

CIRCULAR DATED 22 SEPTEMBER 2020

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt in relation to the contents of this Circular or as to the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant, tax adviser or other independent professional adviser immediately.

If you have sold or transferred all your shares in the capital of IEV Holdings Limited (the "**Company**"), you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

This Circular has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"), for compliance with the SGX-ST's Listing Manual Section B: Rules of Catalist. This Circular has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents in this Circular, including the accuracy, completeness, correctness of any of the information, statements made, reports contained or opinions expressed in this Circular.

The contact person for the Sponsor is Mr. Ong Hwee Li, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone (65) 6232 3210.



IEV HOLDINGS LIMITED

(Company Registration Number: 201117734D)
(Incorporated in the Republic of Singapore on 26 July 2011)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (A) THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF IEV GROUP SDN. BHD. AS AN INTERESTED PERSON TRANSACTION; AND**
- (B) THE PROPOSED CHANGE OF NAME OF THE COMPANY FROM "IEV HOLDINGS LIMITED" TO "MEDI LIFESTYLE LIMITED".**

Independent Financial Adviser to the Non-Interested Directors
in relation to the Proposed Disposal



Xandar Capital Pte. Ltd.

(Company Registration No. 200002789M)
(Incorporated in the Republic of Singapore on 1 April 2000)

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form : 13 October 2020 at 10:30 a.m.

Last date and time to pre-register online to attend the Extraordinary General Meeting remotely : 13 October 2020 at 10:30 a.m.

Date and time of Extraordinary General Meeting : 15 October 2020 at 10:30 a.m.

Place of Extraordinary General Meeting : To be held by way of electronic means

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DEFINITIONS

"Act" or "Companies Act"	: The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
"ACRA"	: The Accounting and Corporate Regulatory Authority of Singapore
"Aggregate Consideration"	: The aggregate consideration payable by the Buyers to the Company, being the amount of S\$200,000, (approximately RM607,280), which will be fully satisfied by way of cash and subject to the terms and conditions of the SPA
"AIMS"	: Asset integrity management services
"Antara"	: Antara Consolidated Sdn. Bhd.
"associates"	: (a) In relation to any director chief executive officer, Substantial Shareholder or controlling shareholder (being an individual) means: <ul style="list-style-type: none">(i) his immediate family;(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of thirty per cent. (30%) or more; (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of thirty per cent. (30%) or more
"Audit Committee"	: The audit committee of the Board of the Company, as at the Latest Practicable Date
"Board" or "Directors"	: The board of Directors of the Company as at the Latest Practicable Date
"Buyers"	: Disruptech, Antara and Muwori, collectively, and each a "Buyer"
"Catalist Rules"	: Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
"CDP"	: The Central Depository (Pte) Limited
"Circular"	: This circular to Shareholders dated 22 September 2020 in relation to the Proposed Disposal
"Company"	: IEV Holdings Limited

DEFINITIONS

"Controlling Shareholder"	:	A person who (a) holds directly or indirectly fifteen per cent. (15%) or more of the total number of issued shares excluding treasury shares in the Company (unless the SGX-ST determines that such a person is not a controlling shareholder of the company); or (b) in fact exercises control over the Company
"Constitution"	:	The constitution of the Company, as amended, modified or supplemented from time to time
"Director"	:	A member of the Board
"Disposal Resolutions"	:	Ordinary Resolution 1 and Ordinary Resolution 2, collectively
"Disruptech"	:	Disruptech Holdings Sdn Bhd
"EGM"	:	The extraordinary general meeting of the Company, to be convened and held by way of electronic means on 15 October 2020 at 10:30 a.m., the notice of which is set out on pages N-1 to N-5 of this Circular (or any adjournment thereof)
"EPS"	:	Earnings per share
"Engineering Business"	:	The provision of subsea engineering and oilfield services and products to customers in the oil, gas and marine industries by the Target Group
"FY"	:	Financial year ending or ended 31 December, as the case may be
"Group"	:	The Company and its subsidiaries, collectively, as at the Latest Practicable Date
"Healthcare Business" & Wellness	:	The provision of healthcare, postpartum care and wellness services by the Group
"HY2020"	:	Financial half-year ended 30 June 2020
"IEV Group"	:	IEV Group Sdn. Bhd.
"IFA"	:	Xandar Capital Pte. Ltd., the independent financial adviser in relation to the Proposed Disposal as an interested person transaction
"IFA Letter"	:	A copy of the letter dated 22 September 2020 from the IFA to the Non-Interested Directors in relation to the Proposed Disposal as an interested person transaction, as set out in Appendix A to this Circular
"Indemnity"	:	The indemnity provided by each director of the Target in favour of the Company
"Independent Shareholders"	:	Shareholders who are deemed to be independent under Chapter 9 of the Catalist Rules in respect of the Proposed Disposal

DEFINITIONS

"IPT"	: Interested person transaction(s)
"Latest Practicable Date"	: 21 September 2020, being the latest practicable date prior to the date of this Circular
"Management"	: The management of the Company
"Mr. Christopher Do"	: Christopher Nghia Do, the President and CEO, and a Substantial Shareholder of the Company
"Muwori"	: Muwori Pty Ltd
"Net Proceeds"	: The net proceeds of approximately S\$95,000 (approximately RM288,000) after taking into account the professional fees and other costs of S\$105,000 incurred in relation to the Proposed Disposal
"Non-Interested Directors"	: Dato' Low Koon Poh, Mr. Ng Weng Sui, Harry, Mr. Kesavan Nair, Ms. Ng Yau Kuen, Carmen and Tan Sri Ahmad Bin Mohd Don
"Notice of EGM"	: The notice of the EGM which is set out on pages N-1 to N-5 of this Circular
"NTA/NTL"	: Net tangible assets/liabilities
"O&G"	: Oil & gas
"Proposed Change of Name"	: The proposed change of the Company's name from "IEV Holdings Limited" to "Medi Lifestyle Limited"
"Proposed Disposal"	: The proposed disposal of the Sale Shares by the Company to the Buyers, in accordance with the terms and conditions of the SPA
"Proxy Form"	: The proxy form in respect of the EGM as set out in this Circular
"Sale Shares"	: 129,400,510 issued and paid-up ordinary shares of RM1.00 each representing one hundred per cent. (100%) of the share capital in IEV Group
"SFA"	: Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
"SFRS(I)"	: Singapore Financial Reporting Standards (International)
"SGX-ST"	: The Singapore Exchange Securities Trading Limited
"Shares(s)"	: The issued and paid-up ordinary shares in the capital of the Company
"Shareholders" or "Members"	: Registered holder(s) of the shares except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP whose Securities Accounts are credited with those shares

DEFINITIONS

"SPA"	: The conditional share purchase agreement dated 14 September 2020 entered into between the Company and the Buyer in respect of the Proposed Disposal
"Sponsor"	: SAC Capital Private Limited
"Substantial Shareholder"	: Shall have the same meaning ascribed to it in Section 81 of the Companies Act and Section 2(4) of the SFA, being a person who: (a) has an interest or interests in one (1) or more shares in the Company; and (b) the total votes attached to that share, or those shares, is not less than five per cent. (5%) of the total votes attached to all the shares in the Company
"Tan Sri Dato' Hari"	: Tan Sri Dato' Hari Narayanan Govindasamy, the Non-Independent Non-Executive Chairman, and a Substantial Shareholder of the Company
"Target Group"	: IEV Group and its subsidiaries and associated companies
"Valuer"	: Cushman & Wakefield VHS Pte Ltd
"Valuation Report"	: The valuation report dated 22 September 2020 prepared by the Valuer in respect of the valuation of the 100% equity interest in the capital of the Target Group, a summary of which is set out in Appendix B to this Circular

Currencies, Units and Others

"RM"	: Malaysian Ringgit, being the lawful currency of Malaysia
"S\$"	: Singapore dollars, being the lawful currency of the Republic of Singapore
"%" or "per cent."	: Per centum or percentage

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term "**subsidiaries**" shall have the meanings ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference to a time of day and date in this Circular is made by reference to Singapore time and date, unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA, the Catalist Rules or any statutory or regulatory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Catalist Rules or any modification thereof, as the case may be, unless otherwise provided.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

DEFINITIONS

Any discrepancies in figures included in this Circular between the amounts listed and their totals are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub-totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

Unless otherwise stated, the exchange rate of Singapore Dollars to Malaysian Ringgit used in this Circular is S\$1 : RM3.0364, being the exchange rate of Singapore Dollars to Malaysian Ringgit published by Bloomberg as at the date of the SPA.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "believe", "estimate", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "if", "will", "would", "should", "could", "may" and "might". These statements reflect the Company's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and the Company does not undertake any obligation to update or revise any forward-looking statements for any reason, even if information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

IEV HOLDINGS LIMITED

(Company Registration Number: 201117734D)
(Incorporated in the Republic of Singapore on 26 July 2011)

Directors

Tan Sri Dato' Hari N. Govindasamy (Non-Independent and Non-Executive Chairman)
Mr. Christopher Nghia Do (President and Chief Executive Officer)
Dato' Low Koon Poh (Executive Director)
Mr. Ng Weng Sui, Harry (Lead Independent Director)
Mr. Kesavan Nair (Independent Director)
Ms. Ng Yau Kuen, Carmen (Independent Director)
Tan Sri Ahmad Bin Mohd Don (Independent Director)

Registered Office:

80 Robinson Road
#02-00,
Singapore 068898

Date: 22 September 2020

To: The Shareholders of IEV Holdings Limited

Dear Sir/Madam

- (A) THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF IEV GROUP SDN. BHD. AS AN INTERESTED PERSON TRANSACTION; AND
- (B) THE PROPOSED CHANGE OF NAME OF THE COMPANY FROM "IEV HOLDINGS LIMITED" TO "MEDI LIFESTYLE LIMITED".

1. INTRODUCTION

1.1. Proposed Disposal

On 14 September 2020, the Company announced that the Company entered into a conditional share sale and purchase agreement (the "**SPA**") with Disruptech Holdings Sdn Bhd ("**Disruptech**"), Antara Consolidated Sdn. Bhd. ("**Antara**") and Muwori Pty Ltd ("**Muwori**") (collectively, the "**Buyers**" and each a "**Buyer**"). Pursuant to the terms of the SPA, the Company agreed to sell to the Buyers and the Buyers agreed to purchase from the Company, the entire issued and paid-up share capital of the Company's wholly-owned subsidiary, IEV Group Sdn. Bhd. ("**IEV Group**", and together with its subsidiaries and associated companies, the "**Target Group**"), for an aggregate consideration of S\$200,000. (the "**Proposed Disposal**").

The Proposed Disposal constitutes:

- (a) a "discloseable transaction" under Chapter 10 of Section B: Rules of Catalist of the Listing Manual (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Further details are set out in Section 6 of this Circular; and
- (b) an "interested person transaction" as defined under Chapter 9 of the Catalist Rules. Further details are set out in Section 7 of this Circular.

The Proposed Disposal is subject to the approval of the shareholders of the Company ("**Shareholders**") who are deemed independent under the Catalist Rules in respect of the Proposed Disposal ("**Independent Shareholders**"). Upon completion of the Proposed Disposal, the Group's sole business segment will be that of the healthcare, postpartum care and wellness ("**Healthcare & Wellness Business**").

LETTER TO SHAREHOLDERS

1.2. Proposed Change of Name

In connection with and conditional on upon the completion of the Proposed Disposal, the Company is also proposing to change its name from "IEV Holdings Limited" to "Medi Lifestyle Limited" ("**Proposed Change of Name**"). The Board proposes to seek the approval of the Independent Shareholders for the Proposed Change of Name by way of a special resolution.

The name "Medi Lifestyle Limited" has been reserved with the Accounting and Corporate Regulatory Authority ("**ACRA**") on 3 September 2020 until 1 January 2021.

Shareholders should note that the change of the Company's name does not affect the legal status of the Company. Shareholders should take note that notwithstanding the change of the Company's name, the Company will not recall any existing share certificates bearing the current name of the Company, which continue to be *prima facie* evidence of legal title. No further action is required on the part of the Shareholders.

1.3. Extraordinary General Meeting

The Board is convening an extraordinary general meeting of the Company ("**EGM**") to be held on 15 October 2020 at 10:30 a.m. by way of electronic means, to seek the approval of the Independent Shareholders in respect of the Proposed Disposal and Shareholders in respect of the Proposed Change of Name.

The purpose of this Circular is to provide Shareholders with information relating to the resolutions as set out in the notice of EGM dated 22 September 2020 ("**Notice of EGM**") to ensure that Shareholders will be in a position to make an informed decision in respect of the above proposals at the EGM. The resolutions to be tabled at the EGM are set out in the Notice of EGM pages N-1 to N-5 of this Circular.

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") takes no responsibility for the accuracy of any statements or opinions made in this Circular.

1.4. Proposed Resolutions

The Company intends to table the following resolutions at the EGM for Proposed Disposal and the Proposed Change of Name:

- (a) Ordinary Resolution 1 relates to the disposal of 100% of the issued and paid-up share capital of IEV Group, subject to and otherwise in accordance with the terms and conditions of the SPA;
- (a) Ordinary Resolution 2 relates to the Proposed Disposal as an interested person transaction under the Catalist Rules; and
- (b) Special Resolution 1 relates to the Proposed Change of Name.

Shareholders should note the following:

- (i) **Each of Ordinary Resolution 1 and Ordinary Resolution 2 (collectively the "Disposal Resolutions") are inter-conditional. If any of the Disposal Resolutions are not passed, none of the Disposal Resolutions will be passed.**
- (ii) **Special Resolution 1 is subject to and conditional upon the passing of the Disposal Resolutions. If the Disposal Resolutions are not passed, Special Resolution 1 will not be passed.**

1.5. Legal Adviser

Virtus Law LLP is the legal adviser to the Company as to Singapore law in relation to the

LETTER TO SHAREHOLDERS

Proposed Disposal and the Proposed Change of Name.

Shahrizat Rashid & Lee is the legal adviser to the Company as to Malaysian law in relation to the Proposed Disposal.

2. INFORMATION ON THE TARGET GROUP

2.1. IEV Group

IEV Group was incorporated in Kuala Lumpur, Malaysia on 2 November 2004. IEV Group has an issued and paid up share capital of Malaysian Ringgit ("RM") 25,880,102 divided into 129,400,510 units of ordinary shares of RM0.20 each (the "**Sale Shares**"). The Board wishes to highlight that the issued and paid up share capital of IEV Group was incorrectly announced by the Company as RM129,400,510 divided into 129,400,510 units of RM1.00 each on 14 September 2020.

IEV Group is the holding company for the Group's subsidiaries and associated companies that provide subsea engineering and oilfield services and products to customers in the oil, gas and marine industries ("**Engineering Business**"). If the Proposed Disposal is completed, the Engineering Business will cease to be part of the Group and the Group's sole business segment will be the Healthcare & Wellness Business, following the acquisition of Lady Paradise (M) Sdn Bhd as announced by the Company on 16 September 2019 and completed on 18 December 2019.

Please refer to the Company's circular to shareholders dated 3 October 2019 for further information on, inter alia, Lady Paradise (M) Sdn Bhd and the Healthcare & Wellness Business, a copy of which is available on the website of the SGX-ST at www.sgx.com.

2.2. Subsidiaries and associated companies of IEV Group

Details of each of IEV Group's subsidiaries and associated companies within the Engineering Business are as follows:

Company name	Principal business activity	Country of incorporation	Issued and paid-up share capital	Group's effective equity interest
IEV Manufacturing Sdn. Bhd.	Manufacturing, exporting, importing, supplying and wholesaling of marine growth control products, corrosion control products and other subsea engineering and oilfield equipment to the oil, gas and marine industries	Malaysia	RM1,000,000 consisting of 1,000,000 ordinary shares	100%
IEV Engineering Sdn. Bhd.	Provision of marine growth control, corrosion control, subsea engineering and oilfield equipment and services to the oil and gas and marine	Malaysia	RM3,000,000 consisting of 3,000,000 ordinary shares	100%

LETTER TO SHAREHOLDERS

	industries in Malaysia			
IEV Energy Sdn. Bhd. ⁽¹⁾	Dormant	Malaysia	RM13,859,000 consisting of 13,525,000 ordinary shares	100%
IEV (Malaysia) Sdn. Bhd. ⁽²⁾	Provision of marine growth control, subsea engineering and oilfield equipment to the onshore, offshore and marine industries in Malaysia	Malaysia	RM500,000 consisting of 500,000 ordinary shares	49%
IEV Technologies Pte. Ltd. ⁽³⁾	Dormant	Singapore	S\$100 consisting of 100 ordinary shares	100%
IEV International Limited	Provision of marine growth control, corrosion control, subsea engineering and oilfield equipment and services to the onshore, offshore and marine industries in the global market	Hong Kong	HK\$1,046,894.70 consisting of 3,489,649 ordinary shares	100%
PT IEV Indonesia	Provision of marine growth control, corrosion control, subsea engineering and oilfield gas equipment to oil and marine industries in Indonesia	Indonesia	RP2,068,400,000 consisting of 20,684 ordinary shares	95%

Notes:

- (1) IEV Energy Sdn. Bhd. has been dormant since 1 January 2019.
- (2) IEV (Malaysia) Sdn. Bhd. is an associate company of the Group. The balance 51% shareholding in IEV (Malaysia) Sdn. Bhd. is held by Rozia Hanis Bte Tun Hussein (who has no management role in IEV Group) and Juzer Bin Nomanbhoy (currently the Managing Director and Vice President of IEV Group). For the avoidance of doubt, Rozia Hanis Bte Tun Hussein and Juzer Bin Nomanbhoy are unrelated to the Company's Directors, controlling shareholders and their associates.
- (3) IEV Technologies Pte. Ltd. has been dormant since its incorporation date of 26 July 2017.

