

Metal Component Engineering Limited

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

ENTRY INTO A SALE AND PURCHASE AGREEMENT IN RELATION TO THE PROPOSED ACQUISITION OF GAINHEALTH PTE. LTD.

- RECEIPT OF APPROVAL IN-PRINCIPLE FOR LISTING AND QUOTATION OF NEW SHARES

(A) INTRODUCTION

The board of directors (the “**Board**”) of Metal Component Engineering Limited (the “**Company**”) refers to the Company’s circular to shareholders of the Company dated 23 June 2021 (the “**Circular**”) in relation to the proposed acquisition of the Gainhealth Pte Ltd. and proposed diversification into the healthcare business and the e-commerce business (“**Circular**”). Unless otherwise defined or the context otherwise requires, all capitalised terms used herein shall bear the same meaning as ascribed to them in the Circular.

(B) RECEIPT OF APPROVAL IN-PRINCIPLE

1. The Board wishes to announce that it had, on 7 July 2021, received the approval in-principle (“**AIP**”) from the SGX-ST for the listing of and quotation (“**LQN**”) for the following new shares pursuant to the Proposed Acquisition, subject to the fulfilment of the terms and conditions of the SPA and the Arranger Fee Agreement:
 - (a) up to 13,000,000 new ordinary shares (“**Consideration Shares**”) in the capital of the Company to be issued at S\$0.037 per Consideration Share to the Vendors;
 - (b) up to 20,000,000 new ordinary shares (“**Performance Shares**”) in the capital of the Company to be issued at S\$0.037 per Performance Share to be issued to the Vendors;
 - (c) up to 5,743,243 new ordinary shares (“**Arranger Shares**”) in the capital of the Company to be issued at S\$0.037 per Arranger Share to the Arranger; and
 - (d) up to 6,891,892 new ordinary shares (“**Additional Arranger Shares**”) in the capital of the Company to be issued at S\$0.037 per Additional Arranger Share to the Arranger.
2. The SGX-ST has approved in-principle the LQN, subject to the following:
 - (i) Shareholders’ approval being obtained for the Proposed Acquisition, the allotment and issuance of the Consideration Shares, the Performance Shares, the Arranger Shares and the Additional Arranger Shares, and the Proposed Diversification; and
 - (ii) the Company’s compliance with the SGX-ST’s listing requirements.
3. The AIP is not to be taken as an indication of the merits of the Proposed Acquisition, the Proposed Diversification, the Consideration Shares, the Performance Shares, the Arranger Shares and the Additional Arranger Shares, the Company and/or its subsidiaries.
4. In the event the Company acquires any asset / business from Ms. Jagannathan Padmaja Sakthi, Mr. Fu Yijie, Mr. Yeo Kang Nian (collectively, the Vendors) and/or their related parties/associates, the SGX-ST reserves the right to aggregate the acquisitions and deem the subsequent asset injections as a very substantial acquisition or reverse takeover under Rule 1015 of the Catalyst Rules.

(C) TRADING CAUTION

Shareholders and potential investors of the Company are advised to exercise caution when dealing or trading in the securities of the Company. In particular, Shareholders and potential investors of the Company should note that the Proposed Acquisition is subject to certain conditions and there is no certainty or assurance as at the date of this announcement that the Proposed Acquisition will be completed or that no changes will be made to the terms and conditions of the Proposed Acquisition. The Company will make further announcements to update its shareholders when there are material updates as may be necessary or appropriate. Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Lee Wei Hsiung
Company Secretary
8 July 2021

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

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 Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd., at 8 Robinson Road #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.