

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

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- 1. INCORPORATION OF A WHOLLY-OWNED SUBSIDIARY;**
  - 2. PROPOSED EXPANSION INTO THE UNITED ARAB EMIRATES (“UAE”)**
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1. Incorporation of a wholly-owned subsidiary

The Board of Directors of MTQ Corporation Limited (the “Company” and together with its subsidiaries, the “Group” or “MTQ”) wishes to announce that the Group is in the midst of incorporating a wholly-owned subsidiary under the name of MTQ Engineering LLC (“MTQ UAE”) in Abu Dhabi.

The incorporation of MTQ UAE is at its final stages and is expected to be completed soon. The incorporation is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the financial year ending 31 March 2024.

2. Proposed expansion into the UAE (“Proposed Expansion”)

MTQ UAE has entered into a lease arrangement for a 32,587.20 m<sup>2</sup> of land from Abu Dhabi Ports Company PJSC (“AD Ports”) within Industrial City of Abu Dhabi III (“ICAD III”) with a potential lease term of 50 years. The Group is currently in the planning stage for the construction of a state-of-the-art facility which is expected to commence once all necessary permits and licenses have been obtained. The costs of building construction and purchase of machineries are expected to be funded through a combination of external borrowings and internal funds.

When completed, MTQ UAE will provide engineering, fabrication, contract manufacturing and repairs services to a wide range of oilfield equipment. In this regards, MTQ UAE has also executed a Strategic Collaboration Agreement to explore potential areas of collaboration with Abu Dhabi National Oil Company as well as opportunities for expanding and developing further capabilities for manufacturing of oilfield equipment in the UAE.

*Rationale:*

While MTQ’s current facility in Bahrain experienced tremendous growth in recent years, it services mainly the Saudi Arabian market and its ability to tap into the UAE’s market, being the next biggest oil and gas market in the G.C.C. region, is limited by capacity constraints. By setting up a facility in Abu Dhabi, the Group will be able to take advantage of the growing sector in the UAE which presents an opportunity to MTQ to expand its core business by leveraging on its successful experiences in Bahrain and in the South East Asia, as well as its existing established relationships with the major OEMs and drilling contractors in the region.

Shareholders and potential investors are advised to exercise caution in trading their shares as there is no certainty or assurance as at the date of this announcement that the Proposed Expansion will materialise. The greenfield project in Abu Dhabi is still at the planning stage

and the Company will make further announcements when there are material developments in respect of the Proposed Expansion.

Save for their respective shareholdings in the Company, none of the Directors or controlling shareholders of the Company have any interest in the above transactions.

**BY ORDER OF THE BOARD**

Tan Lee Fang  
Company Secretary  
5 June 2023