

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

THE PROPOSED TRANSACTION IN RESPECT OF THE DENTAL HUB GROUP

1. INTRODUCTION

- 1.1.** The Board of Directors ("**Directors**" or "**Board**") of Quantum Healthcare Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the holding announcement by its wholly owned subsidiary, QT Vascular Ltd.¹ on 16 June 2022 in relation to a potential transaction to acquire dental businesses.
- 1.2.** The Board is pleased to announce that it has on 3 October 2022, through its 60%-owned indirect subsidiary, The Dental Hub Pte. Ltd. ("**Purchaser**")², entered into a conditional business transfer agreement ("**BTA**") with the Vendors (as defined below) in respect of the following transactions (collectively, the "**Proposed Transaction**"):
- (a) the acquisition of the businesses of the Vendors (as defined below) (the "**Business**") including the transfer of Sale Assets (as defined in the BTA) in respect of the Business (the "**Proposed Transfer**"); and
 - (b) the proposed entry into a services agreement with each of the Related Clinics (as defined below) for the provision of certain clinic management services by the Purchaser to the Related Clinics ("**Clinic Management Services Agreement**"),
- (the Vendors and the Related Clinics are collectively referred to as the "**Dental Hub Group**").
- 1.3.** The Sale Assets to be transferred as part of the Business comprise, *inter alia*, the Goodwill, rights and benefits of and interests in the Contracts, certain Cash Balances, Receivables and Fixed Assets of the Vendors (each capitalised term as defined in the BTA), which shall be transferred to the Purchaser free from all encumbrances and as a going concern.
- 1.4.** The Proposed Transaction was entered into with the Vendors for a total cash consideration of S\$4,450,000 ("**Consideration**").

2. INFORMATION RELATING TO THE DENTAL HUB GROUP

Shareholders should note that information relating to the Dental Hub Group in this announcement was provided by the Vendors. The sole responsibility of the Directors has been to ensure that such

¹ Please refer to the announcement by QT Vascular Ltd. ("**QTV**") on 28 July 2022 in relation to the completion of the scheme of arrangement following which, *inter alia*, (i) QTV became a wholly owned subsidiary of the Company; (ii) the shares of QTV were delisted from the SGX-ST on 29 July 2022; and (iii) the trading of the shares of the Company on the SGX-ST commenced on 29 July 2022.

² The Purchaser is wholly owned by Asia Dental Group Pte. Ltd., which is 60% owned by the Company following the internal restructuring as announced by the Company on 8 September 2022. The remaining 40% is held by Dr. Gian Siong Lin Jimmy, the Group's Chief Operating Officer (Dental).

information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

- 2.1. The BTA was entered into with the following vendors (the "**Vendors**" and each a "**Vendor**"), and the Clinic Management Services Agreements are to be entered into with the following related clinics of the Vendors (the "**Related Clinics**" and each a "**Related Clinic**");

