



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

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- (1) PROPOSED PLACEMENT OF 400,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.002 PER SHARE TO THE PLACEES BY WAY OF A PRIVATE PLACEMENT
 - (2) PROPOSED ISSUE OF 150,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.002 PER SHARE TO DR. JIMMY GIAN IN RELATION TO THE PROPOSED SETTLEMENT SHARES ISSUANCE
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1. INTRODUCTION

1.1. The Board of Directors (“**Directors**” or the “**Board**”) of Quantum Healthcare Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce that the Company has on 30 November 2023 entered into the following agreements:

- (a) a placement agreement (the “**Placement Agreement**”) with Mr. Quek Chin Thean (“**Mr. Quek**”) and Mr. Lau Chee Heng (“**Mr. Lau**”) (collectively, the “**Placees**” and each a “**Placee**”) for the proposed allotment and issue of an aggregate of 400,000,000 new ordinary shares in the capital of the Company (“**Shares**”) to the Placees (collectively, the “**Placement Shares**” and each a “**Placement Share**”), at the issue price of S\$0.002 per Placement Share (“**Placement Price**”) and for the aggregate cash consideration of S\$800,000 (“**Placement Shares Consideration**”) (the “**Proposed Placement**”); and
- (b) a settlement agreement (the “**Settlement Agreement**”) with Dr. Gian Siong Lin Jimmy (“**Dr. Jimmy Gian**”) for the proposed allotment and issue of 150,000,000 new Shares to Dr. Jimmy Gian (collectively the “**Settlement Shares**” and each a “**Settlement Share**”), at the issue price of S\$0.002 per Settlement Share (“**Settlement Price**”) and for the aggregate consideration of S\$300,000 (“**Settlement Shares Consideration**”), to be settled and satisfied against part of the Company’s obligation to pay the Second Tranche Earn-Out Amount (as defined below), in the manner as further elaborated in paragraph 3.1 below (“**Proposed Settlement Shares Issuance**”).

The Proposed Placement and the Proposed Settlement Shares Issuance shall be collectively referred to as the “**Proposed Transactions**” and each a “**Proposed Transaction**”.

1.2 The Proposed Placement and the Proposed Settlement Shares Issuance will be undertaken pursuant to the private placement exemption under Section 272B of the Securities and Futures Act 2001 of Singapore (“**SFA**”). As such, no prospectus, offer document or offer information statement will be lodged with the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) acting as agent on behalf of the Monetary Authority of Singapore (“**MAS**”) in connection with the Proposed Transactions.

1.3 As at the date of this announcement (“**Announcement**”), the Company has an issued and paid-

up capital of S\$236,229,829 comprising 7,464,501,108 Shares (“**Existing Share Capital**”) and subject to completion of the Proposed Transactions, the Company will have an issued and paid-up capital of S\$237,329,829 comprising 8,014,501,108 Shares in aggregate (“**Enlarged Share Capital**”).

- 1.4 The Company intends to convene an extraordinary general meeting (“**EGM**”), *inter alia*, to seek the approval of shareholders of the Company (“**Shareholders**”) for the Proposed Transactions, as further set out below.
- 1.5 For the avoidance of doubt, the Proposed Transactions are not inter-conditional and accordingly, subject to the relevant Shareholders’ approval being obtained, the Proposed Placement will proceed with or without the Proposed Settlement Shares Issuance taking place and *vice versa*.

2. **PROPOSED PLACEMENT**

2.1. **Placement Shares**

- 2.1.1. Under the terms of the Placement Agreement, Mr. Quek and Mr. Lau have each agreed to subscribe for 37.5% and 62.5% of the Placement Shares, being 150,000,000 Placement Shares and 250,000,000 Placement Shares respectively (“**Relevant Proportion**”).
- 2.1.2. The Placement Shares shall be issued free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to the existing issued Shares, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the Placement Completion Date (as defined below).
- 2.1.3. The Placement Shares represent approximately 5.359% of the Existing Share Capital (excluding treasury shares) and will represent approximately 4.991% of the Enlarged Share Capital (excluding treasury shares) upon completion of the Proposed Transactions.

