

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

- (1) PROPOSED ACQUISITION OF 60% OF THE HEALTHCARE GROUP;
 - (2) PROPOSED DIVERSIFICATION INTO THE NEW BUSINESS;
 - (3) PROPOSED ALLOTMENT AND ISSUE OF 4,055,555,556 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY TO THE INVESTORS PURSUANT TO THE PROPOSED SUBSCRIPTION AT AN ISSUE PRICE OF S\$0.0018 PER SUBSCRIPTION SHARE;
 - (4) PROPOSED TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO THE INVESTORS; AND
 - (5) PROPOSED DISTRIBUTION
- COMPLETION OF THE ACQUISITION AND THE SUBSCRIPTION
-

1. INTRODUCTION

- 1.1 The Board of Directors (“**Directors**” or “**Board**”) of QT Vascular Ltd. (“**Company**”) refers to the announcements made by the Company on 25 May 2021, 18 November 2021, 19 November 2021, 30 November 2021, 2 December 2021, 16 December 2021, 22 December 2021 and the circular dated 24 December 2021 (“**Circular**”) relating to the Proposed Transactions. Unless otherwise defined, all capitalised terms used herein shall bear the same meanings ascribed to them in the Circular.
- 1.2 The Proposed Transactions, which are inter-conditional, had been approved by the Shareholders at the EGM held on 8 January 2022 by way of electronic means.

2. COMPLETION OF THE ACQUISITION AND THE SUBSCRIPTION

- 2.1 The Board is pleased to announce that completion of the Acquisition has taken place on 13 January 2022 and the entities under the Healthcare Group are now subsidiaries of the Company. Pursuant to the completion of the Acquisition, the Company has allotted and issued the 277,777,778 Consideration Shares to the Vendor. The cash portion of the Purchase Consideration of S\$3,000,000 was also fulfilled via the proceeds of the Subscription.
- 2.2 The Board is also pleased to announce that completion of the Subscription has taken place on 13 January 2022, pursuant to which 4,055,555,556 Subscription Shares were allotted and issued to the Investors in accordance with the terms of the Subscription Agreement.
- 2.3 The Consideration Shares and the Subscription Shares will rank *pari passu* in all respects with the existing ordinary shares in the capital of the Company as at the date of completion of the Acquisition and the Subscription, respectively, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Acquisition and the Subscription, respectively. For the avoidance of doubt, the Proposed Distribution excludes the new shares issued pursuant to the Acquisition and the Subscription.

- 2.4 The Investors shall not sell, transfer or otherwise dispose of the Subscription Shares or any interest thereof, or attempt or propose to do any of the foregoing (“Restrictions”) for a period of six (6) months commencing from the date of listing and quotation of the Subscription Shares on the Catalist of the SGX-ST (“Listing Date”) (both dates inclusive) (“First Lock-up Period”) and the period commencing on the day immediately following the expiry of the First Lock-up Period until the date falling 12 months commencing from the Listing Date (both dates inclusive) (“Second Lock-up Period”). The Restrictions shall apply to all the Subscription Shares for the First Lock-up Period and to 50.0% of the Subscription Shares for the Second Lock-up Period.
- 2.5 Following completion of the Acquisition and the Subscription, the issued share capital of the Company (excluding treasury shares and subsidiary holdings) has increased from 2,559,739,174 Shares to 6,893,072,508 Shares. The Consideration Shares and the Subscription Shares represent approximately 4.0% and 58.8% of the Enlarged Share Capital of the Company, respectively.
- 2.6 The listing and quotation of the Consideration Shares and Subscription Shares on Catalist is expected to take place with effect from 9.00 a.m. on 17 January 2022. The Subscription Shares have been placed out within 7 market days from the date of the extraordinary general meeting of the Company convened on 8 January 2022 and all the conditions for the listing and quotation of the Consideration Shares and Subscription Shares announced by the Company on 22 December 2021 are met.
- 2.7 The listing and quotation of the Consideration Shares and the Subscription Shares is not to be taken as an indication of the merits of the Acquisition, the Subscription, the Consideration Shares, the Subscription Shares, the Company, its subsidiaries and their securities.

