ISKANDAR WATERFRONT CITY BERHAD ("IWCITY" OR "COMPANY")

PROPOSED REGULARISATION PLAN

*(Unless stated otherwise or defined, the abbreviations used throughout this Announcement shall have the same meaning as defined in the Company's requisite announcement in relation to the Proposed Regularisation Plan dated 20 March 2025 ("**Requisite Announcement**"))*

1. INTRODUCTION

We refer to the Requisite Announcement.

In this respect, on behalf of the Board, Maybank IB wishes to announce that the Company had, on 22 September 2025, entered into a supplemental agreement to the Settlement Agreement with RFSB to vary the manner of the settlement of the Outstanding Sum by replacing the Settlement Shares with the proposed allotment and issuance by Tebrau Bay Sdn Bhd ("**TBSB**") and Tebrau Bay Constructions Sdn Bhd ("**TBCSB**"), both of which are wholly-owned subsidiaries of IWCity, of up to 225,200,000 new redeemable preference shares-class A in TBSB ("**TBSB RPS-A**") at an issue price of RM1.00 per TBSB RPS-A and up to 43,200,000 new redeemable preference shares-class A in TBCSB ("**TBCSB RPS-A**") at an issue price of RM1.00 per TBCSB RPS-A, respectively in accordance with the terms and conditions contained therein (TBSB RPS-A and TBCSB RPS-A are to be collectively referred to as "**Settlement RPS-A**") ("**Supplemental Settlement Agreement**"). The salient terms of the Settlement RPS-A are set out in Section 2.3 of this announcement.

In conjunction with the above, the Company proposes to revise the components of the Proposed Regularisation Plan ("**Proposed Revisions**") as follows:

Component	**Description**
Proposed Private Placement	Will no longer be undertaken based on the rationale set out in Section 3 of this Announcement.
Proposed Debt Settlement	Pursuant to the Supplemental Settlement Agreement, the Proposed Debt Settlement will now entail the allotment and issuance of up to 225,200,000 TBSB RPS-A and up to 43,200,000 TBCSB RPS-A, instead of the Settlement Shares as announced previously.
Proposed MGO Exemption	Will no longer be required based on the rationale as set out in Section 3 of this Announcement.

Save for the above, there are no other revisions to the Proposed Regularisation Plan (to be referred to as "**Revised Proposed Regularisation Plan**").

2. DETAILS OF THE REVISIONS TO THE PROPOSED DEBT SETTLEMENT

The Proposed Debt Settlement will now entail the allotment and issuance of up to 225,200,000 TBSB RPS-A by TBSB and up to 43,200,000 TBCSB RPS-A by TBCSB to RFSB for the full settlement of the Outstanding Sum and no proceeds will be raised by TBSB and TBCSB respectively from the allotment and issuance of the Settlement RPS-A.

Subject to the prior consent of RFSB, IWCity may, at any time prior to the completion of the Proposed Debt Settlement, prepay the Outstanding Sum or any part thereof, in cash, subject to IWCity having given at least 7 days' prior written notice (signed by an independent director of IWCity) to RFSB of such intended prepayment specifying the amount of the prepayment made or to be made. Following the completion of such prepayment, the Outstanding Sum shall be reduced accordingly by an amount equivalent to the sum prepaid, and consequently the number of the Settlement RPS-A to be allotted and issued by TBSB and TBCSB to RFSB shall be adjusted downward in accordance with the terms of the Settlement Agreement (as amended and supplemented by the Supplemental Settlement Agreement).

The Proposed Debt Settlement is subject to the terms and conditions of the Settlement Agreement (as amended and supplemented by the Supplemental Settlement Agreement), the salient terms of which are set out in the Requisite Announcement. The salient terms of the Supplemental Settlement Agreement are set out in the **Appendix** of this Announcement.

