

**PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF
TENGRI COAL AND ENERGY PTE. LIMITED**

1. INTRODUCTION

The Board of Directors of QT Vascular Ltd (the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to announce that the Company had, on 21 August 2020, entered into a conditional sale and purchase agreement ("**SPA**") with Phoenix Capital Enterprises Ltd (the "**Vendor**" and together with the Company, the "**Parties**"), pursuant to which the Company, upon completion of the Proposed Acquisition (as defined hereinafter), will acquire the entire issued and paid-up share capital ("**Sale Shares**") of Tengri Coal and Energy Pte. Limited (the "**Target**" and together with its subsidiaries, the "**Target Group**") ("**Proposed Acquisition**").

The Proposed Acquisition, if completed, is expected to result in a reverse takeover of the Company pursuant to Rule 1015 of Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Catalist Rules**", together with the rules of the Mainboard of SGX-ST ("**Mainboard Rules**"), the "**Listing Rules**"). Accordingly, the Proposed Acquisition is subject, *inter alia*, to the approval of the SGX-ST and the shareholders of the Company ("**Shareholders**") at an extraordinary general meeting (the "**EGM**") of the Company to be convened pursuant to Rule 1015 of the Catalist Rules.

The Proposed Acquisition, Compliance Placement (as defined hereinunder), Mainboard Transfer (as defined hereinunder), Whitewash Resolution (as defined hereinunder) and such other matters as may be agreed between the Parties in connection therewith shall hereinafter be referred to as the "**Transactions**".

2. INFORMATION RELATING TO THE TARGET GROUP AND THE VENDOR

2.1 Information on the Target Group

The Target is a private company incorporated in Singapore on 16 March 2011. The Target has an issued and paid-up share capital of US\$910,001 comprising of 910,001 ordinary shares. The Target's entire issued and paid-up share capital is legally and beneficially owned by the Vendor. The Target owns the entire issued and paid-up share capital of Tengri Petrochemicals LLC ("**Tengri Petrochemicals**"), which in turn owns the entire issued and paid-up share capital of Tsaidam Energy LLC ("**Tsaidam Energy**"). Tengri Petrochemicals and Tsaidam Energy are operating entities of the Target Group.

Tengri Petrochemicals, a limited liability company incorporated in Mongolia, has a registered capital of MNT 123 million and holds mining licences issued to mine coal deposits in Bayan soum, Tuv province, Mongolia. Tsaidam Energy, a limited liability company incorporated in Mongolia, has a registered capital of MNT 1 million and holds licences for the construction of power plants and energy facilities in Mongolia.

Based on the Target Group's unaudited consolidated financial statements as at 31 December 2019, the Target Group recorded (i) net losses before tax of approximately US\$516,000 for the financial

year ended 31 December 2019; (ii) net liabilities attributable to shareholders of approximately US\$2,202,000 as at 31 December 2019; and (iii) net tangible liability value of approximately US\$2,327,000 as at 31 December 2019.

The financial statements of the Target Group have not taken into account the actual valuation of the assets of the Target which will be based on an independent valuation of the assets of the Target to be commissioned and completed prior to the EGM. For a summary of the key financial information of the Target Group for the last two (2) financial years ended 31 December ("FY") and the pro forma financial information of the enlarged Group, please refer to **Appendix A** of this Announcement.

2.2 Information on the Target Business Model, Assets and Valuation

The Target plans to build and operate an electricity supply business in Mongolia. The independent valuation of the assets of the Target to be commissioned will take into account the following:

- (a) all permits and licences to mine half a billion tonnes of coal positioned in the middle of Mongolia near major infrastructure based on an international standard NI-43-101 peer-reviewed competent-persons-report detailing the coal asset quantity and quality;
- (b) all designs, permits and licences to build and operate a world class 600MW coal fired power plant;
- (c) all designs, permits and licences to build and operate the required electricity transmission infrastructure;
- (d) executed agreements with a Chinese State Owned Enterprise to build a state of the art power plant which will also provide 85% debt-financing for the construction of the power plant. The Target has also signed an agreement with a New York Venture Capital Firm to provide the remaining funding for, amongst others, the remaining 15% financing requirements for the construction of the power plant; and
- (e) 25 year off-take agreements for all of the 600MW of generated power (half for the Mongolian Government and, subject to compliance with the requirements for interested person transactions (as defined under the Listing Rules), half for an industrial minerals processing project owned by the Vendor).