2.3. Financial information relating to the Target Group

Based on the unaudited financial statements of the Target Group for the full year ended 31 December 2019 ("**FY2019**") and the unaudited management accounts of the Target Group for the half year ended 30 June 2020 ("**HY2020**"):

LETTER TO SHAREHOLDERS

- (a) the net liability value and net tangible liability value ("**NTL**") of the Target Group were as follows:
- (i) approximately RM1,881,801 (approximately S\$619,747) and RM1,914,494 (approximately S\$630,514) respectively, for FY2019; and
 - (ii) approximately RM1,616,756 (approximately S\$532,458) and RM1,625,323 (approximately S\$535,280) respectively, for HY2020; and
- (b) the net loss after tax of the Target Group for FY2019 was approximately RM4,830,417 (approximately S\$1,590,837) and the net profit after tax for HY2020 was approximately RM74,510 (approximately S\$24,539).

In connection with the Proposed Disposal, the Group had engaged Cushman & Wakefield VHS Pte Ltd (the "**Valuer**") as an independent valuer to assess and determine the market value of the 100% equity interest in the capital of the Target Group.

Based on the valuation report dated 22 September 2020 ("**Valuation Report**") issued by the Valuer, the market value of the 100% equity interest in the capital of the Target Group as at 31 March 2020 is in the region of RM0.5 million to RM1.0 million. The valuation is based primarily on the income approach with reference made to the market approach and the Valuer has also taken into consideration the prevailing market conditions as at the valuation date, being 31 March 2020.

Please refer to the summary of the Valuation Report as attached to Appendix B to this Circular for further details on the valuation of the Target Group.

3. INFORMATION ON THE BUYERS

3.1. Disruptech

Disruptech is a company incorporated in Malaysia on 16 October 2019. As at the date of this announcement, Disruptech has an issued and paid-up share capital of RM1,295,915 consisting of 1,295,915 ordinary shares. The principal business of Disruptech is that of investment holding.

As at the date of this announcement, Mr. Christopher Nghia Do ("**Mr. Christopher Do**"), the President and Chief Executive Officer of the Company, holds sixty-six per cent. (66%) total issued share capital of Disruptech, while his brother, Mr. Khiem Trong Do holds the remainder thirty-four (34%) of Disruptech's shares. Accordingly, Disruptech is an associate of Mr. Christopher Do.

3.2. Antara

Antara is a company incorporated in Malaysia on 25 February 1991. As at the date of this announcement, Antara has an issued and paid-up share capital of RM500,000 consisting of 500,000 ordinary shares of RM1.00 each. The principal business of Antara is that of investment holding.

The shareholding structure of Antara is as follows:

Shareholder	Percentage shareholding interest
Puan Sri Datin' Vimala A/P J. Govindasamy	30%
Kunaseelan A/L J. Govindasamy	19%
Arvind A/L Hari Narayanan	51%

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Puan Sri Datin' Vimala A/P J Govindasamy is the spouse of Tan Sri Dato' Hari Narayanan Govindasamy ("**Tan Sri Dato' Hari**"), the Non-Independent Non-Executive Chairman of the Company. Kunaseelan A/L J Govindasamy is the brother of Puan Sri Datin' Vimala A/P J Govindasamy, and Arvind A/L Hari Narayanan is the son of Tan Sri Dato' Hari. Accordingly, Antara is an associate of Tan Sri Dato' Hari.

3.3. Muwori

Muwori is a company incorporated in Australia on 16 March 2000. As at the date of this announcement, Muwori has an issued and paid-up share capital of AUD2.00 consisting of two (2) ordinary shares. The principal business of Muwori is that of investment holding.

As at the date of this announcement, Ms. Christine Munro, a shareholder of the Company holding 4.51% of the Company's issued and paid up share capital, holds fifty per cent. (50%) shareholding in Muwori, and Mr. Verne Alexander Munro, who is the spouse of Ms. Christine Munro, holds the remaining fifty per cent. (50%) of Muwori's shares.

Ms. Christine Munro and Mr. Verne Alexander Munro are unrelated to the Company's Directors, Substantial Shareholders of their associates.

4. PRINCIPAL TERMS OF THE PROPOSED DISPOSAL

The salient terms of the Proposed Disposal are as set out below.

4.1. Sale Shares

Under the SPA, the Company shall sell the Sale Shares, and the Buyers shall purchase the Sale Shares in such manner and in such proportions as set out against each Buyer's name in the table below:

Buyer	Number of Sale Shares	Percentage of Share Capital of the Target	Proportion of Aggregate Consideration payable on Completion (S\$)
Disruptech	58,230,229	45%	90,000
Antara	58,230,229	45%	90,000
Muwori	12,940,052	10%	20,000
TOTAL	129,400,510	100%	200,000

The Sale Shares are sold free from all encumbrances and together with all rights and advantages attaching to them, including dividend and voting rights, as at completion of the Proposed Disposal, on an "as is where is" basis.

4.2. Aggregate Consideration

The aggregate consideration for the Proposed Disposal is Singapore Dollars Two Hundred Thousand (S\$200,000) (approximately RM607,280), which will be fully satisfied by way of cash ("**Aggregate Consideration**").

The Aggregate Consideration was arrived at after arm's length negotiations on a willing-buyer willing-seller basis, taking into account the (i) net liability position of the Target Group as at 30 June 2020 amounting to RM1,616,756 (approximately S\$532,458); (ii) the cash flow requirements to continue running the Target Group which is further elaborated upon in paragraph 5.4 below; (iii) the need to reduce the overall operating costs and improve the cash flow of the Group; and (iv) the valuation indicated by the Valuer.

LETTER TO SHAREHOLDERS

4.3. Conditions Precedent

The Proposed Disposal is conditional upon, *inter alia*, the following:

- (a) the approvals of the respective boards of directors of the Company (excluding any director interested in the transaction(s) contemplated under the SPA), IEV Group and each of the Buyers for the sale and purchase of the Sale Shares;
- (b) the approval of the Independent Shareholders in respect of the Proposed Disposal;
- (c) conditional upon completion of the Proposed Disposal, to effect the Proposed Change of Name (as defined below) being obtained at the EGM;
- (d) the appointment of an independent financial adviser ("**IFA**") to the independent directors of the Company and an opinion from the IFA that the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders;
- (e) the written approval of Ambank (M) Berhad to discharge the corporate guarantee executed by the Company on 3 April 2012 in respect of certain loan facilities obtained by IEV Group from Ambank (M) Berhad;
- (f) each director of the Target providing an indemnity ("**Indemnity**") in agreed form in favour of the Company; and
- (g) all indebtedness, including any and all accrued interest, owing to the Company by any member of the Target Group have been fully repaid and discharged before closing (with appropriate waivers for future claims, to the extent applicable),

(collectively, the "**Disposal Conditions**").

4.4. Longstop Date

If any of the Disposal Conditions (save for those compliance with which has been waived or varied in accordance with the terms of the SPA) have not been satisfied by the date falling one hundred and twenty (120) calendar days from the date of the SPA or such other date as may be agreed in writing by the parties, the SPA will lapse and no party will have any claim against the other parties under the SPA, save for any claim arising from antecedent breaches of the SPA.

4.5. Proposed Change of Name

The SPA provides that conditional upon completion of the Proposed Disposal, the Company will change its name to "Medi Lifestyle Limited". The Target Group will continue to have the right to use the name "IEV" as this name has been associated with the Engineering Business for a substantial period of time.

Please refer to Section 9 of this Circular for further details on the Proposed Change of Name.

4.6. Indemnity

In order to ensure that the Company has no residual liability arising out of the Engineering Business, Mr. Christopher Do and Tan Sri Dato' Hari have agreed to provide to the Company the Indemnity. Pursuant to the terms of the Indemnity, each of Mr. Christopher Do and Tan Sri Dato' Hari will jointly and severally keep the Company indemnified against any losses or liability arising, whether past, present or future, in respect of the Engineering Business.

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5. RATIONALE FOR THE PROPOSED DISPOSAL

5.1. Exit from loss-making business segment

Since the initial public offering of the Company in 2011, the Engineering Business has been a core business of the Group. Following the onset of the global oil price crises which started in mid-2014, the Engineering Business reported losses since the financial year ended ("FY") 31 December 2016. Notwithstanding efforts undertaken by the management of the Company ("Management") and the Board to turnaround the Engineering Business, including, *inter alia*, divesting and discontinuing of all loss-making subsidiaries and to refocus on providing asset integrity management services ("AIMS") which presented better gross margins for the Group, the Target Group continued to incur losses due to the prolonged downturn of the oil and gas ("O&G") industry and a structural shift in the global O&G business landscape (further elaborated under paragraph 5.2 below). Prospects of a turnaround remains dim due to the global economic slowdown and the Covid-19 global pandemic.

Loss Before Tax	FY2016 RM'000	FY2017 RM'000	FY2018 RM'000	FY2019 RM'000
Target Group	(1,467)	(5,870)	(33,703) ⁽¹⁾	(6,495)

Notes:

- (1) Loss before tax for FY2018 includes waiver of inter-company loans totalling RM27.1 million from IEV Group to the Company.

Given the Target Group's continued losses and working capital needs, the Board undertook a strategic review of investment and divestment opportunities with a view to improve its financial position, unlock shareholder value and at the same time streamline its activities and businesses. Accordingly, the Board is of the view that it is an opportune time to divest all loss-making and/or under-performing entities held by the Group. The Proposed Disposal would allow the Company to dispose of its loss-making business segment and exit from the offshore engineering business cleanly.

5.2. Challenges to offshore oil & gas business landscape

With the advent of shale oil in North America, the United States of America ("USA") is now a major alternate O&G producer to the Organization of the Petroleum Exporting Countries and Russia. By 2025, it is estimated that total shale output from USA will overtake oil and gas production from Russia. Scenarios for average oil price of US\$80-100 per barrel and above are no longer realistic because of USA's now prominent role as a major oil producer to moderate any oil price spikes. There is now an on-going structural energy transition from fossil fuel to alternatives including renewable energy.

With moderating oil prices and flattening oil demand in the long term, the most affected in the O&G sector will be offshore oil fields, in particular deep-water fields, which have relatively higher cost of production. This has a direct impact on the Engineering Business and the Board expects the environment for this business to be challenging in the future.

Despite the Target Group's 49% associate, IEV (Malaysia) Sdn. Bhd. having recently been awarded contracts for the provision of subsea advanced inspection solutions in Malaysia, these contracts are on a one-off and non-recurring basis. Given the structural shift in the O&G industry towards alternative energy sources, there is no certainty that the Engineering Business will be awarded other contracts for the provision of similar services in the future.

5.3. Lack of interest from third parties

Since the down-turn in the O&G industry, the Group had attempted fund-raising exercises for its Engineering Business. There was, however, a lack of interest from investors and financiers

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to support O&G engineering companies given the number of regional offshore engineering companies that have gone into bankruptcy. Regional financial institutions have suffered losses from such bankruptcies and have been reducing their exposure to the oil and gas industry including withdrawing banking facilities.

Investors who have expressed keenness to support the Company's Healthcare & Wellness Business were also less enthusiastic about the Engineering Business, given the uncertainty of the O&G industry. The Proposed Disposal will present the Company with an opportunity to reinvest the proceeds from the Proposed Disposal into further developing the Healthcare & Wellness Business and capitalise on the increased investor interest.

Subsequent to the strategic review conducted by the Board, the Company had sought out for third parties who were interested to take over the Engineering Business. However, prior the Buyers approaching the Company for the Proposed Disposal, the Company had not received any proposal or indication of interest from third parties for the Target Group. Subsequent to the announcement of the Proposed Disposal on 14 September 2020, the Company has also not received any competing interest nor bid from third parties. Based on the Board's assessment, taking into account the factors cited herein including the lack of interest in O&G engineering companies, it is not probable that any such competing interest or bid on better terms is likely to arise.

5.4. Target Group in need of working capital

The AIMS requires fresh working capital but the Group has not able to source for additional working capital from public investors or financial institutions due to the lack of interest and support for O&G engineering companies as mentioned above. This has caused a strain on the current financial position of the Group. Upon the completion of an internal strategic review of the Group's business, the Board is of the view that instead of continuing to source for additional working capital to fund the Engineering Business, the best course of action for the Group would be to undertake the Proposed Disposal of the Target Group, to ease the strain caused by the financial requirements of the AIMS. The Proposed Disposal will also allow the Group to consolidate its financial and capital resources to further develop the Healthcare & Wellness Business, which the Group is of the view has greater potential for maximizing Shareholder value.

5.5. Viability of remaining business

Upon completion of the Proposed Disposal, the Group plans to focus its efforts on developing the Healthcare & Wellness Business.

The Healthcare & Wellness Business is presently still loss-making as the postpartum care centres in Malaysia and Singapore are not yet operating at full capacity due to unprecedented delays caused by the ongoing COVID-19 global pandemic. However, as countries slowly reopen their borders and the global economy starts opening up once again, the Board is confident of the prospects of the Healthcare & Wellness Business.

For the year-to-date 31 August 2020, the Healthcare and Wellness Business has recorded revenue of RM500,000 and gross profit of RM229,000. The postpartum centre in Petaling Jaya, Malaysia had in recent months been operating at near capacity with bookings secured for the rest of FY2020. Although the planned second postpartum centre in Petaling Jaya has been postponed to FY2021 due to the current economic situation, the Group is in advanced discussions to open new postpartum centers in other regions of Malaysia.

The planned Singapore postpartum centre on Hendon Road has resumed renovation works subsequent to the lifting of the Circuit Breaker in Singapore. It is expected for sales and marketing campaigns to start in the fourth quarter 2020 and opening is planned for the first quarter of 2021.

Notwithstanding that the Healthcare & Wellness Business is presently still loss-making, the

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Board is confident of the prospects of the Healthcare & Wellness Business once the existing postpartum care facilities are up and running at full operational capacity. The disposal of the Target Group will allow the Company to refocus its financial resources into expansion and development of the Healthcare & Wellness Business. In addition, as disclosed in the circular dated 3 October 2019 relating to the Group's diversification into the Healthcare & Wellness Business, the Group intends to diversify into various other sub-segments (other than the provision of postpartum care) including, amongst others, the provision of aesthetics and wellness services such as spa, skincare and slimming services as well as the provision of physiology services. This will provide additional revenue streams for the Group, diversifying its business and income base for future growth. The Company is presently in discussions with various stakeholders for such potential acquisitions and/or collaborations and will inform Shareholders when there are any material developments.

Having regard to the management's plans in relation to the Healthcare & Wellness Business including, *inter alia*, the expansion and development of its existing postpartum care facilities as well as the acquisition of synergistic healthcare and wellness businesses to diversify the Group's product offerings, the Board is confident about the prospects of the Healthcare & Wellness Business and considers the restructuring of the core business of the Group focused around the Healthcare & Wellness Business to be in the best interests of the Shareholders.

6. THE PROPOSED DISPOSAL UNDER CHAPTER 10 OF THE CATALIST RULES

6.1. Relative bases under Rule 1006 of the Catalist Rules

Based on the unaudited financial statements of the Group for HY2020 and the unaudited management accounts of the Target Group for HY2020, the relative figures of the Proposed Disposal computed on the bases set out in Rule 1006 of the Catalist Rules are set out below:

Rule 1006	Bases of Calculation	Relative Figure (%)
(a)	Net asset value of the assets to be disposed of compared with the Group's net asset value	(14.98)% ⁽¹⁾
(b)	The net profits ⁽²⁾ attributable to the assets disposed of, compared with Group's net profits	(5.01)% ⁽³⁾
(c)	Aggregate value of the consideration to be received, compared with the Company's market capitalisation ⁽⁴⁾	2.38% ⁽⁵⁾
(d)	The number of consideration shares issued by the Company, compared with the number of Shares (excluding treasury shares) previously in issue	N.A. ⁽⁶⁾
(e)	The aggregate volume of proved and probable reserves to be disposed of compared with the Group's probable and proved reserves	N.A. ⁽⁷⁾

Notes:

- (1) Computed based on the unaudited net asset value of the Group as at 30 June 2020 of RM10,795,244 and the unaudited net liability value of the Target Group as at 30 June 2020 of approximately RM1,616,756.
- (2) Under Rule 1002(3) of the Catalist Rules, "net profits" means profit or loss before income tax, minority interests and extraordinary items.
- (3) Computed based on the unaudited net loss before tax of the Group for HY2020 of approximately RM4,334,000 and the unaudited net profit before tax of the Target Group for HY2020 of approximately RM217,158.

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- (4) The market capitalisation of the Company was determined by multiplying the total number of Shares, being 487,674,594 Shares (excluding treasury shares) by S\$0.029 (being the traded closing price of such Shares on 12 August 2020).
- (5) Computed based on the Aggregate Consideration of S\$200,000 that will be paid to the Company and an outstanding loan from Disruptech to the Target Group amounting to US\$100,000 (approximately S\$136,800), compared to the market capitalisation of the Company amounting to approximately S\$14,142,563.
- (6) This is not applicable as the Proposed Disposal does not involve issuance of consideration shares.
- (7) This is not applicable as the Company is not a mineral, oil and gas company.

Pursuant to paragraphs 4.4(c) and 4.4(d) of Practice Note 10A of the Catalist Rules, as the absolute relative figures computed based on Rule 1006(a) and Rule 1006(b) of the Catalist Rules exceeds five per cent. (5%) but does not exceed fifty per cent. (50%) and the net profit attributable to the asset to be disposed of exceeds five per cent. (5%) of the Company's losses (taking into account only the absolute value), and the fact that the Proposed Disposal will result in a gain on disposal amounting to RM6,892,362, the Proposed Disposal constitutes a "discloseable transaction" as defined under Chapter 10 of the Catalist Rules and does not require Shareholders' approval. However, in consideration of the fact that the Engineering Business has been a core business segment of the Company since it was listed in 2011 and the fact that the Proposed Disposal constitutes an interested person transaction under Chapter 9 of the Catalist Rules, the Proposed Disposal is conditional upon the approval of the Independent Shareholders at the EGM.

