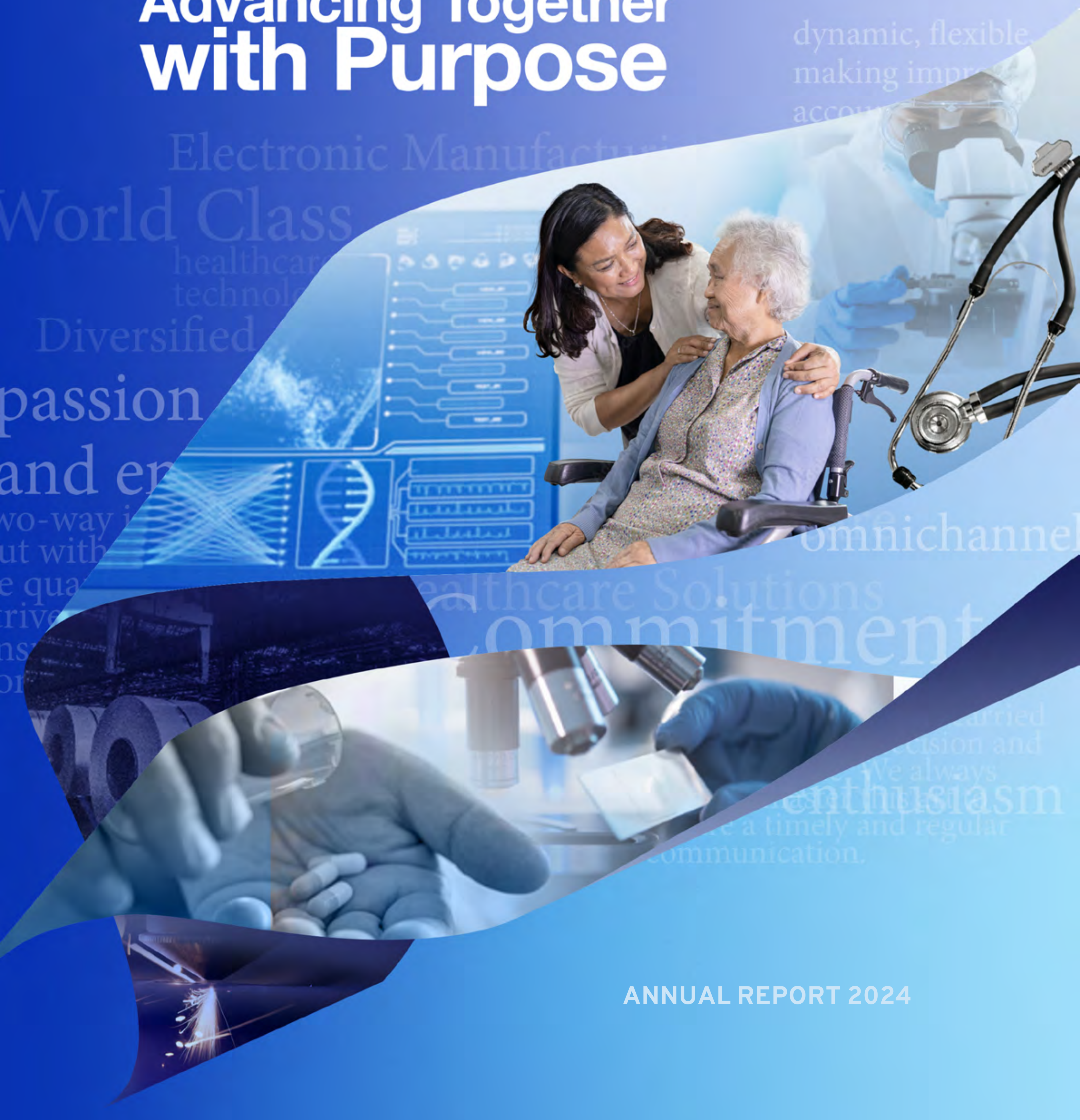
Meta Health

Advancing Together with Purpose



ANNUAL REPORT 2024

Contents

Vision

To be a World Class healthcare Solutions Provider

Mission

Automate healthcare and provide support systems to all

*This annual report has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").*

*This annual report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made, or reports contained in this annual report.*

The contact person for the Sponsor is Ms Lim Hui Zheng, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

Corporate Profile

Meta Health Limited ("**META**" or the "**Company**", and together with its subsidiaries, the "**Group**"), formerly known as Metal Component Engineering Limited, was founded in 1987 in Singapore.

META diversified into healthcare in 2021 and today has a Clinic equipped with chest X-ray facilities and provides a one-stop centre for foreign workers who are work permit applicants or holders to complete their requisite medical examination.

In line with the Company's strategy to diversify away from the metal business and expand into the healthcare technology and services sector, the Company undertook the disposals of three of its wholly-owned subsidiaries in the metal business in Malaysia, Thailand and Suzhou, China, in 2023.

Following the disposals, the Company is focused on looking for new businesses to expand the revenue stream of the Group.

Corporate Information

Company Registration Number

198804700N

Registered Office

7500A Beach Road

#12-303 The Plaza

Singapore 199591

Tel and Fax: +65 6759 5565

Board Of Directors

Law Ren Kai Kenneth
(Executive Chairman)

Sim Mong Keang
(Lead Independent Director)

Kenny Rebeira
(Independent Non-Executive Director)

Audit Committee

Sim Mong Keang (Chairman)

Law Ren Kai Kenneth

Kenny Rebeira

Remuneration Committee

Kenny Rebeira (Chairman)

Law Ren Kai Kenneth

Sim Mong Keang

Nominating Committee

Sim Mong Keang (Chairman)

Law Ren Kai Kenneth

Kenny Rebeira

Company Secretary

Gwendolin Lee Soo Fern

Share Registrar

B.A.C.S. Private Limited

77 Robinson Road

#06-03 Robinson 77

Singapore 068896

Sponsor

ZICO Capital Pte. Ltd.

77 Robinson Road

#06-03 Robinson 77

Singapore 068896

Bankers

United Overseas Bank Limited

Independent Auditor

Foo Kon Tan LLP

Public Accountants and Chartered Accountants

1 Raffles Place

#04-61 One Raffles Place Tower 2

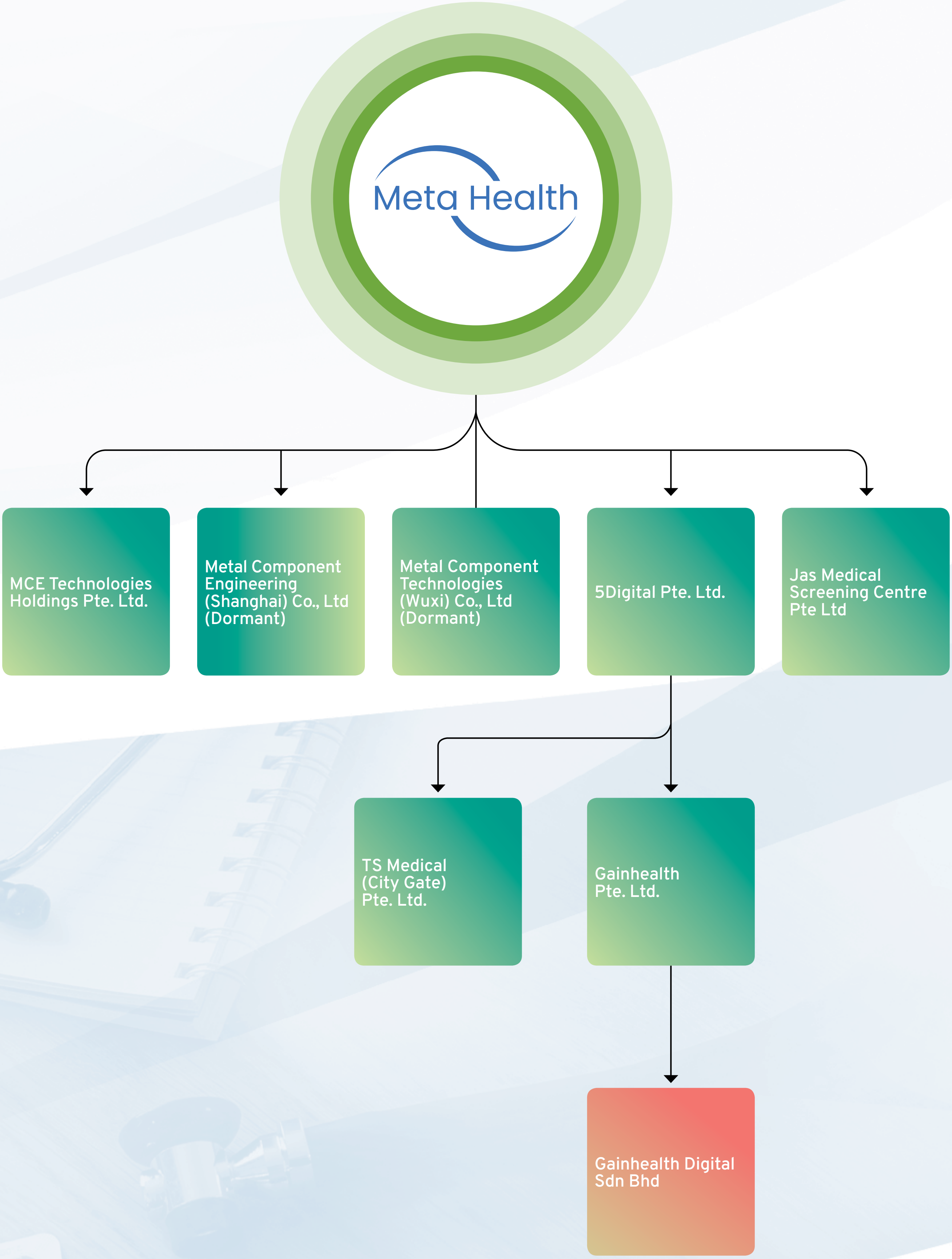
Singapore 048616

Partner-in-charge: Ling Guo Leng

(Appointed with effect from the

financial year ended 31 December 2023)

Corporate Structure



Our Core Values

COMMITMENT
We shall always contribute our 100% work effort with passion and enthusiasm. We conduct our business professionally just like a life long marriage, with the “can-do” attitude.

Communication
It is important that listeners understand and accept our views. We always ensure two-way interaction is carried out with clarity, precision and be quantifiable. We always strive to master this art to ensure a timely and regular communication.

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TEAM
We share a common goal, strive to understand each other’s strength and weakness, work together with a balanced approach, to bring the Company towards its winning state.

CREATIVITY
We must always think ahead, be bold to make a difference and to accept changes. We are always dynamic, flexible, continuously making improvement and accountable.

TRUST
We will trust others first, followed by check and balance. We shall always respect all individuals the same way we want to be respected. We empower people, but are aware of cross cultural differences and each other’s strength and weakness.

Dear Shareholders,

As we reflect on the financial year ended 31 December ("**FY**") 2024, I am pleased to share with you the progress we have made at Meta Health Limited. This year has been one of transformation and resilience. While challenges remain, we have positioned ourselves for a more sustainable future. Our main focus has been on stabilising our financial foundation, reducing losses, and pivoting towards a more sustainable business model. I would like to highlight the key improvements from FY2024 and outline our path forward.

In FY2024, we reduced our net loss from S$8.3 million in FY2023 to S$1.4 million. While we are not yet profitable, we maintained a disciplined approach to cost management which brings us closer to financial stability.

We also saw a positive change in our cash flows, with net cash used in operating activities of S$1.1 million in FY2024, compared to S$2.2 million in FY2023. This turnaround was driven by improved working capital management and a lower cash burn rate, which allowed us to preserve liquidity as we execute our strategic plans.

A significant portion of cash was used to reduce our total borrowings by 46%, from S$3.9 million as at 31 December 2023 to S$2.1 million as at 31 December 2024, through active repayment efforts. This reduction in financial leverage lowers our interest burden and strengthens our balance sheet, marking a critical step toward long-term financial stability.

We completed the acquisition of a 55% stake in Jas Medical Screening Centre Pte. Ltd. on 18 November 2024. Following the disposal of our metal business segment in FY2023, which was completed in FY2024, this acquisition underscores our commitment to integrating sustainable businesses into the Group.

While we have made meaningful progress, we remain mindful of our fragile financial position. Our turnaround is ongoing, and we continue to rely on your support as we navigate these challenges. Our success will depend on maintaining tight cost controls, effectively managing our existing businesses, and exploring opportunities for synergistic or diversified ventures to further strengthen the Group's financial position.

Thank you for your unwavering trust and support. Your confidence in Meta Health Limited drives our efforts, and I look forward to sharing our continued progress with you. The road ahead may present challenges, but with your backing, we are better equipped to overcome them and build a stronger future together.

Law Ren Kai Kenneth

Executive Chairman

Financial & Operational Review

Financial Review - Continuing Operation

The Group recorded revenue of S$0.2 million for the financial year ended 31 December 2024 ("**FY2024**"), 95.7% decrease from S$4.6 million for the financial year ended 31 December 2023 ("**FY2023**"). The decrease was mainly due to disposal of the Group's Metal business in FY2023. The Group has also scaled down its Healthcare business, as it no longer has any COVID-19 related business and lesser vaccination projects.

Other income increased by approximately S$1.1 million, from approximately S$0.1 million in FY2023 to approximately S$1.2 million in FY2024. The increase was mainly due to recovery of losses from irregularities concerning a subsidiary, Gainhealth Pte. Ltd., grants received from the government, reversal of certain payables and interest received from bank.

Cost of direct materials decreased from approximately S$3.8 million in FY2023 to approximately S$41,000 in FY2024, in line with the overall decrease in sales and revenue in FY2024 due to the disposal of the Group's Metal business in FY2023.

Employee benefits expense decreased by S$1.9 million, from S$2.7 million in FY2023 to S$0.8 million in FY2024, mainly due to decrease in headcount and staff costs, and allocation of costs due to disposal of subsidiaries in FY2023.

Depreciation of property, plant and equipment decreased by approximately S$18,000, from approximately S$27,000 in FY2023 to approximately S$9,000 in FY2024, mainly due to certain assets that had been fully depreciated in first half ("**1H**") 2024.

Depreciation of right-of-use assets decreased by approximately S$12,000, from approximately S$47,000 in FY2023 to S$35,000 in FY2024, mainly due to disposal (early termination) of a lease in Singapore in 1H2023, which was replaced with a lease at a lower rate. No penalty was incurred for this early termination.

Impairment of goodwill of S$0.4 million in FY2024 related to the impairment of the Group's investment in Jas Medical Screening Centre Pte Ltd ("**Jas Medical**") due to the recoverable amount being less than the value in use as at 31 December 2024.

Reversal of expected credit loss on trade and other receivables of approximately S$47,000 in FY2024 was due to reversal of provision made following receipts of payments from receivables.

Other losses decreased by approximately S$39,000, from approximately S$132,000 in FY2023 to S$93,000 in FY2024, mainly due to decrease in loss on disposal of property plant and equipment in FY2024.

Finance costs decreased by approximately S$154,000, from approximately S$295,000 in FY2023 to approximately S$141,000 in FY2024, mainly due to decrease in interest expense from bank borrowings, hire purchases, bill payables, and lease liabilities as a result of repayments.

Although other operating expenses increased by approximately S$0.1 million, from approximately S$0.9 million in FY2023 to approximately S$1.0 million in FY2024, overall operating expenses were lower in FY2024 compared to FY2023 due to a one-off reversal in FY2023 that had temporarily reduced expenses that year.

As a result of the above, the Group recorded a lower loss after tax from continuing operation of S$1.0 million in FY2024, as compared to a loss after tax from continuing operation of S$3.3 million in FY2023.

Loss from discontinued operation was due to the losses incurred from the disposal of MCE Technologies (Suzhou) Co., Ltd. ("**MCE Suzhou**") and MCR Corporation (Shanghai) Co., Ltd. (a wholly owned subsidiary of MCE Suzhou). Please see Note 26 to the Audited Financial Statements.

In FY2024, the Group recorded a net cash outflow of S$5.0 million in FY2024 (FY2023: inflow of S$2.2 million) due to net cash of S$1.1 million used in operating activities, net cash of S$1.6 million used in investing activities, and net cash of S$2.3 million used in financing activities. Correspondingly and after the effects of exchange differences on translation of cash and cash equivalents, the Group's cash and cash equivalents decreased by S$3.2 million, from S$3.4 million as at 31 December 2023 to S$0.2 million as at 31 December 2024.

As at 31 December 2024, the Group's recorded a negative net working capital of S$1.7 million as at 31 December 2024, as compared to a positive net working capital of S$0.9 million as at 31 December 2023.

Operational Review

Following the completion of disposal of subsidiaries under the Metal business, the Company is focusing on looking for new businesses to expand the revenue stream of the Group. The Company completed the acquisition of a majority equity interest of a clinic in Singapore, Jas Medical, in November 2024, and entered into a non-binding term sheet relating to the potential acquisition of an equity interest in Aios Bio Sciences Pte Ltd in December 2024. The Company is currently undergoing due diligence on the entity and will make an announcement should the Company enter into a definitive sale and purchase agreement.

Mr Law Ren Kai Kenneth

Executive Chairman

Mr Law was appointed to the Board as Independent Non-Executive Director in June 2022, and was subsequently appointed as Executive Chairman in March 2025 as part of the Company's strategic restructuring of its management team. He is also a member of the Audit, Nominating and Remuneration Committees. As the Executive Chairman, Mr Law is responsible for overseeing the overall business strategy of the Group and the conduct of the Group's daily operational directions and decisions.

Mr Law is currently the Chief Financial Officer of Tembusu Partners Pte Ltd, a boutique private equity firm in Singapore. Mr Law began his career in a professional service firm in London before joining a Big 4 accounting firm where he provided assurance services to public listed companies and multinational clients in various industries including healthcare, manufacturing, property development and banking. He subsequently held various C-suite positions in small and medium-sized enterprises and a listed company in Singapore.

Mr Law holds a Bachelor of Science (Honours) degree in Accounting and Finance from the London School of Economics and Political Science and is an associate of the Institute of Chartered Accountants in England and Wales and associate member of the Institute of Singapore Chartered Accountants.

Mr Sim Mong Keang

Lead Independent Director

Mr Sim was appointed to the Board in August 2024. He is also the Chairman of the Audit Committee and the Nominating Committee, and a member of the Remuneration Committee.

Mr Sim is the CEO of Serial Achieva Limited, a company listed on SGX Catalist, a leading distributor of consumer and enterprise information technology products with an extensive reach in Southeast Asia. He also serves as a non-executive director at companies listed on the Mainboard of the SGX-ST, namely Global Invacom Group Limited, a satellite communication company and USP Group Limited, a company with its core businesses in the distribution of marine engine products, recycling of waste oils, scientific instrumentation and calibration, and property investment and management.

As the Chairman of Cheng Hong Welfare Services Society, a registered charity accorded with an institution of a public character status, he has worked tirelessly to introduce new programmes to aid the underprivileged, including Singapore's first free TCM clinic for children and a gym for seniors.

He holds a Bachelor of Commerce from Murdoch University, Western Australia, and a Diploma in Electronics Engineering from Ngee Ann Polytechnic, Singapore. He was awarded the Public Service Medal (Pingat Bakti Masyarakat) by the President of Singapore in 2020 for his contribution to public services and the Public Service Star (COVID-19) in recognition of his contribution to Singapore's fight against the COVID-19 pandemic.

Mr Kenny Rebeira

Independent Non-Executive Director

Mr Kenny was appointed to the Board in February 2025. He is also the Chairman of the Remuneration Committee and a member of the Audit Committee and the Nominating Committee.

Mr Kenny is currently a consultant to Novocure GmbH, a Nasdaq-listed company. He is also an advisor to the Group CEO of SMRT. Prior to his appointment at Novocure and SMRT, he was a Director at the Ministry of Defense in Singapore with over 30 years of experience in management.

Mr Kenny holds a Bachelor of Science Degree from the National University of Singapore.

Key Management

Dr Bernard Ng Kee Huat

Chief Medical Officer

Dr Bernard Ng joined the Group as the Executive Director of 5Digital Pte Ltd (a subsidiary of the Company) in January 2022, and was subsequently appointed as an Executive Director of the Company, Chairman of the Board, and Group Chief Executive Officer in June 2022. In March 2025, Dr Bernard Ng was redesignated as Chief Medical Officer and stepped down as an Executive Director, as part of the Company's strategic restructuring of its management team as it endeavours to expand into the digital healthcare industry. As the Chief Medical Officer, Dr Bernard Ng manages and oversees the operations and business of the Group's healthcare business and assists the Executive Chairman in the Group's daily operational directions and decisions.

Prior to joining the Company, Dr Bernard Ng was with Bayer Consumer Healthcare from 2017 till 2021, holding various positions during his tenure such as Chief Medical Officer, and Head of Global Medical and Clinical Affairs. From 2014 to 2017, he was with RB Global team in London, and from 2012 to 2014, he was an associate medical director at Sanofi Consumer Health, business development and generics division. Dr Bernard Ng currently also serves as the Chief Scientific Officer of Milltrust International Group, and a visiting lecturer at Department of Cancer and Pharmaceutical Sciences, Faculty of Life Sciences and Medicine at King's College London.

Dr Bernard Ng obtained his Doctor of Medicine from the National University of Malaysia and his Master of Business Administration from the University of Melbourne.

Mr Cheah You Kong

Acting Head of Finance

Mr Cheah joined the Group as Group Finance Manager in October 2022, and was subsequently appointed as an Acting Head of Finance in May 2024. He oversees the Group's functions in accounting, finance, tax and investor relations.

Prior to joining the Group, he was an audit manager at one of the Big 4 in Singapore. Mr Cheah has over 10 years of professional experience in auditing and financial reporting.

Mr Cheah obtained his Degree of Accounting and Finance from the Lancaster University and is a member of CPA Australia.

Five-Year Financial Highlights

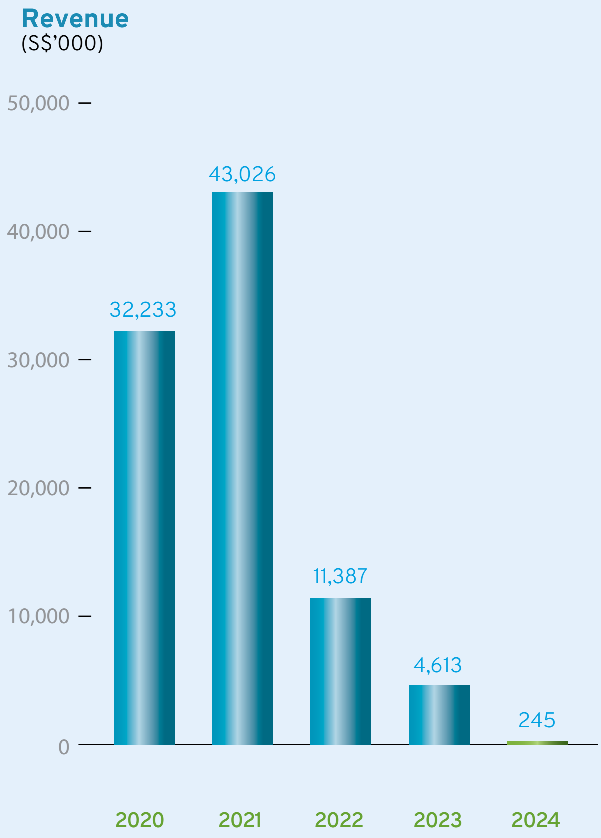
S$'000	2020	2021	2022	2023[1]	2024[1]
GROUP FINANCIAL PERFORMANCE					
Revenue	32,233	43,026	11,387	4,613	245
(Loss)/Profit before taxation	(1,935)	1,214	(7,373)	(3,330)	(1,052)
Net (loss)/profit attributable to owners of the Company	(1,960)	1,160	(7,319)	(3,397)	(1,041)
(Loss)/Earnings per share (basic and diluted) (cents)	(0.52)	0.28	(1.32)	(0.52)	(0.10)
GROUP FINANCIAL POSITION					
Property, plant and equipment	5,566	4,190	2,483	66	2
Cash and cash equivalents	4,265	10,270	3,218	3,366	187
Current assets	32,324	27,857	15,152	7,861	1,212
Total assets	43,093	40,017	22,225	7,974	1,608
Current liabilities	22,473	18,527	13,690	6,947	2,865
Non-current liabilities	5,289	5,436	3,534	1,521	430
Total liabilities	27,762	23,963	17,224	8,468	3,295
Total equity	15,331	16,055	5,001	(493)	(1,687)
KEY FINANCIAL INDICATORS					
Net (debt)/cash ($'000)[2]	(1,545)	4,669	(2,642)	(563)	(1,870)
Net gearing	10%	(29%)	53%	(114%)	(111%)

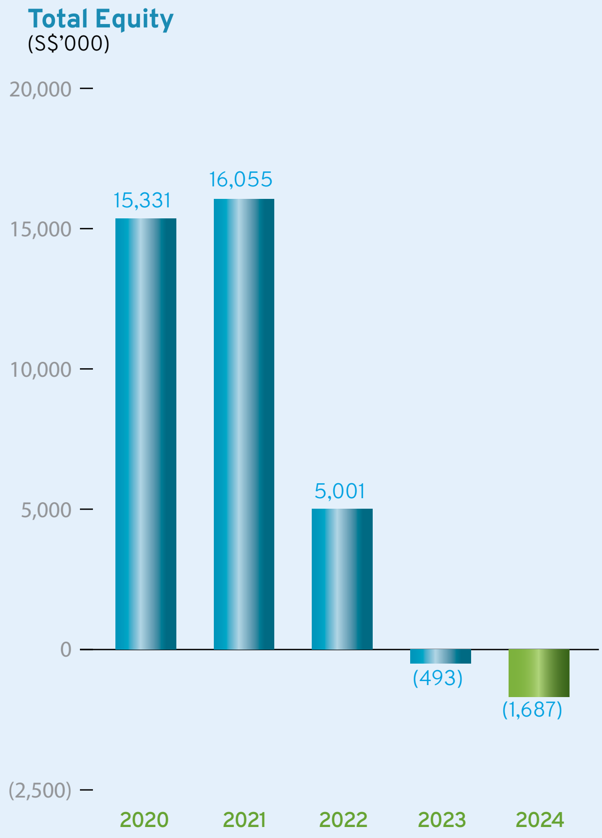
Notes:

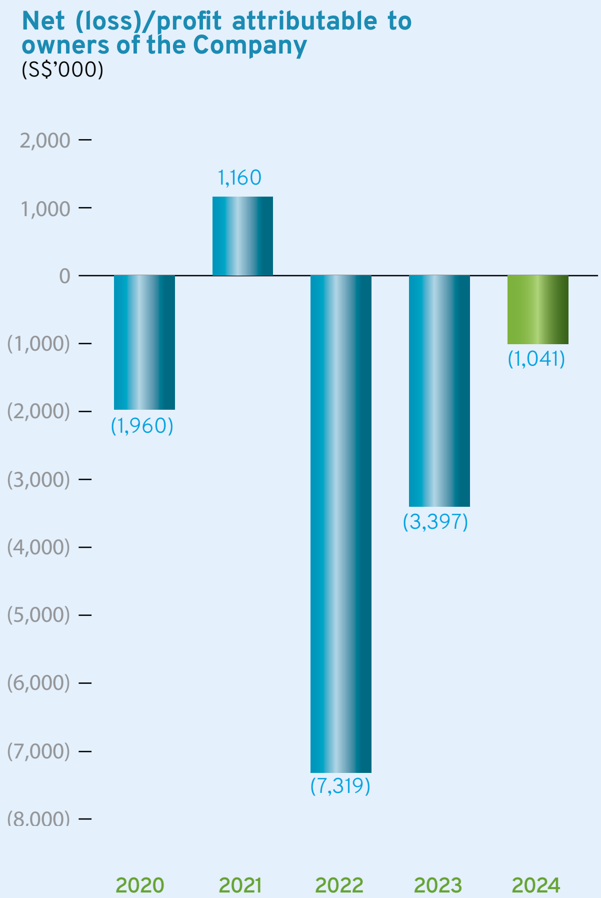
(1) The group financial performance for 2023 and 2024 only consist of financials for the Group's continuing operations. Please refer to Note 26 to the Audited Financial Statements set out in this Annual Report for further information on the financials of the Group's discontinued operations.

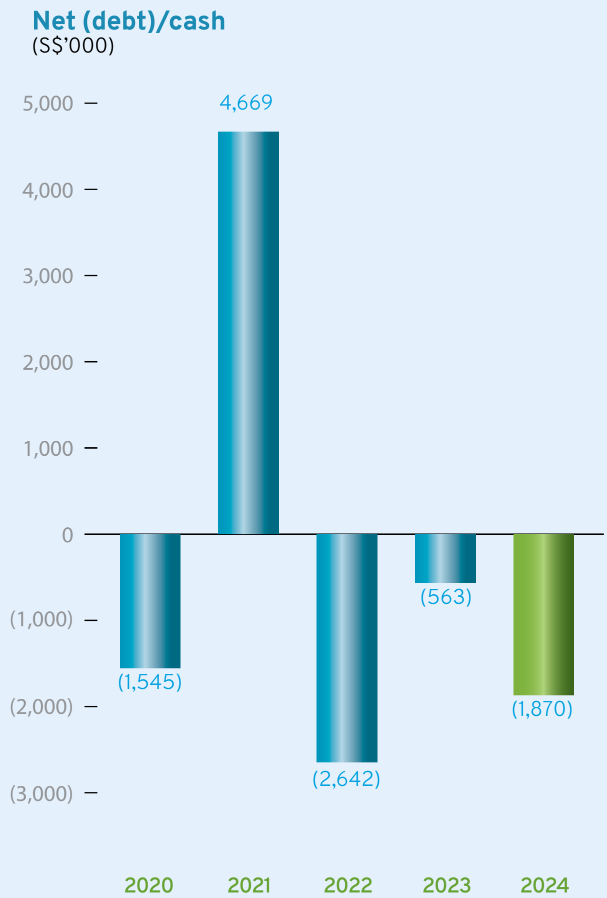
(2) Being borrowings less cash and cash equivalents of the Group.

Five-Year Financial Highlights









The board of directors ("**Board**" or "**Directors**") of Meta Health Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is committed to comply with the principles of the Code of Corporate Governance 2018 issued on 6 August 2018 (the "**Code**"). The Company is committed to ensuring a high standard of corporate governance to strengthen corporate transparency, protect the interest of shareholders of the Company ("**Shareholders**") and to promote investor confidence.

This report sets out the Company's corporate governance practices. The Board confirms that, for the financial year ended 31 December 2024 ("**FY2024**"), the Company has largely adhered to the Principles and Provisions as set out in the Code. Where there are deviations from the provisions of the Code, appropriate explanations have been provided. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time, to ensure compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**").

BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Provision 1.1

The Board provides entrepreneurial leadership and oversees management of the businesses of the Group, including that of setting the overall strategy and business direction of the Group.

The principal functions of the Board include:

- formulating, reviewing and approving of broad policies, key strategic and financial objectives and monitoring the performance of the management of the Company ("**Management**");
- overseeing the processes for evaluating the adequacy of internal controls, risk management and regulatory compliance, as well as safeguarding Shareholders' interests and the Company's assets;
- reviewing and approving interim and annual results announcements, and other SGXNet announcements;
- reviewing and approving business plans, annual budgets, major funding proposals, investment and divestment proposals;
- approving of nominations for appointment or re-appointment to the Board of Directors and the appointment of key management personnel; and
- assuming responsibility for corporate governance and governance of risk.

All Directors, as fiduciaries of the Company, objectively discharge their duties and responsibilities in good faith and in the interests of the Company, and holds Management accountable for the performance of the Group. Where a potential conflict of interest situation arises, the affected Director will recuse himself or herself from the discussions and decisions involving the areas of potential conflict, unless the Board is of the opinion that his or her participation is necessary, and in the event his or her participation is necessary, he or she will recuse himself or herself from the decision making.

Provision 1.2

The Company does not have a formal training program for newly appointed Directors, however, all new Directors will receive appropriate training and orientation when first appointed to the Board including an orientation program to familiarise themselves with the Company's business and governance practices. Upon appointment of new Directors, such Directors are formally notified of their appointment and provided with a summary of their roles, duties and responsibilities as members of the Board.

The Company will also arrange for a Director who has no prior experience as a director of a listed company ("**First-Time Director**") to attend relevant training in relation to the roles and responsibilities of a director of a listed company, as prescribed under Rule 406(3)(a) of the Catalist Rules, as well as other courses relating to areas such as accounting, legal and industry specific knowledge as appropriate, organised by other training institutions. The training of Directors will be arranged and funded by the Company. Mr Kenny Rebeira was appointed to the Board on 26 February 2025, and he endeavours to complete the prescribed courses under Rule 406(3)(a) of the Catalist Rules within one (1) year from the date of his appointment to the Board (i.e. by 25 February 2026).

The Company encourages First-Time Directors as well as its existing Directors to attend training courses organised by the Singapore Institute of Directors or the Institute of Singapore Chartered Accountants or other training institutions aimed at providing them with the latest updates on changes in relevant regulations, accounting standards, corporate governance practices and guidelines from the SGX-ST that affect the Group and/or the Directors in connection with their duties and responsibilities as a Director of a public-listed company in Singapore, and such training will be funded by the Company.

