

**ME**Tech  
**METECH INTERNATIONAL LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number 199206445M)

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**ENTRY INTO JOINT VENTURE AGREEMENT**

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**1. INTRODUCTION**

**1.1** The Board of Directors (the “**Board**”) of Metech International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that further to the binding memorandum of understanding that was announced on 2 April 2024 between the Company and Colorful Paradise Agricultural Cooperation Co., Ltd. (多彩樂園農業合作有限公司) (“**CPAC**”, and collectively with the Company, the “**Parties**” and each a “**Party**”), the Company had, through the Company’s wholly owned subsidiary, Asian Green Tech Pte Ltd (“**AGT**”) entered into a joint venture agreement with CPAC on 25 June 2024, pursuant to which AGT and CPAC will incorporate a joint venture company (“**JV Company**”) in Singapore to collaborate in the areas detailed in paragraph 2.2.2 of this announcement (the “**JVA**”) (the “**Joint Venture**”).

**2. JOINT VENTURE**

**2.1 INFORMATION ON THE JOINT VENTURE PARTNER**

CPAC is a private company limited by shares incorporated in the Republic of China and has an issued and paid-up capital of NTD4,930,000. Its shareholders are Mr Guo Pengyi and Ms Yang Cai Ling, each holding 44% and 56%, respectively.

CPAC is in the business of production and sale of agricultural machinery, fermentation and renewable resource equipment. Its principal activities are primarily focused on the sale of biological processors/high-temperature starter cultures.

To the best knowledge of the Board, prior to the Joint Venture, CPAC, its directors and its shareholders are independent of the Group, the Company, its directors, substantial shareholders and their respective associates.

**2.2 FRAMEWORK AND SALIENT TERMS OF THE JVA**

**2.2.1 Formation of the JV Company and Share Capital**

Upon satisfaction of the condition precedent and pursuant to the JVA, each of the Parties shall subscribe for such number of new shares in the JV Company such that upon completion of the subscription, the JV Company will have an initial issued and paid-up share capital of S\$1,000,000 divided into 1,000,000 ordinary shares and the shareholding proportion of the JV Company shall be as follows:

<b>Name</b>	<b>Number of Shares</b>	<b>Percentage of entire issued share capital</b>
AGT	700,000	70%
CPAC	300,000	30%
<b>Total</b>	<b>1,000,000</b>	<b>100%</b>

On incorporation, the JV Company will become an indirect 70%-owned subsidiary of the Company, through AGT.

### 2.2.2 Business of the JV Company

The principal business of the Joint Venture is for the JV Company to (i) collection and processing of food waste into animal feed, bio-fuel and other by-products, (ii) production and sale of agricultural machinery, fermentation and renewable resource equipment or such other business as the Parties may agree upon from time to time (the “**Business**”).

Under the JVA, the Parties intend to collaborate, through the JV Company, in the following key areas through several phases:

- a) collection of food waste from all over the island in Singapore to a designated processing centre for the purpose of upcycling and conversion of food waste into animal feed, bio-fuel and other by-products;
- b) collaboration with public and/or private stakeholders to have on-site food waste treatment systems at various buildings *inter alia*, (i) hawker centres, food court, educational institutions, commercial buildings such as shopping malls, hotels and (iii) industrial buildings such as single-user factory or multiple-user factory; and
- c) production and placement of automated upcycling vending machines to be sited at the lobby of residential housing whereby food waste such as fish bones, chicken bones etc are converted into animal feed, animal protein and even food protein in pelletized forms to be upcycled for cash and/or vouchers.

As the Business of the Joint Venture amounts to a new business undertaking by the Group that is different from its existing business, the Company will be convening an extraordinary general meeting in due course to seek approval from the shareholders of the Company for the proposed diversification of the Group’s business to include the Business (the “**Proposed Diversification**”). For avoidance of doubt, the JV Company will not commence the Business until the Proposed Diversification has been approved by the shareholders of the Company. The Company will make the necessary announcement(s) in due course in relation to the Proposed Diversification.

### 2.2.3 Board composition and responsibilities

The board of directors of the JV Company shall comprise up to a maximum of three (3) directors. The Company shall be entitled to nominate and appoint two (2) directors to the board of the JV Company and CPAC shall be entitled to nominate and appoint one (1) director to the board to the JV Company.

The Parties agree that other than joint responsibilities as partners in the Business each shall be primarily focused on the following in the initial start-up stage:

- (i) AGT shall be responsible for the securing of a management team which will lead the Business and day-to-day operations of the JV Company;
- (ii) CPAC shall be responsible for providing all technical expertise, technical support and latest technology to the JV Company, including the intellectual property rights (“**IP**”) relating to the technology and may be part of the operation team. CPAC shall also ensure the procurement of the necessary IP in the territories agreed, where necessary and applicable; and
- (iii) the Parties shall consult each other and be jointly responsible for all other matters not specified in (i) and (ii) above which are essential or beneficial for the Business.

#### **2.2.4 Reserved matters**

The JVA sets out certain customary matters which require the prior unanimous approval of all the shareholders of the JV Company.

### **3. RATIONALE FOR THE JOINT VENTURE**

The Joint Venture is part of the corporate strategy of the Group to embark on a transformative journey and exploration of new business opportunities. The Board believes that the Joint Venture will open up new market opportunities, increase revenue stream and improve prospects of the Group, so as to enhance the shareholders' value.

### **4. FINANCIAL EFFECTS OF THE PROPOSED SUBSCRIPTION**

The proposed subscription of shares payable by AGT under the JVA, will be funded through the Group's internal resources and, at present, is not expected to have any material impact on the net tangible assets and earnings per share of the Group for the financial year ending 31 December 2024. In the event that there are any equity fundraisings undertaken by the Company in relation to the subscription of the shares in the JV Company, the Company make a separate announcement on the matter and seek shareholders' approval, if necessary.

### **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 or the JV Company, 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 for three (3) months from the date of this announcement at the registered office of the Company at 2 Venture Drive, #08-10 Vision Exchange, Singapore 608526.

### **7. FURTHER ANNOUNCEMENTS**

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

For and on behalf of the Board of Directors of  
**Metech International Limited**

Wang Zhuo  
Executive Director and Chief Executive Officer

25 June 2024

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*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 Catalist.*

*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, #04-02 Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.*