



META HEALTH LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No.: 198804700N)

RESPONSES TO QUERIES FROM THE SINGAPORE EXCHANGE REGULATION

The board of directors (the “**Board**”) of Meta Health Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) sets out its responses to the following queries raised by the Singapore Exchange Regulation (“**SGX**”) in respect of the Company’s announcement dated 10 January 2023 relating to the receipt of bills of demand from the Royal Malaysian Customs Department (the “**Announcement**”).

Unless otherwise defined or stated, (i) all capitalised terms used in this announcement shall have the same meaning as ascribed to them in the Announcement, and (ii) all currency translations of S\$ and RM used in this announcement are based on an exchange rate of RM1 : S\$0.30.

SGX Query 1

Please clarify if the Company has started paying the pre-2017 Claims of RM1 million? If so, will there be a full impact on the Group’s cashflow for FY2022?

Company’s Response

Notwithstanding that the Judicial Review Applications are pending, the Group is required by the Customs Authority to commence payment of the Claims (comprising the GST payable and the penalties) for the bills of demand.

The Group has applied to and has been granted by the Customs Authority for the payment of the Claims in the following manner:

- (a) an aggregate initial deposit of approximately RM503,000 (equivalent to approximately S\$151,000) is payable upfront; and
- (b) the balance aggregate amount will be paid in instalment over a 36-month period until year 2025.

In accordance to the abovementioned grant by the Customs Authority, the Group has commenced payment of the Claims in FY2022, and as at 31 December 2022, the Group has paid an aggregate of approximately RM1,155,000 (equivalent to approximately S\$346,000) to the Customs Authority. Accordingly, the impact to the cash and bank balances of the Group, arising from the Claims, is approximately RM1,155,000 (equivalent to approximately S\$346,000) for FY2022.



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SGX Query 2

Notwithstanding that the Company is disputing on the post-2017 Claims of RM4 million and recognising the RM4 million as contingent liabilities, please clarify if the Company is required to start paying this RM4 million? If so, what is the full impact on the Group's cashflow for FY2022? In the event the Judicial Review Applications are successful, is the Company claiming back the RM4 million post-2017 Claims?

Company's Response

As stated in the Company's response to SGX Query 1 above, the Group is required by the Customs Authority to commence payment of the Claims. For avoidance of doubt, the payment of Claims comprise pre-2017 Claims and post-2017 Claims.

In the event that the Judicial Review Applications are successful, and the Company succeeds in challenging the Claims entirely, the GST and penalties paid by the Group consequent to the bills of demand will be refunded by the Customs Authority.

However, in the event that the KL High Court allows for the Judicial Review Applications to be granted in part, for example, if the Group only succeeds in challenging the post-2017 Claims, the KL High Court may give the necessary order to the effect that only the post-2017 Claims paid by the Group will be refunded by the Customs Authority.

SGX Query 3

In view of the RM5 million Claims, please provide the Board of Directors' assessment of the Group's ability to continue operating as a going concern and the bases for the said assessment. Please also note that while the Company is disputing on the RM4 million, the Board and Sponsor should continue to assess the Group's ability to operate on a going concern when the Judicial Review Applications are concluded.

Company's Response

The Board is of the opinion that the Group will be able to continue as a going concern, for the following reasons:

- (a) the balance of the aggregate amount of the Claims will be paid in instalment until year 2025. As at 30 June 2022 (unaudited), the Group has cash and bank balances of approximately S\$4.31 million. For the current financial year ending 31 December 2023, the Group is envisaged to pay approximately RM1,496,000 (equivalent to approximately S\$449,000) of the balance of the aggregate amount of the Claims;
- (b) as at the date of this announcement, the Group has unutilised trade financing facilities amounting to approximately S\$4 million, which can be drawn down for purpose of the Group's operations; and



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- (c) as at the date of this announcement, the Group has an unutilised bank loan facility for working capital purposes of S\$600,000, which can be drawn down, if needed.

The Board and the Sponsor will continue to assess the Group's ability to operate on a going concern basis until the Judicial Review Applications have concluded.

By Order of the Board

Lee Wei Hsiung
Company Secretary
13 January 2023

*This announcement 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 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.