

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has only perused the contents of this Circular in respect of the Proposed New Shareholders' Mandate (as defined herein) on a limited review basis pursuant to Rule 4.1 of Guidance Note 22 of the ACE Market Listing Requirements of Bursa Securities ("**Listing Requirements**").

Bursa Securities has not perused the contents of this Circular in respect of the Proposed Renewal of Existing Shareholders' Mandate (as defined herein) prior to its issuance as it is an exempt document pursuant to Rule 2.1 of Guidance Note 22 of the Listing Requirements.

Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

KAF Investment Bank Berhad, the Sponsor of EVD Berhad for admission to the Official List of Bursa Securities, has reviewed this Circular pursuant to Rule 4.27 of the Listing Requirements prior to the issuance of this Circular.



EVD BERHAD

Registration No.: 201901045325 (1354655-D)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

- (I) PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE; AND**
- (II) PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The ordinary resolution in respect of the above proposal will be tabled as a Special Business at the Fourth Annual General Meeting ("**4th AGM**" or "**Meeting**") of EVD Berhad ("**EVD**" or "**the Company**") which will be held on a virtual basis at the broadcast venue at Meeting Room, Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan through live streaming and online remote voting using the Remote Participation and Voting facilities to be provided by SS E Solutions Sdn. Bhd. via Securities Services e-Portal ("**SS e-Portal**") at <https://sshbs.net.my/> on Tuesday, 10 December 2024 at 2:30 p.m. or at any adjournment thereof. The Notice of the 4th AGM together with the Proxy Form are set out in the Annual Report 2024 of the Company.

You are entitled to attend and vote at the 4th AGM of the Company or to appoint a proxy or proxies to attend and vote on your behalf. The Proxy Form may be made via hardcopy or by electronic means in the following manner not less than forty-eight (48) hours before the time stipulated for holding the AGM. The lodgement of the Proxy Form will not preclude you from attending and voting in person at the 4th AGM should you subsequently wish to do so.

- (i) In Hardcopy Form
The Form of Proxy must be deposited at the Company's Share Registrar office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan.
- (ii) By Electronic Means
The Form of Proxy must be electronically lodged via SS e-Portal at <https://sshbs.net.my/> or by fax to +603-2094 9940 or by email to eservices@sshbs.com.my.

Date and time of the 4th AGM : Tuesday, 10 December 2024 at 2:30 p.m.
Last date and time for lodging the Proxy Form : Sunday, 8 December 2024 at 2:30 p.m.

This Circular is dated 30 October 2024

DEFINITIONS

In this Circular, unless otherwise indicated, the following words and abbreviations shall have the following meanings: -

“Act”	: The Companies Act 2016, as amended from time to time and any re-enactment thereof
“AGM”	: Annual General Meeting
“Audit and Risk Management Committee”	: Audit and Risk Management Committee of EVD
“ATS”	: AT Solutions Sdn. Bhd. [Registration No. 200001001742 (504347-V)]
“BERT”	: Best Eternity Recycle Technology Sdn. Bhd. [Registration No: 201801017328 (1279344-A)]
“Board”	: The Board of Directors of EVD
“Bursa Securities”	: Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
“Circular”	: This circular dated 30 October 2024 to the shareholders of the Company in relation to the Proposed Shareholders’ Mandates
“Director(s)”	: A director has the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding six months of the date on which the terms of the respective RRPTs were agreed upon, a director of the Company or any other company which is a subsidiary or holding company of the Company, or a chief executive officer of the Company or its subsidiary or holding company
“DWSK”	: Datuk Wong Sak Kuan
“EGM”	: Extraordinary General Meeting
“EVD” or Company”	: EVD Berhad [Registration No: 201901045325 (1354655-D)]
“EVDE”	: EVD Engineering Sdn. Bhd. [Registration No: 200801036987 (838328-V)]
“EVD Group” or “Group”	: EVD and its subsidiaries, collectively
“EVD Shares” or “Shares”	: Ordinary shares in EVD
“Interested Directors”	: DWSK and WKS
“Interested Major Shareholder”	: DWSK
“Listing Requirements”	: ACE Market Listing Requirements of Bursa Securities, including any amendments that may be made from time to time
“LPD”	: 30 September 2024, being the latest practicable date prior to the printing of this Circular
“M&E”	: Mechanical and electrical engineering

