**QT Vascular Ltd. and its subsidiaries**

## Unaudited Financial Statements Announcement for the second quarter/three months ended 30/6/2015

*QT Vascular Ltd. (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 29 April 2014. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. ("**PPCF**" or the "**Sponsor**").*

*This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the 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, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone +65 6229 8088.*

**Background**

The Company was incorporated in the Republic of Singapore on 6 March 2013 under the Companies Act (Chapter 50) of Singapore as a private company limited by shares under the name of "QT Vascular Pte. Ltd."

The Company was admitted to Catalist Board of the SGX-ST ("Catalist") on 29 April 2014.

**PART I INFORMATION REQUIRED FOR QUARTERLY (1Q, 2Q & 3Q), HALF-YEAR (HY) AND FULL YEAR ANNOUNCEMENTS**

## 1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

**Consolidated statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

| | Group 3 months ended | | |
|---|---|---|---|
| | 30/6/2015 US$'000 | 30/6/2014 US$'000 | Change |
| Revenue | 3,312 | 3,226 | 2.7% |
| Cost of sales | (2,881) | (3,045) | (5.4)% |
| **Gross profit** | 431 | 181 | 138.1% |
| Sales and marketing | (2,487) | (1,966) | 26.5% |
| Administrative expenses | (2,018) | (2,766) | (27.0)% |
| Research and development expenses | (1,700) | (1,872) | (9.2)% |
| Other income | 4 | – | NM |
| Other expenses | – | (52) | NM |
| **Results from operating activities** | (5,770) | (6,475) | (10.9)% |
| Finance income | 1 | 6 | (83.3)% |
| Finance costs | (605) | (7,025) | (91.4)% |
| **Net finance costs** | (604) | (7,019) | (91.4)% |
| **Loss before tax** | (6,374) | (13,494) | (52.8)% |
| Tax expense | (1) | – | NM |
| **Loss for the period** | (6,375) | (13,494) | (52.8)% |
| **Other comprehensive loss** | | | |
| Item that is or may be reclassified subsequently to profit or loss: | | | |
| Foreign currency translation differences | 792 | 245 | 223.3% |
| **Total comprehensive loss for the period** | (5,583) | (13,249) | (57.9)% |
| **Loss attributable to:** | | | |
| Owners of the Company | (6,375) | (13,494) | (52.8)% |
| **Loss for the period** | (6,375) | (13,494) | (52.8)% |
| **Total comprehensive loss attributable to:** | | | |
| Owners of the Company | (5,583) | (13,249) | (57.9)% |
| **Total comprehensive loss for the period** | (5,583) | (13,249) | (57.9)% |

NM denotes not meaningful

## 1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONT'D)

| | Group 6 months ended | | |
|---|---|---|---|
| | 30/6/2015 US$'000 | 30/6/2014 US$'000 | Change |
| Revenue | 6,610 | 6,067 | 8.9% |
| Cost of sales | (4,472) | (5,546) | (19.4)% |
| **Gross profit** | 2,138 | 521 | 310.4% |
| Sales and marketing | (5,707) | (4,169) | 36.9% |
| Administrative expenses | (4,697) | (6,130) | (23.4)% |
| Research and development expenses | (4,132) | (2,815) | 46.8% |
| Other income | 12 | – | NM |
| Other expenses | – | (87) | NM |
| **Results from operating activities** | (12,386) | (12,680) | (2.3)% |
| Finance income | 412 | 7 | NM |
| Finance costs | (1) | (9,994) | (99.9)% |
| **Net finance income/(costs)** | 411 | (9,987) | NM |
| **Loss before tax** | (11,975) | (22,667) | (47.2)% |
| Tax expense | (2) | (1) | NM |
| **Loss for the period** | (11,977) | (22,668) | (47.2)% |
| **Other comprehensive loss** | | | |
| Item that is or may be reclassified subsequently to profit or loss: | | | |
| Foreign currency translation differences | (750) | 216 | NM |
| **Total comprehensive loss for the period** | (12,727) | (22,452) | (43.3)% |
| **Loss attributable to:** | | | |
| Owners of the Company | (11,977) | (22,668) | (47.2)% |
| **Loss for the period** | (11,977) | (22,668) | (47.2)% |
| **Total comprehensive loss attributable to:** | | | |
| Owners of the Company | (12,727) | (22,452) | (43.3)% |
| **Total comprehensive loss for the period** | (12,727) | (22,452) | (43.3)% |

