Epicon Group's consolidated statements of financial position as presented in Pro Forma II represents a continuation of the financial position of the Combined Target Companies, except for the equity structure (i.e. the number and type of equity instruments issued) appearing in the consolidated financial statements which reflects the equity structure of Epicon, including the equity instruments issued by Epicon to effect the Proposed Acquisitions.

Under Reverse Acquisition Accounting method, the identifiable assets and liabilities of Epicon Group from an accounting acquiree perspective were measured and accounted for in Epicon Group Pro Forma Consolidated Statements of Financial Position based on their carrying values as at 31 December 2025. The Board of Directors of the Combined Target Companies (i.e. accounting acquirer) will ascertain the fair values of the assets and liabilities of Epicon Group at the date of completion of the Proposed Acquisitions. Any adjustment to the fair values of the assets and liabilities of Epicon Group may have a corresponding effect on the financial position of the Combined Target Companies.

The auditors' report of the audited financial statements of Epicon Group, RUSB and LPBC for the financial year ended 31 December 2025 were not subject to any qualification, modification or disclaimer of opinion.

The combined financial statements of the Combined Target Companies for the financial year ended 31 December 2025, as included in the Accountants' Report, were not subject to any qualification, modification or disclaimer of opinion.

The Epicon Group Pro Forma Consolidated Statements of Financial Position of which the Board of Directors of Epicon is solely responsible, have been prepared for illustrative purposes only, to show the effects on the audited consolidated statements of financial position of Epicon Group had the events/transactions in Note 3 been effected on that date, and should be read in conjunction with the notes accompanying thereto.

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
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3. Pro Forma Adjustments to the Pro Forma Consolidated Statements of Financial Position

3.1 Pro Forma I – RCPS Conversion

Pursuant to a written irrevocable and unconditional undertaking procured by the Company from Doh Properties via a letter dated 14 July 2026 ("**Doh Properties RCPS Undertaking Letter**"), Doh Properties undertakes that it will convert all the outstanding 233,000,000 RCPS into 233,000,000 new Epicon Shares prior to the date of completion of the Proposed Acquisitions.

The effects of the RCPS Conversion are reflected in Pro Forma I.

3.2 Pro Forma II – Proposed Acquisitions, Proposed Call Option and Proposed Private Placement

Pro Forma II incorporates the effect of Pro Forma I and the effects of the Proposed Acquisitions, Proposed Call Option and Proposed Private Placement.

For the avoidance of doubt, the Proposed Private Placement is proposed to be implemented concurrently with the Proposed Acquisitions such that the issuance and allotment of the Placement Shares (as defined below) shall occur simultaneously with the issuance and allotment of the Consideration Shares (as defined below).

Proposed Private Placement

The Proposed Private Placement entails the issuance of 240,000,000 Placement Shares, representing approximately 38.25% of the total number of issued Epicon Shares as at the latest practicable date of 23 June 2026 ("LPD") or 8.11% of the Company's enlarged issued Shares post the RCPS Conversion, the Proposed Acquisitions and the Proposed Private Placement, at an issue price of RM0.13 per Placement Share to the identified investors. The proceeds to be derived from the Proposed Private Placement will be approximately RM31,200,000 ("Placement Proceeds").

The expected manner of utilisation of proceeds at this juncture are as follows:

Description	RM'000	Estimated timeframe for utilisation from the listing of the Placement Shares
Working capital of the Target Companies together with Epicon and its subsidiaries ("Enlarged Epicon Group")	11,880	Within 12 months
Repayment of bank borrowings	17,500	Within 6 months
Defray estimated expenses relating to the Proposals [(1)]	1,820	Immediate
Total	**31,200**	

(1) Comprises of fees payable to the Principal Adviser, solicitors, valuer of the Target Companies, valuer of the Call Option, Consideration RCPS A and Option Consideration RCPS A, reporting accountants, share registrar, company secretary and independent adviser. Any surplus or shortfall in the funds allocated for the expenses relating to the Proposals against actual expenses incurred will be adjusted accordingly to/from the amount allocated for working capital of the Enlarged Epicon Group.

Pending utilisation of the proceeds from the Proposed Private Placement, the proceeds will be placed in interest/profit-bearing accounts with financial institution(s) and/or investments in short-term money market fund(s) / Islamic instrument(s). Any interest/profit income generated from the deposits with financial institution(s) and/or dividend income arising from the short-term money market fund(s) / Islamic instrument(s) will be used for the working capital of the Enlarged Epicon Group.

The estimated expenses in relation to the Proposals of RM1,820,000 are assumed to be expensed to profit or loss and reflected in Pro Forma II.

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3. Pro Forma Adjustments to the Pro Forma Consolidated Statements of Financial Position (cont'd)

3.2 Pro Forma II – Proposed Acquisitions, Proposed Call Option and Proposed Private Placement (cont'd)

Proposed Acquisitions

The Proposed Acquisitions comprise the Proposed RUSB Acquisition and the Proposed LPBC Acquisition which entail Lagenda agreeing to sell and Epicon agreeing to purchase the Sale Shares in accordance with the terms and conditions of the SSA, for an aggregate purchase consideration of RM543.16 million. The Purchase Consideration of RM543.16 million shall first be partly satisfied by way of settlement and discharge of the related party advances amounting to RM125.82 million owing by the Lagenda group of companies ("**Lagenda Group**") to the Target Companies as at the date of the SSA, the payment obligation of which will be assumed by Epicon ("**Settlement Arrangement**"), whilst the remaining amount shall be satisfied via a combination of:

(i) RM241.43 million to be satisfied via the issuance of 1,857,142,857 new Epicon Shares ("**Consideration Shares**") at an issue price of RM0.13 per Consideration Share ("**Consideration Share Issue Price**"); and

(ii) RM175.91 million to be satisfied via the issuance of 1,353,190,292 new redeemable convertible preference shares – class A in Epicon ("**RCPS A**") ("**Consideration RCPS A**") at an issue price of RM0.13 per Consideration RCPS A ("**Consideration RCPS A Issue Price**").

The Consideration Shares and the Consideration RCPS A are to be issued in the following manner:

Target Company	Mode of purchase consideration				Purchase consideration (RM)
	Consideration Shares		Consideration RCPS		
	RM	No. of Consideration Shares	RM	No. of Consideration RCPS A	
RUSB	80,476,190	619,047,615	80,246,313	617,279,331	160,722,503
LPBC	160,952,380	1,238,095,242	95,668,425	735,910,961	256,620,805
Total	**241,428,570**	**1,857,142,857**	**175,914,738**	**1,353,190,292**	**417,343,308**

The Consideration RCPS A are accounted for as a compound financial instrument comprising a liability component of RM29,966,000 and an equity component of RM145,949,000. Based on the salient terms of the Consideration RCPS A, the instruments carry a coupon rate of 4% per annum and are mandatorily convertible into new Epicon shares upon maturity at a conversion ratio of one (1) Consideration RCPS A to one (1) new Epicon share, unless redeemed earlier at the discretion of Epicon.

Accordingly, the liability component was initially measured using a discounted cash flow method based on the present value of the contractual coupon payments over the five-year tenure of the Consideration RCPS A, with the residual amount recognised as the equity component.

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3. Pro Forma Adjustments to the Pro Forma Consolidated Statements of Financial Position (cont'd)

3.2 Pro Forma II – Proposed Acquisitions, Proposed Call Option and Proposed Private Placement (cont'd)

Proposed Acquisitions (cont'd)

The summarised combined statements of financial position of the Combined Target Companies for the financial year ended 31 December 2025 is as follows:

	RM'000
Assets	
Property, plant and equipment	841
Investment properties	3,060
Trade receivables	199,075
Other receivables	157,467
Contract assets	57,693
Tax recoverable	686
Cash and bank balances	50,443
Liabilities	
Deferred tax liabilities	(66)
Borrowings	(83,560)
Lease liabilities	(836)
Trade payables	(67,595)
Other payables	(116,083)
Tax payable	(5,864)
Net assets of the Combined Target Companies	195,261

Pro Forma II takes into account an additional net advance of RM2,484,000 from the Target Companies to the Lagenda Group arising between 1 January 2026 and the date of the SSA in determining the total amount of RM125.82 million to be settled under the Settlement Arrangement.

Details of the provisional fair value of assets and liabilities of Epicon Group acquired are as follows:

	Note	RM'000
Net assets of Epicon Group as at 31 December 2025		87,444
Proposed Private Placement:		
- Increase in cash and cash equivalents		11,880
- Decrease in borrowings		17,500
Net asset acquired		116,824
Goodwill	4.1	26,236
Fair value of deemed purchase consideration		143,060

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3. Pro Forma Adjustments to the Pro Forma Consolidated Statements of Financial Position (cont'd)

3.2 Pro Forma II – Proposed Acquisitions, Proposed Call Option and Proposed Private Placement (cont'd)

Proposed Acquisitions (cont'd)

In accordance with *MFRS 3 – Business Combination*, in a business combination in which the acquirer and the acquiree (or its former owners) exchange only equity interests, the acquisition-date fair value of the acquiree's equity interests may be more reliably measurable than the acquisition-date fair value of the acquirer's equity interests. If so, the acquirer shall determine the amount of goodwill by using the acquisition-date fair value of the acquiree's equity interests instead of the acquisition-date fair value of the equity interests transferred. Accordingly, the fair value of deemed purchase consideration has been determined based on the fair value of the Epicon Group's enlarged issued Shares post the RCPS Conversion and the Proposed Private Placement.

The fair value of deemed purchase consideration is as follows:

Number of enlarged issued Shares post RCPS Conversion and Proposed Private Placement (Unit'000)	1,100,464
Share price per unit as per Announcement (RM)	0.13
Fair value of deemed purchase consideration (RM'000)	143,060

The identifiable assets and liabilities of Epicon Group from an accounting perspective were measured and accounted for in Epicon Group Pro Forma Consolidated Statements of Financial Position based on their carrying values as at 31 December 2025. The Board of Directors of the Combined Target Companies will ascertain the fair values of the assets and liabilities of Epicon Group at the date of completion of the Proposed Acquisitions. Any adjustment to the fair values of the assets and liabilities of Epicon Group may have a corresponding effect on the financial position of the Combined Target Companies.

3.3 Pro Forma III – Full Conversion of the Consideration RCPS A

Pro Forma III incorporates the effects of Pro Forma I, Pro Forma II and the effects of full conversion of the Consideration RCPS A.

The full conversion of the Consideration RCPS A assumes that the 1,353,190,292 Consideration RCPS A are fully converted into 1,353,190,292 Epicon Shares. The initial recognition of the Consideration RCPS A of RM145,949,000 (equity component) and RM29,966,000 (liability component) will be derecognised and converted into paid up share capital of the Company respectively.

Upon full conversion of the Consideration RCPS A, the deferred tax assets of RM7,192,000 arising from the deductible temporary differences relating to the liability component under Pro Forma II are assumed to be derecognised in accordance with *MFRS 112 Income Taxes*, with the corresponding impact reflected in retained earnings in Pro Forma III.

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3. Pro Forma Adjustments to the Pro Forma Consolidated Statements of Financial Position (cont'd)

3.4 Pro Forma IV – Call Option

Pursuant to the terms and conditions of the SSA, Lagenda agrees to grant the Call Option to the Company to acquire up to 400,000 RUSB Shares and up to 300,000 LPBC Shares which represents up to 40% equity interest in the Target Companies, at the Option Consideration of up to RM362.11 million. The Option Consideration may be satisfied via a combination of:

(i) cash;

(ii) allotment and issuance of such number of new Epicon Shares ("Option Consideration Shares") to the Vendor at an issue price of RM0.13 per Option Consideration Share ("Option Share Issue Price"); and/or

(iii) allotment and issuance of such number of RCPS A ("Option Consideration RCPS A") to the Vendor at an issue price of RM0.13 per Option Consideration RCPS A ("Option RCPS A Issue Price").

The exact proportion of the aforementioned mode of settlement has yet to be determined at this juncture as it is dependent on the Company's public spread, the number of new Epicon Shares which will arise from the exercise of the outstanding RCPS A in issuance as well as available cash and financing facilities at the point the Call Option is exercised.

For illustration purposes, it is assumed that the Option Consideration shall be satisfied via the following:

(i) up to RM181.05 million to be satisfied via the issuance of up to 1,392,714,200 Option Consideration Shares at Option Share Issue Price; and

(ii) up to RM181.05 million to be satisfied via the issuance of up to 1,392,714,200 Option Consideration RCPS A at the Option RCPS A Issue Price.

The Option Consideration RCPS A are accounted for as a compound financial instrument comprising a liability component of RM30,841,000 and an equity component of RM150,212,000. Based on the salient terms of the Option Consideration RCPS A, the instruments carry a coupon rate of 4% per annum and are mandatorily convertible into new Epicon shares upon maturity at a conversion ratio of one (1) Option Consideration RCPS A to one (1) new Epicon share, unless redeemed earlier at the discretion of Epicon. Accordingly, the liability component was initially measured using a discounted cash flow method based on the present value of the contractual coupon payments over the five-year tenure of the Option Consideration RCPS A, with the residual amount recognised as the equity component.

The fair value of the Call Option of RM21,810,000 is derived based on an independent valuer's valuation report dated 25 May 2026.

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3. Pro Forma Adjustments to the Pro Forma Consolidated Statements of Financial Position (cont'd)

3.4 Pro Forma IV – Call Option (cont'd)

Minimum Scenario

Pro Forma IV incorporates the effects of Pro Forma I, Pro Forma II, Pro Forma III and the effects of lapse of the Call Option.

The Call Option is assumed to lapse unexercised and, accordingly, the call option asset of RM21,810,000 is assumed to be derecognised in accordance with *MFRS 9 Financial Instruments*, with the corresponding effect reflected in retained earnings in Pro Forma IV.

Maximum Scenario

Pro Forma IV incorporates the effects of Pro Forma I, Pro Forma II, Pro Forma III and the effects of exercise of the Call Option.

3.5 Pro Forma V – Full Conversion of the Option Consideration RCPS A

Maximum Scenario

Pro Forma V incorporates the effects of Pro Forma I, Pro Forma II, Pro Forma III, Pro Forma IV and the effects of full conversion of the Option Consideration RCPS A.

The full conversion of the Option Consideration RCPS A assumes that the 1,392,714,200 Option Consideration RCPS A are fully converted into 1,392,714,200 Epicon Shares. The initial recognition of the Option Consideration RCPS A of RM150,212,000 (equity component) and RM30,841,000 (liability component) will be derecognised and converted into paid up share capital of the Company respectively.

Upon full conversion of the Option Consideration RCPS A, the deferred tax assets of RM7,402,000 arising from the deductible temporary differences relating to the liability component under Pro Forma IV are assumed to be derecognised in accordance with *MFRS 112 Income Taxes*, with the corresponding impact reflected in retained earnings in Pro Forma III.

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4.0 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

4.1 Goodwill

Minimum Scenario

	RM'000
At 31 December 2025/Pro Forma I	-
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	
- Application of Reverse Acquisition Accounting	26,236
As per Pro Forma II, III and IV	26,236

Maximum Scenario

	RM'000
At 31 December 2025/Pro Forma I	-
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	
- Application of Reverse Acquisition Accounting	26,236
As per Pro Forma II, III, IV and V	26,236

4.2 Call option assets

Minimum Scenario

	RM'000
At 31 December 2025/Pro Forma I	2,791
Pursuant to Adjustment for Pro Forma II:	
Proposed Call Option	21,810
As per Pro Forma II and III	24,601
Pursuant to Adjustment for Pro Forma IV:	
Lapse of the Call Option	(21,810)
As per Pro Forma IV	2,791

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4.0 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)

4.2 Call option assets (cont'd)

Maximum Scenario

	RM'000
At 31 December 2025/Pro Forma I	2,791
Pursuant to Adjustment for Pro Forma II:	
Proposed Call Option	21,810
As per Pro Forma II and III	24,601
Pursuant to Adjustment for Pro Forma IV:	
Exercise of the Call Option	(21,810)
As per Pro Forma IV and V	2,791

4.3 Deferred tax assets

Minimum Scenario

	RM'000
At 31 December 2025/Pro Forma I	601
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	
- Issuance of the Consideration RCPS A	7,192
As per Pro Forma II	7,793
Pursuant to Adjustment for Pro Forma III:	
Full Conversion of the Consideration RCPS A	(7,192)
As per Pro Forma III and IV	601

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4.0 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)

4.3 Deferred tax assets (cont'd)

Maximum Scenario

	RM'000
At 31 December 2025/Pro Forma I	601
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	
- Issuance of the Consideration RCPS A	7,192
As per Pro Forma II	7,793
Pursuant to Adjustment for Pro Forma III:	
Full Conversion of the Consideration RCPS A	(7,192)
As per Pro Forma III	601
Pursuant to Adjustment for Pro Forma IV:	
Exercise of the Call Option - Issuance of the Option Consideration	
- Issuance of the Option Consideration RCPS A	7,402
As per Pro Forma IV	8,003
Pursuant to Adjustment for Pro Forma V:	
Full Conversion of the Option Consideration RCPS A	(7,402)
As per Pro Forma V	601

4.4 Cash and cash equivalents

Minimum Scenario

	RM'000
At 31 December 2025/Pro Forma I	29,636
Pursuant to Adjustments for Pro Forma II:	
Proposed Acquisitions	47,959
Proposed Private Placement	31,200
Repayment of bank borrowings	(17,500)
Estimated expenses relating to the Proposals	(1,820)
As per Pro Forma II, III and IV	89,475

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4.0 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)

4.4 Cash and cash equivalents (cont'd)

Maximum Scenario

	RM'000
At 31 December 2025/Pro Forma I	29,636
Pursuant to Adjustments for Pro Forma II:	
Proposed Acquisitions	47,959
Proposed Private Placement	31,200
Repayment of bank borrowings	(17,500)
Estimated expenses relating to the Proposals	(1,820)
As per Pro Forma II, III, IV and V	89,475

4.5 Ordinary shares

Minimum Scenario

	RM'000	**Unit'000**
At 31 December 2025	33,344	627,464
Pursuant to Adjustment for Pro Forma I:		
RCPS Conversion	23,300	233,000
As per Pro Forma I	56,644	860,464
Pursuant to Adjustments for Pro Forma II:		
Proposed Acquisitions		
- Issuance of the Consideration Shares	241,428	1,857,143
Proposed Private Placement	31,200	240,000
As per Pro Forma II	329,272	2,957,607
Pursuant to Adjustment for Pro Forma III:		
Full Conversion of the Consideration RCPS A	175,915	1,353,190
As per Pro Forma III and IV	505,187	4,310,797

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4.0 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)

4.5 Ordinary shares (cont'd)

Maximum Scenario

	RM'000	Unit'000
At 31 December 2025	33,344	627,464
Pursuant to Adjustment for Pro Forma I:		
RCPS Conversion	23,300	233,000
As per Pro Forma I	56,644	860,464
Pursuant to Adjustments for Pro Forma II:		
Proposed Acquisitions		
- Issuance of the Consideration Shares	241,428	1,857,143
Proposed Private Placement	31,200	240,000
As per Pro Forma II	329,272	2,957,607
Pursuant to Adjustment for Pro Forma III:		
Full Conversion of the Consideration RCPS A	175,915	1,353,190
As per Pro Forma III	505,187	4,310,797
Pursuant to Adjustment for Pro Forma IV:		
Exercise of the Call Option		
- Issuance of the Option Consideration Shares	181,053	1,392,714
As per Pro Forma IV	686,240	5,703,511
Pursuant to Adjustment for Pro Forma V:		
Full Conversion of the Option Consideration RCPS A	181,053	1,392,714
As per Pro Forma V	867,293	7,096,225

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4.0 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)

4.6 RCPS

Minimum Scenario

	RM'000
Equity	
At 31 December 2025	23,300
Pursuant to Adjustment for Pro Forma I:	
RCPS Conversion	(23,300)
As per Pro Forma I	-
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	
- Issuance of the Consideration RCPS A (Equity component)	145,949
As per Pro Forma II	145,949
Pursuant to Adjustment for Pro Forma III:	
Full Conversion of the Consideration RCPS A	(145,949)
As per Pro Forma III and IV	-
Non-current Liabilities	
At 31 December 2025/Pro Forma I	-
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	
- Issuance of the Consideration RCPS A (Liability component)	29,966
As per Pro Forma II	29,966
Pursuant to Adjustment for Pro Forma III:	
Full Conversion of the Consideration RCPS A	(29,966)
As per Pro Forma III and IV	-

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4.0 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)

4.6 RCPS (cont'd)

Maximum Scenario

	RM'000
Equity	
At 31 December 2025	23,300
Pursuant to Adjustment for Pro Forma I:	
RCPS Conversion	(23,300)
As per Pro Forma I	-
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	
- Issuance of the Consideration RCPS A (Equity component)	145,949
As per Pro Forma II	145,949
Pursuant to Adjustment for Pro Forma III:	
Full Conversion of the Consideration RCPS A	(145,949)
As per Pro Forma III	-
Pursuant to Adjustment for Pro Forma IV:	
Exercise of the Call Option	
- Issuance of the Option Consideration RCPS A (Equity component)	150,212
As per Pro Forma IV	150,212
Pursuant to Adjustment for Pro Forma V:	
Full Conversion of the Option Consideration RCPS A	(150,212)
As per Pro Forma V	-
Non-current Liabilities	
At 31 December 2025/Pro Forma I	-
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	
- Issuance of the Consideration RCPS A (Liability component)	29,966
As per Pro Forma II	29,966
Pursuant to Adjustment for Pro Forma III:	
Full Conversion of the Consideration RCPS A	(29,966)
As per Pro Forma III	-
Pursuant to Adjustment for Pro Forma IV:	
Exercise of the Call Option	
- Issuance of the Option Consideration RCPS A (Liability component)	30,841
As per Pro Forma IV	30,841
Pursuant to Adjustment for Pro Forma V:	
Full Conversion of the Option Consideration RCPS A	(30,841)
As per Pro Forma V	-

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4.0 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)

4.7 Reverse acquisition reserve

Minimum Scenario

	RM'000
At 31 December 2025/Pro Forma I	-
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	(463,262)
As per Pro Forma II, III and IV	(463,262)

Maximum Scenario

	RM'000
At 31 December 2025/Pro Forma I	-
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	(463,262)
As per Pro Forma II and III	(463,262)
Pursuant to Adjustment for Pro Forma IV:	
Exercise of the Call Option	(383,216)
As per Pro Forma IV and V	(846,478)

4.8 Capital contribution

Minimum Scenario

	RM'000
At 31 December 2025/Pro Forma I	-
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	1,251
As per Pro Forma II, III and IV	1,251

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4.0 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)

4.8 Capital contribution (cont'd)

Maximum Scenario

	RM'000
At 31 December 2025/Pro Forma I	-
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	1,251
As per Pro Forma II and III	1,251
Pursuant to Adjustment for Pro Forma IV:	
Exercise of the Call Option	834
As per Pro Forma IV and V	2,085

4.9 Retained earnings

Minimum Scenario

	RM'000
At 31 December 2025/Pro Forma I	30,800
Pursuant to Adjustments for Pro Forma II:	
Proposed Acquisitions	
- Retained earnings of the Combined Target Companies due to the application of Reverse Acquisition Accounting	84,056
- Deferred tax assets arising from the Consideration RCPS A	7,192
Estimated expenses relating to the Proposals	(1,820)
As per Pro Forma II	120,228
Pursuant to Adjustment for Pro Forma III:	
Full Conversion of the Consideration RCPS A	(7,192)
As per Pro Forma III	113,036
Pursuant to Adjustment for Pro Forma IV:	
Lapse of the Call Option	(21,810)
As per Pro Forma IV	91,226

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4.0 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)

4.9 Retained earnings (cont'd)

Maximum Scenario

	RM'000
At 31 December 2025/Pro Forma I	30,800
Pursuant to Adjustments for Pro Forma II:	
Proposed Acquisitions	
- Retained earnings of the Combined Target Companies due to the application of Reverse Acquisition Accounting	84,056
- Deferred tax assets arising from the Consideration RCPS A	7,192
Estimated expenses relating to the Proposals	(1,820)
As per Pro Forma II	120,228
Pursuant to Adjustment for Pro Forma III:	
Full Conversion of the Consideration RCPS A	(7,192)
As per Pro Forma III	113,036
Pursuant to Adjustment for Pro Forma IV:	
Exercise of the Call Option	
- Retained earnings of the Combined Target Companies due to the application of Reverse Acquisition Accounting	76,570
- Deferred tax assets arising from the Option Consideration RCPS A	7,402
As per Pro Forma IV	197,008
Pursuant to Adjustment for Pro Forma V:	
Full Conversion of the Consideration RCPS A	(7,402)
As per Pro Forma V	189,606

4.10 Non-controlling interests

Minimum Scenario

	RM'000
At 31 December 2025/Pro Forma I	9,812
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	78,104
As per Pro Forma II, III and IV	87,916

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4.0 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)

4.10 Non-controlling interests (cont'd)

Maximum Scenario

	RM'000
At 31 December 2025/Pro Forma I	9,812
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	78,104
As per Pro Forma II and III	87,916
Pursuant to Adjustment for Pro Forma IV:	
Exercise of the Call Option	(78,104)
As per Pro Forma IV and V	9,812

4.11 Borrowings

Minimum Scenario

	RM'000
Non-current Liabilities	
At 31 December 2025/Pro Forma I	11,140
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	1,427
As per Pro Forma II, III and IV	12,567
Current Liabilities	
At 31 December 2025/Pro Forma I	72,959
Pursuant to Adjustments for Pro Forma II:	
Proposed Acquisitions	82,133
Utilisation of Proceeds from Proposed Private Placement to settle bank borrowings	(17,500)
As per Pro Forma II, III and IV	137,592

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4.0 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (cont'd)

4.11 Borrowings (cont'd)

Maximum Scenario

	RM'000
Non-current Liabilities	
At 31 December 2025/Pro Forma I	11,140
Pursuant to Adjustment for Pro Forma II:	
Proposed Acquisitions	1,427
As per Pro Forma II, III, IV and V	12,567
Current Liabilities	
At 31 December 2025/Pro Forma I	72,959
Pursuant to Adjustments for Pro Forma II:	
Proposed Acquisitions	82,133
Utilisation of Proceeds from Proposed Private Placement to settle bank borrowings	(17,500)
As per Pro Forma II, III, IV and V	137,592

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APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated 14 JUL 2026

Signed on behalf the Board of Directors,

DATUK KONG WOON JUN

AHMED AZHAR BIN ABDULLAH

RANTAU URUSAN (M) SDN. BHD.
Registration No.: 200001016286 (518893-U)
(Incorporated in Malaysia)

LPB CONSTRUCTION SDN. BHD.
Registration No.: 201801005998 (1268012-T)
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT ON THE COMBINED FINANCIAL STATEMENTS

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(Incorporated in Malaysia)

LPB CONSTRUCTION SDN. BHD.
Registration No.: 201801005998 (1268012-T)
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ACCOUNTANTS' REPORT ON THE COMBINED FINANCIAL STATEMENTS

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Date: 14 July 2026

The Board of Directors
Lagenda Properties Berhad
Level 11 & Level 12, Menara Lagenda
No. 3, Jalan SS20/27
47400 Petaling Jaya
Selangor Darul Ehsan

Dear Sirs,

REPORTING ACCOUNTANTS' OPINION ON THE COMBINED FINANCIAL STATEMENTS CONTAINED IN THE ACCOUNTANT'S REPORT OF THE TARGET COMPANIES (AS DEFINED HEREIN)

Opinion

We have audited the Combined Financial Statements of Rantau Urusan (M) Sdn. Bhd. and LPB Construction Sdn. Bhd. (collectively referred to as "Target Companies") which comprise the combined statements of financial position as at 31 December 2025, 31 December 2024 and 31 December 2023, and the combined statements of comprehensive income, combined statements of changes in equity and combined statements of cash flows for the financial years ended 31 December 2025, 31 December 2024 and 31 December 2023, and notes to the combined financial statements, including material accounting policy information, as set out on pages 4 to 43 (collectively referred to as "Combined Financial Statements").

In our opinion, the accompanying Combined Financial Statements give a true and fair view of the financial position of the Target Companies as at 31 December 2025, 31 December 2024 and 31 December 2023, and of their financial performance and their cash flows for the financial years ended 31 December 2025, 31 December 2024 and 31 December 2023 in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Target Companies in accordance with the *By-Laws* (*on Professional Ethics, Conduct and Practice*) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards*) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

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REPORTING ACCOUNTANTS' OPINION ON THE COMBINED FINANCIAL STATEMENTS CONTAINED IN THE ACCOUNTANT'S REPORT OF THE TARGET COMPANIES (AS DEFINED HEREIN) (cont'd)

Responsibilities of the Directors for the Combined Financial Statements

The Directors of Lagenda Properties Berhad ("Directors") are responsible for the preparation of the Combined Financial Statements of the Target Companies that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of the Combined Financial Statements of the Target Companies that are free from material misstatement, whether due to fraud or error.