A. Vendors in the business of providing dental services ("Dental Clinics")			
	Vendor	Shareholders / shareholding % of Vendor	Operating Premises
1.	The Dental Hub@SG Pte. Ltd. (UEN 201132313D)	HSI Dental Pte. Ltd./ 70% Foong Siew Hong/ 15% Toh Teck Kiong, Ainsley/ 15%	The Dental Hub (Alexandra) 460 Alexandra Road #02-16 PSA Building Alexandra Retail Centre Singapore 119963
2.	84 INC Pte. Ltd. (UEN 201503721H)	HSI Dental Pte. Ltd./ 70% Foong Siew Hong/ 15% Toh Teck Kiong, Ainsley/ 15%	The Dental Hub (Bedok) 84 Bedok North Street 4 #01-07 Singapore 460084
3.	Dentaltrendz JP Pte. Ltd. (UEN 201529298R)	HSI Dental Pte. Ltd./ 70% Keith Alan Liew/ 30%	The Dental Hub (Boon Lay) 1 Jurong West Central 2 #01-16 (A&B) Jurong Point Shopping Centre Singapore 648886
4.	Crescent Dental Clinic Pte. Ltd. (UEN 200416895N)	HSI Dental Pte. Ltd./ 70% Keith Alan Liew/ 30%	The Dental Hub (Telok Blangah) 12 Telok Blangah Crescent #01-115 Singapore 090012
5.	L'ving Vine Dental Clinic Pte. Ltd. (UEN 200905791Z)	HSI Dental Pte. Ltd./ 70% Keith Alan Liew/ 30%	The Dental Hub (West Coast) 154 West Coast Road, #01-84/85 West Coast Plaza Singapore 127371
6.	NDC Consulting Pte. Ltd. (UEN 201128735H)	HSI Dental Pte. Ltd./ 70% Foong Siew Hong/ 15% Toh Teck Kiong, Ainsley/ 15%	The Dental Hub (Yew Tee) 21 Choa Chu Kang North 6 #B1-24 Yew Tee Point Singapore 689578
B. Vendors other than the Dental Clinics ("TDH Admin Co")			
7.	Dentaltrendz Pte. Ltd (UEN 200710404D)	HSI Dental Pte. Ltd./ 70% Keith Alan Liew/ 30%	NIL ³

The details of the Related Clinics are set out below:

Related Clinics		
Entity Details	Shareholders / shareholding % of Related Clinics	Operating Premises

³ The administrative personnel work from the various operating premises of the Dental Clinics and Related Clinics.

1.	Dover Dental Surgery Pte. Ltd. (UEN 201110546N)	HSI Dental Pte. Ltd. / 49% Keith Alan Liew/ 51%	The Dental Hub (Dover) 28 Dover Crescent, #01-87 Singapore 130028
2.	Trendz Dental Surgeons Pte. Ltd. (UEN 200806374C)	HSI Dental Pte. Ltd. / 49% Keith Alan Liew/ 51%	The Dental Hub (Jurong West) 762 Jurong West Street 75 #02-254 Gek Poh Shopping Centre Singapore 640762

The Vendors: Dental Clinics and TDH Admin Co

- 2.2. The Vendors are private companies limited by shares incorporated in Singapore. The Dental Clinics are in the business of providing dental services, and TDH Admin Co is in the business of providing human resources and administrative services to the Dental Hub Group.
- 2.3. The Vendors are 70% owned by HSI Dental Pte. Ltd., with the remaining shareholding being held by the respective party(ies) as described at Section 2.1 above. The Vendors, HSI Dental Pte. Ltd., and Healthsciences International Pte. Ltd.. are part of the New Silkroutes Group⁴, an investment holding company listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").
- 2.4. The Vendors presently operate six (6) clinic premises with five (5) resident dentists, namely Dr. Keith Alan Liew, Dr. Toh Teck Kiong Ainsley, Dr. Foong Siew Hong, Dr. Jeremy Ng, and Dr. Liane Tay, and is further supported by 21 full time and four (4) part time staff, including five (5) locum dentists.
- 2.5. As at the date of this announcement, the Vendors do not hold (directly or indirectly) any shares of the Company ("**Shares**") and is not related to and has no connection (including business relationships) with the Group, the Directors or controlling Shareholders of the Company, or their respective associates.
- 2.6. The Vendors were introduced by Dr. Gian Siong Lin Jimmy ("**Dr. Gian**"), the Group's Chief Operating Officer (Dental). The Group did not appoint any agent and no commission or introduction fee is payable by the Group for this Proposed Transaction.
- 2.7. Based on the Vendors' unaudited pro forma combined financial statements for the financial period from 1 July 2021 to 31 March 2022, the Vendors recorded net profit before and after tax of approximately S\$435,000 and S\$398,000 respectively, and net book value and net tangible assets ("**NTA**") of approximately S\$1,211,000 as at 31 March 2022.

