Neo Performance Materials to Invest in Singapore Entity

written by Raj Shah | June 12, 2023

June 12, 2023 (Source) – Neo Performance Materials Inc. ("**Neo**" or the "**Company**") (TSX: NEO) has entered into a subscription agreement providing for the purchase of up to US$84.7 million of ordinary and preference shares of its wholly-owned direct subsidiary, Magnet Ventures Pte Ltd. ("**Magnet Ventures**") over the course of several tranches, and subject to certain conditions precedent. Magnet Ventures is the sole shareholder of NPM Narva OU. The first tranche in the amount of US$15.4 million is expected to be funded no later than mid-July 2023. Concurrent with Neo's investment, a third-party minority shareholder will also invest in Magnet Ventures. Following the completion of the funding of Magnet Ventures, Neo will hold a 70% interest in the outstanding ordinary shares of Magnet Ventures and the minority shareholder will hold a 30% interest. Concurrent with the entering into of the subscription agreement, Neo and the minority shareholder of Magnet Ventures entered into a shareholders' agreement in regards to Magnet Ventures which provides for the terms of the relationship and the operating parameters of the company, including pre-emptive rights, rights of first refusal on transfers of shares, restrictive covenants, and restrictions on the transfer of shares of Magnet Ventures. The shareholders' agreement becomes effective on the completion of the first tranche of funding.

About Neo Performance Materials

Neo manufactures the building blocks of many modern technologies that enhance efficiency and sustainability. Neo's advanced industrial materials – magnetic powders and magnets, specialty

chemicals, metals, and alloys – are critical to the performance of many everyday products and emerging technologies. Neo's products help to deliver the technologies of tomorrow to consumers today. The business of Neo is organized along three segments: Magnequench, Chemicals & Oxides and Rare Metals. Neo is headquartered in Toronto, Ontario, Canada; with corporate offices in Greenwood Village, Colorado, United States; Singapore; and Beijing, China. Neo has a global platform that includes 9 manufacturing facilities located in China, the United States, Germany, Canada, Estonia, and Thailand, as well as one dedicated research and development centre in Singapore. For more information, please visit www.neomaterials.com.

Cautionary Statements Regarding Forward-Looking Statements

This news release may contain "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, but not always, forward-looking information and statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof. Specific forward-looking statements in this news release include, but are not limited to, the continued expansion of Neo's operations and succession planning-related matters. In making the forward-looking information in this news release, the Company has applied certain factors and assumptions that are based on its current beliefs as well as assumptions made by and information currently available to the Company. Although the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking information in this release

are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information. The Company does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by law. For more information on Neo, investors should review Neo's continuous disclosure filings that are available under Neo's profile at www.sedar.com.

SOURCE Neo Performance Materials, Inc.

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