

**CIRCULAR DATED 27 MARCH 2019**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in doubt about the contents or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.**

If you have sold or transferred all of your shares in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your ordinary shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or the transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or the transferee.

*This Circular has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, RHT Capital Pte. Ltd. (the “**Sponsor**”) for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this Circular.*

*This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness or any of the statements or opinions made or reports contained in this Circular.*

*The contact person for the Sponsor is Mr. Shervyn Essex, Registered Professional, RHT Capital Pte. Ltd., 9 Raffles Place #29-01, Republic Plaza Tower 1, Singapore 048619, telephone (65) 6381 6757.*

# metech

铭泰国际有限公司

## **METECH INTERNATIONAL LIMITED**

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

### **CIRCULAR TO SHAREHOLDERS**

#### **IN RELATION TO:**

- 1. THE PROPOSED EXIT FROM THE ENTIRE ELECTRONIC WASTE MANAGEMENT BUSINESS**
- 2. THE PROPOSED DISPOSAL OF THE COMPANY’S ELECTRONIC WASTE MANAGEMENT BUSINESS IN MALAYSIA; AND**
- 3. THE PROPOSED DISPOSAL OF THE COMPANY’S ELECTRONIC WASTE MANAGEMENT BUSINESS IN UNITED STATES OF AMERICA**

#### **IMPORTANT DATES AND TIMES**

|  |   |   |
|--|---|---|
| Last date and time for lodgment of Proxy Form  | : | 9 April 2019 at 10.00 a.m.  |
| Date and time of Extraordinary General Meeting | : | 12 April 2019 at 10.00 a.m. or such date as maybe announced by the Company. |
| Place of Extraordinary General Meeting         | : | 65 Tech Park Crescent<br>Singapore 637787                                   |

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## DEFINITIONS

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In this Circular, the following definitions shall apply throughout unless the context otherwise requires:

|   |   |   |
|---|---|---|
| <b>“Board” or “Board of Directors”</b>          | : | The board of directors of the Company as at the date of this Circular   |
| <b>“Catalist”</b>                               | : | The sponsor-supervised listing platform of the SGX-ST   |
| <b>“Catalist Rules”</b>                         | : | The listing manual of the SGX-ST Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time  |
| <b>“CDP”</b>                                    | : | The Central Depository (Pte) Limited  |
| <b>“Circular”</b>                               | : | This Circular to Shareholders dated 27 March 2019 in respect of the Proposed Exit from the EWM business and the Proposed Disposals of the subsidiaries in Malaysia and the United States of America |
| <b>“Closing”</b>                                | : | Has the meaning ascribed to it in Section 4.5 of this Circular  |
| <b>“Companies Act”</b>                          | : | The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time   |
| <b>“Company”</b>                                | : | Metech International Limited  |
| <b>“Directors”</b>                              | : | The directors of the Company as at the Latest Practicable Date  |
| <b>“EGM” or “Extraordinary General Meeting”</b> | : | The extraordinary general meeting of the Company, to be held on 12 April 2019 or such date as maybe announced by the Company (Please refer to paragraph 5 for more details)                         |
| <b>“EPS”</b>                                    | : | Earnings per share  |
| <b>“EWM Business”</b>                           | : | The electronic waste management business of the Group   |
| <b>“FY”</b>                                     | : | Financial year ended or ending on 30 June of each calendar year, as the case may be   |
| <b>“HY2019 Unaudited Financial Statements”</b>  | : | The unaudited financial statements for the financial period ended 31 December 2018  |
| <b>“Group”</b>                                  | : | The Company and its subsidiaries  |

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## DEFINITIONS

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|---|---|--|
| <b>“Independent Valuation Report”</b>           | : | The independent valuation report dated 14 February 2019 issued by the Independent Valuer in respect of the market value of the 100% equity interest in the each of the Targets as at 31 December 2018  |
| <b>“Independent Valuer”</b>                     | : | BDO Advisory Pte Ltd   |
| <b>“Latest Practicable Date”</b>                | : | 15 March 2019, being the latest practicable date prior to the printing of this Circular  |
| <b>“Market Day”</b>                             | : | A day on which the SGX-ST is open for trading in securities  |
| <b>“Malaysia Completion”</b>                    | : | The completion of the sale and purchase of the subsidiary(ies) in Malaysia and has the meaning ascribed to it in Section 3.5   |
| <b>“Malaysia Consideration”</b>                 | : | Has the meaning ascribed to it in Sections 3.1 and 3.4 of this Circular  |
| <b>“Malaysia Sale Shares”</b>                   | : | Has the same meaning ascribed to it in Section 3.1 of this Circular  |
| <b>“Notice of EGM”</b>                          | : | The notice of EGM set out in this Circular   |
| <b>“NTA”</b>                                    | : | Net tangible assets  |
| <b>“Proxy Form”</b>                             | : | The proxy form in respect of the EGM as set out in this Circular   |
| <b>“Purchaser for EWM Business in Malaysia”</b> | : | Has the meaning ascribed to it in Section 3.2 of this Circular   |
| <b>“Purchaser for EWM Business in USA”</b>      | : | Has the meaning ascribed to it in Section 4.2 of this Circular   |
| <b>“SGX-ST”</b>                                 | : | Singapore Exchange Securities Trading Limited  |
| <b>“Shareholders”</b>                           | : | The registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited |
| <b>“Shares”</b>                                 | : | Ordinary shares in the capital of the Company  |
| <b>“Share Registrar”</b>                        | : | RHT Corporate Advisory Pte. Ltd.   |
| <b>“Sponsor”</b>                                | : | RHT Capital Pte. Ltd.  |

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## DEFINITIONS

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|                                   |   |  |
|-----------------------------------|---|--|
| <b>“Substantial Shareholder”</b>  | : | Has the same meaning ascribed to it under Section 5 of this Circular   |
| <b>“Summary Valuation Letter”</b> | : | The summary of the Independent Valuation Report which is set out in Appendix 1 of this Circular  |
| <b>“S\$” and “cents”</b>          | : | Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore   |
| <b>“US\$” and “cents”</b>         | : | United States dollars and cents respectively, the lawful currency of the United States of America  |
| <b>“USA”</b>                      | : | United States of America   |
| <b>“US Completion”</b>            | : | The completion of the sale and purchase of the subsidiary(ies) in the United States of America and has the meaning ascribed to it in Section 4.5 |

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 130A of the Companies Act. The term **“treasury shares”** shall have the meaning ascribed to it in Section 4 of the Companies Act. The term **“subsidiary”** shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neutral genders and *vice versa*. References to persons shall include corporations where applicable.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act or Catalist Rules or any statutory or regulatory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act or the Catalist Rules or such statutory or regulatory modification thereof, as the case may be, unless otherwise provided.

