

Metal Component Engineering Limited



(Incorporated in the Republic of Singapore, listed on SGX Catalist board, 5DX.SI)

(Company Registration Number 198804700N)

Shareholder Update on Diversification

Setting the vision for diversification

CHAIRMAN'S MESSAGE



...the Group will continue to explore potential and suitable acquisitions, joint ventures and strategic alliances, which generate sustainable revenue streams.

- Chua Kheng Choon





Large opportunity identified: ASEAN embracing the Digital Economy

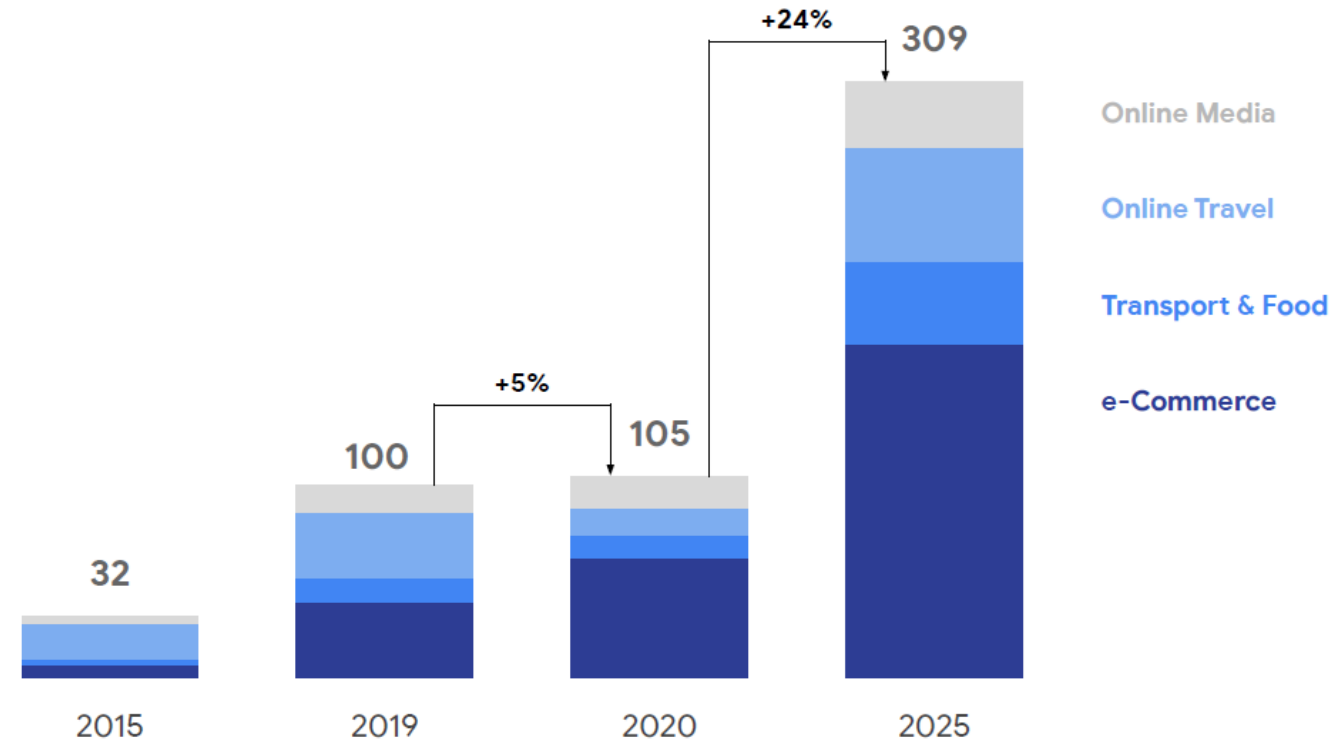
Google, Bain and Temasek commissioned a report on the Internet economy in South East Asia (SEA) showing tremendous promise that lots more Singapore companies can tap into

KEY POINTS

- South East Asia (SEA) saw a surge in the use of digital services like e-commerce, food delivery, online healthcare, and online payment due to the pandemic.
- As many as 40 million people came online for the first time in 2020 within SEA.
- That pushed the total number of internet users in Southeast Asia to 400 million.
- SEA internet sectors could witness strong growth and hit \$100 billion in gross merchandise value (GMV) in 2020, with e-commerce registering a 63% growth.

