

THIS INDEPENDENT ADVICE CIRCULAR ("IAC") IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU SHOULD READ THIS IAC IN CONJUNCTION WITH THE OFFER DOCUMENT DATED 3 FEBRUARY 2026 ISSUED BY MAYBANK INVESTMENT BANK BERHAD ON BEHALF OF THE OFFEROR (SUNWAY BERHAD) WHICH HAS BEEN SENT TO YOU.

If you are in any doubt as to the action to be taken in relation to the Offer (as defined herein), please consult your stockbroker, solicitor, bank manager, accountant or other professional adviser immediately. If you have sold or transferred all your Offer Shares (as defined herein), you should hand this IAC immediately to the person through whom you have effected the sale or transfer for onward transmission to the purchaser or transferee.

Pursuant to subparagraphs 11.03(2) and 11.04(2) of the Rules on Take-overs, Mergers and Compulsory Acquisitions, the Securities Commission Malaysia ("SC") has notified that it has no further comments on the contents of this IAC. However, such notification shall not be taken to suggest that the SC agrees with our recommendation or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this IAC.



IJM CORPORATION BERHAD

(Registration No. 198301008880 (104131-A))
(Incorporated in Malaysia)

**INDEPENDENT ADVICE CIRCULAR
IN RELATION TO THE
CONDITIONAL VOLUNTARY TAKE-OVER OFFER**

BY

SUNWAY BERHAD ("OFFEROR")

(Registration No. 201001037627 (921551-D))
(Incorporated in Malaysia)

THROUGH

MAYBANK INVESTMENT BANK BERHAD

(Registration No. 197301002412 (15938-H))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

TO ACQUIRE

ALL THE ORDINARY SHARES IN IJM CORPORATION BERHAD (EXCLUDING TREASURY SHARES) ("OFFER SHARES") AT AN OFFER PRICE OF RM3.15 PER OFFER SHARE ("OFFER PRICE"), TO BE SATISFIED IN THE FOLLOWING MANNER:

- (I) IN RESPECT OF 10.0% OF THE OFFER PRICE, AN AMOUNT EQUIVALENT TO RM0.3150 IN CASH; AND**
- (II) IN RESPECT OF 90.0% OF THE OFFER PRICE, AN AMOUNT EQUIVALENT TO APPROXIMATELY RM2.8350 IN THE FORM OF NEW ORDINARY SHARES IN SUNWAY BERHAD AT AN ISSUE PRICE OF RM5.65 EACH**

("OFFER")

Independent Adviser



M & A SECURITIES SDN BHD

(Registration No. 197301001503 (15017-H))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

This Independent Advice Circular is dated 13 March 2026

DEFINITIONS

Unless the context requires otherwise, the following definitions shall apply throughout this Independent Advice Circular:

Acceptance Condition	: The Offer is conditional upon Sunway having received, on or before the Closing Date, valid acceptances resulting in Sunway holding in aggregate more than 50.0% of the voting shares in IJM. Sunway has nominated its indirect wholly-owned subsidiary, Fortuna Gembira Enterpris, as the recipient of the Offer Shares. Accordingly, any Offer Shares received by Fortuna Gembira Enterpris via acceptances of the Offer are deemed to be received by the Offeror
Accepting Holder(s)	: Holder(s) who accepts the Offer in accordance with the terms and conditions set out in the Offer Document
Act	: Companies Act, 2016
ANAV	: Adjusted net assets value
BESRAYA	: Sungai Besi Highway
Board	: Board of Directors of IJM
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Cash Consideration	: An amount equivalent to RM0.3150 in cash, representing 10.0% of the Offer Price of RM3.15 per Offer Share
CDS	: Central Depository System
CGCMB	: Credit Guarantee Corporation Malaysia Berhad (Registration No. 197201000831 (12441-M))
Closing Date	: (i) First Closing Date; or (ii) Such later date(s) in the event the Offer is, extended or revised by the Offer and will be announced by Maybank IB on behalf of the Offeror, at least 2 days before the closing date, in accordance with the Rules and the terms and conditions of the Offer Document
CMSA	: Capital Markets and Services Act, 2007
Consideration Shares	: New Sunway Shares to be issued at the Issue Price to satisfy 90.0% of the Offer Price of RM3.15 per Offer Share, being RM2.8350 per Offer Share, for every 1 Offer Share surrendered
DCF	: Discounted cash flow
DEWAS	: Dewas Bypass Tollway
Director(s)	: Director(s) of IJM

DEFINITIONS (Cont'd)

Dissenting Holder(s)	: Holder(s) who have not accepted the Offer and/or who have failed or refused to transfer his Offer Shares to the Offeror in accordance with the terms and conditions set out in the Offer Document
Distribution	: Any dividend(s) or distribution(s) which may be declared, made and/or paid by Sunway or IJM (as the case may be) on or after the date of the Notice but prior to the Closing Date
Distribution Ratio	: 1 Distribution Share for every 10 Sunway Shares (excluding treasury shares) held on 5.00 p.m. on 11 March 2026
Distribution Share(s)	: 676,042,070 ordinary share(s) in SHH to be distributed to the entitled shareholders of Sunway by way of dividend-in-specie based on the Distribution Ratio
EBITDA	: Earnings before interest, taxation, depreciation and amortisation
EPF	: Employees Provident Fund Board (EPF Act 1991)
EGM	: Extraordinary general meeting
EV	: Enterprise value
FBM KLCI	: FTSE Bursa Malaysia KLCI Index
FCFE	: Free cash flows to equity
FCFF	: Free cash flows to firm
First Closing Date	: 5.00 p.m. (Malaysian time) on Monday, 6 April 2026, being 60 days from the Posting Date
FHCA or Concession Valuer	: FHMH Corporate Advisory Sdn Bhd (Registration No. 200701016946 (774955-D))
Form of Acceptance and Transfer	: Form of acceptance and transfer for the Offer Shares, as enclosed with the Offer Document
Fortuna Gembira Enterpris	: Fortuna Gembira Enterpris Sdn Bhd (Registration No. 197301003193 (16634-P)), an indirect wholly-owned subsidiary of the Offeror nominated to receive the Offer Shares
FPE	: Financial period ended/ ending, as the case may be
FYE	: Financial year ended/ ending, as the case may be
GBP	: British Pound Sterling
GDV	: Gross development value
Government	: Government of Malaysia
Holder(s)	: Holder(s) of the Offer Shares

DEFINITIONS (Cont'd)

IAC	: This independent advice circular in relation to the Offer, comprising the letter from the Board (as set out in Part A of this IAC), the IAL (as set out in Part B of this IAC) and the accompanying appendices
ICPSB	: Industrial Concrete Products Sdn Bhd (Registration No. 197701001400 (32369W))
IAL	: The independent advice letter dated 13 March 2026 issued by M&A Securities in relation to the Offer, which forms Part B of this IAC
IJM or Offeree	: IJM Corporation Berhad (Registration No. 198301008880 (104131-A))
IJM Group	: IJM and its group of subsidiaries, collectively
IJM Share(s)	: Ordinary share(s) in IJM
Independent Valuers	: Concession Valuer and Property Valuers, collectively
IPO	: Initial public offering
Issue Price	: RM5.65 per Consideration Share
KPC	: Kuantan Port Consortium Sdn Bhd (Registration No. 199601002037 (374383 H))
LEKAS	: Kajang Seremban Highway
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
LPD	: 10 March 2026, being the latest practicable date which is not more than 7 days before the date of this IAC
LTD	: 9 January 2026, being the last trading day of IJM Shares and Sunway Shares prior to the serving of the Notice
LTM	: Last twelve months
Main Market	: Main Market of Bursa Securities
Market Day(s)	: Day(s) on which Bursa Securities is open for trading in securities
Maybank IB or Principal Adviser	: Maybank Investment Bank Berhad (Registration No. 197301002412 (15938-H)), the Principal Adviser to the Offeror for the Offer
M&A Securities or Independent Adviser	: M&A Securities Sdn Bhd (Registration No. 197301001503 (15017-H)), the Independent Adviser appointed by the Board pursuant to paragraph 3.06 of the Rules to advise the Board and the Holders on the Offer
NA	: Net assets
NBV	: Net book value

DEFINITIONS (Cont'd)

- Non-Resident Holder(s) : Holder(s) (including without limitation, custodians, agents, representatives, nominees and trustees) who is a citizen or national of, or resident in, or has a registered address in a jurisdiction outside Malaysia, or is incorporated or registered with, or approved by any authority outside Malaysia, or is a non-resident within the definition prescribed under the Financial Services Act 2013
- Notice : Notice of the Offer dated 12 January 2026, served on the Board of the Offeree by Maybank IB, on behalf of the Offeror, in accordance with subparagraph 9.10(1)(b)(i) of the Rules
- NPE : New Pantai Highway
- Offer : The conditional voluntary take-over offer by the Offeror, through Maybank IB, to acquire all the Offer Shares at the Offer Price of RM3.15 per Offer Share in accordance with the terms and conditions set out in the Offer Document, including any revision thereof
- Offer Document : The document dated 3 February 2026 which contains the details, terms and conditions of the Offer together with the accompanying Form of Acceptance and Transfer. The Offer Document can be found at the link below:

https://disclosure.bursamalaysia.com/FileAccess/apbursaweb/download?id=154&name=EA_TEN_ATTACHMENTS
- Offer Document LPD : 27 January 2026, being the latest practicable date of the Offer Document
- Offer Period : The period commencing from 12 January 2026, being the date of serving of the Notice, until the earlier of either (i) the Closing Date; or (ii) the date on which the Offer lapses or is withdrawn with the written consent of the SC
- Offer Price : RM3.15 per Offer Share, to be satisfied in the following manner:

(i) in respect of 10.0% of the Offer Price, an amount equivalent to RM0.3150 in cash; and

(ii) in respect of 90.0% of the Offer Price, an amount equivalent to approximately RM2.8350 in the form of the Consideration Shares,

subject to any adjustment, where applicable, in the manner set out in Section 2.1 of the Offer Document.

On 25 February 2026, the Offeror announced a cash dividend of 2 sen for each Sunway Share, and a corresponding increase in 1 sen to the Cash Consideration of the Offer.
- Offer Share(s) : All the IJM Shares (excluding treasury shares). As at LPD, the Offer Shares comprise 3,505,166,120 IJM Shares, representing the entire equity interest in IJM (after excluding 142,400,000 treasury shares)
- Official List : A list specifying all securities listed on the Main Market

DEFINITIONS (Cont'd)

PACs	:	Persons deemed to be acting in concert with the Offeror in relation to the Offer pursuant to subsections 216(2) and 216(3) of the CMA. As at LPD, the persons acting in concert with Sunway who hold IJM Shares are Chung Seow Hun, CGCMB, Goh Hai Thun @ Ng Hai Thun, Lim Chwee Kim, PKNS and Lim Suan
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PER	:	Price-to-earnings ratio
PKNS	:	Perbadanan Kemajuan Negeri Selangor
PNB	:	Permodalan Nasional Berhad (Registration No. 197801001190 (38218-X))
Posting Date	:	3 February 2026, being the date of posting of the Offer Document to the Holders
Property Valuers	:	Knight Frank Malaysia Sdn Bhd (Registration No. 200201017816 (585479-A)) and Laurelcap Sdn Bhd (Registration No. 200801005326(806610-U)), collectively
Public Spread Requirement	:	The requirement pursuant to paragraph 8.02(1) of the Listing Requirements which states that a listed issuer must ensure that at least 25.0% of its total listed shares (excluding treasury shares) are held by public shareholders to ensure its continued listing on the Main Market
P/B	:	Price-to-book ratio
RM and sen	:	Ringgit Malaysia and sen, respectively
RNAV	:	Revalued net asset value
Rules	:	Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC
SC	:	Securities Commission Malaysia
SHH	:	Sunway Healthcare Holdings Berhad (Registration No. 202101000296 (1400594-U))
SOLAPUR	:	Solapur-Vijayapura Tollway
SOPV	:	Sum of parts valuation
sq. ft.	:	Square feet
sq. m.	:	Square meter
Sunway or Offeror	:	Sunway Berhad (Registration No. 201001037627 (921551-D))

DEFINITIONS (Cont'd)

Sunway Distribution	: The distribution by Sunway of 676,042,070 Distribution Shares to its entitled shareholders by way of dividend-in-specie, on the basis of 1 Distribution Share for every 10 Sunway Shares (excluding treasury shares) held at 5:00 p.m on 11 March 2026
Sunway Group or Offeror Group	: Sunway and its group of subsidiaries, collectively
Sunway Holdings	: Sunway Holdings Sdn Bhd (Registration No. 197801000442 (37465-A))
Sunway ICPS	: Irredeemable convertible preference shares in the Offeror issued on 3 December 2020
Sunway Share(s) or Offeror Share(s)	: Ordinary share(s) in Sunway
Tan Sri Dato' Seri (Dr.) Jeffrey Cheah	: Tan Sri Dato' Seri (Dr.) Jeffrey Cheah Fook Ling KBE AO
Total Consideration	: The total consideration for the Offer of approximately RM11.0 billion, assuming full acceptance of the Offer and no adjustments are made to the Offer Price of RM3.15 per Offer Share, which will be satisfied via a combination of cash and the issuance of the Consideration Shares
UK	: United Kingdom
Valid Acceptance(s)	: Acceptance(s) of the Offer by a Holder in accordance with the terms and conditions of the Offer Document, which is deemed by the Offeror to be valid and complete in all respects
VWAMP	: Volume-weighted average market price
WCE	: West Coast Expressway

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. References to persons shall include corporations, unless otherwise specified.

Unless otherwise indicated, all references to dates and times in this IAC refer to Malaysian dates and times. If any period of time is specified from a given day, or the day of a given act or event, it is to be calculated exclusive of that day and if any period of time falls on a Saturday, Sunday or public holiday, then that period is to be deemed to only expire on the next Market Day.

All references to "you" or "Holder" in this IAC are to the holder of the Offer Shares, being the person to whom the Offer is being made. All references to "we", "us" or "our" in this IAC, (*save for the Executive Summary and the Letter from the Board*), are to M&A Securities, the Independent Adviser for the Offer.

Any reference in this IAC to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any discrepancies in the tables included in this IAC between the amounts listed, actual figures and the totals thereof are due to rounding.

FORWARD LOOKING STATEMENTS

This IAC contains forward-looking statements. All statements other than statements of historical facts included in this IAC, including, without limitation, those regarding IJM Group's financial position, business strategies, plans and objectives for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors which may cause IJM Group's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding IJM Group's present and future business strategies and the environment in which IJM Group will operate in the future. Such forward-looking statements reflect the current view of IJM's management with respect to future events and are not a guarantee of future performance.

Forward-looking statements can be identified by the use of forward-looking terminology such as "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast", "project", "propose" or similar expressions and include all statements that are not historical facts.

Such forward-looking statements include, without limitations, statements relating to:

- (a) the demand for IJM Group's products or services;
- (b) the business strategies of IJM Group;
- (c) the future plans of IJM Group;
- (d) the future earnings, cash flows and liquidity of IJM Group; and
- (e) the ability of IJM to pay future dividends.

The actual results of IJM Group may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond its control, including, without limitation:

- (a) the economic, political and investment environment in Malaysia and other countries in which IJM Group operates; and
- (b) Government policies, legislations or regulations where IJM Group operates.

As such, no assurance can be given that the forward-looking statements made in this IAC will be realised. Such forward-looking statements are made only as at the date of this IAC.

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS ONLY THE PERTINENT INFORMATION OF THE OFFER. YOU ARE ADVISED TO READ CAREFULLY THE CONTENTS OF THIS IAC FOR FURTHER INFORMATION AND RECOMMENDATIONS FROM THE BOARD (PART A OF THIS IAC) AND M&A SECURITIES, THE INDEPENDENT ADVISER (PART B OF THIS IAC). THIS IAC SHOULD ALSO BE READ TOGETHER WITH THE OFFER DOCUMENT.

1. INTRODUCTION

On 12 January 2026, Maybank IB, on behalf of the Offeror, served the Notice on the Board in accordance with subparagraph 9.10(1)(b)(i) of the Rules to acquire all the Offer Shares. On even date, IJM announced the receipt of the Notice and a copy of the Notice was despatched to the Holders on 19 January 2026.

On 20 January 2026, pursuant to paragraph 3.06 of the Rules, M&A Securities was appointed by the Board to act as the Independent Adviser to provide comments, opinions, information and recommendation to the Board and Holders in relation to the Offer.

On 23 January 2026, M&A Securities declared to the SC its independence from conflict of interest or potential conflict of interest to act as the Independent Adviser in relation to the Offer.

On 29 January 2026, M&A Securities, on behalf of IJM, submitted an application to the SC to seek approval for an extension of time of 30 days from 3 February 2026 to 5 March 2026 to submit the IAC and Offeree board circular to the SC and consequently to issue the IAC and Offeree board circular on 16 March 2026.

Subsequently, the SC had via its letter dated 30 January 2026, approved the application for the extension of time to submit the IAC and Offeree board circular to the SC by 5 March 2026 and to issue the IAC and Offeree board circular by 16 March 2026.

On 3 February 2026, a copy of the Offer Document, which sets out the details, terms and conditions of the Offer as well as the procedures for acceptance and method of settlement of the Offer was despatched to the Holders.

Pursuant to subparagraphs 11.03(2) and 11.04(2) of the Rules, the SC had, via its letter dated 12 March 2026, notified that it has no further comments on this IAC. However, such notification shall not be taken to suggest that the SC agrees with the recommendations contained herein or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this IAC.

As set out in the Offer Document, there is no ultimate offeror for the Offer. The PACs that have a direct or indirect interest in IJM Shares as at Offer Document LPD are set out in **Section 1 of Part A of this IAC**.

As set out in the Offer Document, the Offeror does not hold any IJM Shares as at the Posting Date. The shareholdings of the PACs in IJM aggregate to 984,500 IJM Shares, representing 0.03% of the total IJM Shares in issue (excluding treasury shares) as at Offer Document LPD. Please refer to **Section 1 of Part A of this IAC** for details of the direct and indirect interests of the PACs in IJM as at Offer Document LPD.

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2. SALIENT TERMS AND CONDITIONS OF THE OFFER

The terms and conditions of the Offer include the following:

2.1 Consideration for the Offer

In accordance with the method of settlement as set out in **Section 2.4 of the Offer Document**, the Accepting Holders will be paid an Offer Price of **RM3.15** per Offer Share which will be satisfied in the following manner:

- (a) in respect of 10.0% of the Offer Price, an amount equivalent to RM0.3150 in cash; and
- (b) in respect of 90.0% of the Offer Price, an amount equivalent to approximately RM2.8350 in the form of Consideration Shares.

Notwithstanding the above, if IJM declares, makes or pays any Distribution on or after the date of the Notice but prior to the Closing Date and the Holders are entitled to retain such Distribution, the Offeror shall reduce the Offer Price of RM3.15 per Offer Share by the amount equivalent to the net Distribution per IJM Share that the Holders are entitled to retain. Accordingly, this may reduce the cash amount and the number of Consideration Shares to be received by a Holder. The priority of such reduction will be first to the cash amount.

For the avoidance of doubt, where the net Distribution per IJM Share is equal to or higher than RM0.3150 per Offer Share, the entire cash component shall be reduced to zero and the reduction shall thereafter be applied to the number of Consideration Shares to be received by a Holder. In such a scenario, Accepting Holders will not receive any cash consideration pursuant to the Offer.

For the avoidance of doubt, no adjustment shall be made to the Offer Price of RM3.15 per Offer Share in the event the entitlement date for the Distribution by IJM is after the Closing Date.

As at LPD, IJM has not announced any Distribution that is payable on or after the date of the Notice.

If Sunway declares, makes or pays any Distribution (save for the Sunway Distribution) on or after the date of the Notice but prior to the Closing Date, Sunway will increase the Cash Consideration by the amount equivalent to the net Distribution per Sunway Share multiplied by the number of Consideration Shares for which a Holder of each Offer Share would receive for accepting the Offer. There will be no change to the Issue Price or the number of Consideration Shares.

Sunway had, on 5 December 2025, announced that in conjunction with the listing of SHH, Sunway will be implementing the Sunway Distribution which essentially entails the distribution of 676,042,070 Distribution Shares to the entitled shareholders of Sunway by way of dividend-in-specie, on the basis of 1 Distribution Share for every 10 Sunway Shares (excluding treasury shares) at an entitlement date to be determined and announced by the Board of Sunway prior to the completion of the listing of SHH. On 24 February 2026, Sunway announced that the entitlement date for the Sunway Distribution is 11 March 2026.

The Consideration Shares will, upon allotment and issuance, rank equally in all respects with the then existing Sunway Shares, save and except that the holders of such Consideration Shares will not be entitled to any Distribution, the entitlement date of which is prior to the date of allotment of such Consideration Shares. The Consideration Shares will be listed on the Main Market.

EXECUTIVE SUMMARY *(Cont'd)*

Holders may accept the Offer in respect of all or part of their Offer Shares. For every 1 Offer Share, the Holder will receive RM0.3150 in cash and approximately 0.5 Consideration Share to be issued at the Issue Price (valuing the share component at RM2.8350 per Offer Share). The actual payment to be received by the Accepting Holder is subject to the number of Offer Shares held by the Accepting Holder as the Offeror will not pay fractions of a sen or issue fractions of a Consideration Share to the Accepting Holders. Fractions of a sen will be rounded down to the nearest whole sen while fractions of a Consideration Share will be rounded down to the nearest whole Consideration Share.

On 25 February 2026, the Offeror announced a cash dividend of 2 sen for each Sunway Share. The entitlement date for the dividend is 19 March 2026. Arising from this and based on the terms of the Offer, Accepting Holders will be entitled to receive an additional cash consideration of 1 sen for each Offer Share (i.e. from RM0.315 to RM0.325), being the cash dividend of 2 sen multiplied by 0.5 Consideration Share for which an Accepting Holder of each Offer Share would receive for accepting the Offer. For avoidance of doubt, there is no change to the Offer Price, nor Issue Price or the number of Consideration Shares.

2.2 Conditions of the Offer

The Offer is conditional upon the Offeror having received, on or before the Closing Date, Valid Acceptances resulting in the Offeror holding in aggregate more than 50.0% of the voting shares in IJM. Further, the Offer is also conditional upon the following:

- (a) approval of Bursa Securities for the listing of and quotation for the Consideration Shares on the Main Market which was obtained on 5 March 2026; and
- (b) approval of the shareholders of Sunway in relation to the Offer at an EGM of Sunway to be convened.

(collectively, "**Other Conditions**").

The Acceptance Condition shall be fulfilled not later than 5.00 p.m. (Malaysian time) on or before the First Closing Date, being the 60th day from the Posting Date, failing which the Offer will cease to be capable of further acceptances and all acceptances shall be returned to the Accepting Holders, and the Offeror will thereafter cease to be bound by any such prior acceptances of the Offer.

For information purposes, the First Closing Date of 6 April 2026 has been determined primarily to allow the Holders to have sufficient time to consider the Offer and for Sunway to convene and hold the EGM for the Offer (tentatively scheduled for 26 March 2026) prior to the First Closing Date.

Barring unforeseen circumstances, the Offeror expects the Other Conditions to be fulfilled prior to the First Closing Date. In such event, the Offer will remain open for acceptances for at least 14 days from the date on which the Offer becomes and is declared unconditional before the Offer is closed.

2.3 Duration of the Offer

The Offer shall remain open for acceptances until **5.00 p.m. (Malaysian time) on Monday, 6 April 2026**, being the First Closing Date, or such later date(s) as the Offeror may decide and will be announced by Maybank IB, on behalf of the Offeror, at least 2 days before the Closing Date, unless the Offeror withdraws the Offer with the SC's prior written consent and in such event, every person shall be released from any obligations incurred under the Offer.

Please refer to **Section 2 of Appendix I of the Offer Document** for further details on the duration of the Offer.

2.4 Method of settlement

Save for the Offeror's right to adjust the Offer Price as set out in **Section 2.1 of the Offer Document** and except with the consent of the SC, the settlement of the consideration to which any Accepting Holder is entitled under the Offer will be implemented in full, in accordance with the terms of the Offer without regard to any lien, right of set-off, counter-claim or other analogous rights to which the Offeror may be entitled against the Accepting Holder. This, however, is without prejudice to the Offeror's right to make any claim against the Accepting Holder after such full settlement in respect of a breach of any of the warranties set out in **Section 1 of Appendix I of the Offer Document**.

Where there are Valid Acceptances, the settlement of the consideration for the Offer Shares to which such Valid Acceptances relate will be effected via:

(a) Cash Consideration

- (i) remittance into the Accepting Holders' bank account, if the Accepting Holders have registered their bank account with Bursa Depository for purposes of cash dividend/distribution; or
- (ii) otherwise, remittance in the form of cheque, banker's draft and/or cashier's order which will be posted by ordinary mail to the Accepting Holders (or their designated agents, as they may direct) at their registered Malaysian address last maintained with Bursa Depository, at their own risk.

(b) Consideration Shares

The Consideration Shares will be allotted, issued and credited to the Accepting Holders' CDS accounts. No physical share certificates will be issued to the Accepting Holders. The Offeror's obligation to allot, issue and credit the Consideration Shares shall be subject to the Accepting Holder maintaining a valid CDS account at the time of settlement.

The Cash Consideration is to be paid and the Consideration Shares are to be allotted, issued and credited within 14 days from:

- (a) the date the Offer becomes or is declared wholly unconditional, if the Valid Acceptances are received during the period when the Offer is still conditional; or
- (b) the date of the Valid Acceptances, if the Valid Acceptances are received during the period after the Offer is or has become or has been declared wholly unconditional.

Non-resident Holders are advised that the settlement for the acceptance of the Offer will be made in Ringgit Malaysia or in the form of Consideration Shares which are denominated in Ringgit Malaysia. Non-resident Holders who wish to convert the consideration received into foreign currency for repatriation may do so after payment of the appropriate fees and/or charges as levied by the respective financial institutions and/or foreign authorities.

2.5 Other terms and conditions and procedures for acceptances

Please refer to **Appendix I of the Offer Document** for the full terms and conditions of the Offer and **Appendix II of the Offer Document** for details on the procedures for acceptance and method of settlement of the Offer.

EXECUTIVE SUMMARY *(Cont'd)*

3. DETAILS OF ACCEPTANCES

As at LPD, there is no announcement made by Maybank IB, on behalf of the Offeror, of the level of acceptances of the Offer Shares.

4. EVALUATION OF THE OFFER

In arriving at its conclusion and recommendation in respect of the Offer, M&A Securities has assessed the fairness and reasonableness of the Offer in accordance with paragraphs 1 to 6 of Schedule 2: Part III of the Rules, whereby:

- (a) the term "**fair and reasonable**" should generally be analysed as 2 distinct criteria i.e. whether the Offer is "**fair**" and whether the Offer is "**reasonable**", rather than as a composite term;
- (b) the Offer is considered "**fair**" if the Offer Price is equal to or higher than the market price and is also equal to or higher than the value of the Offer Shares. However, if the Offer Price is equal to or higher than the market price, but is lower than the value of the Offer Shares, the Offer is considered as "**not fair**". In making the assessment, the value of the Offer Shares is determined based on the assumption that 100.0% of the issued share capital of the Offeree is being acquired;
- (c) in considering whether the Offer is "**reasonable**", the Independent Adviser should take into consideration matters other than the valuation of the Offer Shares;
- (d) generally, a take-over offer would be considered "**reasonable**" if it is "**fair**". Nevertheless, an Independent Adviser **may also recommend for shareholders to accept the take-over offer despite it being "not fair"**, if the Independent Adviser is of the view that there are sufficiently strong reasons for the Holders to accept the offer in the absence of a higher bid and such reasons should be clearly explained; and
- (e) in the event that the Independent Adviser concludes that the Offer is "**not fair but reasonable**", the Independent Adviser must clearly explain the following:
 - (i) what is meant by "**not fair but reasonable**";
 - (ii) how has the Independent Adviser reached to this conclusion; and
 - (iii) the course of action that the Holders are recommended to take pursuant to the conclusion.

In relation to (e)(ii) above, as 90.0% of the Offer Price is to be satisfied through the issuance of the Consideration Shares, it is also pertinent that the fairness of the Offer be assessed with reference to the aggregate value of the consideration receivable by the Holders (comprising cash and Consideration Shares) relative to the estimated value of the Offer Shares. In this regard, the Independent Adviser's assessment of the value of the Consideration Shares will be made in accordance with paragraphs 11 to 13 of Schedule 2: Part III of the Rules.

EXECUTIVE SUMMARY (Cont'd)

4.1 Fairness of the Offer

The assessment of the fairness of the Offer is based on the following pertinent factors:

Considerations	Assessment
Evaluation of IJM Shares	IJM is principally engaged in investment holding activities. The IJM Group's principal activities consist of construction, property development, manufacturing & quarrying, tollway operations, port operations and investment holding.

In arriving at the most appropriate valuation method to estimate the value of IJM Shares, M&A Securities has adopted the DCF, PER, RNAV and NA methods, where relevant to value the business segments of IJM Group. In view of the different valuation methodologies adopted for different business segments of IJM Group, M&A Securities has adopted the SOPV approach as the most appropriate valuation methodology to arrive at the value of IJM Shares. The SOPV approach represents the aggregate valuation of the different business segments.

Premised on the SOPV approach, the Offer Price represents the following discount to the estimated value range of IJM Share:

Range	Estimated value per IJM Share	Discount to estimated value	
	(RM)	(RM)	(%)
Low	5.84	2.69	46.1
High	6.48	3.33	51.4

Historical market price analysis of IJM Shares

M&A Securities notes that the Offer Price represents:

- (a) a premium of RM0.4000 (14.55%) and RM0.5060 (19.14%) over the closing price of IJM Shares as at LTD and 5-day VWAMP of IJM Shares up to and including LTD respectively;
- (b) a premium ranging from RM0.4713 (17.59%) to RM0.6888 (27.99%) over the 1-month, 3-month, 6-month and 12-month VWAMPs of IJM Shares up to and including LTD respectively; and
- (c) a premium of RM0.8400 (36.36%) and RM0.7933 (33.66%) to the closing price of IJM Shares on LPD and 5-day VWAMP of IJM Shares up to and including LPD respectively.

EXECUTIVE SUMMARY (Cont'd)

Considerations	Assessment
Evaluation of Consideration Shares	<p>In arriving at the fairness evaluation of the Offer, M&A Securities has also assessed the estimated value of the Offer Shares against the total estimated value of the consideration receivable by Accepting Holders for the Offer Shares (comprising 10.0% cash and 90.0% Consideration Shares).</p>

As the Consideration Shares are listed Sunway Shares which are actively traded on Bursa Securities, M&A Securities is of the view that the market price of Sunway Shares is an appropriate primary reference point in determining their value. Accordingly, and consistent with paragraph 13 of Schedule 2: Part III of the Rules, M&A Securities has adopted the historical market prices of Sunway Shares as the principal measure of value of the Consideration Shares.

In contrast, M&A Securities has assessed the estimated value of IJM Shares based on control-based or break-up valuation methodologies, by using SOPV approach. This reflects the nature of the Offer where the Offeror is seeking to acquire the entire equity interest in IJM (or at the very minimum, statutory control of IJM based on the Acceptance Condition).

Accepting Holders would receive Consideration Shares representing a minority interest in the enlarged Sunway Group. M&A Securities is of the view that the value of such minority interest is appropriately reflected by the observable market trading prices of Sunway Shares, being prices that reflect freely tradable minority interests in Sunway on Bursa Securities.

In this regard, M&A Securities notes that the Issue Price represents:

- (a) a premium of RM0.0500 (0.89%) and RM0.0412 (0.73%) over the closing price of Sunway Shares as at LTD and 5-day VWAMP of Sunway Shares up to and including LTD respectively;
- (b) a premium ranging from RM0.0486 (0.87%) to RM0.7449 (15.19%) over the 1-month, 3-month, 6-month and 12-month VWAMP of Sunway Shares up to and including LTD respectively; and
- (c) a premium of RM0.5500 (10.78%) and RM0.3039 (5.68%) to the closing price of Sunway Shares on LPD and 5-day VWAMP of Sunway Shares up to and including LPD respectively.

M&A Securities notes that the Offer Price and Issue Price will not be adjusted for the Sunway Distribution, and no corresponding adjustment or compensation mechanism has been provided to Holders, despite the fact that Holders who receive the Consideration Shares will not be entitled to the Distribution Shares.

Based on the Distribution Ratio and the final IPO price of RM1.45 per SHH share as announced by SHH on 9 March 2026, the value attributable to the Distribution Shares is approximately RM0.145 per Sunway Share. As the economic value of the Consideration Shares to be received by such Holders would be reduced by the extent of the value attributable to the Distribution Shares, M&A Securities has ascribed a downward adjustment of RM0.145 per Sunway Share to reflect the impact of the Sunway Distribution. As such, an adjusted market price of RM5.505 per Consideration Share has been derived.

EXECUTIVE SUMMARY (Cont'd)

Considerations Assessment

For the avoidance of doubt, and for the purpose of computing the exchange ratio/implied exchange ratio, the Cash Consideration has not been adjusted for the 2 sen dividend announced by Sunway on 25 February 2026, for which the Offeror has announced a corresponding increase of 1 sen to the Cash Consideration. Similarly, no corresponding adjustment has been made to the Issue Price of the Sunway Shares in this respect.

The effect of such adjustment on the implied value of the Offer, is illustrated as follows:

	As per Offer Document	Adjusted for Sunway Distribution
	RM'000	RM'000
Total Cash Consideration ⁽³⁾	1,104,127	1,104,127
Total shares consideration	⁽¹⁾ 9,937,146	⁽²⁾ 9,682,122
	11,041,273	10,786,249
No. of Offer Shares	3,505,166,120	3,505,166,120
Offer Price/ Adjusted implied value (RM)	3.15	3.08

Notes:

- (1) Calculated based on the Issue Price of RM5.65 multiplied by 1,758,786,893 Consideration Shares.
- (2) Calculated based on the adjusted market price of RM5.505 multiplied by 1,758,786,893 Consideration Shares.
- (3) For the avoidance of doubt, no adjustment was made to the value of the Consideration Shares or the Cash Consideration for the 2 sen cash dividend declared by Sunway on 25 February 2026, as the Cash Consideration will be adjusted to reflect the effect of such cash dividend.

Based on the foregoing, both the Offer Price and adjusted implied value of consideration of RM3.08 per IJM Share are below the estimated value range of IJM Shares, as summarised below:

Range	Discount to estimated value per IJM Share				
	Estimated value per IJM Share	Based on the Offer Price (RM3.15)		Based on the adjusted implied value of consideration (RM3.08)	
	RM	RM	%	RM	%
Low	5.84	2.69	46.1	2.76	47.3
High	6.48	3.33	51.4	3.40	52.4

EXECUTIVE SUMMARY (Cont'd)

Considerations	Assessment	
Exchange ratio	The implied exchange ratio of IJM Shares with Sunway Shares under the Offer vis-à-vis the estimated value of IJM Shares and Sunway Shares are set out below:	
	Based on the Offer	Based on M&A Securities' evaluation
	RM	RM
Offer Price	3.150	⁽¹⁾ 6.160
Less: Cash Consideration ⁽²⁾	(0.315)	(0.315)
Estimated value per IJM Share, net of Cash Consideration	2.835	5.845
Issue Price/ Adjusted Issue Price of Sunway Shares ⁽²⁾	5.650	⁽³⁾ 5.505
Implied exchange ratio ⁽⁴⁾	0.501	1.062

Notes:

- (1) Being the mid-point of the estimated value range of IJM Shares of RM6.16, derived from the simple average of the low and high range of RM5.84 and RM6.48 respectively, as set out in Section 6.1.
- (2) For the avoidance of doubt, and for the purpose of computing the exchange ratio/implied exchange ratio, the Cash Consideration has not been adjusted for the 2 sen dividend announced by Sunway on 25 February 2026, for which the Offeror has announced a corresponding increase of 1 sen to the Cash Consideration. Similarly, no corresponding adjustment has been made to the Issue Price of the Sunway Shares in this respect.
- (3) After adjustment for the Sunway Distribution (valued at RM0.145 per Sunway Share).
- (4) The implied exchange ratio is computed by dividing the estimated value of IJM Share (net of Cash Consideration) by the Issue Price/adjusted Issue Price of the Consideration Shares of RM5.505.

Based on the above, the resultant exchange ratio is 1.062 and is significantly higher than the implied exchange ratio of 0.501 Sunway Shares per IJM Share under the Offer. This indicates that the Consideration Shares offered under the Offer does not adequately reflect the estimated value of IJM Shares.

Based on the above, and notwithstanding that the Offer Price represents:

- (a) a **premium** of between 14.55% to 25.5% over the historical market price of IJM Shares as summarised above; and
- (b) a **premium** of 7.51% over the unaudited NA per IJM Share of RM2.93 as at 31 December 2025.

M&A Securities is of the view that the Offer is **NOT FAIR** based on the following:

- (a) the Offer Price of RM3.15 represents a **discount** of between 46.1% and 51.4% to the estimated value of IJM Shares of between RM5.84 and RM6.48 per IJM Share derived from the SOPV approach. For Holder's information, the latest unaudited NA per IJM Share as at 31 December 2025 is RM2.93; and

EXECUTIVE SUMMARY (Cont'd)

- (b) the implied value of the consideration receivable by Accepting Holders for the Offer Shares (comprising cash and Consideration Shares) of RM3.08 represents a **discount** of between 47.3% and 52.4% to the estimated value of IJM Shares of between RM5.84 and RM6.48 per IJM Share derived from the SOPV approach; and
- (c) the implied exchange ratio of IJM Shares with Sunway Shares under the Offer of 0.501 is **significantly lower** than the implied exchange ratio of IJM Shares with Sunway Shares of 1.062 based on the mid-point of the estimated value of each IJM Shares of RM6.16.