Any reference to a date and/or time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

All discrepancies in the figures included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference to **“we”**, **“us”** and **“our”** in this Circular is a reference to the Group or any member of the Group as the context requires.

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## LETTERS TO SHAREHOLDERS

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### METECH INTERNATIONAL LIMITED

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

#### BOARD OF DIRECTORS

Weng Hua Yu @ Simon Eng (Chairman and Executive Director)  
Sim Eng Huat (Independent Director)  
Wang Daming (Non-Executive, Non-Independent Director)

#### REGISTERED OFFICE:

65 Tech Park Crescent  
Singapore 637787

27 March 2019

**To: The Shareholders of Metech International Limited**

Dear Sir/Madam

#### 1. INTRODUCTION

1.1 The Directors are convening the EGM to be held on 12 April 2019 or such date as maybe announced by the Company (Please refer to paragraph 5 for more details) at 10.00 a.m. at 65 Tech Park Crescent, Singapore 637787 to seek Shareholders' approval for the following proposals:

- (a) the proposed exit from the entire EWM Business by way of an ordinary resolution (the "**Proposed Exit**");
- (b) the Proposed Disposal of EWM Business in Malaysia by way of an ordinary resolution (the "**Proposed Disposal of EWM Business in Malaysia**"); and
- (c) the Proposed Disposal of EWM Business in USA by way of an ordinary resolution (the "**Proposed Disposal of EWM Business in USA**").

(Collectively, known as the "**Proposed Disposals**")

1.2 The purpose of this Circular is to provide Shareholders with relevant information pertaining to and to explain the rationale for the Proposed Disposals as well as to seek Shareholders' approval for the matters referred to the Proposed Disposals to be tabled at the forthcoming EGM. The Notice of EGM is set out at the end of this Circular.

1.3 This Circular has been prepared solely for the purposes outlined above and may not be relied upon by any persons (other than the Shareholder to whom this Circular is despatched to by the Company) or for any other purpose.

1.4 **The Sponsor and the SGX-ST have not independently verified the contents of this Circular. Neither the Sponsor nor the SGX-ST assumes any responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.**

1.5 If a Shareholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, account or other professional adviser immediately.

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## LETTERS TO SHAREHOLDERS

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### 2. THE PROPOSED EXIT FROM THE ENTIRE EWM BUSINESS

#### 2.1 Introduction

The Company has primarily two major lines of businesses:

- (a) the supply chain management business (“**SCM business**”), which represents about 71% of the revenue; and
- (b) the EWM Business, which represents about 29% of the revenue;

for the audited financial year ended 30 June 2018.

Further to the Company’s announcements dated 18 September 2018, 31 October 2018, 5 November 2018, 9 November 2018, 14 November 2018, 31 December 2018, 18 January 2019, 19 February 2019 and 8 March 2019 and the circular to Shareholders dated 8 October 2018, the Company had on many occasions indicated the intention to exit from the EWM business so as to focus on growing the SCM business and achieving higher profitability while exploring other opportunities for its longer term growth.

The Proposed Exit from the EWM business will be by way of disposal of relevant subsidiaries, plants and equipment, and existing inventories etc. Upon passing of this resolution and completion of the above disposals, the Company shall no longer be engaged in the EWM business.

### 3. THE PROPOSED DISPOSAL OF EWM BUSINESS IN MALAYSIA

- 3.1 On 18 November 2018, the Company announced that it had entered into a sales and purchase agreement (the “**Malaysia SPA**”) with Lau Chin Guan (“**Mr. Lau**”) (the “**Malaysia Purchaser**”) in relation to the Proposed Disposal of EWM Business in Malaysia, for the sale of its entire shareholding in Metech Recycling (Malaysia) Pte Ltd (“**MRM**”) in Singapore. MRM owns 100% of Metech Recycling (Malaysia) Sdn Bhd (“**MRMSB**”). Together, this represents the Company’s entire EWM business in Malaysia for a total aggregate cash consideration of S\$45,000 (the “**Malaysia Consideration**”).

Subject to the terms and conditions of the Malaysia SPA, the Company has agreed to sell, and the Purchasers have agreed to purchase, the EWM Business in Malaysia, comprising the entire issued and paid up shares owned by the Group in (collectively, the “**Malaysia Sale Shares**”) in:

- (i) Metech Recycling (Malaysia) Pte. Ltd.; and
- (ii) its subsidiary, namely Metech Recycling (Malaysia) Sdn Bhd.

(each a “**Malaysia Target**” and collectively the “**Malaysia Targets**”)



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## LETTERS TO SHAREHOLDERS

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### 3.2 Information on the Business and the Malaysia Purchaser

MRMSB's business has been limited due to its inability to obtain the necessary regulatory permits for electronic waste treatment work. This has led to its under-performance and continued losses over the years. It has only one employee working in Penang who reports to the General Manager ("GM").

Mr. Lau is a Malaysian and the GM of MRMSB. He reports directly to Mr. Andrew Eng, the CEO/Director of MRM, and has expressed his interest to take over the Company's EWM business in Malaysia. The Company has been unsuccessful in finding an interested party to acquire its subsidiary in Malaysia; Mr. Lau, being the current GM, has been convinced and was willing to take on the challenges.

