

METAL COMPONENT ENGINEERING LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 198804700N)

**PROPOSED SALE OF MCE INDUSTRIES (SHANGHAI) CO., LTD
– RECEIPT OF FIRST TRANCHE PAYMENT**

1. INTRODUCTION

- 1.1 The board of directors (~~%Board+~~ or ~~%Directors+~~) of Metal Component Engineering Limited (the ~~%Company+~~, together with its subsidiaries, the ~~%Group+~~) refers to the following announcements of the Company:
- (a) dated 28 January 2020 (the ~~%Announcement+~~), in relation to the signing of a conditional sale and purchase agreement in respect of the proposed sale of 100% equity interest in 美特尔金属工业（上海）有限公司 (MCE Industries (Shanghai) Co., Ltd) (~~%MCE Industries+~~) held by the Company to Hong Sheng Holding (Singapore) Pte. Ltd (the ~~%Buyer+~~) (~~%Proposed Sale+~~); and
 - (b) dated 10 March 2020, in relation to the updates on payment of consideration for the Proposed Sale.
- 1.2 Unless otherwise defined, all capitalised terms used in this announcement shall have the same meaning as ascribed to them in the Announcement.

2. RECEIPT OF FIRST TRANCHE PAYMENT

- 2.1 Further to the abovementioned, the Board is pleased to announce that the Company had received the First Tranche payment of RMB25 million (equivalent to S\$4.99 million, based on the prevailing exchange rate of S\$1.00 to RMB5.00 at the date of receipt).
- 2.2 The Company will make the necessary announcements, in compliance with the requirements of the Catalyst Rules, as and when there are further developments in respect of the Proposed Sale, including but not limited to, the receipt of subsequent tranches of consideration for the Proposed Sale (being the Second Tranche and the Third Tranche).

3. CAUTIONARY STATEMENT

Shareholders and potential investors should note that the Proposed Sale is subject to the fulfilment of the conditions precedent set out in the Announcement, and there is no certainty or assurance that the Proposed Sale will be completed. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully, and should exercise caution when trading in the shares of the Company. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Lee Wei Hsiung
Company Secretary
13 March 2020

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. ("**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

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 Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.