The Directors are updated on an ongoing basis on relevant new laws and regulations applicable to the Group by Management. The Directors are also updated regularly on changes to the Catalist Rules, risk management, corporate governance, insider trading and key changes in the relevant regulatory requirements, financial reporting standards and the relevant laws and regulations to facilitate effective discharge of their fiduciary duties as members of the Board or Board Committees.

Provision 1.3

The Company has adopted internal guidelines setting forth matters that require the Board's approval. These matters include, amongst others, the following:

(a) approval of announcements released via SGXNet, including financial results announcements;

(b) approval of operating budgets, annual and interim reports, financial statements, Directors' statement and annual report;

(c) dividend matters;

(d) authorisation of banking facilities and corporate guarantees;

(e) approval of change in corporate business strategy and direction;

(f) appointment and cessation of Directors and key management;

(g) any matters relating to general meetings, Board and Board committees; and

(h) approval of material investment and divestment proposals, acquisitions and disposals, and funding requirements.

Provision 1.4

The Board conducts regular meetings, and additional meetings will be convened as and when they are deemed necessary. The Company's Board meetings are mostly held via physical meetings and where physical meetings are not possible, the Company's Constitution ("**Constitution**") allows for meetings to be held via telephonic or video conference.

The Board is supported by the Audit Committee, the Nominating Committee and the Remuneration Committee (collectively, the "**Board Committees**"). The members of the Board Committees are drawn from the members of the Board, and each of the Board Committees functions within clearly defined terms of reference and operates under the delegated authority from the Board. The composition and description as well as the terms of reference of each Board Committee, and a summary of each Board Committee's activities are set out in this report. All Board Committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within the Group. The Board Committees report its activities regularly to the Board. Minutes of the Board Committees are regularly provided to the Board and are available to all Board members. The Board acknowledges that while these various Board Committees have the authority to examine specific issues and report back to the Board with their decisions and recommendations, the ultimate responsibility on all matters lies with the Board.

In addition, the Board is supported by the Executive Committee. For FY2024, the Executive Committee comprises the Executive Director and Group Chief Executive Officer, Dr Bernard Ng Kee Huat[1] ("**Dr Bernard**"), and Mr Cheah You Kong (Acting Head of Finance). The Executive Committee is entrusted with the conduct of the Group's business and affairs. The Executive Committee will monitor the effectiveness of the policies set out by the Board and where necessary, make further recommendations or changes to the policies in line with the Group's financial objectives. The Executive Committee meets regularly, on an average of once a month.

Provision 1.5

The attendance of each Director at the Board and the Board Committees meetings held in FY2024 is set out below:

	Board	Audit Committee	Nominating Committee	Remuneration Committee
Number of meetings held	4	3	2	1
Attendance:				
Dr Bernard Ng Kee Huat(1)	4	2	–	–
Mr Law Ren Kai Kenneth(2)	4	3	2	1
Mr Sim Mong Keang(3)	2	2	–	–
Mr Koh Gim Hoe(4)	2	1	2	1
Mr Kelvin Lee Ming Hui(5)	2	1	2	1
Ms Lim Qing Ru(6)	2	1	2	1
Mr Kenny Rebeira(7)	–	–	–	–

Notes:

(1) Dr Bernard was appointed as a member of the Audit Committee on 1 August 2024. He was re-designated as Chief Medical Officer, and ceased to be an Executive Director and a member of the Audit Committee with effect from 1 March 2025.

(2) Mr Law Ren Kai Kenneth was re-designated as Executive Chairman with effect from 1 March 2025.

(3) Mr Sim Mong Keang was appointed as a Director of the Company on 1 August 2024.

(4) Mr Koh Gim Hoe ceased to be a Director of the Company with effect from 29 April 2024.

(5) Mr Kelvin Lee Ming Hui ceased to be a Director of the Company with effect from 29 April 2024.

(6) Ms Lim Qing Ru ceased to be Director of the Company with effect from 28 April 2024.

(7) Mr Kenny Rebeira was appointed as a Director of the Company on 26 February 2025.

All Directors are required to declare their board representations on an annual basis and as soon as practicable after the relevant facts have come to his or her knowledge. Where a Director has multiple board representations, and in considering the nomination of Directors for appointment, the Nominating Committee will evaluate whether or not the Director is able to and has been adequately carrying out his or her duties as a Director, as well as sufficient time and attention are given to the affairs of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments. The NC and the Board are satisfied that sufficient time and attention has been given by the Directors to the affairs of the Company. Save for Mr Sim Mong Keang, none of the other Directors hold multiple listed company board representations in FY2024. Key information on Directors' background, principal commitments and shareholdings are set out in the "Board of Directors" and "Directors' Statement" sections of this Annual Report.

[1] As part of the Company's strategic restructuring of its Management team, Dr Bernard was re-designated as Chief Medical Officer and ceased to be an Executive Director and Group Chief Executive Officer of the Company with effect from 1 March 2025. As Chief Medical Officer, Dr Bernard continues to manage the operations and oversee the business strategy of the Group's healthcare business. He also assists Mr Law Ren Kai Kenneth, who has been re-designated to Executive Chairman with effect from 1 March 2025, in the conduct of the Group's daily operational directions and decisions.

Provision 1.6

To enable the Board to discharge its responsibilities, Management provides all Directors with management accounts, and all necessary information and relevant reports, relating to the Company and the Group, on a regular and timely basis. Management regularly provides updates and reports to the Board on the Company's operations and plans. Board papers are prepared for each Board and Board Committee meeting and are circulated in advance of such meetings. This is to provide the Directors sufficient time to review and consider the matters to be discussed. In certain cases, where appropriate, the relevant papers are circulated at the meeting itself or matters are discussed without Board papers.

Minutes of all Board and Board Committees meetings will be circulated to the Board so that Directors are aware of and kept updated as to the proceedings and matters discussed during the respective meetings.

Provision 1.7

The Directors have separate and independent access to Management and the Company Secretary, who is responsible for ensuring that Board procedures are followed, and that applicable rules and regulations are always complied with, either through emails, telephone discussions or face-to-face meetings.

The Directors may also liaise with Management as and when required to seek additional information. Any additional materials or information requested by the Directors to make informed decisions is promptly furnished.

The Company Secretary assists the Chairman of the Board and the Chairman of each Board Committee in the development of the agendas for the various Board and Board Committees meetings. The Company Secretary and/ or their representatives attend all the Board and Board Committees meetings and prepares minutes of meetings. The appointment and removal of the Company Secretary is decided by the Board as a whole.

Should the Directors, whether as a group or individually, require(s) independent professional advice in furtherance of their duties and responsibilities, the Company will appoint such professional adviser to render the appropriate professional advice. The cost of such professional service and engagement will be borne by the Company.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interest of the Company.

Provision 2.1

The criteria for independence are determined based on the definition as provided in the Code and takes into consideration the guidelines and examples of relationships as set out in the accompanying Practice Guidance 2 to the Code and whether the Director falls under any circumstances pursuant to Rule 406(3)(d) of the Catalist Rules. The Board considers an "independent" Director as one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial Shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment in the best interests of the Group. A "substantial Shareholder" means any person who has an interest or interests in one or more voting shares (excluding treasury shares and subsidiary holdings) in the Company and 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 (excluding treasury shares and subsidiary holdings) in the Company, in line with the definition set out in section 2 of the Securities and Futures Act 2001 of Singapore.

The independence of each Director is assessed and reviewed annually by the Nominating Committee. Each Independent Director is required to complete a declaration in respect of his or her independence based on the definition and guidelines set out in the Code, and to update the Nominating Committee if there are any changes to the contents of such declaration.

The Nominating Committee reviews annually the independence declarations made by the Independent Directors based on the criterion of independence under the definition and guidelines provided in the Code. The Nominating Committee has determined and is satisfied that Mr Sim Mong Keang and Mr Kenny Rebeira have remained independent in their judgement and can continue to discharge their duties objectively, and none of them has served on the Board beyond nine (9) years since the date of his or her first appointment.

The interests in shares and/or share options held by each Director in the Company are set out in the "Directors' Statement" section of this Annual Report. Save for their individual and deemed interests in the shares of the Company, none of the Directors or any of their immediate family members is related to any other Director or a substantial Shareholder.

The Nominating Committee is satisfied that the Independent Directors are independent and are able to exercise objective judgment on corporate affairs independently from Management, and there is presently a strong and independent element on the Board. The contribution of the Independent Directors to the Board deliberations ensures that no individual or small group of individuals dominates the Board's decision making. The Board is able to exercise independent judgment on corporate affairs and provide Management with diverse and objective views on business issues.

Provisions 2.2, 2.3 and 2.4

As at the date of this report, the composition of the Board and Board Committees are as follows:

		Board Committee Membership		
Name of Director	**Designation**	**Audit Committee**	**Nominating Committee**	**Remuneration Committee**
Mr Law Ren Kai Kenneth	Executive Chairman	Member	Member	Member
Mr Sim Mong Keang	Lead Independent Director	Chairman	Chairman	Member
Mr Kenny Rebeira	Independent Non-Executive Director	Member	Member	Chairman

In FY2024 and as at the date of this report, the Board has satisfied the requirements for (i) Independent Directors to make up a majority of the Board where the Chairman of the Board is not independent; and (ii) Non-Executive Directors to make up a majority of the Board. The Board is cognizant of the Code's provisions relating to the composition guidelines of the Audit Committee and the Remuneration Committee to comprise all Non-Executive Directors. The Company will look to appoint a suitable candidate for inclusion to the Board, so as to be compliant with the Code.

BOARD DIVERSITY

The Company recognises and embraces the benefits of diversity of experience, age, skill sets, gender and ethnics on the Board ("**Board Diversity**") and views Board Diversity as an essential element to support the attainment of its strategic objectives and sustainable development. The Company has in place a Board Diversity policy, which endorses the principle that its Board should have a balance of skills, knowledge, experience and diversity of perspectives appropriate to its business so as to mitigate groupthink and foster constructive debate. Each year, the Nominating Committee reviews the composition and size of the Board and each Board Committee and takes into careful consideration a combination of factors when reviewing appointments to the Board and the continuation of those appointments. These factors include skills, core competencies, knowledge, professional experience, educational background, gender, age and length of service. Core competencies, which are taken into account in the selection and appointment of Directors, include banking, finance, accounting, business acumen, management experience, technology expertise, familiarity with regulatory requirements and knowledge of risk management, audit and internal controls. The Nominating Committee also in its deliberations, takes into account gender and age diversity in relation to the composition of the Board.

Although the Board currently has no female director, the Board and the Nominating Committee recognise gender as one of the aspects of diversity and will ensure that female candidate(s) are included for consideration when identifying suitable candidates to be appointed to the Board.

The Nominating Committee and the Board believe that currently there being an appropriate balance of industry knowledge, skills, background, experience, professional qualifications, and age on the Board, allows for diverse and objective perspectives on the Group's business and direction to support the long-term success of the Group, and are satisfied that the objectives of the Board Diversity policy are met. The Nominating Committee will also continue to review the Board Diversity policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval.

The Nominating Committee and the Board have reviewed the size and composition of the current Board and Board Committees and are of the view that an additional Independent Director be appointed to the Board, following the cessation of Dr Bernard as an Executive Director and the re-designation of Mr Law Ren Kai Kenneth as the Executive Chairman in March 2025.

Notwithstanding, the Board is of the view that the current Board and Board Committees facilitate effective decision making and that no individual or small group of individuals dominates the Board decision making process, based on the Company's present circumstances and taking into account the scope and nature of the Group's businesses and operations. The Nominating Committee and the Board are of the view that the current Board and Board Committees have the necessary mix of expertise, experience and competencies such as accounting or finance, business or management experience and industry knowledge for the effective functioning of the Board and Board Committees, and is appropriate for the current scope and nature of the operations of the Group.

Provision 2.5

The Independent and Non-Executive Directors communicate regularly, without the presence of Management, to discuss matters such as the Group's performance, corporate governance and remuneration of the Executive Director to facilitate a more effective oversight on Management. They also assist the Executive Director to review the performance of Management and provide constructive suggestions to Management to improve the Group's performance. The Independent and Non-Executive Directors provide constructive suggestions to Management and constructively challenge and provide inputs to Management on business strategy.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual should has unfettered powers of decision making.

Provisions 3.1 and 3.2

Mr Law Ren Kai Kenneth ("**Mr Law**") was re-designated as the Executive Chairman, following the re-designation of Dr Bernard from Group Chief Executive Officer to Chief Medical Officer, with effect from 1 March 2025. While Mr Law leads both the Board and the Management, there is a clear division of responsibilities, as set out in writing, between the leadership of the Board and the Management responsible for managing the Company's business. As Executive Chairman, Mr Law is responsible for the conduct of the Group's daily operational directions and decisions.

In his role as Chairman of the Board, Mr Law is responsible for:

- leading the Board to ensure its effectiveness on all aspects of its role;
- setting the agenda and ensures that adequate time is available for discussion of all agenda items, in particular strategic issues;
- promoting a culture of openness and debate in the Board;
- ensuring that the Directors receive complete, adequate and timely information;
- ensuring effective communication with Shareholders;
- encouraging constructive relations within the Board and between the Board and Management;
- facilitating the effective contribution of Independent and Non-Executive Directors; and
- promoting high standards of corporate governance.

In accordance with the requirements of the Code where the Chairman is not independent, the Independent Non-Executive Directors form the majority of the Board, and the Company has a Lead Independent Director. The Board is of the view that the discharge of responsibilities in the two roles by Mr Law will not be compromised as there is strong independence within the Board to ensure an appropriate balance of power, increased accountability and capacity of the Board for independent decision making. The Nominating Committee also assesses the performance and effectiveness of Mr Law on his performance as Chairman of the Board separately from his performance as Management of the Company.

Whilst the Board has adopted the single leadership structure to facilitate decision making and implementation to-date, this may not be the most appropriate model for the future, as circumstances change depending on the strategy direction, size and business model of the Group. The Board will continue to review this structure and propose changes as and when appropriate to ensure its effectiveness and having an appropriate balance of power for independent decision making of the Board.

Provision 3.3

In accordance with the requirements of the Code where the Chairman is not independent, the Independent Non-Executive Directors shall form the majority of the Board. The Company has appointed Mr Sim Mong Keang as the Lead Independent Director to provide leadership in situations where the Executive Chairman is conflicted. Mr Sim Mong Keang will be available to Shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate. As and when they deem necessary, the Independent Directors meet without the presence of the Executive Director, and the Lead Independent Director provides feedback to the Executive Chairman after such meeting, if necessary. Similarly, the Lead Independent Director acts as the focal point for contact between the Executive Director and Management with the Independent Directors.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.

Provision 4.1

The Board established the Nominating Committee with written terms of reference which clearly set out its authority and duties, and the Nominating Committee reports to the Board directly.

The terms of reference of the Nominating Committee set out its duties and responsibilities. Amongst them, the Nominating Committee is responsible for:

1. regularly and strategically reviewing the structure, size and composition (including the skills, gender, age, qualification, experience and diversity) of the Board and Board Committees;

2. identifying and nominating candidates to fill Board vacancies as they occur;

3. requesting nominated candidates to disclose any existing or expected future business interests that may lead to a conflict of interest. This disclosure is to be included in any recommendations to the Board;

4. sending the newly-appointed Director a formal appointment letter which clearly sets out his or her roles and responsibilities, authority, and the Board's expectations in respect of his or her time commitment as a Director of the Company;

5. recommending the membership of the Board Committees to the Board;

6. reviewing the independent status of Non-Executive Directors (in accordance with Rule 406(3)(d) of the Catalist Rules and Provision 2.1 of the Code) and that of the Alternate Director, if applicable, annually, or when necessary, along with issues of conflict of interest;

7. developing the performance evaluation framework for the Board, the Board Committees and individual Directors and propose objective performance criteria for the Board, the Board Committees and individual Directors;

8. recommending that the Board removes or re-appoints a Non-Executive Director at the end of his or her term, and recommend the Directors to be re-elected under the provisions of the Company's Constitution on the policy of retirement by rotation. In making these recommendations, the Nominating Committee should consider the Director's performance, commitment and his or her ability to continue contributing to the Board;

9. reviewing other directorships held by each Director and decide whether or not a Director is able to carry out, and has been adequately carrying out, his or her duties as a Director;

10. reviewing the Board with its succession plans for the Board Chairman, Directors, CEO and key management personnel of the Company;

11. reviewing of training and professional development programmes for the Board and its Directors;

12. keeping up to date with developments in corporate governance initiatives, changes to relevant legislations, strategic issues and commercial changes that may affect the Company and the industry in which it operates; and

13. undertaking such other functions and duties as may be required by the Board under the Code, statute or the Catalist Rules (where applicable).

Provision 4.2

As at the date of this report, the Nominating Committee comprises three (3) members, a majority of whom (including the Chairman) are Independent and Non-Executive Directors, namely Mr Sim Mong Keang (Chairman), Mr Law and Mr Kenny Rebeira. The Lead Independent Director, Mr Sim Mong Keang, is a member of the Nominating Committee.

Provision 4.3

The Nominating Committee's primary function is to recommend the appointments and re-appointments of Directors. Each member of the Nominating Committee is required to abstain from voting, approving or making a recommendation on any resolutions of the Nominating Committee in which he or she has a conflict of interest in the subject matter under consideration.

In accordance with Rule 720(4) of the Catalist Rules, all Directors need to submit themselves for re-nomination and re-appointment at least once every three (3) years. As prescribed in Regulation 91 of the Company's Constitution, one-third of the Directors are required to retire from office and be subject to re-election by Shareholders at the Company's annual general meeting. In addition, Regulation 97 of the Constitution of the Company provides that a Director appointed by the Board to fill a vacancy or as an additional Director must retire at the next annual general meeting of the Company after such appointment, and subject himself or herself for re-election.

At the forthcoming annual general meeting of the Company, Mr Law will be retiring by rotation pursuant to Regulation 91 of the Company's Constitution, and Mr Sim Mong Keang and Mr Kenny Rebeira will be retiring pursuant to Regulation 97 of the Company's Constitution (collectively, the "**Retiring Directors**"). Being eligible for re-election, the Retiring Directors have offered themselves for re-election at the forthcoming annual general meeting of the Company. The Nominating Committee has recommended, and the Board has agreed that the Retiring Directors be nominated for re-election at the forthcoming annual general meeting of the Company. In making the recommendations, the Nominating Committee has considered the overall contributions and performances of the Retiring Directors, as well as the Board Diversity with regards to the objectives of the Board Diversity policy of the Company. Please refer to the section entitled "Additional Information on Directors Nominated for Re-election – Appendix 7F to the Catalist Rules" of this report for the information relating to each of the Retiring Directors pursuant to Rule 720(5) of the Catalist Rules. The Retiring Directors, being members of the Nominating Committee, have each abstained from making any recommendation and/or participating in any deliberation of the Nominating Committee in respect of the assessment of their own performance or re-election as a Director.

When a new Director is to be selected or appointed by the Board, the Nominating Committee, in consultation with the Board, decides on the criteria (including qualifications and experience) for selecting any candidate. The Nominating Committee meets with the shortlisted candidates to assess their suitability, with a view to nominating them for the Board's consideration and approval. In their assessment of each candidate, the Nominating Committee will take into account the candidate's track record, age, experience, capabilities and other relevant factors.

Provision 4.4

The Company has put in place a process to ensure the continuous monitoring of the independence of the Directors whereby the Directors must immediately report any changes in their external appointments that could affect their independence on the Board.

The Nominating Committee reviews the independence of each Director annually in accordance with the definition of independence set out in the Code, and taking into consideration the guidelines and examples of relationships as set out in the accompanying Practice Guidance 2 to the Code and whether the Director falls under any circumstances pursuant to Rule 406(3)(d) of the Catalist Rules. None of the Independent Directors has been appointed as a Director of the Company for an aggregate of more than nine (9) years as at the date of this report. In respect of the Independent Directors, namely Mr Sim Mong Keang and Mr Kenny Rebeira, the Board is of the view that they are independent, taking into account the circumstances set forth in the Code, Rule 406(3)(d) of the Catalist Rules and any other salient factors. For FY2024, the Independent Directors have also confirmed their independence in accordance with the Code and Rule 406(3)(d) of the Catalist Rules.

Provision 4.5

Other than the key information regarding the Directors set out below, information pertaining to the Directors' interests in shares, options and other convertible securities are set out in the "Directors' Statement" section of this Annual Report, and information in relation to the background and principal commitments of the Directors are set out in the "Board of Directors" section of this Annual Report. The dates of initial appointment and last re-election of each Director, together with his or her current directorships in listed companies and other principal commitments are set out below:

Name of Director	Board appointment	Date of first appointment	Date of last re-election	Directorships/ Chairmanships in other listed companies (present and in the preceding three (3) years)	Other principal commitments
Mr Law Ren Kai Kenneth	Executive Chairman	30.06.2022	29.04.2024	Independent Non-Executive Director, and Chairman of the Audit Committee of GRP Limited	Chief Financial Officer of Tembusu Partners Pte Ltd
Mr Sim Mong Keang	Non-Executive and Lead Independent	01.08.2024	–	Non Independent and Non-Executive Director of Global Invacom Group Limited Independent Director and Chairman of the Audit Committee of USP Group Limited (Under Interim Judicial Management) Executive Director and CEO of Serial Achieva Limited	
Mr Kenny Rebeira	Non-Executive and Independent	26.02.2025	–	–	Independent Consultant, Novocure GmbH Advisor, SMRT

The Board is of the view that the effectiveness of each Director is best assessed by a qualitative assessment of the Director's contribution and his or her ability to devote sufficient time and attention to the Company's affairs. The Board has not determined the maximum number of listed company board representations which a Director may hold as it does not wish to omit from consideration, outstanding individuals who, despite the demands on their time, have the capacity to participate and contribute as new members of the Board. The Board does not have any Alternate Directors.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.

Provision 5.1

While the Code recommends that the Nominating Committee be responsible for assessing the effectiveness of the Board as a whole and each Board Committee separately, and also assessing the contribution of the Chairman and each individual Director, the Nominating Committee is of the view that, given the relatively small size of the Board, it is more appropriate and effective to assess the Board as a whole in FY2024, bearing in mind that each member of the Board contributes in different ways to the success of the Company and Board decisions are made collectively.

Provision 5.2

The Nominating Committee, in considering the appointment or re-appointment of any Director, evaluates the competencies, commitment, contribution and performance of that Director, and also the requirements for Board renewal. The assessment parameters include attendance, preparedness, participation and candour at meetings of the Board and Board Committees, as well as effectiveness and commitment of such Director.

Each member of the Nominating Committee shall abstain from voting on any resolutions or participating in respect of the assessment of his or her performance or re-nomination as a Director of the Company.

The Nominating Committee, having reviewed the overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs as a whole for the financial year reported on, is of the view that the performance of the Board as a whole has been satisfactory. The Nominating Committee is satisfied that sufficient time and attention has been given to the Group by each Director. The Board's performance evaluation is co-ordinated and conducted by the Company's Company Secretary (i.e. external facilitator), who is an external party and is independent of the Company and its Management. The results and findings of such performance evaluations are presented to the Nominating Committee and shared with all Board members on an anonymous basis. The Nominating Committee, in consultation with the Chairman of the Board, will take appropriate actions to address the findings of the performance evaluation.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his or her own remuneration.

Provision 6.1

The Board established the Remuneration Committee with written terms of reference which clearly set out its authority and duties, and the Remuneration Committee reports to the Board directly. The Remuneration Committee's primary responsibility is overseeing the general compensation of the Group's employees with a goal to motivate, recruit and retain the Group's employees and Directors through competitive compensation and progressive policies.

The terms of reference of the Remuneration Committee set out its duties and responsibilities. The principal responsibilities of the Remuneration Committee include, amongst others, the following:

- reviewing and recommending to the Board, a framework of remuneration for the Directors and key management personnel;

- reviewing and recommending to the Board the specific remuneration packages for each Director; and

- reviewing the Company's obligations arising in the event of termination of an Executive Director's contract of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

Provision 6.2

As at the date of this report, the Remuneration Committee comprises three (3) members, a majority of whom (including the Chairman) are Independent and Non-Executive Directors, namely Mr Kenny Rebeira (Chairman), Mr Sim Mong Keang and Mr Law. The Board is cognizant of the provision for the Remuneration Committee to comprise all Non-Executive Directors. The Company will look to appoint a suitable candidate for inclusion to the Board, so as to be compliant with the Code.

Provision 6.3

In carrying out its duties, the Remuneration Committee aims to be fair and to avoid rewarding poor performance.

The remuneration framework under the purview of the Remuneration Committee covers all aspects of remuneration, including but not limited to, Directors' fees, salaries, allowances, bonuses, options, share based incentives and awards, and benefits in kind. No Director is involved in deciding his or her own remuneration. The Remuneration Committee meets at least once a year to discuss the performance assessment of the Executive Director (i.e. Dr Bernard, the Executive Director and Group CEO during FY2024) as well as to discuss the level of emoluments to pay. The remuneration of the Executive Director is reviewed and approved by the Remuneration Committee. The Remuneration Committee also reviews and approves the remuneration of senior Management of the Company.

Provision 6.4

No remuneration consultants were engaged by the Company in FY2024. The Remuneration Committee will engage professional advice in relation to remuneration matters as and when the need arises. The Remuneration Committee will ensure that existing relationships between the Company and its appointed remuneration consultants, if any, will not affect the independence and objectivity of the remuneration consultants. Where remuneration consultants are appointed, the Company will disclose the names and firms of the remuneration consultants in the annual remuneration report and include a statement on whether the remuneration consultants have any relationships with the Company.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Provisions 7.1 and 7.3

The service contracts of the Executive Director and key management personnel are for fixed terms which are not excessively long, and do not contain onerous removal clauses. Notice periods in such service contracts are set at a period of six (6) months or less. These service contracts are reviewed periodically by the Remuneration Committee to ensure that they are aligned with the long-term interest and risk policies of the Company and are in line with market practices and prevailing market conditions. When it deems appropriate, the Remuneration Committee appoints independent remuneration consultants to assist the Remuneration Committee in the performance of its tasks.

The Company does not employ any contractual provisions to recover incentive components of the remuneration from the Executive Director and key management personnel in the event of exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group. The Executive Director owes a fiduciary duty to the Company, and the Company should be able to avail itself to remedies against the Executive Director in the event of such breach of fiduciary duties. The Remuneration Committee, will consider, if required, whether to institute such contractual provision to allow the Company to recover the incentive components of the remuneration of the Executive Director and key management personnel paid in prior years in such exceptional circumstances.

The Remuneration Committee is also responsible for overseeing the MCE Share Option 2014 Scheme (the "**2014 Scheme**") and assists the Board in administering the 2014 Scheme in accordance with the rules set. The 2014 Scheme has a lifespan of 10 years and expired on 24 April 2024. Accordingly, no further options can be issued or granted under the 2014 Scheme. Adequate disclosures of the 2014 Scheme have been made in the "Directors' Statement" section of this Annual Report under the header entitled "Employee Share Option Scheme" and Note 28 to the Financial Statements set out in this Annual Report.

Provision 7.2

The Independent Non-Executive Directors are paid fixed Directors' fees which are set in accordance with a remuneration framework comprising basic fees and committee fees. In determining such fees, the Remuneration Committee considers, among others, the particular circumstances applicable to the Company, and the practice of companies in the same industry, of comparable size and having similar business models.

The Board recognises the need to pay competitive (but not excessive) fees to attract, motivate and retain Directors. The Remuneration Committee has assessed and is satisfied that the Independent Non-Executive Directors are not overly-compensated to the extent that their independence is compromised. The Directors' fees are recommended by the Remuneration Committee for the Board's approval and will be paid only after approval by Shareholders at the annual general meeting of the Company. The respective Chairmen and members of the various Board Committees receive additional fees after taking into account the nature of their responsibilities and the greater frequency of meetings. Each member of the Remuneration Committee abstains from voting on any resolutions in respect of his or her remuneration package. Directors' fees of S$165,000 for the financial year ending 31 December 2025 (to be paid quarterly in arrears) are recommended by the Board and subject to the approval of Shareholders at the forthcoming annual general meeting of the Company.

DISCLOSURE ON REMUNERATION

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1 and 8.3

The breakdown of remuneration paid to each individual Director and the Group CEO for FY2024 is as follows:

	Directors' Fees	Base/Fixed Salary[1]	Total
	S$	S$	S$
Executive Director and Group CEO			
Dr Bernard Ng Kee Huat	–	217,872	217,872
Independent Non-Executive Directors			
Mr Law Ren Kai Kenneth	36,208	–	36,208
Mr Sim Mong Keang[2]	14,583	–	14,583
Mr Koh Gim Hoe[3]	12,203	–	12,203
Mr Kelvin Lee Ming Hui[3]	10,471	–	10,471
Ms Lim Qing Ru[4]	2,588	–	2,588

Notes

(1) Includes allowances and contributions to Central Provident Fund. There was no bonus or other benefits paid to the Executive Director and Group CEO for FY2024.

(2) Mr Sim Mong Keang was appointed as a Director of the Company with effect from 1 August 2024.

(3) Mr Koh Gim Hoe and Mr Kelvin Lee Ming Hui ceased to be Directors of the Company with effect from 29 April 2024.

(4) Ms Lim Qing Ru ceased to be a Director of the Company with effect from 28 April 2024.

The Group has three (3) key management personnel (who are not Directors or CEO of the Company) during FY2024 and the aggregate remuneration paid to them was S$221,000. A breakdown showing the level and mix of their remuneration for FY2024 is as follows:

	Base/Fixed Salary(1)	Bonus	Total
	%	%	%
Key Management Personnel			
Up to S$250,000			
Cheah You Kong(2)	98	2	100
Tan Sze Leng(3)	97	3	100
Chuah Kheng Choon(4)	100	–	100

Notes:

(1) Includes allowances and contributions to Central Provident Fund.

(2) Mr Cheah You Kong was appointed as an Acting Head of Finance with effect from 1 May 2024.

(3) Mr Tan Sze Leng ceased to be the Chief Financial Officer with effect from 17 May 2024.

(4) Mr Chua Kheng Choon ceased to be the Senior Vice President of Engineering with effect from 11 February 2024.

The 2014 Scheme had expired on 24 April 2024 and since then, the Company has not adopted any new share awards or share schemes.

Provision 8.2

The Company does not have any employee who is a substantial Shareholder, or an immediate family member of a Director, the CEO or a substantial Shareholder, and whose remuneration exceeds S$100,000 in the Group's employment in FY2024.

ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its Shareholders.

Provision 9.1

To enhance the Board's risk governance capabilities, the Board has in place an Enterprise Risk Management ("**ERM**") program for the Group. The ERM program is intended to assist the Board in (a) identifying significant risks, as well as determining the Company's levels of risk tolerance and risk policies; and (b) overseeing the design, implementation and monitoring of the Company's risk management and internal control systems.

To assist the Board in carrying out its risk governance functions, the Board has decided, in lieu of forming a separate board risk committee, to expand the terms of reference of the Audit Committee in relation to risk management, namely:

"To assist the Board in overseeing the risk governance in the Company to ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets. The Audit Committee will also assist the Board to determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives."

The ERM program is intended to complement the functions performed by the internal auditors in respect of risk management and internal controls. The internal auditors are tasked to perform independent reviews of risks and controls to provide reasonable assurance to the Audit Committee and the Board that such risks have been adequately addressed and controls are operating.

In addition, the Audit Committee has, with the assistance of Management and the internal auditors, reviewed and reported to the Board on the effectiveness of the Group's internal controls (including financial, operational, compliance, and information technology controls) and risk management systems. The Board recognises that no cost effective internal controls system will be able to eliminate all errors, irregularities and risks, and that any cost effective system can only be designed to manage and mitigate material errors, irregularities and risks.

Provision 9.2

For FY2024, the Board has also received from then Executive Director and Group CEO (Dr Bernard) and the Acting Head of Finance (Mr Cheah You Kong), assurances that (i) the financial records of the Group have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and (ii) the Group has in place adequate and effective risk management and internal controls systems.

Based on the Group's existing framework of management controls, risk management systems, internal controls policies and procedures, as well as reviews performed by Management, the external auditors and the internal auditors, the Board, with the concurrence of the Audit Committee, is of the opinion that internal controls of the Group (including financial, operational, compliance, and information technology controls) and risk management systems are adequate and effective as at 31 December 2024.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Provision 10.1

The Executive Director manages the operations of the Group and the Audit Committee provides the necessary oversight. The Audit Committee will assist the Board in discharging its responsibility to safeguard the Group's assets, maintain adequate accounting records, as well as develop and maintain effective systems of internal controls and risk governance, with the overall objective of ensuring that Management creates and maintains an effective control environment in the Group.

The Audit Committee has explicit authority to investigate any matter within its terms of reference, and has full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and has reasonable resources to enable it to discharge its functions properly.