Please refer to **Section 6 of Part B of this IAC** for further details.

4.2 Reasonableness of the Offer

The assessment of the reasonableness of the Offer is based on the following pertinent factors:

Considerations	Assessment
Trading liquidity of IJM Shares	<p>IJM Shares were traded at an average monthly volume of 188,073,458 Shares, representing approximately 6.66% of the free float of IJM Shares for the past 12 months from January 2025 up to December 2025 (being the last full trading month before LTD).</p> <p>Based on the above, IJM Shares are relatively liquid when compared against the FBM KLCI Index as the average monthly trading liquidity of IJM Shares of approximately 6.66% is higher than the average trading liquidity of the FBM KLCI Index for the same period of approximately 4.86%.</p> <p>In addition, IJM has also maintained an average monthly free float of approximately 80.6% over the same period, which is significantly higher than the minimum public spread requirement of 25.0%.</p> <p>As such, there is presently an established avenue for Holders to realise their investment in IJM through on-market transactions, subject to prevailing market conditions without having to transition their holdings of IJM Shares into the Consideration Shares under the Offer.</p>
Competing take-over offer/ Level of control	<p>IJM confirms that, as at LPD, save for the Offer, it had not received any competing offer or any alternative offer for its securities or its business, assets and liabilities.</p> <p>While the Offer provides an opportunity to the Holders to realise their investments in IJM at the Offer Price, the Offeror currently does not hold any IJM Shares and its PACs collectively hold less than 1.0% equity interest in IJM.</p> <p>As such, in the event that the Offer is unsuccessful, the Offeror and its PACs would not have acquired any interest in IJM pursuant to the Offer and would not hold any ownership position capable of conferring control or significant influence over the IJM Group. Conversely, for illustrative purposes, in circumstances where an offeror already holds a significant stake in the offeree, shareholders may have greater incentive to accept an offer as the offeror may nonetheless be in a position to exert significant influence over the offeree regardless of the outcome of the offer. Accordingly, in the context of IJM, given that the Offeror and PACs do not presently hold any shares in IJM, Holders are not compelled to accept the Offer, and by doing so, IJM would remain an independent listed group with full strategic, operational and financial autonomy to continue executing its growth strategy without influence or participation from the Offeror.</p>

EXECUTIVE SUMMARY (Cont'd)

Considerations	Assessment
	<p>In this regard, there is no negative consequence to the Holders if the Offer is unsuccessful and Holders may continue to participate in the potential future growth and value creation of IJM Group as an independent listed group.</p>
Rationale for the Offer and future plans for the IJM Group and its employees	<p>In considering the rationale for the Offer, and the Offeror's intention with respect to the future plans for IJM Group, our comments are as follows:</p> <ul style="list-style-type: none">(i) Accepting Holders will receive 90.0% of the Offer Price in Consideration Shares and will collectively, transition from holding 100.0% equity interest in IJM into approximately 20.6% minority interests in Sunway. As minority shareholders, Accepting Holders will have significantly less control and will assume exposure to the substantial integration, execution and transitional risks arising from the combination of two sizeable and diversified conglomerates with distinct operating models, asset compositions, management structures and strategic priorities. Holders who have historically determined the resolutions of IJM will, upon receiving Sunway Shares, no longer have direct influence over decisions relating solely to IJM Group's businesses and assets, but instead would participate only as minority shareholders in Sunway.(ii) The anticipated benefits cited by the Offeror are forward-looking in nature and contingent upon successful integration, alignment of business strategies and retention of key management personnel. Accordingly, the ultimate value to be realised by Accepting Holders will depend on the future performance and successful integration of Sunway Group and IJM Group following completion of the Offer.(iii) In contrast, IJM Group is currently in an active value-creation phase, supported by the quality and replenishment of its order book, sector diversification, geographical expansion and ongoing strategic initiatives, for which the value attributable to these embedded and future growth initiatives has yet to be fully reflected. <p> Holders are advised to carefully consider the integration and execution risks associated with accepting the Offer vis-à-vis the standalone growth prospects and value proposition of existing IJM Group when evaluating the Offer.</p> <p> Further, Sunway Shares are currently trading at valuation multiples higher than those of its peers, suggesting that a substantial portion of its anticipated growth and scale advantages has already been reflected in its prevailing market price. As the Offer consideration is predominantly share-based, Accepting Holders will not realise immediate value in cash but will instead rely on the sustained market valuation of Sunway Shares.</p>

Based on the above, M&A Securities is of the view that the Offer is **NOT REASONABLE**.

Please refer to **Section 7 of Part B of this IAC** for further details.

5. RECOMMENDATION

5.1 By M&A Securities

M&A Securities views that the Offer is **NOT FAIR and NOT REASONABLE**. Accordingly, M&A Securities:

- (a) advises the Board to recommend the Holders to **REJECT** the Offer; and
- (b) recommends the Holders to **REJECT** the Offer.

Please refer to **Section 12 of Part B of this IAC** for further details of M&A Securities' evaluation.

5.2 By the Board

Azhar bin Ahmad and Mazuki bin Abdullah @ Muhammad are directors respectively nominated by EPF and PNB on the Board. EPF and PNB are Holders which are entitled to accept the Offer. The Board understands from Azhar bin Ahmad and Mazuki bin Abdullah @ Muhammad that no decision has yet been made by or on behalf of EPF and PNB in respect to the Offer. Accordingly, any views expressed by Azhar bin Ahmad and Mazuki bin Abdullah @ Muhammad in relation to the Offer **are expressed solely in their capacity as a director of IJM and do not in any way represent the position or decision of EPF and PNB with respect to the Offer**, and should not be construed as a view or recommendation by EPF and PNB.

The Board, after careful assessment of the terms and conditions of the Offer as contained in the Offer Document and taking into consideration the evaluation and recommendation by M&A Securities as contained in **Part B of this IAC, CONCURS** with the recommendation of the Independent Adviser that the Offer is **NOT FAIR and NOT REASONABLE**. Accordingly, the Board **unanimously** recommends that the Holders **REJECT** the Offer.

The Board wishes to further highlight the following justifications in support of their opinion:

- (a) The Board is of the view that several of IJM Group's business segments have reached a level of operational maturity, earnings visibility and strategic positioning that can support independent capital market value realisation, while IJM's ongoing transformation strategy provides additional medium- to long-term growth. The Board believes that such embedded and future shareholders' value is not reflected under the Offer, and, coupled with integration risks and strategic alignment arising from the combination with Sunway Group, may introduce execution uncertainties and disrupt or dilute the execution of IJM's existing growth strategy and its medium- to long-term value creation trajectory;
- (b) In FYE 31 March 2025, approximately 67.0% of IJM Group's new construction wins were in fast-track industrial segments such as data centres, electrical & electronics, semiconductors, high-impact high technology manufacturing. This demonstrates IJM's existing contract winning capabilities, to which the Board does not see incremental value in further consolidation, in terms of its independent technical strength, execution capability and market positioning;
- (c) The Board wishes to emphasise that supply chain integration is already embedded in IJM's operating model, and the synergies articulated by the Offeror such as the centralised procurement of goods and services arising from the proposed consolidation and integration across two large and diversified operating platforms may introduce execution uncertainty, integration complexity and transitional risks;

EXECUTIVE SUMMARY (Cont'd)

- (d) IJM's substantial cash position of RM2.3 billion and debt position of RM6.1 billion (of which RM3.8 billion is non-recourse debt) as at 31 December 2025 provides the IJM Group with full financial autonomy to fund its growth initiatives, manage working capital and pursue strategic opportunities independently. If the Offer is successful, the enlarged Sunway Group would become one of the largest conglomerates in the country, which may introduce heightened concentration risk, which could offset part of the perceived financing advantages and introduce additional risk considerations not presently borne by IJM as a standalone listed group;
- (e) The Board believes that the continued direct ownership of IJM Shares would allow Holders to participate fully in the future performance, earnings growth and value realisation of IJM's underlying assets, projects and strategic initiatives, and IJM Shares have benefited from relatively stronger recurring dividend yields in the past. This contrasts with acceptance of the Offer, whereby Holders would instead hold a minority interest in a larger, diversified group, with investment returns dependent on the overall performance and integration outcomes of the enlarged Sunway Group. The integration of businesses of such scale and complexity typically requires a prolonged period before any anticipated synergies or efficiency gains may be realised;
- (f) Both IJM Group and Sunway Group already rank among Malaysia's leading contractors, capable of executing complex, large-scale infrastructure projects (e.g., MRT, LRT, and highways). In this context, the Board is of the view that the consolidation of two sizeable construction platforms could potentially reduce healthy intra-industry competition and result in the dominance of a single operating approach, rather than enhancing competitive dynamism;
- (g) The Board is of the view that the current level of market prices of IJM Shares and Sunway Shares may not be reflective of their value as they may have been influenced by the Offer and other factors; and
- (h) The Board further notes that the cash outlay for the Offer of RM1.1 billion is substantially less than IJM's existing cash balance of RM2.3 billion as at 31 December 2025. Accordingly, from a liquidity perspective, Sunway would effectively acquire IJM together with a net cash addition of approximately RM1.2 billion, which would accrue to the enlarged Sunway Group rather than the existing IJM shareholders.

Notwithstanding the recommendations of M&A Securities and the Board in respect of the Offer, the ultimate decision to be made by the Holders rests on their respective risk appetite, investment horizon and specific investment objectives, including their expectations regarding the future performance and prospects of IJM Group and Sunway Group. Holders who wish to immediately realise their investment in IJM may consider disposing of their IJM Shares in the open market during the Offer Period, should the prevailing market price of the IJM Shares remain higher than the Offer Price, after taking into account the transaction costs associated with such disposal and assuming no revision to the Offer Price (including the Issue Price of the Consideration Shares). For the Holder's information, as at LPD, IJM has not received any alternative offer for the Offer Shares or any other offer to acquire all the business, assets and liabilities of IJM Group.

Holders are advised to closely monitor the market price, trading volume and any press releases and/or announcements made in relation to the Offer, Sunway Group and/or IJM Group before making a decision on the course of action to be taken in respect of their Offer Shares. Such market prices are subject to various factors beyond the control of the Board, including overall market conditions, macro-economic developments, investor sentiment, trading liquidity and any negative or adverse publicity relating to IJM Group, Sunway Group or the Offer.

Accordingly, Holders should carefully evaluate prevailing market conditions and their individual investment objectives, liquidity needs and risk tolerance before making any decision in respect of their Offer Shares.

EXECUTIVE SUMMARY (Cont'd)

6. IMPORTANT DATES AND EVENTS

The important relevant dates in relation to the Offer are as follows:

Event	(1)Date
Notice served to the Board	Monday, 12 January 2026
Posting of the Offer Document	Tuesday, 3 February 2026
Issuance of the IAC	Friday, 13 March 2026
First Closing Date ⁽²⁾	Monday, 6 April 2026

Notes:

- (1) Where the period ends on a day which is not a Market Day, the period is extended until the next Market Day.
- (2) The Offer will remain open for acceptances until 5.00 p.m. (Malaysian time) on Monday, 6 April 2026, being the First Closing Date unless revised or extended in accordance with the Rules and the terms of the Offer Document or as the Offeror may decide and announced by Maybank IB, on behalf of the Offeror, at least 2 days before the Closing Date. Notices of such revision or extension will be posted to the Holders accordingly.

You should consider the recommendation of the Board and M&A Securities on the Offer carefully before making your decision regarding the Offer.

To facilitate electronic delivery of documents in the future, you are encouraged to register your email address with Bursa Depository via:

- (a) https://www.bursamalaysia.com/trade/our_products_services/central_depository_system/request_for_estatement; or
- (b) Bursa Anywhere mobile application which can be downloaded from Google Play Store or Apple App Store.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE INFORMATION CONTAINED IN THIS IAC, TOGETHER WITH THE OFFER DOCUMENT AND NOT RELY SOLELY ON THIS EXECUTIVE SUMMARY BEFORE FORMING AN OPINION ON THE OFFER AND MAKING A DECISION ON THE COURSE OF ACTION TO BE TAKEN.

IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION YOU SHOULD TAKE IN RELATION TO THE OFFER, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

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PART A

LETTER FROM THE BOARD



IJM CORPORATION BERHAD
(Registration No. 198301008880 (104131-A))
(Incorporated in Malaysia)

Registered Office:
2nd Floor, Wisma IJM
Jalan Yong Shook Lin
46050 Petaling Jaya
Selangor

13 March 2026

Board of Directors:

Tan Sri Dato' Tan Boon Seng @ Krishnan (*Non-Executive Chairman*)
Dato' Lee Chun Fai (*Group Chief Executive Officer & Managing Director*)
Tan Ting Min (*Independent Non-Executive Director*)
Dato' Ir. Tan Gim Foo (*Independent Non-Executive Director*)
Loh Lay Choon (*Independent Non-Executive Director*)
Datuk Ir. Ahmad 'Asri bin Abdul Hamid (*Independent Non-Executive Director*)
Fatimah binti Merican (*Independent Non-Executive Director*)
Gunavathi A/P Subramaniam (*Independent Non-Executive Director*)
Datuk Lee Teck Yuen (*Non-Executive Director*)
Azhar bin Ahmad (*Non-Executive Director*)
Mazuki bin Abdullah @ Muhammad (*Non-Executive Director*)

To: The Holders

Dear Sir/ Madam,

CONDITIONAL VOLUNTARY TAKE-OVER OFFER BY THE OFFEROR THROUGH MAYBANK IB TO ACQUIRE THE OFFER SHARES FOR AN OFFER PRICE OF RM3.15 PER OFFER SHARE

1. INTRODUCTION

On 12 January 2026, Maybank IB, on behalf of the Offeror, served the Notice on the Board in accordance with subparagraph 9.10(1)(b)(i) of the Rules to acquire all the Offer Shares. On even date, IJM announced the receipt of the Notice and a copy of the Notice was despatched to the Holders on 19 January 2026.

On 20 January 2026, pursuant to paragraph 3.06 of the Rules, M&A Securities was appointed by the Board to act as the Independent Adviser to provide comments, opinions, information and recommendation to the Board and Holders in relation to the Offer.

On 23 January 2026, M&A Securities declared to the SC its independence from conflict of interest or potential conflict of interest to act as the Independent Adviser in relation to the Offer.

On 29 January 2026, M&A Securities, on behalf of IJM, submitted an application to the SC to seek approval for an extension of time of 30 days from 3 February 2026 to 5 March 2026 to submit the IAC and Offeree board circular to the SC and consequently to issue the IAC and Offeree board circular on 16 March 2026.

Subsequently, the SC had via its letter dated 30 January 2026, approved the application for the extension of time to submit the IAC and Offeree board circular to the SC by 5 March 2026 and to issue the IAC and Offeree board circular by 16 March 2026.

On 3 February 2026, a copy of the Offer Document, which sets out the details, terms and conditions of the Offer as well as the procedures for acceptance and method of settlement of the Offer was despatched to the Holders.

Pursuant to subparagraphs 11.03(2) and 11.04(2) of the Rules, the SC had, via its letter dated 12 March 2026, notified that it has no further comments on this IAC. However, such notification shall not be taken to suggest that the SC agrees with the recommendations contained herein or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this IAC.

As set out in the Offer Document, there is no ultimate offeror for the Offer. Pursuant to subsections 216(2) and 216(3) of the CMSA, the PACs that have a direct or indirect interest in IJM Shares as at LPD are as follows:

Name	Nature of relationship with the Offeror
Chung Seow Hun ⁽¹⁾	Spouse of Cheah Kek Lin, the late brother of Tan Sri Dato' Seri (Dr.) Jeffrey Cheah, being the Chairman and a major shareholder of Sunway
CGCMB ⁽²⁾	A shareholder holding 49.0% in Credit Bureau Malaysia Sdn Bhd, which is an indirect 51.0%-owned subsidiary of Sunway
Goh Hai Thun @ Ng Hai Thun ⁽²⁾	A shareholder holding 70.0% equity interest in Sunray Holdings Sdn Bhd, which in turn holds 51.0% equity interest in Sunray Property & Facility Management Sdn Bhd, an indirect associate of Sunway
Lim Chwee Kim ⁽²⁾	Spouse of Goh Hai Thun @ Ng Hai Thun who is a shareholder holding 70.0% equity interest in Sunray Holdings Sdn Bhd, which in turn holds 51.0% equity interest in Sunray Property & Facility Management Sdn Bhd, an indirect associate of Sunway
PKNS ⁽²⁾	A shareholder holding 40.0% equity interest in Sunway PKNS Sdn Bhd, which is an indirect 60.0%-owned subsidiary of Sunway
Lim Suan ⁽²⁾	A shareholder holding 99.9% equity interest in Sharp Ventures Sdn Bhd, which is in turn holds a 24.0% direct interest in Sunway City (Cambodia) Sdn Bhd which is an indirect 76.0%-owned subsidiary of Sunway

Notes:

(1) Being a PAC by virtue of subsection 216(2) of the CMSA.

(2) Being a presumed PAC by virtue of subsection 216(3)(f) of the CMSA.

As set out in the Offer Document, the Offeror does not hold any IJM Shares as at Posting Date. The shareholdings of the PACs in IJM aggregate to 984,500 IJM Shares, representing 0.03% of the total IJM Shares in issue (excluding treasury shares) as at Offer Document LPD. The details of the direct and indirect interests of the PACs in IJM as at Offer Document LPD are as follows:

PACs	Direct		Indirect	
	No. of IJM Shares	(1)%	No. of IJM Shares	(1)%
Chung Seow Hun	29,000	*	-	-
CGCMB	565,000	0.02	-	-
Goh Hai Thun @ Ng Hai Thun	-	-	(2)10,000	*
Lim Chwee Kim	10,000	*	-	-
PKNS	380,500	0.01	-	-

Separately, on 10 March 2026, Sunway announced the dealing of IJM Shares by its PAC, Lim Suan, as such, the details of the direct and indirect interests of Lim Suan in IJM as at 10 March 2026 are as follows:

PAC	Direct		Indirect	
	No. of IJM Shares	(1)%	No. of IJM Shares	(1)%
Lim Suan	115,000	*	-	-

Notes:

* Negligible

(1) Computed based on 3,505,166,120 IJM Shares (excluding treasury shares) in issue as at Offer Document LPD.

(2) Deemed interested by virtue of the IJM Shares held by his spouse pursuant to Section 8 of the Act.

THE PURPOSE OF THIS IAC IS TO HIGHLIGHT THE RELEVANT INFORMATION IN RELATION TO THE OFFER AND TO PROVIDE YOU WITH THE VIEWS AND RECOMMENDATIONS OF THE BOARD AND M&A SECURITIES ON THE OFFER.

YOU ARE ADVISED TO READ THIS IAC, TOGETHER WITH THE OFFER DOCUMENT AND CAREFULLY CONSIDER THE RECOMMENDATIONS CONTAINED HEREIN BEFORE TAKING ANY ACTION.

2. SALIENT TERMS AND CONDITIONS OF THE OFFER

The salient terms and conditions of the Offer are set out in **Section 2 of the Executive Summary** and **Section 2, Part B of this IAC**. Please refer to **Section 2 of the Offer Document and Appendix I of the Offer Document** for further information on the salient terms and conditions of the Offer and **Appendix II of the Offer Document** for the procedures for acceptance and method of settlement of the Offer.

3. DETAILS OF ACCEPTANCES

As at LPD, there is no announcement made by Maybank IB, on behalf of the Offeror, of acceptances of the Offer Shares.

4. BOARD'S COMMENTS

The Board notes the rationale by Sunway for the Offer and its intentions with respect to the future plans for IJM Group and its employees as set out in **Sections 3 and 5 of the Offer Document** respectively, summarised below.

4.1 Rationale of the Offer

Given the substantial overlapping business segments of the Offeror and IJM, the Offer is envisaged to bring together the strengths and capabilities of both entities. In the prevailing macro-economic conditions, it is timely for industry players to collaborate through resources and capabilities sharing with the aim to strengthen performance and sustainability of operations. Upon meeting the Acceptance Condition, Sunway will have statutory control of IJM and is expected to achieve the following benefits:

(a) Enhanced scale and capability as one of the largest property and construction conglomerate groups in Malaysia

The successful completion of the Offer will establish an enlarged conglomerate involved in property development and construction in Malaysia which, based on revenue and asset base, would create one of the largest conglomerates endowed with the scale, scope and network necessary to compete regionally. Sunway will be able to consolidate the financial performance of the IJM Group and also expand the business activities of the Sunway Group.

The enlarged Sunway Group will emerge as a market leader in terms of revenue and total assets in the property development and construction sector in Malaysia. Based on Sunway's and IJM's unaudited condensed consolidated financial information for the last 12 months up to Offer Document LPD, Sunway will still be the main revenue contributor for the enlarged Sunway Group.

Furthermore, the enlarged Sunway Group would benefit from strengthened technical capabilities, leveraging the collective expertise of both groups in construction and infrastructure, positioning it well to capitalise on the robust momentum in Malaysia's infrastructure spending. In addition, the enlarged Sunway Group may explore opportunities for greater synergy across its construction-related supply chains. This may include, by way of illustration, the potential supply of industrial machinery and building materials from the Sunway Group's trading division to the IJM Group's construction division, as well as the supply of aggregates from the IJM Group's quarrying operations to the Sunway Group's premix and related construction activities. Any such initiatives will be subject to prevailing market conditions, contractual considerations and applicable regulatory requirements.

At the same time, the enlarged Sunway Group may also leverage on complementary construction capabilities within the Sunway Group and the IJM Group to support the provision of more integrated and comprehensive construction solutions. This may involve collaboration across different construction disciplines and specialist services within the enlarged Sunway Group, enabling the IJM Group's construction operations to be supported by additional inhouse technical expertise and resources available within the Sunway Group, with a view in enhancing project delivery capabilities, execution efficiency and service offerings.

(b) The enlarged Sunway Group will create potential synergistic value with efficiency and operational excellence

The enlarged Sunway Group will, subject to both Sunway's and IJM's shareholders' approval (if required), pursue synergistic arrangements to achieve greater economies of scale, cost synergistic benefits through savings on capital and operational expenditure, access to a larger pool of talent and expertise and adoption of best practices currently used by each group.

The enlarged Sunway Group may pursue more streamlined management of the underlying businesses through a consolidated platform, thereby improving coordination and operational efficiency. The integration of overlapping business areas, particularly in the property, construction and building materials sectors, is expected to allow the enlarged Sunway Group to implement more consistent processes, adopt best practices, accelerate decision-making and realise cost savings across the organisation. In particular and subject to shareholders' approval, if required, the enlarged Sunway Group is expected to benefit from the sharing of technical expertise, project management capabilities and specialised resources across its construction and property development operations, including the ability to internalize construction works for selected development projects where commercially appropriate. Such internal construction opportunities are expected to enhance cost control, improve project delivery timelines, reduce reliance on third-party contractors and provide greater visibility over construction quality and execution risks.

(c) Enlarged capitalisation and scale boosts financing capabilities and credit strengths

The larger scale and increased free float of Sunway Shares will have the potential to attract a broader base of institutional investors, thereby enhancing trading liquidity, strengthening access to capital markets and supporting the prospect of a re-rating. With the issuance of the Consideration Shares, Sunway will also benefit from a larger pool of investors with the inclusion of the shareholders of IJM who accept the Offer. In addition, if Sunway receives Valid Acceptances resulting in the Offeror either individually or jointly with its associate(s) holding in aggregate 90.0% or more of IJM Shares (excluding treasury shares), Sunway will submit a request to IJM to take all the necessary steps and procedures to withdraw its listing status from the Main Market in accordance with paragraph 16.07 of the Listing Requirements. Sunway believes that operating IJM as an unlisted company would provide it with greater flexibility to adopt longer-term planning for the enlarged Sunway Group without the continuous need to incur costs to comply with the Listing Requirements. A broader asset base and strengthened equity position would reinforce the balance sheet, creating opportunities for improved credit ratings and a lower cost of capital, enabling access to financing on more favourable terms. The enhanced financing capacity would also further support the deployment of capital toward growth initiatives, innovation and potential future acquisitions.

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4.2 Future plans for the IJM Group and its employees

(a) Continuation of the IJM Group's business

The Offeror intends to continue with the existing businesses of the IJM Group. IJM will be maintained as a separate subsidiary, parallel with the other existing operating companies within the Sunway Group.

The Offeror intends to form a steering committee to, among others, review the business operations of the IJM Group as well as the licensing requirements in respect of the respective businesses of the enlarged Sunway Group, extract synergistic and complementary benefits in areas such as, centralised procurement of goods and services, streamline processes to improve operational efficiency and effectiveness, pool resources to enhance performance results, create value and improve the prospects for future growth of the enlarged Sunway Group. The steering committee will comprise senior management representatives across the business divisions from both Sunway and IJM and is expected to be chaired by the President of Sunway. Such proposal may be subject to IJM's shareholders' approval in accordance to the Listing Requirements, if IJM remains listed on the Main Market.

(b) No major changes to the IJM Group's business

The Offeror has no current plans to introduce or effect any major change in the structure of the IJM Group, dispose or re-deploy major assets of the IJM Group, or liquidate any key operating companies.

Notwithstanding, a re-deployment of assets or disposal of non-core assets may be necessary as part of the rationalisation of the business activities and to remain competitive within the industry, improve the utilisation of resources and to extract synergistic benefits. Any such redeployment or disposal, if undertaken, would generally relate to assets which are assessed to be no longer suitable or aligned with the business objectives and strategic direction of the enlarged Sunway Group.

The detailed plans for the IJM Group will only be finalised after the Offeror has conducted a detailed review of the financial position and operations of the IJM Group. Sunway's approach to the IJM Group is expected to be implemented in 3 phases as set out below:

- (i) Initial transaction phase*
- (ii) Transition phase*
- (iii) Transformation phase*

Notwithstanding the above, the detailed plans for the IJM Group may be subject to regulatory and shareholders' approval.

(c) Employees of the IJM Group

The Offeror has no current plans to dismiss or make redundant employees of the IJM Group as a direct consequence of the Offer. Any change with regards to staff employment may take place as a result of any rationalisation and/or streamlining of the business activities and/or to further improve efficiency and effectiveness of the operations of the IJM Group and to facilitate the sharing of knowledge and best practices. In any event, such change will be conducted in accordance with the relevant legislation and the terms of employment of the affected employees.

Board's Comments on the Offeror's rationale

With respect to the Offeror's rationale, the Board wishes to state as follows:

- (a) The Board notes the Offeror's intentions for the enlarged Sunway Group to pursue synergistic arrangements, operational integration and streamlined management across overlapping business segments, particularly within the property, construction and building materials sectors. The Board also notes that, if successfully implemented, such initiatives may potentially deliver economies of scale, operational efficiencies and cost optimisation benefits over the longer term.

Notwithstanding the above, the Board also considers that the proposed integration of two large, established organisations with long operating histories, entrenched operational processes, management structures and corporate cultures may give rise to execution and integration risks, including but not limited to the following:

- (i) challenges in aligning organisational structures, governance frameworks and decision-making processes across the combined group;
- (ii) potential disruption to ongoing operations, project execution and stakeholder relationships during the integration period;
- (iii) risks associated with the retention, integration and harmonisation of key personnel and technical capabilities due to the possibility of workforce rationalisation, role duplication or redundancies arising from the consolidation of overlapping functions, which may in turn affect employee morale, talent retention and operational continuity; and
- (iv) uncertainty as to the timing, magnitude and realisation of the anticipated synergies and cost savings.

Accordingly, while the Board takes note of the potential strategic benefits articulated by the Offeror, in reality, the successful realisation of such benefits is subject to significant execution complexity and integration risk, and there can be no assurance that the anticipated efficiencies, synergies or performance improvements will be achieved within the expected timeframe, or at all.

- (b) The Board notes the Offeror's view that the enlarged Sunway Group's increased scale, broadened equity base and enhanced capital market presence may strengthen financing capabilities, improve access to funding and potentially support favourable credit outcomes over the longer term. The Board acknowledges that, if successfully realised, such outcomes may contribute positively to the enlarged group's financial flexibility and growth prospects.

Notwithstanding the above, the Board also considers that the combination of the borrowing exposures of the Offeror and IJM Group within a single enlarged group may give rise to credit concentration considerations from the perspective of existing lenders and financiers. In particular, the enlarged group's aggregate borrowings and banking relationships may potentially trigger single-customer exposure limits or internal concentration thresholds imposed by financial institutions. For information, based on the latest unaudited financial statements of IJM Group and Sunway Group as at 31 December 2025 respectively, their combined borrowings amounted to RM21.12 billion (comprising RM6.12 billion for IJM Group and RM15.00 billion for Sunway Group).

In such circumstances, the enlarged Sunway Group may be required to undertake a review, restructuring or refinancing of existing credit facilities, which could involve amendments to financing terms, re-allocation of lending exposures among financiers, or procurement of alternative funding arrangements. These processes may entail additional costs, timing uncertainties and administrative complexity, and could potentially result in temporary constraints or disruptions to funding availability, working capital management or execution of ongoing projects and business operations. It is also noted that Sunway Group operates various business segments through multiple listed entities. Any restructuring or refinancing exercise at the enlarged Sunway Group may require coordination across different listed entities, financing structures and stakeholder interest, which could further increase execution complexity, lengthen implementation timelines and introduce additional regulatory, governance and lender considerations.

Accordingly, while the Board takes note of the potential long-term financing and capital market benefits articulated by the Offeror, the Board is of the view that the combined borrowing exposures of the enlarged Sunway Group may also introduce near- to medium-term financing transition risks and operational uncertainties, the outcomes of which are inherently subject to lender assessments, prevailing credit market conditions and the successful implementation of any required refinancing or restructuring exercises.

- (c) The Board notes the Offeror's rationale that there are meaningful areas of business overlap between the Offeror and IJM Group, particularly in their respective property development and construction businesses. However, the Board notes that in the event the Offeror does not successfully acquire the entire equity interest in IJM and both groups continue to operate as separate listed entities with significant minority interests, this may give rise to potential conflicts of interest in relation to the prioritisation and allocation of business opportunities and resources between the two groups.

Accordingly, while the Board recognises that appropriate governance frameworks, regulatory safeguards and board oversight mechanisms would continue to apply within the two listed groups, the Board is of the view that the presence of substantial overlapping business activities alongside cross-ownership structures could nonetheless introduce heightened complexities in managing two large competing businesses. Such complexities include, among others, the need to manage the allocation of potential project opportunities and tender participation between the two listed groups, the balancing of capital allocation and management resources between the two listed groups as well as the implementation of information barriers to safeguard commercially sensitive information between the two listed groups.

With respect to the Offeror's future plans for IJM Group and its employees, the Board is not privy to the full details of the Offeror's future plans, and hence is not in the position to comment nor evaluate the potential implications or expected outcomes of the Offeror's future plans.

Holders should carefully consider and assess the rationale of the Offer and the risks that may be associated with the Offer.

4.3 Listing status of IJM

The Board takes note that **the Offeror does not intend to maintain the listing status of IJM on the Main Market should IJM fail to meet the Public Spread Requirement.**

The Board further notes that the Offeror will procure IJM to take the necessary steps and procedures to withdraw its listing status from the Main Market in accordance with the Listing Requirements, which may involve an exit offer on the same terms as the Offer to facilitate the proposed delisting exercise.

If the delisting of IJM from the Official List is successful, IJM Shares will no longer be traded on the Main Market.

Please refer to **Section 4.1 of the Offer Document** for further details.

4.4 Compulsory acquisition and rights of Dissenting Holders

The Board takes note that in the event that the Offeror receives Valid Acceptances of not less than nine-tenths (9/10) in the nominal value of the Offer Shares (excluding IJM Shares already held by the Offeror and the PACs as at the date of Offer) on or before the Closing Date, **the Offeror intends to invoke the provisions of subsection 222(1) of the CMSA to compulsorily acquire any remaining Offer Shares** from the Dissenting Holder(s). In such instance, all the Offer Shares that are compulsorily acquired will, subject to subsection 224(1) of the CMSA, be acquired on the same terms as set out in the Offer Document and in accordance with subsection 222(1) of the CMSA.

Alternatively, a Dissenting Holder may exercise his/her or its rights, under subsection 223(1) of the CMSA, by serving a notice on the Offeror to require the Offeror to acquire his/her or its Offer Shares on the same terms and conditions as set out in the Offer Document or such other terms as may be agreed.

If a Dissenting Holder invokes the provisions of subsection 223(1) of the CMSA for the compulsory acquisition of any remaining Offer Shares after the Offer, the Offeror shall acquire such Offer Shares in accordance with the provisions of the CMSA, subject to section 224 of the CMSA. In accordance with subsection 224(3) of the CMSA, when a Dissenting Holder exercises his/her or its rights under subsection 223(1) of the CMSA, the court may, on an application made by such Dissenting Holder or by the Offeror, order that the terms on which the Offeror shall acquire such Offer Shares shall be as the court thinks fit.

Please refer to **Sections 4.2 and 4.3 of the Offer Document** for further details.

5. INDEPENDENT ADVICE LETTER

You are advised to read and consider the views and recommendation of M&A Securities, the Independent Adviser appointed to advise the Board and you in relation to the Offer. The IAL is included in **Part B of this IAC**.

6. DISCLOSURE OF DIRECTORS' INTERESTS AND INTENTION IN RELATION TO THE OFFER

6.1 Directors' interest in IJM

As at LPD, save as disclosed below, the Directors of IJM do not have any interest, whether direct or indirect, in IJM Shares:

Name	Direct		Indirect	
	No. of IJM Shares	(1)%	No. of IJM Shares	(1)%
Tan Sri Dato' Tan Boon Seng @ Krishnan	10,428,666	0.3	(2)1,121,972	0.03
Dato' Lee Chun Fai	977,500	0.03	(2)250,000	0.01
Datuk Lee Teck Yuen	11,764,692	0.34	-	-

Notes:

(1) Calculated based on 3,505,166,120 IJM Shares (excluding treasury shares).

(2) Deemed interest through his family member's shareholdings pursuant to Section 8 of the Act.

6.2 Directors' intention in relation to the Offer

Based on information presently available to the Holders and the prevailing terms and conditions of the Offer as at LPD, the Directors of IJM who holds IJM Shares, namely Tan Sri Dato' Tan Boon Seng @ Krishnan, Dato' Lee Chun Fai and Datuk Lee Teck Yuen have expressed their respective intention to **REJECT** the Offer in respect of their own beneficial holdings in IJM.

The above statements represent the current intentions of the respective Directors as at LPD only and may be subject to change depending on future developments relating to the Offer, including but not limited to revision to the terms of the Offer, changes in market conditions or the emergence of additional information relevant to their decision.

7. BOARD'S RECOMMENDATION

Based on the Independent Adviser's assessment, the Board notes the following:

- (a) the Offer Price represents a discount of between 46.1% and 51.4% to the estimated value of IJM Shares of between RM5.84 and RM6.48 per IJM Share derived from the SOPV approach; and
- (b) the implied value of the consideration receivable by Accepting Holders for the Offer Shares (comprising cash and Consideration Shares) of RM3.08 represents a discount of between 47.3% and 52.4% to the estimated value of IJM Shares of between RM5.84 and RM6.48 per IJM Share derived from the SOPV approach; and
- (c) the implied exchange ratio of IJM Shares with Sunway Shares under the Offer of 0.501 is significantly lower than the implied exchange ratio of IJM Shares with Sunway Shares of 1.062 based on the mid-point of the estimated value of IJM Shares of RM6.16.

After careful examination of the Offer as contained in the Offer Document and taking into consideration the conclusion and recommendation by M&A Securities as set out in **Part B of this IAC**, the Board has **CONCURRED** with the conclusion and recommendation of M&A Securities that the Offer is **NOT FAIR and NOT REASONABLE**.

With the Offer Price being significantly below the estimated value of IJM Shares as assessed by the Independent Adviser, coupled with the Issue Price of the Consideration Shares closely reflecting the market prices of Sunway Shares as at LTD, the Board is of the view that the Offer does not provide an immediate valuation uplift to the Holders to compensate for any integration or execution risks of the enlarged Sunway Group.

Azhar bin Ahmad and Mazuki bin Abdullah @ Muhammad are directors respectively nominated by EPF and PNB on the Board. As at LPD, the shareholdings of EPF and PNB in IJM are as follows:

Name	Direct		Indirect	
	No. of IJM Shares	(1)%	No. of IJM Shares	(1)%
EPF	717,850,635	20.48	-	-
PNB	10,891,000	0.31	(2)456,092,900	13.01

Notes:

- (1) Calculated based on 3,505,166,120 IJM Shares (excluding treasury shares).
- (2) Represents the indirect shareholdings of PNB via the funds managed by its subsidiaries.

EPF and PNB are Holders which are entitled to accept the Offer. The Board understands from Azhar bin Ahmad and Mazuki bin Abdullah @ Muhammad that no decision has yet been made by or on behalf of EPF and PNB in respect to the Offer. Accordingly, **any views expressed by Azhar bin Ahmad and Mazuki bin Abdullah @ Muhammad in relation to the Offer are expressed solely in their capacity as a director of IJM and do not in any way represent the position or decision of EPF and PNB with respect to the Offer**, and further should not be construed as a view or recommendation by EPF and PNB.