DEFINITIONS (CONT'D)

- “Major Shareholder(s)” : A person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is:
- (a) 10% or more of the total number of voting shares in the Company; or
 - (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company
- For the purpose of this definition, “interest in shares” has the meaning given in Section 8 of the Act
- For the purpose of the Proposed Shareholders’ Mandates, major shareholder (as defined above) includes any person who is or was within the preceding six months of the date on which the terms of the RRPTs were agreed upon, a major shareholder of the Company or any other company which is a subsidiary or holding company of the Company
- “Mandate Period” : The period during which the RRPTs are to be entered into for which the Proposed Shareholders’ Mandates are being sought. This period shall commence immediately upon the passing of the ordinary resolution for the Proposed Shareholders’ Mandates during the forthcoming AGM until:
- (i) the conclusion of the next AGM, unless the authority is renewed by a resolution passed at the next AGM;
 - (ii) the expiration of the period within which the next AGM after that date it is required by law to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (iii) the Proposed Shareholders’ Mandates are revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,
- whichever is the earlier
- “Proposed New Shareholders’ Mandate” : Proposed new shareholders’ mandate for additional RRPT(s) being sought by EVD Group from its non-interested shareholders
- “Proposed Renewal of Existing Shareholders’ Mandate” : Proposed renewal of existing shareholders’ mandate for RRPT(s) being sought by EVD Group from its non-interested shareholders
- “Proposed Shareholders’ Mandates” : Proposed Renewal of Existing Shareholders’ Mandate and Proposed New Shareholders’ Mandate
- “Related Party(ies)” : Directors(s), Major Shareholder(s) and/or person(s) connected with such Director(s) or Major Shareholder(s)
- “RM” : Ringgit Malaysia

DEFINITIONS (CONT'D)

“RRPT(s)”	: Recurrent Related Party Transaction(s) which is/are recurrent, of a revenue and/or trading nature and which is/are necessary for the day-to-day operations of the EVD Group
“SFN”	: Sing Foong Niap Engineering Sdn. Bhd. [Registration No. 200401021935 (660440-D)]
“WKS”	: Wong Kok Sing

Words denoting the singular number only shall include the plural and vice-versa and words denoting the masculine gender shall, where applicable, include the feminine gender, neuter gender and vice versa. Reference to persons shall include a body of persons, corporate or unincorporated (including a trust).

Any reference to a time of day shall be a reference to Malaysian time, unless otherwise stated.

Any reference to any statute is a reference to that statute as for the time being amended or re-enacted.

References to “we”, “us”, “our”, “ourselves” and “our Company” are to the Company.

All references to “you” in this Circular are to the shareholders of our Company.

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EVD BERHAD

Registration No.: 201901045325 (1354655-D)
(Incorporated in Malaysia)

REGISTERED OFFICE:

Unit 521, 5th Floor, Lobby 6, Block A
Damansara Intan
No. 1, Jalan SS20/27
47400 Petaling Jaya
Selangor Darul Ehsan

30 October 2024

BOARD OF DIRECTORS:

Datuk Wong Sak Kuan (*Non-Independent Non-Executive Chairman*)
Wong Kok Sing (*Executive Director*)
Mah Seong Huak (*Chief Executive Officer / Executive Director, Operations*)
Wong Koon Wai (*Independent Non-Executive Director*)
Lim Wei Foong (*Independent Non-Executive Director*)
Lee Wai Fun (*Non-Independent Non-Executive Director*)