6.2. Gain on Disposal

Based on (i) the Aggregate Consideration of S\$200,000 (approximately RM607,280); (ii) the derecognition of the net liability value of the Target Group amounting to RM1,616,756; and (iii) the exchange reserve differences amounting to RM4,668,326, the gain on disposal arising from the Proposed Disposal is RM6,892,362. The reversal of exchange reserve differences was made in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**") 1-21 (48-48B), which states that where there is a disposal of a foreign operation, currency translation differences relating to equity holders of the parent are reclassified to profit or loss.

6.3. Use of Proceeds

The estimated net proceeds from the Proposed Disposal is approximately S\$95,000 (approximately RM288,000) after taking into account the professional fees and other costs of S\$105,000 incurred in relation to the Proposed Disposal ("**Net Proceeds**").

The Company intends to use the Net Proceeds for general working capital requirements of the Group.

Pending the deployment for the uses identified above, the Net Proceeds may be deposited with banks and/or financial institutions, or used for any other purpose on a short-term basis, as the Directors may in their absolute discretion deem fit.

7. THE PROPOSED DISPOSAL AS AN INTERESTED PERSON TRANSACTION

7.1. Interested Person Transaction ("IPT")

(a) Definition of IPT under Chapter 9 of the Catalist Rules

The Proposed Disposal constitutes an IPT under Chapter 9 of the Catalist Rules as:

- (i) Mr. Christopher Do, the President and Chief Executive Officer of the Group, is a sixty-six per cent. (66%) shareholder of Disruptech. Disruptech is

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therefore an "associate" of Mr. Christopher Ngia Do as defined under the Catalist Rules and an "interested person" under Rule 904(4)(b) of the Catalist Rules;

- (ii) the shareholders of Antara are immediate family members of Tan Sri Dato' Hari, the Non-Independent Non-Executive Chairman of the Company. As such, Antara is an "associate" of Tan Sri Dato' Hari as defined under the Catalist Rules and an "interested person" under Rule 904(4)(b) of the Catalist Rules;
- (iii) the Proposed Disposal is a transaction between the Company, an "entity at risk" under Rule 904(2)(a) of the Catalist Rules, and the interested persons as aforementioned.

(b) Relevant thresholds for IPT under Chapter 9 of the Catalist Rules

The aggregate value of the Proposed Disposal is RM607,280, representing approximately 17.9% of the Group's latest audited net tangible assets as at 31 December 2019 of RM3,386,068.

Accordingly, under Rule 906(1)(a) of the Catalist Rules, the approval of the Shareholders is required for the Proposed Disposal as an interested person transaction. Mr. Christopher Do, Tan Sri Dato' Hari, and their associates will abstain from voting on the resolutions approving the Proposed Disposal and will not accept appointments as proxies unless specific instructions as to voting are given. Although Ms. Christine Munro is not an interested person within the meaning of Chapter 9 of the Catalist Rules, given her interest in the Proposed Disposal through Muwori, Ms. Christine Munro and her associates will also abstain from voting on the resolutions approving the Proposed Disposal. Mr. Christopher Do and Tan Sri Dato' Hari have also abstained from voting on all board resolutions relating to the Proposed Disposal.

7.2. Independent Financial Adviser

Rule 921(4)(a) of the Catalist Rules provides that if Shareholder approval is required in respect of an interested person transaction, the circular to Shareholders must include an opinion in a separate letter from an independent financial adviser stating whether the relevant transaction is on normal commercial terms and is prejudicial to the interests of the issuer and its minority shareholders.

The Company has appointed Xandar Capital Pte. Ltd. as the IFA to advise the Non-Interested Directors (as defined herein) on whether the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its Independent Shareholders.

Based on its considerations and subject to the qualifications as set out in the letter dated 22 September 2020 issued by the IFA to the Non-Interested Directors ("**IFA Letter**"), the IFA is of the opinion that the Proposed Disposal is on normal commercial terms and is not prejudicial to the interest of the Company and its Independent Shareholders. A copy of the IFA Letter, containing the IFA's opinion in full, is set out in Appendix A to this Circular. Shareholders are advised to read the IFA Letter carefully and in its entirety.

The advice of the IFA to the Non-Interested Directors has been extracted from section 5 of the IFA letter and is reproduced in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter, unless otherwise stated:

"Having regard to our terms of reference, in arriving at our opinion, we have taken into account a range of factors which we consider to be pertinent and have a significant bearing on our assessment of the Proposed Disposal. We have carefully considered

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as many factors as we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information we have taken into account, be read in its entirety.

We set out below a summary of the key factors we have taken into our consideration:

- (a) the rationale for the Proposed Disposal, namely, to exit from loss-making business segment which is facing challenging business environment. The Proposed Disposal will ease the Group from additional financial obligations, strengthen the financial position and provide some liquidity to the Group;*
- (b) the Aggregate Consideration is within the range of the equity value range of the Target Group as opined by the Valuer;*
- (c) the Aggregate Consideration represents a premium to the net liability position of the Target Group;*
- (d) the positive financial effects of the Proposed Disposal; and*
- (e) the other consideration as set out in paragraph 4.5 of this IFA Letter.*

Accordingly, after taking into account the above factors and the information made available to us at the Latest Practicable Date, we are of the opinion that, the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its Independent Shareholders."

Shareholders are advised to read and consider the IFA Letter for the Proposed Disposal as an IPT in its entirety and as reproduced in Appendix A to this Circular, and carefully consider the recommendations of the Non-Interested Directors (as defined herein) for the Proposed Disposal.

7.3. View of the Audit Committee

The audit committee of the Board ("**Audit Committee**") comprises Mr. Ng Weng Sui Harry (the Lead Independent Director), Tan Sri Dato' Hari (Non-Independent, Non-Executive Chairman), Mr. Kesavan Nair (Independent Director) and Tan Sri Ahmad Bin Mohd Don (Independent Director). The Chairman of the Audit Committee is Mr. Ng Weng Sui Harry. Save for Tan Sri Dato' Hari, the rest of the members of the Audit Committee do not have any interests in the Proposed Disposal and are accordingly deemed independent for the purposes of the Proposed Disposal as an interested person transaction.

Pursuant to Rule 921(4)(b) of the Catalist Rules, having considered and reviewed, *inter alia*, the terms, rationale and the benefits of the Proposed Disposal, the details of the Proposed Disposal, the financial effects of the Proposed Disposal, and the advice of the IFA on the Proposed Disposal as set out in the IFA Letter attached to this Circular in Appendix A, the Audit Committee (excluding Tan Sri Dato' Hari) concurs with the opinion of the IFA and is of the view that the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

7.4. Total value of IPTs for the financial year

Save for the Proposed Disposal, there are no other IPTs entered into for the current financial year ending 31 December 2020.

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8. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

8.1. Bases and assumptions

The financial effects of the Proposed Disposal on (a) the consolidated net tangible assets ("NTA") per Share (as defined below); and (b) the consolidated earnings per Share ("EPS"); of the Group, have been prepared based on the audited consolidated financial statements of the Group for FY2019.

The financial effects below were prepared based on the following assumptions:

- (a) the financial effects of the Proposed Disposal on the NTA per Share of the Group are computed assuming that the Proposed Disposal had taken place on 31 December 2019;
- (b) the financial effects of the Proposed Disposal on the EPS of the Group are computed assuming that the Proposed Disposal had been completed on 1 January 2019;
- (c) the expenses incurred in connection with the Proposed Disposal amount to S\$105,000 (approximately RM318,822); and
- (d) S\$: RM exchange rate of S\$1 : RM3.0364 as at 31 December 2019.

8.2. NTA per Share

The illustrative financial effects of the Proposed Disposal on the NTA per Share of the Group as at 31 December 2019 are as follows:

	Before the Proposed Disposal	After the Proposed Disposal
NTA ⁽¹⁾ attributable to the owners of the Company (RM)	3,386,068	5,610,104 ⁽³⁾
Number of issued ordinary shares in the capital of the Company ("Shares")	411,874,594 ⁽²⁾	411,874,594 ⁽²⁾
NTA per Share (Malaysian sen)	0.82	1.36

Note:

- (1) NTA means total assets less the sum of total liabilities, non-controlling interests and intangible assets (net of non-controlling interests).
- (2) This excludes 76,000,000 Shares issued pursuant to a share subscription exercise that was completed on 14 January 2020, which was subsequent to FY2019.
- (3) The NTA after the Proposed Disposal will increase by RM2,224,036 comprising: (i) the Aggregate Consideration of RM607,280 and (ii) the derecognition of the net liability value of the Target Group amounting to RM1,616,756. The reclassification of exchange reserve differences amounting to RM4,668,326 pursuant to SFRS(I) 1-21 (48-48B) to profit and loss and hence affecting the retained earnings will not have any impact on the NTA.

8.3. EPS

The illustrative financial effects of the Proposed Disposal on the EPS of the Group for FY2019 are as follows:

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	Before the Proposed Disposal	After the Proposed Disposal
Net Profit (RM)	315,654 ⁽¹⁾	7,208,016 ⁽²⁾
Weighted average number of Shares ⁽³⁾	337,820,658	337,820,658
Earnings per share (Malaysian sen)	0.09	2.13

Notes:

- (1) Net profit comprised of loss from continuing operations amounting to RM10,109,492 which was offset by a gain from discontinued operations amounting to RM10,425,146.
- (2) The net profit after the disposal accounted for the gain arising from the Proposed Disposal amounting to RM6,892,362.
- (3) The weighted average number of ordinary shares has been adjusted for issuance of 80,000,000 Shares on 13 May 2019 pursuant to a share subscription exercise and 46,161,962 Shares pursuant to the completion of the acquisition of Lady Paradise (M) Sdn. Bhd. on 18 December 2019.

9. THE PROPOSED CHANGE OF NAME

9.1. Background and Rationale

The Company wishes to effect a change of name to represent the beginning of a new phase of its corporate history. The Company is proposing to change its name to "Medi Lifestyle Limited" to reflect the refocusing of the Group's core business around the Healthcare & Wellness Business.

The Board is of the view that the Proposed Change of Name will be beneficial to the Company by more accurately reflecting the Group's business activities and direction following completion of the Proposed Disposal. The Proposed Change of Name will also allow the public and the Company's business partners to better identify with the Company going forward based on the Healthcare and Wellness Business.

Accordingly, the Directors propose to change the name of the Company from "IEV Holdings Limited" to "Medi Lifestyle Limited".

Shareholders should note that the change of the Company's name does not affect the legal status of the Company or any of the rights of Shareholders, and the existing Shares will continue to be traded on the Catalist.

Under Section 28 of the Companies Act, a change of name requires the approval of shareholders by way of a special resolution. Accordingly, the Board intends to seek approval from the Shareholders for the Proposed Change of Name at the EGM.

9.2. Approvals

An application was made to the Accounting and Corporate Regulatory Authority of Singapore ("ACRA") to reserve the name "Medi Lifestyle Limited" on 3 September 2020. ACRA gave its approval on the same date for the use of the name "Medi Lifestyle Limited", which has been reserved until 1 January 2021.

The Proposed Change of Name will be proposed as a special resolution and will be subject to Shareholders' approval at the EGM. Subject to the passing of the special resolution at the EGM, the Company will, as soon as reasonably practicable after the EGM, lodge the requisite notifications with ACRA. The Company will adopt "Medi Lifestyle Limited" as its new name

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with effect from the issue of the Certificate of Incorporation on Change of Name of Company by ACRA. The name "Medi Lifestyle Limited" shall replace all references to "IEV Holdings Limited" in the Constitution of the Company ("**Constitution**") thereafter.

The Company will release an announcement to notify the Shareholders when the Proposed Change of Name takes effect. Shareholders should note that the change of the Company's name, if effected, will not affect (i) the identity or legal status of the Company, (ii) any of the rights or obligations of the Company, (iii) any of the rights of Shareholders, or (iv) the Group's day-to-day business operations and financial position.

9.3. No Impact on Existing Share Certificates

Shareholders should note that notwithstanding the Proposed Change of Name, the Company will not recall existing share certificates in respect of the Shares.

Existing share certificates bearing the name "IEV Holdings Limited" issued prior to the date on which the Proposed Change of Name takes effect, will continue to be *prima facie* evidence of legal title. **No further action is required to be taken on the part of the Shareholders in respect of existing share certificates.**

10. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the Latest Practicable Date, the interests of the Directors and the Substantial Shareholders in the share capital of the Company as recorded in the register of Directors' shareholdings and the register of Substantial Shareholders of the Company respectively, as at the Latest Practicable Date are set out below:

	Number of Shares			Total Percentage Interest (%) ⁽¹⁾
	Direct	Deemed	Total	
Directors				
Tan Sri Dato' Hari N. Govindasamy	-	53,856,500 ⁽²⁾	53,856,500	11.04
Christopher Nghia Do	27,788,158	1,736,000 ⁽³⁾	29,524,158	6.05
Dato' Low Koon Poh	50,000,000	-	50,000,000	10.25
Ng Weng Sui, Harry	300,000	-	300,000	0.06
Kesavan Nair	-	-	-	-
Ng Yau Kuen Carmen	-	-	-	-
Tan Sri Ahmad Bin Mohd Don	-	-	-	-
Substantial Shareholders (other than Directors)				
Vimala J. Govindasamy	-	53,856,500 ⁽²⁾	53,856,500	11.04
Michael Marcus Liew	36,640,000	-	36,640,000	7.51
Liw Chai Yuk	44,777,103	-	44,777,103	9.18
The Rain Maker Mgmt Pte Ltd	51,400,000	-	51,400,000	10.54

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Notes:

- (1) The percentage of shareholdings is computed based on the issued and paid up share capital of the Company comprising 487,674,594 Shares (excluding treasury shares).
- (2) The deemed interest in 53,856,500 shares are held by Tan Sri Dato' Hari and Vimala J. Govindasamy through a joint account in Citibank Nominees Singapore Pte. Ltd.
- (3) Mr. Christopher Do is deemed to be interested in 1,736,000 Shares held by his spouse, Tran Thi Mai Thao.

Save as disclosed in this Circular, none of the Directors, Controlling Shareholders or Substantial Shareholders of the Company or their respective Associates has any interest, whether direct or indirect, in the Proposed Disposal and/or the Proposed Change of Name (other than through their shareholdings (if any) in the Company).

11. SERVICE CONTRACT

No person is proposed to be appointed as a Director of the Company in connection with the Proposed Disposal and/or Proposed Change of Name. As such, no service agreements will be entered into in respect of the Proposed Disposal and/or Proposed Change of Name.

12. NON-INTERESTED DIRECTORS' RECOMMENDATIONS

The Directors who are deemed to be non-interested for the purposes of making a recommendation to the Shareholders in respect of the Proposed Disposal are Dato' Low Koon Poh, Mr. Ng Weng Sui, Harry, Mr. Kesavan Nair, Ms. Ng Yau Kuen, Carmen and Tan Sri Ahmad Bin Mohd Don (collectively, the "**Non-Interested Directors**").

12.1. Proposed Disposal

Having fully considered, *inter alia*, the terms, the rationale and the benefits of the Proposed Disposal, the financial effects thereof, as well as the advice and recommendations of the IFA as set out in sections 2 to 8 of this Circular, the Non-Interested Directors are of the opinion that the Proposed Disposal is in the best interests of the Company and accordingly, the Non-Interested Directors recommend that the Independent Shareholders vote in favour of Ordinary Resolution 1 and Ordinary Resolution 2 as set out in the Notice of EGM.

12.2. Proposed Change of Name

Having considered, *inter alia*, the rationale and the benefits of the Proposed Change of Name as set out in section 9 of this Circular, the Non-Interested Directors are of the opinion that the Proposed Change of Name is in the best interests of the Company and accordingly, the Non-Interested Directors recommend that the Independent Shareholders vote in favour of the Special Resolution 1 as set out in the Notice of EGM.

13. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-5 of this Circular, shall be held by way of electronic means on 15 October 2020 at 10:30 a.m. (or any adjournment thereof), for the purpose of considering, and if thought fit, passing with or without modifications, the resolutions set out in the Notice of EGM.

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14. ACTIONS TO BE TAKEN BY THE SHAREHOLDERS

14.1. No Attendance of EGM

Due to the current COVID-19 restriction orders in Singapore, Shareholders will not be able to attend the EGM in person.

14.2. Alternative Arrangements

Alternative arrangements have been put in place to allow Shareholders who pre-register to participate at the EGM via electronic means, including accessing the EGM proceedings via "live" audio-visual webcast ("**Live Webcast**") or "live" audio-only stream ("**Live Audio Stream**"), submitting questions related to the resolution tabled for approval in advance of the EGM, and appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM.

Shareholders are required to pre-register at <https://iev-group.listedcompany.com/> for the Live Webcast or the Live Audio Stream of the EGM proceedings by 10:30 a.m. on 13 October 2020. Shareholders who do not pre-register to observe and/or listen to the EGM proceedings by the deadline stated above will not be able to participate at the EGM.

Shareholders may also submit any questions that are related to the resolutions tabled for approval via (i) the pre-registration website at <https://iev-group.listedcompany.com/> or (ii) by email to egm2020@iev-group.com by 10:30 a.m. on 13 October 2020. Shareholders will not be able to ask any questions during the Live Webcast or Live Audio Stream of the EGM proceedings. The Company will endeavour to provide its answers and responses to the substantial and relevant questions received from members relating to the resolutions to be tabled for approval at the EGM prior to the EGM via publication on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>; or during the EGM.