## 1(a)(ii) Notes to the consolidated statement of comprehensive income

| | Group (Second Quarter) | | | Group (Year-To-Date) | | |
|---|---|---|---|---|---|---|
| | 3 months ended | | | 6 months ended | | |
| | 30/6/2015 US$'000 | 30/6/2014 US$'000 | % change | 30/6/2015 US$'000 | 30/6/2014 US$'000 | % change |
| Depreciation of property, plant and equipment | (49) | (84) | (41.7)% | (113) | (214) | (47.2)% |
| Gain on disposal of property, plant and equipment | – | 3 | NM | – | 3 | NM |
| Amortization of intangible assets | (173) | (80) | 116.3% | (345) | (159) | 117.0% |
| Exchange (loss)/gain | (605) | (297) | 103.7% | 408 | (452) | NM |
| Equity-settled share based payment transactions | – | (154) | (100.0)% | (36) | (347) | (89.6)% |
| Interest income | 1 | 6 | (83.3)% | 4 | 7 | (42.9)% |
| Interest expense | – | (4,033) | NM | (1) | (4,497) | (99.9)% |

## 1(b)(i) CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

**Consolidated statements of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

| | Group | | Company | |
|---|---|---|---|---|
| | 30/6/2015 US$'000 | 31/12/2014 US$'000 | 30/6/2015 US$'000 | 31/12/2014 US$'000 |
| **Assets:** | | | | |
| Property, plant and equipment | 910 | 827 | – | – |
| Intangible assets | 11,393 | 9,235 | 39 | 40 |
| Investment in subsidiaries | – | – | 80,047 | 73,232 |
| Other non-current assets | 152 | 201 | – | – |
| **Non-current assets** | 12,455 | 10,263 | 80,086 | 73,272 |
| Inventories | 6,208 | 6,174 | – | – |
| Trade and other receivables | 2,949 | 3,474 | 2 | 14 |
| Cash and cash equivalents | 4,327 | 20,152 | 2,914 | 11,516 |
| **Current assets** | 13,484 | 29,800 | 2,916 | 11,530 |
| **Total assets** | 25,939 | 40,063 | 83,002 | 84,802 |
| **Equity:** | | | | |
| Share capital | 133,410 | 133,263 | 133,410 | 133,263 |
| Reserves | (1,536) | (821) | (34,946) | (33,287) |
| Accumulated losses | (112,724) | (100,747) | (16,290) | (15,929) |
| **Total equity** | 19,150 | 31,695 | 82,174 | 84,047 |
| **Liabilities:** | | | | |
| Loans and borrowings | 7 | 12 | – | – |
| Trade and other payables, including derivatives | 175 | 175 | – | – |
| **Non-current liabilities** | 182 | 187 | – | – |
| Loans and borrowings | 3 | 1 | – | – |
| Trade and other payables, including derivatives | 6,604 | 8,180 | 828 | 755 |
| **Current liabilities** | 6,607 | 8,181 | 828 | 755 |
| **Total liabilities** | 6,789 | 8,368 | 828 | 755 |
| **Total equity and liabilities** | 25,939 | 40,063 | 83,002 | 84,802 |

## 1(b)(ii) Aggregate amount of group's borrowings.

| | Secured | | Unsecured | |
|---|---|---|---|---|
| | 30 June 2015 US$'000 | 31 December 2014 US$'000 | 30 June 2015 US$'000 | 31 December 2014 US$'000 |
| Amount repayable within one year or less or on demand: | | | | |
| Loans and borrowings | 3 | 1 | – | – |
| | 3 | 1 | – | – |

| | Secured | | Unsecured | |
|---|---|---|---|---|
| | 30 June 2015 US$'000 | 31 December 2014 US$'000 | 30 June 2015 US$'000 | 31 December 2014 US$'000 |
| Amount repayable after one year: | | | | |
| Loans and borrowings | 7 | 12 | – | – |
| | 7 | 12 | – | – |

### Details of any collateral

The loans and borrowings are secured by an office equipment acquired via hire purchase.

## 1(c) CONSOLIDATED STATEMENT OF CASH FLOWS

**Consolidated statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

| | Note | Group 3 months ended 30/6/2015 US$'000 | Group 3 months ended 30/6/2014 US$'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net loss | | (6,375) | (13,494) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | | |
| Depreciation of property, plant and equipment | | 49 | 84 |
| Amortisation of intangible assets | | 173 | 80 |
| Interest income | | (1) | (6) |
| Interest expense | | – | 4,033 |
| Gain on disposal of property, plant and equipment | | – | (3) |
| Exchange loss | | 605 | 297 |
| Equity-settled share-based payment transactions | | – | 154 |
| Change in fair value of financial instruments | | – | 2,695 |
| | | (5,549) | (6,160) |
| Changes in working capital: | | | |
| - Trade and other receivables | | 386 | 914 |
| - Inventories | | 1,187 | (255) |
| - Other assets | | 21 | (16) |
| - Trade and other payables, including derivatives | | 315 | 447 |
| - Deferred income | | – | (2,488) |
| **Net cash used in operating activities** | | (3,640) | (7,558) |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | | (61) | (80) |
| Additions to intangible assets | | (1,726) | (789) |
| **Net cash used in investing activities** | | (1,787) | (869) |
| **Cash flows from financing activities** | | | |
| Repayment of hire purchase creditor | | (1) | – |
| Proceeds from issuance of ordinary shares, net of transactions costs | | – | 40,768 |
| Proceeds from exercise of share options | | – | 2 |
| Proceeds from exercise of warrants | | – | 3,487 |
| **Net cash (used in)/from financing activities** | | (1) | 44,257 |
| **Net (decrease)/increase in cash and cash equivalents** | | (5,428) | 35,830 |
| Effect of exchange rate changes on cash and cash equivalents | | 50 | – |
| Cash and cash equivalents at beginning of period | | 9,705 | 3,068 |
| **Cash and cash equivalents at end of period** | 1 | 4,327 | 38,898 |

