



IMMEDIATE RELEASE

Meta Health Limited Announces Results for 1H2022

- Decline in revenue and reported loss as metal business encountered challenges derived from supply chain disruption as a result of geopolitical uncertainty and the COVID-19 lockdown in China
- Healthcare segment records positive adjusted net profit
- Maintains healthy net gearing of 1.3% with a net asset value of S\$0.039/share

Singapore, 12 August 2022 - Meta Health Limited (SGX: 5DX) (“META” or the “Company”, and together with its subsidiaries, the “Group”), is pleased to announce its financial results for the six months ended 30 June (“1H”) 2022.

Revenue decreased by 7.3% y-o-y to S\$18.7 million in 1H2022, on the back of a decline in revenue from the Group’s metal business. The metal segment was largely impacted by a decrease in global demand for the Group’s products due to the COVID-19 lockdown in Shanghai, China in April and May 2022, as well as a supply shortage of integrated circuit chips and rising material prices amid rising geopolitical uncertainty. The decline in revenue was partially offset by the Group’s healthcare segment which contributed S\$2.3 million in revenue following the acquisition of 85.07% of Gainhealth Pte. Ltd. during the second half of 2021.

Financial Highlights

S\$ million	1H2022	1H2021	% change
Revenue	18.69	20.16	-7.3%
Adjusted EBITDA	(0.48)	0.84	N.M.
Net (Loss)/Profit	(2.78)	0.01	N.M.
Adjusted Net (Loss)/Profit	(1.37)*	0.01	N.M.

N.M. – not meaningful

EBITDA = Profit/(Loss) before tax + Depreciation + Amortisation + Finance Costs

**Adjusted for closure costs relating to the shutdown of one of the factories in Thailand, stock-based compensation and professional fees incurred for the investments in the new healthcare business in 1H2022.*



With the decline in revenue along with a rise in employee benefits expenses and other operating expenses as professional fees incurred for the new healthcare business increased, the Group recorded a net loss of S\$2.8 million for 1H2022. Excluding one-off expenses related to the shutdown of one of the Group's factories in Thailand, stock-based compensation and professional fees incurred for the investments in the new healthcare business in 1H2022, the Group recorded an adjusted net loss of S\$1.5 million for 1H2022.

Despite these challenges, as of 30 June 2022, the Group has maintained a healthy net gearing of 1.3%¹ and a net asset value of S\$0.039/share.

Segmental Breakdown

Revenue (S\$ million)	1H2022	1H2021
Metal	16.38	20.16
Healthcare	2.31	-
Total	18.69	20.16

Adjusted Net (Loss)/Profit (S\$ million)	1H2022	1H2021
Metal	(1.45)	0.61
Healthcare	0.08	-
Total	(1.37)	0.61

Executive Chairman and Group Chief Executive Officer of META, Dr Bernard Ng, said: ***“While many businesses have been rocked by the COVID-19 pandemic, we are in a strong position to weather uncertain times, given our liquidity, credit quality and reserve levels. Our culture of relentless innovation has empowered our pivot into the healthcare space, a move that has offset losses and contributed S\$2.3 million in revenue in 1H2022, growing more than 70% from 2H2021. As we move past the deepest point in the crisis, the path to recovery is coming into view. Through a stringent strategic review process, we intend to generate new opportunities that create greater value for our investors.”***

¹ Net gearing = (Borrowings – Cash and bank balances)/Total Equity



Looking Ahead

The operating environment continues to remain challenging for the Group's metal business due to geopolitical uncertainty, slowing economic growth and the COVID-19 pandemic situation in China. The Group is keeping a close tab on its costs and cashflow and will work towards an eventual earnings turnaround for the metal business segment.

On the healthcare business, the Group has observed an enthusiastic demand for its services in telemedicine, nursing services and e-pharmacy. In response, the Group has made several positive developments in 1H2022 including the launch of "Digital Hospital" in Indonesia, a trademarked product by the Group's 70% owned subsidiary, PT Gaido Digital Medika, which was identified as a key partner of the Indonesia Tourism Medical Association. In the coming months, the Group will continue to explore new streams of business development opportunities and conduct a strategic review of its existing business segments to create greater value for shareholders.

"We've never been more motivated to capitalize on emerging megatrends in the healthcare industry. Our efforts have already attracted a great response from the public and we intend to continue our growth trajectory in this business segment for the foreseeable future." Dr Bernard Ng added.

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About Meta Health Limited

Meta Health Limited (META), formerly known as Metal Component Engineering Limited, was founded in 1987 in Singapore. With consistent focus on quality and engineering innovation, META has expanded its customer base by serving MNC (Multi-National-Corporation), EMS (Electronic Manufacturing Services), and SME (Small-Medium-Enterprise) globally. META has recently diversified into healthcare technology and services with investment into Gainhealth Pte. Ltd., a direct-to-consumer and high-growth omnichannel health and wellness platform. META is vertically integrated with licenced clinics with pharmacy, online self-branded ecommerce portals, and product placements on regional e-commerce portals.



For more information, visit <https://metahealth.sg>, www.5digital.com.sg, www.gainhealthclinic.com

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*This press release has been prepared by Meta Health Limited ("**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.*

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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