The Audit Committee's duties and responsibilities include, amongst others, the following:

- reviewing significant financial reporting issues and judgements to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

- reviewing and reporting to the Board at least annually on the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls, with inputs and assistance from Management and the internal auditors;

- reviewing the effectiveness of the Company's internal audit function;

- reviewing the scope and results of the external audit, and the independence and objectivity of the external auditors;

- reviewing the co-operation given by Management to the internal and external auditors;

- making recommendations to the Board on the proposals to the Shareholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

- assisting the Board in overseeing the risk governance in the Company to ensure that Management maintains a sound system of risk management and internal controls to safeguard Shareholders' interests and the Company's assets, and to assist the Board to determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives;

- reviewing interested person transactions (if any) falling within the scope of Chapter 9 of the Catalist Rules; and

- reviewing potential conflicts of interest, if any.

The Audit Committee also provides a channel of communication between the Board, Management, the external auditors and the internal auditors on audit matters. The Audit Committee meets with the internal auditors and external auditors, at least once a year without the presence of Management to review any matter that might be raised.

The Audit Committee keeps abreast of changes to accounting standards and issues which have a direct impact on financial statements through the report presented by the external auditors on the scope and results of the external audit, and through their discussions with the external auditors.

For FY2024, the Audit Committee carried out the following activities, amongst others:

(a) reviewed quarterly and full-year financial statements (unaudited and audited), and recommended such reports to the Board for approval;

(b) reviewed the adequacy and effectiveness of the Group's risk management and internal controls systems;

(c) reviewed interested person transactions;

(d) reviewed and approved the annual external audit plan of the external auditors;

(e) reviewed and approved the internal audit plan of the internal auditors;

(f) reviewed the annual re-appointment of the external auditors and determined their remuneration, and made a recommendation for the Board's approval;

(g) met with the external auditors and the internal auditors once without the presence of Management;

(h) reviewed the salient features memorandum from the external auditors for FY2024; and

(i) reviewed the internal audit report from the internal auditors.

In discharging the above duties and responsibilities, the Audit Committee confirms that it has full access to and co-operation from Management and is given full discretion to invite any Director or executive officer to attend its meetings. In addition, the Audit Committee has been given reasonable resources to enable it to perform its functions properly.

<u>Provision 10.2</u>

As at the date of this report, the Audit Committee comprises three (3) members, majority of whom (including the Chairman) are Independent and Non-Executive Directors, namely Mr Sim Mong Keang (Chairman), Mr Law and Mr Kenny Rebeira. The Board is cognizant of the provision for the Audit Committee to comprise all Non-Executive Directors. The Company will look to appoint a suitable candidate for inclusion to the Board, so as to be compliant with the Code.

The Audit Committee members, including the Audit Committee Chairman, possess experience in finance and business management. They have sufficient recent and relevant accounting or financial management expertise and experience, as interpreted by the Board in its business judgment, to discharge the Audit Committee's duties and responsibilities.

<u>Provision 10.3</u>

No former partner or director of the Company's existing external auditing firm is a member of the Audit Committee.

Provision 10.4

External Audit

The Company has complied with Rules 712 and 715 of the Catalist Rules in engaging Foo Kon Tan LLP, which is registered with the Accounting and Corporate Regulatory Authority, as the external auditors of the Company and its Singapore-incorporated subsidiaries. The Group has appointed different auditors for its overseas subsidiaries. The Board and the Audit Committee have reviewed the appointment of different auditors for its overseas subsidiaries and were satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Group.

The following are the audit fees paid/payable by the Group for FY2024:

	FY2024 **S$**
Audit fees paid/payable to the external auditors	
- external auditors of the Company	118,000
- other external auditors of the Group	4,600

Annually, the Audit Committee will also conduct a review of the independence and objectivity of the external auditors through discussions with the external auditors, as well as reviewing the non-audit fees paid to them. There were no non-audit services rendered by the external auditors to the Company in FY2024. Considering that there were no non-audit services rendered, the Audit Committee is satisfied with the independence and objectivity of the Company's external auditors. After considering the resources and experience of Foo Kon Tan LLP and the audit partner-in-charge assigned to the audit, Foo Kon Tan LLP's other audit engagements, the size and complexity of the audit for the Group, as well as the number and experience of the staff assigned by Foo Kon Tan LLP for the audit, the Audit Committee has recommended to the Board the nomination and re-appointment of Foo Kon Tan LLP as the external auditors of the Company at the forthcoming annual general meeting of the Company. Foo Kon Tan LLP have also confirmed their independence, and that they are approved under the Accountants Act 2004 of Singapore. The audit partner-in-charge assigned to the audit is a registered public accountant under the Accountants Act 2004 of Singapore.

In the review of the financial statements, the Audit Committee has discussed with Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements. The following significant matters impacting the financial statements was discussed with Management and the external auditors, and was reviewed by the Audit Committee:

Matter considered	**How the Audit Committee reviewed the matter and what decisions were made**
Irregularities concerning Gainhealth	The Audit Committee considered the approach, methodology and inputs applied, which were: At Group and Company ● Enquire management and Company's legal counsel to understand the status of the legal proceedings and review the relevant court documents. ● Review the settlement agreement and enquire Management on the status of the settlement amount. The Audit Committee concurred with the assessment of the Management. The external auditors have included this item as a key audit matter in the independent auditor's report for FY2024 and FY2023. Please refer to pages 45 to 46 (FY2023: page 52) of this Annual Report.

Acquisition of new subsidiary in Jas Medical Screening Centre Pte Ltd	The Audit Committee considered the approach, methodology and inputs applied, which were: At Group ● Determine the purchase consideration and contingent consideration in relation to the acquisition. ● Estimation and computation of the goodwill arising from the business combination. At Company ● Determine the costs of investment. The Audit Committee concurred with the assessment of the Management. The external auditors have included this item as a key audit matter in the independent auditor's report for FY2024. Please refer to page 47 of this Annual Report.
Impairment assessment of goodwill	The Audit Committee considered the approach, methodology and inputs applied to the financial model in assessing the impairment of non-financial assets of the Group and the Company. The Audit Committee concurred with the assessment of the Management. The impairment of non-financial assets was also an area of focus for the external auditors. The external auditors have included this item as a key audit matter in the independent auditor's report for FY2024. Please refer to pages 47 to 48 of this Annual Report.

Internal Audit

The Company has outsourced its internal audit function to BDO Advisory Pte Ltd. The internal auditors report directly to the Chairman of the Audit Committee on audit matters and administratively to the CEO. The Audit Committee approves the hiring, removal, evaluation and compensation of the internal auditors.

The internal auditors plan their audit schedules in consultation with, but independent of, Management. The internal audit plan is submitted to the Audit Committee for approval prior to implementation. The Audit Committee reviews the activities of the internal auditors and meets with the internal auditors at least once a year to approve their plans and to review their report for the prior reporting period. The Audit Committee also ensures that the internal auditors have the necessary resources to perform its functions adequately. The Audit Committee would annually review the independence, adequacy and effectiveness of the internal audit function of the Group.

For the financial year under review, the Audit Committee has reviewed the independence, adequacy and effectiveness of the internal audit function and is satisfied that the internal auditors are independent, adequately resourced, effective, staffed with persons with the relevant qualifications and experience and have the appropriate standing within the Group to fulfil their mandate. The Audit Committee is also of the view that the internal auditors have unfettered access to all the Group's documents, records, properties and personnel including access to the Audit Committee.

The internal auditors have conducted their work in accordance with the standards set by nationally or internationally recognised professional bodies including the Standards of the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

<u>Provision 10.5</u>

The Audit Committee meets, at a minimum, on a semi-annual basis. The Audit Committee held three (3) meetings in FY2024 and has met thrice with the external auditors and twice with the internal auditors, of which once was without the presence of Management in FY2024.

Whistleblowing Policy

The Company has put in place a whistleblowing policy which sets out the procedures for employees and external parties to raise concerns or make a report on misconduct or wrongdoing relating to any entity in the Group or any of its officers and provisions for keeping the identity of the whistleblower confidential and protection of the whistleblower from reprisal as well as arrangements for independent investigations of such concerns or reports and for appropriate follow up actions to be taken. The existence of such policy has been communicated to the employees.

The policy establishes a confidential line of communication to report concerns about possible improprieties to the Audit Committee Chairman and ensures the independent investigation and follow-up of reports made in good faith. The contact details of the Audit Committee Chairman have been made available to employees in the Group. The Company will treat all information received confidentially and protect the identity of whistleblowers. Moreover, the Company is committed to ensuring protection of whistleblowers who have acted in good faith against reprisal and detrimental or unfair treatment.

The Company has implemented a structured and secure policy to ensure that critical concerns related to business ethics, compliance and malpractice are communicated effectively within the Company. The Company's whistleblowing policy requires every employee to promptly report to the Chairman of the Audit Committee, if she/he observes, or learnt of, any suspected improprieties or unethical acts. Failure to do so is a compliance violation of the Company's Code of Business Conduct and Ethics. Whistleblowers may report allegations of suspected improprieties or unethical activities to the Chairman of the Audit Committee. In the event that any whistleblowing report involving any Director may be reported directly to the Chairman of the Audit Committee. Every Company leader, supervisor and manager has a responsibility to promptly escalate a whistleblowing report to the Chairman of the Audit Committee if she/he receives such a report from his/her subordinates or other parties. Failure to do so is liable to disciplinary action.

Reports of allegations of suspected improprieties or unethical activities are encouraged to be made in writing so as to assure a clear understanding of the issues. Such reports should be factual rather than speculative and must contain as much specific information as possible to allow for proper assessment of the nature, extent and urgency of preliminary investigative procedures. Allegations of suspected improprieties or unethical activities may also be reported anonymously. However, allegations expressed anonymously are not encouraged as it may hinder subsequent investigation work if contact cannot be made with the whistleblower to obtain clarification or further information. Accordingly, the Company will consider anonymous reports, but allegations expressed, or information provided anonymously will be investigated on the basis of their merits.

The Audit Committee is responsible for the overall oversight and monitoring of the whistleblowing policy and its implementation. In particular, the Audit Committee reviews the whistleblowing policy from time to time and also reviews and considers all whistleblowing complaints to ensure independent, thorough investigation and appropriate follow-up actions. The outcome of each investigation is reported to the Audit Committee.

There was no whistleblowing report received in FY2024.

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The Company treats all Shareholders fairly and equitably in order to enable them to exercise Shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives Shareholders a balanced and understandable assessment of its performance, position and prospects.

<u>Provision 11.1</u>

The rights of Shareholders are contained in the Company's Constitution and are also set out in applicable laws including the Companies Act 1967 of Singapore ("**Companies Act**"). All Shareholders are treated fairly and equitably. Shareholders are also encouraged to participate in questions and answers sessions during general meetings, to facilitate active and meaningful communication with Management and the Board.

Shareholders are informed of all general meetings of the Company through notices contained in annual reports or circulars sent to all Shareholders. The Company complies with its Constitution and the Companies Act in respect of the requisite notice periods for convening general meetings. The notice of an annual general meeting is accompanied by the Company's annual report. The notice of an extraordinary general meeting is accompanied by a circular issued by the Company. All notices of all general meetings are advertised in a national newspaper in Singapore as well as on the SGXNet.

Details of the rules governing voting procedures are contained in the Company's Constitution and are set out under applicable laws. Circulars sent to Shareholders also contain a notice on their cover page that if Shareholders are in any doubt to the action they should take, they should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Provision 11.2

The resolutions tabled at the general meetings are on each substantially separate issue, unless the issues are interdependent and linked so as to form one significant proposal. If a scenario arises where the resolutions are inter-conditional, the Company will explain the reasons and material implications in the notice of meeting. The Company ensures that there are separate resolutions at general meetings on each distinct issue. Detailed information on each resolution is set out in the notice of the general meeting.

Provision 11.3

Shareholders are informed of and are given the opportunity to participate at general meetings of the Company. The Board and Management are present at these meetings to address any questions that Shareholders may have. The Company's external auditors are also in attendance at the annual general meeting of the Company and are available to assist the Directors in addressing any relevant queries by Shareholders about the conduct of audit and the preparation and content of the auditors' report. In view of the Company's relatively modest shareholder base, and the ability of Shareholders to interact directly with the Board and Management before, during and after each general meeting, the Board is of the view that Shareholders have sufficient opportunity to express their views and address their questions to the Board and Management.

The Directors' attendance at the general meetings of the Company held in FY2024 is as follows:

Name of Director	Annual General Meeting held on 29 April 2024
Mr Law Ren Kai Kenneth	Present
Dr Bernard Ng Kee Huat(1)	Present
Mr Sim Mong Keang(2)	–
Mr Kenny Rebeira(3)	–

Notes:

(1) Dr Bernard ceased to be a Director of the Company with effect from 1 March 2025.

(2) Mr Sim Mong Keang was appointed as a Director of the Company on 1 August 2024.

(3) Mr Kenny Rebeira was appointed as a Director of the Company on 26 February 2025.

Provision 11.4

The Company does not provide for absentia voting methods such as by mail, email, or fax due to concerns as to the integrity of such information and authentication of the identity of Shareholders voting by such means.

If Shareholders are not able to attend the general meetings of the Company, they can appoint up to two (2) proxies to attend, speak and vote in their place. Pursuant to the Companies Act, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at general meetings, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. "Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.

Provision 11.5

Minutes are taken of all general meetings, and where appropriate, include all substantial and relevant comments or queries from Shareholders relating to the agenda of the meeting and the responses from the Board and Management. Such minutes, which are subsequently approved by the Board, will be made available to Shareholders during office hours upon request. For the annual general meeting held in FY2024, the Company had published the minutes of the annual general meeting on its corporate website and the SGXNet within one (1) month from the conclusion of the meeting.

Provision 11.6

The Company does not have a formal policy on the payment of dividends. However, the Board is mindful of the need to reward Shareholders as and when the performance of the Group, its projected capital requirements, cash-flow and operating requirements, allow for the payment of dividends. The frequency and amount of dividends declared each year will take into consideration the Group's profit growth, cash position, projected capital requirements for business growth and other factors as the Board may deem appropriate. Taking into account the above factors, and the Group's recorded accumulated losses in FY2024, the Board has not recommended dividends to be paid in respect of FY2024.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The Company communicates regularly with its Shareholders and facilitates the participation of Shareholders during general meetings and other dialogues to allow Shareholders to communicate their views on various matters affecting the Company.

Provision 12.1

The general meetings of the Company is the principal forum for dialogue with Shareholders. The Company recognises the value of feedback from Shareholders. During the general meetings, Shareholders are given ample time and opportunities to sound their views and concerns. All the Directors will endeavour to attend general meetings of the Company and Shareholders will be given the chance and share their thoughts and ideas or ask questions relating to the resolutions to be passed or on other corporate and business issues.

The Company will put all resolutions to vote by poll at the general meetings and the detailed results of the number of votes cast for and against each resolution and the respective percentages will be announced via SGXNet.

The Company believes in timely and accurate dissemination of information to its Shareholders. The Board makes every effort to comply with continuous disclosure obligations of the Company under the Catalist Rules and the Companies Act. Where there is inadvertent disclosure made to a selected group, the Company will make the same disclosure publicly as soon as practicable. Communication to Shareholders is normally made through:

(a) annual reports that are prepared and issued to all Shareholders;

(b) annual and quarterly financial statements announcements containing a summary of the financial information and affairs of the Group for the period;

(c) notices and explanatory memoranda for general meetings;

(d) disclosures to the SGX-ST via SGXNet; and

(e) press/media releases.

Provisions 12.2 and 12.3

The Company does not have an Investors Relations Policy in place. Notwithstanding, the Board's policy is that all Shareholders should be informed simultaneously in an accurate and comprehensive manner regarding all material developments that impact the Group via SGXNet on an immediate basis, in line with the Group's disclosure obligations pursuant to the Catalist Rules and Companies Act. There is no dedicated investor relations team in place as the Board is of the view that the current communication channels are sufficient and cost-effective.

MANAGING STAKEHOLDERS RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

Provision 13.1

The Company has identified environment and future generations, employees, customers, suppliers and communities as material stakeholders who may materially impact or be directly impacted by the Group's activities. Therefore, the Company has arrangements in place to engage with these material stakeholders and manage its relationships with them.

During FY2024, stakeholder relations are managed by the Corporate Sustainability Committee ("**CSC**") chaired by the Group CEO. Other members of the CSC include designated senior executives. Engagement includes regular and up-to-date communications on CSR policies and activities to our stakeholders. Stakeholders are encouraged to provide feedback (through the appropriate channels) on the Company's performance.

Detailed approach to the stakeholder engagement and materiality assessment has been disclosed in the Company's sustainability report for FY2024, which will be released separately by the Company on the SGXNet on or before 30 April 2025. Please refer to the Company's sustainability report for FY2024 for more information in respect of how the Group keeps stakeholders informed on its business and operations.

Provision 13.2

The Company's strategy and key areas of focus in relation to Management of stakeholder relationships during FY2024 were as follows:

- providing investors with relevant information about the Company and its activities and seeking their views on the Company's financial performance and activities;
- interacting with customers and suppliers regularly to better understand each other's concerns and needs and working with them to address these concerns and needs;
- communicating with the Group's employees in various ways to ensure that the Company knows their concerns and that they are aligned with the Company's strategies;
- engaging the local communities where the Group operates and identifying and seeking to address their needs and concerns; and
- providing feedback to and complying with the regulations and policies of regulators.

Provision 13.3

To promote regular, effective and fair communication with Shareholders, the Company maintains a corporate website at www.metahealthsg.com through which Shareholders are able to access up-to-date information on the Group.

MATERIAL CONTRACTS

Save for (i) the service contract entered into between the Executive Director (being the Group CEO) and the Company; and (ii) the Directors' remuneration as disclosed in the Notes to the Financial Statements in this Annual Report, and as disclosed below in the section entitled "Interested Person Transactions", there were no material contracts (including loans) entered into between the Company or any of its subsidiaries involving the interests of the CEO, any Director or controlling Shareholder, which are either still subsisting at the end of the financial year reported on or, if not then subsisting, entered into since the end of the previous financial year.

INTERESTED PERSON TRANSACTIONS

The Company has established procedures to ensure that transactions with interested persons are properly reviewed, approved and reported to the Audit Committee on a timely basis, and are conducted at arm's length basis and will not be prejudicial to the interests of the Company and its minority Shareholders.

The Group does not have a general mandate for recurrent interested person transactions. There were no interested person transactions which were more than S$100,000 entered into in FY2024.

NON-SPONSOR FEES

During FY2024, the Company's Sponsor, ZICO Capital Pte. Ltd. ("**ZICO Capital**") was appointed as the Manager of the Company's renounceable non-underwritten rights issue exercise ("**Rights Issue**"). Pursuant to the Rights Issue, the Company paid an aggregate fee of S$50,000 (excluding GST) to ZICO Capital in 2025, upon the completion of the Rights Issue in February 2025.

Save as disclosed above, with reference to Rule 1204 (21) of the Catalist Rules, there were no non-sponsor fees payable or paid to the Company's Sponsor, ZICO Capital, for FY2024.

DEALING IN SECURITIES

The Company has issued an internal code on dealings in the Company's securities to the Directors, Management, and other officers (including officers with access to material non-public price-sensitive information) of the Group. The Directors and other officers are prohibited from dealing in the Company's securities at least two (2) weeks before the announcement of the Group's quarterly financial results or one (1) month before the announcement of the Group's full year financial results until after the announcements are made. They are also advised not to deal in the Company's securities on short-term considerations and in circumstances where they have access to material non-public price-sensitive information. They are also advised to observe all applicable insider trading laws at all times even when dealing in securities within the permitted trading period.

USE OF PROCEEDS

On 14 February 2025, the Group completed the Rights Issue and raised net proceeds of approximately S$1.43 million ("**Net Proceeds**"). Please refer to the Company's offer information statement dated 20 January 2025 ("**Offer Information Statement**") for more information on the Rights Issue, and the Company's announcement dated 12 February in relation to the results of the Rights Issue ("**RI Results Announcement**"). The following table summarises the use of the Net Proceeds:

Use of Net Proceeds	**Net Proceeds as disclosed in the Announcement (S$'000)**	**Amount utilised as announced by the Company on 28 February 2025 (S$'000)**	**Amount utilised from 1 March 2025 up to the date of this Annual Report (S$'000)**	**Balance as at the date of this Annual Report (S$'000)**
Repayment of existing loans	790	(252)[(1)(2)]	(100)[(1)]	438
General corporate and working capital purposes of the Group	640	(630)[(3)]	(10)[(3)]	–
Total Net Proceeds	**1,430**	**(882)**	**(110)**	**438**

Notes:

(1) Relates to repayment of approximately S$0.20 million for term loan of a principal sum of S$0.64 million provided by United Overseas Bank Limited to the Company, which will mature in July 2025, as disclosed in paragraph 6 of Part 4 of the Offer Information Statement.

(2) Relates to the full repayment for term loan of a principal sum of S$0.15 million provided by MWA Capital Pte Ltd to the Company, which will mature in March 2025, as disclosed in paragraph 6 of Part 4 of the Offer Information Statement.

(3) The breakdown of the use of the Net Proceeds for general working capital purposes of the Group is as follows:

	S$'000
Employee benefit expenses	26
Legal and professional fees, rental, and corporate expenses	614
Total	640

The use of the Net Proceeds is in accordance with the intended uses as disclosed in the Announcement. The Company will continue to provide periodic announcements on the utilisation of the balance of the Net Proceeds as and when such proceeds are materially disbursed. The Company will also provide a status report on the use of the Net Proceeds in its annual report(s) and financial results announcement(s).

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION – APPENDIX 7F TO THE CATALIST RULES

Pursuant to Rule 720(5) of the Catalist Rules, the information as set out in Appendix 7F to the Catalist Rules relating to Mr Law Ren Kai Kenneth, Mr Sim Mong Keang and Mr Kenny Rebeira, being the Retiring Directors who are retiring in accordance with the Company's Constitution at the forthcoming annual general meeting, is set out below:

Name of Director	**Law Ren Kai Kenneth**
Date of first appointment	30 June 2022
Date of last re-appointment (if applicable)	29 April 2024
Age	41
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	The re-election of Mr Law Ren Kai Kenneth ("**Mr Law**") as Executive Chairman of the Company was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration Mr Law's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company, as well as the diversity of the Board with regards to the objectives of the Board Diversity policy of the Company.
Whether appointment is executive, and if so, the area of responsibility	Executive, responsible for overseeing the overall business strategy and operations of the Company.
Job Title (e.g. Lead ID, AC Chairman, AC member etc.)	Executive Chairman and a Member of the Audit Committee, the Remuneration Committee and the Nominating Committee
Professional qualifications	The Institute of Chartered Accountants in England and Wales (ICAEW) - Associate Chartered Accountant, Member The Institute of Singapore Chartered Accountants - Associate Member
Working experience and occupation(s) during the past 10 years	March 2017 to Present: Tembusu Partners Pte. Ltd. - Chief Financial Officer June 2022 to August 2022: Viking Offshore and Marine Limited - Financial Advisor April 2016 to May 2022: Viking Offshore and Marine Limited - Chief Financial Officer March 2015 to April 2016: Viking Offshore and Marine Limited - Group Financial Controller April 2014 to March 2015: Reka Health Pte. Ltd. - Chief Financial Officer
Shareholding interest in the listed Issuer and its subsidiaries	Nil
Any relationship (including immediate family relationship) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None
Conflict of Interest (including any competing business)	None

Name of Director	Law Ren Kai Kenneth
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships# *"Principal Commitments" has the same meaning as defined in the Code – "principal commitments" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8)	
Past (for the last 5 years)	Diverse Supply Chain (SG) Pte. Ltd. (f.k.a. Viking Offshore Global Pte. Ltd.) Marshal Systems Private Limited Promoter Hydraulics Pte. Ltd. Viking Facilities Management & Operations Pte. Ltd. Viking Offshore Malaysia Sdn. Bhd. PT Viking Offshore Marshal Offshore & Marine Engineering Co., Ltd.
Present	Listed Entites: GRP Limited Non-Listed Entities: Tembusu Growth Fund Hongkong Limited Tembusu Partners Pte. Ltd.
Items (a) to (k) of Appendix 7F to the Catalist Rules	There is no change to the declaration, which was disclosed in the Company's announcement dated 25 February 2025 in connection with Mr Law's appointment and re-designation from Independent Non-Executive Director and Chairman to Executive Chairman of the Company.

Name of Director	Sim Mong Keang
Date of first appointment	1 August 2024
Date of last re-appointment (if applicable)	Not Applicable
Age	55
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	The re-election of Mr Sim Mong Keang ("**Mr Sim**") as the Lead Independent Director of the Company was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration Mr Sim's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company, as well as the diversity of the Board with regards to the objectives of the Board Diversity policy of the Company. The Board considers Mr Sim to be independent for the purpose of Rule 704(7) of the Catalist Rules.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive

Name of Director	Sim Mong Keang
Job Title (e.g. Lead ID, AC Chairman, AC member etc.)	Lead Independent Director Audit Committee Chairman Nominating Committee Chairman Remuneration Committee Member
Professional qualifications	Diploma in Electronic Engineering from Ngee Ann Polytechnic, Singapore Bachelor of Commerce from Murdoch University, Western Australia
Working experience and occupation(s) during the past 10 years	2024 to Present: Serial Achieva Limited – CEO and Executive Director April 2023 to July 2024: Achieva Technology Sdn Bhd – Interim CEO March 2017 to Present: FSK Advisory Pte. Ltd. – CEO and Director December 2022 to March 2023: Doxa Holdings International Pte. Ltd. – Chief Commercial Officer
Shareholding interest in the listed Issuer and its subsidiaries	502,598 ordinary shares in the Company
Any relationship (including immediate family relationship) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None
Conflict of Interest (including any competing business)	None
Undertaking (in the format set out in Appendix 7H) under Rule 720[1] has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships# *" Principal Commitments" has the same meaning as defined in the Code – "principal commitments" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704[8]	
Past (for the last 5 years)	ZACD Group Ltd. Boldtek Holdings Limited Trans-Cab Holdings Ltd. Doxa Holdings International Pte. Ltd. K2C Capital Pte. Ltd. Legend Property Private Limited Oden Technology Pte. Ltd. (struck off) HomesToLife Ltd

Name of Director	Sim Mong Keang
Present	Listed Entities: Global Invacom Group Limited Serial Achieva Limited USP Group Limited (Under Judicial Management) Non-Listed Entities: I2 Capital Pte. Ltd. Maximus Fortune Pte. Ltd. CESK Capital Pte. Ltd. FSK Advisory Pte. Ltd. Achieva Technology Sdn Bhd Achieva Digital (Thailand) Company Limited Achieva Digital Pte. Ltd. Achieva Tech Allianz Pte. Ltd.
Items (a) to (k) of Appendix 7F to the Catalist Rules	There is no change to the declaration, which was disclosed in the Company's announcement dated 22 July 2024 on the appointment of Mr Sim as an Independent Director of the Company.

Name of Director	Kenny Rebeira
Date of first appointment	26 February 2025
Date of last re-appointment (if applicable)	Not applicable
Age	65
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	The re-election of Mr Kenny Rebeira ("**Mr Rebeira**") as an Independent Non-Executive Director of the Company was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration Mr Rebeira's qualifications, expertise and past experiences, as well as the diversity of the Board with regards to the objectives of the Board Diversity policy of the Company. The Board considers Mr Rebeira to be independent for the purpose of Rule 704(7) of the Catalist Rules.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC member etc.)	Independent Non-Executive Director Audit Committee Member Nominating Committee Member Remuneration Committee Chairman
Professional qualifications	National University of Singapore, Bachelor of Science Harvard Business School, Program for Management Development
Working experience and occupation(s) during the past 10 years	2023 to Present: SMRT Corporation Ltd – Advisor 2022 to Present: Novocure GmbH – Independent Consultant 1984 to 2022: Ministry of Defence – Director

Name of Director	Kenny Rebeira
Shareholding interest in the listed Issuer and its subsidiaries	Nil
Any relationship (including immediate family relationship) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None
Conflict of Interest (including any competing business)	None
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships# *"Principal Commitments" has the same meaning as defined in the Code – "principal commitments" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8)	
Past (for the last 5 years)	None
Present	Listed Entities: None Non-Listed Entities: Space Age Medical The Lasallian Trust of Singapore Ltd. La Salle Centre (Limited) Rue Neuve Co Ltd (Myanmar) Catholic Archdiocesan Schools Singapore Limited
Items (a) to (k) of Appendix 7F to the Catalist Rules	There is no change to the declaration, which was disclosed in the Company's announcement dated 25 February 2025 on the appointment of Mr Rebeira as an Independent Director of the Company.

The directors submit this annual report to the members together with the audited consolidated financial statements of Meta Health Limited (the "Company") and its subsidiaries (collectively, the "Group") for the financial year ended 31 December 2024.

In the opinion of the directors:

(a) the accompanying statements of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows, together with the notes thereon, are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, having regard to information as disclosed in Note 1(a) to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors have, on the date of this statement, authorised these financial statements for issue.

Names of directors

The directors of the Company in office at the date of this statement are:

Law Ren Kai Kenneth (Executive Chairman)
Sim Mong Keang (Independent Director) (Appointed on 1 August 2024)
Kenny Rebeira (Independent Director) (Appointed on 26 February 2025)

Directors' interest in shares, debentures or share options

According to the register of directors' shareholdings kept by the Company under Section 164 of the Act, none of the directors who held office at the end of the financial year had any interest in the shares, debentures or share options of the Company or its related corporations, except as follows:

	Holdings registered in the name of director		**Holdings in which director is deemed to have an interest**	
	As at 1.1.2024	**As at 31.12.2024#**	As at 1.1.2024	**As at 31.12.2024#**
The Company	Number of ordinary shares			
Bernard Ng Kee Huat (Resigned on 1 March 2025)	24,500,000	**24,500,000**	–	**–**
Sim Mong Keang (Appointed on 1 August 2024)	–	**50,000**	–	**–**

Directors' interest in shares, debentures or share options (cont'd)

According to the register of directors' shareholdings, certain directors holding office at the end of the financial year had interests in options to subscribe for ordinary shares of the Company granted pursuant to the Employee Share Option Scheme as set out below and in the "Employee share option scheme" section of this statement.

	As at 1.1.2024	**As at 31.12.2024#**
The Company	Number of unissued ordinary shares under option	
Koh Gim Hoe (Retired on 29 April 2024)	3,000,000	–
Kelvin Lee Ming Hui (Retired on 29 April 2024)	1,000,000	–

There were no changes to any of the above-mentioned director's interests in the Company between the end of the financial year and 21 January 2025.

Employee share option scheme

On 4 November 2003, the Company adopted the MCE Share Option Scheme ("MCE Scheme") which expired on or about 3 November 2013. At the Annual General Meeting of the Company on 25 April 2014, the MCE Share Option Scheme 2014 ("MCE Scheme 2014") was approved by the Company's shareholders ("Shareholders") to replace the MCE Scheme. The MCE Scheme 2014, which forms an integral component of its compensation plan, is designed with the following objectives:

(i) to serve as an additional method available to the Group for compensating the participants rather than merely through salaries, salary increments and/or cash bonuses and to make remuneration sufficiently competitive to recruit and retain the participants;

(ii) to enhance the Group's ability to retain and attract highly qualified participants whose contributions are important to the Group's long-term business plans and objectives;

(iii) to offer participants the opportunity to acquire or increase their equity interests in the company and a chance to share in the profits of the Company as Shareholders;

(iv) to motivate participants to maximise their performance and efficiency due to the possible financial rewards arising from the Options granted, and to maintain a high level of contribution to the Group and create value for Shareholders;

(v) to promote greater commitment and dedication, instill loyalty and a stronger identification by the participants with the long-term development and growth plans of the Group; and

(vi) to align the interests of the participants with those of the Shareholders.

Under the rules of the MCE Scheme 2014, all directors (including non-executive directors) and employees of the Group are eligible to participate in the MCE Scheme 2014. Directors and employees who are also controlling shareholders or associates of controlling shareholders are not eligible to participate in the MCE Scheme 2014 unless:

(i) their participation; and

(ii) the actual number of Shares to be issued to them and the terms of any Option to be granted to them, have been approved by independent Shareholders in general meeting in separate resolutions for each such person.

Employee share option scheme (cont'd)

The total number of shares over which options may be granted shall not exceed 15% of the issued ordinary share capital of the Company on the day preceding the date of the relevant grant. The MCE Scheme 2014 is administered by the Company's Remuneration Committee, comprising Law Ren Kai Kenneth, Sim Mong Keang and Kenny Rebeira in accordance with the rules of the MCE Scheme 2014. The number of options to be offered to a participant shall be determined at the discretion of the Remuneration Committee who shall take into account criteria such as the rank, length of service and performance of the participant provided always that the maximum entitlement of any participant, in accordance with and during the operation of the MCE Scheme 2014, shall not exceed 20% in aggregate of the total number of shares which have been issued and may be issued by the Company pursuant to the exercise of options under the MCE Scheme 2014.

The subscription price for each share in respect of which an option is exercisable shall be determined by the Remuneration Committee at its absolute discretion and fixed by the Remuneration Committee:

(i) at the prevailing market price of the Company's shares based on the average of the last dealt price per share determined by reference to the daily official list or other publication published by the SGX-ST for a period of five consecutive market days immediately preceding the relevant date of grant of such options ("Market Price"); or

(ii) at a price which is set at a discount to the Market Price, provided that the maximum discount shall not exceed 20% of the Market Price, the discount must have been approved by the Shareholders in a separate resolution.

Options must be exercised before the expiry of 10 years and 5 years from the date of grant for holders of options who are executive directors or employees and non-executive directors respectively. The vesting period is one year from date of grant.