<https://www.temasek.com.sg/en/news-and-views/subscribe/google-temasek-e-economy-sea-2019>

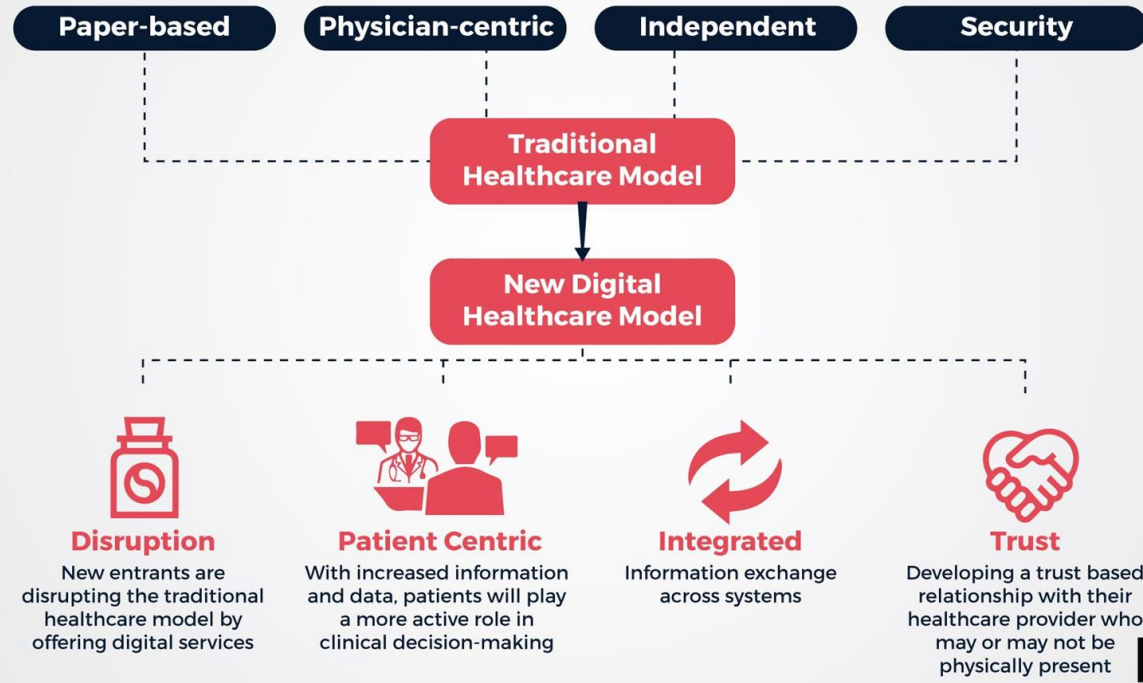
SEA Internet economy GMV (US \$_B)



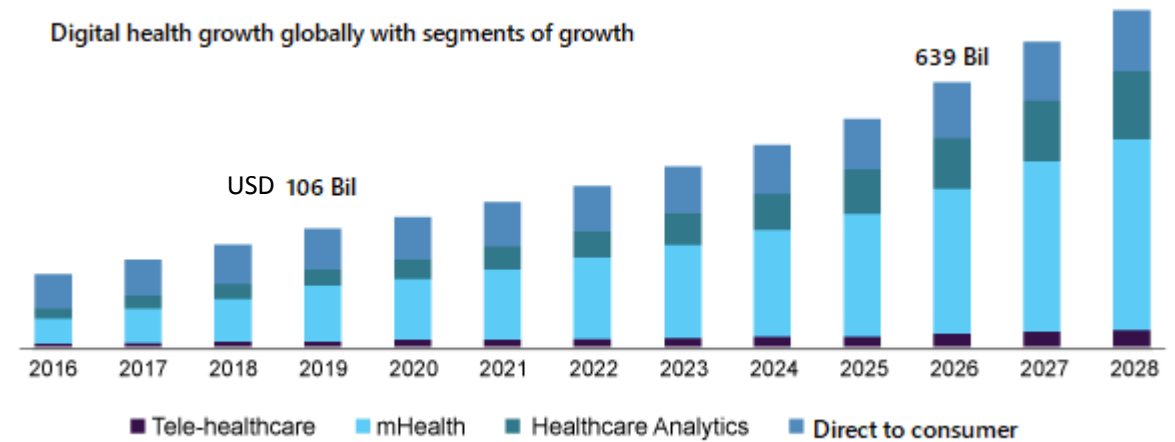
Report by Google TEMASEK BAIN & COMPANY

Pandemic opened up a Digital health opportunity:

MOVING FROM TRADITIONAL HEALTHCARE MODEL TO NEW DIGITAL MODEL



Digital health growth globally with segments of growth



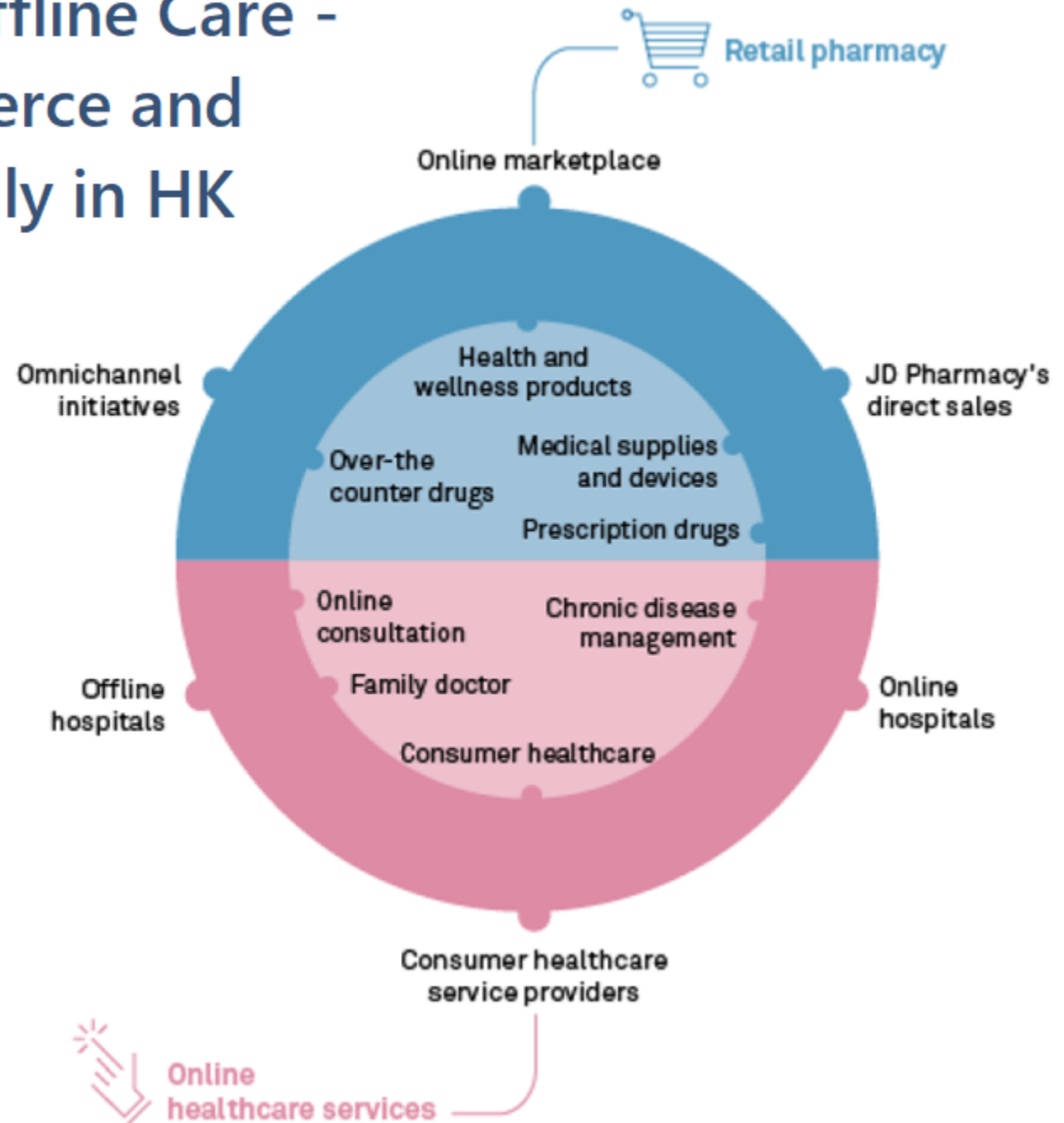
- APAC digital healthcare growth at 28.5% CAGR
- Telemedicine services though looks attractive is doctor dependant and faster growth expected with direct to consumer segment, mHealth (IoT , devices), and Analytics (data, personalization)
- Barrier of entry higher in Digital Health with regulations and need for strategic partnerships with clinical groups.

