

Date: 27 April 2024

To: Metech International Limited and its shareholders

Dear shareholders of Metech International Limited

**WRITTEN REPRESENTATIONS FROM DIRECTOR OF METECH INTERNATIONAL LIMITED (THE “COMPANY”) PURSUANT TO SECTION 152(3) OF THE COMPANIES ACT 1967 (THE “ACT”)**

1. I, Ng Cheng Huat, being the Non-Executive and Non-Independent Director of the Company, refer to the Company’s announcement dated 19 April 2024 enclosing the circular (the “**Circular**”) of the same date issued by the Company in relation to an extraordinary general meeting of the Company (the “**11 May EGM**”) to be held on 11 May 2024 for the purpose of voting on the proposed removal (the “**Proposed Removal**”) of me as director of the Company (“**Director**”).
2. I hereby exercise my right under Section 152(3) of the Act to make my representations in writing to the Company on the Proposed Removal as set out in this document and request that the Company notify the Company’s shareholders of my representations by way of (a) an announcement on SGXNet as soon as practicable which reproduces this document in its entirety and (b) sending a copy of this document to every shareholder by mail. I also intend to be present at the 11 May EGM to address the shareholders and present my perspective.

***Concerns Regarding the Company***

3. I am deeply concerned about the current state of the Company for the below reasons (which I shall elaborate on):
  - a. Events have suggested to me that Cao Shixuan, an individual who has been placed by Singapore Exchange Regulation Pte. Ltd. (“**SGX RegCo**”) on its Directors’ and Executive Officers’ Watchlist (the “**Watchlist**”) currently employed as a manager by the Company, may be effectively controlling the Company;
  - b. Wang Zhuo, the Executive Director and Chief Executive Officer (“**CEO**”) of the Company, has a history of undertaking actions without the approval of the Board of Directors of the Company (the “**Board**”);
  - c. The recent actions of the other Directors of the Company (including the restriction of my access to Company information (the “**Restriction of Access**”)) have raised doubt as to whether they are acting in the best interest of the Company; and
  - d. The financial viability of the Company is now in serious doubt.

## **Cao Shixuan**

4. Events have suggested to me that Cao Shixuan may be exercising significant influence in respect of the Company's board and management. Cao Shixuan is the former Executive Director and Deputy CEO of ecoWise Holdings Limited ("**ecoWise**"). Cao Shixuan has been placed on the Watchlist in light of his failure to extend co-operation to a special audit commissioned by ecoWise at the direction of SGX RegCo.
5. In the last quarter of 2023, I was approached by Cao Shixuan in my capacity as Director and shareholder of the Company. During our discussions, Cao Shixuan represented that he would be able to assist in turning the Company around by taking control of the Company and injecting a new business. He requested that I support the appointment of Chng Hee Kok and Er Kwong Wah as Independent Directors. I agreed and, together with the other members of the then Board, approved the appointment of Chng Hee Kok and Er Kwong Wah and the re-composition of the Board. Lye Kar Choon was then also engaged by the Company as Adviser to the Board.
6. I note that Lye Kar Choon and Er Kwong Wah are respectively formerly the Group Financial Controller ("**Group FC**") of ecoWise and the Independent Director of ecoWise during the period when Cao Shixuan was the Executive Director and Deputy CEO of ecoWise.
7. Since around February 2024, Cao Shixuan started attending Board meetings of the Company, even prior to his holding any official position in the Company. I was uncomfortable with this and had disclosed this when questioned by a shareholder at the extraordinary general meeting of the Company held on 14 March 2024 (the "**14 March EGM**") after the other Directors denied that there was any attendance at Board meetings by persons who were neither Directors nor employees.
8. On 18 March 2024, a Directors' Resolution in Writing was signed by the other Directors seeking to appoint Cao Shixuan as a Director with effect from that date. Wang Zhuo submitted his resignation as CEO with effect from the same date notwithstanding that his service contract provided for a three month notice period. This was all done without prior consultation with the Company's Catalist Sponsor (the "**Sponsor**"). Further, the other Directors also sought to procure the appointment of Lye Kar Choon as Group FC of the Company. Subsequently, certain of the other Directors sought to pressure the Sponsor to approve the appointments of Cao Shixuan as CEO and Lye Kar Choon as Group FC of the Company. The pressure that they sought to apply was unprofessional and clearly demonstrated their strong intent to procure such appointments at all cost, with one of the Directors even suggesting that the Sponsor should allow the Company to appoint Cao Shixuan as CEO but stating in the relevant announcement that the appointment has not been cleared by the Sponsor. Since then, Wang Zhuo has withdrawn his resignation because neither Cao Shixuan's nor Lye Kar Choon's

proposed appointment has been effected. *I hereby request the Company to publish the relevant correspondence in its entirety so that the shareholders can understand the situation in a complete light.*

