



IEV HOLDINGS LIMITED
(Company Registration No. 201117734D)
(Incorporated in the Republic of Singapore)

PROPOSED DISPOSAL OF PROPERTY AT LEVEL 22 PJX-HM SHAH TOWER NO.16A PERSIARAN BARAT 46050 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA.

1. Introduction

The board of directors (the “**Board**” or “**Directors**”) of IEV Holdings Limited (the “**Company**”, and together with its subsidiaries, “**IEV**” or the “**Group**”) wishes to announce that IEV Group Sdn. Bhd. (“**IEV Group**”), a wholly-owned subsidiary of the Company had, on 10 January 2018, entered into a Sale and Purchase Agreement (the “**SPA**”) with Vizione Holdings (the “**Purchaser**”) for the disposal of its office unit located at, Level 22 of PJX-HM Shah Tower, No. 16A Persiaran Barat, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia (the “**Property**”) for a total cash consideration of RM9,200,000 (the “**Consideration Price**”) excluding applicable Goods and Services Tax (the “**Proposed Disposal**”).

2. The Property

The Property is a 99 year leasehold property commencing from 28 July 2006, with a remaining lease of approximately 87 years and 6 months remaining. The Property is currently used as the corporate headquarters of the Group and measures approximately 13,353 square feet

Prior to the Proposed Disposal, the legal and beneficial interests, rights, powers and benefits of the Group in relation to the Property are held by IEV Group.

3. Rationale for the Proposed Disposal

The Group has implemented a cost rationalisation exercise and has identified the Property, currently used as the Group’s corporate headquarters, as having excess office space beyond the needs of the Group. As such the Group plans to lease a smaller office space at a nearby location and accordingly relocate its corporate headquarters. The Proposed Disposal will enable IEV Group to fully settle the related property bank loan and reduce the Group’s financing expenses, and strengthen the working capital position of the Group.

IEV Group intends to utilise the proceeds from the Proposed Disposal as follows:-

Purpose	Approximate amount in RM’000
Repayment of bank loan	6,690
Transaction cost for disposal	50
Working capital	2,460
Total	9,200

4. Principal Terms of the Proposed Disposal

4.1 Consideration Price

The Consideration Price of RM9,200,000 (approximately SGD3,063,297 based on an exchange rate of SGD1.00:MYR3.0033 as at 9 December 2017) was arrived at through arm’s length negotiations between IEV Group and the Purchaser on a willing buyer and willing seller basis, after taking into consideration the prevailing property market conditions as well as transacted prices in the vicinity of the Property, and a market valuation report dated 15 November 2017 which was prepared by Rahim

& Co International Sdn Bhd, an independent professional valuer, who valued the Property at RM9,350,000 as at 13 November 2017.

4.2 Payment Terms

The Consideration Price shall be paid in the following manner:-

1. Deposit Sum of RM920,000 representing 10% of the Consideration Price to be paid by the Purchaser upon signing the SPA.
2. Balance 90% of the Consideration Price of RM8,280,000.00 to be paid by the Purchaser within three (3) months from the date all conditions precedent are met including State Authority's Consent to transfer the Property to the Purchaser.

4.3 Conditions Precedent

In addition to provision of transfer forms and related documentation, conditions precedent include the following:-

1. Developer approval for the direct transfer of strata title to the Purchaser.
2. State Authority's Consent to Transfer the Property in favour of the Purchaser

4.4 Vacant Possession

Vacant possession of the Property shall be delivered to the Purchaser on or before 1 May 2018. In the event the Proposed Disposal cannot be effected or completed by that date, the Purchaser shall pay the Vendor RM30,000 as monthly rental until such a time the Proposed Disposal is completed.