⁴ As at 14 October 2021 (being the date that the annual report of New Silkroutes Group Limited for financial year ended 30 June 2021 was published on SGXNET), HSI Dental Pte. Ltd. is 100% owned by Healthsciences International Pte. Ltd., which is in turn 81.28% owned by New Silkroutes Capital Pte. Ltd.. New Silkroutes Capital Pte. Ltd. is 100% owned by New Silkroutes Group Limited.

Related Clinics

- 2.8.** The Related Clinics are affiliates of the Vendors, by reason of being under common control of Dr. Keith Alan Liew, the majority shareholder of the Related Clinics.
- 2.9.** Having considered, *inter alia*, that the ultimate shareholding structure of the Related Clinics is different from that of the Vendors (please refer to Section 2.1 for further details on the shareholding of each of the Related Clinics and the Vendors), the parties have decided to proceed on a contractual basis in relation to the Related Clinics as part of the Proposed Transaction instead, and to evaluate the possibility of an acquisition of the Related Clinics at an appropriate time. The Consideration for the Proposed Transaction takes into account the entry into the Clinic Management Services Agreement between the Purchaser and the Related Clinics, given that (i) the Clinic Management Services Agreements entail the provision of certain clinic services by the Purchaser to the Related Clinics, with the intention of providing an avenue for our Group to gain a better understanding of the Related Clinics' operations, processes and potential revenue growth, and to assess the suitability of integrating the Related Clinics with our Group, so as to allow our Group to evaluate the possibility of the acquisition of the Related Clinics or their businesses thereafter, (ii) the Clinic Management Services Agreements are structured to provide the Purchaser with the benefit of service fees calculated based on the revenue of the Related Clinics in exchange for the clinic services rendered by the Purchaser thereunder, (iii) the duration of each of the Clinic Management Services Agreements, while stated to be for an initial term of three (3) years, would be automatically renewed for subsequent term(s) of one (1) year each, until terminated by the Purchaser, and (iv) the proposed grant of an option by the Related Clinic to purchase the business of each of the Related Clinic for a consideration of S\$1 each, should the Purchaser decide to do so in the future after necessary evaluation as referred to above.
- 2.10.** Based on the Related Clinics' unaudited pro forma combined financial statements for the financial period from 1 July 2021 to 31 March 2022, the Related Clinics recorded profit before and after tax of approximately S\$151,000 and S\$131,000 respectively and the net book value and NTA of approximately \$36,000 as at 31 March 2022.

Valuation

- 2.11.** Based on the preliminary draft valuation to be issued by Vallaris Deal Advisory Pte Ltd ("**Valuer**"), an independent firm of professional valuers commissioned by the Company to conduct an independent valuation ("**Valuation**"), the indicative value of the Vendors based primarily on the market approach ranges between S\$4.9 million to S\$5.5 million as at 30 June 2021. This desktop Valuation was based on the latest unaudited financial statements of the Vendors (including the Sale Assets) as at 30 June 2021.
- 2.12.** The final valuation report will be issued by the Valuer prior to the completion of the Proposed Transaction ("**Completion**"). The Board does not expect any material difference between preliminary value and the final value of the Vendors.

3. PRINCIPAL TERMS OF THE BTA

3.1. Proposed Transfer of Business

The Proposed Transfer involves the transfer of the Business of the Vendors as a going concern comprising the Sale Assets (as defined in the BTA) which include, among others, certain contracts to be novated and all other property, rights and assets owned, used, enjoyed or exercised or intended to be used, enjoyed or exercised in connection with the Business of the Vendors free from encumbrances and with the intent that as from the Completion Date (as defined below), the Business of the Vendors shall be carried on by, and all the Sale Assets shall be held by the Purchaser.

3.2. Clinic Management Services Agreements

It is a term of the BTA that the Vendors shall on Completion, deliver executed copies of Clinic Management Services Agreement. Please refer to Section 2.9 for further details of the Clinic Management Services Agreements.