Details of options granted to directors and employees under the MCE Scheme and MCE Scheme 2014 are as follows:

Date of grant	Balance at 1.1.2024	Options granted	Options exercised	Options forfeited/ expired	Balance at 31.12.2024	Exercise price	Number of option holders at 31.12.2024	Exercise period
22.6.2018 (ii)	1,320,000	–	–	(1,320,000)	–	S$0.034	–	22.6.2019 to 22.6.2028
30.6.2021 (i)	21,528,000	–	–	(21,528,000)	–	S$0.055	–	30.6.2022 to 30.6.2031
30.11.2021 (i)	1,000,000	–	–	(1,000,000)	–	S$0.055	–	30.11.2022 to 30.11.2031
	23,848,000	–	–	(23,848,000)	–			

(i) For directors and employees

(ii) For employees

Employee Share Option Scheme (cont'd)

The following table summarises information about share options of directors and employees (who received 5% or more of the total number of options) outstanding as at 31 December 2024:

	Options granted during the financial year ended 31.12.2024	Aggregate options granted since commencement of scheme to 31.12.2024	Aggregate options exercised since commencement of scheme to 31.12.2024	Aggregate options cancelled/ lapsed since commencement of scheme to 31.12.2024	Aggregate options outstanding as at 31.12.2024
Directors:					
Koh Gim Hoe	–	3,000,000	–	(3,000,000)	–
Kelvin Lee Ming Hui	–	1,000,000	–	(1,000,000)	–
	–	4,000,000	–	(4,000,000)	–
Other participants who received 5% or more of the total available options other than directors:					
Chua Kheng Choon [1]	–	16,000,000	–	(16,000,000)	–
	–	16,000,000	–	(16,000,000)	–
Other participants who received less than 5% of the total available options other than directors:					
Other employees	–	3,848,000	–	(3,848,000)	–
	–	23,848,000	–	(23,848,000)	–

(1) Chua Kheng Choon was the Senior Vice President of MCE Technologies Sdn Bhd, MCE Thailand Co., Ltd and MCE Technologies (Suzhou) Co., Ltd, subsidiaries of the Group in Malaysia, Thailand and China, respectively. He ceased to be the Senior Vice President with effect from 11 February 2024 after the disposal of the entities.

The persons to whom the options have been issued have no right to participate by virtue of the options in any share issue of the Company or any corporation in the Group.

There have been no options granted to the controlling shareholders of the Company or their associates. No employee, other than as disclosed above, has received 5% or more of the total number of options available under the MCE Scheme and the MCE Scheme 2014.

The options granted by the Company do not entitle the holders of the options, by virtue of such holding, to any rights to participate in any share issue of any other related corporations.

There were no options granted at a discount under MCE Scheme 2014 during the financial year ended 31 December 2024.

Audit Committee

At the date of this statement, the Audit Committee comprises the following members:

Sim Mong Keang (Chairman)
Law Ren Kai Kenneth
Kenny Rebeira

The Audit Committee performs the functions set out in Section 201B(5) of the Singapore Companies Act 1967, the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist ("Catalist Rules") and the Singapore Code of Corporate Governance 2018. In performing those functions, the Audit Committee reviewed the following:

(i) overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors. It also met with the Company's internal auditor to discuss the results of their examination and evaluation of the Group's system of internal accounting controls;

(ii) the audit plan of the Company's external auditor and any recommendations on the Group's internal accounting controls arising from the statutory audit;

(iii) the half-yearly financial information, the statement of financial position of the Company as at 31 December 2024 and the consolidated financial statements of the Group for the financial year ended 31 December 2024, as well as the auditor's report thereon;

(iv) effectiveness of the Company's material internal controls, including financial, operational and compliance controls and information technology controls and risk management systems via reviews carried out by the internal auditor;

(v) met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the Audit Committee;

(vi) reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

(vii) reviewed the cost effectiveness and the independence and objectivity of the external auditor;

(viii) reviewed the nature and extent of non-audit services provided by the external auditor;

(ix) recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;

(x) reported actions and minutes of the Audit Committee to the Board of Directors with such recommendations as the Audit Committee considered appropriate; and

(xi) interested person transactions (as defined in Chapter 9 of the Catalist Rules).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditor and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditor and has recommended to the Board of Directors that the auditor, Foo Kon Tan LLP, be nominated for re-appointment as auditor at the forthcoming Annual General Meeting of the Company.

Full details regarding the Audit Committee are provided in the Corporate Governance Report.

In appointing our auditors for the Company and its subsidiaries, we have complied with Catalist Rules 712 and 715.

Directors' Statement

For the financial year ended 31 December 2024

Independent auditor

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

LAW REN KAI KENNETH

SIM MONG KEANG

Dated: 2 April 2025

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Meta Health Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(a) to the financial statements. As at 31 December 2024, the Group reported net liabilities of $1,687,051 and net current liabilities of $1,652,133, and the Company reported net liabilities of $2,284,051 and net current liabilities of $2,349,832. The Group had $nil of available credit facilities at the reporting date. For the year ended 31 December 2024, the Group reported a loss for the year of $1,447,974 and net cash used in operating activities of $1,092,785. The Group discontinued one of its two segments, the Metal business, in the previous year, and closed its only operating clinic in October 2024. In June 2024, the Group had experienced a delay with its scheduled monthly instalment payment due to the Royal Malaysian Customs Department (Note 31). With respect to the irregularities in Gainhealth, the Group had not received any payment of the remaining tranche for the settlement amount (Note 37). These events and conditions indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Group to continue as a going concern and the Group may not realise its assets and settle its liabilities in the ordinary course of business at the amounts recorded in the financial statements. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

1. Irregularities concerning Gainhealth (Note 37)

Information regarding the irregularities concerning Gainhealth are disclosed in Note 37 to the financial statements.

In March 2023, the Company first discovered the alleged irregularities relating to certain receivables, sales and cost of sales (the "Allegations") of Gainhealth, that involved a key management personnel (the "Officer"). In April 2023, based on preliminary internal investigations, the Officer's employment was terminated with immediate effect, and the Company lodged a police report in respect of the Allegations. In May 2023, after consulting with legal counsel, the Group commenced legal proceedings against (i) the Officer; (ii) a former director of a subsidiary (the "Former Director"); and (iii) certain entities which were not part of the Group (the "Entities") (collectively, the "Defendants"), all as allegedly involved in the deceit (the "Suit") to, among others, recover the losses. The Former Director was the spouse of the Officer, and the Entities were either controlled by the Officer or by individual allegedly related to the Officer.

Key Audit Matters (cont'd)

1. Irregularities concerning Gainhealth (Note 37) (cont'd)

In September 2023, the Group obtained judgement against the Entities in the Suit arising from their respective failures to file a notice of intention to contest or not to contest the Suit. The damages and costs awarded to the Group were approximately $1,363,163 in aggregate. The Suit was still ongoing against the remaining defendants, including the Officer. In January 2024, the Group reached an agreement with the Officer and the Former Director to settle out of court the dispute that was the subject matter of the Suit, and the Group entered into and executed a written settlement agreement with the Officer and the Former Director (the "Settlement Agreement"). The settlement amount of approximately $1,330,000 represented the full amount of damages that was claimed by the Group in the Suit, together with a contribution towards costs.

As a result of the internal investigations now concluded, management had assessed that the loss suffered by Gainhealth had amounted to $1,289,543. The loss suffered by Gainhealth occurred because the cash payments made to the fictitious suppliers exceeded the cash receipts collected from the fictitious customers. In year 2023, for the purpose of correcting the prior year's financial statements to reflect the losses from the irregularities in Gainhealth, management recorded prior period adjustments for the year ended 31 December 2022. The clinic in Gainhealth ceased operations in February 2023. Subsequently Gainhealth became a dormant entity in September 2023 as all of its business activities were then wound down.

Since the Group entered into the Settlement Agreement with the Officer and the Former Director only in January 2024, the settlement amount of approximately $1,330,000 had not been recognised in the financial statements for the year ended 31 December 2023 because it was not virtually certain that the settlement amount would be receivable as at the reporting date.

In May 2024, the Group received full payment of the first tranche in cash of $1,000,000. Accordingly, the Group recognises a settlement gain of $1,000,000 within other income in profit or loss for the year ended 31 December 2024.

As at the date of these financial statements, the Group has not received any payment of the remaining tranche. Accordingly, the Officer and the Former Director are in breach of the terms of the Settlement Agreement. In January 2025, the Group issues a letter of demand to the Officer and the Former Director demanding immediate payment of the remaining tranche. In March 2025, the Group applies to the High Court of Singapore for a bankruptcy order to be made against the Officer.

In March 2025, the Company received an email from the Officer in which he issued a statutory demand against the Company under Section 62 of the Insolvency, Restructuring and Dissolution Act 2018 for the payment of an amount of $216,667 (the "Demanded Sum") within 21 days from the date of service of the statutory demand against the Company. The Officer asserted that the Demanded Sum related to the outstanding balance with interest due to the Former Director as part of the sale and purchase agreement dated 12 July 2022 entered into between 5Digital and the Former Director for the acquisition of her shares in Gainhealth, and the Former Director had purportedly assigned the Demanded Sum to the Officer on 17 March 2025. The Officer further indicated his intention to reserve the right to make further demands under Section 216 of the Companies Act 1967. The Company is of the view that the claims made by the Officer are without merit and the Company in consultation with its legal counsel will take the appropriate and necessary actions to protect the interests of the Company and its shareholders.

The irregularities concerning Gainhealth is determined to be a key audit matter as it is a significant event outside the normal course of business.

How the matter was addressed in the audit

We enquired with management to understand the status of the legal proceedings. We reviewed the relevant court documents and obtained independently a representation from the Company's legal counsel to confirm our understanding.

We reviewed the Settlement Agreement to verify the settlement amount and the terms and conditions. We verified the Group's receipt of the first tranche of settlement amount to the bank accounts.

We reviewed the adequacy of the relevant disclosure information made in Note 37 to the financial statements.

Key Audit Matters (cont'd)

2. Acquisition of new subsidiary in Jas Medical (Note 6(a)(ii))

On 18 November 2024, the Group acquired a 55% equity interest in Jas Medical Screening Centre Pte Ltd ("Jas Medical") from an unrelated third party. The principal activities of Jas Medical are those of provision of comprehensive and personalised health screening services, including medical laboratories and diagnostic imaging centres.

Details of the assets acquired and liabilities assumed, the consideration transferred, the goodwill arising, and the effects on the cash flows of the Group at the acquisition date are disclosed in Note 6(a)(ii) to the financial statements.

The consideration transferred included a contingent consideration. The contingent consideration arrangement is such that, if Jas Medical achieves a net profit after tax of at least $175,000 in each of the financial years ending 31 December 2025 and 31 December 2026, the Company is required to issue 7,777,000 earn-out shares at an issue price of $0.01 per share to the vendor for each year. The fair value of the contingent consideration payable at the acquisition date was estimated to be $nil, as Jas Medical was not expected to achieve a net profit after tax of $175,000 for either year 2025 or 2026. The goodwill arising from the acquisition amounted to $599,472.

As part of the acquisition of Jas Medical, the Company entered into a put and call option agreement with the vendor. The put and call options can be exercised any time before 30 June 2027 upon the occurrence of either the resignation or termination of the Chief Executive Officer of Jas Medical or a change of control or core business event in the Company.

The accounting of the business combination is a key audit matter because it involves significant judgement and estimation uncertainty in the assumptions used to determine the financial effects, including the fair value of the consideration transferred and the goodwill arising.

How the matter was addressed in the audit

We examined the sale and purchase agreement with the vendor to verify the terms and conditions of the acquisition, including the consideration transferred and the assets acquired and liabilities assumed. We also reviewed the substance of the acquisition to assess that it met the definition of a business combination.

We engaged a valuation specialist as our auditor's expert to review the methodologies, assumptions and workings in the purchase price allocation performed by management's expert, including the estimation of the contingent consideration, the valuation of put and call options and the computation of the goodwill arising. We also validated the competence, capabilities and objectivity of our auditor's expert and management's expert.

We reviewed the adequacy of the relevant disclosure information made in Note 6(a)(ii) to the financial statements.

3. Impairment assessment of goodwill (Note 7)

As at 31 December 2024, the carrying amount of goodwill of $599,472 attributable to the Group's cash-generating-unit ("CGU") in Jas Medical was tested for impairment. The recoverable amount of the CGU was determined based on its value-in-use ("VIU") calculation. The VIU calculation comprised a discounted cash flow ("DCF") model using cash flow projections based on financial budget prepared by management covering a five-year period with terminal value. As the carrying amount of the CGU was higher than its estimated recoverable amount, an impairment loss of $396,502 was recognised in the year ended 31 December 2024.

Details of the impairment assessment including the key assumptions used in the VIU calculation are disclosed in Note 7 to the financial statements.

Goodwill is assessed for impairment at least annually. Any adverse change in the business activities of the CGU to which goodwill has been allocated, due to internal or external factors, may have an adverse effect on the recoverable amount of the CGU and may require the recognition for impairment of the goodwill.

The impairment assessment of goodwill is a key audit matter because it involves significant judgement and estimation uncertainty in the methods and assumptions used to determine the recoverable amount of the CGU that carries the goodwill.

Key Audit Matters (cont'd)

3. Impairment assessment of goodwill (Note 7) (cont'd)

How the matter was addressed in the audit

We reviewed the appropriateness of the determination of the CGU to which goodwill had been allocated.

We engaged a valuation specialist as our auditor's expert to review the methodologies and assumptions pertaining to the VIU calculation of the CGU prepared by management for the impairment assessment of goodwill, including the appropriateness of the DCF model, the reasonableness of the valuation inputs applied, and the accuracy of the computational processes performed. We also validated the competence, capabilities and objectivity of our auditor's expert.

We reviewed the adequacy of the relevant disclosure information made in Note 7 to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Ling Guo Leng.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore,
2 April 2025

Statements of Financial Position

As at 31 December 2024

		The Group		The Company	
		31 December 2024	31 December 2023	**31 December 2024**	31 December 2023
	Note	**$**	$	**$**	$
ASSETS					
Non-Current Assets					
Property, plant and equipment	3	**1,564**	65,516	**202**	57,200
Right-of-use assets	4	**182,744**	29,853	**–**	29,853
Other investments	5	**–**	18,407	**–**	–
Subsidiaries	6	**–**	–	**65,579**	2,980,280
Intangible assets	7	**211,255**	–	**–**	–
		395,563	113,776	**65,781**	3,067,333
Current Assets					
Inventories	8	**–**	14,213	**–**	–
Trade and other receivables	9	**1,002,419**	1,169,451	**37,439**	2,014,030
Prepayments	10	**5,767**	62,886	**3,083**	61,533
Derivative financial asset	11	**16,857**	–	**16,857**	–
Cash and bank balances	12	**187,326**	3,366,401	**32,768**	1,214,927
		1,212,369	4,612,951	**90,147**	3,290,490
Assets of disposal group classified as held-for-sale	13	**–**	3,247,558	**–**	–
		1,212,369	7,860,509	**90,147**	3,290,490
Total assets		**1,607,932**	7,974,285	**155,928**	6,357,823
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	14	**31,841,284**	31,663,050	**31,841,284**	31,663,050
Reserves	15	**(33,409,781)**	(32,160,355)	**(34,125,335)**	(36,456,520)
Total equity attributable to owners of the Company		**(1,568,497)**	(497,305)	**(2,284,051)**	(4,793,470)
Non-controlling interest	6	**(118,554)**	4,000	**–**	–
Total equity		**(1,687,051)**	(493,305)	**(2,284,051)**	(4,793,470)
Non-Current Liabilities					
Borrowings	16	**304,572**	1,521,064	**–**	646,236
Lease liabilities	17	**125,909**	–	**–**	–
		430,481	1,521,064	**–**	646,236
Current Liabilities					
Borrowings	16	**1,752,674**	2,408,223	**1,548,607**	1,986,391
Lease liabilities	17	**87,935**	30,368	**30,368**	30,368
Trade and other payables	18	**1,018,724**	1,599,842	**861,004**	8,488,298
Current tax payable		**5,169**	4,635	**–**	–
		2,864,502	4,043,068	**2,439,979**	10,505,057
Liabilities of disposal group classified as held-for-sale	13	**–**	2,903,458	**–**	–
		2,864,502	6,946,526	**2,439,979**	10,505,057
Total liabilities		**3,294,983**	8,467,590	**2,439,979**	11,151,293
Total equity and liabilities		**1,607,932**	7,974,285	**155,928**	6,357,823

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the financial year ended 31 December 2024

	Note	2024 $	2023 $
Continuing operations			
Revenue	19	**244,828**	4,613,394
Other income	20	**1,173,249**	88,755
Raw materials and consumables used		**(40,827)**	(3,822,291)
Changes in inventories of finished goods		**(14,213)**	34,384
Employee benefits expense	21	**(831,680)**	(2,678,853)
Depreciation of property, plant and equipment	3	**(8,884)**	(27,811)
Depreciation of right-of-use assets	4	**(34,752)**	(47,235)
Impairment of goodwill	7	**(396,502)**	(98,068)
Expected credit losses on trade and other receivables, reversed/(made)	9	**46,645**	(115,765)
Other gains and losses	22	**(92,837)**	(131,752)
Finance costs	23	**(140,630)**	(294,717)
Other operating expenses		**(956,659)**	(850,409)
Loss before taxation		**(1,052,262)**	(3,330,368)
Tax credits	25	**3,836**	–
Loss from continuing operations for the year		**(1,048,426)**	(3,330,368)
Loss from discontinued operations for the year	26	**(399,548)**	(5,011,466)
Loss for the year	24	**(1,447,974)**	(8,341,834)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Currency translation differences - Foreign operations		**(4,678)**	(400,309)
Currency translation differences - Reclassified to profit or loss on disposal of subsidiaries	6(b)	**214,479**	1,146,720
Items that will not be reclassified subsequently to profit or loss			
Change in fair value of equity investments at fair value through other comprehensive income	5	**(18,407)**	(387,073)
Other comprehensive income for the year, net of tax		**191,394**	359,338
Total comprehensive loss for the year		**(1,256,580)**	(7,982,496)
Loss attributable to:			
Owners of the Company			
Continuing operations		**(1,041,272)**	(3,396,662)
Discontinued operations		**(399,548)**	(5,011,466)
		(1,440,820)	(8,408,128)
Non-controlling interest			
Continuing operations		**(7,154)**	66,294
		(1,447,974)	(8,341,834)
Total comprehensive loss attributable to:			
Owners of the Company			
Continuing operations		**(1,064,357)**	(3,832,418)
Discontinued operations		**(185,069)**	(4,216,372)
		(1,249,426)	(8,048,790)
Non-controlling interest			
Continuing operations		**(7,154)**	66,294
		(1,256,580)	(7,982,496)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the financial year ended 31 December 2024

	Note	**2024** **$**	2023 $
Loss per share attributable to owners of the Company (Singapore cent)			
Continuing and discontinued operations			
- Basic	27	**(0.14)**	(1.28)
- Diluted	27	**(0.14)**	(1.28)
Continuing operations			
- Basic	27	**(0.10)**	(0.52)
- Diluted	27	**(0.10)**	(0.52)
Discontinued operations			
- Basic	27	**(0.04)**	(0.76)
- Diluted	27	**(0.04)**	(0.76)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

	Share capital	Share option reserve	Fair value reserve	Foreign currency translation reserve	Statutory reserve	Other reserve	Accumulated losses	Total equity attributable to owners of the Company	Non-controlling interest	Total
	$	$	$	$	$	$	$	$	$	$
At 1 January 2023	29,174,587	1,067,769	(2,069,850)	(1,316,153)	565,844	(884,952)	(21,474,223)	5,063,022	(62,294)	5,000,728
Loss for the year	–	–	–	–	–	–	(8,408,128)	(8,408,128)	66,294	(8,341,834)
Other comprehensive loss for the year										
- Currency translation differences	–	–	–	746,411	–	–	–	746,411	–	746,411
- Fair value through other comprehensive income (Note 5)	–	–	(387,073)	–	–	–	–	(387,073)	–	(387,073)
Total comprehensive loss for the year	–	–	(387,073)	746,411	–	–	(8,408,128)	(8,048,790)	66,294	(7,982,496)
Contributions by and distributions to owners										
- Issuance of shares (Note 14)	2,488,463	–	–	–	–	–	–	2,488,463	–	2,488,463
- Expiry/Forfeiture of share options	–	(419,930)	–	–	–	–	419,930	–	–	–
Transactions with owners in their capacity as owners	2,488,463	(419,930)	–	–	–	–	419,930	2,488,463	–	2,488,463
Balance at 31 December 2023	31,663,050	647,839	(2,456,923)	(569,742)	565,844	(884,952)	(29,462,421)	(497,305)	4,000	(493,305)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2024

	Share capital $	Share option reserve $	Fair value reserve $	Foreign currency translation reserve $	Statutory reserve $	Other reserve $	Accumulated losses $	Total equity attributable to owners of the Company $	Non-controlling interest $	Total $
At 1 January 2024	**31,663,050**	**647,839**	**(2,456,923)**	**(569,742)**	**565,844**	**(884,952)**	**(29,462,421)**	**(497,305)**	**4,000**	**(493,305)**
Loss for the year	–	–	–	–	–	–	(1,440,820)	(1,440,820)	(7,154)	(1,447,974)
Other comprehensive loss for the year										
- Currency translation differences	–	–	–	209,801	–	–	–	209,801	–	209,801
- Fair value through other comprehensive income (Note 5)	–	–	(18,407)	–	–	–	–	(18,407)	–	(18,407)
Total comprehensive loss for the year	–	–	(18,407)	209,801	–	–	(1,440,820)	(1,249,426)	(7,154)	(1,256,580)
Contributions by and distributions to owners										
- Issuance of shares (Note 14)	178,234	–	–	–	–	–	–	178,234	–	178,234
- Non-controlling interest arising from business combination Note 6(a)(ii))	–	–	–	–	–	–	–	–	(115,400)	(115,400)
- Expiry/Forfeiture of share options	–	(647,839)	–	–	–	–	647,839	–	–	–
Transactions with owners in their capacity as owners	178,234	(647,839)	–	–	–	–	647,839	178,234	(115,400)	62,834
Balance at 31 December 2024	**31,841,284**	**–**	**(2,475,330)**	**(359,941)**	**565,844**	**(884,952)**	**(30,255,402)**	**(1,568,497)**	**(118,554)**	**(1,687,051)**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2024

	Note	**2024** **$**	2023 $
Cash Flows from Operating Activities			
Loss before taxation from continuing operations		**(1,052,262)**	(3,330,368)
Loss before taxation from discontinued operations		**(399,548)**	(4,986,301)
Loss before taxation		**(1,451,810)**	(8,316,669)
Adjustments for:			
Depreciation of property, plant and equipment	3, 24	**8,884**	660,550
Depreciation of right-of-use assets	4, 24	**34,752**	870,812
Loss on disposal of property, plant and equipment	22	**4,548**	372,768
Loss on disposal of right-of-use assets	22	**–**	58,609
Property, plant equipment write-off	22	**51,659**	25,603
Loss on disposal of subsidiaries	6(b), 22	**399,548**	1,372,466
Loss on re-measurement of disposal group classified as held for sale	13, 24	**–**	2,108,176
Impairment of goodwill	7, 24	**396,502**	98,068
Impairment of property, plant and equipment	3, 22	**–**	32,745
Impairment of right-of-use assets	4, 22	**30,146**	–
Write-down of inventories made	22	**–**	13,910
Expected credit losses on trade and other receivables, (reversed)/made		**(46,645)**	373,452
Bad debts write-off	22	**16,507**	58,299
Fair value gain on derivative financial asset	20	**(16,857)**	–
Interest expense on borrowings	23	**138,573**	318,131
Interest expense on lease liabilities	23	**2,057**	75,827
Interest income	20	**(6,579)**	(5,384)
Operating loss before working capital changes		**(438,715)**	(1,882,637)
Changes in inventories		**14,213**	515,704
Changes in trade and other receivables		**221,555**	98,959
Changes in prepayments		**57,119**	370,239
Changes in trade and other payables		**(946,957)**	(1,387,403)
Changes in contract liabilities		**–**	48,667
Cash used in operations		**(1,092,785)**	(2,236,471)
Income taxes paid		**–**	–
Net cash used in operating activities		**(1,092,785)**	(2,236,471)
Cash Flows from Investing Activities			
Acquisition of a subsidiary, net of cash acquired	6(a)	**27,747**	(59,000)
Net (outlay)/ proceeds from disposal of subsidiaries	6(b)	**(1,638,867)**	4,531,192
Proceeds from disposal of property, plant and equipment		**220**	632,110
Purchase of property, plant and equipment		**–**	(414,202)
Interest received		**6,579**	5,384
Net cash (used in)/ generated from investing activities		**(1,604,321)**	4,695,484

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2024

	Note	**2024** **$**	2023 $
Cash Flows from Financing Activities			
Proceeds from issuance of shares	14	**–**	2,488,463
Proceeds from borrowings		**–**	5,256,906
Repayment of borrowings		**(2,109,987)**	(6,850,505)
Repayment of lease liabilities		**(34,691)**	(785,370)
Interest paid		**(140,630)**	(393,958)
Net cash used in financing activities		**(2,285,308)**	(284,464)
Net (decrease)/ increase in cash and cash equivalents		**(4,982,414)**	2,174,549
Cash and cash equivalents at beginning of year		**5,164,299**	3,218,224
Exchange differences on translation of cash and cash equivalents		**5,441**	(228,474)
Cash and cash equivalents at end of year	12	**187,326**	5,164,299

Reconciliation of movements of liabilities to cash flows arising from financing activities, excluding equity items

	Lease liabilities **$**	**Bank loans** **$**	**Bank overdraft** **$**	**Bills payable to banks** **$**	**Total** **$**
At 1 January 2023	2,430,105	3,593,884	–	2,266,369	8,290,358
Cash flows					
- Proceeds from borrowings	–	600,000	43,820	4,613,086	5,256,906
- Repayment of borrowings	–	(1,780,222)	–	(5,070,283)	(6,850,505)
- Repayment of lease liabilities	(785,370)	–	–	–	(785,370)
- Interest paid	(75,827)	(168,046)	(4,702)	(145,383)	(393,958)
	(861,197)	(1,348,268)	39,118	(602,580)	(2,772,927)
Other changes					
- New leases	107,050	–	–	–	107,050
- Terminated leases	(377,429)	–	–	–	(377,429)
- Disposal of subsidiaries	(1,323,266)	–	(43,820)	(281,595)	(1,648,681)
- Conversion of bills payable to bank loans	–	1,515,625	–	(1,515,625)	–
- Interest expense	75,827	168,046	4,702	145,383	393,958
- Exchange difference on translation	(20,722)	–	–	(11,952)	(32,674)
	(1,538,540)	1,683,671	(39,118)	(1,663,789)	(1,557,776)
At 31 December 2023	**30,368**	**3,929,287**	**–**	**–**	**3,959,655**
Cash flows					
- Repayment of borrowings	**–**	**(2,109,987)**	**–**	**–**	**(2,109,987)**
- Repayment of lease liabilities	**(34,691)**	**–**	**–**	**–**	**(34,691)**
- Interest paid	**(2,057)**	**(138,573)**	**–**	**–**	**(140,630)**
	(36,748)	**(2,248,560)**	**–**	**–**	**(2,285,308)**
Other changes					
- Lease modification (Note 4)	**212,963**	**–**	**–**	**–**	**212,963**
- Acquisition of a subsidiary	**5,204**	**237,946**	**–**	**–**	**243,150**
- Interest expense	**2,057**	**138,573**	**–**	**–**	**140,630**
	220,224	**376,519**	**–**	**–**	**596,743**
At 31 December 2024	**213,844**	**2,057,246**	**–**	**–**	**2,271,090**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

1 General information

The financial statements of Meta Health Limited (the “Company”) and its subsidiaries (the “Group”) for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on the date of the Statement by Directors.

The Company is incorporated as a limited liability company and is domiciled in Singapore.

The Company is listed on the Catalist of the Singapore Exchange Securities Trading Limited.

The registered office and principal place of business of the Company is located at 7500A Beach Road #12-303 The Plaza, Singapore 199591.

The principal activities of the Company consist of investment holding and healthcare business of telemedicine, nursing services and e-pharmacy. The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

1(a) Going concern

As at 31 December 2024, the Group reported net liabilities of $1,687,051 (2023 - $493,305) and net current liabilities of $1,652,133 (2023 - net current assets of $913,983), and the Company reported net liabilities of $2,284,051 (2023 - $4,793,470) and net current liabilities of $2,349,832 (2023 - $7,214,567). The Group had $nil (2023 - $nil) of available credit facilities at the reporting date. For the year ended 31 December 2024, the Group reported a loss for the year of $1,447,974 (2023 - $8,341,834) and net cash used in operating activities of $1,092,785 (2023 - $2,236,471). The Group discontinued one of its two segments, the Metal business, in the previous year, and closed its only operating clinic in October 2024. In June 2024, the Group had experienced a delay with its scheduled monthly instalment payment due to the Royal Malaysian Customs Department (Note 31). With respect to the irregularities in Gainhealth, the Group had not received any payment of the remaining tranche for the settlement amount (Note 37).

The aforementioned conditions indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Group to continue as a going concern and the Group may not realise its assets and settle its liabilities in the ordinary course of business at the amounts recorded in the financial statements.

Notwithstanding the above indications, these financial statements have been prepared on a going concern basis on the following premises:

- The Group is in the process of ongoing implementation of cost-reduction strategies at the head office and an operating subsidiary.
- Following negotiations with the Royal Malaysian Customs Department, a revised payment plan was accepted by the Group, which included an increase in total instalment payments due by RM48,000 ($13,000) and an extension of the repayment period by four months (Note 31).
- With respect to the irregularities in Gainhealth, in January 2025, the Group issued a letter of demand for immediate payment of the remaining tranche, and in March 2025, the Group applied to the courts for a bankruptcy order to be made against the Officer (Note 37).
- A controlling shareholder has provided an undertaking to provide continuing financial support for the Company and the Group as and when required for it to meet its liabilities as at the reporting date and its normal operating expenses to be incurred up to twelve months from the date of these financial statements.

These financial statements do not include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis is not appropriate.

2(a) Basis of preparation

The financial statements are drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)"). The financial statements have been prepared under the historical cost convention except as otherwise described in the notes below.

The financial statements are presented in Singapore Dollar which is the Company's functional currency. All financial information is presented in Singapore Dollar, unless otherwise stated.

The accounting policies used by the Group have been applied consistently to all periods presented in the financial statements.

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the reporting period in which the estimates are revised and in any future periods affected. The areas involving significant judgement and critical accounting estimates and assumptions used are described below.

The significant accounting estimates and assumptions used and areas involving a high degree of judgement are described below.

Significant judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations which are presented separately below, that have been made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the respective entities in the Group, judgement is required to determine the currency that mainly influences sales prices of goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on the local management's assessment of the economic environment in which the entities operate and the respective entities' process of determining sales prices.

Determination of indications of impairment of non-financial assets

Management assesses whether there are any indications of impairment of non-financial assets by reviewing internal and external factors and sources of information from economic, financial, industry and business environments affecting the assets. Where there are mixed indicators, management will exercise their judgement to determine, whether these events or circumstances indicate that the carrying amount may not be recoverable and accordingly the assets will be tested for impairment.

Income taxes

The Group and the Company have exposure to income taxes in various jurisdictions. Significant judgement and estimates are involved in determining group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will affect the income tax and deferred tax provisions in the period in which such determination is made. The Group's income taxes for the year is disclosed in Note 25 to the financial statements.

2(a) Basis of preparation (cont'd)

Key sources of estimation uncertainty

Depreciation of property, plant and equipment and right-of-use assets (Notes 3 and 4)

The costs of property, plant and equipment and right-of-use assets are depreciated on a straight-line basis over the estimated economic useful lives of the assets. The annual depreciation of property, plant and equipment and right-of-use assets forms a significant component of total costs charged to profit or loss. Management estimates the useful life of property, plant and equipment and right-of-use assets to be within 3 to 10 years. In particular, management estimates the useful life of plant and machinery to be 3 to 10 years. The carrying amounts of the Group's and the Company's property, plant and equipment and right-of-use assets at the end of the reporting period are disclosed in Note 3 and Note 4, respectively, to the financial statements.

The Group and the Company perform annual reviews on whether the assumptions made on useful lives continue to be valid. As changes in the expected level of usage, maintenance programmes and technological developments could impact the economic useful lives and the residual values of these assets, future depreciation charges could be revised. If depreciation on the Group's and the Company's property, plant and equipment increases/decreases by 10% from management's estimates, the Group's and the Company's loss for the year will increase/decrease by $888 (2023 - $66,055) and $481 (2023 - $939), respectively. If depreciation on the Group's and the Company's right-of-use assets increases/decreases by 10% from management's estimates, the Group's and the Company's loss for the year will increase/decrease by $3,475 (2023 - $87,081) and $2,993 (2023 - $2,244), respectively.

