

# Meta Health Limited

(formerly known as Metal Component Engineering Limited)  
(Incorporated in the Republic of Singapore)  
(Company Registration 198804700N)

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## RECEIPT OF BILLS OF DEMAND FROM THE ROYAL MALAYSIAN CUSTOMS DEPARTMENT

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The board of directors (“**Board**” or “**Directors**”) of Meta Health Limited (the “**Company**” or “**Meta Health**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company and two (2) of its wholly-owned subsidiaries, namely Gainhealth Digital Sdn Bhd (“**Gainhealth**”) (by virtue of it being the agent of the Company in Malaysia) and MCE Technologies Sdn Bhd (“**MCE Technologies**”), have each received three (3) bills of demand from the Royal Malaysian Customs Department (“**Customs Authority**”) for goods and services tax (“**GST**”) and consequential penalties (collectively, the “**Claims**”). The aggregate amounts demanded by the Customs Authority pursuant to the Claims against each of the Company (together with Gainhealth) and MCE Technologies are approximately RM2,660,000 (equivalent to approximately S\$798,000<sup>1</sup>) and RM2,370,000 (equivalent to approximately S\$711,000<sup>1</sup>), respectively.

The Claims are made by the Customs Authority in respect of 6% GST allegedly undercharged on:

- (1) intra group invoices issued by MCE Technologies to the Company; and
- (2) invoices issued by the Company to third party companies which are licensed manufacturing warehouses (“**LMW Companies**”), and Flextronics Shah Alam Sdn Bhd (“**Flextronics**”) which is a third party company located in the free industrial zone of Malaysia,

(collectively, the “**Invoices**”).

The Invoices were issued in relation to the goods delivered by MCE Technologies to LMW Companies and Flextronics.

The Company, Gainhealth and MCE Technologies dispute the alleged Claims and have appointed Lee Hishammuddin Allen and Gledhill (“**Counsel**”) for the judicial review applications filed before the Kuala Lumpur High Court (“**KL High Court**”) to quash the Claims (“**Judicial Review Applications**”). The Company has been informed by the Counsel that substantive hearings for the Judicial Review Applications are likely to be fixed in the second calendar quarter of 2023.

The relevant bills of demand are as follows:

(a) **Company together with Gainhealth**

No.	Judicial Review Application	Date of Bill of Demand	Taxable Periods	GST Payable (RM)	Penalty (RM)
1.	Meta Health 1 <sup>st</sup> Judicial Review	30 March 2022	March 2016 – August 2016	317,282	328,603
		17 April 2022	September 2017 – August 2018	849,653	
2.	Meta Health 2 <sup>nd</sup> Judicial Review	21 July 2022	September 2016 – August 2017	892,509	269,997
			<b>Total</b>	<b>2,059,444</b>	<b>598,600</b>

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<sup>1</sup> Based on an exchange rate of RM1 : S\$0.30

(b) **MCE Technologies**

No.	Judicial Review Application	Date of Bill of Demand	Taxable Periods	GST Payable (RM)	Penalty (RM)
1.	MCE Technologies 1 <sup>st</sup> Judicial Review	30 March 2022	March 2016 – August 2016	296,758	290,321
		29 March 2022	September 2017 – August 2018	725,803	
2.	MCE Technologies 2 <sup>nd</sup> Judicial Review	10 August 2022	September 2016 – August 2017	811,761	242,588
<b>Total</b>				<b>1,834,322</b>	<b>532,909</b>

The Company has obtained a legal opinion dated 9 January 2023 on the prospect of success for the Judicial Review Applications from the Counsel ("**Legal Opinion**"). Based on the Legal Opinion, the Company has identified the Claims as those being claimed in the period prior to 1 January 2017 ("**pre-2017 Claims**") and the period from 1 January 2017 ("**post-2017 Claims**"). The Company is expected to recognise the pre-2017 Claims of approximately RM1,040,000 (equivalent to approximately S\$312,000<sup>2</sup>) in the Group's profit and loss account for the financial year ended 31 December 2022 ("**FY2022**"), and to disclose the post-2017 Claims amounting to approximately RM3,990,000 (equivalent to approximately S\$1,197,000<sup>2</sup>) as contingent liabilities in the Group's financial statements for FY2022, subject to the Judicial Review Applications and barring any new developments, including advice from the relevant professionals.

Further announcements will be made by the Company as and when there are material developments.

**Shareholders of the Company and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders of the Company are also advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests and to exercise caution when dealing in the securities of the Company. In the event of doubt, shareholders of the Company and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, or other professional advisors.**

**By order of the Board**

**Lee Wei Hsiung  
Company Secretary  
10 January 2023**

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<sup>2</sup> Based on an exchange rate of RM1 : S\$0.30

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*This announcement has been prepared by Meta Health Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, ZICO Capital Pte. Ltd. (the “**Sponsor**”), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (“**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 Mr Alex Tan, Chief Executive Officer, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.*