In preparing the Combined Financial Statements of the Target Companies, the Directors are also responsible for assessing the Target Companies' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Target Companies or to cease operations, or have no realistic alternative but to do so.

Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the Combined Financial Statements of the Target Companies as a whole are free from material misstatement, whether due to fraud or error, and to issue an accountants' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the Combined Financial Statements of the Target Companies, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Target Companies' internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

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REPORTING ACCOUNTANTS' OPINION ON THE COMBINED FINANCIAL STATEMENTS CONTAINED IN THE ACCOUNTANT'S REPORT OF THE TARGET COMPANIES (AS DEFINED HEREIN) (cont'd)

Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements (cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (cont'd)

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Target Companies' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our accountants' report to the related disclosures in the Combined Financial Statements of the Target Companies or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our accountants' report. However, future events or conditions may cause the Target Companies to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Target Companies, including the disclosures, and whether the financial statements of the Target Companies represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Plan and perform the combining entities audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Target Companies as a basis for forming an opinion on the Combined Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

This report has been prepared solely to comply with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad for inclusion in the circular to shareholders of Epicon Berhad in connection with the proposed acquisition by Epicon Berhad of the 60% equity interests in the Target Companies from Lagenda Properties Berhad, and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
Chartered Accountants (AF002096)

THAM SHIEN HONG
03266/04/2027 J
Chartered Accountant

Petaling Jaya, Selangor
Date: 14 July 2026

TARGET COMPANIES

COMBINED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2025, 31 DECEMBER 2024 AND 31 DECEMBER 2023

	Note	2025 RM	2024 RM	2023 RM
Revenue	3	474,381,444	533,194,337	466,458,661
Cost of sales		(408,516,376)	(489,893,643)	(431,306,051)
Gross profit		65,865,068	43,300,694	35,152,610
Other income		8,365,206	7,091,095	3,497,212
Administrative expenses		(12,735,482)	(10,870,289)	(8,555,975)
Other expenses		(425,617)	-	-
Profit from operations		61,069,175	39,521,500	30,093,847
Finance costs	4	(4,693,692)	(3,553,910)	(1,116,339)
Profit before tax	5	56,375,483	35,967,590	28,977,508
Income tax expense	6	(14,417,836)	(8,169,825)	(8,617,036)
Profit net of tax, representing total comprehensive income for the financial year		41,957,647	27,797,765	20,360,472

The accompanying accounting policies and explanatory notes form an integral part of these combined financial statements.

TARGET COMPANIES

COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025, 31 DECEMBER 2024
AND 31 DECEMBER 2023

	Note	2025 RM	2024 RM	2023 RM
ASSETS				
Non-current assets				
Property, plant and equipment	7	841,396	3,516,554	5,820,559
Investment properties	8	3,060,000	3,060,000	3,060,000
Other receivables	10	22,600	13,600	-
		3,923,996	6,590,154	8,880,559
Current assets				
Trade receivables	9	199,075,456	195,260,221	138,512,066
Other receivables	10	157,444,204	106,632,725	84,058,832
Contract assets	11	57,693,194	58,496,289	40,608,941
Tax recoverable		685,716	981,525	440,703
Cash and cash equivalents	12	50,442,682	38,983,912	68,675,531
		465,341,252	400,354,672	332,296,073
Total Assets		469,265,248	406,944,826	341,176,632
EQUITY AND LIABILITIES				
Equity				
Invested equity	13	1,750,000	1,750,000	1,750,000
Capital contribution from immediate holding company	14	2,084,431	2,079,225	1,992,269
Retained earnings		191,426,204	149,468,557	121,670,792
Total Equity		195,260,635	153,297,782	125,413,061
Liabilities				
Non-current liabilities				
Deferred tax liabilities	15	66,161	332,520	333,326
Borrowings	16	1,427,031	1,553,143	1,682,769
Lease liabilities	17	389,702	774,832	1,033,260
		1,882,894	2,660,495	3,049,355
Current liabilities				
Trade payables	18	67,594,630	102,732,284	117,926,159
Other payables	19	116,083,478	91,456,237	73,429,384
Borrowings	16	82,133,122	56,342,324	20,122,409
Lease liabilities	17	446,154	455,704	365,934
Tax payable		5,864,335	-	870,330
		272,121,719	250,986,549	212,714,216
Total Liabilities		274,004,613	253,647,044	215,763,571
Total Equity and Liabilities		469,265,248	406,944,826	341,176,632

The accompanying accounting policies and explanatory notes form an integral part of these combined financial statements.

TARGET COMPANIES

**COMBINED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2025,
31 DECEMBER 2024 AND 31 DECEMBER 2023**

	Note	Invested Equity RM	Capital Contribution from Immediate Holding Company RM	Distributable Retained Earnings RM	Total Equity RM
2025					
At 1 January 2025		1,750,000	2,079,225	149,468,557	153,297,782
Profit net of tax, representing total comprehensive income for the financial year		-	-	41,957,647	41,957,647
Transaction with Owner of the Target Companies:					
Capital contribution from immediate holding company	14	-	5,206	-	5,206
At 31 December 2025		1,750,000	2,084,431	191,426,204	195,260,635
2024					
At 1 January 2024		1,750,000	1,992,269	121,670,792	125,413,061
Profit net of tax, representing total comprehensive income for the financial year		-	-	27,797,765	27,797,765
Transaction with Owner of the Target Companies:					
Capital contribution from immediate holding company	14	-	86,956	-	86,956
At 31 December 2024		1,750,000	2,079,225	149,468,557	153,297,782
2023					
At 1 January 2023		1,750,000	1,823,720	101,310,320	104,884,040
Profit net of tax, representing total comprehensive income for the financial year		-	-	20,360,472	20,360,472
Transaction with Owner of the Target Companies:					
Capital contribution from immediate holding company	14	-	168,549	-	168,549
At 31 December 2023		1,750,000	1,992,269	121,670,792	125,413,061

The accompanying accounting policies and explanatory notes form an integral part of these combined financial statements.

TARGET COMPANIES

COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2025,
31 DECEMBER 2024 AND 31 DECEMBER 2023

	Note	2025 RM	2024 RM	2023 RM
Cash Flows from Operating Activities				
Profit before tax		56,375,483	35,967,590	28,977,508
Adjustments for:				
Depreciation of properties, plant and equipment		1,082,991	2,585,251	596,553
Loss on disposal of assets		425,617	-	-
Interest expenses		4,693,692	3,553,910	1,116,339
Interest income		(8,348,446)	(7,052,115)	(3,422,002)
Shared-based payment expenses		5,206	86,956	168,549
Operating profit before changes in working capital		54,234,543	35,141,592	27,436,947
Changes in working capital:				
Receivables		(5,812,418)	(66,845,473)	(47,269,193)
Payables		(4,082,341)	(16,617,158)	85,358,638
Contract assets		803,095	(17,887,348)	(20,261,381)
Cash generated from/(used in) operations		45,142,879	(66,208,387)	45,265,011
Interest received		1,653,339	7,162,624	683,916
Interest paid		(3,765,763)	(3,683,746)	(1,080,211)
Income tax refunded		1,626,343	-	-
Income tax paid		(10,150,394)	(8,826,658)	(7,822,179)
Net cash from/(used in) operating activities		34,506,404	(71,556,167)	37,046,537
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	7(i)	(8,200)	(52,598)	(4,396,380)
Proceeds from disposal of property, plant and equipment		1,238,110	-	-
Net advances to immediate holding company		(2,850,000)	-	-
Net advances to fellow subsidiaries		(39,278,189)	(13,355,809)	(37,222,000)
Net cash used in investing activities		(40,898,279)	(13,408,407)	(41,618,380)
Cash Flows from Financing Activities				
(Placement)/Upliftment of fixed deposits pledged		(9,528,539)	12,151,947	(20,660,986)
Net drawdown/(repayment) of borrowings	(iii)	25,664,686	35,877,175	(5,115,880)
Repayment of principal portion of lease liabilities	(ii)(iii)	(458,040)	(397,306)	(320,577)
Net (repayment to)/advances from immediate holding company	(iii)	-	(7,744,466)	7,744,466
Net (repayment to)/advances from fellow subsidiaries	(iii)	(7,356,001)	27,537,552	2,092
Net cash from/(used in) financing activities		8,322,106	67,424,902	(18,350,885)

TARGET COMPANIES

COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2025,
31 DECEMBER 2024 AND 31 DECEMBER 2023 (cont'd)

	Note	2025 RM	2024 RM	2023 RM
Net increase/(decrease) in cash and cash equivalents		1,930,231	(17,539,672)	(22,922,728)
Cash and cash equivalents at beginning of the financial year		10,474,873	28,014,545	50,937,273
Cash and cash equivalents at end of the financial year	(i)	12,405,104	10,474,873	28,014,545

Note:

(i) Cash and cash equivalents at the end of the financial year consist of the following:

	Note	2025 RM	2024 RM	2023 RM
Cash and bank balances	12	11,679,621	10,342,876	20,339,423
Fixed deposits with licensed banks	12(i)	38,037,578	28,509,039	40,660,986
Short term investment	12(ii)	725,483	131,997	7,675,122
Cash and cash equivalents in the statements of financial position		50,442,682	38,983,912	68,675,531
Less: Fixed deposits pledged	12(i)	(38,037,578)	(28,509,039)	(40,660,986)
Cash and cash equivalents in the statements of cash flows		12,405,104	10,474,873	28,014,545

(ii) Cash outflows for leases as a lessee are as follows:

	2025 RM	2024 RM	2023 RM
Included in net cash from/(used in) operating activities:			
Interest paid in relation to lease liabilities	(52,872)	(65,136)	(61,541)
Short-term leases	(295,630)	(223,550)	(157,400)
Lease of low value assets	(960)	(2,160)	(1,920)
	(349,462)	(290,846)	(220,861)
Included in net cash from/(used in) financing activities:			
Payment for the principal portion of lease liabilities	(458,040)	(397,306)	(320,577)
Total cash outflows for leases	(807,502)	(688,152)	(541,438)

TARGET COMPANIES

COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2025,
31 DECEMBER 2024 AND 31 DECEMBER 2023 (cont'd)

Note: (cont'd)

(iii) Reconciliation of movement of liabilities to cash flows arising from financing activities are as follows:

	Note	Amount due to immediate holding company RM	Amounts due to Directors' related companies RM	Amounts due to fellow subsidiaries RM	Lease liabilities RM	Borrowings RM
2025						
At beginning of the financial year		311,162	-	27,752,813	1,230,536	57,895,467
Advances from		-	-	66,923,123	-	-
Drawdown		-	-	-	-	34,000,000
Repayment to		-	-	(74,279,124)	(458,040)	(8,335,314)
Net changes from financing cash flows		-	-	(7,356,001)	(458,040)	25,664,686
Management fee		25,710	-	3,232,996	-	-
Interest payable		-	-	186,071	-	-
Addition of new leases	7(i)	-	-	-	63,360	-
Net changes in cash flows from operating activities		(336,872)	1,680	2,692,246	-	-
At end of the financial year		-	1,680	26,508,125	835,856	83,560,153

TARGET COMPANIES

COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2025,
31 DECEMBER 2024 AND 31 DECEMBER 2023 (cont'd)

Note: (cont'd)

(iii) Reconciliation of movement of liabilities to cash flows arising from financing activities are as follows: (cont'd)

	Note	Amount due to immediate holding company RM	Amounts due to Directors' related companies RM	Amounts due to fellow subsidiaries RM	Lease liabilities RM	Borrowings RM
2024						
At beginning of the financial year		7,859,532	3,319	3,699	1,399,194	21,805,178
Advances from		2,300,000	-	114,727,552	-	-
Drawdown		-	-	-	-	36,000,000
Repayment to		(10,044,466)	-	(87,190,000)	(397,306)	(122,825)
Net changes from financing cash flows		(7,744,466)	-	27,537,552	(397,306)	35,877,175
Management fee		218,392	-	-	-	-
Interest payable		162,331	-	71,169	-	-
Addition of new leases	7(i)	-	-	-	228,648	-
Net changes in cash flows from operating activities		(184,627)	(3,319)	140,393	-	213,114
At end of the financial year		311,162	-	27,752,813	1,230,536	57,895,467

TARGET COMPANIES

COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2025,
31 DECEMBER 2024 AND 31 DECEMBER 2023 (cont'd)

Note: (cont'd)

(iii) Reconciliation of movement of liabilities to cash flows arising from financing activities are as follows: (cont'd)

	Note	Amount due to immediate holding company RM	Amounts due to Directors' related companies RM	Amounts due to fellow subsidiaries RM	Lease liabilities RM	Borrowings RM
2023						
At beginning of the financial year		484,550	650	5,735	900,771	26,929,168
Advances from		25,144,466	-	49,165,121	-	-
Drawdown		-	-	-	-	115,000,000
Repayment to		(17,400,000)	-	(49,163,029)	(320,577)	(120,115,880)
Net changes from financing cash flows		7,744,466	-	2,092	(320,577)	(5,115,880)
Management fee		78,196	-	-	-	-
Interest payable		222,647	-	24,712	-	-
Addition of new leases	7(i)	-	-	-	819,000	-
Net changes in cash flows from operating activities		(670,327)	2,669	(28,840)	-	(8,110)
At end of the financial year		7,859,532	3,319	3,699	1,399,194	21,805,178

The accompanying accounting policies and explanatory notes form an integral part of these combined financial statements.

TARGET COMPANIES

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The purpose of these Combined Financial Statements is to provide general purpose historical financial information for the financial years ended 31 December 2025, 31 December 2024 and 31 December 2023 of the Target Companies.

Rantau Urusan (M) Sdn. Bhd. and LPB Construction Sdn. Bhd. are wholly-owned by Lagenda Properties Berhad for the financial years ended 31 December 2025, 31 December 2024 and 31 December 2023. Collectively, these entities are referred to as Target Companies in these Combined Financial Statements

The legal structure was not considered the key factor in determining the perimeter of the Combined Financial Statements.

The Target Companies are private limited liability companies, incorporated and domiciled in Malaysia.

The registered office of the Target Companies is located at No. 131, Persiaran PM2/1, Pusat Bandar Seri Manjung Seksyen 2, 32040 Seri Manjung, Perak Darul Ridzuan.

The principal place of business of the Target Companies is located at Level 11 & Level 12, Menara Lagenda, No. 3, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan. The additional business address is located at Level 4, No. 131, Persiaran PM2/1, Pusat Bandar Seri Manjung Seksyen 2, 32040 Seri Manjung, Perak Darul Ridzuan.

The Target Companies are principally engaged in building construction. There has been no significant change in the nature of this activity throughout the aforesaid financial years.

2. BASIS OF PREPARATION

(a) Statement of compliance

These Combined Financial Statements of the Target Companies have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and International Financial Reporting Standards ("IFRSs").

The Target Companies have considered the new accounting pronouncements in the preparation of the financial statements.

(i) Accounting pronouncements that are issued but not yet effective and have not been early adopted

The Target Companies have not adopted the following accounting pronouncements that have been issued as at the date of authorisation of these Combined Financial Statements but are not yet effective for the Target Companies.

Effective for financial periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual Improvements to MFRS Accounting Standards – Volume 11

2. BASIS OF PREPARATION (cont'd)

(a) Statement of compliance (cont'd)

(i) Accounting pronouncements that are issued but not yet effective and have not been early adopted (cont'd)

Effective for financial periods beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19 and Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency

Effective date to be announced

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Target Companies will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the Combined Financial Statements of the Target Companies upon their initial application other than as follows:

MFRS 18, Presentation and Disclosure in Financial Statements

MFRS 18 will replace MFRS 101, *Presentation of Financial Statements* and applies for annual periods beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the combined statements of comprehensive income, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal.
- Management-defined performance measures are disclosed in a single note in the Combined Financial Statements.
- Enhanced guidance is provided for grouping of information in the Combined Financial Statements.

In addition, all the entities are required to use the operating profit subtotal as the starting point for the combined statements of cash flows when presenting operating cash flows under the indirect method.

The Target Companies are currently assessing the impact of adopting MFRS 18.

(b) Basis of measurement

The Combined Financial Statements of the Target Companies have been prepared on the historical cost convention except for those as disclosed in the notes.

2. BASIS OF PREPARATION (cont'd)

(c) Functional and presentation currency

The Combined Financial Statements are presented in Ringgit Malaysia ("RM"), which is the Target Companies' functional currency.

(d) Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the Combined Financial Statements. They affect the application of the Target Companies' accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The key assumptions concerning the future and other key sources of estimation or uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are set out below.

(i) Construction contracts revenue

The Target Companies measure the performance of construction work done by comparing the actual costs incurred with the estimated total costs required to complete the construction. Significant judgements are required to estimate the total costs to complete. In making estimates, management relied on professionals' estimates and also on past experience of completed projects. A change in the estimates will directly affect the revenue to be recognised.

(ii) Valuation of investment properties

The Target Companies' investment properties are measured at fair value, with changes in fair value recognised in profit or loss.

The determination of fair value involves significant judgement, as different valuation techniques and assumptions may yield varying outcomes. In forming these judgements, management considers past experience and relies on the expertise of independent professional valuers engaged to perform the valuations.

3. REVENUE

	2025 RM	2024 RM	2023 RM
Revenue from contracts with customers			
Construction contracts revenue	474,381,444	533,194,337	466,458,661

3. REVENUE (cont'd)

Unsatisfied long-term contracts

The following table shows unsatisfied performance obligations resulting from construction contract revenue:

	2025 RM	2024 RM	2023 RM
Total contracted revenue	2,251,452,762	2,019,534,602	2,140,689,454
Less: Cumulative construction revenue recognised, net	(1,213,134,495)	(1,030,534,539)	(890,906,803)
Completed during the financial year	(291,781,488)	(393,566,601)	(495,144,692)
Aggregate amount of the transaction price allocated to construction revenue that are partially or fully unsatisfied as at 31 December	746,536,779	595,433,462	754,637,959

The remaining unsatisfied performance obligations are expected to be recognised as below:

	2025 RM	2024 RM	2023 RM
Within 1 year	490,078,600	406,464,400	418,230,626
Between 1 and 3 years	256,458,179	188,969,062	336,407,333
	746,536,779	595,433,462	754,637,959

The Target Companies have identified their Performance Obligations ("PO") towards their customers as follows:

Construction contracts revenue

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work and claims. Under the terms of the contracts, the Target Companies have an enforceable right to payment for performance completed to date and that the customer controls the assets during the course of construction by the Target Companies and that the construction services performed does not create an asset with an alternative use to the Target Companies.

Revenue from construction contracts is recognised progressively over time based on the percentage of completion by using the cost-to-cost method ("input method"), based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The Directors consider that this input method is an appropriate measure of the progress towards complete satisfaction of these PO under MFRS 15. Work done is measured based on actual and expected cost incurred for project activities.

There is no significant financing component in construction contracts with customers as the period between the recognition of revenue under the percentage of completion and the milestone payment is generally within the normal business operating cycle. Payment is generally due 30 to 90 days from date when PO is satisfied which coincide with the issuance of progress billing.

4. FINANCE COSTS

	2025 RM	2024 RM	2023 RM
Interest expense on:			
- advances from immediate holding company	-	162,331	232,592
- advances from fellow subsidiaries	987,989	789,420	183,692
- lease liabilities	52,872	65,136	61,541
- revolving credit	3,570,804	2,449,236	545,512
- term loan	82,027	87,787	93,002
	4,693,692	3,553,910	1,116,339

5. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting):

	Note	2025 RM	2024 RM	2023 RM
Auditors' remuneration		72,000	70,000	52,000
Depreciation of property, plant and equipment		1,082,991	2,585,251	596,553
Directors' remuneration	(i)	132,000	630,885	561,908
Employee benefits expense	(ii)	3,317,851	6,998,464	5,306,044
Interest income from:				
- advances to immediate holding company		(177,499)	(168,012)	-
- advances to fellow subsidiaries		(7,078,980)	(5,357,335)	(2,759,242)
- banks and financial institutions		(1,091,967)	(1,526,768)	(662,760)
Lease of low value assets		960	2,160	1,920
Loss on disposal of property, plant and equipment		425,617	-	-
Management fee		7,386,918	822,948	688,505
Rental income		(16,210)	(37,000)	(75,190)
Short-term leases		295,630	223,550	157,400

(i) Directors' remuneration

	2025 RM	2024 RM	2023 RM
Directors' remuneration			
Directors' fee	132,000	132,000	98,000
Salaries and other emoluments	-	437,390	399,521
Contributions to defined contribution plan	-	52,737	45,058
Share options granted by immediate holding company	-	6,323	17,011
Social security contributions	-	2,185	2,080
Others	-	250	238
	132,000	630,885	561,908
Estimated monetary value of benefits-in-kind ("BIK")	-	5,729	-
Total including estimated monetary value of BIK	132,000	636,614	561,908

5. PROFIT BEFORE TAX (cont'd)

Profit before tax is arrived at after charging/(crediting): (cont'd)

(ii) Employee benefits expense

	2025 RM	2024 RM	2023 RM
Staff costs			
Salaries, allowances, bonus and overtime	2,952,489	6,057,043	4,596,218
Share options granted by immediate holding company	5,206	80,633	151,538
Contributions to defined contribution plan	317,333	787,059	504,189
Social security contributions	19,692	48,505	43,054
Others	23,131	25,224	11,045
	3,317,851	6,998,464	5,306,044
Estimated monetary value of benefits-in-kind ("BIK")	28,087	19,093	65,004
Total including estimated monetary value of BIK	3,345,938	7,017,557	5,371,048

6. INCOME TAX EXPENSE

	2025 RM	2024 RM	2023 RM
Income tax:			
- Current year	15,239,533	9,714,025	8,374,742
- Overprovision in prior financial year	(555,338)	(1,543,394)	(82,403)
	14,684,195	8,170,631	8,292,339
Deferred tax (Note 15):			
- (Reversal)/Origination of taxable temporary differences	(266,359)	(806)	324,697
Income tax expense for the financial year	14,417,836	8,169,825	8,617,036

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%, 2023: 24%) of the estimated assessable profit for the year.

6. INCOME TAX EXPENSE (cont'd)

The reconciliation from the tax amount at statutory income tax rate to the Target Companies' tax expense is as follows:

	2025 RM	2024 RM	2023 RM
Profit before tax	56,375,483	35,967,590	28,977,508
Tax at the Malaysian statutory income tax rate of 24% (2024: 24%, 2023: 24%)	13,530,116	8,632,222	6,954,602
Income not subject to tax	(22,437)	(13,704)	(20,791)
Expenses not deductible for tax purpose	1,465,495	1,094,701	1,765,628
Overprovision of income tax in prior financial year	(555,338)	(1,543,394)	(82,403)
Income tax expense for the financial year	14,417,836	8,169,825	8,617,036

7. PROPERTY, PLANT AND EQUIPMENT

	Office equipment RM	Plant and machinery RM	Motor vehicles RM	Leasehold properties RM	Total RM
2025					
At cost					
At 1 January	8,950	4,329,420	2,733,151	128,648	7,200,169
Additions [Note (i)]	-	-	8,200	63,360	71,560
Disposal	-	(4,325,180)	-	-	(4,325,180)
At 31 December	8,950	4,240	2,741,351	192,008	2,946,549
Accumulated depreciation					
At 1 January	2,684	2,164,816	1,488,879	27,236	3,683,615
Charge for the financial year	1,790	499,287	523,803	58,111	1,082,991
Disposal	-	(2,661,453)	-	-	(2,661,453)
At 31 December	4,474	2,650	2,012,682	85,347	2,105,153
Net carrying amount					
At 31 December	4,476	1,590	728,669	106,661	841,396

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Office equipment RM	Plant and machinery RM	Motor vehicles RM	Leasehold properties RM	Total RM
2024					
At cost					
At 1 January	8,950	4,311,273	2,598,700	-	6,918,923
Additions [Note (i)]	-	18,147	134,451	128,648	281,246
At 31 December	8,950	4,329,420	2,733,151	128,648	7,200,169
Accumulated depreciation					
At 1 January	894	119,282	978,188	-	1,098,364
Charge for the financial year	1,790	2,045,534	510,691	27,236	2,585,251
At 31 December	2,684	2,164,816	1,488,879	27,236	3,683,615
Net carrying amount					
At 31 December	6,266	2,164,604	1,244,272	101,412	3,516,554
2023					
At cost					
At 1 January	-	4,240	1,684,467	56,294	1,745,001
Additions [Note (i)]	8,950	4,307,033	914,233	-	5,230,216
Expiry of lease contract	-	-	-	(56,294)	(56,294)
At 31 December	8,950	4,311,273	2,598,700	-	6,918,923
Accumulated depreciation					
At 1 January	-	1,378	510,870	45,857	558,105
Charge for the financial year	894	117,904	467,318	10,437	596,553
Expiry of lease contract	-	-	-	(56,294)	(56,294)
At 31 December	894	119,282	978,188	-	1,098,364
Net carrying amount					
At 31 December	8,056	4,191,991	1,620,512	-	5,820,559

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

(i) Acquisition of property, plant and equipment are satisfied as follows:

	2025 RM	2024 RM	2023 RM
Cash purchase of property, plant and equipment	8,200	52,598	4,396,380
Financed through joint venture of immediate holding company	-	-	14,836
Financed by lease arrangements	63,360	228,648	819,000
Total acquisition of property, plant and equipment	71,560	281,246	5,230,216

(ii) Assets classified as right-of-use assets

	Motor vehicles RM	Leased properties RM	Total RM
2025			
Cost			
At 1 January	2,185,141	128,648	2,313,789
Additions	-	63,360	63,360
At 31 December	2,185,141	192,008	2,377,149
Accumulated depreciation			
At 1 January	1,040,388	27,236	1,067,624
Charge for the financial year	437,027	58,111	495,138
At 31 December	1,477,415	85,347	1,562,762
Net carrying amount			
At 31 December	707,726	106,661	814,387
2024			
Cost			
At 1 January	2,183,815	-	2,183,815
Additions	116,696	128,648	245,344
Expiry of lease contract	(115,370)	-	(115,370)
At 31 December	2,185,141	128,648	2,313,789
Accumulated depreciation			
At 1 January	730,399	-	730,399
Charge for the financial year	425,359	27,236	452,595
Expiry of lease contract	(115,370)	-	(115,370)
At 31 December	1,040,388	27,236	1,067,624
Net carrying amount			
At 31 December	1,144,753	101,412	1,246,165

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

(ii) Assets classified as right-of-use assets (cont'd)

	Motor vehicles RM	Leased properties RM	Total RM
2023			
Cost			
At 1 January	1,275,467	56,294	1,331,761
Additions	908,348	-	908,348
Expiry of lease contract	-	(56,294)	(56,294)
At 31 December	2,183,815	-	2,183,815
Accumulated depreciation			
At 1 January	345,470	45,857	391,327
Charge for the financial year	384,929	10,437	395,366
Expiry of lease contract	-	(56,294)	(56,294)
At 31 December	730,399	-	730,399
Net carrying amount			
At 31 December	1,453,416	-	1,453,416

The expenses charged to profit or loss during the financial year are as follows:

	2025 RM	2024 RM	2023 RM
Depreciation of right-of-use assets	495,138	452,595	395,366
Interest expense of lease liabilities	52,872	65,136	61,541
Short-term leases	295,630	223,550	157,400
Lease of low value asset	960	2,160	1,920
	844,600	743,441	616,227

Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Depreciation

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Office equipment	5 years
Plant and machinery	2 – 10 years
Motor vehicles	5 years
Leased properties	2 – 3 years

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Material accounting policy information (cont'd)

(b) Depreciation (cont'd)

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period and adjusted as appropriate.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these property, plant and equipment.

(c) Leases – As a lessee

The Target Companies recognise right-of-use ("ROU") assets and lease liabilities at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The ROU assets are presented as part of the property, plant and equipment in the combined statements of financial position.

The ROU assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. In addition, the ROU assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurement of the lease liabilities. The Target Companies apply MFRS 136 to determine whether a ROU asset is impaired and account for any identified impairment loss as described in Note 7(e).

The lease liabilities are initially measured at the present value of future lease payments at the commencement date, discounted using the Target Companies' incremental borrowing rates. Lease payments included in the measurement of the lease liabilities include fixed payments, any variable lease payments, amount expected to the payable under a residual value guarantee, and exercise price under an extension option that the Target Companies are reasonably certain to exercise. The lease liabilities are measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if the Target Companies change its assessment of whether it will exercise an extension or termination option.