## 1(c) CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

| | Note | Group 6 months ended 30/6/2015 US$'000 | 30/6/2014 US$'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net loss | | (11,977) | (22,668) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | | |
| Depreciation of property, plant and equipment | | 113 | 214 |
| Amortisation of intangible assets | | 345 | 159 |
| Interest income | | (4) | (7) |
| Interest expense | | 1 | 4,497 |
| Gain on disposal of property, plant and equipment | | – | (3) |
| Exchange (gain)/loss | | (408) | 452 |
| Equity-settled share-based payment transactions | | 36 | 347 |
| Change in fair value of financial instruments | | – | 5,045 |
| | | (11,894) | (11,964) |
| Changes in working capital: | | | |
| - Trade and other receivables | | 530 | 198 |
| - Inventories | | (34) | (1,144) |
| - Other assets | | 48 | (20) |
| - Trade and other payables, including derivatives | | (1,142) | 1,754 |
| - Deferred income | | – | (129) |
| **Net cash used in operating activities** | | (12,492) | (11,305) |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | | (208) | (173) |
| Additions to intangible assets | | (2,755) | (1,578) |
| **Net cash used in investing activities** | | (2,963) | (1,751) |
| **Cash flows from financing activities** | | | |
| Repayment of hire purchase creditor | | (2) | – |
| Proceeds from issuance of ordinary shares, net of transactions costs | | – | 40,768 |
| Proceeds from issuance of convertible note, net of transaction costs | | – | 2,500 |
| Proceeds from exercise of share options | | 147 | 2 |
| Proceeds from exercise of warrants | | – | 3,487 |
| **Net cash from financing activities** | | 145 | 46,757 |
| **Net (decrease)/increase in cash and cash equivalents** | | (15,310) | 33,701 |
| Effect of exchange rate changes on cash and cash equivalents | | (515) | – |
| Cash and cash equivalents at beginning of period | | 20,152 | 5,197 |
| **Cash and cash equivalents at end of period** | 1 | 4,327 | 38,898 |

## 1(c) CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

Note:

(1) Cash and cash equivalents are derived from:

| | Group | |
|---|---|---|
| | **30 June 2015 US$'000** | **30 June 2014 US$'000** |
| Bank balances | 4,282 | 38,850 |
| Deposits pledged | 45 | 48 |
| Total cash and cash equivalents | 4,327 | 38,898 |

## 1(d)(i) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

**A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

| | Attributable to owners of the Company | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Ordinary shares US$'000 | Convertible preference shares US$'000 | Other reserve US$'000 | Reserve for own shares US$'000 | Translation reserve US$'000 | Share-based payment reserve US$'000 | Accumulated losses US$'000 | Total equity US$'000 |
| **Group** | | | | | | | | |
| **At 1 April 2014** | 5,529 | 47,404 | (1,368) | (77) | 327 | 3,149 | (75,747) | (20,783) |
| **Total comprehensive loss for the period** | | | | | | | | |
| Loss for the period | – | – | – | – | – | – | (13,494) | (13,494) |
| **Other comprehensive income** | | | | | | | | |
| Foreign currency translation differences | – | – | – | – | 245 | – | – | 245 |
| **Total comprehensive loss for the period** | – | – | – | – | 245 | – | (13,494) | (13,249) |
| **Contributions by and distributions to owners** | | | | | | | | |
| Preference shares issued pursuant to exercise of warrants | – | 3,487 | – | – | – | – | – | 3,487 |
| Shares issued pursuant to conversion of preference shares | 50,891 | (50,891) | – | – | – | – | – | – |
| Shares issued pursuant to the initial public offering | 43,775 | – | – | – | – | – | – | 43,775 |
| Shares issued in satisfaction of professional fees | 1,684 | – | – | – | – | – | – | 1,684 |
| Transaction costs pursuant to the initial public offering | (4,691) | – | – | – | – | – | – | (4,691) |
| Shares issued pursuant to conversion of convertible notes | 35,911 | – | – | – | – | – | – | 35,911 |
| Share options exercised | 2 | – | – | – | – | (2) | – | – |
| Share-based payment transactions | – | – | (17) | – | – | 188 | – | 171 |
| **Total contributions by and distributions to owners** | 127,572 | (47,404) | (17) | – | – | 186 | – | 80,337 |
| **At 30 June 2014** | 133,101 | – | (1,385) | (77) | 572 | 3,335 | (89,241) | 46,305 |