As at the Latest Practicable Date, Mr. Lau does not hold any of the issued share capital of the Company.

### 3.3 Rationale

The Proposed Disposal is consistent with the Company's decision to exit from the EWM business, which is expected to contribute to the Board's effort to avoid depletion working capital and mitigating the risk of further losses.

The proposed sale to Mr. Lau is the most expedient way of exiting the EWM business in Malaysia.

### 3.4 Malaysia Consideration

The Malaysia Consideration for the Malaysia Targets is in cash of S\$45,000.00, which shall be payable upon signing of the Malaysia SPA. It has been arrived at arm's length based on the equivalent to the Net Tangible Assets ("NTA") of the Targets as at 31 December 2018. This represents the best offer, considering that the entities have been incurring losses over the years. There will be neither gain nor loss in this Proposed Disposal. There are no other conditions precedent.

The Company wishes to inform that it had received the cash consideration in full.

### 3.5 Salient terms of the Sale and Purchase Agreement

#### (a) Completion

Subject to the terms and conditions of the Malaysia SPA, the completion shall take place on the completion date ("**Malaysia Completion**"), which is on or before 9th February 2019 (or such other date as the Parties may agree), being a date not later than thirty (30) days from the date of this Agreement (or such other date as the Parties may agree in writing) whichever is the later, at such time and place as the Parties may agree.

Subject to all the conditions precedent having been satisfied, fulfilled or waived, the Malaysia Completion is scheduled to take place on or about Malaysia Completion Date or such other date as the Company and the Malaysia Purchasers may mutually agree in writing. Upon Malaysia Completion, the Malaysia Targets will cease to be subsidiaries (direct or indirect) of the Company.

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## LETTERS TO SHAREHOLDERS

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(b) Conditions Precedents

Completion of the sale and purchase of the Malaysia Sale Shares is conditional upon the following action or document to be carried out or executed on or before the Malaysia Completion date:

- (a) all necessary regulatory and other approvals being obtained by the Company, including, if necessary, an independent valuation or shareholders' approval an extraordinary general meeting for the sale contemplated herein; and
- (b) such other consents or approvals as may be required of the SGX-ST, any third party or government authority, regulatory body or competent authority.

### 3.6 Financial Effects of the Proposed Disposal of EWM Business in Malaysia

(a) Assumption

*FOR ILLUSTRATIVE PURPOSES ONLY*, the *pro forma* financial effects of the Proposed Disposal in Malaysia on the Group are set forth below and were prepared based on the audited financial statements for the financial year ended 30 June 2018, being the most recently completed financial year of the Group, subject to the following assumptions:

- (i) the expenses incurred by the Company in connection with the Proposed Disposal in Malaysia are disregarded for the purposes of calculating the financial effects;
- (ii) for the purpose of computing the NTA per Share, it is assumed that the Proposed Disposal in Malaysia was completed on 30 June 2018; and
- (iii) for the purpose of computing the EPS of the Group, it is assumed that the Proposed Disposal in Malaysia was completed on 1 July 2017.

(b) Share Capital

The Proposed Disposal in Malaysia will not have any effect on the share capital and shareholding structure of the Company as the Proposed Disposal in Malaysia does not involve the allotment and issuance of any new Shares in the Company and the Malaysia Consideration is wholly satisfied in cash.

(c) NTA per Share

|   | <b>Before the Proposed Disposal in Malaysia</b> | <b>After the Proposed Disposal in Malaysia</b> |
|---|---|--|
| NTA of the Group attributable to Shareholders (S\$) | 3,907,000                                       | 3,878,000                                      |
| Number of Shares                                    | 4,501,984,229                                   | 4,501,984,229                                  |
| NTA per Share (cents)                               | 0.09  | 0.09   |

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## LETTERS TO SHAREHOLDERS

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(d) EPS

|  | <b>Before completion<br/>of the Disposal in<br/>Malaysia</b> | <b>After completion<br/>of the Disposal in<br/>Malaysia</b> |
|--|--|---|
| Net (losses) of the Group attributable to Shareholders (S\$) | (7,682,000)  | (7,671,000)   |
| Weighted average number of Shares                            | 4,434,054,051  | 4,434,054,051   |
| EPS (cents)  | (0.17)   | (0.17)  |

(e) Rule 1006 testing

Relative figures under Rule 1006 of the Catalist Rules

The relative figures for the Proposed Disposal in Malaysia computed on the bases set out in Rule 1006 of the Catalist Rules, based on the latest announced HY2019 Unaudited Financial Statements are as follows:

| <b>Rule 1006</b> | <b>Bases</b>   | <b>Relative figures (%)</b> |
|------------------|--|-----------------------------|
| (a)              | The net asset value of the assets to be disposed of, compared with the group's net asset value.  | 2.26% <sup>1</sup>          |
| (b)              | The net loss attributable to the assets acquired or disposed of, compared with the group's net profits.  | Not meaningful <sup>2</sup> |
| (c)              | The aggregate value of the consideration given or received, compared with the issuer's market capitalization based on the total number of issued shares excluding treasury shares. | 0.50% <sup>3</sup>          |

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1 2.26% computed based on the net asset value of the Malaysia Targets' business of S\$44,000 as at 31 December 2018 compared with the Group's net asset value of S\$1.948 million as at 31 December 2018.

2 1.26% computed based on the net loss after tax attributed to the Malaysia Targets' business of S\$27,000 for the period ended 31 December 2018 compared with the Group's net losses for the period ended 31 December 2018 of S\$2.150 million. Both the Malaysia Targets and Group are in loss position, therefore the computation is not meaningful.

3 As at the Latest Practical Date of this circular, the market capitalization of the Group is approximately S\$9.003 million based on 90,039,655 Shares in issue at a volume weighted average price of \$0.1 for each share.

