RC: 370490

Multi-Trex

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Outstanding Financial Statements and Rectification of Compliance Status

Status Report To The Nigerian Stock Exchange

January 10, 2018

1. Settlement with AMCON & Business Re-commencement

A. Engagement of AMCON

Further to the consultative meeting our management had with yours on December 21, 2017, we write to formally apprise you with progress we have made in settling issues with AMCON and recommencing business operations with a view to ultimately remedying our compliance status with the Exchange

Therefore, it gives us pleasure to inform you that, during the last quarter of last year, AMCON and Multi-Trex succeeded in agreeing on all issues needed to be resolved to pave the way for the re-opening of the company's factory for business operation. At the tail end of last year, both parties agreed produced an agreement, articulating the agreed terms Multi-Trex's authorised signatories had already appended their signatures on the said agreement, witnessed by its firm of Solicitors and forwarded it to AMCON for their endorsement. Multi-Trex expects to receive its copy of the Agreement, duly signed by all related parties any moment soon. Then, the Agreement will be filed in court to formally close the pending cases.

B. Factory re-entry

Following AMCON's factory re-entry permission of September last year, a few of the company's erstwhile staff were immediately recalled to attend to certain essential pre-opening jobs during Q4 2017. Specifically, leakages in the roof of the factory building were repaired just as damaged/stolen items were reinstated. In addition, Light and water supply were restored in the premises while the factory environment got a facelift. Moreover, successes were recorded in addressing basic faults observed along the company's FMCG production line which was operated skeletally. Owing however to technical capacity limitation, retooling of the company's Cocoa Processing production lines was put in abeyance, pending the arrival of the European Original Equipment Manufacturers (OEM) into the country.

Working ahead still, Q4 2017 provided Multi-Trex ample opportunity to kick-start an innovative strategy capable of assisting the company to achieve raw materials supply sustainability. Then, prospects for toll processing of cocoa beans, an integral part of the company's business model, were extensively explored also.

C. Roadmap and Projected Timelines

Please find hereunder a Schedule outlining the critical prior tasks (including projected timelines) that are required to be undertaken leading to recommencement of commercial business operations, auditing of Multi-Trex's updated financial records and rectification of its compliance status with the Nigerian Stock Exchange:

January 1, 2018

Task	Responsibility	Projected Timeline	
		Start Date	End Date
Conclusion of the bilateral Settlement Agreement	AMCON / MX	Dec 27, 2017	Jan 20, 2018
Raising of working Capital for the business	MX / TDE	Jan. 2, 2018	Apr.30, 2018
Prospecting opportunities for contract manufacturing / Toll processing	MX	Jan 2, 2018	Apr.30, 2018
Visit of TDE (the prospective Chinese Investors) to Nigeria and Execution of the Tripartite Agreement	TDE / AMCON / MX	Jan 20, 2018	Mar. 31, 2018
Withdrawal of pending Court cases	AMCON / MX	Feb. 1, 2018	Feb. 28, 2018
Recalling, recruitment and retraining of personnel	MX	Feb 1 2018	Mar 31, 2018
OEM Rep's visit to Nigeria and Retooling of the Company's Cocoa Processing production machineries	MX / OEM	Feb. 1, 2018	April 15. 2018
Renewing the company's accounting software, updating financial records and carrying out audit of the books	MX / Ernst & Young	April 1, 2018	June 30, 2018
Receipt of new equity capital from TDE, satisfaction of regulations as they relate to new investments and issuance of MX Shares.	TDE / MX / Regulators	April 15, 2018	June 30, 2018
Filing audited financial Statements with the NSE to rectify compliance status	MX	July 1, 2018	July 31, 2018

<u>**TDE**</u>: TongDe Electric Group, China; <u>**MX**</u>: Multi-Trex Integrated Foods Plc

2. Statement of Affairs

Having regard to the constraints militating against Multi-Trex's ability to immediately present an updated audited financial statements to the Exchange, we forward herewith, in lieu, the company's Statement of Affairs as at December 31, 2017, as agreed at the referenced meeting.

We can only assure the Exchange that Multi-Trex is committed to auditing its updated financial statements and forwarding the audited accounts soon after recommencing commercial business operation.

Once again, we deeply thank the Exchange for its sustained understanding.

Best regards.

Yours faithfully,

FOR: MULTI-TREX INTEGRATED FOODS PLC

Dimeji Owofemi

Vice Chairman & Chief Executive