2.2. **Placement Price**

- 2.2.1. The Placement Price of S\$0.002 per Placement Share represents a discount of approximately 4.76% to the volume weighted average price of S\$0.0021 for trades done on the Shares on the SGX-ST on 21 November 2023, being the last full market day on which there was trading in the Shares prior to the date on which the Placement Agreement was executed.
- 2.2.2. The Placement Price was commercially agreed between the Company and the Placees after arm’s length negotiations. In arriving at the discount for the Placement Price, the Board wishes to highlight that after taking into consideration the current market conditions and the Company’s share price performance, every change of S\$0.001 would result in an approximate 47.62% change from its volume weighted average price of S\$0.0021. Hence the Board is of the view that a 4.76% discount in arriving at the Placement Price is appropriate.
- 2.2.3. No commission is payable by the Company to the Placees or any other party in relation to the Proposed Placement.

2.3. **Information on the Placees**

- 2.3.1. Both the Placees are private investors.

- 2.3.2. Mr. Quek has 30 years' experience in the commodities industry and is currently a managing director with Glencore Singapore Pte Ltd. Mr. Quek had subscribed for shares in the capital of the Company's wholly-owned subsidiary QT Vascular Ltd. ("QTV") in connection with the latter's placement exercise that was completed on 13 January 2022. As at the date of this Announcement, Mr. Quek has a direct interest in 1,322,353,150 Shares, representing 17.715% of the Existing Share Capital, and is an existing controlling Shareholder of the Company.
- 2.3.3. Mr. Lau has 22 years' experience in the logistics industry and is currently the chief vision officer of Federal Packaging Industries Pte Ltd in Singapore. Mr. Lau was introduced to the Company by our Chief Executive Officer ("CEO") and Executive Director, Mr. Thomas Tan, and as at the date of this Announcement, Mr. Lau does not have any interest in any Shares. Mr. Lau and our CEO are business associates.
- 2.3.4. Both Mr. Quek and Mr. Lau have confirmed that save as aforesaid and save for the Proposed Placement, none of them has any connections (including business or family relationships) with the Company and/or any Director or substantial shareholders of the Company ("**Substantial Shareholders**" or each a "**Substantial Shareholder**").
- 2.3.5. The number of Shares held and shareholding percentage of the Placees before and after the Proposed Transactions are set out below:

Name of Placee	Number of existing Shares	% of Existing Share Capital	Number of Shares after Proposed Placement	% of Enlarged Share Capital
Quek Chin Thean	1,322,353,150	17.715%	1,472,353,150	18.371%
Lau Chee Heng	-	-	250,000,000	3.119%

2.4. Other Key Salient Terms of Placement Agreement

2.4.1. Conditions precedent

Completion of the Proposed Placement pursuant to the Placement Agreement is conditional upon the following conditions being satisfied and/or waived on or before 31 December 2023 or such other date as the Parties may agree in writing:

- (a) the approval of the Shareholders for the Proposed Placement being obtained at the EGM, including without limitation, the approval for:
- (i.) the allotment and issue of 150,000,000 Placement Shares to Mr. Quek pursuant to Rules 805(1) and 812(2) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**") and Section 161 of the Companies Act 1967 of Singapore ("**Companies Act**"); and
 - (ii.) the allotment and issue of 250,000,000 Placement Shares to Mr. Lau pursuant to Rule 805(1) of the Catalist Rules and Section 161 of the Companies Act,
- and such approval not having lapsed or been withdrawn, revoked or amended;

- (b) the notice issued by the SGX-ST in relation to the listing and quotation of the Placement Shares on the Catalist Board of the SGX-ST ("**Catalist**") being obtained ("**Placement LQN**") and such approval not having been withdrawn, revoked or amended and, where such approval is subject to conditions (which are not normally imposed by the SGX-ST for a transaction of a similar nature), such conditions being acceptable to the Placees and, to the extent that any conditions for such approval are required to be fulfilled on or before the Placement Completion Date, they are so fulfilled;
- (c) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore or elsewhere, which is applicable to the Company or any of the Placees;
- (d) the representations and warranties of the Company under the Placement Agreement being true, accurate and correct in all material respects at the Placement Completion Date, as if repeated at the Placement Completion Date and at all times between the date of the Placement Agreement and the Placement Completion Date, with reference to the then existing circumstances and the Company having performed in all material respects all of its obligations under the Placement Agreement to be performed on or before the Placement Completion Date; and
- (e) there having been, as at the Placement Completion Date, no change or any development likely to result in a material adverse change in the condition or prospects, financial or otherwise, of the Company and/or the Group as a whole since the 31 December 2022 nor any material breach of, nor the occurrence of any event nor the discovery of any fact rendering untrue and incorrect in any material respect, any of the representations, warranties or undertakings contained in the Placement Agreement if they were repeated on and as of the Placement Completion Date and the Company having performed in all material respects all of its obligations hereunder to be performed on or before the Placement Completion Date.

