



## METECH INTERNATIONAL LIMITED

(Company Registration No.: 199206445M)

(Incorporated in the Republic of Singapore)

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### THE ACQUISITION OF SHARES AND THE GRANT OF CALL OPTIONS IN RESPECT OF THE ISSUED AND PAID-UP CAPITAL OF X DIAMOND CAPITAL PTE. LTD.

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#### 1. INTRODUCTION

- 1.1. The board of directors (the "**Board**") of Metech International Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 2 June 2022 entered into a sale and purchase and call options agreement (the "**Agreement**") with the shareholders of X Diamond Capital Pte. Ltd. (Singapore UEN No.: 201915390N) ("**XDC**"), namely Deng Yiming ("**DYM**" or "**Mr. Deng**"), Xu Kang ("**XK**") and Yang Hanyu ("**YHY**") (collectively, the "**Vendors**", and each a "**Vendor**") in respect of the following transactions:
- (a) the acquisition of Sale Shares (as defined below) by the Company (the "**Acquisition**"); and
  - (b) the grant of an exclusive call option right to purchase, or procure its nominee(s) to purchase the Option Shares (as defined below) as the Company may elect to exercise pursuant to the terms and conditions of the Agreement (the "**Call Option**").
- 1.2. The Acquisition constitutes a discloseable transaction as defined under Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Section B: Rules of Catalyst (the "**Catalist Rules**"). The Acquisition also constitutes a transaction requiring prior approval of shareholders in a general meeting under Rules 803 and 805 of the Catalist Rules.
- 1.3. As such, the Board wishes to announce that the Company will be seeking the approval of the Company's shareholders ("**Shareholders**") to:
- (a) acquire the Sale Shares;
  - (b) allot and issue the Consideration Shares (as defined below) in consideration of the Sale Shares in part (the "**Consideration Share Issuance**"), the details of which are set out in this Announcement below; and
  - (c) the appointment of Mr. Deng as executive director of the Company.
- 1.4. The Company will be preparing, and liaising with its sponsor (the "**Sponsor**") on, the draft circular in relation to the Consideration Share Issuance, and will thereafter despatch the said circular to the Shareholders in due course.

#### 2. DEFINITIONS AND INTERPRETATION

In this Announcement, the following definitions shall apply throughout unless the context otherwise required or unless otherwise stated:

"**Completion**" means completion of the sale and purchase of the Sale Shares pursuant to the Agreement;

"**Completion Date**" means the date falling ten (10) Business Days after the date on which the conditions set out in Clause 4.3 below have been fulfilled or waived or such other date as the Parties may mutually agree in writing;

"**EGM**" means extraordinary general meeting of the Company for the purpose of approving the Agreement;

"**Encumbrance**" means any mortgage, assignment of receivables, debenture, lien, hypothecation, charge, pledge, title retention, right to acquire, security interest, option, pre-emptive or other similar right, right of first refusal, restriction, third-party right or interest, any other encumbrance, condition or security interest whatsoever or any other type of preferential arrangement (including without limitation, a title transfer or retention arrangement) having similar effect;

"**Exercise Period**" means the period commencing from the Completion Date until the expiry of five (5) years thereafter;

"**Long Stop Date**" means the date falling (6) months after the date of the Agreement or such other date as extended by mutual agreement of the Parties;

"**Market Day**" means a day on which the SGX-ST is open for trading of securities;

"**Option Completion(s)**" means completion(s) of the sale and purchase of the Option Shares pursuant to the exercise of the relevant Call Option;

"**Option Completion Date(s)**" means the date(s) specified in the Exercise Notice (as defined below) for relevant Option Completion(s);

"**Option Shares**" means such number of the Target Shares which has not been acquired as Sale Shares by the Company pursuant to the Acquisition;

"**Parties**" means collectively, the Company, the Vendors and/or XDC (as the case may be), and each a "**Party**";