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## LETTERS TO SHAREHOLDERS

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| Rule 1006 | Bases  | Relative figures (%)        |
|-----------|--|-----------------------------|
| (d)       | The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.   | Not applicable <sup>1</sup> |
| (e)       | The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. | Not applicable <sup>2</sup> |

#### 4. THE PROPOSED DISPOSAL OF EWM BUSINESS IN USA

4.1 Further to the Company's announcement dated 31 December 2018, where it was made known that the Company had received and was reviewing the stock purchase agreement from First America Metal Corporation ("**FAMC**") of the United States of America (the "**US**"), the Company has entered into a revised stock purchase agreement (the "**USA SPA**") on 19th February 2019 with First America Management Group Corp. ("**FAMG**" or the "**US Purchaser**"), an associate of FAMC and a Delaware corporation, for the sale of its entire shareholding in Metech Recycling (USA) Pte. Ltd. ("**MRUS**") a holding company incorporated in Singapore, which owns 100% of Metech Recycling, Inc ("**MRI**") and Metech Metals Inc ("**MMI**"); both companies are registered in the US. Together, this represents the Company's entire EWM business in the US for a total aggregate cash consideration of US\$300,000 (the "**US Consideration**").

Subject to the terms and conditions of the USA SPA, the Company has agreed to sell, and the Purchasers have agreed to purchase, the EWM Business in USA, comprising the entire issued and paid up shares owned by the Group in (collectively, the "**US Sale Shares**") in:

- (i) Metech Recycling (USA) Pte. Ltd.;
- (ii) Metech Recycling, Inc.; and
- (iii) Metech Metals Inc.,

(each a "**US Target**" and collectively the "**US Targets**")

#### 4.2 Information on the Business and the US Purchaser

MRI is a Delaware-registered corporation and has been the operating company since 1968, specialising in the collection and processing of electronic wastes within the US. MMI was incorporated in California in 2012 and has been dormant since incorporation. MRUS is an intermediate holding company of the Company for its business in the US. The Proposed Disposal involves the transfer of the Company's entire shareholding in MRUS and its subsidiaries in the US ("**US Sale Shares**").

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1 This is not an acquisition.

2 This is not a disposal of mineral, oil or gas assets by a mineral, oil or gas company.

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## LETTERS TO SHAREHOLDERS

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FAMG is an associate of FAMC, which was founded in 2002. FAMC specialises in the recycling and processing of electronic waste and non-ferrous metals, as well as resource recovery in the US.

### 4.3 Rationale

The Proposed Disposal is consistent with the Company's decision to dispose of its entire EWM business.

The Company received a Letter of Intent ("**LOI**") from FAMC on 6 November 2018 for a majority stake in MRI for a nominal consideration of US\$1 and a call option ("**Option**") to acquire up to 80% of MRI within three years for a further consideration of US\$280,000 ("**Option Consideration**"). The LOI was signed on 13 November 2018. This Proposed Disposal in USA is a further development from the LOI and as assessed by the Company's Board, it is an improvement from the LOI. With the disposal of 100% of the US Targets, the Company will now receive an outright cash payment instead of the Option Consideration three years later and exit from the USA entirely upon the completion of the disposal.

### 4.4 US Consideration

The US Consideration for 100% of the US Targets is US\$300,000. It was agreed by FAMG after an intensive due diligence and negotiation process of more than three months after signing the LOI on 13 November 2018. Reference was made to the Independent Valuation Report produced by BDO (subsequently updated to 31 December 2018) and a specific evaluation of the US Targets produced by BDO after the Group's HY2019 results announcement, as well as the signed LOI in which the FAMG's associate company, FAMC had agreed to the Option Consideration of US\$280,000.

The disposal of the US Targets and the Company's entire shareholding in MRUS will result in the deconsolidation of the Group's operations in the US and the estimated impact to the Group's consolidated financial report will be a net gain on disposal of about S\$4.0 million including an amount receivable from MRI of approximately US\$0.5 million as at 31 December 2018 by the Company's subsidiary Metech Recycling (Singapore) Pte. Ltd. ("**Outstanding AR**"). In the USA SPA, the Outstanding AR shall be converted to a loan repayable in three years.

### 4.5 Salient terms of the Sale and Purchase Agreement

#### (a) US Completion

Subject to the terms and conditions of the USA SPA, the completion shall take place on or prior to the third Business Day after the satisfaction or waiver of each of the conditions set forth in condition precedents as set out below, (the "**Closing**") or at such other time and location as the parties shall mutually agree.

#### (b) Conditions Precedents

Completion of the sale and purchase of the US Sale Shares is conditional upon the following action or document to be carried out or executed on or before the Closing:

- (i) The US Purchaser shall have delivered the US Consideration;

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## LETTERS TO SHAREHOLDERS

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- (ii) The Company shall make the balance of “intercompany indebtedness” be “zero” upon the Closing;
- (iii) The Company shall have delivered the share certificates and relevant board resolutions of the US Targets.
- (iv) The Company shall have received a certificate from an executive officer of the US Purchaser confirming that all representations and warranties of the US Purchaser shall be true and correct in all material respects as of the date when made and as of the Closing as though made on and as of such date.
- (v) The US Purchaser shall have received a certificate from an executive officer of the *Company* confirming that all representations and warranties of the US Targets contained herein and in any of the ancillary agreements shall be true and correct in all material respects as of the date when made and as of the Closing as though made on and as of such date;
- (vi) Any and all approvals required under the laws of the US, the laws of Singapore and other applicable laws and such other approvals deemed necessary by the Company and US Purchaser with respect to the transactions contemplated by this Agreement; including:–
  - (a) all necessary regulatory and other approvals being obtained, including, if necessary, a shareholders’ approval at an extraordinary general meeting for the sale contemplated herein; and
  - (b) such other consents or approvals as may be required of the SGX-ST, any third party or government authority, regulatory body or competent authority.