2.3 Information on the Vendor

The Vendor is an investment holding company incorporated in the British Virgin Islands on 23 June 2016.

Mr. Philip Moynagh ("**Mr. Moynagh**"), the Target Group's chief executive officer, is responsible for building and executing the strategic and operational plans of the Target Group. Most of Mr. Moynagh's 30 year career was with Intel Corporation in the US, Europe and Asia, taking on roles including Vice President, Director and General Manager of Intel Corporation. Mr. Moynagh was involved in various business functions, which ranged from building silicon and software platforms for the Internet of Things, to leading multi-billion dollar silicon chip factories. He has received many awards, including the "Silicon Valley Top 50" from Irish Technology Leadership Group, "IoT Top 10" from Silicon Republic, "The Innovation Award" from the Irish Exporters Association, and "The TCD Alumni Award" from the Trinity College Dublin. Further details of the Target Group and the Vendor will be included in the circular ("**Circular**") to be despatched to the Shareholders in due course.

As at the date of this Announcement, each of the Vendor and its beneficial owners do not hold (directly or indirectly) any shares in the share capital of the Company ("**Shares**") and are 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.

3. DETAILS OF THE PROPOSED ACQUISITION

3.1. Sale and Purchase

Pursuant to the SPA, the Vendor shall sell to the Company, and the Company shall acquire from the Vendor the Sale Shares free from all encumbrances and together with all rights, benefits and entitlements attaching thereto as at the Completion Date (as defined hereinunder) for an aggregate consideration of S\$1 billion ("**Consideration**").

3.2. Consideration

The Consideration was agreed after arm's length negotiations on a willing buyer willing seller basis, taking into account the assets owned by the Target Group including its power plant licence, offtake agreements and indicated and inferred mineral resources. The Consideration shall be adjusted based on the valuation of the Target Group and assets held by the Target Group as set out in an independent valuation report to be prepared in accordance with the Listing Rules by an internationally reputable independent firm of professional valuers to be commissioned by the Company ("**Independent Valuation Report**") in the event that such valuation is less than S\$1 billion. The parties have also agreed that the shell company value ascribed to the Company shall be S\$12 million at all times.

The Independent Valuation Report will be set out in the Circular containing, amongst others, the terms of the Proposed Acquisition, to be despatched by the Company to the Shareholders in due course.

3.3. Payment of the Consideration

The Consideration shall be payable by the Company to the Vendor as follows:

- (a) payment of such amount as mutually agreed between the Company and the Vendor in cash as non-refundable deposit to the Target ("**Deposit**"), which amount shall be utilised by the Target for purposes of capital expenditure, working capital and payment of costs and expenses in relation to the Proposed Acquisition and shall be deemed received by the Vendor as part of the Consideration; and
- (b) the balance Consideration to be satisfied by the issuance at Completion of such number of new Shares ("**Consideration Shares**") to be allotted and issued to the Vendor to be computed based on the formula set out below:

$$\text{Number of Consideration Shares} = \frac{\text{Consideration} - \text{Deposit}}{\text{Issue Price}}$$

$$\text{Issue Price} = \frac{\text{S\$12,000,000}}{\text{Total number of Shares in issue immediately preceding the Completion Date (as defined hereinunder)}}$$

For purposes of illustration in this Announcement, it is assumed that the Deposit is zero and the Consideration shall be fully satisfied by the issuance and allotment of 186,272,625,000 Consideration Shares ("**Illustrative Consideration Shares**") to the Vendor at an issue price of approximately S\$0.00537 per Illustrative Consideration Share ("**Illustrative Issue Price**") based on the current total number of Shares in issue of 2,235,271,500 Shares.