3.3. Consideration

The aggregate Consideration for the Proposed Transaction of S\$4,450,000 was arrived at after negotiations on an arm's length and a willing-buyer and willing-seller basis, and after taking into account the following quantitative factors such as:

- (a) the value of the business of the Vendors with reference to the unaudited pro forma combined gross revenue of S\$3,611,000 and profit before tax of S\$435,000 for the financial period from 1 July 2021 to 31 March 2022;
- (b) the Vendors' agreement to retain, as cash balances to be transferred to the Purchaser on Completion, the Minimum Net Working Capital⁵; and
- (c) the preliminary value of the Vendors with the Valuation ranging from S\$4.9 million to S\$5.5 million as at 30 June 2021, conducted on a market approach. Please see Section 2.11 above.

In addition to the above quantitative factors in arriving at the Consideration (which represents a premium of 267.6% over the NTA of the Vendors as at 31 March 2022), the Board took into consideration, the following factors as set out below:

- (i) the entry into the Clinic Management Services Agreement with each of the Related Clinics, as the Clinic Management Services Agreement would entitle the Purchaser to the benefit of service fees in consideration of the clinic services to be provided by the Purchaser under the Clinic Management Services Agreements. Please refer to Section 2.9 above for further details on the Clinic Management Services Agreement;
- (ii) the location of the operations of the Dental Hub Group, which are located in the western, central and eastern parts of Singapore, which will allow the Group to broaden its operations geographically;
- (iii) Dental Hub Group's background, long operating history (each of the Dental Clinics and the Related Clinics have been in operation for more than 6 years) and the track record and long-standing reputation of the Dental Hub Group in the dental services industry;

⁵ "Minimum Net Working Capital" as defined under the BTA means (i) in respect of each Dental Clinic or Related Clinic, a net working capital equivalent to at least two (2) months of rental and salaries (including Central Provident Fund and skill development levy payable but excluding overtime), and (ii) in respect of the Dental Clinics and the Related Clinics collectively, an aggregate amount that is equivalent to S\$193,200 less an amount equivalent to 10% of the bonus payments, being bonus payments to two (2) dentists of not more than S\$100,000 each.

- (iv) the broad customer base of the Dental Hub Group and the potential to capitalise on the same; and
- (v) the future prospects of the Dental Hub Group, with the potential to further expand the scope of dental procedures of the Dental Hub Group, offered through the expertise of Asia Dental Group Pte. Ltd., a 60%-owned subsidiary of the Company.

Leveraging on Dr. Gian's expertise and knowledge of Singapore's dental business segment and taking into consideration both the quantitative and qualitative factors, notwithstanding the premium of the Consideration over the NTA of the Vendors, the Board is of the view that the Consideration is reasonable.

Pursuant to the BTA and subject to the satisfaction (or waiver) of certain conditions stipulated therein, the Consideration shall be fully satisfied in cash by the Purchaser on Completion Date (as defined below).

The Company intends to fund a substantial portion of the Consideration by way of external financing to be obtained from a bank, on such terms and conditions acceptable to the Company in its absolute discretion. The Purchaser having obtained such external financing is a condition precedent for Completion. Please see Section 3.4 below.

3.4. Conditions Precedent

The Proposed Transaction is conditional upon, *inter alia*,

- (a) the Purchaser having completed its due diligence investigations in respect of each Vendor, and the results being satisfactory to the Purchaser in its absolute discretion;
- (b) the Purchaser having received documentary evidence (to its reasonable satisfaction) that consents have been obtained from the Vendors' landlord or head lessor (as the case may be) under the Leases (as defined under the BTA) for the sub-letting or transfer (as the case may be) of the Leases in respect of the Vendors' operating premises to the Purchaser;
- (c) the Dental Clinics and the Related Clinics having maintained the Minimum Net Working Capital and such sum being free from encumbrances;
- (d) the Purchaser having obtained the necessary financing from a bank for the Proposed Transaction on such terms and conditions acceptable to the Purchaser in its absolute discretion;
- (e) (if required) all regulatory approvals being obtained including but not limited to the approval of the SGX-ST for the transactions contemplated under the BTA and such other regulatory approvals as may be required by law or the Listing Manual of the SGX-ST, on such conditions are reasonably acceptable to the Purchaser and Vendors; and
- (f) (if required by law or under the Listing Manual of the SGX-ST), approval of the shareholders of New Silkroutes Group Limited approving the Proposed Transaction and such matters contemplated under the BTA.