To: The Shareholders of EVD

Dear Sir/Madam,

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

1.0 INTRODUCTION

- 1.1 At the Company's EGM held on 15 July 2024, the Company had sought and obtained a general mandate from our shareholders for EVD Group to enter into the RRPTs based on commercial terms which are not favourable to the Related Parties other than those generally available to the public and which are necessary for EVD Group's day-to-day operations. The existing authority shall lapse at the conclusion of the forthcoming 4th AGM, unless authority for its renewal is obtained from the shareholders at the forthcoming AGM.
- 1.2 On 24 October 2024, the Company announced to Bursa Securities of its intention to seek the shareholders' approval in respect of the Proposed Shareholders' Mandates at the forthcoming 4th AGM.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED SHAREHOLDERS' MANDATES AND TO SEEK YOUR APPROVAL ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATES TO BE TABLED AT THE FORTHCOMING 4TH AGM. THE NOTICE OF THE 4TH AGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED IN THE ANNUAL REPORT 2024 OF EVD.

2.0 DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATES

2.1 Provisions under the Listing Requirements

Pursuant to Rule 10.09(2) of the Listing Requirements, the Company may seek its shareholders' mandate in respect of RRPTs which are necessary for EVD Group's day-to-day operations subject to, amongst others, the following:

- (a) the transactions are in the ordinary course of business and are on transaction prices terms not more favourable to the Related Party(ies) than those generally available to the public and are not to the detriment of the minority shareholders;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of RRPTs conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the following threshold:
 - (i) the consideration, value of the assets, capital outlay or costs of the RRPTs is equal to or exceeds RM1 million; or
 - (ii) any one of the percentage ratios of such RRPTs is equal to or exceeds 1%,
whichever is the higher;
- (c) the Company's circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities;
- (d) in the general meeting to obtain the shareholders' approval for the Proposed Shareholders' Mandates, the interested Director(s), interested Major Shareholder(s), interested person(s) connected with a Director or Major Shareholder, and where it involves the interest of an interested person connected with a Director or Major Shareholder, such Director or Major Shareholder must not vote on the resolution(s) approving the RRPTs. The interested Director or interested Major Shareholder must also ensure that persons connected with them abstain from voting on the resolution(s) approving the RRPTs; and
- (e) the Company immediately announces to the Bursa Securities when the actual value of a RRPT entered into by the Company and/or its subsidiaries, exceeds the estimated value of the RRPT(s) disclosed in the Circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

2.2 Where the Company has procured the shareholders' mandate pursuant to the above, the provision of Rule 10.08 of the Listing Requirements will not apply.

2.3 EVD Group has, in the ordinary course of its business, entered into certain RRPTs and it is anticipated EVD Group would continue to enter into such RRPTs with the Related Parties, the details of which are set out in Section 2.8 below.

2.4 In this regard, the Board proposes to seek your approval for the Proposed Shareholders' Mandates for the RRPTs to be entered into by EVD Group, which are necessary for the day-to-day operations of EVD Group, and are based on normal commercial terms at arms' length basis which are not more favourable to the Related Parties than those generally available to the public and not detrimental to the minority shareholders.

2.5 Validity Period of the Proposed Shareholders' Mandates

The Proposed Shareholders' Mandates, if approved by the shareholders of the Company at the forthcoming 4th AGM, will take effect immediately from the date of the passing of the ordinary resolution at the forthcoming 4th AGM and shall continue to be in force until:

- (a) the conclusion of the next AGM, unless the authority is renewed by a resolution passed at the next AGM;
- (b) the expiration of the period within which the next AGM after the date it is required by law to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) the Proposed Shareholders' Mandates are revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is the earlier.

2.6 Principal Activities of EVD Group

The principal activity of the Company is investment holding. As at the LPD, the principal activities of its subsidiaries are as follows:

Name of Company	Effective equity interest (%)	Principal activity
Direct wholly-owned by EVD		
EV-Dynamic Sdn. Bhd.	100	Engaged in the provision of information and communications technology system solutions for transportation infrastructure, integrated security system and engineering services.
EVDE	100	Information and communications technology system solutions provider focuses primarily on the transportation system solutions, healthcare and security system solutions.
iDimension Consolidated Bhd	100	Engaged in investment holding and provision of management services.
Subsidiaries of EVDE		
EVD Global Pte. Ltd.	100	Engaged as turnkey and procurement centre for engineering equipment and products including software and hardware used in surveillance system and integrated security system.
EVD Technology Sdn. Bhd.	51	Activities of providing infrastructure for hosting, data processing services and related activities, research and development on information communication technology and data processing activities.