2.4.2. Completion

Subject to the terms and conditions of the Placement Agreement, allotment and issuance of the Placement Shares subscribed for by the Placees pursuant to the Proposed Placement shall take place on the date falling no later than five (5) business days after the date the Company notifies the Placees of the conditions precedent under the Placement Agreement having been fulfilled or waived, or such other date as the Company and the Placees may mutually agree in writing ("**Placement Completion Date**").

2.4.3. Moratorium on Placement Shares

Under the Placement Agreement, the Placees have agreed and undertaken to the Company that they shall not, from the Placement Completion Date until the date falling six months thereafter (both dates inclusive) ("**Placement Lock-up Period**"), directly or indirectly, do or agree to do any of the following acts:

- (a) sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option to purchase, grant any security over, encumber or otherwise dispose of, any part of the Placement Shares allotted and issued to the Placees (each in respect of their Relevant Proportion);

- (b) enter into any transaction or other arrangement, in whole or in part, (including any swap, hedge or derivative transaction) with a similar economic effect to the foregoing, whether such transaction is to be settled by delivery of the Placement Shares allotted and issued to the Placees (each in respect of their Relevant Proportion), in cash or otherwise;
- (c) deposit all of its effective interest, in any of the Placement Shares allotted and issued to the Placees (each in respect of their Relevant Proportion) in any depository receipt facility; or
- (d) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; and
- (e) publicly announce any intention to do any of the above.

2.5. **Rationale of the Proposed Placement**

- 2.5.1. The Proposed Placement would help to raise funds for the Company to meet its upcoming obligation to make partial payment of the Second Tranche Earn-Out Amount, further details of which are set out in paragraph 3.1 below. The Board is of the view that the Proposed Placement is in the interest of the Company and Shareholders as it would enable the Company to raise funds in a timely and efficient manner, and after taking into consideration the Placees' agreement not to sell or dispose the Placement Shares during the Placement Lock-up Period.
- 2.5.2. As disclosed in the Group's unaudited financial statements for the half year ended 30 June 2023 ("HY2023"), as at 30 June 2023, the Group had cash and cash equivalent of approximately S\$2,459,000, a negative working capital of approximately S\$5,388,000 and deficit in shareholders' equity of approximately S\$2,269,000.
- 2.5.3. By way of update, as at the date of this Announcement, the utilisation of the net proceeds from the Company's issuance of 571,428,600 Shares completed on 29 March 2023 ("March 2023 Placement Net Proceeds"), are as follows:

	Allocation of March 2023 Net Proceeds S\$'000	Amount utilised S\$'000	Balance S\$'000
General working capital purposes ⁽¹⁾	1,920	1,796	124
Total	1,920	1,796	124

Note

- (1) A breakdown on the March 2023 Placement Net Proceeds utilised for general working capital purposes is as follows:

	S\$'000
Payment of salaries and wages	720
Payment to professional fees	525
Repayment of working capital loan	262
Operating Costs	289

Total

1,796

2.6. Use of Proceeds from the Proposed Placement

- 2.6.1. The estimated net proceeds from the Proposed Placement after deducting estimated expenses to be incurred in relation to the Proposed Transactions of approximately S\$60,000 (including listing and application fees, professional fees and other miscellaneous expenses), is approximately S\$740,000 ("**Net Proceeds**"), which is intended to be utilised by the Company in the following manner:

Use of Net Proceeds	% of Net Proceeds
Partial payment of the remaining balance of S\$1,083,333.33 of the Second Tranche Earn-Out Amount payable to Dr. Jimmy Gian (please refer to paragraph 3.1 of this Announcement for further details on the Second Tranche Earn-Out Amount)	100%

- 2.6.2. Pending the utilisation of the Net Proceeds for such purpose, 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.
- 2.6.3. 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 there is a material deviation in the use of Net Proceeds, the Company will also state the reasons for such deviation.

