

CIRCULAR DATED 7 DECEMBER 2023

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

THIS CIRCULAR IS ISSUED BY META HEALTH LIMITED (THE “COMPANY”). IF YOU ARE IN ANY DOUBT AS TO THE CONTENTS HEREIN OR THE COURSE OF ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR BANK MANAGER, STOCKBROKER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Unless otherwise stated, capitalised terms appearing on the cover of this Circular are defined in this Circular under the section entitled “Definitions”.

This Circular has been prepared by 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 (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist. This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular. 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.

Solitaire LLP has been appointed as the legal adviser to the Company in Singapore in relation to the matters stated in this Circular.



META HEALTH LIMITED

(Company Registration Number: 198804700N)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED SALE OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF MCE TECHNOLOGIES (SUZHOU) CO., LTD. AS A MAJOR TRANSACTION UNDER CHAPTER 10 OF THE CATALIST RULES

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	20 December 2023 at 9:30 a.m.
Date and time of Extraordinary General Meeting	:	22 December 2023 at 9:30 a.m.
Place of Extraordinary General Meeting	:	Chui Huay Lim Club 190 Keng Lee Road Singapore 308409

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DEFINITIONS

In this Circular, the following definitions apply throughout except where the context otherwise requires or unless otherwise stated:

- “associate”** : A person who:
- (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
 - (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and
 - (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/ or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Board” or “Directors”** : The board of directors of the Company as at the Latest Practicable Date
- “Catalist”** : The Catalist board of the SGX-ST
- “Catalist Rules”** : The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 7 December 2023
- “Companies Act”** : The Companies Act 1967 of Singapore, as may be amended, modified or supplemented from time to time
- “Company”** : Meta Health Limited
- “Constitution”** : The Constitution of the Company, as amended, modified or supplemented from time to time
- “Controlling Shareholder”** : A person who:
- (a) holds directly or indirectly 15% or more of the voting Shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or
 - (b) in fact exercises control over the Company
- “CPF”** : Central Provident Fund

DEFINITIONS

“CPFIS”	:	CPF Investment Scheme
“Debt Consideration”	:	Has the meaning ascribed to it in paragraph 6.1 of this Circular
“EGM”	:	The extraordinary general meeting of the Company to be convened and held on Friday, 22 December 2023 at 9:30 a.m. at Chui Huay Lim Club, 190 Keng Lee Road, Singapore 308409, notice of which is set out on pages N-1 to N-4 of this Circular
“Equity Consideration”	:	Has the meaning ascribed to it in paragraph 6.1 of this Circular
“FY2021”	:	The financial year ended 31 December 2021
“FY2022”	:	The financial year ended 31 December 2022
“Group”	:	The Company and its subsidiaries
“HY2022”	:	The six months financial period ended 30 June 2022
“HY2023”	:	The six months financial period ended 30 June 2023
“Independent Valuer”	:	AVA Associates Limited
“Latest Practicable Date”	:	27 November 2023, being the latest practicable date prior to the printing of this Circular
“MCE Holdings”	:	MCE Technologies Holdings Pte. Ltd., a wholly-owned subsidiary of the Company
“MCE Shanghai”	:	MCE Corporation (Shanghai) Co., Ltd 美祈实业（上海）有限公司
“MCE Suzhou”	:	MCE Technologies (Suzhou) Co., Ltd. 美特尔金属制品（苏州）有限公司
“MCE Suzhou Group”	:	MCE Shanghai and MCE Suzhou
“MCE Suzhou Non-Trade Receivable”	:	Has the meaning ascribed to it in paragraph 1.1(b) of this Circular
“MCE Suzhou Non-Trade Payable”	:	Has the meaning ascribed to it in paragraph 1.1(c) of this Circular
“MCE Suzhou Trade Payable”	:	Has the meaning ascribed to it in paragraph 6.2 of this Circular
“Net Proceeds”	:	Has the meaning ascribed to it in paragraph 7.1 of this Circular
“Notice of EGM”	:	The notice of the EGM which is set out on pages N-1 to N-4 of this Circular
“NTA”	:	Net tangible assets
“Parties”	:	The Purchaser and MCE Holdings together and a “Party” means either of them

DEFINITIONS

“PRC”	:	People’s Republic of China
“Proposed Equity Transfer”	:	Has the meaning ascribed to it in paragraph 1.1(a) of this Circular
“Proposed Transactions”	:	Collectively, the Proposed Equity Transfer, the Proposed Waiver, and the Proposed Transfer
“Proposed Transfer”	:	Has the meaning ascribed to it in paragraph 1.1(b) of this Circular
“Proposed Waiver”	:	Has the meaning ascribed to it in paragraph 1.1(b) of this Circular
“Proxy Form”	:	The proxy form in respect of the EGM as set out on pages P-1 to P-2 of this Circular
“Purchaser”	:	Jiangsu TNS Industry Science & Technology Co., Ltd. 江苏泰恩斯工业科技有限公司
“RMB”	:	Renminbi, the lawful currency of PRC
“Sale Shares”	:	The entire issued and paid-up share capital of MCE Suzhou
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“Securities and Futures Act” or “SFA”	:	The Securities and Futures Act 2001 of Singapore, as may be amended, modified or supplemented from time to time
“SGXNet”	:	Website accessible at the URL https://www.sgx.com/securities/company-announcements
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	The registered holders of the Shares in the register of members of the Company, except where the registered holder is CDP, in which case, the term “ Shareholders ” shall, in relation to such Shares and where the context so admits, mean the Depositors in the Depository Register maintained by CDP and whose Securities Accounts are credited with such Shares
“Shares”	:	Ordinary shares in the issued share capital of the Company
“Share Registrar”	:	M & C Services Private Limited
“SPA”	:	The equity transfer agreement entered into between MCE Holdings and the Purchaser on 20 November 2023 in relation to the Proposed Transactions
“Sponsor”	:	ZICO Capital Pte. Ltd.
“SRS”	:	Supplementary Retirement Scheme

DEFINITIONS

“ Substantial Shareholder ”	:	Shall have the meaning ascribed to it in Section 81 of the Companies Act and Section 2(4) of the SFA, being a person who: (a) has an interest or interests in one (1) or more Shares; and (b) the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares
“ S\$ ” and “ cents ”	:	Singapore dollars and cents, respectively, the lawful currency of the Republic of Singapore
“ Total Consideration ”	:	Collectively, the Equity Consideration and the Debt Consideration
“ US\$ ”	:	United States dollars
“ Valuation Report ”	:	Independent valuation report dated 28 November 2023 issued by the Independent Valuer in relation to the valuation of MCE Suzhou
“ Valuation Summary ”	:	Executive summary dated 1 December 2023 of the Valuation Report issued by the Independent Valuer as set out in Appendix II to this Circular
“ % ” or “ per cent ”	:	Per centum or percentage

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

The term “**treasury shares**” shall have the meaning ascribed to it in Section 4 of the Companies Act.

The term “**subsidiary holdings**” is defined in the Catalist Rules to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include any firms, corporations and other entities that may be treated as a person under the applicable law.

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted up to the Latest Practicable Date. Any term defined under the Companies Act, the SFA, the Catalist Rules or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Catalist Rules or any modification thereof, as the case may be, unless otherwise provided.

Any reference in this Circular to “**Rule**” or “**Chapter**” is a reference to the relevant rule or chapter in the Catalist Rules as for the time being, unless otherwise stated.

Any reference to a time of day or a date in this Circular shall be a reference to Singapore time or date, respectively, unless otherwise stated.

All discrepancies in the tables included in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements. Further, the Company and the Sponsor disclaim any responsibility to update or revise any forward-looking statements for any reason, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

META HEALTH LIMITED

(Company Registration Number: 198804700N)
(Incorporated in the Republic of Singapore)

Board of Directors:

Ng Kee Huat, Bernard (Chairman and Group Chief Executive Officer)
Koh Gim Hoe (Lead Independent Non-Executive Director)
Lee Ming Hui, Kelvin (Independent Non-Executive Director)
Law Ren Kai, Kenneth (Independent Non-Executive Director)
Lim Qing Ru (Independent Non-Executive Director)

Registered Office:

7500A Beach Road
#12-303 The Plaza
Singapore 199591

Date: 7 December 2023

To: Shareholders of Meta Health Limited

Dear Sir/Madam

THE PROPOSED SALE OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF MCE TECHNOLOGIES (SUZHOU) CO., LTD. AS A MAJOR TRANSACTION UNDER CHAPTER 10 OF THE CATALIST RULES

1. INTRODUCTION

Background on the Proposed Transactions

- 1.1 On 21 November 2023, the Company announced that MCE Holdings (a wholly-owned subsidiary of the Company) had, on 20 November 2023, entered into the SPA with the Purchaser, pursuant to which:
- (a) MCE Holdings, as legal and beneficial owner of MCE Suzhou, shall sell the Sale Shares, being the entire issued and paid-up share capital of MCE Suzhou, a wholly-owned subsidiary of MCE Holdings, to the Purchaser for a cash consideration of RMB17,156,445 payable by the Purchaser to MCE Holdings (the “**Proposed Equity Transfer**”);
 - (b) certain members of the Group, as creditors of MCE Suzhou, shall waive an aggregate of RMB20,004,335 of debt (“**Proposed Waiver**”) and transfer an aggregate of RMB10,740,000 of debt owing by MCE Suzhou to MCE Holdings and other members of the Group (collectively, the “**MCE Suzhou Non-Trade Receivable**”), for a cash consideration of RMB50,000 payable by the Purchaser to MCE Holdings (the “**Proposed Transfer**”); and
 - (c) MCE Suzhou shall waive an aggregate of RMB305,589 of debt (the “**MCE Suzhou Non-Trade Payable**”) owing to MCE Suzhou by certain members of the Group.
- 1.2 The Proposed Transactions constitute a major transaction under Chapter 10 of the Catalist Rules. Upon completion of the Proposed Equity Transfer, MCE Suzhou and MCE Shanghai (a wholly-owned subsidiary of MCE Suzhou) will cease to be subsidiaries of the Company and the Group. Please refer to **Appendix I** of this Circular for the structure of the Group, before and after the Proposed Equity Transfer.

Extraordinary General Meeting

- 1.3 The Directors are convening the EGM to be held on Friday, 22 December 2023 at 9:30 a.m. at Chui Huay Lim Club, 190 Keng Lee Road, Singapore 308409 to seek Shareholders’ approval for the Proposed Transactions.

LETTER TO SHAREHOLDERS

Purpose of the Circular

- 1.4 The purpose of this Circular is to provide Shareholders with the information relating to, the rationale for, the benefits of and the financial effects of, the Proposed Transactions, and to seek Shareholders' approval at the EGM for the Proposed Transactions. The Notice of EGM is set out on pages N-1 to N-4 of this Circular.
- 1.5 The SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any statements made, opinions expressed or reports contained in this Circular.