"**Shares**" means the ordinary shares in the issued and paid-up capital of the Company, and each, a "**Share**";

"**S\$**" or "**Singapore Dollars**" means the lawful currency of Singapore;

"**Target Shares**" means the DYM Shares, the XK Shares and the YHY Shares, consisting in aggregate 510,000 Shares which represents 51% of the issued and paid-up share capital of the Company;

"**Transaction**" includes any transaction, act, event or omission of whatever nature, including without limitation, any change in the residence of any person for the purposes of any Taxation and any change in accounting reference date;

"**XDC Shares**" means the ordinary shares in the issued and paid-up share capital of XDC;

"**XK Shares**" means 64,000 Shares in the name of XK, representing 6.4% of the issued and paid-up share capital of XDC; and

"**YHY Shares**" 46,000 Shares in the name of YHY, representing 4.6% of the issued and paid-up share capital of XDC.

### 3. INFORMATION ON XDC

3.1. XDC is an exempt private company limited by shares incorporated in the Republic of Singapore on 13 May 2019 in the business of manufacture, distribution and sale of jewellery made from precious metals and stones, piezo-electric devices (e.g. quartz crystals, quartz crystal filters, delay lines) and crystalline materials using chemical vapour deposition technology (the "**Target Business**").

3.2. As at the date of this Announcement:

- (a) XDC has an issued and paid-up capital of S\$1,000,000 comprising 1,000,000 ordinary shares;
- (b) XDC is owned by the Vendors in the following shareholdings:
  - (i) 400,000 ordinary shares in the name of DYM representing 40% of the issued and paid up share capital of XDC ("**DYM Shares**");
  - (ii) 350,000 ordinary shares in the name of XK representing 35% of the issued and paid up share capital of XDC; and
  - (iii) 250,000 ordinary shares in the name of YHY representing 25% of the issued and paid up share capital of XDC; and
- (c) the directors of XDC are DYM and YHY.

3.3. XDC is also a shareholder of Asian Eco Technology Pte. Ltd. (Singapore UEN No. 202133529M) ("**AET**"). AET is a joint venture company incorporated on 27 September 2021, pursuant to a joint venture agreement dated 24 September 2021 between XDC and Asian Green Tech Pte. Ltd. ("**AGT**"), a wholly-owned subsidiary of the Company. AET has an issued and paid-up capital of S\$500,000 comprising of 500,000 ordinary shares.

3.4. As of the date of this Announcement:

- (a) XDC owns 145,000 ordinary shares of the issued and paid-up capital of AET;
- (b) Mr. Wu Yongqiang (who is a controlling shareholder (as defined in the Catalist Rules) of the Company) owns 100,000 ordinary shares of the issued and paid-up capital of AET; and
- (c) AGT owns 255,000 ordinary shares of the issued and paid-up capital of AET.

3.5. XDC and its subsidiaries ("**XDC Group**") have its own core technology advantages. It uses highly efficient microwave plasma chemical vapour deposition method which requires low cost to activate and decompose carbon source into free carbon atoms. The carbon atoms are then gradually supersaturated and precipitated into substrate (seed crystal) and grow into diamonds that are identical with the structure and composition of natural diamonds.

3.6. XDC Group has been researching on lab-grown diamonds since 2017, with its research and development ("**R&D**") and production base that was established in Dongguan, China. XDC Group produced its first IGI-certified lab-grown diamond in or around April 2019. XDC started producing, supplying and distributing lab-grown diamonds in or around September 2019. In 2020, XDC Group raised its enterprise management standards and industry influence to obtain "ISO9001" management system certification, AAA enterprise qualification and other industry certifications. XDC Group is continually increasing its R&D capacity to maintain its position of being one of the leading companies in the microwave plasma application technology industry domestically and internationally.