(d) Recognition exemption – ROU assets

The Target Companies have elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Target Companies recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(e) Impairment loss on non-financial assets

The carrying amount of non-financial assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised immediately in profit or loss. A cash generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Material accounting policy information (cont'd)

(e) Impairment loss on non-financial assets (cont'd)

The recoverable amount of an asset or cash-generating units is the greater of its value in use and its fair value less cost to sell. In assessing the recoverable amount, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

Assets that were previously impaired are reviewed for possible reversal of the impairment as at the end of each reporting period. Any subsequent increase in recoverable amount is recognised in the profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation reserve. Reversal of impairment loss is restricted by the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and present value of the estimated future cash flows expected to be derived from the assets including the proceeds from its disposal. Any subsequent increase in recoverable amount is recognised in profit and loss.

8. INVESTMENT PROPERTIES

	2025 RM	2024 RM	2023 RM
Freehold properties			
At fair value			
At 1 January/31 December	3,060,000	3,060,000	3,060,000

The freehold properties have been pledged to a licensed bank for the banking facilities granted to Rantau Urusan (M) Sdn. Bhd. as disclosed in Note 16.

Fair values were determined based on comparison method with similar properties that have been sold recently and those that are currently being offered for sale in the vicinity with appropriate adjustments made to reflect improvements and other dissimilarities and to arrive at the value as performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Changes in fair value are recognised in the profit or loss during the period in which they are reviewed.

The fair value of the freehold properties is categorised at Level 3 of the fair value hierarchy as certain inputs for the properties were unobservable, of which the main inputs into this valuation approach are price per square foot, location, size and condition of tenure.

The unobservable inputs for comparable method is price per square foot of RM182 (2024: RM150, 2023: RM150). The higher the estimated average price per square foot, the higher the fair value. However, the impact arising from the fair value changes is immaterial for the current financial year.

8. INVESTMENT PROPERTIES (cont'd)

The following are recognised in profit or loss in respect of investment properties:

	2025 RM	2024 RM	2023 RM
Rental income	16,210	37,000	75,190
Direct expenses			
- Quit rent and assessment	(8,550)	(8,550)	(7,128)
- Valuation fee	(1,000)	-	(1,000)
- Registration and processing fee	-	-	(350)

The operating lease payments to be received are as follows:

	2025 RM	2024 RM	2023 RM
Less than one year	8,130	32,520	-
One to two years	-	8,130	-
Total undiscounted lease payments	8,130	40,650	-

Material accounting policy information

(a) Recognition and measurement

Investment properties are measured initially at its cost. Cost includes expenditure that is directly attributable to the acquisition of the investment properties. The cost of self-constructed investment properties includes the cost of materials and direct labour, any other cost directly attributable to bringing the investment properties to a working condition for their intended use.

Investment properties are subsequently measured at fair value with any change therein recognised in profit or loss for the period in which they arise.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific investment properties to which it relates. All other expenditure is recognised in profit or loss as incurred.

9. TRADE RECEIVABLES

	2025 RM	2024 RM	2023 RM
Trade receivables:			
- third parties	7,358,437	22,860,445	22,260,440
- fellow subsidiaries	148,712,611	137,596,221	85,131,508
- joint operation of immediate holding company	-	-	8,034,380
Retention sum held by contract customers	43,004,408	34,803,555	23,085,738
	199,075,456	195,260,221	138,512,066

9. TRADE RECEIVABLES (cont'd)

The normal credit terms of trade receivables range from 30 to 90 days (2024: 60 to 90 days, 2023: 30 to 60 days).

Retention sum held by contract customers are due upon expiry of retention periods of 24 months (2024: 24 months, 2023: 24 months) after issuance of Certificate of Practical Completion.

10. OTHER RECEIVABLES

	Note	2025 RM	2024 RM	2023 RM
Non-current assets				
Deposits		22,600	13,600	-
Current assets				
Other receivables				
- third parties		2,308,749	2,120,850	2,352,029
- immediate holding company	(i)	3,107,341	-	-
- fellow subsidiaries	(ii)	146,731,580	100,606,377	81,084,702
- joint venture of immediate holding company	(iii)	60,429	-	-
Deposits		104,058	38,640	31,490
Prepayments		96,426	148,405	203,533
Interest income receivables		701,859	191,960	-
Contract cost	(iv)	4,333,762	3,526,493	387,078
		157,444,204	106,632,725	84,058,832

(i) Included in the amount due from immediate holding company of RM2,850,000 (2024: Nil, 2023: Nil) represented the amount with interest bearing at 5.50% (2024: Nil, 2023: Nil) per annum. The remaining balances represented balances not subject to interest which are collectible on demand.

(ii) Included in the amounts due from fellow subsidiaries of RM132,208,484 (2024: RM92,930,295, 2023: RM78,222,000) represented the amounts with interest bearing at 5.50% (2024: 5.50%, 2023: 5.50%) per annum. The remaining balances represented balances not subject to interest which are collectible on demand.

(iii) This amount is non-trade in nature, unsecured, interest-free and is collectible on demand.

(iv) Relates to prepayments for construction related cost. Contract costs represent costs incurred to fulfil the contract. These costs are recognised in profit or loss when the commencement of construction projects.

10. OTHER RECEIVABLES (cont'd)

(iv) Movement in contract costs is as follows:

	2025 RM	2024 RM	2023 RM
At beginning of the financial year	3,526,493	387,078	-
Cost of sales recognised during the financial year	(408,516,376)	(489,893,643)	(431,306,051)
Invoice received during the financial year	409,323,645	493,033,058	431,693,129
At end of the financial year	4,333,762	3,526,493	387,078

11. CONTRACT ASSETS

	2025 RM	2024 RM	2023 RM
At beginning of the financial year	58,496,289	40,608,941	20,347,560
Revenue recognised during the financial year (Note 3)	474,381,444	533,194,337	466,458,661
Less: Progress billing during the financial year	(475,184,539)	(515,306,989)	(446,197,280)
At end of the financial year	57,693,194	58,496,289	40,608,941
Represented by:			
Contract assets	58,266,851	60,312,405	42,690,572
Contract liabilities	(573,657)	(1,816,116)	(2,081,631)
	57,693,194	58,496,289	40,608,941

Contract assets primarily relate to the Target Companies' right to consideration for work completed on construction contract but not yet billed at the reporting date. Typically, the amount will be billed within 30 days and payment is expected within 30 to 60 days.

Contract liabilities primarily relate to amount billed to customer before a related performance obligation is satisfied by the Target Companies. The contract liabilities will be recognised as revenue when the performance obligation had been satisfied within the next 30 days.

The amount of RM1,816,116 (2024: RM2,081,631, 2023: RM3,249,703) included in contract liabilities as at 31 December 2024 and 31 December 2023 has been recognised as revenue in the current and prior financial years respectively.

12. CASH AND CASH EQUIVALENTS

	Note	2025 RM	2024 RM	2023 RM
Cash and bank balances		11,679,621	10,342,876	20,339,423
Fixed deposits placed with licensed banks	(i)	38,037,578	28,509,039	40,660,986
Short-term investment	(ii)	725,483	131,997	7,675,122
		50,442,682	38,983,912	68,675,531

(i) The fixed deposits placed with licensed banks of the Target Companies carry interest ranging from 2.05% to 3.95% (2024: 2.75% to 3.95%, 2023: 2.35% to 3.95%) per annum and had maturity period of 3 to 12 months (2024: 3 to 12 months, 2023: 3 to 12 months).

The fixed deposits are pledged to a licensed bank as security for banking facilities to Rantau Urusan (M) Sdn. Bhd. as disclosed in Note 16.

(ii) This refers to investment in a short to medium-term fixed income fund of which the fund will be invested in money market investments and short to medium term fixed income instruments. The distribution income from this fund is tax exempted and is being treated as interest income by the Target Companies.

Material accounting policy information

Cash and cash equivalents consist of cash at bank and on hand, fixed deposits with licensed banks and short-term investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the combined statements of cash flows, cash and cash equivalents are presented net of pledged deposits, if any.

13. INVESTED EQUITY

For the purpose of these Combined Financial Statements, the invested equity of the Target Companies at the end of the financial year is the aggregate of the share capital of the Target Companies.

14. CAPITAL CONTRIBUTION FROM IMMEDIATE HOLDING COMPANY

The amount represents Employees Share Options Scheme ("ESOS") granted by the immediate holding company to the employees of the Target Companies and is treated as an additional investment into the Target Companies. At the end of each reporting period, the immediate holding company revises its estimates of the number of share options that are expected to be vested. It recognises the impact of the revision of original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

The movement of capital contribution from immediate holding company is as follows:

	2025 RM	2024 RM	2023 RM
At beginning of the financial year	2,079,225	1,992,269	1,823,720
ESOS vested during the financial year	5,206	86,956	168,549
At end of the financial year	2,084,431	2,079,225	1,992,269

15. DEFFERED TAX LIABILITIES

	2025 RM	2024 RM	2023 RM
At beginning of the financial year	332,520	333,326	8,629
Recognised in profit or loss (Note 6)	(266,359)	(806)	324,697
At end of the financial year	66,161	332,520	333,326

The recognised deferred tax (assets)/liabilities before offsetting are as follows:

	Lease liabilities RM	Right-of-use assets RM	Property, plant and equipment RM	Total RM
2025				
At 1 January	(25,145)	24,338	333,327	332,520
Recognised in profit or loss	(8,445)	8,106	(266,020)	(266,359)
At 31 December	(33,590)	32,444	67,307	66,161
2024				
At 1 January	(379)	315	333,390	333,326
Recognised in profit or loss	(24,766)	24,023	(63)	(806)
At 31 December	(25,145)	24,338	333,327	332,520
2023				
At 1 January	(2,668)	2,505	8,792	8,629
Recognised in profit or loss	2,289	(2,190)	324,598	324,697
At 31 December	(379)	315	333,390	333,326

15. DEFFERED TAX LIABILITIES (cont'd)

Material accounting policy information

Deferred tax is recognised using liability method, on all temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction, which is not a business combination and at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to apply in the period in which the assets are realised or the liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

16. BORROWINGS, SECURED

	Note	2025 RM	2024 RM	2023 RM
Secured				
Non-current liability				
Term loans	(i)	1,427,031	1,553,143	1,682,769
Current liabilities				
Term loans	(i)	133,122	129,210	122,409
Revolving credit		82,000,000	56,213,114	20,000,000
		82,133,122	56,342,324	20,122,409
		83,560,153	57,895,467	21,805,178
Total borrowings				
Term loans	(i)	1,560,153	1,682,353	1,805,178
Revolving credit		82,000,000	56,213,114	20,000,000
		83,560,153	57,895,467	21,805,178

The effective interest/profit rates per annum on the borrowings of the Target Companies are as follows:

	2025 %	2024 %	2023 %
Term loans	4.67 - 5.92	4.92 - 5.92	4.92 - 5.92
Revolving credit	4.67 - 5.20	4.88 - 5.30	4.92 - 5.92

(i) Term loans

	2025 RM	2024 RM	2023 RM
Repayable within 1 year (current)	133,122	129,210	122,409
Repayable between 1 and 2 years	128,556	136,369	129,250
Repayable between 2 and 5 years	253,092	282,952	411,604
Repayable more than 5 years	1,045,383	1,133,822	1,141,915
Repayable after 1 year (non-current)	1,427,031	1,553,143	1,682,769
	1,560,153	1,682,353	1,805,178

16. BORROWINGS, SECURED (cont'd)

The banking facilities of the Target Companies are secured by the following:

(i) Fixed deposits pledged as disclosed in Note 12(i);

(ii) Legal charge over the Target Companies' freehold properties as disclosed in Note 8; and

(iii) Corporate guarantee of immediate holding company.

17. LEASE LIABILITIES

	2025 RM	2024 RM	2023 RM
Non-current liabilities	389,702	774,832	1,033,260
Current liabilities	446,154	455,704	365,934
	835,856	1,230,536	1,399,194
Future minimum lease payments:			
Repayable within 1 year	479,480	507,912	420,708
Repayable between 1 and 2 years	319,402	443,480	420,708
Repayable between 2 and 5 years	83,822	370,224	679,443
	882,704	1,321,616	1,520,859
Less: Future finance charges	(46,848)	(91,080)	(121,665)
Present value of minimum lease payments	835,856	1,230,536	1,399,194
Present value of lease liabilities:			
Repayable within 1 year	446,154	455,704	365,934
Repayable between 1 and 2 years	307,599	416,112	383,044
Repayable between 2 and 5 years	82,103	358,720	650,216
	835,856	1,230,536	1,399,194

The effective interest rates per annum on the lease liabilities of the Target Companies are as follows:

	2025 %	2024 %	2023 %
Lease liabilities	3.85 - 13.46	3.85 - 13.46	3.85 - 4.79

18. TRADE PAYABLES

	2025 RM	2024 RM	2023 RM
Trade payables:			
- third parties	7,885,498	23,102,317	47,540,040
- fellow subsidiaries	31,800,216	48,351,668	33,497,205
- joint venture of immediate holding company	2,012,356	5,764,606	-
Retention sum for contract works	25,896,560	25,513,693	36,888,914
	67,594,630	102,732,284	117,926,159

18. TRADE PAYABLES (cont'd)

The normal credit terms granted to the Target Companies range from 30 to 60 days (2024: 30 to 60 days, 2023: 30 to 60 days).

Retention sum for contract works are due upon expiry of retention periods of 24 months (2024: 24 months, 2023: 24 months) after issuance of Certificate of Completion and Compliance.

19. OTHER PAYABLES

	Note	2025 RM	2024 RM	2023 RM
Other payables:				
- third parties		236,566	29,606	84,094
- Directors' related companies	(i)	1,680	-	3,319
- immediate holding company	(ii)	-	311,162	7,859,532
- fellow subsidiaries	(iii)	26,508,125	27,752,813	3,699
- joint venture of immediate holding company	(iv)	67,761	14,836	14,836
Accruals		1,744,063	1,334,880	607,780
Accrued contractor works	(v)	87,517,283	62,004,940	64,843,664
Refundable deposit received		8,000	8,000	12,460
		116,083,478	91,456,237	73,429,384

(i) This amount is non-trade in nature, unsecured, which representing outstanding rental and utilities payment.

(ii) Included in the amount due to immediate holding company are interest-bearing balances of Nil (2024: RM215,598, 2023: 7,802,896) at 5.50% (2024: 5.50%, 2023: 5.50%) per annum. The remaining balance is non-trade in nature, unsecured, interest-free and repayable on demand.

(iii) Included in the amounts due to fellow subsidiaries are interest-bearing balances of RM15,853,265 (2024: RM27,537,552, 2023: Nil) at 5.50% (2024: 5.50%, 2023: 5.50%). The remaining balance is non-trade in nature, unsecured, interest-free and repayable on demand.

(iv) This amount is non-trade in nature, unsecured, interest-free advances which is repayable on demand.

(v) This amount represents accrued construction costs for on-going construction works which are pending billings from its sub-contractors.

20. RELATED PARTY DISCLOSURES

Identifying related parties

For the purposes of these Combined Financial Statements, parties are considered to be related to the Target Companies if the Target Companies have the ability to directly or indirectly control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Target Companies and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Target Companies have related party relationship with its immediate holding company, fellow subsidiaries, Directors' related companies, a joint venture of immediate holding company and key management personnel. Directors' related companies refer to companies in which certain Directors of the Target Companies have substantial financial interests and/or are also Directors of the companies. The fellow subsidiaries refer to the subsidiaries of their immediate holding company. The related party balances are shown in Notes 9, 10, 18 and 19 respectively.

Related party transactions

The related party transactions between the Target Companies and their related parties during the financial year are as follows:

	2025 RM	2024 RM	2023 RM
Immediate holding company			
Operating activities:			
Non-trade related			
Administrative expenses	12,358	25,419	29,370
Capital contribution through share-based payment	5,206	86,956	168,549
Interest charges by	-	162,331	232,592
Interest charges to	(173,792)	(168,012)	-
Management fee	86,511	768,833	688,505
Repayment from	-	168,012	-
Repayment to	(716,751)	(914,447)	(1,456,351)
Short-term lease of office	223,170	153,960	136,400
Investing activities:			
Non-trade related			
Advances to	(12,100,000)	(1,300,000)	-
Repayment from	9,250,000	1,300,000	-
Financing activities:			
Non-trade related			
Advances from	-	2,300,000	25,144,466
Repayment to	-	(10,044,466)	(17,400,000)
Fellow subsidiaries			
Operating activities:			
Trade related			
Construction costs	93,429,383	142,698,376	95,576,449
Progress billing	(475,345,865)	(515,303,203)	(418,495,306)
Repayment from	456,028,622	459,155,053	391,149,771
Repayment to	(109,980,834)	(127,843,913)	(62,459,524)

20. RELATED PARTY DISCLOSURES (cont'd)

Related party transactions (cont'd)

The related party transactions between the Target Companies and their related parties during the financial year are as follows: (cont'd)

	2025 RM	2024 RM	2023 RM
Fellow subsidiaries (cont'd)			
Operating activities: (cont'd)			
Non-trade related			
Administrative expenses	26,021	80,957	16,962
Administrative expenses paid on behalf	(15,790)	-	-
Administrative expenses paid on behalf to	(87,776)	-	-
Interest charges by	1,003,284	740,764	183,692
Interest charges to	(7,044,619)	(5,176,237)	(2,759,242)
Management fee	7,354,521	-	-
Payment on behalf	(605,540)	(4,909,461)	-
Payment on behalf by	-	4,325	8,475
Repayment from	1,197,968	4,524,815	21,156
Repayment to	(2,563,771)	(1,219,467)	(213,257)
Investing activities:			
Non-trade related			
Advances to	(253,372,688)	(110,018,000)	(55,622,115)
Repayment from	214,094,499	96,662,191	18,400,115
Financing activities:			
Non-trade related			
Advances from	66,923,123	114,727,552	49,165,121
Repayment to	(74,279,124)	(87,190,000)	(49,163,029)
Directors' related companies			
Operating activities:			
Non-trade related			
Administrative expenses	8,371	19,549	15,749
Short-term lease of office	12,000	19,085	11,000
Repayment to	(18,691)	(41,953)	(24,080)
Joint venture of immediate holding company			
Operating activities:			
Trade related			
Construction cost	2,886,068	71,911,358	52,669,646
Repayment to	(12,410,454)	(63,111,304)	(51,870,745)
Non-trade related			
Administrative expenses	52,925	-	-
Payment on behalf	(60,429)	(39,493)	-
Repayment from	-	39,493	-

20. RELATED PARTY DISCLOSURES (cont'd)

Related party transactions (cont'd)

The related party transactions between the Target Companies and their related parties during the financial year are as follows: (cont'd)

	2025 RM	2024 RM	2023 RM
Joint venture of immediate holding company (cont'd)			
Investing activities:			
Non-trade related			
Acquisition of property, plant and equipment	-	-	2,989,868
Repayment to	-	-	(2,975,033)
Joint operation of immediate holding company			
Operating activities:			
Trade related			
Progress billing	-	-	(27,705,760)
Repayment from	-	-	19,916,292

Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Target Companies either directly or indirectly. The key management personnel include all the Directors of the Target Companies.

The remuneration paid by the Target Companies to key management personnel during the financial year have been disclosed in Note 5(i).

21. FINANCIAL INSTRUMENTS

Categories of financial instruments

The Target Companies financial assets (excluding prepayment and contract costs) and financial liabilities are all categorised as amortised costs respectively.

Financial risk management objectives and policies

The Target Companies' financial risk management policy is to ensure that adequate financial resources are available for the development of the Target Companies' operations whilst managing their financial risks, including credit risk, interest rate risk and liquidity risk. The Target Companies operate within clearly defined guidelines that are approved by the Board and the Target Companies' policy is not to engage in speculative transactions.

The following sections provide details regarding the Target Companies' exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

21. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

(a) Credit risk

Credit risk is the risk of financial loss to the Target Companies if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The Target Companies' exposure to credit risk arises principally from their receivables (which consist of trade receivables and other receivables), contract assets and cash and cash equivalents. There are no significant changes as compared to prior years.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is minimised and monitored via strictly limiting the Target Companies' association to business partners with good credit rating. Credit evaluations are performed on all customers requiring credit over a certain amount.

At each reporting date, the Target Companies assess whether any of the trade receivables and contract assets are credit impaired.

There are no significant changes as compared to previous financial years.

Exposure to credit risk, credit quality and collateral

As at the reporting date, the maximum exposure to credit risk from trade receivables and contract assets are represented by the carrying amounts in the combined statements of financial position.

Credit risk concentration

The Target Companies determine concentration of credit risk by monitoring the profiles of their receivables and contract assets on an ongoing basis.

As at the reporting date, the Target Companies have significant concentration of credit risk arising from the amount owing from 6 customers (2024: 4 customers, 2023: 3 customers) constituting 81% (2024: 78%, 2023: 57%) of gross trade receivables of the Target Companies.

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Target Companies manage their debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances and to ensure that receivables that are neither past due nor impaired are stated at their realisable values. Any receivables having significant balances past due more than 120 days, which are deemed to have higher credit risk, are monitored individually. Given that most of the trade receivables are its fellow subsidiaries, the Target Companies are able to determine the timing of payments of the fellow subsidiaries' repayment.

In determining the recoverability of these receivables, the Target Companies consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. Receivables are monitored on an ongoing basis via Target Companies' management reporting procedures and action will be taken for long outstanding debt. The Target Companies are exposed to significant concentration of credit risk to customers, which is fellow subsidiaries. The expected credit loss rate on the amounts outstanding from the customers are considered low as they have low risk of default and strong capacity to meet their contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of fellow subsidiaries to fulfil their contractual cash flow obligations.

21. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

(a) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Recognition and measurement of impairment loss (cont'd)

The Target Companies determine the probability of default for these trade receivables individually using internal information available.

As at the reporting date, there were no indications of impairment loss in respect of the trade receivables.

Impairment losses

The following table provides information about the exposure to credit risk and expected credit losses for trade receivables and contract assets as at the reporting date.

	2025 RM	2024 RM	2023 RM
Trade receivables			
Not past due	54,633,674	78,483,269	64,447,776
Past due:			
1 to 30 days	8,981,877	17,089,339	19,366,134
31 to 120 days	33,717,401	12,657,024	23,303,343
More than 120 days	58,738,096	52,227,034	8,309,075
	101,437,374	81,973,397	50,978,552
Total trade receivables	156,071,048	160,456,666	115,426,328
Retention sum held by contract customers			
Not past due	42,189,629	34,398,863	23,085,738
Past due			
More than 120 days	814,779	404,692	-
Total retention sum held by contract customers	43,004,408	34,803,555	23,085,738
Contract assets			
Not past due	58,266,851	60,312,405	42,690,572
	257,342,307	255,572,626	181,202,638

Receivables that are not past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records and mostly are regular customers that have been transacting with the Target Companies. These receivables include retention sums and contract assets which are to be settled in accordance with the terms of the respective contracts.

21. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

(a) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Receivables that are past due but not impaired

The Target Companies have not provided for impairment for these trade receivables as there has been no significant changes in their credit quality and the amounts are still considered recoverable according to historical repayment trend of these trade receivables. The Target Companies do not hold any collateral or other credit enhancement over these balances.

Amounts due from immediate holding company and fellow subsidiaries

Risk management objectives, policies and processes for managing the risk

The Target Companies provide unsecured loans and advances to their immediate holding company and fellow subsidiaries. The Target Companies monitor the ability of the immediate holding company and fellow subsidiaries to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the reporting date, the maximum exposure to credit risk arising from amounts due from immediate holding company and fellow subsidiaries are represented by the carrying amounts in the notes to the Combined Financial Statements. Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

Amounts due from immediate holding company and fellow subsidiaries are repayable on demand. For loans that are repayable on demand, expected credit losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date.

The Target Companies assume that there is a significant increase in credit risk when the immediate holding company's and fellow subsidiaries' financial position deteriorate significantly. As the immediate holding company and fellow subsidiaries are within same group of management and therefore the management is able to determine the timing of payments of the immediate holding company's and fellow subsidiaries' loans and advances when they are payable, the Target Companies consider immediate holding company's and fellow subsidiaries' loan or advance to be credit impaired when the immediate holding company and fellow subsidiaries are unlikely to repay the loans or advances to the Target Companies in full given insufficient highly liquid resources when the loans are demanded.

The Target Companies determine the probability of default for these loans and advances individually using internal information available.

As at the reporting date, there were no indications of impairment loss in respect of amounts due from immediate holding company and fellow subsidiaries.

21. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

(a) Credit risk (cont'd)

Other receivables and deposits

Other receivables and deposits are considered to have low credit risk as they are not due for payment at the end of the reporting date and there has been no significant increase in the risk of default on the receivables since initial recognition.

Credit risk on deposits is mainly arising from deposits paid to landlord and contractor which relate to construction and are refundable in the event of cancellation and thus have low credit risk.

As at the reporting date, no allowance for impairment is necessary in respect of other receivables and deposits that are neither past due nor impaired as these are mainly arising from debtors that have good records of payment in the past.

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the reporting date, the maximum exposure to credit risk is represented by their carrying amounts in the combined statements of financial position. These banks and financial institutions have low credit risks. Hence, a loss allowance is not necessary.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Target Companies' exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities.

The interest rate profile of the Target Companies' significant interest-bearing financial instruments, based on carrying amounts as at the reporting date was:

	2025 RM	2024 RM	2023 RM
Floating rate instruments			
Short-term investment	725,483	131,997	7,675,122
Term loans	(1,560,153)	(1,682,353)	(1,805,178)
Revolving credit	(82,000,000)	(56,213,114)	(20,000,000)
	(82,834,670)	(57,763,470)	(14,130,056)

21. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

(b) Interest rate risk (cont'd)

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the reporting date, with all other variables held constant:

	(Decrease)/ Increase 2025 RM	(Decrease)/ Increase 2024 RM	(Decrease)/ Increase 2023 RM
Effect on results after tax/equity			
Increase of 100 basis points	(629,543)	(439,002)	(107,388)
Decrease of 100 basis points	629,543	439,002	107,388

(c) Liquidity risk

Liquidity risk is the risk that the Target Companies will encounter difficulty in meeting financial obligations associated with financial liabilities. The Target Companies' exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Target Companies' objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The unutilised credit facilities made available to the Target Companies as at the reporting date amount to RM8,000,000 (2024: RM8,000,000, 2023: RM101,000,000).

The Target Companies' liquidity risk management policy is to manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. In addition, the Target Companies maintain sufficient levels of cash and available banking facilities at a reasonable level to their overall debt position to meet their working capital requirements.

21. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

(c) Liquidity risk (cont'd)

The table below summarises the maturity profile of the Target Companies' financial liabilities as at the reporting date based on contractual undiscounted repayment obligations:

			<---------- Contractual cash flows ---------->			
	Carrying amount RM'000	**Contractual cash flows RM'000**	**Within 1 year RM'000**	**Between 1 and 2 years RM'000**	**Between 2 and 5 years RM'000**	**More than 5 years RM'000**
2025						
Trade payables	67,594,630	67,594,630	48,018,076	8,881,626	10,694,928	-
Other payables	116,083,478	116,083,478	116,083,478	-	-	-
Borrowings	83,560,153	88,266,402	86,377,012	192,121	417,276	1,279,993
Lease liabilities	835,856	882,704	479,480	319,402	83,822	-
	268,074,117	272,827,214	250,958,046	9,393,149	11,196,026	1,279,993
2024						
Trade payables	102,732,284	102,732,284	81,155,066	7,166,600	14,410,618	-
Other payables	91,456,237	91,456,237	91,456,237	-	-	-
Borrowings	57,895,467	61,397,508	59,265,774	210,612	469,554	1,451,568
Lease liabilities	1,230,536	1,321,616	507,912	443,480	370,224	-
	253,314,524	256,907,645	232,384,989	7,820,692	15,250,396	1,451,568
2023						
Trade payables	117,926,159	117,926,159	83,791,966	4,106,636	30,027,557	-
Other payables	73,429,384	73,429,384	73,429,384	-	-	-
Borrowings	21,805,178	22,571,837	20,288,402	210,306	541,562	1,531,567
Lease liabilities	1,399,194	1,520,859	420,708	420,708	679,443	-
	214,559,915	215,448,239	177,930,460	4,737,650	31,248,562	1,531,567

22. FAIR VALUE INFORMATION

Assets and liabilities carried at fair value

The fair value measurement hierarchies used to measure non-financial assets at fair values in the combined statements of financial position are disclosed in Note 8.

There were no material transfer between Level 1 and Level 2 during the financial years.

Financial instruments other than those carried at fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The financial assets and financial liabilities maturing within the next twelve (12) months approximated their fair values due to the relatively short-term maturity of the financial instruments and insignificant impact of discounting.

