

OTHERS NASA's Jet Propulsion Laboratory, US (NASA-JPL) via California Institute of Technology ("Caltech") Grants Non-Exclusive License Agreement To K-One Technology Bhd ("K-One Tech") To Manufacture & Distribute VITAL Ventilators Worldwide

K-ONE TECHNOLOGY BERHAD

Type	Announcement
Subject	OTHERS
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1. Introduction

The Board of Directors of K-One Tech wishes to announce that following competitive assessment by NASA-JPL, Caltech which manages for NASA-JPL has granted a Non-Exclusive License Agreement to K-One Tech on 28 May 2020 to manufacture and distribute the VITAL ventilators worldwide. VITAL is the acronym for Ventilator Intervention Technology Accessible Locally.

The VITAL ventilator designed by NASA-JPL is not related to the conventional ventilator previously announced by K-One Tech.

2. Non-Exclusive License Agreement ("NELA")

The salient points of NELA includes:

a) The License is royalty-free, world-wide applicable to the Technology and Patent Rights to use, make, have made, manufacture, have manufactured, sell, have sold and import a ventilator or ventilators ("Licensed Products") in response to the COVID-19 pandemic ("the Purpose").

b) The Licensee i.e. K-One Tech is free to use, share, distribute, and make available to others, copy, modify and build upon the Technology for the Purpose during the license term.

c) The Licensee agrees to license any modifications and improvements to Caltech, including JPL for research and government use for the duration of any period of protection.

d) NELA will expire the earlier of (i) the final day the World Health Organization's Public Health Emergency Of International Concern is in effect or (ii) 1 October 2024.

e) The Licensee's sale or distribution of the Licensed Products is conditioned on Licensee obtaining all required regulatory approvals in each country the Licensee plans to sell or distribute Licensed Products and Licensee must comply with all applicable regulatory requirements in the jurisdictions concerned.

3. Information About The VITAL Ventilator (Ref.:- www.jpl.nasa.gov)

The VITAL ventilator of NASA-JPL uses far fewer parts than a conventional ventilator and these parts are easily available from the market and not the usual parts found in conventional ventilators so as not to disrupt the latter's supply chain.

It is a low-cost ventilator designed and built with less maintenance requirements and can be modified for use in field hospitals to address the shortage of ventilators in the ongoing COVID-19 pandemic in specific countries.

The VITAL ventilator is approved for use in the United States ("US") by the Food & Drug Administration ("FDA"), US under Emergency Use Authorization.

4. Financial Effects

NELA will have immaterial impact on the issued share capital and net assets of K-One Tech but is expected to contribute positively to its earnings for the financial year ending 31 December 2020. The business will be funded through internally generated funds.

5. Risk Factors

The manufacturing and distribution of the VITAL ventilators will be subjected to the usual business risks. Notwithstanding, K-One Tech has established a successful track record in manufacturing and doing business overseas which will help to mitigate such risks.

6. Interest Of Directors, Major Shareholders And/Or Persons Connected With Them

None of the Directors and/or major shareholders of K-One Tech and/or persons connected with them have any interests, direct or indirect in NELA.

7. Approvals Required

NELA does not require approval from the shareholders of K-One Tech or the relevant authorities.

8. Directors' Statement

The Board is of the opinion that NELA is in the best interest of K-One Tech as the manufacturing and distribution of the low-cost VITAL ventilator is to meet the shortage of ventilators to fight COVID-19 in specific countries and also to prepare for the second wave of COVID-19 infections as countries begin to lift their respective lockdowns.

This announcement is dated 1 June 2020.

Announcement Info

Company Name	K-ONE TECHNOLOGY BERHAD
Stock Name	K1
Date Announced	01 Jun 2020
Category	General Announcement for PLC
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