

QUANTUM HEALTHCARE LIMITED
(Company Registration No. 202218645W)
(Incorporated in Singapore)

PROPOSED PLACEMENT OF UP TO 571,428,600 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT A PLACEMENT PRICE OF S\$0.0035 PER SHARE

- ENTRY INTO SUPPLEMENTAL AGREEMENT TO THE PLACEMENT AGREEMENT

Unless otherwise defined herein, all capitalised terms used in this announcement shall have the same meaning ascribed to them in the Company's previous announcement dated 27 January 2023 in relation to the Proposed Placement ("Previous Announcement").

1. INTRODUCTION

The Board of Directors ("**Directors**" or the "**Board**") of Quantum Healthcare Limited (the "**Company**") and together with its subsidiaries, the "**Group**") refers to the Previous Announcement and wishes to announce that the Company has, on 2 March 2023, entered into a supplemental agreement ("**Supplemental Agreement**") with the Placement Agent to increase the number of Placement Shares to an aggregate of up to 571,428,600 fully paid-up Shares (the "**New Placement Shares**") at the same Placement Price of S\$0.0035 per New Placement Share, amounting to an aggregate consideration of approximately S\$2,000,000 (the "**Proposed Placement**"). The Company will be seeking specific shareholders' approval for the allotment and issue of the New Placement Shares at an extraordinary general meeting ("**EGM**") to be convened, in accordance with Rules 805(1) and 811(3) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**").

2. SUPPLEMENTAL AGREEMENT

The New Placement Shares represent approximately 8.3% of the existing issued and paid-up share capital of the Company comprising 6,893,072,508 Shares as at the date of this announcement (excluding treasury shares) and will represent approximately 7.7% of the enlarged issued and paid-up share capital of the Company (excluding treasury shares) of 7,464,501,108 Shares.

In addition to the above, the Cut-Off Date shall be amended to a date not later than the date falling eight (8) weeks after the date of the Supplemental Agreement.

Save for the foregoing, all principal terms of the Placement Agreement and the Proposed Placement remain unchanged.

3. USE OF PROCEEDS

The estimated net proceeds from the Proposed Placement after deducting estimated expenses of approximately S\$80,000 (including listing and application fees, the placement commission payable to the Placement Agent, professional fees and other miscellaneous expenses), is approximately S\$1,920,000 ("**Net Proceeds**"), which is intended to be utilised by the Company in the following manner:

Use of Net Proceeds	% of Net Proceeds
Working Capital	100%

The Group expects to use Net Proceeds to fund the increased cash flow requirements from the operations of the Group.

Pending the utilisation of the Net Proceeds for such purposes, such proceeds may be placed in deposits with banks or financial institutions or invested in short-term money markets or debt instruments or for any other purpose on a short-term basis as the Directors may, in their absolute discretion, deem fit from time to time.

The Company will make periodic announcements on the utilisation of the Net Proceeds from the Proposed Placement as and when such proceeds are materially disbursed and provide a status report of the use of proceeds from the Proposed Placement in the Company's annual report and unaudited results announcements. Where the proceeds have been used for working capital, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcements and status reports. Where there is a material deviation in the use of Net Proceeds, the Company will also state the reasons for such deviation.

4. DIRECTORS' CONFIRMATION

The Directors are of the opinion that, as at the date of this announcement, after taking into consideration the following and subject to no potential liabilities crystallising from the on-going arbitration with InnoRa GmbH as announced by the Company on 12 October 2022:

- (a) the Group's present bank facilities, the Group has a negative working capital of S\$525,000 as at 31 December 2022, and the Proposed Placement is being undertaken for the reasons as disclosed in paragraph 3.4 of the Previous Announcement; and
- (b) the Group's present bank facilities, and the Net Proceeds arising from the Proposed Placement, the working capital available to the Group is sufficient to meet its present requirements.

In view of the payment of the second instalment of the Earn-Out Amount to Dr Jimmy Gian due in January 2024 as detailed in the December 2021 Circular, the Directors wish to highlight that the Company is actively pursuing potential corporate actions and fund-raising avenues on an ongoing basis and would provide further announcements as and when there are material updates.

5. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

The *pro forma* financial effects of the Proposed Placement on the net tangible liabilities ("NTL") per Share and loss per Share ("LPS") are for illustrative purposes only and do not necessarily reflect the actual results and financial position of the Group following completion of the Proposed Placement.

The financial effects of the Proposed Placement are prepared based on the latest unaudited consolidated financial statements of the Group for the financial year ended 31 December 2022 ("FY2022").

5.1 Share Capital

	As at 31 December 2022	After the issuance of the New Placement Shares
Number of Shares	6,893,072,508	7,464,501,108

5.2 NTL

The NTL of the Group before and after the allotment and issue of the New Placement Shares assuming completion of the Proposed Placement had taken place on 31 December 2022 is as follows:

	Before the Proposed Placement	After the Proposed Placement
NTL as at 31 December 2022 (S\$'000)	(5,874)	(3,954)
Number of Shares as at 31 December 2022 ('000)	6,893,073	7,464,501
NTL per Share as at 31 December 2022 (S\$)	(0.0009)	(0.0005)

5.3 LPS

The LPS of the Group before and after the allotment and issue of the New Placement Shares assuming completion of the Proposed Placement had taken place on 1 January 2022 is as follows:

	Before the Proposed Placement	After the Proposed Placement
Loss of the Group attributable to owners of the Company for FY2022 (S\$'000)	(2,714)	(2,794)
Weighted average number of Shares as at 31 December 2022 ('000)	6,750,607	7,322,036
LPS as at 31 December 2022 (S\$)	(0.0004)	(0.0004)

6. **INTEREST OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

Save as disclosed below, none of the Directors, other than in their respective capacity as Directors or Shareholders of the Company, has any interest, direct or indirect, in the Proposed Placement.

	Before Proposed Placement		After Proposed Placement	
	Number of Shares	%⁽¹⁾	Number of Shares	%⁽²⁾
Directors				
Thomas Tan Gim Chua	1,698,721,462	24.64%	1,698,721,462	22.76%
Ng Fook Ai Victor	2,000,000	0.03%	2,000,000	0.03%
Sho Kian Hin	_(3)	_(4)	_(3)	_(4)
Substantial Shareholders (other than Directors)				
Quek Chin Thean	1,302,353,150	18.89%	1,302,353,150	17.45%
Chong Leong Fah Derrick	1,132,480,974	16.43%	1,132,480,974	15.17%
Gian Siong Lim Jimmy	418,977,778	6.08%	418,977,778	5.61%

Notes:

- (1) Based on the Company's issued and paid-up share capital of 6,893,072,508 Shares before the Proposed Placement.
- (2) Based on the Company's enlarged issued and paid-up share capital of 7,464,501,108 Shares after the Proposed Placement.

- (3) Less than 1,000 Shares
- (4) Less than 0.01%

7. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Supplemental Agreement will be available for inspection during normal business hours for a period of three (3) months commencing from the date of this announcement at the registered office of the Company at 8 Temasek Boulevard, Level 42, Suntec Tower Three, Singapore 038988.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement, the Company and its subsidiaries as at the date hereof, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

9. FURTHER INFORMATION

The Company will make the necessary follow-up announcements as and when there are material developments on the Proposed Placement, including despatch of circular in due course to seek the approval from its shareholders for the Proposed Placement, and upon obtaining the listing and quotation notice from the SGX-ST.

10. CAUTION IN TRADING

Shareholders and potential investors of the Company should note that the Proposed Placement are subject to the fulfilment of certain conditions precedent and are advised to exercise caution in trading their Shares in the Company as there is no certainty or assurance as at the date of this announcement that the Proposed Placement will be completed. The Company will make the necessary announcements as and when there are further developments. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take.

By Order of the Board of Directors
QUANTUM HEALTHCARE LIMITED

Thomas Tan Gim Chua
Chief Executive Officer and Executive Director
2 March 2023

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. ("**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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 Lim Hui Ling, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.