



(Company Registration No. 199206445M)

Metech International Limited

(Incorporated in the Republic of Singapore)

Condensed interim financial statements For the six months ended 30 June 2025

*This announcement has been reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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.

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UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2025 ("1H2025")

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	The Group		Inc/(Dec) %
		6-months ended 30/06/2025 (Unaudited)	6-months ended 30/06/2024 (Unaudited)	
		S\$'000	S\$'000	
Revenue	4	3,061	41	n.m
Cost of sales		(2,723)	(6)	n.m
Gross profit		338	35	n.m
Gross profit margin		11.04%	85.37%	
Other income:				
Others	6	8	14	(42.86)
Interest income		*	*	n.m
Expenses:				
Administrative expenses		(740)	(953)	(22.35)
Other expenses		-	-	n.m
Finance costs		(5)	(1)	n.m
Loss before income tax	7	(399)	(905)	(55.91)
Income tax expense	8	-	-	n.m
Loss after income tax		(399)	(905)	(55.91)
Other comprehensive (loss)/gain, net of income tax:				
Foreign currency translation difference		(2)	3	n.m
Total comprehensive loss for the financial period/year		(401)	(902)	(55.54)
Loss attributable to:				
Equity holders of the Company		(394)	(878)	(55.13)
Non-controlling interests		(5)	(27)	(81.48)
		(399)	(905)	
Total comprehensive loss for the period/year attributable to:				
Equity holders of the Company		(396)	(875)	(54.74)
Non-controlling interests		(5)	(27)	(81.48)
		(401)	(902)	
Basic and diluted loss per share (cents per share) attributable to the owners of the company				
Loss per share		(0.22)	(0.58)	

Notes:

* denotes value less than S\$1,000
n.m means not meaningful

The calculation of basic and diluted loss per ordinary share was based on a weighted average of 178,505,931 shares from 1 January 2025 to 30 June 2025 (30 June 2024: 155,313,897).

B. Condensed interim statements of financial position

		The Group		The Company	
		As at 30/06/2025 (Unaudited)	As at 31/12/2024 (Audited)	As at 30/06/2025 (Unaudited)	As at 31/12/2024 (Audited)
Note		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current Assets					
Property, plant and equipment	11	305	482	3	4
Investments in subsidiaries	12	-	-	-	-
		305	482	3	4
Current Assets					
Inventories	13	-	-	-	-
Trade and other receivables	14 & 15	1,909	179	90	84
Cash and bank balances	16	320	1,467	17	5
		2,229	1,646	107	89
Total Assets		2,534	2,128	110	93
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	17	190,214	189,710	190,214	189,710
Other reserves	18	(301)	(299)	-	-
Accumulated losses		(190,489)	(190,095)	(191,508)	(191,110)
		(576)	(684)	(1,294)	(1,400)
Non-controlling interests	19	(1,002)	(997)	-	-
Total Equity		(1,578)	(1,681)	(1,294)	(1,400)
LIABILITIES					
Non-current Liabilities					
Lease liabilities	20	81	124	-	-
		81	124	-	-
Current Liabilities					
Trade and other payables	21	3,944	2,240	1,404	1,493
Contract liabilities		-	1,358	-	-
Lease liabilities	20	87	87	-	-
		4,031	3,685	1,404	1,493
Total Liabilities		4,112	3,809	1,404	1,493
Total Equity and Liabilities		2,534	2,128	110	93

C. Condensed interim statements of changes in equity

	Share capital	Translation reserves	Accumulated losses	Other reserves	Total equity attributable to owners of the Company	Non- controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group							
<u>2025</u>							
Balance at 1 January 2025	189,710	20	(190,095)	(319)	(684)	(997)	(1,681)
Loss for the financial period	-	-	(394)	-	(394)	(5)	(399)
Other comprehensive loss - Foreign currency translation	-	(2)	-	-	(2)	-	(2)
Total comprehensive loss for the financial period	-	(2)	(394)	-	(396)	(5)	(401)
Issuance of ordinary shares (non-cash)	504	-	-	-	504	-	504
Balance at 30 June 2025	190,214	18	(190,489)	(319)	(576)	(1,002)	(1,578)
<u>2024</u>							
Balance at 1 January 2024	189,134	20	(187,619)	(319)	1,216	(856)	360
Loss for the financial period	-	-	(878)	-	(878)	(27)	(905)
Other comprehensive income - Foreign currency translation	-	3	-	-	3	-	3
Total comprehensive gain/(loss) for the financial period	-	3	(878)	-	(875)	(27)	(902)
Issuance of ordinary shares	612	-	-	-	612	-	612
Less: Share issue expenses	(36)	-	-	-	(36)	-	(36)
Balance at 30 June 2024	189,710	23	(188,497)	(319)	917	(883)	34

The Company	Share capital S\$'000	Accumulated losses S\$'000	Total S\$'000
2025			
Balance at 1 January 2025	189,710	(191,110)	(1,400)
Loss for the financial period	-	(398)	(398)
Total comprehensive loss for the financial period	-	(398)	(398)
Issuance of ordinary shares	504	-	504
Balance at 30 June 2025	190,214	(191,508)	(1,294)
2024			
Balance at 1 January 2024	189,134	(189,602)	(468)
Loss for the financial year	-	(677)	(677)
Total comprehensive loss for the financial year	-	(677)	(677)
Issuance of ordinary shares	612	-	612
Less: Share issuance expenses	(36)	-	(36)
Balance at 30 June 2024	189,710	(190,279)	(569)