2.1 Information on TBSB and TBCSB

2.1.1 Information on TBSB

TBSB was incorporated in Malaysia on 24 December 1996 under the Companies Act 1965 as a private limited company and is deemed registered under the Act. As at 31 August 2025, being the last practicable date prior to the date of this Announcement ("**LPD**"), it is principally engaged in property development and construction activities. TBSB is a wholly-owned subsidiary of the Company.

As at the LPD, the total issued share capital of TBSB is RM67,000,000 comprising 3,000,000 ordinary shares and 64,000,000 redeemable preference shares. The entire issued ordinary shares and redeemable preference shares in TBSB are held by the Company.

As at the LPD, the directors of TBSB are TSDLKH, Lim Chen Herng and Dato' Hj. Ayub Bin Mion.

2.1.2 Information on TBCSB

TBCSB was incorporated in Malaysia on 31 October 1978 under the Companies Act 1965 as a private limited company and is deemed registered under the Act. As at the LPD, it is principally engaged in construction works of roads and drainage, bridges and interchanges, other civil engineering, infrastructure works and housing. TBCSB is a wholly-owned subsidiary of the Company.

As at the LPD, the total issued share capital of TBCSB is RM24,000,000 comprising 19,000,000 ordinary shares and 5,000,000 redeemable preference shares. The entire issued ordinary shares and redeemable preference shares in TBCSB are held by the Company.

As at the LPD, the Directors of TBCSB are Dato' Hj. Ayub Bin Mion, Khoo Boon Ho and Dato' Md Zahari Bin Md Zin.

2.2 Basis and justification for the issue price and redemption price of the Settlement RPS-A

2.2.1 Basis and justification for the issue price

The issue price of the Settlement RPS-A, as mutually agreed between TBSB and TBCSB (collectively, the "**Issuers**") and RFSB is RM1.00 per Settlement RPS-A and was arrived at on the basis that it will constitute the principal amount of the Settlement RPS-A for the purpose of redemption, subject always to any preferential dividends as may be declared by the Issuers, as recommended by the Audit Committee of IWCity.

2.2.2 Basis and justification for the redemption price

Subject to the availability of distributable profits and cashflows in TBSB and TBCSB, the Settlement RPS-A, may at the discretion of the respective Issuers, as recommended by the Audit Committee of IWCity, be redeemed at a redemption price of not less than RM1.00 per Settlement RPS-A.

The redemption price is based on the aggregate of the principal amount of each Settlement RPS-A, being the issue price agreed between the respective Issuers and RFSB, and, if applicable, any preferential dividends as may be declared by the Issuers, as recommended by the Audit Committee of IWCity.

2.3 Salient terms of the Settlement RPS-A

(i) **TBSB RPS-A**

<table>
<tr><td>Issuer</td><td>TBSB</td></tr>
<tr><td>Issue price</td><td>RM1.00 per TBSB RPS-A.</td></tr>
<tr><td>Issue size</td><td>Up to RM225,200,000 by way of issuance of up to 225,200,000 TBSB RPS-A in a single tranche at the issue price.</td></tr>
<tr><td>Tenure</td><td>Perpetuity commencing from and inclusive of the issuance date, unless otherwise redeemed.</td></tr>
<tr><td>Transferability</td><td>The TBSB RPS-A shall not be transferable.</td></tr>
<tr><td>Dividend</td><td>Subject to the availability of distributable profits and cashflows of TBSB, and as TBSB (as recommended by the Audit Committee of IWCity) deems fit and/or expedient and in the best interest of TBSB and IWCity, each TBSB RPS-A shall confer on the holder thereof the right to receive preferential dividend at such rate and in such manner to be determined by TBSB.</td></tr>
<tr><td>Liquidation preference/ Repayment of capital</td><td>In the event of the liquidation, dissolution, winding-up or other repayment of capital of TBSB, the assets of TBSB available for distribution shall be applied, in priority to any payment to the holders of such classes of shares in the following order of priority but there shall be no further or other participation in the profits or assets of TBSB:
<table>
<tr><th>Ranking</th><th>Class of Shares</th></tr>
<tr><td>First</td><td>TBSB RPS-A</td></tr>
<tr><td>Second</td><td>Other redeemable preference shares in TBSB</td></tr>
<tr><td>Third</td><td>Fully paid ordinary shares in TBSB</td></tr>
</table></td></tr>
<tr><td>Redemption period</td><td>The TBSB RPS-A shall have no maturity date and may at the sole option of TBSB be redeemed, in whole or in part, at any time during the tenure of the TBSB RPS-A.</td></tr>
</table>

