

**MTQ CORPORATION LIMITED**  
(Incorporated in Singapore)  
(Company Registration No. 196900057Z)

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**RESPONSES TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON  
THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

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The board of directors (the "**Board**") of MTQ Corporation Limited (the "**Company**", and collectively with its subsidiaries, the "**Group**") wishes to provide its responses to the queries raised by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") with respect to the Annual Report for the Financial Year ended 31 March 2019 (the "**Annual Report**").

**SGX-ST Query 1**

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With regard to Listing Rule 1207(10), the requisite comment and statement must be made without the caveat of "...risks that are material and relevant to the Group's operations...". Please provide the appropriate disclosure.

**Company's response:**

Based on the internal controls and risk management framework established and maintained by the management, review of work performed by the internal and external auditors, regular audits conducted by independent parties for industrial accreditation and customer quality controls and reviews performed by the Management, the Board and the various Board Committees as well as the assurance from Group CEO and Group Financial Controller, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology risks were effective and adequate as at 31 March 2019.

**SGX-ST Query 2**

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With regard to Listing Rule 1207(19), this rule also applies to a listed issuer's dealings in its own securities. Please provide the appropriate disclosure.

**Company's response:**

The Company has adopted an internal code to provide guidance to the Company, its Directors and officers in regards to trading in the Company's securities.

The Directors and officers of the Company and its subsidiaries are notified and reminded on a quarterly basis to observe insider trading laws at all times and against dealing in securities when they are in possession of unpublished price sensitive information and on short-term considerations. The Company, its Directors and officers are also refrained from dealing in the Company's securities during the following window periods:

- the period commencing two weeks before the announcement of the Company's financial statements for the first, second and third quarters of its financial year; and
- the period commencing one month before the announcement of the Company's financial statements for its full financial year.

Consistent to the above, the Company will not undertake any purchase of its own ordinary shares pursuant to the Share Buyback Mandate at any time after a price-sensitive development has occurred or has been the subject of a consideration and/or a decision of the Board until such price-sensitive

information has been publicly announced. The window periods as stated above also apply for share buyback.

Each of the above window periods will end after the relevant results of the Company are announced.

In addition, the Company Secretary has, from time to time, updated the Directors and officers with regulations on prohibitions on dealing in the Company's securities.

### **SGX-ST Query 3**

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With regard to Listing Rule 1207(20), a status report on the use of all proceeds to date is required. Please provide the appropriate disclosure.

#### **Company's response:**

In addition to what was disclosed in Page 39 of the Annual Report, the below table summarises the status on the use of all proceeds as at the date of the Annual Report and as referred to in the Company's announcements made on 30 January 2018, 5 March 2018, 14 March 2018, 26 March 2018, 17 April 2018, 18 April 2018, 14 May 2018, 29 June 2018, 26 July 2018, 31 October 2018, 29 January 2019 and 13 May 2019 as well as the offer information statement dated 23 March 2018 in relation to the Rights cum Warrants Issue.

Unless otherwise defined, all capitalised terms and references used herein shall bear the same meaning ascribed to them in the Offer Information Statement. Any reference to a time of day and date herein shall be a reference to Singapore time and date, respectively, unless otherwise stated.

<b>S/N</b>	<b>Use of Net Proceeds</b>	<b>Cumulative Amount Utilised up to the date of the Annual Report S\$'million</b>
1	Payment for In-Line Shares	1.8
2	Debt Repayment	1.2
3	Working Capital *	7.5
	Total	10.5

\* Working capital purposes including, *inter alia*, payments of trade and other payables, compliance costs, professional fees and staff costs.

The above utilisation of the Net Proceeds is consistent with the intended use of Net Proceeds disclosed in the Offer Information Statement.

The Board will continue make periodic announcements on the utilisation of the remaining S\$1.5 million of the Net Proceeds as and when such proceeds are materially disbursed.

#### **By Order of the Board**

Tan Lee Fang  
Company Secretary

12 July 2019