Impairment of property, plant and equipment and right-of-use assets (Notes 3 and 4)

Property, plant and equipment and right-of-use assets are assessed at the end of each reporting period whether there is any indication of impairment. If any such indication exists, the recoverable amounts of the assets are estimated to determine the extent of the impairment loss, if any. The recoverable amount is the higher of an asset's fair-value-less-costs-of-disposal ("FVLCOD") and value-in-use ("VIU"). Such impairment loss is recognised in profit or loss.

Significant judgement and estimates by management are required in the area of asset impairment, particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of an asset can be supported by its market value based on comparable assets or the net present value of future cash flows which are estimated based on the continued use of the asset in the business; and (iii) the appropriate valuation techniques and inputs used in fair value measurement and the key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are extrapolated using a suitable growth rate and then discounted using an appropriate discount rate.

Changing the assumptions selected by management to determine the level of impairment could materially affect the recoverable amount determined in the impairment test and as a result may potentially affect the Group's results. The carrying amounts of the Group's and the Company's property, plant and equipment and right-of-use assets at the end of the reporting period and the assumptions used to estimate the recoverable amounts are disclosed in Notes 3 and 4, respectively, to the financial statements.

Impairment of subsidiaries (Note 6)

The Company assesses at the end of each reporting period whether there is any indication that the investments in subsidiaries may be impaired. If any indication exists, the investment in subsidiary is tested for impairment. The determination of the recoverable amount requires an estimation of the FVLCOD of the underlying assets or the VIU of the CGU. Estimating the FVLCOD requires the Company to make an estimate of the expected selling prices or realisable amounts of the underlying assets and the estimated cash outflows to settle the obligations in respect of the underlying liabilities. Estimating the VIU requires the Company to make an estimate of the expected future cash flows from the CGU, a suitable growth rate to extrapolate the future cash flows, and an appropriate discount rate in order to calculate the present value of the future cash flows. The carrying amount of the Company's investments in subsidiaries at the end of the reporting period and the assumptions used to estimate the higher of VIU and FVLCOD as the recoverable amount are disclosed in Note 6 to the financial statements.

2(a) Basis of preparation (cont'd)

Key sources of estimation uncertainty (cont'd)

Impairment assessment of goodwill (Note 7)

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired. The Group recorded a goodwill of $599,472 on acquisition of Jas Medical Screening Centre Pte Ltd ("Jas Medical") during the year ended 31 December 2024. Impairment loss amounting to $396,502 was recognised as the recoverable amount of the CGU is lower than the carrying amount as at 31 December 2024. In performing the impairment assessment of the carrying amount of goodwill, the recoverable amount of the CGU is determined based on VIU calculations. The management uses judgement and estimates relying on market expectation to determine the VIU.

The assumptions for the VIU calculations are those regarding the discount rates, revenue growth rates, terminal growth rate and gross profit margin for the forecasted periods. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The revenue and terminal growth rates are estimated based on expected growth of CGU. Gross profit margin is based on expectations of future market changes.

The carrying amount of goodwill as at 31 December 2024 is $202,970 (2023 - $nil).

Valuation of unquoted equity investments (Note 5)

For unquoted equity investments, the Group elects to measure these equity instruments at fair value through other comprehensive income ("FVOCI") due to the Group's intention to hold these equity instruments for long-term appreciation. The fair value of Medtel Healthcare Private Limited ("Medtel") as at 31 December 2024 is determined to be $nil by management, as Medtel had incurred significant losses and was in a net capital deficit position in the current year, while as at 31 December 2023, the fair value of Medtel is determined using a market based approach by external valuers. The fair value of Adazal Private Limited as at 31 December 2024 and 2023 is determined to be $nil by management, as Adazal Private Limited had incurred significant losses and was in a net capital deficit position at the previous year end, and had ceased operations in the current year. The carrying amount of unquoted equity investments as at 31 December 2024 and 2023 are disclosed in Note 5 to the financial statements.

Estimating the fair value is a complex process involving judgements and estimates regarding various inputs and underlying assumptions. This is due to the nature of the underlying assets comprising many categories of assets and liabilities recorded in the investee. The valuation of these investments involves the use of unobservable inputs. The valuations are sensitive to key assumptions applied in deriving the significant unobservable inputs.

Allowance for inventory obsolescence (Note 8)

The Group reviews the ageing analysis of inventories at the end of each reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for sale. The net realisable values for such inventories are estimated based primarily on the latest invoice prices and current market conditions. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 8 to the financial statements. If the net realisable values of the inventories decrease/increase by 10% from management's estimates, the Group's loss for the year will increase/decrease by $nil (2023 - $1,421).

Provision for expected credit losses of trade receivables (Note 9)

The Group and the Company use a provision matrix to calculate expected credit losses ("ECLs") for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At the end of each reporting period, historical default rates are updated and changes in the forward-looking estimates are analysed.

2(a) Basis of preparation (cont'd)

Key sources of estimation uncertainty (cont'd)

Provision for expected credit losses of trade receivables (Note 9) (cont'd)

The assessment of the correlation between historical observed default rates and forecast economic conditions to determine the ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. If the loss rates increase/decrease by 10% from management's estimates, the Group's and the Company's allowance for impairment of trade receivables will increase/decrease by $1,357 (2023 - $44,392) and $nil (2023 - $33,679), respectively.

Purchase price allocation for business combination (Note 6)

The purchase price allocation ("PPA") is the process whereby the purchase price paid in a business combination is allocated to the assets acquired and liabilities assumed. The PPA involves estimating the fair value of the consideration transferred, identifying assets and liabilities that have not met the recognition criteria before the business combination, and imputing fair value adjustments for assets and liabilities of the acquiree. Goodwill is computed as the difference between the fair value of the net assets acquired and the consideration transferred. The PPA performed to account for business combination requires the determination of valuation assumptions and inputs involving estimation uncertainty.

In the year ended 31 December 2024, the Group acquired a 55% equity interest in Jas Medical from an unrelated third party. Based on the PPA performed, the Group recognised a goodwill arising from acquisition of $599,472.

2(b) Adoption of new and revised SFRS(I) effective in 2024

On 1 January 2024, the Group and the Company have adopted all the new and revised SFRS(I), SFRS(I) interpretations ("SFRS(I) INT") and amendments to SFRS(I), effective for the current financial year that are relevant to them. The adoption of these new and revised SFRS(I) pronouncement does not result in significant changes to the Group's and Company's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods.

Reference	**Description**	**Effective date (Annual periods beginning on or after)**
Amendments to SFRS(I) 1-1	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to SFRS(I) 1-1	Non-current Liabilities with Covenants	1 January 2024
Amendments to SFRS(I) 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-7 and SFRS(I) 7	Supplier Finance Arrangements	1 January 2024

2(c) New and revised SFRS(I) in issue but not yet effective

At the date of authorisation of these financial statements, the Group and the Company have not adopted the new and revised SFRS(I), SFRS(I) INT and amendments to SFRS(I) that have been issued but are not yet effective to them. Management anticipates that the adoption of these new and revised SFRS(I) pronouncements in future periods will not have a material impact on the Group's and the Company's accounting policies in the period of their initial application:

2(c) New and revised SFRS(I) in issue but not yet effective (cont'd)

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 1-21	Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 9 and SFRS(I) 7	Classification and Measurement of Financial Instruments	1 January 2026
Amendments to SFRS(I) 9 and SFRS(I) 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to SFRS(I) -	Volume 11	1 January 2026
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be determined

2(d) Summary of accounting policies

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Group controls an investee if and only if the Group has all of the following:

- power over the investee;
- exposure, or rights or variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

2(d) Summary of accounting policies (cont'd)

Consolidation (cont'd)

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary, and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9, or when applicable, the cost on initial recognition of an investment in an associate.

Consolidation of the subsidiaries in the PRC is based on the subsidiaries' financial statements prepared in accordance with SFRS(I). Profits reflected in the financial statements prepared in accordance with SFRS(I) may differ from those reflected in the statutory financial statements of the subsidiaries prepared for PRC reporting purposes. In accordance with the relevant laws and regulations, profits available for distribution by the subsidiaries are based on the amounts stated in the statutory financial statements.

Business combination

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary comprises:

- the fair values of the assets transferred;
- the liabilities incurred to the former owners of the acquire;
- the equity interests issued by the Group;
- the fair value of any asset or liability resulting from a contingent consideration arrangement; and
- the fair value of any pre-existing equity interest in the subsidiary.

In determining whether a particular set of activities and assets is a business, the Group assesses whether it includes, at a minimum, an input and substantive process, and whether it has the ability to produce outputs. The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interests in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of acquiree's identifiable net assets.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2(d) Summary of accounting policies (cont'd)

Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill arising from acquisition of associates represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associates is included in the carrying amount of the investments.

Goodwill is not amortised but is tested for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, or an associate, the attributable amount of goodwill is included in the determination of the gain or loss on disposal of the entity or the relevant cash-generating unit.

Intangible assets

(i) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination, including non-contractual customer relationships, are identified and initially recognised at cost separately from goodwill. The cost of these intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, non-contractual customer relationships with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 3 years, which is the shorter of their estimated useful lives and periods of contractual rights.

(ii) Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives as follows:

Building improvements and renovations	3 to 5 years
Plant and machinery	3 to 10 years
Furniture and fittings	3 to 5 years
Office equipment	3 to 5 years
Computers	3 to 5 years
Motor vehicles	5 years

2(d) Summary of accounting policies (cont'd)

Property, plant and equipment and depreciation (cont'd)

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of the standard of performance of the asset before the expenditure was made will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

For acquisitions and disposals during the financial year, depreciation is recognised in profit or loss from the month that the property, plant and equipment are installed and are available for use, and to the month of disposal, respectively. Fully depreciated property, plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at the end of each reporting period as a change in estimates.

Subsidiaries

In the Company's separate statement of financial position, subsidiaries are stated at cost less allowance for any impairment losses on an individual subsidiary basis.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes party to the contractual provisions of the financial instruments. Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), and fair value through profit or loss ("FVTPL").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of financial asset not at FVTPL, transaction costs. Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party if the trade receivables do not contain a significant financing component at initial recognition. Refer to the accounting policy on "Revenue from contracts with customers".

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

2(d) Summary of accounting policies (cont'd)

Financial assets (cont'd)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

The Group has no financial assets at FVOCI with recycling of cumulative gain/losses (debt instruments) and at FVTPL.

Financial assets at amortised cost (debt instruments)

Subsequent measurement of debt instruments depends on the Group's business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual cash terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

The Group's financial assets at amortised cost comprise trade and other receivables (excluding net input tax) and cash and bank balances.

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Financial assets designated at FVOCI (equity instruments)

On initial recognition of an equity instruments that is not held for trading, the Group may irrevocably elect to present subsequent changes in FVOCI. The classification is determined on an instrument-by instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group has equity investments designated as financial asset at FVOCI (equity instruments).

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2(d) Summary of accounting policies (cont'd)

Financial assets (cont'd)

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses ("ECLs") associated with its debt instrument financial assets carried at amortised cost and FVOCI. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (12-month ECLs). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECLs).

For trade receivables, the Group adopts the simplified approach.

For other receivables and debt instruments at FVOCI, the Group adopts the general approach.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

At the end of each reporting period, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognised initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

The Group's financial liabilities comprise borrowings, lease liabilities and trade and other payables (excluding net output tax and provision for retirement benefits).

2(d) Summary of accounting policies (cont'd)

Financial liabilities (cont'd)

Initial recognition and measurement (cont'd)

After initial recognition, financial liabilities that are not carried at FVTPL, such as interest-bearing borrowings, are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Borrowings

Borrowings which are due to be settled within twelve months after the end of the reporting period are included in current borrowings in the statement of financial position even though the original terms were for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the end of the reporting period. Borrowings due to be settled more than twelve months after the end of reporting period are included in non-current borrowings in the statement of financial position.

The covenants that the Group is required to comply with on or before the reporting date are taken into consideration when classifying the loan as current or non-current at the reporting date. The covenants that the Group is required to comply with after the reporting date do not affect the current or non-current classification of the loan at the reporting date.

Subsequent measurement

However, those borrowings with breaches or defaults of loan agreement terms are classified as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least twelve months after the reporting period, within which the Group can rectify the breach and/or during which the lender cannot demand immediate repayment. Other borrowings due to be settled more than 12 months after the end of the reporting period are included in non-current borrowings in the statement of financial position.

Borrowing costs are recognised in profit or loss using the effective interest method.

Trade and other payables

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method. Finance lease liabilities are measured at initial value less the capital element of lease repayments (see policy on finance leases).

Financial guarantees

The Company has issued corporate guarantees to banks for the borrowings of certain subsidiaries. A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantees are recognised initially as liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantees.

Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of the loss allowance determined in accordance with the impairment model under SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2(d) Summary of accounting policies (cont'd)

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from a customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liability is recognised as revenue when the Group performs under the contract.

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingencies

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the financial statements, except for contingent liability assumed in a business combination that is a present obligation and for which fair value can be reliably determined.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis, and includes all costs in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on the normal level of activity.

Allowance is made for obsolete, slow-moving and defective inventories in arriving at the net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Derivative financial instruments

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

2(d) Summary of accounting policies (cont'd)

Cash and bank balances

Cash and bank balances comprise cash balances and bank deposits.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand and which form an integral part of cash management.

Disposal group held-for-sale

The assets and liabilities of a disposal group are classified as held-for-sale and presented separately from other assets and liabilities, respectively, in the statements of financial position, and the disposal group is carried at the lower of carrying amount and fair value less costs to sell, if its carrying amount is recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss. Any cumulative income or expense recognised directly in equity relating to the disposal group classified as held-for-sale is presented separately as other reserve in the consolidated statement of changes in equity.

Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of profit or loss is re-presented as if the operation had been discontinued from the start of the comparative year.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Dividends

Final dividends proposed by the directors are not accounted for in shareholders' equity as an appropriation of retained earnings, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because of the articles of association of the Company grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

2(d) Summary of accounting policies (cont'd)

Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low-value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease (including extension option) unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liabilities are presented as a separate line item in the statement of financial position.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

2(d) Summary of accounting policies (cont'd)

Right-of-use asset

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Properties	3 years
Plant and machinery	3 to 10 years
Office equipment	3 to 5 years
Motor vehicles	5 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting or taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authorities on the same taxable entity, or on different tax entities, provided they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

2(d) Summary of accounting policies (cont'd)

Income taxes (cont'd)

Deferred income tax is measured:

- at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

- based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity.

Value-added tax

Revenues, expenses and assets are recognised net of the amount of value-added tax ("VAT"), except where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authorities, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and except that trade receivables and trade payables are recorded with the amount of VAT included. The net amount of VAT recoverable from or payable to the taxation authorities are included as part of other receivables or other payables in the statement of financial position.

Employee benefits

<u>Pension obligations</u>

The Group participates in the defined contribution national pension schemes as provided by the laws of the countries in which it has operations. The subsidiaries in Malaysia, Thailand and the PRC are required to provide certain staff pension contributions to their employees under existing regulations. Pension contributions are provided at rates stipulated by the regulations and are contributed to pension funds managed by government agencies, which are responsible for administering these amounts for the subsidiaries' employees. The Company and its Singapore incorporated subsidiary make contributions to the Central Provident Fund, a defined contribution pension scheme regulated and managed by the Government of Singapore.

A defined contribution national pension scheme is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. The contributions to national pension schemes are charged to profit or loss in the period to which the contributions relate.

<u>Employee leave entitlements</u>

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of the reporting period.

<u>Defined benefit plan</u>

A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

The subsidiary in Thailand operates a defined benefit pension plan according to the requirements of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The liability in respect of the defined benefit plan is the present value at the end of the reporting period, of the amount of future benefit that employees have earned in return for their service in the current and prior periods. The Group determines the present value of the defined benefit obligation with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period.

2(d) Summary of accounting policies (cont'd)

Employee benefits (cont'd)

Employee share option scheme

The Company has an employee share option plan for the granting of non-transferable options.

The Group issues equity-settled share-based payments to certain employees. The fair value of the employee services received in exchange for the grant of options is recognised as an expense in profit or loss with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under option that are expected to become exercisable on the vesting date. At the end of each reporting period, the Group revises its estimates of the number of shares under option that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve is credited to the share capital account when new ordinary shares are issued.

The share option reserve is transferred to retained earnings upon expiry of the options.

Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and the Company if that person:

- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Group or the Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

- (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) both entities are joint ventures of the same third party.
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
- (vi) the entity is controlled or jointly controlled by a person identified in (a).
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

2(d) Summary of accounting policies (cont'd)

Related parties (cont'd)

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. Directors and certain management executives are considered key management personnel.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal and value in use, based on an internal discounted cash flow evaluation. Impairment loss recognised for a cash-generating unit is charged pro rata to the assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to profit or loss unless it reverses a previous revaluation in which case it is charged to equity.

With the exception of goodwill,

- An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.
- An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.
- A reversal of an impairment loss is recognised as income in profit or loss.

An impairment loss in respect of goodwill is not reversed, even if it relates to impairment loss recognised in an interim period that would have been reduced or avoided had the impairment assessment been made at a subsequent reporting or end of reporting period.

Revenue from contracts with customers

Revenue from sale of goods and services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

2(d) Summary of accounting policies (cont'd)

Revenue from contracts with customers (cont'd)

The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

Sale of goods

The Group supplies components and tools to manufacturers, and medicine to customers. Revenue from the sale of goods is recognised at a point in time when the goods are delivered to the customer, all criteria for acceptance have been satisfied, and the customer obtains control of the goods, including the legal title to the goods and the significant risks and rewards of ownership of the goods.

Services rendered

The Group provides healthcare services to customers. Revenue from healthcare services is recognised at the point of time when service is completed.

Interest income

Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Government grants

Government grant is recognised at its fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Government grants received are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Functional currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements of the Group and the Company are presented in Singapore Dollar, which is also the functional currency of the Company.

Conversion of foreign currencies

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the reporting period are recognised in profit or loss.

Foreign currency gains and losses are reported on a net basis as either other income or other expenses depending on whether foreign currency movements are in a net gain or net loss position.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transactions.

2(d) **Summary of accounting policies (cont'd)**

Conversion of foreign currencies (cont'd)

Group entities

The results and financial positions of all the entities (none of which has the currency of a hyperinflationary economy) within the Group that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing exchange rates at the end of each reporting period;

- Income and expenses for each statement presenting profit or loss and other comprehensive income (i.e. including comparatives) are translated at exchange rates at the dates of the transactions; and

- All resulting currency translation differences are recognised as other comprehensive income in the foreign currency translation reserve in equity.

Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer ("CEO"), who is the chief operating decision maker, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. Additional disclosures on each of these segments are shown in the notes to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment.

Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

3 Property, plant and equipment

The Group	Building improvements and renovations $	Plant and machinery $	Furniture and fittings $	Office equipment $	Computers $	Motor vehicles $	Total $
Cost							
At 1 January 2023	3,000,722	33,397,561	181,926	580,169	2,113,753	142,429	39,416,560
Additions	115,122	288,754	1,972	4,793	3,561	–	414,202
Additions - Business combinations (Note 6(a)(i))	–	–	2,580	–	643	–	3,223
Disposals	(964,601)	(2,582,486)	(62,306)	(53,713)	(283,711)	–	(3,946,817)
Disposal of subsidiaries (Note 6(b)(i))	(1,199,042)	(30,538,633)	(74,833)	(364,615)	(293,873)	(159,649)	(32,630,645)
Transfer from right-of-use assets (Note 4)	–	3,103,991	–	–	–	63,993	3,167,984
Transfer to disposal group classified as held-for-sale (Note 13)	(800,101)	(2,948,922)	(36,768)	(95,237)	(152,074)	(39,969)	(4,073,071)
Write-off	(45,252)	(145,655)	(1,634)	(55,368)	(434,589)	–	(682,498)
Exchange difference on translation	(106,848)	(571,886)	(7,853)	(8,422)	(24,054)	(6,804)	(725,867)
At 31 December 2023	**–**	**2,724**	**3,084**	**7,607**	**929,656**	**–**	**943,071**
Additions - Business combinations (Note 6(a)(ii))	**–**	**1,200**	**–**	**–**	**159**	**–**	**1,359**
Disposals	**–**	**(2,724)**	**(422)**	**(4,804)**	**(6,107)**	**–**	**(14,057)**
Write-off	**–**	**–**	**(2,662)**	**(1,515)**	**(913,470)**	**–**	**(917,647)**
Exchange difference on translation	**–**	**–**	**–**	**–**	**50**	**–**	**50**
At 31 December 2024	**–**	**1,200**	**–**	**1,288**	**10,288**	**–**	**12,776**

3 **Property, plant and equipment (cont'd)**

The Group	Building improvements and renovations $	Plant and machinery $	Furniture and fittings $	Office equipment $	Computers $	Motor vehicles $	Total $
Accumulated depreciation and impairment							
At 1 January 2023	2,477,176	31,685,850	181,926	467,235	2,025,075	95,882	36,933,144
Depreciation	87,458	535,973	2,191	13,138	18,623	3,167	660,550
Impairment loss	–	32,745	–	–	–	–	32,745
Disposals	(866,423)	(1,692,024)	(56,075)	(48,365)	(279,052)	–	(2,941,939)
Disposal of subsidiaries (Note 6(b)(i))	(826,558)	(29,195,588)	(84,455)	(294,586)	(297,124)	(108,790)	(30,807,101)
Transfer from right-of-use assets (Note 4)	–	1,595,037	–	–	–	52,028	1,647,065
Transfer to disposal group classified as held-for-sale (Note 13)	(740,843)	(2,346,911)	(33,095)	(69,760)	(139,658)	(35,972)	(3,366,239)
Write-off	(36,321)	(129,061)	(1,556)	(55,368)	(434,589)	–	(656,895)
Exchange difference on translation	(94,489)	(485,516)	(7,564)	(7,132)	(22,759)	(6,315)	(623,775)
At 31 December 2023	**–**	**505**	**1,372**	**5,162**	**870,516**	**–**	**877,555**
Depreciation	**–**	**682**	**804**	**933**	**6,465**	**–**	**8,884**
Disposals	**–**	**(1,137)**	**(396)**	**(3,842)**	**(3,914)**	**–**	**(9,289)**
Write-off	**–**	**–**	**(1,780)**	**(1,153)**	**(863,055)**	**–**	**(865,988)**
Exchange difference on translation	**–**	**–**	**–**	**–**	**50**	**–**	**50**
At 31 December 2024	**–**	**50**	**–**	**1,100**	**10,062**	**–**	**11,212**
Carrying amount							
At 31 December 2024	**–**	**1,150**	**–**	**188**	**226**	**–**	**1,564**
At 31 December 2023	–	2,219	1,712	2,445	59,140	–	65,516

3 Property, plant and equipment (cont'd)

The Company	Renovations $	Furniture and fittings $	Office equipment $	Computers $	Total $
Cost					
At 1 January 2023	8,180	1,430	58,172	1,356,383	1,424,165
Write-off	(8,180)	(1,430)	(55,368)	(434,589)	(499,567)
At 31 December 2023	**–**	**–**	**2,804**	**921,794**	**924,598**
Write-off	**–**	**–**	**(1,515)**	**(912,494)**	**(914,009)**
At 31 December 2024	**–**	**–**	**1,289**	**9,300**	**10,589**
Accumulated depreciation					
At 1 January 2023	8,180	1,430	56,491	1,291,478	1,357,579
Depreciation	–	–	550	8,836	9,386
Write-off	(8,180)	(1,430)	(55,368)	(434,589)	(499,567)
At 31 December 2023	**–**	**–**	**1,673**	**865,725**	**867,398**
Depreciation	**–**	**–**	**298**	**4,512**	**4,810**
Write-off	**–**	**–**	**(884)**	**(860,937)**	**(861,821)**
At 31 December 2024	**–**	**–**	**1,087**	**9,300**	**10,387**
Carrying amount					
At 31 December 2024	**–**	**–**	**202**	**–**	**202**
At 31 December 2023	–	–	1,131	56,069	57,200

Impairment assessment

For the year ended 31 December 2023

Certain machineries in Malaysia CGU that were no longer in use were written down to their fair-value-less-costs-of-disposal which led to an impairment loss of $32,745 (RM104,242). The related subsidiary was disposed in November 2023 (Note 6(b)(i)).

4 Right-of-use assets

The Group	Properties $	Plant and machinery $	Office equipment $	Motor vehicles $	Total $
Cost					
At 1 January 2023	4,421,778	3,604,638	79,647	65,414	8,171,477
Additions	104,037	–	3,013	–	107,050
Disposals	(2,682,898)	(66,532)	(12,555)	–	(2,761,985)
Disposal of subsidiaries (Note 6(b)(i))	(1,656,524)	(337,517)	(69,043)	–	(2,063,084)
Transfer to property, plant and equipment (Note 3)	–	(3,103,991)	–	(63,993)	(3,167,984)
Exchange difference on translation	(139,126)	(96,598)	(1,062)	(1,421)	(238,207)
At 31 December 2023	**47,267**	**–**	**–**	**–**	**47,267**
Additions - Business combinations (Note 6(a)(ii))	**4,826**	**–**	**–**	**–**	**4,826**
Lease modification	**212,963**	**–**	**–**	**–**	**212,963**
At 31 December 2024	**265,056**	**–**	**–**	**–**	**265,056**
Accumulated depreciation and impairment					
At 1 January 2023	1,996,335	1,960,977	50,176	44,668	4,052,156
Depreciation	644,643	212,260	6,411	7,498	870,812
Disposals	(2,251,206)	(66,532)	(8,209)	–	(2,325,947)
Disposal of subsidiaries (Note 6(b)(i))	(337,019)	(464,476)	(46,976)	–	(848,471)
Transfer to property, plant and equipment (Note 3)	–	(1,595,037)	–	(52,028)	(1,647,065)
Exchange difference on translation	(35,339)	(47,192)	(1,402)	(138)	(84,071)
At 31 December 2023	**17,414**	**–**	**–**	**–**	**17,414**
Depreciation	**34,752**	**–**	**–**	**–**	**34,752**
Impairment loss	**30,146**	**–**	**–**	**–**	**30,146**
At 31 December 2024	**82,312**	**–**	**–**	**–**	**82,312**
Carrying amount					
At 31 December 2024	**182,744**	**–**	**–**	**–**	**182,744**
At 31 December 2023	29,853	–	–	–	29,853

4 Right-of-use assets (cont'd)

The Company	Properties $
Cost	
At 1 January 2023	185,965
Additions	47,267
Disposals	(185,965)
At 31 December 2023	**47,267**
Lease modification	**30,219**
At 31 December 2024	**77,486**
Accumulated depreciation and impairment	
At 1 January 2023	180,939
Depreciation	22,440
Disposals	(185,965)
At 31 December 2023	**17,414**
Depreciation	**29,926**
Impairment loss	**30,146**
At 31 December 2024	**77,486**
Carrying amount	
At 31 December 2024	**–**
At 31 December 2023	29,853

Properties relate to the Group's factory premises and shop and the Company's office premises under leasing arrangements.

Details of the properties in the Group's right-of-use assets as at the reporting date are as follow:

Location	Existing use	Gross floor area	Tenure	The Group's effective equity interest
7500A Beach Road #12-303 The Plaza Singapore 199591	Office	474 sq. ft.	2.5 years commencing 1 June 2023	100%
No. 67 Lorong 27 Geylang Singapore 388189	Shop	1,100 sq. ft.	6 years commencing 1 January 2022	55%

For the year ended 31 December 2023, additions to right-of-use assets amounting $107,050 was acquired under leasing or hire purchase arrangements. There were $nil (2023 - $nil) cash payments made for addition of right-of-use assets.

During the financial year, the Group and the Company have successfully renegotiated existing lease contracts for office premises through extending the lease term and revising the annual lease payments. As this extension is not part of the original terms and conditions, it is accounted for as lease modification whereby the lease liabilities are remeasured and the corresponding right-of-use assets are adjusted.

Information on the Group's leasing activities are disclosed in Note 29.

4 Right-of-use assets (cont'd)

Impairment assessment

For the year ended 31 December 2024

There were indicators of impairment in the right-of-use assets of the Group and the Company due to its poor business performance. The right-of-use assets was impaired by $30,146 (2023 - $nil), as the carrying amount of the right-of-use assets was higher than its recoverable amount.

5 Other investments

The Group	**2024** **$**	2023 $
Unquoted equity shares at fair value through other comprehensive income:		
At beginning of the year	**18,407**	405,480
Fair value change	**(18,407)**	(387,073)
At end of the year	**–**	18,407
Non-current		
Unquoted equity shares		
- Adazal Private Limited – incorporated in Singapore (1)	**–**	–
- Medtel Healthcare Private Limited – incorporated in India (2)	**–**	18,407
	–	18,407

(1) The unquoted equity shares represents investment in corporation which is engaged in online commerce activities, and comprises less than 18.41% ownership interests in the investee.

(2) The unquoted equity shares represents investment in corporation which is engaged in medication activities, and comprises less than 8.04% ownership interests in the investee.

The above equity investments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the Group has elected to designate them as at FVOCI because the Group views that recognising short-term fluctuations in their fair value in profit or loss is not consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

Fair value loss in equity investments at FVOCI recognised in other comprehensive income amounts to $18,407 (2023 - $387,073).

Information about fair value measurement are disclosed in Note 36.

In the year ended 31 December 2023, Adazal Private Limited had ceased operations.

In the year ended 31 December 2024, Medtel Healthcare Private Limited had incurred significant losses and was in a net capital deficit position at the reporting date, which caused a decline in its fair value.

6 Subsidiaries

The Company	2024 $	2023 $
Unquoted equity investments, at cost		
At 1 January	**22,298,358**	22,298,358
Addition	**478,250**	–
At 31 December	**22,776,608**	22,298,358
Allowance for impairment losses		
At 1 January	**19,318,078**	12,037,092
Allowance made	**3,392,951**	7,280,986
At 31 December	**22,711,029**	19,318,078
Carrying amount	**65,579**	2,980,280

Impairment assessment

For the year ended 31 December 2024

There were indicators of impairment in investments in Metal Component Engineering (Shanghai) Co., Ltd ("Metal Component"), MCE Technologies Holdings Pte Ltd ("MCE Holdings") and Jas Medical respectively due to their poor business performance. The cost of investment in Metal Component and MCE Holdings was impaired by $980,126 and $2,000,154 respectively, as the carrying amount of the investment was higher than its recoverable amount based on its fair-value-less-costs-of-disposal measured by the revised net asset value method. The cost of investment in Jas Medical was impaired by $412,671, as the carrying amount of the investment was higher than its recoverable amount based on its value-in-use.

For the year ended 31 December 2023

There were indicators of impairment in investments in 5Digital Pte Ltd and MCE Technologies Holdings Pte Ltd respectively due to their poor business performance. The cost of investments was impaired by $1,590,856 and $5,690,130 respectively, as the carrying amount of the investment was higher than its recoverable amount which was based on its value-in-use that was higher than its fair-value-less-costs-of-disposal.

Key assumptions used for value-in-use calculations:

The Company	2024 %	2023 %
Budgeted gross profit margin	**67.5**	25.3
Growth rate (1)	**-3% before 2026, 3% after 2026**	6.3
Terminal growth rate	**–**	2.0
Discount rate (2)	**11.0**	14.5

(1) Compound annual growth rate

(2) Pre-tax discount rate applied to the pre-tax cash flow projections based on the weighted average cost of capital

6 Subsidiaries (cont'd)

Details of the subsidiaries are:

Name	Principal activities	Country of incorporation/ principal place of business	Percentage of equity held by the Group	
			2024	2023
Held by the Company			**%**	%
5Digital Pte Ltd [(a)]	Investment holding	Singapore	**100**	100
MCE Technologies Holdings Pte Ltd [(a)]	Investment holding	Singapore	**100**	100
Metal Component Engineering (Shanghai) Co., Ltd [(c)]	Metal stamping and manufacturing of tools and fixtures (inactive)	People's Republic of China	**100**	100
Metal Component Technologies (Wuxi) Co., Ltd [(c)]	Metal stamping and manufacturing of tools and fixtures (inactive)	People's Republic of China	**100**	100
Jas Medical Screening Centre Pte Ltd ("Jas Medical") [(a)(g)]	Health screening services including medical laboratories and diagnostic imaging centres	Singapore	**55**	–
Held by MCE Technologies Holdings Pte Ltd				
MCE Technologies (Suzhou) Co., Ltd [(c)(d)]	Metal stamping and manufacturing of tools and fixtures	People's Republic of China	**–**	100
Held by MCE Technologies (Suzhou) Co., Ltd				
MCE Corporation (Shanghai) Co., Ltd [(c)(d)]	Trading of tools, components, product assemblies and related products	People's Republic of China	**–**	100
Held by 5Digital Pte Ltd				
Gainhealth Pte Ltd ("Gainhealth") [(a)]	Clinics and other general medical services	Singapore	**100**	100
TS Medical (City Gate) Pte. Ltd. ("TS Medical") [(a)(e)]	Clinics and other general medical services	Singapore	**100**	100
Held by Gainhealth Pte. Ltd.				
Gain Foods Pte Ltd [(f)] ("Gain Foods")	E-commerce sales and retail sales of health supplement and food products	Singapore	**–**	60
Gainhealth Digital Sdn Bhd [(b)]	E-commerce for medication delivery services and health gain product	Malaysia	**100**	100

(a) Audited by Foo Kon Tan LLP, a member firm of HLB International.