2. INFORMATION ON MCE SUZHOU

- 2.1 The Company is the sole legal and beneficial owner of the entire issued and paid-up capital of MCE Holdings, which in turn is the sole legal and beneficial owner of the entire issued and paid-up capital of MCE Suzhou.
- 2.2 MCE Suzhou was incorporated in the PRC on 17 February 2007 and, as at the Latest Practicable Date, has a registered capital of US\$9.6 million, of which US\$6.0 million has been paid up. The principal activities of MCE Suzhou are metal stamping and manufacturing of tools and fixtures. Its directors are Chua Kheng Choon, Ding Hong Yu 丁红雨 and Ng Chee Hong, and its legal representative is Chua Kheng Choon.
- 2.3 As at the Latest Practicable Date, MCE Suzhou holds the entire issued and paid-up share capital of MCE Shanghai. MCE Shanghai was incorporated in the PRC on 7 August 2014 and, as at the Latest Practicable Date, has a registered capital of RMB500,000, which has been fully paid up. The principal activities of MCE Shanghai are trading of tools, components, product assemblies and related products. MCE Shanghai is currently dormant and is in the process of liquidation. Its directors are Chua Kheng Choon, Mak Peng Leong Philip and Tio Wee Seng, and its legal representative is Chua Kheng Choon.
- 2.4 Save as disclosed above, MCE Suzhou and MCE Shanghai do not hold any equity interest in another entity within or outside the Group.

3. INFORMATION ON THE PURCHASER

The information presented herein relating to the Purchaser is based on information provided by the Purchaser. In respect of such information, the Company has not independently verified the accuracy and correctness of the same and the Company's responsibility is limited to ensuring that such information has been accurately and correctly extracted and reproduced in this Circular in its proper form and context.

- 3.1 The Purchaser is a company incorporated in the PRC. The principal activities of the Purchaser are precision engineering, manufacturing and sales and after sales service of products and related technical advisory services, and import and export of products and technology.
- 3.2 As at the Latest Practicable Date, none of the Directors, the Company's Substantial Shareholder and their respective associates has any shareholding interests, direct or indirect, in the Purchaser. Further, none of the Directors, the Company's Substantial Shareholder and their respective associates is related or has any business connections to the Purchaser, the directors, substantial shareholders or the respective associates of the Purchaser.
- 3.3 There is no introducer or referrer involved in the Proposed Transactions, and there is no referral fees or commission fees or introducer fees or any other fees payable to any person or entity with respect to the Proposed Transactions.

LETTER TO SHAREHOLDERS

4. RATIONALE FOR THE PROPOSED TRANSACTIONS

- 4.1 The Board is of the view that the Proposed Transactions allow the Group to exit completely from the metal business that has been loss-making. The Company has recently completed the disposal of its other wholly-owned operating subsidiaries in the metal business in Malaysia and Thailand, being MCE Technologies Sdn Bhd and MCT Thailand Co. Ltd., in November 2023, following the approval of Shareholders at an extraordinary general meeting held by the Company. The Proposed Transactions also allow the Group to exit from its investment in MCE Suzhou at a lower cost than winding up MCE Suzhou. In addition, the Proposed Equity Transfer is in line with the Group's strategy to diversify away from the metal business and expand into the healthcare technology and services sector.

Divestment of the metal business under the MCE Suzhou Group

- 4.2 The Group's operations in relation to its metal business were severely affected by the COVID-19 pandemic's impact on the global economy. As set out in the Group's audited consolidated financial statements for FY2022, the Group recorded a revenue of S\$33.8 million in FY2022, representing a 21.5% decrease from S\$43.0 million in FY2021. The decrease was mainly due to a decline in revenue from the Group's metal business, which fell from S\$41.7 million in FY2021 to S\$31.8 million in FY2022, a decrease of S\$9.9 million. In particular, total revenue from the MCE Suzhou Group decreased from S\$17.8 million in FY2021 to S\$13.5 million in FY2022, and recorded a loss of S\$0.7 million in FY2022 as compared to a profit of S\$0.5 million in FY2021.
- 4.3 The Group continued to face more headwinds in HY2023 in relation to its metal business, which consequently had an adverse effect on the Group's financial condition and operating results. The MCE Suzhou Group recorded total revenue of S\$5.0 million in HY2023 as compared to S\$6.3 million in HY2022, representing a decrease of 20.6%. The MCE Suzhou Group also recorded a higher loss of S\$0.4 million in HY2023 as compared to S\$0.2 million in HY2022. The Proposed Transactions will allow the Group to eliminate its ongoing operational costs in relation to the MCE Suzhou Group and exit completely from its investment in the MCE Suzhou Group and the metal business, so that more of the Group's resources can be deployed to other viable business opportunities.
- 4.4 Among others, (i) MCE Suzhou has ceased its non-automotive related business from the first week of November 2023 so the revenue for MCE Suzhou shall decrease materially in the second half of 2023, (ii) the lease for the current premises of MCE Suzhou is ending in November and December 2023, and (iii) in the event that MCE Suzhou is wound up, the Company would have to contribute US\$3.6 million of registered capital which the Company has not yet paid for MCE Suzhou and retrenchment costs for the employees of MCE Suzhou is estimated to be approximately RMB8.5 million or more.

Diversification into the healthcare business

- 4.5 The Proposed Transactions allow the Group to deploy more resources to focus on growing and developing its portfolio within the healthcare business, and is in line with the Group's strategic diversification into the healthcare technology and services sector. Upon completion of the Proposed Transactions, the Group will have greater flexibility to explore and pursue viable business opportunities in the healthcare business, including growth opportunities through joint ventures or strategic alliances.
- 4.6 The Proposed Transactions will also allow the Group to strengthen its financial position and improve its cash position over the longer term. In light of the above, the Board is of the view that the Proposed Transactions are in the best interests of the Company and its Shareholders.

LETTER TO SHAREHOLDERS

5. VALUATION REPORT BY INDEPENDENT VALUER

- 5.1 Pursuant to Rule 1014(5) of the Catalist Rules, the Company has commissioned AVA Associates Limited as the Independent Valuer to undertake an independent valuation of the 100% equity interest in MCE Suzhou. No valuation was commissioned in respect of MCE Shanghai as MCE Shanghai is currently dormant and is in the process of liquidation. As at 30 June 2023, the book value of MCE Shanghai is approximately negative S\$53,000. A copy of the Valuation Summary is attached as **Appendix II** to this Circular. Both the Valuation Report and the Valuation Summary are available as documents for inspection.

Valuation Conclusion

- 5.2 Based on the Valuation Report, the valuation of the 100% equity interest in MCE Suzhou is S\$400,000 as at 30 September 2023.

Valuation Bases

- 5.3 Based on the Valuation Report, the basis of the valuation for MCE Suzhou is “market value”, which means the *“estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”*.
- 5.4 For the valuation, the Independent Valuer estimated the “market value” of MCE Suzhou on the premise of operating as a going concern, where the business will continue running normally using all of its assets to produce income, and in its current state as a private company. The Independent Valuer has (i) used the discounted cash flow methodology under the income approach as the primary approach, as it enabled the Independent Valuer to view the entire portfolio of assets of MCE Suzhou as an operating entity, with the principal focus of the analysis on the operating entity’s ability to generate free cash flow in the future, based on assumptions provided by the Company, and (ii) excluded the net amount of inter-company payable of RMB14,360,527, made up of RMB30,744,335 payable to and RMB16,384,079 receivable from the subsidiaries of the Company, which the Company has planned to transfer or waive off in connection with the Proposed Transactions.
- 5.5 The valuation is supplemented by the market approach, through the use of the publicly-traded guideline company methodology, to check the reasonableness of the result of the income approach. This methodology develops an indication of value for the subject company by calculating market pricing multiples for selected publicly-traded guideline companies and applying these multiples to the appropriate financial measures of the subject company.
- 5.6 The valuation and the Valuation Report are prepared in accordance with the International Valuation Standards (2020 edition) as published by the International Valuation Standards Committee and the requirements as set out in Practice Note 1 by the Institute of Valuers and Appraisers of Singapore. The Valuation Summary is prepared in accordance with the International Valuation Standards 103, Reporting and Practice Note 2 by the Institute of Valuers and Appraisers of Singapore.
- 5.7 The Independent Valuer has confirmed that it had no present or contemplated interest in the Company and MCE Suzhou, which is the subject of the valuation, and is acting independently of all parties. None of the Directors, the Company’s Substantial Shareholder, and their respective associates has any interest, direct or indirect, in the Independent Valuer.

Shareholders are advised to read and consider the Valuation Summary carefully, in particular the scope of work, selected valuation approach, key valuation assumptions and critical factors taken into account by the Independent Valuer.

LETTER TO SHAREHOLDERS

6. PRINCIPAL TERMS OF THE SPA

Total Consideration

- 6.1 The consideration for the equity capital of MCE Suzhou for the Proposed Equity Transfer is RMB17,156,445 (the “**Equity Consideration**”) and the consideration for the Proposed Transfer is RMB50,000 (the “**Debt Consideration**”, and together with the Equity Consideration, the “**Total Consideration**”), which are payable fully in cash by the Purchaser to MCE Holdings.
- 6.2 The Total Consideration was arrived at following arm’s length negotiations between the Parties and based on a willing-buyer, willing-seller basis, taking into consideration MCE Suzhou’s financial position as set out in its management accounts (the “**October Management Accounts**”) for the period from 1 January 2023 to 31 October 2023, and the outstanding payables and receivables of MCE Suzhou as at the date of the SPA. As at the date of the SPA, the relevant members of the Group owe MCE Suzhou an aggregate of US\$2,139,406, which has been translated to RMB15,356,445 in the SPA (the “**MCE Suzhou Trade Payable**”). The Equity Consideration is subject to certain possible adjustments as set out under section 6.6 of this Circular.
- 6.3 The Equity Consideration is payable as follows:
- (a) Within five (5) business days after (i) the signing of the SPA, (ii) the Shareholders’ approval being obtained, and (iii) the designation in writing by MCE Holdings of the free trade non-resident account (the “**Bank Account**”) of MCE Holdings, the Purchaser shall pay MCE Holdings the first sum of the Equity Consideration of RMB450,000 (the “**First Instalment of Equity Consideration**”) to the Bank Account. Upon receipt of the First Instalment of Equity Consideration, MCE Holdings and the Purchaser shall co-operate with MCE Suzhou to complete the registration procedures in connection with the Proposed Equity Transfer (the “**Registration Procedures**”) with the Administration for Market Regulation 市场监督管理总局;
 - (b) Upon the SPA becoming effective, the Shareholders’ approval being obtained, and the completion of the Registration Procedures, the Purchaser shall pay the second sum of the Equity Consideration of RMB1.35 million to the Bank Account;
 - (c) Within forty-five (45) days after the SPA becoming effective, the completion of the Registration Procedures, and the acquisition of the registration certificate for the conversion from a foreign invested enterprise to a domestic invested enterprise, the Purchaser shall pay the third sum of the Equity Consideration of RMB5.1 million (the “**Third Instalment of Equity Consideration**”) to the Bank Account. Consequently, within three (3) business days after the receipt of the Third Instalment of Equity Consideration, MCE Holdings shall remit an amount equivalent to the Third Instalment of Equity Consideration (the “**First Instalment of Repayment**”) to MCE Suzhou in partial repayment of the MCE Suzhou Trade Payable;
 - (d) Within ten (10) days after MCE Suzhou receives the First Instalment of Repayment from MCE Holdings, the Purchaser shall pay the fourth sum of the Equity Consideration of RMB5.1 million (the “**Fourth Instalment of Equity Consideration**”) to the Bank Account. Consequently, within three (3) business days after the receipt of the Fourth Instalment of Equity Consideration, MCE Holdings shall remit an amount equivalent to the Fourth Instalment of Equity Consideration (the “**Second Instalment of Repayment**”) to MCE Suzhou in partial repayment of the MCE Suzhou Trade Payable; and
 - (e) Within ten (10) days after MCE Suzhou receives the Second Instalment of Repayment from MCE Holdings, the Purchaser shall pay the fifth and balance sum of the Equity Consideration of RMB5,156,445 (the “**Fifth Instalment of Equity Consideration**”) to the Bank Account. Consequently, within three (3) business days after the receipt of the Fifth Instalment of Equity Consideration, MCE Holdings shall remit an amount equivalent to the Fifth Instalment of Equity Consideration to MCE Suzhou in full repayment of the MCE Suzhou Trade Payable.