## 1(d)(i) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

| | Attributable to owners of the Company | | | | | | |
|---|---|---|---|---|---|---|---|
| | Ordinary shares US$'000 | Other reserve US$'000 | Reserve for own shares US$'000 | Translation reserve US$'000 | Share-based payment reserve US$'000 | Accumulated losses US$'000 | Total equity US$'000 |
| **Group** | | | | | | | |
| **At 1 April 2015** | 133,410 | (1,385) | (77) | (4,399) | 3,534 | (106,349) | 24,734 |
| **Total comprehensive loss for the period** | | | | | | | |
| Loss for the period | – | – | – | – | – | (6,375) | (6,375) |
| **Other comprehensive income** | | | | | | | |
| Foreign currency translation differences | – | – | – | 792 | – | – | 792 |
| **Total comprehensive loss for the period** | – | – | – | 792 | – | (6,375) | (5,583) |
| **Contribution by and distribution to owners** | | | | | | | |
| Share-based payment transactions | – | – | – | – | (1) | – | (1) |
| **Total contribution by and distribution to owners** | – | – | – | – | (1) | – | (1) |
| **At 30 June 2015** | 133,410 | (1,385) | (77) | (3,607) | 3,533 | (112,724) | 19,150 |

## 1(d)(i) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

| | Attributable to owners of the Company | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Company** | **Ordinary shares US$'000** | **Convertible preference shares US$'000** | **Other reserve US$'000** | **Reserve for own shares US$'000** | **Translation reserve US$'000** | **Share-based payment reserve US$'000** | **Accumulated losses US$'000** | **Total Equity US$'000** |
| **At 1 April 2014** | 5,529 | 47,404 | (32,373) | (77) | (4) | 2,956 | (8,686) | 14,749 |
| **Total comprehensive loss for the period** | | | | | | | | |
| Loss for the period | – | – | – | – | – | – | (7,652) | (7,652) |
| **Other comprehensive income** | | | | | | | | |
| Foreign currency translation differences | – | – | – | – | 587 | – | – | 587 |
| **Total comprehensive loss for the period** | – | – | – | – | 587 | – | (7,652) | (7,065) |
| **Contributions by and distributions to owners** | | | | | | | | |
| Preference shares issued pursuant to exercise of warrants | – | 3,487 | – | – | – | – | – | 3,487 |
| Shares issued pursuant to conversion of preference shares | 50,891 | (50,891) | – | – | – | – | – | – |
| Shares issued pursuant to the initial public offering | 43,775 | – | – | – | – | – | – | 43,775 |
| Shares issued in satisfaction of professional fees | 1,684 | – | – | – | – | – | – | 1,684 |
| Transaction costs pursuant to the initial public offering | (4,691) | – | – | – | – | – | – | (4,691) |
| Shares issued pursuant to conversion of convertible notes | 35,911 | – | – | – | – | – | – | 35,911 |
| Share options exercised | 2 | – | – | – | – | (2) | – | – |
| Share-based payment transactions | – | – | (17) | – | – | 35 | – | 18 |
| **Total contributions by and distributions to owners** | 127,572 | (47,404) | (17) | – | – | 33 | – | 80,184 |
| **At 30 June 2014** | 133,101 | – | (32,390) | (77) | 583 | 2,989 | (16,338) | 87,868 |
| **At 1 April 2015** | 133,410 | – | (32,390) | (77) | (7,429) | 3,534 | (15,144) | 81,904 |
| **Total comprehensive loss for the period** | | | | | | | | |
| Loss for the period | – | – | – | – | – | – | (1,146) | (1,146) |
| **Other comprehensive income** | | | | | | | | |
| Foreign currency translation differences | – | – | – | – | 1,417 | – | – | 1,417 |
| **Total comprehensive loss for the period** | – | – | – | – | 1,417 | – | (1,146) | 271 |
| **Contribution by and distribution to owners** | | | | | | | | |
| Share-based payment transactions | – | – | – | – | – | (1) | – | (1) |
| **Total contribution by and distribution to owners** | – | – | – | – | – | (1) | – | (1) |
| **At 30 June 2015** | 133,410 | – | (32,390) | (77) | (6,012) | 3,533 | (16,290) | 82,174 |

## 1(d)(ii) CHANGES IN COMPANY'S SHARE CAPITAL

**Details of any changes in the company's share capital arising from rights issue, bonus issue, share buybacks, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Ordinary Share Capital

Since the last financial period ended 31 March 2015, there has been no change in the issued and paid-up share capital of the Company (766,306,009 shares) up to 30 June 2015.

