

# ME**Tech**

## METECH INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number 199206445M)

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### PROPOSED DISPOSAL OF 80% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF ASIAN ECO TECHNOLOGY PTE. LTD.

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#### 1. INTRODUCTION

The board of directors (the “**Board**” or the “**Directors**”) of Metech International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly-owned subsidiary, Asian Green Tech Pte. Ltd. (“**AGT**” or the “**Vendor**”) had, on 2 October 2025, entered into a conditional sale and purchase agreement (“**S&P**”) with Wuhan Xilu Trading Co., Ltd., a company registered and incorporated in the People’s Republic of China (the “**Purchaser**”).

Pursuant to the S&P, AGT had agreed to sell, and the Purchaser had agreed to purchase, 4,106,120 ordinary shares in Asian Eco Technology Pte. Ltd. (“**AET**”), representing 80% of the total issued and paid-up share capital of AET (the “**Sale Shares**”), for a total cash consideration of S\$1.00 (the “**Consideration**”), subject to the terms and conditions of the S&P (the “**Proposed Disposal**”). For the purposes of this announcement, AGT and the Purchaser shall collectively be known as the “**Parties**”, and each a “**Party**”. Following completion of the Proposed Disposal, AGT will cease to hold any interest in AET and accordingly, AET will cease to be a subsidiary of the Group.

#### 2. INFORMATION ON AET

AET is a company incorporated in the Republic of Singapore on 27 September 2021, and has an issued and paid-up share capital of S\$5,132,650 comprising 5,132,650 ordinary shares. AET is principally engaged in the business of manufacturing and distribution of lab-grown diamonds (the “**Lab-Grown Diamonds Business**”). As at the date of this announcement, the Group holds an effective equity interest of 80.0% in AET, while the remaining 20.0% of AET is held by an individual, Mr. Wu Yongqiang.

#### 3. INFORMATION ON THE PURCHASER

The Purchaser is in the business of wholesale and retail of consumer products. The Purchaser is seeking to venture into the Lab-Grown Diamonds Business and is looking for a readily available company which will enable them to enter into this industry immediately with no significant downtime. Through the Proposed Disposal, the Purchaser will be able to obtain the network and contacts, with the possibility of entering into further arrangements with the Company for the provision of certain assistance and services in future, including but not limited to technical services, rental of equipment and machineries.

The Purchaser is not related to any of the Directors and the substantial shareholders of the Company or any of their respective associates. As at the date of this announcement, the Purchaser does not own any shares in the Company. No commission is to be paid to anyone in connection with the Proposed Disposal.

#### 4. FINANCIAL INFORMATION RELATING TO AET

- 4.1 There is no open market value as the Sale Shares are not publicly traded, and no valuation was commissioned on AET in connection with the Proposed Disposal.
- 4.2 Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2024 (“FY2024”), AET had been classified as an investment in subsidiaries with a carrying value of nil as at 31 December 2024.
- 4.3 Notwithstanding the above, based on the audited financial statements of AET for FY2024, the net liability value and net tangible liability value (“NTL”) of AET was approximately S\$4.97 million as at 31 December 2024, of which approximately S\$3.97 million was attributable to the Sale Shares.
- 4.4 Based on the management accounts of AET for the 6-month financial period ended 30 June 2025, the net liability value and the NTL of AET was approximately S\$5.0 million as at 30 June 2025, of which approximately S\$4.0 million was attributable to the Sale Shares.

Pursuant to the terms and conditions of the S&P, from the date of completion of the Proposed Disposal, the Purchaser shall, in its capacity as the new owner of the Sale Shares, assume and undertake and agree to pay, perform and discharge any and all liabilities, obligations or commitments of AET of any nature whatsoever, whether asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or immature, or otherwise. These amounts include (a) other payables to third parties as well as (b) the accruals, amounting to an aggregate amount of approximately S\$0.27 million (the “Payables”) based on the management accounts of AET as at 30 June 2025.

