

## **RESPONSE TO SGX QUERIES**

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The Board of Directors (the “**Board**” or “**Directors**”) of Matex International Limited (the “**Company**”) wishes to announce the Company’s responses to the queries raised by the Singapore Exchange Regulation (“**SGX RegCo**”) on 7 October 2025 on the following announcements released by the Company:

- (i) dated 3 October 2025, titled “Response to SGX Queries” (“**Response Announcement**”); and
- (ii) dated 29 September 2025, titled “Re-designation of Non-Executive Non-Independent Chairman to Non-Executive Independent Chairman” (“**Re-designation Announcement**”).

### **SGX RegCo Queries:**

**(A) It was disclosed in the Response Announcement that “it was brought to the attention of the Board and the Sponsor that the payments to be made to Dr Tan and Mr Tan (the ‘Cessation Payments’) may require shareholders’ approval as an ‘interested person transaction’ under Chapter 9 of the Catalist Rules.”**

**(a) Has the Board and the Sponsor assessed whether the Cessation Payments constitute an “interested person transaction” (“IPT”) under Chapter 9 of the Catalist Rules?**

**(i) Please disclose the Board’s assessment and basis.**

### **Company’s Response:**

The current Board has assessed, after consulting legal counsel and the view of sponsor, whether the Cessation Payments constitute an “interested person transaction” (the “**Cessation Payments Issue**”). Further, the current Board (a) is aware that the ex-chairman of the Board, Mr Wang Daofu, raised the Cessation Payments Issue, and (b) sought confirmation and clarification from Dr Tan’s and Mr Tan’s lawyers on whether the Cessation Payments constitute “employment income” or remuneration for “loss of office”. Dr Tan and Mr Tan has confirmed, through their lawyers, that the Cessation Payments are “employment income”.

Further, Dr Tan’s and Mr Tan’s lawyers have highlighted to the current Board that based on the Company’s last audited net tangible asset value of S\$9,768,000 (the “**Audited NTA**”), the Cessation Payments to Dr Tan (S\$462,000) and Mr Tan (S\$216,000) respectively, do not cross the 5% threshold under Chapter 9 of the Catalist Rules. Dr Tan and Mr Tan take the position that their respective Cessation Payments amount to 4.73% and 2.21% of the Company’s Audited NTA.

That said, the current Board’s assessment is based on the correct latest audited NTA of the Group as at 31 December 2024 of S\$9,049,000<sup>1</sup>. That means the Cessation Payments to Dr Tan (S\$462,000) and Mr Tan (S\$216,000) would have crossed the 5% threshold and constitute an IPT under Chapter 9 of the Catalist Rules. It is artificial for the Cessation Payments to be split up between Dr Tan and Mr Tan because the definition of an “interested person” under the Catalist Rules include “an associate of any director, chief executive officer, or controlling shareholder”. Given the father-and-son relationship between Dr Tan and Mr Tan, the current Board is of the view that it would be artificial to split up the Cessation Payments in its deliberations.

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<sup>1</sup> Based on equity attributable to owners of the Company as at 31 December 2024.

**(ii) Please disclose the Sponsor's assessment and basis.**

**Company's Response:**

The Company's Sponsor is of the view that the Cessation Payments constitute an IPT under Chapter 9 of the Catalist Rules based on the following:

- (a) the Cessation Payments to be made by the Company to Dr Tan and Mr Tan arose from the entry of the settlement agreement dated 14 September 2025 (the "**Settlement Agreement**"), which is a commercial matter and transaction, and are not pursuant to the terms of their respective service agreements/employment contracts with the Company. As such, such payments under the Settlement Agreement do not appear to fall under the exceptions of Chapter 9 of the Catalist Rules (i.e. director's fees and remuneration, and employment remuneration (excluding "golden parachute" payments)) which are not required to comply with the relevant IPT rules for immediate announcement and obtaining of shareholders' approval; and
  - (b) the Settlement Agreement was entered into when Dr Tan and Mr Tan were then Directors of the Company, and who were considered as "interested persons" under Chapter 9 of the Catalist Rules.
- (b) If the Cessation Payments are deemed IPTs, please confirm whether shareholders' approval is required pursuant to Chapter 9 of the Catalist Rules.**