LETTER TO SHAREHOLDERS

- 6.4 The Parties agreed in the SPA that, within five (5) business days after the entry into the SPA, the Shareholders' approval being obtained, and the designation in writing of the Bank Account, the Purchaser shall pay the Debt Consideration of RMB50,000 to the Bank Account.
- 6.5 After the full payment of the Total Consideration, the Company shall instruct MCE Suzhou to refund to the Purchaser the transaction earnest money in the amount of RMB330,000 which was received by MCE Suzhou on behalf of the Company in respect of the Proposed Transactions.

Adjustments to Equity Consideration

- 6.6 The SPA provides that:
- (a) if the compensation amount paid by MCE Suzhou for the termination of its employees' employment contracts exceeds RMB8.5 million, the excess shall be borne by MCE Holdings and the Purchaser shall have the right to deduct such excess from the Equity Consideration;
 - (b) as the Equity Consideration was determined taking into account the October Management Accounts, MCE Holdings shall be responsible for any losses incurred by MCE Suzhou from 1 November 2023 to 31 December 2023 (the "**Relevant Period**") (to the extent of not more than RMB1.85 million) and the Purchaser shall have the right to deduct the amount of such losses from the Equity Consideration. For the avoidance of doubt, if the losses incurred during the Relevant Period exceeds RMB1.85 million, the Purchaser shall not raise any claim against MCE Holdings to deduct or request compensation for an amount exceeding RMB1.85 million; and
 - (c) in respect of the receivables from Cal-Comp Electronics (Suzhou) Co., Ltd. 泰金宝光电(苏州)有限公司 arising from MCE Suzhou's printer business, MCE Holdings shall ensure that the receivables of an amount of RMB10,317,744 as at 31 October 2023 shall be fully repaid before 11 December 2023. Otherwise, the Purchaser shall have the right to withhold the corresponding amount of such receivables not received by MCE Suzhou and pay the corresponding amount when MCE Suzhou receives the same.

Amendment and Termination

- 6.7 The SPA may be amended or terminated by the Parties, by signing an amendment or termination agreement upon the occurrence of any one of the following circumstances:
- (a) due to the impact of force majeure, the SPA is unable to be performed;
 - (b) any Party losing the ability to perform its obligations;
 - (c) due to the breach of the SPA by one of the Parties, which materially affects the economic interest of the other Party, causing it to be necessary that the SPA cannot be performed;
 - (d) the Parties agreeing to terminate the SPA after discussions due to change in circumstances; or
 - (e) the occurrence of other events resulting in amendment or termination as agreed in the SPA.

Liability for breach of contract

- 6.8 If any Party fails to perform or materially breaches any provisions of the SPA, the breaching Party shall compensate for the economic losses caused to the other Party. Unless otherwise provided in the SPA, the non-breaching Party shall also have the right to terminate the SPA.
- 6.9 If any Party fails to pay the Equity Consideration or the Debt Consideration in accordance with the SPA, such Party shall pay the other Party a penalty at the rate of 0.02% of the relevant amount for each day that payment is overdue. If the breach causes a loss to the non-breaching Party in excess of the penalty or the breach by the breaching Party causes the non-breaching Party other losses, the right of the non-breaching Party to claim for such excess or compensation for other damages shall not be affected.

LETTER TO SHAREHOLDERS

6.10 If MCE Holdings does not co-operate with the Purchaser in completing the Registration Procedures, the Purchaser shall have right to send a written notice to MCE Holdings. If MCE Holdings still does not co-operate with the Purchaser within ten (10) business days after receiving such notice, the Purchaser shall have the right to require MCE Holdings to pay 10% of the Equity Consideration as a penalty.

7. USE OF PROCEEDS

7.1 The estimated net proceeds from the Proposed Transactions (assuming no adjustments are made to the Equity Consideration), after deducting estimated expenses to be incurred in connection with the Proposed Transactions of approximately S\$152,000 (equivalent to approximately RMB791,824, based on an exchange rate of S\$1 to RMB5.2094) (the “**Expenses**”), is as follows (the “**Net Proceeds**”):

	RMB
Equity Consideration	17,156,445
Debt Consideration	50,000
Total Consideration	17,206,445
Less:	
MCE Suzhou Trade Payable	(15,356,445)
Expenses	(791,824)
Net Proceeds (RMB)	1,058,176
Net Proceeds (S\$)	203,128

7.2 As set out under paragraph 6.6(b) of this Circular, the Purchaser shall have the right to deduct the amount of losses incurred by MCE Suzhou (from 1 November 2023 to 31 December 2023) from the Equity Consideration, to the extent of not more than RMB1.85 million. In the event the deduction is RMB1.85 million, there will be no proceeds due to the Company from the Proposed Transactions.

7.3 The Company intends to utilise the entire Net Proceeds for general corporate and working capital purposes of the Group. Pending the deployment for the uses identified above, the Net Proceeds may be deposited with banks and/or financial institutions or used for any other purpose on a short-term basis, as the Directors may in their absolute discretion think fit.

8. RELATIVE FIGURES FOR THE PROPOSED TRANSACTIONS UNDER CHAPTER 10 OF THE CATALIST RULES

8.1 Based on the latest unaudited consolidated financial statements of the Group for HY2023, the relative figures of the Proposed Transactions computed on the applicable basis set out in Rule 1006 of the Catalist Rules, are as set out below:

Rule 1006	Bases of calculation	Relative figures
(a)	The net asset value of the assets to be disposed of, compared with the Group’s net asset value.	279.10% ⁽¹⁾
(b)	The net profits attributable to the assets disposed of, compared with the Group’s net profits.	19.31% ⁽²⁾
(c)	The aggregate value of the consideration received, compared with the Company’s market capitalisation based on the total number of issued shares excluding treasury shares.	108.11% ⁽³⁾

LETTER TO SHAREHOLDERS

Rule 1006	Bases of calculation	Relative figures
(d)	The number of equity securities to be issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable ⁽⁴⁾
(e)	The aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves.	Not applicable ⁽⁵⁾

Notes:

- (1) Computed based on (i) the net asset value attributable to the MCE Suzhou Group of S\$877,148 as at 30 June 2023, taking into consideration the MCE Suzhou Non-Trade Receivable of RMB30,744,335, and the MCE Suzhou Non-Trade Payable of RMB305,589, and (ii) the Group's unaudited net asset value of S\$2,355,031 as at 30 June 2023.
- (2) Computed based on (i) the unaudited net losses attributable to the MCE Suzhou Group for HY2023 of S\$404,761, and (ii) the Group's unaudited net losses of S\$2,090,741 for HY2023.
- (3) Computed based on (i) the Total Consideration of RMB17,206,445 (assuming no adjustments are made to the Equity Consideration), taking into consideration the MCE Suzhou Non-Trade Receivable of RMB30,744,335, and the MCE Suzhou Non-Trade Payable of RMB305,589, and (ii) the Company's market capitalisation of S\$8,246,783 (as determined by multiplying 1,030,847,876 Shares in issue as at 20 November 2023 by the volume weighted average price of such Shares of approximately S\$0.008 for trades done on 20 November 2023, being the last traded day preceding the date of the SPA).
- (4) Rule 1006(d) of the Catalist Rules is not applicable as the Proposal Disposal is a disposal of assets.
- (5) Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil and gas company.
- (6) RMB is converted to Singapore dollars based on an exchange rate of S\$1 to RMB5.3442 as at 30 June 2023, where applicable.

8.2 As the relative figures computed on the bases set out in Rule 1006(a) and Rule 1006(c) of the Catalist Rules exceed 50%, the Proposed Transactions constitute a major transaction under Chapter 10 of the Catalist Rules, and the approval of the Shareholders at the EGM to be convened will be sought for the Proposed Transactions.

8.3 In addition, pursuant to Rule 1014(5) of the Catalist Rules, as the relative figures computed on the bases set out in Rule 1006(a) and Rule 1006(c) of the Catalist Rules exceed 75%, the Company has commissioned the Independent Valuer to carry out an independent valuation on MCE Suzhou for the purpose of the Proposed Transactions. Please refer to paragraph 5 of this Circular for more information on the independent valuation on MCE Suzhou.

9. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS

9.1 The *pro forma* financial effects of the Proposed Transactions, based on the audited consolidated financial statements of the Group for FY2022 (being the most recently completed financial year), are set out below. The *pro forma* financial effects are presented for illustration purposes only and do not necessarily reflect the actual results and financial performance and position of the Company or the Group after completion of the Proposed Transactions. No representation is made as to the actual financial position and/or results of the Company or the Group after completion of the Proposed Transactions.

LETTER TO SHAREHOLDERS

Effect on NTA per Share

- 9.2 Assuming the Proposed Transactions had been effected on 31 December 2022, the financial effect on the NTA per Share of the Group will be as follows:

As at 31 December 2022	Before Completion of the Proposed Transactions	After Completion of the Proposed Transactions
NTA (S\$'000)	4,715	3,252
Number of Shares in the issued and paid-up capital of the Company, excluding treasury shares and subsidiary holdings	542,551,517	542,551,517
NTA per Share (Singapore cents)	0.87	0.60

Effect on Loss per Share

- 9.3 Assuming the Proposed Transactions had been effected on 1 January 2022, the financial effect on the loss per Share of the Group will be as follows:

For FY2022	Before Completion of the Proposed Transactions	After Completion of the Proposed Transactions
Net loss attributable to Shareholders (S\$'000)	(8,758)	(14,789) ⁽¹⁾
Weighted average number of Shares of the Company, excluding treasury shares and subsidiary holdings	533,127,054	533,127,054
Loss per Share (Singapore cents)	(1.64)	(2.77)

Note:

- (1) The higher loss is due to the net loss on disposal in respect of the Proposed Transactions of approximately S\$6,724,808. Please refer to paragraphs 9.6 and 9.8 of this Circular for more information.