(b) Audited by HLB Ler Lum Chew Malaysia, a member firm of HLB International.

(c) Audited by RSM China.

(d) Transferred to disposal group classified as held-for-sale in 2023 (Note 13) and disposed of in 2024.

6 Subsidiaries (cont'd)

Details of the subsidiaries are: (cont'd)

(e) Acquired in 2023 (Note 6(a)(i)).

(f) Struck off in 2024.

(g) Acquired in 2024 (Note 6(a)(ii)).

Details of non-wholly owned subsidiaries that have material non-controlling interests ("NCI") to the Group are set out below:

Name of subsidiary	Proportion of ownership interest and voting rights held by NCI		Profit/(Loss) for the year allocated to NCI		Total comprehensive (loss)/income for the year allocated to NCI		NCI accumulated at the reporting date	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	%	%	**$**	$	**$**	$	**$**	$
Jas Medical Screening Centre Pte Ltd ("Jas Medical")	**45**	–	**(7,154)**	–	**(7,154)**	–	**(118,554)**	–
Other individually non-significant subsidiary with NCI			**–**	66,294	**–**	66,294	**–**	4,000
			(7,154)	66,294	**(7,154)**	66,294	**(118,554)**	4,000

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests are set out below:

	Jas Medical
	2024
	$
Non-current assets	**183,969**
Current assets	**41,324**
Non-current liabilities	**(270,834)**
Current liabilities	**(217,913)**
Net liabilities	**(263,454)**
Revenue	**144,793**
Expenses	**(160,690)**
Loss for the year	**(15,897)**
Total comprehensive loss	**(15,897)**
Net cash inflows from operating activities	**653**
Net cash outflows from financing activities	**(18,484)**

6 Subsidiaries (cont'd)

6(a) Acquisition of subsidiaries

(i) TS Medical (City Gate) Pte. Ltd.

On 13 March 2023, the Group acquired 100% equity interest in TS Medical from an unrelated third party. The principal activities of TS Medical are those of provision of general medical and clinic services.

Details of the assets acquired and liabilities assumed, the consideration transferred, the goodwill arising, and the effects on the cash flows of the Group at the acquisition date are as follows:

	2023 $
Identifiable assets acquired and liabilities assumed at fair value on 13 March 2023	
Cash at bank	11,000
Trade and other receivables	14,002
Inventory	6,223
Plant and equipment	3,223
Trade and other payables	(8,765)
Fair value of identifiable net assets acquired	25,683
Consideration transferred	
Cash consideration paid	70,000
Deferred consideration [(i)]	38,742
Contingent consideration [(ii)]	15,009
Total consideration transferred	123,751
Goodwill arising from acquisition	
Consideration transferred	123,751
Less: Fair value of identifiable net assets acquired	(25,683)
Goodwill arising from acquisition (Note 7)	98,068
Effects on cash flows of the Group	
Cash consideration paid	(70,000)
Less: Cash and cash equivalents in acquiree	11,000
Net cash outflows on acquisition	(59,000)

(i) The deferred consideration comprised the time discounted amount of two tranches of $20,000 each payable by the Group after four months and after six months from the acquisition date respectively.

(ii) The contingent consideration arrangement required the Group to pay $40,000 after one year from the acquisition date if TS Medical generated at least $300,000 of revenue within twelve months from the acquisition date. The fair value of the contingent consideration payable at the acquisition date was estimated to be $15,009 based on the present value of the expected future payment.

6 Subsidiaries (cont'd)

6(a) Acquisition of subsidiaries (cont'd)

(ii) Jas Medical Screening Centre Pte Ltd

On 18 November 2024, the Group acquired a 55% equity interest in Jas Medical Screening Centre Pte Ltd ("Jas Medical") from an unrelated third party. The principal activities of Jas Medical are those of provision of comprehensive and personalised health screening services, including medical laboratories and diagnostic imaging centers.

Details of the assets acquired and liabilities assumed, the consideration transferred, the goodwill arising, and the effects on the cash flows of the Group at the acquisition date are as follows:

	2024
	$
Identifiable assets acquired and liabilities assumed at fair value on 18 November 2024	
Cash at bank	**27,747**
Trade and other receivables	**24,385**
Plant and equipment	**1,359**
Right-of-use assets	**4,826**
Intangible asset - Non-contractual customer relationships	**8,285**
Trade and other payables	**(75,007)**
Borrowings	**(237,946)**
Lease liabilities	**(5,204)**
Fair value of identifiable net liabilities acquired	**(251,555)**
Consideration transferred	
Cash consideration payable	**300,000**
Shares consideration paid	**163,317**
Total consideration transferred	**463,317**
Non-controlling interest recognised and goodwill arising from acquisition	
Consideration transferred	**463,317**
Add: Non-controlling interests	**(115,400)**
Add: Fair value of identifiable net liabilities acquired	**251,555**
Goodwill arising from acquisition (Note 7)	**599,472**
Effects on cash flows of the Group	
Cash consideration paid	**–**
Add: Cash and cash equivalents in acquiree	**27,747**
Net cash inflows on acquisition	**27,747**

The consideration transferred included a contingent consideration. The contingent consideration arrangement is such that, if Jas Medical achieves a net profit after tax of at least $175,000 in each of the financial years ending 31 December 2025 and 31 December 2026, the Company is required to issue 7,777,000 earn-out shares at an issue price of $0.01 per share to the vendor for each year. The fair value of the contingent consideration payable at the acquisition date was estimated to be $nil, as Jas Medical was not expected to achieve a net profit after tax of $175,000 for either year 2025 or 2026. The goodwill arising from the acquisition amounted to $599,472.

As part of the acquisition of Jas Medical, the Company entered into a put and call option agreement with the vendor. The put and call options can be exercised any time before 30 June 2027 upon the occurrence of either the resignation or termination of the Chief Executive Officer of Jas Medical or a change of control or core business event in the Company.

6 Subsidiaries (cont'd)

6(a) Acquisition of subsidiaries (cont'd)

(ii) Jas Medical Screening Centre Pte Ltd (cont'd)

For the year ended 31 December 2024, Jas Medical contributed revenue of $144,793 and loss of $15,897 to the Group's results. If the acquisition of Jas Medical had occurred on 1 January 2024, management estimates that the Group's revenue and loss for the year would have been increased by $1,291,715 and $485,943, respectively.

6(b) Disposal of subsidiaries

(i) MCE Technologies Sdn Bhd and MCT Thailand Co. Ltd.

On 8 November 2023, the Group disposed of all of its equity interests in the subsidiaries, MCE Technologies Sdn Bhd and MCT Thailand Co. Ltd., of the Metal business segment.

The financial effects of the disposal to the Group are set out below:

	2023 $
Carrying amounts of assets and liabilities as at the date of disposal	
Property, plant and equipment	1,823,544
Right-of-use assets	1,214,613
Deferred tax assets	36,677
Inventories	1,379,997
Trade and other receivables	4,745,287
Prepayments	280,791
Cash and bank balances	448,859
Borrowings	(325,415)
Lease liabilities	(1,323,266)
Trade and other payables	(2,956,276)
Provisions	(119,014)
Net assets derecognised	5,205,797
Consideration received	
Cash consideration received	5,331,520
Total consideration received	5,331,520
Loss on disposal	
Total consideration received	5,331,520
Less: Net assets derecognised	(5,205,797)
Less: Currency translation differences reclassified to profit or loss on disposal of subsidiaries	(1,146,720)
Less: Cost of disposal	(351,469)
Loss on disposal	(1,372,466)
Cash flows arising from disposal	
Cash consideration received	5,331,520
Less: Cost of disposal paid in cash	(351,469)
Less: Cash and cash equivalents disposed of	(448,859)
Net cash inflows arising from disposal	4,531,192

6 Subsidiaries (cont'd)

6(b) Disposal of subsidiaries (cont'd)

(ii) MCE Technologies (Suzhou) Co., Ltd and MCE Corporation (Shanghai) Co., Ltd.

On 23 January 2024, the Group disposed all of its equity interests in the subsidiaries, MCE Technologies (Suzhou) Co., Ltd ("MCE Suzhou") and MCE Corporation (Shanghai) Co., Ltd. (a wholly-owned subsidiary of MCE Suzhou) of the Metal business segment.

The financial effects of the disposal to the Group are set out below:

	2024
	$
Carrying amounts of assets and liabilities as at the date of disposal	
Trade and other receivables	**1,449,660**
Cash and bank balances	**1,797,898**
Trade and other payables	**(2,903,458)**
Net assets derecognised	**344,100**
Consideration received	
Cash consideration received	**159,031**
Total consideration received	**159,031**
Loss on disposal	
Total consideration received	**159,031**
Less: Net assets derecognised	**(344,100)**
Less: Currency translation differences reclassified to profit or loss on disposal of subsidiaries	**(214,479)**
Loss on disposal	**(399,548)**
Cash flows arising from disposal	
Cash consideration received	**159,031**
Less: Cash and cash equivalents disposed of	**(1,797,898)**
Net cash outflows arising from disposal	**(1,638,867)**

7 Intangible assets

The Group	Goodwill $	Non-contractual customer relationships $	Total $
Cost			
At 1 January 2023	7,048,690	–	7,048,690
Goodwill arising from acquisition (Note 6(a)(i))	98,068	–	98,068
At 31 December 2023	**7,146,758**	**–**	**7,146,758**
Goodwill arising from acquisition (Note 6(a)(ii))	**599,472**	**–**	**599,472**
Additions – Business combinations (Note 6(a)(ii))	**–**	**8,285**	**8,285**
At 31 December 2024	**7,746,230**	**8,285**	**7,754,515**
Accumulated impairment			
At 1 January 2023	7,048,690	–	7,048,690
Impairment loss	98,068	–	98,068
At 31 December 2023	**7,146,758**	–	**7,146,758**
Impairment loss	**396,502**	–	**396,502**
At 31 December 2024	**7,543,260**	–	**7,543,260**
Carrying amount			
At 31 December 2024	**202,970**	**8,285**	**211,255**
At 31 December 2023	–	–	–

(i) Goodwill

During the year ended 31 December 2024, the addition in goodwill of $599,472 (2023 - $98,068) arose from the acquisition of Jas Medical (2023 - TS Medical).

Impairment assessment

As at 31 December 2024, the carrying amount of goodwill of $599,472 attributable to the Group's cash-generating-unit ("CGU") in Jas Medical was tested for impairment. The recoverable amount of the CGU was determined based on its value-in-use ("VIU") calculation. The VIU calculation comprised a discounted cash flow model using cash flow projections based on financial budget prepared by management covering a five-year period with terminal value. Cash flows for the budgeted period were extrapolated using the estimated growth rates stated below. The carrying amount of the CGU was higher than its recoverable amount. An impairment loss of $396,502 was recognised in the year ended 31 December 2024.

As at 31 December 2023, the carrying amount of goodwill of $98,068 attributable to the Group's cash-generating-unit ("CGU") in TS Medical was tested for impairment. The recoverable amount of the CGU was determined based on its value-in-use ("VIU") calculation. The VIU calculation comprised a discounted cash flow model using cash flow projections based on financial budget prepared by management covering a five-year period with terminal value. Cash flows for the budgeted period were extrapolated using the estimated growth rates stated below. The carrying amount of the CGU was higher than its recoverable amount. An impairment loss of $98,068 was recognised in the year ended 31 December 2023.

7 Intangible assets (cont'd)

(i) Goodwill (cont'd)

Impairment assessment (cont'd)

Key assumptions used for VIU calculation:

The Group	**Jas Medical CGU 2024 %**	TS Medical CGU 2023 %
Budgeted gross profit margin	**67.5**	25.3
Growth rate [(1)]	**-3% before 2026, 3% after 2026**	6.3
Terminal growth rate	**–**	2.0
Discount rate [(2)]	**11.0**	14.5

(1) Compound annual growth rate

(2) Pre-tax discount rate applied to the pre-tax cash flow projections based on the weighted average cost of capital

(ii) Non-contractual customer relationships

Non-contractual customer relationships arising from the acquisition of Jas Medical are amortised over 3 years.

8 Inventories

The Group	**2024 $**	2023 $
Finished goods (at net realisable value)	**–**	14,213

The costs of inventories recognised as expense for raw materials and consumables used together with changes in finished goods and work in progress amounted to $55,040 (2023 - $13,054,186) for the year ended 31 December 2024.

Inventories are stated at the lower of cost and net realisable value, after allowance for write-down to their saleable price, which results in inventories write down made of $nil (2023 - $13,910).

9 Trade and other receivables

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Trade receivables				
- third parties	**13,569**	262,288	**–**	80,915
- ex-subsidiary	**–**	326,470	**–**	326,470
	13,569	588,758	**–**	407,385
Less: Allowance for impairment losses				
- third parties	**–**	(144,838)	**–**	(70,596)
	–	(144,838)	**–**	(70,596)
	13,569	443,920	**–**	336,789
Amounts due from subsidiaries (non-trade)	**–**	–	**4,830,831**	8,172,396
Less: Allowance for impairment losses	**–**	–	**(4,830,831)**	(6,520,749)
Deposits	**411,125**	389,302	**13,060**	13,751
Less: Allowance for impairment losses	**(380,140)**	(380,140)	**–**	–
Other receivables	**43,683**	186,548	**24,379**	11,843
GST recoverable	**914,182**	529,821	**–**	–
	988,850	725,531	**37,439**	1,677,241
	1,002,419	1,169,451	**37,439**	2,014,030

As at 1 January 2024, the Group's and the Company's gross trade receivables related to revenue from contracts with customers due from third parties amounted to $262,288 (2023 - $7,941,423) and $80,915 (2023 - $537,924), respectively.

The ex-subsidiary comprised a former subsidiary disposed in November 2023 (Note 6(b)(i)) and the trade receivable arose from sale transactions when the disposed entity was a subsidiary of the Group.

The GST recoverable amount of $914,182 (RM3,086,346) (2023 - $529,821 (RM1,843,088)) relates to GST paid to the Royal Malaysian Customs Department that management is of the view is recoverable by the Group (Note 31).

The non-trade amounts due from subsidiaries, which represent advances to and payments on behalf of the subsidiaries, are unsecured, interest-free and repayable on demand.

The movement in allowance for impairment losses in respect of trade receivables is as follows:

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
At 1 January	**144,838**	659,807	**70,596**	250,018
Allowance reversed	**(46,645)**	(397,556)	**–**	(189,155)
Allowance utilised	**(98,193)**	(250,594)	**(70,596)**	(49,206)
Allowance made	**–**	133,181	**–**	58,939
At 31 December	**–**	144,838	**–**	70,596

Trade receivables that have been determined to be impaired at the end of the reporting period relate to debtors that are in financial difficulties or have defaulted on payments. These trade receivables are not secured by any collateral or credit enhancements.

9 Trade and other receivables (cont'd)

The allowance for impairment loss in respect of the Company's trade receivables mainly relates to a trade balance due from a subsidiary which has been credit-impaired.

The movement in allowance for impairment losses in respect of non-trade receivables is as follows:

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
At 1 January	**380,140**	111,606	**–**	–
Allowance utilised	**–**	(111,606)	**–**	–
Allowance made	**–**	380,140	**–**	–
At 31 December	**380,140**	380,140	**–**	–

Included in deposits is an amount of $380,140 (2023 - $380,140) placed with PT. Gaido Digital Medika, a company incorporated in Indonesia. The deposit placed is to be converted into ordinary shares of PT Gaido Digital Medika at a later date. This deposit was fully impaired in the previous year.

The movement in allowance for impairment losses in respect of non-trade amounts due from subsidiaries is as follows:

	2024	2023
The Company	**$**	$
At 1 January	**6,520,749**	9,897,420
Allowance utilised	**(1,988,444)**	(4,938,672)
Allowance made	**298,526**	1,562,001
At 31 December	**4,830,831**	6,520,749

The allowance for impairment losses relates to non-trade amounts due from certain subsidiaries which have been credit-impaired. An additional allowance of $298,526 (2023 - $1,562,001) was made by the Company to impair the non-trade amounts due from these subsidiaries as at 31 December 2024.

Trade and other receivables are denominated in the following currencies:

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Singapore Dollar	**1,002,419**	698,909	**37,439**	1,675,894
Renminbi	**–**	9,018	**–**	332
United States Dollar	**–**	461,524	**–**	337,804
	1,002,419	1,169,451	**37,439**	2,014,030

The Group and the Company generally extend credit period of 30 (2023 - 45 to 90) days to customers, depending on the length of business relationship, payment history, background and financial strength of the customers. The Group and the Company actively review the trade receivable balances and follow up on outstanding debts with the customers.

9 Trade and other receivables (cont'd)

The credit risk for net trade receivables from third parties, including the ex-subsidiary, based on the information provided to key management is as follows:

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
By geographical area				
Southeast Asia	**13,569**	443,920	**–**	336,789

Trade and other receivables that are neither past due nor impaired relate to creditworthy debtors with a good payment record with the Group and the Company.

10 Prepayments

Prepayments mainly relate to payments made to tooling suppliers in advance for goods and services which have not yet been received.

11 Derivative financial asset

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Derivative:				
- Put and call options, at fair value	**16,857**	–	**16,857**	–
	16,857	–	**16,857**	–

The Company entered into a put and call option agreement with the vendor as part of the acquisition of Jas Medical (Note 6(a)(ii)).

Fair value gain of the derivative financial asset at fair value through profit or loss amounting to $16,857 (2023 - $nil) is included within other income in profit or loss.

12 Cash and bank balances

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Cash in banks	**186,462**	5,164,096	**32,768**	1,214,927
Cash on hand	**864**	203	**–**	–
	187,326	5,164,299	**32,768**	1,214,927
Reclassified to disposal group held for sale (Note 13)	**–**	(1,797,898)	**–**	–
Cash and bank balances in the statement of financial position	**187,326**	3,366,401	**32,768**	1,214,927

12 Cash and bank balances (cont'd)

Cash and bank balances are denominated in the following currencies:

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Singapore Dollar	**82,771**	3,314,824	**28,383**	1,200,173
Malaysian Ringgit	**849**	7,445	**–**	–
Renminbi	**97,932**	9,931	**–**	–
United States Dollar	**5,774**	34,201	**4,385**	14,754
	187,326	3,366,401	**32,768**	1,214,927

13 Disposal group classified as held for sale

On 20 November 2023, the Group entered into an equity transfer agreement with an unrelated third party for the proposed disposal of its entire equity interest in the wholly owned subsidiaries, MCE Technologies (Suzhou) Co., Ltd ("MCE Suzhou") and MCE Corporation (Shanghai) Co., Ltd ("MCE Shanghai"), for a net consideration of $344,100 (RMB1,850,000). On 22 December 2023, the shareholders of the Company approved the disposal transaction.

The assets and liabilities of MCE Suzhou and MCE Shanghai are classified as disposal group held-for-sale as at 31 December 2023, and the results of MCE Suzhou and MCE Shanghai are presented in discontinued operations for the years ended 31 December 2023 and 2022.

The major classes of assets and liabilities comprising the disposal group classified as held-for-sale are as follows:

	2023
The Group	$
Assets	
Property, plant and equipment	706,832
Inventories	1,401,344
Less: Loss on re-measurement of disposal group classified as held-for-sale	(2,108,176)
	–
Trade and other receivables	1,449,660
Cash and bank balances	1,797,898
	3,247,558
Liabilities	
Trade and other payables	2,903,458

The loss on re-measurement of the disposal group classified as held-for-sale of $2,108,176, which is computed on the basis of the lower of its carrying amount and its fair value less costs to sell, has been applied to reduce the carrying amount of $706,832 in property, plant and equipment, and $1,401,344 in inventories within the disposal group.

13 Disposal group classified as held for sale (cont'd)

The cumulative income included in other comprehensive income relating to the disposal group classified as held-for-sale are as follows:

The Group	2023 $
Currency translation reserve	197,220

On 18 January 2024, the Group received the first instalment of the purchase consideration of $93,350 (RMB500,000). On 23 January 2024, the disposal transaction was completed and the registration procedures with the relevant authorities were concluded, and MCE Suzhou and MCE Shanghai ceased to be subsidiaries of the Group (Note 6(b)(ii)).

14 Share capital

	The Group and The Company			
	Number of ordinary shares		Amount	
	2024	2023	**2024**	2023
Issued and fully paid:				
At 1 January	**1,030,847,876**	542,551,517	**31,663,050**	29,174,587
Issuance of shares pursuant to new subscriptions:				
On 26 October 2023	**–**	488,296,359	**–**	2,488,463
On 16 December 2024	**25,464,240**	–	**178,234**	–
	25,464,240	488,296,359	**178,234**	2,488,463
At 31 December	**1,056,312,116**	1,030,847,876	**31,841,284**	31,663,050

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. All shares rank equally with regard to the Company's residual assets.

Issuance of ordinary shares during the year ended 31 December 2024

On 16 December 2024, the Company issued (i) 23,331,000 new ordinary shares (Note 6(a)(ii)) at an issue price of $0.007 per share, as payment of consideration to the vendor of Jas Medical, and (ii) 2,133,240 new ordinary shares at an issue price of $0.007 per share, as payment of introducer fee pursuant to the sale and purchase agreement for the acquisition of 55.0% of Jas Medical in November 2024.

On 13 February 2025, the Company issued 264,078,029 new ordinary shares at an issue price of $0.006 per share, through a rights issue exercise.

Issuance of ordinary shares during the year ended 31 December 2023

On 26 October 2023, the Company issued 488,296,359 new ordinary shares at an issue price of $0.0055 per share, through a rights issue exercise. Share issuance costs amounted to $197,167.

15 Reserves

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Share option reserve	**–**	647,839	**–**	647,839
Fair value reserve	**(2,475,330)**	(2,456,923)	**–**	–
Foreign currency translation reserve	**(359,941)**	(569,742)	**–**	–
Statutory reserve	**565,844**	565,844	**–**	–
Other reserve	**(884,952)**	(884,952)	**–**	–
Accumulated losses	**(30,255,402)**	(29,462,421)	**(34,125,335)**	(37,104,359)
	(33,409,781)	(32,160,355)	**(34,125,335)**	(36,456,520)

Share option reserve

Share option reserve represents the equity-settled share options granted to employees. The reserve is made up of the cumulative value of services received from employees recorded on grant of equity-settled share options.

Fair value reserve

Fair value reserve arises from the fair value changes on the other investment designated at fair value through other comprehensive income during the year (Note 5).

Foreign currency translation reserve

Foreign currency translation reserve arises from the translation of financial statements of foreign entities whose functional currencies are different from the Group's presentation currency.

Statutory reserve

In accordance with the relevant laws and regulations of the PRC, each subsidiary in the PRC is required to make appropriation to a Statutory Reserve Fund ("SRF"). At least 10% of the statutory net profit for each year, as determined in accordance with the applicable PRC accounting standards and regulations, must be allocated to the SRF until the cumulative total of the SRF reaches at least 50% of the registered capital. Subject to approval from the relevant PRC authorities, the SRF may be used to offset any accumulated losses or increase the registered capital. The SRF is not available for dividend distribution to owners. The directors have decided that 10% of the net profit, as reported in the statutory financial statements of the PRC subsidiaries, be appropriated each year to the SRF.

Other reserve

Other reserve relates to the excess of fair value of consideration paid to acquire non-controlling interest of a subsidiary.

16 Borrowings

		The Group		The Company	
		2024	2023	**2024**	2023
	Note	**$**	$	**$**	$
Non-current					
Bank loans	**16.1**	**304,572**	1,521,064	**–**	646,236
Current					
Bank loans	**16.1**	**1,752,674**	2,408,223	**1,548,607**	1,986,391
		2,057,246	3,929,287	**1,548,607**	2,632,627

16 Borrowings (cont'd)

16.1 Bank loans

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Short-term bank loans				
- unsecured [a]	**900,000**	900,000	**900,000**	900,000
	900,000	900,000	**900,000**	900,000
Long-term bank loans				
- secured [b]	**508,639**	1,296,660	**–**	–
- unsecured [c]	**648,607**	1,732,627	**648,607**	1,732,627
	1,157,246	3,029,287	**648,607**	1,732,627
Represented by:				
Current	**1,752,674**	2,408,223	**1,548,607**	1,986,391
Non-current	**304,572**	1,521,064	**–**	646,236
	2,057,246	3,929,287	**1,548,607**	2,632,627

Bank loans comprise the following:

(a) Short-term bank loans, amounting to $900,000 (2023 - $900,000), with interest rate of 2.0% per annum over the bank's cost of funds (2023 - 2.0% per annum over the bank's cost of funds) per annum, is unsecured.

(b) Long-term secured bank loans, amounting to:

(i) $245,847 (2023 - $344,620) with interest rate of 4.0% (2023 - 4.0%) per annum repayable in 60 monthly instalments, is secured by a corporate guarantee from the Company;

(ii) $29,105 (2023 - $47,621) with interest rate of 2.5% (2023 - 2.5%) per annum repayable in 60 monthly instalments, is secured by a personal guarantee from a former director of a subsidiary of the Company;

(iii) $nil (2023 - $904,419), comprising a 3-year term loan which the Group had restructured from outstanding bills payable, with interest rate of 2.0% per annum over the prevailing 3-month cost of funds index, is secured by a corporate guarantee from the Company;

(iv) $152,694 (2023 - $nil) with interest rate of 4.5% per annum repayable in 60 monthly instalments, is secured by a personal guarantee from directors of a subsidiary of the Company; and

(v) $80,993 (2023 - $nil) with interest rate of 7.8% per annum repayable in 60 monthly instalments, is secured by a personal guarantee from directors of a subsidiary of the Company.

(c) Long-term bank loan, amounting to $648,607 (2023 - $1,732,627), with interest rate of 3.0% (2023 – 3.0%) per annum repayable in 60 monthly instalments, is unsecured.

16.2 Currency risk

Borrowings are denominated in the following currencies:

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Singapore Dollar	**2,057,246**	3,929,287	**1,548,607**	2,632,627

16 Borrowings (cont'd)

16.3 Weighted average effective interest rates

The weighted average effective interest rates of interest-bearing borrowings at the end of the reporting period are as follows:

	The Group		The Company	
	2024	2023	**2024**	2023
	%	%	**%**	%
Bank loans	**2.5 – 7.8**	3.0 - 6.8	**3.0 – 6.4**	3.0 - 6.8

16.4 Carrying amounts and fair values

The carrying amounts of short-term borrowings approximate their fair values. The carrying amounts and fair values of long-term borrowings at the end of the reporting period are as follows:

	Carrying amount	**Fair value**
The Group	$	$
2024		
Long-term bank loans	**1,157,246**	**1,072,627**
2023		
Long-term bank loans	3,029,287	2,914,333

	Carrying amount	**Fair value**
The Company	$	$
2024		
Long-term bank loans	**648,607**	**611,893**
2023		
Long-term bank loans	1,732,627	1,640,413

The fair values are determined from the discounted cash flow analyses, using the implicit discount rates based upon the borrowing rates which the directors expect would be available to the Group and the Company at the end of the reporting period, as follows:

	2024	2023
	%	%
The Group		
Long-term bank loans	**6.0**	6.0
The Company		
Long-term bank loans	**6.0**	6.0

17 Lease liabilities

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Undiscounted lease payments due:				
- Year 1	**97,802**	31,201	**31,201**	31,201
- Year 2	**66,600**	–	**–**	–
- Year 3	**66,600**	–	**–**	–
	231,002	31,201	**31,201**	31,201
Less: Unearned interest cost	**(17,158)**	(833)	**(833)**	(833)
Lease liabilities	**213,844**	30,368	**30,368**	30,368
Represented by:				
- Non-current	**125,909**	–	**–**	–
- Current	**87,935**	30,368	**30,368**	30,368
	213,844	30,368	**30,368**	30,368

Interest expense on lease liabilities of $2,057 (2023 - $75,827) is recognised within finance costs in profit or loss.

Rental expenses not recorded in lease liabilities but recognised within other operating expenses in profit or loss are set out below:

	2024	2023
The Group	**$**	$
Short-term leases	**65,478**	77,420

Total cash outflows for leases amounted to $102,226 (2023 - $938,617) for the year ended 31 December 2024.

The Group's and the Company's lease liabilities are secured by the lessors' title to the leased assets.

Leasing activities and financial risk management are disclosed in Note 29 and Note 33 respectively.

Lease liabilities are denominated in the following currencies:

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Singapore Dollar	**213,844**	30,368	**30,368**	30,368

18 Trade and other payables

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Trade payables				
- third parties	**38,467**	256,461	**–**	201,834
- subsidiaries	**–**	–	**–**	3,768,303
- ex-subsidiary	**–**	166,011	**–**	–
	38,467	422,472	**–**	3,970,137
Amounts due to subsidiaries (non-trade)	**–**	–	**–**	2,652,597
Accrued expenses	**216,727**	483,538	**157,986**	265,895
Deferred consideration payable	**40,000**	40,000	**–**	–
Contingent consideration payable	**–**	15,009	**–**	–
Financial guarantee liabilities	**–**	–	**245,848**	1,249,039
Other payables	**723,530**	638,823	**457,170**	350,630
	980,257	1,177,370	**861,004**	4,518,161
	1,018,724	1,599,842	**861,004**	8,488,298

The average credit period taken to settle trade payables is approximately 30 to 90 days (2023 - 150 days).

The ex-subsidiary comprised a former subsidiary disposed of in November 2023 (Note 6(b)(i)) and the trade payable arose from purchase transactions when the disposed of entity was a subsidiary of the Group.

The non-trade amounts due to subsidiaries, which represent advances from and payments on behalf by the subsidiaries, are unsecured, interest-free and repayable on demand.

The deferred consideration payable of $40,000 and contingent consideration payable of $15,009 relate to the acquisition of TS Medical in previous year (Note 6(a)(i)).

The financial guarantee liabilities of $245,848 (2023 - $1,249,039) relate to the expected credit losses for a corporate guarantee issued by the Company to banks for the borrowings of a subsidiary.

Included in the Group's other payables is the amount due to Former Director of $200,000 (2023 - $200,000) arising from the acquisition of Gainhealth (Note 37).

Included in the Group's and the Company's other payables is consideration payable of $300,000 (2023 - $nil) arising from the acquisition of Jas Medical (Note 6(a)(ii))

Other payables mainly relate to amounts payable for office expenses, utilities, renovations and professional fees.

Trade and other payables are denominated in the following currencies:

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Singapore Dollar	**1,018,724**	1,231,243	**861,004**	2,430,486
Renminbi	**–**	6,572	**–**	1,398,142
United States Dollar	**–**	346,835	**–**	4,644,478
Euro Dollar	**–**	15,192	**–**	15,192
	1,018,724	1,599,842	**861,004**	8,488,298

19 Revenue

Significant categories of revenue, excluding intra-group transactions and applicable goods and services tax and value-added tax, are detailed as follows:

The Group	2024 $	2023 $
From continuing operations:		
Revenue from contracts with customers		
- Sale of goods	–	4,221,664
- Services rendered	**244,828**	391,730
	244,828	4,613,394
Timing of revenue recognition		
At a point in time	**244,828**	4,613,394

The Group	2024 $	2023 $
From discontinued operations:		
Revenue from contracts with customers		
- Sale of goods	–	20,086,834
Timing of revenue recognition		
At a point in time	–	20,086,834

20 Other income

The Group	2024 $	2023 $
From continuing operations:		
Government grants	**61,725**	77,772
Fair value gain on derivative financial asset	**16,857**	–
Miscellaneous income	**1,088,088**	10,965
Interest income from bank	**6,579**	18
	1,173,249	88,755
From discontinued operations:		
Government grants	–	165,117
Interest income from bank	–	5,366
	–	170,483

Included in the miscellaneous income is the settlement gain of $1,000,000 (2023 - $nil) arising from the irregularities concerning Gainhealth (Note 37).