Shareholders (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such Shareholder wishes to exercise his/her/its voting rights at the EGM. The instrument appointing the Chairman of the EGM as proxy must be:

- (a) if submitted by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623; or
- (b) if submitted electronically, be submitted via email to the Company's Share Registrar at srs.teamd@boardroomlimited.com,

in either case, not less than forty-eight (48) hours before the time appointed for holding the EGM.

A Shareholder who wishes to submit an instrument of proxy must complete and sign the proxy form in accordance with the instructions printed thereon, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

A Depositor will not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears in the Depository Register as at seventy-two (72) hours before the EGM.

Please refer to the Notice of EGM for further details on the alternative arrangements for the EGM as set out above.

LETTER TO SHAREHOLDERS

15. CONSENT FROM IFA

The IFA has given and has not before the date of this Circular withdrawn its written consent to the issue of this Circular with the inclusion of its name, the IFA Letter as set out in Appendix A and all references thereto, in the form and context in which they appear in this Circular, and to act in such capacity in relation to this Circular.

16. CONSENT FROM VALUER

The Valuer has given and has not before the date of this Circular withdrawn its written consent to the issue of this Circular with the inclusion of its name, the summary of the Valuation Report as set out in Appendix B in this Circular and all references to the Valuation Report, in the form and context in which they appear in this Circular, and to act in such capacity in relation to this Circular.

17. ABSTENTION FROM VOTING

Pursuant to Rule 919 of the Catalist Rules, an interested person and any associate of the interested person shall abstain from voting on the resolutions approving the IPT involving themselves and their associates. Such interested person and their associates shall not accept appointments as proxies in relation to such resolutions unless specific voting instructions have been given by the Shareholders.

Accordingly, each of Mr. Christopher Do and Tan Sri Dato' Hari and their associates will abstain, and has undertaken to ensure that his associates (if any) will abstain from voting on the resolutions approving the Proposed Disposal, and will not accept appointments as proxy in relation to such resolutions unless specific voting instructions have been given by Shareholders. Although Ms. Christine Munro is not an interested person within the meaning of Chapter 9 of the Catalist Rules, given her interest in the Proposed Disposal through Muwori, Ms. Christine Munro and her associates will also abstain from voting on the resolutions approving the Proposed Disposal. Mr. Christopher Do and Tan Sri Dato' Hari have also abstained from voting on all board resolutions relating to the Proposed Disposal.

As the Proposed Change of Name is conditional upon and subject to the approval of the Independent Shareholders for the Proposed Disposal, each of Mr. Christopher Do, Tan Sri Dato' Hari and Ms. Christine Munro and their associates will also abstain from voting on the resolutions approving the Proposed Change of Name, and will not accept appointments as proxy in relation to such resolutions unless specific voting instructions have been given by Shareholders.

18. INTER-CONDITIONALITY OF RESOLUTIONS TO BE PASSED

In voting for the resolutions set out in the Notice of EGM, Shareholders should note that the Special Resolution relating to the Proposed Change of Name is conditional upon the passing of the Ordinary Resolutions relating to the Proposed Disposal. Accordingly, in the event that the Ordinary Resolutions are not approved, the Special Resolution will not be passed.

19. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the SPA, the Proposed Disposal, the Proposed Change of Name, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this

LETTER TO SHAREHOLDERS

Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

20. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the Company's registered office at 80 Robinson Road, #02-00, Singapore 068898 during normal business hours for a period of three (3) months from the date of this Circular:

- (a) the SPA;
- (b) the IFA Letter;
- (c) the Valuation Report;
- (d) the letter of consent from the IFA, referred to in Section 15 of this Circular;
- (e) the letter of consent from the Valuer, referred to in Section 16 of this Circular; and
- (f) the Constitution.

Yours faithfully
For and on behalf of the Board of Directors of
IEV HOLDINGS LIMITED

Christopher Nghia Do
President and Chief Executive Officer
22 September 2020

APPENDIX A – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER



22 September 2020

IEV HOLDINGS LIMITED
80 Robinson Road
#02-00
Singapore 068898

Attention: The Non-Interested Directors

Dear Non-Interested Directors

LETTER FROM XANDAR CAPITAL PTE. LTD. TO THE NON-INTERESTED DIRECTORS OF IEV HOLDINGS LIMITED IN RELATION TO THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF IEV GROUP SDN BHD

Unless otherwise defined or the context otherwise requires, all capitalised terms used in this letter which are not defined shall have the same meaning ascribed to them in the circular to shareholders of the Company dated 22 September 2020 (the "Circular").

Unless otherwise stated, the exchange rate of S\$1 to RM3.0364 (the "Exchange Rate") as disclosed in the Circular is applied throughout this IFA Letter.

1. INTRODUCTION

On 14 September 2020, the board of directors (the "**Board**" or the "**Directors**") of IEV Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") announced that the Company had on 14 September 2020 entered into a conditional share sale and purchase agreement ("**SPA**") with Disruptech Holdings Sdn Bhd ("**Disruptech**"), Antara Consolidated Sdn. Bhd. ("**Antara**") and Muwori Pty Ltd ("**Muwori**") (collectively, the "**Buyers**" and each a "**Buyer**"), pursuant to which the Company has agreed to sell and the Buyers have agreed to purchase, the entire issued and paid-up share capital of the Company's wholly-owned subsidiary, IEV Group Sdn. Bhd. ("**IEV Group**", and together with its subsidiaries and associated companies, the "**Target Group**"), for an aggregate consideration of S\$200,000 (equivalent to RM607,280) (the "**Aggregate Consideration**") to be fully satisfied in cash (the "**Proposed Disposal**").

Under the Listing Manual (Section B: Rules of Catalist) (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), Disruptech is deemed to be an associate of Mr. Christopher Nghia Do ("**Mr Christopher Do**"), the President and Chief Executive Officer of the Company, while Antara is deemed to be an associate of Tan Sri Dato' Hari Narayanan Govindasamy ("**Tan Sri Dato' Hari**"), the Non-Independent Non-Executive Chairman of the Company. Accordingly, both Disruptech and Antara are deemed to be interested persons under Chapter 9 of the Catalist Rules and the Proposed Disposal (in particular, the sale of IEV Group to Disruptech and Antara) constitutes an interested person transaction ("**IPT**") under Chapter 9 of the Catalist Rules. While Muwori is not deemed to be an interested person under the Catalist Rules, Muwori is an associate of a shareholder who holds 4.51% interest in the Company. Accordingly, although Muwori is not an interested person, Muwori is also not an independent third party buyer in respect of the Proposed

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Disposal. Shareholders may refer to Section 3 of the Circular for further information on the Buyers.

The Aggregate Consideration of S\$200,000 (equivalent to RM607,280) represents approximately 17.9% of the Group's latest audited net tangible assets of RM3,386,068 as at 31 December 2019. Accordingly, under Rule 906(1) of the Catalyst Rules, the approval of the Company's shareholders (the "Shareholders") who are deemed to be independent under Chapter 9 of the Catalyst Rules in respect of the Proposed Disposal (the "Independent Shareholders") is required for the Proposed Disposal as an IPT.

Rule 921(4)(a) of the Catalyst Rules provides that if Shareholders' approval is required in respect of an IPT, the circular to Shareholders must include an opinion in a separate letter from an independent financial adviser ("IFA") stating whether the relevant transaction is on normal commercial terms and whether the relevant transaction is prejudicial to the interests of the issuer and its minority shareholders.

The Company has appointed Xandar Capital Pte. Ltd. as the IFA to advise the Non-Interested Directors on whether the Proposed Disposal is on normal commercial terms and whether the Proposed Disposal is prejudicial to the interests of the Company and its Independent Shareholders.

2. TERMS OF REFERENCE

Xandar Capital has been appointed as the IFA to opine on whether the Proposed Disposal is on normal commercial terms and whether the Proposed Disposal is prejudicial to the interests of the Company and its Independent Shareholders.

We are not and were not involved in any aspect of the negotiations pertaining to the Proposed Disposal, nor were we involved in the deliberations leading up to the decisions on the part of the Directors to undertake the Proposed Disposal. Accordingly, we do not, by this IFA Letter, warrant the merits of the Proposed Disposal other than to express an opinion on whether the Proposed Disposal is on normal commercial terms and prejudicial to the interests of the Company and its Independent Shareholders.

Our terms of reference do not require us to express, evaluate or comment on the rationale for, strategic or commercial merits and/or risks of the Proposed Disposal, or the future performance or prospects of the Group. We are, therefore, not expressing any opinion herein as to the future financial or other performance (including share price performance) of the Company or the Group, whether with or without the Proposed Disposal.

As with other business transactions of the Company, the merit and/or associated risk, whether commercial, financial or otherwise, of the Proposed Disposal, are solely the responsibility of the Directors. We are also not addressing the relative merits of the Proposed Disposal, as compared to any alternative transaction of the Group or that otherwise may become available to the Group in the future. Such evaluations or comments remain the responsibility of the Directors and the management of the Company.

In the course of our evaluation and for the purpose of providing our opinion in respect of the Proposed Disposal, we have held discussions with certain Directors and the management of the Group and have examined information provided by the Directors and the management

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APPENDIX A – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER



of the Group and other publicly available information collated by us, upon which our view is based. We have not independently verified such information, whether written or verbal, and accordingly cannot and do not make any representation or warranty in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information. We have nevertheless made reasonable enquiries and exercised our judgment as we deemed necessary or appropriate in assessing such information and are not aware of any reason to doubt the accuracy or reliability of the information.

We have not made any independent evaluation and appraisal on the assets and liabilities of the Target Group, the Company and/or the Group. In connection with the Proposed Disposal, the Company has appointed Cushman & Wakefield VHS Pte Ltd as the independent valuer (the "Valuer") to perform a valuation of 100% equity interest in the capital of the Target Group as at 31 March 2020. The full valuation report dated 22 September 2020 (the "Valuation Report") issued by the Valuer is a document available for inspection at the Company's registered office for the period from the date of the Circular up to the date of the extraordinary general meeting ("EGM") while a summary of the valuation report dated 22 September 2020 (the "Summary Valuation Report") is reproduced as Appendix B to the Circular. Save for the Valuation Report and the Summary Valuation Report, we have not been furnished with any other evaluation or appraisal of the assets and/or liabilities of the Target Group. With respect to the Valuation Report and the Summary Valuation Report, we are not experts in the evaluation or appraisal of the subject concerned and we have placed sole reliance on the Valuation Report and the Summary Valuation Report for such appraisal.

We have relied upon the assurance of the Directors that the Directors collectively and individually accept full responsibility for the accuracy of the information given in the Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, the Circular constitutes full and true disclosure of all material facts about the SPA, Proposed Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in the Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context. In relation to this IFA Letter, the Directors have confirmed that the facts stated, with respect to the SPA, the Group, the Target Group and the Proposed Disposal, are to the best of their knowledge and belief, fair and accurate in all material aspects.

Our opinion is based upon prevailing market, economic, industry, monetary and other conditions (where applicable) and the information made available to us contained in the Circular as of the Latest Practicable Date. We assume no responsibility to update, revise or reaffirm our view in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein. Shareholders should take note of any announcements relevant to their consideration of the Proposed Disposal, which may be released by the Company after the Latest Practicable Date.

In arriving at our opinion, we did not consider the specific investment objectives, financial situation, tax consequences, risk profile or unique needs and constraints of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or group of Shareholders who may require specific advice in relation to his or their investment objectives or portfolios should consult his or their legal, financial, tax or other professional advisors immediately.

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Our opinion is for the use and benefit of the Non-Interested Directors in their deliberation of the Proposed Disposal, and the recommendation made by the Non-Interested Directors shall remain the responsibility of the Directors.

The Company has been separately advised by its own advisors in the preparation of the Circular (other than this IFA Letter). We have no role or involvement and have not provided any advice, financial or otherwise, whatsoever in the preparation, review and verification of the Circular (other than this IFA Letter). Accordingly, we take no responsibility for and express no views, express or implied, on the contents of the Circular (other than this IFA Letter).

Our opinion, in relation to the Proposed Disposal, should be considered in the context of the entirety of this IFA Letter and the Circular.

Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company nor the Directors may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purposes other than for the Proposed Disposal at any time and in any manner without our prior written consent.

We recommend that the Non-Interested Directors advise the Independent Shareholders to read these pages carefully.

3. INFORMATION ON THE PROPOSED DISPOSAL

3.1 Information on IEV Group and its subsidiaries

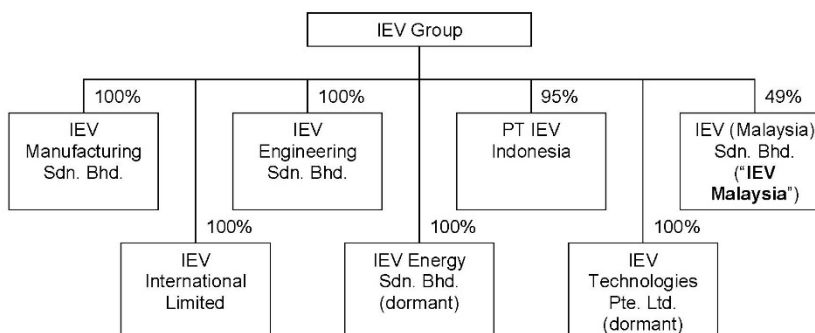
IEV Group is a company was incorporated in Kuala Lumpur, Malaysia on 2 November 2004. IEV Group has an issued and paid up share capital of Malaysian Ringgit ("RM") 25,880,102 divided into 129,400,510 units of ordinary shares of RM0.20 each (the "Sale Shares").

IEV Group is the holding company for the Group's subsidiaries and associated companies that provide subsea engineering and oilfield services and products to customers in the oil, gas and marine industries (the "Engineering Business"). As set out in Section 5.1 of the Circular, the Engineering Business has been a core business of the Group since the initial public offering of the Company in 2011.

APPENDIX A – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER



We set out the structure of the Target Group as follows:



Further information on the Target Group can be found in Section 2.1 and Section 2.2 of the Circular.

3.1.1 Income statement of the Target Group

We set out the key income statement information of the Target Group for its financial years ended 31 December ("FY") 2017, 2018 and 2019, and the half year financial periods ended 30 June ("HY") 2019 and 2020 which have been prepared in accordance with Singapore Financial Reporting Standards (International), as follows:

RM'000	FY2017	FY2018	FY2019	HY2019	HY2020
Revenue	6,616	2,961	9,740	4,069	2,824
Gross profit	4,928	1,659	4,402	1,242	2,341
(Loss) / Profit before tax	(5,870)	(33,703)	(6,495)	(3,166)	341

The Target Group generates its revenue from the Engineering Business.

We understand that the Engineering Business operates on project-by-project basis. Projects secured were generally one-off in nature and non-recurring. As a result, the Target Group's financial performance will be affected by the quantity, value and types of projects secured during the financial years/periods.

As set out above, the Target Group had recorded losses for all financial years and periods except HY2020. We note that the Target Group reported higher losses in FY2018. As disclosed in Section 5.1 of the Circular, the loss before tax of the Target Group for FY2018 includes waiver of inter-company loans totalling RM27.1 million extended from IEV Group to the Company. Excluding such inter-company loans waiver, the Target Group would still report a loss before tax of RM6.6 million for FY2018 which was approximately 11.8% higher

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than the loss before tax of RM5.9 million for FY2017 due to the much lower revenue generated by the Target Group in FY2018.

As set out above, the Target Group recorded a profit before tax of approximately RM341,000 in HY2020. We understand that this was attributable to higher value projects secured in 2020. Based on the unaudited management accounts of the Target Group for HY2020 which was prepared in accordance with the Malaysian Financial Reporting Standards, the Target Group reported a net profit before tax and net profit after tax of RM217,158 and RM74,510 respectively.

Despite reporting a profit for HY2020, we calculate that the Target Group still recorded negative earnings before interest, taxes, depreciation and amortisation ("EBITDA") for the last twelve months ended 30 June 2020 ("LTM2020")

3.1.2 Financial position of the Target Group

The following financial information of the Target Group are extracted from the unaudited financial statements of the Target Group for FY2019 and unaudited management accounts of the Target Group for HY2020:

RM'000	As at 31 December 2019	As at 30 June 2020
Current assets	4,280	4,752
Current liabilities	(6,560)	(6,647)
Net working capital	(2,280)	(1,895)
Non-current assets	476	278
Non-current liabilities	(78)	-
Net liabilities	(1,882)	(1,617)

Current assets

- (i) as at 31 December 2019, cash and bank balances, trade receivables and inventories accounted for 36.4%, 32.8% and 21.3% of the Target Group's current assets respectively; and
- (ii) as at 30 June 2020 trade receivables, inventories and cash and bank balances accounted for 49.1%, 18.2% and 12.0% of the Target Group's current assets respectively.

As disclosed above, the Target Group's cash and bank balances had decreased substantially while its trade receivables had increased substantially from 31 December 2019 to 30 June 2020. We calculate that the trade receivables of the Target Group as at 30 June 2020 represented approximately 76.8% of the Target Group's revenue for HY2020 which means that a substantial portion of the revenue generated by the Target Group for HY2020 has not been collected.



Current liabilities

- (i) as at 31 December 2019, borrowings, trade payables and other payables accounted for 34.8%, 31.0% and 23.1% of the Target Group's current liabilities respectively; and
- (ii) as at 30 June 2020, borrowings, trade payables and other payables accounted for 29.4%, 27.3% and 18.4% of the Target Group's current liabilities respectively.

Negative Working Capital and Net Liability Position

As set out above, the Target Group had negative working capital of RM2.3 million and RM1.9 million as at 31 December 2019 and 30 June 2020 respectively.

In addition, the Target Group also had net liability position of RM1.9 million and RM1.6 million as at 31 December 2019 and 30 June 2020 respectively.