Financial Information of the MCE Suzhou Group

- 9.4 Based on the latest audited consolidated financial statements of the Group for FY2022, the net losses attributable to the MCE Suzhou Group was S\$693,010, and the NTA value of the MCE Suzhou Group was S\$1,311,224 as at 31 December 2022.
- 9.5 Based on the latest unaudited consolidated financial statements of the Group for HY2023, the net losses attributable to the MCE Suzhou Group was S\$404,761, and the NTA value of the MCE Suzhou Group was S\$877,148 as at 30 June 2023.

Consideration below Book Value and Net Loss on Disposal

- 9.6 Based on the latest unaudited consolidated financial statements of the Group for HY2023, the adjusted book value of the MCE Suzhou Group was S\$6,572,808 as at 30 June 2023, after adjusting for the MCE Suzhou Non-Trade Receivable of RMB30,744,335, and the MCE Suzhou Non-Trade Payable of RMB305,589.
- 9.7 The Net Proceeds of approximately S\$203,128 (assuming no adjustments to the Equity Consideration) represent a loss of approximately S\$6,369,680 over the adjusted book value of the MCE Suzhou Group as set out under paragraph 9.6 above. Accordingly, the Group expects to recognise a net loss on disposal in respect of the Proposed Transactions of approximately S\$6,369,680.

LETTER TO SHAREHOLDERS

9.8 In the event there are no proceeds from the Proposed Transaction (as set out under paragraph 7.2 of this Circular), the Group expects to recognise a net loss on disposal in respect of the Proposed Transactions of approximately S\$6,724,808.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDER

10.1 The interests of the Directors and the Substantial Shareholder in the share capital of the Company as at the Latest Practicable Date, as recorded in the Register of Directors' Shareholdings and Register of Substantial Shareholders kept by the Company, are as follows:

Director	Direct Interest		Deemed Interest	
	Number of Shares	(%) ⁽¹⁾	Number of Shares	(%) ⁽¹⁾
Ng Kee Huat, Bernard	24,500,000	2.38	–	–
Substantial Shareholders				
Blue Ocean Capital Partners Pte Ltd	99,470,223	9.65	–	–
Estate of Lin Wei, Daniel ⁽²⁾	–	–	99,470,223	9.65

Notes:

- (1) The percentage is calculated based on 1,030,847,876 Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.
- (2) The Estate of Lin Wei, Daniel is the sole shareholder of Blue Ocean Capital Partners Pte Ltd. Accordingly, the Estate of Lin Wei, Daniel is deemed to be interested in all the Shares held by Blue Ocean Capital Partners Pte Ltd by virtue of Section 7 of the Companies Act.

10.2 Further, as at the Latest Practicable Date, as recorded in the Register of Directors' Shareholdings, certain Directors have interests in options to subscribe for Shares granted pursuant to the Company's employee share option schemes, as follows:

Directors	Number of Unissued Shares under Option	(%) ⁽¹⁾
Kim Gim Hoe	3,000,000	0.29
Lee Ming Hui, Kelvin	1,000,000	0.10

Note:

- (1) The percentage is calculated based on 1,030,847,876 Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.

10.3 As at the Latest Practicable Date, save for their respective shareholdings in the Company (if any) and unissued Shares under option (if any), none of the Directors, the Substantial Shareholder, and their respective associates has any interest, direct or indirect, in the Proposed Transactions.

11. DIRECTORS' SERVICES CONTRACTS

No person is proposed to be appointed to the Board in connection with the Proposed Transactions. Accordingly, no service contract is proposed to be entered into between the Company and any such person

12. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-4 of this Circular, will be convened and held at Chui Huay Lim Club, 190 Keng Lee Road, Singapore 308409, on Friday, 22 December 2023 at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the Proposed Transactions as set out in the Notice of EGM. **There will be no option for Shareholders to participate virtually.**

LETTER TO SHAREHOLDERS

13. DIRECTORS' RECOMMENDATION

- 13.1 The Directors recommend the Shareholders to exercise caution in their decision in voting in favour for or against the Proposed Transactions. Any individual Shareholder who may require specific advice should consult his/her stockbroker, bank manager, solicitor, accountant or other professional adviser.
- 13.2 The Directors recommend that Shareholders should read this Circular including but not limited to the Valuation Summary, in its entirety carefully.
- 13.3 The Directors having considered, amongst others, the terms, rationale and benefits of the Proposed Transactions, the details of the Proposed Transactions, the Valuation Report, the Valuation Summary and the financial effects of the Proposed Transactions, are of the opinion that the Proposed Transactions are in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the Proposed Transactions as set out in the Notice of EGM.

14. CONSENTS

Singapore Legal Adviser to the Company

- 14.1 Solitaire LLP, as the Singapore legal adviser to the Company for the Proposed Transactions, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all references thereto in the form and context in which it appears in this Circular, and to act in such capacity in relation to this Circular.

Independent Valuer

- 14.2 The Independent Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and the Valuation Summary as set out in **Appendix II** to this Circular, and all references thereto (including the Valuation Report and the Valuation Summary), in the form and context in which they appear in this Circular, and to act in such capacity in relation to this Circular.

15. ACTION TO BE TAKEN BY SHAREHOLDERS

Submission of Proxy Forms to Vote

- 15.1 Shareholders who are unable to attend the EGM and who wish to appoint proxy(ies) to attend, speak and vote at the EGM on their behalf will find a Proxy Form attached to this Circular, which they should complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event:
- (a) if submitted by post, be deposited at the office of the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902; or
 - (b) if submitted electronically via email, be submitted to the Company's Share Registrar at gpb@mncsingapore.com,

in each case, by 9.30 a.m. on Wednesday, 20 December 2023 (being not less than forty-eight (48) hours before the time appointed for holding the EGM), and in default the Proxy Form shall not be treated as valid.

- 15.2 The appointment of a proxy by a Shareholder does not preclude him/her from attending, speaking and voting in person at the EGM if he/she wishes to do so.

LETTER TO SHAREHOLDERS

Submission of Questions in Advance

- 15.3 Shareholders can submit substantial and relevant questions relating to the resolution to be tabled for approval at the EGM, in advance of the EGM, to the Company in the following manner:
- (a) Shareholders may submit their questions by post, to be deposited at the registered office of the Company at 7500A Beach Road, #12-303 The Plaza, Singapore 199591; or
 - (b) Shareholders may submit their questions electronically via email to info@metahealth.sg,
in each case, by 9.30 a.m. on Friday, 15 December 2023 (the “**Cut-Off Time**”).
- 15.4 When submitting substantial and relevant questions electronically via email or by post, Shareholders must provide the Company with the following details to enable the Company to verify their status as Shareholders: (a) status: individual shareholder or corporate representative; (b) full name/full company name (as per CDP/CPF/SRS/Scrip-based records); (c) NRIC/FIN/Passport No./UEN; (d) e mail address; and (e) contact number (optional).
- 15.5 Persons who hold Shares through Relevant Intermediaries (as defined under Section 181(6) of the Companies Act) (other than CPF/SRS investors) should contact their respective Relevant Intermediaries through which they hold such Shares to submit their questions relating to the resolution to be tabled for approval at the EGM based on the abovementioned instructions.
- 15.6 The Company will endeavour to address all substantial and relevant questions received from Shareholders prior to the EGM, before or during the EGM. The responses to substantial and relevant questions received from Shareholders by the Cut-Off Time will be posted on SGXNet and the Company’s corporate website at the URL <https://metahealth.sg/> before 9.30 a.m. on Monday, 18 December 2023, being at least forty-eight (48) hours prior to the closing date and time for the lodgement of the Proxy Form. The Company will address any subsequent clarifications sought, or substantial and relevant follow-up questions (relating to the resolution to be tabled for approval at the EGM) received after the Cut-Off Time which have not already been addressed prior to the EGM, as well as those substantial and relevant questions received at the EGM, during the EGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

Notice of EGM and Circular

- 15.7 Printed copies of this Circular, which contains the Notice of EGM and the attached Proxy Form, will be sent to Shareholders by post. These documents will also be published on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> and the Company’s corporate website at the URL <https://metahealth.sg/>.

Depositors

- 15.8 A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to vote thereat unless his/her name appears on the Depository Register as certified by CDP at least seventy-two (72) hours before the time appointed for holding the EGM.

16. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transactions, the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

LETTER TO SHAREHOLDERS

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 7500A Beach Road, #12-303 The Plaza, Singapore 199591, during normal business hours from 9.00 a.m. to 5.00 p.m. for three (3) months from the date of this Circular:

- (a) the Constitution of the Company;
- (b) the English and Chinese versions of the SPA;
- (c) the annual report of the Company for FY2022;
- (d) the latest unaudited consolidated financial statements of the Group for HY2023;
- (e) the Valuation Summary;
- (f) the Valuation Report; and
- (g) the letters of consent referred to in paragraph 14 (Consents) above.