The Board wishes to further highlight the following justifications in support of their opinion:

(a) Embedded value creation of business segments and continuation of IJM's strategic growth trajectory

The Board notes that IJM Group's diversified business segments have, over time, achieved meaningful operational scale, earnings stability and improving profitability profiles. This reflects the successful execution of IJM's long-term strategy of building a balanced portfolio comprising construction, property development, manufacturing & quarrying and infrastructure concessions, which collectively provide both growth potential and recurring cashflow resilience. The sustained growth in revenue contribution and EBITDA performance across IJM Group's core divisions is evidenced as follows:

	Audited			Unaudited
	FYE 31 March 2023	FYE 31 March 2024	FYE 31 March 2025	9-month FPE 31 December 2025
	RM'000	RM'000	RM'000	RM'000
Construction				
• Revenue	1,069,906	1,675,559	2,567,784	2,653,251
• EBITDA	181,411	136,000	199,626	164,190
Property development				
• Revenue	1,615,215	2,029,273	1,698,721	823,032
• EBITDA	429,186	452,447	415,589	32,676
Manufacturing & quarrying				
• Revenue	1,001,887	1,191,956	1,054,725	924,984
• EBITDA	205,333	235,718	243,753	195,320
Infrastructure - Toll				
• Revenue	553,185	519,552	449,456	301,929
• EBITDA	83,098	388,494	212,170	190,385
Infrastructure - Port				
• Revenue	331,791	467,014	450,901	283,444
• EBITDA	148,999	276,179	235,579	134,210
Investment & others				
• Revenue	501	35,460	30,402	26,080
• EBITDA	15,965	83,437	36,980	28,726

	Audited			Unaudited
				9-month
	FYE	FYE	FYE	FPE
	31 March	31 March	31 March	31
	2023	2024	2025	December
	RM'000	RM'000	RM'000	2025
				RM'000
Total IJM Group				
• Revenue	4,572,485	5,918,814	6,251,989	5,012,720
• EBITDA	1,063,992	1,572,275	1,343,697	745,507

(Source: IJM's Annual Report 2023, 2024 and 2025 as well as latest unaudited financial results for FPE 31 December 2025)

Based on the financial performance presented above, the Board observes as follows:

- (i) The construction division has demonstrated significant expansion, with revenue increasing by 56.6% from RM1.07 billion in FYE 2023 to RM1.68 billion in FYE 2024. Revenue further expanded by 53.0% from RM1.68 billion in FYE 2024 to RM2.57 billion in FYE 2025, and contributing 52.9% of IJM Group's revenue for the 9-month FPE 31 December 2025.

The Group's 50.0% equity stake in UK-based contractor JRL Group Holdings Limited ("**JRL Group**") represents a strategic expansion into the UK construction market. This GBP50.0 million capital investment strengthens JRL Group's competitiveness to undertake new opportunities in the UK construction sector that has been navigating challenges such as labour shortages and cost pressures. In addition to JRL Group securing potential order book from IJM's property ventures, this vertical integration provides IJM with the necessary in-house construction capabilities to better execute its property projects in the UK, including its joint venture development projects with Network Rail Property (as discussed in item (iv) below). As at 31 December 2025, IJM's 50.0% share of order book in JRL Group amounted to RM5.7 billion.

The construction division continues to benefit from healthy order book of RM15.3 billion as at 31 December 2025 across various infrastructure, industrial and specialised construction projects such as data centres, logistics hub and high-precision manufacturing facilities, providing earnings visibility over the next 2 to 3 financial years;

- (ii) The manufacturing & quarrying division generated stable revenue and recorded an all-time high EBITDA of RM243.75 million in FYE 2025, alongside improving EBITDA margin from 19.8% in FYE 2024 to 23.1% in FYE 2024 and 21.1% for the 9-month FPE 31 December 2025, reflecting strengthening operational efficiency and margin resilience.

ICPSB, which spearheads this division is the largest manufacturer of high-performance pretensioned spun high strength concrete piles in Southeast Asia. With a longstanding track record since 1977, this division has established a strong market reputation supported by technical expertise, established customer relationships and proven product performance across infrastructure, marine and foundation engineering projects. This division continues to benefit from internal demand arising from IJM Group's construction activities as well as external infrastructure and property development projects, thereby enhancing earnings visibility and operational synergies within the Group;

- (iii) The infrastructure divisions comprising the toll road and port businesses, continue to generate stable revenue and cashflow streams, supported by long-term concession-based arrangements and established operating platforms. Generally, infrastructure concession assets require long gestation period to contribute earnings. For information, based on the consolidated financial results of the infrastructure divisions for FYE 31 March 2023, 2024 and 2025, these divisions generated average annual revenue contribution of RM924.0 million and average annual operating cashflow of RM454.1 million to IJM Group. As at LPD, the remaining concession period for the infrastructure divisions ranges from 17 to 49 years, which provide long-term revenue visibility and recurring cash flow generation for the Group. However, such infrastructure concession assets remain subject to the customary termination condition in any concession-based agreements, i.e. event of default.

IJM's toll road benefits from concession tenures extending over multiple decades with traffic growth prospects underpinned by economic expansion, population growth and increasing vehicle ownership. In addition, the concession agreements also incorporate periodic toll rate adjustments or compensation mechanisms, which provide a degree of earnings visibility and partial protection against inflationary cost pressures. In response to the Malaysian Government's request to reduce toll compensation, the Group had undertaken toll restructuring involving toll rates reduction, extension of concession period and lengthening of toll increment period which had resulted in near term earnings reduction and lengthening of concession periods.

Similarly, the port operations also benefit from concession tenure up to year 2045, with an option to extend for another 30 years upon the completion of Phase 2 of the New Deep Water Terminal in Kuantan, thereby providing recurring income from handling of bulk cargo and container handling, bulk cargo and logistics activities supported by its strategic port location along the eastern seaboard of Peninsular Malaysia and relatively high barriers to entry. Revenue growth potential is further supported by operational capacity enhancements, efficiency improvements as well as trade volume expansion arising from the foreign direct investments into the Malaysia-China Kuantan Industrial Park and East Coast Rail Link which is expected to be operational over the next 2 years; and

- (iv) The property development division continues to reposition towards higher-value developments aligned with evolving market demand. Ongoing notable developments in Malaysia include Pantai Sentral Park in Kuala Lumpur, Bandar Rimbayu in Kuala Langat, Seremban 2 & Seremban 2 Heights in Negeri Sembilan and The Light Waterfront in Penang. IJM Group operates primarily as an integrated township developer in Malaysia, which value creation is typically realised over longer development horizons through phased landbank monetisation, progressive infrastructure development and community-building initiatives. As such, the full value of its township developments may not be immediately reflected in the Group's earnings performance over the next 2 to 3 financial years but is expected to crystallise progressively over the next 3 to 8 financial years as developments mature.

Internationally, IJM has strengthened its UK presence through strategic partnership with Network Rail Property to explore multiple prime sites across Central London for transit-oriented, mixed-use developments with potential GDV of approximately GBP7.0 billion. The value of such partnership has yet to be ascribed to IJM Group as the projects are in their infancy stage and subject to regulatory approvals. As such, their potential earnings contribution can only be determined upon obtaining planning permission from the authorities. Further, other projects such as Royal Mint Gardens Phase 2, The Wheat Quarter and 25 Finsbury Circus, in the UK are expected to provide recurring income through build-and-lease concepts, supporting earnings sustainability over the next 20 to 30 financial years. There is a potential uplift in the value of these UK investments upon completion, including those to be jointly developed under the Network Rail Property partnership.

Further, on the domestic front, IJM is expanding its recurring income portfolio through a diverse pipeline of projects. These developments—spanning commercial, retail and industrial sectors—include hotels, shopping mall, offices and logistics hubs currently in various stages of completion and stabilisation. For instance, IJM's joint venture expects to launch its shopping mall, "The Waterfront Shoppes" in The Light Waterfront, Penang in FYE 2027. In addition, IJM is expanding its footprint in logistics hubs where IJM has 25.0% stake in the Shah Alam International Logistics Hub ("**SAILH**"), in which phase 1 of SAILH was completed in February 2026 and currently offering 2.8 million square feet of logistics space. Further, IJM Group holds a 50.0% stake in Exio Logistics, a logistics hub scheduled for completion in late 2026 and equipped with advanced automated storage and retrieval system offering 110,000 pallets space.

Premised on the above, the Board is of the view that several of IJM Group's business segments have reached a level of operational maturity, earnings visibility and strategic positioning that can support independent capital market value realisation, while IJM's ongoing transformation strategy provides additional medium to long-term growth. For instance, the construction division of IJM is transitioning its focus from traditional residential and commercial projects towards industrial and data centre projects. In addition, IJM is evolving its property development division by diversifying from solely property development into property investments. In this respect, IJM Group builds and manages a portfolio of properties such as industrial and commercial buildings (for example, Menara Prudential and 25, Finsbury Circus (a purpose-built office building in UK)). At the same time, IJM continues to leverage its integrated business model across construction, property development, manufacturing & quarry and infrastructure divisions to deliver end-to-end project capabilities and operational synergies.

The Board believes that such embedded and future shareholders' value is not reflected under the Offer. This includes, among others, long-term recurring cash flows, potential earnings and value uplift from property developments and strategic initiatives in the UK, earnings growth from the continued replenishment and execution of construction order book including expansion into higher-growth sectors such as industrial and data centre projects, as well as the monetisation potential of business divisions through the capital market. These initiatives collectively support IJM Group's value creation prospects as a standalone listed group. In accepting the Offer, Holders would effectively exchange their prospects in IJM Group for a minority interest in the enlarged Sunway Group, where the realisation of such value will be diluted and would depend on the broader performance and strategic priorities of the enlarged Sunway Group.

Further, the Board notes that the implementation of the Offer coupled with integration risks and strategic alignment arising from the combination with Sunway Group, may introduce execution uncertainties, as the combination of two large, established organisations with long operating histories, entrenched operational processes, management structures and corporate cultures may present integration challenges, including organisational alignment, integration of business operations as well as retention, integration and harmonisation of key personnel. These factors may potentially disrupt or dilute the execution of IJM's existing growth strategy and its medium to long-term value creation trajectory.

Accordingly, Holders should consider whether the Offer appropriately recognises the medium- to long-term value expected to be generated from IJM Group's ongoing transformation and future growth prospects. In this regard, based on the evaluation by the Independent Adviser of the underlying value of IJM Group's business segments using the SOPV approach, the estimated value of IJM Shares ranges between RM5.84 and RM6.48 per IJM Share. Accordingly, the Offer Price of RM3.15 per IJM Share represents a **discount** ranging from RM2.69 to RM3.33 per IJM Share, or approximately 46.1% to 51.4% to the estimated value range of IJM Shares.

(b) Standalone contract-winning capability

In FYE 31 March 2025, approximately 67.0% of IJM Group's new construction wins were in fast-track industrial segments such as data centres, electrical & electronics, semiconductors, high-impact high technology manufacturing, as these projects have shorter construction period typically ranges between 12 and 18 months as compared to residential and commercial projects which typically ranges between 24 and 48 months. This demonstrates IJM's existing contract winning capabilities, which the Board does not see incremental value, in terms of its independent technical strength, execution capability and market positioning when combined with Sunway Group.

The Board notes that Sunway's construction order book was RM5.7 billion as at 31 December 2025. In contrast, IJM's construction order book stood at RM15.3 billion as at 31 December 2025.

The Board further notes that, based on the latest unaudited financial results published by Sunway for FPE 31 December 2025, its construction segment experienced a decline in revenue of 37.2% quarter-on-quarter and 33.0% year-on-year mainly due to the substantial completion of its existing data centre projects. In contrast, IJM's construction revenue increased by 4.2% quarter-on-quarter and 52.9% year-on-year based on its latest unaudited financial results for FPE 31 December 2025, demonstrating stronger momentum supported by ongoing project execution, a healthy replenishment of order book and continued participation in infrastructure and building projects.

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(c) Existing internal supply-chain integration within IJM

The Board wishes to emphasise that supply chain integration is already embedded in IJM's operating model, particularly through IJM's manufacturing & quarrying and construction divisions, for the supply of building materials, provision of spun piles and Industrial Building System, and related technical solutions in support of IJM Group's own construction and property development projects. In addition, IJM's manufacturing & quarrying division is spearheaded by ICPSB, which is the largest manufacturer of high performance spun high strength concrete piles in Southeast Asia. This vertically integrated structure has already been established as a core backbone underpinning IJM's operational efficiencies.

In this context, the Board notes that the synergies articulated by the Offeror, such as the centralised procurement of goods and services arising from the proposed consolidation and integration across two large and diversified operating platforms, may introduce execution uncertainty, integration complexity and transitional risks at the enterprise level, the outcomes of which are inherently uncertain and may temporarily divert management's focus from ongoing growth initiatives.

(d) Financial autonomy and concentration risks

IJM's substantial cash position of RM2.3 billion and debt position of RM6.1 billion (of which RM3.8 billion is non-recourse debt) as at 31 December 2025 provides the IJM Group with full financial autonomy to fund its growth initiatives, manage working capital and pursue strategic opportunities independently.

While the enlarged Sunway Group's greater capitalisation and scale may potentially support credit strength and financing access, the Board notes that the resulting entity would become one of the largest conglomerates in the country, which may introduce heightened concentration risk from the perspective of:

- (i) financial institutions' lending exposure limits;
- (ii) counterparty and sectoral concentration; and
- (iii) systemic exposure to cyclical industries.

Such concentration could offset part of the perceived financing advantages and introduce additional risk considerations not presently borne by IJM as a standalone listed group.

The Board further notes that IJM Group's last equity fund raising exercise was undertaken in 2009. Since then, IJM Group has funded its expansion and capital expenditure largely through external borrowings, internally generated cash flows and disciplined balance sheet management, reflecting a self-sustaining and capital-efficient capital structure. Shareholders should therefore carefully consider whether the integration into the enlarged Sunway Group may modify IJM's current financial autonomy and capital preservation framework.

(e) Integration and execution risks of the proposed enlarged Sunway Group

In assessing the implications of the Offer, the Board notes that approximately 90.0% of the Offer Price will be satisfied through the issuance of the Consideration Shares, such that Accepting Holders would become minority shareholders of the enlarged Sunway Group and be directly exposed to the execution, integration and other transitional risks inherent in the proposed combination of two sizeable conglomerates. For information purposes, assuming full acceptance of the Offer, IJM shareholders would collectively transition from direct ownership of 100.0% in IJM to an aggregate minority ownership of 20.6% in Sunway, thereby participating in the enlarged Sunway Group as minority shareholders.

In this regard, the Board believes that the continued direct ownership of IJM Shares would allow Holders to participate fully in the future performance, earnings growth and value realisation of IJM's underlying assets, projects and strategic initiatives. This includes potential value accretion as:

- (i) ongoing projects mature and translate into recurring earnings and cash flows;
- (ii) IJM Group's repositioning into higher-value sectors gains further traction; and
- (iii) individual business platforms potentially pursue independent capital market value realisation initiatives, including separate listings on Bursa Securities or strategic monetisation exercises, where appropriate.

This contrasts with acceptance of the Offer, whereby Holders would instead hold a minority interest in a larger, diversified group, with investment returns dependent on the overall performance and integration outcomes of the enlarged Sunway Group. The Board notes that IJM Shares have historically delivered superior dividend yields relative to Sunway Shares over the past 3 financial years, as set out below:

IJM		Sunway	
FYE 31 March	Dividend yield	FYE 31 December	Dividend yield
2023	5.00%	2022	3.40%
2024	3.29%	2023	2.67%
2025	3.81%	2024	1.25%

(Source: Company's annual reports and closing market prices as at respective financial year end)

The above indicates that, on a historical basis, shareholders of IJM Shares have benefited from relatively stronger recurring dividend yields. Acceptance of the Offer would result in Holders exchanging this historical yield profile for that of Sunway Shares.

The Board further notes that integration of businesses of such scale and complexity typically requires a prolonged period before any anticipated synergies or efficiency gains may be realised, and there can be no assurance as to the timing or extent of such benefits. During this integration period, IJM's underlying assets and projects are expected to continue progressing toward maturity and value accretion, and Holders who accept the Offer will therefore forego the opportunity to participate directly in such value realisation through their direct continued ownership of IJM Shares.

The Board further notes that the infrastructure-toll and infrastructure-port segments are specialised businesses that require long-term concession management expertise, regulatory knowledge, traffic forecasting acumen and port operational know-how. These competencies have been developed by IJM Group over many years through its direct ownership and management of such assets. The Board also notes that Sunway Group does not currently have ownership of nor operational involvement in toll road or port concessions.

In light of the above, the Board considers the integration and execution risks of the proposed enlarged Sunway Group to be a material factor in evaluating the Offer, particularly given the predominantly share-based nature of the consideration.

(f) Consolidation reduces competition

Both IJM Group and Sunway Group already rank among Malaysia's leading contractors, capable of executing complex, large-scale infrastructure projects (e.g., MRT, LRT, and highways). Consolidating these two sizeable construction platforms would reduce the number of capable bidders for national-level infrastructure projects. This reduction in competitive tension may lead to less favourable pricing for project owners (including the Government) and diminish the industry's overall competitive dynamism that drives efficiency and innovation.

The Board notes that healthy competition among established contractors has historically contributed to pricing discipline, innovation and execution efficiency within the Malaysian construction ecosystem. In this context, the Board is of the view that the consolidation of two sizeable construction platforms could potentially reduce healthy intra-industry competition and result in the dominance of a single operating approach, rather than enhancing competitive dynamism. A reduction in competitive dynamism may therefore not necessarily translate into incremental industry value creation.

(g) Other factors

- (i) The Board is of the view that the current level of market prices of IJM Shares and Sunway Shares may not be reflective of their value as they may have been influenced by the Offer and other factors. In particular, IJM Share prices may have been affected by heightened market attention and media coverage arising from the recent Malaysian Anti-Corruption Commissioner's investigations involving IJM, whilst Sunway Share prices may have been influenced by market expectations relating to the impending listing of SHH.

Hence, Holders are advised to closely monitor the market price, trading volume and any press releases and/ or announcements made in relation to the Offer and/ or IJM Group throughout the Offer Period before making a decision on the course of action to be taken in respect of their Offer Shares. Such market prices are subject to various factors beyond the control of the Board, including overall market conditions, macro-economic developments, investor sentiment, trading liquidity and any negative or adverse publicity relating to IJM Group, Sunway Group or the Offer.

- (ii) Separately, the Board notes that there is no full cash consideration offer. The cash portion of the Offer amounts to RM1.1 billion whilst the balance is satisfied by Consideration Shares, and such cash outlay is substantially less than IJM's existing cash position of RM2.3 billion as at 31 December 2025. If the Offer is successful, IJM's cash resources will form part of the enlarged Sunway Group. Accordingly, from a liquidity perspective, Sunway would effectively acquire IJM together with a net cash addition of approximately RM1.2 billion, which would accrue to the enlarged Sunway Group rather than the existing IJM shareholders.

For information purposes, RothschildCo Malaysia Sdn Bhd ("**Rothschild & Co**"), an international financial adviser, was appointed on 5 February 2026 by the Board for a valuation exercise in relation to the Offer for the sole benefit of the Board.

Based on information, including financials, shared by the Company, Rothschild & Co arrived at an indicative range of equity value between RM16,809 million and RM19,720 million for IJM or RM4.80 to RM5.63 per IJM Share, using various valuation methodologies, including without limitation, trading comparable analysis, DCF analysis where possible, and such other analysis as Rothschild & Co deemed appropriate. In addition, Rothschild & Co has also referenced the valuation reports provided by the Property Valuers to IJM in respect of the largest properties by value.

The differences in the valuation ranges arrived at by Rothschild & Co and the Independent Adviser are mainly due to different valuation methodologies, assumptions and sensitivities applied by Rothschild & Co and the Independent Adviser, respectively.

The Board wishes to state that in forming its opinion, it has considered Rothschild & Co's valuation exercise, in particular, the valuation range for IJM Shares which is above the Offer Price of RM3.15. The Holders should note that this valuation range is merely a secondary reference for the valuation of IJM Shares and the Board has primarily relied on the Independent Adviser's opinion in arriving at the Board's opinion on the Offer Price.

Having considered the foregoing, the Board is of the opinion that the Offer Price is **NOT FAIR AND NOT REASONABLE**. Therefore, the Board **unanimously** recommends that the Holders **REJECT** the Offer.

Notwithstanding the Board's recommendation to **REJECT** the Offer, the ultimate decision to be made by the Holders rests on their respective risk appetite, investment horizon and specific investment objectives, including their expectations regarding the future performance and prospects of IJM Group.

Accordingly, Holders should carefully evaluate prevailing market conditions and their individual investment objectives, liquidity needs and risk tolerance before making any decision in respect of their Offer Shares.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Board has seen and approved the contents of this IAC and, the Board, jointly and severally, accepts full responsibility for the accuracy of the information contained in this IAC. The Board confirms, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this IAC have been arrived at after due deliberation and careful consideration and that:

- (a) no statement and/or information relating to the IJM Group in this IAC is false or misleading or incomplete;
- (b) there are no other facts and/or information, the omission of which would render any statement or information provided relating to the IJM Group herein false or misleading or incomplete; and
- (c) all material facts and/or information in relation to the Offer, including those required under the Rules, have been accurately and completely disclosed in this IAC.

Further, the responsibility of the Board in respect of:

- (a) the information relating to the Offeror and the PACs (as extracted from the Offer Document) is limited to ensuring that such information is accurately reproduced in this IAC; and
- (b) the independent advice and expression of opinion by M&A Securities in relation to the Offer as set out in **Part B of this IAC**, is to ensure that accurate information in relation to the IJM Group was provided to M&A Securities for its evaluation of the Offer and that all information in relation to the IJM Group that is relevant to M&A Securities' evaluation of the Offer has been accurately and completely disclosed to M&A Securities and that there is no material fact, and/or omission of which would make any information provided to M&A Securities false or misleading.

YOU ARE ADVISED TO CAREFULLY CONSIDER THE INFORMATION IN THE OFFER DOCUMENT AND THIS IAC BEFORE MAKING A DECISION AS TO THE COURSE OF ACTION TO BE TAKEN.

THE BOARD HAS NOT TAKEN INTO CONSIDERATION ANY SPECIFIC INVESTMENT OBJECTIVE, FINANCIAL SITUATION, RISK PROFILE AND PARTICULAR NEEDS OF ANY INDIVIDUAL HOLDER OR ANY SPECIFIC GROUP OF HOLDERS.

THE BOARD RECOMMENDS THAT ANY INDIVIDUAL HOLDER, OR ANY SPECIFIC GROUP OF HOLDERS WHO REQUIRE ADVICE IN RELATION TO THE OFFER IN THE CONTEXT OF THEIR INDIVIDUAL INVESTMENT OBJECTIVES, FINANCIAL AND SITUATION, RISK PROFILES OR PARTICULAR NEEDS, TO CONSULT THEIR RESPECTIVE STOCKBROKER, SOLICITOR, ACCOUNTANT, BANK MANAGER OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

Yours faithfully,
For and on behalf of the Board of,
IJM CORPORATION BERHAD

TAN SRI DATO' TAN BOON SENG @ KRISHNAN
Non-Executive Chairman

PART B

INDEPENDENT ADVICE LETTER FROM M&A SECURITIES



M & A SECURITIES SDN BHD

Registration No: 197301001503 (15017-H)

A PARTICIPATING ORGANISATION OF BURSA MALAYSIA SECURITIES BERHAD

No. 45-1, 45-2, 45-3, 45-7, 45-9, 47-1, 47-2, 47-3, 47-4 and 43-6, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia

Tel: +603-2282 1820 (GL) +603-2284 2911 (CF) Fax: +603-2283 1019 (Admin) +603-2284 2718 (CF)

Registered Office:

No. 45 & 47, Level 7

The Boulevard

Mid Valley City

Lingkaran Syed Putra

59200 Kuala Lumpur

13 March 2026

To: The Board and Holders

Dear Sir/ Madam,

CONDITIONAL VOLUNTARY TAKE-OVER OFFER BY THE OFFEROR THROUGH MAYBANK IB TO ACQUIRE THE OFFER SHARES FOR AN OFFER PRICE OF RM3.15 PER OFFER SHARE

1. INTRODUCTION

Please refer to **Section 1 of Part A of this IAC** for the sequence of events in relation to the Offer.

The purpose of this IAL is to provide our independent evaluation of the Offer together within our recommendation thereon, subject to the scope of our role and limitations specified herein.

YOU ARE ADVISED TO CONSIDER CAREFULLY THE INFORMATION AND RECOMMENDATION CONTAINED IN THIS IAC INCLUDING THIS IAL TOGETHER WITH THE OFFER DOCUMENT BEFORE MAKING A DECISION AS TO THE COURSE OF ACTION TO BE TAKEN.

IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION YOU SHOULD TAKE IN RELATION TO THE OFFER, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

THIS IAL IS SOLELY FOR THE USE OF THE NON-INTERESTED DIRECTORS AND THE HOLDERS FOR THE PURPOSE OF CONSIDERING THE OFFER AND SHOULD NOT BE USED OR RELIED UPON BY ANY OTHER PARTY OR FOR ANY OTHER PURPOSE.

2. SALIENT TERMS AND CONDITIONS OF THE OFFER

The terms and conditions of the Offer include the following:

2.1 Consideration of the Offer

In accordance with the method of settlement as set out in **Section 2.4 of the Offer Document**, the Accepting Holders will be paid an Offer Price of **RM3.15** per Offer Share which will be satisfied in the following manner:

- (a) in respect of 10.0% of the Offer Price, an amount equivalent to RM0.3150 in cash; and
- (b) in respect of 90.0% of the Offer Price, an amount equivalent to approximately RM2.8350 in the form of Consideration Shares.

Notwithstanding the above, if IJM declares, makes or pays any Distribution on or after the date of the Notice but prior to the Closing Date and the Holders are entitled to retain such Distribution, the Offeror shall reduce the Offer Price of RM3.15 per Offer Share by the amount equivalent to the net Distribution per IJM Share that the Holders are entitled to retain. Accordingly, this may reduce the cash amount and the number of Consideration Shares to be received by a Holder. The priority of such reduction will be first to the cash amount.

For the avoidance of doubt, where the net Distribution per IJM Share is equal to or higher than RM0.3150 per Offer Share, the entire cash component shall be reduced to zero and the reduction shall thereafter be applied to the number of Consideration Shares to be received by a Holder. In such a scenario, Accepting Holders will not receive any cash consideration pursuant to the Offer.

For the avoidance of doubt, no adjustment shall be made to the Offer Price of RM3.15 per Offer Share in the event the entitlement date for the Distribution by IJM is after the Closing Date.

As at LPD, IJM has not announced any Distribution that is payable on or after the date of the Notice.

If Sunway declares, makes or pays any Distribution (save for the Sunway Distribution) on or after the date of the Notice but prior to the Closing Date, Sunway will increase the Cash Consideration by the amount equivalent to the net Distribution per Sunway Share multiplied by the number of Consideration Shares for which a Holder of each Offer Share would receive for accepting the Offer. There will be no change to the Issue Price or the number of Consideration Shares.

Sunway had, on 5 December 2025, announced that in conjunction with the listing of SHH, Sunway will be implementing the Sunway Distribution which essentially entails the distribution of 676,042,070 Distribution Shares to the entitled shareholders of Sunway by way of dividend-in-specie, on the basis of 1 Distribution Share for every 10 Sunway Shares (excluding treasury shares) at an entitlement date to be determined and announced by the Board of Sunway prior to the completion of the listing of SHH. On 24 February 2026, Sunway announced that the entitlement date for the Sunway Distribution is 11 March 2026.

The Consideration Shares will, upon allotment and issuance, rank equally in all respects with the then existing Sunway Shares, save and except that the holders of such Consideration Shares will not be entitled to any Distribution, the entitlement date of which is prior to the date of allotment of such Consideration Shares. The Consideration Shares will be listed on the Main Market.

Holders may accept the Offer in respect of all or part of their Offer Shares. For every 1 Offer Share, the Holder will receive RM0.3150 in cash and approximately 0.5 Consideration Share to be issued at the Issue Price (valuing the share component at RM2.8350 per Offer Share). The actual payment to be received by the Accepting Holder is subject to the number of Offer Shares held by the Accepting Holder as the Offeror will not pay fractions of a sen or issue fractions of a Consideration Share to the Accepting Holders. Fractions of a sen will be rounded down to the nearest whole sen while fractions of a Consideration Share will be rounded down to the nearest whole Consideration Share.

On 25 February 2026, the Offeror announced a cash dividend of 2 sen for each Sunway Share. The entitlement date for the dividend is 19 March 2026. Arising from this and based on the terms of the Offer, Accepting Holders will be entitled to receive an additional cash consideration of 1 sen for each Offer Share (i.e. from RM0.315 to RM0.325), being the cash dividend of 2 sen multiplied by 0.5 Consideration Share for which an Accepting Holder of each Offer Share would receive for accepting the Offer. For avoidance of doubt, there is no change to the Offer Price, nor Issue Price or the number of Consideration Shares.

2.2 Conditions of the Offer

The Offer is conditional upon the Offeror having received, on or before the Closing Date, Valid Acceptances resulting in the Offeror holding in aggregate more than 50.0% of the voting shares in IJM. Further, the Offer is also conditional upon the following:

- (a) approval of Bursa Securities for the listing of and quotation for the Consideration Shares on the Main Market which was obtained on 5 March 2026; and
- (b) approval of the shareholders of Sunway in relation to the Offer at an EGM of Sunway to be convened.

The Acceptance Condition shall be fulfilled not later than 5.00 p.m. (Malaysian time) on or before the First Closing Date, being the 60th day from the Posting Date, failing which the Offer will cease to be capable of further acceptances and all acceptances shall be returned to the Accepting Holders, and the Offeror will thereafter cease to be bound by any such prior acceptances of the Offer.

2.3 Duration of the Offer

The Offer shall remain open for acceptances until **5.00 p.m. (Malaysian time) on Monday, 6 April 2026**, being the First Closing Date, or such later date(s) as the Offeror may decide and will be announced by Maybank IB, on behalf of the Offeror, at least 2 days before the Closing Date, unless the Offeror withdraws the Offer with the SC's prior written consent and in such event, every person shall be released from any obligations incurred under the Offer.

Please refer to **Section 2 of Appendix I of the Offer Document** for further details on the duration of the Offer.

2.4 Method of settlement

Save for the Offeror's right to reduce the Offer Price as set out in **Section 2.1 of the Offer Document** and except with the consent of the SC, the settlement of the consideration to which any Accepting Holder is entitled under the Offer will be implemented in full, in accordance with the terms of the Offer without regard to any lien, right of set-off, counter-claim or other analogous rights to which the Offeror may be entitled against the Accepting Holder. This, however, is without prejudice to the Offeror's right to make any claim against the Accepting Holder after such full settlement in respect of a breach of any of the warranties set out in **Section 1 of Appendix I of the Offer Document**.

Where there are Valid Acceptances, the settlement of the consideration for the Offer Shares to which such Valid Acceptances relate will be effected via:

(a) Cash Consideration

- (i) remittance into the Accepting Holders' bank account, if the Accepting Holders have registered their bank account with Bursa Depository for purposes of cash dividend/distribution; or
- (ii) otherwise, remittance in the form of cheque, banker's draft and/or cashier's order which will be posted by ordinary mail to the Accepting Holders (or their designated agents, as they may direct) at their registered Malaysian address last maintained with Bursa Depository, at their own risk.

(b) Consideration Shares

The Consideration Shares will be allotted, issued and credited to the Accepting Holders' CDS accounts. No physical share certificates will be issued to the Accepting Holders. The Offeror's obligation to allot, issue and credit the Consideration Shares shall be subject to the Accepting Holder maintaining a valid CDS account at the time of settlement.

The Cash Consideration is to be paid and the Consideration Shares are to be allotted, issued and credited within 14 days from:

- (a) the date the Offer becomes or is declared wholly unconditional, if the Valid Acceptances are received during the period when the Offer is still conditional; or
- (b) the date of the Valid Acceptances, if the Valid Acceptances are received during the period after the Offer is or has become or has been declared wholly unconditional.

Non-resident Holders are advised that the settlement for the acceptance of the Offer will be made in Ringgit Malaysia or in the form of Consideration Shares which are denominated in Ringgit Malaysia. Non-resident Holders who wish to convert the consideration received into foreign currency for repatriation may do so after payment of the appropriate fees and/or charges as levied by the respective financial institutions and/or foreign authorities.

2.5 Other terms and conditions and procedures for acceptance

Please refer to **Appendix I of the Offer Document** for the full terms and conditions of the Offer and **Appendix II of the Offer Document** for details on the procedures for acceptance and method of settlement of the Offer.

3. DETAILS OF ACCEPTANCES

As at LPD, there is no announcement made by Maybank IB, on behalf of the Offeror, of acceptances of the Offer Shares.

4. SCOPE AND LIMITATIONS TO THE EVALUATION OF THE OFFER

We have evaluated the Offer and in rendering our advice, we have considered various factors which we believe are of relevance and general importance to an assessment of the Offer and would be of general concern to the Holders.

M&A Securities was not involved in any formulation, deliberations and/or negotiations pertaining to the terms and conditions of the Offer. Our scope as the Independent Adviser is limited to expressing an independent opinion on the Offer as to whether the Offer is fair and reasonable insofar as the Holders are concerned based on information and documents provided to us or which are available to us and making enquiries as were reasonable in the circumstances. In performing our evaluation, we have relied on the following sources of information:

- (a) information contained in the Notice, Offer Document, circular to the shareholders of Sunway dated 23 January 2026 in relation to the listing of SHH, SHH's prospectus dated 27 February 2026 and the accompanying appendices;
- (b) all relevant financial forecasts/ projections and information of IJM Group;
- (c) audited financial statements of IJM Group for FYE 31 March 2023, 2024 and 2025 and the unaudited financial statements of IJM Group for the 9-month FPE 31 December 2025;
- (d) valuation letters by the Property Valuers for the selected property assets owned by IJM Group;
- (e) valuation letter by the Concession Valuer for the concession assets under IJM Group;
- (f) other relevant information, supporting documents and confirmations furnished to us by the management of IJM Group;
- (g) discussions and consultation with the Board and/ or management of IJM Group; and
- (h) other publicly available information which we consider relevant to our evaluation.

We have relied on the Board and management of IJM Group to take due care to ensure that all information, documents, confirmations and representations provided by them to facilitate our evaluation of the Offer are accurate, valid and complete in all material aspects and have accepted full responsibility for the accuracy and completeness of the information provided to us.

We have relied on the valuation letters and/ or reports prepared by the Independent Valuers. We have assessed and evaluated the reasonableness of the methodologies and key assumptions adopted by the Independent Valuers, and are of the view that the valuation methodologies adopted for their respective valuation of the selected concession assets and properties are reasonable and are consistent with generally applied valuation methodologies. We are satisfied with the reasonableness of the bases and assumptions used by the Independent Valuers in deriving the valuation for the selected concession assets and properties. As such, we are satisfied with the reasonableness of their respective opinion and have thus relied upon the valuation of the selected concession assets and properties determined by the Independent Valuers for the purpose of computing the value of the relevant business segments of IJM Group.

We have obtained written confirmation from the Board that the contents of this IAL have been reviewed, considered and approved by the Board, and they collectively and individually accept full responsibility for the accuracy, completeness and validity of the information provided to us. Nonetheless, we have made enquiries as were reasonable in the circumstances, and we are satisfied that the information provided to us or which is available to us is sufficient and we have no reason to believe that the information provided to us or available to us is unreliable, incomplete, misleading and/or inaccurate.

In rendering our advice, we had taken note of significant factors, which we believe are necessary and important to our assessment of the Offer as set out in this IAL and therefore of general concern to the Holders. As such, M&A Securities' views and recommendation as contained in the IAL are rendered solely for the benefit of the Holders as a whole and not for any specific group of Holders.

In carrying out our evaluation, we have not taken into consideration any specific investment objectives, financial and tax situation, risk profile or particular needs of any individual Holder or any specific group of Holders. We recommend that any individual Holder or group of Holders who is/ are in doubt as to the action to be taken or require advice in relation to the Offer in the context of their individual investment objectives, financial and tax situation, risk profile or particular needs should consult their respective stockbroker, solicitor, accountant, banker or other professional adviser immediately.

Our advice should be considered in the context of the entirety of this IAL. Our views expressed in this IAL are, amongst others, based on economic, market, regulatory and other conditions prevailing, and the information and/ or documents made available to us as at LPD or such other periods as specified herein. Such conditions may change significantly over a short period of time. Accordingly, our evaluation and opinion expressed herein do not take into account information, events or conditions arising after LPD.

We will immediately notify the SC in writing and the Holders by way of announcement(s) on Bursa Securities if, after despatching this IAC, as guided by subparagraph 11.07(1) of the Rules, we become aware that the information provided in this IAC:

- (a) contains a material statement which is false or misleading;
- (b) contains a statement from which there is a material omission; or
- (c) does not contain a statement relating to a material development.

Pursuant to subparagraph 11.07(3) of the Rules, the disclosure and announcement referred to in subparagraph 11.07(1) of the Rules shall be made before 9 a.m. on the next Market Day. If circumstances require, a supplementary IAC will be sent to the Holders in accordance with subparagraph 11.07(2) of the Rules.

