

Meta Health Limited

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

(A) INVESTIGATIONS BY THE COMPANY INTO ALLEGATIONS

(B) LODGMENT OF POLICE REPORT

1. INTRODUCTION

1.1. The board of directors (“**Board**” or “**Directors**”) of Meta Health Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has investigated certain alleged irregularities relating to, among other things, certain sale transactions involving its wholly-owned subsidiary, Gainhealth Pte. Ltd. (“**Gainhealth**”) (“**Allegations**”).

2. THE STEPS THAT THE COMPANY HAS TAKEN, INCLUDING INVESTIGATING THE ALLEGATIONS AND OTHER ACTIONS

2.1. The Company first discovered certain irregularities concerning Gainhealth in March 2023 while it was following up on outstanding receivables and collections. The Company was then made aware of a first police report on around 25 March 2023 and a second police report on around 27 March 2023, which had been made about the Allegations by two customers of Gainhealth.

2.2. The Allegations also concern Dr. Vas Metupalle (the “**Officer**”), the Chief Medical Officer of 5Digital Pte. Ltd. (“**5Digital**”), a wholly-owned subsidiary of the Company. 5Digital (f.k.a. Metal Precision Services Pte. Ltd.) is a company that was incorporated in Singapore and whose registered address is at 1 Lorong 2 Toa Payoh, #02-02, Braddell House, Singapore 319637. The Officer is not a director of the Company, 5Digital or Gainhealth.

2.3. The Company has been seeking legal advice and conducting internal investigations concerning the Allegations. The Board is of the opinion that it needs to better understand the Allegations and gather the facts relating to the transactions involving the Company’s subsidiaries and the Officer before it is able to decide on the next steps, including making any further announcements.

2.4. Further, the Company has taken the following steps:

2.4.1. The Company has instructed its auditors, Foo Kon Tan LLP (“**Auditors**”), to conduct further checks and reviews with the objective of verifying and detailing the nature and extent of the financial impact(s) which may result from the Allegations;

2.4.2. On 31 March 2023, the Company suspended the Officer from his position as Chief Medical Officer of 5Digital with immediate effect; and

2.4.3. The Company has taken steps to meet and engage with its employees, customers, and suppliers who are potentially involved in or who might have information on the transactions which are the subject of the Allegations.

2.5. Based on the preliminary internal investigations, the Company has reasonable grounds to believe that the Officer had deceived and/or sought to deceive 5Digital and/or the Group, which

contravenes the terms of his contract of employment and his duties to 5Digital, and constitutes gross misconduct.

- 2.6. On 11 April 2023, the Officer's employment was terminated with immediate effect in accordance with the Officer's employment contract with 5Digital because the Board is of the reasonable opinion that the matters in paragraph 2.5 above constitute gross misconduct.
- 2.7. On 11 April 2023, the Company lodged a police report in respect of the Allegations. The Company has and will continue to assist and cooperate fully with the relevant authorities in all investigations, to the best of its abilities.

3. FURTHER ACTIONS

- 3.1. The Company treats the Allegations seriously, and has taken and will continue to take decisive actions to address the Allegations expediently and thoroughly.
- 3.2. The Board wishes to reiterate that investigations by the police into the Allegations are still ongoing, and the Company is in consultation with its advisers, including its Auditors, to assess the potential financial impact to the Group arising from the Allegations. It is envisaged that there will be a material negative impact (due to the re-assessment of impairment of certain non-financial assets) arising from the Allegations to the audited consolidated financial statements of the Group for the financial year ended 31 December 2022, which would be released by the Company in due course.
- 3.3. The Company will update shareholders on any material developments regarding the Allegations as and when appropriate, including the financial impact to the Group arising from the Allegations which will be reflected in the upcoming audited consolidated financial statements of the Group for the financial year ended 31 December 2022.

4. CAUTION IN TRADING

- 4.1. Shareholders and potential investors of the Company are advised to exercise caution in trading the shares of the Company. Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors of the Company should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board

Lee Wei Hsiung
Company Secretary
12 April 2023

This announcement has been prepared by Meta Health Limited (the "Company") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

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

The contact person for the Sponsor is Mr Alex Tan, Chief Executive Officer, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.