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

CAPITAL COMMITMENT AGREEMENT – REVISED MAXIMUM SHARE COMMITMENT

Reference is made to the Company's announcement of 21 March 2017 and 3 May 2017 in relation to *inter alia*, the capital commitment agreement ("**Agreement**") entered into with GEM Global Yield Fund LLC SCS ("**GEM Global**") and GEM Investments America, LLC, an associated company of GEM Global on 20 March 2017.

Unless otherwise defined, all capitalised terms used herein shall have the meanings ascribed in the aforesaid announcements.

1. INTRODUCTION

The Board of Directors ("**Board**") of QT Vascular Ltd. ("**Company**") wishes to update Shareholders that the Company has on 22 November 2017, agreed with GEM Global to revise the number of new ordinary shares of the Company ("**Shares**") to be made available under the Agreement from 178,000,000 Shares to 356,000,000 Shares ("**Revised Maximum Share Commitment**") (the **"Revision**").

As at the date of this announcement, approximately S$2.76 million of the intended capital commitment of S$10 million ("**Total Commitment**") has been drawn down and 178,000,000 Shares have been issued/issuable under the Agreement. Accordingly, the Revision will result in GEM Global granting the Company the option to require GEM Global to subscribe for new Shares, of which the timing and the aggregate number of Shares that the Company wishes GEM Global to subscribe for are determined by the Company and not GEM Global, for up to an aggregate of S$10 million or a revised number of 356,000,000 new Shares. No additional commitment fee will be payable by the Company pursuant to the Revision. The additional 178,000,000 Shares ("**Additional Shares**") to be made available under the Agreement will be subject to relevant approvals being obtained, including the listing and quotation of the Additional Shares from the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The other key terms in the Agreement, including the Sales Price and Subscription Price of the new Shares, will remain unchanged.

2. RATIONALE

The Board, having considered alternative sources of funding, and after taking into consideration the timing, terms and nature of the financing alternatives available to the Company, has decided on the Revision as it meets the current financial needs of the Company in respect of expected timing for the funding and control over the amount of financing required. Accordingly, the Board is of the view that the Revision is in the best interest of the Company and Shareholders.

The Directors are of the opinion that after taking into consideration the present bank and credit facilities of the Group (including the Agreement and the Revision), the working capital available to the Group is sufficient to meet its present requirements.

3. AUTHORITY FOR THE ISSUE OF THE NEW SHARES

The Additional Shares will be issued pursuant to the general share issue mandate approved by shareholders of the Company at the Company's annual general meeting ("**2017 AGM**") held on 31

May 2017 for the issue of Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares) as at the date of the 2017 AGM, of which the aggregate number of shares to be issued other than on a pro-rata basis to the existing shareholders shall not exceed 50% of the total number of issued Shares (excluding treasury shares) (the "**Share Issue Mandate**").

As at the date of the Share Issue Mandate, the Company had an issued and paid up share capital of 1,310,858,710 Shares and as at the date of this announcement, 7,687,814 new Shares have been issued from the vesting of restricted share awards ("**Award Shares")** which was outstanding and/or subsisting as at the date of the Share Issue Mandate. Therefore, the total number of Shares that may be issued under the Share Issue Mandate as at the date of this announcement is 1,318,546,524 Shares, of which the maximum number of Shares to be issued other than on a pro-rata basis is 659,273,262 Shares.

The Company had on (i) 24 July 2017 issued 291,004,980 Shares pursuant to the bond repayment and share issuance deed dated 29 June 2017 entered into between the Company and certain bondholders, further details of which can be found in the Company's announcement on the SGXnet dated 24 July 2017 and (ii) 24 July 2017 issued 22,290,322 Shares to an independent third party for settlement of trade payables, further details of which can be found in the Company's announcement on the SGXnet dated 24 July 2017.

As such, the remaining number of new Shares that may be issued other than on a *pro rata* basis is 345,977,960. Accordingly, the allotment and issuance of the Additional Shares falls within the limits of the Share Issue Mandate.

Including the issuance of the Additional Shares, the Company's issued and paid-up share capital will increase from 1,788,275,046 Shares ("**Existing Share Capital**") to 1,966,275,046 Shares ("**Enlarged Share Capital**"). The Additional Shares represents 9.95% of the Existing Share Capital and approximately 9.05% of the Enlarged Share Capital.

Notwithstanding, as per the Agreement, GEM Global has undertaken to not at any point in time hold directly or indirectly in excess of 14.9% in aggregate of the outstanding share capital of the Company.

In addition, the issuance of the Revised Maximum Share Commitment will not be made without the prior approval of Shareholders in a general meeting if such issuance would bring about a transfer of controlling interest.

The Additional Shares will be issued free from all claims, pledges, mortgages, charges, liens and encumbrances and ranks in all respect *pari passu* with the then existing issued Shares at the time of the issue except that the Additional Shares will not rank for any dividends, rights, allotment or other distributions at the record date which falls on or before the date of issue of the Additional Shares.

4. RE-ALLOCATION OF THE USE OF PROCEEDS

4.1 The Company will re-allocate approximately S$6.0 million or 61.7% of the Commitment Net Proceeds initially intended for "Settlement of Borrowings" to "General Working Capital Purposes" ("**Re-allocation**").