2.7 RRPTs under the Proposed Shareholders' Mandates

2.7.1 Principal Activities of the Related Parties

The principal activities of the Related Parties are as follows:

Related Parties	Principal Activity	Nature of relationship between the Group and the Related Parties
SFN	Engaged in construction works.	DWSK is a director of SFN and having a 99.17% equity interest in SFN. He is also a director and having a 11.96% equity interest in EVD as at the LPD.
ATS	Provides total solutions in the Data and Voice Structured cabling, Networking Solutions, Security System Services and also Site Preparation Works for Computer Room.	WKS is a director of ATS and having a 50% equity interest in ATS. He is also a director in EVD and EVDE.

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2.8 Nature of the RRPTs contemplated under the Proposed Shareholders' Mandates

The RRPTs entered/to be entered into under the Proposed Shareholders' Mandates are as follows:

(i) Proposed Renewal of Existing Shareholders' Mandate

Related Party	Transacting Party	Nature of RRPTs	⁽²⁾ Interested Directors / Major Shareholders	⁽³⁾ Estimated total value of RRPTs as disclosed in preceding circular dated 28 June 2024 RM'000	Actual value of RRPTs from date of last EGM held on 15 July 2024 up to the LPD RM'000	⁽³⁾ Estimated value of RRPTs from the forthcoming AGM to the next AGM in year 2025 RM'000
Recipient: SFN	Provider: EVDE	M&E works such as installation of fire protection services, fibre optic and data cabling as well as electrical works for a waste paper warehouse, including its coal warehouse, office and distribution room, owned by BERT ⁽¹⁾ located at PT 33743 to PT 33747, Kawasan Perindustrian Mahkota, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor Darul Ehsan, for a total contract sum of RM3,515,203.88.	DWSK	3,515	2,682 *	833

Note: * inclusive of the actual RRPTs transacted from 19.06.2024 to 05.07.2024 amounting to RM2,682,135.00.

Related Party	Transacting Party	Nature of RRPTs	(2) Interested Directors / Major Shareholders	(3) Estimated total value of RRPTs as disclosed in preceding circular dated 28 June 2024 RM'000	Actual value of RRPTs from date of last EGM held on 15 July 2024 up to the LPD RM'000	(3) Estimated value of RRPTs from the forthcoming AGM to the next AGM in year 2025 RM'000
Recipient: SFN	Provider: EVE	M&E works such as installation of fire protection services, fibre optic and data cabling as well as electrical works for the power generation facility of a recycle pulp and packaging paper plant of BERT ⁽¹⁾ located at Lot 71922 (PT 41097) and 10534 (PT 473), Mahkota Industrial Park, Banting, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor Darul Ehsan, for a total contract sum of RM15,982,229.13.	DWSK	15,982	412	15,570

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(ii) **Proposed New Shareholders' Mandate**

Related Party	Transacting Party	Nature of RRPTs	(2) Interested Directors	(3) Estimated value from LPD to forthcoming AGM RM'000	(3) Estimated value of RRPTs from the forthcoming AGM to the next AGM in year 2025 RM'000
Provider: ATS	Recipient: EVDE	To supply, deliver, lay, testing and commissioning of structure cabling works at for the power generation facility of a recycle pulp and packaging paper plant of BERT located at PT 33743 to PT 33747, Kawasan Perindustrian Mahkota, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor Darul Ehsan, for a contract sum of RM272,355.50. Date of commencement of contract: 15 th July 2024 Expected date of completion of contract: 19 th July 2025	WKS	220.0	52.0

