



MULTI-CHEM LIMITED

(Company Registration No. 198500318Z)

(Incorporated in the Republic of Singapore)

TAX DISPUTE INVOLVING WHOLLY-OWNED SUBSIDIARY

The Board of Directors of Multi-Chem Limited (the “**Company**” and together with its subsidiaries the “**Group**”) wishes to announce that M-Security Tech Philippines Inc. (the “**Philippine Subsidiary**”), an indirect, wholly-owned subsidiary of the Company, has received two documents, namely a “Final Assessment Notice” together with a “Formal Letter of Demand” (collectively, the “**Tax Documents**”) from the Office of the Regional Director (Revenue Region No. 8A-Makati City), Bureau of Internal Revenue, Department of Finance, Republic of the Philippines (the “**Philippine Tax Authority**”).

The Tax Documents state that the Philippine Tax Authority has assessed the tax obligations of the Philippine Subsidiary for the taxable year 2022 (being the period from 1 January 2022 to 31 December 2022) at an amount of approximately PHP 511,832,000 (approximately SGD 12,257,352.74).¹

The Tax Documents further state that the Philippine Subsidiary can choose to either pay the aforementioned amount by 15 March 2024, or if the Philippine Subsidiary disagrees with the assessment, file a protest in writing within 30 days from receipt of the Tax Documents.

The Tax Documents were each dated 8 February 2024 and received by the Philippine Subsidiary on 21 February 2024.

The Tax Documents follow a series of discussions and correspondence with the Philippine Tax Authority on the Philippine Subsidiary’s tax liability. The Philippine Subsidiary disputes the aforesaid tax liability and has engaged Philippine legal counsel to advise on the matter.

The Philippine Subsidiary is not a principal subsidiary of the Company within the meaning of the listing rules of the Singapore Exchange Securities Trading Limited and, as at 31 December 2023, has a negative net worth.

The Company will continue to keep shareholders updated as and when there are any material developments on the matter. Shareholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, legal counsel or other professional advisers.

By Order of the Board

Han Juat Hoon
Director

28 February 2024

¹ Based on the PHP : SGD exchange rate of PHP 0.023948 : SGD 1 on the date of this announcement, as extracted from the website of the Monetary Authority of Singapore