Yours faithfully

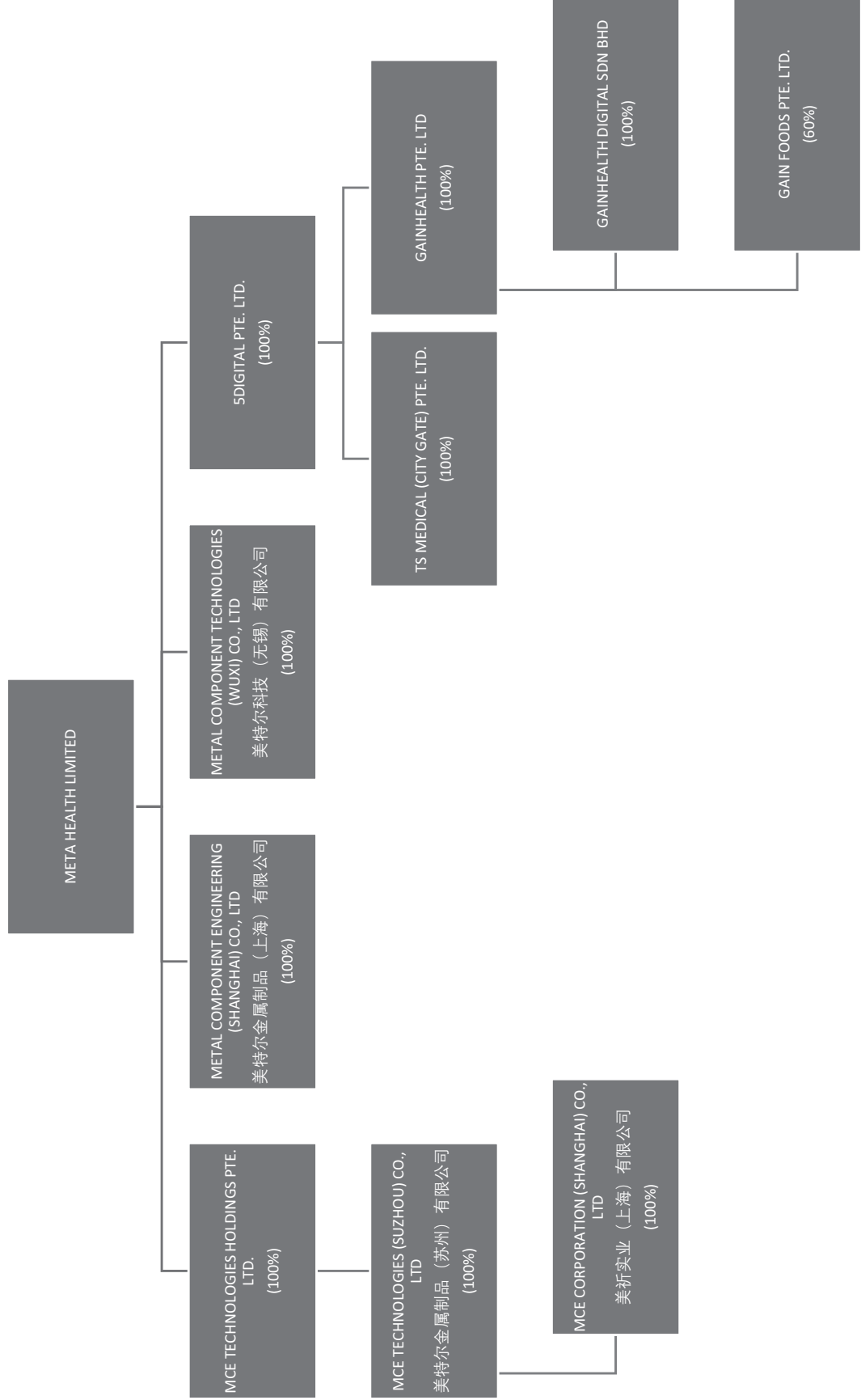
For and on behalf of the Board of Directors of
META HEALTH LIMITED

Dr Ng Kee Huat, Bernard

Chairman and Group Chief Executive Officer

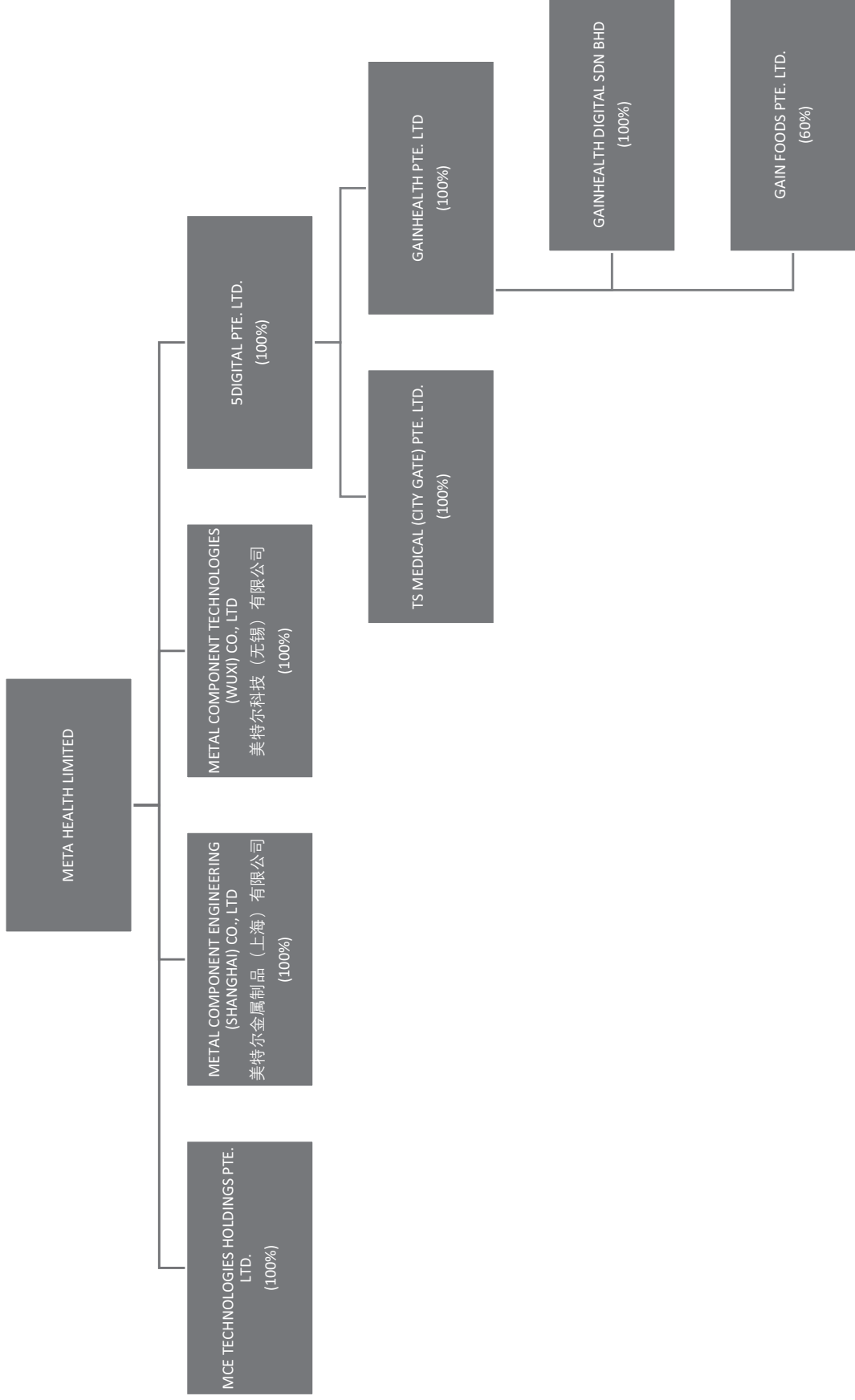
APPENDIX I – GROUP STRUCTURE BEFORE AND AFTER THE PROPOSED EQUITY TRANSFER

GROUP STRUCTURE BEFORE THE PROPOSED EQUITY TRANSFER AS AT THE LATEST PRACTICABLE DATE



APPENDIX I – GROUP STRUCTURE BEFORE AND AFTER THE PROPOSED EQUITY TRANSFER

GROUP STRUCTURE AFTER THE PROPOSED EQUITY TRANSFER



APPENDIX II – EXECUTIVE SUMMARY OF VALUATION REPORT

AVA Associates Limited

806 Empress Plaza
17-19 Chatham Road South
Tsim Sha Tsui, Hong Kong

1 December 2023

To
Board of Directors
Meta Health Limited
7500A Beach Road
#12-303 The Plaza
Singapore 199591

Dear Sirs,

Pursuant to instructions from Meta Health Limited (“**Meta Health**” or the “**Company**”), AVA Associates Limited (“**AVA**”) has performed a valuation to estimate the 100% equity interest in MCE Technologies (Suzhou) Co., Ltd (“**MCE Suzhou**” or the “**Target**”) as at 30 September 2023 (“**Valuation Date**”).

The purpose of this engagement is to assist the Board of Directors (the “**Board**”) of Meta Health in its assessment of the value of the Target. AVA is agreeable to allow the Company to make reference to this summary valuation report and/or the full valuation report in all the related announcements issued by the Company on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and the circular to the shareholders on the proposed disposal of the Target by the Company (the “**Circular**”). In addition, AVA is agreeable to the inclusion of this summary valuation report in the Circular. No other use, direct or indirect, of our analysis is intended or inferred or shall be relied upon by the Company other than explicitly specified in our engagement letter dated 28 December 2022.

Definition of Value

In estimating the value of the Target, our efforts were based on the following premise of value:

Market Value – *“The estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”* Such value represents an estimate based on the economic theory of equilibrium price for an asset in a perfect market.

Scope of Work

On 21 November 2023, Meta Health, listed on the SGX-ST, announced that the Company has entered into an equity transfer agreement to dispose of its entire equity interest in the MCE Suzhou.

AVA has been engaged by Meta Health to assist the Company in its preparation of a set of values pertaining to the business of the Target, in order to facilitate the Board’s assessment of the proposed disposal. The principal activities of the Target are that of metal stamping and manufacturing of tools and fixtures in China.

Our work consisted of determining the value of the 100% in the Target as at the Valuation Date. We estimated the Market Value of the Target on the premise of it being operated as a going concern, where the business will continue running normally using all of its assets to produce income, and in its current state as a private company.

APPENDIX II – EXECUTIVE SUMMARY OF VALUATION REPORT

For the purpose of assisting the Board in their analysis of the possible values of the Target, it is agreed that:

- We use the discounted cash flow (“DCF”) method as the primary approach, as it enabled us to view the entire portfolio of assets of the Target as an operating entity, with the principal focus of the analysis on the operating entity’s ability to generate free cash flow in the future, based on assumptions provided by the company, and
- We exclude the net amount of inter-company payable of RMB14,360,257, made up of RMB30,744,335 payable to and RMB16,384,079 receivable from subsidiaries of Meta Health, which Meta Health has plans to transfer or waive off in consideration of the proposed transaction.

Our valuation and the valuation reports are prepared in accordance with the International Valuation Standards (2020 edition) as published by the International Valuation Standards Committee and the requirements as set out in Practice Note 1 by the Institute of Valuers and Appraisers of Singapore. This summary report is prepared in accordance with the International Valuation Standards 103, *Reporting* and Practice Note 2 by the Institute of Valuers and Appraisers of Singapore. The procedures used in our analysis included such substantive steps, as we considered necessary, including, but not necessarily limited to, the following:

- Preparation of an information checklist for information gathering;
- Discussion with the appropriate parties regarding the identified assets, adopted/proposed valuation methodologies, current/proposed operations and historical/forecast financials of the Target, as well as its prospects, etc;
- Development of appropriate valuation models pertinent to the exercise;
- Preparation of draft reports for discussion with the Company;
- Submission of the final reports for the purpose of this exercise; and
- Preparation of a summarized version of our full reports for inclusion in the Circular.

Sources of Information

As part of our due diligence, we relied upon documents supplied by Meta Health and the Target, including, but not limited to, the following:

- Management accounts of the Target from the 9-month ending 30 September 2023;
- Financial forecast of the Target for 2023 to 2027;
- Fixed asset listing as at 30 September 2023; and
- Other relevant information.

We planned and performed our review and valuation so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to express our opinion on the subject asset. In the course of our work, we held discussions with the management concerning the history and current conditions of the Target, and financial and general outlook of the business of the Target. We assumed that the data we obtained in the course of the valuation, along with the opinions and representations provided to us are true and accurate. We have, however, made reasonable enquiries and exercised our judgement on the reasonable use of such information and representations (as deemed necessary) provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on. We also used financial and other information obtained from private and public sources we considered reliable. Our conclusions are dependent on such information being complete and accurate in all material respects. We believe the review and valuation procedures we employed provide a reasonable basis for our opinion.

