

EVERSENDI

Eversendai Corporation Berhad (“ECB” or the “Company”)

- Share Sale and Purchase Agreement entered between ECB and Datuk David Rashid Bin Ghazalli and Dato’ Muthukumar A/L Ayarpadde and Nigel Graeme Robson

1. INTRODUCTION

1.1 The Board of Directors of ECB (the “Board”) is pleased to announce that the Company has on 15 March 2013 entered into a Share Sale and Purchase Agreement (“SSPA”) to dispose of its 51% shareholding comprising 510,000 ordinary shares in Vahana Constructions Sdn Bhd (Company No. 1014994-T) (“Vahana”) at a cash consideration of RM1.00 per ordinary share (the “Proposed Disposal”). Upon completion of the Proposed Disposal, Vahana will cease to be a wholly owned subsidiary of ECB and would be an associate company of ECB.

1.2 The Proposed Disposal involves the following:

(i) the Company would sell to Datuk David Rashid Bin Ghazalli (“Datuk Rashid”) 310,000 ordinary shares in Vahana at RM1.00 each with a total consideration of RM310,000.00;

(ii) the Company would sell to Dato’ Muthukumar A/L Ayarpadde (“Dato’ Muthukumar”) 100,000 ordinary shares in Vahana at RM1.00 each with a total consideration of RM100,000.00; and

(iii) the Company would sell to Nigel Graeme Robson (“Mr. Nigel”) 100,000 ordinary shares in Vahana at RM1.00 each with a total consideration of RM100,000.00.

2. INFORMATION ON VAHANA, ECB, DATUK RASHID, DATO’ MUTHUKUMAR AND MR. NIGEL

2.1 Vahana

Vahana was incorporated under the Companies Act 1965 on 28 August 2012.

Vahana is principally involved in general construction.

Vahana has an authorised share capital of RM5,000,000.00 divided into 5,000,000 ordinary shares of RM1.00 each. The issued and paid up share capital of Vahana is RM1,000,000.00 divided into 1,000,000 ordinary shares of RM1.00 each.

As at 31 December 2012, Vahana incurred a loss of RM526,157.00 and a shareholders’ fund of RM473,843.00. The net asset per share was RM0.47.

2.2 ECB

ECB was incorporated under the Companies Act 1965 on 5 May 2003 as a private limited company. ECB was listed on the Main Market of Bursa Malaysia Securities Berhad on 1 July 2011.

ECB is an internationally recognised and established structural steel turnkey contractor and power plant contractor, mainly operating in Malaysia, India and the Middle East.

The authorised share capital of ECB is RM500,000,000 divided into 1,000,000,000 ordinary shares of RM0.50 each. The issued and paid up share capital of ECB is RM387,000,000 divided into 774,000,000 ordinary shares of RM0.50 each.

2.3 Datuk Rashid

Datuk Rashid, aged 47, is the founder and Chief Executive Officer of MAA Corporate Advisory Sdn Bhd ("MAACA").

At MAACA, Datuk Rashid is and has been involved in various financial transactions involving further equity and fund raising exercises, acquisitions and privatisation projects covering a wide-range of industries such as plantation, mining, oil & gas, financial services, construction and property development with a combined valuation of RM7 billion in Malaysia and South East Asia, Australia, the Middle East and Central Asia.

2.4 Dato' Muthukumar

Dato' Muthukumar, aged 40, is the founder and Executive Chairman of the MK Group of Companies.

The MK Group of Companies has broad operations in metal alloy technologies and automotive components and parts manufacture. The MK Group of Companies' operations are spread out in Malaysia, India, Korea, Indonesia and Australia.

2.5 Mr. Nigel

Mr. Nigel, aged 40, is a British citizen. Mr. Nigel is currently the Managing Director of Vahana.

Prior to joining Vahana, Mr. Nigel was the Chief Executive Officer of Brookfield Multiplex, overseeing the operations in Asia and Middle East.

3. SALIENT TERMS OF THE SSPA

3.1 The SSPA shall be completed within one (1) month from the date of the SSPA (the "Completion Date").

3.2 On the Completion Date, the parties shall procure that the following actions for which they are respectively responsible are performed:

3.2.1 receipt by the purchasers (namely Datuk Rashid, Dato' Muthukumar and Mr. Nigel) from the vendor (ECB), of a certified true copy of the resolution of the Board of Directors of the vendor authorising the execution of the SSPA and the transfer of the respective shares to the purchasers;

3.2.2 the vendor shall deliver and cause to be delivered the valid executed and registrable Memorandum of Transfer (Form 32A, as prescribed by the Companies Act 1965) of the respective shares to be transferred to the purchasers;

- 3.2.3 the stamping proforma (PDS 6) in relation to the respective shares to be transferred to the purchasers, duly completed and executed by the vendor together with all appropriate supporting documents to effect the stamping of the Memorandum of Transfer (referred to above);
- 3.2.4 the purchasers shall have affixed or placed the applicable stamp duty of the duly filled up, executed and valid Memorandum of Transfer (referred to above); and
- 3.2.5 the purchasers shall pay their respective purchase considerations to the vendor.

4. RATIONALE

Capitalising on the proposed shareholders' combined background, track record and expertise, it is expected that this Proposed Disposal would further enhance Vahana's prospects in securing jobs both within and outside of Malaysia.

5. DATE AND ORIGINAL COST OF INVESTMENT

The original cost of investment of ECB in Vahana is RM1,000,000.00. The investment was made subsequent to the incorporation of Vahana on 28 August 2012.

6. BASIS OF ARRIVING AT THE PURCHASE PRICE

The consideration sum for the Proposed Disposal of RM1.00 per ordinary share was arrived at "willing-buyer-willing-seller" basis after taking into consideration the premium of RM0.53 per share based on the unaudited net tangible assets ("NTA") of Vahana as at 31 December 2012 of RM473,843 or RM0.47 per share.

7. LIABILITES TO BE ASSUMED

No liabilities, including contingent liabilities and guarantees, are to be assumed by the Company.

8. FINANCIAL EFFECTS

8.1 Share capital, substantial shareholders' shareholding

The SSPA does not have any effect on the issued and paid-up capital of ECB as well as ECB's substantial shareholders' shareholding.

8.2 Net assets ("NA") and NA per share

The SSPA does not have any material effect on the NA and NA per share of ECB for the year ending 31 December 2013.

8.3 Earnings and earnings per share

The SSPA does not have any material effect on the earnings and earnings per share of ECB Group for the financial year ending 31 December 2013.

8.4 Gearing

The SSPA does not have any material impact onto the gearing of ECB.

9. UTILISATION OF PROCEEDS

The cash proceeds of RM510,000.00 arising from the Proposed Disposal will be utilised by the Company for its working capital requirements and/or general corporate purposes.

10. APPROVALS REQUIRED

The SSPA does not require any approval from the authorities and the shareholders of the Company.

11. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

In so far as the Board is able to ascertain, none of the directors and/or substantial shareholders of ECB and persons connected with such directors and/or substantial shareholders have any interest, direct or indirect in the above transaction other than via the shares held in ECB.

12. DIRECTORS' STATEMENT

The Board is of the opinion that the SSPA is in the best interest of the Company.

13. DEPARTURE FROM THE SECURITIES COMMISSION'S GUIDELINES ON THE OFFERING OF EQUITY AND EQUITY-LINKED SECURITIES ("SC GUIDELINES")

The Board is not aware of any departure from the SC Guidelines in respect of the SSPA.

This announcement is dated 15 March 2013.