D. Condensed interim consolidated statement of cash flows

Note	The Group	
	6-months ended 30/06/2025	6-months ended 30/06/2024
	S\$'000	S\$'000
Cash flows from operating activities		
Loss before income tax	(399)	(905)
Adjustments for:		
Depreciation of property, plant and equipment	62	50
Repayment of loan through the issuance of new ordinary shares	504	-
Gain on disposal of right-of-use assets	-	(5)
Unrealised foreign exchange loss	*	*
Interest income	*	*
Interest expense	5	1
Operating income/(loss) before working capital changes	172	(859)
Changes in working capital		
Inventories	-	-
Trade and other receivables	(1,729)	(213)
Trade and other payables and contract liabilities	(586)	85
Cash used in operating activities	(2,143)	(987)
Interest received	*	*
Interest paid	(5)	(1)
Net cash used in operating activities	(2,148)	(988)
Cash flows from investing activities		
Additions of property, plant and equipment	(4)	-
Proceed from the sale of property, plant and equipment	119	-
Net cash from investing activities	115	-
Cash flows from financing activities		
Proceeds from issuance of ordinary shares, net of expenses	-	576
Proceeds from loan from an employee	931	820
Repayment of lease liabilities	(43)	(27)
Net cash generated from financing activities	888	1,369
Net (decrease)/increase in cash and cash equivalents	(1,145)	381
Cash and cash equivalents at beginning of financial period	1,467	51
Effect of currency translation on cash and cash equivalents	(2)	3
Cash and cash equivalents at end of the financial period	320	435

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E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Metech International Limited (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are listed and publicly traded on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The registered office and principal place of business at 2 Venture Drive, #08-10 Vision Exchange, Singapore 608526.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The primary activity of the Company is that of investment holding. The principal activities of the subsidiaries are as follows:

- (a) Manufacturing and distribution of lab-grown diamonds;
- (b) Collection and processing of food waste into animal feed, bio-fuel and other by-products, and the production and sale of agricultural machinery, fermentation and renewable resource equipment (the “**Food Waste Business**”); and
- (c) Wholesale distribution of high-quality and affordable nutritional supplements (the “**Health Supplements Business**”).

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last financial statements for the period ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore Dollar which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Other than as disclosed in the condensed interim consolidated financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following note:

- Note 11 - Impairment for property, plant and equipment

Management reviews the Group’s property, plant and equipment at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the property, plant and equipment is estimated to determine the amount of impairment.

During the current financial year, based on external and/or internal sources of information, there are impairment indicators for the Group's property, plant and equipment. The Group's management determined the recoverable amounts of the individual cash-generating units using value-in-use calculations, which involved significant judgements and estimates in estimating the gross and profit margins, expected growth rate and discount rate.

As at the reporting date, the net carrying amount of the Group's property, plant and equipment is disclosed in Note 11.

- Note 13 - Valuation of inventories

The Group measures the inventories in accordance with the accounting policy as disclosed in Note 2. The Group's management measured the inventories at the lower of cost and net realisable value. In ascertaining net realisable value, significant judgements and estimates are involved in estimating the expected selling prices less the estimated costs of completion and the estimated costs to be incurred in marketing, selling and distribution.

There was a provision made for inventory loss during the financial year which is on the basis of the purchase price of the inventory. The net carrying amount of the Group's inventories is disclosed in Note 13.

2.3 Going Concern

The Group incurred a net loss and total comprehensive loss of S\$399,000 (1H2024: S\$905,000) and S\$401,000 (1H2024: S\$902,000) respectively and net cash flows used in operating activities of S\$2,148,000 (1H2024: S\$988,000) during 1H2025. As at 30 June 2025, the Group and the Company had net current liabilities of approximately S\$1,802,000 (31 December 2024: S\$2,039,000) and approximately S\$1,297,000 (31 December 2024: S\$1,404,000) respectively; and the Group and the Company had net liabilities of approximately S\$1,578,000 (31 December 2024: S\$1,681,000) and approximately S\$1,294,000 (31 December 2024: S\$1,400,000) respectively.

The above conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's and the Company's ability to continue as going concerns.

Notwithstanding the above, the directors of the Company believe that the use of the going concern assumption in the preparation and presentation of the financial statements for 1H2025 is appropriate after taking into consideration the following factors:

- Management has prepared a cash flow projection for its operations for the next twelve months and is satisfied that the Group will have sufficient cash flows.
- The Group has plans to raise capital and obtaining additional funds for working capital and the management will continue to evaluate various strategies to obtain alternative sources of finance where necessary to enable the Group to meet its obligations as and when they fall due.
- Following the shareholders' approval for, among others, the diversification into the Health Supplements Business at the extraordinary general meeting held on 30 December 2024, the Group has commenced the Health Supplements Business, which is generating and will continue to generate cash inflow to the Group.

The Group is currently in the process of applying for (i) a sales license and (ii) a health supplements license in the People's Republic of China ("PRC"). Securing these licenses would enable the Group to directly commence sales in the PRC, thereby expanding its sales channel within the PRC market and potentially generating revenue from this new market.

- Following the completion of testing and commission of the biomass carbon reduction system machines in Taiwan, the Group is currently in negotiations with Colorful Paradise Agricultural Cooperation Co., Ltd. ("CPAC") in respect of the proposed joint venture company. The Group expects to commence the Food Waste Business during the second quarter of the financial year ending 31 December 2025 ("FY2025") which would further strengthen the results and cash flows of the Group.
- The Group will continue to implement cost cutting measures.
- The Group will take all necessary actions to monetise its non-core assets.

- vii. The Group had, on 25 March 2024 and 7 October 2024, entered into two separate interest-free loan agreements with Mr. Cao Shixuan (“**Mr. Cao**”), an employee of the Group, for amounts of S\$1.0 million (the “**First Loan**”) and S\$3.0 million (the “**Second Loan**”), respectively. Any drawdown under these loans is repayable 12 months from the date of the respective agreements, subject to the terms and conditions contained therein. The Company had fully drawn down the First Loan of S\$1.0 million from Mr. Cao during the financial year ended 31 December 2024 (“**FY2024**”).