We note that the net liability position of the Target Group arose principally from the waiver of inter-company loans totalling RM27.1 million due to the Target Group from the Company in FY2018.

Based on the Company's annual reports, we note that the Company had the following other payables and other provisions between 1 January 2014 and 31 December 2018:

RM	As at 31 December				
	2014	2015	2016	2017	2018
Current liabilities – Other payables and other provisions	2,411,698	11,834,451	24,296,012	26,809,221	1,825,204

Included in the Company's other payables and other provisions are the inter-company loans obtained by the Company from the Target Group. We understand from the Company that the inter-company loans were extended by the Target Group to the Company for working capital as well as business expansion purposes. As the Company is only an investment holding company with no revenue generating activities, it has to rely on its operating subsidiaries, namely the Target Group, for payment of company related expenses such as listing fees, audit fees, and all expenses relating to the maintenance of the Company's listing status. The Company had also tapped on the cash flow from the Target Group when it ventured into the exploration and production of hydrocarbons in West Java, Indonesia between FY2013 and FY2018. Accordingly, inter-company loans extended by the Target Group to the Company increased over the years and were substantially waived by the Target Group in FY2018.

As a result of the waiver of the inter-company loans by the Target Group in FY2018, the Target Group reported net liabilities of RM1.5 million as at 31 December 2018. Subsequently, with a net loss after tax of RM4.8 million for FY2019, the Target Group reported negative liabilities of RM1.9 million as at 31 December 2019.

APPENDIX A – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER



As a condition precedent to the completion of the Proposed Disposal, all indebtedness owing to the Company by the Target Group will be fully repaid and discharged (with appropriate waivers for future claims, to the extent applicable).

3.2 Information on the Buyers

Information on the Buyers is set out in Section 3 of the Circular. We summarised as follows:

Name of Buyer	Brief information	Relationship with the Company
Disruptech	Investment holding company incorporated in Malaysia. Issued and paid-up share capital of RM1,295,915.	100% owned by Mr Christopher Do (the President and Chief Executive Officer of the Company) and his brother
Antara	Investment holding company incorporated in Malaysia. Issued and paid-up share capital of RM500,000	100% owned by the spouse, brother-in-law and son of Tan Sri Dato' Hari (the Non-Independent Non-Executive Chairman of the Company)
Muwori	Investment holding company incorporated in Australia. Issued and paid-up share capital of AUD2	100% owned by a shareholder who holds 4.51% interest in the Company and her spouse.

3.3 Principal Terms of the Proposed Disposal

The salient terms of the Proposed Disposal are set out in Section 4 of the Circular. We extract certain details in *italics* as follows:

The Sale Shares and the Aggregate Consideration

The following are extracted from Section 4.1 and 4.2 of the Circular:

<i>Buyer</i>	<i>Number of Sale Shares</i>	<i>Percentage of Share Capital of the Target</i>	<i>Proportion of Aggregate Consideration payable on Completion (S\$)</i>
<i>Disruptech</i>	<i>58,230,229</i>	<i>45%</i>	<i>90,000</i>
<i>Antara</i>	<i>58,230,229</i>	<i>45%</i>	<i>90,000</i>
<i>Muwori</i>	<i>12,940,052</i>	<i>10%</i>	<i>20,000</i>
TOTAL	129,400,510	100%	200,000

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The Sale Shares are sold free from all encumbrances and together with all rights and advantages attaching to them, including dividend and voting rights, as at completion of the Proposed Disposal, on an "as is where is" basis.

The Aggregate Consideration was arrived at after arm's length negotiations on a willing-buyer willing-seller basis, taking into account the (i) net liability position of the Target Group as at 30 June 2020 amounting to RM1,616,756 (approximately S\$532,458); (ii) the cash flow requirements to continue running the Target Group which is further elaborated upon in paragraph 5.4 below; (iii) the need to reduce the overall operating costs and improve the cash flow of the Group; and (iv) the valuation indicated by the Valuer.

Conditions Precedent

The following are extracted from Section 4.3 of the Circular:

- (b) *the approval of the Independent Shareholders in respect of the Proposed Disposal;*
- (d) *the appointment of an Independent Financial Adviser ("IFA") to the independent directors of the Company and an opinion from the IFA that the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders;*
- (e) *the written approval of Ambank (M) Berhad to discharge the corporate guarantee executed by the Company on 3 April 2012 in respect of certain loan facilities obtained by IEV Group from Ambank (M) Berhad;*
- (f) *each director of the Target providing the indemnity ("Indemnity") in agreed form in favour of the Company;*
- (g) *all indebtedness, including any and all accrued interest, owing to the Company by any member of the Target Group have been fully repaid and discharged before closing (with appropriate waivers for future claims, to the extent applicable).*

The Longstop Date

If any of the Disposal Conditions (save for those compliance with which has been waived or varied in accordance with the terms of the SPA) have not been satisfied by the date falling one hundred and twenty (120) calendar days from the date of the SPA or such other date as may be agreed in writing by the parties, the SPA will lapse and no party will have any claim against the other parties under the SPA, save for any claim arising from antecedent breaches of the SPA.

Based on the above, we calculate that the Longstop Date to be 12 January 2021.

The Indemnity

One of the conditions precedent for the completion of the Proposed Disposal is the directors of IEV Group each providing the Indemnity in favour of the Company. We understand that the Indemnity is to ensure that the Company has no residual liability arising out of the Engineering Business. The directors of IEV Group providing the Indemnity are Mr. Christopher Do and Tan Sri Dato' Hari.

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4. EVALUATION OF THE PROPOSED DISPOSAL

The following are factors which we consider to be pertinent and to have a significant bearing on our evaluation of the Proposed Disposal:

- (a) rationale for the Proposed Disposal;
- (b) the Valuation Report;
- (c) the financial ratios represented by the Aggregate Consideration;
- (d) the financial effects of the Proposed Disposal; and
- (e) other considerations.

These factors are discussed in greater detail in the ensuing paragraphs.

4.1 Rationale for the Proposed Disposal

While it is not within our terms of reference to express, evaluate or comment on the rationale for the Proposed Disposal, we have reviewed the rationale for the Proposed Disposal set out in Section 5 of the Circular and note the following:

- (a) The Proposed Disposal as an exit from a loss-making business which faces challenging business environment

We extract as follows from Section 5.1 and Section 5.2 of the Circular:

... Following the onset of the global oil price crises which started in mid-2014, the Engineering Business reported losses since the financial year ended ("FY") 31 December 2016. Notwithstanding efforts undertaken by the management of the Company ("Management") and the Board to turnaround the Engineering Business, including, inter alia, divesting and discontinuing of all loss-making subsidiaries and to refocus on providing asset integrity management services ("AIMS") which presented better gross margins for the Group, the Target Group continued to incur losses due to the prolonged downturn of the oil and gas ("O&G") industry and a structural shift in the global O&G business landscape....

.....With the advent of shale oil in North America, the United States of America ("USA") is now a major alternate O&G producer to the Organization of the Petroleum Exporting Countries and Russia. By 2025, total US shale output will overtake oil and gas production from Russia. Scenarios for average oil price of US\$80-100 per barrel and above are no longer realistic because of USA's now prominent role as a major oil producer to moderate any oil price spikes. There is now an on-going structural energy transition from fossil fuel to alternatives including renewable energy.

With moderating oil prices and flattening oil demand in the long term, the oil sector most affected will be offshore oil fields, in particular deep-water fields, which have relatively higher cost of production. This has a direct impact on the Engineering

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APPENDIX A – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER



Business and the Board expects the environment for this business to be challenging in the future....

As set out in paragraph 3.1.1 of this IFA Letter, the Target Group reported losses amounted to RM5.9 million, RM6.6 million (excluding inter-company loans waiver) and RM6.5 million for FY2017, FY2018 and FY2019 respectively. While the Target Group reported a net profit after tax of RM74,510 for HY2020, as set out in paragraph 3.1.2 of this IFA Letter, we note that a substantial portion of the revenue generated by the Target Group for HY2020 has not been collected as at 30 June 2020.

In respect of the challenging business environment, we set out the historical oil price chart as follows:



In addition, we note that the annual reports of the Company for FY2017, FY2018 and FY2019 contained going concern disclosure which arose principally due to the losses incurred by the Engineering Business since FY2016.

Accordingly, it is in the interest of the Company and its Shareholders that the Group exits the loss-making Engineering Business.

- (b) Difficulties in raising funds for the Engineering Business and the Healthcare & Wellness Business

We extract the following from the annual report of the Company for FY2019:

The ability of the Group to fulfil its obligations is dependent on the Group generating sufficient cash flows from its Asset Integrity Management sector and the ability to raise new capital via private share placements primarily to finance the Group's capital expenditure for its new healthcare business...

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We also note the following set out in Section 5.3 of the Circular:

Since the down-turn in the O&G industry, the Group had attempted fund-raising exercises for its Engineering Business. There was, however, a lack of interest from investors and financiers to support O&G engineering companies given the number of regional offshore engineering companies that have gone into bankruptcy...

Investors who have expressed keenness to support the Company's Healthcare & Wellness Business were also less enthusiastic about the Engineering Business, given the uncertainty of the O&G industry...

It is therefore in the interest of the Company and its Shareholders to undertake the Proposed Disposal. Further, as mentioned in paragraph 3.3 of this IFA Letter, a condition precedent for the completion of the Proposed Disposal is that the directors of IEV Group will provide the Indemnity in favour of the Company. This indemnity will help to ringfence the Group from liabilities associated with the Engineering Business after the completion of the Proposed Disposal and make way for the Company to attract strategic investors or obtain loan facilities to grow its Healthcare & Wellness Business.

In addition, we note that the Company will recognise a gain from the Proposed Disposal of approximately RM6.9 million which will improve the financial position of the Group and the Company will receive some net proceeds for general working capital purposes after completion of the Proposed Disposal. Please see further details on the gain on the Proposed Disposal and the net proceeds in Section 6.2 and Section 6.3 of the Circular.

Accordingly, the Proposed Disposal will ease the Group from additional financial obligations, strengthen the financial position and provide some liquidity to the Group.

4.2 The Valuation Report

The Company has appointed the Valuer to perform a valuation of 100% equity interest in the capital of the Target Group as at 31 March 2020. The Valuation Report is available for inspection at the Company's registered office for the period from the date of the Circular up to the date of the EGM and the Summary Valuation Report is appended as Appendix B to the Circular. Shareholders are advised to read the Summary Valuation Report carefully, in particular, the valuation methodology as well as the key assumptions and risk factors which may materially affect the valuation of the Target Group.

Valuation methodology:

We extract certain details in *italics* as follows:

... We have considered the 3 valuation approaches namely Cost Approach, Income Approach and Market Approach and have adopted Income Approach as our primary approach with Market Approach as reference. The Cost Approach is not adopted because it does not directly incorporate information about the future economic benefits contributed by the subject asset, business or business interest.

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The rationale for adopting Income Approach lies in the present value rule, i.e. the value of any asset or enterprise value is the present value of expected future cash flows, discounted at a rate appropriate to the risk of the cash flows not being realised. Given that the business of the Target Group's operations had been established for many years, we considered the use of Income Approach as the primary approach to be appropriate.

Under Market Approach, we have considered enterprise value to sales ("EV/S") multiple in the valuation. Based on our analysis, the volatilities from the multiples of Comparable Companies make it difficult to conclude a reliable amount for the valuation by adopting the result from a single market multiple approach and no single company was comparable in size, capital nature of business and operations. Further, the Target Group is not at its normalised stage and thus, Market Approach is used as reference.

Accordingly, we have relied solely on Income Approach in assessing the equity value of the Target Group with Market Approach as a reference...

Among the key assumptions highlighted by the Valuer:

- The financial information provided accurately reflects the Target Group's financial and operating position and performance....*
- The Management has provided us the financial projections from 1 April 2020 to 31 December 2020 ("FPDec2020") to financial year ended 31 December ("FY") 2024 and have no comments with assumptions used in the financial projections from FY2025 to FY2029. To its best knowledge, the Management is solely responsible for the contents, estimation and the assumptions used in the projections....*
- The Target Group shall continue to operate as a going concern and they have sufficient liquidity to achieve the financial forecasts and projections....*
- There will not be any material changes in the political and/or economic conditions under which the Target Group operates that may adversely affect the future prospects of the Target Group....*

Based on the Valuation Report, the Market Value of the 100% equity interest in the capital of the Target Group as at 31 March 2020 is in the region of RM0.5 million to RM1.0 million.

The Aggregate Consideration of the Proposed Disposal of S\$200,000 (equivalent to RM607,280) is within the range of the equity value range of the Target Group as opined by the Valuer. The Aggregate Consideration represents a premium of RM107,280 (or 21.5%) to the lower range of the value and a discount of RM392,720 (or 39.3%) to the higher range of the value as opined by the Valuer.

As the Target Group has been in net liability position, the equity value range assigned by the Valuer represents a premium of approximately RM2.4 million to RM2.9 million to the net liability position of the Target Group as at 31 December 2019.

In addition, we note from the Summary Valuation Report that the Target Group is forecasted to report earnings before interest and taxes ("EBIT") of approximately RM2.2 million for the period from 1 April 2020 to 31 December 2020. We understand that this is attributable to some high value projects secured by the Target Group's 49% associate, IEV Malaysia in 2020 which resulted in the Target Group reporting a profit for HY2020.

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As mentioned in previous paragraphs, the Target Group operates on project-by-project basis and projects are generally one-off in nature and non-recurring. There is no assurance that the Target Group will continue to secure such high value projects in the future. Further, we note that the projected EBIT of approximately RM2.2 million for the period from 1 April 2020 to 31 December 2020 will not turnaround the Target Group's net liability position.

4.3 The Financial Ratios represented by the Aggregate Consideration

- (a) The Aggregate Consideration represents a premium to the net liability position of the Target Group. Given the net liability position of the Target Group, had the Company effected a liquidation process of the Target Group, the proceeds raised by the Company from the sale of assets of the Target Group will not be sufficient to repay the liabilities of the Target Group. In addition, the Company will also incur additional costs in liquidating the companies in the Target Group.
- (b) As set out in paragraph 3.1 of this IFA Letter, the Target Group reported losses for FY2019 and LTM2020, and the Target Group had net liability position as at 31 December 2019 and 30 June 2020. We also calculate that the Target Group negative EBITDA for FY2019 and LTM2020.

Accordingly, a comparison of valuation statistics such as price-earnings ratio, enterprise value-to-EBITDA ratio and price to book value of the Target Group against listed comparable companies of the Target Group will not be meaningful.

Given the negative earnings and liability position of the Target Group, we note that the Valuer has adopted the enterprise value-to-sales ratio to determine the value under the market approach. As the Target Group generates revenue on project-by-project basis, we believe that the enterprise value-to-sales ratio is not meaningful in the assessment of the Aggregate Consideration. In addition, the Valuer has also highlighted that the results of the valuation based on market approach are purely for reference purposes only and do not reflect market value of 100% equity interest in the capital of the Target Group as at 31 March 2020.

4.4 The Financial Effects of the Proposed Disposal

The financial effects of the Proposed Disposal are set out in Section 8 of the Circular.

In summary, we note the following:

- (a) The consolidated net tangible assets per Share as at 31 December 2019 will improve from 0.82 Malaysian cents per Share to 1.36 Malaysian cents per Share after the Proposed Disposal; and
- (b) the consolidated earnings per Share for FY2019 will increase from 0.09 Malaysian cents per Share to 2.13 Malaysian cents per Share after the Proposed Disposal.



4.5 Other Considerations

In determining whether the Proposed Disposal is on normal commercial terms and whether the Proposed Disposal is prejudicial to the interests of the Company and its Independent Shareholders, we have also considered the following:

(i) No alternative buyers

Given that the negative earnings of the Target Group for the past few financial years and the net liability position of the Target Group as at 31 December 2019 and 30 June 2020, it is difficult for the Company to find a third party purchaser for the Target Group. As set out in Section 5.3 of the Circular, prior to the Buyers approaching the Company for the Proposed Disposal, the Company had not received any proposal or indication of interest from third parties for the Target Group. Subsequent to the announcement of the Proposed Disposal on 14 September 2020, the Company has also not received any competing interest nor bid from third parties.

(ii) Abstention from voting

As set out in Section 17 of the Circular, Mr. Christopher Do and Tan Sri Dato' Hari will abstain and has undertaken to ensure that their associates (if any) will abstain from voting on all resolutions approving the Proposed Disposal at the EGM.

As at the Latest Practicable Date, Mr Christopher Do and Tan Sri Dato' Hari collectively are deemed to be interested in 11.4% of the Company's issued and paid-up share capital.

Although Christine Munro is not an interested person within the meaning of Chapter 9 of the Catalist Rules, given her interest in the Proposed Disposal through Muwori, Christine Munro and her associates will also abstain from voting on the resolutions approving the Proposed Disposal.

Accordingly, the Proposed Disposal would proceed only if a majority of the Independent Shareholders were to vote in favour of the Proposed Disposal.

(iii) The remaining business of the Group

Upon the completion of the Proposed Disposal, the Engineering Business will cease to be part of the Group and the Group's sole business segment will be the Healthcare & Wellness Business which the Company completed the acquisition on 18 December 2019.

We note from Section 5.5 of the Circular that the Board is confident about the prospects of the Healthcare & Wellness Business and considers the restructuring of the core business of the Group focused around the Healthcare & Wellness Business to be in the best interests of the Shareholders. Shareholders are advised to refer to the Company's circular to shareholders dated 3 October 2019 for further information on, inter alia, the Healthcare & Wellness Business, a copy of which is available on the website of the SGX-ST at www.sgx.com.



