

METAL COMPONENT ENGINEERING LIMITED

Incorporated in the Republic of Singapore
Company Registration No.: 198804700N

PROPOSED PLACEMENT OF AN AGGREGATE OF 155,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.022 FOR EACH PLACEMENT SHARE (THE "PLACEMENT")

– LAPSE OF LISTING AND QUOTATION NOTICE

*Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the circular to Shareholders dated 10 June 2020 by Metal Component Engineering Limited ("**Company**") in relation to the Placement.*

The Board refers to the Company's announcements dated 20 May 2020, 8 June 2020, and 25 June 2020 in relation to the Placement (the "**Announcements**").

Further to the Announcements, the Board wishes to update Shareholders that, as the Company is unable to issue the Placement Shares to the Placee within seven (7) market days from the date of obtaining the Shareholders' approval for the Placement, being latest by 6 July 2020, the LQN granted by the SGX-ST on 8 June 2020 will lapse on 7 July 2020. The Placement is not able to be completed by 6 July 2020 as the aggregate subscription amount of S\$3,410,000 ("**Subscription Amount**") payable by the Placee has not been made to the Company, and the Company was notified by the Placee that its cash flow was affected as a result of delayed payment by the Placee's clients during the COVID-19 pandemic.

The parties to the Placement Agreement remain interested in pursuing the Placement, and are currently in negotiations to consider the entry into a supplemental agreement to the Placement Agreement ("**Supplemental Agreement**"), which will contain terms in relation to, *inter alia*, the extension of the date of Completion of the Placement and the conditions precedent of seeking fresh approval of Shareholders and the SGX-ST for the Placement.

The Company will make further announcement(s) to update Shareholders on the Placement and/or the Supplemental Agreement as and when appropriate.

BY ORDER OF THE BOARD

Lee Wei Hsiung
Company Secretary
5 July 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 (the "**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.