The carrying amount of long-term floating rate loans approximate its fair value as the loans will be re-priced to market interest rate on or near reporting date.

23. CAPITAL MANAGEMENT

The Target Companies' objectives when managing capital is to maintain a strong capital base and safeguard the Target Companies' ability to continue as a going concern. The Target Companies monitor and maintain an optimal debt-to-equity ratio that complies with debt covenants.

The Target Companies monitor capital using net debt-to-equity ratio which is the total debt divided by total equity. Total debt includes borrowings and lease liabilities whilst total equity is equity attributable to Owner of the Target Companies.

The debt-to-equity ratios at the reporting date are as follows:

	2025 **RM**	**2024** **RM**	**2023** **RM**
Borrowings (Note 16)	83,560,153	57,895,467	21,805,178
Lease liabilities (Note 17)	835,856	1,230,536	1,399,194
Total debt	84,396,009	59,126,003	23,204,372
Total equity	195,260,635	153,297,782	125,413,061
Debt-to-equity ratio (times)	0.43	0.39	0.19

23. CAPITAL MANAGEMENT (cont'd)

Under the terms of the major borrowing facilities, the Target Companies are required to comply with the following financial covenants:

(i) Gearing ratio of Rantau Urusan (M) Sdn. Bhd. to be capped at 1.00 times

As at the reporting date, the gearing ratio of the Rantau Urusan (M) Sdn. Bhd. subject to the loan covenant was 0.50 times (2024: 0.42 times, 2023: 0.19 times).

(ii) Consolidated gearing ratio of the immediate holding company, Lagenda Properties Berhad ("Group") to be capped at 1.50 times

As at the reporting date, the consolidated gearing ratio of the Group subject to the loan covenant was 0.73 times (2024: 0.68 times, 2023: 0.28 times).

The Target Companies are in compliance with the externally imposed capital requirements as mentioned above.

STATEMENT BY DIRECTORS

We, the undersigned, being two of the Directors of Lagenda Properties Berhad, do hereby state that, in the opinion of the Directors, the Combined Financial Statements as set out on pages 4 to 43 are drawn up so as to give a true and fair view of the financial position of the Target Companies as at 31 December 2023, 31 December 2024 and 31 December 2025 and of their financial performance and cash flows for the financial years ended 31 December 2023, 31 December 2024 and 31 December 2025 in accordance with Malaysian Financial Reporting Standards ("MFRSs") and International Financial Reporting Standards ("IFRSs").

Signed on behalf of the Board in accordance with a resolution of the Directors dated 14 July 2026.

DATO' DOH JEE MING

CHUA SENG HOOI

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Lagenda Properties Berhad
Level 11 & 12, Menara Lagenda
No.3, Jalan SS20/27
47400, Petaling Jaya
Selangor Darul Ehsan

Attention: The Board of Directors of Lagenda Properties Berhad

and

Epicon Berhad
Unit 7-02, Level 7, Menara Lagenda
No.3, Jalan SS20/27
47400, Petaling Jaya
Selangor Darul Ehsan

Attention: The Board of Directors of Epicon Berhad

Our ref: WWS/ECL/HSN

14 July 2026

Dear Sir/Madam,

Lagenda Properties Berhad ("Lagenda") & Epicon Berhad ("Epicon")

Indicative Valuation Opinion of 100% Equity Interest in:
(i) Rantau Urusan (M) Sdn Bhd ("RUSB"); and
(ii) LPB Construction Sdn Bhd ("LPBC").
(collectively hereinafter referred to as the "Targets") ("Indicative Valuation")

1 Introduction

BDO Capital Consultants Sdn Bhd ("**BDOCC**") has been jointly appointed by Epicon and Lagenda to estimate an indicative value of 100% equity interest in the Targets based on the scope of work as set out in our letter of engagement dated 8 April 2026 ("**Engagement Letter**").

This letter on the Indicative Valuation ("**Indicative Valuation Letter**") is not intended for general circulation and cannot be disclosed or referred to, in whole or in part, in any documents other than for the inclusion in the circular in relation to the Proposed Transaction (as defined herein in **Section 2**) without our prior written consent. Accordingly, we shall not be responsible or liable for any losses or damages as a result of reliance by any party contrary to the provisions set out in this Indicative Valuation Letter or our Engagement Letter.

This Indicative Valuation Letter must be read in conjunction with the limitations and restrictions set out in **Sections 6 and 7** respectively and key bases and assumptions of the Indicative Valuation as set out in **Section 5.4** below.

BDO Capital Consultants Sdn Bhd (199601032957 (405309-T)), a Malaysian Limited Liability Company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the International BDO network of independent member firms.

2 Background Information

The details of the Targets are as follows:

Table 1: Information summary of the Targets

Target company	Incorporation date	Principal activities	Effective equity interest owned by Lagenda
RUSB	4 July 2000	Building construction	100%
LPBC	12 February 2018	Building construction	100%

We understand that Epicon intends to acquire 60% equity interest in the Targets from Lagenda via proposed scheme to be determined on a later date ("**Proposed Transaction**").

Accordingly, we understand that Epicon and Lagenda intend to undertake this Indicative Valuation in relation to the Proposed Transaction.

3 Sources of Information

In carrying out the Indicative Valuation, we have relied on, *inter-alia*, the following information and documents provided to us by the management of Epicon and/or Lagenda:

(i) Audited financial statements ("**AFS**") of the Targets for the financial year ended ("**FYE**") 31 December 2023, 31 December 2024 and 31 December 2025;

(ii) Management accounts of the Targets as at 31 May 2026, including detailed listing of amounts due from and due to between the Targets, Lagenda and its other subsidiaries as at 31 May 2026;

(iii) Financial projections of the Targets for the period from 1 January 2026 to 31 December 2030 ("**Projection Period**") as prepared and provided by the management of Lagenda based on the key underlying bases and assumptions by the management of Lagenda.

For the purposes hereof:

(a) the "**RUSB Financial Projections**" shall refer to the financial projections in respect of RUSB;

(b) the "**LPBC Financial Projections**" shall refer to the financial projections in respect of LPBC; and

(c) the "**Financial Projections**" shall collectively refer to the RUSB Financial Projections and the LPBC Financial Projections, as the context requires.

The summary of the Financial Projections, together with the key underlying bases and assumptions, are set out in **Appendices I** and **II**;

(iv) Verbal representations and discussions with the management of Epicon and/or Lagenda;

(v) Various documents and information made available to us during the course of our discussions with the management of Epicon and/or Lagenda or its advisers up to 14 July 2026;

(vi) The letter of representation from Lagenda dated 14 July 2026 confirming, *inter alia*, the factual accuracy, completeness and reliability of the information provided to us; and

(vii) Other publicly available data and information.

4 Summary of Financial Performance and Position of the Targets

RUSB

The financial performance and position of RUSB for the FYE 31 December 2023, FYE 31 December 2024 and FYE 31 December 2025 are summarised below:

Table 2: Summary of financial performance of RUSB

RM'000	Audited		
	FYE 31 December 2023	FYE 31 December 2024	FYE 31 December 2025
Revenue	429,097	337,149	270,495
Cost of sales	(397,189)	(310,504)	(227,647)
Gross profit	**31,908**	**26,645**	**42,848**
Other income	3,497	7,655	8,387
Administrative expenses	(7,895)	(8,703)	(7,429)
Profit from operations	**27,510**	**25,597**	**43,806**
Finance cost	(869)	(3,309)	(4,498)
Profit before tax	**26,641**	**22,288**	**39,308**
Income tax expense	(8,005)	(4,582)	(9,931)
Profit after tax	**18,636**	**17,706**	**29,377**

Source: AFS of RUSB for the FYE 31 December 2023, FYE 31 December 2024 and FYE 31 December 2025.

Table 3: Summary of financial position of RUSB

RM'000	Audited		
	As at 31 December 2023	As at 31 December 2024 (Re-presented)	As at 31 December 2025
ASSETS			
Non-current assets			
Property, plant and equipment	1,618	1,161	652
Investment properties	3,060	3,060	3,060
Other receivables	-	4	4
	4,678	**4,225**	**3,716**
Current assets			
Trade receivables	124,246	154,854	118,424
Other receivables	85,857	111,559	169,031
Contract assets	35,612	23,204	39,652
Tax recoverable	-	804	-
Cash and cash equivalents	62,544	35,027	50,189
	308,259	**325,448**	**377,296**
TOTAL ASSETS	**312,937**	**329,673**	**381,012**

Table 3: Summary of financial position of RUSB

RM'000	Audited		
	As at 31 December 2023	As at 31 December 2024 (Re-presented)	As at 31 December 2025
EQUITY AND LIABILITIES			
Equity			
Share capital	1,000	1,000	1,000
Capital contribution from immediate holding company	1,992	2,079	2,083
Retained earnings	119,913	137,619	166,996
TOTAL EQUITY	**122,905**	**140,698**	**170,079**
Non-current liabilities			
Deferred tax liabilities	9	8	67
Borrowings	1,683	1,553	1,427
Lease liabilities	1,033	662	302
	2,725	**2,223**	**1,796**
Current liabilities			
Trade payables	106,988	76,691	51,097
Other payables	58,961	53,317	71,354
Borrowings	20,122	56,342	82,133
Lease liabilities	366	402	360
Tax payable	870	-	4,193
	187,307	**186,752**	**209,137**
TOTAL LIABILITIES	**190,032**	**188,975**	**210,933**
TOTAL EQUITY AND LIABILITIES	**312,937**	**329,673**	**381,012**

Source: AFS of RUSB for the FYE 31 December 2023, FYE 31 December 2024 and FYE 31 December 2025.

LPBC

The financial performance and position of LPBC for the FYE 31 December 2023, FYE 31 December 2024 and FYE 31 December 2025 are summarised below:

Table 4: Summary of financial performance of LPBC

RM'000	Audited		
	FYE 31 December 2023	FYE 31 December 2024	FYE 31 December 2025
Revenue	37,362	196,045	203,886
Cost of sales	(34,117)	(179,389)	(180,869)
Gross profit	**3,245**	**16,656**	**23,017**
Other income	1	2	402
Administrative expenses	(661)	(2,168)	(5,306)
Other expenses	-	-	(426)
Profit from operations	**2,585**	**14,490**	**17,687**
Finance cost	(249)	(812)	(620)
Profit before tax	**2,336**	**13,678**	**17,067**
Income tax expense	(612)	(3,587)	(4,487)
Profit after tax	**1,724**	**10,091**	**12,580**

Source: AFS of LPBC for the FYE 31 December 2023, FYE 31 December 2024 and FYE 31 December 2025.

Table 5: Summary of financial position of LPBC

RM'000	Audited		
	As at 31 December 2023	As at 31 December 2024 (Re-presented)	As at 31 December 2025
ASSETS			
Non-current assets			
Property, plant and equipment	4,203	2,355	189
Investment properties	-	10	19
Other receivables	-	-	1
	4,203	**2,365**	**209**
Current assets			
Trade receivables	14,266	40,406	80,652
Other receivables	503	154	7,470
Contract assets	4,997	35,292	18,041
Tax recoverable	441	177	686
Cash and cash equivalents	6,131	3,957	253
	26,338	**79,986**	**107,102**
TOTAL ASSETS	**30,541**	**82,351**	**107,311**
EQUITY AND LIABILITIES			
Equity			
Share capital	750	750	750
Capital contribution from immediate holding company	-	-	2
Retained earnings	1,758	11,850	24,430
TOTAL EQUITY	**2,508**	**12,600**	**25,182**
Non-current liabilities			
Lease liabilities	-	113	87
Deferred tax liabilities	325	324	-
	325	**437**	**87**
Current liabilities			
Trade payables	10,938	26,041	16,498
Other payables	16,770	43,219	63,786
Lease liabilities	-	54	86
Tax payable	-	-	1,672
	27,708	**69,314**	**82,042**
TOTAL LIABILITIES	**28,033**	**69,751**	**82,129**
TOTAL EQUITY AND LIABILITIES	**30,541**	**82,351**	**107,311**

Source: AFS of LPBC for the FYE 31 December 2023, FYE 31 December 2024 and FYE 31 December 2025.

5. Indicative Valuation

5.1 Basis of Indicative Valuation

The basis of the Indicative Valuation used herein is the market value, as defined by International Indicative Valuation Standards (effective 31 January 2025) (**"IVS"**) as "Market value is the estimated amount for which an asset and/or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion". The IVS are globally recognised valuation standards issued by the International Valuation Standards Council ("**IVSC**"), which set out principles and requirements for undertaking valuation assignments and promote consistency, transparency and confidence in valuations.

Please note that the concept of market value means the price of an asset being valued, assuming the transaction took place under conditions existing at the date of valuation of the asset. The amount would not be considered market value if it was influenced by special motivations not characteristic of a typical buyer or seller.

In addition, the range of values that we have estimated is based on going concern use and not, for example, with the break-up value of the business.

5.2 Date of the Indicative Valuation

The date of the Indicative Valuation is 31 December 2025 (**"Valuation Date"**).

5.3 Method of Indicative Valuation

There are various valuation approaches in carrying out a valuation, the common ones being the discounted cash flow (**"DCF"**) approach, the earnings multiple approach and the adjusted net assets approach.

For the purpose of this Indicative Valuation, we had adopted the DCF approach as our primary approach to estimate the range of values of the Targets.

The DCF approach is an investment appraisal technique which takes into consideration both the time value of money and the cash flow over a fixed period of time. Under this method, the cash flow from the investment is discounted at a specified discount rate to arrive at the net present value. In addition, terminal value, which is the value of the business beyond the Financial Projections period, is being estimated based on the Gordon Growth Model, which assumes that the cash flows of the business will grow at a constant rate into perpetuity. A key assumption for the DCF Approach is the choice of a discount rate that takes into account the relevant market interest and debt-to-equity structure as well as the business and financial risks relating to the business.

In arriving at the discount rates for this Indicative Valuation, we have applied the prevailing risk-free rate, equity risk premium and beta of available listed comparable companies (**"Comcos"**) as at the Valuation Date. We have also relied on the data of the Comcos in estimating the discount rates with adjustments taking into consideration the country risk, the size of the Targets relative to the Comcos, the unlisted status of the Targets, and the inherent risks and uncertainties of the Financial Projections. Please note that the selection of Comcos and adjustments made are highly subjective and judgemental and the selected Comcos may not be comparable due to various factors. Please refer to **Appendix III** for the list of Comcos selected and their principal activities.

For the purpose of cross-checking, we have also derived the implied price-to-earnings (**"Implied P/E"**) multiple by dividing the aggregate indicative value of the Targets by the average profit guarantee per annum of the Targets and compared the Implied P/E multiple against the traded P/E (**"Traded P/E"**) multiples of the Comcos and comparable transaction multiples. The average profit guarantee per annum of the Targets is applied in deriving the Implied P/E multiple as represents the minimum profit guaranteed by Lagenda under the terms of the Proposed Transaction. Accordingly, the use of the average profit guarantee provides a basis for assessing the Implied P/E multiple by reference to the profit guaranteed under the Proposed Transaction, instead of the historical profit of the Targets. Please refer to **Appendix VI** for the Traded P/E multiples of the Comcos and **Appendix VII** for the comparable transaction multiples.

5.4 Key Bases and Assumptions of the Indicative Valuation

The key bases and assumptions adopted in the Indicative Valuation are as follows:

(a) With respect to the Financial Projections, the management of Lagenda assumes full responsibilities for the accuracy, completeness and reliability of the Financial Projections as well as the reasonableness of the underlying bases and assumptions;

(b) That the DCF valuation implicitly assumes that a generic investor has sufficient control of the business cash flow to determine the dividend policy, capital structure and major capital expenditures/ developments;

(c) That the investment properties held by RUSB are surplus assets and that its fair value is based on the AFS of RUSB for the FYE 31 December 2025;

(d) That the Targets' contracts are expected to be executed and completed within the projected timeframe and the cash flows arising from the outstanding order book as well as the subsequent replenishment of the Targets' order book will be realised as projected by the management of Lagenda;

(e) That the existing business relationship between the Targets and the property development subsidiaries of Lagenda ("**Lagenda Group**") will continue, whereby the Targets are assumed to continue securing construction contracts arising from the property development projects of the Lagenda Group in accordance with the Lagenda Group's planned project launch timeline, on terms and at margins consistent with those incorporated in the Financial Projections;

(f) That the net amount due from holding company and fellow subsidiaries of RM119.4 million for RUSB and RM6.4 million for LPBC is derived based on the list of amounts due from and due to between the Targets and Lagenda Group as at 31 May 2026;

(g) That there will be no significant or material increase in costs that is expected to have material adverse effect on the projected profit margin of the Targets. The increase in operating cost is assumed to be in tandem with the inflationary effect and where applicable, any significant cost increases arising from the construction project are assumed to be recoverable through variation orders with no material adverse effect on the projected margin of the respective projects;

(h) That the average profit guarantee of RM119.0 million per annum is derived based on the profit guarantee of the Targets for FYE 31 December 2027 of RM110.0 million and FYE 31 December 2028 of RM128.0 million as agreed by Lagenda for the purpose of the Proposed Transaction;

(i) That the existing revolving credit facilities and internally generated funds of the Targets are sufficient to finance the working capital requirements;

(j) That the management of the Targets intend to declare and distribute dividends of RM52.0 million by RUSB and RM28.0 million by LPBC in FYE 31 December 2026 ("**Dividend Distribution**"), and that the Indicative Valuation will be adjusted to reflect the Dividend Distribution;

(k) That a terminal growth rate of 2.0% has been adopted after taking into consideration the average Consumer Price Index ("**CPI**") rate in Malaysia of approximately 2.1% per annum over the ten-year period from 2016 to 2025 (excluding 2020 due to the deflation which was affected by the COVID-19 pandemic);

(l) That the Targets have all the relevant licences, permits, approvals, agreements, contracts or any other contractual agreements to carry out the business ("**Licences/Agreements**"). There are no breaches and there will not be any breaches of any provision in the Licences/Agreements and that the Licences/Agreements are renewed upon expiry;

(m) That the Targets are in full compliance with all applicable regulations and laws;

(n) That the business interest and assets of the Targets are free and clear of any liens or encumbrances;

(o) That there will be no material changes in the present legislation, government regulations, inflation rates, interest rates, foreign exchange rates, bases and rates of taxation, and other lending guidelines which will affect the activities of the Targets;

(p) That there are no undisclosed actual or contingent assets or liabilities, including but not limited to, any contracts and/or off-balance sheet financial instruments, no unusual obligations or commitments other than in the ordinary course of business, nor any pending litigation which would have a material effect on the financial position or operations of the Targets now and in the future;

(q) That there will be no material changes in the principal activities as well as the accounting and operating policies presently adopted by the Targets. There will be continuity in responsible ownership and competent management with respect to the business operation of the Targets;

(r) That there are no and will not be any material changes in the financial position and performance as well as business operations of the Targets that will affect the Targets after the Valuation Date;

(s) That the Indicative Valuation has been carried out on the entire business of the Targets as a whole without consideration to any specific parcel of business interest; and

(t) That there will be no event of *force majeure* occurring such as any act of God, act of public enemies, war, act of terrorism, restraint of Government or people of any nation, riots, insurrections, civil commotion, floods, fire, restrictions due to quarantines, epidemics, storms, or any other causes beyond the reasonable control of the management of the Targets, which could materially affect the financial position and business operations of the Targets.

5.5 Indicative Valuation Results

5.5.1 Valuation of 100% Equity Interest in RUSB

Using the valuation method as outlined in **Section 5.3** and based on the bases and assumptions as detailed in **Section 5.4**, the range of value of 100% equity interest in RUSB as at 31 December 2025 is as follows:

Table 6: Values of 100% equity interest in RUSB

RM'000	Low	High
Range of enterprise values of RUSB[1]	**457,066**	**502,402**
(Less) : Borrowings and lease liabilities[2]	*(84,222)*	*(84,222)*
Add : Surplus assets[3]	*3,785*	*3,785*
	376,629	**421,965**
Add : Net amount due from holding company and fellow subsidiaries[4]	*119,423*	*119,423*
(Less) : Dividend Distribution	*(52,000)*	*(52,000)*
Range of values of 100% equity interest in RUSB	**444,052**	**489,388**
Derived discount rate[5]	*12.3% to 14.2%*	

Notes:

(1) The range of enterprise values of RUSB is derived by discounting the projected free cash flow to the firm and terminal value to the Valuation Date, with the low and high enterprise values reflecting the range of discount rates applied, as shown below:

RM'000	*Low*	*High*
Present value of projected free cash flow to the firm	*172,418*	*177,094*
Present value of terminal value	*248,648*	*325,308*
Range of enterprise values of RUSB	***457,066***	***502,402***
Derived discount rate	*12.3% to 14.2%*	

*Please refer to **Appendix V** for the computation of the present value of projected free cash flow to the firm and terminal value.*

(2) Borrowings and lease liabilities as at 31 December 2025.

(3) Based on the carrying amount of cash and cash equivalents comprising investments in a short to medium-term fixed income fund as well as investment properties comprising five (5) units of shop office / house in Seri Iskandar, Perak Darul Ridzuan, Malaysia that were measured at fair value as per RUSB's accounting policy as at 31 December 2025.

(4) The net amount due from holding company and fellow subsidiaries (excluding net amount due from LPBC) as at 31 May 2026 is computed as follows:

RM'000	*Amount due from*	*Amount due to*	*Net amount due from/(to)*
- Lagenda	*4,087*	*(67)*	*4,020*
- Blossom Eastland Sdn Bhd	*39,214*	*(176)*	*39,038*
- Taraf Nusantara Sdn Bhd	*37*	*(24,407)*	*(24,370)*
- LPB Development Sdn Bhd	*56,194*	*-*	*56,194*
- Vivafirst Sdn Bhd	*2,065*	*-*	*2,065*
- Lagenda Mersing Sdn Bhd	*28,964*	*(8)*	*28,956*
- Opti Vega Sdn Bhd	*2,532*	*-*	*2,532*
- Lagenda Tapah Sdn Bhd	*401*	*-*	*401*
- Lagenda Harta Sdn Bhd	*2,548*	*-*	*2,548*
- Lagenda Mangement Solutions Sdn Bhd	*11,821*	*(293)*	*11,528*
- Yik Wang Trading Sdn Bhd	*17*	*(3,506)*	*(3,489)*
Total	***147,880***	***(28,457)***	***119,423***

(5) *The projected cash flows based on the RUSB Financial Projections are discounted at derived discount rates of 12.3% to 14.2%.*

In deriving the discount rates of RUSB to arrive at its equity value, we have applied the prevailing risk-free rate and equity risk premium and betas of Comcos as of 31 December 2025. We have also relied on the data of the Comcos in estimating the discount rates with adjustments taking into consideration the country risk, the size of RUSB relative to the Comcos, the unlisted status of RUSB and the inherent risks and uncertainties of the RUSB Financial Projections.

The difference in the derived discount rate ranges between RUSB and LPBC is mainly attributable to their respective projected gearing levels and cost of debt. While the same set of Comcos is used in deriving the beta for the cost of equity, the respective projected gearing levels and borrowing costs of RUSB and LPBC result in different costs of equity and costs of debt, respectively, and consequently different derived discount rates.

Please note that the selection of the Comcos and the adjustments made are highly subjective and judgemental and the selected Comcos may not be entirely comparable due to various factors. Please refer to ***Appendix III*** *for the list of Comcos and* ***Appendix IV*** *for the derivation of the discount rates.*

Please note that the **estimated range of values of 100% equity interest in RUSB of RM444.1 million to RM489.4 million** as at 31 December 2025 as derived above is limited by the approach as outlined in **Section 5.3** and any reference to the values will have to be read in the context of the approach used in the Indicative Valuation as well as the bases and assumptions as detailed in **Section 5.4**.

Based on the estimated range of values of 100% equity interest in RUSB above, **the estimated range of values of 60% equity interest in RUSB is RM266.4 million to RM293.6 million** as at 31 December 2025.

It must be emphasised that the range of values as estimated by us involves a high degree of subjectivity and element of judgement. This range of values represents the range that a well-informed general investor may pay. The final price of RUSB will reflect the specific circumstances of a buyer and seller, their perceptions of business and market factors at the point of execution.

5.5.2 Valuation of 100% Equity Interest in LPBC

Using the valuation method as outlined in **Section 5.3** and based on the bases and assumptions as detailed in **Section 5.4**, the range of value of 100% equity interest in LPBC as at 31 December 2025 is as follows:

Table 7: Values of 100% equity interest in LPBC

RM'000	**Low**	**High**
Range of enterprise values of LPBC[1]	**437,963**	**480,911**
(Less) : Borrowings and lease liabilities[2]	*(174)*	*(174)*
	437,789	**480,737**
Add : Net amount due from holding company and fellow subsidiaries[3]	*6,393*	*6,393*
(Less) : Dividend Distribution	*(28,000)*	*(28,000)*
Range of values of 100% equity interest in LPBC	**416,182**	**459,130**
Derived discount rate[4]	*11.5% to 14.5%*	

Notes:

(1) The range of enterprise values of LPBC is derived by discounting the projected free cash flow to the firm and terminal value to the Valuation Date, with the low and high enterprise values reflecting the range of discount rates applied, as shown below:

RM'000	***Low***	***High***
Present value of projected free cash flow to the firm	*181,303*	*186,115*
Present value of terminal value	*256,660*	*294,796*
Range of enterprise values of LPBC	***437,963***	***480,911***
Derived discount rate	*11.5% to 14.5%*	

*Please refer to **Appendix V** for the computation of the present value of projected free cash flow to the firm and terminal value.*

(2) Borrowings and lease liabilities as at 31 December 2025.

(3) The net amount due from holding company and fellow subsidiaries (excluding net amount due to RUSB) as at 31 May 2026 is computed as follows:

RM'000	***Amount due from***	***Amount due to***	***Net amount due from/(to)***
- Lagenda	*27*	*-*	*27*
- Blossom Eastland Sdn Bhd	*2*	*-*	*2*
- Taraf Nusantara Sdn Bhd	*-*	*(1)*	*(1)*
- Opti Vega Sdn Bhd	*-*	*(570)*	*(570)*
- Lagenda Harta Sdn Bhd	*5,771*	*-*	*5,771*
- Lagenda Mangement Solutions Sdn Bhd	*1,121*	*(92)*	*1,029*
- Yik Wang Trading Sdn Bhd	*135*	*-*	*135*
Total	***7,056***	***(663)***	***6,393***

(4) The projected cash flows based on the LPBC Financial Projections are discounted at derived discount rates of 11.5% to 14.5%.

In deriving the discount rates of LPBC to arrive at its equity value, we have applied the prevailing risk-free rate and equity risk premium and betas of Comcos as of 31 December 2025. We have also relied on the data of the Comcos in estimating the discount rates with adjustments taking into consideration the country risk, the size of LPBC relative to the Comcos, the unlisted status of LPBC and the inherent risks and uncertainties of the LPBC Financial Projections.

The difference in the derived discount rate ranges between RUSB and LPBC is mainly attributable to their respective projected gearing levels and cost of debt. While the same set of Comcos is used in deriving the beta for the cost of equity, the respective projected gearing levels and borrowing costs of RUSB and LPBC result in different costs of equity and costs of debt, respectively, and consequently different derived discount rates.

*Please note that the selection of the Comcos and the adjustments made are highly subjective and judgemental and the selected Comcos may not be entirely comparable due to various factors. Please refer to **Appendix III** for the list of Comcos and **Appendix IV** for the derivation of the discount rates.*

Please note that the **estimated range of values of 100% equity interest in LPBC of RM416.2 million to RM459.1 million** as at 31 December 2025 as derived above is limited by the approach as outlined in **Section 5.3** and any reference to the values will have to be read in the context of the approach used in the Indicative Valuation as well as the bases and assumptions as detailed in **Section 5.4**.

Based on the estimated range of values of 100% equity interest in LPBC above, **the estimated range of values of 60% equity interest in LPBC is RM249.7 million to RM275.5 million** as at 31 December 2025.

It must be emphasised that the range of values as estimated by us involves a high degree of subjectivity and element of judgement. This range of values represents the range that a well-informed general investor may pay. The final price of LPBC will reflect the specific circumstances of a buyer and seller, their perceptions of business and market factors at the point of execution.

5.5.3 Aggregate valuation of the Targets

Using the range of valuation of 100% equity interest in RUSB and LPBC as respectively presented in **Section 5.5.1** and **Section 5.5.2**, the estimated aggregate valuation of the Targets after Dividend Distribution is set out as follows:

Table 8: Range of aggregate valuation of the Targets

RM'000	**Low**	**High**
Aggregate enterprise values of the Targets	**895,029**	**983,313**
(Less) : Borrowings and lease liabilities	*(84,396)*	*(84,396)*
Add : Surplus assets	*3,785*	*3,785*
	814,418	**902,702**
Add : Net amount due from holding company and fellow subsidiaries	*125,816*	*125,816*
(Less) : Dividend Distribution	*(80,000)*	*(80,000)*
Aggregate equity values of the Targets	**860,234**	**948,518**

Please note that the **estimated range of aggregate equity values of the Targets of RM860.2 million to RM948.5 million** as at 31 December 2025 as derived above is limited by the approach as outlined in **Section 5.3** and any reference to the values will have to be read in the context of the approach used in the Indicative Valuation as well as the bases and assumptions as detailed in **Section 5.4**.