Statement of Independence

We confirm that we have no present or contemplated interest in the Company and the Target which is the subject of this valuation and are acting independently of all parties.

APPENDIX II – EXECUTIVE SUMMARY OF VALUATION REPORT

Valuation Theory

Our approach in valuing the identified asset relies on using the appropriate techniques to arrive at our conclusion of value. We considered the three generally recognized approaches to value: the Income Approach, Market Approach and Cost Approach.

An overview of the three approaches considered is as follows:

- The Income Approach focuses on the income-producing capability of a business or asset. The Income Approach measures the current value of a business or asset by calculating the present value of its future economic benefits such as cash earnings, cost savings, tax deductions, and proceeds from disposition. Value indications are developed by discounting expected cash flows to their present value at a rate of return that incorporates the risk-free rate for the use of funds, the expected rate of inflation, and risks associated with the particular investment. The discount rate selected is generally based on rates of return available from alternative investments of similar type and quality as of the valuation date.
- The Market Approach measures the value of a business or asset through an analysis of recent sales or offerings of comparable businesses or assets. In estimating the value of a business under the Market Approach there are two methodologies: the publicly-traded guideline company methodology and the recent transaction methodology. The publicly traded guideline company methodology develops an indication of value for the subject company by calculating market pricing multiples for selected publicly-traded guideline companies and applying these multiples to the appropriate financial measures of the subject company. The recent transaction methodology develops an indication of value for the subject company by calculating market pricing multiples based on actual acquisitions of similar businesses and applying these multiples to the appropriate financial measures of the subject company. After deriving a value, adjustments are then made to account for differences between the subject business or asset being valued and the comparable businesses or assets used in the analysis.
- The Cost Approach measures the value of a business or asset by the cost to reconstruct or replace it with another of like utility. To the extent that the assets being valued provide less utility than new assets, the reproduction or replacement cost new would be adjusted to reflect appropriate physical deterioration, functional obsolescence, and economic obsolescence. The Cost Approach recognizes that a prudent investor would not ordinarily pay more for property or an asset than the cost to replace them new.

Selected Valuation Approach

Valuation of the Interest in the Target

We selected the Income Approach to estimate the value of the 100% equity interest in the Target. Our basis for selecting this approach was due to the availability of relevant data, specifically the historical financial and operating records for the company, as provided by Meta Health. Based on this information, we utilized a DCF methodology to estimate the cash that is available, either to invest in new or existing businesses or to distribute, to both equity and debt holders of the Target.

The value of the 100% equity interest of the Target is derived based on the following formula:

$$\begin{aligned} & \text{Market Value of the Equity Interest} \\ & = \\ & \text{Enterprise Value} - \text{Debt} + \text{Cash} + \text{Non-Operating Assets}/(\text{Liabilities}) \end{aligned}$$

Enterprise Value (“EV” or “TEV”) is a measure of a company’s value or business to its stakeholders, namely debt holders and equity owners.

APPENDIX II – EXECUTIVE SUMMARY OF VALUATION REPORT

The Market Approach was not deemed appropriate due to the lack of comparable market transactions and prices. We performed a similar transaction search and found no similar disclosed recent transactions. However, we reviewed the valuation of selected comparable companies to provide a sanity check on the results of our DCF analysis. While some may not be directly comparable, they can be useful for comparative purposes. Please refer to the list below of comparable companies selected for this valuation that are operating in the same industry as the Target (collectively, the “**CompCos**”).

- Lemtech Holdings Co., Limited (TWSE:4912)
- KFM Kingdom Holdings Limited (SEHK:3816)
- EVA Precision Industrial Holdings Limited (SEHK:838)
- Anli International Co., Ltd. (TPEX:5223)
- InnoTek Limited (SGX:M14)
- G-SHANK Enterprise Co., Ltd. (TWSE:2476)

The Cost Approach was also deemed inappropriate, as some of the significant assets of this business are the Target’s customer and supplier relationships, distribution network and assembled workforce. These would not be properly reflected using the Cost Approach methodology.

Valuation of the Target

In line with our scope of work to derive the value of the Target, we chose the DCF methodology as it enables us to view the company with its portfolio of assets as an operating entity, with the principal focus of the analysis on the operating entity’s ability to generate free cash flow in the future, based on assumptions provided by the Target. Free cash flow to enterprise/firm (“**FCFF**”) is defined as cash that is available either to invest in new or existing businesses or to distribute to investors (equity and debt holders). Reasonable projections of revenues, expenses, and reinvestment requirements (i.e. working capital and capital expenditures) form the basis for estimating the future free cash flows that a company will likely generate from its existing business.

The FCFF for each year of the projection period was calculated by adding non-cash expenses, such as depreciation and amortization, interest, deferred rent, and stock option expense, to and deducting incremental investments in working capital, and capital expenditures from the net profit.

The projected free cash flows were discounted to present value at an appropriate rate of return, or “discount rate” that reflects macroeconomic, industry, and firm-specific factors in determining the degree of perceived risk associated with the projected cash flow. The sum of the discounted stream of future free cash flow, together with the value of non-operating assets, reflects the market value of the subject enterprise or portfolio of assets.

In addition to calculating the FCFF throughout the projection period, it is necessary to calculate the terminal value of the subject business which reflects the value of the total capital at the end of the projection period. The terminal value was calculated by applying the Gordon Growth Model, a mathematical simplification to capitalize an earnings stream that is expected to grow at a long-term sustainable rate “g” and discount rate “k” into perpetuity. The formula is as follows:

$$\text{Terminal Value} = \frac{\text{Normalized Free Cash to Equity \& Debt Holders} * (1 + \text{Constant Growth Rate})}{\text{Discount Rate} - \text{Growth Rate}}$$

The discount rate in this exercise is a weighted average cost of capital (“**WACC**”) for the Target. It is comprised of a required rate of return on equity plus the current tax-effected rate of return on debt, weighted by the relative percentages of equity and debt in the capital structure of the Target’s business and of comparable public companies whose business operations are similar to those of the Target’s business.

APPENDIX II – EXECUTIVE SUMMARY OF VALUATION REPORT

Key Valuation Assumptions

We have assumed the following for the purpose of this exercise:

- In the course of operating the business, the Target will compose of all necessary assets, both tangible and intangible, to continue operating as it has under its current owners;
- The historical financial statements, while unaudited by external auditors, have been properly prepared to reflect true financial performance and standing;
- There will be no material change in the existing political, legal, technological, fiscal or economic condition which may adversely affect the development and business of the Target;
- There is no hidden or unexpected conditions associated with the assets valued that might adversely affect the reported; and
- As part of the Target's cessation of its printer parts business in October 2023, management has estimated retrenchment costs of RMB6 million; and
- Meta Health will transfer or waive a net amount of receivable from the Target, being RMB14,360,257 (SGD2,480,722 based on exchange rate of SGD0.188 as recorded by XE Currency as at 30 September 2023), for the purpose of considering the proposed sale of the Target. The net amount is made up of RMB30,744,335 of receivable from the Target and RMB16,384,079 of payable to the Target.

Meta Health has provided us with guidance on historical revenue, expenses, and working capital requirements for the Target. We were also provided with a 4-year-3-month financial projection for the Target, accompanied by assumptions adopted for its forecasted operation. Based on our professional judgement, we have put forth a set of parameters deemed to be reasonable to arrive at a multi-year projection, from October 2023 to December 2027 with the terminal year beginning in 2028, and adopted it for the purpose of this valuation. We discussed the risks of achieving these projections and the overall reasonableness of the parameters used. We considered the impact of each valuation-related parameter individually, and the related impact on our overall valuation conclusions.

Although the information and assumptions used in the cash flow projections are a reasonable basis for valuation purposes, our analysis and use of them do not constitute an examination or compilation of prospective financial information in accordance with established standards.

AVA is unable to provide assurance on the achievability of the results forecasted by the Target as events and circumstances frequently do not occur as expected; differences between actual and expected results may be material; and achievement of the forecasted results is dependent on actions, plans and assumptions of the management of the Target. Except as disclosed in this report, neither AVA, Meta Health nor the Target is aware of other liabilities, including any contingent liabilities or unusual contractual obligations or substantial commitments, which would have a material effect on the value of the Target.

Valuation Results

Our DCF model to derive the value of the EV of the Target is based on a WACC of 13.0% and a terminal growth rate of 2.0%. The EV is derived by summing the present value of FCFF over the forecast period and the terminal value. The EV of the Target is calculated to be negative S\$233,325. This negative value is mainly caused by the one-off expenses projected for the last 3 months of 2023, in relation to the Target's (1) cessation of the printer parts business and (2) planned move to a new premise, totaling SGD2,022,504. Details are as follows:

Retrenchment costs	SGD1,128,210	(RMB6,000,000)
Moving costs	SGD376,070	(RMB2,000,000)
Evaluation costs	SGD142,154	(RMB756,000)
New factory preparation costs	SGD376,070	(RMB2,000,000)
TOTAL	SGD2,022,504	(RMB10,756,000)

As for the value of the 100% equity interest in the Target, the following formula is applied to arrive at a value of S\$398,162 (rounded to S\$400,000).

APPENDIX II – EXECUTIVE SUMMARY OF VALUATION REPORT

$$\text{Market Value of the Equity Interest} = \text{Enterprise Value} - \text{Debt} + \text{Excess Cash} + \text{Non-Operating Assets/(Liabilities)}$$

Balance sheet item that figured into the formula above is cash of S\$631,488 based on its book value as at Valuation Date.

Do note that any deviation from the above key limitations and assumptions may significantly impact the valuation result.

As mentioned, we performed a sanity-check on the valuation results by looking at the valuation multiples of the CompCos, specifically the earnings before interest, tax, depreciation and amortization (“**EBITDA**”) and earnings before interest and tax (“**EBIT**”) of the CompCos based on their information over the last available 12 months (“**LTM**”) as at the Valuation Date. The table below highlights the various operating profit margins as compared to the Target’s margins in the first 9 months of 2023 and 2022.

Data is retrieved from S&P Capital IQ, a world-leading provider of financial information services and part of the S&P Global Group.

