



Metech International Limited

(Incorporated in the Republic of Singapore)
(Company Registration Number 199206445M)

RESPONSE TO SGX QUERIES

The Board of Directors (the “**Board**”) of Metech International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the queries from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 26 December 2023 in relation to the Company’s announcement dated 18 December 2023 in relation to the responses to SGX Queries (the “**Responses**”).

Unless otherwise defined, capitalised terms and references used herein shall bear the same meanings ascribed to them in the Responses.

SGX-ST’s Queries

Please provide clarification on the following:

- 1) The Company disclosed in the Responses that Mr Deng will be repaying a sum of S\$483k to the Company in 6 instalments and as part of the settlement, the Company will not pursue the claim of S\$34,000 against him.
 - a) Please disclose when the 6 installments will commence and the amount payable by Mr. Deng in each installment.
 - b) Please clarify whether the interest rate of 5.33% p.a will apply to the settlement sum payable by Mr. Deng.

Company’s response:

The first instalment of S\$150,000 is to be paid by Mr. Deng no later than 15 January 2024. Subsequently, Mr. Deng shall make equal payments towards the remaining balances from February 2024 to June 2024. The final instalment in June 2024 by Mr. Deng will encompass the accrued amount from the interest at a rate of 5.33% p.a.

- 2) It is disclosed in the Responses that, the out-of-court settlement (the “**Settlement**”) is for the Company and Mr. Deng to withdraw and/or terminate the legal suits for the Diamond Seeds, loose diamonds and inflated machinery prices.
 - a) Please disclose if there were any legal suits initiated by Mr. Deng with respect to the above prior to the Settlement. If so, please disclose when the legal suits commenced and whether any announcement was made with regard to the legal suits.

Company’s response:

Save for the disclosures made in the Company’s Responses, to the best of the Company’s knowledge, there were no legal suits initiated by Mr. Deng with respect to the above prior to the Settlement.

- 3) It is disclosed in the Responses that, Mr. Deng has expressed that he and his technical team will cooperate with the Company to support fully the Company's lab-grown diamond business in the international markets outside of China.
- a) Please disclose if there are any fees payable by the Company and/or the Joint Venture to Mr. Deng and his Associates, arising from the provision of expertise and technical know-how. If yes, please disclose the amount payable and how the fees are determined.

Company's response:

There are no fees payable to Mr. Deng and his Associates arising from the provision of expertise and technical know-hows. Under the Settlement Agreement as disclosed in the Responses, Mr. Deng and/or his associate or affiliated company will provide their expertise and technical know-how to the Company to resume the production by utilizing the 5 machines to help generate more revenue for the Company as part of Mr. Deng's contribution to the Company.

By Order of the Board of Directors of
Metech International Limited

Wang Zhuo
Executive Director and CEO
28 December 2023

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "Sponsor"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

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. Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.