3. **PROPOSED SETTLEMENT SHARES ISSUANCE**

3.1. Proposed Settlement Shares Issuance

- 3.1.1. Dr. Jimmy Gian is the Company's Chief Operating Officer (Dental) and as at the date of this Announcement has a direct interest in 418,977,778 Shares, representing approximately 5.613% of the Existing Share Capital, and is a Substantial Shareholder. He also holds the remaining 40% of the shares of the Company's subsidiary, Asia Dental Group Pte. Ltd. ("**ADG**").
- 3.1.2. Pursuant to the acquisition of 60% of the shares of ADG from Dr. Jimmy Gian (the "**ADG Acquisition**"), which was completed on 13 January 2022, there is, *inter alia*, a second tranche consideration amount of S\$1,383,333.33 ("**Second Tranche Earn-Out Amount**") which is supposed to be payable in cash by the Company to Dr. Jimmy Gian on or about 13 January 2024, being the second anniversary date of the completion of the ADG Acquisition. Please refer to the circular dated 24 December 2021 issued by QTV, in relation to the ADG Acquisition.
- 3.1.3. Pursuant to the Settlement Agreement, Dr. Jimmy Gian has agreed to subscribe for, and the Company has agreed to allot and issue the Settlement Shares to Dr. Jimmy Gian, at the Settlement Price of S\$0.002 for each Settlement Share. The Settlement Shares Consideration of S\$300,000 due and payable for the Settlement Shares shall be settled and satisfied by way of Dr. Jimmy Gian agreeing to irrevocably and unconditionally release and discharge the Company's obligation to pay S\$300,000 of the Second Tranche Earn-Out Amount that would fall

due and payable to Dr. Jimmy Gian on 13 January 2024 under the terms of the ADG Acquisition, being an amount equivalent to the aggregate Settlement Price payable for the allotment and issue of the Settlement Shares.

- 3.1.4. For the avoidance of doubt, the Company would remain liable to pay the entire amount of S\$1,383,333.33 under the Second Tranche Earn-Out Amount in cash to Dr. Jimmy Gian in accordance with the terms of the ADG Acquisition if Shareholders do not approve the Proposed Settlement Shares Issuance at the EGM or the Settlement Shares are not otherwise allotted and issued to Dr. Jimmy Gian under the Proposed Settlement Shares Issuance.
- 3.1.5. Assuming Shareholders approve the Proposed Settlement Shares Issuance at the EGM, part of the Company's obligation to pay the Second Tranche Earn-Out Amount to the extent of the Settlement Shares Consideration will be settled and satisfied through the issuance of the Settlement Shares although the Company would remain liable to pay the remaining balance amount of S\$1,083,333.33 under the Second Tranche Earn-Out Amount in cash to Dr. Jimmy Gian in accordance with the terms of the ADG Acquisition, and as stated in paragraph 2.6.1 above, 100% of the Net Proceeds from the Proposed Placement will be used to partially fulfil the Company's payment obligation as aforesaid.

3.2. **Settlement Shares and the Settlement Price**

- 3.2.1. The Settlement Shares shall be issued free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to the existing issued Shares, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the Settlement Shares Issuance Completion Date (as defined below).
- 3.2.2. The Settlement Shares represent approximately 2.010% of the Existing Share Capital (excluding treasury shares) and will represent approximately 1.872% of the Enlarged Share Capital (excluding treasury shares) upon completion of the Proposed Transactions.
- 3.2.3. The number of Shares held and shareholding percentage of Dr. Jimmy Gian before and after the Proposed Transactions are set out below:

Name	Number of existing Shares	% of Existing Share Capital	Number of Shares after Proposed Settlement Shares Issuance	% of Enlarged Share Capital
Dr. Jimmy Gian	418,977,778	5.613%	568,977,778	7.099%

- 3.2.4. The Settlement Price of S\$0.002 per Settlement Share represents a discount of approximately 4.76% to the volume weighted average price of S\$0.0021 for trades done on the Shares on the SGX-ST on 21 November 2023, being the last full market day on which there was trading in the Shares prior to the date on which the Settlement Agreement was executed.
- 3.2.5. The Settlement Price was commercially agreed between the Company and Dr. Jimmy Gian after arm's length negotiations and taking into account the Placement Price under the Proposed Placement.