Completion Date shall be the day falling three (3) business days from the date on which all conditions precedent are satisfied (or waived, as the case may be) (the “**Completion Date**”). In the event that any of the conditions precedent are not fully satisfied or waived by the Long-stop Date (which is defined as three (3) months from the date of the BTA (or such other date as the Purchaser and Vendors may mutually agree in writing), the BTA shall *ipso facto* lapse and cease to have further effect and no party shall have any claim against the other party, save for any antecedent breach of any provision of the BTA by any party.

3.5. Completion Deliverables

On Completion, the Vendors shall deliver or procure to be delivered to the Purchaser, *inter alia*:

- (a) in respect of the Related Clinics, duly executed copies of the Clinic Management Services Agreement by each of Dover Dental Surgery Pte. Ltd. and Trendz Dental Surgeons Pte. Ltd.; and
- (b) duly executed copies of the service agreements entered into by each of Dr. Toh Teck Kiong Ainsley and Dr. Keith Alan Liew with the Purchaser, on terms to be agreed between the Purchaser and each of Dr. Toh Teck Kiong Ainsley and Dr. Keith Alan Liew.

4. RATIONALE FOR THE PROPOSED TRANSACTION

- 4.1.** The Board believes that the Proposed Transaction, which entails an acquisition of the Business with profitable dental practices and the entry into Clinic Management Services Agreements with proven track records is in the best interests of the Company as it will support and strengthen the Company's investments and ventures in the healthcare business. Dr. Gian and his management team will manage and operate the Business and the Related Clinics (through the Clinic Management Services Agreements, for so long as they are in place) upon Completion.
- 4.2.** The Company intends to retain the working team of the Vendors comprising approximately 25 employees and to further expand the team to better support the operations of the Business. These employees include dental assistants, senior assistants, and executives.
- 4.3.** Following Completion, the Group will have a total of 13 clinics, 41 dentists and 71 staff under its dental services business segment held under the Asia Dental Group Pte. Ltd., and under the following brand names:
 - (a) Asia Dental Group;
 - (b) Eastern Dental Surgery Group; and
 - (c) The Dental Hub Group.

5. CHAPTER 10 OF THE CATALIST RULES

5.1. Relative Figures under Rule 1006 of the Listing Manual Section B: Rules of Catalist (the "Catalist Rules") of the SGX-ST

Based on the latest announced unaudited consolidated financial statements of the Group for the six months ended 30 June 2022 (“**HY2022**”), and the unaudited pro forma combined financial statements

of the Vendors for HY2022, the relative figures for the Proposed Transfer computed on the bases set out in Rule 1006 of the Catalist Rules are as follows:

Rule 1006	Bases of Calculation	Relative Figure
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable ⁽¹⁾
(b)	The net profits ⁽²⁾ attributable to the Proposed Transfer, compared with the Group's net losses	(8.2)% ⁽³⁾⁽⁴⁾
(c)	The aggregate value of the consideration given for the Proposed Transaction, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	12.9% ⁽⁵⁾
(d)	The number of equity securities to be issued by the Company as consideration for the Proposed Transfer, compared with the number of equity securities of the Company previously in issue	Not applicable ⁽⁶⁾
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the Group's probable and proved reserves	Not applicable ⁽⁷⁾

Notes:

- (1) Rule 1006(a) of the Catalist Rules is not applicable to an acquisition of assets.
- (2) Net profits are defined to be profit or loss before income tax, non-controlling interests and extraordinary items.
- (3) The Group's unaudited net loss before tax for HY2022 was S\$1,000,000. The unaudited pro forma combined net profit before tax for HY2022 attributable to the Proposed Transfer, based on the unaudited pro forma combined financial statements of the Vendors for HY2022, was approximately S\$82,000.
- (4) For illustration purposes only, the relative figure in respect of Rule 1006(b) would be (10.1)%, when calculated based on the Proposed Transaction in respect of the Dental Hub Group (i.e. comprising the Vendors and the Related Clinics). The unaudited pro forma combined net profit before tax for HY2022 attributable to the Proposed Transaction, based on the unaudited pro forma combined financial statements of the Dental Hub Group for HY2022 was approximately S\$101,000.
- (5) Computed based on the Consideration of S\$4,450,000 and the market capitalisation of the Company of approximately S\$34.47 million, which was determined by multiplying the number of Shares in issue of the Company of 6,893,072,508 by the weighted average price of such Shares transacted on 30 September 2022 (being the market day preceding the date of the BTA) of S\$0.005 per Share.
- (6) This basis is not applicable to the Proposed Transfer as no equity securities are to be issued as part of the consideration for the Proposed Transfer.
- (7) Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil and gas company.

As the relative figures computed based on Rule 1006 of the Catalist Rules involve negative figures which do not exceed 75% and the net profit attributable to the Vendors exceeds 5% of the consolidated net loss of the Company (taking into account only the absolute value), the Proposed Transfer falls

within Paragraph 4.4(b) of Practice Note 10A of the Catalist Rules, and constitutes a "disclosable transaction" under Rule 1010 of the Catalist Rules and is not subject to shareholders' approval under Rule 1014(2) of the Catalist Rules.

6. FINANCIAL EFFECTS OF THE PROPOSED TRANSFER

The financial information relating to the Vendors used for illustrating the financial effects of the Proposed Transfer as set out under this section was provided by the Vendors.

The unaudited pro forma financial effects of the Proposed Transfer on the net tangible liability ("**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 Transfer.

The pro forma financial effects of the Proposed Transfer set out below have been prepared based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2021 ("**FY2021**") and the unaudited pro forma combined financial statements of the Vendors for FY2021, as well as the following bases and assumptions:

- (a) the financial effects on the consolidated NTL per Share are computed based on the assumption that the Proposed Transfer had been completed on 31 December 2021;
- (b) the financial figures before the Proposed Transfer are converted to Singapore dollars at a conversion rate of US\$1: S\$1.34755;
- (c) the financial effects on the consolidated LPS are computed based on the assumption that the Proposed Transfer had been completed on 1 January 2021; and
- (d) expenses to be incurred in respect of the Proposed Transfer are estimated to be approximately S\$75,000.

6.1. NTL per Share

As at 31 December 2021	Before the Proposed Transfer	After the Proposed Transfer
NTL ⁽¹⁾ (S\$'000)	(2,591)	(1,445)
NTL per Share (S\$) ⁽²⁾	(0.0010)	(0.0006)

Notes:

- (1) NTL is calculated based on total assets less the sum of total liabilities and intangible assets.
- (2) Based on 2,559,739,174 ordinary shares in issue as at 31 December 2021.

6.2. LPS

FY2021	Before the Proposed Transfer	After the Proposed Transfer
Net loss attributable to the shareholders of the Company (S\$'000)	(5,273)	(4,850)

Weighted average number of shares ('000)	2,259,787	2,259,787
LPS (S\$)	(0.0023)	(0.0021)

7. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS

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

	Number of Shares		
	Direct	Deemed	%(1)
Directors			
Thomas Tan Gim Chua	1,671,296,804	27,424,658	24.65
Ng Fook Ai Victor	2,000,000	-	0.03
Sho Kian Hin	-(2)	-	-(3)
Controlling shareholders			
Quek Chin Thean	1,302,353,150	-	18.89
Chong Leong Fah Derrick	1,132,480,974	-	16.43

Note:

- (1) Based on the Company's issued and paid-up share capital of 6,893,072,508 shares.
(2) Less than 1,000 shares.
(3) Less than 0.01%.