**Company's Response:**

For purpose of computing the value of the Cessation Payments, in view that Dr Tan and Mr Tan are father and son, pursuant to Rule 908 of the Catalist Rules, transactions between (i) an entity at risk and a primary interested person; and (ii) an entity at risk and another primary interested person, are deemed to be transactions between an entity at risk with the same interested person if the primary interested person is also an associate of the other primary interested person. Accordingly, the current Board has deemed the value of the Cessation Payments to be an aggregate of S\$678,000, which represents approximately 7.49% of the latest audited consolidated net tangible assets of the Group as at 31 December 2024 of S\$9,049,000<sup>2</sup>. In view of the foregoing, shareholders' approval for the Cessation Payments as an interested person transaction is required under Rule 906 of the Catalist Rules.

**(c) If yes, what is the Company's plan and timeline for obtaining shareholders' approval?**

**Company's Response:**

The current Board will convene an extraordinary general meeting of the Company ("**EGM**") to seek shareholders' approval for the Cessation Payments. The current Board will engage Dr Tan and Mr Tan on the Cessation Payments and other issues of handing over so that all material and relevant information can be presented to the Company's shareholders in the circular to shareholders to be despatched prior to the said EGM. The current Board expects this process to take some time and for the EGM to be held within 2 to 3 months from the date of this response (inclusive of the statutory and Constitutional notice period required for EGMs).

**(d) In the event shareholders' approval is not obtained, what are the Company's intended next steps and what is the potential impact on the Company?**

**Company's Response:**

If shareholders' approval is not obtained, the Company will seek further legal advice and consult the Sponsor to ensure it will meet the terms of the Settlement Agreement. The obligations under the Settlement Agreement are that the Company "shall fully abide and adhere to all the terms of this letter and shall take all necessary actions and sign all such necessary instruments and documents including

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<sup>2</sup> Based on equity attributable to owners of the Company as at 31 December 2024.

convening all requisite general meetings and conforming to all other legal and regulatory compliance requirements to ensure that the Company fully adhere [sic], abides and to give full effect to all the terms of settlement between the parties *inter se* as set out in this letter”.

**(B) It was disclosed in the Re-designation Announcement that:**

**(i) “Mr Tan had initially proposed to the Nominating Committee of the Company (‘NC’) for him to be designated as a non-independent director for reasons of prudence.” (ii) “Upon reassessment by the NC, the NC is of the unanimous view that Mr Tan’s relationship with RHT Capital does not fall within any of the circumstances described in the Code of Corporate Governance and Rule 406(3)(d) of the Catalist Rules that requires Mr Tan to be considered non-independent, and Mr Tan is suitable to be designated as a Non-Executive Independent Chairman of the Company.”**

**(a) What were the specific considerations and prudential concerns that led the NC to initially accept Mr Tan’s proposal to be designated as a non-independent director?**

**Company’s Response:**

The then NC (comprising Mr Chng Hee Kok and Mr James Kho) accepted the nominations of Mr Tan Chong Huat (“**Mr Tan**”) and Dr Danny Oh Beng Teck (“**Dr Oh**”) as the Directors of the Company as they were voted in by shareholders of the Company under Section 177 of the Companies Act 1967 during the EGM held on 16 September 2025 (“**S177 EGM**”). After the appointment of Mr Tan, an announcement was made accordingly, and the then NC did not object to Mr Tan’s declaration that he is non-independent.

**(b) Please elaborate on the NC’s rationale at the time, particularly in light of Mr Tan’s indirect shareholding interest in RHT Capital, the Company’s previous sponsor.**

**Company’s response:**

The then NC (comprising Mr Chng Hee Kok and Mr James Kho) was of the opinion that as the bar for independence is necessarily higher, and given Mr Tan’s declaration that he is non-independent, had accepted Mr Tan’s declaration that he is non-independent.