Outstanding Options

The Group was formed following the restructuring exercise pursuant to which TriReme Medical LLC ("TriReme US") and Quattro Vascular Pte. Ltd. ("Quattro") became wholly owned subsidiaries of the Group (the "Restructuring Exercise").

Prior to the Restructuring Exercise, TriReme US had in 2005, adopted the 2005 Stock Plan to allow TriReme US to grant options to purchase shares in TriReme US to its employees, directors and consultants (each, as defined under the 2005 Stock Plan) and Quattro had in 2010, adopted the 2010 Equity Incentive Plan to allow Quattro to grant options to purchase shares in Quattro to its employees, directors and consultants (each, as defined under the 2010 Equity Incentive Plan). Subsequently, the Company had in 2013, adopted the QTV 2013 Share Plan to allow the Company to grant options to purchase shares in the Company to employees, directors and consultants (each, as defined under the QTV 2013 Share Plan).

Pursuant to the Restructuring Exercise, the Company had on 9 April 2014, assumed the options under the 2005 Stock Plan and 2010 Equity Incentive Plan. Following the close of placement of shares in relation to the IPO on 25 April 2014, the Company had ceased the issuance of options under the 2005 Stock Plan, 2010 Equity Incentive Plan and QTV 2013 Share Plan (collectively, the "Three Share Plans").

The Company also had on 9 April 2014, adopted the 2014 QTV Employee Share Option Scheme and has not issued any options under this scheme as at the date of this announcement.

On 9 April 2014, the Company undertook a subdivision of 1 ordinary share into 16 ordinary shares.

For the three months ended 30 June 2015, no ordinary shares were issued in respect of the options under the Three Share Plans as there were no exercise of share options during the period.

A reconciliation of outstanding share options from 1 April 2015 to 30 June 2015 is as follows:

| **Outstanding Options** | **Number of Options** |
|---|---|
| **At 1 April 2015** | 104,401,030 |
| Forfeited during the period | (1,546,244) |
| Exercised during the period | – |
| Granted during the period | – |
| **At 30 June 2015** | 102,854,786 |

As of 30 June 2015, there are 102,854,786 outstanding options convertible into 102,854,786 ordinary shares, representing approximately 13.4% of the existing ordinary share capital as at 30 June 2015 (30 June 2014: 116,690,586 (15.4% of the ordinary shares as at 30 June 2014).

For further details on the Three Share Plans, please refer to the Company's offer document dated 16 April 2014.

The Company also had on 30 April 2015, adopted the QT Vascular Restricted Share Plan 2015 and has not issued any awards under this plan as at the date of this announcement.

**Treasury Shares**

The Company held no treasury shares as at 30 June 2015 and as at 30 June 2014.

Save as disclosed above, there were no other outstanding convertibles or treasury shares held by the Company as at 30 June 2015 and as at 30 June 2014.

## 1(d)(iii) NUMBER OF ISSUED SHARES

**To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued ordinary shares was 766,306,009 as at 30 June 2015 and 760,128,260 as at 31 December 2014.

The Company held no treasury shares as at 30 June 2015 and 31 December 2014.

## 1(d)(iv) TREASURY SHARES

**A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. There were no sales, transfers, disposals, cancellation and/or use of treasury shares during and as at the end of the current financial period reported on.

## 2. Whether the figures have been audited or reviewed in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Save as disclosed in Paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to those used in the most recently audited annual financial statements for the financial year ended 31 December 2014.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for and the effect of, the change.**

The Group has applied the same accounting policies and methods of computation in the preparation of financial statements for the current financial period compared with the most recently audited financial statements for the financial year ended 31 December 2014, except for the adoption of the Financial Reporting Standards ("**FRSs**") and Interpretation of FRS ("**INT FRS**") that are mandatory for financial years beginning on or after 1 January 2015. The adoption of these new FRS and INT FRS has no material impact to the results of the Group and of the Company for the current period reported on.

**6. EARNINGS PER SHARE**

**Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

| **Group** | **3 months ended 30/6/2015 Basic and diluted [(1)]** | **3 months ended 30/6/2014 Basic and diluted [(1)]** |
|---|---|---|
| Loss for the period attributable to owners of the Company **(US$'000)** | (6,375) | (13,494) |
| Weighted average number of ordinary shares used to compute loss per share **('000)** | 766,307 | 656,477 |
| Loss per share **(US$)** | (0.01) | (0.02) |

Note:

(1) The basic and diluted loss per share were the same as the potential ordinary shares are anti-dilutive as the effect of the share conversions would be to decrease the loss per share.