### 4. PRINCIPAL TERMS OF THE ACQUISITION

#### 4.1. Sale of the Sale Shares

- (i) Valuation of the initial valuation of entire issued share capital of XDC

After negotiation between the Parties (taking into consideration prior discussions between the Vendors and other interested third parties), the Parties agree that the initial valuation of entire issued share capital of XDC shall be S\$65,000,000 (the "**Initial Valuation**").

In the event that the value of entire issued share capital of XDC based on the independent valuation conducted by a reputable independent valuer appointed by the Company on a combination of either the income, market, asset based or cost approach is:

- (a) higher than the Initial Valuation, the Parties agree that the valuation of the entire issued share capital of XDC shall be the Initial Valuation; or
- (b) lower than the Initial Valuation, the Parties agree that the valuation of the entire issued share capital of XDC shall be such lower valuation based on the independent valuation by the reputable independent valuer,

(the "**Agreed Valuation**"). Further details on the Agreed Valuation will be set out in the Circular.

(ii) Determination of number of Sale Shares

Subject to the terms and conditions of the Agreement, the Vendors shall sell as legal and beneficial owner and the Company shall purchase such number of XDC Shares (rounded down to the nearest whole number) derived from the following formula (the "**Sale Shares**"), free from all Encumbrances and together with all rights, dividends, entitlements and advantages attaching thereto as of and including the Completion Date:

$$\frac{\text{S\$13,000,000}}{\text{Agreed Valuation}} \times 1,000,000 \text{ Shares}$$

Notwithstanding the above, where the number of Sale Shares calculated based on the formula above exceeds 510,000 Shares, the number Sale Shares shall be subject to a cap of 510,000 Shares unless otherwise agreed in writing between the Parties.

(iii) Order of acquisition of Sale Shares

The Sales Shares shall form part of the Target Shares and be acquired by the Company out of the Target Shares. In the event that the number of Sale Shares determined pursuant to paragraph 4.1(ii) above is lower than the number of Target Shares, such number of Sale Shares shall be acquired by the Company from such portion of the Target Shares in the following order:

- (a) firstly, such number of DYM Shares until all the DYM Shares have been acquired; and
- (b) secondly, such number of XK Shares and YHY Shares on a pro-rata basis *inter se*.

Further details on the number of Sale Shares to be acquired by the Company will be set out in the Circular.

#### 4.2. Consideration for the Sale Shares

The consideration for the Sale Shares shall be up to S\$13,000,000 (the "**Sale Shares Consideration**").

Subject to the terms and conditions of this Agreement and unless otherwise agreed by the Parties in writing, the Sale Shares Consideration shall be satisfied by way of:

- (a) allotment and issuance of up to 64,500,000 Shares (the "**Consideration Shares**", and each, a "**Consideration Share**") at a price of S\$0.20 per Consideration Share (the "**Consideration Shares Issuance**"); and
- (b) cash of S\$100,000 ("**Cash Portion**").

For avoidance of doubt:

- (a) the Consideration Shares and Cash Portion shall be issued and paid to DYM, XK and/or YHY (as the case may be) in proportion of the number of Sale Shares acquired by the Company in accordance with paragraph 4.1(iii) above from each Vendor;
- (b) such number of Consideration Shares issued in consideration for the Sale Shares Consideration, which results in the share capital of the Company being enlarged, shall not exceed 29.85% of the issued and paid-up shares in the Company's enlarged issued share capital, after taking into consideration the additional shares for the Sale Shares Consideration. Such Consideration Shares to be issued are based on the price of S\$0.20 per Consideration Shares (determined pursuant to discussion and negotiation between the Parties) and capped at 29.85% of the issued share capital of the Company on an enlarged basis; and
- (c) the Consideration Shares shall be allotted free from Encumbrances and shall rank *pari passu* in all respects with the then-issued Company's Shares save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Consideration Shares.

