

QT VASCULAR LTD.
(Company Registration No. 201305911K)
(Incorporated in Singapore)

PROPOSED APPOINTMENTS OF DIRECTORS AT EXTRAORDINARY GENERAL MEETING CONVENED BY REQUISITIONING SHAREHOLDERS PURSUANT TO SECTION 177 OF THE COMPANIES ACT

The Board of Directors (“**Board**”) of QT Vascular Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcements made by the Company on 16 November 2021, 17 November 2021, 18 November 2021, 19 November 2021 and 20 November 2021 relating to the above.

Background

As announced on 16 November 2021, the Company received the ‘Notice of Intention to call an Extraordinary General Meeting of QT Vascular Ltd. pursuant to Section 177 of the Companies Act’ (“**Notice**”) from Mission Well Limited (“**Mission Well**”) and Tansri Saridju Benui (“**Mr Tansri**”) (the “**Requisitioning Shareholders**”) where the Requisitioning Shareholders gave notice to the Company of their intention to call an extraordinary general meeting of the Company pursuant to Section 177 of the Companies Act (“**Appointment EGM**”) to consider and if thought fit to pass, *inter alia*, the following resolutions:

- a) the appointment of Mr Tansri as a Director of the Company effective immediately upon conclusion of the Appointment EGM and who will, upon appointment as a Director of the Company, be designated as Executive Director;
- b) the appointment of Christian Kwok-Leun Yau Heilesen (“**Mr Heilesen**”) as a Director of the Company effective immediately upon conclusion of the Appointment EGM and who will, upon appointment as a Director of the Company, be designated as Non-Independent and Non-Executive Director;
- c) the appointment of Leung Yu Tung Stanley (“**Mr Leung**”) as a Director of the Company effective immediately upon conclusion of the Appointment EGM and who will, upon appointment as a Director of the Company, be designated as Independent Non-Executive Director;
- d) the appointment of Zhou Jia Lin (“**Ms Zhou**”) as a Director of the Company effective immediately upon conclusion of the Appointment EGM and who will, upon appointment as a Director of the Company, be designated as Independent Non-Executive Director; and

- e) the appointment of Chay Yiowmin (“**Mr Chay**”) as a Director of the Company effective immediately upon conclusion of the Appointment EGM and who will, upon appointment as a Director of the Company, be designated as Independent Non-Executive Director
- (collectively the “**Proposed New Directors**”).

The Requisitioning Shareholders issued a Circular to Shareholders (“**Appointment EGM Circular**”) and a notice to convene the Appointment EGM by way of electronic means on 6 December 2021 9.30 a.m. dated 20 November 2021 (“**Notice of Appointment EGM**”), which the Company announced on SGXNET on 20 November 2021.

Apart from the resolutions for the appointments of the Proposed New Directors, the Requisitioning Shareholders also gave notice to the Company, under the Notice, of their intention to call an extraordinary general meeting of the Company pursuant to Section 177 of the Companies Act (“**Removal EGM**”) to consider, and if thought fit, to pass resolutions relating to the removal of the existing Directors of the Company, including, Momi Mimon Brosh (“**Mr Brosh**”), Mr Eric Sho Kian Hin (“**Mr Sho**”) and Ng Boon Eng (“**Mr Ng**”). Mr Brosh is our Executive Director while Mr Sho and Mr Ng are our Independent Non-Executive Directors.

The Requisitioning Shareholders issued a Circular to Shareholders (“**Removal EGM Circular**”) and a notice to convene the Removal EGM by way of electronic means on 15 December 2021 9.30 a.m. dated 20 November 2021 (“**Notice of Removal EGM**”), which the Company also announced on SGXNET on 20 November 2021.

The Company has been advised by the Company’s Singapore legal adviser that the notices for the Appointment EGM and the Removal EGM issued by the Requisitioning Shareholders are valid.