Related Party	Transacting Party	Nature of RRPTs	⁽²⁾ Interested Directors	⁽³⁾ Estimated value from LPD to forthcoming AGM RM'000	⁽³⁾ Estimated value of RRPTs from the forthcoming AGM to the next AGM in year 2025 RM'000
Provider: ATS	Recipient: EVDE	<p>To supply, deliver, lay, testing and commissioning of structure cabling works at for the power generation facility of a recycle pulp and packaging paper plant of BERT located at Lot 71922 (PT 41097) and 10534 (PT 473), Mahkota Industrial Park, Banting, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor Darul Ehsan, for a contract sum of RM319,608.00</p> <p>Date of commencement of contract: 1st August 2024</p> <p>Expected date of completion of contract: 31st July 2025</p>	WKS	200	119.6

Related Party	Transacting Party	Nature of RRPTs	(2) Interested Directors	(3) Estimated value from LPD to forthcoming AGM RM'000	(3) Estimated value of RRPTs from the forthcoming AGM to the next AGM in year 2025 RM'000
Provider: ATS	Recipient: EVD	To supply, deliver, lay, testing and commissioning of structure cabling works for Smart Building System Integrator at Sunway South Quay Square, for a contract sum of RM1,219,796.00 Date of commencement of contract: 1 st August 2024 Expected date of completion of contract: 31 st March 2026	WKS	500	719.8

Notes:-

- (1) *There is no interested relationship between BERT and SFN save for DWSK being a common director in both companies. For the avoidance of doubt, DWSK does not own any equity interest in BERT.*
- (2) *The nature of the relationship of the Interested Directors with the Group and the Related Parties are stated under Section 2.7.1 above.*
- (3) *These figures were calculated based on the Management's best estimates on the expected value of RRPTs to be entered into and hence, the actual value of such RRPTs may differ from the estimated value disclosed above.*

The Directors will ensure that the percentage ratio of the aggregate value of additional RRPTs transacted from the first transaction up to the date of the forthcoming 4th AGM is less than 5% pursuant to Rule 10.02 of the Listing Requirements.

2.9 Amount owing by Related Party pursuant to the RRPTs

There was no outstanding amount due and owing to the Group by the Related Parties pursuant to the RRPTs referred to in Section 2.8 above which exceeded the credit terms.

2.10 Review Procedures for the RRPTs

Below are the methods or procedures undertaken by the Group to ensure that the RRPTs contemplated are undertaken on transaction prices on arm's length basis, on normal commercial terms consistent with the Group's usual business practices and on terms not more favourable to the Related Party(ies) than those generally available to the public and are not to the detriment of the minority shareholders of the Company:

- (a) The Group's pricing for the goods and sub contract works to be supplied or provided is negotiated between the Group and the Related Party(ies) based on prevailing market prices for the goods and sub contract works are consistent with the prices as agreed with unrelated third parties;
- (b) at least two (2) other contemporaneous transaction with unrelated third parties for similar products/services and/or quantities will be used as comparison, whenever possible, to determine whether the price and terms offered to by the Related Party(ies) are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similarly type of products/services and/or quantities;
- (c) where quotations or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be reviewed by the Group based on usual business practice to ensure that the RRPTs are not detrimental to the Group;
- (d) the thresholds for approvals of RRPTs are consistent with those transactions entered into with unrelated third parties. EVD Group has in place internal levels of authority governing all business transactions. Since the RRPTs are conducted in the ordinary course of business, these are also covered under the same levels of authority. The RRPTs within the Group are subject to the approval of the heads of the relevant operating divisions or such persons to whom they may delegate such power, subject always to the Group's policies that may be issued from time to time. However, all RRPTs for purchases of goods and services are subject to review by the Audit and Risk Management Committee for recommendation to the Board for approval;
- (e) All RRPTs are being reviewed as follows :

Award of Contracts for Works / Suppliers / Services:

Project budget / contract value

- (i) Up to RM100,000 : To be approved by Tender Committee[^]
- (ii) RM100,001 – RM5,000,000 : To be approved by Chief Executive Officer ("CEO")[#]
- (iii) Above RM5,000,000 : To be reviewed by the Audit and Risk Management Committee and recommend to the Board for approval.

