

Meta Health Limited

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

UPDATE ON SUIT INVOLVING WHOLLY-OWNED SUBSIDIARIES

- AGREEMENT TO OUT-OF-COURT SETTLEMENT

1. INTRODUCTION

- 1.1. The board of directors (“**Board**”) of Meta Health Limited (the “**Company**”) refers to the Company’s announcement dated 12 April 2023 pertaining to certain alleged irregularities relating to, among other things, certain sale transactions involving its wholly-owned subsidiary, Gainhealth Pte. Ltd. (“**Gainhealth**”), and the Company’s announcements dated 24 May 2023 and 15 September 2023 (collectively, the “**Previous Announcements**”) in relation to the legal proceedings commenced by Gainhealth and another wholly-owned subsidiary of the Company, 5Digital Pte. Ltd. (“**5Digital**”), in the General Division of the High Court of Singapore on 17 May 2023 (the “**Suit**”).
- 1.2. Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings ascribed to them in the Company’s announcement dated 15 September 2023.

2. AGREEMENT TO OUT-OF-COURT SETTLEMENT

- 2.1. In the Previous Announcements, the Company had informed shareholders of the Company (the “**Shareholders**”) that Gainhealth and 5Digital are taking legal action in the Suit against (i) Dr Vasanthan Metupalle, the former Chief Medical Officer of 5Digital (“**Dr Vas**”), (ii) a former director of Gainhealth, namely Jagannathan Padmaja Sakthi who is also the spouse of Dr Vas (“**Mdm Sakthi**”), (iii) 1Life Healthcare Pte. Ltd., and (iv) Aventres Enterprise Limited (collectively, the “**Defendants**”).
- 2.2. As announced in the Company’s announcement dated 15 September 2023, Gainhealth and 5Digital had obtained the Judgments against 1Life Healthcare Pte. Ltd. and Aventres Enterprise Limited arising from their respective failures to file a notice of intention to contest or not to contest in the Suit. Please refer to paragraph 2.5 below for further updates on the Company’s action in relation to the Judgments.
- 2.3. The Board wishes to update Shareholders that Gainhealth and 5Digital have reached an agreement with Dr Vas and Mdm Sakthi to settle out-of-court the dispute that is the subject matter of the Suit (the “**Settlement**”). Accordingly, Gainhealth and 5Digital have on 10 January 2024 entered into and executed a written settlement agreement with Dr Vas and Mdm Sakthi (the “**Settlement Agreement**”).
- 2.4. Pursuant to the Settlement Agreement, Dr Vas and Mdm Sakthi have agreed, among others, to pay the agreed settlement amount to Gainhealth and 5Digital in the manner set out in the Settlement Agreement. The settlement amount represents the full amount of damages that was claimed by Gainhealth and 5Digital in the Suit, together with a contribution towards costs. The settlement amount shall be paid in two (2) tranches, with the first tranche payable upon the completion of the sale by Dr Vas of his share of a certain property and the second tranche payable within 10 calendar months thereafter or by 31 December 2024, whichever is the earlier.

- 2.5. Subject to the terms of the Settlement Agreement, Gainhealth and 5Digital will, among others, proceed to file a notice of discontinuance in the Suit upon receipt of the first tranche of the settlement amount from Dr Vas and Mdm Sakthi. Thereafter, no further action will be taken by Gainhealth and 5Digital against the Defendants in respect of the matters raised in the Suit, including any further enforcement action arising from any judgments obtained in the Suit by Gainhealth and 5Digital against the Defendants, including the Judgments. Gainhealth and 5Digital will also inform the Singapore Police Force that the Suit has been settled amicably.
- 2.6. If, prior to the discontinuance of the Suit, Dr Vas and/or Mdm Sakthi breaches any of the terms of the Settlement Agreement or default in any payments set out in the Settlement Agreement, Dr Vas and Mdm Sakthi shall be deemed to have irrevocably and unconditionally consented to final judgment being entered against them in the Suit, and they shall have no right to any recourse or defence against such final judgment. If, after the discontinuance of the Suit, Dr Vas and/or Mdm Sakthi breaches any of the terms of the Settlement Agreement or default in any payments set out in the Settlement Agreement, Gainhealth and/or 5Digital shall be entitled to commence a fresh legal action against them arising from and/or in connection with such breach. Dr Vas and Mdm Sakthi shall be deemed to have irrevocably and unconditionally consented to final judgment being entered against them in the fresh legal action, and they shall have no right to any recourse or defence against such final judgment.
- 2.7. Assuming the payment of the agreed settlement amount by Dr Vas and Mdm Sakthi to Gainhealth and 5Digital, the Settlement is expected to have a positive impact on the consolidated net tangible assets per share and earnings per share of the Group for the current financial year ending 31 December 2024.

3. FURTHER ANNOUNCEMENTS

The Company will provide further updates to the Shareholders as and when there are any material developments in respect of the Suit and/or the Settlement.

4. CAUTION IN TRADING

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully and exercise caution in trading the shares of the Company. 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
10 January 2024

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 Catalyst.

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.