21 Employee benefits expense

The Group	2024 $	2023 $
From continuing operations:		
Directors:		
Directors' fees	**76,053**	116,250
Directors' remuneration other than fees:		
- salaries and other related costs	**274,405**	853,819
- contributions to defined contribution plans	**14,106**	26,666
	364,564	996,735
Key management personnel (other than directors):		
- salaries and other related costs	**164,000**	254,029
- contributions to defined contribution plans	**19,176**	18,649
	183,176	272,678
Total key management personnel compensation	**547,740**	1,269,413
Other than key management personnel:		
- salaries and other related costs	**270,045**	1,324,159
- contributions to defined contribution plans	**13,895**	85,281
	283,940	1,409,440
Total employee benefits expense	**831,680**	2,678,853
From discontinued operations:		
Directors:		
Directors' remuneration other than fees:		
- salaries and other related costs	**–**	26,618
- contributions to defined contribution plans	**–**	2,491
	–	29,109
Other than key management personnel:		
- salaries and other related costs	**–**	6,631,592
- contributions to defined contribution plans	**–**	687,732
	–	7,319,324
Total employee benefits expense	**–**	7,348,433

22 Other gains and losses

The Group	2024 $	2023 $
From continuing operations:		
Bad debts write-off	**16,507**	13,041
Foreign exchange (gain)/loss, net	**(10,023)**	35,218
Loss on disposal of property, plant and equipment	**4,548**	86,825
Gain on disposal of right-of-use assets	**–**	(3,332)
Impairment of right-of-use assets	**30,146**	–
Property, plant and equipment write-off	**51,659**	–
Other losses, net	**92,837**	131,752
From discontinued operations:		
Bad debts write-off	**–**	45,258
Foreign exchange gain, net	**–**	(108,564)
Gain on disposal of property, plant and equipment	**–**	285,943
Loss on disposal of right-of-use assets	**–**	61,941
Impairment of property, plant and equipment	**–**	32,745
Property, plant and equipment write-off	**–**	25,603
Write-down of inventories made	**–**	13,910
Other losses, net	**–**	356,836

23 Finance costs

The Group	2024 $	2023 $
From continuing operations:		
Interest expenses on:		
- bank loans	**138,573**	167,079
- bank overdraft	**–**	1,258
- bills payable to banks	**–**	121,704
	138,573	290,041
- lease liabilities	**2,057**	4,676
	140,630	294,717
From discontinued operations:		
Interest expenses on:		
- bank loans	**–**	967
- bank overdraft	**–**	3,444
- bills payable to banks	**–**	23,679
	–	28,090
- lease liabilities	**–**	71,151
	–	99,241

24 Loss for the year

Other than as disclosed elsewhere, loss for the year has been arrived after charging/(crediting):

The Group	**2024** **$**	2023 $
From continuing operations:		
Depreciation of property, plant and equipment	**8,884**	27,811
Depreciation of right-of-use assets	**34,752**	47,235
Electricity and water	**3,972**	13,750
Expected credit losses on trade and other receivables, (reversed)/made	**(46,645)**	115,765
Impairment of goodwill (Note 7)	**396,502**	98,068
Legal and professional fees	**363,106**	582,224
Short-term lease expenses (Note 17)	**65,478**	72,255
From discontinued operations:		
Carriage outwards	**–**	167,096
Chemical, lubricants and gas	**–**	298,195
Depreciation of property, plant and equipment	**–**	632,739
Depreciation of right-of-use assets	**–**	823,577
Electricity and water	**–**	746,934
Expected credit losses on trade and other receivables	**–**	257,687
Factory expenses	**–**	165,475
Legal and professional fees	**–**	67,245
Loss on disposal of subsidiaries (Note 6(b))	**399,548**	1,372,466
Loss on re-measurement of disposal group classified as held-for-sale	**–**	2,108,176
Repair and maintenance	**–**	266,865
Security services	**–**	51,542
Short-term lease expenses (Note 17)	**–**	5,165
Tooling services	**–**	141,556

25 Taxation

The Group	**2024** **$**	2023 $
Current taxation		
- Over provision of current taxation in respect of prior year	**(3,836)**	–
Deferred taxation		
- origination and reversal of temporary differences	**–**	25,165
Tax (credits)/expense	**(3,836)**	25,165
Attributable to:		
- Continuing operations	**(3,836)**	–
- Discontinued operations	**–**	25,165

25 Taxation (cont'd)

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the applicable rate of income tax on the accounting income due to the following:

The Group	2024 $	2023 $
Loss before taxation		
- Continuing operations	**(1,052,262)**	(3,330,368)
- Discontinued operations	**(399,548)**	(4,986,301)
	(1,451,810)	(8,316,669)
Tax at statutory rates applicable to different jurisdictions	**(246,808)**	(1,365,291)
Tax effect on non-deductible expenses	**427,301**	1,403,718
Tax effect on non-taxable income	**(180,493)**	(13,262)
Over provision of current taxation in respect of prior year	**(3,836)**	–
	(3,836)	25,165

Non-deductible expenses mainly relate to loss on disposal of subsidiaries and impairment of right-of-use assets (2023 - loss on disposal of subsidiaries and loss on re-measurement of disposal group classified as held-for-sale). Non-taxable income mainly relates to settlement gain from the irregularities concerning Gainhealth (2023 - government grants).

Singapore

The corporate income tax rate applicable to the Group is 17% (2023 - 17%) for the financial year ended 31 December 2024.

Malaysia

The corporate income tax rate applicable to the Group is 24% (2023 - 24%) for the financial year ended 31 December 2024.

The People's Republic of China

In accordance with the Enterprise Income Tax ("EIT") Law of the PRC, the PRC subsidiaries are subject to the applicable EIT rate of 25% (2023 - 25%) for the financial year ended 31 December 2024, except for a PRC subsidiary which is subject to a concessionary tax rate of 15% (2023 - 15%) as a high-tech enterprise established in the Special Economic Zone in Shanghai.

The PRC subsidiaries may have possible tax assessments obligation in the future with the tax authority. As management believes that the tax positions cannot be reliably measured prior to any meaningful discussion with the tax authority, if even necessary, the Group has not recognised any additional tax liability on these tax positions.

Unrecognised temporary differences relating to unused tax losses and credits

Deferred tax assets have not been recognised in respect of the following items:

	The Group		The Company	
	2024 $	2023 $	2024 $	2023 $
Unused tax losses	**17,254,347**	17,626,011	**12,662,229**	11,801,519
Unabsorbed capital allowances	**2,197,420**	1,809,735	**2,095,024**	1,768,817
	19,451,767	19,435,746	**14,757,253**	13,570,336
Tax effect on above temporary differences	**3,320,317**	3,310,481	**2,508,733**	2,306,957

25 Taxation (cont'd)

Unrecognised temporary differences relating to unused tax losses and credits (cont'd)

The unused tax losses and unabsorbed capital allowances are allowed to be carried forward and used to offset against future taxable profits of the Company and its subsidiaries in which the items arose, subject to agreement by the relevant tax authorities and compliance with the applicable tax regulations in the respective countries in which the Company and its subsidiaries operate. Deferred tax assets have not been recognised in respect of these items due to the uncertainty whether future taxable profits will be available against which the Company and its subsidiaries can utilise the benefits.

The above unused tax losses and unabsorbed capital allowances have no expiry date under the respective tax jurisdictions.

26 Discontinued operations

The discontinued operations comprise the subsidiaries, MCE Technologies Sdn Bhd and MCT Thailand Co. Ltd., disposed of in the previous year (Note 6(b)(i)) and the subsidiaries, MCE Technologies (Suzhou) Co., Ltd and MCE Corporation (Shanghai) Co., Ltd, in the disposal group classified as held-for-sale as at 31 December 2023 (Note 13). All of the aforementioned subsidiaries are from the Metal business segment.

The results of the discontinued operations and the re-measurement of the disposal group classified as held-for-sale are as follows:

The Group	Note	**2024** **$**	2023 $
Revenue	19	–	20,086,834
Other income	20	–	170,483
Raw materials and consumables used		–	(9,266,279)
Employee benefits expense	21	–	(7,348,433)
Depreciation of property, plant and equipment	24	–	(632,739)
Depreciation of right-of-use assets	24	–	(823,577)
Expected credit losses on trade and other receivables	24	–	(257,687)
Other gains and losses	22	–	(356,836)
Finance costs	23	–	(99,241)
Other operating expenses		–	(2,978,184)
Loss before taxation from discontinued operations		–	(1,505,659)
Tax expense		–	(25,165)
Loss after taxation from discontinued operations		–	(1,530,824)
Loss on disposal of subsidiaries	24	**(399,548)**	(1,372,466)
Loss on re-measurement of disposal group to fair value less costs to sell	24	–	(2,108,176)
Loss from discontinued operations for the year		**(399,548)**	(5,011,466)

26 Discontinued operations (cont'd)

The cash flows relating to the discontinued operations are as follows:

The Group	**2024** **$**	2023 $
Operating cash inflows	**399,548**	1,044,465
Investing cash (outflows)/inflows	**(1,638,867)**	167,105
Financing cash outflows	**–**	(923,326)
Total cash (outflows)/inflows	**(1,239,319)**	288,244

27 Loss per share

The Group	**2024** **$**	2023 $
From continuing and discontinued operations:		
Loss for the year attributable to ordinary shareholders ($)	**(1,440,820)**	(8,408,128)
Weighted average number of ordinary shares:		
Outstanding for purpose of basic earnings per share	**1,056,748,594**	657,997,059
Outstanding for purpose of diluted earnings per share	**1,056,748,594**	657,997,059
Basic loss per share (Singapore cent)	**(0.14)**	(1.28)
Diluted loss per share (Singapore cent)	**(0.14)**	(1.28)
From continuing operations:		
Loss for the year attributable to ordinary shareholders ($)	**(1,041,272)**	(3,396,662)
Weighted average number of ordinary shares:		
Outstanding for purpose of basic earnings per share	**1,056,748,594**	657,997,059
Outstanding for purpose of diluted earnings per share	**1,056,748,594**	657,997,059
Basic loss per share (Singapore cent)	**(0.10)**	(0.52)
Diluted loss per share (Singapore cent)	**(0.10)**	(0.52)
From discontinued operations:		
Loss for the year attributable to ordinary shareholders ($)	**(399,548)**	(5,011,466)
Weighted average number of ordinary shares:		
Outstanding for purpose of basic earnings per share	**1,056,748,594**	657,997,059
Outstanding for purpose of diluted earnings per share	**1,056,748,594**	657,997,059
Basic loss per share (Singapore cent)	**(0.04)**	(0.76)
Diluted loss per share (Singapore cent)	**(0.04)**	(0.76)

As at 31 December 2024, nil (2023 - 4,000,000) outstanding share options are excluded from the calculation of diluted earnings per share because their effect is anti-dilutive as the average market price of the Company's ordinary shares during the period does not exceed the exercise price of the share options.

For calculation of basic and diluted earnings per share, the number of ordinary shares and potentially ordinary shares are adjusted retrospectively for all periods presented to reflect the bonus element in the rights issue undertaken by the Company.

28 Equity-settled share-based payment transactions

The Company adopted the MCE Share Option Scheme since 4 November 2003. The MCE Share Option Scheme is administered by the Remuneration Committee. Options are exercisable at a price based on the average of the last done prices for the shares of the Company on the Singapore Exchange Securities Trading Limited for five consecutive market days preceding the date of grant. The vesting period is one year from the date of grant. If the options remain unexercised after a period of five years for non-executive directors and ten years for executive directors and employees from the date of grant, the options expire. Options are cancelled by forfeiture if any director or employee ceases to be under appointment or employment of the Company or any of its subsidiaries within the Group before the options vest.

The MCE Share Option Scheme expired on or about 3 November 2013. At the Annual General Meeting on 25 April 2014, the MCE Share Option Scheme 2014 was adopted by the Company's shareholders to replace the MCE Share Option Scheme.

Details of options granted to directors and employees under the MCE Share Option Scheme and MCE Share Option Scheme 2014 are as follows:

Date of grant	Balance at 1.1.2023	Options granted	Options forfeited	Options exercised	Balance at 31.12.2023	Options granted	Options forfeited	Options exercised	Balance at 31.12.2024
4.9.2013 (i)	2,220,000	–	(2,220,000)	–	–	–	–	–	–
22.6.2018 (ii)	2,740,000	–	(1,420,000)	–	1,320,000	–	(1,320,000)	–	–
30.6.2021 (i)	26,396,500	–	(4,868,500)	–	21,528,000	–	(21,528,000)	–	–
30.11.2021 (i)	10,877,000	–	(9,877,000)	–	1,000,000	–	(1,000,000)	–	–
	42,233,500	–	(18,385,500)	–	23,848,000	–	(23,848,000)	–	–

(i) For directors and employees

(ii) For employees

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 2024 $	**Number of options 2024**	Weighted average exercise price 2023 $	Number of options 2023
Outstanding at beginning of year	**0.054**	**23,848,000**	0.053	42,233,500
Forfeited during the year	**0.054**	**(23,848,000)**	0.053	(18,385,500)
Outstanding at end of year	**–**	**–**	0.053	23,848,000
Exercisable at end of year	**–**	**–**	0.054	23,848,000

28 Equity-settled share-based payment transactions (cont'd)

The following table summarises information about options outstanding at the end of the reporting period:

Exercise price 2024	**Number of options 2024**	**Weighted average remaining contractual life (years) 2024**	Exercise price 2023	Number of options 2023	Weighted average remaining contractual life (years) 2023
$0.05	**–**	**–**	$0.05	–	–
$0.034	**–**	**–**	$0.034	1,320,000	5.48
$0.055	**–**	**–**	$0.055	22,528,000	7.50
	–	**–**		23,848,000	5.77

29 Leases

Where the Group is the lessee,

The Group leases office premises (2023 - factory and office premises) for operations. The leases typically run for a period of one to three years, with an option to renew the lease after that date. The Group also leases office equipment with contract terms of one to five years. In addition, the Group leases machineries and motor vehicles under hire purchase arrangement with lease period of three to five years. Some of these machineries are leased by the Company and transferred to its subsidiaries for use in operations. Lease payments are made on a monthly basis and renegotiated every few years to reflect market rentals. There are no externally imposed covenants on the lease arrangements.

Information about leases for which the Group is a lessee is presented in Note 4 and Note 17 to the financial statements.

30 Capital commitments

There are no capital expenditures contracted for at the end of the reporting period but not recognised in the financial statements.

31 GST bills of demand from the Royal Malaysian Customs Department

In between March 2022 and August 2022, the subsidiaries of the Group, Gainhealth Digital Sdn Bhd ("Gainhealth Digital") and MCE Technologies Sdn Bhd ("MCE Technologies"), had each received three bills of demand from the Royal Malaysian Customs Department (the "Customs Authority") for goods-and-services-tax ("GST") and consequential penalties (collectively, the "Claims"). The aggregate amounts demanded by the Customs Authority pursuant to the Claims against Gainhealth Digital and MCE Technologies were approximately RM2,660,000 ($798,000) and RM2,370,000 ($711,000), respectively.

The Claims were made by the Customs Authority in respect of 6% GST allegedly undercharged on intra group invoices and invoices issued to third party companies which were licensed manufacturing warehouses and a third party company located in the free industrial zone of Malaysia.

The Company, Gainhealth Digital and MCE Technologies disputed the alleged Claims and had appointed Lee Hishammuddin Allen and Gledhill (the "Counsel") for the judicial review applications filed before the Kuala Lumpur High Court to challenge the Claims (the "Judicial Review Applications"). The court hearings for the Judicial Review Applications have been scheduled in the period from December 2024 to July 2025. Prior to the court decision, the Group shall continue to make monthly instalment payment of RM125,000 ($37,000) for the Claims amounts due to the Customs Authority.

31 GST bills of demand from the Royal Malaysian Customs Department (cont'd)

The Claims were identified as those being claimed in separately (i) the period prior to 1 January 2017 (the "pre-2017 Claims") and (ii) the period from 1 January 2017 (the "post-2017 Claims"). Based on legal advice from the Counsel, management had determined it to be not probable but also not remote that the Group would be held liable for the post-2017 Claims due to legislative factors, and therefore assessed the post-2017 Claims due to the Customs Authority to be a contingent liability.

As at 31 December 2024, the Group had made instalment payments of RM3,086,000 ($914,000) in years 2022 to 2024 (2023 - RM1,843,000 ($530,000) in years 2022 to 2023) in respect of the post 2017-Claims to the Customs Authority which has been recognised as GST recoverable as at the reporting date (Note 9). In June 2024, the Group had experienced a delay with its scheduled monthly instalment payment. Following negotiations with the Customs Authority, a revised payment plan was accepted by the Group, which included an increase in total instalment payments due by RM48,000 ($13,000) and an extension of the repayment period by four months. As at 31 December 2024, there was a remaining contingent liability of RM955,000 ($282,000) (2023 - RM2,150,000 ($653,000)) in respect of the post-2017 Claims still due to the Customs Authority.

32 Operating segments

The Group is organised into Healthcare business unit and others for financial year ended 31 December 2024 (2023 - Healthcare business and Metal business units). The Group's Metal business unit was disposed in the previous year. The Group's only business unit, Healthcare business, operates mainly in Singapore and all non-current assets were located in Singapore.

There are no operating segments that have been aggregated to form the above reportable operating segments.

The Group's CEO, who is the chief operating decision maker, monitors the operating results of its business units for the purpose of making decisions about resource allocation and performance assessment.

Information regarding the results of each reportable segment is included in the following tables. Performance is measured based on segment profit (before interest, taxation and unallocated expenses), as included in the internal management reports that are reviewed by the Group's CEO, which in certain respects, as explained in the following tables, is different from profit in the consolidated financial statements. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Inter-segment pricing is determined on an arm's length basis.

The Group's finance costs and income taxes are managed on a group basis and are not allocated to operating segments.

32 Operating segments (Cont'd)

	2024			
	Metal (Discontinued)	Healthcare (Continuing)	Others (Continuing)	The Group
	$	$	$	$
Total revenue	–	244,828	–	244,828
Segment (loss)/profit	(399,548)	811,063[ii]	(884,606)	(473,091)
Finance costs	–	(40,374)	(100,256)	(140,630)
Unallocated expenses [i]	–	(12,744)	(825,345)	(838,089)
(Loss)/Profit before taxation	(399,548)	757,945	(1,810,207)	(1,451,810)
Tax credits	–	3,836	–	3,836
(Loss)/Profit for the year	(399,548)	761,781	(1,810,207)	(1,447,974)
Other segment information:				
Segment assets	–	649,531	958,401	1,607,932
Segment liabilities	–	1,055,821	2,239,162	3,294,983
Non-current assets:				
Property, plant and equipment	–	1,362	202	1,564
Right-of-use assets	–	182,744	–	182,744
Bad debts write-off	–	–	16,507	16,507
Depreciation of property, plant and equipment	–	4,074	4,810	8,884
Depreciation of right-of-use assets	–	4,826	29,926	34,752
Impairment of goodwill	–	396,502	–	396,502
Impairment of right-of-use assets	–	–	30,146	30,146
Expected credit losses on trade and other receivables, reversed	–	–	(46,645)	(46,645)
Fair value gain on derivative financial asset	–	(16,857)	–	(16,857)
Loss on disposal of subsidiaries	399,548	–	–	399,548
Loss on disposal of property, plant and equipment	–	4,548	–	4,548
Property, plant and equipment write off	–	1,251	50,408	51,659

(i) Unallocated expenses relate to directors' remuneration and other corporate related expenses.

(ii) Segment profit in the Healthcare business of $0.8 million includes a one-off income of $1.0 million received from the recovery of losses related to irregularities concerning a subsidiary of the Group, Gainhealth Pte. Ltd.

32 Operating segments (Cont'd)

	2023				
	Metal (Continuing)	Metal (Discontinued)	Metal Sub-total	Healthcare (Continuing)	The Group
	$	$	$	$	$
Total revenue	4,221,691	20,086,834	24,308,525	391,703	24,700,228
Segment loss	(828,553)	(4,887,060)	(5,715,613)	(832,062)	(6,547,675)
Finance costs	(176,025)	(99,241)	(275,266)	(118,692)	(393,958)
Unallocated expenses [(i)]	(1,354,065)	–	(1,354,065)	(20,971)	(1,375,036)
Loss before taxation	(2,358,643)	(4,986,301)	(7,344,944)	(971,725)	(8,316,669)
Tax expense	–	(25,165)	(25,165)	–	(25,165)
Loss for the year	(2,358,643)	(5,011,466)	(7,370,109)	(971,725)	(8,341,834)
Other segment information:					
Segment assets	1,075,375	3,247,558	4,322,933	3,651,352	7,974,285
Segment liabilities	3,895,401	2,903,458	6,798,859	1,668,731	8,467,590
Non-current assets:					
Property, plant and equipment	57,200	–	57,200	8,316	65,516
Right-of-use assets	29,853	–	29,853	–	29,853
Additions of property, plant and equipment	–	413,786	413,786	3,639	417,425
Additions right-of-use assets	47,266	59,784	107,050	–	107,050
Depreciation of property, plant and equipment	9,386	632,739	642,125	18,425	660,550
Depreciation of right-of-use assets	22,440	823,577	846,017	24,795	870,812
Loss on disposal of property, plant and equipment	–	285,943	285,943	86,825	372,768
Loss/(Gain) on disposal of right-of-use assets	–	61,941	61,941	(3,332)	58,609
Impairment of property, plant and equipment	–	32,745	32,745	–	32,745
Impairment of goodwill	–	–	–	98,068	98,068
Loss on disposal of subsidiaries	–	1,372,466	1,372,466	–	1,372,466
Loss on re-measurement of disposal group classified as held for sale	–	2,108,176	2,108,176	–	2,108,176
Property, plant and equipment write off	–	25,603	25,603	–	25,603
Write-down on inventories made	–	13,910	13,910	–	13,910

(i) Unallocated expenses relate to directors' remuneration and other corporate related expenses.

33 Financial risk management objectives and policies

The Group and the Company have documented financial risk management policies. These policies set out the Group's and the Company's overall business strategies and its risk management philosophy. The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk. The Group's and the Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's and the Company's financial performance.

The Group's and the Company's risk management policies are established to identify and analyse the risks faced by the Group and the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's and the Company's activities. The Group and the Company, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which they manage and measure the risks. Market risk exposures are measured using sensitivity analysis for interest rate risk and foreign currency risk.

The Group and the Company do not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange.

33.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group or the Company to incur a financial loss. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For trade receivables, the Group and the Company adopt the practice of dealing only with those customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group and the Company adopt the policy of dealing only with high credit quality counterparties.

The Group's and the Company's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure.

The Group and the Company have established a credit policy under which the creditworthiness of each new customer is evaluated individually before the Group and the Company grant credit to the customer. Credit limits are established for each customer, which represents the maximum open amount without requiring approval from the directors. Payments will be required to be made upfront by customers which do not meet the Group's and the Company's credit requirements.

Amounts due from customers are closely monitored and reviewed on a regular basis to identify any non-payment or delay in payment, and to understand the reasons, so that appropriate actions can be taken promptly. Through on-going credit monitoring and existing collection procedures in place, credit risk is mitigated substantially.

Amount not paid after the credit period granted will be considered past due. The credit terms granted to customers are based on the Group's and the Company's assessment of their creditworthiness and in accordance with the Group's and the Company's policy.

As at 31 December 2024, the Group's trade receivables comprise no major debtor, and the Company's trade receivables (excluding trade amounts due from subsidiaries) also comprise no major debtor. While, as at 31 December 2023, the Group's trade receivables comprise one major debtor that represented 55% of trade receivables and the Company's trade receivables (excluding trade amounts due from subsidiaries) also comprise one major debtor that represented 80% of trade receivables.

The Group and the Company have trade and other receivables and cash and bank balances that are subject to the expected credit loss model.

33 Financial risk management objectives and policies (cont'd)

33.1 Credit risk (cont'd)

Trade receivables

The Group and the Company apply the SFRS(I) 9 simplified approach to measuring expected credit losses ("ECLs") which uses a lifetime ECL allowance for all trade receivables.

To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the trade receivables. The Group and the Company have identified the GDP and the unemployment rate of the countries in which it operates to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, below is the information about the credit risk exposure on the Group's and the Company's trade receivables using provision matrix:

	Current	Past due 0 to 30 days	Past due 31 to 60 days	Past due 61 to 90 days	Past due more than 90 days	Total
The Group	$	$	$	$	$	$
2024						
Gross carrying amount	**10,294**	**925**	**1,405**	**490**	**455**	**13,569**
Expected credit loss rate (%)	**–**	**–**	**–**	**–**	**–**	**–**
Loss allowance	**–**	**–**	**–**	**–**	**–**	**–**
2023						
Gross carrying amount	36,896	15,124	74,354	14,649	447,735	588,758
Expected credit loss rate (%)	–	–	–	–	32.4%	–
Loss allowance	–	–	–	–	144,838	144,838
The Company						
2024						
Gross carrying amount	**–**	**–**	**–**	**–**	**–**	**–**
Expected credit loss rate (%)	**–**	**–**	**–**	**–**	**–**	**–**
Loss allowance	**–**	**–**	**–**	**–**	**–**	**–**
2023						
Gross carrying amount	–	7,373	32,472	–	367,540	407,385
Expected credit loss rate (%)	–	–	–	–	19.2%	–
Loss allowance, as restated	–	–	–	–	70,596	70,596

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan with the Group and the Company.

Other receivables

Loss allowance for other receivables which is assessed to have low credit risk is measured at an amount equal to 12-month ECLs. The ECLs on other receivables are estimated by reference to track record of the counterparties, their business and financial conditions where information is available, and knowledge of any events or circumstances impeding recovery of the amounts.

33 Financial risk management objectives and policies (cont'd)

33.1 Credit risk (cont'd)

Amounts due from subsidiaries (non-trade)

Except for the non-trade amounts due from certain subsidiaries which are credit-impaired, the non-trade amounts due from subsidiaries are considered to have low credit risk as the Company has control over the operating, investing and financing activities of its subsidiaries. The use of advances to assist with the subsidiaries' cash flow management is in line with the Group's capital management. There has been no significant increase in the credit risk of these non-trade amounts due from subsidiaries since initial recognition. In determining the ECLs, management has taken into account the finances and business performance of the subsidiaries, and a forward-looking analysis of the financial performance of operations of the subsidiaries.

Exposure to credit risk

The Group's and the Company's major classes of financial assets are bank deposits and trade receivables. Cash is held with established financial institutions.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position, except for letters of financial support and corporate guarantee issued by the Company to and on behalf of a subsidiary.

The Company has given formal undertakings, which are unsecured, to provide financial support to certain subsidiaries in the Group.

At the end of the reporting period, the Company has issued corporate guarantee to a bank for the borrowings undertaken by a subsidiary, comprising loan and bills payable. These bank borrowings amounted to $245,848 (2023 - $1,249,039) at the end of reporting period. The credit risk, being the principal risk to which the Company is exposed, represents the loss that would be recognised upon a default by the subsidiary.

The current interest rates charged by the lender on the loans to the subsidiary are at market rates and are consistent with the borrowing costs of the subsidiary without any corporate guarantee.

At the end of the reporting period, the Company has recognised financial guarantee liabilities of $245,848 (2023 - $1,249,039) relating to the expected credit losses for a corporate guarantee issued by the Company to banks for the borrowings of a subsidiary.

Management continually monitors the risk and has established processes including performing credit evaluations of the parties for which the Group provides corporate guarantees. Corporate guarantees are only for intra-group financing purposes and given by the Company on behalf of its subsidiaries.

33.2 Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

33 Financial risk management objectives and policies (cont'd)

33.2 Liquidity risk (cont'd)

The table below analyses the maturity profile of the Group's and the Company's financial liabilities (excluding those attributable to the disposal group classified as held-for-sale) based on contractual undiscounted cash flows:

The Group	Carrying amount $	Contractual cash flows $	Less than 1 year $	Between 1 and 5 years $	More than 5 years $
2024					
Non-derivative financial liabilities					
Borrowings (Note 16)	**2,057,246**	**2,088,048**	**1,719,692**	**368,356**	**–**
Lease liabilities (Note 17)	**213,844**	**231,000**	**97,800**	**133,200**	**–**
Trade and other payables (Note 18)	**1,018,724**	**1,018,724**	**1,018,724**	**–**	**–**
	3,289,814	**3,337,772**	**2,836,216**	**501,556**	**–**
2023					
Non-derivative financial liabilities					
Borrowings (Note 16)	3,929,287	4,080,653	2,532,193	1,548,460	–
Lease liabilities (Note 17)	30,368	31,201	31,201	–	–
Trade and other payables (Note 18)	1,599,842	1,599,842	1,599,842	–	–
	5,559,497	5,711,696	4,163,236	1,548,460	–

The Company	Carrying amount $	Contractual cash flows $	Less than 1 year $	Between 1 and 5 years $
2024				
Non-derivative financial liabilities				
Borrowings (Note 16)	**1,548,607**	**1,550,920**	**1,550,920**	**–**
Lease liabilities (Note 17)	**30,368**	**31,201**	**31,201**	**–**
Trade and other payables (Note 18)	**861,004**	**861,004**	**861,004**	**–**
	2,439,979	**2,443,125**	**2,443,125**	**–**
2023				
Non-derivative financial liabilities				
Borrowings (Note 16)	2,632,627	2,675,825	2,022,383	653,442
Lease liabilities (Note 17)	30,368	31,201	31,201	–
Trade and other payables (Note 18)	8,488,298	8,488,298	8,488,298	–
	11,151,293	11,195,324	10,541,882	653,442

The Group and the Company ensure that there are adequate funds to meet all their obligations in a timely and cost-effective manner. The Group and the Company maintain sufficient level of cash and bank balances and have available adequate amount of committed credit facilities from financial institutions to meet their working capital requirements. The Group and the Company receives continuing financial support from a controlling shareholder.

33 Financial risk management objectives and policies (cont'd)

33.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from certain bank loans, bank overdraft, bills payable to banks and bank balances at floating rates. Leases and other bank loans bear interest at fixed rates. All other financial assets and liabilities are interest-free.

At the end of the reporting period, the carrying amount of the interest-bearing financial instruments (excluding those attributable to the disposal group classified as held-for-sale) is as follows:

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Fixed rate instruments				
Financial liabilities				
- bank loans	**(1,157,246)**	(2,124,868)	**(648,607)**	(1,732,627)
- lease liabilities	**(213,844)**	(30,368)	**(30,368)**	(30,368)
	(1,137,090)	(2,155,236)	**(678,975)**	(1,762,995)
Variable rate instruments				
Financial assets				
- bank balances	**187,326**	3,366,401	**32,768**	1,214,927
Financial liabilities				
- bank loans	**(900,000)**	(1,804,419)	**(900,000)**	(900,000)
	(900,000)	(1,804,419)	**(900,000)**	(900,000)
	(712,674)	1,561,982	**(867,232)**	314,927

<u>Fair value sensitivity analysis for fixed rate instruments</u>

The Group and the Company do not account for any fixed rate assets or liabilities of fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

<u>Cash flow sensitivity analysis for variable rate instruments</u>

At the end of the reporting period, if interest rates had been 100 (2023 - 100) basis points higher/lower with all other variables held constant, the Group's and the Company's loss net of tax and equity would have been $7,127 (2023 - $15,620) higher/lower and $8,672 (2023 - $3,149) lower/higher, respectively, arising as a result of higher/lower interest expense on floating rate bank loans, bank overdraft and bills payable to banks, offset by higher/lower interest income from floating rate bank balances, and vice versa.

The magnitude represents management's assessment of the likely movement in interest rates under normal economic conditions. This analysis has not taken into account the associated tax effects and assumes that all other variables, in particular foreign currency rates, remain constant.

The Group's and the Company's policy is to obtain the most favourable interest rates available without increasing its interest rate exposure.

33 Financial risk management objectives and policies (cont'd)

33.4 Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arises when transactions are denominated in foreign currencies.

The Group and the Company have transactional currency exposures arising from transactions that are denominated in a currency other than the respective functional currencies of group entities, namely Malaysian Ringgit and Renminbi for the subsidiaries in Malaysia and the PRC respectively, and Singapore Dollar for the Company and its Singapore incorporated subsidiary. The foreign currency in which these transactions are denominated is primarily United States Dollar. Arising from the Group's and the Company's sales and purchases denominated in United States Dollar, the Group's and the Company's trade receivable and trade payable balances at the end of the reporting period have similar exposures.

At the end of the reporting period, the Company has balances due from/to subsidiaries, which are denominated in Renminbi and United States Dollar. The Company also holds cash at banks denominated in United States Dollar for working capital purposes. In addition, certain borrowings obtained by the Company for trade financing purposes are denominated in United States Dollar.

Consequently, the Group and the Company are exposed to movements in foreign currency exchange rates.

The Group's and the Company's exposures in financial instruments to the various foreign currencies (other than the respective functional currencies of group entities) are mainly as follows:

	Renminbi	United States Dollar
The Group	$	$
2024		
Cash and bank balances	**97,932**	**5,774**
Net exposure	**97,932**	**5,774**
2023		
Trade and other receivables	9,018	461,524
Cash and bank balances	9,931	34,201
Trade and other payables	(6,572)	(346,835)
Net exposure	12,377	148,890
The Company		
2024		
Cash and bank balances	**–**	**4,385**
Net exposure	**–**	**4,385**
2023		
Trade and other receivables	332	337,804
Cash and bank balances	–	14,754
Trade and other payables	(1,398,142)	(4,644,478)
Net exposure	(1,397,810)	(4,291,920)

33 Financial risk management objectives and policies (cont'd)

33.4 Foreign currency risk (cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the Renminbi (RMB) and United States Dollar (USD) exchange rates (against Singapore Dollar), with all other variables held constant, of the Group's and the Company's results net of tax and equity.

		The Group		The Company	
		2024	2023	**2024**	2023
		$	$	**$**	$
RMB	- strengthened 5% (2023 - 5%)	**4,897**	619	**–**	(69,891)
	- weakened 5% (2023 - 5%)	**(4,897)**	(619)	**–**	69,891
USD	- strengthened 5% (2023 - 5%)	**289**	7,445	**219**	(214,596)
	- weakened 5% (2023 - 5%)	**(289)**	(7,445)	**(219)**	214,596

33.5 Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices.

The Group and the Company do not hold any quoted or marketable financial instruments, hence, are not exposed to any movement in market prices.

34 Capital management

The Group's and the Company's objectives when managing capital are:

(a) To safeguard the Group's and the Company's ability to continue as going concern;

(b) To support the Group's and the Company's stability and growth;

(c) To provide capital for the purpose of strengthening the Group's and the Company's risk management capability; and

(d) To provide an adequate return to shareholders.

The Group and the Company actively and regularly review and manage its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and the Company, and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group and the Company currently do not adopt any formal dividend policy.