Company	LTM Gross Margin %	LTM EBITDA Margin %	LTM EBIT Margin %	LTM Net Income Margin %
Lemtech Holdings Co., Limited (TWSE:4912)	24.2%	12.2%	6.0%	3.7%
KFM Kingdom Holdings Limited (SEHK:3816)	18.6%	5.4%	4.4%	3.3%
EVA Precision Industrial Holdings Limited (SEHK:838)	19.9%	8.9%	5.3%	3.7%
Anli International Co., Ltd. (TPEX:5223)	19.5%	5.2%	-1.1%	-0.9%
InnoTek Limited (SGX:M14)	16.0%	4.4%	1.8%	3.8%
G-SHANK Enterprise Co., Ltd. (TWSE:2476)	28.2%	16.0%	13.0%	11.4%
High	28.2%	16.0%	13.0%	11.4%
Low	16.0%	4.4%	-1.1%	-0.9%
Mean	21.1%	8.7%	4.9%	4.2%
Median	19.7%	7.2%	4.9%	3.7%
Target's 2023 (Jan-Sep)	8.0%	2.0%	0.2%	0.2%
Target's 2022	4.0%	4.6%	-4.0%	-4.3%

Source: S&P Capital IQ and financial accounts of the Target

The Target recorded operating losses in 2022. Profits were recorded in the first 9 months of 2023, albeit the profit margins were lower than all but one of the CompCos’.

Below illustrates the EV/EBITDA and Price-to-Book Value (“**P/BV**”) multiples of the CompCos.

Company	TEV/EBITDA LTM - Latest	P/BV LTM - Latest
Lemtech Holdings Co., Limited (TWSE:4912)	10.20	1.6
KFM Kingdom Holdings Limited (SEHK:3816)	NM	0.3
EVA Precision Industrial Holdings Limited (SEHK:838)	3.60	0.4
Anli International Co., Ltd. (TPEX:5223)	8.80	0.9
InnoTek Limited (SGX:M14)	3.80	0.6
G-SHANK Enterprise Co., Ltd. (TWSE:2476)	5.50	1.7
High	10.20	1.7
Low	3.60	0.3
Mean	6.38	0.9
Median	5.50	0.8

Source: S&P Capital IQ

APPENDIX II – EXECUTIVE SUMMARY OF VALUATION REPORT

We determined the P/BV ratio of the Target to see how it compares with the same ratio of the CompCos, to ensure the reasonableness of our concluded value for the equity interest of SGD398,162. Our calculation of the adjusted net asset value of SGD3,912,037 (RMB20,804,838), taking into consideration Meta Health's proposed waiver of its inter-company receivable from the Target, is as follows.

Net asset value	SGD1,211,807 (RMB6,444,581)
<i>Add:</i> Net inter-company payable	SGD2,700,230 (RMB14,360,257)
Adjusted net asset value	SGD3,912,037 (RMB20,804,838)

With the 100% equity interest estimated as SGD398,162, book value of SGD1,211,807 and adjusted book value of SGD3,912,037, the P/BV ratios are thus 0.33 and 0.10 respectively. This places it below the low end of the CompCos' range of 0.3 to 1.7, in line with a lower valuation we have ascribed to the Target given its smaller size, lower profitability and on-going business reorganization.

Taking into account the Target's upcoming one-off cash outflows for the last 3 months of 2023 that totals SGD2,022,504, our EV estimate of a negative SGD233,325 and value of the 100% equity interest of SGD398,162 from the income approach can be regarded as a reasonable estimate.

Conclusion of Value

Based on the information provided, our analyses and conclusions of the various approaches, and subject to the attached Statement of General Assumptions and Limiting Conditions, we are of the opinion that, as at Valuation Date, the value of the 100% interest in the Target is reasonably stated as S\$400,000 (Singapore Dollars Four Hundred Thousand).

This is a summary report. A full valuation report for the Target is available at the office of Meta Health.

The conclusions of value are based on the accepted valuation procedures and practices that rely substantially on the use of numerous assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained. While the assumptions and consideration of such matters are considered to be reasonable, they are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of AVA, Meta Health and the Target.

Users of this valuation report should be mindful that value is time dependent. In estimating the value, AVA has taken into consideration the available information, all known factors and market environment of the subject of valuation as at Valuation Date. The Valuation Date is the specific point in time as of which our opinion of value applies. This fundamental principle forbids the application of hindsight and removes any use of retrospective evidence such as data or information in forming the assessment of value, unless these facts would reasonably have been known or knowable as at Valuation Date. Our valuation is strictly guided by this principle.

We do not intend to express any opinion on matters which require legal or other specialized expertise or knowledge, beyond what is customarily employed by valuers. Our conclusions assume continuations of prudent management of over whatever period of time that is reasonable and necessary to maintain the character and integrity of the assets valued.

This report and the observations and analyses are intended solely for use by the company and are not to be reproduced, disseminated or disclosed, in whole or in part, to any other party except in accordance with the terms of our engagement letter. The information contained in this report may include proprietary, sensitive and confidential information that has not been publicly disclosed. Release of this information to any other party could be damaging to the Company.

Respectfully submitted,

AVA Associates Limited

APPENDIX II – EXECUTIVE SUMMARY OF VALUATION REPORT

AVA Associates Limited, based in Hong Kong and Singapore, has been providing independent valuation services to clients in Asia since 2008. We provide transaction-based advisory services, primarily focusing on independent valuation services to assist its clients to comply with internal and external requirements. Our valuation team, made up of qualified professionals in their respective fields, has the expertise covering various classifications of tangible and intangible assets, focusing on four key competencies of business valuation, financial instrument valuation, intellectual property valuation and fixed asset valuation.

APPENDIX II – EXECUTIVE SUMMARY OF VALUATION REPORT

Statement of General Assumption and Limiting Conditions

This analysis is subject to the following general assumptions and limiting conditions:

Valuation - General

1. No investigation has been made of, and no responsibility is assumed for, the legal description of the property being valued or legal matters, including title or encumbrances. Title to the property is assumed to be good and marketable unless otherwise stated. The property is assumed to be free and clear of any liens, easements, encroachments, and other encumbrances unless otherwise stated.
2. Information furnished by others, upon which all or portions of this valuation is based, is believed to be reliable but has not been verified except as set forth in this report. No warranty is given as to the accuracy of such information.
3. This report has been made only for the purpose stated and shall not be used for any other purpose. Neither this report nor any portions thereof (including, without limitations, any conclusions, the identity of AVA or any individuals signing or associated with this report, or the professional associations or organizations with which they are affiliated) shall be disseminated to third parties other than the Company and its financial accounting firm, by any means without the prior written consent and approval of AVA.
4. This appraisal has been made in conformance with the International Valuation Standards issued by the International Valuation Standards Council.
5. Neither AVA nor any individual signing or associated with this report shall be required by reason of this report to give further consultation, provide testimony or appear in court or other legal proceedings unless specific arrangements therefore have been made.
6. No responsibility is taken for changes in market conditions and no obligation is assumed to revise this report to reflect events or conditions, which occur subsequent to the valuation date hereof.
7. The date of value to which the estimate expressed in this report applies is set forth in the beginning of this report. This valuation is valid only for the valuation date indicated. Our analysis is based on the purchasing power of the Singapore Dollar as of that date.
8. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government, or private entity or organization have been or can readily be obtained or renewed for any use on which the value estimate provided in this report is based.
9. Full compliance with all applicable federal, state, and local zoning and use, occupancy, environmental, and similar laws and regulations is assumed, unless otherwise stated.
10. Responsible ownership and competent management are assumed.
11. The value estimate is predicated on the financial structure prevailing as of the date of this analysis.
12. This report may not be included or referred to in any statutory filing or other public document.
13. This is a Summary Report. As such, it might not include full discussions of the data, reasoning, and analyses that were used in the valuation process to develop the valuation professional's estimate of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the valuation professional's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The valuation professional is not responsible for unauthorized use of this report.

APPENDIX II – EXECUTIVE SUMMARY OF VALUATION REPORT

Valuer's Professional Declaration

The following valuers certify, to the best of their knowledge and belief, that:

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in this assignment was not contingent upon developing or reporting predetermined results;
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal; and
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the International Valuation Standards (2020 edition) published by the International Valuation Standards Committee and the requirements as set out in Practice Note 1 and Practice Note 2 by the Institute of Valuers and Appraisers of Singapore.

Thomas Chua Boon Shyan
Director, CVA, MBA

Jack Li
Reviewer, CFA, MBA

NOTICE OF EXTRAORDINARY GENERAL MEETING

META HEALTH LIMITED

(Company Registration Number: 198804700N)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of **META HEALTH LIMITED** (the “Company”) will be held at Chui Huay Lim Club, 190 Keng Lee Road, Singapore 308409 on Friday, 22 December 2023 at 9:30 a.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the Ordinary Resolution set out below.

All capitalised terms in this notice of EGM which are not defined herein shall, unless the context otherwise requires, have the same meaning as ascribed to them in the circular dated 7 December 2023 (the “Circular”) issued by the Company to the Shareholders.

ORDINARY RESOLUTION – PROPOSED SALE OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF MCE TECHNOLOGIES (SUZHOU) CO., LTD. AS A MAJOR TRANSACTION UNDER CHAPTER 10 OF THE CATALIST RULES

RESOLVED THAT:

1. approval be and is hereby given for the proposed disposal by the Company, holding through MCE Technologies Holdings Pte. Ltd., of the entire issued and paid-up share capital in the Company’s wholly-owned subsidiary, being MCE TECHNOLOGIES (SUZHOU) CO., LTD. 美特尔金属制品（苏州）有限公司 and its subsidiary, on the terms and subject to the conditions set out in the equity transfer agreement dated 20 November 2023 entered into between the Company, and the purchaser, being Jiangsu Tai En Si Technologies Co., Ltd. 江苏泰恩斯工业科技有限公司 and the other Proposed Transactions described in the Circular;
2. the directors of the Company (the “Directors”) or any of them be and are hereby authorised to complete and do all acts and things (including, without limitation, enter into all transactions, arrangements and agreements and approve, sign and execute all such documents which they in their absolute discretion consider to be necessary, and to exercise such discretion as may be required, to approve any amendments, alterations or modifications to any document, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they or each of them deem desirable, necessary or expedient to give effect to the matters contemplated by this resolution and the Proposed Transactions as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company; and
3. any acts and things done or performed, and/or any agreements and documents signed, executed, sealed and/or delivered by a Director in connection with this resolution and the Proposed Transactions be and are hereby approved, confirmed and ratified.

BY ORDER OF THE BOARD

Dr Ng Kee Huat, Bernard
Chairman and Group Chief Executive Officer

7 December 2023

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTES:

General

1. The EGM will be held, in a wholly physical format, at Chui Huay Lim Club, 190 Keng Lee Road, Singapore 308409, on Friday, 22 December 2023 at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications the resolution set out in the Notice of EGM. There will be no option for Shareholders to participate virtually.
2. Members may participate in the EGM by:
 - (a) attending the EGM in person;
 - (b) voting at the EGM (i) themselves; or (ii) through their duly appointed proxy(ies); and/or
 - (c) submitting questions in advance of, or at, the EGM,details as set out in the paragraphs below.
3. Printed copies of the Circular, which contains this Notice of EGM and the attached Proxy Form, will be sent to Shareholders by post. These documents will also be published on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at the URL <https://metahealth.sg/>.