Nominating Committee’s views on the suitability of the Proposed New Directors

For purposes of assessing the suitability of the Proposed New Directors for appointment to the Board, the members of the Nominating Committee (“**NC**”) (who are also the remaining Directors of the incumbent Board) have considered, *inter alia*, the following information available as at the date of this Announcement:

- (i) Information relating to the Proposed New Directors as provided in the Appointment EGM Circular;
- (ii) Written confirmations on the information required under Appendix 7F of the Catalist Rules in relation to Mr Chay, Ms Zhou and Mr Tansri (the Company is pending receipt of written confirmations on the information required under Appendix 7F of the Catalist Rules in relation to Mr Heilesen and Mr Leung);

- (iii) Information relating to the Proposed New Directors obtained from the reports of third-party service providers who performed certain background checks and searches on the Proposed New Directors, including bankruptcy, litigation and people profile searches in Singapore and Hong Kong (collectively the “**Due Diligence Reports**”);
- (iv) the feedback of the Company’s continuing sponsor, Primepartners Corporate Finance Pte Ltd (“**Sponsor**”) to the NC on the Proposed New Directors following the conduct of its due diligence as part of its standard procedures for any proposed appointment of new directors of the Company, which includes, *inter alia*, the Sponsor interviewing each of the Proposed Directors; and
- (v) certain publicly available information, including public announcements and annual reports released by Ntegrator International Ltd. (“**Ntegrator**”) and Incredible Holdings Ltd (“**Incredible Holdings**”), being companies listed on the SGX Catalist, and Echo International Holdings Group Limited (“**Echo International**”), a company listed on the Hong Kong Stock Exchange, where some of the Proposed New Directors serve on the board of directors of such companies.

(collectively, the “**Relevant Information**”).

The NC wishes to highlight the following observations from its review of the Relevant Information and its assessment of the Proposed New Directors and the Sponsor’s feedback:

Commonality of Directorships

NC’s observations

Other than Mr Tansri, all the Proposed New Directors are directors of Ntegrator, with Mr Heilesen serving as the executive director and Mr Leung, Ms Zhou and Mr Chay serving as the independent non-executive directors of Ntegrator.

Mr Heilesen, Mr Leung and Ms Zhou are directors of Incredible Holdings, with Mr Heilesen serving as an executive director, Mr Leung serving as an independent non-executive director and Ms Zhou serving as the non-independent non-executive director of Incredible Holdings. Mr Tansri used to serve as an executive director of Incredible Holdings until November 2015, prior to Mr Heilesen taking over as an executive director and CEO.

Mr Tansri and Mr Leung are directors of Echo International, with Mr Tansri serving as the executive director and Mr Leung serving as the independent non-executive director of Echo

International. Ms Zhou used to serve as executive director of Echo International until September 2018.

Provision 2.1 of the Code of Corporate Governance 2018 (“CG 2018”) requires that an Independent Director be “independent in conduct, character and judgement, and *has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company*” (emphasis added).

Further, the NC notes that principle 2 of the CG 2018 requires a listed company board to have an appropriate level of independence and diversity of thought and background in its composition.

Given the present and past common directorships between:

- (i) Mr Tansri, who will upon appointment as a Director of the Company be designated as Executive Director;
- (ii) Mr Heilesen, who will upon appointment as a Director of the Company be designated as Non-Independent and Non-Executive Director; and
- (iii) Mr Leung, Ms Zhou and Mr Chay, who will each upon appointment as a Director of the Company be designated as Independent Non-Executive Director;

and also given that Mr Heilesen is a substantial shareholder of the Company by reason of his deemed interest in the shares of the Company held by Mission Well, one of the Requisitioning Shareholders, the relationship between Mr Heilesen, being the sole shareholder of Mission Well, and the relevant Proposed New Directors and its impact (if any) with respect to compliance with principle 2 of the CG2018 needs to be further established.

In this regard, while the NC understands that the proposed new Independent Non-Executive Directors amongst the Proposed New Directors have given certain confirmations to the Sponsor, *inter alia*, in relation to their independence, due to time constraints, the NC is not able to consider, *inter alia*, what further steps (if any) may be required to verify or monitor such confirmations and pending this, to conclude on the proposed new Independent Non-Executive Directors’ independence. This should be reviewed by the applicable Nominating Committee subsequent to the convening of the Appointment EGM should the proposed new Independent Non-Executive Directors be appointed.

Sponsor’s Feedback

The proposed new Independent Non-Executive Directors have confirmed to the Sponsor during their interviews with the Sponsor that notwithstanding the commonality of directorships, they remain independent as they are also directors of other listed boards and that they understand and will carry out their fiduciary duties as independent directors.