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5. EVALUATION OF THE OFFER

In arriving at our conclusion and recommendation, we have assessed the fairness and reasonableness of the Offer in accordance with paragraphs 1 to 6 of Schedule 2: Part III of the Rules whereby:

- (a) the term "**fair and reasonable**" should generally be analysed as 2 distinct criteria i.e. whether the Offer is "**fair**" and whether the Offer is "**reasonable**", rather than as a composite term;
- (b) the Offer is considered "**fair**" if the Offer Price is equal to or higher than the market price and is also equal to or higher than the value of the Offer Shares. However, if the Offer Price is equal to or higher than the market price, but is lower than the value of the Offer Shares, the Offer is considered as "**not fair**". In making the assessment, the value of the Offer Shares is determined based on the assumption that 100.0% of the issued share capital of the Offeree is being acquired;
- (c) in considering whether the Offer is "**reasonable**", the independent adviser should take into consideration matters other than the valuation of the Offer Shares. This includes but not limited to, existing shareholding of the Offeror and its PACs in the Offeree and their ability to pass special resolutions or control the assets of the Offeree, liquidity of the Offeree's securities, expected market price if the take-over offer is unsuccessful, and/ or likelihood and value of alternative offers or competing offers before the close of the Offer;
- (d) generally, a take-over offer would be considered "**reasonable**" if it is "**fair**". Nevertheless, an independent adviser **may also recommend for shareholders to accept the take-over offer despite it being "not fair"**, if the independent adviser is of the view that there are sufficiently strong reasons for the Holders to accept the offer in the absence of a higher bid and such reasons should be clearly explained; and
- (e) in the event that the independent adviser concludes that the Offer is "**not fair but reasonable**", the independent adviser must clearly explain the following:
 - (i) what is meant by "**not fair but reasonable**";
 - (ii) how has the independent adviser reached to this conclusion; and
 - (iii) the course of action that the Holders are recommended to take pursuant to the conclusion.

In relation to (e)(ii) above, as 90.0% of the Offer Price is to be satisfied through the issuance of the Consideration Shares, it is also pertinent that the fairness of the Offer be assessed with reference to the aggregate value of the consideration receivable by the Holders (comprising cash and Consideration Shares) relative to the estimated value of the Offer Shares. In this regard, the independent adviser's assessment of the value of the Consideration Shares will be made in accordance with paragraphs 11 to 13 of Schedule 2: Part III of the Rules.

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In evaluating the Offer, we have taken into consideration the following factors in forming our opinion of the Offer:

Fairness of the Offer

- Evaluation of IJM Shares
- Historical market price analysis of IJM Shares
- Evaluation of Consideration Shares

Section in this IAL

Section 6.1
Section 6.2
Section 6.3

Reasonableness of the Offer

- Trading liquidity of IJM Shares
- Competing take-over offer/ Level of control
- Rationale for the Offer and future plans for the IJM Group and its employees

Section in this IAL

Section 7.1
Section 7.2
Section 7.3

6. FAIRNESS OF THE OFFER

In considering whether the Offer is fair, we have taken into consideration the following:

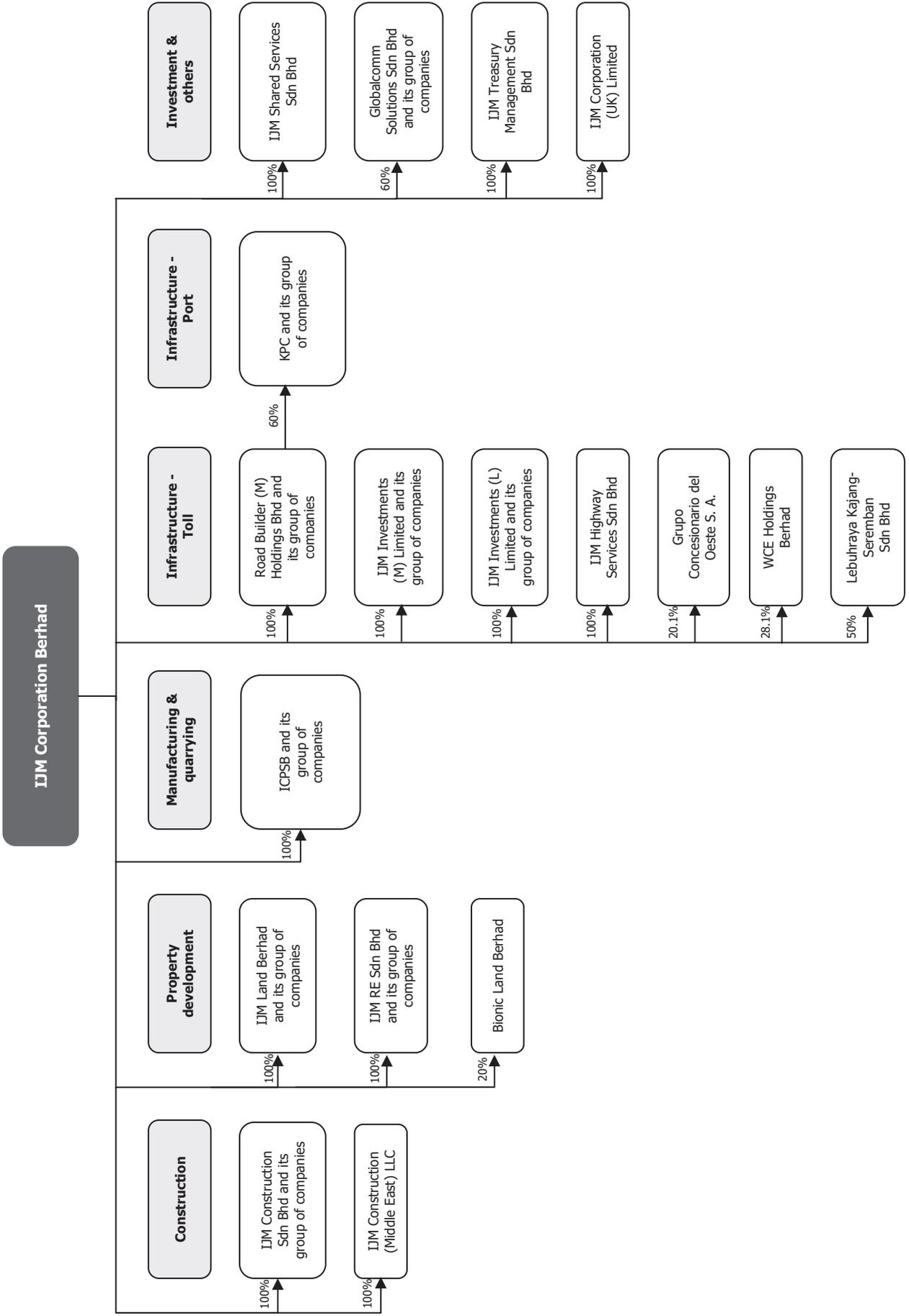
- (a) Evaluation of IJM Shares;
- (b) Historical market price analysis of IJM Shares; and
- (c) Evaluation of Consideration Shares.

6.1 Evaluation of IJM Shares

IJM is principally engaged in investment holding activities, while its subsidiaries are principally involved in the construction, property development, manufacturing & quarrying, tollway operations, port operations and investment holding.

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The Group structure of IJM Group based on its business divisions is set out below:



Through its subsidiaries, associates and joint ventures, IJM Group is involved in the following businesses:

Business segments	Description
Construction	Construction activities
Property development	Development of land into vacant lots, residential, commercial and/or industrial buildings
Manufacturing & quarrying	Production and sale of concrete products and quarrying activities
Infrastructure - Toll	Tollway operation
Infrastructure - Port	Port operation
Investment & others	Other operations of the Group comprise mainly investment holding and telecommunication

The principal activities of IJM's subsidiaries, associates and joint ventures are stated in **Section 5, Appendix I, Part C of this IAC**.

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The contribution of the above business segments to IJM Group's revenue and EBITDA are as follows:

Revenue

	Audited				Unaudited	
	FYE		FYE		LTM ended	
	31 March 2023	31 March 2024	31 March 2025	31 March 2025	31 December 2025	31 December 2025
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Construction	1,069,906	1,675,559	2,567,784	2,567,784	3,495,109	51.4
Property development	1,615,215	2,029,273	1,698,721	1,698,721	1,233,453	18.1
Manufacturing & quarrying	1,001,887	1,191,956	1,054,725	1,054,725	1,202,330	17.7
Infrastructure - Toll	553,185	519,552	449,456	449,456	432,569	6.4
Infrastructure - Port	331,791	467,014	450,901	450,901	405,380	6.0
Investment & others	501	35,460	30,402	30,402	35,417	0.5
	4,572,485	5,918,814	6,251,989	6,251,989	6,804,258	100.0

EBITDA

	Audited				Unaudited	
	FYE		FYE		LTM ended	
	31 March 2023	31 March 2024	31 March 2025	31 March 2025	31 December 2025	31 December 2025
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Construction	181,411	136,000	199,626	199,626	224,140	19.9
Property development	429,186	452,447	415,589	415,589	167,859	14.9
Manufacturing & quarrying	205,333	235,718	243,753	243,753	262,688	23.3
Infrastructure - Toll	83,098	388,494	212,170	212,170	236,051	21.0
Infrastructure - Port	148,999	276,179	235,579	235,579	182,768	16.2
Investment & others	15,965	83,437	36,980	36,980	52,787	4.7
	1,063,992	1,572,275	1,343,697	1,343,697	1,126,293	100.0

(Source: IJM's Annual Reports 2023, 2024 and 2025 as well as unaudited financial results for the 4 most recent financial quarters as at LPD)

Note:

* Represents less than 0.1%.

Our valuation approach

In view of the different business segments of IJM Group, we have adopted the SOPV approach as the most appropriate valuation methodology to arrive at the value of IJM Shares.

The computation of the estimated value based on the SOPV approach of IJM Group is based on the prevailing economic outlook, market sentiment and other conditions as well as publicly available information and information provided by IJM Group up to LPD. Events or circumstances occurring subsequent to LPD may significantly change the bases and assumptions adopted which may then materially affect the valuation of IJM Group, whether favourably or adversely.

In addition, there is no assurance that the real properties of IJM Group can be realised at their estimated market values due to various factors such as the existence of ready and committed buyer(s) who is willing to pay the market value of each property as well as the payment of incidental costs related to such sale transactions.

The SOPV approach represents the aggregate valuation of the different business segments based on the most appropriate valuation methodologies as set out below:

Business segments	Valuation methodologies	Details and rationale
Construction	PER	Section 6.1.1
Property development	RNAV	Section 6.1.2
Manufacturing & quarrying	PER	Section 6.1.3
Infrastructure - Toll	DCF	Section 6.1.4
Infrastructure - Port	DCF	Section 6.1.5
Investment & others	NA	Section 6.1.6

Based on the SOPV approach, the equity value attributable to 100.0% of the issued share capital of IJM is in the range of **RM20,470.5 million to RM22,700.8 million**, which translates to a range of **RM5.84 to RM6.48 per IJM Share**. A summary of our valuation based on the SOPV approach is set out in **Section 6.1.7 of this IAL**.

6.1.1 Construction

The construction business of IJM Group is entirely contributed by its key subsidiaries, IJM Construction and its group of companies as well as IJM Construction (Middle East) LLC (collectively, "**IJM Construction Group**"). IJM Construction Group is principally involved in civil and building constructions.

In arriving at the estimated value for IJM Construction Group, we have adopted the PER multiple. The PER is an earning-based valuation methodology which compares the market value of a company to its net profit. As a relative valuation methodology, the PER benchmarks the subject company against its comparable listed companies, premised on the fact that these comparable companies provide a relevant reference point for valuation as they operate a broadly similar business and have broadly similar financial characteristics as the subject company, amongst others.

We are of the view that the PER is the most appropriate valuation methodology for IJM Construction Group due to, amongst others, the following:

- (a) the PER is a commonly used and widely accepted valuation metric which estimates a company's market value based on its PAT relative to its peers. In this regard, we observed that IJM Construction Group has been profitable for the last 3 FYE 31 March 2023, 2024 and 2025 and 9-month FPE 31 December 2025;
- (b) the PER is more likely to reflect prevailing market sentiment and investor expectations toward the construction sector;

- (c) the value of the construction business is principally driven by its ability to generate future earnings from its ongoing business operations rather than the underlying value of its assets. Accordingly, we consider the NA or RNAV valuation methodologies to be less appropriate for the valuation of the construction business as such methodologies are generally more suitable for valuations of asset-based companies; and
- (d) we did not adopt the DCF valuation methodology for the valuation of the construction business as this methodology is generally more appropriate for businesses with reasonably predictable future cash flows that are supported by contractual visibility. At this point, the management of IJM Construction Group is unable to reliably forecast the future cashflows of the construction business, given the absence of long-term contracts with customers and the inherent nature of the construction industry, which is dependent on prevailing market and economy conditions.

In our analysis, we have selected the comparable companies based on the following criteria:

- (a) has more than 50.0% of revenue derived from construction business;
- (b) has revenue derived from construction business of at least RM1,000.0 million based on their latest audited financial statements. For reference, the revenue of IJM Construction Group based on its latest audited financial statements for FYE 31 March 2025 is RM2,858.3 million;
- (c) has total asset size of at least RM1,000.0 million based on their latest audited financial statements as the total asset size of IJM Construction Group is RM2,688.3 million based on its latest audited financial statements for FYE 31 March 2025; and
- (d) is listed on Bursa Securities.

Based on the selection criteria above, we have identified the following comparable companies ("**Construction Comparable Companies**"):

Construction Comparable Companies	Principal activities
Gamuda Berhad (" Gamuda ")	Gamuda is an investment holding company. Through its subsidiaries, the group is principally engaged in civil engineering and construction activities, including the undertaking of large-scale infrastructure projects.
Sunway Construction Group Berhad (" SunCon ")	SunCon is an investment holding company. Through its subsidiaries, the group is principally engaged in the provision of building construction works, civil engineering/infrastructure works, foundation and geotechnical engineering, mechanical, electrical and plumbing services works, manufacturing and sales of precast components, and sustainable energy services and other related business and investment activities.
Kerjaya Group Prospek Bhd (" Kerjaya Prospek ")	Kerjaya Prospek is an investment holding company. Through its subsidiaries, the group is principally engaged in construction of high-end commercial and high-rise residential buildings, property development and manufacturing activities, including lighting products and premium kitchen cabinetry.
Malaysian Resources Corporation Berhad (" MRCB ")	MRCB is an investment holding company. Through its subsidiaries, the group is principally engaged in engineering and construction related activities, property development, property investment, environmental engineering and provision of management services to its subsidiaries.

(Source: Bloomberg)

We wish to highlight that the Construction Comparable Companies have been selected on a best-effort basis and may not be directly comparable to the construction business of IJM Construction Group due to various subjective factors which include, amongst others, composition of business activities, products, size of the business, geographical coverage, financial track record, risk profile, marketability and liquidity. The list of Construction Comparable Companies is by no means exhaustive.

The PER of the Construction Comparable Companies as at LTD are set out below:

Construction Comparable Companies	LTM ended	(1)Market capitalisation as at LTD (RM'million)	(2)Revenue (RM'million)/ % to total group revenue	(3)PAT attributable to owners (RM'million)	(4)Total asset (RM'million)	(5)PER (times)
Gamuda	31 January 2026	27,167	12,588/ 77.8%	1,024	32,468	26.5
SunCon	31 December 2025	6,396	5,339/ 100.0%	362	4,424	17.7
Kerjaya Prospek	31 December 2025	2,914	1,926/ 85.6%	225	2,072	13.0
MRCB	31 December 2025	2,117	916/ 76.5%	47	9,102	44.7
					Average:	25.5
					Low:	13.0
					High:	44.7
IJM Construction Group	31 December 2025	N/A	3,495/ 51.4%	88	2,983	N/A

(Source: Bloomberg, and the unaudited financial results of the respective Construction Comparable Companies for the 4 most recent financial quarters as at LPD)

Notes:

N/A Not applicable

- (1) Computed based on 12-month VWAMP up to LTD and the number of outstanding shares as at LTD.
- (2) Revenue derived from construction and related activities only, based on the unaudited financial results of the respective Construction Comparable Companies for the 4 most recent financial quarters as at LPD.
- (3) Based on the unaudited financial results of the respective Construction Comparable Companies for the 4 most recent financial quarters as at LPD.
- (4) Based on the unaudited financial results of the respective Construction Comparable Companies for the latest financial quarter as at LPD.
- (5) Computed based on the market capitalisation as at LTD divided by the unaudited PAT attributable to owners for the 4 most recent financial quarters as at LPD.

Based on the table above, it is noted that Gamuda's revenue base is larger than that of IJM Construction Group. However, we are of the view that its inclusion remains appropriate as Gamuda represents a leading benchmark within the Malaysian construction sector which activities broadly comparable to IJM Construction Group. As such, Gamuda provides a useful reference point for valuation multiples observed for established construction contractors with strong infrastructure capabilities. In addition, the Construction Comparable Companies also include other listed construction companies such as SunCon, Kerjaya Prospek and MRCA, which operate at varying scales in terms of market capitalisation, construction revenue (above RM1,000.0 million) and total asset size (at least RM1,000.0 million). This is intended to capture a broader spectrum of valuation multiples of leading construction companies within the Malaysian construction sector.

Based on the average PER of the Construction Comparable Companies and the unaudited PAT of IJM Construction Group for LTM ended 31 December 2025, the estimated value of IJM Construction Group is as follows:

	RM'000
Unaudited PAT attributable to owners of the parent of IJM Construction Group for LTM ended 31 December 2025	87,868
Average PER of the Construction Comparable Companies (times)	25.5
Estimated value of IJM Construction Group	<u>2,240,634</u>

6.1.2 Property development

The property development business of IJM Group is predominantly contributed by its subsidiaries, namely IJM Land Berhad and its group of companies as well as IJM RE Sdn Bhd and its group of companies, as well as Bionic Land Berhad (collectively, "**IJM Property Group**"). IJM Property Group is principally involved in property development, property investment and provision of property management services.

In arriving at the estimated value of IJM Property Group, we have considered the RNAV valuation methodology as the most appropriate valuation approach. The RNAV methodology takes into consideration any surplus and/ or deficit arising from the revaluation of the subject company's material assets to reflect their market values, based on the assumption that such assets are realisable at their market values on a willing buyer-willing seller basis.

We are of the view that the RNAV valuation methodology is the most appropriate valuation methodology for IJM Property Group due to, amongst others, the following reasons:

- (a) the principal activities of IJM Property Group are property investment holding, property development and provision of property management services. As such, the value of IJM Property Group is largely attributable to the underlying property assets that it owns, develops and manages;
- (b) the unaudited NBV of IJM Property Group's total property assets is a significant component IJM Property Group's unaudited total assets as at 31 December 2025, representing 72.6% of total assets, indicating that IJM Property Group is predominantly asset-backed in nature:

	As at 31 December 2025	
IJM Property Group	RM'000	%
Total assets	11,867,465	100.0
Of which, assets which are property-related are accounted for within:		
• Property, plant and equipment ⁽¹⁾	236,294	2.0
• Investment properties ⁽²⁾	1,223,670	10.3
• Inventories ⁽³⁾	7,160,755	60.3
Total	8,620,719	72.6

Notes:

- (1) **Property, plant and equipment** comprises freehold properties, leasehold properties, plant, machinery, equipment and vehicles as well as office equipment, furniture, fittings and renovations, as detailed below:

Property, plant and equipment	As at 31 December 2025	
	RM'000	%
• Freehold properties and leasehold properties	218,277	92.4
• Plant, machinery, equipment and vehicles as well as office equipment, furniture, fittings and renovations	18,017	7.6
Total	236,294	100.0

Freehold properties and leasehold properties

IJM Property Group's freehold properties and leasehold properties comprises properties such as commercial buildings (i.e. offices, clubhouses and hotels).

The aggregate carrying value of the freehold properties and leasehold properties of IJM Property Group as at 31 December 2025 amounted to RM218.3 million (1.8% of IJM Property Group's total assets). In addition, the carrying value of the freehold properties and leasehold properties are reviewed at the end of each reporting period for indications of impairment.

Accordingly, taking into consideration the measurement basis of these assets, the periodic impairment assessments performed, and the generally depreciating nature of such assets, we are of the view that **any potential differences between their market values and carrying values as reflected in the unaudited financial statements of IJM Group as at 31 December 2025 are not expected to be material.**

Plant, machinery, equipment and vehicles as well as office equipment, furniture, fittings and renovations

The aggregate carrying value of the plant, machinery, equipment and vehicles as well as office equipment, furniture, fittings and renovations amounted to RM18.0 million as at 31 December 2025 (less than 1.0% of IJM Property Group's total assets). These assets are initially recognised at cost and subsequently measured at cost less accumulated depreciation and any accumulated impairment losses. Their carrying value are reviewed at the end of each reporting period for indications of impairment.

Accordingly, taking into consideration the measurement basis of these assets, the periodic impairment assessments performed, and the generally depreciating nature of such assets, we are of the view that **their carrying values as reflected in the unaudited financial statements of IJM Group as at 31 December 2025 are reasonably expected to approximate their fair value.**

- (2) **Investment properties** held under IJM Property Group are initially recognised at cost, inclusive of related transaction costs and borrowing costs. After initial recognition, investment property is stated at cost less accumulated depreciation and accumulated impairment except for freehold land and capital work-in-progress which are not depreciated. IJM Property Group's investment properties are categorised as follows:

Investment properties	As at 31 December 2025	
	RM'000	%
• Office and commercial building units	1,116,319	91.2
• School and recreational properties	107,351	8.8
Total	1,223,670	100.0

The carrying value of the investment properties as at 31 December 2025 amounted to RM1,223.7 million. For our valuation purposes, we have selected a majority of the investment properties with total carrying value of RM1,064.2 million for revaluation to reflect their market value. Details of the selected material investment properties are set out in the list of Selected Properties in this section below.

The remaining investment properties (such as office buildings, shop units and private school) with total carrying value of RM159.5 million as at 31 December 2025 were not selected for revaluation as they constitute only 1.3% of IJM Property Group's total assets as at 31 December 2025 and 13.0% of the total carrying value of the investment properties as at 31 December 2025 and were assessed to be individually immaterial to the IJM Property Group's total assets. Notwithstanding, the carrying values of such excluded investment properties are reviewed at the end of each reporting period for indications of impairment. As such, we are of the view that **any potential differences between their market values and carrying values as reflected in the unaudited financial statements of IJM Group as at 31 December 2025 are not expected to be material.**

- (3) **Inventories** mainly comprise land held for property development, unsold completed development properties, property development in progress. The carrying value of the land held for property development, unsold completed development properties and property development in progress as at 31 December 2025 amounted to RM7,160.8 million as detailed below:

Inventories	As at 31 December 2025	
	RM'000	%
• Land held for property development	585,866	8.2
• Unsold completed development properties	829,421	11.6
• Property development in progress	5,745,468	80.2
Total	7,160,755	100.0

We have selected material land held for property development, unsold completed development properties, property development in progress with total carrying value of RM4,831.9 million as at 31 December 2025 to reflect their market value for the purpose of our valuation, details of which are set out in the list of Selected Properties in this section below.

The remaining land held for property development, unsold completed development properties, property development in progress (such as residential, commercial and industrial properties) with a total carrying value of RM2,328.9 million as at 31 December 2025 were not selected for valuation as we are of the view that these constitutes only 19.6% of IJM Property Group's total assets as at 31 December 2025 and 32.5% of the total carrying value of the land held for property development, unsold completed development properties, property development in progress and were assessed to be individually immaterial to the IJM Property Group's total assets. Notwithstanding, the carrying values of such excluded land held for property development, unsold completed development properties, property development in progress are reviewed at the end of each reporting period for indications of impairment. As such, we are of the view that **any potential differences between their market values and carrying values as reflected in the unaudited financial statements of IJM Group as at 31 December 2025 are not expected to be material.**

- (c) Apart from its property assets, the remaining assets in IJM Property Group as at 31 December 2025 primarily comprises current assets such as deposits, cash and bank balances, other receivables and construction assets, which are relatively short-term and/or liquid in nature. We have obtained and assessed information of such assets from the management of IJM Property Group and are satisfied that there is no evidence for impairment for these assets as at LPD. Accordingly, we are of the view that the **carrying value of these remaining assets as reflected in the unaudited financial statements of IJM Group as at 31 December 2025 are reasonably expected to approximate its fair value** after taking into consideration, amongst others, the nature of the assets which are expected to be relatively liquid as well as the annual impairment review being conducted on the carrying value of these assets.

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In arriving at the estimated RNAV of IJM Property Group, we have relied on the following key bases and assumptions:

- (a) IJM Property Group will continue to operate as a going concern and the realisation of the property values is expected to be undertaken in an orderly manner and not under a forced-sale or liquidation scenario;
- (b) there will not be any significant or material increase in costs which is expected to have a material adverse effect on the business activities of IJM Property Group;
- (c) there will not be any compulsory acquisition by the relevant authorities of the lands held under IJM Property Group;
- (d) there will not be any significant or material changes to the agreements, approvals, contracts, property development plans, licences, permits and regulations governing the assets and property development projects of IJM Property Group;
- (e) insurable risks relating to IJM Property Group's assets are and will continue to be appropriately covered by relevant insurance policies and the sums insured are adequate;
- (f) there will not be any significant or material changes to the risks inherent to the businesses of IJM Property Group and effective measures will continue to be implemented to mitigate risks known to IJM Property Group;
- (g) the current accounting policies adopted by IJM Property Group will remain relevant and there will not be any significant changes in the accounting standards or policies which will have a material adverse effect on their financial performance and financial position; and
- (h) there will not be any material changes in the political, social and economic conditions, monetary and fiscal policies, inflation, regulatory requirements of the property industry in Malaysia and the applicable tax regimes or tax rates.

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We have relied on the valuations and/or valuation updates conducted by the Property Valuers for the following properties owned by IJM Property Group ("Selected Properties"), which in our opinion are current valuations which reflect the market value of the Selected Properties. The Selected Properties are currently accounted for at cost. The management of IJM Property Group has confirmed that the values of the Selected Properties arising from the valuations conducted by the Property Valuers have not been reflected in the carrying values of the Selected Properties as at 31 December 2025. The details of the Selected Properties and the net revaluation surplus are as set out below:

No.	Properties	Tenure	Classification of properties	Valuation date/ Valuer/ Valuation method	Market value RM'000	Unaudited as at 31 December 2025		(1) Net re-valuation surplus RM'000	Effective interest attributable to IJM (%)	Net revaluation surplus attributable to IJM RM'000	
						(1) NBV RM'000	(2) Adjusted NBV RM'000				
1.	Pantai Sentral Park A township development of Pantai Sentral Park, comprising: <ul style="list-style-type: none"> Riana Trees Residences, an ongoing development of 32-storey condominium (336 units); Enlace Suites, an ongoing development comprising 2 blocks of office building, 2 blocks serviced apartment (438 units and 290 units respectively), all sited atop a commercial podium; and 8 separate parcels of vacant commercial/residential lands, granted with master planning approval for mixed use development (residential and commercial) together with other supporting infrastructure and facilities. 	99 years leasehold	Inventories	Valuation date 31 December 2025 Valuer Knight Frank Malaysia Sdn Bhd Valuation method Income approach by DCF	(A) 1,015,000	(1) NBV 1,162,886	(B) 1,011,821	(C)=(A)-(B) 3,179	(D)=(C)* Tax rate 2,384	(E) 100.0	(D)*(E) 2,384

No.	Properties	Tenure	Classification of properties	Valuation date/ Valuer/ Valuation method	Unaudited as at 31 December 2025		Revaluation surplus RM'000	(1) Net re-valuation surplus RM'000	Effective interest attributable to IJM (%)	Net revaluation surplus attributable to IJM RM'000	
					(1) NBV RM'000	(2) Adjusted NBV RM'000					
3.	Seremban 2	Freehold	Inventories	Valuation date 31 December 2025	Market value RM'000	(1) NBV RM'000	(2) Adjusted NBV RM'000	Revaluation surplus RM'000	(1) Net re-valuation surplus RM'000	Effective interest attributable to IJM (%)	Net revaluation surplus attributable to IJM RM'000
					1,375,060	845,601	760,857	614,203	466,794	100.0	(D)*(E) 466,794
					(A)		(B)	(C)=(A)-(B)	(D)=(C)* Tax rate	(E)	(D)*(E)

A township development of Seremban 2 comprising:

- 32 subdivided block titles, 24 subdivided individual titles and 5 unsold units located within Bandar Seremban Utama;
- 10 subdivided block titles, 59 subdivided individual titles and 14 unsold units located within Mukim Rasah; and
- 17 subdivided block titles, 2,021 subdivided individual titles and 120 unsold units located within Mukim Labu;

of which 13 are ongoing residential and commercial developments, while the remaining are vacant residential and commercial land for future development, and several completed unsold commercial and residential units, all located within District of Seremban, Negeri Sembilan.

No.	Properties	Tenure	Classification of properties	Valuation date/ Valuer/ Valuation method	Market value	Unaudited as at 31 December 2025		(1) Net re-valuation surplus	Effective interest attributable to IJM (%)	Net revaluation surplus attributable to IJM
						(1) NBV	(2) Adjusted NBV			
4.	The Light Waterfront Penang	Freehold or 99 years leasehold ⁽⁴⁾	Inventories	Valuation date 31 December 2025 Valuer Knight Frank Malaysia Sdn Bhd Valuation method • Comparison approach • Income approach by residual method	(A) 1,174,800	(1) NBV 527,175	(2) Adjusted NBV 487,180	(D)=(C)* 522,591	(E) 80.0	(D)*(E) 418,073
							(B)	(C)=(A)-(B) 687,620		

An integrated development of The Light Waterfront comprising an ongoing development known as Merione Grand and Merione Residences on a parcel of mixed-development land approved for the development of 197 shop office and 145 condominium units and a parcel of vacant commercial land.

Vacant developed lands comprising:

- a parcel of vacant residential land approved for the development of 146 condominium units;
- a parcel of mixed-development land approved for the development of 630 condominium and 20 shop office units;
- a parcel of vacant commercial land; and
- a parcel of vacant residential land.

No.	Properties	Tenure	Classification of properties	Valuation date/ Valuer/ Valuation method	Market value RM'000	Unaudited as at 31 December 2025		Revaluation surplus RM'000	(1) Net re-valuation surplus RM'000	Effective interest attributable to IJM (%)	Net revaluation surplus attributable to IJM RM'000
						(1) NBV RM'000	(2) Adjusted NBV RM'000				
					(A)	(B)	(C)=(A)-(B)	(D)=(C)* Tax rate	(E)	(D)*(E)	
	Partially reclaimed land comprising a parcel of vacant mixed-development land.										
	Land yet to be reclaimed comprising vacant parcels of residential land and commercial land.										
5.	Menara Prudential Persiaran TRX Barat Tun Razak Exchange 55188 Kuala Lumpur	Freehold	Investment properties	Valuation date 31 December 2025 Valuer Knight Frank Malaysia Sdn Bhd Valuation method • Income approach by investment method • Comparison approach	550,000	443,124	443,124	106,876	81,226	100.0	81,226
6.	88 Royal Mint Street Block A, Royal Mint Gardens, Royal Mint Street, London E1 8LG UK An ongoing mixed-use development of 2 buildings comprising 79 residential apartments and an aparthotel of 463 serviced apartment units.	999 years leasehold commenced from 2012	Inventories	Valuation date 31 December 2025 Valuer Knight Frank Malaysia Sdn Bhd Valuation method • Income approach by residual method	522,554	518,950	518,950	3,604	2,703	51.0	1,378

No.	Properties	Tenure	Classification of properties	Valuation date/ Valuer/ Valuation method	Market value RM'000	Unaudited as at 31 December 2025		(1) Net re- valuation surplus RM'000 (D)-(C)*	Effective interest attributable to IJM (%)	Net revaluation surplus attributable to IJM RM'000 (D)*(E)
						(1) NBV RM'000	(2) Adjusted NBV RM'000			
7.	Sebana Cove A township development of Sebana Cove comprising 51 subdivided block titles and 2,137 subdivided individual titles of vacant residential, commercial and agriculture development lands and 55 completed and unsold units of apartments, double-storey detached house and double-storey terraced house, all forming part of a township development of Sebana Cove, located within Mukim Pengerang, District of Kota Tinggi, Johor.	Freehold or 99 years leasehold ⁽⁴⁾	Inventories	Valuation date 31 December 2025 Valuer Knight Frank Malaysia Sdn Bhd <u>Valuation method</u> • Comparison approach • Income approach by residual method	340,000 (A)	328,625	317,909 (B)	22,091 (C)=(A)-(B)	70.0 (E)	11,752
8.	25 Finsbury Circus London EC2M UK A purpose-built office building undergoing refurbishment.	150 years leasehold from 10 December 2018	Investment properties	Valuation date 31 December 2025 Valuer Knight Frank Malaysia Sdn Bhd <u>Valuation method</u> • Income approach by residual method	657,300 (A)	621,075	621,075 (B)	36,225 (C)=(A)-(B)	70.0 (E)	19,018

No.	Properties	Tenure	Classification of properties	Valuation date/ Valuer/ Valuation method	Unaudited as at 31 December 2025			Effective interest attributable to IJM (%)	Net revaluation surplus attributable to IJM RM'000			
					Market value RM'000	(1) NBV RM'000	(2) Adjusted NBV RM'000					
9.	Alam Suria Township A township development of Alam Suria (formerly known as Shah Alam 2), comprising 16 on-going residential development, 9 parcels of vacant lands for residential and commercial development together with 24 unsold units of bungalow plots, all located within Mukim Jeram, District of Kuala Selangor, Selangor.	99 years leasehold	Inventories	<u>Valuation date</u> 31 December 2025 <u>Valuer</u> Knight Frank Malaysia Sdn Bhd <u>Valuation method</u> • Comparison approach • Income approach by residual method	(A) 214,780	182,933	(B) 141,974	Revaluation surplus RM'000 (C)=(A)-(B) 72,806	(1) Net re-valuation surplus RM'000 (D)=(C)* Tax rate 55,333	(E) 100.0	(D)*(E) 55,333	
10.	Mukim Jelebu 22 contiguous parcels of vacant development land (999.361 acres) located within Kampung Kangkoi, off Jalan Kuala Klawang-Titi, in the District of Jelebu, Negeri Sembilan.	Freehold or 99 years leasehold with an unexpired term of approximately 65 years as at LPD ⁽⁴⁾	Inventories	<u>Valuation date</u> 12 February 2026 <u>Valuer</u> Laurelcap Sdn Bhd <u>Valuation method</u> Comparison approach	150,000	69,697	69,697	80,303	61,030	100.0	61,030	
					7,445,634	(3)5,896,118	5,223,897	2,221,736	1,688,090			1,569,060

Notes:

- (1) After accounting for deferred tax of 24.0% (for Malaysia) or 25.0% (for UK), where applicable.
- (2) After adjusting for provisions for cost on the properties under inventories.
- (3) The total NBV of the Selected Properties comprise:

Selected Properties	Unaudited NBV as at 31 December 2025 RM'000	% of Selected Properties	(i)% of property-related assets of IJM Property Group	(ii)% of total assets of IJM Property Group
Investment properties	1,064,199	18.0	12.3	9.0
Inventories	4,831,919	82.0	56.1	40.7
Total	5,896,118	100.0	68.4	49.7

Notes:

- (i) Calculated based on IJM Property Group's⁽ⁱⁱⁱ⁾ unaudited property-related assets (comprising all real estate assets accounted for under IJM Property Group's property, plant and equipment, investment properties and inventories) as at 31 December 2025 of RM8.62 million.
- (ii) Calculated based on IJM Property Group's⁽ⁱⁱⁱ⁾ unaudited total assets as at 31 December 2025 of RM11.87 million.
- (iii) IJM Property Group refers to the companies under IJM which are principally involved in property development, property investment and provision of property management services, which are predominantly IJM Land Berhad and its group of companies as well as IJM RE Sdn Bhd and its group of companies.
- (4) For information, the subject properties encompass various lands held under a combination of freehold and leasehold tenures, each subject to their respective individual document of titles and express condition.

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In arriving at the market values, the Property Valuers has adopted the following valuation methodologies:

(a) Comparison Approach

This approach considers the sales of similar or substitute properties and related market data, and establishes a value estimate by adjustments made for differences in factors that affect value. In general, a property being valued is compared with sales of similar properties that have been transacted in the open market.

(b) Income Approach (Residual Method)

This approach is based on the premise that the price which a purchaser can pay for a property is the present value of the surplus amount or residual value after deducting out the full cost of development (Gross Development Cost) and profit from the sales proceeds (Gross Development Value) of the completed development, which is then discounted at an appropriate rate to reflect the inherent risk and holding cost for the period of development to arrive at the current market value.

(c) Income Approach by DCF Method

The DCF method incorporates the estimation of future annual cash flows over a specified holding or development period from the valuation date and then discounting those cash flows to arrive at an estimated current value of the investment. The present value of the future cash flows is then determined by the application of an appropriate discount rate to derive the net present value of the property as at the valuation date.

(d) Income Approach by Investment Method

This approach involves capitalisation of the net annual income stream that is expected to be received from the property after deducting the annual outgoings and other operating expenses incidental to the property with allowance for void by using an appropriate market derived capitalisation rate.

The Property Valuers have adopted the Comparison Approach for development lands intended for future development (with master planning approval has been obtained without detailed development plans and components), as well as for inventories/ unsold units. Where detailed development approvals have been obtained but no contract has been awarded for the construction of the development, the Property Valuers have adopted the market value(s) derived from the Income Approach by Residual Method, supported by the market value derived from the Comparison Approach. However, in arriving at the market value of lands with joint venture interest arrangement, the Property Valuers have relied on Income Approach by DCF Method as the only preferred method of valuation. For on-going developments which are under construction, the primary method adopted will be the Income Approach by Residual Method, whilst for investment assets that are income generating, the Property Valuers have adopted the market value(s) as derived from the Income Approach by Investment Method as a fair representation for the Subject Properties supported by the market value(s) derived from the Comparison Approach.

