QT VASCULAR LTD.
Company Registration No. 201305911K
Incorporated in the Republic of Singapore

THE PROPOSED DISPOSAL OF SPECIFIC ASSETS OF THE GROUP RELATING TO THE DRUG COATED PERIPHERAL PRODUCT

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1. INTRODUCTION

The Board of Directors ("**Board**") of QT Vascular Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the circular dated 13 July 2020 ("**Circular**") relating to the Proposed Disposal and the extraordinary general meeting held on 28 July 2020 ("**EGM**") to seek the approval of the shareholders of the Company ("**Shareholders**") for the Proposed Disposal, which approval was duly obtained by way of all Shareholders present and voting at the meeting voting in favour of the Proposed Disposal. The Circular has been made available on SGXNET and may be accessed at https://www.sgx.com/securities/company-announcements.

All capitalised terms used in this announcement which are not defined shall have the same meaning ascribed to them in the Circular.

At the date of the EGM, the Company was in advanced discussions and negotiations, but had yet to enter into a definitive binding agreement in relation to the Proposed Disposal. Nevertheless, Shareholders had approved the Proposed Disposal based on the terms set out in the draft APA available as at the date of the Circular and in anticipation of the entry of the definitive APA between the Company, TriReme Medical LLC, the Company's wholly owned subsidiary ("**TriReme Medical**" or the "**Seller**" or together with the Company, the "**Sellers**"), G Vascular Private Limited (the "**Purchaser**") and Genesis MedTech International Private Limited (the "**Guarantor**") in relation to the Proposed Disposal.

2. ENTRY OF DEFINITIVE APA

The Board is pleased to inform Shareholders that subsequent to the holding of the EGM, the Company and TriReme Medical had entered into the definitive APA and the accompanying agreements with the Purchaser and the Guarantor (the "**Transaction Documents**"), whereby the Sellers have agreed to sell to the Purchaser and the Guarantor agreed that the Purchaser shall acquire from the Company, the Sale Asset on the terms and subject to the conditions of the APA.

3. INFORMATION ON THE PURCHASER

Under the APA, the purchaser of the Sale Asset remains as G Vascular Private Limited, whose obligations remain guaranteed by Genesis MedTech International Private Limited.

As stated in the Circular, the Purchaser is a company limited by shares and incorporated in Singapore on 30 June 2020. The Purchaser is wholly owned by the Guarantor and is established for the purpose of the Proposed Disposal. The Genesis MedTech Group is an independent third party unrelated to any of the directors and controlling shareholders of the Group.

Genesis MedTech Group is a medical device company headquartered in Singapore and was founded by a group of professionals and entrepreneurs with experiences in the industry and business operations in Asia and globally. Genesis MedTech Group's product portfolio focuses on multi-therapy medical device products for emerging markets, including but not limited to, surgical and interventional devices, with sales and distribution through its established commercial network. Genesis MedTech Group covers the entire industry value chain of research and development, production, quality management, supply chain, marketing, and sales. For more information, visit http://www.genesismedtech.com.

4. INFORMATION ON THE SALE ASSET

Under the APA, the Sale Asset remains as, *inter alia*, Chocolate Touch® which comprise the Coated Peripheral Product and its IP for worldwide design, engineering, manufacturing, rights, claims, use, marketing, sale and distribution of use in the treatment, prevention, diagnosis or management of diseases in the Peripheral Vasculature System and excluding the coronary drug coated products.

Chocolate Touch® is the second-generation drug-coated version of the Company's Chocolate® PTA balloon, designed to optimize both acute and long-term outcomes. Chocolate Touch® is currently under development by the Group for the treatment, prevention, diagnosis or management of diseases in the Peripheral Vasculature System by or through any drug-coated PTA balloon catheter product.

As stated in the Circular, based on the Valuation Report, the valuation of the Sale Asset as at 15 April 2020 was assessed to be US$96 million.

Please refer to Section 2 of the Circular for further details of the Sale Asset and the Valuation Report.

5. UPDATES ON SALIENT TERMS OF THE PROPOSED DISPOSAL UNDER THE DEFINITIVE APA

Save for the amendments (which the management and the Board are of the view are not material in nature) set out in the table below, all other principal terms and conditions of the APA remain the same as those disclosed in Section 3 of the Circular.