9. Based on the latest announced unaudited financial statements (the “**Latest Financial Statements**”) for the 6 month and 18 month periods ended 31 December 2023, as at 31 December 2023, the Company and its subsidiaries (together, the “**Group**”) have cash and bank balances of S\$51,000 and a negative working capital of S\$59,000. For the 18 months ended 31 December 2023, the Group recorded a revenue of S\$29,000. At the 14 March EGM, Er Kwong Wah effectively admitted that the Group had no money in its bank accounts and that there was significant doubt about the Group’s ability to operate as a going concern. Er Kwong Wah even stated that the Group had no money to pay its auditors for the audit of the financial statements for the financial periods ended 31 December 2023. One of the substantial shareholders of the Company, Ng Eng Tiong, stated at the 14 March 2024 EGM that he was prepared to discuss with the Company if the Company needs additional funds. I understand from Ng Eng Tiong that, to date, the Company has not approached him for any such discussions.
10. The Company announced on 25 March 2024 that Cao Shixuan has entered into a loan agreement (the “**Loan Agreement**”) with the Company. A copy of the Loan Agreement was not shared with me and my approval as a director of the Company was not sought for the entry into the Loan Agreement. A draft announcement for entry into the Loan Agreement was sent to me which I did not approve. The loan made pursuant to the Loan Agreement is disclosed to be interest-free and is subject to the condition that Cao Shixuan shall continue to be employed by the Company. To me, this suggests that the other Directors had opted to be effectively in a situation where the Company needs to rely on Cao Shixuan and his continued employment by the Company for the Company’s continued financial viability without exploring whether other financing options are available.
11. On 2 April 2024, the Company announced a binding memorandum of understanding (the “**MOU**”) with Colorful Paradise Agricultural Cooperation Co., Ltd. I was not provided a copy of the MOU for review prior into the entry thereof. My understanding is that the entry into this MOU was facilitated by Cao Shixuan.
12. On a separate matter, I had previously disclosed by way of a Notification Form for Director/Chief Executive Officer in Respect of Interests in Securities (Form 1) dated 29 November 2023 (the “**Form 1**”) that I entered into a sale and purchase agreement (the “**SPA**”) pursuant to which I agreed to sell 4 million shares (the “**Sale Shares**”) in the Company for an aggregate consideration of S\$480,000 (the “**Transaction**”). As disclosed in the Form 1, under the SPA, (i) the sale of the Sale Shares was supposed to occur over multiple tranches, with the first tranche expected as at that time to take place after 29 December 2023 and (ii) I had agreed, subject to applicable laws, to exercise the voting rights attached to the Sale Shares in accordance with the purchaser's instructions. The counterparty to the SPA (the “**Purchaser**”) purchasing the Sale Shares was Union Fubon (SG) Pte. Ltd.

(“**Union Fubon**”). Notwithstanding that I have disclosed the change in my interest by way of the Form 1, Union Fubon did not notify the Company of the acquisition of its interest in the Sale Shares pursuant to the SPA. Based on searches undertaken on my behalf, Union Fubon is wholly owned by Lei Dak San Investment Pte. Ltd., which in turn is owned by a Singapore citizen named Zhang Gaopin. The SPA was entered into pursuant to my discussions with Cao Shixuan. When I first discussed the matter with Cao Shixuan, the entity that was initially supposed to act as the Purchaser was Union Capital Properties Pte. Ltd. (of which Cao Shixuan is the sole shareholder and director based on searches undertaken on my behalf). Shortly prior to entry into the SPA, Cao Shixuan informed me that the Purchaser should be changed to Union Fubon. I have not dealt personally with Zhang Gaopin in relation to the finalisation and entry into the SPA. The person who had been discussing the relevant matters with me through the whole process was Cao Shixuan. Accordingly, I am in no position to determine Zhang Gaopin’s identity. However, I would note that the annual report of ecoWise for the financial year ended 31 December 2021 disclosed on page 43 thereof that ecoWise had a former Senior Manager – Finance and HR named Carol Zhang Gaopin.

13. When the condition for the SPA could not be satisfied, I allowed the SPA to terminate in accordance with its terms given that I have become increasingly uncomfortable with how the Company was being managed. Since then, the relationship between me and the other Directors and management of the Company has deteriorated significantly.
14. As a result of the foregoing, I am currently concerned about the neutrality of the other Directors insofar as dealings with Cao Shixuan are concerned. My current impression is that, despite their titles, Cao Shixuan and Lye Kar Choon are effectively running the Company. I am worried about what that means for the Company, particularly given the history at ecoWise.