[^] The Tender Committee comprises: (1) CEO, (2) Executive Director ("ED"), (3) HOD, Operations / Project / Contract & Commercial; and (4) CFO.

[#] In the absence of CEO, ED will approve.

- (f) In the event any Related Party(ies) has direct and/or indirect interest in the RRPT(s), the Related Party(ies) shall abstain from all deliberations and voting in respect of the such RRPT(s); and
- (g) in the event that a member of the Audit and Risk Management Committee has direct and/or indirect interest in the RRPT(s), that member shall abstain from all deliberations and voting at the Audit and Risk Management Committee's meeting in respect of such RRPTs.

2.11 Disclosures of RRPTs

Disclosures will be made in the Company's Annual Report on the breakdown of the aggregate value of the RRPTs made pursuant to the Proposed Shareholders' Mandates during the financial year, amongst others, based on the following information:

- (a) types of RRPTs made; and
- (b) names of the Related Parties involved in each type of the RRPT and their relationship with the Group.

2.12 Statement by Audit and Risk Management Committee

The Audit and Risk Management Committee has seen and reviewed the guidelines and procedures set out in section 2.10 above and is of the view that they are:

- (a) adequate and sufficient to monitor, track and identify RRPTs in a timely and orderly manner, and these procedures and processes are reviewed on quarterly basis; and
- (b) sufficient to ensure that the RRPTs will be carried out on arm's length basis and on normal commercial terms which will not be more favourable to the Related Parties than those generally available to the public and will not detrimental to the interest of the Company and its minority shareholders.

3.0 RATIONALE FOR AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATES

The Proposed Shareholders' Mandates serve to:

- (a) facilitate future RRPTs to be entered into by the Group, which are in its ordinary course of business and to be undertaken on commercial terms and on terms not more favorable to the Related Parties than those generally available to and/or from the public, where applicable, and, in the Company's opinion, not detrimental to its minority shareholders;
- (b) enhance the Group's ability to pursue business opportunities which are time-sensitive in nature and eliminate the need for the Company to convene a separate general meeting to seek shareholders' approval for each RRPT; and
- (c) reduce the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficiency considerably and allow resources to be channelled towards attaining other corporate objectives.

4.0 EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATES

The Proposed Shareholders' Mandates are not expected to have any material impact on the share capital, substantial shareholders' shareholdings, earnings, gearing and net assets of the Group.

5.0 APPROVAL REQUIRED

The Proposed Shareholders' Mandates are subject to the approval of the shareholders of the Company at the forthcoming 4th AGM.

6.0 INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

Save as disclosed below, none of the directors and major shareholders of the Company, and/or persons connected with them has any interest, direct or indirect, in the Proposed Shareholders' Mandates:

- (a) DWSK, who is deemed interested by virtue of his interest in SFN and EVD as detailed in section 2.7.1 of this Circular, is an Interested Director and Interested Major Shareholder; and
- (b) WKS, who is deemed interested by virtue of his interest in ATS, EVDE and EVD as detailed in section 2.7.1 of this Circular, is an Interested Director.

Accordingly, the Interested Directors have abstained and will continue to abstain from deliberating and voting on the Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate respectively at the relevant board meetings of the Company. In addition, the Interested Directors and Interested Major Shareholder will also abstain from voting in respect of their direct and/or indirect shareholdings in the Company, if any, on the resolutions pertaining to the Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate respectively to be tabled at the forthcoming 4th AGM. The Interested Directors and Interested Major Shareholder have also undertaken to ensure that the persons connected with them, if any, will abstain from voting in respect of their direct and/or indirect shareholdings in the Company, if any, on the resolution pertaining to the Proposed Shareholders' Mandates (where relevant) at forthcoming 4th AGM.