Redemption	Subject to the availability of profits and cashflows of TBSB, the TBSB RPS-A may be redeemed at the discretion of TBSB (as recommended by the Audit Committee of IWCity) in accordance with the following provisions: (a) TBSB may at any time give prior notice in writing ("**redemption notice**") to the holders of the TBSB RPS-A of their intention to redeem all or any part of the TBSB RPS-A which are fully paid up on the date specified in the redemption notice, as a form of return of capital; (b) if TBSB decides to redeem only a part of the TBSB RPS-A, those to be redeemed shall be a rateable proportion (as nearly as practicable without involving fractions of shares) of each holding of such TBSB RPS-A on the redemption date; (c) on the redemption date, TBSB shall redeem the TBSB RPS-A specified in the redemption notice at the redemption price against delivery to TBSB of the certificates for the TBSB RPS-A to be redeemed and shall issue free of charge fresh certificates for any unredeemed TBSB RPS-A; (d) no TBSB RPS-A shall be redeemed otherwise than out of distributable profits or the proceeds of a fresh issue of shares made for the purpose of the redemption but the premium payable on redemption shall be paid either out of distributable profits or, to the extent permitted by law, out of the share premium account of TBSB; and (e) TBSB shall comply with all the provisions of the Act relating to the redemption of the TBSB RPS-A and the creation or increase of a capital redemption reserve.
Redemption price	Being an amount equivalent to the aggregate of – (a) the issue price; and (b) (if applicable) any preferential dividends as may be declared by TBSB (as recommended by the Audit Committee of IWCity).
Rights of TBSB RPS-A holders	Subject to lien or charge on relevant lands held by the IWCity Group, with a security coverage which is in accordance with the current bank practices and based on the latest market valuation.
Conversion	Not applicable
Voting rights	The TBSB RPS-A shall not confer on the holders thereof the right to vote in either in person or by proxy at any general meeting of TBSB or approve any shareholder's resolution of TBSB, save and except in the following circumstances or in respect of any resolutions made– (a) on any alteration of the terms of the articles of association of TBSB affecting the special rights and privileges attaching to the TBSB RPS-A; (b) on any matters directly affecting the special rights and privileges attaching to the TBSB RPS-A; (c) on a proposal for the disposal of the whole of TBSB's property, business and undertaking; (d) on a proposal for the winding-up of TBSB; or (e) during the winding-up of TBSB. Where the holders of the TBSB RPS-A are entitled to vote at any general meeting, every TBSB RPS-A shall on a poll, carry one vote for every RM1.00 paid up on each such share and every ordinary share shall, notwithstanding any other provision of the articles of association of TBSB, carry one vote for every RM1.00 paid up on each such share.

	However, the holders of the TBSB RPS-A shall be entitled to receive notices, reports and accounts (including balance sheets and profit and loss accounts) and attending meetings to which holders of ordinary shares in the capital of TBSB are entitled.
Ranking	The TBSB RPS-A shall rank on par among themselves in all respects and in priority (including in respect of preferential dividend payable, if applicable) to the ordinary shares of TBSB and any other preference shares issued from time to time subsequent to the allotment and issuance of the TBSB RPS-A but after all secured obligations of TBSB.
Status	The TBSB RPS-A shall not be listed or quoted on any stock exchange.