In consideration of the above, the Vendor agrees to waive off all loan and amounts due to related corporations (being entities within the Group) of approximately S\$4.78 million as at 30 June 2025 (the “Waiver”). For the avoidance of doubt, allowances for impairment losses for the Waiver amounts had already been provided for by the Company as at 30 June 2025. As such, the Waiver is not expected to have a material impact on the net tangible assets per share of the Company and the earnings per share of the Company for the current financial year ending 31 December 2025.

- 4.5 Taking into account the Consideration, the Waiver and the negative book value attributable to the Sale Shares as at 30 June 2025, the Proposed Disposal will result in the Group recording a non-cash loss on disposal of approximately S\$0.79 million.
- 4.6 Based on the audited financial statements of AET for FY2024, the net loss before income tax was approximately S\$0.69 million, of which approximately S\$0.55 million was attributable to the Sale Shares.

#### 5. RATIONALE FOR THE PROPOSED DISPOSAL

AET was incorporated as a joint venture company under a joint venture agreement entered into between AGT and X Diamond Capital Pte. Ltd. on 24 September 2021 to carry out the Lab-Grown Diamonds Business.

Since the incorporation of AET, the Lab-Grown Diamonds Business has been loss-making. Ongoing global geopolitical tensions, amidst the complex market dynamics has posed significant challenges to the Lab-Grown Diamonds Business. Despite the earlier investments and significant resources devoted to turning the business around, the results have been lacklustre and presents an unbalanced and unrewarding outcome vis-à-vis the inputs.

In addition, the Lab-Grown Diamonds Business has only generated approximately S\$45,000 in FY2024. Meanwhile, the Company had successfully diversified into new business segments –

being the food waste business and the health supplement business on 30 December 2024. Accordingly, the Proposed Disposal is not expected to impact the Group's ongoing operations.

As stated in section 4.3 above, as at 31 December 2024, AET had a negative book value and NTL of approximately S\$4.97 million. Pursuant to the S&P, the Purchaser had undertaken to assume the Payables, as reflected in the audited financial statements of AET for FY2024 as well as at the Completion Date. The Proposed Disposal will allow the Group to reduce its liabilities owed by AET and enable the Group to focus its capital resources on its core business.

In view of the above, the Board is of the view that the Proposed Disposal is in the best interests of the Company and its shareholders ("**Shareholders**").

## 6. PRINCIPAL TERMS OF THE PROPOSED DISPOSAL

### 6.1 Consideration

The Consideration of S\$1.00 is to be satisfied fully in cash. The Consideration was arrived at after arms' length negotiations between the Vendor and the Purchaser, on a 'willing-buyer and willing-seller' basis, and taking into account, *inter alia*, the negative book value of AET, the Waiver, the Payables as well as the current operating status of AET.

### 6.2 Conditions Precedent

Pursuant to the S&P, the Proposed Disposal is conditional upon fulfillment (or waiver, where applicable) on or prior to the Completion Date (as defined below) of the following conditions (the "**Conditions Precedent**"):

- (i) each Party having secured the necessary directors' and, if required, shareholders' (including the Company's shareholders') approval to enter into and perform its obligations in the S&P;
- (ii) all other third-party consents or approvals (including those by regulatory authorities in Singapore, including but not limited to the SGX-ST or any other jurisdiction applicable to the Purchaser or the Vendor) required for the Proposed Disposal having been obtained, and being in full force and effect and not having been withdrawn, suspended, amended or revoked, and if subject to any conditions, such conditions being reasonably acceptable to the Purchaser and the Vendor;
- (iii) the S&P and all other documents required to be executed in connection to the Proposed Disposal having been duly executed by all the Parties; and
- (iv) all the warranties and representations given by each Party under the S&P remain true, accurate and not misleading as at the Completion Date (as defined below).

If any of the Conditions Precedent is not fulfilled by 30 April 2026 ("**Long Stop Date**"), or such other date as may be agreed in writing by the Parties, any Party may terminate the S&P and no Party shall have any claim against any other Party for costs, damages, compensation or otherwise, save for any claim by a Party against the other arising from antecedent breaches of the terms thereof.