Multiple Directorships or Commitments

NC’s observations

Based on the Relevant Information available, including confirmations on the information required under Appendix 7F of the Catalist Rules in relation to Mr Chay, Ms Zhou and Mr Tansri (the Company is pending receipt of written confirmations on the information required under Appendix 7F of the Catalist Rules in relation to Mr Heilesen and Mr Leung) and information on the present principal commitments and directorships of the Proposed New Directors as set out in Annex B of the Circular, all of the Proposed New Directors hold multiple directorships and commitments, including for some of the Proposed New Directors, directorships in other listed companies as set out below and the NC understands that certain queries may have been previously raised by the SGX-ST (in relation to Ntegrator) with respect to certain relevant Proposed New Directors' ability to have sufficient time to discharge their duties as directors, *inter alia*, of such company.

Name	Present Directorships in listed companies
Mr Tansri Proposed Executive Director of the Company	1. Executive Director of Echo International
Mr Heilesen Proposed Non-Independent Non-Executive Director of the Company	1. Executive Director and CEO of Ntegrator 2. Executive Director and CEO of Incredible Holdings
Mr Leung Proposed Independent Non-Executive Director of the Company	1. Independent Director of Ntegrator 2. Independent Director of Echo 3. Independent Director of Incredible Holdings
Ms Zhou Proposed Independent Non-Executive Director of the Company	1. Independent Director of Ntegrator 2. Non-Executive Non-Independent Director of Incredible Holdings
Mr Chay Proposed Independent Non-Executive Director of the Company	1. Independent Director of Ntegrator 2. Independent Director of UMS Holdings Limited 3. Independent Director of Metech International Limited 4. Independent Director of 8I Holdings Limited

It is noted that all of the Proposed New Directors are within the maximum of eight listed board representations stipulated in the Annual Report of the Company for financial year ended 31 December 2020.

Apart from their directorships in listed companies, the NC notes that based on the Relevant Information, Mr Tansri, Mr Heilesen, Mr Leung, Ms Zhou and Mr Chay each holds an additional 8, 25 (with 1 additional directorship to be confirmed), 1, 1 and 11 directorships in other private companies respectively.

The NC notes that the appointments of the Proposed New Directors to the Board would only serve to increase the number of directorships in listed companies of the Proposed New Directors and in view of the foregoing, coupled with the principal commitments and other directorships of the Proposed New Directors, compliance with Provision 1.5 of the CG 2018 which requires that directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company will need to be further established.

In this regard, while the NC understands that Proposed New Directors have made certain representations to the Sponsor, *inter alia*, in relation to their ability to manage their existing directorships and commitments on top of their proposed directorship in the Company, due to time constraints, the NC is not able to consider, *inter alia*, what further steps (if any) may be

required to verify or monitor such representations and pending this, to conclude that the Proposed New Directors are able to devote sufficient time and attention to the affairs of the Company. This should be reviewed by the applicable Nominating Committee subsequent to the convening of the Appointment EGM should the Proposed New Directors be appointed.

Sponsor's Feedback

Each Proposed New Director has confirmed to the Sponsor during the interview that they are able to manage their existing directorships and commitments on top of their proposed directorship in the Company and that they will be able to fulfil their fiduciary duties to the Company and that the Proposed New Directors are of the view that the additional directorship in the Company should not pose a problem to the nominating committees of the other listed companies they are on the board of.

In light of the Company's financial position and the time and effort required for its transformation exercise, the Sponsor had advised that the Proposed New Directors to be appointed should be able to devote sufficient time and effort and assist the management team in implementing the transformative changes to the Company it proposes to make.

Appointment of Mr Tansri as Executive Director

NC's observations

In the case of Mr Tansri who is proposed to be appointed as an Executive Director, the NC notes from the Relevant Information that he may not have the relevant experience or knowledge in the business and industry that the Group currently operates in.

He is currently an executive director of Echo International, which Mr Tansri has represented is in the electronics industry. Based on the annual report of Echo International as at 31 March 2021, Mr Tansri is also an executive director of HiTech Distribution Pte Ltd, Chemitec Industrial Private Limited and PT. Louis Gianni. The NC understands that Echo International is a public company listed on the Stock Exchange of Hong Kong and may require considerable amount of his time, and as for the other companies, Mr Tansri has represented to the Sponsor that PT. Louis Gianni is a dormant company and the other two companies are subsidiaries of Incredible Holdings and he is only acting as a general adviser.

While the NC understands that Mr Tansri has made certain representations to the Sponsor, *inter alia*, in relation to his ability to have sufficient time to discharge his duties to the Company as the Executive Director and in relation to the absence of potential conflicts of interest, due to time constraints, the NC is not able to consider, *inter alia*, what further steps (if any) may be required to verify or monitor such representations and pending this, to conclude on Mr Tansri's suitability to be appointed as Executive Director. This should be reviewed by the applicable Nominating Committee subsequent to the convening of the Appointment EGM should Mr Tansri be appointed.