#### 4.3. Conditions for the sale and purchase of the Sale Shares

Completion is conditional upon, *inter alia*, the following conditions being fulfilled (unless expressly waived by the relevant parties):

- (a) the receipt by the Company of such waivers or consents as may be necessary to enable the Company and/or its nominee(s) to be registered as holder of any and all of the Sale Shares;
- (b) all other consents, waivers and approvals required under any and all applicable laws for the sale of the Sale Shares and to give effect to the Acquisition (including, without limitation, such waivers and consents as may be necessary of terms which would otherwise constitute a default under any instrument, contract, document or agreement to which DYM, XK and/or YHY (as the case may be) or XDC is a party or by which DYM, XK and/or YHY (as the case may be) or XDC or its or their respective assets are bound as well as any approvals and appraisals required) being obtained;
- (c) the Warranties remaining true and not misleading in any respect at Completion, as if repeated at Completion and at all times between the date of the Agreement and Completion;
- (d) neither the Company nor DYM, XK and/or YHY (as the case may be) having received notice of any injunction or other order, directive or notice restraining or prohibiting the consummation of the Transactions contemplated by this Agreement and there being no action seeking to restrain or prohibit the consummation thereof, or seeking damages in connection therewith, which is pending or any such injunction, other order or action which is threatened;
- (e) there being no material adverse change in the Target Business of XDC since the date of signing of the Agreement;
- (f) the Company having completed its due diligence investigations in respect of XDC (which also include an independent valuation) and its subsidiaries, and the results of such due diligence investigations being satisfactory to the Company in its discretion;
- (g) the requisite approval of shareholders of the Company at an EGM being obtained for:
  - (1) the acquisition of the Sale Shares;
  - (2) the Consideration Shares Issuance; and
  - (3) the appointment of DYM as executive director of the Company post-Completion;

- (h) the approval of the SGX-ST, if applicable, being obtained in respect of the Acquisition and if such approval is subject to conditions, such conditions being reasonably acceptable to the Parties and if required by the SGX-ST, if applicable, such conditions being fulfilled or satisfied on or before Completion, and such approval remaining in full force and effect;
- (i) the appointment of the reputable independent valuer being satisfactory to the SGX-ST (where applicable);
- (j) the independent valuation report being issued pursuant to relevant requirements under the SGX-ST Listing Rules;
- (k) the Company, the Vendors and XDC agreeing on and finalising the terms of the Shareholders' Agreement;
- (l) the trading of the issued shares of the Company on the Catalist of the SGX-ST not being suspended by the SGX-ST (other than a suspension on a temporary basis requested by the Company); and
- (m) approval in-principle for the listing and quotation of the Consideration Shares on the Catalist of the SGX-ST being obtained by the Company, and such approval being valid and in full force and effect as at the Completion Date.

The Parties undertake to procure the fulfilment of the abovementioned conditions by the Long Stop Date.

#### 4.4. Grant and Exercise of the Call Options

In the event that the number of Sale Shares acquired by the Company is lower than the number of Target Shares, then subject to Completion and the terms and conditions of the Agreement and in consideration of the payment of S\$1.00 by the Company to the Vendors, the Vendors irrevocably grant to the Company the Call Option to purchase, or procure its nominee(s) to purchase, the Option Shares.

The Company may exercise the Call Options at any time during the Exercise Period, and may exercise such Call Option in respect of some and not all of the Option Shares. Save as otherwise agreed between the Company and the Vendors, the Call Option shall be exercised by the Company in the following order:

- (a) firstly, in respect of the remaining DYM Shares forming part of the Option Shares (if any) until such DYM shares having been exercised; and
- (b) secondly, in respect of the remaining XK Shares and YHY Shares forming the remainder of the Option Shares on a pro-rata basis *inter se*.

The consideration for the purchase of each Option Share pursuant to the exercise of the respective Call Options (as follows) shall be derived from the following formula (the "**Option Shares Consideration**"):

$$(\text{Agreed Valuation} / 1,000,000)$$

The Company shall have the sole discretion to pay for such Options Shares Consideration by way of allotment and issuance of the Company's Shares, cash or a combination of both.