In relation to the First Loan, the Company had, on 2 April 2025, completed a loan conversion of S\$504,000 through the allotment and issuance of 18,000,000 new ordinary shares in the capital of the Company (the “**Conversion Shares**”), at an issue price of S\$0.028 per Consideration Share, to Mr. Cao (the “**Previous Debt Capitalisation**”) pursuant to the loan conversion agreement entered into between the Company and Mr. Cao on 24 March 2025. Subsequently, the Company and Mr. Cao had, on 30 June 2025, entered into another loan conversion agreement to capitalise the remaining portion of the First Loan amounting to S\$296,000 into 13,454,545 Conversion Shares, at an issue price of S\$0.022 per Conversion Share (the “**Proposed Debt Capitalisation**”). The Proposed Debt Capitalisation is intended to further strengthen the Company’s cash position and reduce the Group’s liabilities.

In this regard, the Company had, on 14 July 2025, made an application through its Sponsor to the SX-ST for the listing of, and quotation for, the Conversion Shares on the Catalist. The Proposed Debt Capitalisation is also subject to shareholders’ approval, and the Company will be convening an extraordinary general meeting on 15 August 2025 for this purpose.

- viii. As at the date of this announcement, approximately S\$1.9 million remains available for drawdown under the Second Loan from Mr. Cao.
- ix. Mr. Cao has indicated to the Company that he will continue to provide financial support and assistance, where necessary, to enable the Group to meet its obligations as and when they fall due.

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.

3. Seasonal operations

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group has three reportable segments as follows:

- (a) The Health Supplements Business;
- (b) Manufacturing and distribution of lab-grown diamonds; and
- (c) Corporate segment which consists of an investment holding company which does not meet any of its quantitative thresholds for determining a reporting segment.

These operating segments are reported in a manner consistent with internal reporting provided to the former executive committee whose members were responsible for allocating resources and assessing the performance of each segment.

4.1 Reportable segments

	Lab-grown Diamond		Health Supplement Business		Corporate/other		Per consolidated financial statements	
	6 months period ended 30/06/2025 (1H2025)	6 months period ended 30/06/2024 (1H2024)	6 months period ended 30/06/2025 (1H2025)	6 months period ended 30/06/2024 (1H2024)	6 months period ended 30/06/2025 (1H2025)	6 months period ended 30/06/2024 (1H2024)	6 months period ended 30/06/2025 (1H2025)	6 months period ended 30/06/2024 (1H2024)
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	-	41	3,061	-	-	-	3,061	41
Depreciation and amortisation	(16)	(17)	-	-	(46)	(33)	(62)	(50)
Gain on termination of right-of-use assets	-	-	-	-	-	5	-	5
Finance cost	-	-	-	-	(5)	-	(5)	(1)
Segment (loss)/profit	(64)	(102)	355	-	(690)	(803)	(399)	(905)
Segment assets	184	1,180	1,297	-	1,053	988	2,534	2,168
Segment liabilities	(293)	(368)	(1,270)	-	(2,549)	(1,766)	(4,112)	(2,134)
Capital expenditure								
- Addition to property, plant and equipment	-	-	-	-	-	-	-	-

4.2 Disaggregation of revenue

	Group	
	6-months ended 30/06/2025 (Unaudited) S\$'000	6-months ended 30/06/2024 (Unaudited) S\$'000
<i>Principal geographical market</i>		
People's Republic of China	3,061	41
Singapore	-	-
Others	-	-
Total	3,061	41
<i>Major product or service line and time of recognition</i>		
<u>Performance obligations satisfied at a point in time</u>		
Sale of goods – Health supplements business	3,061	-
Sale of goods – Lab-grown diamonds	-	41
Total	3,061	41

A breakdown of sales:

	Group		
	6-months ended 30/06/2025 (Unaudited) S\$'000	6-months ended 30/06/2024 (Unaudited) S\$'000	Inc/(Dec) %
Sales reported for the first six-month period	3,061	41	n.m
Operating loss after tax before deducting non-controlling interests reported for first six-month period	(399)	(905)	(55.91)

Contract balances

	Group		Company	
	As at 30/06/2025 (Unaudited) S\$'000	As at 30/06/2024 (Unaudited) S\$'000	As at 30/06/2025 (Unaudited) S\$'000	As at 30/06/2024 (Unaudited) S\$'000
Contract liabilities				
Advances from customers	-	-	-	-

Advances from customers relate to deposits received from customers. The advances from customers are interest-free and are not secured by any collateral. There were no advances from customers as at 30 June 2025.

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2025 and 31 December 2024:

	Group		Company	
	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000
Financial assets measured at amortised cost				
Trade and other receivables #	1,816	110	15	62
Cash and cash equivalents	320	1,467	17	5
Amount due from subsidiaries	-	-	42	-
	<u>2,136</u>	<u>1,577</u>	<u>74</u>	<u>67</u>
Financial liabilities measured at amortised cost				
Trade and other payables *	(2,349)	(1,073)	(562)	(725)
Loan from an employee	(1,595)	(1,167)	(834)	(718)
Amount due to subsidiaries	-	-	(8)	(50)
Lease liabilities	(168)	(211)	-	-
	<u>(4,112)</u>	<u>(2,451)</u>	<u>(1,404)</u>	<u>(1,493)</u>

Excludes prepayments and GST receivables

* Excludes contract liabilities and GST payables

6. Other income

	Group	
	6-months ended 30/06/2025 (Unaudited) S\$'000	6-months ended 30/06/2024 (Unaudited) S\$'000
Other income:		
Others		
- Foreign exchange gain/(loss)	*	*
- Government grant	6	-
- Miscellaneous	2	14
	<u>8</u>	<u>14</u>

Note:

* denotes value less than S\$1,000

7. Loss before income tax

7.1 Significant items

	Group	
	6-months ended 30/06/2025 (Unaudited) S\$'000	6-months ended 30/06/2024 (Unaudited) S\$'000
Depreciation of property, plant and equipment		
- included in administrative expenses	62	50
Gain on disposal of right-of-use assets	-	(5)
Interest expenses on lease liabilities	5	1
Professional expenses		
- included in other expenses	-	-
- included in administrative expenses	142	357

8. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	6-months ended 30/06/2025 (Unaudited) S\$'000	6-months ended 30/06/2024 (Unaudited) S\$'000
Current income tax expense	-	-
Current year	-	-
Reversal of prior year provision	-	-
	-	-

As at 30 June 2025, the Group has unutilised tax losses of approximately S\$17,205,000 (31 December 2024: S\$17,205,000), which are available to offset future taxable profits of those corporate entities within the Group where these losses arise. The utilisation of these unutilised tax losses is subject to the agreement of the relevant tax authorities and compliance with the applicable provisions of the tax regulation in the jurisdictions which the corporate entities of the Group operate. The unutilised tax losses have no expiry dates.