5. Relative Figures under Rule 1006 of the Listing Manual Section B: Rules of Catalyst of the SGX-ST ("Catalist Rules")

Based on the Company's latest announced financial results for financial period ended 30 September 2017 ("3Q2017"), the relative figures of the Proposed Disposal under Rule of the Catalyst Rules are as follows:-

Rule 1006(a)	
Net asset value of the assets to be disposed of, compared with the Group's net asset value	3.89% ⁽¹⁾
Rule 1006(b)	
Net profits attributable to the asset acquired compared to the Group's net profits	Not applicable ⁽²⁾
Rule 1006(c)	
Aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	18.38% ⁽³⁾
Rule 1006(d)	
Number of equity securities issued by the Company as consideration for the Proposed Disposal, compared with the number of equity securities previously in issue	Not applicable ⁽⁴⁾
Rule 1006(e)	
Aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves	Not applicable ⁽⁵⁾

Notes:

(1) Net asset value of the Property as at 30 September 2017 of RM3.068 million is after deducting a bank loan of approximately RM6.7 million and transaction costs of approximately RM50,000. Net asset value of the Group as at 30 September 2017 was RM78.909 million

- (2) There were no profits or losses attributable to the Property as it does not generate any revenue for the Group.
- (3) Consideration Price is SGD3,063,297. The Company's market capitalisation of S\$16.79 million is determined by multiplying the number of issued ordinary shares (excluding treasury shares) of 285,512,632 by the weighted average price of the Company's shares on 9 January 2018 of SGD0.059.
- (4) No equity securities are issued as consideration for the Proposed Disposal. The Consideration Price is satisfied fully in cash.
- (5) The Proposed Disposal is not in relation to mineral, oil and gas assets.

Having regard to the above, the relative figures computed on the bases set out in Rule 1006 amount to more than 5% and less than 20%. The Proposed Disposal thus constitutes a "disclosable transaction" under Rule 1010 of the Catalist Rules.

6. Financial Effects of the Proposed Disposal

The proforma financial effects of the Proposed Disposal on the net tangible assets ("NTA") per share and earnings per share ("EPS") of the Group as set out below are purely for illustrative purposes only and do not reflect the actual financial performance or position of the Group after the Proposed Disposal. The financial effects of the Proposed Disposal set out below have been prepared based on the Group's audited consolidated financial statements for the full year ended 31 December 2016 ("FY2016").

EPS

For illustrative purposes only, the proforma financial effects of the Proposed Disposal on the EPS of the Group for FY2016, assuming that the Proposed Disposal had been effected at the beginning of FY2016, are summarized below:

EPS	Before the Proposed Disposal	After the Proposed Disposal
Loss attributable to owners of the Company	RM33,565,837	RM34,224,615 ⁽¹⁾
Weighted average number of issued shares	283,691,803	283,691,803
Basic and diluted EPS (Malaysian sen)	(11.83)	(12.06)

Note 1. Loss on sale of the Property of RM658,778

NTA per share

For illustrative purposes only, the proforma financial effects of the Proposed Disposal on the NTA per share of the Group for FY2016, assuming that the Proposed Disposal had been effected as at 31 December 2016, are summarized below:

NTA	Before the Proposed Disposal	After the Proposed Disposal
Consolidated NTA	RM89,439,513 ⁽²⁾	RM88,780,735 ⁽³⁾
Number of issued shares (excluding treasury shares)	283,600,000	283,600,000
Consolidated NTA per share (Malaysian sen)	31.54	31.30

Note 2. Amount excludes intangible assets amounting to RM4,374,250 as at 31 December 2016

Note 3. Loss on sale of the Property of RM658,778

7. Other financial information

The net book value of the Property as at 31 December 2017 amounted to RM9.81 million. The valuation of the property by an independent professional valuer was RM9,350,000. With a

Consideration Price of RM9,200,000, the loss on the Proposed Disposal amounted to approximately RM658,778.

8. Interest of Directors and Controlling Shareholders

None of the Directors and to the best of the Directors' knowledge, none of the controlling shareholders of the Company or their respective associates has an interest, directly or indirectly, in the Proposed Disposal, save through their respective shareholdings (if any) in the Company.

9. Details of any service contracts

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

By Order of the Board

Christopher Nghia Do
President and Chief Executive Officer
10 January 2018

*This announcement 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 relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

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