The Call Option shall be exercised by the Company in one (1) tranche or in multiple tranches, by the Company giving to the Vendors respectively an exercise notice ("**Exercise Notice**") which shall include:

- (a) the date on which the Exercise Notice is given;
- (b) the number of Option Shares in respect of which the Company is exercising the Call Option;

- (c) the amount of Option Share Consideration payable by the Company and the method of paying for such Option Shares pursuant to Clause 7.4 of the Agreement;
- (d) the Option Completion Date, which is no more than ten (10) Business Days after the date of the Exercise of Notice, on which the Option Completion is to take place; and
- (e) a signature by or on behalf of the Company.

The Company will make the appropriate announcement and seek the approval of shareholders should it intend to exercise any of the Call Options during the Exercise Period.

## 5. RATIONALE AND BENEFITS

AET carries out the production and business of lab-grown diamonds, supplies rough and loose diamonds to wholesalers and retailers of jewellery.

The management of the Group is of the view that it would be beneficial for the Group to acquire a stake of at least 20% of XDC Shares from Mr. Deng so that XDC will be an associated company of the Group and that the Group would be able to, amongst others, have more control and manage the development of the Target Business, integrate the Target Business in the Group's new business segment fully and consolidate the financial performance of XDC.

Mr. Deng is the key personnel in charge of handling the lab-grown diamond production and business. He has been discussing with the management of the Company on the latest developments and results of business from time to time. After discussions internally and with Mr. Deng, the management is of the view that it would benefit the Group to appoint him as Executive Director of the Company for him to take a leadership role to develop the Group's lab-grown diamond business. A service agreement will be signed between Mr. Deng and the Company. The details of such service agreement will be provided in the Circular (as defined below).

This acquisition would also encourage Mr. Deng to focus in the growth of the Group and we can tap on the technical resources and networks of XDC group to further enhance our lab-grown diamond business.

## 6. FINANCIAL EFFECTS

- 6.1. The financial effects of the Acquisition as set out below are for **illustrative purposes only** and are not intended to reflect the actual future financial performance or position of the Group immediately after Completion. The financial effects of the Acquisition set out below have been prepared on the following key bases and assumptions:
- (a) the financial effects of the Acquisition on the net tangible assets ("**NTA**") per Share and earning per share ("**EPS**") or loss per share ("**LPS**") of the Group are based on (i) the Group's audited consolidated financial statements for FY2021; and (ii) the unaudited management accounts of XDC for FY2021;
  - (b) for the purposes of illustrating the financial effects of the Acquisition on the NTA per Share of the Group, it is assumed that the Acquisition had been completed on 30 June 2021;
  - (c) for the purposes of illustrating the financial effects of the Acquisition on the EPS of the Group, it is assumed that the Acquisition had been completed on 1 July 2020;
  - (d) the NTA per Share is computed based on the Shares in issue, excluding treasury shares, as at 30 June 2021 which is 100,039,655 before issuance of Consideration Shares and 164,539,655 after issuance of Consideration Shares, and the EPS or LPS of the Group is computed based on the weighted average of Shares in issue as at 30 June 2021 which is 100,039,655 before issuance of Consideration Shares and 100,216,367 after issuance of Consideration Shares;
  - (e) estimated expenses of approximately S\$50,000 to be incurred in relation to the Acquisition; and

- (f) the financial effects of the Acquisition are purely for illustrative purposes only and are neither indicative of the actual financial effects of the Acquisitions on the NTA per Share and EPS or LPS (as the case may be) of the Group, nor do they represent the future financial performance and/or position of the Group immediately following the Completion.