Deferred tax assets arising from these unutilised tax losses and capital allowances of approximately S\$2,925,000 (31 December 2024: S\$2,925,000) have not been recognised in 1H2025.

9. Dividends

No dividend for the financial period ended 30 June 2025 (30 June 2024: Nil) is recommended.

10. Net liability value

	Group		Company	
	As at 30/06/2025 (Unaudited)	As at 31/12/2024 (Audited)	As at 30/06/2025 (Unaudited)	As at 31/12/2024 (Audited)
Net liability value ⁽¹⁾ per ordinary share (cents per share)	(0.307)	(0.403)	(0.690)	(0.826)
No. of ordinary shares	187,555,655	169,555,655	187,555,655	169,555,655

Note:

(1) Net liability value attributable to the owners of the Company

The calculation of net liability value per ordinary share of the Group and the Company is based on 187,555,655 shares as at 30 June 2025 (31 December 2024: 169,555,655).

11. Property, plant and equipment

	Group			
	Leasehold buildings	Plant and equipment	Furniture and fittings and office equipment	Total
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Cost</u>				
Balance at 1 January 2024	163	5,359	31	5,553
Additions	268	-	-	268
Disposal / Written off	(163)	-	(4)	(167)
Balance at 31 December 2024	268	5,359	27	5,654
Additions	-	-	4	4
Disposal / Written off	-	(511)	-	(511)
Balance at 30 June 2025	268	4,848	31	5,147
<u>Accumulated depreciation and impairment</u>				
Balance at 1 January 2024	146	237	14	397
Depreciation for the year	77	14	9	100
Disposal / Written off	(163)	-	(3)	(166)
Impairment	-	4,841	-	4,841
Balance at 31 December 2024	60	5,092	20	5,172
Depreciation for the year	45	13	4	62
Impairment	-	-	-	-
Disposal / Written off	-	(392)	-	(392)
Balance at 30 June 2025	105	4,713	24	4,842
<u>Carrying amount</u>				
Balance at 31 December 2024	208	267	7	482
Balance at 30 June 2025	163	135	7	305

Note:

Right-of-use assets acquired under leasing arrangement are presented together with the owned assets of the same class.

12. Investment in Subsidiaries

	Company	
	As at 30/06/2025 (Unaudited)	As at 31/12/2024 (Audited)
	S\$'000	S\$'000
Equity investments, at cost	4,020	4,020
Add: Further investment	-	-
Less: Disposal of subsidiary	-	-
Less: Impairment losses	(4,020)	(4,020)
Balance at 30 June 2025 / 31 December 2024	-	-
Impairment losses on equity investments		
Balance at 1 January 2025 / 2024	(4,020)	(4,020)
Impairment loss recognised in profit or loss	-	-
Write off impairment losses	-	-
Balance at 30 June 2025 / 31 December 2024	(4,020)	(4,020)

(a) The details of the subsidiaries held by the Group and the Company are as follows:

Name of Company / Country of Incorporation	Principal activities	Percentage of effective equity interest held by the Group	
		30/06/2025 %	31/12/2024 %
<i><u>Held by the Company</u></i>			
<i><u>Metech Dynamics Pte Ltd.</u></i> <i>Singapore</i>	General wholesale trade (including general importers and exporters) and wholesale trade of a variety of goods without a dominant product	100	100
<i><u>Asian Green Tech Pte. Ltd.</u></i> <i>Singapore</i>	Engineering design and consultancy services in energy management and clean energy system	100	100
<i><u>Biovalor Innovations Pte. Ltd.</u></i> <i>(formerly known as Metech Diamond Pte. Ltd.)</i> <i>Singapore</i>	Promoting and selling lab-grown diamonds and gemstones over the internet	100	100
<i><u>Opulwell Biotechnology Pte. Ltd.</u></i> <i>(formerly known as Metech Diamond Solutions Pte. Ltd.)</i> <i>Singapore</i>	Wholesale of health supplements	100	100
<i><u>Held by Metech Dynamics Pte. Ltd.</u></i>			
<i><u>Zhongxin Minghua (Shanghai)</u></i> <i><u>International Trade Co., Ltd.</u></i> <i>People's Republic of China</i>	General wholesale trade	100	100
<i><u>Held by Asian Green Tech Pte. Ltd.</u></i> <i><u>Asian Eco Technology Pte. Ltd.</u></i> <i>Singapore</i>	Manufacturing and distribution of lab-grown diamonds	80	80

13. Inventories

	Group	
	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000
Raw materials	-	-
Finished goods	-	-
	-	-

Movements in allowance

	Group	
	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000
Balance at 1 January 2025 / 2024	39	257
Impairment loss recognised in profit or loss	-	-
Write off impairment losses	-	(218)
Balance at 30 June 2025 / 31 December 2024	39	39

For the current financial period ended 30 June 2025, finished goods recognised in cost of sales amounted to S\$ nil (31 December 2024: S\$ nil) as the cost has been fully impaired in the 18-month financial period ended 31 December 2023 ("FP2023").

14. Trade receivables

	Group		Company	
	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000
Trade receivables	1,263	-	-	-

Trade receivables are non-interest bearing and are generally subject to credit terms of 30 to 90 days (2024: 30 to 90 days). Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses.

