INNOPAC HOLDINGS LIMITED

(Company Registration Number 197301788K)
(Incorporated in the Republic of Singapore)

MICROALGAE CULTIVATION JOINT VENTURE WITH PRIMEFORTH – SUPPLEMENTAL AGREEMENT

The Board of Directors (the "Board") of Innopac Holdings Limited (the "Company") refers to its announcements on 22 September 2015, 5 October 2015 and 30 December 2015 in relation to the Joint Venture Agreement ("JVA") dated 22 September 2015 entered between the Company and Primeforth Renewable Energy Limited ("Primeforth") (collectively, "the Parties") to commercially cultivate microalgae and engage in its downstream activities.

The Board wishes to announce that the Company had today signed a supplemental agreement (the "Supplemental Agreement") with Primeforth to vary, amend and modify the JVA.

The JVA had contemplated to establish its first facility in Singapore, however, search for a suitable site has been unsuccessful. The Parties have extended the search to Malaysia and have identified several suitable sites and have agreed to build the first facility in Malaysia.

The pertinent terms of the Supplemental Agreement are:-

1. The Parties have agreed to incorporate a private limited company ("JVCO") in Singapore or in Malaysia with an issued share capital of one million (1,000,000) subscriber shares of S$1 (or Malaysian Ringgit equivalent) as the case maybe;

2. The business of the JVCO shall be the cultivation of microalgae using Primeforth's proprietary, patented knowhow and technologies with special focus on the recovery of algae oil as fuel sources. The first facility shall be located in Malaysia ("the Project");

3. The Company shall provide the procurement of all necessary permits and approval for the Project and shall also provide the initial capital for the JVCO. The Company shall, from time to time, provide the JVCO with financing and all such necessary financial assistance and in the areas of business development and financial management. For avoidance of doubt, Innopac shall only contribute to the JVCO for Primeforth's initial 30% (thirty percent) subscription to the share capital of the JVCO;

4. The Company acknowledges and agrees that the right of first refusal shall exclude existing and ongoing discussions by Primeforth with other parties. These opportunities are disclosed in the Supplemental Agreement.

Except to the extent varied or amended by the Supplemental Agreement, the terms and conditions of the JVA remain unaltered and continue to be valid and binding on the Parties.

The Company will make further announcements as and when there are material developments on the Project in compliance with the requirements of the Listing Manual of the SGX-ST.

BY ORDER OF THE BOARD OF
INNOPAC HOLDINGS LIMITED

Wong Chin Yong
Managing Director & Chief Executive Officer

21 January 2016