## 6.2. Effect of the Acquisition on the NTA per Share of the Group

On the bases and assumptions set out above, the pro forma effect of the Acquisition on the NTA per Share of the Group is as follows:

	<b>Before the Acquisition (S\$'000)</b>	<b>After the Acquisition (S\$'000)</b>
Consolidated NTA (S\$'000)	1,910.00	Between 14,695.00 <sup>(1)</sup> and 1,486.00 <sup>(1)(2)</sup>
Number of Shares <sup>(2)</sup>	100,039,655	164,539,655
Consolidated NTA per Share (S\$ cents)	1.91	Between 8.93 and 0.90 <sup>(1)(2)</sup>

- (1) Such figures are calculated based on the assumption that the Company will be acquiring between 20% and 51% of XDC Shares pursuant to the Acquisition, of which the NTL is S\$332,000.
- (2) The significant decrease in consolidated NTA per share from acquiring 51% of XDC Shares was due to the pending Purchase Price Allocation.
- (3) Such figures are calculated based on the assumption that the number of Shares issued is up to 64,500,000.

## 6.3. Effect of the Acquisition on the EPS of the Group

On the bases and assumptions set out above, the pro forma effect of the Acquisition on the EPS of the Group is as follows:

	<b>Before the Acquisitions (S\$'000)</b>	<b>After the Acquisitions (S\$'000)</b>
Loss attributable to equity holders of the Company (S\$'000)	1,167.00	Between 1,282.00 and 1,384.00 <sup>(1)</sup>
Weighted average number of Shares	100,039,655	100,216,367
LPS (S\$ cents)	1.17	Between 1.28 and 1.38 <sup>(1)</sup>

- (1) Such figures are calculated based on the assumption that the Company will be acquiring between 20% and 51% of XDC Shares pursuant to the Acquisition.

## 7. **RELATIVE FIGURES OF THE ACQUISITION UNDER CHAPTER 10 OF THE LISTING MANUAL**

### 7.1. Relative Figures of the Acquisition under Rule 1006 of the Listing Manual

Based on the latest announced unaudited consolidated financial statements of the Group for the six months ended 31 December 2021 (being the most recent available unaudited consolidated financial statements of the Group), the relative figures computed on the bases set out in Rule 1006 of the Listing Manual are as follows for the Acquisition:



<b><u>Listing Rules / Bases</u></b>	<b>Acquisition (S\$'000/ no. of shares)</b>	<b>Group (S\$'000/ no. of shares)</b>	<b>Relative Figure (%)</b>
<u>Rule 1006(a):</u> Net asset value of the assets to be disposed of, compared with the NAV of the Group	Not applicable to the Acquisition which is an acquisition of assets.		
<u>Rule 1006(b):</u> Net losses attributable to the assets acquired or disposed of, compared with the Group's net profits	Between 116.00 and 295.00 <sup>(1)</sup>	1,047.00	Between 11.08% and 28.18% <sup>(1)</sup>
<u>Rule 1006(c):</u> Aggregate value of the consideration given or received, compared with the issuer's market capitalization based on the total number of issued shares excluding treasury shares	Up to 13,000.00	31,993.40	Up to 40.63%
<u>Rule 1006(d):</u> Number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Up to 64,500,000	151,555,655	Up to 42.56%
<u>Rule 1006(e):</u> The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets	Not applicable to the Acquisition.		

(1) Such figures are calculated based on the assumption that the Company will be acquiring between 20% and 51% of XDC Shares pursuant to the Acquisition.

The applicable figures computed under Rule 1006(b), (c) and (d) of the Listing Manual do not exceed 75%, therefore the Acquisition constitutes a "Discloseable Transaction" Rule 1010 of the Catalist Rules.

Notwithstanding the above, the Company proposes to seek Shareholders' approval at the EGM for the Acquisition as its first major transaction involving the new business of the Company approved by the Shareholders at the EGM on 11 January 2022.

However, Consideration Shares will be issued in consideration for the Sale Shares contemplated in the Acquisition. Pursuant to Rule 803 and 805(1) of the Catalist Rules, the issuance of Consideration Shares is subject to the approval of the Shareholders, of which the Company will convene an EGM for this purpose.

