

MATEX INTERNATIONAL LIMITED
(Company Registration Number: 198904222M)
(Incorporated in the Republic of Singapore)

UPDATE ON CESSATION PAYMENTS BEING AN INTERESTED PERSON TRANSACTION

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of Matex International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the Company’s announcements on (i) 19 September 2025, in relation to the settlement agreement dated 14 September 2025 (the “**Settlement Agreement**”) and certain payments to be made (“**Cessation Payments**”) to Dr Tan Pang Kee and Mr Tan Guan Liang under the Settlement Agreement; (ii) 3 October 2025 and 13 October 2025, in relation to the Company’s responses to queries raised by the Singapore Exchange Regulation on, *inter alia*, the Settlement Agreement and the Cessation Payments (the “**Responses to SGX Queries**”); and (iii) 3 November 2025, in relation to the update on the intended extraordinary general meeting of the Company to table to shareholders of the Company (“**Shareholders**”) for approval, the payment of the Cessation Payments (the “**Intended EGM**”).

As mentioned in the Responses to SGX Queries, the Cessation Payments are “interested person transactions” which fall under Chapter 9 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”). The Board wishes to provide more information on the Cessation Payments to Shareholders pursuant to the requirements under Rule 917 of the Catalist Rules.

2. DETAILS OF THE INTERESTED PERSONS

Dr Tan Pang Kee (“**Dr Tan**”) was Chief Executive Officer and Managing Director of the Company from 23 March 1990 to 15 September 2025. Dr Tan is also a controlling Shareholder, holding 87,972,630 shares in the capital of the Company, representing 17.06% of the total voting rights of the Company. Dr Tan is the father of Mr Tan Guan Liang.

Mr Tan Guan Liang (“**Mr Tan**”) was Executive Director of the Company from 1 March 2010 to 15 September 2025. Mr Tan is the son of Dr Tan.

Whilst Dr Tan and Mr Tan are no longer directors of the Company, the Settlement Agreement (and corresponding the obligation of the Company to make the Cessation Payments) was entered into while Dr Tan and Mr Tan were directors of the Company. In addition, Dr Tan is currently a controlling Shareholder and Mr Tan, being the son of Dr Tan, is an associate (as defined in the Catalist Rules) of Dr Tan. Accordingly, Dr Tan and Mr Tan are “interested persons” as defined in Rule 904 of the Catalist Rules and the Cessation Payments are “interested person transactions” which fall under Chapter 9 of the Catalist Rules.

3. DETAILS OF AND RATIONALE FOR THE CESSATION PAYMENTS

The Cessation Payments comprise the following:

- (a) One (1) year’s remuneration to Dr Tan, amounting to S\$462,000; and

- (b) One (1) year's remuneration to Mr Tan, amounting to S\$216,000, of which S\$107,000 shall be paid in the form of the vehicle to be sold to Mr Tan based on the latest available open market value at the material time of S\$107,000, leaving a balance of S\$109,000 to be paid to Mr Tan.

The Cessation Payments are to be made by the Company pursuant to the Settlement Agreement, which was entered into between the Company, Dr Tan, Mr Tan, Ms Grace Lok, Nanyang Commercial Management Pte Ltd ("**NCM**"), CSF Fund I Pte Ltd ("**CSF**") and Mr Khua Kian Keong ("**Mr Khua**"), to fully and finally resolve all disputes between the parties, including, *inter alia*, the ongoing lawsuits, HC/OA 733/2025 and HC/OA 790/2025 and the subscription agreements dated 11 July 2025 entered into by the Company with Ms Gan Peiling and Ms Lim Yan Peng. NCM, CSF and Mr Khua collectively hold an aggregate of 217,774,600 shares in the capital of the Company, representing 42.23% of the total voting rights of the Company.

The current Directors of the Board who were in office at the material time of the entry into the Settlement Agreement, namely Mr James Kho Chung Wah ("**Mr Kho**") and Mr Chng Hee Kok ("**Mr Chng**"), were not involved in the Company's deliberations of the rationale and bases behind the offer of the Cessation Payments to Dr Tan and Mr Tan. Mr Kho and Mr Chng were only made aware of the offer of the Cessation Payments when the proposal for the Settlement Agreement was put up to the then Board for endorsement by the former Executive Directors of the Company.

That said, the Board notes that Dr Tan and Mr Tan were long-time employees of the Company, i.e., (1) Dr Tan was a founder and employee of the Company since 2003, for 22 years, and (2) Mr Tan served the Company as an employee since 2010, for 15 years. The Board also notes the Ministry of Manpower's retrenchment guidelines, stating that the prevailing norm is to pay a retrenchment benefit of between 2 weeks to 1 month salary per year of service.

Considering that the Company would have already incurred significant expenses on legal fees, and would continue to incur more expenses on legal fees should the disputes between the parties not be resolved, Mr Kho and Mr Chng deemed it to be in the best interests of the Company and its Shareholders to enter into the Settlement Agreement, and to agree with the offer of the Cessation Payments since the quantum of the Cessation Payments were also in line with the Ministry of Manpower's retrenchment guidelines.

In view of the father-and-son relationship between Dr Tan and Mr Tan, the Board is of the view that the value of the Cessation Payments should be aggregated amounting to S\$678,000, and would represent approximately 7.49% of the latest audited consolidated net tangible asset value of the Group as at 31 December 2024 of S\$9,049,000¹. This is also in accordance with Rule 908 of the Catalist Rules, whereby 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 Company will need to seek Shareholders' approval for the Cessation Payments pursuant to Rule 906(1) of the Catalist Rules.

As announced by the Company in its announcement of 3 November 2025, the Company intends to publish the Notice for the Intended EGM (together with the circular) by 19 December 2025, with a view to holding the Intended EGM in January 2026. The Company will provide further updates on the Intended EGM to Shareholders in due course.

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

4. TOTAL VALUE OF ALL INTERESTED PERSON TRANSACTIONS WITH THE INTERESTED PERSONS FOR FY2025

Save for the Cessation Payments and the sale of the vehicle to Mr Tan, there were no interested person transactions (excluding transactions which are less than S\$100,000) entered into between the Group and any other interested persons for the current financial year ending 31 December 2025.

5. AUDIT COMMITTEE STATEMENT AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISOR

The Company has appointed Novus Corporate Finance Pte. Ltd. as independent financial advisor (the “**IFA**”) to provide an opinion on the Cessation Payments. The Audit Committee, whose members are deemed to be independent for the Cessation Payments as an interested person transaction, will review and consider the opinion of the IFA before forming its view as to whether the Cessation Payments as an interested person transaction, is on normal commercial terms and prejudicial to the interest of the Company and its minority Shareholders. The view of the Audit Committee will be set out in the Company’s circular to Shareholders, which will be announced to Shareholders in due course.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed above, the Company and its Directors and controlling Shareholders are not related to Dr Tan and/or Mr Tan.

Save as disclosed above, none of the Directors or controlling Shareholders and their respective associates has any interest, direct or indirect, in the Settlement Agreement and/or the Cessation Payments, other than through their respective shareholdings (if any), employment and/or directorship (as applicable) in the Company.

BY ORDER OF THE BOARD

Dr Liu Shen
Executive Director
19 November 2025

*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.