



Metech International Limited

(Incorporated in the Republic of Singapore)
(Company Registration Number 199206445M)

TERMINATION OF 'TECHNICAL, OPERATION AND PROCUREMENT' SERVICE AGREEMENTS

Unless otherwise defined herein, all capitalised terms used in this announcement shall have the same meanings as defined in the announcements made by the Company on 23 September 2019, 22 April 2020 and 28 April 2020 in respect of the 'Technical, Operation and Procurement' Service Agreements (the "Previous Announcements").

The Board of Directors (the "**Board**") of Metech International Limited (the "**Company**") refers to the Previous Announcements in relation to references to the Service Agreements entered into between Nolash Tech (Shanghai) Co., Ltd. ("**Nolash Shanghai**") and five companies in China (each, a "**Client**", collectively "**Clients**"), pursuant to which, Nolash Shanghai had agreed to provide technical, operation and procurement ("**TOP**") services to each Client as an exclusive TOP service provider.

Nolash Tech Pte. Ltd. ("**Nolash Singapore**"), a wholly-owned subsidiary of the Company and holding company of Nolash Shanghai, was successful in setting up a Free Trade Non-resident ("**FTN**") account with a local bank as requested by Clients, for the purposes of leveraging on certain tax benefits under the Shanghai Free Trade Zone made available to the Company, on the premise that Nolash Singapore was the contracting party to undertake the TOP services directly using the FTN account. However, there has been little progress in re-negotiating the Service Agreements with the five Clients to novate the Service Agreements from Nolash Shanghai to Nolash Singapore for the FTN account to be effective. In addition, the outbreak of the COVID-19 and consequential movement restrictions imposed in China as well as in Singapore have restricted Nolash Shanghai's ability to initiate the required services to the five Clients.

Taking into consideration of the above circumstances, Nolash Shanghai and the five Clients have mutually agreed to terminate the Service Agreements with effect from 11 December 2020. Following from the termination of the Service Agreements, no parties shall have any legal claims and/or obligations in connection to the TOP services towards each other.

For the avoidance of doubt, Nolash Singapore and Nolash Shanghai have not embarked on any specific investments related to the TOP business. The termination of the Service Agreements is not expected to have a material impact on the Group's financial and operating results for the current financial year ending 30 June 2021.

None of the directors and/or controlling shareholders of the Company have any interest, direct or indirect, in the termination of the Service Agreements, other than through their respective shareholdings in the Company, if any.

By Order of the Board of
Metech International Limited

Chay Yiowmin
Independent Non-Executive Chairman

12 December 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

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 Lay Shi Wei, Registered Professional, RHT Capital Pte. Ltd. at 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com.