### **Wang Zhuo**

15. The alleged grounds on which the Restriction of Access was imposed upon me included that I caused and/or failed to prevent:
  - a. the Company to pay salary packages for the former CEO and management (total staff cost of approximately S\$1.8 million for the 18-months financial period ended 31 December 2023), despite the tight cash flow of the Company and that the Company is in loss making position with only S\$29,000 revenue for the period ended 31 December 2023;
  - b. the Company to purchase (the “**Machinery Purchase**”) three (3) machineries from third parties for approximately \$500,000, despite the tight cash flow of the Company and that 5 other machineries were purchased earlier and the 3 machineries have been idle from the date of the purchases;

- c. the Company to engage Setia Law to assist the Company in legal proceedings against several parties such as X-Diamond Capital Pte Ltd (“**XDC**”) and other parties, and in the judicial management of XDC and Deng Yiming. Since the appointment of Setia Law, the Company has incurred substantial legal fees in excess of \$500,000. Despite the substantial legal fees incurred by the Company, the Company has not recovered any monies in these matters; and
  - d. the Company to enter into a tenancy agreement (the “**Tenancy Agreement**”) with Capitaland for a three year term at approximately \$36,000 per month (totaling approximately S\$1.3 million), without an approved business or future plan, which was terminated three months after the tenancy agreement was entered into and may cause the Company to suffer loss of approximately S\$1.1 million.
16. Such grounds are extremely ironic given that Wang Zhuo was the CEO of the Company at the relevant time. It appears that he is now taking that view that I have failed the Company by not preventing his actions. It is even more ironic because:
- a. the arrangement where the Company appointed the former CEO as Vice-President was undertaken by Wang Zhuo without the approval of the then Board and I had to intervene to procure that the arrangement was terminated;
  - b. I had not approved the Machinery Purchase and would be grateful if the Company could explain how I could be at fault for being outvoted by the other Directors of the then Board (including Wang Zhuo);
  - c. the decision to engage Setia Law was made by the then Board of the Company prior to my joining the Board; and
  - d. the entry into the Tenancy Agreement was undertaken by Wang Zhuo without the approval of the then Board and I had to intervene to procure that the Tenancy Agreement was terminated.
17. As I had disclosed at the 14 March EGM, Wang Zhuo had also previously attempted to enter into transactions involving Wu Yongqiang and/or Wu Yongqiang’s affiliated parties without Board approval. To my knowledge, these transactions include:
- a. the entry into a joint venture agreement dated 19 July 2023 with Sunrising Oversea Trade Pte. Ltd., in relation to the establishment of a joint venture company for the wholesale trade of metal products, which would involve the Company giving a guarantee for a loan to be provided to the joint venture company; and
  - b. the entry into a lease agreement dated 17 July 2023 for a grain storage facility base in Brazil, which committed the Company to base annual rental of

US\$400,000, pursuant to which Wang Zhuo tried to remit US\$200,000 upon the signing of the agreement.

18. Instead of looking into Wang Zhuo's unauthorised actions and my efforts to prevent or terminate such actions and considering whether to pursue disciplinary action against Wang Zhuo, it appears that the other Directors (including Wang Zhuo) have decided, without need for due inquiry, that I am at fault as a Non-Executive Director for not preventing Wang Zhuo's unauthorised actions.

#### **Other Directors**

19. I have been extremely disappointed with the actions of the other Directors.
20. The Company made an SGXNet announcement dated 17 April 2024 regarding, among others, the issue of a letter dated 17 April 2024 (the "**Wong P Letter**") by WongPartnership LLP ("**Wong P**") on the instructions of the other Directors relating to, among others, the Restriction of Access. **I have requested the Company to publish the Wong P Letter and the subsequent correspondence in their entirety for the information of shareholders but the Company has failed to do so.**
21. The Wong P Letter has made scurrilous and unsubstantiated allegations against me, stating, among others, that the Company has concerns regarding whether I have acted in accordance with my duties to the Company and whether I have complied with the obligations under the letter of appointment dated 8 February 2023 relating to my appointment as Director.
22. I have replied to the Wong P Letter stating, among others, the following:
  - a. I was initially surprised by the Wong P Letter and the allegations contained therein. However, upon further reflection, I was no longer surprised by the contents of the Wong P Letter given that the person(s) who instruct Wong P have now been cornered by matters coming to light and are now resorting to desperate measures to oppress me and to suppress facts from coming to the knowledge of the shareholders of the Company and/or the relevant authorities;
  - b. A cursory inspection of the matters referred to the relevant paragraphs of the Wong P letter would show the baseless nature of the allegations. However, those spurious and scurrilous allegations are now relied upon by the person(s) instructing Wong P to justify the *ultra vires*, and possibly illegal, actions in relevant paragraphs of the Wong P letter. It is ironic that the one of the principal actor(s) in some of the matters referred to in the Wong P Letter, being Mr. Wang Zhuo, is apparently now alleging that the relevant matters are detrimental to the Company and that I am at fault for not preventing him from undertaking unauthorised actions. It is extremely telling that the person(s) instructing Wong P are unable to wait even until the 11 May EGM to remove my ability to function as a Director; and

