

MONTHLY UPDATE FOR JULY 2024

The board of directors (the “**Board**”) of Metech International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) would like to provide an update on the following:

1) The appointment of executive officers, including, but not limited to, the Chief Executive Officer and Chief Financial Officer (or a person with equivalent authority) of the Company

The Company has identified a potential candidate to be appointed as the Chief Executive Officer of the Company, and had submitted the necessary documents to its continuing sponsor for their assessment and due diligence prior to the finalisation of the appointment. The appointment of the Chief Executive Officer of the Company is subject to satisfactory due diligence from its continuing sponsor.

Additionally as announced on 28 June 2024, the Company has employed Mr. Cao Shixuan as a General Manager in the Company’s People’s Republic of China (“**PRC**”) subsidiary and as a Board consultant. Upon the appointment of the Chief Executive Officer, Mr. Cao Shixuan’s appointment as a Board consultant will cease.

Concurrently, the Company is exploring the appointment of a potential candidate to the role of Chief Financial Officer, and will submit the necessary documents to its continuing sponsor for their assessment and due diligence in due course.

The Company will make the necessary announcement(s) on SGXNet should the appointments materialise in due course.

2) The proposed appointment of an Independent Director

Following the retirement of Mr. Hwang Kin Soon Ignatius as an Independent Director on 29 June 2024, the Audit Committee of the Company had less than three members. Pursuant to Rule 704(7) of the Catalist Rules where it prescribes for, among others, that the Company should endeavour to fill the vacancy within two months, but in any case, not later than three months.

In this regard, the Company has shortlisted and conducted an interview with a potential candidate for the role as an Independent Director of the Company, who will also be appointed as a member of the Audit Committee. The necessary documents have been submitted to the Company’s continuing sponsor for their assessment and due diligence.

The Company will make the necessary announcement(s) on SGXNet should the appointment materialise in due course.

3) The legal representative for the Company’s subsidiary in the PRC

Notwithstanding Mr. Wang Zhuo’s cessation as the Chief Executive Officer of the Company on 28 June 2024, he remains as the legal representative of the Company’s subsidiary in the PRC. In this regard, the Company is in the midst of identifying candidates to be appointed as the legal representative. Subject to satisfactory completion of due diligence, the Company intends to also

appoint the incoming Chief Executive Officer of the Company as the legal representative of the Company's subsidiary in PRC.

The Nominating Committee ("NC") and the Board believes that the current arrangement with Mr. Wang Zhuo remaining as the legal representative of the Company's subsidiary in PRC until as suitable replacement is found, is in the best interests of the Company and its shareholders, after taking into consideration that:

- a) the role of a legal representative comes with significant responsibilities and personal liability risks. Therefore, it is crucial for the NC and the Board to evaluate and select suitable candidates before appointing or changing the legal representative;
- b) many local PRC citizens are wary of accepting the role of a legal representative, and as such avoid or decline such appointment, due to the associated responsibilities and personal liability risks. This is also in view that such role is typically reserved for individuals with certain level of management expertise and experience; and
- c) the company stamp/seal has been retained by the Company to manage and minimise any potential risk. The stamp/seal is currently held in the Singapore office and the Board's approval must be obtained before its usage. For the avoidance of doubt, the stamp/seal has not been used on any documents since the departure of Mr. Wang Zhuo. Notwithstanding the above, the Company's subsidiary in China is actively exploring business opportunities in China, including but not limited to, the lab-grown diamond business.

Considering Mr. Wang Zhuo was the Chief Executive Officer of the Company, he possesses a comprehensive understanding of the Company's business. Hence, the Board and the NC is of the view that it is justifiable for him to remain as the Company's legal representative during this transitional period, notwithstanding his resignation as the Company's Chief Executive Officer. This is especially relevant given the substantial personal liability risks associated with the role of a legal representative in the PRC, where the individual is personally accountable for the company's actions and compliance. The Company remains in close contact with Mr. Wang Zhuo.

4) **The Company's operations**

For the current lab-grown diamond business, the Company is exploring how it can be transformed into new uses in emerging high-tech applications, which may gradually open new market opportunities and drive further growth for the industry.

The Company has also, via its business partner, been coordinating with the Sichuan Research Institute to explore ways to utilise its machineries and reaching out to various diamond factories to assist the Company in enhancing the value-add from the existing machineries to grow the business. The Company remains in active discussions and negotiations with its business partner in this regard.

In addition, in order to create sustainable business streams and enhance shareholders' value, the Company had, on 25 June 2024, through its wholly-owned subsidiary, Asian Green Tech Pte Ltd, entered into a joint venture agreement with Colorful Paradise Agricultural Cooperation Co., Ltd. (多彩樂園農業合作有限公司) to incorporate a joint venture company in Singapore. Details of the joint venture and its business are set out in the Company's announcement dated 25 June 2024.

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 joint venture's business (the "**Proposed Diversification**"). For avoidance of doubt, the JV Company will not commence its business until the Proposed Diversification has been approved by the shareholders of the Company.

Notwithstanding the above, the Company is in close contact and has been actively conducting discussions with CPAC to ensure that the business of the JV Company can commence once the Proposed Diversification has been approved by shareholders of the Company. The Company will make the necessary announcement(s) in due course.

5) The appointment of a new continuing sponsor

The Company is in discussions with the current continuing sponsor to discuss the possibility of their continuation as the Company's continuing sponsor given their familiarity with the Company and its business. Concurrently, the Company is also in touch and engaged in discussions with a potential new continuing sponsor. Should there be any material developments in this regard, the Company will make an announcement to update the shareholders.

By Order of the Board of Directors of
Metech International Limited

Er Kwong Wah
Independent Director

31 July 2024

*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.

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