

MTQ CORPORATION LIMITED
(Incorporated in Singapore)
(Company Registration No. 196900057Z)

UPDATE IN RELATION TO THE PROPOSED STRATEGIC COLLABORATION

The Board of Directors (the “**Board**”) of MTQ Corporation Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to update shareholders regarding the Proposed Strategic Collaboration with a leading OEM, as announced in the Company’s announcement dated 27 July 2021 (“**Previous Announcement**”).

All capitalized terms used in this announcement shall unless otherwise defined have the same meaning as given to them in the Previous Announcement.

The Board is pleased to update shareholders that the agreements in connection with the Proposed Strategic Collaboration have been finalized and executed. The key agreement includes a service agreement for the Group to provide in plant repair and remanufacturing services to Cameron for Cameron’s pressure control equipment in most of the Asia Pacific region for a period of 10 years. The Company will need to ensure that it adheres to operating and service standards as stipulated by Cameron.

In addition, the Group also entered into a sale and purchase agreement to acquire the leasehold property situated at 100 Tuas South Avenue 8 and certain capital equipment necessary for providing the after-sales services mentioned above for a total consideration of US\$5.3 million. This facility was previously developed and owned by Cameron, which is part of the Schlumberger Group, the world’s leading energy technology and services firm.

This transaction strengthens the Group’s overall prospects via collaborating with the largest energy technology firm in this region, focusing on the Group’s core business activity within the oilfield equipment sector. As part of this transaction, the Group intends to rationalize its existing facilities and resources in Singapore moving forward as the 31,000 sqm Tuas site where the Property is situated on has a potential lease term of up till 31 March 2042.

Commentating on the transactions, Mr Kuah Boon Wee, Group Chief Executive Officer, said “MTQ is excited by the opportunity to work in partnership with Schlumberger to support all our customers moving ahead and to increase revenues for the Group. While the Group looks to new avenues of growth, fossil fuels will remain a core part of the world’s energy needs moving ahead and maintenance centric activities will continue to remain important. This long-term collaboration strengthens the Group.”

By Order of the Board

Tan Lee Fang
Company Secretary
21 February 2022