	Principal terms as set out in the Circular	**Amended principal terms as set out in the definitive APA**
Long-Stop Date	31 August 2020	15 September 2020
Additional Purchaser Investment	At least US$9.6 million	At least US$9.1 million
Assumed Loan Liability	US$0.5 million	US$1.0 million
Minimum Consideration	US$4.4 million	US$ 4.9 million
Purchaser Return Threshold	Product of two times of, the lesser of the following two numbers; a) the aggregate amount of capital invested by the shareholder(s) of the Purchaser in the	Product of two times of, the lesser of the following two numbers; a) the aggregate amount of capital invested by the shareholder(s) of the Purchaser in the

	Principal terms as set out in the Circular	Amended principal terms as set out in the definitive APA
	Purchaser as of such date whether by way of subscription for equity securities, loan or otherwise, and including Additional Purchaser Investment; or b) the sum of US$13.5 million, and the aggregate amount of US$0.5 million arising from the Assumed Loan Liability.	Purchaser as of such date whether by way of subscription for equity securities, loan or otherwise, and including Additional Purchaser Investment **and the conversion of Assumed Loan Liability (being US$1.0 million) into equity**; or b) the sum of **US$13.0** million, and the aggregate amount of **US$1.0** million arising from the Assumed Loan Liability.
Use of Additional Purchaser Investment	The Purchaser shall use the Additional Purchaser Investment solely in connection with the further development of and the FDA premarket approval application for the Sale Asset, including any other bona fide business activities directly or indirectly related thereto (including paying compensation to employees and consultants to the extent directly or indirectly responsible for such development).	The Purchaser shall use the Additional Purchaser Investment solely in connection with the further development of and FDA premarket approval application for the Sale Asset, including any other bona fide business activities directly or indirectly related thereto (including paying compensation to employees and consultants to the extent directly or indirectly responsible for such development). **For the avoidance of doubt, the Purchaser may use a portion of the Additional Purchaser Investment to (a) pay the Specified AP Amount, and (b) pay any costs, expenses or fees actually incurred by the Purchaser, its shareholders or any of their respective affiliates**

	Principal terms as set out in the Circular	Amended principal terms as set out in the definitive APA
		(including fees and expenses of legal counsel and other advisors) in connection with the transactions contemplated by the APA and the other Transaction Documents, the formation of the Purchaser and the investments in Purchaser by its shareholders and documentation in connection therewith, or any InnoRa Dispute(1) (excluding any Payment Gap(2)).
Conduct	Until the payment in full of the Post-Closing Payments, the Purchaser and its affiliates shall use commercially reasonable efforts (directly or through one or more Specified Sales) to obtain and maintain FDA premarket approval for and continue to market and sell the Coated Peripheral Product.	**Until the earlier of (i) the date when the aggregate Consideration is at least US$20,000,000, and (ii) the date on which the InnoRa License(3) or the Sublicense Agreement(4) is terminated,** the Purchaser and its affiliates shall use commercially reasonable efforts (directly or through one or more Specified Sales) to obtain and maintain FDA premarket approval for and continue to market and sell the Coated Peripheral Product.

	Principal terms as set out in the Circular	**Amended principal terms as set out in the definitive APA**
Sales Payment	The Purchaser shall pay to the Seller a sales payment of one point five percent (1.5%) on Net Sales of the Coated Peripheral Product ("**Sales Payments**") from the date of the APA until a maximum of US$16.1 million has been paid to the Seller or if the Specified Proceeds Payment is equal or greater than US$16.1 million.	The Purchaser shall pay to the Seller a sales payment of one point five percent (1.5%) on Net Sales of the Coated Peripheral Product ("**Sales Payments**") from the date of the APA until a maximum of US$16.1 million has been paid to the Seller **(which includes the one-time sublicense milestone payment by the Purchaser to InnoRa GmbH ("InnoRa") ("Sublicense Milestone Payment"), if any)** or if the Specified Proceeds Payment is equal or greater than US$16.1 million **(which includes the Sublicense Milestone Payment, if any)** .