We are of the view that the valuation methodologies adopted by the Property Valuers for the valuation and/or valuation updates of the Selected Properties are reasonable and are consistent with generally applied valuation methodologies. We are satisfied with the bases and assumptions used by the Property Valuers in deriving the valuation updates for the Selected Properties. Thus, we are satisfied with and have relied on the valuation and/or valuation updates of the Selected Properties determined by the Property Valuers.

In addition to the valuations and/or valuation updates conducted by the Property Valuers for the Selected Properties above, IJM Property Group had on 31 October 2025 entered into a sale and purchase agreement with a third-party to dispose 194 agriculture lots which are held under Mukim Labu, District of Seremban, Negeri Sembilan, measuring 451.20 acres ("Mukim Labu Lands") for a disposal consideration of RM117.92 million ("Mukim Labu SPA"). As at LPD, the conditions precedent under the Mukim Labu SPA which includes the approval from the State Authority to transfer the Mukim Labu Lands in favour of the purchaser, has not been fully satisfied yet, and are expected to be fully satisfied by June 2026.

We have relied on the agreed disposal consideration for the Mukim Labu Lands, which in our opinion are current and transacted values which reflect the market value to be realised for the Mukim Labu Lands. The management of IJM Property Group has confirmed that the value of the Mukim Labu Lands arising from the agreed disposal consideration has not been reflected in the carrying values of the Mukim Labu Lands as at 31 December 2025. The details of the Mukim Labu Lands and the gains from such disposal are as set out below:

No.	Properties	Tenure	Classification of properties	Disposed consideration	Unaudited NBV as at 31 December 2025		⁽¹⁾ Net gain	Effective interest attributable to IJM	Profit attributable to IJM
					RM'000	RM'000			
1.	Mukim Labu Lands	Freehold	Inventories	(A) 117,921	(B) 71,003	(C)=(A)-(B) 46,918	(D)=(C)* Tax rate 35,658	(E) 100.0	(D)*(E) 35,658

194 parcels of vacant agriculture lands, all located within Mukim Labu, District of Seremban, Negeri Sembilan.

Note:

(1) After accounting for potential tax expenses of 24.0%.

Based on the above, the estimated value for IJM Property Group is as follows:

	RM'000
Unaudited consolidated NA of IJM Property Group as at 31 December 2025	8,399,992
Add: Estimated net revaluation surplus of the Selected Properties	1,569,060
Add: Estimated net gain from the disposal of Mukim Labu Lands	35,658
	<u>10,004,710</u>

6.1.3 Manufacturing & quarrying

The manufacturing & quarrying business of IJM Group is mainly contributed by its subsidiaries, namely ICPSB and its group of companies (collectively, "**IJM Concrete Group**"). IJM Concrete Group is principally involved in the production and sale of concrete products, and quarrying activities.

In arriving at the estimated value for IJM Concrete Group, we have adopted the PER multiple. The PER is an earning-based valuation methodology which compares the market value of a company to its net profit. As a relative valuation methodology, the PER benchmarks the subject company against its comparable listed companies, premised on the fact that these comparable companies provide a relevant reference point for valuation as they operate a broadly similar business and have broadly similar financial characteristics as the subject company, amongst others.

We are of the view that the PER is the most appropriate valuation methodology for IJM Concrete Group due to, amongst others, the following reasons:

- (a) the PER is a commonly used and widely accepted valuation metric which estimates a company's market value based on its PAT relative to its peers. In this regard, we observed that IJM Concrete Group has been profitable for the last 3 FYE 31 March 2023, 2024 and 2025 and 9-month FPE 31 December 2025;
- (b) the PER is more likely to reflect prevailing market sentiment and investor expectations toward the construction sector, which is the key feeder sector for concrete and quarry products;
- (c) the value of the concrete business is principally driven by its ability to generate future earnings from its ongoing business operations rather than the underlying value of its assets. Accordingly, we consider the NA or RNAV valuation methodologies to be less appropriate for the valuation of the concrete business as such methodologies are generally more suitable for valuations of asset-based companies; and
- (d) we did not adopt the DCF valuation methodology for the valuation of the concrete business as this methodology is generally more appropriate for businesses with reasonably predictable future cashflows that are supported by contractual visibility. At this point, the management of the IJM Concrete Group is unable to reliably forecast the future cashflows of the concrete business, given the absence of long-term contracts with customers and the inherent nature of the construction industry (a key feeder sector for concrete and quarry products), which is in turn dependent on prevailing market and economy conditions.

In our analysis, we have selected the comparable companies based on the following criteria:

- (a) has more than 50.0% of revenue derived from concrete and/ or building materials business;
- (b) has revenue derived from concrete and/ or building material business of at least RM500.0 million based on their latest audited financial statements. For reference, the revenue of IJM Concrete Group based on its latest audited financial statements for FYE 31 March 2025 is RM1,054.7 million;

- (c) has total asset size of at least RM500.0 million based on their latest audited financial statements as the total asset size of IJM Concrete Group is RM1,594.8 million based on its latest audited financial statements for FYE 31 March 2025; and
- (d) is listed on Bursa Securities.

Based on the selection criteria above, we have identified the following comparable companies ("**Concrete Comparable Companies**"):

Concrete Comparable Companies	Principal activities
Malayan Cement Berhad (" Malayan Cement ")	Malayan Cement is an investment holding company. Through its subsidiaries, the Group is involved in the production, manufacturing and trading of cement, clinker, ready-mixed concrete, other building materials and related products.
Hume Cement Industries Berhad (" Hume ")	Hume is an investment holding company. Through its subsidiaries, the group is principally engaged in the manufacturing and sale of cement and cement-related products, and marketing and sale of concrete and concrete-related products.
Press Metal Aluminium Holdings Berhad (" Press Metal ")	Press Metal is an investment holding company. Through its subsidiaries, the group is principally engaged in the manufacturing and trading of primary, value-added and extruded aluminium products.

(Source: Bloomberg)

We wish to highlight that the Concrete Comparable Companies have been selected on a best-effort basis and may not be directly comparable to the concrete manufacturing & quarrying business of IJM Concrete Group due to various subjective factors which include, amongst others, composition of business activities, products, size of the business, geographical coverage, financial track record, risk profile, marketability and liquidity. The list of Concrete Comparable Companies is by no means exhaustive.

The PER of the Concrete Comparable Companies as at LTD are set out below:

Concrete Comparable Companies	LTM ended	(¹)Market capitalisation as at LTD (RM'million)	(²)Revenue (RM'million)/ % to total group revenue	(³)PAT attributable to owners (RM'million)	(⁴)Total asset (RM'million)	(⁵)PER (times)
Malayan Cement	31 December 2025	8,189	4,682/ 100.0%	782	11,042	10.5
Hume	31 December 2025	2,186	1,102/ 100.0%	220	1,236	10.0
Press Metal	31 December 2025	47,186	16,127/ 99.6%	2,101	19,174	22.5
				Average:		14.3
				Low:		10.0
				High:		22.5
IJM Concrete Group	31 December 2025	N/A	1,202/ 17.7%	167	1,743	N/A

(Source: Bloomberg, and the unaudited financial results of the respective Concrete Comparable Companies for the 4 most recent financial quarters as at LPD)

Notes:

N/A Not applicable

- (1) Computed based on 12-month VWAMP up to LTD and the number of outstanding shares as at LTD.
- (2) Revenue derived from building materials business only, based on the unaudited financial results of the respective Concrete Comparable Companies for the 4 most recent quarters as at LPD.
- (3) Based on the unaudited financial results of the respective Concrete Comparable Companies for the 4 most recent quarters as at LPD.
- (4) Based on the unaudited financial results of the respective Concrete Comparable Companies for the latest financial quarter as at LPD.
- (5) Computed based on the market capitalisation as at LTD divided by the unaudited PAT attributable to owners for the 4 most recent financial quarters as at LPD.

Based on the table above, it is noted that Press Metal's revenue base is larger than that of IJM Concrete Group. However, we are of the view that its inclusion remains appropriate as Press Metal is a large-scale aluminium manufacturing company with demand linked to the Malaysian construction and infrastructure activity, much like IJM Concrete Group. As such, Press Metal provides a useful reference point for valuation multiples observed for established Malaysian industrial building materials producers. In addition, the Concrete Comparable Companies also includes other listed industrial building materials producers such as Malayan Cement and Hume, which operate at varying scales in terms of market capitalisation, building materials revenue (above RM500.0 million) and total asset size (at least RM500.0 million). This is intended to capture a broader spectrum of valuation multiples of leading industrial building materials producers within the Malaysian building material sector.

Based on the average PER of the Concrete Comparable Companies and the audited PAT of IJM Concrete Group for LTM ended 31 December 2025, the estimated value of IJM Concrete Group is as follows:

	RM'000
Unaudited PAT attributable to owners of the parent of ICPSB for LTM ended 31 December 2025	166,797
Average PER of the Concrete Comparable Companies (times)	14.3
Estimated value of IJM Concrete Group	<u>2,384,469</u>

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6.1.4 Infrastructure - Toll

The infrastructure – toll business of IJM Group is predominantly contributed by its subsidiaries, namely Road Builder (M) Holdings Bhd and its group of companies as well as IJM Investments (M) Limited and its group of companies (collectively, “**IJM Infrastructure – Toll Group**”).

The IJM Infrastructure – Toll Group operates and maintains toll roads under each respective concession agreement in Malaysia and India, details as follows:

No.	Company within IJM Infrastructure – Toll Group	Name of highway/ Location	IJM’s effective ownership
(1)	Besraya (M) Sdn Bhd	BESRAYA/ Malaysia	100.0%
(2)	New Pantai Expressway Sdn Bhd	NPE/ Malaysia	100.0%
(3)	Lebuhraya Kajang-Seremban Sdn Bhd	LEKAS/ Malaysia	50.0%
(4)	West Coast Expressway Sdn Bhd	WCE/ Malaysia	42.5%
(5)	Dewas Bypass Tollway Private Limited	DEWAS/ India	100.0%
(6)	Vijayapura Tollway Private Limited	SOLAPUR/ India	100.0%

FHCA has been engaged by IJM as the independent valuer to conduct a valuation of IJM Infrastructure - Toll Group. We have:

- (a) assessed and are satisfied with the qualification, expertise, experience and credibility of FHCA;
- (b) reviewed and agreed with FHCA’s scope of engagement;
- (c) reviewed, evaluated and agreed with the valuation methodology selected by FHCA as well as the key basis and assumptions adopted by FHCA as set out hereinafter; and
- (d) reviewed, evaluated and agreed with the valuation results derived by FHCA.

FHCA has adopted the DCF valuation method for the valuation of the IJM Infrastructure - Toll Group. We concur with the adoption of the DCF valuation method as this methodology is considered appropriate for IJM Infrastructure - Toll Group given that the entities under this group operate under long-term concession agreements with defined concession periods, regulated toll rates and relatively predictable traffic.

The DCF valuation method considers both the time value of money and the future cash flows to be generated by the IJM Infrastructure - Toll Group over the remaining period of their respective concession agreements. Under this methodology, the future cash flows to be generated from IJM Infrastructure - Toll Group are discounted to their present value using an appropriate discount rate, to take into consideration not only the timing of the cash flow but also the risks associated in generating such cash flows. Specifically, under the DCF valuation method, the FCFE projected to be generated by IJM Infrastructure - Toll Group are discounted at the cost of equity to derive the present value of such future cash flows.

FCFE was adopted over FCFF as it reflects the net cash flows to equity holders after accounting for the structured debt servicing obligations inherent in concession assets. FCFF, which measures cash flows before debt repayment, would not appropriately capture the reality of concession companies where project level financing is a significant feature of the asset.

Further, the IJM Infrastructure – Toll Group is highly leveraged. The debt repayment schedule is contractually fixed under the respective debt facilities agreements and is therefore stable throughout the remaining concession period. The value of the concession asset lies in its operating performance which is captured through the financial projections of IJM Infrastructure - Toll Group (“**IJM Toll Projections**”), over the remaining concession periods, while the structured debt obligations are reflected to arrive at the residual equity cash flows. As the debt structure is contractually fixed the risk of material changes over the concession life is limited. The structured repayment schedules have been reflected in the IJM Toll Projections which provides a consistent and reliable basis for the equity valuation.

FHCA has relied on the IJM Toll Projections, which were prepared by the management of IJM Infrastructure - Toll Group on a best-effort basis to derive the fair estimated value of IJM Infrastructure - Toll Group. In this respect, we have also considered and evaluated the key bases and assumptions adopted in the IJM Toll Projections and are satisfied that the key bases and assumptions used in the preparation of the IJM Toll Projections are reasonable given the prevailing circumstances that are known as at LPD and historical operating performance. It should also be noted that the evaluation of IJM Infrastructure - Toll Group is highly dependent on, amongst others, the attainableness of the IJM Toll Projections as well as the materialisation of the bases and assumptions used therein.

The IJM Toll Projections are projected based on the historical operational and financial performances of IJM Infrastructure - Toll Group, as well as the outlook of the respective highways that they operate including anticipated traffic trends and concession terms.

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The key bases and assumptions adopted in the preparation of the IJM Toll Projections are as follows:

- (a) the future financial information of IJM Infrastructure - Toll Group is projected for the remaining period based on applicable toll rates of their concession agreements or as revised by supplementary agreement with the government, whereby revised rates are adopted with effect from the approved effective date; and projected traffic volumes as extracted from traffic study reports, on the basis that the group will continue to operate as going concern and will sustain their operations throughout the remaining concession period;
- (b) there will not be any significant or material changes in the principal activities, key management personnel, and shareholding structure of IJM Infrastructure - Toll Group;
- (c) there will not be any significant or material increase in costs which would have a material adverse effect on the financial results, cash flows or business prospects of the toll road industry in Malaysia and India, except for projected inflation;
- (d) there will not be any legal proceedings or major disruptions to the business operations which would have a material adverse impact on the financial results, cash flows or business prospects of the toll road industry in Malaysia and India;
- (e) sufficient funds will continue to be available or obtainable on reasonable terms to finance the working capital requirements and capital expenditure of IJM Infrastructure - Toll Group without any material adverse effect on its financial results, cash flows, or business prospects;
- (f) there will not be any significant or material amendments, terminations or adverse changes to the agreements, contracts, licenses and regulatory framework governing the toll operations in Malaysia and India;
- (g) the current accounting policies adopted by IJM Infrastructure - Toll Group will remain relevant and there will not be any significant changes in the accounting standards or policies which would have a material adverse impact on its financial performance and financial position; and
- (h) there will not be any material changes in the political, social and economic conditions, monetary and fiscal policies, legislation, inflation and regulatory requirements of the toll road industry in Malaysia and India and the applicable tax regimes or tax rates.

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In order to derive the estimated value of IJM Infrastructure - Toll Group, FHCA has discounted the FCFE projected to be generated from IJM Infrastructure - Toll Group at an appropriate cost of equity to reflect the rate of return. FHCA's valuation, together with the key bases and assumptions adopted, are as follows:

No.	Parameters	Basis and assumptions	Description														
1.	FCFE	IJM Toll Projections for the remaining period of the concession agreements as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th colspan="2">Projection period</th> </tr> </thead> <tbody> <tr> <td>BESRAYA</td> <td>2026 to 2046</td> </tr> <tr> <td>LEKAS</td> <td>2026 to 2064</td> </tr> <tr> <td>NPE</td> <td>2026 to 2057</td> </tr> <tr> <td>DEWAS</td> <td>2026 to 2042</td> </tr> <tr> <td>SOLAPUR</td> <td>2026 to 2043</td> </tr> <tr> <td>WCE</td> <td>2026 to 2073</td> </tr> </tbody> </table>	Projection period		BESRAYA	2026 to 2046	LEKAS	2026 to 2064	NPE	2026 to 2057	DEWAS	2026 to 2042	SOLAPUR	2026 to 2043	WCE	2026 to 2073	FCFE is the free cash flows from operations available to equity holders after taking into consideration all operating expenses, movements in working capital, net investing cash flows and net financing cash flows. The FCFE is discounted at an appropriate cost of equity which represents the required rate of return by the equity holders of IJM Group.
Projection period																	
BESRAYA	2026 to 2046																
LEKAS	2026 to 2064																
NPE	2026 to 2057																
DEWAS	2026 to 2042																
SOLAPUR	2026 to 2043																
WCE	2026 to 2073																
2.	Risk-free rate of return ("R _f ")	3.54% (Malaysia) 6.68% (India)	The risk-free rate of return represents the expected rate of return from a risk-free investment. FHCA has applied the yield of the 10-year Malaysian Government Securities and 10-year Indian Government Bond Yield as at LPD as this represents the closest available approximation of a risk-free investment in Malaysia and India respectively.														
3.	Market return	9.61% for Malaysia 11.43% for India	The market rate of return is the expected returns for investing in an equity asset in Malaysia or India. FHCA has used the historical average market return based on the average return of FTSE Bursa Malaysia Top 100 Index for Malaysia and benchmarked against the Nifty 50 Index for India, for the past 10 years. The 10-year period is selected as it is reflective of the most recent economic cycle as well as to commensurate the time horizon selected for the risk-free rate.														
4.	Beta ("β")	Re-levered beta of 0.43 to 0.59	Beta 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 1 signifies that the asset is riskier as compared to the market and a beta of lower than 1 signifies that the asset is less risky as compared to the market.														

No.	Parameters	Basis and assumptions	Description
			<p>In arriving at the beta for IJM Infrastructure - Toll Group, FHCA has relied on the 5-year monthly beta of comparable companies. As the beta extracted from Capital IQ (a market intelligence platform widely used as a source for valuation metrics) is based on the LTM debt-to-equity ratios of the comparable companies, the beta is un-levered based on the following formula:</p>
			$\text{Unlevered beta} = \frac{\text{Levered beta}}{1 + (1 - t) \times \text{debt-to-equity ratio}}$
			<p>whereby, <i>t</i> represents the corporate income tax of the comparable companies (24.0% for Malaysia, 22.0% for Indonesia, 20.0% for Vietnam, and 30.0% for India).</p>
			<p>Subsequently, the unlevered beta is re-levered based on the median debt-to-equity ratio of the comparable companies to arrive at the re-levered beta of each individual toll operations.</p>
			<p>FHCA has selected companies which are principally involved in the construction, operation and maintenance of toll road operations as comparable companies for IJM Infrastructure - Toll Group.</p>
			<p>The comparable companies were selected based on the following criteria:</p>
			<p>(i) principally involved in a similar industry as the IJM Infrastructure - Toll Group;</p>
			<p>(ii) publicly listed on a recognised stock exchange;</p>
			<p>(iii) currently in operation as at LPD; and</p>
			<p>(iv) where a comparable company has multiple revenue streams, revenue contributed by the relevant industry exceeds 51.0% of the total revenue of the company.</p>

No. Parameters Basis and assumptions**Description**

The comparable companies and the input parameters applied by FHCA as at the date of their opinion of 4 February 2026 are as set out below:

No.	Comparable companies/ Listed stock exchange	Market capitalisation (RM'million)	Levered beta	Debt-to- equity ratio (%)
1.	PT Citra Marga Nusaphala Persada Tbk/ Indonesian Stock Exchange	1,959.1	0.936	61.92
2.	PT Jasa Marga (Persero) Tbk/ Indonesian Stock Exchange	6,442.2	0.897	132.22
3.	WCE Holdings Berhad/ Bursa Securities	2,310.2	0.580	221.75
4.	CII Bridges and Roads Investment Joint Stock Company/ Ho Chi Minh Stock Exchange	1,895.0	0.273	87.62
5.	Gayatri Highways Limited/ National Stock Exchange of India	21.7	1.406	850.68

All comparable companies as set out in (1) to (5) above were applied for the valuation of BESRAYA, NPE and LEKAS. For the valuation of WCE, DEWAS and SOLAPUR, all comparable companies as set out in (1) to (5) other than (3) were applied.

There are no companies which are exactly similar or directly comparable to IJM Infrastructure - Toll Group in terms of, amongst others, the composition of business activities, geographical footprint, concession tenure profile, scale of operations, historical financial performance, risk profile, traffic mix, and growth prospects. Nevertheless, for the purpose of estimating an appropriate equity beta for IJM Infrastructure - Toll Group, the above selection of publicly listed toll road and infrastructure concession operators are deemed reasonable. Although not identical to IJM Infrastructure - Toll Group, they operate within broadly comparable regulatory and concession-based environments and are exposed to similar operational and macroeconomic risk factors, including traffic volume fluctuations, tariff adjustment mechanisms, financing structures and concession expiry profiles.

No.	Parameters	Basis and assumptions	Description								
5.	Cost of equity ("K _e ")	7.17% to 10.39%	<p>Based on the above, the re-levered beta of each individual toll operations is as follows:</p> <table border="1" data-bbox="199 280 327 1310"> <thead> <tr> <th data-bbox="199 1108 231 1310">Toll operations</th> <th data-bbox="199 280 231 481">Re-levered beta</th> </tr> </thead> <tbody> <tr> <td data-bbox="231 1019 263 1310">BESRAYA, NPE and LEKAS</td> <td data-bbox="231 280 263 347">0.43</td> </tr> <tr> <td data-bbox="263 1243 295 1310">WCE</td> <td data-bbox="263 280 295 347">0.59</td> </tr> <tr> <td data-bbox="295 1064 327 1310">DEWAS and SOLAPUR</td> <td data-bbox="295 280 327 347">0.57</td> </tr> </tbody> </table>	Toll operations	Re-levered beta	BESRAYA, NPE and LEKAS	0.43	WCE	0.59	DEWAS and SOLAPUR	0.57
Toll operations	Re-levered beta										
BESRAYA, NPE and LEKAS	0.43										
WCE	0.59										
DEWAS and SOLAPUR	0.57										

The cost of equity represents the expected or required rate of return on equity by the equity holders. The cost of equity is derived using the capital asset pricing model as shown below:

$$K_e = R_f + [\beta \times (\text{Market return} - R_f)] + \text{non-systematic risk}$$

FHCA has adopted an additional risk premium of 1.00% to the cost of equity to account for non-systematic risks for each individual toll operations which may not be reflective through the use of β alone as β reflects only systemic risk. The non-systematic risks considered among others, concession-specific operational risks, traffic volume uncertainty and tariff adjustments.

The quantum of 1.00% is considered appropriate as it is within the range commonly applied in valuation practice for infrastructure concession assets, reflecting a moderate level of asset-specific risk premium.

FHCA has adopted a sensitivity of +/- 0.5% to the K_e computed to arrive at a range as the computation of K_e is based on the assumed R_f , β and market return adopted and each of these components are dependent on the assumptions made and are sensitive to changes in factors including time period, government policies, market volatility and economic conditions.

No.	Parameters	Basis and assumptions	Description
6.	Equity value	RM3,826.0 million to RM4,552.8 million (based on IJM's effective interest)	The formula used to derive the equity value of IJM Infrastructure - Toll Group is as follows: Equity value of the segment = Total present value of the projected FCFE ⁽¹⁾

Note:

(1) Computed based on the following formula:

$$Present\ value\ of\ FCFE = \frac{FCFE}{(1 + Ke)^n}$$

FHCA then adjusted the equity value of the segment derived from FCFE by adding back the cash and cash equivalent (including financial assets, where applicable) of the IJM Infrastructure - Toll Group based on their book value as at 31 December 2025. Such cash and cash equivalent includes interest incomes and dividend incomes that are generated up to 31 December 2025. For avoidance of doubt, these interest and dividend incomes are generated from the bank balances and any financial assets these companies may have, as such they are not related to the debt instruments that are taken into account in the valuation of other investment and subsidiaries. Any interest incomes and dividend incomes that are expected to be generated in the future are not taken in account in the IJM Toll Projections.

The adjusted equity value is then apportioned based on IJM's effective equity interest in each respective toll operations.

	Equity Value (RM'million)	Add: Cash and Cash equivalent (RM'million)	Adjusted Equity Value (RM'million)
Total equity value of companies within IJM Infrastructure – Toll Group	5,467.75	711.44	6,179.19
Total equity value based on IJM's effective interest in companies within IJM Infrastructure – Toll Group	3,671.48	489.92	4,161.40

No. Parameters Basis and assumptions**Description**

Based on the above adjusted equity value, FHCA performed a sensitivity analysis on the discount rate used as it has significant impact on the implied value of the IJM Infrastructure – Toll Group. FHCA have stress tested the equity valuation by varying the discount rate by upwards and downwards variances of 0.5% respectively against the midpoint valuation to arrive at a reasonable range of equity valuations for the IJM Infrastructure – Toll Group. The results of the sensitivity analysis on the fair market value of the respective IJM Infrastructure – Toll Group are shown as follows:

	Parameters	(i)Low (RM'million)	(i)High (RM'million)
Total equity value based on IJM's effective interest of companies within IJM Infrastructure – Toll Group	Movement in Discount Rate ($\pm 0.5\%$)	3,826.00	4,552.80

Note:

(i) These values are inclusive of the cash and cash equivalent adjustment as described above.

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Based on the discounted FCFE of IJM Infrastructure - Toll Group, FHCA has derived the equity value of IJM Infrastructure - Toll Group to range from **RM3,826.0 million to RM4,552.8 million**.

Holders should note that the valuation in itself is highly dependent on, amongst others, the achievability of the IJM Toll Projections as well as the materialisation of the bases and assumptions used therein. Holders should also note that the valuation may be materially or adversely affected should the actual results or events differ from any of the bases and assumptions adopted.

6.1.5 Infrastructure – Port

The infrastructure – port business of IJM Group is entirely contributed by its subsidiaries, namely KPC and its group of companies (collectively, “**IJM Infrastructure – Port Group**”). IJM Infrastructure – Port Group is principally involved in the management of Kuantan Port along the eastern seaboard of Peninsular Malaysia.

On 22 November 1997, KPC entered into a privatisation agreement with the Government and Kuantan Port Authority granting KPC a 30-year concession to manage, operate and develop Kuantan Port effective from 1 January 1998. The agreement was superseded on 16 June 2015 by a revised privatisation agreement under which KPC undertook the development of a New Deep Water Terminal adjacent to the existing port. The revised concession commenced on 1 June 2015 for an initial period of 30 years, with an option for a further 30-year extension subject to KPC fulfilling its obligations under the agreement within the stipulated timeframe. For information, upon the completion of Phase 2 of the New Deep Water Terminal in Kuantan, KPC would have fulfilled its obligations under the concession agreement for the further 30-year extension of the concession agreement.

FHCA has been engaged by IJM as the independent valuer to conduct a valuation of IJM Infrastructure - Port Group. We have applied similar review on FHCA’s credentials and scope of engagement as set out in Section 6.1.4.

For FHCA’s valuation of IJM Infrastructure - Port Group, we have also:

- (a) reviewed, evaluated and agreed with the valuation methodology selected by FHCA as well as the key basis and assumptions adopted by FHCA as set out hereinafter; and
- (b) reviewed, evaluated and agreed with the valuation results derived by FHCA.

FHCA has adopted the DCF valuation method for the valuation of IJM Infrastructure - Port Group. We concur with the adoption of the DCF valuation method as this methodology is considered appropriate for IJM Infrastructure - Port Group given that it operates under a long-term concession agreement with defined concession periods, regulated port rates and relatively predictable traffic.

The DCF valuation method considers both the time value of money and the future cash flows to be generated by the IJM Infrastructure - Port Group over the remaining period of the concession agreement. Under this methodology, the future cash flows to be generated from IJM Infrastructure - Port Group are discounted to their present value using an appropriate discount rate, to take into consideration not only the timing of the cash flow but also the risks associated in generating such cash flows. Specifically, under the DCF valuation method, the FCFE projected to be generated from IJM Infrastructure - Port Group are discounted at the cost of equity to derive the present value of such future cash flows. FCFE was adopted over FCFF as it reflects the net cash flows to equity holders after accounting for the structured debt servicing obligations inherent in concession assets. FCFF, which measures cash flows before debt repayment, would not appropriately capture the reality of concession companies where project level financing is a significant feature of the asset.

FHCA has relied on the financial projections of the IJM Infrastructure - Port Group ("**IJM Port Projections**"), which were prepared by the management of IJM Infrastructure - Port Group on a best-effort basis to derive the fair estimated value of IJM Infrastructure - Port Group. In this respect, we have also considered and evaluated the key bases and assumptions adopted in the IJM Port Projections and are satisfied that the key bases and assumptions used in the preparation of the IJM Port Projections are reasonable given the prevailing circumstances that are known as at LPD and historical operating performance. It should also be noted that the evaluation of IJM Infrastructure - Port Group is highly dependent on, amongst others, the attainableness of the IJM Port Projections as well as the materialisation of the bases and assumptions used therein.

The IJM Port Projections are projected based on the historical operational performances and financial performances of IJM Infrastructure - Port Group as well as taking into consideration the outlook of the overall port industry in Malaysia including anticipated cargo throughput trends and concession terms.

The key bases and assumptions adopted in the preparation of the IJM Port Projections are as follows:

- (a) the future financial information of IJM Infrastructure - Port Group is projected for the remaining period of the concession agreement, on the basis that the group will continue to operate as going concern and will sustain their operations throughout the remaining concession period. It is assumed that IJM Infrastructure - Port Group will fulfil its obligations under the privatisation agreement within the stipulated timeframe and accordingly the concession period is projected to extend for a further 30 years beyond the initial concession expiry (as the conditions for such extension, primarily the capital expenditure needed to complete Phase 2 of the New Deep Water Terminal in Kuantan, have been accounted for in the IJM Port Projections), resulting in a total concession period extending to 2075;
- (b) primary revenue is derived from cargo handling services across four categories (liquid bulk, dry bulk, break bulk and containers) computed based on cargo throughput multiplied by the applicable tariff rates as gazetted under the Kuantan Port Authority (Scale of Rates, Dues and Charges) By-Laws 2023. Cargo throughput projections are based on historical performance and projections provided by customers;
- (c) there will not be any significant or material changes in the principal activities, key management personnel and shareholding structure of IJM Infrastructure - Port Group;
- (d) there will not be any significant or material increase in costs which would have a material adverse effect on the financial results, cash flows or business prospects of the port industry in Malaysia;
- (e) there will not be any major disruptions to the business operations which would have a material adverse impact on the financial results, cash flows or business prospects of the port industry in Malaysia, except for projected inflation;
- (f) sufficient funds will continue to be available or obtainable on reasonable terms to finance the working capital requirements and capital expenditure of IJM Infrastructure - Port Group without any material adverse effect on its financial results, cash flows, or business prospects;
- (g) there will not be any legal proceedings or significant or material amendments, terminations or adverse changes to the agreements, contracts, licenses and regulatory framework governing the port operations in Malaysia;

- (h) the current accounting policies adopted by IJM Infrastructure - Port Group will remain relevant and there will not be any significant changes in the accounting standards or policies which would have a material adverse impact on its financial performance and financial position; and
- (i) there will not be any material changes in the political, social and economic conditions, monetary and fiscal policies, legislation, inflation and regulatory requirements of the port industry in Malaysia and the applicable tax regimes or tax rates.

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In order to derive the estimated value of IJM Infrastructure - Port Group, FHCA has discounted the FCFE projected to be generated from IJM Infrastructure - Port Group at an appropriate cost of equity that reflects the rate of return. FHCA's valuation, together with the key bases and assumptions adopted, are as follows:

No.	Parameters	Basis and assumptions	Description
1.	FCFE	IJM Port Projections for the remaining period of the concession agreement from 2026 to 2075	FCFE is the free cash flows from operations available to equity holders after taking into consideration all operating expenses, movements in working capital, net investing cash flows and net financing cash flows.
2.	R _f	3.54%	The FCFE is discounted at an appropriate cost of equity which represents the required rate of return by the equity holders of IJM Group.
3.	Market return	9.61%	The risk-free rate of return represents the expected rate of return from a risk-free investment. FHCA has applied the yield of the 10-year Malaysian Government Securities as at LPD as this represents the closest available approximation of a risk-free investment in Malaysia. The market rate of return is the expected returns for investing in an equity asset in Malaysia. FHCA has used the historical average market return based on the average return of FTSE Bursa Malaysia Top 100 Index for Malaysia for the past 10 years. The 10-year period is selected as it is reflective of the most recent economic cycle as well as to commensurate the time horizon selected for the risk-free rate.
4.	β	Re-levered beta of 0.48	Beta 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 1 signifies that the asset is riskier as compared to the market and a beta of lower than 1 signifies that the asset is less risky as compared to the market. In arriving at the beta for IJM Infrastructure – Port Group, FHCA has relied on the 5-year monthly beta of comparable companies. As the beta extracted from Capital IQ (a market intelligence platform widely used as a source for valuation metrics) is based on the LTM debt-to-equity ratios of the comparable companies, the beta is un-levered based on the following formula:

$$\text{Unlevered beta} = \frac{\text{Levered beta}}{1 + (1 - t) \times \text{debt-to-equity ratio}}$$

whereby, *t* represents the corporate income tax of 24.00% for Malaysia.

No. Parameters Basis and assumptions**Description**

Subsequently, the unlevered beta is re-levered based on the median debt-to-equity ratio of the of the comparable companies to arrive at the re-levered beta of 0.48 for IJM Infrastructure - Port Group.

FHCA has selected companies which are principally port operator and manager and listed on Bursa Securities as comparable companies for IJM Infrastructure - Port Group.

The comparable companies were selected based on the following criteria:

- (i) principally involved in a similar industry as the IJM Infrastructure – Port Group;
- (ii) publicly listed on a recognised stock exchange;
- (iii) currently in operation as at LPD; and
- (iv) where a comparable company has multiple revenue streams, revenue contributed by the relevant industry exceeds 51.0% of the total revenue of the company.

The comparable companies and the input parameters applied by FHCA as at the date of their opinion of 4 February 2026 are as set out below:

No.	Comparable companies/ Listed stock exchange	Market capitalisation (RM'million)	Levered beta	Debt-to- equity ratio (%)
1.	Westports Holdings Berhad/ Bursa Securities	20,910.61	0.73	15.20%
2.	Bintulu Port Holdings Berhad/ Bursa Securities	2,507.00	0.48	3.06%
3.	Suria Capital Holdings Berhad/ Bursa Securities	518.73	0.39	0.00%

No.	Parameters	Basis and assumptions	Description
5.	K _e	7.43%	<p>There are no companies which are exactly similar or directly comparable to IJM Infrastructure - Port Group in terms of, amongst others, the composition of business activities, geographical footprint, concession tenure profile, scale of operations, historical financial performance, risk profile, customer profile and growth prospects. Nevertheless, for the purpose of estimating an appropriate equity beta for IJM Infrastructure – Port Group, the above selection of publicly listed port and port-related infrastructure operators are deemed reasonable. Although not identical to IJM Infrastructure - Port Group, they operate within broadly comparable industry segments and are exposed to similar operational and market risks, including cargo throughput volatility, trade flow dynamics, regulatory oversight and capital-intensive asset structures.</p> <p>The cost of equity represents the expected or required rate of return on equity by the equity holders. The cost of equity is derived using the capital asset pricing model as shown below:</p> $K_e = R_f + [\beta \times (\text{Market return} - R_f)] + \text{non-systematic risk}$ <p>FHCA has adopted an additional specific risk premium of 1.00% to the cost of equity to account for non-systematic risks for the port operations which may not be reflective through the use of β alone as β reflects only systemic risk.</p> <p>The quantum of 1.00% is considered appropriate as it is within the range commonly applied in valuation practice for infrastructure concession assets, reflecting a moderate level of asset-specific risk premium.</p> <p>FHCA has adopted a sensitivity of +/- 0.5% to the K_e computed to arrive at a range as the computation of K_e is based on the assumed R_f, β and market return adopted and each of these components are dependent on the assumptions made and are sensitive to changes in factors including time period, government policies, market volatility and economic conditions.</p>

No.	Parameters	Basis and assumptions	Description
6.	Equity value	RM2,695.0 million to RM4,198.6 million (based on IJM's effective interest)	The formula used to derive the enterprise value of IJM Infrastructure - Port Group is as follows: Equity value of the segment = Total present value of the projected FCFE ⁽¹⁾

Note:

(1) Computed based on the following formula:

$$Present\ value\ of\ FCFE = \frac{FCFE}{(1 + ke)^n}$$

FHCA then adjusted the equity value of the segment derived from FCFE by adding back the cash and cash equivalent (including financial assets, where applicable) of the IJM Infrastructure - Port Group based on their book value as at 31 December 2025. Such cash and cash equivalent includes interest incomes and dividend incomes that are generated up to 31 December 2025. For avoidance of doubt, these interest and dividend incomes are generated from the bank balances and any financial assets these companies may have, as such they are not related to the debt instruments that are taken into account in the valuation of other investment and subsidiaries. Any interest incomes and dividend incomes that are expected to be generated in the future are not taken in account in the IJM Port Projections.

The adjusted equity value is then apportioned based on IJM's equity interest in KPC. Details as follows:

	Equity Value (RM' million)	Add: Cash and Cash equivalent (RM' million)	Adjusted Equity Value (RM' million)
Total equity value of IJM Infrastructure - Port Group	5,263.75	303.46	5,567.23
Total equity value based on IJM's effective interest in IJM Infrastructure - Port Group	3,158.25	182.08	3,340.34

No. Parameters Basis and assumptions

Description

Based on the above adjusted equity value, FHCA performed a sensitivity analysis on the discount rate used as it has significant impact on the implied fair market value of IJM Infrastructure - Port Group. FHCA have stress tested the equity valuation by varying the discount rate by upwards and downwards variances of 0.5% respectively against the midpoint valuation to arrive at a reasonable range of equity valuations for IJM Infrastructure - Port Group. The results of the sensitivity analysis on the fair market value of IJM Infrastructure - Port Group is shown as follows:

Parameters	⁽ⁱ⁾Low (RM' million)	⁽ⁱ⁾High (RM' million)
Equity value based on IJM's Movement in Discount effective interest in IJM Rate ($\pm 0.5\%$) Infrastructure - Port Group	2,695.0	4,198.6

Note:

(i) These values are inclusive of the cash and cash equivalent adjustment as described above.