3.3. **Other Key Salient Terms of Settlement Agreement**

3.3.1. Conditions precedent

Completion of the Proposed Settlement Shares Issuance pursuant to the Settlement Agreement is conditional upon the following conditions being satisfied and/or waived on or before 31 December 2023 or such other date as the Parties may agree in writing:

- (a) the approval of the Shareholders for the Proposed Settlement Shares Issuance being obtained at the EGM, including without limitation, for the allotment and issue of the Settlement Shares to Dr. Jimmy Gian pursuant to Rules 805(1) and 812(2) of the Catalist Rules and Section 161 of the Companies Act, and such approval not having lapsed or been withdrawn, revoked or amended;
- (b) the notice issued by the SGX-ST in relation to the listing and quotation of the Settlement Shares on the Catalist being obtained ("**Settlement Shares Issuance LQN**") and such approval not having been withdrawn, revoked or amended and, where such approval is subject to conditions (which are not normally imposed by the SGX-ST for a transaction of a similar nature), such conditions being acceptable to Dr. Jimmy Gian and, to the extent that any conditions for such approval are required to be fulfilled on or before the Settlement Shares Issuance Completion Date, they are so fulfilled;
- (c) the allotment, issue and subscription of the Settlement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Settlement Agreement by any legislative, executive or regulatory body or authority of Singapore or elsewhere, which is applicable to the Company or Dr. Jimmy Gian; and
- (d) the representations and warranties of the Company under the Settlement Agreement being true, accurate and correct in all material respects at the Settlement Shares Issuance Completion Date, as if repeated at the Settlement Shares Issuance Completion Date and at all times between the date of the Settlement Agreement and the Settlement Shares Issuance Completion Date, with reference to the then existing circumstances and the Company having performed in all material respects all of its obligations under the Settlement Agreement to be performed on or before the Settlement Shares Issuance Completion Date.

3.3.2. Completion

Subject to the terms and conditions of the Settlement Agreement, allotment and issuance of the Settlement Shares subscribed for by Dr. Jimmy Gian pursuant to the Proposed Settlement Shares Issuance shall take place on the date falling no later than five (5) business days after the date the Company notifies Dr. Jimmy Gian of the conditions precedent under the Settlement Agreement having been fulfilled or waived, or such other date as the Company and Dr. Jimmy Gian may mutually agree in writing ("**Settlement Shares Issuance Completion Date**").

3.3.3. Moratorium on Settlement Shares

Under the Settlement Agreement, Dr. Jimmy Gian has agreed and undertaken to the Company that he shall not, from the Settlement Shares Issuance Completion Date until the date falling six months thereafter (both dates inclusive) ("**Settlement Shares Lock-up Period**"), directly or indirectly, do or agree to do any of the following acts:

- (a) sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option to purchase,

grant any security over, encumber or otherwise dispose of, any part of the Settlement Shares allotted and issued to him;

- (b) enter into any transaction or other arrangement, in whole or in part, (including any swap, hedge or derivative transaction) with a similar economic effect to the foregoing, whether such transaction is to be settled by delivery of the Settlement Shares allotted and issued to him (in cash or otherwise);
- (c) deposit all of its effective interest, in any of the Settlement Shares allotted and issued to him in any depository receipt facility; or
- (d) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; and
- (e) publicly announce any intention to do any of the above.

3.4. **Rationale of the Proposed Settlement Shares Issuance**

The Board is of the view that the Proposed Settlement Shares Issuance is in the interest of the Company and Shareholders as it would enable the Company to meet part of its obligation to make partial payment of the Second Tranche Earn-Out Amount to Dr. Jimmy Gian through the allotment and issue of the Settlement Shares rather than in cash payment, which will help to conserve the Group's cash resources for working capital or other requirements, and the Settlement Price at which the Settlement Shares will be allotted and issued to Dr. Jimmy Gian is also at the same price as the Placement Price, and Dr. Jimmy Gian has agreed to the Proposed Settlement Shares Issuance to be carried out on terms no more favourable than the terms and conditions of the Proposed Placement, including his agreement not to sell or dispose the Settlement Shares during the Settlement Shares Lock-up Period.

4. **SHAREHOLDERS' APPROVAL**

4.1 **Proposed Placement**

- (a) The Company will be seeking Shareholders' approval for the Proposed Placement in accordance with Rule 805(1) of the Catalist Rules as the Company is not relying on the general share issuance mandate approved by the Shareholders at the annual general meeting of the Company held on 27 April 2023.
- (b) As Mr. Quek is an existing Substantial Shareholder, the proposed allotment and issue of Placement Shares to Mr. Quek is also subject to specific Shareholders' approval pursuant to Rule 812(1)(a) read with Rule 812(2) of the Catalist Rules. Pursuant to Rule 812(2) of the Catalist Rules, Mr. Quek and his associates (as defined in the Catalist Rules) shall abstain from voting on the resolution in relation to the allotment and issue of the Relevant Proportion of the Placement Shares to Mr. Quek.
- (c) The proposed allotment and issue of the Relevant Proportion of the Placement Shares to Mr. Quek is an interested person transaction under Chapter 9 of the Catalist Rules.