There were no changes in the Group's and the Company's approach to capital management during the financial year.

The Group and the Company are not subject to externally imposed capital requirements, except as disclosed below.

The subsidiaries in the PRC are required by the relevant laws and regulations of the PRC to contribute to and maintain a non-distributable statutory reserve fund whose utilisation is restricted. This externally imposed capital requirement has been complied with by the PRC subsidiaries for the financial years ended 31 December 2024 and 2023.

34 Capital management (cont'd)

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises borrowings, lease liabilities and trade and other payables, less cash and bank balances. Total capital represents equity attributable to owners of the Company less the PRC subsidiaries' restricted statutory reserve fund.

	The Group		The Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Borrowings (Note 16)	**2,057,246**	3,929,287	**1,548,607**	2,632,627
Lease liabilities (Note 17)	**213,844**	30,368	**30,368**	30,368
Trade and other payables (Note 18)	**1,018,724**	1,599,842	**861,004**	8,488,298
Total debt	**3,289,814**	5,559,497	**2,439,979**	11,151,293
Less: Cash and bank balances (Note 12)	**(187,326)**	(3,366,401)	**(32,768)**	(1,214,927)
Net debt	**3,102,488**	2,193,096	**2,407,211**	9,936,366
Equity attributable to owners of the Company	**(1,568,497)**	(497,305)	**(2,284,051)**	(4,793,470)
Less: Statutory reserve (Note 15)	**(565,844)**	(565,844)	**–**	–
Total capital	**(2,134,341)**	(1,063,149)	**(2,284,051)**	(4,793,470)
Total capital and net debt	**968,147**	1,129,947	**123,160**	5,142,896
Gearing ratio	**320%**	194%	**1,955%**	193%

35 Financial instruments

Accounting classifications of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

The Group	Fair value	Amortised cost	Other financial liabilities at amortised cost	Total
	$	$	$	$
2024				
Financial assets				
Trade and other receivables (Note 9)	**–**	**1,002,419**	**–**	**1,002,419**
Derivative financial asset (Note 11)	**16,857**	**–**	**–**	**16,857**
Cash and bank balances (Note 12)	**–**	**187,326**	**–**	**187,326**
	16,857	**1,189,745**	**–**	**1,206,602**
Financial liabilities				
Borrowings (Note 16)	**–**	**–**	**2,057,246**	**2,057,246**
Lease liabilities (Note 17)	**–**	**–**	**213,844**	**213,844**
Trade and other payables (Note 18)	**–**	**–**	**1,018,724**	**1,018,724**
	–	**–**	**3,289,814**	**3,289,814**

35 Financial instruments (cont'd)

Accounting classifications of financial assets and financial liabilities (cont'd)

The carrying amounts of financial assets and financial liabilities in each category are as follows: (cont'd)

The Group	Fair value $	Amortised cost $	Other financial liabilities at amortised cost $	Total $
2023				
Financial assets				
Trade and other receivables (Note 9)	–	1,169,451	–	1,169,451
Cash and bank balances (Note 12)	–	3,366,401	–	3,366,401
	–	4,535,852	–	4,535,852
Financial liabilities				
Borrowings (Note 16)	–	–	3,929,287	3,929,287
Lease liabilities (Note 17)	–	–	30,368	30,368
Trade and other payables (Note 18)	–	–	1,599,842	1,599,842
	–	–	5,559,497	5,559,497

The Company	Fair value $	Amortised cost $	Other financial liabilities at amortised cost $	Total $
2024				
Financial assets				
Trade and other receivables (Note 9)	**–**	**37,439**	**–**	**37,439**
Derivative financial asset (Note 11)	**16,857**	**–**	**–**	**16,857**
Cash and bank balances (Note 12)	**–**	**32,768**	**–**	**32,768**
	16,857	**70,207**	**–**	**87,064**
Financial liabilities				
Borrowings (Note 16)	**–**	**–**	**1,548,607**	**1,548,607**
Lease liabilities (Note 17)	**–**	**–**	**30,368**	**30,368**
Trade and other payables (Note 18)	**–**	**–**	**861,004**	**861,004**
	–	**–**	**2,439,979**	**2,439,979**
2023				
Financial assets				
Trade and other receivables (Note 9)	–	2,014,030	–	2,014,030
Cash and bank balances (Note 12)	–	1,214,927	–	1,214,927
	–	3,228,957	–	3,228,957
Financial liabilities				
Borrowings (Note 16)	–	–	2,632,627	2,632,627
Lease liabilities (Note 17)	–	–	30,368	30,368
Trade and other payables (Note 18)	–	–	8,488,298	8,488,298
	–	–	11,151,293	11,151,293

36 Fair value measurement

Definition of fair value

SFRS(I) define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Financial assets and liabilities measured at fair value

The Group	Level 1 $	Level 2 $	Level 3 $	Total $
2024				
Derivative financial asset	**–**	**–**	**16,857**	**16,857**
2023				
Other investments of FVOCI	–	–	18,407	18,407
Contingent consideration payable	–	–	15,009	15,009

<u>Derivative financial asset</u>

Derivative financial asset is measured at fair value by discounting the exercise price and considering the probability of conversion and the occurrence of the event.

<u>Unquoted equity investments</u>

Unquoted equity investments are valued by applying a market based approach, specifically the guideline publicly trade company method, which applies the enterprise value to sales multiple of identified comparable companies to the financial results of the investee.

<u>Contingent consideration payable</u>

Contingent consideration payable is measured at fair value by discounting the payment back to the acquisition date or to the reporting date.

36 Fair value measurement (cont'd)

Fair value hierarchy (cont'd)

Financial assets and liabilities not measured at fair value but for which fair values are disclosed

The Group	Level 1 $	Level 2 $	Level 3 $	Total $
2024				
Long-term bank loans	**–**	**–**	**1,072,627**	**1,072,627**
2023				
Long-term bank loans	–	–	2,914,333	2,914,333
The Company				
2024				
Long-term bank loans	**–**	**–**	**611,893**	**611,893**
2023				
Long-term bank loans	–	–	1,640,413	1,640,413

Long-term bank loans

The carrying amounts of interest-bearing loans that reprice within six months of the end of the reporting period approximate their fair values. The fair values of all other interest-bearing loans are calculated based on discounted expected future principal and interest cash flows.

Current financial assets and liabilities

The fair value of current financial assets and liabilities, including cash and cash equivalents, trade and other receivables, trade and other payables, and current portion of borrowings, approximate their carrying amounts due to their short-term maturities.

37 Irregularities concerning Gainhealth

In March 2023, the Company first discovered the alleged irregularities relating to certain receivables, sales and cost of sales (the "Allegations") of a subsidiary, Gainhealth Pte Ltd ("Gainhealth"), while the group management team was following up on outstanding receivables and collections. The Company was made aware of two police reports on around 25 March 2023 and 27 March 2023 which had been made concerning the Allegations by two customers of Gainhealth, who claimed that the receivable balances due from and sale transactions with them were non-existent. The Allegations involved a key management personnel, who was not a director, (the "Officer") of another subsidiary, 5Digital Pte Ltd ("5Digital"), which was the intermediate holding company of Gainhealth.

In April 2023, based on preliminary internal investigations, the Company had reasonable grounds to believe that the Officer had deceived and/or sought to deceive the Company and its subsidiaries, which contravened the terms of his employment contract and his duties, and constituted gross misconduct. On 11 April 2023, the Officer's employment was terminated with immediate effect, and the Company lodged a police report in respect of the Allegations.

37 Irregularities concerning Gainhealth (cont'd)

In May 2023, the Company had provided to the relevant investigating officer of the Singapore Police Force additional information and related materials arising from its on-going internal investigations. On 17 May 2023, after consulting with the Company's legal counsel, Gainhealth and 5Digital had commenced legal proceedings in the High Court of Singapore against (i) the Officer; (ii) a former director of a subsidiary (the "Former Director"); and (iii) certain entities which were not part of the Group (the "Entities") (collectively, the "Defendants"), all as allegedly involved in the deceit (the "Suit") to, among others, recover the losses and wrongful payments made in connection thereto which were identified in the course of the on-going internal investigations. The Former Director was the spouse of the Officer, and the Entities were either controlled by the Officer or by individual allegedly related to the Officer. The Entities would pose as a customer or a supplier respectively to engage in sale and purchase transactions with Gainhealth. These transactions only created an appearance of legitimate business substance, while in reality, they were merely exchanging the same money or assets back and forth. The loss suffered by Gainhealth occurred because the cash payments made to the fictitious suppliers exceeded the cash receipts collected from the fictitious customers which incidentally led to the substantial outstanding receivables as at the reporting date.

In September 2023, Gainhealth and 5Digital had obtained judgement against the Entities in the Suit arising from their respective failures to file a notice of intention to contest or not to contest the Suit (the "Judgements"). The damages and costs awarded to Gainhealth and 5Digital were approximately $1,363,163 in aggregate, and interest was payable on the damages of approximately $1,289,543 from the date the claim was filed until the date of payment at the rate of 5.33% per year. Notwithstanding the Judgements made in favour of Gainhealth and 5Digital, the Company was seeking legal advice on the appropriate course of action to take in the interest of the Group, including any enforcement of the Judgements against the Entities respectively. The Suit was still ongoing against the remaining, including the Officer.

In January 2024, Gainhealth and 5Digital had reached an agreement with the Officer and the Former Director to settle out of court the dispute that was the subject matter of the Suit (the "Settlement"). On 10 January 2024, Gainhealth and 5Digital had entered into and executed a written settlement agreement with the Officer and the Former Director (the "Settlement Agreement").

Pursuant to the Settlement Agreement, the Officer and the Former Director had agreed, among others, to pay the agreed settlement amount to Gainhealth and 5Digital in the manner set out in the Settlement Agreement. The settlement amount represented the full amount of damages that was claimed by Gainhealth and 5Digital in the Suit, together with a contribution towards costs. The settlement amount shall be paid in two tranches, with the first tranche of approximately $1,050,000 payable upon the completion of the sale by the Officer of his share of a certain property and the second tranche of approximately $280,000 payable within ten calendar months thereafter or by 31 December 2024, whichever is the earlier.

Subject to the terms of the Settlement Agreement, Gainhealth and 5Digital would, among others, proceed to file a notice of discontinuance in the Suit upon receipt of the first tranche of the settlement amount from the Officer and the Former Director. Thereafter, no further action would be taken by Gainhealth and 5Digital against the Defendants in respect of the matters raised in the Suit, including any further enforcement action arising from any judgements obtained in the Suit by Gainhealth and 5Digital against the Defendants, including the Judgements. Gainhealth and 5Digital would also inform the Singapore Police Force that the Suit had been settled amicably.

If, prior to the discontinuance of the Suit, the Officer and/or the Former Director breaches any of the terms of the Settlement Agreement or default in any payments set out in the Settlement Agreement, the Officer and the Former Director shall be deemed to have irrevocably and unconditionally consented to final judgement being entered against them in the Suit, and they shall have no right to any recourse or defence against such final judgement. If, after the discontinuance of the Suit, the Officer and/or the Former Director breaches any of the terms of the Settlement Agreement or default in any payments set out in the Settlement Agreement, Gainhealth and/or 5Digital shall be entitled to commence a fresh legal action against them arising from and/or in connection with such breach. The Officer and the Former Director shall be deemed to have irrevocably and unconditionally consented to final judgement being entered against them in the fresh legal action, and they shall have no right to any recourse or defence against such final judgement.

37 Irregularities concerning Gainhealth (cont'd)

Since the discovery in April 2023, management had sought legal advice and conducted internal investigations concerning the irregularities, which included engaging with the employees, customers and suppliers of Gainhealth who were potentially involved in or who might have relevant information on the irregularities. As a result of the internal investigations now concluded, management had assessed that the losses suffered by Gainhealth, representing the excess of cash payments made to fictitious suppliers over cash receipts collected from fictitious customers, had amounted to $1,289,543 which was also the damages awarded by the High Court of Singapore.

The clinic in Gainhealth ceased operations in February 2023. Subsequently Gainhealth became a dormant entity in September 2023 as all of its business activities were then wound down.

Since the Group entered into the Settlement Agreement with the Officer and the Former Director only in January 2024, the settlement amount of approximately $1,330,000 had not been recognised in the financial statements for the year ended 31 December 2023 because it was not virtually certain that the settlement amount would be receivable as at the reporting date.

In May 2024, the Group receives full payment of the first tranche in cash of $1,000,000. Accordingly, the Group recognised a settlement gain of $1,000,000 within other income in profit or loss for the year ended 31 December 2024.

As at the date of these financial statements, the Group has not received any payment of the remaining tranche. Accordingly, the Officer and the Former Director are in breach of the terms of the Settlement Agreement. In January 2025, the Group issued a letter of demand to the Officer and the Former Director demanding immediate payment of the remaining tranche. In March 2025, the Group applied to the High Court of Singapore for a bankruptcy order to be made against the Officer.

In March 2025, the Company received an email from the Officer in which he issued a statutory demand against the Company under Section 62 of the Insolvency, Restructuring and Dissolution Act 2018 for the payment of an amount of $216,667 (the "Demanded Sum") within 21 days from the date of service of the statutory demand against the Company. The Officer asserted that the Demanded Sum related to the outstanding balance with interest due to the Former Director as part of the sale and purchase agreement dated 12 July 2022 entered into between 5Digital and the Former Director for the acquisition of her shares in Gainhealth, and the Former Director had purportedly assigned the Demanded Sum to the Officer on 17 March 2025. The Officer further indicated his intention to reserve the right to make further demands under Section 216 of the Companies Act 1967. The Company is of the view that the claims made by the Officer are without merit and the Company in consultation with its legal counsel will take the appropriate and necessary actions to protect the interests of the Company and its shareholders.

Shareholdings Statistics

As at 18 March 2025

SHARE CAPITAL

Issued and paid-up capital	:	S$34,812,887 (as per the business profile of the Company filed with ACRA)
Number of issued shares	:	1,320,390,145
Number of treasury shares	:	Nil
Number of subsidiary holdings	:	Nil
Class of shares	:	Ordinary shares
Voting rights	:	1 vote per ordinary share

ANALYSIS OF SHAREHOLDINGS

Range of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	15	1.30	450	0.00
100 - 1,000	126	10.88	108,520	0.01
1,001 - 10,000	214	18.48	1,194,773	0.09
10,001 - 1,000,000	708	61.14	133,096,301	10.08
1,000,001 and above	95	8.20	1,185,990,101	89.82
	1,158	**100.00**	**1,320,390,145**	**100.00**

TOP 20 SHAREHOLDERS

No.	Name of Shareholder	No. of Shares	%
1	BLUE OCEAN CAPITAL PARTNERS PTE LTD	233,337,103	17.67
2	HSBC (SINGAPORE) NOMINEES PTE LTD	173,479,877	13.14
3	CITIBANK NOMINEES SINGAPORE PTE LTD	104,702,130	7.93
4	PHILLIP SECURITIES PTE LTD	88,027,653	6.67
5	ROBIN NG ZHI PENG	48,000,000	3.64
6	GKL INVESTMENT HOLDINGS PTE LTD	45,482,500	3.44
7	BERNARD NG KEE HUAT	32,769,067	2.48
8	DBS NOMINEES PTE LTD	29,868,435	2.26
9	TAN ENG CHUA EDWIN	28,977,430	2.19
10	SIAW TEN TEN	26,539,875	2.01
11	LIAN AH LEK	23,331,000	1.77
12	CHUA KHENG CHOON	22,365,666	1.69
13	RAFFLES NOMINEES (PTE) LIMITED	19,484,275	1.48
14	LIM CHIN TONG	14,203,300	1.08
15	HENG HOCK LIANG	13,859,000	1.05
16	POON YOKE CHEN	12,500,000	0.95
17	LIM KIAN HONG (LIN JIAN HONG)	10,600,000	0.80
18	CHONG HONG KIT	10,500,000	0.79
19	LEE CHEE SENG	10,000,078	0.76
20	OCBC SECURITIES PRIVATE LTD	9,585,670	0.73
	TOTAL:	**957,613,059**	**72.53**

SHAREHOLDING STATISTIC

		Direct interest		Deemed interest	
No.	Name	No. of shares	%	No. of shares	%
1	Blue Ocean Capital Partners Pte Ltd	233,337,103	17.67	–	–
2	Estate of Lin Wei, Daniel	–	–	233,337,103	17.67

Note:

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 1967 of Singapore.

Shareholdings Held in Hands of Public

Based on information available to the Company as at 18 March 2025, 79.81% of the issued ordinary shares of the Company is held by the public and therefore Rule 723 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited has been complied with.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Meta Health Limited (the "**Company**") will be held on Monday, 28 April 2025 at 9.00 a.m. at Chui Huay Lim Club, 190 Keng Lee Road, Singapore 308409, for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mr Law Ren Kai Kenneth, as a Director of the Company, who ceases to hold office in accordance with Regulation 91 of the Company's Constitution and Rule 720(4) of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and being eligible, offers himself for re-election. **(Resolution 2)**
[See Explanatory Note 1]

3. To re-elect Mr Sim Mong Keang as a Director of the Company, who ceases to hold office in accordance with Regulation 97 of the Company's Constitution and Rule 720(4) of the Catalist Rules of the SGX-ST and being eligible, offers himself for re-election. **(Resolution 3)**
[See Explanatory Note 2]

4. To re-elect Mr Kenny Rebeira as a Director of the Company, who ceases to hold office in accordance with Regulation 97 of the Company's Constitution and Rule 720(4) of the Catalist Rules of the SGX-ST and being eligible, offers himself for re-election. **(Resolution 4)**
[See Explanatory Note 3]

5. To approve the payment of Directors' fees of up to S$165,000/- for the financial year ending 31 December 2025, to be paid quarterly in arrears (FY2024: S$135,000/-). **(Resolution 5)**
[See Explanatory Note 4]

6. To re-appoint Messrs Foo Kon Tan LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

7. To transact any other ordinary business which may properly be transacted at an annual general meeting.

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

8. Authority to Allot and Issue Shares **(Resolution 7)**

   That pursuant to Section 161 of the Companies Act 1967 (the "**Companies Act**") and Rule 806 of the Catalist Rules of the SGX-ST, authority be and is hereby given to the Directors of the Company to:

   (a) (i) allot and issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to, the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) notwithstanding the authority conferred by this Ordinary Resolution may have ceased to be in force, issue Shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force, provided that:

(i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 100% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (b)(ii) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (b)(ii) below);

(ii) subject to such calculation as may be prescribed by the SGX-ST, for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (b)(i) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, at the time this Resolution is passed after adjusting for:

(a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities which are issued and outstanding or subsisting at the time of the passing of this Resolution;

(b) new Shares arising from exercising share options or vesting of share awards which are issued and outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares;

(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Company's Constitution; and

(iv) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until (i) the conclusion of the next Annual General Meeting of the Company or (ii) the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note 5]

BY ORDER OF THE BOARD

Gwendolin Lee Soo Fern
Company Secretary
11 April 2025
Singapore

Explanatory Notes:

1. Ordinary Resolution 2 is in respect of Mr Law Ren Kai Kenneth, who is retiring by rotation in accordance with Regulation 91 of the Company's Constitution and Rule 720(4) of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

   Mr Law shall retire from office at the close of the Annual General Meeting ("**AGM**") and will be seeking re-election pursuant to Regulation 91 of the Company's Constitution. Mr Law shall, upon re-election as a Director of the Company, remain as the Executive Chairman of the Company and as a member of the Nominating Committee ("**NC**"), the Audit Committee ("**AC**"), and the Remuneration Committee ("**RC**").

   Key information on Mr Law as required pursuant to Rule 720(5) of the Catalist Rules can be found under the sections entitled "Board of Directors", "Corporate Governance Report – Additional Information on Directors Nominated for Re-Election – Appendix 7F to the Catalist Rules", and "Directors' Statement" of the Company's Annual Report 2024.

2. Ordinary Resolution 3 is in respect of Mr Sim Mong Keang, who is retiring by rotation in accordance with Regulation 97 of the Company's Constitution and Rule 720(4) of the Catalist Rules of the SGX-ST.

   Mr Sim shall retire from office at the close of the AGM and will be seeking re-election pursuant to Regulation 97 of the Company's Constitution. Mr Sim shall, upon re-election as a Director of the Company, remain as the Lead Independent Director of the Company, Chairman of the AC and the NC, and as a member of the RC. Mr Sim is considered independent for the purposes of Rule 704(7) of the Catalist Rules.

   In line with Provisions 2.1 and 4.4 of the Code of Corporate Governance 2018 ("**2018 CG Code**"), there are no relationships or business relationships which Mr Sim, his immediate family member, or an organisation in which Mr Sim or his immediate family member is a substantial shareholder, partner (with 5% or more stake), executive officer or director of, has with the Company or any of its related corporations, and he is not and has not been directly associated with any of the Company's officers or substantial shareholder in the current and immediate past financial year.

   Key information on Mr Sim as required pursuant to Rule 720(5) of the Catalist Rules can be found under the sections entitled "Board of Directors", "Corporate Governance Report – Additional Information on Directors Nominated for Re-Election – Appendix 7F to the Catalist Rules", and "Directors' Statement" of the Company's Annual Report 2024.

3. Ordinary Resolution 4 is in respect of Mr Kenny Rebeira, who is retiring by rotation in accordance with Regulation 97 of the Company's Constitution and Rule 720(4) of the Catalist Rules of the SGX-ST.

   Mr Rebeira shall retire from office at the close of the AGM and will be seeking re-election pursuant to Regulation 97 of the Company's Constitution. Mr Rebeira shall, upon re-election as a Director of the Company, remain as an Independent Director of the Company, Chairman of the RC, and as a member of the AC and the NC. Mr Rebeira is considered independent for the purposes of Rule 704(7) of the Catalist Rules.

   In line with Provisions 2.1 and 4.4 of the Code of Corporate Governance 2018 ("**2018 CG Code**"), there are no relationships or business relationships which Mr Rebeira, his immediate family member, or an organisation in which Mr Rebeira or his immediate family member is a substantial shareholder, partner (with 5% or more stake), executive officer or director of, has with the Company or any of its related corporations, and he is not and has not been directly associated with any of the Company's officers or substantial shareholder, in the current and immediate past financial year.

   Key information on Mr Rebeira as required pursuant to Rule 720(5) of the Catalist Rules can be found under the sections entitled "Board of Directors", "Corporate Governance Report – Additional Information on Directors Nominated for Re-Election – Appendix 7F to the Catalist Rules", and "Directors' Statement" of the Company's Annual Report 2024.

4. Ordinary Resolution 5, if passed, will authorise the Company to effect payment of Directors' fees to the Independent and Non-Executive Directors (including fees payable to members of the various committees of the Board) for the financial year ending 31 December 2025, such payments to be made quarterly in arrears at the end of each calendar quarter. This Resolution will facilitate the payment by the Company of the Directors' fees for the financial year ending 31 December 2025.

5. Ordinary Resolution 7, if passed, will empower the Directors of the Company, from the date of this AGM until the date of the next AGM, or the date by which the next AGM is required by law to be held or the date such authority is revoked by the Company in a general meeting, whichever is the earliest, to allot and issue Shares and convertible securities in the Company. The aggregate number of Shares (including any Shares issued pursuant to the convertible securities) which the Directors may allot and issue under this Resolution will not exceed 100% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company may be issued other than on a pro-rata basis to existing shareholders.

Other Notes:

(i) The Company's Annual General Meeting ("**AGM**") will be held, in a wholly physical format, on Monday, 28 April 2025 at 9.00 a.m. at Chui Huay Lim Club, 190 Keng Lee Road, Singapore 308409. **There will be no option for members to participate virtually.**

(ii) Printed copies of the Company's Annual Report, which contains this Notice of AGM and the accompanying Proxy Form, will be sent to members by post. These documents will also be published on the SGXNET at https://www.sgx.com/securities/company-announcements or at the Company's website at https://metahealthsg.com/investor-relations/announcement/.

(iii) A member (whether individual or corporate) may vote live at the AGM or may appoint a proxy, including the Chairman of the AGM, to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. The instrument appointing proxy(ies) for the AGM will be sent to members via post and may be accessed on SGXNET at https://www.sgx.com/securities/company-announcements or at the Company's website at https://metahealthsg.com/investor-relations/announcement/. Where a member (whether individual or corporate) appoints the Chairman of the AGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the instrument appointing proxy(ies), failing which, the appointment of proxy for that resolution will be treated as invalid. In addition, if no specific direction as to voting is given for the individual(s) named above, the proxy(ies) will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the AGM or at any adjournment thereof.

Only members of the Company or their appointed proxy(ies) who have been successfully verified will be entitled to attend the AGM.

(iv) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's Proxy Form appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument. If no such proportion or number is specified, the first named proxy shall be deemed to represent 100% of his/her shareholding and the second named proxy shall be deemed to be an alternate to the first named.

(v) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM but each proxy must be appointed to exercise the rights attached to a different share or shares held by such members. Where such member's Proxy Form appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

(vi) "**Relevant intermediary**" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967.

(vii) CPF (Central Provident Fund) / SRS (Supplementary Retirement Scheme) investors who wishes to exercise their votes should approach the CPF Agent Bank or SRS Operators (as the case may be) to submit their votes at least seven (7) working days before the AGM (i.e. by 9.00 a.m., on 16 April 2025) in order to allow sufficient time for their respective relevant intermediaries to submit a Proxy Form to vote on their behalf by the cut-off date.

(viii) Members or their appointed proxy(ies) (other than the Chairman of the AGM) may speak and raise questions at the AGM. Members of the Company (including CPF and SRS investors) are also encouraged to submit questions related to the resolution(s) to be tabled for approval at the AGM, in advance of the AGM in the following manner no later than 18 April 2025 (being seven (7) calendar days from the date of the Notice of AGM), and submitted either by (a) email to info@metahealthsg.com; or (b) by post to the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 or by email at main@zicoholdings.com.

(ix) Members who submit questions via email or by post to the Company must provide the following information:

(a) the member's full name;
(b) the member's identification number (i.e. NRIC/Passport/Company Registration Number);
(c) the member's contact number and email address; and
(d) the number and manner in which member holds shares in the Company (e.g. via CDP, CPF or SRS).

Questions submitted by members whose identification details are lacking will not be entertained.

(x) The Company shall address the substantial and relevant questions received from members in advance of the AGM by publishing its responses on SGXNET and the Company's corporate website before 9.00 a.m. on 23 April 2025.

(xi) The Company's responses to other questions addressed during the AGM will be published on the SGXNET and the Company's corporate website, together with the minutes of the AGM within one (1) month after the date of the AGM.

(xii) A proxy, including the Chairman of the AGM, need not be a member of the Company.

(xiii) The instrument appointing proxy(ies) must be submitted to the Company either (a) by email to main@zicoholdings.com; or (b) by post to the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, in each case, no later than 9.00 a.m. on 25 April 2025 (being not less than seventy-two (72) hours before the time fixed for the AGM). **Members are strongly encouraged to submit completed Proxy Forms electronically, via email.**

(xiv) The instrument appointing a proxy or proxies must be signed under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.

(xv) The Company shall be entitled to reject an instrument appointing a proxy(ies) if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of members whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged or submitted if such members are not shown to have Shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for the holding of the AGM as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing proxy(ies) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines.

Photographic, sound and/or video recordings of the AGM may be made by the Company for recording keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member of the Company and/or his proxy(ies) and/or representative(s) (such as his/her name and his/her presence at the AGM) may be recorded by the Company for such purpose.

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*This notice has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").*

*This notice has not been examined or approved by the Singapore Exchange Securities Trading Limited (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 Ms Lim Hui Zheng, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

META HEALTH LIMITED

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

ANNUAL GENERAL MEETING PROXY FORM

(Please see notes overleaf before completing this Proxy Form)

IMPORTANT:

1. Printed copies of the Notice of Annual General Meeting ("**AGM**") and this Proxy Form will be sent to members via post. Electronic copies of the same may also be accessed on SGXNET at https://www.sgx.com/securities/company-announcements or at the Company's website at https://metahealthsg.com/investor-relations/announcement/.
2. 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 CPF/SRS investors who hold ordinary shares ("**Shares**") through their CPF/SRS funds. CPF/SRS investors who wish to vote should approach their respective CPF agent banks or SRS operators to submit their votes at least seven (7) working days before the date of the AGM (i.e. by 16 April 2025 at 9.00 a.m.).

I/We, (Name) ______________________ *NRIC/Passport No./Company Registration No. ______________________

of(Address)____

being a member/members of **META HEALTH LIMITED** (the "**Company**") hereby appoint(s):

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/them, the Chairman of the Annual General Meeting of the Company ("**AGM**"), as *my/our proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the AGM to be held on Monday, 28 April 2025 at 9.00 a.m. at Chui Huay Lim Club, 190 Keng Lee Road, Singapore 308409 and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the resolution to be proposed at the AGM as indicated hereunder. **If no specific direction as to voting is given, the *proxy/proxies (except where the Chairman of the AGM is appointed as *my/our proxy) will vote or abstain from voting at *his/her/their discretion. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as *my/our proxy for that resolution will be treated as invalid.**

No.	**ORDINARY RESOLUTIONS**	**For***	**Against***	**Abstain***
1.	Adoption of Directors' Statement and Audited Financial Statements for FY2024			
2.	Re-election of Mr Law Ren Kai Kenneth as a Director of the Company			
3.	Re-election of Mr Sim Mong Keang as a Director of the Company			
4.	Re-election of Mr Kenny Rebeira as a Director of the Company			
5.	Approval of Payment of Directors' Fees for FY2025			
6.	Re-appointment of Messrs Foo Kon Tan LLP as Auditors			
7.	Authority to Allot and Issue Shares			

Notes:

* *Delete as appropriate.*

** *Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" please tick [√] in the "For" or "Against" box. Alternatively, please indicate the number of votes "For" or "Against" in the appropriate box. If you wish to "Abstain" from voting on the resolution, please tick [√] in the abstain box. Alternatively, please indicate the number of shares you wish to abstain from voting.*

Dated this ________ day of ______________ 2025

Total number of Shares being held	

____
Signature(s) of Member(s) or Common Seal

<u>IMPORTANT</u>: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

Notes:

(i) The Annual General Meeting ("**AGM**") of the Company will be held on Monday, 28 April 2025 at 9.00 a.m. at Chui Huay Lim Club, 190 Keng Lee Road, Singapore 308409. **There will be no option for members to participate virtually.**

(ii) Printed copies of the Company's Annual Report 2024, which contains the Notice of AGM and this Proxy Form will be sent to members by post. These documents will also be published on SGXNET at https://www.sgx.com/securities/company-announcements or at the Company's corporate website at https://metahealthsg.com/investor-relations/announcement/.

(iii) A member (whether individual or corporate) may vote live at the AGM or may appoint a proxy, including the Chairman of the AGM, to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. The instrument appointing proxy(ies) for the AGM will be sent to members via post and may be accessed on SGXNET at https://www.sgx.com/securities/company-announcements or at the Company's website at https://metahealthsg.com/investor-relations/announcement/. Where a member (whether individual or corporate) appoints the Chairman of the AGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the instrument appointing proxy(ies), failing which, the appointment of proxy for that resolution will be treated as invalid. In addition, if no specific direction as to voting is given for the individual(s) named above, the proxy(ies) will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the AGM or at any adjournment thereof.

Only members of the Company or their appointed proxy(ies) who have been successfully verified will be entitled to attend the AGM.

(iv) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument. If no such proportion or number is specified, the first named proxy shall be deemed to represent 100% of his/her shareholding and the second named proxy shall be deemed to be an alternate to the first named.

(v) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM but each proxy must be appointed to exercise the rights attached to a different share or shares held by such members. Where such member's Proxy Form appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

(vi) "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

(vii) CPF / SRS investors who wishes to exercise their votes should approach the CPF Agent Bank or SRS Operators (as the case may be) to submit their votes at least seven (7) working days before the AGM (i.e. by 9.00 a.m., on 16 April 2025) in order to allow sufficient time for their respective relevant intermediaries to submit a Proxy Form to vote on their behalf by the cut-off date.

(viii) Members or their appointed proxy(ies) (other than the Chairman of the AGM) may speak and raise questions at the AGM. Members of the Company (including CPF and SRS investors) are also encouraged to submit questions related to the resolution(s) to be tabled for approval at the AGM, in advance of the AGM in the following manner no later than 18 April 2025 (being seven (7) calendar days from the date of the Notice of AGM), and submitted either by (a) email to info@metahealthsg.com; or (b) by post to the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 or by email at main@zicoholdings.com.

(ix) Members who submit questions via email or by post to the Company must provide the following information:

(a) the member's full name;
(b) the member's identification number (i.e. NRIC/Passport/Company Registration Number);
(c) the member's contact number and email address; and
(d) the number and manner in which member holds shares in the Company (e.g. via CDP, CPF or SRS).

Questions submitted by members whose identification details are lacking will not be entertained.

(x) The Company shall address the substantial and relevant questions received from members in advance of the AGM by publishing its responses on SGXNET and the Company's corporate website before 9.00 a.m. on 23 April 2025.

(xi) The Company's responses to other questions addressed during the AGM will be published on the SGXNET and the Company's corporate website, together with the minutes of the AGM within one (1) month after the date of the AGM.

(xii) A proxy, including the Chairman of the AGM, need not be a member of the Company.

Meta Health

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