The Illustrative Issue Price represents a discount of approximately 10.5% from the Company's last traded price per share of S\$0.006 on 20 August 2020, being the last market day prior to the signing of the SPA.

Holders of Shares as at a book closure date to be determined prior to the completion of the Proposed Acquisition ("**Pre-Completion Shareholders**") are also entitled to (i) the net proceeds of corporate action(s) pursuant to paragraph 3.4(a) after deduction of all costs, expenses and taxes payable and (ii) future proceeds arising from disposal of the drug coated peripheral product, Chocolate Touch®, as approved by Shareholders on 28 July 2020 which may include royalty payments of up to US\$16.1 million and/or future sales proceeds from sale of the Chocolate Touch® asset by G Vascular Private Limited, after deduction of all costs, expenses and taxes payable ("**Additional Considerations**"). For the avoidance of doubt, the Additional Considerations are reserved only for Pre-Completion Shareholders.

3.4. Conditions Precedent

Completion of the Proposed Acquisition ("**Completion**") is conditional on the fulfilment (or waiver, as the case may be) of certain terms common to agreements of transactions of such nature, including, *inter alia*, the following conditions precedents ("**Conditions Precedent**"):

(a) Completion of the Disposal

The Company shall dispose all its existing assets and liabilities in the manner agreed between the Vendor and the Company and consistent with existing contractual obligations of the Purchaser Group (including but not limited to their obligations vis-à-vis G Vascular Private Limited, Medtronic, Inc. and Teleflex Inc.) so as to avail itself as a shell company for purpose of the Proposed Acquisition ("**Disposal**").

(b) Compliance Placement

The Compliance Placement (as defined hereinunder) (including identification of the placement agent), being finalised on terms agreed between the Company and the Vendor within three (3) months from the date of the SPA.

(c) Satisfactory due diligence by the Company on the Target Group

Completion is conditional on the outcome of the due diligence (whether legal, financial, tax, commercial, technical and environmental or otherwise) carried out by the Company and its advisers in respect of the Target Group being reasonably satisfactory to the Company and its advisers.

(d) Satisfactory due diligence by the Vendor on the Company

Completion is conditional on the outcome of the due diligence (whether legal, financial, tax, commercial, technical and environmental or otherwise) carried out by the Vendor in respect of the Company being reasonably satisfactory to the Vendor.

(e) Entry into a Deed of Warranties

The Parties having entered into a deed of warranties in relation to the Target Group and the Group addressing findings of the Parties in their respective due diligence exercises in such form and substance agreed between the Vendor and the Company.

(f) Independent Valuation Report and the Qualified Person's Report

The Independent Valuation Report and the report prepared by a qualified person (as defined under the Listing Rules) being in compliance with the Listing Rules and in such form and substance reasonably acceptable to the Parties.

(g) Shareholders' Approval

The requisite approval of the Shareholders having been obtained by the Company for the Transactions, including a waiver of the rights of the independent Shareholders to receive a mandatory general offer from the Vendor and parties acting in concert with it under the Singapore Code on Take-overs and Mergers ("**Takeover Code**") ("**Vendor Concert Group**") at an extraordinary general meeting ("**Whitewash Resolution**").

(h) SGX-ST Approval

The approval of the SGX-ST being obtained in respect of the Transactions (including pre-clearance from the SGX-ST on material issues in connection with the Transactions being obtained within three (3) months from the date of the SPA) and if such approval is subject to conditions, such conditions being reasonably acceptable to the Parties and if required by the SGX-ST, such conditions being fulfilled or satisfied on or before Completion, and such approval remaining in full force and effect.

