



**IEV HOLDINGS LIMITED**  
(Company Registration 201117734-D)

## **ANNOUNCEMENT**

For Immediate Release

# **IEV ENTERS INTO A JOINT VENTURE AGREEMENT FOR THE DEVELOPMENT OF CORROSION-UNDER-INSULATION PROTECTION SYSTEM AND CONCRETE CORROSION SOLUTIONS**

### **Introduction**

The board of directors ("**Directors**") of IEV Holdings Limited ("**Company**", and together with its subsidiaries, "**IEV**" or the "**Group**") wish to inform that the Company's wholly owned subsidiary, IEV Group Sdn Bhd, along with MUI International Limited ("**MUI**") and an individual, Mr. Kang Kim Ang ("**Mr. Kang**") (collectively, the "**Parties**") have entered into a Joint Venture Agreement ("**JVA**") to pursue and engage in the following businesses (collectively, the "**Business**") under IEV Technologies Pte Ltd ("**JVC**"), currently a wholly-owned subsidiary of IEV Group Sdn Bhd:

- (a) Ownership and global distribution of Trizashield, a corrosion-under-insulation protection system ("**Trizashield**") for barrier and galvanic protection of high and cyclic temperature insulated piping systems in process plants and installations; and
- (b) Ownership and global distribution of a suite of concrete corrosion solutions.

### **Structure of JVA**

The JVC was incorporated on 26 July 2017 in Singapore with an initial issued and paid-up share capital of S\$100.00. The JVC was incorporated for the purpose of developing and proliferating innovative and disruptive technologies in the Asset Integrity Management Sector and has not commenced business since its incorporation. Pursuant to the JVA, the JVC is proposed to have an issued and paid-up share capital of USD 192,793 comprising up to 270,000 ordinary shares, which shall be subscribed for by the Parties in proportion to their shareholdings in the JVC; and may be increased from time to time, subject to the needs of the JVC and approval of the Parties. Accordingly, IEV Group Sdn. Bhd. shall subscribe for 51.87% of the equity interest in the JVC for a cash consideration of USD 100,000.

The proposed shareholding structure of the JVC are as follows:

<b>Party</b>	<b>Percentage of Shareholding (%)</b>	<b>Principal Activities</b>
IEV Group Sdn. Bhd.	51.87	Engaged in the provision of asset integrity management solutions.

MUI International Limited	40.87	Engaged in the manufacturing and distribution of unique corrosion control products and system including Corrosion Under Insulation (" <b>CUI</b> "), concrete protection and repair and repair and environmental control systems.
Mr. Kang Kim Ang	7.26	Specialises in the field of corrosion protection including engineering design, consultancy, monitoring and inspection, installation, testing, commissioning and failure analysis.

IEV Group Sdn. Bhd.'s share of the capital contribution is expected to be funded by internal resources. Mr. Miki Funahashi, who wholly owns MUI, is the inventor of various patents granted for the CUI technology and developer of concrete corrosion control systems. Mr. Funahashi and MUI has undertaken to transfer all related intellectual property rights including registered patents to the JVC.

### **Salient terms of the JVA**

- (a) The Parties shall establish a management committee ("**Management Committee**") within seven (7) business days from signing of the JVA. The Management Committee will be responsible for the development of business, manage and coordinate the transfer of relevant intellectual property and know-how to the JVA and outsourcing the procurement and manufacturing of materials and products of the Business to IEV Group Sdn Bhd or other suitable third parties.
- (b) The Business is expected to commence as soon as the condition precedents ("**CPs**") specified in the JVA are fulfilled. The main CP requires that the Parties have jointly identified the potential customers of the Business and there is sufficient significant business activity to support the formalisation of the Business through the JVC.
- (c) The CPs shall be fulfilled within twelve (12) months from the signing of the JVA and the Parties may agree to extend the said period by an additional six (6) months.
- (d) The board of directors of the JVC will comprise of four (4) directors, of which two (2) are appointed by IEV Group Sdn Bhd, one (1) appointed by MUI and one (1) appointed by Mr Kang.
- (e) MUI and Mr. Funahashi have minority protection at the JVC board and shareholder level requiring their consent for a selection of reserved matters including: material corporate matters; corporate restructuring or reorganization; change in scope of the JVC's business; significant asset or business transfer or disposal; and incurrence of any liability or capital expenditure exceeding USD100,000.

### **Financial Effects**

The JVA is not expected to have any material impact on the consolidated earnings per share and/or net tangible assets per share of the Group for the financial year ending 31 December 2018.

### **Interest of Directors and Controlling Shareholders**

Save for their shareholdings in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct and indirect, in the JVA. The Directors are also not aware of any substantial shareholders that have any interest, direct or indirect, in the JVA.

### **Details of any service contract**

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

### **Document for Inspection**

The JVA is available for inspection at the registered office of the Company at 80 Robinson Road, #02-00, Singapore 068898 during normal business hours for a period of three (3) months from the date of this announcement.

### **By the order of the Board**

Christopher Do  
President and CEO  
25 June 2018

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### **MEDIA CONTACT**

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*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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