## 7. NET ASSET VALUE FOR ISSUER AND GROUP

**Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

**(a) current financial period reported on; and**
**(b) immediately preceding financial year.**

| | Group | | Company | |
|---|---|---|---|---|
| | 30/6/2015 US$ | 31/12/2014 US$ | 30/6/2015 US$ | 31/12/2014 US$ |
| Net asset value per ordinary share [1], [2] | 0.03 | 0.04 | 0.11 | 0.11 |

Notes:

(1) The net asset value per ordinary share of the Group is calculated based on net assets of US$19.2 million as at 30 June 2015 (31 December 2014: US$31.7 million). The net asset value per ordinary share of the Company is calculated based on net assets of US$82.2 million as at 30 June 2015 (31 December 2014: US$84.0 million).

(2) For both the Group and the Company, the net asset value per ordinary share were calculated based on 766,306,009 ordinary shares in issue as at 30 June 2015 and 760,128,260 as at 31 December 2014.

## 8. REVIEW OF PERFORMANCE OF THE GROUP

**A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

***Three months ended 30 June 2015 compared to the three months ended 30 June 2014***

The breakdown of our revenue derived from the sale of our products to the various geographical regions and by the number of units sold for the three months ended 30 June 2015 ("**2Q2015**") and for the three months ended 30 June 2014 ("**2Q2014**") are presented below:

| | Three Months Ended 2Q2015 | | Three Months Ended 2Q2014 | |
|---|---|---|---|---|
| | US$'000 | % | US$'000 | % |
| United States | 2,894 | 87.4 | 3,096 | 96.0 |
| Europe | 93 | 2.8 | 82 | 2.5 |
| Asia | 325 | 9.8 | 48 | 1.5 |
| | 3,312 | 100 | 3,226 | 100 |

| | Three Months Ended 2Q2015 | Three Months Ended 2Q2014 |
|---|---|---|
| Units sold | 7,513 | 8,321 |

Our revenue increased by US$0.1 million, or 2.7%, from US$3.2 million in 2Q2014 to US$3.3 million in 2Q2015. The increase was mainly due to an increase in sales to our Asia distributors for our Chocolate® PTA Balloon Catheter ("Chocolate PTA") and Glider PTCA Balloon Catheter ("Glider PTCA") products as well as by our direct sales team for our Chocolate® PTCA Balloon Catheter ("Chocolate PTCA") and Glider PTCA following a 241.1% increase in average sales per sales representative of US$31,761 in 2Q2015 as compared to US$9,311 in 2Q2014.

The increase is partially offset by the decrease in sales to Cordis in 2Q2015 as Cordis had made a larger purchase of Chocolate PTA in 2Q2014 as they were building up their inventory following the commencement of sales of Chocolate PTA by Cordis in 2Q2014.

Cost of sales decreased by approximately US$0.1 million, or 5.4%, from US$3.0 million in 2Q2014 to US$2.9 million in 2Q2015 mainly due to lower sales to Cordis in 2Q2015.

As a result of the above, our Group recorded a gross profit of US$0.4 million or 13.0% of revenue in 2Q2015 as compared to a gross profit of US$0.2 million or 5.6% of revenue in 2Q2014.

Our loss before taxation decreased by US$7.1 million or 52.8%, from US$13.5 million 2Q2014 to US$6.4 million in 2Q2015. The analysis of the loss before taxation are as follows:

- Our sales and marketing expenses increased by US$0.5 million, or 26.5% from US$2.0 million in 2Q2014 to US$2.5 million in 2Q2015 mainly due to an increase in cost of our direct sales personnel in 2Q2015 following the increase in number of sales personnel at the end of 4Q2014.

- Our administrative expenses decreased by approximately US$0.8 million, or 27.0%, from US$2.8 million in 2Q2014 to US$2.0 million in 2Q2015 is mainly attributable to the absence of IPO costs in 2Q2015. The decrease is partially offset by the increase in legal fees for 2Q2015.

- Our research and development expenses decreased by approximately US$0.2 million from US$1.9 million in 2Q2014 to US$1.7 million in 2Q2015. The decrease is due to US$3.4 million of research and development expenses incurred in 2Q2015, offset by the capitalization of development expenses of US$1.7 million in 2Q2015. The Group capitalized a lower amount of US$0.8 million of development expenses in 2Q2014 to intangible assets.

- We were in a net finance cost position of US$0.6 million for 2Q2015, as compared to a net finance cost position of US$7.0 million in 2Q2014 which was mainly due to the fair value loss on financial instruments of US$2.7 million and interest expenses on the accretion expense incurred on our convertible notes of US$4.0 million in 2Q2014. There were no such fair value loss recorded in 2Q2015 as the financial instruments have been converted to ordinary shares following the Company's IPO in 2Q2014. The fair value loss or gain on financial instruments are non-cash in nature, and were recorded at fair value through profit or loss as required in accordance with FRS. In

2Q2015, the Group recorded a foreign exchange loss of US$0.6 million as compared to a foreign exchange loss of US$0.3 million in 2Q2014 pursuant to exchange rate changes between the Singapore dollar and United States dollar.