Based on the estimated aggregate equity values range of the Targets above, **the estimated range of values of 60% equity interest in Targets is RM516.1 million to RM569.1 million** as at 31 December 2025.

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5.5.4 Implied P/E Multiple of the Targets & Comparable transaction multiples

As outlined in **Section 5.3**, we have derived the Implied P/E multiple as a cross-check to the Indicative Valuation. The range of Implied P/E multiple of the aggregate indicative valuation of the Targets, Traded P/E multiples of Comcos and comparable transaction multiples are set out below:

Table 9: Implied P/E multiple of the Targets against the Traded P/E multiples of the Comcos

Range of equity value[1] (RM'million) *(A)*	Profit after tax[2] (RM'million) *(B)*	Implied P/E multiple (times) *(C) = (A) ÷ (B)*	Traded P/E multiples of the Comcos[3] (times)	Comparable transaction multiples[4] (times)
860.2 to 948.5	119.0	7.2 to 8.0	3.8 to 13.1	5.4 to 10.2

***Notes**:*

*(1) Based on the estimated range of aggregate values of 100% equity interest in the Targets as outlined in **Section 5.5.3**.*

(2) The profit after tax adopted for the computation of Implied P/E multiple is the average profit guarantee of RM119.0 million per annum, derived based on the profit guarantee of the Targets for FYE 31 December 2027 of RM110.0 million and FYE 31 December 2028 of RM128.00 million as agreed by Lagenda for the purpose of the Proposed Transaction.

*(3) The range of the Traded P/E multiples of the Comcos is derived based on the low and high multiples. Please refer to **Appendix VI** for further details on the Traded P/E multiples of the Comcos.*

*(4) The range of the comparable transaction multiples is derived based on the low and high multiples. Please refer to **Appendix VII** for further details on the comparable transaction multiples.*

Based on the above table, we noted that:

(i) the range of Implied P/E multiple of the Targets in aggregate of **7.2 times to 8.0 times** is **within** the range of the Traded P/E multiples of the Comcos of 3.8 times to 13.1 times; and

(ii) the range of Implied P/E multiple of the Targets in aggregate of **7.2 times to 8.0 times** is **within** the range of the comparable transaction multiples of 5.4 times to 10.2 times.

The range of Traded P/E multiples of the Comcos is estimated based on the data of Comcos, taking into consideration, amongst others, the size as well as characteristics, profile and other factors. Please note that the selection of Comcos and adjustments made are highly subjective and judgemental and the selected Comcos may not be entirely comparable due to various factors. Please refer to **Appendix VI** for the Traded P/E multiples of the Comcos.

The range of comparable transaction multiples is estimated based on the details of the transaction, taking into consideration, amongst others, the transacted price as well as characteristics, profile of the target company and other factors. Please note that the selection of comparable transactions is highly subjective and judgemental and the selected comparable transactions may not be entirely comparable due to various factors. Please refer to **Appendix VII** for the comparable transaction multiples.

6 Limitations

The Indicative Valuation is valid only for the Valuation Date and for the purpose specified herein.

Certain data and information have been obtained from the Management, in the form of reports, supporting documents, work papers and oral representations in meetings and discussions. No attempt has been made by us to verify or audit the reliability of the data and information given for the purpose of the Indicative Valuation nor has any attempt made to ensure that the public information obtained represents an exhaustive list of relevant facts. Accordingly, we issue no warranty or other form of assurance regarding the reliability and completeness of information furnished by the Management.

For the purpose of the Indicative Valuation and as provided in our Engagement Letter, we have not conducted any audit or other verification procedures in respect of any financial and non-financial data and information used in our work. Additionally, the scope of the Indicative Valuation is different from that required for an audit which is based on generally accepted auditing standards and for that reason, it does not provide the same level of assurance as an audit of financial statements.

We assume no responsibility for the legal description or matters including legal or title considerations. Title to the subject assets, properties or business interests is assumed to be good and marketable unless stated otherwise.

It should also be noted that the estimated range of values involves a high degree of subjectivity and professional judgement. In the event of a market transaction involving the Targets, the final value attributed to it will normally reflect the aspirations, circumstances and knowledge of a specific buyer and seller at the point of transaction. These factors may differ materially from those assumed in the Indicative Valuation and will affect the range of values.

Please note that the Indicative Valuation is not a recommendation to invest or purchase/dispose the shares of the Targets. We shall not be responsible or liable for any losses or damages by any party as a result of their reliance on the Indicative Valuation.

7 Restrictions

Other than as specified in this Indicative Valuation Letter, it is not intended for general circulation or publication and is not to be reproduced, quoted or referred to, in whole or in part, in any public document or announcement or to be included in any submissions to any regulatory bodies without our prior written consent, save for the submissions made in connection with the Proposed Transaction. We reserve the right to amend this Indicative Valuation Letter in terms of its format and contents before providing our consent.

Save for the purpose stated herein, this Indicative Valuation Letter cannot be relied upon by any party other than Epicon and Lagenda. Accordingly, we are not responsible or liable for any form of losses however occasioned to any party as a result of the circulation, publication, reproduction or use of, or reliance on this Indicative Valuation Letter, in whole or in part.

Neither BDOCC nor any of its members or employees undertake responsibility arising in any way whatsoever to any person in respect of this Indicative Valuation Letter, including any error or omission therein, however caused. We are under no obligation to update our Indicative Valuation Letter in respect of events or information that come to our attention subsequent to 14 July 2026.

Yours sincerely,

ENG CHA LUN
Executive Director - Advisory

HASANUDDIN BIN AMIRUDDIN
Director - Advisory

Enclosure
Appendix I : Summary of Financial Projections
Appendix II : Summary of key bases and assumptions of the Financial Projections
Appendix III : List of selected Comcos
Appendix IV : Derivation of discount rates
Appendix V : Computation of the present value of projected free cash flow to the firm and terminal value
Appendix VI : Traded P/E multiples of the Comcos
Appendix VII : Comparable transaction multiples

Appendix I: Summary of Financial Projections

(i) RUSB Financial Projections

Projected income statement of RUSB

The projected income statement of RUSB is summarised as follows:

Table 10: Summary of the projected income statement of RUSB

RM'000	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Revenue	379,638	688,348	769,651	992,827	938,017
Cost of sales	(330,939)	(601,749)	(672,248)	(870,317)	(824,388)
Gross profit	**48,699**	**86,599**	**97,403**	**122,510**	**113,629**
Administrative expenses	(12,231)	(14,676)	(17,612)	(19,373)	(21,310)
Finance costs	(4,497)	(4,497)	(4,497)	(4,497)	(4,498)
Profit before tax	**31,971**	**67,426**	**75,294**	**98,640**	**87,821**
Taxation	(8,504)	(17,935)	(20,025)	(26,194)	(23,226)
Profit after tax	**23,467**	**49,491**	**55,269**	**72,446**	**64,595**

Please note that the management of Lagenda remains responsible for the accuracy, completeness and reliability of the RUSB Financial Projections and the reasonableness of the underlying bases and assumptions. BDOCC does not give any assurance and is not responsible for the accuracy, completeness and reliability of the RUSB Financial Projections and the reasonableness of the underlying bases and assumptions.

Appendix I: Summary of Financial Projections

(i) RUSB Financial Projections (Cont'd)

Projected free cash flow to the firm ("FCFF") of RUSB

The projected free cash flow to the firm ("**FCFF**") of RUSB is summarised as follows:

Table 11: Summary of the projected FCFF of RUSB

RM'000	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Cash receipts from construction contracts					
Secured	352,237	104,982	35,426	15,759	8,669
Unsecured (Identified)	104,193	524,948	706,983	816,947	594,427
Unsecured (Unidentified)	-	-	9,137	113,052	341,962
Payment for construction cost					
Secured	(256,804)	(108,247)	(28,352)	(9,844)	(7,510)
Unsecured (Identified)	(109,875)	(491,807)	(619,180)	(728,543)	(482,243)
Unsecured (Unidentified)	-	-	(9,931)	(112,716)	(314,629)
Other expenses	(12,230)	(14,677)	(17,612)	(19,373)	(21,310)
Capital expenditure ("**Capex**")	(138)	(138)	(138)	-	-
Tax expense	(10,429)	(15,420)	(19,488)	(24,779)	(24,525)
Tax shield effect	(1,079)	(1,079)	(1,079)	(1,079)	(1,079)
FCFF	**65,875**	**(1,438)**	**55,766**	**49,424**	**93,762**

Please note that the management of Lagenda remains responsible for the accuracy, completeness and reliability of the RUSB Financial Projections and the reasonableness of the underlying bases and assumptions. BDOCC does not give any assurance and is not responsible for the accuracy, completeness and reliability of the RUSB Financial Projections and the reasonableness of the underlying bases and assumptions.

Appendix I: Summary of Financial Projections

(ii) LPBC Financial Projections

Projected income statement of LPBC

The projected income statement of LPBC is summarised as follows:

Table 12: Summary of the projected income statement of LPBC

RM'000	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Revenue	458,612	716,896	864,847	801,860	972,918
Cost of sales	(397,740)	(618,507)	(747,338)	(698,134)	(850,736)
Gross profit	**60,872**	**98,389**	**117,509**	**103,726**	**122,182**
Administrative expenses	(9,472)	(11,367)	(13,640)	(15,004)	(16,505)
Finance costs	(1,507)	(2,440)	(2,440)	(2,440)	(2,440)
Profit before tax	**49,893**	**84,582**	**101,429**	**86,282**	**103,237**
Taxation	(13,117)	(22,237)	(26,666)	(22,684)	(27,141)
Profit after tax	**36,776**	**62,345**	**74,763**	**63,598**	**76,096**

Please note that the management of Lagenda remains responsible for the accuracy, completeness and reliability of the LPBC Financial Projections and the reasonableness of the underlying bases and assumptions. BDOCC does not give any assurance and is not responsible for the accuracy, completeness and reliability of the LPBC Financial Projections and the reasonableness of the underlying bases and assumptions.

Appendix I: Summary of Financial Projections

(ii) LPBC Financial Projections (Cont'd)

Projected FCFF of LPBC

The projected FCFF of LPBC is summarised as follows:

Table 13: Summary of the projected FCFF of LPBC

RM'000	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Cash receipts from construction contracts					
Secured	386,215	261,083	181,020	73,803	24,793
Unsecured (Identified)	73,639	411,726	657,044	592,408	578,477
Unsecured (Unidentified)	-	-	9,137	113,052	341,962
Payment for construction cost					
Secured	(328,295)	(209,814)	(148,304)	(59,844)	(17,991)
Unsecured (Identified)	(78,959)	(377,367)	(574,029)	(512,309)	(512,060)
Unsecured (Unidentified)	-	-	(9,931)	(112,716)	(314,629)
Other expenses	(9,472)	(11,367)	(13,640)	(15,004)	(16,505)
Capex	(138)	(138)	(276)	-	-
Tax expense	(11,291)	(19,804)	(25,505)	(23,975)	(26,459)
Tax shield effect	(362)	(586)	(586)	(586)	(586)
FCFF	**31,337**	**53,733**	**74,930**	**54,829**	**57,002**

Please note that the management of Lagenda remains responsible for the accuracy, completeness and reliability of the LPBC Financial Projections and the reasonableness of the underlying bases and assumptions. BDOCC does not give any assurance and is not responsible for the accuracy, completeness and reliability of the LPBC Financial Projections and the reasonableness of the underlying bases and assumptions.

Appendix II: Summary of key bases and assumptions of the Financial Projections

RUSB Financial Projections

The key underlying bases and assumptions of the RUSB Financial Projections are as follows:

Table 14: The key underlying bases and assumptions of the RUSB Financial Projections

<table>
<tr><th>No.</th><th>Section</th><th>Key bases and assumptions</th></tr>
<tr><td>1</td><td>General</td><td>▪ The Financial Projections cover the period from 1 January 2026 to 31 December 2030 ("Projection Period").</td></tr>
<tr><td>2</td><td>Revenue</td><td>▪ The projected revenue mainly comprises revenue generated from construction contracts awarded by Lagenda and its subsidiaries throughout the Projection Period.

▪ The projected revenue from the construction contracts is as follows:
<table>
<tr><th>RM'000</th><th>FYE 2026</th><th>FYE 2027</th><th>FYE 2028</th><th>FYE 2029</th><th>FYE 2030</th></tr>
<tr><td>Revenue from:</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>- Secured projects</td><td>248,191</td><td>96,902</td><td>13,870</td><td>-</td><td>-</td></tr>
<tr><td>- Unsecured projects (Identified)</td><td>131,447</td><td>591,446</td><td>746,163</td><td>873,825</td><td>578,057</td></tr>
<tr><td>- Unsecured projects (Unidentified)</td><td>-</td><td>-</td><td>9,618</td><td>119,002</td><td>359,960</td></tr>
<tr><td>Total revenue</td><td>379,638</td><td>688,348</td><td>769,651</td><td>992,827</td><td>938,017</td></tr>
</table>
▪ Secured projects comprise construction projects for which Letters of Award ("LOA") have already been awarded by Lagenda Group as the Valuation Date. The construction sites in respect of these secured projects are located across townships in the following locations:
(i) Bandar Baru Setia Awan Perdana, Perak;
(ii) Teluk Intan, Perak;
(iii) Bernam Jaya, Selangor;
(iv) Tapah, Perak; and
(v) Kulai, Johor.

▪ Unsecured projects (Identified) comprise upcoming construction projects that have been identified in the development pipeline of Lagenda Group but for which LOAs have yet to be awarded by Lagenda Group. The construction sites in respect of these projects are located across townships in the following locations:
(i) Bandar Baru Setia Awan Perdana, Perak;
(ii) Teluk Intan, Perak;
(iii) Bernam Jaya, Selangor;</td></tr>
</table>

Appendix II: Summary of key bases and assumptions of the Financial Projections

RUSB Financial Projections

The key underlying bases and assumptions of the RUSB Financial Projections are as follows:

Table 14: The key underlying bases and assumptions of the RUSB Financial Projections

No.	Section	Key bases and assumptions
		(iv) Tapah, Perak; (v) Kulai, Johor; and (vi) Sungai Petani, Kedah. ▪ Unsecured projects (Unidentified) comprise unsecured construction projects that have yet to be identified in the development pipeline of Lagenda Group as of the date of this Indicative Valuation Letter. The construction sites in respect of these projects are expected to be located in townships across Peninsular Malaysia. The revenue and profit contribution from unsecured projects (unidentified) is evenly proportioned between the Targets throughout the Projection Period.
3	Cost of sales	▪ The projected cost of sales mainly comprises subcontractor-related expenses. ▪ The estimated subcontractor-related expenses for each project are derived after taking into consideration the scope of work, the expected contract value, and the anticipated project margins.
4	Administrative expenses	▪ Administrative expenses comprise staff cost, depreciation, management fees and other administration expenses. ▪ The administrative expenses are projected to increase by 20.0% per annum from FYE 2026 to FYE 2028, driven by anticipated business expansion during the period. ▪ The administrative expenses are projected to increase by 10.0% per annum from FYE 2029 to FYE 2030, reflecting a more normalised pace of expansion.

Appendix II: Summary of key bases and assumptions of the Financial Projections

RUSB Financial Projections

The key underlying bases and assumptions of the RUSB Financial Projections are as follows:

Table 14: The key underlying bases and assumptions of the RUSB Financial Projections

<table>
<tr><th>No.</th><th>Section</th><th>Key bases and assumptions</th></tr>
<tr><td>5</td><td>Borrowings</td><td>
▪ RUSB's projected cost of debt of 5.1% is derived based on the weighted average rate of its credit facilities.

▪ The breakdown of interest rates of RUSB's credit facilities is shown below:
<table>
<tr><th></th><th>Credit limit
(RM'million)</th><th>Interest rate
(%)</th></tr>
<tr><td>Revolving credit – Alliance Bank</td><td>50.0</td><td>5.2</td></tr>
<tr><td>Revolving credit – RHB Bank</td><td>40.0</td><td>4.9</td></tr>
<tr><td colspan="2">Weighted average rate of revolving credit facilities</td><td>5.07</td></tr>
</table>
▪ The credit facilities are projected to be fully utilised throughout the Projection Period.
</td></tr>
<tr><td>6</td><td>Working capital</td><td>
▪ The working capital assumptions are as follows:
<table>
<tr><th></th><th>Turnover days</th></tr>
<tr><td>Trade receivables</td><td>60 days</td></tr>
<tr><td>Trade payables</td><td>30 days</td></tr>
</table>
</td></tr>
<tr><td>7</td><td>Capex</td><td>
▪ The projected capex comprises solely purchase of site vehicles which is as set out below:
<table>
<tr><th>RM'000</th><th>FYE 2026</th><th>FYE 2027</th><th>FYE 2028</th><th>FYE 2029</th><th>FYE 2030</th></tr>
<tr><td>Capex – Purchase of site vehicles</td><td>138</td><td>138</td><td>138</td><td>-</td><td>-</td></tr>
</table>
</td></tr>
<tr><td>8</td><td>Tax expenses</td><td>▪ The effective tax rate of 26.6% is adopted based on RUSB's actual historical effective tax rate for the FYE 31 December 2025 and projected to remain fixed throughout the Projection Period.</td></tr>
</table>

Please note that the management of Lagenda remains responsible for the accuracy, completeness and reliability of the RUSB Financial Projections and the reasonableness of the underlying bases and assumptions. BDOCC does not give any assurance and is not responsible for the accuracy, completeness and reliability of the RUSB Financial Projections and the reasonableness of the underlying bases and assumptions.

Appendix II: Summary of key bases and assumptions of the Financial Projections

LPBC Financial Projections

The key underlying bases and assumptions of the LPBC Financial Projections are as follows:

Table 15: The key underlying bases and assumptions of the LPBC Financial Projections

<table>
<tr><th>No.</th><th>Section</th><th>Key bases and assumptions</th></tr>
<tr><td>1</td><td>General</td><td>▪ The Financial Projections cover the period from 1 January 2026 to 31 December 2030 ("Projection Period").</td></tr>
<tr><td>2</td><td>Revenue</td><td>▪ The projected revenue mainly comprises revenue generated from construction contracts awarded by Lagenda and its subsidiaries throughout the Projection Period.

▪ The projected revenue from the construction contracts is as follows:
<table>
<tr><th>RM'000</th><th>FYE 2026</th><th>FYE 2027</th><th>FYE 2028</th><th>FYE 2029</th><th>FYE 2030</th></tr>
<tr><td>Revenue from:</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>- Secured projects</td><td>361,716</td><td>254,416</td><td>154,974</td><td>62,660</td><td>8,981</td></tr>
<tr><td>- Unsecured projects (Identified)</td><td>96,896</td><td>462,480</td><td>700,255</td><td>620,198</td><td>603,977</td></tr>
<tr><td>- Unsecured projects (Unidentified)</td><td>-</td><td>-</td><td>9,618</td><td>119,002</td><td>359,960</td></tr>
<tr><td>Total revenue</td><td>458,612</td><td>716,896</td><td>864,847</td><td>801,860</td><td>972,918</td></tr>
</table>
▪ Secured projects comprise construction projects for which Letters of Award ("LOA") have already been awarded by Lagenda Group as at the Valuation Date. The construction sites in respect of these secured projects are located across townships in the following locations:
(i) Sungai Petani, Kedah;
(ii) Mersing, Johor;
(iii) Kuantan, Pahang; and
(iv) Kota Tinggi, Johor.

▪ Unsecured projects (Identified) comprise upcoming construction projects that have been identified in the development pipeline of Lagenda Group but for which LOAs have yet to be awarded by Lagenda Group. The construction sites in respect of these projects are located across townships in the following locations:
(i) Kuantan, Pahang;
(ii) Kota Tinggi, Johor;
(iii) Senawang, Negeri Sembilan; and
(iv) Sungai Petani, Kedah.</td></tr>
</table>

Appendix II: Summary of key bases and assumptions of the Financial Projections

LPBC Financial Projections

The key underlying bases and assumptions of the LPBC Financial Projections are as follows:

Table 15: The key underlying bases and assumptions of the LPBC Financial Projections

<table>
<tr><th>No.</th><th>Section</th><th>Key bases and assumptions</th></tr>
<tr><td></td><td></td><td>▪ Unsecured projects (Unidentified) comprise unsecured construction projects that have yet to be identified in the development pipeline of Lagenda Group as of the date of this Indicative Valuation Letter. The construction sites in respect of these projects are expected to be located in townships across Peninsular Malaysia. The revenue and profit contribution from unsecured projects (unidentified) is evenly proportioned between the Targets throughout the Projection Period.</td></tr>
<tr><td>3</td><td>Cost of sales</td><td>▪ The projected cost of sales mainly comprises subcontractor-related expenses.

▪ The estimated subcontractor-related expenses for each project are derived after taking into consideration the scope of work, the expected contract value, and the anticipated project margins.</td></tr>
<tr><td>4</td><td>Administrative expenses</td><td>▪ Administrative expenses comprise staff cost, depreciation, management fees and other administration expenses.

▪ The administrative expenses are projected to increase by 20.0% per annum from FYE 2026 to FYE 2028, driven by anticipated business expansion during the period.

▪ The administrative expenses are projected to increase by 10.0% per annum from FYE 2029 to FYE 2030, reflecting a more normalised pace of expansion.</td></tr>
<tr><td>5</td><td>Borrowings</td><td>▪ LPBC's projected cost of debt of 4.9% is derived based on the weighted average rate of its credit facilities.

▪ The breakdown of interest rates of LPBC's credit facilities is shown below:
<table>
<tr><th></th><th>Credit limit
(RM'million)</th><th>Interest rate
(%)</th></tr>
<tr><td>Revolving credit – HSBC Bank</td><td>20.0</td><td>5.0</td></tr>
<tr><td>Post-shipment loan – HSBC Bank</td><td>30.0</td><td>4.9</td></tr>
<tr><td colspan="2">Weighted average rate of revolving credit facilities</td><td>4.94</td></tr>
</table>
▪ The credit facilities are projected to be fully utilised throughout the Projection Period.</td></tr>
</table>

Appendix II: Summary of key bases and assumptions of the Financial Projections

LPBC Financial Projections

The key underlying bases and assumptions of the LPBC Financial Projections are as follows:

Table 15: The key underlying bases and assumptions of the LPBC Financial Projections

<table>
<tr><th>No.</th><th>Section</th><th>Key bases and assumptions</th></tr>
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<tr><td>Capex – Purchase of site vehicles</td><td>138</td><td>138</td><td>276</td><td>-</td><td>-</td></tr>
</table>
</td></tr>
<tr><td>8</td><td>Tax expenses</td><td>▪ The effective tax rate of 26.3% is adopted based on LPBC's actual historical effective tax rate for the FYE 31 December 2025 and projected to remain fixed throughout the Projection Period.</td></tr>
</table>

Please note that the management of Lagenda remains responsible for the accuracy, completeness and reliability of the LPBC Financial Projections and the reasonableness of the underlying bases and assumptions. BDOCC does not give any assurance and is not responsible for the accuracy, completeness and reliability of the LPBC Financial Projections and the reasonableness of the underlying bases and assumptions.

Appendix III: List of selected Comcos

Basis of selection of Comcos:

(i) More than 50% of total revenue is derived from construction activities;
(ii) Market capitalisation in the range of RM250 million to RM1,000 million; and
(iii) Listed on Bursa Malaysia for one (1) year or more.

The threshold of at least 50% of revenue derived from construction activities is adopted as a minimum criterion to ensure construction activities constitute the majority of the Comcos' revenue. The market capitalisation range of RM250.00 million to RM1,000.00 million is adopted having regard to the estimated range of values of 100% equity interest in the respective Targets and the range of aggregate valuation of the Targets. Notwithstanding that the market capitalisations of the Comcos ultimately selected are below RM550 million, the upper threshold of RM1,000 million was adopted having regard to the aggregate valuation of the Targets, which extends to approximately RM948.5 million. These selection criteria were adopted to identify listed construction companies that are comparable to the Target Companies in terms of size and business nature, while maintaining a sufficiently representative pool of comparable companies. The minimum listing period of one (1) year is adopted to ensure the Comcos have an established trading history and sufficient publicly available financial information for the computation of the Traded P/E multiples.

Table 16: Comcos and their principal activities

No.	Company	Principal activities[1]	Market capitalisation[2] *(RM'million)*	Percentage of revenue derived from construction[3]
1	GDB Holdings Berhad	GDB Holdings Berhad operates as a holding company. The company, through its subsidiaries, provides building construction services. GDB Holdings constructs and develops residential, commercial, infrastructure, and mixed development projects. GDB Holdings serves customers in Malaysia.	427.4	100%
2	Kimlun Corporation Berhad	Kimlun Corporation Berhad is an investment holding company. The company is an engineering and construction services provider. Kimlun Corporation specialises in infrastructure and building construction, construction management, provision of IBS and manufacturer of concrete products as well as trades in construction and building materials.	536.7	74%
3	Mitrajaya Holdings Berhad	Mitrajaya Holdings Berhad is an investment holding company. Through its subsidiaries, the company constructs buildings and roads, provides civil engineering services, supplies construction materials, and manufactures and sells ready-mix concrete. Mitrajaya Holdings also invests, manages and leases plant and machinery.	492.0	88%
4	Varia Berhad	Varia Berhad and its subsidiaries are primarily involved in the construction of high-rise residential developments, commercial buildings and healthcare facilities and the development of residential and mixed-use projects.	332.8	96%

Appendix III: List of selected Comcos

Table 16: Comcos and their principal activities

No.	Company	Principal activities[1]	Market capitalisation[2] *(RM'million)*	Percentage of revenue derived from construction[3]
5	Inta Bina Group Berhad	Inta Bina Group Berhad provides construction and engineering services. The company constructs residential, commercial, industrial, and leisure properties. Inta Bina Group serves customers in Malaysia.	251.5	86%
6	Pesona Metro Holdings Berhad	Pesona Metro Holdings Berhad operates as a holding company. The company focuses on planning, designing, financing, and constructing public buildings and amenities, student hostels, laboratories, and infrastructure projects. Pesona Metro Holdings serves customers in Malaysia.	266.4	68%
7	Kumpulan Kitacon Berhad	Kumpulan Kitacon Berhad operates as a construction services. The company offers design, renovation, and construction services for residential, commercial, institutional, and specialty buildings. Kumpulan Kitacon serves customers in Malaysia.	348.5	100%
8	Vestland Berhad	Vestland Berhad operates as a construction company. The company provides construction services of residential and non-residential buildings. Vestland serves customers in Malaysia.	429.9	100%
9	MGB Berhad	MGB Berhad operates as a building sub-contractor. The company offers designing, building, construction, engineering, project management, and geotechnical services. MGB serves customers in Malaysia.	257.2	57%
10	Citaglobal Berhad	Citaglobal Berhad operates as an investment holding company. The company, through its subsidiaries, provides engineering, oil and gas, power generation, properties investment, community credit, and digital media services. Citaglobal serves customers worldwide.	402.8	56%

Notes:
(1) Extracted from Bloomberg and/or the latest Comcos' annual report.
*(2) Based on three (3)-month daily volume weighted average closing price ("**VWAP**") up to 31 December 2025 multiplied by the number of Comcos' shares in issue as of 31 December 2025. The three (3)-month VWAP is adopted to reflect the prevailing market prices of the Comcos closer to the Valuation Date while mitigating the impact of short-term share price fluctuations.*
(3) Extracted from latest annual reports available via the respective Comco's company announcements on Bursa Malaysia.

Please note that the selection of the Comcos and adjustments made are highly subjective and judgemental and the selected Comcos may not be comparable due to various factors.

Appendix IV: Derivation of discount rates

(i) Derivation of geared beta (ß)

Beta (ß) is the sensitivity of an asset's returns to the changes in market returns. It measures the correlation of systematic risk between the said asset and the market. A beta of more than one (1) signifies that the asset is riskier than the market and vice versa.