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Based on the discounted FCFE of IJM Infrastructure - Port Group, FHCA has derived the equity value of IJM Infrastructure - Port Group to range from **RM2,695.0 million to RM4,198.6 million**.

Holders should note that the valuation in itself is highly dependent on, amongst others, the achievability of the IJM Port Projections as well as the materialisation of the bases and assumptions used therein. Holders should also note that the valuation may be materially or adversely affected should the actual results or events differ from any of the bases and assumptions adopted.

6.1.6 Investment & others

The remaining entities within IJM Group under the investment & others segment comprise subsidiaries which are involved in investment holding and telecommunication projects and services (collectively, "**Investment & Others Group**"). The Investment & Others Group performs, among others, the Group's centralised treasury function. In this capacity, certain financial investments held under this segment are debt instruments used to provide funding support to certain infrastructure concession entities within IJM Group.

In particular, IJM Group has invested in quasi-equity debt instruments issued by West Coast Expressway Sdn Bhd ("**WCESB**") and Lebuhraya Kajang-Seremban Sdn Bhd ("**LEKASSB**"). These debt instruments represent financing arrangements extended to support the development and operation of their respective toll concessions.

For the purpose of the valuation of IJM Infrastructure – Toll Group, in particular, the toll operations of WCESB and LEKASSB as set out in Section 6.1.4, the equity value of WCESB and LEKASSB is derived using DCF methodology based on FCFE. Under this approach, debt repayments have been reflected as cash outflows in their projected cash flows.

As IJM Group is also a lender to WCESB and LEKASSB by virtue of the debt instruments, the book value of such debt instruments should be recognised under the Investment & Others segment. This recognition ensures that IJM Group's interests as an equity holder and lender to WCESB and LEKASSB are appropriately accounted for.

Save for the adjustment above, we did not conduct any valuation on the Investment & Others Group as the resulting outcome is not expected to have a material impact to the overall valuation of IJM Group based on the following consideration:

- (a) the total assets of the Investment & Others Group of RM475.06 million constitute only 2.1% of IJM Group's total assets as at 31 December 2025 of RM22,814.66 million; and
- (b) the total revenue derived from the Investment & Others Group of RM26.08 million represents less than 1.0% of IJM Group's consolidated revenue for the 9-month FPE 31 December 2025 of RM5,012.72 million.

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Given the relatively small scale of operations and limited contribution from the Investment & Others Group, we are of the view that the latest unaudited book value of this segment as at 31 December 2025 represents a reasonable proxy for the estimated value of this segment, details as follows:

	RM'000
Unaudited net liability of the Investment & Others Group as at 31 December 2025	(1)(1,781,827)
Add: Debt instruments held by IJM Group which are issued by:	
• WCESB ⁽²⁾	927,430
• LEKASSB ⁽³⁾	173,997
Estimated value of Investment & Others Group	(680,400)

Note:

- (1) Net liability position of the Investment & Other Group mainly due to the financing extended by the centralised treasury function to support companies within IJM Group.
- (2) Being the NBV of the Redeemable Unsecured Murabahah Stocks amounting to RM927.43 million issued by WCESB.
- (3) Being the NBV of the Redeemable Convertible Unsecured Loan Stocks and Redeemable Convertible Secured Islamic Debt Securities amounting to RM158.84 million and RM15.16 million issued by LEKASSB.

6.1.7 Valuation conclusion

Based on the SOPV approach, the estimated value of IJM Group is as follows:

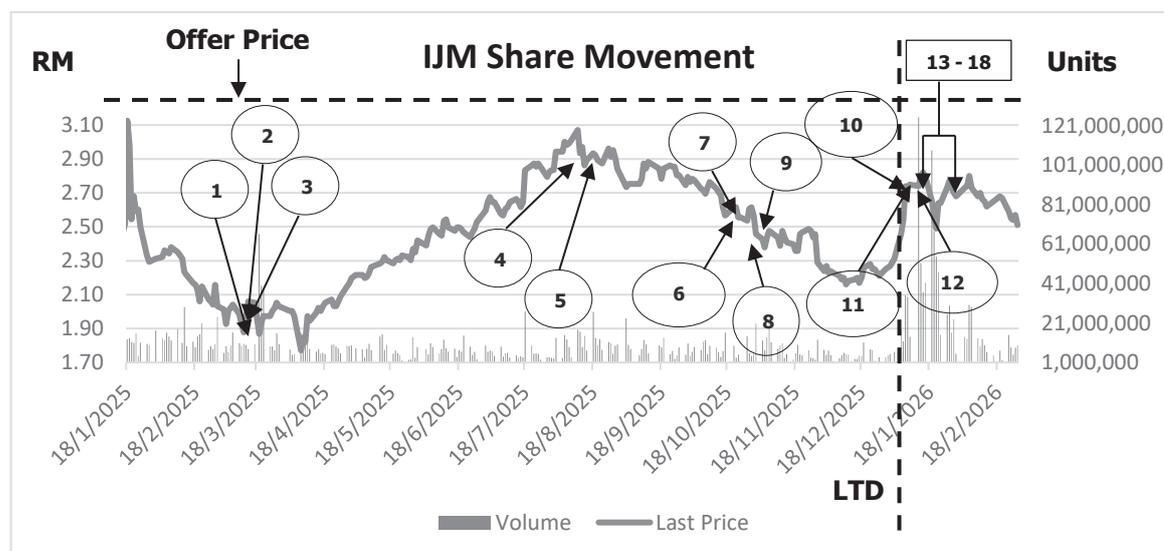
Business segments	Valuation methodologies	Reference	SOPV valuation	
			Low	High
			RM'000	RM'000
Construction	PER	Section 6.1.1	2,240,634	2,240,634
Property development	RNAV	Section 6.1.2	10,004,710	10,004,710
Manufacturing & quarrying	PER	Section 6.1.3	2,384,469	2,384,469
Infrastructure - Toll	DCF	Section 6.1.4	3,826,010	4,552,780
Infrastructure - Port	DCF	Section 6.1.5	2,695,040	4,198,600
Investment & others	NA	Section 6.1.6	(680,400)	(680,400)
Value of IJM Group			<u>20,470,463</u>	<u>22,700,793</u>
No. of IJM Shares as at LPD (excluding treasury shares)			3,505,166,120	3,505,166,120
Estimated value of each IJM Share (RM)			5.84	6.48

Based on the above, the Offer Price represents a discount of between 46.1% and 51.4% to the estimated value ascribed to each IJM Share of between RM5.84 and RM6.48. For Holder's information, the latest unaudited NA per IJM Share as at 31 December 2025 is RM2.93.

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6.2 Historical market price performance of IJM Shares

In evaluating the Offer, we have taken into consideration the movement of the closing market prices of IJM Shares over the past 12 months prior to LPD as depicted below:



(Source: Bloomberg)

From the graph above, we noted that:

- the closing prices of IJM Shares traded within a range from a low of RM1.77 and a high of RM3.08 in the past 12 months before the announcement of the receipt of the Notice;
- the Offer Price is higher than the closing market prices of IJM Shares over the past 12 months before the announcement of the receipt of the Notice up to LPD; and
- the highest closing share price of IJM Shares from the date of Notice up to and including LPD was RM2.82.

Notwithstanding the above, past market price performance should not be regarded as indicative of the future market price performance of the IJM Shares. The market price of IJM Shares may be influenced by various factors, including, amongst others, the financial performance and future prospects of IJM Group, prevailing economic conditions and outlook, publicity and speculation, general stock market conditions and investor sentiment, and other general macroeconomic conditions as well as company-specific factors. There can be no assurance that the market prices of IJM Shares will continue to trade at the current price levels after the Closing Date.

Based on the material announcements released by IJM on Bursa Securities over the 12 months period prior to LPD, we noted that there was no fundamental change to the business of IJM Group during the said period. Save as disclosed in the table below and the announcements made in relation to dividend declaration, changes in substantial shareholders interest, changes in board of directors, financial results and annual report of IJM Group for the past 12 months up to LPD, there were no significant events or announcements made by IJM which may have affected the movement of historical market prices of IJM Shares:

Annotation	Date	Significant announcements/ Events
1	12 March 2025	Announcement on IJM's proposed acquisition of an office building located at 25 Finsbury Circus in Central London, for GBP72.5 million (approximately RM407.9 million).

Annotation	Date	Significant announcements/ Events
2	20 March 2025	Media release and lodging of report by IJM to Malaysian Communications and Multimedia Commission (MCMC) over false and malicious allegations circulating online against the company and its leadership in regard to its Mass Rapid Transit 3 (MRT3) project.
3	23 May 2025	<p>Announcement that New Pantai Expressway Sdn Bhd ("NPESB"), an indirect wholly-owned subsidiary of IJM, has on 22 May 2025, has received a letter from the Ministry of Works Malaysia, approving the following:</p> <p>(a) that NPESB will undertake the proposed New Pantai Highway extension ("NPE Extension"), with project cost to be fully funded by NPESB, without any financial commitment from the Government. The NPE Extension is a fully elevated highway (15-kilometre including directional ramps) with one (1) new toll plaza, connecting the existing Pantai Dalam Toll Plaza to Jalan Istana Interchange via Jalan Syed Putra; and</p> <p>(b) the toll rate for the existing New Pantai Highway will be maintained at current rate until the expiry of the concession period.</p> <p>The Government and NPESB will sign a supplemental concession agreement for the NPE Extension and toll rate restructuring.</p>
4	15 August 2025	Announcement that IJM's wholly-owned subsidiary, IJM Construction Sdn Bhd (" IJM Construction "), has executed a letter of acceptance for the proposed construction of a data centre consisting of a 6-storey data centre building with office, 2 units of guard house and a unit of waste management facility with recycling area in Mukim Pulai, Daerah Johor Bahru, Johor (" Project ") for a contract sum of RM1.4 billion. The Project is targeted to be completed within 13 months in September 2026.
5	22 August 2025	Announcement that NPESB has executed a Supplemental Concession Agreement with the Government for the NPE Extension and toll rate restructuring.
6	24 October 2025	Announcement that IJM Construction has accepted a letter of award from Sime Darby Property (EBP Asset II) Sdn Bhd for the main building work (Core & Shell) of a hyperscale data centre in Elmina Business Park Selangor, for a contract sum of RM1.26 billion.
7	29 October 2025	Announcement that IJM Construction has accepted a letter of award from Pearl Computing Malaysia Sdn Bhd for the mechanical & electrical (M&E) fit-out works of a hyperscale data centre in Elmina Business Park Selangor, for a contract sum of RM873.9 million.

Annotation	Date	Significant announcements/ Events
8	5 November 2025	Announcement that IJM Construction has accepted a letter of award from NPESB, a related company, for the design and build of the NPE Extension for a contract sum of RM1.4 billion (exclusive of any service tax at the prevailing rate).
9	7 November 2025	Announcement referring to the news article that appeared in Business Times – New Straits Times on 7 November 2025 in relation to a merger between Sunway and IJM, and that the Board is not aware of any such proposal and has not been approached regarding a potential merger.
10	12 January 2026	Announcement on the receipt of the Notice.
11	19 January 2026	Announcement that officers from the Malaysian Anti-Corruption Commission (" MACC ") and Lembaga Hasil Dalam Negeri Malaysia (LHDN) were present at IJM's office to obtain information as part of their process. Media reports on MACC identifying persons of interest in alleged money laundering scheme.
12	20 January 2026	<ul style="list-style-type: none"> • Media release by IJM in clarification of MACC's visit and refuting money laundering claims. • Announcement on the appointment of M&A Securities as Independent Adviser in relation to the Offer.
13	21 January 2026	Media release by IJM in clarification of the temporary freezing of a limited number of corporate bank accounts.
14	29 January 2026	Announcement that M&A Securities has submitted an application to the SC to seek approval for extension of time to 5 March 2026 to submit the draft IAC to the SC for comments, and consequently to issue the IAC to the Board and holders of the Offer Shares by 16 March 2026 (" Extension of Time ").
15	3 February 2026	Announcement on the SC's approval for the Extension of Time.
16	6 February 2026	News reports of MACC's arrest and subsequent release of IJM's Chairman.
17	8 February 2026	<ul style="list-style-type: none"> • Media statement by IJM reassuring its cooperation with MACC's investigation. • Personal statement by IJM's Non-Executive Chairman reassuring his cooperation with MACC's investigation.
18	9 February 2026	Announcement of the above media/ personal statements

(Source: Online news articles, IJM's media releases as well as announcements on Bursa Securities)

Further, the table below sets out the premium represented by the Offer Price vis-à-vis the historical market price of IJM Shares:

	<u>Market price</u>	<u>Premium</u>	
	<u>(RM)</u>	<u>(RM)</u>	<u>(%)</u>
<u>Up to LTD:</u>			
Closing price	2.7500	0.4000	14.55
5-day VWAMP	2.6440	0.5060	19.14
1-month VWAMP	2.4612	0.6888	27.99
3-month VWAMP	2.4821	0.6679	26.91
6-month VWAMP	2.6787	0.4713	17.59
12-month VWAMP	2.4631	0.6869	27.89
<u>Up to LPD:</u>			
Closing market price	2.3100	0.8400	36.36
5-day VWAMP	2.3567	0.7933	33.66

(Source: Bloomberg)

Based on our evaluation above, we noted that the Offer Price represents:

- (a) a premium of RM0.4000 (14.55%) and RM0.5060 (19.14%) over the closing price of IJM Shares as at LTD and 5-day VWAMP of IJM Shares up to and including LTD respectively;
- (b) a premium ranging from RM0.4713 (17.59%) to RM0.6888 (27.99%) over the 1-month, 3-month, 6-month and 12-month VWAMPs of IJM Shares up to and including LTD respectively; and
- (c) a premium of RM0.8400 (36.36%) and RM0.7933 (33.66%) to the closing price of IJM Shares on LPD and 5-day VWAMP of IJM Shares up to and including LPD respectively.

There can be no assurance that the Offer Price will continue to represent a premium to the prevailing market price of IJM Shares after LPD and up to the Closing Date. You are advised to closely monitor the market price performance of IJM Shares before arriving at a decision on whether to accept or reject the Offer.

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6.3 Evaluation of Consideration Shares

In evaluating the Consideration Shares, we have considered the value of the Sunway Shares to be received by an Accepting Holder. For illustrative purposes, an Accepting Holder will receive the Cash Consideration and Consideration Shares in the proportion of 10.0% and 90.0% of the Offer Price respectively, subject to rounding down adjustments as set out in **Section 2.1 of the Offer Document**:

Number of Offer Share(s)	Cash		No. of Consideration Shares	
	Before rounding down (RM)	After rounding down (RM)	Before rounding down	After rounding down
A Holder holding 1 Offer Share	0.3150	0.31	0.5018	Nil
A Holder holding 1,000 Offer Shares	315.0000	315.00	501.7699	501
A Holder holding 5,211 Offer Shares	1,641.4650	1,641.46	2,614.7230	2,614

In assessing the value of the Consideration Shares, M&A Securities has considered various valuation approaches, including asset-based, earnings-based and market-based methodologies to value the business segments of Sunway Group. As the Consideration Shares are listed Sunway Shares which are actively traded on Bursa Securities with observable market liquidity and price discovery, M&A Securities is of the view that market price of Sunway Shares is an appropriate primary reference point in determining their value. Accordingly, and consistent with paragraph 13 of Schedule 2: Part III of the Rules, M&A Securities has adopted the historical market prices of Sunway Shares as the principal measure of value of the Consideration Shares.

In contrast, M&A Securities has assessed the value of IJM Shares based on control-based or break-up valuation methodologies, by using the SOPV approach, as detailed in **Section 6.1 of this IAL**. This distinction reflects the fundamentally different economic interests being exchanged under the Offer whereby:

- (a) the valuation of IJM incorporates control-based considerations reflecting the acquisition of control over IJM as the Offeror is seeking to acquire the entire equity interest in IJM (or at the very minimum, statutory control of IJM based on the Acceptance Condition); and
- (b) Accepting Holders will instead receive Consideration Shares representing a minority interest in the enlarged Sunway Group, the value of which M&A Securities considers as appropriately reflected by the observable market trading prices of Sunway Shares, being prices that reflect freely tradable minority interests in Sunway on Bursa Securities.

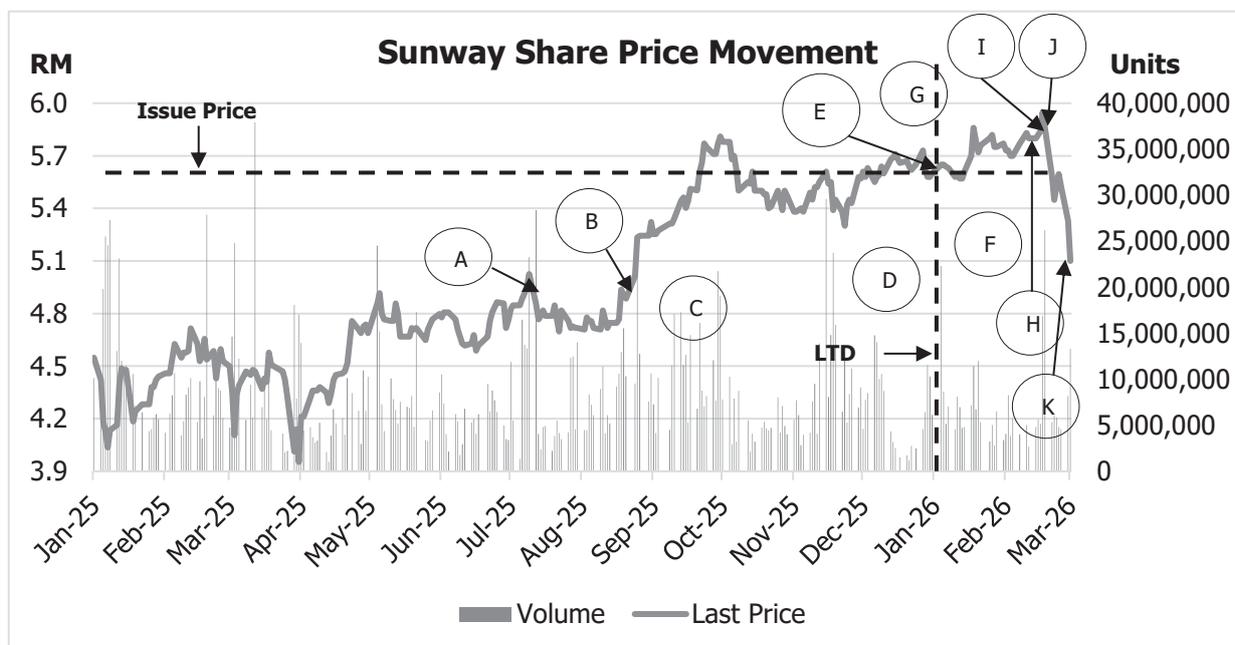
In this regard, Holders should note that, under a maximum scenario, assuming the Offeror receives full valid acceptances, resulting in the Offeror holding 3,505,166,120 IJM Shares (excluding treasury shares) or 100.0% of IJM, Holders will collectively hold up to 1,758,786,893 Sunway Shares representing approximately 20.6% of the enlarged share capital of Sunway comprising 8,519,207,588 Sunway Shares (excluding treasury shares).

Based on the foregoing, we have reviewed the historical trading prices and trading volume of Sunway Shares for the 12-month period up to LPD, as set out in **Sections 6.3.1 and 6.3.2 of this IAL** to assess the valuation of the Consideration Shares as the primary reference in assessing the valuation of the Consideration Shares.

As a secondary cross-check, we have also benchmarked Sunway's valuation multiple against those of its comparable listed diversified groups to assess whether the implied valuation of the Consideration Shares is broadly consistent with prevailing market valuations. Our analysis is set out in **Section 6.3.3 of this IAL**.

6.3.1 Historical market price performance of Sunway Shares

The graph below sets out the historical closing market prices and the average daily trading volume of Sunway Shares for the past 12 months before the commencement of the Offer Period up to LPD:



(Source: Bloomberg)

From the graph above, we noted that:

- the closing price of Sunway Shares traded within a range from a low of RM3.95 and a high of RM5.81, representing a price fluctuation of approximately 47.1% for the past 12 months preceding the Offer Period;
- the Issue Price is higher than the closing market prices of Sunway Shares over the past 12 months preceding the Offer Period; and
- subsequent to the issuance of the Notice and up to LPD, the closing market prices of Sunway Shares ranged from RM5.10 to RM5.95, compared with the Issue Price of RM5.65.

Notwithstanding the above, past market price performance should not be regarded as indicative of the future market price performance of Sunway Shares. The market price of Sunway Shares may be influenced by various factors, including, amongst others, the financial performance and future prospects of Sunway Group, prevailing economic conditions and outlook, publicity and speculation, general stock market conditions and investor sentiment, and other general macroeconomic conditions as well as company-specific factors. There can be no assurance that the market prices of the Sunway Shares will continue to trade at the current price levels after the Closing Date.

Based on the material announcements released by Sunway on Bursa Securities over the 12 months period prior to LPD, we noted that there was no fundamental change to the business of Sunway Group during the said period. Save as disclosed in the table below and the announcements made in relation to dividend declaration, changes in substantial shareholders interest, changes in board of directors, financial results and annual report of Sunway Group for the past 12 months up to LPD, there were no significant events or announcements made by Sunway which may have affected the movement of historical market prices of Sunway Shares:

Annotation	Date	Significant announcements/ Events
A	21 July 2025	Announcement that EPF ceased to be a substantial shareholder of Sunway
B	29 August 2025	Announcement on the proposed listing of SHH on the Main Market
C	12 September 2025	Announcement on the establishment of a Perpetual Medium-Term Note Programme of up to RM2.0 billion in nominal value
D	5 December 2025	Announcement on SC's approval for the proposed listing of SHH on the Main Market
E	12 January 2026	Announcement on the Offer
F	23 January 2026	Announcement on the notice of EGM and issuance of circular to shareholders in relation to the proposed listing of SHH on the Main Market
G	30 January 2026	Announcement on Bursa Securities' approval-in-principle for the admission of SHH to the Official List and the listing and quotation of the shares of SHH on the Main Market
H	24 February 2026	Announcement on the entitlement date for the Sunway Distribution
I	25 February 2026	<ul style="list-style-type: none"> • Announcement of a cash dividend of 2 sen for each Sunway Share • Announcement that the cash consideration of the Offer will be adjusted upwards by 1 sen, being the cash dividend of 2 sen multiplied by 0.5 Consideration Share for each Offer Share
J	27 February 2026	Launch of prospectus for the listing of SHH on the Main Market
K	10 March 2026	Ex-date of Sunway Shares pursuant to the Sunway Distribution

(Source: Sunway's announcements on Bursa Securities)

We noted that the market prices of Sunway Shares have dipped between March 2025 to April 2025. However, we are not aware of any particular development/ announcement of Sunway Group which may have a possible impact to the aforesaid downtrend. In contrast, we note an upward trend of the market price of Sunway Shares from August 2025 onwards post announcement of the proposed listing of SHH and then towards end-January 2026 up to LPD which could be attributable to key developments relating to the listing of SHH.

The Issue Price is yielding the following premium/discount to the historical market prices of Sunway Shares:

	<u>Market price</u>	<u>Premium</u>	
	<u>RM</u>	<u>RM</u>	<u>%</u>
<u>Up to LTD:</u>			
Closing price	5.6000	0.0500	0.89
5-day VWAMP	5.6088	0.0412	0.73
1-month VWAMP	5.6014	0.0486	0.87
3-month VWAMP	5.5242	0.1258	2.28
6-month VWAMP	5.2974	0.3526	6.66
12-month VWAMP	4.9051	0.7449	15.19
<u>Up to LPD:</u>			
Closing price	5.1000	0.5500	10.78
5-day VWAMP	5.3461	0.3039	5.68

(Source: Bloomberg)

Based on the table above, we noted that the Issue Price represents:

- (a) a premium of RM0.0500 (0.89%) and RM0.0412 (0.73%) over the closing price of Sunway Shares as at LTD and 5-day VWAMP of Sunway Shares up to and including LTD respectively;
- (b) a premium ranging from RM0.0486 (0.87%) to RM0.7449 (15.19%) over the 1-month, 3-month, 6-month and 12-month VWAMP of Sunway Shares up to and including LTD respectively; and
- (c) a premium of RM0.5500 (10.78%) and RM0.3039 (5.68%) to the closing price of Sunway Shares on LPD and 5-day VWAMP of Sunway Shares up to and including LPD respectively.

We have also considered the impact of the announcement of the Offer on the trading price of Sunway Shares. It is observed that the share price of Sunway experienced movements following the said announcement. In our view, such price movements may reflect market expectations and associated speculative trading activity in relation to the Offer and may not necessarily be sustainable in the absence of continued transactional developments. Further, the timing of the Offer also coincides with key developments relating to the listing of SHH, namely with Sunway proceeding with the issuance of its circular to shareholders dated 23 January 2026 to obtain its shareholders' approval for the said listing, the announcement dated 30 January 2026 on Bursa Securities' approval-in-principle for the admission of SHH to the Official List and the listing and quotation of the shares of SHH on the Main Market, the announcement dated 24 February 2026 on the entitlement date for the Sunway Distribution and the prospectus launch of SHH's listing on 27 February 2026. Given that these corporate developments may have also influenced investor sentiment and interest of Sunway Shares during the relevant period, the post-Offer announcement market price may not be appropriate as the sole benchmark in assessing the value of the Consideration Shares. As such, Holders may place more reliance on the historical market prices of Sunway Shares up to the announcement of the Offer in forming their assessment of the value of the Consideration Shares.

You are advised to closely monitor the market price of Sunway Shares and evaluate the Offer Price vis-à-vis the total value of the Offer consideration before arriving at a decision on whether to accept or reject the Offer.

6.3.2 Historical trading volume of Sunway Shares

The historical trading volume of Sunway Shares for the past 12 months from January 2025 up to December 2025 (being the last full trading month before LTD) is as follows:

Month	Volume of Sunway Shares traded	Volume traded over free float⁽¹⁾
		%
2025		
January	257,847,350	9.42
February	147,697,394	5.40
March	202,855,075	7.41
April	128,812,019	4.23
May	178,799,105	5.87
June	105,338,839	3.45
July	187,248,800	6.13
August	176,126,701	5.77
September	201,468,678	6.60
October	164,369,269	5.21
November	185,995,066	5.93
December	156,208,124	4.78
Simple average	174,397,202	5.80

(Source: Bloomberg)

Note:

⁽¹⁾ Monthly free float of Sunway Shares excluding Sunway Shares held by its Directors, substantial shareholders and persons connected with them, as extracted from Bloomberg.

For the past 12 months from January 2025 up to December 2025 (being the last full trading month before LTD), the average daily trading volume of Sunway Shares was approximately 8,600,167 shares, representing approximately 0.1% of Sunway's total issued shares, and the shares were traded on substantially all market days under review.

We are of the view that Sunway Shares are relatively liquid when compared against the FBM KLCI Index as the average monthly trading liquidity of Sunway Shares of approximately 5.80% is higher than the average monthly trading liquidity of the FBM KLCI Index for the past 12 months from January 2025 up to December 2025 (being the last full trading month before LTD).

The comparison made is set out in the table below:

Company/ Index	Average monthly volume traded	Average monthly volume traded over free float
		%
Sunway	174,397,202	5.80
FBM KLCI Index	4,308,010,243	⁽¹⁾ 4.86

(Source: Bloomberg)

Note:

⁽¹⁾ Calculated by dividing the average monthly volume traded over the free float of FBM KLCI Index as extracted from Bloomberg.

During the 12-month period under review, Sunway Shares traded:

- (a) within a range of RM3.95 to RM5.81, representing an overall price appreciation of approximately 47.1%; and
- (b) from a closing price of RM4.66 on 1 March 2025 to a closing price of RM5.86 on 27 February 2026, representing a compound monthly growth rate of 1.9%.

Over the same period, the average monthly trading volume was approximately 174,397,202 shares, representing approximately 5.80% of Sunway's total free float, which is higher than the average monthly trading liquidity of the FBM KLCI Index of 4.86% for the same period.

Sunway Shares were traded on substantially all market days during the period under review, and the observed trading liquidity indicates a relatively active and orderly market. As such, we are of the view that the depth of trading volume as evidenced by Sunway's average daily trading volume is sufficiently deep to facilitate market transactions without exerting significant pressure on the market price under normal trading conditions.

Additionally, Sunway Shares experienced a gradual price appreciation over the period under review without exhibiting unusual sharp price movements and excessive trading volume. Taking into account the steady price appreciation and stable trading volume, we are of the view that the market price performance of Sunway Shares during the period under review does not exhibit characteristics of excessive or abnormal volatility.

Our comments:

Market value of Consideration Shares

Having considered Sunway Shares' trading liquidity, historical price movements and potential price movements arising from the Offer, as well as the non-entitlement of Accepting Holders to the Sunway Distribution and the absence of any adjustment to the Issue Price to reflect the value of the Distribution Shares, we are of the view that the market price of Sunway Shares should be treated with caution when used as a primary measure in assessing the value of the Consideration Shares; and that the prevailing market price of Sunway Shares may not fully reflect the economic value ultimately received by Accepting Shareholders. We have adjusted the value of the Consideration Shares to account for the ex-dividend price of Sunway Shares pursuant to the Sunway Distribution, as discussed below. However, no adjustment was made to the value of the Consideration Shares for the 2 sen cash dividend declared by Sunway on 25 February 2026, as the Cash Consideration will be adjusted to reflect the effect of such cash dividend.

In considering the market price of Sunway Shares as the realisable value to Holders, Holders may assess the Issue Price of the Consideration Shares vis-à-vis the prevailing market prices of Sunway Shares. For reference, closing prices of Sunway Shares have traded within a range from a low of RM3.95 and a high of RM5.81 up to and including LTD, and subsequently to RM5.10 as at LPD.

Should the market price of Sunway Shares be lower than the Issue Price of the Consideration Shares of RM5.65, then Holders will be realising a loss from receiving the Consideration Shares and disposing them in the market. Conversely, should the market price of Sunway Shares be higher than the Issue Price of the Consideration Shares, then Holders may realise a gain from disposing the Consideration Shares in the market.

Nonetheless, Holders should consider our opinion on the Offer as a whole, taking into consideration the estimated value of IJM Shares as set out in **Section 6.5 of the IAL**.

Adjustments to the Issue Price of the Consideration Shares

Sunway had 24 February 2026 announced that the entitlement date of the Sunway Distribution is 11 March 2026. In assessing the value of the Consideration Shares to be received by Accepting Holders, M&A Securities notes that the Offer Price will not be adjusted for the Sunway Distribution, and no corresponding adjustment or compensation mechanism has been provided to Holders, despite the fact that Holders who receive the Consideration Shares will not be entitled to the Distribution Shares. In addition, the Issue Price of the Consideration Shares is also not adjusted for the Sunway Distribution.

Based on the entitlement date of 11 March 2026, Sunway Shares will trade on an ex-dividend basis from 10 March 2026. Accordingly, it is reasonable to expect that the market price of Sunway Shares will adjust downwards to reflect the economic value of the Distribution Shares being distributed to entitled shareholders.

Based on the Distribution Ratio and the final IPO price of RM1.45 per SHH share as announced by SHH on 9 March 2026, the value attributable to the Distribution Shares is approximately RM0.145 per Sunway Share.

As the economic value of the Consideration Shares to be received by Holders would be reduced by the extent of the value attributable to the Distribution Shares, M&A Securities has ascribed a downward adjustment of RM0.145 per Sunway Share to reflect the impact of the Sunway Distribution. For the avoidance of doubt, and for the purpose of computing the exchange ratio/implied exchange ratio, the Cash Consideration has not been adjusted for the 2 sen dividend announced by Sunway on 25 February 2026, for which the Offeror has announced a corresponding increase of 1 sen to the Cash Consideration. Similarly, no corresponding adjustment has been made to the Issue Price of the Sunway Shares in this respect.

As such, an adjusted market price of RM5.505 per Consideration Share has been derived. The effect of such adjustment on the implied value of the Offer, is illustrated as follows:

	As per Offer Document	⁽³⁾Adjusted for Sunway Distribution
	RM'000	RM'000
Total Cash Consideration ⁽³⁾	1,104,127	1,104,127
Total shares consideration	⁽¹⁾ 9,937,146	⁽²⁾ 9,682,122
	11,041,273	10,786,249
No. of Offer Shares	3,505,166,120	3,505,166,120
Offer Price/ Adjusted implied value (RM)	3.15	3.08

Notes:

- (1) Calculated based on the Issue Price of RM5.65 multiplied by 1,758,786,893 Consideration Shares.
- (2) Calculated based on the adjusted Issue Price of RM5.505 (being the Issue Price of RM5.65 less value of the Distribution Shares of RM0.145 per Sunway Share) multiplied by 1,758,786,893 Consideration Shares.
- (3) For the avoidance of doubt, no adjustment was made to the value of the Consideration Shares or the Cash Consideration for the 2 sen cash dividend declared by Sunway on 25 February 2026, as the Cash Consideration will be adjusted to reflect the effect of such cash dividend.

Based on the foregoing, both the Offer Price and adjusted implied value of consideration of RM3.08 per IJM Share are below the estimated value range of IJM Shares, as summarised below:

Range	Estimated value per IJM Share ⁽¹⁾	Discount to estimated value per IJM Share			
		Based on the Offer Price (RM3.15)		Based on the adjusted implied value of consideration (RM3.08)	
		RM	%	RM	%
Low	5.84	2.69	46.1	2.76	47.3
High	6.48	3.33	51.4	3.40	52.4

Note:

⁽¹⁾ Being the estimated value ascribed to each IJM Share based on the SOPV approach. Please refer to **Section 6.1.7 of this IAL** for further information.

Based on the above, the implied value of the consideration receivable by Accepting Holders for the Offer Shares (comprising cash and Consideration Shares) of RM3.08 represents **a discount of between 47.3% and 52.4% to the estimated value of IJM Shares of between RM5.84 and RM6.48** per IJM Share derived from the SOPV approach.

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6.3.3 Relative valuation analysis

In assessing the fairness of the Offer as a whole, it is important for the Holders to consider the estimated value of Sunway Shares, particularly given that 90.0% of the Offer Price is to be satisfied by the Consideration Shares. As such, it is important that Holders be able to benchmark the Issue Price to determine if the exchange ratio of IJM Shares into Sunway Shares is appropriate.

As part of our assessment to provide a benchmark for the value of the Consideration Shares, we have undertaken a relative valuation analysis by benchmarking Sunway against its comparable listed diversified construction and property group, namely IJM and Gamuda to determine whether the market valuation implied by the Consideration Shares is broadly aligned with comparable listed peers operating within similar sectors. These companies were selected as they exhibit broadly comparable characteristics, including diversified business models spanning construction and property development activities, sizable order book, exposure to infrastructure construction projects and established operating track record. While we acknowledge that no company is directly comparable due to differences in business mix, geographical exposure, capital structure and earnings composition, we are of the view that these companies represent reasonable reference points for the purposes of our benchmarking analysis for Sunway.

We have considered commonly adopted market valuation metrics, including PER, EV/EBITDA and P/B, which reflect prevailing market expectations relating to growth prospects, earnings quality, balance sheet strength and risk profile of these companies, summarised as follows:

Comparable Companies	LTM ended	Market capitalisation as at LPD (RM'million)	⁽¹⁾ PAT attributable to owners (RM'million)	⁽¹⁾ EBITDA (RM'million)	⁽¹⁾ NA attributable to owners (RM'million)	⁽²⁾ PER (times)	⁽³⁾ EV/ EBITDA (times)	⁽²⁾ P/B	⁽²⁾ P/B (times)
Gamuda	31 January 2026	24,288	1,024	1,492	12,652	23.7	22.3	1.9	
IJM	31 December 2025	8,097	306	977	10,135	26.5	14.4	0.8	
Sunway	31 December 2025	34,478	1,304	1,470	16,057	26.4	29.9	2.1	

Notes:

- (1) Based on the unaudited financial statements of the respective comparable companies for the 4 most recent quarters as at LPD.
- (2) Computed based on the market capitalisation as at LPD divided by the unaudited PAT attributable to owners for the 4 most recent financial quarters and unaudited NA attributable to owners as at the latest financial quarter, as applicable. For Sunway, the implied market capitalisation is the Issue Price multiplied by the number of outstanding Sunway Shares as at LPD (excluding treasury shares).

