



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

Meta Health Delivers Net Profit of S\$7.7 million for FY2021, Reversing from a Net Loss of S\$2.0 million in FY2020

- Group's revenue increased by 33% yoy to S\$43.0 million in FY2021, following higher contribution from its metal business as global economic activities recovered
- With strong net cash inflow in FY2021, cash and bank balances increased more than double by S\$6.0 million to S\$10.3 million as at the end of FY2021
- Group continues to see and capitalise on growth prospects in the digital healthcare industry, particularly growth in the demand for the Group's services for telemedicine, nursing services and e-pharmacy

Singapore, 1 March 2022 — Meta Health Limited (“Meta Health” or “the Group”) (formerly known as Metal Component Engineering Limited), an ongoing transformation group offering both mechanical manufacturing solutions and digital healthcare solutions, today announced its financial results for the six months (“2H2021”) and full year (“FY2021”) ended 31 December 2021.

Financial Highlights	2H2021	2H2020	YoY Change	FY2021	FY2020	YoY Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	22,862	18,519	23	43,026	32,233	33
Other Income	9,366	443	>100	9,462	666	>100
Employee Benefits Expense	(6,921)	(5,130)	35	(12,569)	(10,197)	23
Profit/(Loss) before Taxation	7,659	202	>100	7,670	(1,935)	<i>n.m.</i>
Profit/(Loss) before Taxation Margin	33.50%	1.09%	-	17.83%	(6.00%)	-
Profit / (loss) for the period/year	7,660	177	>100	7,671	(1,960)	<i>n.m.</i>
Basic Earnings/ (Loss) Per Share (cents)	1.73	0.04	<i>n.m.</i>	1.85	(0.52)	<i>n.m.</i>

* *n.m.*: not meaningful

Financial Review

The Group recorded revenue of S\$43.0 million for the financial year ended 31 December 2021 (“FY2021”), a 33% increase from S\$32.2 million for the financial year ended 31 December 2020 (“FY2020”). The increase was mainly due to i) an increase of S\$9.5 million from S\$32.2 million in FY2020 to S\$41.7 million in FY2021 in global demand for our customer products in the Metal business, primarily from the global recovery from the impact of the coronavirus disease 2019 (“COVID-19”) pandemic; and ii) the contribution from the new Healthcare business of S\$1.3 million (FY2020: nil) that arose after the Company's acquisition of Gainhealth Pte Ltd (“Gainhealth”) on 13 July 2021.



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Other income amounted to S\$9.5 million in FY2021, as compared to S\$0.7 million in FY2020. The increase was mainly due to i) profit from the disposal of MCE Industries (Shanghai) Co. Ltd (“MCE Shanghai”) of S\$9.2 million (FY2020: nil), and ii) government grants of S\$0.2 million received in Singapore (pursuant to the Job Support Scheme) and in Malaysia (pursuant to the Government Wages Subsidy Stimulus Packages) in FY2021 (FY2020: S\$0.5 million).

Percentage of cost of direct materials to revenue increased marginally from 51.3% in FY2020 to 52.3% in FY2021, mainly due to changes in sales mix. Employee benefits expense increased by S\$2.4 million, from S\$10.2 million in FY2020 to S\$12.6 million in FY2021, mainly due to the increase in headcount and overtime costs from the increased sales and an addition of a new Healthcare business, as well as share option cost arising from the 43 million stock grants offered to directors and staff in 2H2021.

Consequently, the Group recorded a profit after tax of S\$7.7 million in FY2021, reversing from a net loss of S\$2.0 million in FY2020. Net cash inflow increased by S\$4.0 million to S\$6.0 million in FY2021. As of 31 December 2021, the Group recorded total cash and bank balances of S\$10.3 million as compared to S\$4.3 million as of 31 December 2020.

Business Outlook

Driven by the highly transmissible omicron variant, global COVID-19 cases continue to remain elevated and continues to deter economic recovery as most industries continue to remain severely impacted. The Group's business outlook remains uncertain and challenging, particularly for the engineering business in 2022, but the Group is committed to successfully navigate through the challenging business environment.

Over the last two years, our metal engineering business was well-managed and adapted to the harsh industry environment with our sales continued to grow over last four half yearly periods. To prepare for our strategic transformation, we converted some of our non-productive assets to revenue generating business, which contributed to more than doubling our cash and bank balances during the period.

For the healthcare arm, we continue to see a growth in the demand for our services for telemedicine, nursing services and e-pharmacy. We are also making good progress engaging relevant stakeholders to provide care for the elderly. We believe this will continue to strengthen the group's financial performance and provide revenue diversification as we continue to build our competitive advantage within the Healthcare industry. The team will continue to review strategic options to maximize shareholder's value over the longer term.

We embarked on healthcare business in 2H2021 with the successful acquisition of Gainhealth, which contributed S\$1.3 million to our revenue. To strengthen our capabilities and lay out solid business infrastructure, we invested in clinical nutrition product development, e-commerce platform, and advanced on our regional expansion. We are dedicated to improve our shareholders' value by shaping our strategic plan and enhancing the Group's financial performance over the next few months.



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With a positive view on future growth, Meta Health's Chief Investment Officer, Mr Ahillan Pupalasingam commented: *"We have successfully pivoted towards digital healthcare industry in FY2021, following various strategic partnerships to strengthen our capabilities and market presence. This is a strategic move to diversify our revenue streams and venture into the digital healthcare industry which is expected to see strong underlying demand in the longer term. Moving forward, we will continue to explore potential partnerships to generate sustainable revenue streams in markets with high demand for telemedicine and e-pharmacy solutions, such as Indonesia and Singapore. We remain optimistic in our growth prospects and are committed to deliver sustainable growth for our shareholders."*

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Issued for and on behalf of Meta Health Limited by **Financial PR**

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About Meta Health Limited

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

For more information, visit www.metahealth.sg, www.mce.com.sg, www.5digital.com.sg and www.gainhealth.life

*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 Catalist ("**Catalist Rules**").*

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.

The contact person for the Sponsor is Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd., at 77 Robinson Road #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.