Relevant Experience and Plans for the Group

The NC notes that it is stated in Section 2.2 of the Appointment EGM Circular, *inter alia*, that “the newly constituted Board comprising Proposed Directors has the relevant expertise and knowledge to set and develop effective strategies and explore new opportunities to grow and expand the Group which will, in turn, help to maximise Shareholder’s value” and that “the newly constituted Board comprising the Proposed New Directors has strong experience and relevant expertise in restructuring ailing businesses which is imperative in order to carry out a successful corporate restructuring and transformation exercise to improve the overall performance and financial health of the Company.”

Following recent corporate actions and developments including the disposal of certain businesses and assets relating to the Group’s medical devices business, the current Board has been actively looking for new opportunities and business for the Group, including a proposed private placement of 4,055,555,556 new ordinary shares at S\$0.0018 for each share to raise gross proceeds of S\$7.3 million and a subsequent 60% acquisition of the entire issued and paid-up share capital of Asia Dental Group Pte. Ltd. (collectively the “**Proposed Transactions**”).

The NC notes that while the Requisitioning Shareholders have provided certain information relating to, and appear to raise concerns about the Proposed Transactions in the Notice, they have so far not provided any information, whether in the Notice and/or the Appointment EGM Circular, on what may be their own strategy or plans for the Company, and the timing for implementation of the same. Shareholders should therefore note that the requisitions by the Requisitioning Shareholders to convene the Appointment EGM and Removal EGM, if successful, could have a significant impact on the progress of the Proposed Transactions by way of the Scheme such as where the Proposed New Directors may decide not to proceed with the Proposed Transactions.

The Proposed Transactions have made good progress where regulatory approvals from SGX-Regco and MAS in relation thereto have been received, as further disclosed in the Company’s announcements dated 2 December 2021. It is now left with Shareholders’ approval and court sanction. The Proposed Transactions are crucial to the Company’s long-term growth. Shareholders should consider the Proposed Transactions carefully at the forthcoming Appointment EGM.

Sponsor’s Feedback

The Proposed Board will be led by Mr Tansri, the Executive Director. We note that while Mr Tansri has indicated that he has no relevant industry experience to the Company’s current business, however the relevance of the experience of the proposed Executive Director should also be considered in light of the future direction of the Company post the EGM on 6 December 2021.

It should be noted that all the Proposed Directors are also directors of other listed companies.

In relation to the efficacy of the Proposed New Directors as the new Board of the Company (the “**Proposed Board**”) the NC concurs with the Sponsor’s recommendation that given that board committees of the Proposed Board have not been determined at this moment, the efficacy of the Proposed Board should be assessed by the applicable Nominating Committee subsequent to

the convening of the Appointment EGM once the Company's direction is known and this should be monitored on a continuous basis.

Conclusion

In conclusion, nothing has come to the NC's attention to suggest that the Proposed New Directors are not qualified to be appointed as Directors of the Company. However, based on the observations of the NC and the Sponsor's feedback as further elaborated above, the NC notes that there may be further matters to be established or followed up on by the applicable Nominating Committee subsequent to the convening of the Appointment EGM before a conclusion can be reached, *inter alia*, on the efficacy on the Proposed Board, including the Proposed Board's compliance with the requirements of the CG2018.

Resignation of current Board

The Directors of the incumbent Board, namely Mr Brosh, Mr Sho and Mr Ng, have expressed their intention to resign with effect from 8 December 2021 in the event all the resolutions for the appointment of the Proposed New Directors are duly passed at the Appointment EGM, *inter alia*, given that following such appointments, the Proposed New Directors will be sufficient to form all the various Board Committees required, and there will be lead time given to ensure a smooth and proper hand-over.

IN THE MEANTIME, SHAREHOLDERS AND OTHER INVESTORS ARE ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY. SHAREHOLDERS AND OTHER INVESTORS ARE ADVISED TO READ ANY ANNOUNCEMENTS BY THE COMPANY CAREFULLY. THEY SHOULD CONSULT THEIR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS, TAX ADVISORS OR OTHER PROFESSIONAL ADVISORS IF THEY ARE IN ANY DOUBT AS TO THE ACTIONS THEY SHOULD TAKE.

By Order of the Board of Directors
QT VASCULAR LTD.

Sho Kian Hin
Independent Director
3 December 2021

*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.

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