The Group's credit risk exposure in relation to trade receivables are set out in the provision matrix as presented below. The Group's provision for loss allowance is based on past due as the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments.

	Lifetime expected loss rate	Gross carrying amounts	Lifetime expected credit losses	Net carrying amounts
	%	S\$'000	S\$'000	S\$'000
Group				
<u>As at 30/06/2025</u>				
> 120 days	100	14	(14)	-
<u>As at 31/12/2024</u>				
Current	100	14	(14)	-

The movements in the allowance account used to record the impairment loss during the financial year are as follows:

	Group	
	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000
Balance at 1 January 2025 / 2024	14	14
Impairment loss recognised in profit or loss	-	-
Write off impairment losses	-	-
Balance at 30 June 2025 / 31 December 2024	14	14

15. Other receivables

	Group		Company	
	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000
Other receivables – third parties	463	489	437	437
Advances	235	235	-	-
Deposit	527	58	15	5
Amount due from subsidiaries (non-trade)	-	-	8,140	8,295
	1,225	782	8,592	8,737
<i>Less: Allowance for impairment losses</i>	(672)	(672)	(8,535)	(8,675)
Financial assets	553	110	57	62
Prepayment	64	50	19	5
GST receivables	29	19	14	17
	646	179	90	84

(a) Other receivables – third parties

As disclosed in the Company's announcement dated 13 December 2023, the Company has entered into a settlement agreement with Mr. Deng Yiming ("**Mr. Deng**") where Mr. Deng has agreed to, *inter alia*, pay the Company an amount of S\$483,000 with interests accruing at a rate of 5.33% per annum, as awarded by the High Court of the Republic of

Singapore. Mr. Deng is to pay in six (6) instalments, commencing from 15 January 2024. The Company has received RMB250,000 (approximately S\$46,000) from Mr. Deng as at the date of this announcement. As at the date of this announcement, the Company remains in close contact with Mr. Deng and is following-up and monitoring closely on the receipt of the balance amount. The Company will subsequently make the appropriate announcement(s) as and when there are any material developments in this regard.

The below are the movements of impairment loss during 1H2025 and FY2024:

	Group	
	As at	As at
	30/06/2025	31/12/2024
	S\$'000	S\$'000
Balance at 1 January 2025 / 2024	437	437
Written off during the financial period / year	-	-
Written off impairment loss	-	-
Balance at 30 June 2025 / 31 December 2024	437	437

(b) Advances

Advance payments of S\$235,000 in 1H2025 and FY2024 consist of payment to vendors for inventories and to a former non-controlling interest for purchase of lab grown diamonds and business travelling expenses which had been fully impaired in FP2023.

The below are the movements of impairment loss during 1H2025 and FY2024:

	Group	
	As at	As at
	30/06/2025	31/12/2024
	S\$'000	S\$'000
Balance at 1 January 2025 / 2024	235	235
Impairment loss recognised in profit or loss	-	-
Balance at 30 June 2025 / 31 December 2024	235	235

(c) Deposit

The deposit included rental deposit and deposits placed with the professional parties.

(d) Amounts due from subsidiaries (non-trade)

Except for a non-trade balance of S\$2,720,000 (FY2024: S\$2,720,000) due from subsidiaries as at 30 June 2025, which is non-trade in nature, unsecured, interest bearing at 6% per annum, the remaining non-trade balance of S\$5,430,000 (FY2024: S\$5,518,000) due from subsidiaries are unsecured, interest-free and repayable on demand.

The movements in the allowance account used to record the impairment loss during the financial period/year are as follows:

	Company	
	As at	As at
	30/06/2025	31/12/2024
	(Unaudited)	(Audited)
	S\$'000	S\$'000
Balance at 1 January 2025 / 2024	8,238	8,283
Reversal of impairment loss recognised in profit or loss	(140)	(45)
Balance at 30 June 2025 / 31 December 2024	8,098	8,238

16. Cash and cash equivalents

	Group		Company	
	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000
Cash and bank balances	320	1,467	17	5

Bank balances are interest-bearing. Interest earned during the current financial period/year and previous financial period/year are considered insignificant.

17. Share capital

	As at 30/06/2025		As at 31/12/2024	
	No. of shares	Amount S\$'000	No. of shares	Amount S\$'000
Issued and fully paid:				
Balance at beginning of interim period	169,555,655	189,710	151,555,655	189,134
Issuance of ordinary shares	18,000,000	504	18,000,000	612
Less: Shares issue expenses	-	-	-	(36)
Balance at the end of the period / year	187,555,655	190,214	169,555,655	189,710

The allotment and issuance of 18,000,000 Conversion Shares during the reporting period was due to the Previous Debt Capitalisation, as announced by the Company on 24 March 2025. The 18,000,000 Conversion Shares were allotted and issued to Mr. Cao on 2 April 2025 at an issue price of S\$0.028 per Consideration Share. Accordingly, the Previous Debt Capitalisation was completed on 2 April 2025 as announced by the Company. For the avoidance of doubt, the Previous Debt Capitalisation did not result in any new cash proceeds for the Company.

The Company and Mr. Cao had, on 30 June 2025, entered into another loan conversion agreement to capitalise the remaining portion of the First Loan amounting to S\$296,000 into 13,454,545 Conversion Shares, at an issue price of S\$0.022 per Conversion Share. In this regard, the Company had, on 14 July 2025, made an application through its Sponsor to the SX-ST for the listing of, and quotation for, the Conversion Shares on the Catalist. The Proposed Debt Capitalisation is also subject to shareholders' approval, and the Company will be convening an extraordinary general meeting on 15 August 2025 for this purpose. If approved, the 13,454,545 Conversion Shares represent approximately 7.17% of the Company's total issued share capital as at 30 June 2025, excluding treasury shares and subsidiary holdings.