5. OUR OPINION

Having regard to our terms of reference, in arriving at our opinion, we have taken into account a range of factors which we consider to be pertinent and have a significant bearing on our assessment of the Proposed Disposal. We have carefully considered as many factors as we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information we have taken into account, be read in its entirety.

We set out below a summary of the key factors we have taken into our consideration:

- (a) the rationale for the Proposed Disposal, namely, to exit from loss-making business segment which is facing challenging business environment. The Proposed Disposal will ease the Group from additional financial obligations, strengthen the financial position and provide some liquidity to the Group;
- (b) the Aggregate Consideration is within the range of the equity value range of the Target Group as opined by the Valuer;
- (c) the Aggregate Consideration represents a premium to the net liability position of the Target Group;
- (d) the positive financial effects of the Proposed Disposal; and
- (e) the other consideration as set out in paragraph 4.5 of this IFA Letter.

Accordingly, after taking into account the above factors and the information made available to us as at the Latest Practicable Date, we are of the opinion that, the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its Independent Shareholders.

This IFA Letter is addressed to the Non-Interested Directors for their benefit, in connection with and for the purpose of their consideration of the Proposed Disposal, and the recommendation made by them to the Independent Shareholders shall remain the responsibility of the Non-Interested Directors. Neither the Company nor the Directors may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purpose, except for the Proposed Disposal, at any time and in any manner without the prior written consent of Xandar Capital in each specific case.

APPENDIX A – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER



This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours truly
For and on behalf of
XANDAR CAPITAL PTE. LTD.

LOO CHIN KEONG
EXECUTIVE DIRECTOR

PAULINE SIM POI LIN
HEAD OF CORPORATE FINANCE

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APPENDIX B – SUMMARY OF VALUATION REPORT

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Valuation of 100% equity interest in the capital of the
Target Group (as defined herein)

Prepared for
IEV Holdings Limited

Report Date
22 September 2020

Ref. 20/RV-CW-AN/BV0063-2

APPENDIX B – SUMMARY OF VALUATION REPORT

Valuation of 100% equity interest in the capital of the Target Group



Executive Summary

Valuation of 100% equity interest in the capital of the Target Group (as defined herein)

Valuation Date:	31 March 2020
Purpose:	Public disclosure purpose
Situation/Background:	<p>IEV Holdings Limited ("IEV" or "Company") is an investment holding company. Together with its subsidiaries and associate (the "Group"), the Company is principally engaged in the provision of innovative and advanced engineering products and services for the offshore and onshore oil and gas industry. As part of the Group's ongoing corporate strategy to better position the Group to achieve long-term sustainable growth across diverse economic conditions, the Group is considering to dispose its 100% wholly-owned subsidiary, IEV Group Sdn. Bhd. (the "Target") together with its subsidiaries and associate (collectively, the "Target Group") (the "Proposed Disposal"). The Proposed Disposal is expected to be subjected to extraordinary general meeting of the Company to seek its shareholder's approval.</p> <p>As a result of the Proposed Disposal, we have been requested to perform a valuation of 100% equity interest in the capital of the Target Group as at 31 March 2020 ("Valuation Date"). For the purpose of the valuation, the Target Group is segmented into 2 components namely as follows:</p> <ol style="list-style-type: none">i. 100% equity interest of the Target and its subsidiaries which includes:<ul style="list-style-type: none">• IEV International Limited;• IEV Manufacturing Sdn. Bhd.;• IEV Engineering Sdn. Bhd.;• IEV Energy Sdn. Bhd.;• IEV Technologies Pte. Ltd.; and• PT IEV Indonesia(collectively known as "IEV SB")ii. 49% equity interest of IEV (Malaysia) Sdn. Bhd. ("IEV Msia")
Subject Matter:	100% equity interest in the capital of Target Group
Basis of Valuation:	Market Value
Valuation Approach	Income Approach

APPENDIX B – SUMMARY OF VALUATION REPORT

Valuation of 100% equity interest in the capital of the Target Group



Valuation of 100% equity interest in the capital of the Target Group (as defined herein)

Other Details:

We wish to highlight that any discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

The outbreak of the Novel Coronavirus ("COVID-19"), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

The market that the Target Group is valued in is being impacted by the uncertainty that COVID-19 outbreak has caused. Market conditions are changing daily at present. This valuation is current at the Valuation Date only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer (as defined herein) could not reasonably have been aware of as at the Valuation Date). We do not accept responsibility or liability for any losses arising from such subsequent changes in value. As such, we recommend that the user(s) of this report review this valuation periodically.

Having regard to the foregoing, we are of the opinion that the Market Value of the 100% equity interest in the capital of the Target Group as at Valuation Date, subject to the assumptions stated herein, is in the region of: -

RM0.5 million to RM1.0 million

This summary is strictly confidential to the addressee. It must not be copied, distributed or considered in isolation from the full report.

APPENDIX B – SUMMARY OF VALUATION REPORT

Valuation of 100% equity interest in the capital of the Target Group



A Valuation Report

To: IEV Holdings Limited
Subject Matter: 100% equity interest in the capital of Target Group
Report Date: 22 September 2020
Valuation Date: 31 March 2020

1. Introduction and Instructions

Appointment

In accordance with your instructions, we have assessed and ascertained the Market Value of 100% equity interest in the capital of the Target Group. We are pleased to submit our summarised valuation report ("Report"), which has been prepared for public disclosure purpose to seek shareholders' approval pursuant to the Proposed Disposal and should be read in conjunction with the full valuation report dated 22 September 2020 ("Full Report").

Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the Full Report.

2. Terms of reference

Cushman & Wakefield VHS Pte Ltd ("C&W" or "Valuer") has been appointed to undertake an independent valuation of 100% equity interest in the capital of Target Group. We were neither a party to the negotiations entered into by the Group in relation to the Proposed Disposal nor were we involved in the deliberation leading up to the decision on the part of the management of the Company, Group, Target and/or Target Group (the "Management") to enter into the Proposed Disposal and we do not, by the Report or Full Report or otherwise, advise or form any judgement on the merits of the Proposed Disposal. We do not warrant the merits of the Proposed Disposal or the acceptability of the risk for the Proposed Disposal.

We have confined our evaluation strictly and solely on the financial of the Target Group and have not taken into account the commercial/financial risks and/or merits (if any) of the Proposed Disposal or the strategic merits or the comparison with other deals involving shares of the Company, Group, Target and/or Target Group. We were not required to comment on or evaluate the methods or procedures used by the Target Group to manage the change in any risk profile of the Company, Group, Target and/or Target Group in the context of possible changes in the nature of operations. Such evaluation or comment remains the responsibility of the Management although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our view as set out in the Report or the Full Report.

We were not requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Proposed Disposal. In addition, we do not express any views or opinion on the merits of the Proposed Disposal, the legality or all other matters pertaining to the Proposed Disposal, documents for the Proposed Disposal (the notice

APPENDIX B – SUMMARY OF VALUATION REPORT

Valuation of 100% equity interest in the capital of the Target Group



of meeting and the accompanying explanatory notes), *inter alia*, the independence of any party or mechanism or process of voting, acceptance, its eligibility or validity or the other alternatives (if any) or the sufficiency of information.

In the course of our evaluation, we have held discussions with, *inter alia*, the Management, regarding their assessment of the Proposed Disposal and have examined publicly available information collated by us as well as the financial information, both written and verbal, provided to us by the Management, including its consultants or advisers (where applicable). We have not independently verified such information but have made enquiries and used our judgement as we deemed necessary on such information and have found no reason to doubt the reliability of the information. Accordingly, we cannot and do not expressly or impliedly represent or warrant, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information or the manner in which it has been classified or presented.

We do not warrant and have not commented on the acceptability of the risk that the Company, Group, Target and/or Target Group may be subject to for the Proposed Disposal.

We were not required to and have not made any independent evaluation or appraisal of the individual assets and liabilities (including without limitation, real property) of the Target Group. Our opinion in this Report is based on economic conditions, market, industry, monetary and other conditions (if applicable) in effect on, and the information provided to us, as at the Valuation Date. Accordingly, the bases or assumptions and likewise our views or opinion may change in light of developments which *inter alia*, includes general as well as company specific or industry specific conditions or sentiments or factors.

Shareholders should note that the evaluation is based solely on publicly available information and other information provided by the Management as well as the economic and market conditions prevailing as at the Valuation Date, and therefore does not reflect unexpected financial performance and financial condition after the Valuation Date or developments both macro and company specific and that these factors do and will necessarily affect the valuation of the interests in the capital of the Target Group. Likewise, this Report outlines some of the matters or bases or factors or assumptions which we have used in our valuation and is a summary. They are by no means exhaustive or a reproduction of all the matters or bases or factors or assumptions etc. which we have used in the valuation.

In rendering the opinion, we have made no regard for the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual shareholder of the Company, Group, Target and/or Target Group (the "Shareholder"). As such, any individual Shareholder who may require advice in the context of his or her specific investment portfolio, including his or her investment in the Company, Group, Target and/or Target Group, should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Accordingly, any factor or assumption or basis as well as the relative emphasis on any matter set out in this Report and provided by the Company, Group, Target and/or Target Group which we used or may have used may differ from the relative emphasis accorded by any individual Shareholder and that any reliance on our opinion or view or assessment, is subject to the contents of the Report and the Full Report in its entirety.

APPENDIX B – SUMMARY OF VALUATION REPORT

Valuation of 100% equity interest in the capital of the Target Group



Accordingly, our Report, Full Report or opinion or views or recommendation should not be used or relied by anyone for any other purposes and should only be used by the Company, subject to the terms of reference and the contents of the Report and Full Report as one of the basis for their opinion or views or recommendation. In addition, any references to our Full Report or Report or opinion or views, should not be made except with our prior consent in writing and even if made with our prior consent in writing, shall be subject to the contents of the Report or the Full Report in its entirety *inter alia* the matters, conditions, assumptions, factors and bases as well as our terms of reference for the Full Report or the Report.

3. Bases of Valuation

The valuation and Report have been prepared in accordance with International Valuation Standards.

Bases

The subject matter has been valued on the basis of Market Value as at the Valuation Date which is defined as follows:

"The estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

4. Assumptions and Reservations

Assumptions

In preparing our assessment, we have made the following key assumptions in our valuation and these apply throughout unless otherwise stated:

- The financial information provided accurately reflects the Target Group's financial and operating position and performance.
- The financial statements were prepared in accordance with accounting principles generally accepted internationally on a true and fair basis.
- The Management has provided us the financial projections from 1 April 2020 to 31 December 2020 ("FPDec2020") to financial year ended 31 December ("FY") 2024 and have no comments with assumptions used in the financial projections from FY2025 to FY2029. To its best knowledge, the Management is solely responsible for the contents, estimation and the assumptions used in the projections.
- The Target Group shall continue to operate as a going concern and it has sufficient liquidity to achieve the financial forecasts and projections.
- There will not be any material changes in the political and/or economic conditions under which the Target Group operates that may adversely affect the future prospects of the Target Group.

APPENDIX B – SUMMARY OF VALUATION REPORT

Valuation of 100% equity interest in the capital of the Target Group



- There are no other liabilities, including any contingent liabilities, unusual contractual obligations or substantial commitments which would have a material effect on the value of the Target Group.
- The current owners of the Target Group have clear and unencumbered title of ownership over all assets included in this assessment.
- There are no material changes in existing political, legal or regulatory (including changes in legislation, laws, regulations, government policies or rules), fiscal, market or economic conditions in the Target Group's countries of operations.
- There will be no material change in inflation, interest rates or exchange rates from those prevailing as at the Valuation Date.
- There will be no material changes in the bases or rates of taxation or duties.
- The Target Group's operations and business will not be severely interrupted by any force majeure event or unforeseeable factors or any unforeseeable reasons that are beyond the control of the Management, including but not limited to the occurrence of natural disasters or catastrophes, epidemics or serious accidents.

Other assumptions specific to a particular valuation approach or certain observations and conclusions are outlined in the ensuing sections of the Report.

It should be noted that the valuation of the Target Group critical upon the following key value drivers:

- The Target Group continues to operate as a going concern and is able to meet all its financial obligations.
- The Target Group's sales, costs, and net profit continue to grow according to the forecast. Their capital expenditure and working capital requirements are estimated accurately in the projections;
- The Target Group has sufficient operational resources to support the projected turnover and profitability;
- The Target Group continues to maintain costs in accordance with the forecast;

Any deviation from the above key drivers and forecasts may significantly vary the valuation of the Target Group.

The valuation is largely based on information provided to us by the Management who are solely responsible for their contents/accuracy. We have not performed any work in the nature of an audit, due diligence or investigation of the information provided to us and accordingly have not expressed any such opinion in this Report. Further, we have not carried out any work in the nature of a feasibility study, nor have we expressed a viability opinion on the Proposed Disposal. We have also not verified or confirmed information provided to us and have assumed that all such information is accurate and is not subject to material error or omission.

For this exercise, we have considered published market data and other public information relating to the comparable companies on international stock exchanges. We are not responsible as to their content and accuracy in deriving parameters such as country risk rate

APPENDIX B – SUMMARY OF VALUATION REPORT

Valuation of 100% equity interest in the capital of the Target Group



for purposes of valuation. Such information was obtained from Bloomberg and other sources, where applicable.

Reservations

The value conclusions reflect all information known by the valuers of C&W who worked on the valuation in respect to the equity interest in the capital of the Target Group, market conditions and available data.

5. General Comment

A valuation is a prediction of price, not a guarantee. By necessity it requires the valuer to make subjective judgements that, even if logical and appropriate, may differ from those made by a lessee, or another valuer. Historically, it has been considered that valuers may properly conclude within a range of possible values.

Market Value of the subject matter can change substantially, even over short periods of time, and so our opinion of value could differ significantly if the Valuation Date was to change.

The outbreak of the COVID-19, declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

The market that the Target Group is valued in is being impacted by the uncertainty that the COVID-19 outbreak has caused. Market conditions are changing daily at present. This valuation is current at the Valuation Date only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the Valuation Date). We do not accept responsibility or liability for any losses arising from such subsequent changes in value. As such, we recommend that the user(s) of this report review this valuation periodically.

We have no present or prospective interest in the Target Group and are not a related corporation of nor do we have a relationship with the owner(s) or other party/parties whom the client is contracting with.

The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the Company, Group, Target and/or Target Group the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We hereby certify that the valuers undertaking the valuation are authorized to practice as valuers and have the necessary experience in valuing similar types of assets. Any discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

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Valuation of 100% equity interest in the capital of the Target Group



6. Valuation Methodology

We have considered the 3 valuation approaches namely Cost Approach, Income Approach and Market Approach and have adopted Income Approach as our primary approach with Market Approach as reference. The Cost Approach is not adopted because it does not directly incorporate information about the future economic benefits contributed by the subject asset, business or business interest.

The rationale for adopting Income Approach lies in the present value rule, i.e. the value of any asset or enterprise value is the present value of expected future cash flows, discounted at a rate appropriate to the risk of the cash flows not being realised. Given that the business of the Target Group's operations had been established for many years, we considered the use of Income Approach as the primary approach to be appropriate.

Under Market Approach, we have considered enterprise value to sales ("EV/S") multiple in the valuation. Based on our analysis, the volatilities from the multiples of Comparable Companies make it difficult to conclude a reliable amount for the valuation by adopting the result from a single market multiple approach and no single company was comparable in size, capital nature of business and operations. Further, the Target Group is not at its normalised stage and thus Market Approach is used as reference.

Accordingly, we have relied solely on Income Approach in assessing the equity value of the Target Group with Market Approach as a reference.

Income Approach - Discounted Cash Flow Analysis

Discounted Cash Flow ("DCF") method is one application of income approach. We have used free cash flow to firm ("FCFF") to assess the overall enterprise value of the companies. FCFF represents the cash flows left over after covering capital expenditure and working capital needs. The present value of FCFF is a measure of enterprise value and the equity value is subsequently derived after taking into consideration debt, excess cash and cash equivalents as well as non operating assets/liabilities. FCFF is defined as follows:

$$FCFF = EBIT (1 - Tax rate) + Depreciation and Amortization - Capital Spending - Change in Working Capital$$

In applying the DCF method there are three critical inputs:

- A supportable cash flow forecasts;
- An estimate of the terminal value at the end of the forecast period; and
- An appropriate discount rate by which to revert the cash flows to present value.

The assumptions used in the DCF analysis are set out in the following sections.

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Valuation of 100% equity interest in the capital of the Target Group



IEV SB

Financial projections

We were provided with financial projections from FPDec2020 to FY2024, which form the basis of the DCF analysis. As the expected earnings generated in FY2024 is not at its normalised stage, the financial projections were extended to FY2029. Based on discussion with Management, the key assumptions used for the financial projections from FY2025 to FY2029 are as follows:

- Revenue growth rate is assumed to gradually decrease to 2% in FY2029 on a straight-line basis based on expected long term global GDP growth rate;
- EBITDA margin is assumed to maintain at about 6% for the period between FY2025 to FY2029 based on the average EBITDA margin of the Comparable Companies;
- The projected depreciation over revenue is assumed to be at about 1% per annum of the revenue based on the depreciation as a percentage of revenue indicated in FY2024;
- The projected capital expenditure is assumed to be at 1% per annum of the revenue; and
- Other assumptions are held similar to FY2024.