(ii) TBCSB RPS-A

Issuer	TBCSB
Issue price	RM1.00 per TBCSB RPS-A.
Issue size	Up to RM43,200,000 by way of issuance of up to 43,200,000 TBCSB RPS-A in a single tranche at the issue price.
Tenure	Perpetuity commencing from and inclusive of the issuance date, unless otherwise redeemed.
Transferability	The TBCSB RPS-A shall not be transferable.
Dividend	Subject to the availability of distributable profits and cashflows of TBCSB, and as TBCSB (as recommended by the Audit Committee of IWCity) deems fit and/or expedient and in the best interest of TBCSB and IWCity, each TBCSB RPS-A shall confer on the holder thereof the right to receive preferential dividend at such rate and in such manner to be determined by TBCSB.
Liquidation preference/ Repayment of capital	In the event of the liquidation, dissolution, winding-up or other repayment of capital of TBCSB, the assets of TBCSB available for distribution shall be applied, in priority to any payment to the holders of such classes of shares in the following order of priority but there shall be no further or other participation in the profits or assets of TBCSB: **Ranking** – **Class of Shares** First – TBCSB RPS-A Second – Other redeemable preference shares in TBCSB Third – Fully paid ordinary shares in TBCSB
Redemption period	The TBCSB RPS-A shall have no maturity date and may at the sole option of TBCSB be redeemed, in whole or in part, at any time during the tenure of the TBCSB RPS-A.
Redemption	Subject to the availability of profits and cashflows of TBCSB, the TBCSB RPS-A may be redeemed at the discretion of TBCSB (as recommended by the Audit Committee of IWCity) in accordance with the following provisions: (a) TBCSB may at any time give prior notice in writing ("**redemption notice**") to the holders of the TBCSB RPS-A of their intention to redeem all or any part of the TBCSB RPS-A which are fully paid up on the date specified in the redemption notice, as a form of return of capital; (b) if TBCSB decides to redeem only a part of the TBCSB RPS-A, those to be redeemed shall be a rateable proportion (as nearly as practicable without involving fractions of shares) of each holding of such TBCSB RPS-A on the redemption date;

	(c) on the redemption date, TBCSB shall redeem the TBCSB RPS-A specified in the redemption notice at the redemption price against delivery to the TBCSB of the certificates for the TBCSB RPS-A to be redeemed and shall issue free of charge fresh certificates for any unredeemed TBCSB RPS-A; (d) no TBCSB RPS-A shall be redeemed otherwise than out of distributable profits or the proceeds of a fresh issue of shares made for the purpose of the redemption but the premium payable on redemption shall be paid either out of distributable profits or, to the extent permitted by law, out of the share premium account of TBCSB; and (e) TBCSB shall comply with all the provisions of the Act relating to the redemption of the TBCSB RPS-A and the creation or increase of a capital redemption reserve.
Redemption price	Being an amount equivalent to the aggregate of – (a) the issue price; and (b) (if applicable) any preferential dividends as may be declared by TBCSB (as recommended by the Audit Committee of IWCity)
Rights of TBSB RPS-A holders	Subject to lien or charge on relevant lands held by the IWCity Group, with a security coverage which is in accordance with the current bank practices and based on the latest market valuation.
Conversion	Not applicable
Voting rights	The TBCSB RPS-A shall not confer on the holders thereof the right to vote in either in person or by proxy at any general meeting of TBCSB or approve any shareholder's resolution of TBCSB, save and except in the following circumstances or in respect of any resolutions made– (a) on any alteration of the terms of the articles of association of TBCSB affecting the special rights and privileges attaching to the TBCSB RPS-A; (b) on any matters directly affecting the special rights and privileges attaching to the TBCSB RPS-A; (c) on a proposal for the disposal of the whole of TBCSB's property, business and undertaking; (d) on a proposal for the winding-up of TBCSB; or (e) during the winding-up of TBCSB. Where the holders of the TBCSB RPS-A are entitled to vote at any general meeting, every TBCSB RPS-A shall on a poll, carry one vote for every RM1.00 paid up on each such share and every ordinary share shall, notwithstanding any other provision of the articles of association of TBCSB, carry one vote for every RM1.00 paid up on each such share. However, the holders of the TBCSB RPS-A shall be entitled to receive notices, reports and accounts (including balance sheets and profit and loss accounts) and attending meetings to which holders of ordinary shares in the capital of TBCSB are entitled.
Ranking	The TBCSB RPS-A shall rank on par among themselves in all respects and in priority (including in respect of preferential dividend payable, if applicable) to the ordinary shares of TBCSB and any other preference shares issued from time to time subsequent to the allotment and issuance of the TBCSB RPS-A but after all secured obligations of TBCSB.
Status	The TBCSB RPS-A shall not be listed or quoted on any stock exchange.