As at 30 June 2024, 8,503,750 warrants from certain warrants issued in 2021 ("**2021 Warrants**") remained outstanding. The 2021 Warrants were convertible into 8,503,750 ordinary shares of the Company, representing approximately 5.02% of the Company's total issued share capital as at 30 June 2024, excluding treasury shares and subsidiary holdings, at the exercise price of S\$0.210 per share. The 2021 Warrants expired on 18 October 2024, and none of the 2021 Warrants were exercised or converted into ordinary shares of the Company. As at 30 June 2025, save as disclosed above, there are no outstanding convertibles.

Save as disclosed above, there were no other changes in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities or for any other purpose since the end of the previous period reported on, being 31 December 2024.

The total number of issued shares excluding treasury shares as at 30 June 2025 and 31 December 2024 were 187,555,655 shares and 169,555,65 shares, respectively.

The Company had no treasury shares and subsidiary holdings as at 30 June 2025 and 30 June 2024, respectively.

There were no sales, transfers, cancellation and/or use of treasury shares or subsidiary holdings during the six-month period ended and as at 30 June 2025.

18. Other reserves

Other reserves

	Group	
	As at 30/06/2025	As at 31/12/2024
	S\$'000	S\$'000
Balance at beginning of interim period	(319)	(319)
Acquisition of additional interests from non-controlling interest	-	-
Balance at the end of the period/year	(319)	(319)

Translation reserves

	Group	
	As at 30/06/2025	As at 31/12/2024
	S\$'000	S\$'000
Balance at beginning of interim period	20	20
Exchange differences on currency translation differences	(2)	-
Balance at the end of the period/year	18	20
Other reserves at the end of the period/year	(301)	(299)

19. Non-controlling interest

The non-controlling interest relates to 20% shares in Asian Eco Technology Pte. Ltd.

20. Lease liabilities

The Group has made period lease payments in relation to leasehold buildings. These are recognised within property, plant and equipment (Note 11).

The carrying amounts of right-of-use assets classified within property, plant and equipment are as follows:

	Group	
	As at 30/06/2025 (Unaudited)	As at 31/12/2024 (Audited)
	S\$'000	S\$'000
Leasehold buildings	163	208

Depreciation charges on right-of-use assets classified within property, plant and equipment during the financial period/year are as follows:

	Group	
	As at	As at
	30/06/2025	31/12/2024
	(Unaudited)	(Audited)
	S\$'000	S\$'000
Leasehold buildings	45	77

Amounts recognised in the consolidated statement of comprehensive income and consolidated statements of cash flows are as follows:

	Group	
	6-months	6-months
	period ended	period ended
	30/06/2025	30/06/2024
	S\$'000	S\$'000
Interest expenses on lease liabilities	5	1
Expenses relating to short-term leases	-	-
Total cash outflows for leases (excluding short-term leases)	48	27

The Group recognised lease liabilities as follows:

	Group	
	As at	As at
	30/06/2025	31/12/2024
	S\$'000	S\$'000
Lease liabilities:		
Current	87	87
Non-current	81	124
	168	211

21. Trade and other payables

	Group		Company	
	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000	As at 30/06/2025 (Unaudited) S\$'000	As at 31/12/2024 (Audited) S\$'000
Trade payables	1,270	-	-	-
Sundry creditors	696	669	330	414
Accruals for:				
- professional fees	181	126	38	65
- staff costs	40	137	32	105
- directors' fee	162	108	162	108
- other costs	-	33	-	33
Amount due to subsidiaries	-	-	8	50
Loan/Advances from an employee *	1,595	1,167	834	718
	3,944	2,240	1,404	1,493

The non-trade balances due to subsidiaries are unsecured, interest-free and repayable on demand.

* The loan/advances from an employee are unsecured, interest-free, and the amounts are repayable within one year on demand.

The Group had, on 25 March 2024 and 7 October 2024, entered into two separate interest-free loan agreements for the First Loan and the Second Loan with Mr. Cao respectively. Any drawdown under these loans is repayable 12 months from the date of the respective agreements, save for any events of default, pursuant to which the monies shall immediately fall due.

The First Loan had been fully drawn down and utilised by the Company. On 2 April 2025, the Company completed the Previous Debt Capitalisation. Subsequently, the Company and Mr. Cao had, on 30 June 2025, entered into a further loan conversion agreement for the Proposed Debt Capitalisation for the amount of S\$296,000 by the allotment and issuance of 13,454,545 Conversion Shares to Mr. Cao, which is subject to shareholders' approval at the extraordinary general meeting to be convened by the Company on 15 August 2025.

As at 30 June 2025, the outstanding amount under the First Loan amounted to approximately S\$496,000, of which S\$200,000 was subsequently repaid to Mr. Cao using the Company's internal resources after the reporting period.

As at 30 June 2025, approximately S\$1.1 million had been drawn down and utilised by the Company under the Second Loan amounting to S\$3.0 million.

Save as disclosed in this announcement, the Group does not have any other borrowings and/or debt securities as at 30 June 2025 and 31 December 2024.

22. Subsequent events

- The Company had, on 16 July 2025, announced that the Company has entered into a non-binding memorandum of understanding with MLF Ingredients Sdn. Bhd. ("**MLF**") to jointly develop, pilot and commercialize a food waste compression system to produce premium protein powder and black soldier fly biomass (the "**MLF MOU**").
- The Company had, on 24 July 2025, issued a circular to shareholders of the Company in relation to, among others, the Proposed Debt Capitalisation and the proposed change of name of the Company from "Metech International Limited" to "CNM Holdings Limited".
- The Company had, on 29 July 2025, announced that the Company has entered into a non-binding memorandum of understanding with Burpple 2021 Pte. Ltd. ("**Burpple**") to explore collaboration and synergies between the Company and Burpple to embark on a transformative journey and exploration of new business opportunities by tapping on the network and resources of the Group's Food Waste Business and Health Supplements Business

with Burpple's technology platform to accelerate and achieve the Group's vision of sustainability, profitability and technological innovation. The objective is to explore and potentially implement joint initiatives that advance sustainability goals and business growth through data-sharing, digital integration, and co-branded offerings (the "Burpple MOU") (collectively, the "Proposed Burpple Collaboration").