Register in person to attend the EGM

4. Shareholders and (where applicable) duly appointed proxies can attend the EGM in person. To do so, they will need to register in person at the registration counter(s) outside the EGM venue on the day of the event. Every attendee is required to bring his or her NRIC or passport to enable the Company to verify his or her identity. The Company reserves the right to refuse admittance to the EGM if the attendee's identity cannot be verified accurately. Shareholders are advised not to attend the EGM if they are feeling unwell.
5. Shareholders holding Shares through Relevant Intermediaries (as defined under Section 181(6) of the Companies Act) (other than CPF/SRS investors) who wish to participate in the EGM in person should approach his or her Relevant Intermediary at least seven (7) working days before the date of the EGM (i.e. by **5.00 p.m.** on **12 December 2023**) to make the necessary arrangements.

Submission of questions

6. Submission of questions in advance of the EGM: Shareholders can submit substantial and relevant questions relating to the businesses of the EGM, in advance of the EGM, to the Company (i) in hard copy by post, to be deposited at the registered office of the Company at 7500A Beach Road, #12-303 The Plaza, Singapore 199591, or (ii) electronically via email to info@metahealth.sg.

All substantial and relevant questions relating to the businesses of the EGM by the Shareholders must be submitted by **9.30 a.m.** on **15 December 2023** (the "**Cut-Off Time**").

When submitting substantial and relevant questions electronically via email or by post, Shareholders must provide the Company with the following details to enable the Company to verify their status as Shareholders: (a) status: individual shareholder or corporate representative; (b) full name/full company name (as per CDP/CPF/SRS/Scrip-based records); (c) NRIC/FIN/Passport No./UEN; (d) email address; and (e) contact number (optional).

Persons who hold Shares through Relevant Intermediaries (other than CPF/SRS investors) should contact their respective Relevant Intermediaries through which they hold such Shares to submit their questions relating to the resolution to be tabled for approval at the EGM based on the abovementioned instructions.

The Company will endeavour to address all substantial and relevant questions received from Shareholders prior to the EGM, before or during the EGM. The responses to substantial and relevant questions received from Shareholders by the Cut-Off Time will be posted on SGXNet and the Company's corporate website at the URL <https://metahealth.sg/> before **9.30 a.m.** on **18 December 2023**, being at least forty-eight (48) hours prior to the closing date and time for the lodgement of the Proxy Form. The Company will address any subsequent clarifications sought, or substantial and relevant follow-up questions (relating to the resolution to be tabled for approval at the EGM) received after the Cut-Off Time which have not already been addressed prior to the EGM, as well as those substantial and relevant questions received at the EGM, during the EGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

7. **Submission of questions during the EGM:** Shareholders and their proxy(ies) attending the EGM may ask questions in person at the EGM.

Voting

8. Shareholders (including CPF/SRS investors) can vote at the EGM themselves or through duly appointed proxy(ies). A Shareholder who wishes to appoint a proxy(ies) must submit an instrument appointing a proxy(ies) (i.e. the Proxy Form) in accordance with the instructions on the Proxy Form.

NOTICE OF EXTRAORDINARY GENERAL MEETING

9. If a Shareholder wishes to appoint a proxy(ies) to attend, speak and vote at the EGM on his or her behalf, he or she should submit the Proxy Form to the Company in the following manner: (a) if submitted by post, be deposited at the office of the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902; or (b) if submitted electronically via email, be submitted to the Company's Share Registrar at gpb@mncsingapore.com, in each case, by **9.30 a.m.** on **20 December 2023**, being not less than forty-eight (48) hours before the time appointed for holding the EGM, and in default the Proxy Form shall not be treated as valid.
10. A Shareholder who wishes to submit an instrument appointing a proxy(ies) must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it electronically via email to the email address provided above.
11. CPF/SRS investors may:
 - (a) vote live at the EGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have questions regarding their appointment as proxies; or
 - (b) appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks/SRS Operators no later than **5.00 p.m.** on **12 December 2023** (being seven (7) working days before the date of the EGM).

Other Information

12. A Shareholder of the Company entitled to attend, speak and vote at the EGM, and who is not a Relevant Intermediary (as defined under Section 181(6) of the Companies Act), is entitled to appoint one (1) proxy or two (2) proxies to attend, speak and vote in his or her place.
13. A Shareholder who is a Relevant Intermediary entitled to attend, speak and vote at the EGM is entitled to appoint more than two (2) proxies to attend, speak and vote instead of the Shareholder, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Shareholder. Where such Shareholder appoints more than one (1) proxy, it should annex to the Proxy Form the list of proxies, setting out, in respect of each proxy, the name, address, email address, NRIC/Passport Number and proportion of shareholding (number of Shares and percentage) in relation to which each proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank/SRS Operator who intends to appoint CPF/SRS investors as its proxies shall comply with this note to the Notice of EGM. The appointments shall be invalid unless the Shareholder specifies the number of Shares in relation to which each proxy has been appointed in the Proxy Form.
14. The completion and return of a Proxy Form by a Shareholder does not preclude him or her from attending, speaking and voting in person at the EGM should he or she subsequently decide to do so, although the appointment of the proxy(ies) shall be deemed to be revoked by such attendance.
15. A Depositor shall not be regarded as a Shareholder of the Company and shall not be entitled to attend the EGM and to speak and vote thereat unless his or her name appears on the Depository Register as certified by CDP as at seventy-two (72) hours before the time appointed for holding the EGM (i.e. **9.30 a.m.** on **19 December 2023**).
16. A proxy need not be a Shareholder of the Company. The Chairman of the EGM, as proxy, need not be a Shareholder of the Company.
17. A corporation which is a Shareholder of the Company may authorise by resolutions of its directors or other governing body, such person as it thinks fit to act as its representative at the EGM.
18. The instrument appointing a proxy(ies) must be signed by the appointor or his or her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it shall be executed either under its common seal or under the hand of any officer or attorney duly authorised. The power of attorney or other authority, if any, under which the instrument appointing a proxy(ies) is signed on behalf of the Shareholder or duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the instrument appointing a proxy(ies), failing which the instrument appointing a proxy(ies) may be treated as invalid.
19. The Company will, within one (1) month after the date of the EGM, publish the minutes of the EGM on SGXNet and the Company's corporate website, and the minutes will include the responses to substantial and relevant questions received from Shareholders which are addressed during the EGM.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a Shareholder of the Company:

- (a) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) warrants that where the Shareholder discloses the personal data of the Shareholder's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the Shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and
- (c) agrees that the Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty.

Photographic, sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared for the EGM. Accordingly, the personal data of a member of the Company (such as his name, his presence at the EGM and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

This notice has been prepared by 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 (the "SGX-ST") Listing Manual Section B: Rules of Catalist (the "Catalist Rules").

This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice.

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.

PROXY FORM

META HEALTH LIMITED

(Company Registration No. 198804700N)
(Incorporated in the Republic of Singapore)

PROXY FORM

EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this Proxy Form)

IMPORTANT:

1. A relevant intermediary may appoint more than two (2) proxies to attend the Extraordinary General Meeting (the "EGM") and vote (please see note 4 for the definition of "relevant intermediary").
2. For investor who holds shares under Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable), this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF Investors/SRS Investors should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.

*I/We, _____ (Name)

_____ (NRIC/Passport/Company Registration number)

of _____ (Address)

being a Shareholder of **META HEALTH LIMITED** (the "Company") hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

Or failing him/her, the Chairman of the EGM, as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the Extraordinary General Meeting (the "EGM") of the Company to be held at Chui Huay Lim Club, 190 Keng Lee Road, Singapore 308409 on Friday, 22 December 2023 at 9.30 a.m. and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for or against the Ordinary Resolution proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

No.	Ordinary Resolution	For*	Against*	Abstain*
1	To approve the proposed sale of the entire issued and paid-up share capital of MCE Technologies (Suzhou) Co., Ltd.			

* Delete as appropriate

If you wish your proxy to cast all your votes **For** or **Against** a resolution, please tick with "√" in the **For** or **Against** box. Alternatively, please indicate the number of votes **For** or **Against** each resolution. If you wish your proxy to **Abstain** from voting on a resolution, please tick with "√" in the **Abstain** box. Alternatively, please indicate the number of shares that your proxy is directed to abstain from voting. All resolutions put to the vote at the EGM shall be decided by way of poll.

Dated this _____ day of _____ 2023

Total number of Shares held

Signature(s) of Shareholder(s)
and/or Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

All capitalised terms used in this Proxy Form which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the circular issued by the Company to the Shareholders dated 7 December 2023 (the "Circular"), including supplements and modifications thereto.



PROXY FORM

NOTES:

1. If the Shareholder has Shares entered against his/her name in the Depository Register, he/she should insert that number of Shares. If the Shareholder has Shares registered in his/her name in the Register of Members, he/she should insert that number of Shares. If the Shareholder has Shares entered against his/her name in the Depository Register and registered in his/her name in the Register of Members, he/she should insert the aggregate number of Shares. If no number is inserted, this Proxy Form will be deemed to relate to all the Shares held by the Shareholder.
2. Printed copies of this Proxy Form will be sent to Shareholders by post. This Proxy Form will also be published on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at the URL <https://metahealth.sg/>.
3. A Shareholder who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the EGM. Where such Shareholder appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form.
4. A Shareholder who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Shareholder. Where such Shareholder appoints more than one (1) proxy, the number of Shares in relation to which each proxy has been appointed shall be specified in this Proxy Form.
5. "Relevant Intermediary" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967 of Singapore (the "Companies Act").
6. A proxy need not be a Shareholder of the Company. A Shareholder can appoint the Chairman of the EGM as his proxy, but this is not mandatory.
7. This Proxy Form, duly executed, must be submitted to the Company in the following manner:
 - (a) if submitted by post, be deposited at the office of the Company's share registrar, M & C Services Private Limited (the "Share Registrar") at 112 Robinson Road #05-01, Singapore 068902; or
 - (b) if submitted electronically via email, be submitted to the Company's Share Registrar at gpb@mncsingapore.com,in each case, by **9:30 a.m. on 20 December 2023** (being not less than forty-eight (48) hours before the time appointed for holding the EGM), and in default this Proxy Form shall not be treated as valid.
8. Completion and return of this Proxy Form does not preclude a Shareholder from attending, speaking and voting at the EGM. A Shareholder may revoke the appointment of a proxy(ies) at any time before the EGM commences and in such an event, the Company reserves the right to terminate the proxy(ies)' access to the EGM proceedings.
9. This Proxy Form must be signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.
10. Where this Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney or a notarially certified copy thereof (failing previous registration with the Company) must be attached to this Proxy Form, failing which this Proxy Form may be treated as invalid.
11. A corporation which is a Shareholder may authorise by resolutions of its directors or other governing body such person as it thinks fit to act as its representative at the EGM.
12. The Company shall be entitled to reject this Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this Proxy Form (including any related attachment). In addition, in the case of a Shareholder whose Shares are entered in the Depository Register, the Company may reject any Proxy Form lodged if the Shareholder, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting this Proxy Form, the Shareholder is deemed to have accepted and agreed to the personal data privacy terms set out in the Notice of EGM of the Company dated 7 December 2023.