### 4.6 Financial Effects of the Proposed Disposal of EWM Business in USA

(a) Assumption

*FOR ILLUSTRATIVE PURPOSES ONLY*, the pro forma financial effects of the Proposed Disposal in USA on the Group are set forth below and were prepared based on the audited financial statements for the financial year ended 30 June 2018, being the most recently completed financial year of the Group, subject to the following assumptions:

- (i) the expenses incurred by the Company in connection with the Proposed Disposal in USA are disregarded for the purposes of calculating the financial effects;
- (ii) for the purpose of computing the NTA per Share, it is assumed that the Proposed Disposal in USA was completed on 30 June 2018; and
- (iii) for the purpose of computing the EPS of the Group, it is assumed that the Proposed Disposal in USA was completed on 1 July 2017.

(b) Share Capital

The Proposed Disposal in USA will not have any effect on the share capital and shareholding structure of the Company as the Proposed Disposal in USA does not involve the allotment and issuance of any new Shares in the Company and the Consideration is wholly satisfied in cash.

## LETTERS TO SHAREHOLDERS

(c) NTA per Share

|   | <b>Before the Proposed Disposal in USA</b> | <b>After the Proposed Disposal in USA</b> |
|---|--|---|
| NTA of the Group attributable to Shareholders (S\$) | 3,907,000                                  | 6,384,000                                 |
| Number of Shares                                    | 4,501,984,229                              | 4,501,984,229                             |
| NTA per Share (cents)                               | 0.09                                       | 0.14                                      |

(d) EPS

|  | <b>Before completion of the Disposal in USA</b> | <b>After completion of the Disposal in USA</b> |
|--|---|--|
| Net (losses) of the Group attributable to Shareholders (S\$) | (7,682,000)                                     | (2,953,000)                                    |
| Weighted average number of Shares                            | 4,434,054,051                                   | 4,434,054,051                                  |
| EPS (cents)  | (0.17)  | (0.07)   |

(e) Rule 1006 testing

Relative figures under Rule 1006 of the Catalist Rules

The relative figures for the Proposed Disposal in USA computed on the bases set out in Rule 1006 of the Catalist Rules, based on the latest announced HY2019 Unaudited Financial Statements are as follows:

| <b>Rule 1006</b> | <b>Bases</b>  | <b>Relative figures (%)</b> |
|------------------|---|-----------------------------|
| (a)              | The net asset value of the assets to be disposed of, compared with the group's net asset value.         | Not meaningful <sup>1</sup> |
| (b)              | The net loss attributable to the assets acquired or disposed of, compared with the group's net profits. | Not meaningful <sup>2</sup> |

1 (195.79%) computed based on the net asset value of the US Targets' business of (S\$3.814 million) as at 31 December 2018 compared with the Group's net asset value of S\$1.948 million as at 31 December 2018. As US targets net asset value is negative amount, the computation is not meaningful.

2 87.58% computed based on the net loss after tax attributed to the US Targets' business of S\$1.883 million for the period ended 31 December 2018 compared with the Group's net losses for the period ended 31 December 2018 of S\$2.150 million. Both the US Targets and Group are in loss position, therefore the computation is not meaningful.

## LETTERS TO SHAREHOLDERS

| Rule 1006 | Bases  | Relative figures (%)        |
|-----------|--|-----------------------------|
| (c)       | The aggregate value of the consideration given or received, compared with the issuer's market capitalization based on the total number of issued shares excluding treasury shares.   | 4.52% <sup>1</sup>          |
| (d)       | The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.   | Not applicable <sup>2</sup> |
| (e)       | The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. | Not applicable <sup>3</sup> |

### 5. NEW ADDITIONAL INDEPENDENT VALUATION

For the purpose of the Proposed Disposals, the Company has commissioned another reputable independent valuer to prepare an additional independent valuation report (the "**Additional IVR**") to provide an additional indicative corporate valuation of the Malaysia and US Targets as at 31 December 2018 (the "**Valuation Date**").

As announced on 8 March 2019, the Company shall, before the date of the EGM, publish the summary of the Additional IVR on SGXNet and shall make available for inspection during business hours at the Company's registered office till the EGM. In the event that the Additional IVR is not made available to the shareholders ahead of the EGM, the Company undertakes to postpone the holding of the EGM until the Additional IVR is completed and reasonable amount of time is given to the shareholders for inspection.

### 6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

6.1 As at the Latest Practicable Date, the interest of the Directors of the Company in the Shares of the Company are as follows:

| Name of Directors | Direct Interest           |      | Deemed Interest          |      |
|-------------------|---------------------------|------|--------------------------|------|
|                   | No. of Shares             | %    | No. of Shares            | %    |
| Simon Eng         | 14,600,000 <sup>(1)</sup> | 16.2 | 9,603,377 <sup>(2)</sup> | 10.7 |

(1) Mr. Simon Eng has 13,400,000 Shares under his personal CDP account and 1,200,000 Shares under his SRS account.

(2) Mr. Simon Eng is deemed interested in 6,604,000 Shares held under Fort Canning (Asia) Pte Ltd and 2,999,377 Shares held under Belle Forte Ltd, pursuant to Section 7 of the Companies Act, Chapter 50, by virtue of his shareholdings in Fort Canning (Asia) Pte Ltd and Belle Forte Ltd.

1 As at the Latest Practical Date of this circular, the market capitalization of the Company is approximately S\$9.003 million based on 90,039,655 Shares in issue at a volume weighted average price of \$0.1 for each share.