(3) Computed based the implied EV over EBITDA calculated for the 4 most recent financial quarters of the respective Comparable Companies as at LPD, as follows:

	Gamuda	IJM	Sunway
	(RM'million)	(RM'million)	(RM'million)
Market capitalisation as at LPD	24,288	8,097	34,478
Add: Non-controlling interest	122	1,431	1,081
Add: Borrowings and lease liabilities	11,842	6,177	15,131
Less: Cash and bank balances	(2,694)	(2,298)	(6,788)
EV	33,288	14,108	43,902
PBT	1,351	612	1,874
Add: Depreciation & amortisation	192	245	152
Add: Finance cost	202	270	405
Add: Share of losses of associates	-	4	-
Less: Share of profits of joint ventures	(98)	(34)	(333)
Less: Share of profits of associates	(8)	-	(226)
Less: Interest income	(147)	(120)	(403)
EBITDA	1,492	977	1,470

Based on our analysis, Sunway's implied trading multiples based on the Issue Price of the Consideration Shares are 26.4 times (PER), 29.9 times (EV/EBITDA) and 2.1 times (P/B), all of which are observed to be higher relative to those of the selected comparable companies (Gamuda being at 23.7 times (PER), 22.3 times (EV/EBITDA) and 1.9 times (P/B), whilst IJM is at 26.5 times (PER), 14.4 times (EV/EBITDA) and 0.8 times (P/B). This indicates that the valuation attributed to the Consideration Shares reflects a comparatively higher market valuation benchmark relative to the selected peers, which means that investors acquiring Sunway Shares are effectively paying more per RM of profit earned by Sunway or per RM of NA represented per Sunway Share, making it more 'expensive' compared to its peers. Such higher valuation benchmark may also be indicative of stronger business quality or future earnings potential, which is reflected in the willingness of the market to trade at such prices, despite the higher pricing. In contrast, should Holders decide to liquidate their IJM Shares and perform an equivalent exchange with the shares of the abovementioned peers of Sunway, Holders would, in this respect able to acquire more shares in its peers.

6.4 Exchange ratio

The implied exchange ratio of IJM Shares with Sunway Shares under the Offer vis-à-vis our evaluation of the estimated value of IJM Shares and Sunway Shares as set out in Sections 6.1 and 6.3 respectively are set out below:

		Based on the Offer	Based on our estimated value evaluation
		RM	RM
Offer Price		3.150	⁽¹⁾ 6.160
Less: Cash Consideration ⁽²⁾		(0.315)	(0.315)
Estimated value per IJM Share, net of Cash Consideration	(A)	2.835	5.845
Issue Price/ Adjusted Issue Price of Sunway Shares ⁽²⁾	(B)	5.650	⁽³⁾ 5.505
Implied exchange ratio ⁽⁴⁾	(A)/(B)	0.501	1.062

Notes:

- (1) Being the mid-point of the estimated value range of IJM Shares of RM6.16, derived from the simple average of the low and high range of RM5.84 and RM6.48 respectively, as set out in Section 6.1.
- (2) For the avoidance of doubt, and for the purpose of computing the exchange ratio/ implied exchange ratio/implied exchange ratio, the Cash Consideration has not been adjusted for the 2 sen dividend announced by Sunway on 25 February 2026, for which the Offeror has announced a corresponding increase of 1 sen to the Cash Consideration. Similarly, no corresponding adjustment has been made to the Issue Price of the Sunway Shares in this respect.
- (3) After adjustment for the Sunway Distribution (valued at RM0.145 per Sunway Share).
- (4) The implied exchange ratio is computed by dividing the estimated value of IJM Share (net of Cash Consideration) by the Issue Price/ adjusted Issue Price of the Consideration Shares of RM5.505.

The implied exchange ratio compares the value of IJM Shares (net of Cash Consideration) against the Consideration Shares. It indicates the number of Consideration Shares that is exchanged for IJM Shares.

Based on our evaluation, the implied exchange ratio of 0.501 Sunway Shares per IJM Share under the Offer is significantly lower than the resultant implied exchange ratio of 1.062 based on the mid-point of the estimated value of each IJM Share of RM6.16. This indicates that the Consideration Shares offered under the Offer are insufficient does not adequately reflect the estimated value of IJM Shares. On this basis, we are of the view that the Offer is **NOT FAIR**.

6.5 Our view on the fairness of the Offer

Premised on our analysis as set out in **Sections 6.1 to 6.4 of this IAL**, and notwithstanding that the Offer Price represents:

- (a) a **premium** of between 14.55% to 25.50% over the historical market price of IJM Shares as discussed in **Section 6.2 of this IAL**; and
- (b) a **premium** of 7.51% over the unaudited NA per IJM Share of RM2.93 as at 31 December 2025.

we are of the view that the Offer Price is **NOT FAIR** based on the following:

- (a) the Offer Price of RM3.15 represents a **discount** of RM2.69 and RM3.33 or approximately 46.1% and 51.4% to the estimated value ascribed to each IJM Share of between RM5.84 and RM6.48 derived using the SOPV approach. For Holder's information, the latest unaudited NA per IJM Share as at 31 December 2025 is RM2.93;
- (b) the implied value of the consideration receivable by Accepting Holders for the Offer Shares (comprising cash and Consideration Shares) of RM3.08 represents a **discount** of between 47.3% and 52.4% to the estimated value ascribed to each IJM Share of between RM5.84 and RM6.48 derived from the SOPV approach; and
- (c) the implied exchange ratio of IJM Shares with Sunway Shares under the Offer of 0.501 is **significantly lower** than the implied exchange ratio of 1.062 based on the mid-point of the estimated value of each IJM Share of RM6.16.

7. REASONABLENESS OF THE OFFER

7.1 Trading liquidity of IJM Shares

The historical trading volume of IJM Shares for the past 1 year up to December 2025 (being the last full trading month before the announcement of the receipt of the Notice), is as follows:

Month	Volume of IJM Shares traded	Volume traded over free float⁽¹⁾
		%
2025		
January	237,603,027	8.43
February	265,160,249	9.38
March	301,343,101	10.66
April	179,238,535	6.34
May	147,324,255	5.21
June	146,047,366	5.17
July	137,020,154	4.85
August	238,638,225	8.44
September	157,420,593	5.57
October	176,757,297	6.25
November	160,827,202	5.71
December	109,501,493	3.89
Simple average	188,073,458	6.66

(Source: Bloomberg)

Note:

- (1) Monthly free float of IJM Shares excludes IJM Shares held by the Directors and substantial shareholders of IJM.

Based on the table above, IJM Shares were traded at an average monthly volume of 188,073,458 Shares, representing approximately 6.66% of the free float of IJM Shares for the past 12 months from January 2025 up to December 2025 (being the last full trading month before LTD).

We are of the view that IJM Shares are relatively liquid when compared against the FBM KLCI Index as the average monthly trading liquidity of IJM Shares of approximately 6.66% is higher than the average trading liquidity of the FBM KLCI Index for the past 12 months from January 2025 up to December 2025 (being the last full trading month before LTD). In comparison, for Sunway Shares, over the same period, the average monthly trading volume was approximately 174,397,202 shares, representing approximately 5.80% of Sunway's total free float, which is also relatively liquid when compared against the FBM KLCI Index. Further details of the historical trading volume analysis of Sunway are set out in **Section 6.3.2 of this IAL**.

The comparison made is set out in the table below:

Company/ Index	Average monthly volume traded	Average monthly volume traded over free float
		%
IJM	188,073,458	6.66
Sunway	174,397,202	5.80
FBM KLCI Index	4,308,010,243	⁽¹⁾ 4.86

(Source: Bloomberg)

Note:

- ⁽¹⁾ Calculated by dividing the average monthly volume traded over the free float of FBM KLCI Index as extracted from Bloomberg.

In addition to the above, we note that IJM has maintained an average monthly free float of approximately 80.6% over the same 12-month trading period under review, which is significantly higher than the minimum public spread requirement of 25.0%. IJM also intends to maintain its listing status, which is contrary to the intentions of the Offeror. In view of this, Holders presently have an established avenue to realise their investment in IJM through on-market transactions, subject to prevailing market conditions with minimal risk of IJM breaching its public spread requirements. Nonetheless, this evaluation is based on the historical trading volume of IJM Shares, and should not be relied upon as an indication of the future trading liquidity of IJM Shares, which may be influenced by, amongst others, the performance and prospects of the IJM Group, prevailing economic conditions, economic outlook, stock market conditions, market sentiments and other general macroeconomic conditions as well as company-specific factors.

Given that 90.0% of the Offer Price is to be settled via the Consideration Shares, Holders will continue to retain equity market exposure via Sunway Shares rather than immediate cash realisation if they accept the Offer. While Sunway Shares also exhibit active trading liquidity as analysed in Section 6.3.2 of this IAL, the ultimate value to be realised by Accepting Holders will depend on the performance of Sunway Shares and Accepting Holders' eventual exit.

7.2 Competing take-over offer/ Level of control

IJM confirms that, as at LPD, save for the Offer, it had not received any competing offer or any alternative offer for its securities or its business, assets and liabilities. In the absence of a competing/ alternative offer, the Offer provides an opportunity to the Holders to realise their investments in IJM at the Offer Price.

As at LPD, the Offeror does not hold any IJM Shares. The shareholdings of the PACs in IJM as at the Offer Document LPD are collectively, less than 1.0%. In the event that the Offer is unsuccessful, the Offeror and PACs would not have acquired any interest in IJM pursuant to the Offer and would not hold any ownership position capable of conferring control or significant influence over the IJM Group. Conversely, for illustrative purposes, in circumstances where an offeror already holds a significant stake in the offeree, shareholders may have greater incentive to accept an offer as the offeror may nonetheless be in a position to exert significant influence over the offeree regardless of the outcome of the offer. Accordingly, in the context of IJM, given that the Offeror and PACs do not presently hold any shares in IJM, Holders are not compelled to accept the Offer, and by doing so, IJM would remain an independent listed group, retaining full strategic, operational and financial autonomy to continue executing its growth strategy without influence or participation from the Offeror.

In this regard, there is no negative consequence to the Holders if the Offer is unsuccessful and Holders may continue to participate in the potential future growth and value creation of IJM Group as an independent listed group.

7.3 Rationale for the Offer and future plans for the IJM Group and its employees

We have taken into consideration the rationale for the Offer and the Offeror's intention with respect to the future plans for IJM Group and its employees as provided in **Sections 3 and 5 of the Offer Document** respectively. A summary of these is reiterated by the Board in **Section 4 of Part A of this IAC**.

Our comments are as follows:

- (a) Holders presently collectively have full control of the strategic direction of IJM Group, having determined so historically as the shareholders of IJM. In contrast, based on the terms of the Offer, Accepting Holders will receive 90.0% of the Offer Price in Consideration Shares and will collectively, transition from holding 100.0% equity interest in IJM to holding approximately 20.6% minority interests in Sunway.

It is important for Holders to note that, as minority shareholders in the enlarged Sunway Group, Accepting Holders will have **significantly less control or influence over the strategic direction, capital allocation decisions, dividend policy, or integration process** of the enlarged Sunway Group. To illustrate, Holders who historically have collectively determined the resolutions of IJM will, upon receiving Sunway shares, collectively account for only 20.6% of the voting rights in Sunway, in comparison with 79.4% of the voting rights being held by existing Sunway shareholders. Post Offer, future resolutions will concern Sunway group as a whole, rather than IJM specifically. As such, Accepting Holders would no longer have direct influence over decisions relating solely to IJM Group's businesses and assets, but instead would participate only as minority shareholders in Sunway, through which their exposure to IJM would become indirect and diluted within the enlarged Sunway Group;

- (b) The proposed enlarged Sunway Group represents the combination of two sizeable and diversified conglomerates with distinct operating models, asset compositions, management structures and strategic priorities. The integration of such large and complex groups inherently involves substantial execution, operational and cultural risks.

The anticipated benefits cited by the Offeror, including scale advantages, complementary capabilities and operational efficiencies, are forward-looking in nature and remain subject to successful integration, alignment of business strategies and retention of key management personnel. There can be no assurance that the projected synergies, cost efficiencies or strategic benefits will be achieved in full, within the expected timeframe, or at all.

In view of the above, the Offer requires Accepting Holders to assume the aforementioned uncertainties that are associated with the substantial integration, execution and transitional risks via their holdings of equity interests in the enlarged Sunway Group, and the ultimate value to be realised by Accepting Holders will depend on the future performance and successful integration of Sunway Group and IJM Group, which, as at LPD, are relatively vague and uncertain compared to the existing future plans and prospects of IJM Group; and

- (c) In contrast, we note that IJM Group is presently undertaking various strategic initiatives which demonstrates that the Group is in an active value-creation phase, characterised by its order book quality, continued replenishment of order book, sector diversification and geographical expansion into growing markets. In particular, we have noted the Board's further justifications in Section 7 of the Board's letter, wherein the Board has under item (a) set out the prospects of each segment vis-à-vis IJM's long-term strategies, all of which have yet to be ascribed value to IJM Group. These include, amongst others:
- (i) IJM's strategic partnership with Network Rail Property for developments in UK with potential GDV of up to GBP7.0 billion, from which IJM's construction division will also potentially stand to benefit;
 - (ii) recurring income from UK projects such as Royal Mint Gardens Phase 2, The Wheat Quarter and 25 Finsbury Circus which are expected to provide recurring income through build-and-lease concepts; and
 - (iii) the upcoming East Coast Rail Link which will serve as a catalyst for Kuantan Port by expanding its catchment area, increasing cargo volumes and long-term utilisation rates arising from improved connectivity between the port to the East Coast and Central regions of Peninsular Malaysia.

Based on the foregoing, Holders are advised to carefully consider the integration and execution risks associated with accepting the Offer vis-à-vis the standalone growth prospects and value proposition of existing IJM Group when evaluating the Offer. For Holders' information, a summary of the historical financial performance of IJM and Sunway are set out below:

IJM	FYE 31 March		
	2023	2024	2025
• Revenue (RM'000)	4,572,485	5,918,814	6,251,989
• PAT attributable to owners (RM'000)	158,275	600,278	403,377
• Dividend yield (%)	5.00	3.29	3.81

Sunway	FYE 31 December		
	2022	2023	2024
• Revenue (RM'000)	5,194,949	6,136,199	7,882,557
• PAT attributable to owners (RM'000)	668,605	737,869	1,153,104
• Dividend yield (%)	3.40	2.67	1.25

(Source: Annual reports of the respective companies)

We note that IJM has historically delivered higher dividend yields over Sunway. We also note that while Sunway operates at larger absolute earnings than IJM, such scale differential is already reflected in the prevailing market valuation of Sunway Shares. As set out in **Section 6.3.2 of this IAC**, the valuation attributed to the Consideration Shares is currently trading at valuation multiples that are higher than those of its peers, including IJM.

As the Offer consideration is predominantly share-based, comprising 90.0% Consideration Shares and only 10.0% cash, the Offer does not provide immediate value realisation in cash. Instead Accepting Holders are required to rely on sustained market prices of Sunway Shares. The valuation of the Consideration Shares, based on the Issue Price as determined by its market trading prices, have been experiencing a gradual price appreciation over the 12 months period up to LTD without exhibiting unusual sharp price movements and excessive trading volume. Such steady price movement over time appears to indicate that the market has already priced a substantial portion of the anticipated growth and scale advantages of Sunway Group.

7.4 Our view on the reasonableness of the Offer

Premised on our analysis as set out in **Sections 7.1 to 7.3 of this IAL**, we are of the view that the Offer is **NOT REASONABLE**.

8. LISTING STATUS OF IJM

Based on **Section 4.1 of the Offer Document**, we note that the Offeror **does not intend to maintain the listing status of IJM**.

Pursuant to paragraph 8.02(1) of the Listing Requirements, a listed issuer must ensure that it meets the Public Spread Requirement. Bursa Securities may accept a percentage lower than 25% of the total number of listed shares (excluding treasury shares) if it is satisfied that such lower percentage is sufficient for a liquid market of such shares.

Should IJM fail to maintain the Public Spread Requirement, it may request for an extension of time to rectify the situation in the manner as may be prescribed by Bursa Securities. Where no extension of time is granted, Bursa Securities may take or impose any type of action or penalty pursuant to paragraph 16.19 of the Listing Requirements for a breach of paragraph 8.02(1) of the Listing Requirements and may, at its discretion, suspend trading in the securities of the listed issuer pursuant to paragraph 16.02(1) of the Listing Requirements.

Nevertheless, the non-compliance with the Public Spread Requirement will not automatically result in the delisting of IJM from the Official List. Notwithstanding this, the Offeror does not intend to maintain the listing status of IJM on the Main Market and will not take steps to address the Public Spread Requirement of IJM.

In relation to a take-over offer for the acquisition of the listed shares of a listed issuer pursuant to the Rules, upon 90.0% or more of the listed shares (excluding treasury shares) of the said listed issuer being held by a shareholder either individually or jointly with the associates of the shareholder, an immediate announcement must be made by the listed issuer pursuant to paragraph 9.19(48) of the Listing Requirements. Upon such immediate announcement, Bursa Securities shall, in the case where the offeror does not intend to maintain the listing status, suspend the trading of the listed issuer's securities immediately upon the expiry of 5 market days from the close of offer period, in accordance with paragraph 16.02(3) of the Listing Requirements.

A listed issuer may withdraw the listing of its securities from the Official List in a take-over offer upon 90.0% or more of its listed share (excluding treasury shares), being held by a shareholder either individually or jointly with the associates of the said shareholder, and the listed issuer has announced the offeror's intention not to maintain the listed issuer's listing status.

Notwithstanding this, Bursa Securities may at its discretion impose additional conditions for the withdrawal of the listed issuer's listing status from the Official List.

Based on the above, the ability to delist IJM from the Main Market is subject to the Offeror having received Valid Acceptances resulting in them and their PACs holding 90.0% or more of the listed shares in IJM.

As at LPD, the Offeror does not hold any IJM Shares. The shareholdings of the PACs in IJM as at the Offer Document LPD are collectively, less than 1.0%. Based on this, the Offeror would require at least:

- (a) 2,628,874,590 Shares, representing approximately 75.0% equity interest in the Company to breach the Public Spread Requirement; and
- (b) 3,154,649,508 Shares, representing approximately 90.0% equity interest in the Company on or before the Closing Date to be able to procure IJM to withdraw its listing from the Official List.

In the event that the Offeror is unable to achieve the required level of acceptances under the Offer to delist IJM, IJM will remain listed and tradeable on the Main Market if:

- (a) it still complies with the Public Spread Requirement; and
- (b) the Offeror with the PACs do not succeed in increasing their shareholdings to 90.0% or more of the total issued IJM Shares (excluding treasury shares), either through Valid Acceptances or further acquisitions in the open market, on or before the Closing Date.

In the event that the aggregate shareholding of the Offeror and the PACs increases to 90.0% or more, an immediate announcement will be made by IJM. Upon such announcement, Bursa Securities shall suspend the trading in the IJM Shares immediately upon the expiry of 5 market days from the Closing Date. Thereafter, the Offeror will procure the Company to withdraw its listing status from the Official List. Should there be any suspension of trading of IJM Shares or delisting of IJM from the Official List, the Holders will not be able to trade IJM Shares on the Main Market.

However, if the Offeror receives Valid Acceptances resulting in the Offeror either individually or jointly with its associate(s) holding in aggregate more than 75.0% but less than 90.0% of IJM Shares (excluding treasury shares), Bursa Securities may take any type of action or impose a penalty for a breach of the Public Spread Requirement pursuant to paragraph 16.19 of the Listing Requirements. In this regard, to address the Public Spread Requirement, the Offeror intends to within 6 months from the Closing Date, request IJM to make the necessary application to withdraw its listing status from the Official List in accordance with paragraph 16.06 of the Listing Requirements, which may involve an exit offer on the same terms as the Offer to facilitate the proposed delisting exercise ("**Proposed Withdrawal**"). The Proposed Withdrawal is subject to, among others, the resolution being approved by a majority of IJM's shareholders in number, representing 75% of the total number of issued IJM Shares held by the shareholders present and voting either in person or by proxy at the EGM to be convened for the Proposed Withdrawal; and the number of votes cast against the resolution is not more than 10% of the total number of IJM Shares held by the IJM's shareholders present and voting either in person or by proxy at the said EGM.

Our comments:

We note that, if the Offeror receives Valid Acceptances resulting in the Offeror either individually or jointly with its associate(s) holding in aggregate more than 75.0% but less than 90.0% of IJM Shares (excluding treasury shares), the Offeror does not intend to maintain the listing status of IJM, and as such, there is a potential scenario of the Proposed Withdrawal taking place, as illustrated above. In such a scenario, Paragraph 16.06 of the Listing Requirements stipulates that a listed issuer may not request to withdraw its listing from the Official List, unless:

- (a) the listed issuer convenes a general meeting to obtain its shareholder approval;
- (b) the resolution for the withdrawal of its listing is approved by a majority in number representing three-fourths (3/4) in value of the shareholders present and voting either in person or by proxy at the meetings and provided that those who object to the withdrawal is not more than 10% of the value of the shareholders present and voting either in person or by proxy;
- (c) the shareholders are offered a reasonable cash alternative or other reasonable alternative ("**Exit Offer**"); and
- (d) the listed issuer appoints an independent adviser, which meets the approval of the independent directors, to advise and make recommendations for the consideration of the shareholders in connection with the withdrawal of its listing as well as the fairness and reasonableness of the Exit Offer.

In the above scenario, Holders shall have the right to vote with regards to the Proposed Withdrawal. If the Proposed Withdrawal is approved by the shareholders and Bursa Securities, IJM will be subsequently delisted irrespective of the acceptance level for the Offer and IJM Shares will no longer be traded on the Main Market.

In addition, we note that the Offeror has not indicated its intention to undertake the Proposed Withdrawal if the Offeror receives Valid Acceptances resulting in the Offeror either individually or jointly with its associate(s) holding in aggregate more than 50.0% but less than 75.0% of IJM Shares (excluding treasury shares).

In any case, Holders are advised to closely monitor any press releases and/or announcements made in relation to the Offer, particularly on the level of acceptances, changes in shareholdings of the Offeror and its PACs and any non-compliance with the Public Spread Requirement.

Should you choose not to accept the Offer, and in the event IJM is delisted from the Official List, there is no assurance that you will be able to dispose of the Offer Shares at a price equivalent to or above the Offer Price after the suspension and/or de-listing. An announcement will be made accordingly if IJM is to be delisted. In such circumstances, IJM Shares will no longer be traded on the Main Market and Holders will hold unlisted IJM Shares and may have limited opportunity to realise their investment in IJM.

9. COMPULSORY ACQUISITION AND RIGHTS OF DISSENTING HOLDERS

We note from **Section 4.2 of the Offer Document** that the Offeror **intends to invoke the provisions of subsection 222(1) of the CMSA** to compulsorily acquire any remaining offer shares from the Dissenting Holders in the event that the Offeror receives Valid Acceptances of not less than 9/10 of the nominal value⁽¹⁾ of the Offer Shares (excluding IJM Shares already held by the Offeror and its PACs at the date of the Offer) on or prior to the Closing Date. Under such circumstance, all the Offer Shares that are compulsorily acquired will, subject to subsection 224(1) of the CMSA, be acquired on the same terms as set out in the Offer Document and in accordance with subsection 222(1) of the CMSA.

In accordance with subsection 224(1) of the CMSA, where a notice is given under subsection 222(1) of the CMSA, the court may, on an application made by any Dissenting Holder within one month from the date on which the notice was given by the Offeror, order that the Offeror shall not be entitled and shall not be bound to acquire the Offer Shares of such Dissenting Holder, or specify terms of acquisition that are different from the terms of the Offer.

Notwithstanding that, if the Offeror receives Valid Acceptances from the Holders resulting in the Offeror and person(s) acting in concert with it holding not less than 9/10 of the value of IJM Shares (including IJM Shares that are already held by the Offeror and its PACs as at the date of the Offer) on or before the Closing Date, a Dissenting Holder may exercise his/her rights under subsection 223(1) of the CMSA by serving notice on the Offeror to require the Offeror to acquire his/her Offer Shares on the same terms as set out in the Offer Document or such other terms as may be agreed.

If a Dissenting Holder exercises his/her rights under the provisions of subsection 223(1) of the CMSA, the Offeror shall acquire such Offer Shares in accordance with the provisions of the CMSA, subject to section 224 of the CMSA. In accordance with subsection 224(3) of the CMSA, when a Dissenting Holder exercises his/ her rights under subsection 223(1) of the CMSA, the court may, on an application made by such Dissenting Holder or by the Offeror, order that the terms on which the Offeror shall acquire such Offer Shares shall be as the court thinks fit.

A notice to the Dissenting Holders under subsection 223(2) of the CMSA may specify the period for the exercise of the rights of the Dissenting Holders and in any event, such period shall not be less than 3 months after the Closing Date.

If the Dissenting Holders become entitled and wish to exercise their rights under section 223 of the CMSA, the Dissenting Holders may wish to consult their legal adviser immediately upon the announcement made by the Offeror and IJM.

Note:

- (1) Section 74 of the Act stipulates that all shares issued before or upon the commencement of the act shall have no par or nominal value. Accordingly, the "nominal value" in this context shall refer to the number of shares instead.

10. FURTHER INFORMATION

We advise the Holders to refer to the Appendices contained in this IAC and other relevant information as set out in the Offer Document for further details in relation to the Offer.

11. CONCLUSION AND RECOMMENDATION

In arriving at our conclusion and recommendation, we have assessed the fairness and reasonableness of the Offer in accordance with paragraphs 1 to 6 of Schedule 2: Part III of the Rules whereby:

- (a) the term "**fair and reasonable**" should generally be analysed as 2 distinct criteria i.e. whether the Offer is "**fair**" and whether the Offer is "**reasonable**", rather than as a composite term.
- (b) the Offer is considered "**fair**", if the Offer Price is equal to or higher than the market price and is also equal to or higher than the value of the Offer Shares. However, if the Offer Price is equal to or higher than the market price, but is lower than the value of the Offer Shares, the Offer is considered as "**not fair**". In making the assessment, the value of the Offer Shares is determined based on the assumption that 100.0% of the issued share capital of the Offeree is being acquired;

- (c) in considering whether the Offer is “**reasonable**”, we have taken into consideration matters other than the valuation of the Offer Shares;
- (d) generally, a take-over offer would be considered “**reasonable**” if it is “**fair**”. Nevertheless, we may also recommend for shareholders to accept the take-over offer despite it being “**not fair**”, if we are of the view that there are sufficiently strong reasons for the Holders to accept the offer in the absence of a higher bid and such reasons should be clearly explained; and
- (e) in the event that we conclude that the Offer is “**not fair but reasonable**”, we must clearly explain the following:
 - (ii) what is meant by “**not fair but reasonable**”;
 - (ii) how have we reached to this conclusion; and
 - (iii) the course of action that the Holders are recommended to take pursuant to the conclusion.

In relation to (e)(ii) above, as 90.0% of the Offer Price is to be satisfied through the issuance of the Consideration Shares, it is also pertinent that the fairness of the Offer be assessed with reference to the aggregate value of the consideration receivable by the Holders (comprising cash and Consideration Shares) relative to the estimated value of the Offer Shares. In this regard, our assessment of the value of the Consideration Shares was made in accordance with paragraphs 11 to 13 of Schedule 2: Part III of the Rules.

Based on the foregoing, we have assessed and evaluated the Offer and have set out our evaluation in the relevant sections in this IAL as set out in **Sections 5, 6 and 7 of this IAC**. Holders should carefully consider the merits and demerits of the Offer based on all relevant and pertinent factors including those set out below and other considerations as set out in this IAL and the Offer Document.

In arriving at our opinion, we have taken into consideration various applicable factors as set out below:

Fairness of the Offer

We are of the view that the Offer is **NOT FAIR** based on the following:

- (a) the Offer Price of RM3.15 represents a **discount** of between RM2.69 and RM3.33 or approximately 46.1% and 51.4% to the estimated value ascribed to each IJM Share of between RM5.84 and RM6.48 derived using the SOPV approach. For Holder’s information, the latest unaudited NA per IJM Share as at 31 December 2025 is RM2.93;
- (b) the implied value of the consideration receivable by Accepting Holders for the Offer Shares (comprising cash and Consideration Shares) of RM3.08 represents a **discount** of between RM2.76 and RM3.40 or approximately 47.3% and 52.4% to the estimated value ascribed to each IJM Share of between RM5.84 and RM6.48 derived from the SOPV approach; and
- (c) the implied exchange ratio of IJM Shares with Sunway Shares under the Offer of 0.501 is **significantly lower** than the implied exchange ratio of IJM Shares with Sunway Shares of 1.062 based on the mid-point of IJM’s estimated value of RM6.16.

Reasonableness of the Offer

We are of the view that the Offer is **NOT REASONABLE** based on the following:

- (a) the analysis of the trading liquidity of IJM Shares suggests that the IJM Shares are relatively liquid when compared against the FBM KLCI Index. Further, the free float of IJM Shares is significantly higher than the minimum public spread requirement of 25.0%. As such, Holders currently possess an established avenue to realise their investment in IJM through on-market transactions, subject to prevailing market conditions without having to transition their holdings of IJM Shares into the Consideration Shares and hence, continue to retain equity market exposure of holding Sunway Shares;
- (b) in the absence of a competing/ alternative offer, acceptance of the Offer effectively represents a transition from ownership of IJM Shares to minority shareholdings in Sunway. Accepting Holders would therefore be exposed to the share price movements in Sunway Shares, execution and integration risks associated with the proposed enlarged Sunway Group. In addition, as the Offeror does not hold any IJM Shares and the shareholdings of its PACs in IJM are collectively less than 1.0%, in the event that the Offer is unsuccessful, the Offerors and PACs would not have acquired any interest in IJM pursuant to the Offer and would not hold any ownership position capable of conferring control or significant influence over IJM Group. From this perspective, there is no additional incentive for Holders to accept the Offer and Holders may continue to participate in the potential future growth and value creation of IJM as an independent listed group, retaining full strategic, operational and financial autonomy to continue executing its growth strategy without the implication of the Offeror having or retaining any influence over IJM should the Offer be unsuccessful; and
- (c) Accepting Holders will collectively exchange their holding of 100% equity interest in IJM for minority equity interests representing approximately 20.6% in the enlarged Sunway Group. As minority shareholders, Accepting Holders will have significantly less control and will assume exposure to the substantial integration, execution and transitional risks arising from the combination of two sizeable and diversified conglomerates with distinct operating models, asset compositions, management structures and strategic priorities. The anticipated benefits cited by the Offeror are forward-looking in nature and contingent upon successful integration, alignment of business strategies and retention of key management personnel. Accordingly, the ultimate value to be realised by Accepting Holders will depend on the future performance and successful integration of Sunway Group and IJM Group following completion of the Offer.

In contrast, IJM Group is currently in an active value-creation phase, supported by the quality and replenishment of its order book, sector diversification, geographical expansion and ongoing strategic initiatives, for which the value attributable to these embedded and future growth initiatives has yet to be fully reflected. As such, the Offer requires Holders to assume substantial minority and integration risks in the enlarged Sunway Group, and forego the standalone growth trajectory and embedded value of IJM Group. Further, Sunway Shares are currently trading at valuation multiples higher than those of its peers, suggesting that a substantial portion of its anticipated growth and scale advantages has already been reflected in its prevailing market price. As the Offer consideration is predominantly share-based, Accepting Holders will not realise immediate value in cash but will instead rely on the sustained market valuation of Sunway Shares.

Premised on the above and our assessments in **Sections 6 and 7 of this IAL**, we are of the opinion that the Offer is **NOT FAIR** and **NOT REASONABLE**. Accordingly, M&A Securities:

- (a) advises the Board to recommend that Holders **REJECT** the Offer; and
- (b) recommends that the Holders **REJECT** the Offer.

However, the decision as to whether to accept or reject the Offer would depend entirely on the risk appetite and specific investment requirements of the individual Holder.

Alternatively, Holders may also consider disposing of their IJM Shares in the open market if they are able to obtain a price higher than the Offer Price, net of transaction costs and assuming that there will not be any revision to the Offer Price. In evaluating this exit alternative, Holders should also take into consideration that approximately 90.0% of the Offer consideration comprises Consideration Shares, the realised value of which will depend on the future market price of Sunway Shares relative to the Issue Price.

Holders should also be mindful that there may be continuous fluctuations in the market prices of IJM Shares and Sunway Shares prior to and after the Closing Date. As such, Holders are advised to closely monitor the market share price, trading volume and any press release and/or announcements made in relation to the Offer before making a decision on the course of action to be taken in respect of the Offer Shares.

We wish to emphasise that our opinion has been prepared without taking into consideration any specific investment objective, financial situation or needs of any individual Holder or any group of Holders. We recommend that individual Holder or group of Holders who may require advice in relation to the Offer in the context of their individual objectives, financial situation and particular situation, to consult their stockbroker, bank manager, solicitor, accountant or other professional advisers.

Yours faithfully,
For and on behalf of
M & A SECURITIES SDN BHD

GARY TING
Head
Corporate Finance

RACHEL HO
Deputy Head
Corporate Finance

APPENDICES

APPENDIX I – INFORMATION ON IJM

1. NAME OF COMPANY, COMPANY REGISTRATION NO., ADDRESS AND LISTING STATUS

Name	: IJM Corporation Berhad
Registration No.	: 198301008880 (104131-A)
Registered Address	: 2 nd Floor, Wisma IJM, Jalan Yong Shook Lin, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Correspondence Address	: 2 nd Floor, Wisma IJM, Jalan Yong Shook Lin, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Listing Status	: Listed on the Main Market of Bursa Securities

2. HISTORY AND BUSINESS

IJM was incorporated in Malaysia on 16 July 1983 under the Companies Act 1965 as a private limited company under the name of Solidstate (M) Sdn Bhd and is deemed registered under the Companies Act 2016 ("Act"). On 15 March 1984, the company changed its name to IJM Engineering & Construction Sdn Bhd. Subsequently on 28 February 1986, the company changed its name to IJM Engineering & Construction Berhad and was converted into a public company on even date. The company was listed on the Main Board (now known as Main Market) of the Kuala Lumpur Stock Exchange (now known as Bursa Securities) on 29 September 1986 and subsequently assumed its present name on 16 December 1989.

IJM began its journey as a (i) construction company, subsequently diversifying into (ii) property development; (iii) industry that is engaged in quarrying and manufacturing building materials; and (iv) infrastructure concessions, where IJM acts as a developer, investor, owner and operator of privatised infrastructure concessions that generate steady recurring income streams.

Currently, IJM is an investment holding company whilst the principal activities of its subsidiaries, associated companies and joint ventures are further disclosed in **Section 6** below.

3. SHARE CAPITAL

3.1 Issued share capital

As at LPD, the total issued share capital of IJM is RM6,132,290,441 comprising 3,505,166,120 IJM Shares (excluding treasury shares).

As at LPD, there is only 1 class of ordinary shares in IJM. All IJM Shares rank equally in terms of voting rights and entitlements to any dividends, rights, allotments and/or distributions (including any capital distributions) which may be declared, made or paid to shareholders.

3.2 Changes in the issued share capital

Since the end of FYE 31 March 2025 and up to LPD, there are no changes in IJM's issued share capital.

3.3 Convertibles

As at LPD, IJM does not have any convertible securities.

APPENDIX I – INFORMATION ON IJM (Cont'd)

4. SUBSTANTIAL SHAREHOLDERS

As at LPD, the substantial shareholders of IJM who hold 5.0% or more of the issued share capital in IJM and their shareholdings, are as follows:

Name	Country of Incorporation	Registration No.	Direct		Indirect	
			No. of Shares	(1)%	No. of Shares	(1)%
Employees Provident Fund Board	Malaysia	EPF Act 1991	717,850,635	20.48	-	-
Kumpulan Wang Persaraan (Diperbadankan)	Malaysia	KWAPACT6622007	337,903,600	9.64	-	-
PNB	Malaysia	197801001190 (38218-X)	10,891,000	0.31	(2)456,092,900	13.01

Notes:

- (1) Calculated based on 3,505,166,120 IJM Shares in issue (*excluding treasury shares*).
- (2) Represents the indirect shareholdings of PNB and the funds managed by its subsidiaries.

5. DIRECTORS

As at LPD, the Directors of IJM and their shareholdings in IJM are as follows:

Name/ Designation	Nationality	Address	Direct		Indirect	
			No. of Shares	(1)%	No. of Shares	(1)%
Tan Sri Dato' Tan Boon Seng @ Krishnan (<i>Non-Executive Chairman</i>)	Malaysian	c/o IJM Corporation Berhad Wisma IJM Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan	10,428,666	0.30	1,121,972 ⁽²⁾	0.03
Dato' Lee Chun Fai (<i>Group Chief Executive Officer & Managing Director</i>)	Malaysian	c/o IJM Corporation Berhad Wisma IJM Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan	977,500	0.03	250,000 ⁽²⁾	0.01
Tan Ting Min (<i>Independent Non-Executive Director</i>)	Malaysian	c/o IJM Corporation Berhad Wisma IJM Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan	-	-	-	-
Dato' Ir. Tan Gim Foo (<i>Independent Non-Executive Director</i>)	Malaysian	c/o IJM Corporation Berhad Wisma IJM Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan	-	-	-	-

APPENDIX I – INFORMATION ON IJM (Cont'd)

Name/ Designation	Nationality	Address	Direct		Indirect	
			No. of Shares	(1)%	No. of Shares	(1)%
Loh Lay Choon (Independent Non- Executive Director)	Malaysian	c/o IJM Corporation Berhad Wisma IJM Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan	-	-	-	-
Datuk Ir. Ahmad 'Asri bin Abdul Hamid (Independent Non- Executive Director)	Malaysian	c/o IJM Corporation Berhad Wisma IJM Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan	-	-	-	-
Fatimah binti Merican (Independent Non- Executive Director)	Malaysian	c/o IJM Corporation Berhad Wisma IJM Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan	-	-	-	-
Gunavathi A/P Subramaniam (Independent Non- Executive Director)	Malaysian	c/o IJM Corporation Berhad Wisma IJM Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan	-	-	-	-
Datuk Lee Teck Yuen (Non-Executive Director)	Malaysian	c/o IJM Corporation Berhad Wisma IJM Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan	11,764,692	0.34	-	-
Azhar bin Ahmad (Non-Executive Director)	Malaysian	c/o IJM Corporation Berhad Wisma IJM Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan	-	-	-	-
Mazuki bin Abdullah @ Muhammad (Non-Executive Director)	Malaysian	c/o IJM Corporation Berhad Wisma IJM Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan	-	-	-	-

Notes:

- (1) Calculated based on 3,505,166,120 IJM Shares in issue (excluding treasury shares).
- (2) Deemed interest through his shareholdings in his family member pursuant to Section 8 of the Act.