The shareholdings of the Interested Directors and Interested Major Shareholder in the Company as at the LPD are as follows:

	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<u>Interested Directors and Interested Major Shareholder</u>				
DWSK	52,966,666	11.96	-	-
<u>Interested Director</u>				
WKS	-	-	-	-

7.0 DIRECTORS' STATEMENT AND RECOMMENDATION

The Board (save for DWSK), having considered all aspects of the Proposed Renewal of Existing Shareholders' Mandate, is of the opinion that the said Proposed Renewal of Existing Shareholders' Mandate is in the best interest of the Company. Accordingly, the Board (save for DWSK) recommends that the shareholders of EVD to vote in favour of the resolution in relation to the Proposed Renewal of Existing Shareholders' Mandate to be tabled at the forthcoming 4th AGM.

The Board (save for WKS), having considered all aspects of the Proposed New Shareholders' Mandate, is of the opinion that the said the Proposed New Shareholders' Mandate is in the best interest of the Company. Accordingly, the Board (save for WKS) recommends that the shareholders of EVD to vote in favour of the resolution in relation to the Proposed New Shareholders' Mandate to be tabled at the forthcoming 4th AGM.

8.0 4TH AGM

The forthcoming 4th AGM, the notice of which is enclosed in the Annual Report 2024 of the Company, will be held on a virtual basis at the broadcast venue at Meeting Room of Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan through live streaming and online remote voting using the Remote Participation and Voting facilities to be provided by SS E Solutions Sdn. Bhd. via Securities Services e-Portal at <https://sshsb.net.my/> on Tuesday, 10 December 2024 at 2:30 p.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing, inter alia, the ordinary resolution set out in the Notice of the 4th AGM, to give effect to the Proposed Shareholders' Mandates.

You are entitled to attend and vote at the 4th AGM of the Company or to appoint a proxy or proxies to attend and vote on your behalf. The Proxy Form may be made via hardcopy or by electronic means in the following manner not less than forty-eight (48) hours before the time stipulated for holding the AGM. The lodgement of the Proxy Form will not preclude you from attending and voting in person at the 4th AGM should you subsequently wish to do so:

- (i) In Hardcopy Form
The Form of Proxy must be deposited at the Company's Share Registrar office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan.
- (ii) By Electronic Means
The Form of Proxy must be electronically lodged via SS e-Portal at <https://sshsb.net.my/> or by fax to +603-2094 9940 or by email to eservices@sshsb.com.my.

Shareholders are advised to refer to the Administrative Guide for the registration and voting process for the 4th AGM.

9.0 FURTHER INFORMATION

Shareholders are advised to refer to the attached Appendix I of this Circular for further information.

Yours faithfully,
For and on behalf of the Board
EVD BERHAD

WONG KOON WAI
Independent Non-Executive Director

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FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Circular misleading.

2. MATERIAL CONTRACTS

As at the LPD, save as disclosed below, the Group has not entered into any material contract (not being contracts entered into in the ordinary course of business) within the two (2) years immediately preceding the date of this Circular:

- (a) The distribution agreement dated 1 November 2022 entered between Neusoft Medical Systems Co. Ltd ("**Neusoft**") and EV-Dynamic Sdn. Bhd. ("**EV-Dynamic**" or "**Distributor**") to appoint EV-Dynamic as the exclusive distributor to purchase the medical equipment ("**Products**") from Neusoft for the purpose of resale to end user (a person or an entity that purchases the Products for patient use rather than resale or distribution) in Malaysia.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, save as disclosed below, EVD Group is not involved in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board has no knowledge of any proceedings pending or threatened against the Group or any facts which are likely to give rise to any proceedings, which may materially and adversely affect the business or financial position of the EVD Group:

(a) Winding Up Petition served by Exypnos Engineering Sdn Bhd against EVDE

On 19 October 2023, Exypnos Engineering Sdn Bhd ("**Exypnos**") has filed the Winding Up Petition against EVDE.

The Winding Up Petition was filed following the Statutory Notice of Demand and adjudication decisions pursuant to the Construction Industry Payment and Adjudication Act 2012 ("**CIPPA 2012**") dated 21 August 2023, 29 August 2023 and 5 September 2023 respectively.