The proposed allotment and issue of the Relevant Proportion of the Placement Shares to Mr. Quek does not exceed the relevant thresholds under Rule 905(1) and Rule 906(1) of the Catalist Rules respectively given that the Group has a net NTL of S\$6,436,000 based on the latest audited financial statements of the Group for the financial year

ended 31 December 2022 (“FY2022”) and that the quantum of the Relevant Proportion of the Placement Shares Consideration payable by him for such Placement Shares as a proportion of the market capitalisation of the Company¹, although the Company is consulting the SGX-ST on this matter and will update Shareholders, *inter alia*, should Shareholders’ approval be required for the proposed allotment and issue of the Relevant Proportion of the Placement Shares to Mr. Quek pursuant to Rule 906(1) of the Catalist Rules.

4.2 **Proposed Settlement Shares Issuance**

- (a) The Company will be seeking Shareholders’ approval for the Proposed Settlement Shares Issuance in accordance with Rule 805(1) of the Catalist Rules as the Company is not relying on the general share issuance mandate approved by the Shareholders at the annual general meeting of the Company held on 27 April 2023.
- (b) As Dr. Jimmy Gian is an existing Substantial Shareholder, the proposed allotment and issue of Settlement Shares to Dr. Jimmy Gian is also subject to specific Shareholders’ approval pursuant to Rule 812(1)(a) read with Rule 812(2) of the Catalist Rules. Pursuant to Rule 812(2) of the Catalist Rules, Dr. Jimmy Gian and his associates (as defined in the Catalist Rules) shall abstain from voting on the resolution in relation to the Proposed Settlement Shares Issuance.

5. **DIRECTORS’ CONFIRMATION FOR PROPOSED TRANSACTIONS**

5.1. The Directors are of the opinion that, as at the date of this Announcement, after taking into consideration:

- (a) the Group’s present bank facilities, the working capital available to the Group is not sufficient to meet its present requirements, and the Proposed Transactions are being undertaken for the reasons as disclosed in paragraphs 2.5 and 3.4 of this Announcement; and
- (b) the Group’s present bank facilities, the Net Proceeds arising from the Proposed Placement and the completion of Proposed Settlement Shares Issuance, the working capital available to the Group is sufficient to meet its present requirements, subject as provided below.

In the event Shareholders do not approve the Proposed Settlement Shares Issuance at the EGM, the Company will be obliged to pay the entire Second Tranche Earn-Out Amount in cash to Dr. Jimmy Gian in accordance with the terms of the ADG Acquisition which the Company currently contemplates will be funded through internal resources, including from the Net Proceeds to be raised from the Proposed Placement.

6. **PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS**

6.1. *The pro forma* financial effects of the Proposed Transactions on the Group’s NTA or NTL per

¹ Based on the Company’s market capitalisation of approximately S\$15,675,452 which is determined by multiplying the total number of issued shares of 7,464,501,108 Shares (as at the date of this Announcement) by S\$0.0021 being the volume weighted average price of such Shares transacted on 21 November 2023, being the last full market day on which there was trading in the Shares prior to the date on which the Placement Agreement was executed.

Share and 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 Transactions.

- 6.2. The financial effects of the Proposed Transactions are prepared based on the latest audited consolidated financial statements of the Group for FY2022 and the unaudited financial statement of the Group for HY2023.
- 6.3. For the purpose of illustrating the financial effects of the Proposed Transactions, the financial effects of the Proposed Transactions are computed based on, *inter alia*, the following assumptions:
- (a) the financial effects on the Group's NTL and NTL per Share are computed assuming that the Proposed Transactions were completed on 31 December 2022 and 30 June 2023;
 - (b) the financial effects on the Group's loss and LPS are computed assuming that the Proposed Transactions were completed on 1 January 2022 and 1 January 2023; and
 - (c) the expenses incurred by the Company in connection with the Proposed Transactions are approximately S\$60,000.