Proven models for Online and Offline Care - JD Health in China with E-commerce and clinical services. Listed successfully in HK

1. Successful model with online e-commerce sales b2C health and wellness products

2. providing online consultations to drive health product sales in chronic diseases

3. Omnichannel push of partner over counter products



Telemedicine +Pharmacy services also proven successful in India

The image displays two screenshots of Indian digital health services. The top screenshot is the 1mg website, featuring a navigation bar with categories like Medicines, Lab Tests, Ask Doctor, COVID-19, and Ayurveda. A search bar is set to 'New Delhi'. A prominent banner offers 'Up to 50% Off on Lab Tests and Health Checkups' with features like home sample collection and free doctor consultations. The bottom screenshot is the PharmEasy website, showing a search bar and a large promotional banner for 'Stay home, we'll deliver your medicines.' with 'FLAT 20% OFF + 20% CASHBACK' and a 'paytm' logo. A code 'STAYHOME' is provided for the offer.

1mg, based in Delhi grown to be one of largest digital health company in India, acquired by Tata Group

<https://timesofindia.indiatimes.com/business/india-business/tatas-to-buy-51-in-1mg-for-230mn/articleshow/83414924.cms>

PharmEasy, based in Mumbai, has been a fast moving ePharmacy with acquisitions, and recently raised \$200mil from **Temasek**, with IPO expected.

<https://www.businesstimes.com.sg/garage/temasek-backed-online-pharmacy-seeks-funds-at-us4b-valuation-sources>

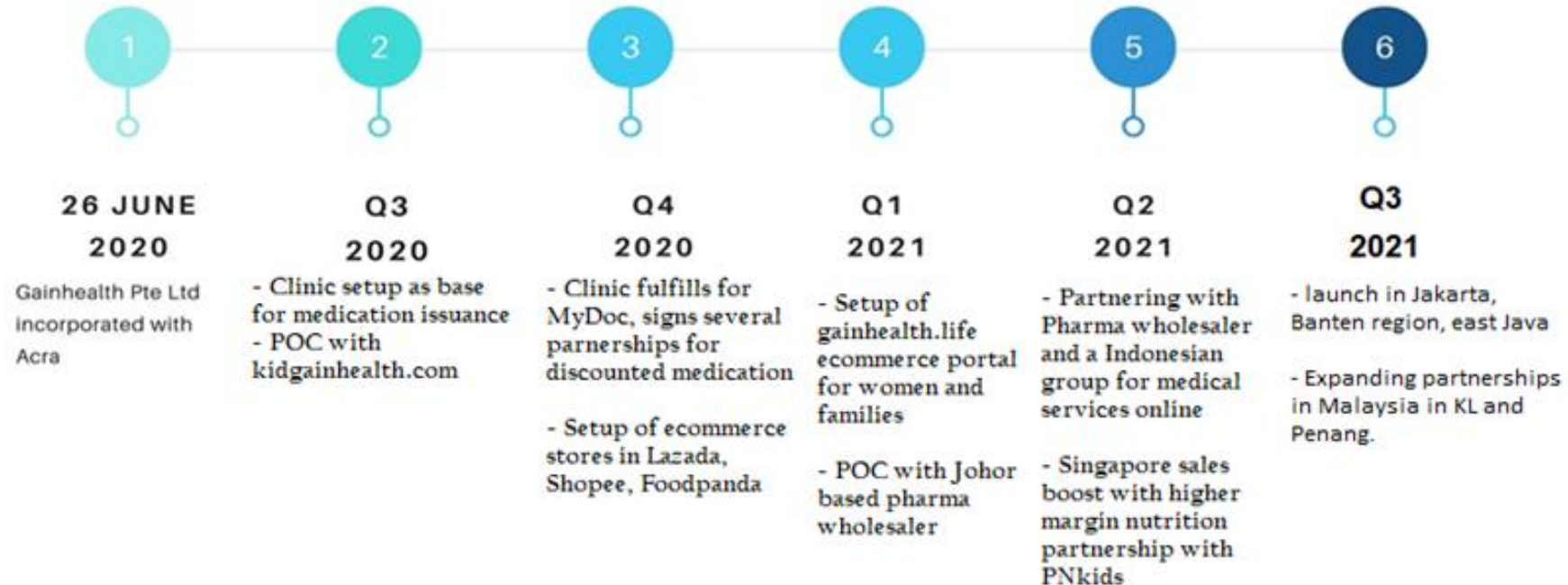
First opportunity identified: Gainhealth Pte Ltd, Singapore Sector : Primary care and ePharmacy

**Metal Component
Engineering Limited**



Vertically integrated healthcare service provider with physical clinic, homecare business, and healthcare technology business through its ePharmacy arm that operates multiple online e-commerce portals which is a high growth omnichannel health and wellness digital platform.

