



METECH INTERNATIONAL LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199206445M)

RESPONSE TO SGX QUERIES – FY2014 ANNUAL REPORT

The Board of Directors ("**Board**") of Metech International Limited (the "**Company**") and collectively with its subsidiaries the "**Group**") refers to the queries raised by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") relating to the Company's annual report (the "**AR2014**") for the financial year ended 30 June 2014 ("**FY2014**"), and wishes to clarify as follow:

Query 1

Guideline 11.3 of the Code of Corporate Governance 2012 (the "Code") recommends that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems. Please disclose the Board's comments on the adequacy and effectiveness of the Company's information technology controls and risk management systems or otherwise explain the reason(s) for any deviations.

Company's Response:

With reference to 2014 Annual Report - Risk Management and Internal Controls fifth paragraph page 17, the following was commented "Based on the internal controls established and maintained, assessment of the work performed by the auditors, reviewed by management, the Board and AC are of the opinion that the Group's internal controls, addressing financial, operational and compliance risks are adequate." Operational and compliance risks encompasses informational technology and risk management aspects, and therefore the Board has commented on the adequacy and effectiveness of the said controls accordingly in the AR2014.

Query 2

Guideline 9.2 of the Code recommends that the Company should fully disclose the remuneration of each individual director and the CEO on a named basis. The Company had disclosed its Directors' remuneration in bands of S\$250,000. In this regard, please disclose fully the directors' remuneration or explain the reason(s) for any deviations. The explanation is to include the relevant ceilings for the band of above S\$250,000.

Company's Response:

The exact remuneration of each individual director and the CEO is not disclosed in the AR2014 as the Company does not believe it to be in its interest to disclose these details, having regard to the highly competitive human resource environment, the confidential nature of remuneration matters and so as not to hamper the Company's efforts to retain and nurture its talent pool.

The Company wishes to clarify that the directors' remuneration in band of above S\$250,000 with the relevant ceilings are as follow:

Directors	Remuneration Band
Song Tang Yih	Above \$250,000 and below \$500,000
Andrew Eng	Above \$250,000 and below \$500,000

Query 3

Guideline 9.3 of the Code recommends that the Company should name and disclose the remuneration of at least the top five key management personnel (who are not directors or the CEO) in bands of S\$250,000. In addition, the company should disclose in aggregate the total remuneration paid to the top five key management personnel. Please disclose the relevant ceilings for the band of above S\$250,000 for the top management as well as the aggregate figure of the total remuneration paid to the top five key management personnel.

Company's Response:

Total remuneration of top five key management personnel is S\$1,281,000 and is disclosed in the AR2014 item 27(a) page 79 accordingly.

The Company wishes to clarify that the top management's remuneration in band of above S\$250,000 with the relevant ceilings are as follow:

Management	Remuneration Band
Song Tang Yih	Above \$250,000 and below \$500,000
Andrew Eng	Above \$250,000 and below \$500,000

Query 4

The Company disclosed that, "No employee of the Group is an immediate family member of any Director whose remuneration exceeded S\$150,000 during the financial year". Guideline 9.4 of the Code recommends that the annual remuneration report disclose the details of the remuneration of employees who are immediate family members of a director or the CEO, and whose remuneration exceeds S\$50,000 during the year. This will be done on a named basis with clear indication of the employee's relationship with the relevant director or the CEO. Disclosure of remuneration should be in incremental bands of S\$50,000. Please disclose the information recommended under Guideline 9.4 of the Code or provide reason(s) for any deviation.

Company's Response:

The Company wishes to clarify that there are no employees who are immediate family members of the Directors or the CEO whose remuneration exceeds \$50,000 in FY2014.

BY ORDER OF THE BOARD
METECH INTERNATIONAL LIMITED

Andrew Eng
Chief Executive Officer and Executive Director

20 October 2014