Based on the abovementioned assumptions, the expected FCFF of IEV SB from FPDec2020 to FY2029 is as follows:-

<i>MYR000, unless otherwise specified</i>	FPDec2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	Normalised
Revenue	8,595	12,864	14,289	15,978	17,994	19,852	21,546	22,892	23,836	24,312	24,312
EBIT	456	(435)	(58)	372	834	1,010	1,062	1,136	1,169	1,178	1,178
Less: Tax expenses	-	-	-	(7)	(136)	(173)	(204)	(227)	(240)	(241)	(241)
Add: Depreciation and amortisation	247	124	124	154	154	162	197	209	218	222	222
Less: Capital expenditure	(85)	(185)	(185)	(185)	(185)	(204)	(222)	(235)	(245)	(250)	(222)
Less: Net working capital changes	(318)	841	(334)	(405)	(501)	(916)	(619)	(686)	(69)	(35)	(35)
FCFF	299	344	(453)	(71)	266	(101)	235	197	833	874	902

Capital expenditure: Based on discussion with Management, there will be minimal amount of capital expenditure to be incurred during the projected period. The projected capital expenditure is expected to range from RM85,000 per annum to RM250,000 per annum.

Net working capital changes: Based on discussion with Management, it is expected that the inventories, trade receivables and trade payables will change in line with the projected change in cost of sales and revenue (as the case may be). The underlying net working capital assumptions are set out as follows:-

- Inventories turnover days: 41 to 84 days
- Trade receivables turnover days: 60 to 90 days
- Trade payables turnover days: 60 to 240 days

Terminal value

To estimate the terminal value of IEV SB at the end of the projection period in FY2029, we have used the Gordon Growth Model. This model is used to assess terminal value of firms

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that are growing at a stable growth rate and relates the value to its expected cash flow in the next time period, the required rate of return and the expected long-term growth rate.

$$\text{Terminal value} = CF_{n+1} / (r - g)$$

where	CF_{n+1}	=	expected cash flow one year from n -th year
	r	=	required rate of return, i.e. discount rate
	g	=	growth rate in perpetuity

We have assumed that the earnings of IEV SB would reach a stable perpetual growth rate of 2% after FY2029 based on expected long-term global GDP growth rate.

Discount rate

Income Approach requires the application of an appropriate discount rate that reflects the inherent risks relating to the cash flows. The present value of the cash flows from IEV SB is the expected future net cash flows discounted by an appropriate discount rate. We have adopted Weighted Average Cost of Capital ("WACC") of approximately from 14.5% to 16.5%.

Debt & non-operating payables and excess cash & cash equivalents

In order to arrive at 100% equity value of IEV SB from the enterprise value, the existing debt & non-operating payables are subtracted and excess cash & cash equivalents are added. As at the Valuation Date, IEV SB has debt & non-operating payables of RM2.2 million and has no excess cash & cash equivalents.

Adjustment for private company discount (marketability discount)

According to the International Glossary of Business Valuation Terms, marketability means the relative ease and promptness with which a security or commodity may be sold when desired, at a representative current price, without material concession in price merely because of the necessity of the sale. Investors will price in a discount for the additional costs and risks of liquidation when valuing equity in privately held companies. We applied a marketability discount of approximately 30% for the purpose of this valuation with reference to the historical empirical studies.

Market Value of 100% equity interest in the capital of IEV SB

Based on the DCF method, the derived 100% enterprise value of IEV SB ranges from RM2.4 million to RM3.1 million as at Valuation Date. The value of 100% equity interest in the capital of IEV SB is then derived by taking enterprise value, subtracting debt & non-operating payables, adding excess cash & cash equivalents and applying the marketability discount. As at the Valuation Date, IEV SB has debt & non-operating payables of RM2.2 million and has no excess cash & cash equivalents. A marketability discount of 30% is applied to reflect the private status of IEV SB.

As such, based on DCF method, the Market Value of 100% equity interest in the capital of IEV SB as at the Valuation Date ranges from RM0.1 million to RM0.6 million.

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Valuation of 100% equity interest in the capital of the Target Group



IEV Msia

Financial projections

We were provided with financial projections from FPDec2020 to FY2024, which form the basis of the DCF analysis. As the expected earnings generated in FY2024 is not at its normalised stage, the financial projections were extended to FY2029. Based on discussion with Management, the key assumptions used for the financial projections from FY2025 to FY2029 are as follows:

- Revenue growth rate is assumed to gradually decrease to 2% in FY2029 on a straight-line basis based on expected long term global GDP growth rate;
- EBITDA margin is assumed to increase to about 6% for the period between FY2025 to FY2029 based on the average EBITDA margin of the Comparable Companies;
- Other assumptions are held similar to FY2024.

Based on the abovementioned assumptions, the expected FCFF of IEV Msia from FPDec2020 to FY2029 is as follows:-

MYR'000, unless otherwise specified	FPDec2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	Normalised
Revenue	24,590	3,342	4,591	2,298	3,653	4,384	5,041	5,545	5,822	5,939	5,939
EBIT	3,519	241	441	(665)	(462)	(176)	(50)	111	233	342	342
Less: Tax expenses	(314)	(59)	(107)	-	-	-	-	-	-	-	(66)
Add: Depreciation and amortisation	4	5	5	5	5	1	-	-	-	-	-
Less: Net working capital changes	284	(909)	(25)	128	(47)	(74)	(80)	(87)	(15)	(6)	(6)
FCFF	3,493	(722)	314	(535)	(505)	(249)	(130)	24	218	336	269

Capital expenditure: Based on discussion with Management, there is no capital expenditure projected from FPDec2020 to FY2029 as IEV Msia generally rents equipment from IEV SB and/or its technology principals to undertake any major engineering projects.

Net working capital changes: Based on discussion with Management, it is expected that the inventories, trade receivables and trade payables will change in line with the projected change in cost of sales and revenue (as the case may be). The underlying net working capital assumptions are set out as follows:-

- Inventories turnover days: 1 to 10 days
- Trade receivables turnover days: 45 to 60 days
- Trade payables turnover days: 60 to 70 days

Terminal value

To estimate the terminal value of IEV Msia at the end of the projection period in FY2029, we have used the Gordon Growth Model. This model is used to assess terminal value of firms that are growing at a stable growth rate and relates the value to its expected cash flow in the next time period, the required rate of return and the expected long-term growth rate.

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Valuation of 100% equity interest in the capital of the Target Group



Terminal value = $CF_{n+1} / (r - g)$

where CF_{n+1} = expected cash flow one year from n -th year
 r = required rate of return, i.e. discount rate
 g = growth rate in perpetuity

We have assumed that the earnings of IEV Msia would reach a stable perpetual growth rate of 2% after FY2029 based on expected long-term global GDP growth rate.

Discount rate

Income Approach requires the application of an appropriate discount rate that reflects the inherent risks relating to the cash flows. The present value of the cash flows from IEV Msia is the expected future net cash flows discounted by an appropriate discount rate. We have adopted Weighted Average Cost of Capital ("WACC") of roughly from 14.5% to 16.5%.

Debt & non-operating payables and excess cash & cash equivalents

In order to arrive at 100% equity value of IEV Msia from the enterprise value, the existing debt & non-operating payables are subtracted and excess cash & cash equivalents are added. As at the Valuation Date, IEV Msia has debt & non-operating payables of RM1.3 million and has no excess cash & cash equivalents.

Adjustment for private company discount (marketability discount)

According to the International Glossary of Business Valuation Terms, marketability means the relative ease and promptness with which a security or commodity may be sold when desired, at a representative current price, without material concession in price merely because of the necessity of the sale. Investors will price in a discount for the additional costs and risks of liquidation when valuing equity in privately held companies. We applied a marketability discount of approximately 30% for the purpose of this valuation with reference to the historical empirical studies.

Adjustment for lack of control discount (minority discount)

According to the International Glossary of Business Valuation Terms, discount for lack of control refers to an amount or percentage deducted from a pro-rata share of the value of 100% of an equity value in a business, to reflect the absence of some or all of the powers of control. As shares with controlling power are worth approximately 15% higher than shares without controlling power in the oil and gas industry, it is derived that about 15% of the total value of IEV Msia is allocated to other shareholders without management power. The derivation of minority interest is as follows:-

Minority Discount = $1 - 1 / (1 + \text{control premium})$
 $= 1 - 1 / (1 + 15\%)$
 $= 15\%$ (rounded)

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Valuation of 100% equity interest in the capital of the Target Group



Market Value of 100% equity interest in the capital of IEV Msia

Based on the DCF method, the derived 100% enterprise value of IEV Msia ranges from RM2.6 million to RM2.8 million as at Valuation Date. The value of 100% equity interest in the capital of IEV Msia is then derived by taking enterprise value, subtracting debt & non-operating payables, adding excess cash & cash equivalents and applying the marketability discount. As at the Valuation Date, IEV Msia has debt & non-operating payables of RM1.3 million and has no excess cash & cash equivalents. A marketability discount of 30% is applied to reflect the private status of IEV Msia and a minority discount of 15% is applied to reflect the lack of control for the 49% equity interest in the capital of IEV Msia.

As such, based on DCF method, the Market Value of 49% equity interest in the capital of IEV Msia as at the Valuation Date ranges from approximately RM0.40 million to RM0.44 million.

Market Value of 100% equity interest in the capital of the Target Group

Based on the DCF, the Market Value of the 100% equity interest in the capital of the Target Group ranges from RM0.5 million to RM1.0 million as shown in the table below:

MYR'000 unless otherwise stated	Equity interest held (%)	Equity value (Low)	Equity value (High)
IEV SB	100%	144	599
IEV Msia	49%	405	444
Target Group		548	1,043

7. Valuation Result

Having regard to the foregoing, we are of the opinion that the Market Value of the 100% equity interest in the capital of the Target Group as at Valuation Date, subject to the assumption stated herein, is in the region of: -

RM0.5 million to RM1.0 million

The following table illustrates the results of the valuation based on Market Approach, which are purely for reference purposes only and do not reflect Market Value of 100% equity interest in the capital of the Target Group as at Valuation Date.

MYR (million), unless otherwise stated	
Market Approach	RM0.3 million to RM9.7 million

8. Confidentiality

Our valuation is confidential to you, for your sole use and for the specific purpose stated. We will not accept responsibility to any third party in respect of its contents.

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9. Disclosure and Publication

You must not disclose the contents of the Report and/or Full Report to a third party in any way without first obtaining our written approval to the form and context of the proposed disclosure. You must obtain our consent, even if we are not referred to by name or the Report and/or Full Report is to be combined with others. We will not approve any disclosure that does not refer sufficiently to any special assumptions or departures that we have made.

10. Limiting Conditions

This Report is prepared subject to the Limiting Conditions in Appendix 1 of the Report.

11. Valuer's Credential

The valuation is performed by Richard Yap who is a senior corporate advisory executive with more than 10 years of experience in M&A, valuation of business, financial instruments and intangible assets and has worked extensively throughout Asia Pacific. He has demonstrable success across Valuations, Advisory and Capital Markets. Currently based in Singapore, Richard leads the Business Valuation team for C&W throughout Singapore and South East Asia. Richard is a Chartered Financial Analyst (CFA), Chartered Accountant (CA Singapore) as well as Chartered Valuer and Appraiser (CVA).

Signed for and on behalf of C&W.

Richard Yap

CFA, CA (Singapore), CVA
Director

APPENDIX B – SUMMARY OF VALUATION REPORT

Valuation of 100% equity interest in the capital of the Target Group



Appendix 1 Limiting Conditions

The Report and/or Full Report is prepared subject to the following terms and conditions: -

- 1) The Report and/or Full Report is:
 - a. restricted to the use by the client to whom the Report and/or Full Report is addressed;
 - b. for the specific purpose stated therein; and
 - c. for the sole purpose for which it was commissioned.

Any reliance on its contents shall be made within a reasonable time from Valuation Date. We disclaim any liability arising from any reliance on the Report and/or Full Report by any other person or for any other purpose or beyond a reasonable time.
- 2) Neither the whole nor any part of the Report and/or Full Report or any reference to it may be included in any document, circular, statement, correspondence nor publication in any way without our prior written approval of the form and context in which it may appear. We bear no responsibility for any unauthorised inclusion or publication.
- 3) Where it is stated in the Report and/or Full Report that information has been supplied to us by another party, this information is believed to be reliable and accurate and we disclaim all responsibility if this information should later prove not to be so. Where information is given without being attributed directly to another party, it shall be taken that this information has been obtained by our own search of records and examination of documents, or by our enquiry from Government or quasi-Government departments.
- 4) The values assessed in the Report and/or Full Report for the subject property and any allocation of values between parts of the property apply strictly on the terms of and for the purpose of this valuation (where applicable). The values assessed should not be used in conjunction with any other assessment, as they may prove incorrect if so used.
- 5) While due care is taken in the course of inspection to note serious building defects, no structural survey has been made and no guarantee is given that the building is free from rot, termite, pest infestation or other hidden defects (where applicable). We have also not made any test on the building services such as air-conditioning, fire-fighting systems, lifts, escalators, plumbing and lighting etc. and the services are presumed to be in good working order (where applicable).
- 6) Our valuation assumes that the title(s) is (are) in good order and are marketable, free from any liens, mortgages, encumbrances, restrictions and other legal impediments (where applicable). We accept no responsibility for investigations into title(s), searches, legal requisitions, legal validity of title or any charges, claims, liabilities registered against the title(s). The client is advised to consult his solicitors on any matter concerning the title(s) (where applicable).
- 7) Any plans that are included in the Report and/or Full Report are meant for identification purposes and to assist the client in visualising the subject property (where applicable). The plans should not be treated as certified true copies of areas or other particulars contained therein. We have not made any survey of the property and assume no responsibility in connection with such matters (where applicable).
- 8) We have not taken into account of any plant and machinery in our valuation.
- 9) We have not made any requisition for the Road Line Plan or for drainage proposal (where applicable). We have also not made any application for information/document in respect of

APPENDIX B – SUMMARY OF VALUATION REPORT

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- Building Control Records. Such requisitions/applications will not be made unless specifically instructed by our client (where applicable).
- 10) As matters concerning compulsory acquisitions by the Government are confidential, we are unable to provide information relating to Government acquisitions unless the subject property has already been gazette for acquisition (where applicable).
 - 11) Our valuation assumes that the subject property, as currently used, is in compliance with the existing land use zoning and is not in contravention of any planning rules or regulations (where applicable).
 - 12) Our valuation assumes that all development charges and maintenance/ service/ conservancy charges, if any, whether outstanding or payable as at the Valuation Date, have already been fully paid (where applicable).
 - 13) Our valuation further assumes that, as at the Valuation Date, there are no outstanding liabilities or charges attached to the property (ies) (where applicable).
 - 14) Subject at all times to the provisions in these terms and conditions and in the letter of engagement, we shall not be liable to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of our services in respect of:
 - a) any direct loss of profit;
 - b) any indirect, special or consequential loss whatsoever howsoever caused including without limitation (i) indirect loss of profit; (ii) loss of business; (iii) loss of goodwill; (iv) loss of use of money; (v) loss of opportunity, and the parties agree that the sub-clauses of this clause shall be severable.
 - 15) Subject at all times to the provisions in these terms and conditions and in the letter of engagement, we shall not be liable to you in negligence for pure economic loss arising in connection with the performance or contemplated performance of our services.
 - 16) Where a third party has contributed to the losses, damages, costs, claims or expenses, we shall not be liable to make any contribution in respect of the liability of such third party.
 - 17) Save in respect of third parties directly instructed by us and not on your behalf, we shall not be liable for the services or products provided by other third parties, nor shall we be required to inspect or supervise such third parties, irrespective of the third party services or products being incidental to or necessary for the provision of our services to you (where applicable).
 - 18) Subject to the provisions in these terms and conditions and in the letter of engagement, our total aggregate liability (including that of our partners and employees) to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of our services shall be limited to (i) an aggregate sum not exceeding the fee paid for each instruction accepted; or (ii) SGD500,000.00, whichever is lower.
 - 19) We shall be released from our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond our reasonable control (examples being a strike, act of God or act of terrorism). On becoming aware of any circumstance which gives rise, or which is likely to give rise, to any failure or delay in the performance of our obligations, we will notify you by the most expeditious method then available.

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- 20) Our pricing structure has been established by reference to these limitations on our liability and our level of professional indemnity insurance in respect of the services we provide. If you feel that it is necessary to discuss with us a variation in these levels, then please raise the issue with your client partner who will be able to let you have proposals for a revised pricing structure to reflect the agreed level of our liability and/or professional indemnity cover.
- 21) Responsibility for our valuation extends only to the party(ies) to whom it is addressed. However, in the event of us being asked by you to re-address the Report and/or Full Report to another party or other parties or permit reliance upon it by another party or other parties, we will give consideration to doing so, to named parties, subject to payment of additional fees.
- These fees are exclusive of GST & expenses (including the cost of re-addressing the Report and/or Full Report) and are subject to a minimum fee of SGD1,000. Should additional work be involved, over and above that undertaken to provide the initial report, we may make a further charge although we will agree this with you before commencing the work.
- 22) Where we consent to reliance on the Report and/or Full Report by another party or other parties, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/they had been a party to the original letter of engagement between us. Where we consent to such reliance, you agree to furnish the addressee with a copy of any reliance letter issued by us and/or a copy of these terms and conditions.
- 23) Where you provide a copy of and/or permit another party or parties to rely upon the Report and/or Full Report without obtaining our express written consent (in accordance with clauses 21 and 22 above), you agree to indemnify and us, our affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including reasonable attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the Report and/or Full Report by any such unauthorised person or entity.
- 24) Save where we have consented to another party or other parties relying on the Report and/or Full Report in accordance with clauses 21 and 22, where the Report and/or Full Report is prepared or where we consent to the Report and/or Full Report being used for the purpose of a public offering in accordance with any stock exchange listing rules, you agree to indemnify us for any liability whatsoever that we have to any party or parties which exceeds our aggregate cap on liability (referred to in clause 18) which arises from their use and/or reliance on the Report and/or Full Report.
- 25) Where reference is made to "Reinstatement Cost for Insurance Values", such insurance value is the value of property on the appropriate basis as defined in the insurance contract or policy (where applicable).
- 26) Where reference is made to "Forced Sale Value", such value is the amount that may reasonably be received from the sale of a property under (forced sale) conditions that do not meet all the criteria of a normal market transaction. Such Forced Sale Value is not a representation of the market value (where applicable).
- 27) The Report and/or Full Report is prepared on the basis that we are not required to give testimony or appear in court or any other tribunal or to any government agency by reason of the Report and/or Full Report or with reference to the property in question unless prior arrangements have been made and we are properly reimbursed.