### 6.3 Completion

Subject to all the Conditions Precedent being fulfilled by the Long Stop Date, completion shall take place within seven (7) business days after the satisfaction of all the Conditions Precedent (unless waived by the Parties), or such other date as may be agreed in writing by the Parties (the

**“Completion Date”**). On the Completion Date, the Purchaser shall pay the Company the Consideration in full.

Upon completion of the Proposed Disposal on the Completion Date pursuant to the S&P:

- (i) the Vendor’s ownership and title to the Sale Shares and risk thereon shall devolve to the Purchaser;
- (ii) subject to paragraph 6.3(iii) below, the Purchaser shall be responsible for all the third-party liabilities as reflected in the unaudited financial statements of AET as at the Completion Date as prepared by the Vendor;
- (iii) notwithstanding anything to the contrary in the S&P:
  - (a) the Purchaser shall, in its capacity as the new owner of the Sale Shares, assume and undertake and agree to pay, perform and discharge any and all liabilities, obligations or commitments of AET of any nature whatsoever, whether asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or immature, or otherwise (the **“Liabilities”**), of AET incurred from the Completion Date;
  - (b) without prejudice to the generality of paragraph 6.3(iii)(a) above, the Purchaser shall assume and undertake and agree to pay, perform and discharge any repayment of other payables to third parties; and the Vendor shall not be responsible for any such Liabilities incurred from the Completion Date; and

In consideration of the above, the Vendor agrees to waive off all loan and amounts due to related companies amounting to approximately S\$4.78 million as at 30 June 2025.

## 7. SERVICE AGREEMENTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into.

## 8. RELATIVE FIGURES FOR THE PROPOSED DISPOSAL UNDER RULE 1006 OF THE CATALIST RULES

8.1 The relative figures for the Proposed Disposal as computed on the bases set out in Rule 1006 of the SGX-ST Listing Manual Section B: Rules of Catalist (the **“Catalist Rules”**) and the latest unaudited consolidated financial statements of the Group for the six-month period ended 30 June 2025 (**“1H2025”**) are as follows:

<b>Rule 1006</b>	<b>Bases</b>	<b>Relative figures</b>
(a)	The net liabilities value of the assets to be disposed of, compared with the Company’s net liabilities value	(29.63)% <sup>(1)</sup>
(b)	The net loss attributable to the assets acquired or disposed of, compared with the Company’s net loss <sup>(2)</sup>	(6.17)% <sup>(2)</sup>
(c)	The aggregate value of the consideration given or received, compared with the Company’s market capitalization	84.98% <sup>(3)</sup>
(d)	The number of equity securities issued by the Company as consideration for the proposed acquisition as compared with the number of equity securities previously in issue	Not applicable <sup>(4)</sup>

(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the Company's proved and probable reserves	Not applicable <sup>(5)</sup>
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**Notes:**

- (1) Computed based on (i) the 80% of net liability value of AET as at 30 June 2025, adjusted for the Waivers in accordance with paragraph 3.2(a) of Practice Note 10A of the Catalist Rules, which amounted to approximately S\$0.17 million; and (ii) the net liabilities value of the Group which amounted to approximately S\$0.58 million, as at 30 June 2025.
  - (2) Under Rule 1002(3)(b) of the Catalist Rules, net profits/(losses) are defined to be profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. AET recorded a net loss before income tax of approximately S\$0.03 million for 1H2025, of which S\$0.02 million was attributable to the Sale Shares and the Group recorded a net loss before income tax of approximately S\$0.40 million for 1H2025.
  - (3) Computed based on (i) the Consideration of approximately S\$4.78 million (after taking into consideration the Waiver); and (ii) the Company's market capitalisation of approximately S\$5.63 million. Under Rule 1002(5) of the Catalist Rules, the market capitalisation of the Company is determined by multiplying the number of shares in issue (being 201,010,200 shares) by the weighted average price of S\$0.028 of shares of the Company ("**Shares**") which were traded on 3 October 2025 (being the last market day on which the Shares were traded prior to the date of signing of the S&P).
  - (4) Rule 1006(d) of the Catalist Rules is not applicable to a disposal of assets.
  - (5) Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil and gas company.
- 8.2 Under Rule 1007(1) of the Catalist Rules, if any of the relative figures computed pursuant to Rule 1006 of the Catalist Rules involves a negative figure, Chapter 10 of the Catalist Rules may still be applicable to the transaction in accordance with the applicable circumstances in Practice Note 10A of the Catalist Rules.
- 8.3 As the relative figures computed under Rule 1006(a) and (b) of the Catalist Rules are each a negative figure, the Proposed Disposal constitutes a disposal of a loss-making asset with negative net asset value by the Company. Based on the relative figures as calculated above, as the Proposed Disposal does not fall within the situations stipulated in paragraphs 4.4(c) and 4.4(e) of Practice Note 10A of the Catalist Rules, pursuant to paragraph 4.6 of Practice Note 10A of the Catalist Rules, Rule 1014 of the Catalist Rules shall apply to the transaction.
- 8.4 The Board is of the view that there will be no material change in the risk profile of the Group arising from the Proposed Disposal as AET is not considered to be a core asset of the Group, as elaborated in paragraph 5 of this announcement. Given the time and costs needed to convene an extraordinary general meeting, the Company intends to, through its continuing sponsor, to apply to the SGX-ST for a waiver to convene an extraordinary general meeting to seek shareholders' approval for the Proposed Disposal. In this regard, the Company will keep shareholders of the Company updated when there are any material developments.