The amount claimed is RM728,860.57 which includes adjudicated amount, interest, cost of representation and cost of adjudication proceedings.

On 18 July 2024, the Winding Up Petition has been struck out with no order as to cost.

(b) Winding Up Petition served by Yee Cheng Construction Sdn Bhd against EVDE

On 16 November 2023, Yee Cheng Construction Sdn Bhd ("**Yee Cheng**") has filed the Winding Up Petition against EVDE.

The Winding Up Petition was filed following the Statutory Notice of Demand and adjudication decisions pursuant to the CIPPA 2012 dated 22 September 2023 and 2 October 2023 respectively.

The amount claimed is RM870,413.24 which includes adjudicated sum plus interest, cost of representation and cost of adjudication proceedings.

On 18 July 2024, EVDE was informed via its solicitors that the Winding Up Petition had been withdrawn with no order as to costs.

(c) Civil Suit between EVDE and North Line Eng (M) Sdn Bhd

On 29 November 2023, the sub-contractor, North Line Eng (M) Sdn Bhd (“**North Line**”) had filed a court action at Kuala Lumpur Sessions Court against EVDE.

North Line has filed Writ of Summons which required EVDE to file the Memorandum of Appearance within 14 days from the issued date of the Writ of Summons. However, it was not attended by the employee-in-charge. The Case Management was fixed on 2 January 2024 for e-Review and subsequently North Line has successfully obtained Judgement in Default of Appearance on the same day.

The amount of claim is RM600,291.85 inclusive of principal sum and interest.

EVDE has engaged an Advocate and Solicitor to defend the case in the appropriate Court and have filed Setting-Aside Application. EVDE has on 30 April 2024 through its Advocate and Solicitor successfully set aside the Judgment in Default dated 2 January 2024 recorded against EVDE and subsequently filed the relevant Statement of Defence in the Sessions Court. The case management was fixed on 3 October 2024.

(d) Civil Suit between EVDE and (1) Zakiah Binti Zahib and (2) Mohd Nabawi Bin Zahid (in a business as a partnership under the name Saz Diversified)

On 5 February 2024, (1) Zakiah Binti Zahib and (2) Mohd Nabawi Bin Zahid (in a business as a partnership under the name Saz Diversified) (“**Saz Diversified**”) had filed a court action at Kuala Lumpur Sessions Court against EVDE (“**the Suit**”). The amount of claim is RM203,500.00; subsequent interests on the judgement amount at the rate of five (5) per cent per annum calculated from the date of judgement until the date of full settlement; and costs.

Saz Diversified has on 14 March 2024 through its solicitors withdrawn the Suit with liberty to file afresh after Saz Diversified and EVDE mutually agreed to settle the matter amicably.

(e) Winding Up Petition served by Daikin Applied (Malaysia) Sdn Bhd against EVDE

On 16 July 2024, Daikin Applied (Malaysia) Sdn Bhd (“**Daikin**”) has filed the Winding Up Petition against EVDE. The Winding Up Petition was filed following the Statutory Notice of Demand and payment certificates. The amount claimed is RM312,494.33.

High Court has fixed for hearing on 14 October 2024. EVDE has engaged an advocate and solicitor (“**solicitors**”) and instructed its solicitors to prepare the filing of relevant affidavits in opposition.

4. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents (or copies of the said documents) are available for inspection during normal business hours (except public holidays) at the Registered Office of the Company located at Unit 521, 5th Floor, Lobby 6, Block A, Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia from the date of this Circular up to and including the date of the forthcoming 4th AGM:

- (a) the Constitution of the Company;
- (b) the audited financial statements of the Company for the 12-month financial year ended 31 December 2022;
- (c) the audited financial statements of the Company for the 18-month financial period ended 30 June 2024;
- (d) the relevant material contract referred to in Section 2 of this Appendix I; and
- (e) the relevant cause papers in respect of the material litigation referred to in Section 3 of this Appendix I.