3. RECONSTITUTION OF BOARD

- 3.1 Reference is made to the Company’s announcement today in relation to the reconstitution of the Board. Following completion of the Acquisition and the Subscription, the Board has undertaken a review of the composition of the Board and/or management of the Company for alignment with the strategic direction and operations of the Company.
- 3.2 The Directors wish to announce that, Mr. Thomas Tan Gim Chua, one of the Investors and a Controlling Shareholder of the Company following completion of the Subscription, has been co-opted onto the Board as the Chief Executive Officer and Executive Director of the Company with effect from 13 January 2022. The details in relation to his appointment as required under Rule 704(6) of the Catalist Rules are set out in a separate announcement released on 13 January 2022.
- 3.3 The Directors wish to announce that, Dr. Jimmy Gian Siong Lin, the Vendor, has been appointed as the Chief Operating Officer (Dental) of the Healthcare Group with effect from 13 January 2022, via a service agreement entered into by the Company, Asia Dental Group Pte. Ltd. (“ADG”) and the Vendor which has an initial term of three years and which thereafter continues from year to year unless terminated pursuant to the terms of the service agreement. The details in relation to his appointment as required under Rule 704(6) of the Catalist Rules are set out in a separate announcement released on 13 January 2022.
- 3.4 The Directors wish to announce that, Mr. Momi Mimon Brosh has ceased to be an Executive Director of the Company with effect from the date hereof but he remains as the Chief Executive Officer of TriReme Medical, LLC and continues to manage the Existing Business of the Company.

4. ADG'S RIGHT OF FIRST REFUSAL OVER OPPORTUNITIES

As part of the Acquisition, the Company has, on 13 January 2022, entered into a shareholders' agreement ("SHA") between the Company, the Vendor and ADG, to regulate the affairs of ADG and the respective rights of the Company and the Vendor in ADG.

The SHA sets out provisions relating to, *inter alia*, ADG's right of first refusal over opportunities presented to each of the Vendor and the Company to acquire or buy any dental clinics or any business that is the same as or similar to the Healthcare Business and undertakings by each of the Vendor and the Company to conduct such business opportunity through the Healthcare Group companies, for the ultimate benefit of the Healthcare Group.

Under the SHA, for so long as (i) the Vendor and/or his associates is the Chief Operating Officer (Dental), a key executive officer of the Healthcare Group, a director, a chief executive officer, a key executive officer or a person with an interest in at least 15% of the total number of issued shares excluding treasury shares and preference shares in the Company (or its holding company), or a person who in fact exercises control over the Company (or its holding company), (ii) the Company (or its holding company) continues to be listed on the Catalist of the SGX-ST, and (iii) the Company's obligations in relation to opportunities presented to the Company as set out below remains in force, the Vendor has granted a right of first refusal to ADG to acquire such dental clinic and/or business in the event that he and/or his associates intends to acquire, buy or is presented with an opportunity to acquire or buy, any dental clinics or any business that is the same as or similar to the Healthcare Business. In the event that ADG and the Company does not indicate its interest in such business opportunity, the Vendor and/or his associates shall be free to acquire such business opportunity on terms and conditions that are not more favourable than that which was presented to ADG, subject to the terms and conditions of the SHA.

In addition, for so long as (i) ADG is a subsidiary of the Company, (ii) the Company (or its holding company) continues to be listed on the Catalist of the SGX-ST, and (iii) the Vendor's obligations in relation to opportunities presented to the Vendor as set out above remains in force, the Company has also granted ADG a right of first refusal to acquire such dental clinic and/or business in the event that the Company and/or its associates (other than the Healthcare Group companies) intend to acquire or buy or is presented with the opportunity to acquire or buy, any dental clinics or any business that is the same as or similar to the Healthcare Business. In the event that ADG does not indicate its interest in such business opportunity, the Company and/or its associates (other than the Healthcare Group) shall be free to acquire such business opportunity on terms and conditions that are not more favourable than that which was presented to ADG, subject to the terms and conditions of the SHA.

