



OILTEK INTERNATIONAL LIMITED
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OILTEK INTERNATIONAL LIMITED, ESTABLISHED INTEGRATED PROCESS TECHNOLOGY AND RENEWABLE ENERGY SOLUTIONS PROVIDER, RECEIVES STRONG DEMAND FOR IPO

- ***22,500,000 Invitation Shares – overall 4.3 times subscribed***
- ***Prospects driven by strong growth in food and beverage and renewable energy sectors, and rising world population***
- ***Intends to recommend and distribute dividends of not less than 40.0% of its net profit attributable to owners of the Company for FY2022 and FY2023¹***
- ***Commence of trading of shares is expected to be at 9.00 a.m. on 3 March 2022***

Singapore, 2 March 2022 – Established integrated process technology and renewable energy solutions provider, Oiltek International Limited (“**Oiltek**” or the “**Company**” and together with its subsidiaries, the “**Group**”) (优特科技国际有限公司), today announced that it has received strong investor interest for its initial public offering (“**IPO**” or “**Invitation**”) of 22,500,000 new ordinary shares (“**Invitation Shares**”) at S\$0.23 each (“**Invitation Price**”), in connection with its proposed listing on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

¹ *Investors should note that the foregoing statement is merely a statement of the Company’s present intention and shall not constitute a legally binding obligation on the Company or a legally binding statement in respect of its future dividends and may be subject to modification (including reduction or non-declaration thereof) in its directors’ sole and absolute discretion. Investors should not treat this as an indication of the Group’s future dividend policy.*

At the close of the Application List at 12.00 noon on 1 March 2022, there were 767 valid applications for the 500,000 Public Offer Shares available to the public for subscription. These applicants applied for an aggregate of 56,447,000 Public Offer Shares, with application monies received amounting to approximately S\$12.98 million, resulting in the public tranche being approximately 112.9 times subscribed.

All the 22,000,000 Placement Shares (including 5,000,000 Reserved Shares) available for subscription by way of placement were validly subscribed, with indications of interest received for approximately 39,305,000 Placement Shares under the Placement, with a total value of approximately S\$9.04 million, resulting in the Placement being approximately 1.8 times subscribed.

Based on the valid applications received for the Public Offer Shares and the aggregate indications of interest received for the Placement Shares, the Invitation was overall 4.3 times subscribed.

Mr. Henry Yong Khai Weng (杨淳麟), Executive Director and CEO of Oiltek, said, “The positive demand from both retail and institutional investors indicates a clear signal of investors’ confidence in Oiltek’s business model and growth potential. This is the beginning of our new corporate journey. With an acceleration of global trends shifting towards sustainability, we are incredibly excited about the opportunity to create value for all stakeholders by capitalising on the rising growth of the renewable energy sector.

We will leverage our track record of over 40 years and our total solutions range to create value to our customers’ processes, and meet increasingly stringent environmental and regulatory requirements. We will continue to build on our proven capabilities and technological know-how to secure larger contracts and acquire new customers in both existing and new markets globally as part of our growth path.”

Following its listing, Oiltek will be spun-off from SGX-ST Catalist-listed KBEE². Oiltek serves some of the world's largest agricultural commodities markets under the Group's three key business segments – Edible & Non-Edible Oil Refinery, Renewable Energy, and Product Sales and Trading. Through its in-house proprietary process technology and know-how, the Group provides reliable, innovative, diversified and comprehensive range of refinery processes and engineering solutions for use across all different sectors of the vegetable oils industry value chain globally.

With over 40 years of track record, Oiltek has successfully designed, built and commercialised over 570 plants in more than 30 countries across 5 continents. The Group has acquired a long-standing reputation of providing reliable and innovative processing solutions and received various national awards for its achievements.

Backed by Oiltek's unique design excellence, the Group has designed, built and commercialised many of what the Company believes to be the first process types in the growing vegetable oils industry. The Group currently has proprietary patents of its niche processes and designs, including four patents granted and in force. The Group also has six pending patent applications in various territories.

Oiltek believes it can create greater value from its solutions to ensure a sustainable future through technology and innovation, and intends to increase its focus on the renewable energy sector to provide more support and solutions to the sustainability efforts of its existing customers and markets.

