



KING WAN CORPORATION LIMITED
(Company Registration No. 200001034R)
(Incorporated in the Republic of Singapore)

ENTRY INTO JOINT VENTURE AGREEMENT

1. INTRODUCTION

The Board of Directors (“**Board**”) of King Wan Corporation Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 14 September 2021 entered into a joint venture agreement (the “**JVA**”) with Evercomm Singapore Pte Ltd, a private limited company incorporated in Singapore (“**Evercomm**”, and collectively with the Company, the “**Parties**”). Under the JVA, the Parties intend to establish a joint venture company incorporated in Singapore named **King Wan Eco Solutions Pte. Ltd.** (the “**KWES**”) to provide retrofitting and upgrading solutions, as well as system integration services for buildings and facilities, using Artificial Intelligence (“**AI**”), and Internet of Things (“**IoT**”).

2. JOINT VENTURE

2.1 INFORMATION ON THE JOINT VENTURE PARTNER

Headquartered in Singapore with business presences in various Southeast Asian countries, Evercomm combines energy IoT with machine learning to manage and improve equipment performance, optimise productivity and maximise energy efficiency. Evercomm works closely with Enterprise Singapore and Infocomm Media Development Authority of Singapore on various industry digital transformation initiatives.

Prior to the Joint Venture, Evercomm and its shareholders are independent and unrelated parties to the Group, the Company’s directors, chief executive officers and controlling shareholders, and have had no prior business, commercial or trade dealings with the Group.

2.2 FRAMEWORK AND SALIENT TERMS OF THE JVA

2.2.1 Formation of the Joint Venture company and Share Capital

Upon satisfaction of the conditions precedent and pursuant to the JVA, each of the Parties shall subscribe for such number of new shares in KWES such that upon completion of the subscription, KWES will have an issued and paid-up share capital of S\$10,000.00 divided into 10,000 ordinary shares and the shareholding proportion of KWES shall be as follows:

Name	Shareholding Percentage	Number of Shares upon Completion
The Company	70%	7,000
Evercomm	30%	3,000
Total	100%	10,000

2.2.2 Business of Joint Venture

The principal activity of KWES is mainly the provision of retrofitting and upgrading solution, as well as system integration services for buildings and facilities, using AI, and IoT, or such other businesses as the Parties may agree from time to time.

3. RATIONALE FOR THE JOINT VENTURE

The Board believes that the proposed Joint Venture will enable the Group to synergise its core Mechanical & Electrical engineering business with the core technology of Evercomm to increase its involvement in the retrofitting and upgrading business. The proposed Joint Venture will also allow the Group to leverage on the business networks of Evercomm.

Accordingly, the Board believes that the entry into the JVA is in the best interests of the Company.

4. FINANCIAL EFFECTS OF THE PROPOSED SUBSCRIPTION

The proposed subscription under the JVA will be funded through internal resources and is not expected to have any significant impact on the earnings per share or net tangible assets per share of the Company for the financial year ending 31 March 2022.

5. INTERESTS OF DIRECTORS, CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS

None of the directors, controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the Joint Venture, other than through their respective shareholdings in the Company.

6. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the JVA will be available for inspection during normal business hours at the registered office of the Company at 8 Sungei Kadut Loop, Singapore 729455 for a period of 3 months from the date of this announcement.

Shareholders who wish to inspect these documents at the Company's registered office are required to send an email request to kwc@kingwan.com.sg to make an appointment in advance. The inspection of documents will be arranged with each Shareholder to limit the number of people who are present at the registered office at any one time and such arrangements are subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be implemented by the relevant authorities from time to time.

7. FURTHER ANNOUNCEMENTS

Further announcements will be released on this matter as and when there are material developments.

BY ORDER OF THE BOARD

Chua Eng Eng
Managing Director

14 September 2021