APPENDIX I – INFORMATION ON IJM (Cont'd)

6. SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

As at LPD, the subsidiaries, associated companies and joint ventures of IJM are as follows:

Name of Subsidiaries	Country of incorporation	Effective equity interest (%)	Principal activities
<u>Held by IJM</u>			
CIDB Inventures Sdn Bhd	Malaysia	100.0	Dormant
Emcee Corporation Sdn Bhd	Malaysia	100.0	Dormant
Globalcomm Solutions Sdn Bhd	Malaysia	60.0	Provider of telecommunications services, technology solutions and infrastructure
IJM Construction Sdn Bhd	Malaysia	100.0	Civil and building construction and investment holding
IJM Construction (Middle East) LLC	United Arab Emirates	100.0	Construction
IJM Highway Services Sdn Bhd	Malaysia	100.0	Provision of toll operation and maintenance services
IJM Investments (L) Limited	Federal Territory of Labuan	100.0	Investment holding
IJM Investments (M) Limited	Republic of Mauritius	100.0	Investment holding
IJM Land Berhad	Malaysia	100.0	Investment holding
IJM RE Sdn Bhd	Malaysia	100.0	Investment holding
IJM Treasury Management Sdn Bhd	Malaysia	100.0	Provision of financing and related management services
Industrial Concrete Products Sdn Bhd ("ICP")	Malaysia	100.0	Production and sale of concrete products and investment holding
IJM Shared Services Sdn Bhd	Malaysia	100.0	Provision of management services and investment holding
RB Manufacturing Sdn Bhd	Malaysia	100.0	Dormant
Road Builder (M) Holdings Bhd	Malaysia	100.0	Investment holding
IJM Corporation (UK) Limited	England and Wales	100.0	Investment holding
IJM Nusantara Sdn Bhd (formally known as Strong Tenaga Force Sdn Bhd)	Malaysia	100.0	Investment holding
<u>Held by Globalcomm Solutions Sdn Bhd</u>			
Globalcomm Telecommunications Sdn Bhd	Malaysia	37.0	Telecommunication tower sharing operator
<u>Held by IJM Construction Sdn Bhd</u>			
Azam IJMC UDSB Sdn Bhd	Malaysia	39.0	Civil and building construction
Commerce House Sdn Bhd	Malaysia	100.0	Trading in construction materials and providing insurance agency services
IJM Construction Sdn Bhd JV Ganda Imbuhan Sdn Bhd	**	60.0	Civil and building construction
IJMC-PESTECH Joint Venture	**	60.0	Design, supply, installation, testing and commissioning for automated people mover
IJM Investments J.A. Limited	United Arab Emirates	100.0	Investment holding
Jurutama Sdn Bhd	Malaysia	100.0	Construction
Prebore Piling & Engineering Sdn Bhd	Malaysia	100.0	Piling, engineering and other construction works
Road Builder (M) Sdn Bhd	Malaysia	100.0	Civil and building construction

APPENDIX I – INFORMATION ON IJM (Cont'd)

Name of Subsidiaries	Country of incorporation	Effective equity interest (%)	Principal activities
<u>Held by IJM Investments J.A. Limited</u>			
IJM Construction (Pakistan) (Private) Limited	Pakistan	100.0	Civil and building construction
IM Technologies Pakistan (Private) Limited	Pakistan	60.0	Civil, building construction and property development
<u>Held by Road Builder (M) Sdn Bhd</u>			
RBM-PATI JV	**	100.0	Construction
<u>Held by IJM Investments (M) Limited</u>			
IEMCEE Infra (Mauritius) Limited	Republic of Mauritius	100.0	Investment holding
IJM Dewas (Mauritius) Limited	Republic of Mauritius	100.0	Investment holding
IJM Engineering (Mauritius) Limited	Republic of Mauritius	100.0	Investment holding
IJMII (Mauritius) Limited	Republic of Mauritius	100.0	Investment holding
IJM Rajasthan (Mauritius) Limited	Republic of Mauritius	100.0	Investment holding
IJM Realty (Mauritius) Limited	Republic of Mauritius	100.0	Investment holding
IJM Rewa (Mauritius) Limited	Republic of Mauritius	100.0	Investment holding
IJM Trichy (Mauritius) Ltd	Republic of Mauritius	100.0	Under members' voluntary winding up
IJM Vijayawada (Mauritius) Limited	Republic of Mauritius	100.0	Investment holding
<u>Held by IJM Dewas (Mauritius) Limited</u>			
Dewas Bypass Tollway Private Limited (of which 26% is held directly by IJM)	India	100.0	Highway development
<u>Held by IJM Engineering (Mauritius) Limited</u>			
Team Universal Infratech Private Limited	India	80.0	Construction
<u>Held by IJMII (Mauritius) Limited</u>			
IJM (India) Infrastructure Limited	India	99.9	Construction
<u>Held by IJM (India) Infrastructure Limited</u>			
IJM (India) Geotechniques Private Limited	India	99.9	Soil investigation & testing, foundation laying & treatment & piling
IJM Raintree Park Private Limited	India	99.9	Property development
Swarnandhra-IJMII Integrated Township Development Company Private Limited	India	51.0	Property development
Swarnandhra RoadCare Private Limited	India	99.9	Road maintenance
<u>Held by IJM Realty (Mauritius) Limited</u>			
Nagpur Integrated Township Private Limited	India	95.0	Property development

APPENDIX I – INFORMATION ON IJM (Cont'd)

Name of Subsidiaries	Country of incorporation	Effective equity interest (%)	Principal activities
<u>Held by IJM Rewa (Mauritius) Limited</u>			
Rewa Tollway Private Limited	India	100.0	Dormant
Vijayapura Tollway Private Limited (of which 26% is held directly by IJM)	India	100.0	Highway development
<u>Held by IJM Vijayawada (Mauritius) Limited</u>			
Vijayawada Tollway Private Limited	India	99.9	Highway development
<u>Held by IJM Land Berhad</u>			
Asas Panorama Sdn Bhd	Malaysia	60.0	Property development
Emko Properties Sdn Bhd	Malaysia	100.0	Property development
ERMS Berhad	Malaysia	100.0	Provision of wellness services including traditional and complementary medicine, postnatal and rehabilitative care, and retail of health and wellness products; hotel and recreation club operations; and investment holding
IJM Land Management Services Sdn Bhd	Malaysia	100.0	Provision of management services
IJM Properties Sdn Bhd	Malaysia	100.0	Property development and investment holding
Mintle Limited	Jersey	51.0	Holding company, development of building projects, buying and selling of own real estate
RB Development Sdn Bhd	Malaysia	100.0	Property development
RB Land Sdn Bhd	Malaysia	100.0	Property development and construction activities
Sova Holdings Sdn Bhd	Malaysia	70.0	Property development
IJM Land Cochrane Sdn Bhd (formally known as IJM Land Samarahan Sdn Bhd)	Malaysia	100.0	Dormant
<u>Held by Emko Properties Sdn Bhd</u>			
Emko Management Services Sdn Bhd	Malaysia	100.0	Property management
<u>Held by ERMS Berhad</u>			
Holiday Villa Management Sdn Bhd	Malaysia	100.0	Dormant
<u>Held by IJM Properties Sdn Bhd</u>			
Aqua Aspect Sdn Bhd	Malaysia	80.0	Property development
Chen Yu Land Sdn Bhd	Malaysia	100.0	Property development
Cypress Potential Sdn Bhd	Malaysia	70.0	Property development activities and property investment
Era Moden Hartanah Sdn Bhd	Malaysia	55.0	Dormant
Ever Mark (M) Sdn Bhd	Malaysia	100.0	Dormant
IJM Management Services Sdn Bhd	Malaysia	100.0	Project and construction management services and sales and marketing services
IJMP-MK Joint Venture	**	100.0	Property development
Jalanan Masyhur Sdn Bhd	Malaysia	51.0	Dormant
Jelutong Development Sdn Bhd	Malaysia	80.0	Property development
Larut Leisure Enterprise (Hong Kong) Limited	Hong Kong	99.0	Investment holding
Manda'rina Sdn Bhd	Malaysia	100.0	Property development
Maxharta Sdn Bhd	Malaysia	100.0	Investment holding and property development

APPENDIX I – INFORMATION ON IJM (Cont'd)

Name of Subsidiaries	Country of incorporation	Effective equity interest (%)	Principal activities
NS Central Market Sdn Bhd	Malaysia	70.0	Dormant
Preferred Accomplishment Sdn Bhd	Malaysia	100.0	Sale of electricity
Radiant Pillar Sdn Bhd	Malaysia	100.0	Property development and investment holding
Sinaran Intisari (M) Sdn Bhd	Malaysia	100.0	Dormant
Suria Bistari Development Sdn Bhd	Malaysia	51.0	Property development
The Light Waterfront Sdn Bhd	Malaysia	100.0	Dormant
Valencia Terrace Sdn Bhd	Malaysia	100.0	Property development
Worldwide Ventures Sdn Bhd	Malaysia	86.0	Property development and investment holding
Sierra Ukay Sdn Bhd	Malaysia	100.0	Property development
<u>Held by Cypress Potential Sdn Bhd</u>			
Sebana Golf & Marina Resort Berhad	Malaysia	70.0	Resort, marina and golf course operator
<u>Held by Larut Leisure Enterprise (Hong Kong) Limited</u>			
Jilin Dingtai Enterprise Development Co. Ltd.	People's Republic of China	99.0	Property development
<u>Held by Maxharta Sdn Bhd</u>			
Eksplorasi Cemerlang Sdn Bhd	Malaysia	100.0	Provision of promotional and marketing services
Jelita Kasturi Sdn Bhd	Malaysia	100.0	Property development
Panorama Jelita Sdn Bhd	Malaysia	100.0	Property development
<u>Held by Radiant Pillar Sdn Bhd</u>			
Bandar Rimbayu Sdn Bhd	Malaysia	100.0	Property development
IJMP-RPSB Joint Venture	Malaysia	100.0	Dormant
<u>Held by Worldwide Ventures Sdn Bhd</u>			
Island Golf View Sdn Bhd	Malaysia	86.0	Property development
<u>Held by Mintle Limited</u>			
RMS (England) Limited	England and Wales	51.0	Property development
<u>Held by RMS (England) Limited</u>			
RMS (England) 1 Limited	England and Wales	51.0	Dormant
RMS (England) 2 Limited	England and Wales	51.0	Dormant
RMS (England) Rentals Limited	England and Wales	51.0	Letting and operating of own real estate
RMS (Welwyn Garden City) Limited	England and Wales	51.0	Letting and operating of own or leased real estate
<u>Held by RMS (England) 2 Limited</u>			
Innova Partnership Management Limited	England and Wales	51.0	Dormant
<u>Held by RB Land Sdn Bhd</u>			
Aras Varia Sdn Bhd	Malaysia	100.0	Property development and clubhouse operations
Dian Warna Sdn Bhd	Malaysia	100.0	Property development
Ikatan Flora Sdn Bhd	Malaysia	100.0	Property development
Murni Lapisan Sdn Bhd	Malaysia	100.0	Property development and construction activities
RB Property Management Sdn Bhd	Malaysia	100.0	Property development
Seremban Two Holdings Sdn Bhd	Malaysia	100.0	Property development

APPENDIX I – INFORMATION ON IJM (Cont'd)

Name of Subsidiaries	Country of incorporation	Effective equity interest (%)	Principal activities
Seremban Two Properties Sdn Bhd	Malaysia	100.0	Property development
Shah Alam 2 Sdn Bhd	Malaysia	100.0	Property development
Tarikan Abadi Sdn Bhd	Malaysia	100.0	Property development
Titian Tegas Sdn Bhd	Malaysia	100.0	Property development
Unggul Senja Sdn Bhd	Malaysia	100.0	Property development
<u>Held by IJM RE Sdn Bhd</u>			
IJM RE Commercial Sdn Bhd	Malaysia	100.0	Investment holding
<u>Held by IJM RE Commercial Sdn Bhd</u>			
Fairview Valley Sdn Bhd	Malaysia	100.0	Property investment and investment holding
<u>Held by ICP</u>			
Durabon Sdn Bhd	Malaysia	100.0	Processing and sales of steel bars
ICP Marketing Sdn Bhd	Malaysia	100.0	Dormant
IJM Building Systems Sdn Bhd	Malaysia	100.0	Construction contracts, trading and rental of aluminium formworks
IJM IBS Sdn Bhd	Malaysia	100.0	Manufacturing of Industrialised Building System and provision of related technical services
Malaysian Rock Products Sdn Bhd	Malaysia	100.0	Quarrying, sale of rock products and investment holding
ICPB (Mauritius) Limited	Republic of Mauritius	100.0	Investment holding
IBS VHome Sdn Bhd	Malaysia	100.0	Provision of workers' accommodation services and assembly & erection of prefabricated construction
<u>Held by Durabon Sdn Bhd</u>			
Durabon Building Materials Guangdong Private Limited	China	51.0	Steel bars processing and trading, general merchandise and commodity trading
<u>Held by ICPB (Mauritius) Limited</u>			
IJM Concrete Products Private Limited	India	100.0	Production and supply of ready-mixed concrete
<u>Held by IJM Concrete Products Private Limited</u>			
IJM-AIKYA Joint Venture	**	100.0	Ceased operations
<u>Held by Malaysian Rock Products Sdn Bhd</u>			
Azam Ekuiti Sdn Bhd	Malaysia	100.0	Leaseholder of quarry land
IJM Concrete (Private) Limited	United Arab Emirates	60.0	Dormant
IJM Concrete Products Pakistan (Private) Limited	Pakistan	100.0	Dormant
Kuang Rock Products Sdn Bhd	Malaysia	100.0	Quarrying and sale of rock products
Oriental Empire Sdn Bhd	Malaysia	100.0	Leaseholder of quarry land
Scaffold Master Sdn Bhd	Malaysia	100.0	Sale and rental of steel scaffolding
Strong Mixed Concrete Sdn Bhd	Malaysia	100.0	Production and supply of ready-mixed concrete
Warga Sepakat Sdn Bhd	Malaysia	100.0	Leaseholder of quarry land
IJM Minerals Sdn Bhd	Malaysia	75.0	Sale of limestone products
<u>Held by Strong Mixed Concrete Sdn Bhd</u>			
SMC Islamabad (Private) Limited	Pakistan	60.0	Dormant

APPENDIX I – INFORMATION ON IJM (Cont'd)

Name of Subsidiaries	Country of incorporation	Effective equity interest (%)	Principal activities
Held by RB Manufacturing Sdn Bhd			
Kuching Riverine Resort Management Sdn Bhd	Malaysia	100.0	Property management
Held by Road Builder (M) Holdings Bhd			
Besraya (M) Sdn Bhd (of which 35% is held by HMS Resources Sdn Bhd and 5% by Gagah Garuda Sdn Bhd)	Malaysia	100.0	Toll road operation
Essmarine Terminal Sdn Bhd	Malaysia	100.0	Investment holding
Gagah Garuda Sdn Bhd	Malaysia	100.0	Investment holding
HMS Resource Sdn Bhd	Malaysia	100.0	Investment holding
ITD Media & Advertising Sdn Bhd	Malaysia	100.0	Advertising services
Kuantan Port Consortium Sdn Bhd (of which 30% is held directly by Essmarine Terminal Sdn Bhd)	Malaysia	60.0	Port management
New Pantai Expressway Sdn Bhd	Malaysia	100.0	Design, construction, management, operation and maintenance of New Pantai Highway
NPE Property Development Sdn Bhd	Malaysia	100.0	Property development
Held by Kuantan Port Consortium Sdn Bhd			
KP Port Services Sdn Bhd	Malaysia	60.0	Port supporting services, stevedorage, storage handling and providing nitrogen purging and pigging services
Held by IJM Corporation (UK) Limited			
IJM (JRL) Limited	England and Wales	60.0	Dormant
IJM (Finsbury Circus) Limited ("IJM Finsbury")	England and Wales	70.0	Dormant
JRL Property (Elstree Way) Limite	England and Wales	100.0	Property investment
JRL Property (South East) Limited	England and Wales	100.0	Property investment
JRL Property (London) Limited	England and Wales	100.0	Property investment
Held by IJM Finsbury			
IJM (FC) B.V.	Netherlands	70.00	Property management
Effective equity interest (%)			
Name of Associates	Country of incorporation	Effective equity interest (%)	Principal activities
Held by IJM			
Bionic Land Berhad	Malaysia	20.0	Investment holding and provision of management services
Emas Utilities Corporation Sdn Bhd	Malaysia	40.0	Investment holding
Grupo Concesionario del Oeste S.A.	Argentina	20.1	Construction, renovation, repair, conservation and operation of Acceso Oeste highway
Inversiones E Inmobiliaria SurSur S.A.	Chile	25.0	Dormant
WCE Holdings Berhad ("WCEHB")	Malaysia	28.1	Investment holding

APPENDIX I – INFORMATION ON IJM (Cont'd)

Name of Associates	Country of incorporation	Effective equity interest (%)	Principal activities
<u>Held by IJM (JRL) Limited</u>			
JRL Group Holdings Limited	England and Wales	30.0	Activities of construction holding companies
<u>Held by IEMCEE Infra (Mauritius) Limited</u>			
GVK Gautami Power Limited	India	20.0	Dormant
<u>Held by IJM Construction Sdn Bhd</u>			
Hexacon Construction Pte Limited	Singapore	45.5	Civil and building construction
Highway Master Sdn Bhd	Malaysia	50.0	Road pavement construction
<u>Held by IJM Investments (L) Limited</u>			
Earning Edge Sdn Bhd	Malaysia	22.0	Dormant
<u>Held by IJM Land Berhad</u>			
Kuantan Pahang Holding Sdn Bhd	Malaysia	40.0	Investment holding
Riana Star Park Sdn Bhd (formally known as Urban Reach Sdn Bhd)	Malaysia	45.0	Investment holding, investment in properties, leasing and management of properties and property development
<u>Held by Asas Panorama Sdn Bhd</u>			
MCKILP Development Sdn Bhd	Malaysia	29.4	Property development
<u>Held by IJM Properties Sdn Bhd</u>			
MASSCORP-Vietnam Sdn Bhd	Malaysia	20.0	Investment holding
<u>Held by IJM RE Sdn Bhd</u>			
Global Vision Logistics Sdn Bhd	Malaysia	25.0	Investment holding
<u>Held by KP Port Services Sdn Bhd</u>			
KP Depot Services Sdn Bhd	Malaysia	18.0	Provision of container depot services
<u>Held by Road Builder (M) Holdings Bhd</u>			
West Coast Expressway Sdn Bhd (of which 22.5% is held indirectly by IJM via WCEHB)	Malaysia	43.0	Design, construction and development of the West Coast Expressway Project and managing its toll operations
Name of joint ventures	Country of incorporation	Effective equity interest (%)	Principal activities
Elegan Persona Sdn Bhd	Malaysia	50.0	Property development
IJM Properties-JA Manan Development Joint Venture	**	50.0	Dormant
IJM Properties-Danau Lumayan Joint Venture	**	60.0	Dormant
IJM Management Services-Giat Bernas Joint Venture	**	70.0	Dormant
Nasa Land Sdn Bhd	Malaysia	50.0	Property development
368 Segambut Sdn Bhd	Malaysia	50.0	Property development
Exio Logistics Sdn Bhd	Malaysia	50.0	Provision of warehouse related services
IJM TLA Holdings Sdn Bhd	Malaysia	50.0	Investment holding
Innova Investment Partnership GP Limited	England and Wales	25.5	Construction of railway GP Limited and underground railways, and construction of other civil engineering projects

APPENDIX I – INFORMATION ON IJM (Cont'd)

Name of joint ventures	Country of incorporation	Effective equity interest (%)	Principal activities
Innova Investment Limited Partnership	England and Wales	25.5	Property development
IJM Perennial Development Sdn Bhd	Malaysia	50.0	Property development
IJM-SCL Joint Venture	**	50.0	Dormant
IJM-Gayatri Joint Venture	**	60.0	Dormant
IJM-NBCC-VRM Joint Venture	**	50.0	Dormant
Lebuhraya Kajang-Seremban Sdn Bhd	Malaysia	50.0	Toll road operations
IJMC-Zublin Joint Venture	**	50.0	Dormant
ISZL Consortium	**	25.0	Dormant
BSC-RBM-PATI JV	**	25.0	Dormant
IJMC-Gayatri Joint Venture	**	60.0	Dormant
IJM-LFE Joint Venture	**	70.0	Dormant
Kiara Teratai-IJM Joint Venture	**	40.0	Dormant
CHEC-IJMC Joint Venture	**	49.0	Construction of logistic park
WHM-IJMC Joint Venture	**	50.0	Construction
WHM-IJMC Joint Venture (JH2)	**	60.0	Construction

Note:

** Unincorporated entities.

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APPENDIX I – INFORMATION ON IJM (Cont'd)

7. HISTORICAL FINANCIAL PERFORMANCE

A summary of the Group's results based on the audited consolidated financial statements of IJM for the FYE 31 March 2023 to 2025 as well as the latest unaudited consolidated financial statements for the 9-month FPE 31 December 2025 is as follows:

	Audited			Unaudited
	FYE 31 March			9-month FPE
	2023	2024	2025	31 December
	RM'000			
Operating Revenue	4,572,485	5,918,814	6,251,989	5,012,720
PBT	483,028	964,169	791,064	354,216
PAT	211,596	665,192	467,261	187,246
Profit/(Loss) attributed to:				
• Owners of the Company	158,275	600,278	403,377	177,140
• Perpetual sukuk	46,555	46,695	49,988	35,958
• Non-controlling interests	6,766	18,219	13,896	(25,852)
Current Asset	11,834,454	12,103,108	12,387,249	12,516,061
Current Liabilities	4,800,790	5,014,777	5,523,945	7,259,474
Shareholders' Funds / NA attributed to:				
• Owners of the Company	9,843,764	10,216,514	10,276,261	10,134,878
• Perpetual sukuk of a subsidiary	847,817	847,775	851,100	1,263,582
• Non-controlling interests	269,489	254,567	203,483	167,115
Share Capital	6,132,406	6,132,406	6,132,406	6,132,406
Weighted Average Number of IJM Shares in issue ('000)	3,521,221	3,507,797	3,506,130	3,505,166
NA per IJM Share attributed to owners of the Company (RM)	2.80	2.91	2.93	2.89
EPS (sen)	4.49	17.11	11.50	5.05
- Basic and diluted				
Current Ratio (Times)	2.47	2.41	2.24	1.72
Gearing Ratio (Times)	0.26	0.26	0.33	0.38

(Sources: Annual Reports 2023 to 2025 and latest unaudited interim financial statements for the 6-month FPE 30 September 2025)

There was no exceptional items which affected the financial performance of the Group in the FYE 2023 to 2025 and 9-month FPE 31 December 2025.

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APPENDIX I – INFORMATION ON IJM (Cont'd)

8. STATEMENT OF ASSETS AND LIABILITIES

The statements of assets and liabilities of the IJM Group based on the audited consolidated statements of financial position for the FYEs 31 March 2023, 2024 and 2025 and the unaudited consolidated statements of financial position for 9-month FPE 31 December 2025 are as follows:

	Audited			Unaudited
	As at 31 March			As at 31 December
	2023	2024	2025	2025
	RM'000			
ASSETS				
Non-Current Assets				
Property, plant and equipment	979,189	1,097,500	1,232,213	1,387,090
Right-of-use assets	233,370	259,519	237,407	224,606
Investment properties	612,246	622,172	651,425	3,294,449
Concession assets	3,994,564	3,882,496	3,443,329	1,265,551
Associates	941,181	1,262,011	1,387,374	1,693,763
Joint ventures	550,382	607,280	714,845	833,058
Financial assets at fair value through other comprehensive income	3,665	2,155	2,155	2,155
Financial assets at fair value through profit or loss	–	67,006	104	93
Long term receivables	235,221	243,951	416,776	418,430
Intangible assets	125,414	111,756	112,368	482,261
Deferred tax assets	463,512	505,433	482,684	585,866
Inventories	537,397	550,936	701,402	111,281
Total Non-Current Assets	8,676,141	9,212,215	9,382,082	10,298,603
Current Assets				
Inventories	6,672,599	6,297,161	6,453,601	6,829,985
Trade and other receivables	1,261,800	1,752,272	2,264,630	2,361,525
Contract assets	432,016	440,917	540,213	455,702
Financial assets at fair value through profit or loss	541,934	657,937	576,202	499,421
Tax recoverable	98,904	83,962	57,536	70,933
Deposits, cash and bank balances	2,825,163	2,870,389	2,493,955	2,298,351
Assets held for sale	2,038	470	1,112	144
Total Current Assets	11,834,454	12,103,108	12,387,249	12,516,061
TOTAL ASSETS	20,510,595	21,315,323	21,769,331	22,814,664
EQUITY AND LIABILITIES				
Non-Current Liabilities				
Bonds	2,572,025	2,703,567	3,072,695	2,840,621
Term loans	1,057,825	1,088,206	888,169	231,717
Government support loan	21,129	8,655	–	–
Lease liabilities	52,440	62,172	44,558	40,079
Deferred tax liabilities	491,158	485,275	495,740	471,553
Trade and other payables	293,503	374,985	412,430	404,695
Retirement benefits	1,877	1,345	950	950
Deferred income	258,778	257,485	–	–
Total Non-Current Liabilities	4,748,735	4,981,690	4,914,542	3,989,615
Current Liabilities				
Contract liabilities	309,089	428,897	444,024	550,600
Trade and other payables	2,679,845	2,758,315	3,130,530	3,591,838
Lease liabilities	18,410	17,724	19,211	14,265
Current tax liabilities	86,521	81,297	53,143	47,865
Derivative financial instruments	–	332	–	1,337
Provisions	2,992	4,272	2,745	2,446
Borrowings – Bank overdrafts	7,365	22,682	41,853	63,303
Borrowings – Others	1,696,568	1,701,258	1,832,439	2,987,820
Total Current Liabilities	4,800,790	5,014,777	5,523,945	7,259,474
TOTAL LIABILITIES	9,549,525	9,996,467	10,438,487	11,249,089

APPENDIX I – INFORMATION ON IJM (Cont'd)

	Audited			Unaudited
	As at 31 March			As at 31 December
	2023	2024	2025	2025
	RM'000			
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital	6,132,406	6,132,406	6,132,406	6,132,406
Treasury shares	(224,912)	(235,102)	(237,012)	(237,012)
Shares held under trust	(1,263)	–	–	–
Exchange translation reserve	(87,990)	(22,437)	(83,774)	(121,884)
Other reserves	952	(558)	(558)	(558)
Retained profits	4,024,571	4,342,205	4,465,199	4,361,926
Equity attributable to owners of the Company	9,843,764	10,216,514	10,276,261	10,134,878
Perpetual Sukuk of a subsidiary	847,817	847,775	851,100	1,263,582
Non-controlling interests	269,489	254,567	203,483	167,115
TOTAL EQUITY	10,961,070	11,318,856	11,330,844	11,565,575
TOTAL EQUITY AND LIABILITY	20,510,595	21,315,323	21,769,331	22,814,664

9. MATERIAL CHANGES AND ACCOUNTING POLICIES

Based on the audited consolidated financial statements of IJM for FYE 2023 to 2025 and 9-month FPE 31 December 2025, the financial statements have been prepared in accordance with the Malaysian accounting standards and there was no audit qualification for IJM's financial statements for the respective years under review.

There is no change in the aforementioned adopted accounting standards which would result in a material variation to the comparable figures for the audited consolidated financial statement of IJM for the FYE 2023 to 2025.

10. BORROWINGS

As at 31 December 2025, which is not more than 3 months preceding the LPD, IJM Group has total outstanding borrowings as follows:

Borrowings	RM'000
Non-current	
<u>Secured</u>	
- Bonds	1,141,039
- Term loans	226,717
<u>Unsecured</u>	
- Bonds	1,699,582
- Term loans	5,000
Current	
<u>Secured</u>	
- Bonds	223,081
- Term loans	639,108
- Revolving credits	28,686
<u>Unsecured</u>	
- Bonds	497,514
- Bankers' acceptances	35,155
- Term loans	382,468
- Revolving credits	1,181,808
- Bank overdrafts	63,303
	6,123,461

APPENDIX I – INFORMATION ON IJM (Cont'd)

11. CONTINGENT LIABILITIES

Save as disclosed below, as at 31 December 2025, which is not more than 3 months preceding the LPD, there are no contingent liabilities incurred or known to be incurred by the IJM Group that have not been provided for, which upon becoming due or enforceable, may have a material impact on the financial position of business of the IJM Group:

Contingent liabilities	RM'000
Stamp duty matters under appeal	1,479
Sales and service tax matters under appeal	18,836
Goods and services tax matters under appeal	21,911
	<hr/> 42,226 <hr/>

12. MATERIAL LITIGATION

As at LPD, the IJM Group is not involved in any material litigation since the date of its last statement of financial position.

13. MATERIAL CONTRACTS

As at LPD, IJM Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the 2 years before the commencement of the Offer Period and up to LPD.

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APPENDIX II – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

The Board has seen and approved the contents of this IAC. The Board, jointly and severally accept full responsibility for the accuracy and completeness of the information contained in this IAC and confirm that, after making all reasonable enquiries as were reasonable in the circumstances and to the best of their knowledge and belief, opinions expressed by the Board in this IAC have been arrived at, after due and careful consideration and there are no other facts and/or information, the omission of which would make any information provided in this IAC relating to the IJM Group false or misleading or materially incomplete.

The responsibility of the Board in respect of:

- (i) the information relating to the Offeror and the Offer (as extracted from the Offer Document and other publicly available information) is limited to ensuring that such information is accurately reproduced in this IAC; and
- (ii) the independent advice and expression of opinion by M&A Securities in relation to the Offer as set out in **Part B of this IAC** are limited to ensuring that the accurate information provided by IJM to M&A securities for its evaluation in respect of the Offer and to ensure all information in relation to the IJM Group that are relevant to M&A Securities' evaluation of the Offer have been completely disclosed to M&A Securities is accurate and that there are no material facts, the omission of which would make any information provided to M&A Securities, false or misleading.

2. DISCLOSURE OF INTERESTS AND DEALINGS

2.1 By IJM

- (i) Disclosure of interests in the Offeror

IJM does not have any interest, whether direct or indirect, in any voting shares of Offeror as at LPD.

- (ii) Dealings in the securities of the Offeror

IJM has not dealt, directly or indirectly, in any voting shares of the Offeror during the period beginning 6 months prior to the Offer Period and ending on LPD.

- (iii) Dealing in the securities in IJM Shares

IJM has not dealt, directly or indirectly, in any of its own voting shares during the period commencing 6 months before the commencement of the Offer Period and up to LPD.

2.2 By Directors of IJM

- (i) Disclosure of interests in the Offeror

Save as disclosed below, the Directors of IJM do not have any interest, whether direct or indirect, in any voting shares of Offeror as at LPD.

Name / Designation	Number of Offeror Shares as at LPD	
	Direct	Indirect
Loh Lay Choon (Independent <i>Non-Executive Director</i>)	5,000	10,000

APPENDIX II – FURTHER INFORMATION (*Cont'd*)

(ii) Dealing in the securities of the Offeror

The Directors of IJM have not dealt, directly or indirectly, in any voting shares of the Offeror during the period beginning 6 months prior to the Offer Period and ending on LPD.

(iii) Disclosure of interests in IJM

Save as disclosed below, the Directors of IJM do not have any interest, whether direct or indirect, in any voting shares of IJM as at LPD:

Directors/ Designation	Direct		Indirect	
	No. of IJM Shares	% ⁽¹⁾	No. of IJM Shares	% ⁽¹⁾
Tan Sri Dato' Tan Boon Seng @ Krishnan (<i>Non-Executive Chairman</i>)	10,428,666	0.30	1,121,972 ⁽²⁾	0.03
Dato' Lee Chun Fai (<i>Group Chief Executive Officer & Managing Director</i>)	977,500	0.03	250,000 ⁽²⁾	0.01
Datuk Lee Teck Yuen (<i>Non-Executive Director</i>)	11,764,692	0.34	-	-

Notes:

- (1) Calculated based on 3,505,166,120 IJM Shares in issue (*excluding treasury shares*).
- (2) Deemed interest through his shareholdings in his family member pursuant to Section 8 of the Act.

(iv) Disclosure of dealings in IJM Shares

Save as disclosed below, none of the directors of IJM have dealt, directly or indirectly, in any voting shares of IJM during the period commencing 6 months before the commencement of the Offer Period and ending on LPD.

Transaction date	Transacting party	Number of IJM Shares transacted	Description of the transaction	Transacted price per IJM Share (RM)
4 November 2025	Tan Sri Dato' Tan Boon Seng @ Krishnan	100,000	Buy	2.44
6 November 2025	Tan Sri Dato' Tan Boon Seng @ Krishnan	100,000	Buy	2.48
18 December 2025	Tan Sri Dato' Tan Boon Seng @ Krishnan	100,000	Buy	2.18
5 January 2026	Tan Sri Dato' Tan Boon Seng @ Krishnan	81,200	Buy	2.31

2.3 By the persons with whom IJM or any persons acting in concert with it has any arrangement over the Offer Shares

As at LPD, there is no person with whom IJM or any persons acting in concert with it has any arrangement involving rights over shares, any indemnity arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or to refrain from dealing.

APPENDIX II – FURTHER INFORMATION (Cont'd)

2.4 By the persons with whom IJM or any persons acting in concert with it has borrowed or lent the voting shares of IJM

As at LPD, there is no person with whom IJM or any persons acting in concert with it has borrowed or lent any voting shares of IJM.

2.5 By M&A Securities and funds whose investments are managed by M&A Securities on a discretionary basis ("Discretionary Funds")**(i) Disclosure of interests in IJM**

As at LPD, M&A Securities and its Discretionary Funds do not have any interest, whether direct or indirect, in any voting shares of IJM.

(ii) Dealing in the securities of IJM

M&A Securities and its Discretionary Funds have not dealt, directly or indirectly, in IJM Shares during the period commencing 6 months before the commencement of the Offer Period and ending on LPD.

2.6 Confirmation of compliance with paragraph 19.05 of the Rules**(i) IJM**

IJM, being the Offeree, confirms that (a) saved as disclosed in **Section 2.2(iv) of Appendix II** above, there are no dealings in IJM Shares made by IJM, Directors of IJM and any persons acting in concert with it from the commencement of the Offer Period and up to the LPD, and the disclosure of dealings requirements under paragraph 19.05 of the Rules has been complied with from the commencement of the Offer Period and up to the LPD; and (b) IJM will ensure that all dealings of IJM Shares by IJM, directors of IJM and persons acting in concert with IJM are disclosed in accordance with the requirements under paragraph 19.05 of the Rules up to the Closing Date.

(ii) M&A Securities

M&A Securities, being the Independent Adviser to the Offeree in respect of the Offer, confirms that there are no dealings in IJM Shares by M&A Securities from the commencement of the Offer Period and up to the LPD, and the disclosure of dealings requirement under paragraph 19.05 of the Rules has been complied with from the commencement of the Offer Period and up to the LPD; and (b) M&A Securities will ensure that all dealings of IJM Shares by M&A Securities are disclosed in accordance with the requirements under paragraph 19.05 of the Rules up to the Closing Date.

3. ARRANGEMENT AFFECTING DIRECTORS

(i) As at LPD, no payment or other benefit will be made or given to any Director of IJM as compensation for loss of office or otherwise in connection with the Offer.

(ii) As at LPD, there is no agreement or arrangement between any Director of IJM and any other person which is conditional on or dependent upon the outcome of the Offer or otherwise connected with the outcome of the Offer.

(iii) As at LPD, the Offeror has not entered into any material contract in which any Director of IJM has a material personal interest.

APPENDIX II – FURTHER INFORMATION (Cont'd)

4. SERVICE CONTRACTS

As at LPD, neither IJM nor its subsidiaries have any service contracts with any Directors or proposed Directors, which have been entered into or amended within 6 months before the commencement of the Offer Period or which are fixed term contracts with more than 12 months to run.

For the purpose of this section, the term "service contracts" excludes those expiring or determinable by the employing company without payment of compensation within 12 months from the date of this IAC.

5. CONSENTS

M&A Securities, Maybank IB, the Concession Valuer, Property Valuers and Rothschild have given and have not subsequently withdrawn their written consents to the inclusion of their names and all references thereto in the form and context in which they appear in this IAC.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of IJM at 2nd Floor, Wisma IJM, Jalan Yong Shook Lin, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia, during normal business hours from Mondays to Fridays (excluding public holidays) from the date of this IAC up to and including the Closing Date:

- (a) the Constitution of IJM;
- (b) the audited consolidated financial statements of IJM for the past 3 FYEs 31 March 2023, 2024 and 2025 as well as the unaudited consolidated financial statements of IJM for the 9-month FPE 31 December 2025;
- (c) a copy of the Notice;
- (d) a copy of the letter from SC notifying it has no further comments on this IAC dated 12 March 2026;
- (e) the letters of consent referred to in **Section 5 of this Appendix II**;
- (f) the letter on the valuation by the Concession Valuer for the concession assets referred to in **Sections 6.1.4 and 6.1.5 of the IAL**; and
- (g) the letter on the valuation by the Property Valuers for the Selected Properties referred to in **Section 6.1.2 of the IAL**.

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