

Metal Component Engineering Limited

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

PROPOSED ACQUISITION OF GAINHEALTH PTE. LTD.

- **ISSUANCE AND ALLOTMENT OF 13,000,000 CONSIDERATION SHARES**
 - **COMPLETION OF THE PROPOSED ACQUISITION**
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1. INTRODUCTION

The board of directors (the “**Board**”) of Metal Component Engineering Limited (the “**Company**”) refers to:

- (a) the Company’s circular to shareholders of the Company (“**Shareholders**”) dated 23 June 2021 (the “**Circular**”) in relation to the proposed acquisition of Gainhealth Pte Ltd (“**Proposed Acquisition**”) and the proposed diversification into the healthcare business and the e-commerce business (“**Proposed Diversification**”);
- (b) the Company’s announcement dated 8 July 2021 in relation to the receipt of the approval in-principle for the listing and quotation of the new shares to be allotted and issued pursuant to the Proposed Acquisition; and
- (c) the Company’s announcement dated 8 July 2021 in relation to the results of the extraordinary general meeting held on 8 July 2021 where Shareholders approved the Proposed Acquisition and the Proposed Diversification.

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.

2. CONSIDERATION FOR THE PROPOSED ACQUISITION

The Board wishes to update Shareholders that the Company had, on 13 July 2021, partially paid the Consideration of S\$4,250,000 in the following manner:

- (a) S\$481,000 by way of allotment and issuance of an aggregate of 13,000,000 Consideration Shares to the Vendors (which comprise 9,916,562 Consideration Shares to JPS, 1,340,625 Consideration Shares to FYJ and 1,742,813 Consideration Shares to YKN); and
- (b) S\$1,360,000 in cash to JPS. JPS and the Company have mutually agreed for full payment of the outstanding cash consideration of S\$2,409,000 to be paid in due course.

As disclosed under Section 3.6 of the Circular, the Sale Shares were acquired through the Company’s wholly-owned subsidiary, Metal Precision Services Pte. Ltd., as part of the Company’s plan to diversify into the Healthcare Business and E-Commerce Business. Notwithstanding the abovementioned arrangement on the payment of the remaining balance of the cash consideration to JPS, the entire Sale Shares were transferred to Metal Precision Services Pte. Ltd. on 13 July 2021.

The Consideration Shares rank *pari passu* in all respects with the existing issued ordinary shares in the capital of the Company, save that they shall not rank for any dividends, rights, allotments, distribution or entitlement, the record date of which falls on or prior to the date of issue of the

Consideration Shares. The Consideration Shares are expected to be listed and quoted on the Catalist Board of the SGX-ST on or around 14 July 2021 and trading of the Consideration Shares will commence with effect from 9.00 a.m. on 14 July 2021.

Consequent to the allotment and issuance of the 13,000,000 Consideration Shares, the total number of issued Shares has increased from 404,216,526 Shares to 417,216,526 Shares.

3. COMPLETION OF THE PROPOSED ACQUISITION

Following the completion of the Proposed Acquisition, Gainhealth Pte. Ltd. has become a 85.07%-owned indirect subsidiary of the Company.

By Order of the Board

Lee Wei Hsiung
Company Secretary
13 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.