Notes:

(1) InnoRa Dispute refers to any actual or potential dispute, claim or demand involving InnoRa or any of its affiliates that relates, wholly or in part, to the InnoRa License or any Transaction Document (or any of the transactions contemplated thereby), including in relation to any actual or alleged Payment Gap.

The Sellers shall use its best commercial efforts to ensure that the outcome of any InnoRa Dispute, (i) results in InnoRa's right to any payments under any Transaction Document (including the amount, if any, of any Payment Gap) being finally settled with no possibility for further dispute, and (ii) does not result in any termination of the InnoRa License. In addition, the Sellers shall use commercially reasonable efforts to ensure that the InnoRa License is not otherwise terminated (or amended or otherwise modified in a manner that could result in any adverse impact on the Purchaser's rights under the Sublicense Agreement), whether in connection with an InnoRa Dispute or otherwise.

In the event that the Sellers or the Purchaser are obligated to pay to InnoRa all or any portion of the Payment Gap, then the Sellers shall make payments to InnoRa directly for such Payment Gap up to a maximum amount equal to the Payment Gap Cap(2). provided, that, at its election, the Purchaser shall be entitled to make payments directly to InnoRa for all or any portion of the amount of the Payment Gap up to the Payment Gap Cap(2) and set such amounts off against any payment it would otherwise be required to make to the Sellers under the APA.

(2) Payment Gap means any additional amounts that InnoRa is entitled to in connection with the payments or other transactions contemplated under any Transaction Document in excess of the amounts InnoRa is entitled to receive under the Sublicense Agreement (without taking into account any amendment or modification of the Sublicense Agreement following the Closing).

Payment Gap Cap means an amount equal to (i) 30% of the Consideration less (ii) 50% of any costs, expenses or fees actually paid by the Sellers to their legal counsel or other third party advisors in connection with the applicable dispute with InnoRa in relation to any Payment Gap. The Payment Gap Cap is the maximum amount to be borned by the seller in the event that the liability under the Innora Dispute crystallises and such amount does not exceed the maximum liability that the Seller is to

indemnify the Purchaser for losses under Section 9.2(a) of the APA with respect to general representation.

(3) InnoRa License means the license granted by InnoRa to Seller for the application and incorporation of InnoRa's technologies with and into the Coated Peripheral Products.

(4) Sublicense Agreement means license granted by the Seller to Purchaser on Seller's know-how and patent assigned by InnoRa pursuant to the InnoRa License

6. RATIONALE FOR THE PROPOSED DISPOSAL AND USE OF PROCEEDS

The rationale for the Proposed Disposal and use of proceeds remains the same as that stated in the Circular and for which Shareholders had given their approval of at the EGM convened on 28 July 2020.

7. BUSINESS OF THE GROUP AFTER THE PROPOSED DISPOSAL

The Group's business following the Proposed Disposal remains the same as that stated in the Circular and for which Shareholders had given their approval of at the EGM convened on 28 July 2020.

Following the EGM convened on 28 July 2020, the Group has entered into a conditional sales and purchase agreement with Phoenix Capital Enterprises Ltd for the acquisition of the entire issued and paid-up share capital of Tengri Coal and Energy Pte. Limited and its subsidiaries. Please refer to the announcement dated 21 August 2020 for more information.

8. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

The relative figures in relation to the Proposed Disposal computed on the applicable bases set out in Catalist Rule 1006, based on the Group's audited consolidated financial statements for the financial year ended 31 December 2019, are set out below:

Catalist Rule 1006	**Bases**	**Relative Figures (%)**
(a)	Net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets.	75.9%(1)
(b)	Net losses attributable to the assets disposed of, compared with the group's net losses	3.8%(2)
(c)	Aggregate value of the consideration received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	42.3%(3)
(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable, as this is a Proposed Disposal

Catalist Rule 1006	Bases	Relative Figures (%)
(e)	The aggregate volume of 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, as the Proposed Disposal is not the disposal of mineral, oil or gas assets by a mineral, oil and gas company.