F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES

1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The condensed interim consolidated statement of profit or loss and other comprehensive income of Metech International Limited (the "**Company**", and its subsidiaries, collectively, the "**Group**") as at 30 June 2025 and the related condensed interim consolidated statements of financial position, condensed interim consolidated statement of changes in equity, condensed profit or loss and other comprehensive income consolidated and statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

Not applicable.

2A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

3. A review of the performance of the group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Review for the performance of the Group for the half year ended 30 June ("1H") 2025

(i) Revenue

The Group's revenue increased by approximately S\$3.02 million, from approximately S\$41,000 in 1H2024 to approximately S\$3.06 million in 1H2025, mainly due to the revenue contributions from the Health Supplement Business, which was not present in 1H2024.

(ii) Cost of sales

The Group's cost of sales increased by approximately S\$2.72 million, from approximately S\$6,000 in 1H2024 to approximately S\$2.72 million in 1H2025, mainly due to the increase in volume transacted for the Health Supplements Business, which is in line with the increased revenue contributions from the Health Supplements Business.

(iii) Gross profit

The Group's gross profit increased by approximately S\$0.30 million, from approximately S\$35,000 in 1H2024 to approximately S\$0.34 million in 1H2025, in line with increased revenue contributions from the Health Supplements Business.

(iv) Other income

Other income decreased by approximately S\$6,000, from approximately S\$14,000 in 1H2024 to approximately S\$8,000 in 1H2025, mainly due to the absence of a one-off forfeited deposit recognised in 1H2024.

(v) Administrative expenses

Administrative expenses decreased by approximately S\$0.21 million, from approximately S\$0.95 million in 1H2024 to approximately S\$0.74 million in 1H2025, mainly due to the lower employee-related expenses and professional fees incurred.

(vi) Finance costs

Finance costs of approximately S\$5,000 was incurred in 1H2025 as compared to approximately S\$1,000 in 1H2024, mainly due to interest expenses on lease liabilities.

(vii) Loss before/after income tax

The Group's loss before and after income tax decreased by approximately S\$0.51 million, from approximately S\$0.91 million in 1H2024 to approximately S\$0.40 million in 1H2025, mainly due to higher gross profit recorded and lower expenses incurred compared to 1H2024. No income tax expenses were incurred as the Group recorded a loss for the period.

(viii) Foreign currency translation difference

Foreign currency translation difference was a loss of approximately S\$2,000 in 1H2025 as compared to a gain of approximately S\$3,000 in 1H2024. This was mainly due to the fluctuation of foreign currency exchange rates between the US Dollar ("USD") and Singapore Dollar ("SGD"), and between SGD and Chinese Yuan ("RMB") during the financial period.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on

Condensed interim statements of financial position

- (i)** Property, plant and equipment decreased by approximately S\$0.18 million, from approximately S\$0.48 million as at 31 December 2024 to approximately S\$0.31 million as at 30 June 2025. The decrease was mainly due to the sale of the plant and machinery as well as the depreciation charges recorded in 1H2025.
- (ii)** Trade and other receivables increased by approximately S\$1.73 million, from approximately S\$0.18 million as at 31 December 2024 to approximately S\$1.91 million as at 30 June 2025. The increase was mainly attributed to recognition of trade receivables arising from the sale of health supplements, and deposits for (i) a new office space and (ii) professional fees.
- (iii)** Changes in other reserves, particularly, the increase translation reserve of approximately S\$2,000, from approximately S\$299,000 as at 31 December 2024 to approximately S\$301,000 as at 30 June 2025 was mainly due to the fluctuation of foreign currency exchange rates between the RMB and SGD during the reporting period.
- (iv)** Cash and bank balances have decreased by approximately S\$1.15 million from approximately S\$1.47 million as at 31 December 2024 to approximately S\$0.32 million as at 30 June 2025 and is explained in the statement of cash flows below.
- (v)** Lease liabilities decreased by approximately S\$0.04 million, from approximately S\$0.21 million as at 31 December 2024 to approximately S\$0.17 million as at 30 June 2025, mainly due to the repayment of the leases in 1H2025.
- (vi)** Trade and other payables increased by approximately S\$1.70 million from approximately S\$2.24 million as at 31 December 2024 to approximately S\$3.94 million as at 30 June 2025. The increase was due to the recognition of trade creditors arising from the Health Supplements Business and draw down of the Second Loan amounting to approximately S\$0.93 million, which was partially offset by (i) the Previous Debt Capitalisation that was completed on 2 April 2025, and (ii) the decrease in accruals for certain expenses.

- (vii) Contract liabilities of approximately S\$1.36 million as at 31 December 2024 was recognised as revenue in 1H2025. As at 30 June 2025, there were no contract liabilities outstanding.

Working Capital

The Group had recorded a decrease in its negative working capital position by approximately S\$0.24 million, from a negative working capital position of S\$2.04 million as at 31 December 2024 to a negative working capital position of S\$1.80 million as at 30 June 2025. The decrease was mainly attributable to (a) an increase in trade and other receivables of approximately S\$1.73 million, (b) a decrease in contract liabilities of approximately S\$1.36 million, which was partially offset by (i) a decrease in cash and bank balances of S\$1.15 million, (ii) an increase in trade and other payables of approximately S\$1.28 million, and (iii) an increase in borrowings of approximately S\$0.43 million.

Notwithstanding the negative working capital position, the Board is of the view that the Company is able to continue as a going concern based on the assumptions as disclosed in Note 2.3 of this announcement. Please refer to Note 2.3 of this announcement for further details of the going concern assumptions used in the preparation and presentation of the financial statements for 1H2025.