² *Koh Brothers Eco Engineering Limited (“KBEE” and together with its subsidiaries (excluding the Group, the “KBEE Group”). KBEE has extensive experience, and an established track record in the provision of engineering, procurement and construction services, specialising in building and civil engineering construction, infrastructure works, water and wastewater treatment as well as hydro-engineering projects.*

Oiltek's healthy order book is approximately RM173.1 million³, with orders expected to be fulfilled over the next 18 months. Barring any unforeseen circumstances, the Company expects overall revenue to increase in line with its order book.

Oiltek currently does not have a fixed dividend policy, however, the Company's board of directors intends to recommend and distribute dividends of not less than 40.0% of its net profit attributable to owners of the Company for FY2022 and FY2023 to reward its shareholders for participating in the Company's growth.

The listing and trading of Oiltek's shares is expected to commence on a "ready" basis at 9.00 a.m. on 3 March 2022 under the stock code, "HQU".

SAC Capital Private Limited is the Sponsor, Issue Manager, Underwriter and Placement Agent in relation to the Invitation.

³ *As at the Latest Practicable Date, based on unfulfilled orders from signed contracts, confirmed variation orders and letters of awards obtained.*

ABOUT OILTEK INTERNATIONAL LIMITED

Oiltek International Limited (“**Oiltek**” and together with its subsidiaries, the “**Group**”) (优特科技国际有限公司), an established integrated process technology and renewable energy solutions provider, specialises in the provision of reliable, innovative, diversified and comprehensive range of refinery processes and engineering solutions for use across all different sectors of the vegetable oils industry value chain globally. The history of the Group can be traced back to its principal operating subsidiary, Oiltek Sdn. Bhd., which was incorporated in Malaysia on 1 December 1980. With over 40 years of track record, Oiltek has successfully designed, built and commercialised over 570 plants in more than 30 countries across 5 continents.

The Group operates three key businesses – Edible & Non-Edible Oil Refinery, Renewable Energy, and Product Sales and Trading.

For its Edible & Non-Edible Oil Refinery segment, the Group provides engineering, procurement, designing, construction and commissioning (“**EPCC**”) services for edible and non-edible oil refining plants, downstream specialty products and processing plants; upgrading and retrofitting of existing facilities; and turnkey outside-battery-limits (OSBL) infrastructure engineering.

For the Group’s Renewable Energy segment, Oiltek provides services for renewable energy industries including EPCC of multi-feedstock biodiesel, enzymatic biodiesel, winter fuel, and palm oil mill effluent (POME) biogas methane recovery plants; upgrading and retrofitting of existing facilities; and turnkey OSBL infrastructure engineering which includes the environmental solutions and integration into steam and power generation.

Oiltek’s Product Sales and Trading segment generates recurring income for the Group, and its services include engineering component sales, agency and distributorship, and specialty chemical product trading.

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Important Notice:

This news release is to be read in conjunction with the Offer Document of Oiltek International Limited dated 18 February 2022 (the “**Offer Document**”) and capitalised terms used herein shall, unless otherwise defined, bear the same meanings assigned to them in the Offer Document. This news release has not been reviewed by the Monetary Authority of Singapore or the SGX-ST.

This news release is for information purposes only, and does not constitute an offer, invitation to subscribe for or solicitation for any offer to subscribe for securities in Singapore or any other jurisdiction, nor should it or any part thereof be relied upon in relation to any investment decision. Neither this news release nor anything contained herein shall form the basis of any contract or commitment whatsoever. This news release is qualified in its entirety, and should be read in conjunction with, the full text of the Offer Document issued by Oiltek International Limited that has been registered by the SGX-ST on 18 February 2022, acting as agent on behalf of the Monetary Authority of Singapore. Information contained in this news release does not constitute a part of the Offer Document.

The information set out in this news release is based on the historical information of the Group, and is not intended to be complete or exhaustive. The past performance of the Group is not necessarily indicative of future performance. Further, this news release may contain a number of estimates and assumptions which are subject to business, economic and competitive uncertainties and contingencies as well as various risks, and these may change over time and in many cases are outside the control of the Company and its directors.

Investing in the Company's shares involves risks, estimates and assumptions which are described in the sections titled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" of the Offer Document. You should be aware of these risks, estimates and assumptions of investing in our Shares and should make the decision to invest only after carefully considering the Offer Document and Products Highlights Sheet and, if appropriate, after consulting with your professional adviser(s).

An electronic copy of the Offer Document is available on the website of the SGX-ST at <http://www.sgx.com>.

This news release has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor"). This news release has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this news release, including the correctness of any of the statements or opinions made or reports contained in this news release. The contact person for the Sponsor is Ms Lee Khai Yinn (Telephone: +65 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.