2 This is not an acquisition.

3 This is not a disposal of mineral, oil or gas assets by a mineral, oil or gas company.



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## LETTERS TO SHAREHOLDERS

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- 6.2 As at the Latest Practicable Date, the interest of the Substantial Shareholders of the Company in the Shares of the Company are as follows:

| Name of Directors        | Direct Interest           |      | Deemed Interest          |      |
|--------------------------|---------------------------|------|--------------------------|------|
|                          | No. of Shares             | %    | No. of Shares            | %    |
| Simon Eng                | 14,600,000 <sup>(1)</sup> | 16.2 | 9,603,377 <sup>(2)</sup> | 10.7 |
| Apzenith Capital Pte Ltd | 10,575,600                | 11.7 | –                        | –    |
| Lim Liang Meng           | 6,200,000                 | 6.9  | –                        | –    |

(1) Mr. Simon Eng has 13,400,000 Shares under his personal CDP account and 1,200,000 Shares under his SRS account.

(2) Mr. Simon Eng is deemed interested in 6,604,000 Shares held under Fort Canning (Asia) Pte Ltd and 2,999,377 Shares held under Belle Forte Ltd, pursuant to Section 7 of the Companies Act, Chapter 50, by virtue of his shareholdings in Fort Canning (Asia) Pte Ltd and Belle Forte Ltd.

### 6.3 Interests in the Proposed Disposals

With respect to the Proposed Disposals, none of the Directors and, as far as the Directors are aware, none of the Substantial Shareholders have any interest, direct or indirect, in the Proposed Disposals.

## 7. CONSENT

BDO Advisory Pte Ltd, the Independent Valuer to the Proposed Disposals, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of the Summary Valuation Letter and all references to its name in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

## 8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out at the end of this Circular, will be held on 12 April 2019 or such date as maybe announced by the Company (Please refer to paragraph 5 for more details) at 10.00 a.m. at 65 Tech Park Crescent, Singapore 637787 for the purpose of considering and if, thought fit, passing with or without modifications, the Special Resolution set out in the Notice of EGM.

## 9. ACTION TO BE TAKEN BY SHAREHOLDERS

- 9.1 **Appointment of Proxies.** Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf should complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, to arrive at the Company's registered office at 65 Tech Park Crescent, Singapore 637787, not less than forty-eight (48) hours before the time fixed for the holding of the EGM. The completion and return of the Proxy Form by such Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy should he subsequently wish to do so.
- 9.2 **When Depositor regarded as Shareholder.** Pursuant to the new section 81SJ(4) of the SFA, a Depositor will not be regarded as a Shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least seventy-two (72) hours before the EGM.

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## LETTERS TO SHAREHOLDERS

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### 10. DIRECTORS' RECOMMENDATION

#### 10.1 Proposed Disposals

Having considered the terms, the rationale and benefits of the Proposed Disposals, the Directors are of the view that the Proposed Disposals is in the best interests of the Company. Thereafter, the Company shall exit from the entire EWM Business. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the Proposed Disposals as set out in the Notice of EGM.

### 11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposals, the issuer and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

### 12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the Company's registered office during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) annual report of the Company for the year ended 30 June 2018;
- (b) a copy of the Malaysia Sale and Purchase Agreement;
- (c) a copy of the US Sale and Purchase Agreement;
- (d) Independent Valuation Report; and
- (e) Additional Independent Valuation Report

Yours faithfully

For and on behalf of the Board of Directors of  
**METECH INTERNATIONAL LIMITED**

**Simon Eng**  
Chief Executive Officer

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## APPENDIX I

### SUMMARY VALUATION LETTER

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Tel: +65 6828 9118  
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info@bdo.com.sg  
www.bdo.com.sg

BDO Advisory Pte Ltd  
600 North Bridge Road  
#23-01 Parkview Square  
Singapore 188778

#### SUMMARY VALUATION LETTER

14 February 2019

**The Board of Directors**  
Metech International Limited  
65 Tech Park Crescent  
Singapore 637787

**Indicative Corporate Valuation of Metech International Limited's ("MIL" or the "Company")  
electronic waste recycling business in the United States of America and Malaysia ("E-Waste  
Business")**

Dear Sirs,

1) Introduction

BDO Advisory Pte Ltd ("BDO Advisory") has been appointed by the Board of Directors of Metech International Limited ("MIL") to perform an indicative valuation of five entities, namely Metech Recycling (USA) Pte Ltd, Metech Recycling, Inc, Metech Metal, Inc (collectively, "Metech US Group") Metech Recycling (Malaysia) Pte Ltd and Metech Recycling (Malaysia) Sdn Bhd (collectively, "Metech MY Group") (collectively, the "Entities") as at 31 December 2018 ("Valuation Date").

This letter is a summary containing information from our Valuation Report dated 14 February 2019 (the "Valuation Report").

2) Terms of reference

The objective of Valuation Report is to provide an independent view of the fair market value of Entities as at 31 December 2018 (the "Valuation Date").

We are not expressing an opinion on the commercial merits and structure on the transaction of the Entities and accordingly, this letter and the Valuation Report do not purport to contain all the information that may be necessary to fully evaluate the commercial or investment merits of the transaction of the Entities. The assessment of the commercial and investment merits of the transaction is solely the responsibility of the Board of Directors of the Company ("Directors"). In addition, our work should not be construed as an investment advice to the current or prospective shareholders/investors of the Company.

We have not conducted a comprehensive review of the business, operational or financial conditions of the Entities nor any work in relation to the feasibility of tax efficiency of the business operation of the Entities, and accordingly our Valuation Report does not make any representation or warranty, expressed or implied in this regard.

Our scope in the engagement does not require us to express and we do not express a view on the future prospects of the Company and the Entities, or any views on the future trading process of the shares or the financial condition of the Company and the Entities upon the completion of inter alia, the proposed transaction.

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## APPENDIX I

### SUMMARY VALUATION LETTER

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Our terms of reference do not require us to provide advice on legal, regulatory, accounting or taxation matters made available to us if the Entities has obtained specialist advise, and where we have considered, and where appropriate, relied upon such advice.

The information used by us in preparing the Valuation Report has been obtained from a variety of sources as indicated within the report. While our work has involved analysis of financial information and accounting records, it has not included an audit in accordance with generally accepted auditing standards. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided to us by and on the behalf of the Company and the Entities.

