



**MULTI-CHEM LIMITED**  
(Company Registration No. 198500318Z)  
(Incorporated in the Republic of Singapore)

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**QUALIFIED OPINION BY INDEPENDENT AUDITOR ON THE FINANCIAL STATEMENTS FOR THE  
FINANCIAL YEAR ENDED 31 DECEMBER 2023**

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The Board of Directors (the “**Board**”) of Multi-Chem Limited (the “**Company**” and together with its subsidiaries the “**Group**”) wishes to announce that further to the Company’s announcement on 25 March 2024, the Group’s statutory auditors, BDO LLP (the “**Independent Auditor**”) will be including an “except for” qualified opinion (the “**Qualified Opinion**”) in relation to the Group’s consolidated financial statements (the “**Financial Statements**”) for the financial year ended 31 December 2023 (“**FY2023**”) in its independent auditor’s report (the “**Independent Auditor’s Report**”).

The extract of the basis of the Qualified Opinion issued by the Independent Auditor is as follows:

**Qualified Opinion**

*We have audited the financial statements of Multi-Chem Limited (the “**Company**”) and its subsidiaries (the “**Group**”), which comprise:*

- *the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2023;*
- *the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group for the financial year then ended; and*
- *notes to the financial statements, including a summary of material accounting policy information.*

*In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “**Act**”) and Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2023, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.*

**Basis for Qualified Opinion**

*During the financial year, a subsidiary of the Company, M.Tech Products Pte Ltd, made payments totalling S\$2,137,000 via two employees of the subsidiary, who purportedly paid this amount to an employee of a vendor for marketing and promotional expenses on behalf of the subsidiary.*

*We were unable to obtain sufficient appropriate audit evidence to support the payments for its intended purpose. Consequently, we were unable to determine whether any adjustments to Group’s financial statements were necessary.*

*We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.*

The Independent Auditor’s Report and the Financial Statements for FY2023 will form part of the Company’s Annual Report for FY2023 (the “**FY2023 Annual Report**”) which will be dispatched to the shareholders of the Company (“**Shareholders**”) and uploaded to SGXNET in due course. Shareholders are advised to read this announcement in conjunction with the Independent Auditor’s Report and the FY2023 Annual Report in their entirety.

Separately, the Company wishes to update that it has, as of the date of this announcement, appointed a law firm, Shook Lin & Bok LLP, to conduct an independent inquiry regarding the matters raised in the Qualified Opinion. If and when there are any material developments which warrant a disclosure, the Board will make a further announcement on the SGX-ST in accordance with the listing rules of the SGX-ST.

Shareholders and potential investors are advised to carefully read this announcement and any further announcements made by the Company. In the meantime, Shareholders and potential investors are also advised to exercise caution when dealing or trading in the shares of the Company. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

**By Order of the Board**

Han Juat Hoon  
Director

5 April 2024