Notes:

(1) The net asset value of the Sale Asset and the net asset of the Group as at 31 December 2019 were approximately US$6.5 million and US$8.5 million, respectively.
(2) The net loss generated from the Sale Asset and the Group's net loss were approximately US$0.3 million and US$9.7 million, respectively.
(3) Based on the Consideration under the Minimum Scenario of US$4.9 million. The market capitalisation of the Company is based on 2,235,271,500 shares in issue and the weighted average price of S$0.0071 of the shares transacted on 21 August 2020 being the last market day that the Shares were traded preceding the date of the signing of the APA.

Having regard to the above, the Proposed Disposal constitutes a "Major Disposal" under Chapter 10 of the Catalist Rules as the relative figures under Rules 1006 (a) under the Minimum Scenario exceeds 50.0%.

In addition, Section 160 of the Companies Act (Chapter 50) of Singapore provides that the directors of a company shall not carry into effect any proposals for disposing of the whole or substantially the whole of the company's undertaking or property unless those proposals have been approved by the company in general meeting.

Accordingly, the Proposed Disposal is subject to the approval of Shareholders which was obtained at the EGM held on 28 July 2020.

9. PROFORMA FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

9.1 Assumptions

The pro forma financial effects of the Proposed Disposal presented below are based on the Minimum Scenario and are strictly for illustrative purposes only and do not reflect the actual financial effects or future financial performance and condition of the Company and/or the Group upon Completion.

The pro forma financial effects are calculated based on the latest audited financial statements of the Group for FY2019 and are prepared based on the following assumptions:

(a) the number of shares is based on the 2,235,271,500 issued and paid-up ordinary shares in the capital of the Company as at 31 December 2019;

(b) the Proposed Disposal had been completed on 31 December 2019 for the purposes of computing the pro forma financial effects on the NTA of the Group; and

(c) the Proposed Disposal had been completed on 1 January 2019 for the purposes of computing the pro forma financial effects on the LPS of the Group.

9.2 NTA per Share

	Before completion of the Proposed Disposal	**After completion of the Proposed Disposal**
NTA of the Group (US$'000)	228	4,128
Number of issued Shares ('000)	2,235,272	2,235,272
NTA per Share (US cents)	0.0102	0.185

9.3 LPS

	Before completion of the Proposed Disposal	**After completion of the Proposed Disposal**
Loss attributable to Shareholders (US$'000)	(9,643)	(12,209)
Weighted average number of Shares (excluding treasury shares) ('000)	2,171,181	2,171,181
LPS (US cents)	(0.444)	(0.562)

10. SERVICE AGREEMENT

No person is proposed to be appointed as a Director to the Company in connection with the Proposed Disposal.

11. INTEREST OF DIRECTORS OR CONTROLLING SHAREHOLDERS

Pursuant to the APA, Eitan Konstantino, the Chief Executive Officer and Executive Director of the Company, whose employment as Chief Executive Officer with the Company shall cease following completion of the Proposed Disposal and successful integration of the Sale Asset with the Purchaser, may receive payments from the Purchaser as described in Section 3.1 of the Circular. Accordingly, Eitan Konstantino had abstained from making any recommendations or voting on any Board and Board committee resolutions relating to the APA and the Proposed Disposal.

Save for the foregoing, none of the directors or controlling shareholders of the Company, and/or their respective associates has any interest, direct or indirect (other than through their shareholdings in the Company), in the Proposed Disposal.

12. DOCUMENTS FOR INSPECTION

A copy of the APA and the Valuation Report is available for inspection at the Registered Office of the Company at 3A International Business Park, #09-12 ICON @ IBP Tower B, Singapore 609935, during normal business hours for a period of 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@triremedical.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.

13. EXTRAORDINARY GENERAL MEETING

The Company has previously obtained Shareholders' approval for the Proposed Disposal at the EGM held on 28 July 2020.

As highlighted above, as there are no material differences between the Proposed Disposal under the APA and the Proposed Disposal as approved by Shareholders at the EGM, the Company will not be seeking to obtain further approval from Shareholders at an extraordinary general meeting to be convened but will be proceeding to completion of the Proposed Disposal subject to the relevant terms of the APA.

By Order of the Board
QT VASCULAR LTD.

Eitan Konstantino
Chief Executive Officer
27 August 2020

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "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 document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms. Gillian Goh, Director, Head of Continuing Sponsorship, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg).