3) Use of our valuation report and summary valuation letter

Our work will be carried out solely for the purpose of an indication of business valuation of the Entities as at 31 December 2018. This letter and the Valuation Report resulting from our work may not be used for any other purpose or by any other person, referred to in any document or made available to any party (other than your professional advisors acting in that capacity) without our prior written consent (such consent not to be unreasonably withheld) (including without limitation, the shareholders of the Company, and the prospective investors) except for the purpose of any matter relating to the valuation of Entities (including making references to and reproduction in the Circular and being made available for inspection by shareholders of the Company). Any recommendation made by the Directors to the shareholders of the Company shall remain the responsibility of such Directors.

4) Reliance on available information and representation from management

In the course of our work, we have held discussions with the Company management. We have also examined and relied on information provided by the Company management, and reviewed other relevant publicly available information. We have not independently verified all such information provided or any representation or assurance made by them, whether written or verbal, and accordingly cannot and do not warrant or accept responsibility for the accuracy or completeness of such information, representation or assurance. However, we have a duty to exercise reasonable professional skill and care in performing our work in accordance with the terms of this engagement and have made reasonable enquires and exercised our judgment on the reasonable use of such information. Our work will, where appropriate, be conducted in accordance with applicable professional guidance.

The Company and the Entities have confirmed to us, upon making all reasonable enquiries and to their best knowledge and belief that, the information provided to us constitute full and true disclosure, in all material respects and facts relating to the Entities as required for the purposes of our valuation.

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## APPENDIX I

### SUMMARY VALUATION LETTER

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In no circumstances shall we be liable, other than in the event of our bad faith, willful default for any loss or damage, of whatsoever nature arising from information material to our work being withheld or concealed from us or misrepresented to us by the Company management and the Directors, employees or staffs of the Company or any other person of whom we have made inquiries of during the course of our work.

#### 5) Valuation methodology

Our basis of the valuation will be made by reference to the open market value. Open market value is “the best price reasonably obtainable in an arm’s length transaction in the open market between a prospective willing prudent purchaser and a prospective willing prudent vendor, each being fully cognisant of all material facts in relation to the asset in questions”.

The indicative valuation of the Entities has taken into consideration of the values implied by the asset-based approach. We have adopted the asset-based approach as the primary methodology for the following reasons:

- Metech Recycling (US) Pte Ltd, Metech Metal, Inc and Metech Recycling (Malaysia) Pte Ltd are dormant companies;
- The Entities have been loss-making or generate minimal profit for the past three financial years; and
- The scarcity of information available on precedent transactions performed in the recent past of firms with similar characteristics as the Entities.

Under this approach and methodology, we have assessed the fair value of the Entities having considered their respective book values and the likelihood of their recoverability.

Our valuation is based on various assumptions with respect to the Entities, including their respective present and future financial conditions, business strategies and the environment in which they operates. These assumptions are based on the information that we have been provided and discussions with the Company’s management reflecting current expectations on current and future events.

Among other assumptions that are stated in the Valuation Report, the key assumptions are as follows:

1. The Entities will continue as a going concern;
2. The future operations of the Entities will not be adversely affected by changes to its key personnel, management team and company shareholdings;
3. The information provided to us by the Company’s management reflects the financial positions of the Entities;
4. The Entities has legal title to all assets as mentioned in the financial information provided to us by the Company’s management. All assets, which are physically in existence, are in good working condition. There are no risks that any of these assets are subject to compulsory acquisition by any third party or government body;
5. There will be no major changes in the corporate taxation basis or rates applicable to the Entities;

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## APPENDIX I SUMMARY VALUATION LETTER

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6. Related party transactions, if any, in the Entities are carried out on an arm's length basis and will continue to be for the foreseeable future even if there are any changes in the shareholding structure; and
7. There are no subsequent events which will have material effect on the unaudited management accounts for the periods then ended.

6) Conclusion

Based on the asset-based approach, Metech US Group and Metech MY Group are in aggregated net liabilities of S\$3.94 million and aggregated net assets of \$0.04 million respectively as at the Valuation Date. This may cast significant doubt on the Entities ability to continue as a going concern. Accordingly, the indicative fair value based on the aggregated financials for Metech US Group and Metech MY group is estimated to be approximately S\$NIL and S\$0.04 million respectively as at the Valuation Date.

Our views are based on the current economic, market, industry, regulatory, monetary and other conditions and on the information made available to us as of the date of this letter and the Valuation Report. Such conditions may change significantly over a relatively short period of time and we assume no responsibility and are not required to update, revise or reaffirm our conclusion set out in this letter to reflect events or developments subsequent to the date of this letter and the Valuation Report.

Yours faithfully,

  

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**BDO Advisory Pte Ltd**

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### **METECH INTERNATIONAL LIMITED**

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

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting of Metech International Limited (the “**Company**”) will be held at 65 Tech Park Crescent, Singapore 637787 on 12 April 2019 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

All capitalised terms in the resolution below and defined in the circular dated 27 March 2019 to the shareholders of the Company (the “**Circular**”) shall, unless otherwise defined herein, have the respective meanings ascribed thereto in the Circular.

#### **1. ORDINARY RESOLUTION – THE PROPOSED EXIT FROM THE ENTIRE ELECTRONIC WASTE MANAGEMENT BUSINES**

That:

- (a) approval be given for the Proposed Exit by way of disposal of relevant subsidiaries, plants and equipment, and existing inventories etc. Upon passing of this resolution and completion of the above disposals, the Company shall no longer be engaged in the EWM Business.
- (b) the Directors and/or any of them be authorised to complete and do all such acts and things (including executing such documents as may be required, approving any amendments, alterations, or modifications to any documents, and to sign, file, and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may in their/his absolute discretion consider expedient or necessary to give effect to the Proposed Exit and/or this Resolution; and
- (c) all actions taken by the Company and/or the Directors of the Company in connection with, relating to or arising from the Proposed Exit be confirmed, approved and ratified.