Roadmap with rapid growth and proven Team within this space and at the right time of the pandemic driving utilisation:

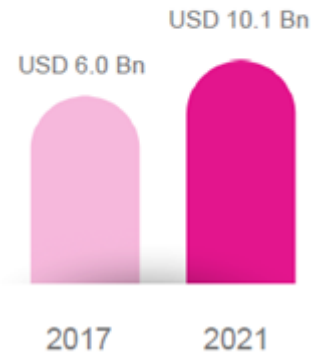
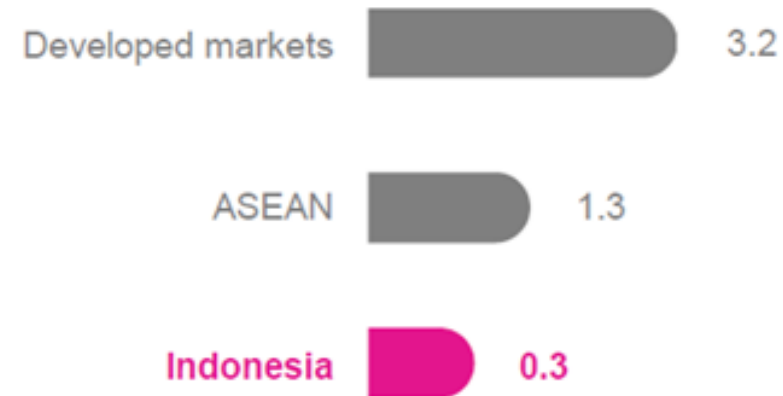
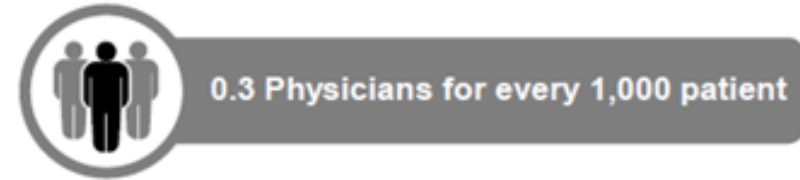
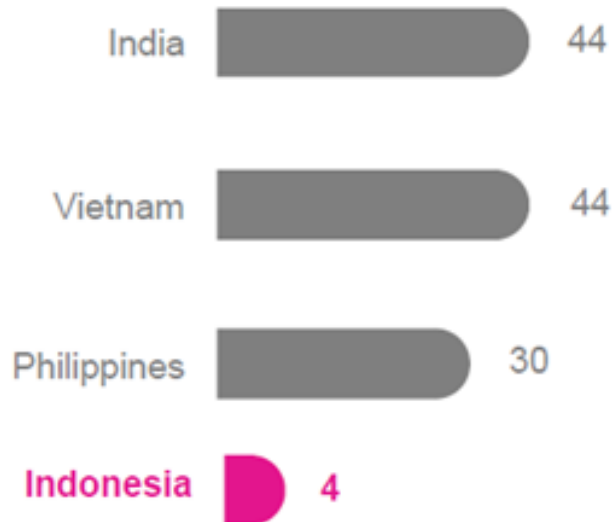
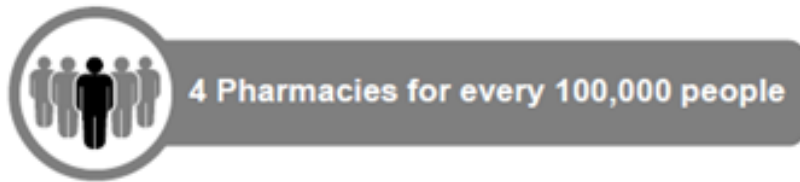


Roadmap focus on Indonesia for growth



Rising spending power and changing lifestyles will lead to a robust healthcare spending growth.

Low Pharmacy and Doctor Penetration Rates



Source: MS Health's Market Insight Report, Ivey's case study on The Generic Pharmacy, BioPharm International, PATH, Indonesian Ministry of Health, EY - The Indonesian Health Care Industry Post Introduction of Universal Health Coverage



Vision for further ecosystem development:

To bring value-based care with data driven and personalised healthcare interactions both online and offline.