3. RATIONALE AND JUSTIFICATION FOR THE PROPOSED REVISIONS

With regards to the revision in the mode of settlement for the Proposed Debt Settlement, the Board is of the view that the settlement of the Outstanding Sum via the allotment and issuance of the Settlement RPS-A is more appropriate, instead of new IWCity Shares or new ordinary shares of TBSB and TBCSB, due to the following reasons:

(i) it will not dilute the shareholding of the Company's existing shareholders; and

(ii) it will not dilute the Company's equity interest in both TBSB and TBCSB.

On the other hand, the Proposed Private Placement and the Proposed MGO Exemption will no longer form part of the Revised Proposed Regularisation Plan due to the following reasons:

(i) the development rights for the housing development known as "Botanika", comprising Phase 3 development ("**Botanika Tower A**"), which consists of a 23-storey apartment block A of 264 units, and Phase 2 development ("**Town Villas**"), which consists of 2 blocks of 3-storey of 40 residential units, are made available by Bayou Bay Development Sdn Bhd ("**BBDSB**"), a wholly-owned subsidiary of the Company and the beneficial owner of the parcel of land on which Botanika Tower A and the Town Villas are situated ("**Botanika Land**"). These development rights were subsequently disposed of by BBDSB to MLK Teguh Sdn Bhd ("**Developer**") on 4 September 2025 for a consideration comprising a fixed payment of RM20 million and a variable payment of 5% of the gross profits derived by the Developer from the continuation of the development of Botanika Tower A and Town Villas, or RM2 million, whichever is higher ("**Development Rights Disposal**"). The proceeds from the Development Rights Disposal are expected to raise the requisite funding for the Group's working capital requirements and consequently the Proposed Private Placement is no longer deemed necessary; and

(ii) since the Proposed Debt Settlement will no longer entail the allotment and issuance of new IWCity Shares to RFSB, there will not be any mandatory take-over offer obligation arising from the Proposed Debt Settlement which would require the Proposed MGO Exemption to continue be undertaken by the RFSB and the PACs.

4. EFFECTS OF THE PROPOSED REVISIONS

4.1 Issued share capital

The effect of the Revised Proposed Regularisation Plan on the issued share capital of the Company is as follows:

	No. of IWCity Shares	RM'000
As at the LPD	921,127,742	766,884
To be cancelled pursuant to the Proposed Capital Reduction	-	(120,000)
After the Proposed Capital Reduction	**921,127,742**	**646,884**

4.2 Substantial shareholders' shareholdings

The Revised Proposed Regularisation Plan will not have any effect on the shareholdings of the substantial shareholders of the Company as the Revised Proposed Regularisation Plan will not entail any allotment and issuance of new IWCity Shares.

4.3 NA per IWCity Share and gearing

For illustrative purposes only, based on the audited consolidated statement of financial position of IWCity as at 31 December 2024 and assuming that the Revised Proposed Regularisation Plan had been affected on that date, the pro forma effects of the Revised Proposed Regularisation Plan on the NA per IWCity Share and gearing of the IWCity Group are as follows:

	Audited as at 31 December 2024	(I) After the Proposed Debt Settlement	(II) After (I) and the Proposed Capital Reduction
	RM'000	**RM'000**	**RM'000**
Share capital	766,884	766,884	646,884
(Accumulated losses)/retained earnings	(47,722)	(50,722)[3]	69,278[3]
Total equity attributable to owners of the Company	**719,162**	**716,162**	**716,162**
Non-controlling interest	-	268,400[4]	268,400[4]
Total equity	**719,162**	**984,562**	**984,562**
No. of IWCity Shares in issue	921,127,742	921,127,742	921,127,742
NA per IWCity Share (RM)[1]	0.78	0.78	0.78
Total borrowings	106,290	106,290[5]	106,290[5]
Gearing (times)[2]	0.15	0.15	0.15

Notes:

(1) Computed based on total equity attributable to owners of the Company divided by the number of IWCity Shares in issue.
(2) Computed based on total borrowings divided by total equity attributable to owners of the Company.
(3) After deducting the estimated expenses relating to the Revised Proposed Regularisation Plan of RM3 million.
(4) After taking into account the Settlement RPS-A to be issued by TBSB and TBCSB respectively. The Settlement RPS-A are classified as non-controlling interests as they are not held, whether directly or indirectly, by the Company.
(5) The total borrowings remain unchanged given that the Outstanding Sum is accounted for under other payables.

4.4 Loss per IWCity Share (“LPS”)

The Revised Proposed Regularisation Plan is not expected to have any material effect on the earnings of the Group for the financial year ending 31 December 2025 as the Revised Proposed Regularisation Plan is only expected to be completed in the third quarter of 2026. Notwithstanding, the Board expects the Revised Proposed Regularisation Plan will allow the Group to register profits immediately after the completion of its implementation.

For illustrative purposes only, based on the audited consolidated statements of comprehensive income of IWCity for the FYE 2024, effects of the Revised Proposed Regularisation Plan on the LPS of the IWCity Group:

Scenario 1 : Assuming the Revised Proposed Regularisation Plan is not undertaken and RFSB had not agreed to waive all interest accrued on the Advances commencing from 1 April 2023, and the interest expense on the Advances continue to accrue.

Scenario 2 : Assuming the Revised Proposed Regularisation Plan had been effected on 1 January 2024, being the beginning of the FYE 2024.

		Scenario 1	**Scenario 2**
	Audited for the FYE 2024	**Adjusted for the FYE 2024**	**After the Revised Proposed Regularisation Plan**
Loss attributable to owners of the Company (RM’000)	(19,363)	(34,363)[(2)]	(22,363)[(3)]
Weighted average number of IWCity Shares in issue (‘000)	921,128	921,128	921,128
LPS[(1)] (sen)	**(2.10)**	**(3.73)**	**(2.43)**

Notes:

(1) Computed based on loss attributable to owners of the Company divided by the weighted average number of IWCity Shares in issue.
(2) Computed on the basis that interest expenses in respect of the Advances had accrued from 1 January 2024 up to 31 December 2024.
(3) After deducting the estimated expenses relating to the Revised Proposed Regularisation Plan of approximately RM3 million.

5. APPROVALS REQUIRED

The Revised Proposed Regularisation Plan is subject to the following approvals being obtained:

(i) Bursa Securities for the Revised Proposed Regularisation Plan;

(ii) lenders of IWCity for the Proposed Capital Reduction;

(iii) shareholders of IWCity for the Proposed Capital Reduction at an extraordinary general meeting of the Company to be convened; and

(iv) any other relevant authority and/or parties, if required.

For the avoidance of doubt, the Proposed Debt Settlement does not require the approval of the shareholders of IWCity.

The Proposed Debt Settlement and the Proposed Capital Reduction are not inter-conditional upon each other.

The Revised Proposed Regularisation Plan is not conditional upon any other corporate exercise/scheme of the Company.

6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND PERSONS CONNECTED TO THEM

None of the directors, major shareholders and/or chief executive of IWCity as well as persons connected to them have any interest, direct or indirect, in the Proposed Capital Reduction.

7. DIRECTORS' STATEMENT

The Board, after having considered all aspects of the Proposed Capital Reduction, including but not limited to the rationale, benefits and effects of the Proposed Capital Reduction, is of the opinion that the Proposed Capital Reduction is in the best interest of the Company.