(i) Waiver from the Securities Industry Council of Singapore ("**SIC**")

The SIC having granted the Vendor Concert Group, and such grant remaining in full force and effect, a waiver of their obligation to make a mandatory offer under Rule 14 of the Takeover Code for the Shares not owned or controlled by the Vendor Concert Group and from having to comply with the requirements of Rule 14 of the Takeover Code, subject to the passing of a Whitewash Resolution and such other conditions that the SIC may impose which are reasonably acceptable to the Parties, and to the extent that any such conditions are required to be fulfilled or satisfied on or before Completion, they are so fulfilled.

(j) Regulatory Approval

All approvals, filings, exemptions or waivers by regulatory authorities and bodies (if required) in relation to the SPA and the Transactions, having been obtained or made on terms reasonably acceptable to the Parties, and all such approvals and filings remaining in full force and effect on the Completion Date (as defined hereinunder).

(k) Listing on the SGX-ST

The Shares remaining listed on the SGX-ST and not having been halted or suspended from trading for a period of more than 30 business days in aggregate unless in circumstances where such trading halt or suspension is in connection with the SPA.

(l) No Material Adverse Change

There not having been at any time on or before the Completion Date (as defined hereinafter), any material adverse change or events, acts or omissions likely to lead to such material adverse change, in the assets, prospects, performance, financial position or results of the operations of the Target Group (as determined by the Company in its reasonable discretion).

(m) Representations, Undertakings and Warranties

All representations, undertakings and warranties of the Parties under the SPA being complied with, and remaining true, accurate and correct in all material respects as at Completion.

(n) Third Party Consents

All necessary approvals, consents or waivers by contracting third parties of the Target Group in relation to Transactions (to the extent such approvals, consents or waivers are material in the context of the Transactions) being obtained or made on terms reasonably acceptable to the Parties, and all such approvals, consents or waivers remaining in full force and effect on the Completion Date (as defined hereinafter).

3.5. Completion

Completion shall occur on a date falling no later than five (5) business days after all the Conditions Precedent are fulfilled or waived, as the case may be, or such other date as the Vendor and the Company may agree in writing ("**Completion Date**"), but in any event such date shall not be later than the Long-Stop Date (as defined hereinafter).

3.6. Long-Stop Date

The long-stop date for the Proposed Acquisition is the date that falls six (6) calendar months from the date of the SPA, or such other date as may be agreed by the Parties in writing ("**Long-Stop Date**"). The SPA shall terminate automatically if any or all of the Conditions Precedent have not been fulfilled or waived on or before the relevant due date set out in paragraphs 3.4(b) and 3.4(h) of this Announcement, or the Long-Stop Date (as the case may be).

3.7. Other Salient Terms of the SPA

(a) Compliance Placement

In the event that the transactions contemplated under the SPA result in the percentage of Shares held in the public's hands to fall below the minimum public float requirements set out in the Listing Rules, the Parties shall discuss and evaluate such appropriate steps

required to meet such free float requirements, including without limitation the carrying out of a placement of new Shares ("**Compliance Placement**").

(b) Issuance of TEC Shares to the Company upon Termination of the SPA

The SPA may be terminated at any time prior to Completion:

- (i) by either the Company or the Vendor, if the resolutions in respect of the Transactions are not approved by the requisite majorities of Shareholders at the EGM;
- (ii) by either the Company or the Vendor in accordance with the SPA, if either party is in material breach of any provision of the SPA; and
- (iii) if any or all of the Conditions Precedent have not been fulfilled or waived by the relevant due date set out in paragraphs 3.4(b) and 3.4(h) of this Announcement, or the Long-Stop Date (as the case may be).

In the event of a termination of the SPA, the Vendor shall procure that such number of new ordinary shares in the capital of the Target ("**TEC Shares**") to be computed based on the formula set out below, is allotted and issued to the Company:

$$\text{Number of TEC Shares} = \frac{A}{B}$$

Where:

"**A**" is the amount equal to the Deposit; and

"**B**" is the issue price per TEC Share, on the basis that 100% of the TEC Shares represents the valuation of the Target Group and assets held by the Target Group as set out in the Independent Valuation Report.