After the said S177 EGM and with the resignations of Dr Alex Tan, Mr Dro Tan and Mr Wang Daofu, in order to reconstitute a board in compliance with the Code of Corporate Governance and the Catalist Rules, the current NC (comprising Mr Chng Hee Kok, Mr James Kho and Dr Oh) carried out a reassessment of Mr Tan’s independence. The NC considered Mr Tan to be independent as he does not fall under any of the situations described under the Code of Corporate Governance and Rule 406(3)(d) of the Catalist Rules which deemed him to be non-independent.

The NC, with consultation of the Sponsor, as announced previously, concluded Mr Tan is suitable to be considered as an Independent Director.

**(c) What prompted the NC’s reassessment of Mr Tan’s independence status within such a short timeframe?**

**Company’s Response:**

As mentioned above, the then NC (comprising Mr Chng Hee Kok and Mr James Kho) had accepted Mr Tan’s declaration as non-independent when he was voted in as a Director pursuant to the S177 EGM.

After the said S177 EGM, the current NC (comprising Mr Chng Hee Kok, Mr James Kho and Dr Oh) had re-assessed Mr Tan’s independence while looking into the constitution of the Board with a view to be in compliance with the Code of Corporate Governance and the Catalist Rules.

It has to be pointed out that the NC having assessed Mr Tan’s independence then recommended Mr Tan to be the Chairman of the Remuneration Committee to the Board, and that Mr Tan had recused himself at all material times from the discussions of the NC and the Board.

- (d) Please provide the NC's updated basis for concluding that Mr Tan's relationship with RHT Capital does not fall within the circumstances described in the Code of Corporate Governance and Rule 406(3)(d) of the Catalist Rules.**

**Company's Response:**

Rule 406(3)(d) of the Catalist Rules describes three situations where a director will not be independent as follows:

- (i) If he is employed by the listing applicant or any of its related corporations for the current or any of the past three financial years; or
- (ii) If he has an immediate family member who is employed or has been employed by the listing applicant or any of its related corporations for the past three financial years, and whose remuneration is determined by the remuneration committee of the listing applicant; or
- (iii) If he has been a director of the issuer for an aggregate period of more than nine years (whether before or after listing).

The NC (comprising Mr Chng Hee Kok, Mr James Kho and Dr Oh) did not find that Mr Tan's relationship with RHT Capital falls under the three situations as described in Rule 406(3)(d) of the Catalist Rules nor under any situations as described in the Code of Corporate Governance. Therefore, the NC views Mr Tan to be independent.

- (e) Has the Sponsor assessed Mr Tan's independence status in light of his relationship with RHT Capital?**

**Company's Response:**

The Company's Sponsor has assessed Mr Tan's independence in light of his relationship with RHT Capital, and has considered Mr Tan to be independent based on the following:

- (i) Mr Tan ceased to be a director of RHT Capital since October 2016, and since then, Mr Tan has not been involved in the management of RHT Capital, including any participation in the Risk Management Committee of RHT Capital;
- (ii) Mr Tan has not been involved in RHT Capital's dealings with the Company at all material times since RHT Capital was appointed as Sponsor of the Company with effect from 1 December 2023;
- (iii) notwithstanding that Mr Tan has an indirect shareholding interest in RHT Capital, the amount of fees paid to RHT Capital by the Company for provision of continuing sponsorship services to the Company in any financial year did not exceed S\$200,000 and constituted less than 5% of the Group's annual revenue. In line with Practice Guidance 2 of the Code of Corporate Governance, payments aggregated over any financial year which are not in excess of S\$200,000 should generally not be deemed significant. Accordingly, the relationship between Mr Tan and RHT Capital does not fall under any of the circumstances described in the Code of Corporate Governance and its Practice Guidance that requires Mr Tan to be considered non-independent; and
- (iv) Mr Tan was appointed as a Director of the Company pursuant to shareholders' approval obtained at the S177 EGM on 16 September 2025 after RHT Capital has ceased to be the Sponsor of the Company with effect from 15 July 2025.

- (f) If so, please provide the Sponsor's assessment and basis.**

**Company's Response:**

Please refer to the response in (e) above.

## BY ORDER OF THE BOARD

Danny Oh Beng Teck  
Executive Director  
13 October 2025

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*This announcement has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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 Ms. Goh Mei Xian, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.*