## 8. APPROVAL FOR THE CONSIDERATION SHARES ISSUANCE UNDER CHAPTER 8 OF THE CATALIST RULES

8.1. Rule 803 of the Catalist Rules provides:

*“An issuer must not issue securities to transfer a controlling interest without prior approval of shareholders in general meeting.”*

8.2. Further, Rule 805(1) of the Catalist Rules provides:

*“Except as provided in Rule 806, an issuer must obtain the prior approval of shareholders in general meeting for the following:*

*(1) The issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer....”*

8.3. In respect of the Acquisition:

- (a) As satisfaction of the Sale Shares Consideration under the Acquisition in part, the Consideration Shares will be issued to DYM, representing no more than 29.85% of the enlarged issued share capital of the Company. As the Company will not be relying on its existing general share issue mandate approved by Shareholders by way of an ordinary resolution at the annual general meeting of the Company held on 29 October 2021, specific approval from Shareholders is required pursuant to Rule 805(1) of the Catalist Rules for such Consideration Shares Issuance;
- (b) The issue price of S\$0.20 for each Consideration Share represents a 5.26% discount over the Volume weighted average price (“**VWAP**”) of the Shares for trades done on the SGX-ST on 2 June 2022, being the Market Day immediately prior to the date of the Agreement. The issue price was agreed following arm’s length negotiations between the Company and DYM;
- (c) The Consideration Shares shall be allotted free from Encumbrances and shall rank *pari passu* in all respects with the then-issued Company’s Shares save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Consideration Shares; and
- (d) With reference to Rules 804 and 812 of the Catalist Rules, no director of the Company or his associates will participate directly or indirectly in the Consideration Shares Issuance, and the Consideration Shares Issuance will not be placed to any of the persons set out as restricted persons in Rule 812 of the Catalist Rules.

## 9. EGM AND CIRCULAR

A circular (the “**Circular**”) to shareholders containing, *inter alia*, further information of the Acquisition, to seek shareholders’ approval for the Acquisition, the Consideration Shares Issuance and the appointment of Mr. Deng as executive director of the Company, together with the notice of EGM to be convened, will be made available by the Company to shareholders in due course. In the meantime, shareholders are advised to refrain from taking any action in relation to their shares in the Company which may be prejudicial to their interests until they or their advisers have considered the information and recommendations to be set out in the Circular.

## 10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition, other than through their respective shareholdings in the Company, where applicable.

## 11. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Agreement will be available for inspection during normal business hours at the Company's registered office at 100G Pasir Panjang Road, #04-07 Interlocal Centre, Singapore 118523 for a period of three (3) months commencing from the date of this Announcement.

Shareholders who wish to inspect the Agreement may email [shareholder@metechinternational.com](mailto:shareholder@metechinternational.com) to make an appointment in advance so as to limit the number of people who are present at the registered office at any one time. Such arrangements are subject to prevailing regulations, orders, advisories and guidelines in relation to safe distancing measures implemented by the relevant authorities from time to time. A copy of the valuation report to be issued by the reputable independent valuer as mentioned above and the service agreement between the Company and Mr. Deng will be available for inspection after the Circular is issued.

## 12. CAUTIONARY STATEMENT

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. Shareholders and potential investors should note that there is no assurance that the aforementioned transactions will be completed.** Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders 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 of Directors of  
**Metech International Limited**

Samantha Hua Lei  
Executive Director and CEO  
2 June 2022

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. for compliance with the relevant rules of the Listing Manual Section B: Rules of Catalyst of the Singapore Exchange Securities Trading Limited (the "SGX-ST").*

*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 Khong Choun Mun, Registered Professional, RHT Capital Pte. Ltd. at 6 Raffles Quay, #24-02, Singapore 048580, [sponsor@rhtgoc.com](mailto:sponsor@rhtgoc.com).*