

Our Ref: REG/LC/GT/JH/NOC-MIL

27 December 2019

The Board of Directors

Metech International Limited

65 Tech Park Crescent

Singapore 637787

PRIVATE & CONFIDENTIAL

Dear Sirs,

METECH INTERNATIONAL LIMITED ("METECH" OR THE "COMPANY", TOGETHER WITH ITS SUBSIDIARIES, THE "GROUP")

NOTICE OF COMPLIANCE (THE "NOTICE")

1. Singapore Exchange Regulation ("**SGX RegCo**" or the "**Exchange**") refers to:
 - (a) SGXNet announcement dated 10 October 2019 (Announcement Reference No: SG191010OTHRQOJ4) entitled "*Annual Reports and Related Documents*" (the "**FY2019 Annual Report**");
 - (b) Results of FY2019 AGM dated 29 October 2019 (Announcement Reference No: SG191010MEETCH8F) entitled "*REPL::ANNUAL GENERAL MEETING::VOLUNTARY*" (the "**FY2019 AGM Results**"); and
 - (c) Public Reprimand dated 30 October 2015 entitled "*SGX reprimands Advance SCT, chairman and CEO Simon Eng and Non-executive Director Peter Choo*" (the "**Public Reprimand**").

Background

2. Pursuant to Regulation 89 of the Company's Constitution, one-third of the Board are to retire from office by rotation and be subject to re-appointment at the Company's Annual General Meeting ("**AGM**").
3. The Chairman, CEO and Executive Director of the Group, Mr Simon Eng, was last re-appointed to the Board on 28 October 2015. Accordingly, Mr Simon Eng sought re-appointment as a Director at the Company's FY2019 AGM held on 29 October 2019.
4. At the FY2019 AGM, shareholders holding approximately 29% shareholding in the Company were present and eligible to vote on the re-election of Mr Simon Eng. The resolution was approved by 99.99% of these shareholders.

5. Catalyst Rule 720(5) require information set out in Appendix 7F relating to the candidate to be proposed for re-election, to be included in the notice of meeting, annual report or relevant circular.
6. In relation to the proposed re-election of Mr Simon Eng, we note the Company had disclosed "*Negative Confirmation*" under "*Response to questions (a) to (k) under Appendix 7F of the Catalyst Rules*" in the FY2019 Annual Report.
7. In particular, paragraph (k) of Appendix 7F of the Catalyst Rules requires the proposed director to confirm if he has ever been the subject of any current or past investigation or disciplinary proceedings, or **has been reprimanded** or issued any warning, by the Monetary Authority of Singapore or **any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere.**
8. Mr Simon Eng was publicly reprimanded by the Exchange for various breaches of the Listing Rules in respect of his role as the Chairman and CEO of Advance SCT Limited ("**Advance SCT**") in the Public Reprimand published on 30 October 2015.
9. Given the Public Reprimand, the Company's disclosure in the FY2019 Annual Report on the "*Negative Confirmation*" to paragraph (k) of Appendix 7F of the Catalyst Rules in relation to Mr Simon Eng is inaccurate.
10. The resolution on the re-appointment of Mr Simon Eng as a Director of Metech was therefore approved by the shareholders at the FY2019 AGM based on **inaccurate and incomplete information.**

Exchange's Directives

11. With the objective of allowing shareholders to make an informed decision with regards to the re-election of Mr Simon Eng as a Director of the Company, pursuant to Catalyst Rule 305(1)(k), the Exchange requires the Company to re-convene an Extraordinary General Meeting ("**EGM**") to vote on the resolution to re-elect Mr Simon Eng as a Director of the Company.
12. The Company is to include in the circular to the EGM, details of the Public Reprimand against Mr Simon Eng, and to provide disclosures required under Catalyst Rule 720(5), read with Appendix 7F.
13. Please note that this Notice is an official notification to the Company with immediate effect.
14. SGX RegCo will be investigating the circumstances resulting in the non-disclosure of the Public Reprimand in the Company's FY2019 Annual Report. We will review the Company and its Continuing Sponsor's compliance with the Catalyst Rules, and the discharge of their duties and obligations. Notwithstanding this Notice, if any breaches of the Catalyst Rules are found, SGX RegCo will take the appropriate regulatory action.
15. Pursuant to Catalyst Rule 305(4), failure to comply with the requirements imposed by the Exchange shall be deemed to be a contravention of the Rules.

16. Please note that compliance with this Notice does not constitute a waiver of any kind, and SGX RegCo reserves the right to take disciplinary action against the Company and / or Relevant Persons for breaches of the Listing Rules, including any failure to comply with the requirements imposed by the Exchange.

Yours faithfully,

A handwritten signature in dark ink, appearing to read "msm" with a long, sweeping flourish extending upwards and to the right.

June Sim
Senior Vice President
Head, Listing Compliance
Singapore Exchange Regulation

cc: Mr Shervyn Essex, RHT Capital Pte. Ltd.