



IEV HOLDINGS LIMITED
(Company Registration 201117734-D)

ANNOUNCEMENT

For Immediate Release

UPDATE TO COOPERATION CONTRACT AND HEADS OF AGREEMENT IN RELATION TO THE MK-1 BIOMASS PLANT

Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning ascribed to them in the announcement dated 6 March 2017 and 12 May 2017.

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, following the announcement in relation to the Cooperation Contract ("**CC**") made on 12 May 2017, the feasibility study conducted in accordance with the CC for the commercialisation of rice husk silica and nano-silica has completed and has concluded that the venture would be commercially unfavorable.

Following this, the Company, through its indirect wholly-owned subsidiary IEV Vietnam Limited Liability Company (previously known as IEV Vietnam Joint Stock Company) ("**IEV Vietnam**"), has entered into a Heads of Agreement (the "**HOA**") with BSB Investment and Development Co. Ltd ("**BSB**"), effective 31 October 2017, to commence the legal process to lease the MK-1 Biomass Plant ("**MK-1 Plant**") and its related assets located at Thot Non district, Vietnam to BSB for a 2-year period (the "**Rental Period**") and to also grant BSB an option to purchase the MK-1 Plant at the end of the Rental Period. The HOA will supersede the CC. Formalised agreements in relation to the lease and the option to purchase will be entered into in due course. The HOA is part of the Company's move to refocus on its core engineering business and exit from the rice-husk biomass business in Vietnam.

The signing of the HOA 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 2017. The Company will provide updates on material developments relating to the HOA in due course.

Save for their shareholdings in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the HOA other than their respective shareholdings in the Company (if any). The Directors are also not aware of any substantial shareholders that have any interest, direct or indirect, in the HOA.

Shareholders and other investors are reminded to exercise caution while dealing in the shares of the Company. In the event that shareholders and other investors are in doubt when dealing in the shares of the Company, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By order of the Board
Christopher Do
President & CEO
7 November 2017

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.

The contact person for the Sponsor is Mr. Sebastian Jones, at 1 Robinson Road, #21-02 Singapore 048542, telephone (65) 6532 3829.