Condensed interim consolidated statement of cash flows

The Group recorded an increase in net cash used in operating activities of approximately S\$1.16 million, from approximately S\$0.99 million in 1H2024, to approximately S\$2.15 million in 1H2025. This was mainly due to (a) an increase in trade and other receivables and (b) decrease in trade and other payables as well as contract liabilities, which was partially offset by (a) repayment of loan through the issuance of new ordinary shares in the capital of the Company, and (b) the lower losses incurred by the Group in 1H2025.

Net cash from investing activities of the Group in 1H2025 was approximately S\$0.12 million as compared to S\$ nil in 1H2024. The increase was mainly due to the proceeds arising from the sale of plant and equipment, which was partially offset by additions to plant and equipment in 1H2025.

Net cash generated from financing activities of the Group decreased by approximately S\$0.48 million, from approximately S\$1.37 million in 1H2024 to approximately S\$0.89 million in 1H2025. The decrease was mainly due to the absence of proceeds from the issuance of new ordinary shares in the Company (net of expenses) of approximately S\$0.58 million, which was partially offset by (a) an increase of approximately S\$0.11 million in relation to the drawdown of the loan from an employee, and (b) an increase of approximately S\$0.02 million in relation to the repayment of lease liabilities as compared to 1H2024.

As a result of the above, the Group's cash and cash equivalents as at 30 June 2025 decreased by approximately S\$1.15 million, from approximately S\$1.47 million as at 1 January 2025, to approximately S\$0.32 million as at the end of 1H2025.

4. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable as no specific forecast or a prospect statement was previously issued.

5. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months.**

The Health Supplements Business

The Company had diversified into the wholesale distribution of health supplements following the approval from shareholders at the extraordinary general meeting held on 30 December 2024. The Company is currently in the process of applying for (i) a sales license and (ii) a health supplements license in the PRC. Securing these licenses would enable the Company to directly commence sales in the PRC, thereby expanding its sales channel within the PRC market and potentially generating revenue from this new market.

The health products market is increasingly shifting towards personalised wellness, as consumers seek effective, science-backed solutions tailored to their individual needs. The Company notes these emerging trends, including but not limited to, the following:

- (a) Personalised Wellness: Consumers are seeking tailored experiences for their respective individual needs;
- (b) Gut Health: Growing interest in gut-related products, such as probiotics, prebiotics, and gut-friendly foods.
- (c) Mental Wellness: Stress management, mindfulness, and mental health products.
- (d) Functional Foods and Beverages: Products with added health benefits like energy boosters, digestive aids, and brain food are in demand.
- (e) Digital Health: Virtual health services and digital wellness solutions such as health tracking applications and wearables.
- (f) Consumer Behavior:
 - Based on a survey conducted by McKinsey & Company (2025), millennials and Gen Zs are prioritising wellness as a daily lifestyle, driving demand for goods and services in six wellness subcategories (i.e., functional nutrition, healthy aging, beauty, in-person wellness services, weight management, and mental health).
 - Growing preference from consumers to lean towards holistic wellness solutions, blurring the lines between nutrition, beauty, and mental well-being.

As the health supplements industry evolves, the Company is positioning itself to capitalise on the trends outlined above and aims to do so through collaboration and by leveraging Burpple's technology through the Burpple Collaboration.

The Food Waste Business

The biomass carbon reduction system machines are expected to enter the initial commercial testing phase in Singapore in the near term, and the Company expects to commence the food waste management in the latter part of FY2025. The Company is currently negotiating with several potential third-party operators for the Food Waste Business, as well as with CPAC in relation to the proposed joint venture company.

In addition, in relation to the MLF MOU and as disclosed in the Company's monthly update announcement for the month of July on 31 July 2025, the Company had conducted a sample feed analysis in July, and based on the sample feed analysis report, the analysis had shown a significantly high protein content, reflecting potential economic value. Accordingly, the Company hopes to enter into initial commercial testing with MLF, followed by commercial production upon the arrival of the biomass carbon reduction system machines in Singapore (the **"Proposed MLF Collaboration"**).

In relation to the Burpple MOU, the scope of the Proposed Burpple Collaboration is for both the Company and Burpple to explore and evaluate the feasibility and cooperation mechanism for the following initiatives, (a) launch of food surplus meal deals under a co-branded initiative, (b) development of a sustainable food and lifestyle market place, leveraging the Company's platform and Burpple's audience, (c) cross-promotion of Burpple Beyond within the Company's digital channels and ecosystems, (d) sharing of merchant and user insights to inform product and campaign development, and (e) any other mutually agreed areas aligned with environmental, social, and governance and digital commerce objectives.

Subject to the entry into definitive agreements between MLF and Burpple, the Company is of the view that the Proposed Burpple Collaboration and Proposed MLF Collaboration will increase the revenue stream and improve prospects of the Group, so as to enhance the shareholders' value.

The lab-grown diamond business

The ongoing global geopolitical tensions, amidst the complex market dynamics, has posed significant challenges to the Company's existing lab-grown diamond business. Despite the earlier investments and significant resources devoted to turning the business around, the results have been lacklustre and presents an unbalanced and unrewarding outcome vis-à-vis the inputs. The Company is re-evaluating the viability of this business model with a view to curtail further losses from this business.

6. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No.

(b) (i) Amount per share

Not applicable.

(ii) Previous corresponding period

No dividend has been declared or recommended for the previous corresponding period.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

7. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or is recommended as the Group currently does not have accumulated profits available for the declaration of dividend.

8. Interested person transactions ("IPTs")

There was no interested person transaction amounting to S\$100,000 and above during the financial period under review. The Group has not obtained a general mandate from its shareholders for IPTs.

9. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

The Company hereby confirms that it has procured signed undertakings from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules in accordance with Rule 720(1) of the Catalist Rules.

10. Negative Confirmation Pursuant to Rule 705(5) of the Catalist Rules

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the condensed interim financial statements for the six months ended 30 June 2025 to be false or misleading in any material aspect.

**On behalf of the Board of Directors of
Metech International Limited**

Pang Wei Hao
Chief Executive Officer and Executive
Director
14 August 2025

Er Kwong Wah
Independent Director