## **9. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL**

### **9.1 Assumptions**

The pro forma financial effects of the Proposed Disposal on the Group set out below are purely for illustrative purposes only and are not intended to reflect the future financial performance or position of the Group immediately after the completion of the Proposed Disposal.

The pro forma financial effects of the Proposed Disposal set out below have been prepared based on the Group's latest audited consolidated financial statements of the Group for FY2024, on the following bases and assumptions (unless otherwise specified):

- (i) the financial effect on the consolidated NTL per Share are computed based on the assumption that the Proposed Disposal was completed on 31 December 2024; and
- (ii) the financial effect on the consolidated loss per Share ("LPS") is computed based on the assumption that the Proposed Disposal was completed on 1 January 2024; and
- (iii) the expenses to be incurred in respect of the Proposed Disposal have been disregarded.

## 9.2 NTL per Share

	<b>Before the Proposed Disposal (S\$'000)</b>	<b>After the Proposed Disposal (S\$'000)</b>
NTL of the Group as at 31 December 2024	(684)	(562)
Number of Shares <sup>(1)</sup>	169,555,655	169,555,655
NTA per Share (S\$ cents)	(0.40)	(0.33)
Number of Shares <sup>(2)</sup>	201,010,200	201,010,200
NTA <sup>(2)</sup> per Share (S\$ cents)	(0.34)	(0.28)

## 9.3 LPS per Share

	<b>Before the Proposed Disposal (S\$'000)</b>	<b>After the Proposed Disposal (S\$'000)</b>
Loss attributable to Shareholders	(2,476)	(1,927)
Weighted average number of Shares as at 1 January 2024	151,555,655	151,555,655
Loss per Share (S\$ cents)	(1.63)	(1.27)
Weighted average number of Shares <sup>(2)</sup>	176,198,629	176,198,629
Loss per Share <sup>(2)</sup> (S\$ cents)	(1.41)	(1.09)

### Notes:

- (1) Based on the total outstanding issued Shares as at 31 December 2024.
- (2) The Company had, on 2 April 2025 and 27 August 2025, issued and allotted 18,000,000 Shares and 13,454,545 Shares, respectively, pursuant to certain debt capitalisation agreements. Accordingly, the number of Shares has been increased from 169,555,655 Shares as at 31 December 2024 to 201,010,200 Shares as at the date of this announcement. Purely for illustrative purposes and for Shareholders' information, the NTL per Share and LPS have been computed taking into account the abovementioned issuance and allotment.

## 10. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS IN THE PROPOSED DISPOSAL

None of the Directors or substantial shareholders of the Company have any interest, direct or indirect, in the Proposed Disposal (other than in their capacity as Directors or Shareholders, where applicable).

## 11. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the S&P will be made available for inspection during normal business hours at the registered office of the Company at 54 Pandan Road Singapore 609292 for three (3) months from the date of this announcement.

By Order of the Board of Directors of  
**Metech International Limited**

Pang Wei Hao  
Executive Director and Chief Executive Officer

4 October 2025

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*This announcement has been reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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.*