3.8. **Whitewash Waiver**

As the Vendor will own more than 30% of the Shares of the Company upon Completion, the Vendor will be required, under Rule 14 of the Takeover Code, to make a general offer for the remaining Shares not owned or controlled by the Vendor Concert Group except where the SIC grants them a waiver of their obligation to make a general offer under Rule 14 of the Takeover Code.

3.9. **Moratorium**

In connection with the Proposed Acquisition, the Vendor undertakes to the Company that it shall, and shall procure its controlling shareholder to, execute the necessary moratorium undertakings in respect of the Consideration Shares and the shares in the Vendor (as the case may be) to comply with the requirements of the Listing Rules.

4. **RATIONALE FOR THE PROPOSED ACQUISITION**

The Company is proposing to undertake the Proposed Acquisition, pursuant to which the Target Group will be injected into the Company. The Board of Directors is of the view that the Proposed Acquisition is in the best interests of the Shareholders as it provides the Company with an opportunity to venture into a new business area in the coal and energy industry in Mongolia that has

potential for growth and with a significant potential upside. The Proposed Acquisition is expected to give the Company a new lease of life and would have the potential to increase the market capitalisation of the Company, which would potentially widen its investor base and lead to an overall improvement in investors' interest and trading.

5. TRANSFER TO MAINBOARD OF SGX-ST

As it is likely that the Target Group may satisfy the eligibility requirements for Mainboard listings on the SGX-ST, the Company intends to seek a transfer of the listing of the Company from the Catalist Board of SGX-ST to the Mainboard of SGX-ST concurrent with Completion ("**Proposed Mainboard Transfer**").

6. PROPOSED SHARE CONSOLIDATION

In conjunction with the Proposed Acquisition and the Proposed Mainboard Transfer and subject to Shareholders' approval being obtained, the Company proposes to undertake a share consolidation exercise ("**Proposed Share Consolidation**") based on such ratio as may be mutually agreed between the Company and the Vendor, if necessary, to allow the Company to comply with the requirement of the Mainboard Rules for a minimum issue price of S\$0.50 under Rule 1015(3)(d) of the Mainboard Rules. The details of the Proposed Share Consolidation will be set out in the Circular to be despatched to Shareholders in due course.

7. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES IN RELATION TO THE PROPOSED ACQUISITION

The Proposed Acquisition is governed by the rules in Chapter 10 of the Catalist Rules. Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2019 ("**FY2019**") and the unaudited consolidated financial statements of the Target Group for FY2019, the relative figures of the Proposed Acquisition computed on the bases set out in Rules 1006(a) to (e) of the Catalist Rules are as follows:

Rule 1006	Bases of Calculation	Relative Figure (%)
(a)	Net asset value of the assets to be disposed of, compared with the group's net asset value.	Not applicable ⁽¹⁾
(b)	Net losses attributable to the assets acquired, compared with the Group's net losses	5.35%
(c)	Aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	7456.2% ⁽²⁾
(d)	The number of equity securities issued by the Company as consideration for the Proposed Acquisition compared with the number of equity securities previously in issue	8333.3% ⁽³⁾
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets	Not applicable ⁽⁴⁾

Notes:

- (1) Rule 1006(a) of the Catalist Rules is not applicable to an acquisition of assets.
- (2) Based on the aggregate consideration of S\$1 billion.

Under Rule 1002(5) of the Catalist Rules, "market capitalisation" is determined by multiplying the number of shares in issue by the weighted average price of such shares transacted on the market day preceding the date of the SPA. Accordingly, the market capitalisation of the Company is based on 2,235,271,500 shares in issue and the weighted average price of S\$0.006 of the shares transacted on 20 August 2020, being the last market day preceding the date of the SPA that the shares were traded. The market capitalisation of the Company for the purposes of the Proposed Acquisition is S\$13,411,629.

- (3) Derived by comparing the 186,272,625,000 Illustrative Consideration Shares to be issued and allotted at the Illustrative Issue Price per Illustrative Consideration Share upon Completion against the Shares in issue.
- (4) Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil and gas company and this is a Proposed Acquisition.

