

Metal Component Engineering Limited

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

USE OF PROCEEDS FROM THE NOVEMBER PLACEMENT

The board of directors (the “**Board**”) of Metal Component Engineering Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 18 November 2021 (the “**Announcement**”), 30 November 2021 and 2 December 2021 in relation to the placement of 66,530,000 new ordinary shares in the capital of the Company (“**November Placement**”).

Unless otherwise defined, all capitalized terms used herein shall bear the same meaning as ascribed to them in the Announcement.

Pursuant to the November Placement, the Company raised net proceeds amounting to approximately S\$3,263,235 (after deducting all expenses in connection with the November Placement) (“**Net Proceeds**”).

The Board wishes to update that the Net Proceeds have been partially utilised as follows:

Use of Net Proceeds	Amount allocated (S\$’000)	Amount utilised as at the date of this announcement (S\$’000)	Balance as at the date of this announcement (S\$’000)
To fund investments in the Healthcare Business and the E-Commerce Business	2,284	944 ⁽¹⁾	1,340
For general working capital requirements	979	161 ⁽²⁾	818
Total Net Proceeds	3,263	1,105	2,158

Notes:

- (1) The amount was utilised to fund the Company’s acquisition of Adazal Private Limited, through its wholly-owned subsidiary, 5Digital Pte Ltd.
- (2) The breakdown of the use of the Net Proceeds for general working capital purposes of the Group is as follows:

	S\$’000
Employee benefit expenses	130
Professional, investor relationship and listing fees	31
Total	<u>161</u>

The above utilisation of Net Proceeds is in accordance with the intended use of the Net Proceeds as set out in the Announcement.

By Order of the Board

Lee Wei Hsiung
Company Secretary
29 December 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 Catalyst ("**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.