As the Targets are unlisted and do not have observable market-derived betas, we have adopted the betas of the Comcos as the basis for deriving the geared betas of the Targets. In this respect, we have adopted the raw beta of the respective Comcos extracted from Bloomberg based on a three (3)-year weekly beta up to the Valuation Date. The three (3)-year weekly beta was adopted as it provides a more representative measure of systematic risk while minimising the impact of short-term market volatility as compared to a one (1)-year weekly beta

As the raw beta of the Comcos extracted from Bloomberg is based on the capital structure of the respective Comcos, we have ungeared these betas to remove the effects of their respective capital structures. This allows the systematic risk of the Comcos to be measured without the effects of financial leverage. The formula to calculate a company's ungeared ß is as follows:

Ungeared ß = Geared ß / [1 + (1 - T) x D/E]

The average ungeared beta of the Comcos was subsequently re-geared based on the respective capital structures of the Targets over the Projection Period. This adjustment reflects the financial leverage of the Targets, rather than that of the Comcos, in deriving the geared betas used to determine the cost of equity and consequently, the WACC applied in the DCF valuation. To calculate the geared ß, ungeared ß is adjusted using the formula below:

Geared ß = Ungeared ß x [1 + (1 - T) x D/E]

Appendix IV: Derivation of discount rates

The ungeared betas of the selected Comcos relative to RUSB and LPBC are tabulated as follows:

Table 17: Ungeared betas of the Comcos

Company	3-year weekly beta up to 31 December 2025[(1)] *(A)*	Debt/Equity ratio[(2)] *(B)*	Statutory tax rate *(C)*	Ungeared beta *(D) = A / [1 + B*(1 - C)]*
GDB Holdings Berhad	1.546	-	24.0%	1.546
Kimlun Corporation Berhad	1.317	1.46	24.0%	0.625
Mitrajaya Holdings Berhad	1.152	0.02	24.0%	1.137
Varia Berhad	0.391	0.57	24.0%	0.273[(3)]
Inta Bina Group Berhad	1.272	0.52	24.0%	0.913
Pesona Metro Holdings Berhad	1.183	1.08	24.0%	0.651
Kumpulan Kitacon Berhad	0.475	0.03	24.0%	0.464[(4)]
Vestland Berhad	0.574	0.86	24.0%	0.347[(4)]
MGB Berhad	0.455	0.54	24.0%	0.323[(3)]
Citaglobal Berhad	0.432	0.41	24.0%	0.330[(3)]
			Average	**0.974**

Notes:

(1) Extracted from Bloomberg.

(2) Computed based on the carrying amounts of interest-bearing debt extracted from latest quarterly management accounts of the respective companies divided by the three (3)-month daily VWAP multiplied by the number of shares outstanding as of 31 December 2025 extracted from Bloomberg.

(3) Varia Berhad, MGB Berhad and Citaglobal Berhad are regarded as outliers as their ungeared betas, ranging from 0.273 to 0.330, form a distinct lower range compared to the remaining Comcos, with the next lowest ungeared beta being 0.625. Accordingly, these Comcos have been excluded from the computation of the average ungeared beta.

(4) Excluded due to the respective companies have been listed on Bursa Malaysia for less than three (3) years as at 31 December 2025 and accordingly, do not have sufficient trading history for the computation of the three (3)-year weekly beta adopted in deriving the discount rate, as explained above.

Appendix IV: Derivation of discount rates

Using the average ungeared beta of 0.97, the geared beta of the Targets are derived as follows:

Table 18: Geared beta of the Targets

Input	RUSB	LPBC	Remarks
Ungeared β	0.97	0.97	Based on the average ungeared beta of the selected Comcos
Debt to equity ratio (D/E)	0.21x – 0.48x	0.15x – 0.81x	Please refer to **Section ii of Appendix IV**
Tax rate (T)	24.0%	24.0%	Malaysian statutory corporate income tax rate
Geared β	**1.13 – 1.33**	**1.08 – 1.57**	The range of geared betas of each Target is derived to reflect the changes in its expected debt-to-equity ratio over the Projection Period.

(ii) Derivation of discount rates of the Targets

The discount rates are estimated using the average ungeared betas of Comcos as at the Valuation Date:

Table 19: Derivation of discount rates of the Targets

<table>
<tr><th></th><th></th><th>Description</th><th>RUSB</th><th>LPBC</th></tr>
<tr><td>i.</td><td>Debt-to-equity ratio</td><td>Debt-to-equity ratio represents the ratio used to measure a company's financial leverage, calculated by dividing a company's total interest-bearing liabilities by its stockholders' equity based on the expected capital structure over the Projection Period.

The computation of the Targets' debt-to-equity ratio is as follows:
<table>
<tr><th>Input</th><th>RUSB</th><th>LPBC</th></tr>
<tr><td>Debt proportion (D)</td><td>17.5% - 32.3%</td><td>12.9% - 44.7%</td></tr>
<tr><td>Equity proportion (E)</td><td>67.7% - 82.5%</td><td>55.3% - 87.1%</td></tr>
<tr><td>Debt-to-equity ratio (D/E)</td><td>0.21x – 0.48x</td><td>0.15x – 0.81x</td></tr>
</table></td><td>0.21x – 0.48x</td><td>0.15x – 0.81x</td></tr>
<tr><td>ii.</td><td>Tax rate (T)</td><td>Tax rate represents the Malaysian statutory corporate income tax rate, which is adopted in view that the Targets are resident companies in Malaysia.</td><td>24.0%</td><td>24.0%</td></tr>
<tr><td>iii.</td><td>Beta (β)</td><td>Please refer to Table 18 in Section (i) of Appendix IV.</td><td>1.13 – 1.33</td><td>1.08 – 1.57</td></tr>
</table>

Appendix IV: Derivation of discount rates

Table 19: Derivation of discount rates of the Targets

		Description	RUSB	LPBC
iv.	Risk free rate ($R_{f)}$	Risk free rate of return represents the expected rate of return from a risk-free investment. The best available approximation of the risk-free rate of return is the gross yield of the Malaysian Government Securities with remaining term to maturity of 30 years and 6.7 months. We are of the view that the longest tenure Malaysian Government Securities, rather than shorter tenure Malaysian Government Securities, is appropriate to approximate the risk-free rate, of the business which is being valued in perpetuity. As extracted from the Bank Negara Malaysia website, the said yield is 4.0% as at the Valuation Date.	4.0%	4.0%
v.	Expected market return (R_m)	Expected market rate of return is the expected rate of return for investing in a portfolio consisting of a weighted sum of assets representing the entire equity market. The expected market rate of return for the FTSE Bursa Malaysia Index is an indicator of the equity market return in Malaysia. As extracted from Bloomberg, the expected market rate of return for the FTSE Bursa Malaysia Index as at the Valuation Date, which is based on the dividend discount model, is 8.5%.	8.5%	8.5%
vi.	Cost of equity (K_e)	Cost of equity represents the rate of return on the entity required by an investor on the cash flow streams generated by the entity, given, amongst others, the risks associated with the cash flow. The estimated cost of equity is derived using the Capital Asset Pricing Model, which is based on risk-free rate of return, expected market rate of return and beta of available listed Comcos. The formula to calculate the cost of equity is as follows: $\mathbf{K_e = R_f + ß\ (R_m - R_f)}$	9.1% - 10.0%	8.9% - 11.2%

Appendix IV: Derivation of discount rates

Table 19: Derivation of discount rates of the Targets

<table>
<tr><th></th><th></th><th>Description</th><th>RUSB</th><th>LPBC</th></tr>
<tr><td></td><td></td><td>The cost of equity of the Targets is computed as follows:
<table>
<tr><th>Input</th><th>RUSB</th><th>LPBC</th><th>Remarks</th></tr>
<tr><td>R_f</td><td>4.0%</td><td>4.0%</td><td>Please refer to item (iv) of Table 19.</td></tr>
<tr><td>R_m</td><td>8.5%</td><td>8.5%</td><td>Please refer to item (v) of Table 19.</td></tr>
<tr><td>β</td><td>1.13 – 1.33</td><td>1.08 – 1.57</td><td>Please refer to item (iii) of Table 19.</td></tr>
<tr><td>K_e</td><td>9.1% - 10.0%</td><td>8.9% - 11.2%</td><td></td></tr>
</table>
The cost of equity of the Targets varies over the Projection Period due to changes in its expected debt-to-equity ratio, which results in different geared betas being derived for each financial year. Accordingly, the cost of equity ranges from 9.1% to 10.0% for RUSB and from 8.9% to 11.2% for LPBC. Please refer to Section i of Appendix IV for the derivation of the geared beta of the Targets.</td><td></td><td></td></tr>
<tr><td>vii.</td><td>Adjusted cost of equity</td><td>The cost of equity has been adjusted to account for inherent risk as well as size and marketability considerations. The computation of the adjusted cost of equity is as follows:

Adjusted K_e = (Unadjusted K_e + α) x (1 + size & marketability adjustment)

The computation and adjustments made to the cost of equity are as follows:
<table>
<tr><th>Input</th><th>RUSB</th><th>LPBC</th><th>Remarks</th></tr>
<tr><td>Unadjusted K_e</td><td>9.1% - 10.0%</td><td>8.9% - 11.2%</td><td>Please refer to item (vi) of Table 19.</td></tr>
</table></td><td>15.2% - 17.5%</td><td>14.9% - 18.9%</td></tr>
</table>

Appendix IV: Derivation of discount rates

Table 19: Derivation of discount rates of the Targets

		Description				RUSB	LPBC
		Inherent risk (α)	3.0% - 4.0%	3.0% - 4.0%	An inherent risk adjustment is commonly adopted in valuation practice to reflect the uncertainties in the Financial Projections. Accordingly, an adjustment of 3.0% to 4.0% has been applied after taking into account the Targets projected revenue growth, execution and margin risks associated with the construction contracts and the expected replenishment of construction contracts throughout the Projection Period.		
		Size and marketability adjustment	25.0%	25.0%	A size and marketability adjustment of 25.0% has been applied after taking into consideration the size of the Targets relative to the Comcos and an adjustment for lack of marketability given their unlisted status. This adjustment is derived from the illiquidity discount of unlisted companies, which ranges between 20.0% to 30.0% (Source: Professor Aswath Damodaran, Investment Valuation: Tools and Techniques for Determining the Value of Any Asset (4th Edition), 2024).		
		Adjusted K_e	**15.2% - 17.5%**	**14.9% - 18.9%**			
		Please note that the adjustments made herein are highly subjective and judgemental.					

Appendix IV: Derivation of discount rates

Table 19: Derivation of discount rates of the Targets

<table>
<tr><th></th><th></th><th>Description</th><th>RUSB</th><th>LPBC</th></tr>
<tr><td>viii.</td><td>Cost of debt (net of tax) (K_d)</td><td>Cost of debt represents the effective interest rate that a corporation pays on its total borrowings.

For the purpose of this Indicative Valuation, the cost of debt (net of tax) is based on the prevailing weighted average interest rate of respective Targets' credit facilities, adjusted for the applicable corporate tax rate.

The breakdown of interest rates of RUSB's credit facilities is shown below:
<table>
<tr><th></th><th>Credit limit
(RM'million)</th><th>Interest rate
(%)</th></tr>
<tr><td>Revolving credit – Alliance Bank</td><td>50.0</td><td>5.2</td></tr>
<tr><td>Revolving credit – RHB Bank</td><td>40.0</td><td>4.9</td></tr>
<tr><td colspan="2">Weighted average rate of revolving credit facilities</td><td>5.07</td></tr>
<tr><td colspan="2">Cost of debt (net of tax) [5.07% * (1 - 24%)]</td><td>3.9</td></tr>
</table>
The breakdown of interest rates of LPBC's credit facilities is shown below:
<table>
<tr><th></th><th>Credit limit
(RM'million)</th><th>Interest rate
(%)</th></tr>
<tr><td>Revolving credit – HSBC Bank</td><td>20.0</td><td>5.0</td></tr>
<tr><td>Post-shipment loan – HSBC Bank</td><td>30.0</td><td>4.9</td></tr>
<tr><td colspan="2">Weighted average rate of revolving credit facilities</td><td>4.94</td></tr>
<tr><td colspan="2">Cost of debt (net of tax) [4.94% * (1 - 24%)]</td><td>3.8</td></tr>
</table></td><td>3.9%</td><td>3.8%</td></tr>
<tr><td>ix.</td><td>Weighted average cost of capital ("WACC")</td><td>WACC represents the weighted average of the rates of return required by each of the capital providers (comprising both equity and debt) where the weights are the proportions of the firm's total value from each capital source. The formula to calculate the WACC is as follows:

WACC = E(K_e) + D(K_d)(1-T)

The computation of WACC is as follows:
<table>
<tr><th>Input</th><th>RUSB</th><th>LPBC</th><th>Remarks</th></tr>
<tr><td>D</td><td>17.5% - 32.3%</td><td>12.9% - 44.7%</td><td>Please refer to item (i) of Table 19.</td></tr>
</table></td><td>12.3% to 14.2%</td><td>11.5% - 14.5%</td></tr>
</table>

Appendix IV: Derivation of discount rates

Table 19: Derivation of discount rates of the Targets

		Description				RUSB	LPBC
		E	67.7% - 82.5%	55.3% - 87.1%	Please refer to item (i) of Table 19.		
		Adjusted K_e	15.2% - 17.5%	14.9% - 18.9%	Please refer to item (vii) of Table 19.		
		K_d	3.9%	3.8%	Please refer to item (viii) of Table 19.		
		T	24.0%	24.0%	Please refer to item (ii) of Table 19.		
		WACC	**12.3% to 14.2%**	**11.5% - 14.5%**			

Appendix V: Computation of the present value of projected free cash flow to the firm and terminal value

In deriving the enterprise value of the Targets, the present value ("**PV**") of projected FCFF and terminal value are computed as follows:

RUSB

Table 20: Range of enterprise value of RUSB

RM'000, unless specified		FYE 2026 (Year 1)	FYE 2027 (Year 2)	FYE 2028 (Year 3)	FYE 2029 (Year 4)	FYE 2030 (Year 5)	Terminal year
Projected FCFF		**65,875**	**(1,438)**	**55,766**	**49,424**	**93,762**	**66,300**[(i)]
Low range							
Discount rate		13.1%	13.5%	13.8%	14.0%	14.2%	14.2%
Terminal value							553,517[(ii)]
PV of projected FCFF / terminal value		58,235	(1,117)	37,866	29,216	48,218	284,648
NPV of projected FCFF	**172,418**						
NPV of terminal value	**284,648**						
Enterprise value	**457,066**						
High range							
Discount rate		12.3%	12.6%	12.8%	13.0%	13.2%	13.2%
Terminal value							604,528[(ii)]
PV of projected FCFF / terminal value		58,674	(1,136)	38,836	30,265	50,455	325,308
NPV of projected FCFF	**177,094**						
NPV of terminal value	**325,308**						
Enterprise value	**502,402**						

***Note*:**

(i) The terminal year FCFF was derived based on the average projected FCFF for the final three (3) years from FYE 2028 to FYE 2030. The three (3)-year average was adopted to normalise fluctuations in the projected annual FCFF arising from the timing of construction activities, rather than relying solely on the projected FCFF for FYE 2030. This is intended to provide a more representative basis for estimating the sustainable FCFF beyond the Projection Period.

(ii) The terminal value was derived using the Gordon Growth Model, based on the terminal year FCFF, adjusted for a terminal growth rate of 2.0%, as follows:

Terminal value = [Terminal year FCFF x (1 + g)] /(r - g)

where, "r" refers to the terminal year discount rate and "g" refers to the terminal growth rate of 2.0%.

Appendix V: Computation of the present value of projected free cash flow to the firm and terminal value

LPBC

Table 21: Range of enterprise value of LPBC

RM'000, unless specified		FYE 2026 (Year 1)	FYE 2027 (Year 2)	FYE 2028 (Year 3)	FYE 2029 (Year 4)	FYE 2030 (Year 5)	Terminal year
Projected FCFF		**31,337**	**53,733**	**74,930**	**54,829**	**57,002**	**62,300**[(i)]
Low range							
Discount rate		12.1%	13.4%	14.0%	14.3%	14.5%	14.5%
PV factor		0.89	0.78	0.67	0.59	0.51	0.51
Terminal value							506,381[(ii)]
PV of projected FCFF / terminal value		27,942	41,820	50,552	32,098	28,891	256,660
NPV of projected FCFF	**181,303**						
NPV of terminal value	**256,660**						
Enterprise value	**437,963**						
High range							
Discount rate		11.5%	12.5%	13.0%	13.3%	13.5%	13.5%
PV factor		0.90	0.79	0.69	0.61	0.53	0.53
Terminal value							554,487[(ii)]
PV of projected FCFF / terminal value		28,115	42,485	51,905	33,305	30,305	294,796
NPV of projected FCFF	**186,115**						
NPV of terminal value	**294,796**						
Enterprise value	**480,911**						

Note:

(i) The terminal year FCFF was derived based on the average projected FCFF for the final three (3) years from FYE 2028 to FYE 2030. The three (3)-year average was adopted to normalise fluctuations in the projected annual FCFF arising from the timing of construction activities, rather than relying solely on the projected FCFF for FYE 2030. This is intended to provide a more representative basis for estimating the sustainable FCFF beyond the Projection Period.

(ii) The terminal value was derived using the Gordon Growth Model, based on the terminal year FCFF, adjusted for a terminal growth rate of 2.0%, as follows:

Terminal value = [Terminal year FCFF x (1 + g)] /(r - g)

where, "r" refers to the terminal year discount rate and "g" refers to the terminal growth rate of 2.0%.

Appendix VI: Traded P/E Multiples of Comcos

Table 22: Traded P/E multiples of the Comcos

No.	Company	Latest quarterly results available as of the Valuation Date	Market capitalisation[(1)] *(RM'million)* *(A)*	Trailing 12-month net income[(2)] *(RM'million)* *(B)*	Unadjusted Traded P/E Multiple *(times)* *(C) = (A) / (B)*	Adjusted Traded P/E Multiple[(3)] *(times)* *(D) = (C)*(1 – 25%)*
1	GDB Holdings Berhad	31 December 2025	427.4	54.3	7.9	5.9
2	Kimlun Corporation Berhad	31 December 2025	536.7	104.5	5.1	3.9
3	Mitrajaya Holdings Berhad	31 December 2025	492.0	83.6	5.9	4.4
4	Varia Berhad	31 December 2025	332.8	19.0	17.5	13.1
5	Inta Bina Group Berhad	31 December 2025	251.5	40.3	6.2	4.7
6	Pesona Metro Holdings Berhad	31 December 2025	266.4	39.2	6.8	5.1
7	Kumpulan Kitacon Berhad	31 December 2025	348.5	51.5	6.8	5.1
8	MGB Berhad	31 December 2025	257.2	50.5	5.1	3.8
9	Vestland Berhad	31 December 2025	429.9	35.0	12.3	9.2
10	Citaglobal Berhad	31 December 2025	402.8	12.3	32.7	24.6[(4)]
					Average	**6.1**
					High	**13.1**
					Low	**3.8**

Notes:

(1) Based on three (3)-month VWAP up to 31 December 2025 multiplied by the number of Comcos' shares in issue as of 31 December 2025. The three (3)-month VWAP is adopted to reflect the prevailing market prices of the Comcos closer to the Valuation Date while mitigating the impact of short-term share price fluctuations.

(2) Extracted as the latest trailing 12-month net income of the respective Comcos up to 31 December 2025.

(3) A downward adjustment of 25% has been applied consistently to the unadjusted trade P/E multiples of the Comcos, after taking into consideration the size of the Targets relative to the Comcos and the unlisted status of the Targets.

(4) Excluded due to being outlier.

Please note that the selection of the Comcos made are highly subjective and judgmental and the selected Comcos may not be comparable due to various factors.

Appendix VII: Comparable transaction multiples

Basis of transaction selection:

(i) Completed past transactions in Malaysia that involved construction companies as the target; and

(ii) The transaction was completed within the past 5 years up to the Valuation Date

Table 23: Completed past transactions in Malaysia involving construction companies as the target

	Buyer	Seller	Target	Transaction details	Announcement date	Completion date	Transacted Value *(RM'million)* (A)		Latest audited net income[2] / Profit guarantee[3] (B)	P/E multiple (C) = (A) ÷ (B)
							Actual	Adjusted[1]	*(RM'million)*	*(times)*
1	Chin Hin Group Berhad ("**CHGB**")	Chin Hin Group Property Berhad ("**CHGP**")	Chin Hin Construction Engineering Sdn Bhd	Proposed disposal of entire equity interest in Chin Hin Construction Engineering Sdn Bhd to CHGP for a cash consideration of RM16.5 million	29/02/2024	27/11/2024	16.5	16.5	4.4	3.7[4]
2	CHGB	CHGP	Kayangan Kemas Sdn Bhd	Proposed disposal of 95% equity interest in Kayangan Kemas Sdn Bhd to CHGP for a cash consideration of RM93.5 million	29/02/2024	27/11/2024	93.5	98.4	13.4	7.3
3	Taghill Holdings Berhad	Chu Yee Hong, Wong Yih Ming and Yap Kek Siung	Taghill Projects Sdn Bhd	Proposed acquisition of entire equity interest in Taghill Projects Sdn Bhd or a total purchase consideration of RM122.0 million to be satisfied via cash payment and issuance of shares	18/07/2023	28/06/2024	122.0	122.0	12.0[5]	10.2

Appendix VII: Comparable transaction multiples

Basis of transaction selection:
(i) Completed past transactions in Malaysia that involved construction companies as the target; and
(ii) The transaction was completed within the past 5 years up to the Valuation Date

Table 23: Completed past transactions in Malaysia involving construction companies as the target

	Buyer	Seller	Target	Transaction details	Announcement date	Completion date	Transacted Value *(RM'million)* (A)		Latest audited net income[2] / Profit guarantee[3] (B)	P/E multiple (C) = (A) ÷ (B)
							Actual	Adjusted[1]	*(RM'million)*	*(times)*
4	Lim Seong Hai Capital Bhd	Lim Seong Hai Resources Sdn Bhd, Datuk Lim Keng Guan, Lim Pak Lian, Lim Keng Hun and Lim Ding Shyong	Astana Setia Sdn Bhd	Proposed acquisition of entire equity interest in Astana Setia Sdn Bhd or a total purchase consideration of RM95.0 million to be satisfied via issuance of shares	28/03/2022	19/04/2023	95.0	95.0	12.9	7.4
5	Citaglobal Berhad	Tiza Global Sdn Bhd	Citaglobal Engineering Services Sdn Bhd	Proposed acquisition by Citaglobal Berhad of entire equity interest in Citaglobal Engineering Services Sdn Bhd at purchase consideration of RM140.0 million to be satisfied via issuance of shares	17/11/2021	10/11/2022	140.0	140.0	20.0[6]	7.0

Appendix VII: Comparable transaction multiples

Basis of transaction selection:
(i) Completed past transactions in Malaysia that involved construction companies as the target; and
(ii) The transaction was completed within the past 5 years up to the Valuation Date

Table 23: Completed past transactions in Malaysia involving construction companies as the target

	Buyer	Seller	Target	Transaction details	Announcement date	Completion date	Transacted Value *(RM'million)* (A)		Latest audited net income[2] / Profit guarantee[3] (B)	P/E multiple (C) = (A) ÷ (B)
							Actual	Adjusted[1]	*(RM'million)*	*(times)*
6	AB Concession Venture Sdn Bhd	BGMC International Ltd	KAS Engineering Sdn Bhd	Proposed disposal of entire equity interest in KAS Engineering Sdn Bhd for a cash consideration of RM93.8 million[7]	16/11/2020	11/06/2021	93.8	93.8	17.3	5.4
									Average	***7.5***
									High	***10.2***
									Low	***5.4***

Source: Bloomberg and company announcements extracted from Bursa Malaysia

Notes:
(1) Extrapolated based on 100% equity interest.
(2) Latest audited profit attributable to the owners of the target prior to the date of first announcement of the transaction.
(3) Based on the average profit guarantee per annum across the guaranteed financial period.
(4) Excluded from the computation of the average P/E multiple after taking into consideration the size of its transaction value of RM16.5 million.
(5) Based on the average annual profit guarantee of RM12.0 million derived from the total profit guarantee of RM24.0 million for the FYE 31 December 2024 and FYE 31 December 2025.
(6) Based on the average annual profit guarantee of RM20.0 million derived from the total profit guarantee of RM60.0 million for the FYE 31 December 2022, FYE 31 December 2023 and FYE 31 December 2024.
(7) This transaction is selected as a comparable transaction as it involved the acquisition of a Malaysian construction company and was completed within the five (5)-year period prior to the Valuation Date.

LAGENDA PROPERTIES

RANTAU URUSAN (M) SDN. BHD. [Registration No. 200001016286 (518893-U)]
(A wholly-owned subsidiary of Lagenda Properties Berhad)
Level 11 & 12, Menara Lagenda, No. 3, Jalan SS20/27, 47400 Petaling Jaya,
Selangor Darul Ehsan, Malaysia
T: +603-8679 8188 / 8199
www.lagendaproperties.com

Date: 12 November 2026

Board of Directors
EPICON BERHAD
Level 7, Menara Lagenda,
3, Jalan SS 20/27,
Damansara Intan,
47400 Petaling Jaya,
Selangor Darul Ehsan.

Dear Sir/ Madam,

PROPOSED ACQUISITION BY EPICON BERHAD ("EPICON") OF 60% EQUITY INTEREST IN RANTAU URUSAN (M) SDN. BHD. ("RUSB") ("PROPOSED ACQUISITION")

On behalf of the board of directors of RUSB ('Board"), we wish to report that after making due enquiries during the period between 31 December 2025, being the date on which the last audited financial statement of RUSB have been made up, and the date hereof, being a date not earlier than 14 days prior to the date of the circular to the shareholders of Epicon in relation to the Proposed Acquisition, that:

(i) the business of RUSB, in the opinion of the Board, has been satisfactorily and reasonably maintained;

(ii) in the opinion of the Board, no circumstances have arisen since the last audited financial statements of RUSB which have materially adversely affected the trading or the value of the assets of RUSB;

(iii) the current assets of RUSB appear in the books at values which are believed to be realisable in the ordinary course of business;

(iv) there are no contingent liabilities which have arisen by reason of any guarantees or indemnities given by RUSB;

(v) to the best of the Board's knowledge, there has been no default or any known event that could give rise to a default situation, in respect of payments of either interest and/or principal sums in relation to any borrowings by RUSB since the last audited financial statements of RUSB; and

(vi) there have been no material changes to the published reserves or any unusual factors affecting the financial performance of RUSB since the last audited financial statements of RUSB.

Yours Faithfully,
For and on behalf of
RANTAU URUSAN (M) SDN. BHD.

Lau Kok Lian
Director

LPB CONSTRUCTION SDN. BHD. [Registration No. 201801005998 (1268012-T)]
(A wholly-owned subsidiary of Lagenda Properties Berhad)
Level 11 & 12, Menara Lagenda, No. 3, Jalan SS20/27, 47400 Petaling Jaya,
Selangor Darul Ehsan, Malaysia
T: +603-8679 8188 / 8199
www.lagendaproperties.com

Date: 12 November 2026

Board of Directors
EPICON BERHAD
Level 7, Menara Lagenda,
3, Jalan SS 20/27,
Damansara Intan,
47400 Petaling Jaya,
Selangor Darul Ehsan.

Dear Sir/ Madam,

PROPOSED ACQUISITION BY EPICON BERHAD ("EPICON") OF 60% EQUITY INTEREST IN LPB CONSTRUCTION SDN. BHD. ("LPBC") ("PROPOSED ACQUISITION")

On behalf of the board of directors of LPBC ('Board"), we wish to report that after making due enquiries during the period between 31 December 2025, being the date on which the last audited financial statement of LPBC have been made up, and the date hereof, being a date not earlier than 14 days prior to the date of the circular to the shareholders of Epicon in relation to the Proposed Acquisition, that:

(i) the business of LPBC, in the opinion of the Board, has been satisfactorily and reasonably maintained;

(ii) in the opinion of the Board, no circumstances have arisen since the last audited financial statements of LPBC which have materially adversely affected the trading or the value of the assets of LPBC;

(iii) the current assets of LPBC appear in the books at values which are believed to be realisable in the ordinary course of business;

(iv) there are no contingent liabilities which have arisen by reason of any guarantees or indemnities given by LPBC;

(v) to the best of the Board's knowledge, there has been no default or any known event that could give rise to a default situation, in respect of payments of either interest and/or principal sums in relation to any borrowings by LPBC since the last audited financial statements of LPBC; and

(vi) there have been no material changes to the published reserves or any unusual factors affecting the financial performance of LPBC since the last audited financial statements of LPBC.

Yours Faithfully,
For and on behalf of
LPB CONSTRUCTION SDN. BHD.

Lau Kok Lian
Director

1. Subscription of the Placement Shares

Subject to the terms and conditions of the respective Subscription Agreements, the Placement Investors agree to subscribe for and Epicon agrees to issue and allot to the Placement Investors, the Placement Shares at the Placement Issue Price.