As the relative figures under Rules 1006(c) and 1006(d) of the Catalist Rules exceed 100% and given that the control of the Company will change upon issuance of the Consideration Shares, the Proposed Acquisition constitutes a "Reverse Takeover" as defined in Rule 1015 of the Catalist Rules. Accordingly, the Proposed Acquisition shall be conditional upon, *inter alia*, the approval of the Shareholders and the approval of the SGX-ST being obtained pursuant to Rule 1015 of the Catalist Rules.

8. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The financial information relating to the Target Group used for the illustrating the financial effects of the Proposed Acquisition as set out under this paragraph was provided by the Vendor.

The *pro forma* financial effects of the Proposed Acquisition on the net tangible assets ("**NTA**") or net tangible loss ("**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 enlarged Group following Completion.

The financial effects of the Proposed Acquisition are prepared based on the audited consolidated financial statements of the Group for FY2019, the unaudited consolidated financial statements of the Target Group for FY2019 and the following assumptions:

- (i) the Group's *pro forma* NTL is computed assuming that the Proposed Acquisition was completed on 31 December 2019;
- (ii) the Group's *pro forma* losses and LPS are computed assuming that the Proposed Acquisition was completed on 1 January 2019;
- (iii) the Target Group and the Group have no outstanding securities or debt convertible into shares as at Completion;
- (iv) the fair value adjustments on the net assets of the Group and goodwill arising from the Proposed Acquisition, if any, have not been considered for the purpose of computing the financial effects of the Proposed Acquisition and will be determined on the Completion Date when the Vendor has effectively obtained control of the Company. As the final goodwill will

have to be determined at Completion and upon the full completion of a purchase price allocation exercise, the actual goodwill could be materially different from the aforementioned assumption. Any goodwill arising thereon from the Proposed Acquisition will be accounted for in accordance with the accounting policies of the Company;

- (v) no adjustments have been made to account for the different accounting standards of the Group and the Target Group;
- (vi) the Illustrative Issue Price per Consideration Share is approximately S\$0.00537;
- (vii) effects of any corporate actions to be undertaken by the Company prior to Completion, including but not limited to, the Disposal are disregarded for the purpose of illustration under this section;
- (viii) expenses in connection with the Proposed Transactions are disregarded for the purposes of calculating the financial effects;
- (ix) effects of the Proposed Share Consolidation and the post-Compliance Placement (if required) are disregarded for the purposes of illustration under this section; and
- (x) the analysis does not take into account the outstanding employee share options of the Company.

8.1 Financial Effects of the Proposed Acquisition on the Group's NTA/(NTL)

	NTA/(NTL) as at 31 December 2019 US\$'000	Number of issued and paid-up Shares '000	NTA/(NTL) per Share US\$
As at 31 December 2019	228	2,235,272	0.0001
After Proposed Acquisition	(823)	188,507,897	(0.000004)

8.2 Financial Effects of the Proposed Acquisition on the Group's Losses and LPS

	Net Losses of the Group US\$'000	Weighted average number of Shares (excluding treasury shares) '000	Net LPS US\$
FY2019	9,643	2,171,181	0.00444
After Proposed Acquisition	10,159	188,443,806	0.00005

9. FINANCIAL ADVISER AND INDEPENDENT FINANCIAL ADVISER

The Company will appoint (a) a financial adviser ("FA") with respect to the Proposed Acquisition; and (b) an independent financial adviser ("IFA") to advise the independent Directors in relation to the Whitewash Resolution in due course. The Company will make further announcements in relation to the appointment of the FA and the IFA as and when appropriate. The advice of the IFA will be set out in the Circular to be despatched to the Shareholders in due course.

10. SERVICE AGREEMENT

It is envisaged that the Company shall, upon Completion, enter into service contracts on terms acceptable to the Company with certain key management of the Target Group (including the appointment of Mr. Moynagh as Chief Executive Officer of the Target Group), the details of which will be disclosed in the Circular. As at the date of this Announcement, the Company has not entered into any service contract with any key management of the Target Group in connection with the Proposed Acquisition.