- Amortisation of intangible assets increased by US$93,000, or 116.3% from US$80,000 in 2Q2014 to US$173,000 in 2Q2015 mainly due to the amortisation of Chocolate PTA and Chocolate PTCA capitalised costs.

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

| | As at 30 June 2015 US$'000 | As at 31 December 2014 US$'000 | Change % |
|---|---|---|---|
| **Non-current assets** | 12,455 | 10,263 | 21.4% |
| **Current assets** | 13,484 | 29,800 | (54.8)% |
| **Total assets** | 25,939 | 40,063 | (35.3)% |
| **Total equity** | 19,150 | 31,695 | (39.6)% |
| **Non-current liabilities** | 182 | 187 | (2.7)% |
| **Current liabilities** | 6,607 | 8,181 | (19.3)% |
| **Total liabilities** | 6,789 | 8,368 | (18.9)% |

The Group had working capital of US$6.9 million and US$21.6 million as at 30 June 2015 and 31 December 2014 respectively. The decrease in working capital is mainly due to utilisation of Group's cash for general working capital purposes and professional fees incurred relating to the litigation with AngioScore as well as for the research and development of new products.

Our non-current assets increased by US$2.2 million from US$10.3 million as at 31 December 2014 to US$12.5 million as at 30 June 2015 was mainly due to the increase in intangible assets of US$2.2 million. The increase in intangible assets was due to the capitalization of research and development expenses.

Our current assets decreased by US$16.3 million from US$29.8 million as at 31 December 2014 to US$13.5 million as at 30 June 2015 mainly due to the decrease in cash and cash equivalents of US$15.8 million following the increase in research and development expenses and general working capital requirements such payments to our suppliers, professional fees relating to the litigation with AngioScore and staff costs as well as the decrease in trade and other receivables of US$0.5 million due to reduction in prepayments.

Our current liabilities decreased by US$1.6 million from US$8.2 million as at 31 December 2014 to US$6.6 million as at 30 June 2015 mainly due to settlement of balances due to suppliers of US$1.6 million.

**CONSOLIDATED STATEMENT OF CASH FLOWS**

***Cash Flow Analysis 2Q2015***

The Group recorded cash outflows from operating activities of US$3.6 million for 2Q2015 which was a result of an operating loss before working capital changes of US$5.5 million and a decrease in working capital changes of US$1.9 million. The decrease in working capital changes was mainly due to the decrease in inventories of US$1.2 million and, trade and other receivables of US$0.4 million as well as an increase in trade and other payables, including derivatives of US$0.3 million.

Cash used in investing activities for 2Q2015 was US$1.8 million which was mainly due to additions to property, plant and equipment of approximately US$0.1 million and intangible assets pertaining to developed technology of approximately US$1.7 million.

In 2Q2015, there were no significant net cash inflow or outflow items from financing activities.

***Cash Flow Analysis 2Q2014***

The Group recorded cash outflows from operating activities of US$7.6 million for 2Q2014 which was a result of an operating loss before working capital changes of US$6.2 million and an increase in working capital changes of US$1.4 million. The increase in working capital changes was mainly due to a decrease in deferred income of US$2.5 million following the fulfilment of our obligations under the distribution agreement with Cordis and increase in inventories of US$0.3 million. The decrease was partially offset by a US$0.9 million decrease in trade and other receivables due to an improvement in collection from trade debtors and US$0.4 million in trade and other payables (including derivatives).

Cash used in investing activities for 2Q2014 was US$0.9 million which was mainly due to additions to intangible assets pertaining to developed technology of approximately US$0.8 million.

In 2Q2014, net cash inflow derived from financing activities was US$44.3 million which was mainly due to net proceeds received from the exercise of warrants and the issue of share capital pursuant to the Company's IPO.

## 9. FORECAST AND PROSPECT STATEMENT

**Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable. No forecast or prospect statement had been issued for the current financial reporting period.

## 10. SIGNIFICANT TRENDS AND COMPETITIVE CONDITIONS OF THE INDUSTRY

**A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The rapid adoption of drug-coated balloons ("DCBs") continues, especially in the United States, where two products in this category have been approved by the FDA since late last year. This adoption is supported by strong clinical data from multi-center clinical trials and has

now been recognized by the granting of supplemental reimbursement by the US governmental insurance program known as Medicare. While the detailed impact on the overall market is still coming into focus, some early trends are emerging. CR Bard, manufacturer of the Lutonix drug-coated balloon, recently announced in an analysts' call that its peripheral balloon product line sales were up 45%, primarily due to the impact of Lutonix. This also reflected in their recently announced partnership with Boston Scientific Corporation for distribution of the Lutonix DCB. In the United States alone, some analysts are now estimating that DCBs are already reaching US$140 million to US$160 million on an annualized basis. Conversely, other existing product lines have experienced a flattening of growth or actual sales decline due to the introduction of DCBs. In the same recent analysts' call, CR Bard announced that their peripheral stent business declined 3%. Similarly, Spectranetics announced that sales of its specialty balloon, Angiosculpt, are flat in the United States. We expect other peripheral stent makers and specialty balloons to reflect similar market trends. As such, the Group may experience some softening of Chocolate PTA sales through its US distributor, Cordis. While this may slow down overall sales growth for the Group in the near-term, this is expected to be counterbalanced by expected approval of the Group's peripheral DCB, Chocolate Touch, in Europe and Chocolate PTA in Japan later this year. In the longer-term, the continued growth of the DCB market increases the potential held by Chocolate Touch as it progresses toward United States' FDA approval.

