

Meta Health Limited

(Incorporated in the Republic of Singapore)
(Company Registration No. 198804700N)

(1) UPDATE ON OUT-OF-COURT SETTLEMENT INVOLVING (I) GAINHEALTH PTE. LTD. AND 5DIGITAL PTE. LTD. AND (II) DR VASANTHAN METUPALLE AND JAGANNATHAN PADMAJA SAKTHI – BREACH OF SETTLEMENT AGREEMENT

(2) SUFFICIENCY OF WORKING CAPITAL IN RELATION TO THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE

1. INTRODUCTION

- 1.1. The board of directors (“**Board**”) of Meta Health Limited (the “**Company**”) refers to the Company’s announcements dated 10 January 2024 and 21 May 2024 (the “**Previous Announcements**”) in relation to the settlement agreement dated 10 January 2024 (the “**Settlement Agreement**”) entered into between (a) the wholly owned subsidiaries of the Company, Gainhealth Pte. Ltd. (“**Gainhealth**”) and 5Digital Pte. Ltd. (“**5Digital**”, and together with Gainhealth, the “**Claimants**”); and (b) Dr Vasanthan Metupalle, the former Chief Medical Officer of 5Digital (“**Dr Vas**”) and Jagannathan Padmaja Sakthi, a former director of Gainhealth and the spouse of Dr Vas (“**Mdm Sakthi**”), in respect of the out-of-court settlement of the legal proceedings commenced by the Claimants against Dr Vas and Mdm Sakthi, among other defendants, in the General Division of the High Court of Singapore on 17 May 2023.
- 1.2. Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings ascribed to them in the Previous Announcements.

2. BREACH OF SETTLEMENT AGREEMENT BY DR VAS AND MDM SAKTHI

- 2.1. Pursuant to the Settlement Agreement, Dr Vas and Mdm Sakthi are obliged to pay to the Claimants the Second Tranche (being the last tranche) of the agreed settlement amount, equivalent to approximately S\$337,000, within 10 calendar months following payment of the First Tranche of the agreed settlement amount (in May 2024) or by 31 December 2024, whichever is earlier.
- 2.2. As at the date of this announcement, the Claimants have not received any payment of the Second Tranche from Dr Vas and/or Mdm Sakthi. Accordingly, Dr Vas and Mdm Sakthi are in breach of the terms of the Settlement Agreement.
- 2.3. The Claimants have issued a letter of demand to Dr Vas and Mdm Sakthi, demanding immediate payment of the Second Tranche. The Company and the Claimants will continue to evaluate its legal options in the matter for the recovery of the outstanding amounts owed by Dr Vas and Mdm Sakthi under the Settlement Agreement.
- 2.4. The Company is of the view that the breach of the Settlement Agreement by Dr Vas and Mdm Sakthi (i.e. the non-payment of the Second Tranche to the Claimants) is not expected to have any material impact on the financial position of the Company.

3. SUFFICIENCY OF WORKING CAPITAL

- 3.1. The Board refers to the Company’s announcement dated 5 December 2024 in relation to the proposed renounceable non-underwritten rights issue of up to 264,078,029 new ordinary

shares in the capital of the Company, in particular paragraph 5.1 of the announcement.

- 3.2. Notwithstanding the breach of the terms of the Settlement Agreement by Dr Vas and Mdm Sakthi as described in paragraph 2 above, as at the date of this announcement, the directors of the Company are of the opinion that barring any unforeseen circumstances, and after taking into consideration the Group's internal resources, operating cash flows, and the undertaking provided by a then substantial Shareholder (presently, a controlling Shareholder) of the Company to provide continuing financial support for the Group as and when required to meet its liabilities as at 31 December 2024 and normal operating expenses which may be incurred up until 3 April 2026, the working capital available to the Group is sufficient to meet its present requirements.

4. CAUTION IN TRADING

- 4.1. The Company will provide further updates to the Shareholders as and when there is material development in the matters referred to in this announcement, including any further action to be taken by the Claimants against Dr Vas and Mdm Sakthi pursuant to their breach of the Settlement Agreement.
- 4.2. Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully and exercise caution when dealing or trading in the shares of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt as to the actions they should take.

By Order of the Board

Gwendolin Lee Soo Fern
Company Secretary
3 January 2025

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

This announcement 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 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 Lim Hui Zheng, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.