It is also envisaged that the Company shall, upon Completion, effect changes to the composition of the Board of Directors, the details of which will be disclosed the Circular.

11. INTEREST OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors, other than in their respective capacity as Directors or Shareholders of the Company, and controlling Shareholders of the Company, has any interest, direct or indirect, in the Proposed Acquisition.

12. 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 Acquisition.

13. EXTRAORDINARY GENERAL MEETING

The Circular containing, *inter alia*, details of the Proposed Acquisition and such other transactions in connection with and/or incidental to the Proposed Acquisition, together with the notice of extraordinary general meeting, will be despatched to the Shareholders in due course.

14. DOCUMENTS FOR INSPECTION

A copy of the SPA will be made available for inspection during normal business hours at the registered office of the Company at 3A International Business Park #09-12 ICON@IBP Tower B Singapore 609935 for three (3) months from the date of this Announcement.

Shareholders who wish to inspect these documents at the registered office of the Company are required to send an email request to ktong@tirememedical.com to make an appointment in advance. The Company will arrange a date when each shareholder can come to the registered office to inspect the documents accordingly. The inspection of documents will be arranged with each shareholder to limit the number of people who are present at the registered office at any one point in time and such arrangements are subject to the prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be implemented by the relevant authorities from time to time.

15. CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their Shares as the Proposed Acquisition is subject to several conditions and there is no certainty or assurance as at the date of this Announcement that the Proposed Acquisition will be completed. The Company will make the necessary announcements when there are further developments on the Proposed Acquisition.

Shareholders are advised to read this Announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

16. RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of the preparation of this Announcement) collectively and individually accept full responsibility for the accuracy of the information given in this Announcement (save for information relating to the Vendor and the Target Group) 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 Acquisition, 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.

Shareholders should note that information relating to the Vendor and the Target Group in this Announcement was provided by the Vendor. The Company and the Directors have not independently verified the accuracy and correctness of such information herein. 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.

By Order of the Board
QT VASCULAR LTD.

Eitan Konstantino
Chief Executive Officer
21 August 2020

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**") for compliance in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

This announcement has not been examined or approved by the SGX-ST. The SGX-ST 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 Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).

APPENDIX A

Financial Information of the Target Group for the Past Two (2) Years

A summary of the audited consolidated income statement and balance sheet of the Target Group for the financial year ended 31 December 2018 ("**FY2018**") and the unaudited consolidated income statement and balance sheet of the Target Group for FY2019, are set out below.

(a) Summary of Consolidated Income Statement of the Target Group for FY2018 and FY2019

	Audited	Unaudited
US\$'000	FY2018	FY2019
Revenue	-	-
Net losses before tax	(149)	(516)

(b) Summary of Consolidated Balance Sheet of the Target Group for FY2018 and FY2019

	Audited	Unaudited
US\$'000	FY2018	FY2019
Current assets	_*	_*
Non-current assets	133	126
Total assets	133	126
Current liabilities	1,639	2,327
Total liabilities	1,639	2,327
Net liabilities attributable to shareholders	(1,506)	(2,202)

* denotes amounts less than US\$1,000

PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

A summary of the unaudited combined *pro forma* financial information of the enlarged Group for the financial year ended 31 December 2019 has been prepared for illustrative purposes only and is based on the audited consolidated financial statements of the Group for FY2019 and the unaudited consolidated financial statements of the Target Group for FY2019, and the assumptions set out under paragraph 8 of this Announcement.

Pro Forma Income Statement

US\$ ('000)	Unaudited FY2019
Revenue	7,954
Gross profit	316
Loss after tax	(10,159)

Pro Forma Balance Sheet

US\$ ('000)	Unaudited FY2019
Current assets	1,504
Non-current assets	739,639
Total assets	741,143
Current liabilities	2,327
Total liabilities	2,327
Net assets attributable to shareholders	738,816
Net tangible liabilities attributable to shareholders	(823)