- c. I am confident that the documentary and other contemporaneous evidence will exonerate me of the allegations.
23. I have been advised by my legal adviser that a Singapore company has no power under the circumstances to undertake the Restriction of Access. This is especially as such Restriction of Access effectively removes my ability to perform my duties as a Director and there was no due process taken as I was not even given an opportunity to answer the allegations made against me. The Company has also stated that the purported review that the Company is allegedly undertaking has not been completed.
24. In the first place, the legality of the Restriction to Access is already highly questionable based on the advice received from my legal adviser. The lack of natural justice and the self-evident baseless nature of the grounds makes the situation even more ridiculous.
25. Some of the grounds on which the Restriction of Access was imposed and my thoughts on such grounds are set out in paragraphs 15 and 16 of this letter. The Wong P Letter also stated that questions raised by one of the shareholders at the 14 March EGM seem to indicate that Confidential Information may have been leaked, disclosed and/or shared with third parties, by me. As no further particulars were given to me about this allegation, I can only assume that my disclosure of Cao Shixuan's involvement in Board meetings and of Wang Zhuo's unauthorised actions are matters which the other Directors deem confidential and should not be made known to public. If that is the case, the other Directors seem to me to be demanding strictest confidentiality on all matters at all costs, even at the expense of transparency and accountability.
26. In recent times, the Board proceedings are increasingly run in a way that did not give me reasonable time to review and respond to documents, including:
- a. the Company had a Board meeting on 5 February, the draft minutes of which had not been made available to me to date. Given the imposition of the Restriction of Access, I believe that it is unlikely that I would see such draft minutes; and
  - b. the draft minutes of the 14 March 2024 EGM (the "**14 March EGM Minutes**") were emailed to me on or about 5.12 pm on 12 April 2024 and I was requested to respond with comments within less than 3 hours by 8.00 pm on 12 April 2024.
27. I further note that the 14 March EGM Minutes were not a complete record of the questions and answers and that certain questions and answers relating to the financial position of the Company were omitted, including that Er Kwong Wah effectively admitted that the Company was effectively insolvent. **The Company should have the complete records of the proceedings at the 14 March EGM**

**and I request the Company to publish the proceedings in its entirety for the benefit of shareholders.**

28. I had separately given some feedback to the Company to correct false and/or misleading statements in the 14 March EGM Minutes and to bring such corrections to the knowledge of shareholders but my feedback has not been actioned.
29. Separately, I was also sorely disappointed that the other Directors chose to table resolutions (the “**Director Fees Resolutions**”) at the 14 March EGM to approve payment of director fees of over S\$185,000 despite knowing full well that, if the Director Fees Resolutions were approved, the Company did not have the resources to pay such fees and that the shareholders would not have the benefit of the audited financial statements of the Company in deciding whether to approve the resolution. I made my stand on that clear by stating at that 14 March EGM that I disagreed with the Director Fee Resolutions and voted the shares that I owned against the Director Fee Resolutions.
30. Given the foregoing, I have lost confidence in the ability of the other Directors to act in the best interest of the Company.

#### ***Financial Viability of the Company***

31. I am seriously concerned about the financial position of the Company. I believe that the Company is currently insolvent and there is significant doubt about the Company’s ability to operate as a going concern and I am of the opinion that the Board needs to explore all viable options as regards financing. However, the Board appears to chosen to put itself into a position where it needs to rely on financing from, or procured by, Cao Shixuan in order to for the Company to survive.

#### ***Conclusion***

32. I urge the Company’s shareholders to consider the foregoing in deciding on how they will vote at the 11 May EGM. I will make every effort to be present at the 11 May EGM to address the shareholders and provide my perspective. In the meantime, if any shareholder would like any discuss the foregoing with me, such shareholder can email me at [ngchenghuat51@gmail.com](mailto:ngchenghuat51@gmail.com).

Yours faithfully



Ng Cheng Huat



Cc: Singapore Exchange Regulation Pte. Ltd.  
2 Shenton Way  
#02-02 SGX Centre 1  
Singapore 068804

Novus Corporate Finance Pte Ltd  
7 Temasek Boulevard  
#18-03B Suntec Tower 1  
Singapore 038987

