

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

**ENTRY INTO A NON-BINDING TERM SHEET IN RELATION TO
THE PROPOSED DISPOSAL OF WHOLLY-OWNED SUBSIDIARIES**

1. INTRODUCTION

- 1.1. The board of directors (the “**Board**” or “**Directors**”) of Meta Health Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 16 June 2023 entered into a non-binding term sheet (the “**Term Sheet**”) with UWC Berhad, Boon Che Kwang (“**Mr Boon**”), and Tan Yoo Heng (“**Mr Tan**”) (collectively, the “**Purchasers**”) to dispose of the entire equity interests in the Company’s wholly-owned subsidiaries, MCE Technologies Sdn Bhd and MCT Thailand Co. Ltd. (together, the “**Subsidiaries**”) to a special purpose vehicle to be incorporated and controlled by the Purchasers (the “**Proposed Transaction**”).
- 1.2. The Term Sheet is not intended to be legally binding between the Company and the Purchasers, except for certain provisions set out therein pertaining to the Deposit (as defined below), due diligence to be conducted by the Purchasers, exclusivity, confidentiality, costs, trading restrictions, governing law, counterparts and expiration. As such, the Proposed Transaction remains subject to the entry into a definitive agreement after negotiations between the Company and the Purchasers and the satisfactory outcome of a due diligence exercise in respect of the Subsidiaries to be conducted by the Purchasers.

2. INFORMATION ON THE SUBSIDIARIES AND THE PURCHASERS

The Subsidiaries

- 2.1. The Subsidiaries are wholly-owned subsidiaries of MCE Technologies Holdings Pte. Ltd., which is a wholly-owned subsidiary of the Company based in Singapore. The principal activities of the Subsidiaries are that of metal stamping and manufacturing of tools and fixtures in Malaysia and Thailand.

The Purchasers

- 2.2. Based on the information provided by the Purchasers, Mr Tan is a director and shareholder of ACA Engrg Pte. Ltd., a company incorporated in Singapore and a registered and licensed builder with the Building and Construction Authority. ACA Engrg Pte. Ltd. specialises in air-conditioning and mechanical ventilation projects. UWC Berhad, a public company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia (Malaysia Stock Exchange), together with its subsidiaries, provides integrated engineering supporting services.
- 2.3. Mr Boon is the general manager of each of the Subsidiaries and has been with the Group since 2004.

- 2.4. As at the date of this announcement, none of the Directors and their respective associates have any shareholding interests, direct or indirect, in UWC Berhad and ACA Engrg Pte. Ltd., nor are any of the Directors and their respective associates related to (a) UWC Berhad's directors, substantial shareholders or their respective associates, (b) ACA Engrg Pte. Ltd.'s directors, substantial shareholders or their respective associates, (c) Mr Boon, and (d) Mr Tan. As at the date of this announcement, the Company does not have any substantial shareholders.

3. RATIONALE FOR THE PROPOSED TRANSACTION

The Board is of the view that the Proposed Transaction allows the Group to monetise its investment value in the Subsidiaries for the benefit of the shareholders of the Company, and is further in line with the Group's strategy to diversify away from the metal business. The Proposed Transaction will also allow the Group to strengthen its financial position and improve its cash position. Upon completion of the Proposed Transaction, the Group will have the flexibility to explore and pursue other viable business opportunities in the healthcare business.

4. SALIENT FEATURES OF THE TERM SHEET

Deposit

- 4.1. A deposit of S\$200,000 ("**Deposit**") shall be paid by the Purchasers to the Company upon the signing of the Term Sheet. The Company is not obligated to return the Deposit to the Purchasers, save where the definitive agreement in respect of the Proposed Transaction is not executed after the completion of the due diligence conducted by the Purchasers in respect of the Subsidiaries with any Adverse Findings. "Adverse Findings" are any circumstance that will or is likely to lead to any claim or legal action, proceedings, arbitration, prosecution or regulatory or governmental inquiry against the Subsidiaries (i) which exceeds S\$595,000, and (ii) which none of the Purchasers are aware of, or has not been publicly disclosed by the Company as at the date of the Term Sheet.

Conditions Precedent

- 4.2. The parties' entry into the definitive agreement in respect of the Proposed Transaction is conditional upon:
- (a) the Purchasers being satisfied with the results of their financial, legal, tax, operational and commercial due diligence exercise in respect of the business, affairs, operations, assets, products/services, financial condition and records of the Subsidiaries;
 - (b) the parties to the Proposed Transaction obtaining the requisite approval(s) of their respective boards of directors for the Proposed Transaction (where applicable);
 - (c) the Purchasers confirming or obtaining the requisite funding for the Proposed Transaction; and
 - (d) the parties to the Proposed Transaction agreeing to the terms and conditions of the definitive agreement and other documents for the Proposed Transaction.

Exclusivity

- 4.3. Pursuant to and subject to the terms as set out in the Term Sheet, the Company shall grant the Purchasers an exclusive period of up to sixty (60) days from the date of the Term Sheet or such later date as the parties may agree to allow the Purchasers to conduct the due diligence in respect of the Subsidiaries, and to negotiate and execute the definitive agreement in respect of the Proposed Transaction.

Expiration

- 4.4. Except for the provisions as expressed to be binding in the Term Sheet, the Term Sheet shall expire upon the earlier of:
- (a) the date falling sixty (60) days from the date of the Term Sheet; and
 - (b) the date of the execution of the definitive agreement in respect of the Proposed Transaction,
- unless extended by the mutual agreement of the parties.

5. INTEREST OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors and their respective associates has any interest, direct or indirect, in the Proposed Transaction other than in their capacity as a Director or through their shareholdings in the Company. As at the date of this announcement, the Company does not have any substantial shareholders.

6. CAUTIONARY STATEMENT

- 6.1. Shareholders of the Company should note that the Term Sheet is non-binding and is subject to execution of a definitive agreement with terms and conditions to be agreed by the Company and the Purchasers. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. There is no certainty or assurance that such definitive agreement will be entered into at this juncture, and if entered into, whether the transactions contemplated therein can or will proceed.
- 6.2. The Company will make the necessary announcements in accordance with the requirements of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist, as and when there are material developments in respect of the Proposed Transaction and other matters contemplated in this announcement. Shareholders of the Company are advised to read this announcement and any further announcements by the Company carefully. Persons who are in doubt as to the action they should take should seek their own professional advice and consult with their own stockbrokers.

BY ORDER OF THE BOARD

Lee Wei Hsiung
Company Secretary
16 June 2023

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

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

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