Share Capital

	As at 31 December 2022	As at 30 June 2023	After the Proposed Transactions
Number of Shares	6,893,072,508	7,464,501,108	8,014,501,108
Paid-up Capital (S\$)	234,229,829	236,229,829	237,329,829

NTL

	Before the Proposed Transactions	After the Proposed Transactions
(NTL) as at 31 December 2022 (S\$'000)	(6,436)	(5,396)
Number of Shares as at 31 December 2022 ('000)	6,893,073	7,443,073
(NTL) per Share as at 31 December 2022 (S\$)	(0.0009)	(0.0007)
(NTL) as at 30 June 2023 (S\$'000)	(8,521)	(7,481)
Number of Shares as at 30 June 2023 ('000)	7,464,501	8,014,501
(NTL) per Share as at 30 June 2023 (S\$)	(0.0011)	(0.0009)

LPS

	Before the Proposed Transactions	After the Proposed Transactions
Loss of the Group attributable to owners of the Company for FY2022 (S\$'000)	(8,541)	(8,601)

Weighted average number of Shares as at 31 December 2022 ('000)	6,750,607	7,300,607
LPS as at 31 December 2022 (S\$)	(0.0013)	(0.0012)
Loss of the Group attributable to owners of the Company for HY2023 (S\$'000)	(2,727)	(2,787)
Weighted average number of Shares as at 30 June 2023 ('000)	7,186,679	7,736,679
LPS as at 30 June 2023 (S\$)	(0.0004)	(0.0004)

7. ADDITIONAL LISTING CONFIRMATION

The Company (through its sponsor, PrimePartners Corporate Finance Pte. Ltd.) will be making an application to the SGX-ST for the listing and quotation of the Placement Shares and the Settlement Shares on the Catalist. The Company will make the necessary announcements in due course upon obtaining the Placement LQN and the Settlement Shares Issuance LQN from the SGX-ST.

8. CIRCULAR TO SHAREHOLDERS

The Company will convene the EGM in due course to seek the approval from the Shareholders, *inter alia*, for the Proposed Transactions. A circular, together with a notice of the EGM to be convened, will be despatched to the Shareholders in due course.

9. INTEREST OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 9.1. The effect to the shareholdings of the Directors, Substantial Shareholders, the Placees and Dr. Jimmy Gian immediately before and after Completion of the Proposed Transactions will be as follows:

	Before Proposed Transactions		After Proposed Transactions	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽²⁾
Directors				
Thomas Tan Gim Chua	1,698,721,462	22.757%	1,698,721,462	21.196%
Ng Fook Ai Victor	2,000,000	0.027%	2,000,000	0.025%
Sho Kian Hin	₍₃₎	₍₄₎	₍₃₎	₍₄₎
Substantial Shareholders (other than Directors)				
Chong Leong Fah Derrick	1,132,480,974	15.172%	1,132,480,974	14.130%
Gian Siong Lim Jimmy	418,977,778	5.613%	568,977,778	7.099%
Placees				
Quek Chin Thean	1,322,353,150	17.715%	1,472,353,150	18.371%
Lau Chee Heng	-	-	250,000,000	3.119%

Notes:

- (1) *Based on the Company's Existing Share Capital of 7,464,501,108 Shares before the Proposed Transactions.*
- (2) *Based on the Company's Enlarged Share Capital of 8,014,501,108 Shares after the Proposed Transactions.*
- (3) *Less than 1,000 Shares.*
- (4) *Less than 0.01%.*

9.2 Save as disclosed above in respect of Mr. Quek and Dr. Jimmy Gian, none of the Directors and Substantial Shareholders, other than in their respective capacity as Directors or Shareholders, has any interest, direct or indirect, in the Proposed Transactions.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Placement Agreement and Settlement 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 operating office of the Company at 130 Joo Seng Road, #02-02/03, Singapore 368357.

11. 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 Transactions, 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.

12. FURTHER INFORMATION

The Company will make the necessary follow-up announcements as and when required and/or as and when material developments on the Proposed Transactions.

13. CAUTION IN TRADING

Shareholders and potential investors of the Company should note that the Proposed Transactions 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 Transactions 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
30 November 2023

IMPORTANT NOTICE

Notification under Section 309B of the Securities and Futures Act 2001 of Singapore: The Placement Shares and Settlement Shares are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 and “Excluded Investment Products” (as defined in MAS Notice SFA 04- N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

*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