2. Subscription Price

(a) The Placement Issue Price for each Placement Share is fixed at RM0.13, and the subscription price to be paid by the Placement Investors ("**Subscription Price**") is as follows:

Name	No. of Placement Shares	Subscription Price (RM)
Binari Maju	71,428,600	9,285,718
JMJ Mega Bina	71,428,600	9,285,718
Teoh WS	57,142,800	7,428,564
Matthew	40,000,000	5,200,000
Total	**240,000,000**	**31,200,000**

(b) The Placement Investors shall deposit their respective Subscription Price with the stakeholder by way of telegraphic transfer within 5 market days from the unconditional date of the Subscription Agreements.

3. Conditions precedent

The Subscription Agreements are conditional upon the following conditions precedent being obtained/fulfilled or waived by the day falling 6 months from the date of the Subscription Agreements with a further automatic extension of 3 months, or such later date as the parties may mutually agree upon:

(a) Epicon having obtained the approval of Bursa Securities for listing and quotation of the Placement Shares on the Main Market of Bursa Securities.

(b) Epicon having obtained the approval of its shareholders at the forthcoming EGM for amongst others, the Proposed Private Placement, the Proposed Acquisitions, the Proposed Exemption 1, the Proposed Exemption 2 and the Proposed Amendments.

(c) All conditions precedent as stipulated in the SSA having been fulfilled or obtained in accordance with the terms and conditions contained in the SSA, excluding the condition precedent in relation to the fulfilment of all conditions precedent set out in the Subscription Agreements.

(d) All conditions precedent as stipulated in the respective Subscription Agreements having been fulfilled or obtained in accordance with the terms and conditions contained in the respective Subscription Agreements.

(e) 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 (if applicable).

4. Placement Investors' warranties

The Placement Investors represent, warrant and undertake to Epicon that, amongst others:

(a) The Placement Investors are not a related party (as defined in paragraph 1.01 of the Listing Requirements) of Epicon, an interested person (as defined in paragraphs 6.04 and 6.06 of the Listing Requirements), nor a person connected to any of the foregoing (as defined in paragraph 1.01 of the Listing Requirements).

(b) The Placement Investors do not have any persons acting in concert (as defined under section 216(2) and (3) of the CMSA) insofar as their shareholdings in Epicon are concerned.

(c) The Placement Investors are a person who qualifies under schedules 6 and 7 of the CMSA.

5. Termination

(a) If on or before the Subscription Date (as defined in Section 6(a) of this **Appendix IX**) -

(i) either party materially breaches any of the representations or warranties or any provisions of the Subscription Agreements and if such breach is remediable, the same has not been remedied to the satisfaction of the other party within 3 business days from the date of receipt of a notice in writing of the occurrence of such breach by the other party;

(ii) in relation to Epicon, a material adverse effect (as defined in the Subscription Agreements) shall have occurred; or

(iii) in relation to the Placement Investors, the Placement Investors shall either:

(A) suffer execution or any similar action in consequence of a debt;

(B) commit an act of bankruptcy or winding-up;

(C) become or is declared insolvent;

(D) have a receiver appointed in respect of the whole or any part of its/his assets or undertaking; or

(E) enter into or propose to enter into a moratorium on the payment of indebtedness,

the non-defaulting party shall then be entitled to elect to rescind or terminate the Subscription Agreements with immediate effect by giving notice in writing to such effect to the other party.

(b) If the listing and quotation of the Placement Shares on the Main Market of Bursa Securities does not occur by 10 market days after the Subscription Date (as defined in Section 6(a) of this **Appendix IX**), the Placement Investors shall then be entitled to elect to rescind or terminate the Subscription Agreements with immediate effect by giving notice in writing to such effect to Epicon.

(c) If either party exercises its/his rights to rescind or terminate the Subscription Agreements, the Subscription Agreements shall terminate and the stakeholder or Epicon shall return the Subscription Price paid by the Placement Investors within 5 market days from the date of such termination and thereafter the Subscription Agreements shall, be of no further effect save in respect of any antecedent breach of the terms therein.

6. Completion

(a) Subject to the receipt of the Subscription Price by the stakeholder in accordance with Section 2(b) above, the subscription of the Placement Shares shall take place within 30 days from the unconditional date of the Subscription Agreements, and shall be the same day as the completion date of the SSA ("**Subscription Date**"), whereupon, in exchange for the performance of the actions referred to in Section 6(b) below, the parties agree that the stakeholder shall release the Subscription Price to Epicon in accordance with the terms and conditions of the Subscription Agreements.

(b) Epicon shall on the Subscription Date:

(i) issue and allot the Placement Shares to the Placement Investors' respective securities accounts;

(ii) instruct Bursa Malaysia Depository Sdn Bhd to credit the Placement Investors' respective securities accounts with the Placement Shares.

The constitution of the Company shall be amended in the following manner:

<table>
<tr><th>Clauses to be amended</th><th>Amended Provisions</th></tr>
<tr><td>To insert new definitions in Clause 1</td><td>
<table>
<tr><th>Words</th><th>Meanings</th></tr>
<tr><td>Company or Epicon</td><td>Epicon Berhad [200301015160(617580-T)], including any change of name from time to time.</td></tr>
<tr><td>Epicon Share(s) or Share(s)</td><td>Ordinary shares in the Company</td></tr>
<tr><td>RCPS A</td><td>Redeemable Convertible Preference Shares - Class A in Epicon</td></tr>
<tr><td>RCPS A Issue Price</td><td>Issue price of RM0.13 per RCPS A</td></tr>
</table>
</td></tr>
<tr><td>To insert new Clause 7.2 after the existing Clause 7.1</td><td>
Clause 7.2 RCPS A

The RCPS A shall be issued on the following terms and confer on its holders the rights specified below:

(i) Issue price

RM0.13 per RCPS A

(ii) Tenure

(a) In respect of the first issuance of the RCPS A, the tenure shall be five (5) years commencing from and inclusive of the issuance date, unless otherwise redeemed.

(b) In respect of the subsequent issuance of the RCPS A, the tenure shall be five (5) years commencing from and inclusive of the issuance date of the second issuance of the RCPS A, unless otherwise redeemed. For the avoidance of doubt, if the subsequent issuance of the RCPS A is carried out in tranches, the tenure shall be five (5) years commencing from and inclusive of the issuance date of the first tranche of the second issuance of the RCPS A.

(iii) Maturity date

(a) In respect of the first issuance of the RCPS A, the maturity date shall be the fifth (5th) anniversary of the issuance date.

(b) In respect of the subsequent issuance of the RCPS A, the maturity date shall be the fifth (5th) anniversary of the issuance date of the second issuance of the RCPS A. For the avoidance of doubt, if the subsequent issuance of the RCPS A is carried out in tranches, the maturity date shall be the fifth (5th) anniversary of the issuance date of the first tranche of the second issuance of the RCPS A.
</td></tr>
</table>

Clauses to be amended	Amended Provisions
	(iv) Transferability The RCPS A shall not be transferable without the consent of the Company. **(v) Dividend** (a) The holders of the RCPS A shall be entitled to receive cumulative preferential dividend at the rate of 4.00% per annum, unless otherwise redeemed or converted or purchased and cancelled. The preferential dividend rate of 4.00% per annum was negotiated by the Company on the basis that it represents a lower cost than the Company's effective borrowing rate of 5.08%. (b) Any preferential dividend payable shall only be payable if declared by the Board and only out of the Company's distributable profit. Where there is no distributable profit, the entitlement to the preferential dividend shall be accumulated and compounded annually. **(vi) Ranking** (a) The RCPS A shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and shall, upon allotment and issuance, rank pari passu without any preference or priority among themselves and in priority to other redeemable convertible preference shares that may be created in future but shall rank behind all secured and unsecured obligations of the Company. (b) In the event of liquidation, dissolution or winding up, the RCPS A shall rank in priority to any other unsecured securities or shares of the Company. **(vii) Voting rights** The RCPS A shall carry no right to vote at any general meeting of the ordinary shareholders of the Company except with regard to: (a) any proposal to reduce the capital of the Company; (b) any proposal to dispose of all or substantially all of the Company's assets, property, business and/or undertakings; or (c) any proposal to wind up the Company and at any time during the winding up of the Company. The holders of the RCPS A shall be entitled to vote at any class meeting of the holders of the RCPS A in relation to any proposal by the Company to vary or abrogate the rights of the RCPS A as stated in the constitution of the Company. Every holder of the RCPS A who is present in person at such class meeting will have one (1) vote on a show of hands and/or on a poll, and every holder of RCPS A who is present in person or by proxy will have one (1) vote for every RCPS A of which he is the holder.

Clauses to be amended	Amended Provisions
	(viii) Conversion rights and mandatory conversion on maturity date (a) The holders of the RCPS A shall be entitled to convert each RCPS A held into such number of Epicon Share(s) in accordance with the conversion ratio during the conversion period provided that if the conversion of such RCPS A shall cause the Company to breach the public shareholding spread, the Company shall be entitled to reject the conversion of such RCPS A. (b) Unless previously redeemed or converted or purchased and cancelled, all outstanding RCPS A will be mandatorily converted into new Epicon Shares on the maturity date based on the conversion ratio provided that if the conversion of all RCPS A shall cause the Company to breach the public shareholding spread, the Company is entitled to only convert such number of RCPS A such that the collective shareholdings of such holder and its persons connected do not breach the public shareholding spread requirement wherein any remaining RCPS A not converted shall be redeemed in cash at 100% of its nominal value. **(ix) Conversion ratio** The conversion ratio shall be one (1) RCPS A to one (1) new Epicon Share, subject to adjustments from time to time at the determination of the Board on a fair and proportionate basis in the event of any alteration to the Company's share capital, whether by way of rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital howsoever being effected, in accordance with the provisions of the constitution of the Company. For clarity, the RCPS A are convertible into new Epicon Shares on a one (1) RCPS A for one (1) Epicon Share basis, and no cash outlay, additional payment or consideration shall be payable by the holders of the RCPS A upon such conversion. **(x) Conversion period** The RCPS A shall be convertible into new Epicon Shares on any market day at any time during the tenure of the RCPS A commencing on and including the issuance date up to and including the maturity date. **(xi) Ranking of New Epicon Shares** The new Epicon Shares to be issued pursuant to the conversion of the RCPS A shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing Epicon Shares of the Company, except that they will not be entitled to any dividends or distribution made prior to the date of allotment of such new Epicon Shares. **(xii) Redemption** (a) Unless previously redeemed or converted or purchased and cancelled, the RCPS A may at the option of the Company be redeemed, in whole or in part, at any time during the tenure of the RCPS A at the redemption price. (b) The Company shall give not less than thirty (30) days prior written notice to the holders of the RCPS A of the redemption of the RCPS A. All RCPS A which are redeemed or purchased by the Company shall be cancelled immediately and cannot be resold or reissued.

Clauses to be amended	Amended Provisions
	(xiii) Redemption Price Being an amount equivalent to the RCPS A Issue Price. **(xiv) Listing** The RCPS A shall not be listed or quoted on Bursa Securities or any other stock exchange. **(xv) Modification of rights** Any variation, modification or abrogation of the rights and privileges attached to the RCPS A shall require the sanction of a special resolution of the holders of the RCPS A holding or representing not less than seventy five per centum (75%) of the outstanding RCPS A. **(xvi) Governing law** Laws of Malaysia.

As at the LPD, the subsidiaries of Epicon are as follows:

Name of company	Place of incorporation	Principal activity	Effective equity interest held by Epicon (%)
Subsidiaries			
Epicon Construction Sdn Bhd (formerly known as Cityliner Sdn Bhd)	Malaysia	Dormant	100.00
Epik Bina Sdn Bhd	Malaysia	Dormant	100.00
TBSB	Malaysia	Construction works	100.00
Epicon Land Sdn Bhd	Malaysia	Investment property, property development and management services	100.00
Concrete Empire Sdn Bhd ("**CESB**")	Malaysia	Contractor of construction works and related services	70.00
Subsidiaries of CESB			
Concrete Empire Holdings Sdn Bhd ("**CEHSB**")	Malaysia	Principally engaged in construction works and related services	70.00
CE Precast Sdn Bhd	Malaysia	Principally engaged in the business of concrete casting and paving	70.00
Maha Mentari Sdn Bhd	Malaysia	Principally engaged in construction works and related services	70.00
Subsidiary of CEHSB			
CE Mix Sdn Bhd	Malaysia	Principally engaged in selling ready mixed concrete and acting as subcontractor for general construction	70.00

As at the LPD, the subsidiaries of Lagenda are as follows:

Name of company	Place of incorporation	Principal activity	Effective equity interest held by Lagenda (%)
Subsidiaries			
Blossom Eastland Sdn Bhd	Malaysia	Property development	100.00
LPB Development Sdn Bhd	Malaysia	Property development	100.00
LPBC	Malaysia	Building construction	100.00
RUSB	Malaysia	Building construction	100.00
Yik Wang Trading Sdn Bhd	Malaysia	Trading of building materials and hardware	100.00
Lagenda Harta Sdn Bhd	Malaysia	Property investment, management consultancy services and real estate leasing	100.00
Lagenda Management Solutions Sdn Bhd	Malaysia	Management consultancy services	100.00
Vivafirst Sdn Bhd	Malaysia	Property development, property investment and investment holding	100.00
Vivahub Sdn Bhd	Malaysia	Property development, property investment and investment holding	100.00
Lagenda International Sdn Bhd	Malaysia	Investing holding	100.00
Lagenda Capital Berhad	Malaysia	Issuance of Islamic capital securities/ instruments and other financial service activities except insurance/ takaful and pension funding	100.00
Subsidiaries of Blossom Eastland Sdn Bhd			
Maxitanah Sdn Bhd	Malaysia	Property development	100.00
Opti Vega Sdn Bhd	Malaysia	Property development	100.00
Triprise Sdn Bhd	Malaysia	Property management and property development	100.00
Taraf Nusantara Sdn Bhd	Malaysia	Property development and construction works	100.00
Subsidiary of Taraf Nusantara Sdn Bhd			
Lagenda Tapah Sdn Bhd	Malaysia	Property development	100.00
Subsidiary of LPB Development Sdn Bhd			
Lagenda Mersing Sdn Bhd	Malaysia	Property development	99.90
BDB Lagenda Sdn Bhd	Malaysia	Property development	100.00

Name of company	Place of incorporation	Principal activity	Effective equity interest held by Lagenda (%)
Subsidiary of Yik Wang Trading Sdn Bhd			
Sitiawan Bolts and Nuts Hardware Sdn Bhd	Malaysia	Trading of building materials and hardware	100.00
Subsidiary of Lagenda International Sdn Bhd			
Lagenda Perth Pty Ltd	Australia	Proprietary company	100.00
Joint ventures company			
Lagenda Inta Sdn Bhd	Malaysia	Construction of buildings n.e.c., other building completion and finishing work n.e.c. and other construction installation n.e.c.	50.00

1. Directors' responsibility statement

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the completeness and accuracy of the information contained in this Circular. The Board confirms that after making all reasonable enquiries and to the best of its knowledge and belief, there are no false or misleading statements contained in this Circular or other facts, the omission of which would make any statement in this Circular misleading.

All information relating to the Vendor, the Target Companies and the Placement Investors has been obtained from publicly available documents (where available) as well as other information and/or documents that have been provided by such parties/companies and/or their directors/management. The sole responsibility of the Board is limited to ensure that such information has been accurately reproduced in this Circular.

2. Consents and declaration of conflict of interest

2.1 Maybank IB

Maybank IB, being the Principal Adviser for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which it appears in this Circular.

Maybank IB and its related and associated companies (collectively, the "**Maybank Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and fund management and credit transaction services businesses. The Maybank Group has engaged and may in the future, engage in transactions with and perform services for the Group and/or any of our affiliates, in addition to the role set out in this Circular. In addition, in the ordinary course of business, any member of the Maybank Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of the Group, the shareholders, and/or our affiliates and/or any other entity or person, hold long or short positions in securities issued by the Company and/or its affiliates, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of any member of the Group and/or our affiliates. This is a result of the businesses of the Maybank Group generally acting independently of each other and accordingly, there may be situations where parts of the Maybank Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of the Group. Nonetheless, the Maybank Group is required to comply with the applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and Chinese wall between different business divisions.

As at the LPD, the Maybank Group has extended credit facilities to the Epicon Group amounting to RM18.87 million. Notwithstanding, Maybank IB is of the view that the aforesaid lending relationship does not give rise to a conflict of interest or potential conflict of interest situation in its capacity as Principal Adviser for the Proposals due to the following:

(i) the extension of credit facilities arose in the ordinary course of business of the Maybank Group;

(ii) the conduct of the Maybank Group in its banking business is strictly regulated by the Financial Services Act 2013, the Islamic Financial Services Act 2013 and the Maybank Group's internal controls and checks; and

(iii) the total credit facilities extended by the Maybank Group to the Epicon Group of approximately RM18.87 million as at the LPD is not material as it only represent approximately 0.02% of the audited consolidated NA attributable to the equity holders of the Malayan Banking Berhad as at 31 December 2025 of RM93.44 billion.

Save for the above, Maybank IB confirms that it is not aware of any circumstance that exists or is likely to exist which would give rise to a possible conflict of interest situation in its capacity as the Principal Adviser for the Proposals.

2.2 TA Securities

TA Securities, being the Independent Adviser to the Directors and the non-interested Shareholders for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion of its name in this Circular and the IAL and all references thereto in the form and context in which they appear in this Circular and the IAL.

TA Securities confirms that there is no conflict of interest that exists or is likely to exist in its capacity as the Independent Adviser for the Proposals.

2.3 Moore Stephens

Moore Stephens, being the Reporting Accountants of Epicon for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion of its name in this Circular, the Reporting Accountants' letter on the proforma consolidated statements of financial position of Epicon as at 31 December 2025, the accountants' report of the Target Companies for the FYEs 2023 to 2025 and all references thereto in the form and context in which they appear in this Circular.

Moore Stephens confirms that there is no conflict of interest that exists or is likely to exist in its capacity as the Reporting Accountants for the Proposals.

2.4 BDOCC

BDOCC, being the Independent Valuer, has given and not subsequently withdrawn its written consent to the inclusion of its name in this Circular and the Valuation Letter and all references thereto in the form and context in which they appear in this Circular.

BDOCC confirms that there is no conflict of interest that exists or is likely to exist in its capacity as the Independent Valuer in respect of the valuation of the Target Companies.

3. Material commitment

As at the LPD, save as disclosed below, the Board confirms that there are no other material commitments incurred or known to be incurred which may have a material impact on the profits or NA of Epicon Group.

Capital Commitments

	Unaudited 30 June 2026 RM'000	**Audited 31 Dec 2025 RM'000**
Authorised and contracted for:		
Renovation works	-	15
Development right entitlement	72,027	72,027
	72,027	72,042

4. Contingent liabilities

As at the LPD, except for Suit 718 (as set out in Section 5 of Appendix XIII of this Circular, the Board confirms that there are no contingent liabilities incurred or known to be incurred by the Epicon Group, which, upon being enforceable, may have a material impact on the profits or NA of Epicon Group.

5. Material litigation, claim or arbitration

As at the LPD, save as disclosed below, the Epicon Group is not involved in any material litigation, claims or arbitration, either as plaintiff or defendant, which may materially and/or adversely affect its financial position or business, and the Board is not aware of any proceedings, pending or threatened against the Epicon Group, or of any facts likely to give rise to any proceedings which may materially and/or adversely affect the financial position or business of the Epicon Group:

(a) Johor Bahru High Court Suit No. JA-22C-3-06/2026 by TBSB against Ibrahim & Sons Engineering Sdn Bhd ("IBSE"), Zafrin Bin Ibrahim, Zulkflee Bin Ibrahim and Khaeromze Bin Ahmad (collectively, the "Suit 3 Defendants")

TBSB, a wholly-owned subsidiary of the Company, had via its solicitors, filed a writ of summons with statement of claim in the High Court of Johor Bahru against the Suit 3 Defendants for, among others, a total sum of RM20,358,636.17. TBSB obtained an ex-parte sealed order for a Mareva injunction ("**Mareva Injunction**") as well as an ad interim order against the Suit 3 Defendants on 29 June 2026. TBSB's solicitors have served the sealed order to the relevant banks, followed by the Suit 3 Defendants, on 1 July 2026.

On 2 October 2023, IBSE issued a letter of award to TBSB ("**LOA**") as subcontractor for installation, testing and commissioning underground cables for 5 contracts with Tenaga Nasional Berhad ("**TNB**") ("**TNB Awards**") with a total contract sum of RM130,893,582.

As required under the LOA, TBSB provided performance security by way of 2 bankers' cheques amounting to RM1,695,129.75 on 17 October 2023 and 13 December 2023. Subsequently, TBSB replaced the bankers' cheques with 2 bank guarantees issued by a licensed financial institution on 18 November 2024 and 21 November 2024 respectively, and requested for the refund of the RM1,695,129.75 from IBSE. However, IBSE has failed to refund the said amount, which remains outstanding as at the LPD.

Further to the above, TBSB has provided another 2 bank guarantees as the performance security issued by a licensed financial institution on 21 November 2024 and 25 November 2024. As a result, a total of 4 bank guarantees were issued, of which 3 bank guarantees remain active as at the LPD, with an aggregate value of RM1,949,549.35.

As at the LPD, there remains an unpaid amount by IBSE to TBSB in the sum of RM16,713,957.07, being outstanding amounts overdue and payable out of the total billing of RM42,411,628.15 based on work done by TBSB under the LOA.

The writ of summons with statement of claim includes, among others:

(i) A declaration that the LOA has been terminated and/or rescinded, and that TBSB is entitled to payment of all monies due and payable by the Suit 3 Defendants to TBSB pursuant to the LOA;

(ii) An order that the Suit 3 Defendants, jointly and/or severally, be liable to return and/or pay to TBSB the sum of RM1,949,549.35 being the value of the performance security bonds provided by TBSB;

(iii) An order that the Suit 3 Defendants, jointly and/or severally, be liable to return and/or pay to TBSB the sum of RM16,713,957.07 being monies due and owing to TBSB under the LOA;

(iv) An order that the Suit 3 Defendants, jointly and/or severally, be liable to return and/or pay to TBSB the sum of RM1,695,129.75 being the monies which ought to be returned to TBSB;

(v) An order that the Suit 3 Defendants render a full and proper account of all monies received by the Suit 3 Defendants from TNB pursuant to the TNB Awards entered into between IBSE and TNB with regard to the LOA;

(vi) Interest on the sums claimed in prayers (ii), (iii) and (iv) above from the respective dates the sums became due and payable at the rate of 5% per annum until one day before the date of judgment;

(vii) General damages;

(viii) Exemplary damages, aggravated damages and/or additional damages;

(ix) Interest at the rate of 5% per annum on all judgement sums awarded from the date of judgment until full settlement;

(x) Costs to be borne by the Suit 3 Defendants, such costs carrying interest at the rate of 5% per annum from the date of judgment until full settlement;

(xi) Such further and/or other relief as the High Court deems appropriate.

As at the LPD, the case management for the writ of summons has been fixed on 15 December 2026.

Mareva Injunction includes, among others:

(i) An order restraining all and each of the Suit 3 Defendants from transferring, disposing, dissipating, removing from the jurisdiction of the High Court, diminishing the value of and/or otherwise dealing with its/their assets within the jurisdiction, insofar as the same does not exceed the sum of RM20,358,636.17;

(ii) An order that the Suit 3 Defendants are restrained from parting with, transferring, disposing, dissipating, removing from the jurisdiction any sums it is to receive from TNB and/or any relevant third parties;

(iii) An order that the Suit 3 Defendants within 7 days from the date of the order, disclose to TBSB by way of sworn affidavit the full value and particulars of all their assets owned by them.

The High Court had on 2 September 2026 decided in favour of the Suit 3 Defendants in respect of the inter partes hearing of the Mareva Injunction and the Suit 3 Defendants' application to set aside the same, with costs. TBSB is proceeding with an appeal against this decision, together with an application for a stay on a certificate of urgency before the High Court.

The Suit 3 Defendants filed their defence and counterclaim against TBSB ("**Counterclaim**"), which was electronically served on 23 July 2026.

In the Counterclaim, the Suit 3 Defendants have prayed for:

(i) A declaration that the CTOS Data System Sdn Bhd ("**CTOS**") notification made by TBSB against IBSE is invalid and of no legal effect;

(ii) An order that TBSB cancels and removes the said CTOS notification against IBSE within 7 days from the date of the order;

(iii) Judgment against TBSB in the sum of RM7,999,895.00, being damages payable to IBSE arising from the cancellation of the purchase order issued by TNB;

(iv) Judgment against TBSB in the sum of RM14,500,000.00 as damages payable to IBSE arising from the cancellation of IBSE's banking and financing facilities offered by the banks and financial institutions;

(v) Alternatively to prayer (iv), general damages to be assessed by the High Court;

(vi) Exemplary damages to be assessed by the High Court;

(vii) Costs of this action, including costs on a solicitor-and-client basis;

(viii) Interest at the rate of 5% per annum on the judgment sums awarded under prayers (iii), (iv), (v) and (vi), calculated from the date of judgment until the date of full settlement; and

(ix) Such further and/or other relief or orders as the High Court deems fit and just.

TBSB had on 7 October 2026 filed an application with the High Court to strike out the Counterclaim with costs. The court hearing for the application to strike out the Counterclaim has been fixed on 10 December 2026.

As at the LPD, the writ of summons, the Mareva Injunction and the Counterclaim are not expected to have any immediate material financial impact on the Group for the FYE 2026. The solicitors acting for and on behalf of TBSB are of the view that TBSB has a good prospect of success in respect of the claims made in the writ of summons as well as the defence against the Counterclaim. The Company will continue to monitor the progress of this litigation and assess any potential financial impact as and when further development arises.

TBSB has ceased all works related to the LOA and this litigation is not expected to have any operational impact on the Group.

(b) Kuala Lumpur High Court Civil Suit No.: WA-22NCC-718-10/2025 by Tan Chong Industrial Equipment Sdn Bhd ("TCIE") against Transnasional Express Sdn Bhd, Plusliner Sdn Bhd, Syarikat Kenderaan Melayu Kelantan Berhad, Syarikat Rembau Tampin Sdn Bhd, Kenderaan Langkasuka Sdn Bhd (collectively, the "1st to 5th Suit 718 Defendants") and Epicon (collectively, the "Suit 718 Defendants"), with Nadicorp Holdings Sdn Bhd ("Nadicorp") as third party ("**Suit 718"**)

On 30 October 2025, Epicon (as the 6th defendant) was served with a sealed writ ("**Suit 718 Writ**") and statement of claim ("**Suit 718 SOC**"), both dated 24 October 2025, filed by TCIE against the Suit 718 Defendants for sums alleged to be due and owing under a settlement agreement dated 4 July 2016 entered into between TCIE and the Suit 718 Defendants ("**Settlement Agreement**").

The Settlement Agreement was entered into in relation to alleged outstanding sums arising from various vehicle lease agreements and related maintenance and service agreements between TCIE and 1st to 5th Suit 718 Defendants which were then subsidiaries of Epicon.

Under the Settlement Agreement, the alleged outstanding sum of RM32,920,575.06 was to be settled partly by way of a transfer of land valued at RM16,000,000.00, with the balance of RM16,920,575.06 payable by 8 monthly instalments. TCIE alleges that, save for the first instalment of RM2,000,000.00 paid in July 2016, the remaining 7 instalments totaling RM14,920,575.06 were unpaid.

In the Suit 718 SOC, TCIE claims against the Suit 718 Defendants and each of them, among others, the following:

(i) the sum of RM26,154,635.21 as at 31 March 2025;

(ii) late payment interest on the overdue instalments of RM14,920,575.06 at the rate of 0.75% per calendar month calculated on daily basis from 1 April 2025 to the date of full payment;

(iii) costs; and

(iv) such further and/or other relief as the Court deems fit.

Epicon had on 27 November 2025 filed its statement of defence.

It is pertinent to note that the 1st to 5th Suit 718 Defendants ceased to be subsidiaries of Epicon following the disposal by Epicon of its entire equity interest in Park May Berhad, being the holding company of the 1st to 5th Suit 718 Defendants, to Nadicorp on 16 August 2023. Prior to the said disposal, Nadicorp had executed a letter of indemnity dated 13 October 2021 ("**LOI**"), pursuant to which Nadicorp agreed to indemnify and keep the Epicon Group fully indemnified and harmless, among others, against all amounts owing by the Epicon Group to its creditors (except for amounts owing by TBSB) up to the completion date of the Company's regularisation plan, being 24 August 2023.

In light of the LOI, Epicon filed an application for leave to issue a third-party notice against Nadicorp for indemnity and/or contribution from Nadicorp if Epicon is found liable to TCIE. The said application was allowed by the Court on 15 April 2026.