8. SERVICE CONTRACTS

As at the date of this announcement, no person is proposed to be appointed as a director of the Company in connection with the Proposed Transaction. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

9. NON-COMPETE RESTRICTIONS ON THE VENDORS

- 9.1. In order to protect the Purchaser's investment in the Business, the Vendors undertake that each of them will not, and shall procure that no other Affiliate⁶ and no director of any Affiliate which is a corporation shall, in any Relevant Capacity ("**Prohibited Person**") during the Prohibited Period⁷:

⁶ "**Affiliate**" (as defined under the BTA) means, in relation to any person, any other person that directly or indirectly through one or more intermediaries controls or is controlled by, or is under common control with, that first-mentioned person and where such person is an individual, the expression "Affiliate" shall include the spouse, children, siblings and parents of such individual.

⁷ For the purposes of the BTA, (i) "**Prohibited Period**" means the period commencing on the calendar day immediately following the date of the BTA and ending on the third anniversary of the Completion Date; and (ii) "**Relevant Capacity**" means directly or indirectly, whether itself or together with any other person, firm or company (other than the Purchaser or its subsidiaries) or in any other manner and whether through the medium of any company controlled by it or as principal, owner, investor, partner, director, employee, consultant or agent.

- (a) carry on in, or be engaged, concerned or interested in any business or activity which is same or similar to the Prohibited Business or competes with the Prohibited Business in any of the Prohibited Territories;⁸
 - (b) canvass, solicit or entice away, in competition with the Prohibited Business, the custom of any person who has within three (3) years prior to the date of the BTA been a customer, supplier or partner of any of the Vendors; and
 - (c) induce or seek to induce any person which is an employee of any of the Vendors to become employed, whether as employee, consultant or otherwise, by such Prohibited Person.
- 9.2.** The aforementioned undertaking does not apply to any Prohibited Person with respect to any holding of or trading in: (i) less than 5 per cent. of the outstanding share capital of a company the shares of which are listed on any stock exchange; or (ii) any participation interests in any collective investment fund managed by an independent professional fund manager.
- 9.3.** The aforementioned undertaking would also not apply to the following businesses carried on by the Vendors and their Affiliates:
- (a) prior to Completion, the business carried out by any of the Dental Clinics;
 - (b) the conduct of an orthodontic specialist clinic by Orange Orthodontics and Dentofacial Orthopaedics Pte. Ltd.; and
 - (c) the conduct of the sale of dental and medical supplies by Wren Dental and Medical Supplies Pte. Ltd..

10. FURTHER INFORMATION

The Company will make the necessary follow-up announcements as and when required and/or as and when material developments arise in respect of the Proposed Transaction.

11. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the BTA is available for inspection at the Company's registered office at 8 Temasek Boulevard, Level 42, Suntec Tower Three, Singapore 038988 for a period of three (3) months from the date of this announcement.

A copy of the final valuation report referred to in Section 2.12 will be made available for inspection at the Company's registered office at 8 Temasek Boulevard, Level 42, Suntec Tower Three, Singapore 038988 for a period of three (3) months from the Completion Date.

12. CAUTION IN TRADING

⁸ For the purposes of the BTA, (i) "**Prohibited Business**" means the business carried out by any of the Dental Clinics as at the date of the BTA; and (ii) "**Prohibited Territories**" means Singapore and such other jurisdictions as the Purchaser and its subsidiaries may conduct its operations.

Shareholders and potential investors of the Company should note that the Proposed Transaction is subject to the fulfilment of certain conditions 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 Transaction 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.

13. 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 Transaction, the Company and its subsidiaries, 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, that such information is accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

By Order of the Board

QUANTUM HEALTHCARE LIMITED

Thomas Tan Gim Chua

Chief Executive Officer and Executive Director

3 October 2022

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.