



METECH INTERNATIONAL LIMITED

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

ANNOUNCEMENT PURSUANT TO RULE 704(4) OF THE SGX-ST LISTING MANUAL – DISCLAIMER OF OPINION BY THE COMPANY’S AUDITORS ON THE GROUP’S FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

Pursuant to Rule 704(4) of the Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Board of Directors (“**Board**”) of Metech International Limited (the “**Company**”) and collectively with its subsidiaries the “**Group**”) wishes to announce that the independent external auditor of the Company, Moore Stephens LLP (the “**Independent Auditors**”), has included a disclaimer of opinion (the “**Disclaimer of Opinion**”) in its Independent Auditors’ report dated 14 June 2024 (the “**Independent Auditor’s Report**”) in relation to the audited consolidated financial statements of the Group and the Company for the financial period ended 31 December 2023 (“**FP2023**”) (the “**Financial Statements**”).

A copy of the Independent Auditor’s Report is attached to this announcement. The Independent Auditor’s Report and the complete set of the FP2023 Financial Statements can also be found in the Company’s annual report for FP2023, which will be released on SGXNET in due course. Shareholders of the Company are advised to read this announcement together with the Independent Auditor’s Report and the FP2023 Financial Statements in full.

An extract of the basis for the Disclaimer of Opinion in their Independent Auditors’ report is as set out below:

3. *Use of the going concern assumption*

We draw your attention to Note 3(b) to the financial statements which indicates that the Group and the Company incurred a net loss and total comprehensive loss for the financial period from 1 July 2022 to 31 December 2023 amounting to S\$11,521,000 (financial year ended 30 June 2022 (“FY2022”): S\$2,595,000) and S\$11,344,000 (FY2022: S\$2,778,000) respectively and net cash flows used in operating activities of S\$4,963,000 (FY2022: S\$3,141,000) during the current financial period ended 31 December 2023. As at that date, the Group and the Company have net current liabilities of S\$655,000 (30 June 2022: net current assets of S\$5,976,000) and S\$496,000 (30 June 2022: net current assets of S\$10,746,000) respectively. The Company has net liabilities of S\$468,000 (30 June 2022: net assets of S\$10,746,000).

The above conditions indicate the existence of a material uncertainty which may cast significant doubt over the Group’s and the Company’s ability to continue as going concerns and therefore they may be unable to realise their assets and discharge their liabilities in the normal course of business.

Management has prepared the financial statements on a going concern basis based on a cash flow projection as stated in Note 3(b) to the financial statements. The cash flow projection is premised on future events, the outcomes of which are inherently uncertain.

In the light of the material uncertainties discussed above, we do not have sufficient appropriate audit evidence regarding the use of the going concern assumption in the preparation of the

financial statements. Consequently, we were unable to form a view as to the use of the going concern assumption in the preparation of these financial statements.

In the event that the Group and the Company are unable to continue as going concerns, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are recorded in the statements of financial position. In addition, the Group and the Company may have to provide for liabilities that might arise, and to reclassify non-current assets as current assets. No such adjustments have been made to these financial statements.

Cautionary Statement

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

For and on behalf of the Board of Directors of
Metech International Limited

Wang Zhuo
Executive Director and CEO

14 June 2024

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

This announcement has not been examined or approved by 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 Mr. Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #04-02 Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.