TCIE had filed an application for summary judgement against the Suit 718 Defendants ("**Summary Judgement Application**"), while the 1st to 5th Suit 718 Defendants and Epicon had separately filed applications to strike out the Suit 718 Writ and the Suit 718 SOC (collectively, the "**Strike-Out Applications**"). The Summary Judgement Application and the Strike-Out Applications were dismissed with no order as to costs on 6 May 2026.

On 16 June 2026, the Court directed that the question of the liability of Nadicorp to indemnify Epicon be tried at the trial.

As at the LPD, the matter has been fixed for trials on 22 February 2027 to 25 February 2027.

The solicitors acting for and on behalf of Epicon are of the view that Epicon has a strong position in resisting TCIE's claim, particularly on the basis that TCIE's claim, which is premised on the Settlement Agreement and the alleged default arising on 20 July 2016, is statute-barred pursuant to section 6(1)(a) of the Limitation Act 1953.

The Board is of the view that the suit is not expected to have any material financial or operational impact on the Epicon Group.

(c) Adjudication claim 1 by TBSB against Everprima Construction Sdn Bhd ("ECSB")

On 23 June 2025, TBSB served an adjudication claim pursuant to Section 9 of the Construction Industry Payment and Adjudication Act 2012 ("**CIPAA 2012**") against ECSB, claiming, among others, a sum of approximately RM6.98 million in respect of outstanding payments for construction works completed under a project in Melaka, which included the final progress claim and retention sum due to TBSB.

Pursuant to the adjudicator's decision dated 29 August 2025:

(i) ECSB shall pay TBSB the sum of RM5,646,576.63 on or before 17 September 2025, failing which an interest at the rate of 5% per annum would accrue on the said sum from 28 March 2025 until the date of full payment; and

(ii) ECSB shall pay TBSB the costs of RM91,102.00 on or before 17 September 2025, failing which an interest at the rate of 5% per annum would accrue on the said costs from 17 September 2025 until the date of full payment.

As at the LPD, TBSB and ECSB are in the midst of finalising the detailed terms and conditions of the settlement plan in respect of the sum awarded under the adjudicator's decision.

The Group has progressively recognised impairment provisions in accordance with its policies, and the net carrying amount of the receivable is expected to be broadly aligned with the settlement amount under negotiation by the end of 2026. Accordingly, any difference arising from the final settlement is not expected to have a material financial impact on the Group.

(d) Adjudication claim 2 by TBSB against ECSB

On 26 June 2025, TBSB served an adjudication claim pursuant to Section 9 of the CIPAA 2012 against ECSB, claiming, among others, a sum of approximately RM0.87 million in respect of outstanding payments for construction works completed under a project in Melaka, which included the final progress claim and retention sum due to TBSB.

Pursuant to the adjudicator's decision dated 24 September 2025:

(i) ECSB shall pay TBSB an adjudicated amount of RM345,741.88 on or before 7 October 2025;

(ii) ECSB shall pay TBSB interest on the adjudicated amount at the rate of 5% per annum on daily rests on the amount due, i.e. from 30 December 2024 on the sum of RM303,723.40, and from 10 January 2025 on the sum of RM42,018.48, until the date where full payment is made for each respective item; and

(iii) ECSB shall pay TBSB the costs of the adjudication proceedings amounting to RM73,684.59 on or before 7 October 2025.

As at the LPD, TBSB and ECSB are in the midst of finalising the detailed terms and conditions of the settlement plan in respect of the sum awarded under the adjudicator's decision.

The Group has progressively recognised impairment provisions in accordance with its policies, and the net carrying amount of the receivable is expected to be broadly aligned with the settlement amount under negotiation by the end of 2026. Accordingly, any difference arising from the final settlement is not expected to have a material financial impact on the Group.

6. Material contracts

Save as disclosed below, the Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the past 2 years immediately preceding and up to the date of this Circular:

(i) the SSA;

(ii) the Subscription Agreements; and

(iii) the ELSB-NCT Noble JDA.

7. Historical Share prices

The monthly highest and lowest market price of the Epicon Shares traded on the Main Market of Bursa Securities for the past 12 months preceding the date of the Circular are as follows:

	Highest RM	Lowest RM
2025		
November	0.1350	0.1100
December	0.1350	0.1100
2026		
January	0.1300	0.1100
February	0.1900	0.1100
March	0.1550	0.1100
April	0.1500	0.1300
May	0.1400	0.1150
June	0.1450	0.1200
July	0.2400	0.1250
August	0.2350	0.2000
September	0.2100	0.1750
October	0.1950	0.1750
Last transacted market price on 13 July 2026 (being the last market day prior to the announcement of the Proposals)		0.1650
Last transacted market price as at the LPD		0.1850

(Source : Bloomberg)

8. Documents available for inspection

Copies of the following documents are available for inspection at the registered office of Epicon at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia, during normal business hours from Mondays to Fridays (except public holidays) following the date of this Circular up to and including the date of the forthcoming EGM:

(a) the SSA (including the draft Shareholders' Agreements annexed therein);

(b) the Subscription Agreements;

(c) the constitution of Epicon and the constitutions of the Target Companies;

(d) the audited consolidated financial statements of Epicon for the past 2 FYEs 2024 and 2025 and the latest unaudited quarterly results of Epicon for the 6-months FPE 30 June 2026;

(e) the audited financial statements of the Target Companies for the past 3 FYEs 2023 to 2025;

(f) the pro forma consolidated statements of financial position of Epicon as at 31 December 2025 together with Reporting Accountants' letter thereon as set out in **Appendix V** of this Circular;

(g) the accountants' report of the Target Companies as set out in **Appendix VI** of this Circular.

(h) the Valuation Letter as set out in **Appendix VII** of this Circular;

(i) the Directors' Reports on the Target Companies as set out in **Appendix VIII** of this Circular;

(j) the letters of consent and declaration of conflict of interest referred to in Section 2 of this **Appendix XIII**;

(k) the cause papers of the material litigation, claim or arbitration referred to in Section 5 of this **Appendix XIII**;

(l) the material contracts referred to in Section 6 of this **Appendix XIII**; and

(m) the Doh Properties RCPS Undertaking Letter.

EPICON BERHAD
200301015160 (617580-T)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("**EGM**" or "**Meeting**") of Epicon Berhad ("**Epicon**" or the "**Company**") will be held at Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Tuesday, 8 December 2026, at 10:00 a.m. or any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolutions with or without any modifications:-

ORDINARY RESOLUTION 1

(I) PROPOSED ACQUISITIONS BY EPICON OF 60% EQUITY INTEREST IN RANTAU URUSAN (M) SDN BHD ("RUSB") AND LPB CONSTRUCTION SDN BHD ("LPBC") (COLLECTIVELY, THE "TARGET COMPANIES") FROM LAGENDA PROPERTIES BERHAD ("LAGENDA"), FOR AN AGGREGATE PURCHASE CONSIDERATION OF RM543.16 MILLION, TO BE SATISFIED IN THE FOLLOWING MANNER:

(A) RM125.82 MILLION BY WAY OF SETTLEMENT AND DISCHARGE OF THE RELATED PARTY ADVANCES OWING FROM LAGENDA AND ITS GROUP OF COMPANIES ("LAGENDA GROUP") TO THE TARGET COMPANIES AS AT THE DATE OF THE CONDITIONAL SHARE SALE AGREEMENT DATED 14 JULY 2026 ENTERED INTO BETWEEN THE COMPANY (AS PURCHASER) AND LAGENDA (AS VENDOR) IN RELATION TO THE PROPOSED ACQUISITIONS AND THE PROPOSED CALL OPTION ("SSA"), THE PAYMENT OBLIGATION OF WHICH WILL BE ASSUMED BY EPICON; AND

(B) THE REMAINING AMOUNT OF RM417.34 MILLION VIA THE ISSUANCE OF 1,857,142,857 NEW ORDINARY SHARES IN EPICON ("EPICON SHARES") AND 1,353,190,292 NEW REDEEMABLE CONVERTIBLE PREFERENCE SHARES – CLASS A IN EPICON ("RCPS A") TO LAGENDA,

("PROPOSED ACQUISITIONS")

(II) PROPOSED CALL OPTION FOR THE ACQUISITION OF THE REMAINING UP TO 40% EQUITY INTEREST IN THE TARGET COMPANIES BY EPICON FROM LAGENDA FOR A PURCHASE CONSIDERATION OF UP TO RM362.11 MILLION ("PROPOSED CALL OPTION")

"**THAT** subject to the passing of Ordinary Resolution 2, Ordinary Resolution 3, Ordinary Resolution 4 and the Special Resolution, and the approvals of all the relevant authorities and/or parties being obtained (where required) and the conditions precedent as set out in the SSA being obtained/fulfilled or waived (as the case may be), approval be and is hereby given to the Company to undertake the following, upon such terms and conditions as stipulated in the SSA:

(a) The Proposed Acquisitions of:

(i) 600,000 ordinary shares in RUSB, for a purchase consideration of RM280.15 million; and

(ii) 450,000 ordinary shares in LPBC, for a purchase consideration of RM263.01 million,

at an aggregate purchase consideration of RM543.16 million to first be partly satisfied by way of settlement and discharge of the related party advances amounting to RM125.82 million owing by the Lagenda Group to the Target Companies as at the date of the SSA, the payment obligation of which will be assumed by Epicon (including the payment of interest at the rate of 5.5% per annum or such other rate to be agreed between Epicon and the Target Companies in compliance with the applicable transfer pricing requirements), whilst the remaining amount of RM417.34 million shall be satisfied via a combination of:

(i) RM241.43 million to be satisfied via the issuance of 1,857,142,857 new Epicon Shares ("**Consideration Shares**") at an issue price of RM0.13 per Consideration Share; and

(ii) RM175.91 million to be satisfied via the issuance of 1,353,190,292 new RCPS A ("**Consideration RCPS A**") at an issue price of RM0.13 per Consideration RCPS A;

(b) The Proposed Call Option, pursuant to which Lagenda agrees to grant the Company an irrevocable right to require Lagenda to sell up to the remaining 400,000 ordinary shares in RUSB and 300,000 ordinary shares in LPBC, representing up to 40% equity interest in the Target Companies to the Company ("**Call Option**"), for a purchase consideration of up to RM362.11 million, which may be satisfied via a combination of:

(i) cash;

(ii) allotment and issuance of such number of new Epicon Shares ("**Option Consideration Share(s)**") to Lagenda at an issue price of RM0.13 per Option Consideration Share; and/or

(iii) allotment and issuance of such number of RCPS A ("**Option Consideration RCPS A**") to Lagenda at an issue price of RM0.13 per Option Consideration RCPS A;

THAT the Board of Directors of the Company ("**Board**") be and is hereby authorised to issue and allot 1,857,142,857 Consideration Shares, 1,353,190,292 Consideration RCPS A, up to 1,392,714,200 Option Consideration Shares and up to 1,392,714,200 Option Consideration RCPS A, the salient terms of the RCPS A of which are set out in **Appendix III** of the circular to shareholders of Epicon dated 16 November 2026 ("**Circular**"), together with such number of new Epicon Shares as may be issued and allotted pursuant to the conversion of the Consideration RCPS A and the Option Consideration RCPS A, in accordance with terms and conditions of the SSA;

THAT the Consideration Shares, the Option Consideration Shares and the new Epicon Shares to be issued upon conversion of the Consideration RCPS A and the Option Consideration RCPS A will, upon allotment and issuance, rank equally in all respects with each other and with the then existing issued Epicon Shares, except that they shall not be entitled to any dividends, rights, benefits, entitlements, allotments and/or any other distributions which may be declared, made or paid to the shareholders of Epicon, the entitlement date of which is prior to the date of allotment and issuance of the Consideration Shares, the Option Consideration Shares and the new Epicon Shares to be issued upon conversion of the Consideration RCPS A and the Option Consideration RCPS A;

THAT the Consideration RCPS A and the Option Consideration RCPS A will constitute direct, unconditional, unsecured and unsubordinated obligations of Epicon and will, upon allotment and issuance, rank equally without any preference or priority between themselves and in priority to other RCPS that may be created in the future, but shall rank behind all secured and unsecured obligations of Epicon;

THAT the Consideration Shares, the Option Consideration Shares and the new Epicon Shares to be issued upon conversion of the Consideration RCPS A and the Option Consideration RCPS A shall be listed on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**");

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things (including all applications and submissions to the relevant regulatory authorities and bodies) and make all such decisions as they may in their absolute discretion deem fit, necessary, expedient and/or appropriate in the best interest of the Company and to take all such steps and to execute, sign, deliver and cause to be delivered on behalf of the Company the SSA and all such agreements (including the stakeholder agreement to be entered into between the Company, Lagenda and a trust company in Malaysia to be appointed by the Company and Lagenda pursuant to the terms of the SSA), undertakings, indemnities, transfers, extensions, assignments, deeds, confirmations, declarations, guarantees, documents and/or arrangements, with any party or parties, to deliver or cause to be delivered all such documents and to do all such acts and matters (including without limitations, the affixation of the Company's common seal in accordance with the Company's constitution) as they may consider necessary or expedient in order to implement, finalise, give full effect to and complete the Proposed Acquisitions and the Proposed Call Option under the terms and conditions of the SSA with full powers to negotiate, approve, agree and/or assent to any condition, modification, variation and/or amendment thereto in any manner as the Board may deem fit and/or may be required or imposed by the relevant authorities including to enter into any supplemental agreement(s) in connection with the SSA, the Proposed Acquisitions and/or the Proposed Call Option, and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner or as the Board may deem necessary or expedient in the best interest of the Company."

ORDINARY RESOLUTION 2

PROPOSED PRIVATE PLACEMENT OF 240,000,000 NEW EPICON SHARES ("PLACEMENT SHARE(S)") AT AN ISSUE PRICE OF RM0.13 PER PLACEMENT SHARE TO THE IDENTIFIED THIRD-PARTY INVESTORS ("PROPOSED PRIVATE PLACEMENT")

"THAT subject to the passing of Ordinary Resolution 1, Ordinary Resolution 3, Ordinary Resolution 4 and the Special Resolution, and the approvals of all the relevant authorities and/or parties being obtained (where required), approval be and is hereby given to the Board to issue and allot 240,000,000 new Epicon Shares, representing approximately 8.11% of the enlarged issued Epicon Shares after the RCPS Conversion (as defined in the Ordinary Resolution 3 below), the Proposed Acquisitions and the Proposed Private Placement, at an issue price of RM0.13 per Placement Share, to the identified third-party investors, namely Binari Maju Sdn Bhd, JMJ Mega Bina Sdn Bhd, Teoh Wei Sheng and Matthew Kong Len Ern, in the respective proportions set out in Section 3.2 of Part A of the Circular;

THAT the Board be and is hereby authorised to utilise the proceeds to be raised from the Proposed Private Placement for such purposes and in such manner as set out in Section 3.7 of Part A of the Circular and the Board be and is hereby authorised with full power to vary the manner and/or purpose of the utilisation of such proceeds in the manner as the Board may deem fit, necessary and/or expedient, subject to the approvals of the relevant authorities (where required) and in the best interest of the Company;

THAT the Placement Shares will, upon issuance and allotment, rank equally in all respects with each other and with the then existing Epicon Shares, except that the holders of the Placement Shares shall not be entitled to any dividends, rights, benefits, entitlements, allotments and/or other distributions which may be declared, made or paid to the shareholders of Epicon, the entitlement date of which is prior to the date of allotment and issuance of such Placement Shares;

THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements as may be necessary to implement, finalise, give full effect to and complete the Proposed Private Placement and to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Board may deem necessary in the interest of the Company and to take such steps as the Board may deem necessary or expedient in order to implement, finalise, give full effect and to complete the Proposed Private Placement;

AND THAT this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein and shall continue in full force and effect until all Placement Shares to be issued pursuant to or in connection with the Proposed Private Placement have been duly allotted and issued in accordance with the terms of the Proposed Private Placement."

ORDINARY RESOLUTION 3

PROPOSED EXEMPTION UNDER SUBPARAGRAPH 4.08(1)(C) OF THE RULES ON TAKE-OVERS, MERGERS AND COMPULSORY ACQUISITIONS ISSUED BY SECURITIES COMMISSION MALAYSIA ("SC") ("RULES") TO BE SOUGHT BY DOH PROPERTIES SDN BHD ("DOH PROPERTIES") AND PERSONS ACTING IN CONCERT ("PAC(S)") WITH IT FROM THE OBLIGATION TO UNDERTAKE A MANDATORY TAKE-OVER OFFER ("MGO") FOR ALL THE REMAINING EPICON SHARES NOT ALREADY OWNED BY THEM UPON FULL CONVERSION OF 233,000,000 REDEEMABLE CONVERTIBLE PREFERENCE SHARES IN EPICON ("RCPS") HELD BY DOH PROPERTIES ("RCPS CONVERSION"), PURSUANT TO SUBSECTION 218(2) OF THE CAPITAL MARKETS AND SERVICES ACT, 2007 ("CMSA") ("PROPOSED EXEMPTION 1")

"**THAT** subject to the relevant approvals from the SC and/or any other relevant authorities and/or parties (where required) being obtained for the Proposed Exemption 1, including such conditions as may be imposed by the SC, approval be and is hereby given for Doh Properties and its PACs to be exempted under subparagraph 4.08(1)(c) of the Rules from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them upon the RCPS Conversion, pursuant to subsection 218(2) of the CMSA;

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things as they may consider necessary or expedient in the best interest of the Company with the full powers to amend and/or assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities, and to take all steps and to enter into and execute all agreements, arrangements, undertakings, indemnities, transfer, assignments or guarantees with any party or parties and to carry out any other matters as may be required to finalise, implement and give full effect to the Proposed Exemption 1."

ORDINARY RESOLUTION 4

PROPOSED EXEMPTION UNDER SUBPARAGRAPH 4.08(1)(A) OF THE RULES TO BE SOUGHT BY LAGENDA AND ITS PACS FROM THE OBLIGATION TO UNDERTAKE A MGO FOR ALL THE REMAINING EPICON SHARES NOT ALREADY OWNED BY THEM AFTER THE PROPOSED ACQUISITIONS, PURSUANT TO SUBSECTION 218(2) AND 218(3) OF THE CMSA ("PROPOSED EXEMPTION 2")

"**THAT** subject to the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 3 and the Special Resolution, and the relevant approvals from the SC and/or any other relevant authorities and/or parties (where required) being obtained for the Proposed Exemption 2, including such conditions as may be imposed by the SC, approval be and is hereby given for Lagenda and its PACs to be exempted under subparagraph 4.08(1)(a) of the Rules from the obligation to undertake a MGO for all the remaining Epicon Shares not already owned by them after the Proposed Acquisitions, pursuant to subsection 218(2) and 218(3) of the CMSA;

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things as they may consider necessary or expedient in the best interest of the Company with the full powers to amend and/or assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities, and to take all steps and to enter into and execute all agreements, arrangements, undertakings, indemnities, transfer, assignments or guarantees with any party or parties and to carry out any other matters as may be required to finalise, implement and give full effect to the Proposed Exemption 2."

ORDINARY RESOLUTION 5

PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/OR TRADING NATURE ("PROPOSED NEW SHAREHOLDERS' MANDATE")

"**THAT** subject to the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 3, Ordinary Resolution 4 and the Special Resolution, authority be and is hereby given in line with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Securities, for the Company and/or its subsidiaries (collectively, the "**Epicon Group**" or "**Group**") to enter into any of the recurrent related party transactions with the related parties as set out in Section 2.3 of Part C of the Circular in relation to the Proposed New Shareholders' Mandate which are necessary for the day-to-day operations of the Group within the ordinary course of business of the Group, made on an arm's length basis and on normal commercial terms which are those generally available to the public and are not detrimental to the minority shareholders of the Company;

THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the general meeting at which the ordinary resolution for the Proposed New Shareholders' Mandate was passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at that AGM; or

(ii) the expiration of the period within which the next AGM after that date it is required by law to be held pursuant to Section 340(2) of the Companies Act 2016 ("**Act**") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier;

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed New Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed New Shareholders' Mandate in the best interest of the Company."

SPECIAL RESOLUTION

PROPOSED AMENDMENTS TO THE CONSTITUTION OF EPICON TO FACILITATE THE ISSUANCE AND ALLOTMENT OF THE RCPS A TO BE ISSUED PURSUANT TO THE PROPOSED ACQUISITIONS AND THE PROPOSED CALL OPTION ("PROPOSED AMENDMENTS")

"**THAT** subject to the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 3 and Ordinary Resolution 4 and all approvals and consents of all relevant authorities and/or parties (where required) being obtained, approval be and is hereby given for the Company to amend its existing constitution in the manner set out in **Appendix X** of the Circular to facilitate the issuance and allotment of the Consideration RCPS A and the Option Consideration RCPS A pursuant to the Proposed Acquisitions and the Proposed Call Option;

AND THAT the Directors and/or the secretaries of the Company be and is hereby authorised and empowered to take all steps and to do all acts, deeds, things and to execute, enter into, sign and deliver for and on behalf of the Company all documents as it may consider necessary to give full effect to the Proposed Amendments, with full powers to assent to and accept any conditions, modifications, variations, arrangements and/or amendments as may be required by the relevant authority(ies)."

By order of the Board

TEA SOR HUA (MACS 01324) (SSM PC NO. 201908001272)
LOO HUI YAN (MAICSA 7069314) (SSM PC NO. 202308000290)
Company Secretaries

Petaling Jaya, Selangor Darul Ehsan
16 November 2026

Notes:

a) A member who is entitled to attend, participate, speak and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.

b) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same right as the member to speak and vote at the Meeting.

c) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or signed by an officer or attorney duly authorised.

d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

f) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 65 of the Company's constitution to issue a General Meeting Record of Depositors as at 1 December 2026. Only members whose names appear in the General Meeting Record of Depositors as at 1 December 2026 shall be regarded as members and entitled to attend, speak and vote at the Meeting.

g) To be valid, the instrument appointing a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time for holding the Meeting:

(i) In hard copy form

In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at **Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia**.

(ii) By electronic form

The Proxy Form can be electronically lodged via the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com. Please refer to the Administrative Notes on the procedures for electronic lodgement of Proxy Form via the Boardroom Smart Investor Portal. To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Share Registrar situated at **Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan**, **Malaysia**, not less than forty-eight (48) hours before the time for holding the Meeting.

h) All the resolutions set out in this Notice of Meeting will be put to vote by poll.

i) The members are advised to refer to the Administrative Notes on the registration process for the Meeting.

j) Kindly check Bursa Securities' website and the Company's website at https://www.epicon.com.my/ for the latest updates on the status of the Meeting.

EPICON BERHAD
Registration No. 200301015160 (617580-T)
(Incorporated in Malaysia)

Proxy Form

CDS Account No.	No. of Shares Held

I/We * _____ NRIC/Passport/Registration No.* _____
(Full name in block)

of _____
(full address)

with email address _____ mobile phone no. _____

being a member/members* of **EPICON BERHAD** ("the Company") hereby appoint(s):-

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Email Address			
Mobile Phone No.			

and / or*

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Email Address			
Mobile Phone No.			

or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Extraordinary General Meeting ("**EGM**" or "**Meeting**") of the Company to be held at Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Tuesday, 8 December 2026 at 10:00 a.m. or any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the proxy will vote or abstain from voting at his/her* discretion.

No.	Ordinary Resolutions	For	Against
1.	Proposed Acquisitions and the Proposed Call Option		
2.	Proposed Private Placement		
3.	Proposed Exemption 1		
4.	Proposed Exemption 2		
5.	Proposed New Shareholders' Mandate		
	Special Resolution		
1.	Proposed Amendments		

**delete whichever is not applicable*

Dated this _____ day of _____ 2026

_____
Signature of Member(s) /
Common Seal

Notes:

a) A member who is entitled to attend, participate, speak and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.

b) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same right as the member to speak and vote at the Meeting.

c) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or signed by an officer or attorney duly authorised.

d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

f) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 65 of the Company's constitution to issue a General Meeting Record of Depositors as at 1 December 2026. Only members whose names appear in the General Meeting Record of Depositors as at 1 December 2026 shall be regarded as members and entitled to attend, speak and vote at the Meeting.

g) To be valid, the instrument appointing a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time for holding the Meeting:

   (i) <u>In hard copy form</u>

   In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at **Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia**.

   (ii) <u>By electronic form</u>

   The Proxy Form can be electronically lodged via the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com. Please refer to the Administrative Notes on the procedures for electronic lodgement of Proxy Form via the Boardroom Smart Investor Portal. To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Share Registrar situated at **Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan**, **Malaysia**, not less than forty-eight (48) hours before the time for holding the Meeting.

h) All the resolutions set out in the Notice of Meeting will be put to a vote by poll.

i) The members are advised to refer to the Administrative Notes on the registration process for the Meeting.

j) Kindly check Bursa Securities' website and the Company's website at <u>https://www.epicon.com.my/</u> for the latest updates on the status of the Meeting.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registrar

EPICON BERHAD
c/o Boardroom Share Registrars Sdn Bhd
Ground Floor or 11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

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EPICON BERHAD
(Registration No. 200301015160 (617580-T)
(Incorporated in Malaysia)

ADMINISTRATIVE NOTES FOR THE EXTRAORDINARY GENERAL MEETING OF EPICON BERHAD ("EPICON" OR "COMPANY") ("EGM" OR "MEETING")

Day & Date	**:**	**Tuesday, 8 December 2026**
Time	**:**	**10:00 a.m. or any adjournment thereof**
Venue	**:**	**Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia**

APPOINTMENT OF PROXY

1. A member entitled to attend, participate, speak and vote at the Meeting is entitled to appoint more than one (1) proxy to attend, participate, speak and vote in his/her stead. If you are not able to participate in the EGM, you are encouraged to appoint the Chairman of the Meeting as your proxy and indicate the voting instructions in the Proxy Form.

2. The Proxy Form must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at **Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia** not less than forty-eight (48) hours before the time appointed for holding the Meeting. Alternatively, the Proxy Form can be deposited electronically through the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com not less than forty-eight (48) hours before the time appointed for holding the Meeting.

3. Kindly follow the steps below to lodge the Proxy Form electronically.

Step 1 – E-Proxy Lodgement

a. Access the website at https://investor.boardroomlimited.com

b. Login with your user ID and password which you have created in Step 1(b) above.

c. Select **"EPICON BERHAD EXTRAORDINARY GENERAL MEETING"** from the list of Meeting Event(s) and click "**Enter"**.

d. Read the Terms & Conditions and confirm the Declaration.

e. Enter your CDS Account number and the total number of securities held.

f. Select your proxy – either the Chairman of the Meeting or individual named proxy(ies) and enter the required particulars of your proxy(ies).

g. Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide your votes.

h. Review and confirm your proxy(ies) appointment.

i. Click submit.

j. Download or print the eProxy Form acknowledgement.

4. If you wish to participate in the Meeting yourself, please do not submit any Proxy Form for the Meeting. You will not be allowed to participate in the EGM together with the proxy(ies) appointed by you.

5. If you have submitted your Proxy Form prior to the Meeting and subsequently decide to personally participate in the Meeting, please write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointment of your proxy(ies) at least forty-eight (48) hours before the time for holding the Meeting. Upon revocation, your proxy(ies) will not be allowed to participate in the EGM. In such event, kindly advise your proxy(ies) accordingly.

PROCEDURES OF THE MEETING

The date of the Record of Depositors for the EGM is 1 December 2026. As such, only members whose names appear in the Record of Depositors of the Company as at 1 December 2026 shall be entitled to attend the EGM and to participate, speak and vote thereat.

(a) Members are encouraged to appoint the Chairman of the Meeting to act as a proxy to attend and vote at the Meeting on their behalf by submitting the proxy form with predetermined voting instructions.

(a) **Recording/Photography**

By participating in this EGM, you agree that no part of the EGM proceedings may be recorded, photographed, stored in any retrieval systems, reproduced, transmitted or uploaded in any form, platform or social media or by any means whether it is mechanical, electronic, photocopying, recording or otherwise without the prior written consent of the Company. The Company reserves the right to take appropriate legal actions against anyone who violates this rule.

Kindly check Bursa Malaysia Securities Berhad's and Company's website at https://www.epicon.com.my/ for the latest updates on the status of the Meeting.

ENQUIRY

If you have any questions regarding the Meeting, please contact the following persons during office hours on Monday to Friday from 9:00 a.m. to 5:00 p.m. (except public holidays) prior to the Meeting:

For Registration matters:	**For Proxy Form matters:**
Name: Loh Kar Yite Telephone No.: 603-7890 0922 Email: enquiry@epicon.com.my	Name: BSR Helpdesk Helpdesk No.: 603-7890 4700 Fax: 603-7890 4670 Email: bsr.helpdesk@boardroomlimited.com

PERSONAL DATA POLICY

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.