4.2 Following the Re-allocation, the status (as at the date of this announcement) and intended use of the Commitment Net Proceeds is as follows:-

	Initial Allocation S$'000	Amount re-allocated S$'000	Allocation of Commitment Net Proceeds received S$'000	Amount utilised S$'000	Amount unutilised S$'000
General working capital purposes (1)	3,725	6,000	2,303(3)	(2,303)	7,422
Settlement of borrowings	6,000	–	–	–	–
Total	9,725(2)	6,000	2,303	(2,303)	7,422

Notes:

(1) Includes financing the business expansion of the Group and for working capital purposes such as advancement of the Group's drug coated Chocolate® program, payment of salaries and, trade and other payables.

(2) Includes a reduction of S$225,000 in expenses from the expected capital commitment of S$10 million.

(3) A breakdown on the Commitment Net Proceeds utilised for general working capital purposes is as follows:

	S$'000
Payment of salaries and wages	1,281
Payment to suppliers	1,022
Total	2,303

4.3 The Re-allocation is pursuant to the Company having reconsidered its cash flow position for the next 12 months which takes into consideration the current status of the Company's ongoing corporate actions.

4.4 The Company will make periodic announcements as to the use of the Commitment Net Proceeds as and when such Commitment Net Proceeds are materially disbursed and whether such use is in accordance with the stated use. The Company will also provide a status report on the use of the Commitment Net Proceeds raised in the Company's interim and full year financial statements and the Company's annual report. The Company will provide a breakdown with specific details on how the Commitment Net Proceeds have been applied in the announcements and the status report. Where there is any material deviation from the stated use of the Commitment Net Proceeds, the Company will announce the reason(s) for such deviation.

4.5 Pending the deployment of the Commitment Net Proceeds, such Commitment Net Proceeds may be placed as short term deposits with financial institutions and/or invested in short term money markets or debt instruments or for any other purposes on a short term basis as the Directors may in their absolute discretion deem fit, from time to time.

5. FINANCIAL EFFECTS

5.1 As at the date of this announcement, the issued and paid up capital of the Company is S$181,351,496 divided into 1,788,275,046 Shares (excluding treasury Shares). Assuming the achievement of the Revised Maximum Share Commitment and full exercise of the Warrants at

S$0.10 per Share, this will increase the existing issued and paid-up share capital of the Company by S$10,972,016 to S$192,323,512, divided into 2,022,841,826 Shares (excluding treasury Shares).

5.2 The financial effects of the Revised Maximum Share Commitment on the Group are prepared based on the audited financial statements of the Group for the financial year ended 31 December 2016 and the following assumptions:

(a) for purposes of computing the effect of the Revised Maximum Share Commitment on the net asset value ("**NAV**") per Share of the Group, it is assumed that the Revised Maximum Share Commitment and full exercise of the Warrants at S$0.10 per Share occurred on 31 December 2016;

(b) for purposes of computing the effect of the Revised Maximum Share Commitment on the equity per Share ("**EPS**") of the Group, it is assumed that the Revised Maximum Share Commitment and full exercise of the Warrants at S$0.10 per Share was completed on 1 January 2016; and

(c) that the issuances of 750,268,696 Shares between 1 January and 15 November 2017 had all been issued on 1 January 2016.

5.3 It should be noted that the financial effects set out below are for illustrative purposes only and do not purport to be an indication or a projection of the results and financial position of the Company and the Group, pursuant to the Revised Maximum Share Commitment.

	Before the Revised Maximum Share Commitment and full exercise of the Warrants	**After the Revised Maximum Share Commitment and full exercise of the Warrants**
Loss attributable to Shareholders (US$'000)	(11,978)	(11,978)
LPS (United States cents)	(0.007)	(0.006)
Weighted average number of Shares for calculating LPS	1,685,723	1,920,290
NLV (US$'000)	(10,200)	(10,200)
NLV per Share (Singapore cents)	(0.01)	(0.01)
Number of Shares for calculating NLV per Share	1,788,275	2,022,842

6. ADDITIONAL LISTING APPLICATION

The sponsor of the Company, PrimePartners Corporate Finance Pte. Ltd., will be making an application on behalf of the Company to the SGX-ST for the listing of and quotation for the Additional Shares on Catalist of the SGX-ST.

The Company will make the necessary announcement upon receipt of the listing and quotation notice from the SGX-ST.

7. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this announcement, none of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the Agreement and the Revision (save via their shareholdings in the Company, if any).

No person is proposed to be appointed as a director of the Company in connection with the Agreement and the Revision. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

8. 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 Agreement and the Revision, 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 has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

9. TRADING CAUTION

Shareholders are advised to exercise caution in trading their Shares.

Shareholders and potential investors are also 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.

10. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Agreement and the document formalising the Revision is available for inspection at the Company's registered office at 3A International Business Park, #09-10/11/12 ICON@IBP Tower B, Singapore 609935 during normal business hours for a period of three months commencing from the date of this announcement.

By Order of the Board

QT VASCULAR LTD.
Eitan Konstantino
Chief Executive Officer
22 November 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. ("**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, 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).