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28)

- a) The U.S. Foreign Corrupt Practices Act (the "FCPA") and other laws make it unlawful for us or anyone acting on our behalf to offer, pay, promise or authorize to pay any money, gift or anything of value directly or indirectly to any Public Official with the intent of causing the Public Official to misuse such official's position to obtain or retain business for us or our subsidiaries or affiliates. The term Public Official is broadly defined to include not only traditional government officials and those employed by government agencies, departments, or ministries but also employees of companies which are owned or controlled by the state. The U.K. Bribery Act and other laws also prohibit commercial bribery of any kind.
- b) We comply with all applicable anti-bribery and corruption laws, rules, and regulations of the United States, European Union or any member state and any other similar laws in all applicable jurisdictions, including but not limited to the FCPA and U.K. Bribery Act ("Applicable Anti-Bribery Laws and Rules").
- c) You acknowledge and confirm your understanding of and agree to comply with all applicable Anti-Bribery Laws and Rules and agree not to take or fail to take any action that might in any way cause us to be in violation of such laws.
- d) We must at all times comply with all U.S. sanctions administered by the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury or under any statute, executive order (including, but not limited to, the September 24, 2001, Executive Order 13224 Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or other governmental action and any applicable international laws and regulations pertaining to the detection, prevention and reporting of potential money laundering and terrorist financing activities (collectively "Applicable Sanctions/AML Rules").
- e) You represent and warrant to us that you, and all persons and entities owning (directly or indirectly) an ownership interest in you: (i) are not, and will not become, a person or entity with whom a party is restricted from doing business under Applicable Sanctions/AML Rules; and (ii) are not knowingly engaged in, and will not knowingly engage in, any dealings or transactions or be otherwise associated with such persons or entities described in Clause 28 (e) (i) above.
- f) In the event that we believe in good faith, and whether or not we have conducted an investigation, that you have acted in a way that may subject us to liability under Applicable Anti-Bribery Laws and Rules or you (including all persons and entities owning (directly or indirectly) an ownership interest in you) become a Target Group of Applicable Sanctions/AML Rules, we shall have the unilateral right, exercisable immediately upon written notice, to terminate this agreement and shall be entitled to receive payment of the service fees for services rendered pursuant to this agreement together with any and all reasonable additional costs incurred due to such early termination.

NOTICE OF EXTRAORDINARY GENERAL MEETING

IEV HOLDINGS LIMITED

(Company Registration Number: 201117734D)
(Incorporated in the Republic of Singapore on 26 July 2011)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of IEV Holdings Limited (the "**Company**") will be held by way of electronic means on 15 October 2020 at 10:30 a.m. (or any adjournment thereof), for the following purposes:

*Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the circular to the Shareholders of the Company dated 22 September 2020 (the "**Circular**").*

To consider, and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without modifications:

ORDINARY RESOLUTION 1 – THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF IEV GROUP SDN. BHD.

THAT, subject to and contingent upon the passing of Ordinary Resolution 2:

- (1) Approval be and is hereby given for the sale of the entire issued and paid-up share capital of IEV Group Sdn. Bhd. to the Buyers, subject to and in accordance with the terms and conditions of the SPA.
- (2) The Directors (or any one of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to this resolution as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

Notes to Ordinary Resolution 1:

- (1) *Each of Mr. Christopher Do, Tan Sri Dato' Hari and Ms. Christine Munro shall and shall procure that his/her associates shall, abstain from voting on this Ordinary Resolution 1 in respect of their respective shareholdings in the Company (if any) and shall not accept nomination as proxies unless specific instructions have been given in the Shareholder Proxy Form(s) by the Shareholder(s) appointing them on how he/she/they wish(es) his/her/their vote(s) to be cast.*
- (2) *Ordinary Resolution 1 and Ordinary Resolution 2 are inter-conditional. If either of Ordinary Resolution 1 or Ordinary Resolution 2 is not passed, neither Ordinary Resolution 1 nor Ordinary Resolution 2 will be passed.*

ORDINARY RESOLUTION 2 – THE PROPOSED DISPOSAL AS AN INTERESTED PERSON TRANSACTION UNDER RULE 906 OF THE CATALIST RULES

THAT, subject to and contingent upon the passing of Ordinary Resolution 1:

- (1) Pursuant to Rule 906 of the Catalist Rules, approval be and is hereby given for the Company to undertake the Proposed Disposal, subject to and otherwise in accordance with the terms and conditions of the SPA, which constitutes an interested person transaction under the Catalist Rules.
- (2) The Directors (or any one of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to this resolution as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes to Ordinary Resolution 2:

- (1) *Each of Mr. Christopher Do, Tan Sri Dato' Hari and Ms. Christine Munro shall and shall procure that his/her associates shall, abstain from voting on this Ordinary Resolution 2 in respect of their respective shareholdings in the Company (if any) and shall not accept nomination as proxies unless specific instructions have been given in the Shareholder Proxy Form(s) by the Shareholder(s) appointing them on how he/she/they wish(es) his/her/their vote(s) to be cast.*
- (2) *Ordinary Resolution 1 and Ordinary Resolution 2 are inter-conditional. If either of Ordinary Resolution 1 or Ordinary Resolution 2 is not passed, neither Ordinary Resolution 1 nor Ordinary Resolution 2 will be passed.*

To consider and, if thought fit, to pass the following resolution as a Special Resolution, with or without modifications:

SPECIAL RESOLUTION 1 – THE PROPOSED CHANGE OF NAME

THAT, subject to and contingent upon the passing of Ordinary Resolution 1 and Ordinary Resolution 2:

- (1) Pursuant to Section 28 of the Companies Act (Cap. 50) of Singapore, approval be and is hereby given for the Company to undertake the Proposed Change of Name, subject to and otherwise in accordance with the terms and conditions of the SPA.
- (2) The Directors (or any one of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to this resolution as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

Note to Special Resolution 1:

- (1) *Special Resolution 1 is subject to and conditional upon the passing of Ordinary Resolution 1 and Ordinary Resolution 2. If either of Ordinary Resolution 1 or Ordinary Resolution 2 is not passed, Special Resolution 1 will not be passed.*

**BY ORDER OF THE BOARD
IEV HOLDINGS LIMITED**

Christopher Nghia Do
President and Chief Executive Officer
22 September 2020

NOTICE OF EXTRAORDINARY GENERAL MEETING

Important Notes:

1. This EGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. This Notice will be sent to members solely by electronic means via publication on the Company's corporate website at the URL <https://iev-group.listedcompany.com/> and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
2. **Alternative arrangements relating to members' participation at the EGM:** The Company has made the following alternative arrangements for the Members to participate at the EGM:
 - (a) observing and/or listening to the EGM proceedings contemporaneously via a "live" audio-visual webcast ("**Live Webcast**") or a "live" audio-only stream ("**Live Audio Stream**") respectively;
 - (b) submitting questions in advance in relation of any resolution set out in the Notice of EGM; and
 - (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM.
3. **Pre-registration for Live Webcast or Live Audio Stream:** Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. Members and investors holding shares in the Company through the Central Provident Fund ("**CPF**") or Supplementary Retirement Scheme ("**SRS**") ("**CPF/SRS investors**") who wish to follow the proceedings through a Live Webcast via their mobile phones, tablets or computers or listen to the proceedings through a Live Audio Stream via telephone MUST pre-register at the URL <https://iev-group.listedcompany.com/> from **10:30 a.m. on 23 September 2020 to 10:30 a.m. on 13 October 2020** (the "**Registration Deadline**"). Members and CPF/SRS investors will be required to fill their particulars (comprising full name (for individuals) / company name (for corporate), email address, contact number, NRIC / Passport number / Company Registration number, shareholding type and number of shares held). This is to enable the Company to verify their status as members of the Company.
4. Following the verification and upon the closure of registration, authenticated members and CPF/SRS investors will receive an email confirmation containing:
 - (a) the link and a password to access the Live Webcast; and
 - (b) a dial-in number with unique pin to access the Live Audio Stream of the proceedings of the EGM.

Members and CPF/SRS investors must not forward the abovementioned email confirmation to other persons who are not entitled to attend the EGM. This is to avoid any technical disruptions or overload to the Live Webcast or the Live Audio Stream.

Members and CPF/SRS investors who register by the Registration Deadline but do not receive an email confirmation by 12:00 p.m. on 14 October 2020 should contact the Company's technical support by email at egm2020@iev-group.com for assistance.

5. **Persons who hold Shares through Relevant Intermediaries:** Investors holding shares through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore) ("**Investors**"), (other than CPF and SRS investors) will not be able to pre-register at the URL <https://iev-group.listedcompany.com/> for the Live Webcast or Live Audio Stream. Investors who wish to participate in the Live Webcast or Live Audio Stream of the EGM should contact their relevant intermediary through which they hold such shares as soon as possible in order for the necessary arrangements to be made for (i) their participation in the EGM; (ii) submission of questions in advance of the EGM; and (iii) the appointment of the Chairman as proxy to attend, speak and vote on their behalf at the EGM. The relevant intermediary is required to submit a consolidated list of participants (setting out in respect of each participant, his/her name, email address and NRIC/Passport number) via email to the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at srs.teamd@boardroomlimited.com by **10:30 a.m. on 13 October 2020**.
6. **Submission of Questions in Advance:** Members and Investors will NOT be able to ask questions during the EGM via a Live Webcast or Live Audio Stream, and therefore it is important for shareholders to submit their questions in advance of the EGM.

Members and CPF/SRS investors may submit any questions related to the resolutions to be tabled for approval at the EGM via the pre-registration website at the URL <https://iev-group.listedcompany.com/> or by email to egm2020@iev-group.com no later than **10:30 a.m. on 13 October 2020** (the "**Submission Deadline**"), together with their particulars (comprising full name (for individuals) / company name (for corporate), email address, contact number, NRIC / Passport number / Company Registration number, shareholding type and number of shares held).

The Company will endeavour to provide its answers and responses to the substantial and relevant questions received from members relating to the resolutions to be tabled for approval at the EGM prior to the EGM via publication on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>; or during the EGM.

The minutes of the EGM, will thereafter be published on (i) the SGX website at the URL <https://www.sgx.com/securities/company-announcements>; and (ii) the Company's corporate website at the URL <https://iev-group.listedcompany.com/> within one (1) month after the date of the EGM.

NOTICE OF EXTRAORDINARY GENERAL MEETING

7. **Voting solely via appointment of the Chairman of the Meeting as Proxy:** A member (whether individual or corporate) will not be able to vote online on the resolutions to be tabled for approval at the EGM. A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. The accompanying Proxy Form for the EGM may be accessed at the Company's corporate website at the URL <https://iev-group.listedcompany.com/> and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Where a member (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid. The Proxy Form is not valid for use by Investors and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify his/her voting instructions. CPF or SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5:00 p.m. on 5 October 2020**.
8. The Chairman of the EGM, as proxy, need not be a member of the Company.
9. **Submission of proxy form:** The Proxy Form, together with the power of attorney or other authority, if any, under which the instrument of proxy is signed or duly certified copy of that power of attorney or other authority (failing previous registration with the Company), must be submitted to the Company in the following manner:
- (a) if submitted by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Private Limited, at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623; or
 - (b) if submitted electronically, be submitted via email to srs.teamd@boardroomlimited.com,
- in either case, by **10:30 a.m. on 13 October 2020** (being not less than forty-eight (48) hours before the time appointed for holding the EGM).
- A member who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
- In view of the current COVID-19 situation and the related safe distancing measures imposed by the Singapore Government which may make it difficult for members to submit completed Proxy Forms by post, members are strongly encouraged to submit completed Proxy Forms electronically via email.**
10. The Proxy Form must be under the hand of the appointor or his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed under its common seal or under the hand of its attorney duly authorised or in such manner as appropriate under applicable laws, failing which the Proxy Form may be treated as invalid.
11. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM.
12. All documents (including the Circular, this Notice of EGM and the proxy form) or information relating to the business of the EGM have been, or will be, published on the Company's website and the SGX website. **Printed copies of the documents will not be despatched to members.** Members and Investors are advised to check the Company's website or SGX website regularly for updates.
13. In view of the evolving COVID-19 situation, the Company reserves the right to take such further precautionary measures and/or changes to the Company's EGM alternative arrangements as may be appropriate up to the date of the EGM, including any precautionary measures required or recommended by government agencies, in order to curb the spread of COVID-19. Shareholders should continually check for announcements by the Company for updates (if any) on the EGM via the Company's website at the URL <https://iev-group.listedcompany.com/> or SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Personal Data Privacy:

By (a) submitting a proxy form appointing the Chairman of the EGM to attend, speak and vote at the EGM and/or any adjournment thereof or (b) submitting any question prior to the EGM or (c) submitting the pre-registration form in accordance with this Notice, a member of the Company (i) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty; and (ii) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purposes of (collectively, the "Purposes"):

- I. the processing and administration by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the EGM as proxy for the EGM (including any adjournment thereof);
- II. processing the pre-registration forms for purposes of granting access to members for the Live Webcast or Live Audio Stream and providing viewers with any technical assistance, where necessary;
- III. addressing selected substantive questions from members received during the EGM;

NOTICE OF EXTRAORDINARY GENERAL MEETING

- IV. the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof); and
- V. enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

The member's personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company's verification and record purposes.

PROXY FORM

IEV HOLDINGS LIMITED

(Company Registration Number: 201117734D)
(Incorporated in the Republic of Singapore)

PROXY FORM - EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this Form)

This form of proxy has been made available on SGXNet and the Company's website at the URL <https://iev-group.listedcompany.com/>. A printed copy of this form will NOT be despatched to members.

IMPORTANT:

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the Extraordinary General Meeting are set out in the Company's Notice of Extraordinary General Meeting dated 22 September 2020 as announced on SGXNet and made available at the Company's corporate website at the URL <https://iev-group.listedcompany.com/>.
2. A member will not be able to attend the Extraordinary General Meeting in person. If a member (individual or corporate) wishes to exercise his/her/its voting rights at the Extraordinary General Meeting, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Extraordinary General Meeting. In appointing the Chairman as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF/SRS investors who wish to vote should contact their respective CPF Agent Banks or SRS Operators to submit their votes by 5:00 p.m. on 5 October 2020.

*I/We, _____ (Name), *NRIC/Passport/Company Number

_____ of _____ (Address) being

being *a member/members of **IEV HOLDINGS LIMITED** (the "**Company**"), hereby appoint the Chairman of the extraordinary general meeting of the Company (the "**EGM**"), as *my/our proxy to attend, speak and vote for *me/us on *my/our behalf at the EGM to be convened and held by way of electronic means via a "live" audio-visual webcast on 15 October 2020 at 10:30 a.m. (or any adjournment thereof). *I/We direct the Chairman of the EGM to vote for or against, or to abstain from voting on the resolutions to be proposed at the EGM as indicated hereunder.

* Delete accordingly

No.	Resolutions	FOR ⁽¹⁾	AGAINST ⁽¹⁾	ABSTAIN ⁽¹⁾
1.	The Proposed Disposal of the entire issued and paid-up share capital of IEV Group Sdn. Bhd. (Ordinary Resolution 1)			
2.	The Proposed Disposal as an Interested Person Transaction (Ordinary Resolution 2)			
3.	The Proposed Change of Name (Special Resolution 1)			

Note:

- (1) Voting will be conducted by poll. If you wish the Chairman of the EGM as your proxy to cast all your votes for or against a resolution, please indicate with "X" in the "For" or "Against" box in respect of that resolution. Alternatively, please indicate the number of shares for or against in the "For" or "Against" box in respect of that resolution. If you wish the Chairman of the EGM as your proxy to abstain from voting on a resolution, please indicate with "X" in the "Abstain" box in respect of that resolution. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the EGM as your proxy for that resolution will be treated as invalid.

Dated this _____ day of _____ 2020.

Signature(s)/Common Seal of Member(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF.

Total number of shares held (Note1)

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PROXY FORM

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy appointing Chairman of the EGM as proxy ("**Proxy Form**") will be deemed to relate to all the shares held by you.
2. **Due to the ongoing COVID-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. A member will also not be able to vote online on the resolutions to be tabled for approval at the EGM. A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.** This Proxy Form may be accessed at the Company's corporate website at the URL <https://iev-group.listedcompany.com/> and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Where a member (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

3. The Chairman of the EGM, as proxy, need not be a member of the Company.
4. The Proxy Form must be under the hand of the appointor or his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed under its common seal or under the hand of its attorney duly authorised or in such manner as appropriate under applicable laws, failing which the Proxy Form may be treated as invalid. Where the Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the Proxy Form is submitted by post, be lodged with the Proxy Form, or if the Proxy Form is submitted electronically via email, be emailed with the Proxy Form, failing which the Proxy Form may be treated as invalid.
5. The Proxy Form, together with the power of attorney or other authority, if any, under which the instrument of proxy is signed or duly certified copy of that power of attorney or other authority (failing previous registration with the Company), must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Private Limited, at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623; or
 - (b) if submitted electronically, be submitted via email to srs.teamd@boardroomlimited.com,

in either case, not less than forty-eight (48) hours before the time appointed for holding the EGM.

A member who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed Proxy Forms by post, members are strongly encouraged to submit completed Proxy Forms electronically via email.

6. For investors who have used their CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) to buy shares, this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF or SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM.
7. The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any Proxy Form lodged if such members are not shown to have shares entered against their names in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 22 September 2020.