AngioScore Inc. ("AngioScore") litigation

In relation to the State Law Claims (pertaining to the breach of fiduciary duty), the trial court had on 1 July 2015 awarded damages of US$20.034 million jointly and severally against Dr. Eitan Konstantino, the CEO of the Group, Quattro Vascular Pte Ltd ("Quattro Vascular"), TriReme Medical, LLC ("TriReme") and the Company (collectively the "Defendants").

The other litigation filed by AngioScore, i.e. the Patent Trial, is currently estimated to commence in September 2015. Only after a decision on the Patent Trial is reached can the judgement relating to both the State Law Claims and Patent Trial be entered by the Court.

The Defendants have been advised by their US counsel that they have multiple grounds for appeal against the trial court decision on the State Law Claims and such appeal will be made to the appeal court after judgement is entered by the Court as mentioned above. AngioScore is currently not able to commence the claim process until 14 days after the US$20.034 million judgement is entered by the Court. Pending the conclusion of the appeal and final resolution of the State Law Claims, the Defendants will not be making any payments to AngioScore.

Based on the facts above, management is unable to reliably estimate the amount of obligation owed to AngioScore in the respective financial statements of Quattro Vascular, TriReme and the Company for the period ended 30 June 2015. Accordingly, no provision on the damages has been made to the financial statements of the Group for the period ended 30 June 2015.

## 11. IF A DECISION REGARDING DIVIDEND HAS BEEN MADE:

### (a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividends have been declared or recommended for the current reporting period.

### (b) (i) Amount per share (cents)

Not applicable.

**(b) (ii) Previous corresponding period (cents)**

Not applicable

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated).**

Not applicable.

**(d) The date the dividend is payable**

Not applicable.

**(e) Books closure date**

Not applicable.

## 12. IF NO DIVIDEND HAS BEEN DECLARED/RECOMMENDED, A STATEMENT TO THAT EFFECT

No dividends have been declared or recommended for the current reporting period.

## 13. INTERESTED PERSONS TRANSACTIONS

**If the Group has obtained a general mandate from shareholders for the IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

There was no interested persons transactions which are S$100,000 or more entered into during the current financial period reported on. The Group does not have a general mandate for recurrent interested persons transactions.

## 14. USE OF PROCEEDS

Initial Public Offering ("IPO")

Pursuant to the IPO, the Company received gross proceeds of S$55,000,000 ("IPO Proceeds"). As at the date of this announcement, the IPO proceeds has been utilized as follows:

| | Amount allocated S$'000 | Amount utilised S$'000 | Balance S$'000 |
|---|---|---|---|
| Commercial expansion [(1)] | 5,000 | 5,000 | – |
| Development of new products and product enhancements | 15,000 | 15,000 | – |
| General working capital purposes [(2)] | 30,282 | 30,282 | – |
| Listing expenses | 4,718 | 4,718 | – |
| Total | 55,000 | 55,000 | – |

Notes:

(1) Commercial expansion includes marketing activities, expenses incurred in entering into further supplier and distributorship agreements, market expansion activities and costs of our sales force.

(2) A breakdown on the proceeds utilized for general working capital purposes is as follows:

| | S$'000 |
|---|---|
| Payment of salaries and wages | 10,978 |
| Payment to suppliers | 9,778 |
| Payment of professional fees | 9,526 |
| Total | 30,282 |

The above utilizations are in accordance with the intended use of IPO proceeds, as stated in the Offer Document.

Convertible Bonds

The Company has announced a proposed issue of convertible bonds of up to US$13.14 million (the "Bonds") on 24 July 2015. On 6 August 2015, the Company announced the completion of the subscription of the first tranche of the Bonds amounting to US$5.475 million.

No proceeds arising from the first tranche of the Bond have been utilised as at the date of this announcement.

## 15. NEGATIVE CONFIRMATION PURSUANT TO RULE 705(5) OF LISTING MANUAL

The Board of Directors of the Company ("Board") confirms that to the best of their knowledge, nothing has come to the attention of the Board which may render the unaudited interim financial results for the 3 months and 6 months ended 30 June 2015 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**
**Eitan Konstantino**
**Chief Executive Officer**
12 August 2015