The SHA also sets out provisions relating to the right of first refusal of the existing shareholders of ADG in relation to the transfer by any shareholder of ADG of his or its shares in ADG, and the tag-along right of the Vendor and the drag-along right of the Company in the event of a sale by the Company of its shares in ADG.

5. NON-COMPETITION RESTRICTIONS AND THE COMPANY'S RIGHT OF FIRST REFUSAL IN RELATION TO THE VENDOR COMPANIES

As of 13 January 2022, the Vendor directly or indirectly owns and/or controls entities which do not form part of our Group and which are engaged in business that is similar to the Healthcare Group ("Vendor Companies").

Accordingly, to mitigate any perceived or potential conflicts of interest, the Vendor has provided a deed of undertaking in the Company's favour, whereby he has provided a non-compete undertaking and a right of first refusal over the Vendor Companies.

Under the non-compete undertaking, the Vendor has irrevocably undertaken and covenanted to and with the Company that with effect from the date of the listing and quotation of the Subscription Shares on the Catalist of the SGX-ST and for the Term (as defined below), the Vendor and his associates shall not without the prior written consent of the Company, exercise control, hold 15% or more of the issued share capital or equity interest of, or exercise control over 15% or more of the voting shares, of any entity engaged in business that is similar to the Group ("**Specified Business**").

The aforementioned undertaking and covenant does not apply to:

- (a) the direct or indirect holding, for financial investment purposes, of a shareholding of not more than 5% in quoted or listed securities of a company on a stock exchange having the Specified Business as its principal business provided there is no involvement by the Vendor in the day-to-day management or operations, or the holding of any executive positions by the Vendor and/or his associates in such entities;
- (b) the holding of or trading in any participation interests in any collective investment funds managed by an independent professional fund manager;
- (c) the holding by the Vendor and/or his associates of any securities of our Group;
- (d) the Vendor's daughter, in respect of her engagement or interest in any Specified Business in Singapore and such other countries as the Group may conduct the Specified Business in ("**Prohibited Territories**"), provided always that, at the relevant time:
 - (i) she is not accustomed to act under the Vendor's instructions;
 - (ii) none of the Vendor and/or his associates are providing or have provided any financial assistance to her and/or to a person carrying on the Specified Business in the Prohibited Territories which she has an interest in; and
 - (iii) in the event that she becomes a practising dentist, the Vendor shall disclose her employment to the Company for the Company to assess if the provisions of paragraph (d) have been complied with.

In relation to the right of first refusal, the Vendor has undertaken that for so long as (i) the Vendor and/or his associates is the Chief Operating Officer (Dental), a key executive officer of the Healthcare Group, a director, a chief executive officer, a key executive officer or a person with an interest in at least 15% of the total number of issued shares excluding treasury shares and preference shares in the Company (or its holding company) or a person who in fact exercises control over the Company (or its holding company), (ii) the Company (or its holding company) continues to be listed on the Catalist of the SGX-ST, and (iii) ADG remains a subsidiary of the Company ("**Term**"), the Vendor shall not, directly or indirectly, transfer all or any part of his interest in the shares of any of the Vendor Companies without first offering such shares for sale to the Company.

6. DEED OF TRUST IN RELATION TO PROPOSED DISTRIBUTION

- 6.1 The Company wishes to announce that in connection with the Proposed Distribution, the Company has, on 13 January 2022, entered into a deed of trust (“**Deed of Trust**”) in favour of the Entitled Shareholders as at the Record Date of 5.00 p.m. on 12 January 2022. A copy of the Deed of Trust is available for inspection at the Company’s registered office at 18 Boon Lay Way, #10-140(D) TradeHub 21, Singapore 609966 for a period of three (3) months from the date of this announcement.
- 6.2 The Proposed Distribution will be administered by the Directors of the Company from time to time, which will determine the timing of the Proposed Distribution as and when appropriate. Shareholders should note that any payment of the Proposed Distribution shall be subject to all applicable laws and regulations (including the Companies Act and the Catalist Rules) and that there is no certainty nor assurance that any proceeds will eventually be available for the Proposed Distribution.

BY ORDER OF THE BOARD

Sho Kian Hin
Director
14 January 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 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.