#### **2. ORDINARY RESOLUTION – THE PROPOSED DISPOSAL OF EWM BUSINESS IN MALAYSIA**

That:

- (a) the Proposed Disposal of EWM Business in Malaysia by the Company to Lau Chin Guan pursuant to, and in accordance with, the terms of the Malaysia Sale and Purchase Agreement be approved;
- (b) the Directors and/or any of them be authorised to complete and do all such acts and things (including executing such documents as may be required, approving any amendments, alterations, or modifications to any documents, and to sign, file, and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may in their/his absolute discretion consider expedient or necessary to give effect to the Proposed Disposal of EWM Business in Malaysia and/or this Resolution; and
- (c) all actions taken by the Company and/or the Directors of the Company in connection with, relating to or arising from the Proposed Disposal of EWM Business in Malaysia be confirmed, approved and ratified.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### 3. ORDINARY RESOLUTION – THE PROPOSED DISPOSAL OF EWM BUSINESS IN USA

That:

- (a) the Proposed Disposal of EWM Business in USA by the Company to First America Management Group Corp., pursuant to, and in accordance with, the terms of the USA Stock Purchase Agreement be approved;
- (b) the Directors and/or any of them be authorised to complete and do all such acts and things (including executing such documents as may be required, approving any amendments, alterations, or modifications to any documents, and to sign, file, and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may in their/his absolute discretion consider expedient or necessary to give effect to the Proposed Disposal of EWM Business in USA and/or this Resolution; and
- (c) all actions taken by the Company and/or the Directors of the Company in connection with, relating to or arising from the Proposed Disposal of EWM Business in USA be confirmed, approved and ratified.

For and on behalf of the Board

**Simon Eng**  
Chief Executive Officer

Singapore 27 March 2019



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Notes:

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting may appoint no more than two (2) proxies to attend and vote on his behalf. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.
2. Pursuant to Section 181 of the Act, any member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the Extraordinary General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed.

“relevant intermediary” means:

- (a) a banking corporation licensed under the Banking Act, Cap. 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.
3. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100.0% of the shareholding and any second named proxy as an alternate to the first named.
  4. The instrument appointing a proxy must be deposited at the registered office of the Company at 65 Tech Park Crescent, Singapore 637787 not less than 72 hours before the time for holding the Extraordinary General Meeting.
  5. A Depositor shall not be regarded as a member of the Company entitled to attend and vote at the Extraordinary General Meeting unless his name appears on the Depository Register maintained by The Central Depository (Pte) Limited 72 hours before the time appointed for the said Meeting.

### Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

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## PROXY FORM

### METECH INTERNATIONAL LIMITED

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

### PROXY FORM

(Please see Notes overleaf before completing this Proxy Form)

**IMPORTANT:**

1. A relevant intermediary may appoint more than two (2) proxies to attend the Extraordinary General Meeting and vote (please see Note 3 for the definition of "relevant intermediary").
2. For investors who have used their CPF monies to buy Shares in the Company, this Proxy Form if not valid for use and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. Please read the notes to the Proxy Form.

I/We\* \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport No.)

of \_\_\_\_\_ (Address)

being a member/members\* of **METECH INTERNATIONAL LIMITED** (the "Company"), hereby appoint:

| Name                           | Address | NRIC/Passport Number | Proportion of Shareholdings |   |
|--------------------------------|---------|----------------------|-----------------------------|---|
|                                |         |                      | No. of Shares               | % |
|                                |         |                      |                             |   |
| and/or (delete as appropriate) |         |                      |                             |   |
|                                |         |                      |                             |   |

as my/our proxy/proxies to attend and vote for me/us on my/our behalf at the Extraordinary General Meeting ("EGM") of the Company, to be held at 65 Tech Park Crescent, Singapore 637787 on 12 April 2019 at 10.00 a.m. and at any adjournment thereof or such date as maybe announced by the Company.

I/We\* direct my/our\* proxy/proxies\* to vote for or against the Resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof or such date as maybe announced by the Company, the proxy/proxies\* will vote or abstain from voting at his/their\* discretion.

**(Please indicate your vote "For" or "Against" with a tick [✓] within the box provided. Alternatively, please indicate the number of votes as appropriate.)**

|                            |  | For | Against |
|----------------------------|--|-----|---------|
| <b>Ordinary Resolution</b> |  |     |         |
| 1.                         | To approve the Proposed Exit from the entire Electronic Waste Management Business    |     |         |
| 2.                         | To approve the Proposed Disposal of Electronic Waste Management Business in Malaysia |     |         |
| 3.                         | To approve the Proposed Disposal of Electronic Waste Management Business in USA      |     |         |

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

|                               |  |
|-------------------------------|--|
| <b>Total Number of Shares</b> |  |
|-------------------------------|--|

.....  
Signature(s) of member(s)/  
Common Seal of corporate member

**Notes:**

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company (other than a Relevant Intermediary\*), entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member (other than a Relevant Intermediary\*) appoints two proxies, the proportion of his/her shareholding to be represented by each proxy shall be specified in the proxy form, failing which, the nomination shall be deemed to be alternative.
4. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number or class of shares shall be specified).
5. Subject to note 10, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
6. The instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof) must be deposited at the registered office of the Company at 65 Tech Park Crescent, Singapore 637787 not less than 72 hours before the time appointed for the EGM.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its Common Seal or under the hand of its attorney or a duly authorised officer.
8. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof shall (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument of proxy may be treated as invalid.
9. A corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the EGM and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
10. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF investor") and/or the Supplementary Retirement Scheme ("SRS Investor") may attend and cast his vote(s) at the EGM in person. CPF and SRS Investors who are unable to attend the EGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the EGM.
11. The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of a member whose shares are entered against his/her name in the Depository Register, the Company shall be entitled to reject any instrument of proxy lodged if such member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms as set out in the Notice of EGM dated 21 March 2019.

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<sup>1</sup> A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.