Further, the Board, having considered the Revised Proposed Regularisation Plan, and the salient terms of the Settlement Agreement (as amended and supplemented by the Supplemental Settlement Agreement), is of the opinion that, barring any unforeseen circumstances, the Group will be able to record a net profit in 2 consecutive quarterly results immediately after the completion of the Revised Proposed Regularisation Plan; and the Revised Proposed Regularisation Plan is in the best interest of the Company.

8. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Company expects to complete the implementation of the Revised Proposed Regularisation Plan within 6 months from the date of approval of Bursa Securities for the Revised Proposed Regularisation Plan.

9. DOCUMENT AVAILABLE FOR INSPECTION

The Supplemental Settlement Agreement is available for inspection during the normal office hours at the registered office of the Company at L2-02, 1 Medini Hub, Persiaran Medini Utara 3, Medini Iskandar 79000 Nusajaya Johor Darul Ta'zim, Malaysia, from Mondays to Fridays (except public holidays) for a period of 3 months from the date of this Announcement.

This Announcement is dated 22 September 2025.

<table>
<tr><td>Conditions precedent</td><td>The obligations of IWCity and RFSB that are set out in the Settlement Agreement are conditional upon the following conditions precedent being obtained and fulfilled by a business day falling 18 months from the date of the Settlement Agreement, or such other date as the parties may mutually agree upon in writing:

(a) IWCity having obtained the approval of Bursa Securities for the implementation of the Revised Proposed Regularisation Plan;

(b) the approvals of the board of directors and shareholders (where required) of the Issuers for the settlement arrangement in respect of the Outstanding Sum, including the allotment and issuance of the Settlement RPS-A in accordance with the terms and conditions of the Settlement Agreement and the amendments of the constitution/articles of association of the Issuers;

(c) the amendments of the constitution/articles of association of the Issuers to incorporate the terms of the Settlement Agreement and the rights, privileges and restrictions of the Settlement RPS-A as set out in Section 2.3 of this Announcement;

(d) the lodgement of relevant forms with the Registrar of Companies in relation to the amendments of the constitution/articles of association of the Issuers, where required;

(e) the Issuers having obtained the approval or consent of their financiers/creditors for, inter alia, the settlement arrangement in respect of the Outstanding Sum and/or allotment and issuance of the Settlement RPS-A, upon the terms and subject to the conditions of the Settlement Agreement, where required; and

(f) any other approvals, waivers, consents of any authorities or parties as may be required by law or regulation or deemed necessary by IWCity and RFSB.</td></tr>
<tr><td>Manner of settlement</td><td>(a) IWCity agrees and undertakes to procure TBSB and TBCSB to assume all the debt obligations of the Group of the entire Outstanding Sum by capitalising the Outstanding Sum in the respective proportions and amounts set out in the Settlement Agreement into such number of the Settlement RPS-A to be issued by the Issuers, in the respective proportions and amounts set out in the Settlement Agreement, having the terms set out in Section 2.3 of this Announcement, all credited as fully paid-up, and to be issued at the issue price of RM1.00 per Settlement RPS-A, in favour of RFSB on the completion date of the Settlement Agreement, subject to adjustment in accordance with the provisions of the Settlement Agreement.

(b) The Settlement RPS-A shall rank on par among themselves in all respects and in priority (including in respect of preferential dividend payable, if applicable) to the ordinary shares of TBSB and TBCSB and any other preference shares issued from time to time subsequent to the allotment and issuance of the Settlement RPS-A but after all secured obligations of TBSB and TBCSB.</td></tr>
<tr><td>Prepayment and adjustment on Outstanding Sum</td><td>Following the completion of the prepayment referred to in the Settlement Agreement, the Outstanding Sum shall be reduced accordingly by an amount equivalent to the sum prepaid, and consequently the number of the Settlement RPS-A to be allotted and issued by the Issuers to RFSB shall be adjusted downward in accordance with this clause.</td></tr>
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