

MATEX INTERNATIONAL LIMITED
(Company Registration No. 198904222M)
(Incorporated in Singapore)

MEMORANDUM OF UNDERSTANDING WITH JCS GROUP PTE. LTD.

1. INTRODUCTION

- 1.1 The Board of Directors (“**Board**” or “**Directors**”) of Matex International Limited (“**Company**” and together with its subsidiaries, the “**Group**”), wishes to announce that the Company had, on 8 November 2023, entered into a Memorandum of Understanding (“**MOU**”) with JCS Group Pte Ltd (“**JCS**”).

2. THE MOU

- 2.1 Pursuant to the MOU, the Company and JCS intend to establish a joint venture company (“**JVCo**”) to explore the use of advanced technology for digitalisation and artificial intelligence (“**AI**”) to enhance business processes, better customer engagement, and R&D/corporate knowledge extraction (“**Proposed Collaboration**”), with the Company and JCS holding 51% and 49% respectively in the JVCo.

The JVCo shall also attempt to explore partnerships with other technology companies that have strong capabilities in AI and digital transformation with the view that it may help the Company to accelerate its capability build up or lower the risk and cost of execution. One of the identified partners is Jiang Xi Heng Ding Investment Co., Ltd. (江西恒定投资有限公司), an investment holding company with an investment portfolio of information technology and AI companies. The JVCo is exploring the potential of leveraging on the expertise of the portfolio companies in designing and developing specialised AI system to enhance the capabilities of the Company and JCS in technology and market access.

- 2.2 JCS is a leading Singapore-based global advanced manufacturing and deep tech company with diverse businesses in renewable energy, complex equipment, agro-technology, aerospace industry, logistics industry and medical device, having its headquarter in Singapore and subsidiaries in China, US, India, Malaysia, Thailand and Indonesia.
- 2.3 The Company intends to position itself and seek to invest in (a) emerging industries such as health and well-being, environmental and clean energy solutions, lifestyle wear with sustainable products, and (b) such other suitable opportunities for diversification, innovation and to establish new and complementary businesses.

As announced on 5 June 2023, the Company had also entered into a non-binding MOU with CSF Fund I Pte. Ltd. (“**CSF**”) to set out broad scope of strategic collaboration between the Company and CSF. CSF is an investment fund managed by CSF Ventures Pte. Ltd., which is part of the JCS group of companies. The MOU with JCS further broadens the scope of collaboration between the Company and the JCS group of companies.

- 2.4 The MOU with JCS may or may not lead to the entry into any definitive agreement(s) and the Proposed Collaboration may or may not materialise. At the present stage, the structure of the Proposed Collaboration and definitive terms and conditions of any definitive agreement(s) to be entered into between the Company and JCS are subject to negotiations and are yet to be agreed and finalised, and are also subject to satisfactory legal, financial and other due diligence.

- 2.5 The MOU being non-binding is not expected to have any material impact on the net tangible assets per share or earnings per share of the Group for the current financial year ending 31 December 2023. However, if the Proposed Collaboration as contemplated under the MOU materialises, depending on the terms to be agreed, the Proposed Collaboration may have a material impact on the net tangible assets per share and/or earnings per share of the Group for the current financial year ending 31 December 2023.

3. OTHER INFORMATION AND DOCUMENTS FOR INSPECTION

- 3.1 Mr Yeo Hock Huat, the Company's Non-Independent Non-Executive Director and substantial shareholder (through his deemed interest via CSF which owns 13.82% shareholding interest in the Company), is the Founder and Chairman, sole shareholder and director of JCS.

Save as disclosed above, none of the Directors or substantial shareholders of the Company have any interest, direct or indirect, in the MOU, save for their respective shareholdings in the Company.

- 3.2 A copy of the MOU will be made available for inspection during normal business hours at the registered office of the Company for a period of three (3) months from the date of this announcement.
- 3.3 Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should note that the MOU is non-binding and there is no certainty or assurance that the Proposed Collaboration as contemplated in the MOU will materialise. As such, Shareholders and potential investors are advised to exercise caution when dealing or trading in the shares of the Company. When in doubt as to the action they should take, Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

BY ORDER OF THE BOARD

Dr Tan Pang Kee
Chief Executive Officer / Managing Director
8 November 2023

*This document has been reviewed by the Company's sponsor, Provenance Capital Pte. Ltd. ("**Sponsor**"), for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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