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

ISSUANCE OF 45,202,767 NEW ORDINARY SHARES IN THE CAPITAL OF QT VASCULAR LTD.

1. INTRODUCTION

The Board of Directors (the "**Board**") of QT Vascular Ltd. (the "**Company**"), and together with its subsidiaries (the "**Group**") wishes to announce that it has on 18 April 2017, issued 45,202,767 new ordinary shares in the capital of the Company (the "**New Shares**"), to six independent third parties and certain employees of the Company (the "**Lenders**") for settlement of short-term loans amounting to S$1,904,710 and to an independent third party (the "**Creditor**") for settlement of trade payables amounting to S$382,550 (collectively the "**Outstanding Sums**") ("**Shares Settlement**"), as further elaborated herein ("**Proposed Issue**").

The Shares Settlement is pursuant to (i) loan agreements entered into during the period from August 2016 to January 2017 between the Company and the Lenders ("**Loan Agreements**") in relation to a 120-day short term loan to the Company amounting to an aggregate principal amount of S$1,576,250 ("**Principal**"), subject to the terms and upon the conditions of the Loan Agreements ("**Short Term Loans**"); (ii) trade payables amounting to S$382,550; and (iii) the repayment agreements dated 22 March 2017 between the Lenders, the Creditor and the Company in relation to the repayment of the Short Term Loans and trade payables ("**Repayment Agreements**").

The key terms of the Short Term Loans include:

(a) interest at a fixed rate of 20% on the Principal ("**Interest**");

(b) additional payment computed ("**Additional Amount**") as follows:

$$\frac{\text{VWAP1} - \text{VWAP2}}{\text{VWAP2}} \times \text{Loan principal amount}$$

where:

(i) VWAP1 means the volume weighted average price of the ordinary shares in the capital of the Company ("**Shares**") traded on the Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for five (5) market days prior to and including the Settlement Date (as defined herein); and

(ii) VWAP2 means the volume weighted average price of the Company's Shares traded on the Catalist of the SGX-ST on the date of the Loan Agreements,

provided that the Additional Amount shall not exceed 45% of the Principal at any time.

(c) default interest of 20% per annum on a compounded basis shall be chargeable in respect of any late payments of Principal if the Loan is paid after 120 calendar days from the commencement date of the Short Terms Loan ("**Default Interest**");

(d) the Principal, Interest, Default Interest and Additional Amount ("**Outstanding Sums**") shall be repayable at the earlier of expiry of 120 calendar days from the date of the respective Loan Agreements (or such earlier date after the expiry of 60 calendar days of the respective Loan Agreements as determined by the Company at its sole discretion) ("**Settlement Date**");

(d) in the event that the Short Term Loans are not repaid to the Lenders on Settlement Date, the Lenders shall be entitled to be paid in preference to other creditors such amount equivalent to the Outstanding Sums from realization of the intellectual property rights of the Company after the liabilities of secured creditors are satisfied from such realisation.

In relation to the above, the total Interest, Default Interest and Additional Amount payable is S$328,460.

Pursuant to the Repayment Agreements, the Company has settled the aggregate Outstanding Sums of S$2,287,260 owing to the Lenders and Creditor by way of the allotment and issuance of 45,202,767 New Shares at the issue price equivalent to the daily volume weighted average price of the Shares based on trades done on SGX-ST on the date of the Repayment Agreements, being S$0.0506 per New Share. Upon satisfaction of the aforementioned, the Lenders and Creditor shall cease to have any rights or claims whatsoever against the Company and its subsidiaries ("**Group**") under or in connection with, the Loan Agreements and trade payables.

The Lenders and Creditor do not fall within the categories set out in Rule 812 (1) of the Listing Manual Section B: Rules of Catalist of the SGX-ST.

2. DETAILS OF THE NEW SHARES

The New Shares are 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 New 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 New Shares.

The New Shares have been issued pursuant to the authority granted by Shareholders by way of an ordinary resolution at an annual general meeting of the Company held on 28 April 2016 ("**2016 AGM**") for the issue of Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares) as at the date of the 2016 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 928,389,037 Shares and as at the date of the additional listing application, 43,783,512 new Shares have been issued from the conversion of convertible bonds and the exercise of options which were 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 the additional listing application is 971,172,549 Shares, of which the maximum number of Shares to be issued other than on a pro-rata basis is 486,086,274 Shares.

The Company had on (i) 19 December 2016 issued 29,765,346 Shares for settlement of certain short-terms loans amounting to S$2,991,417 at an issue price of S$0.1005, further details of which can be found in the Company's announcement on the SGXnet dated 19 December 2016; (ii) 26 January 2017 issued 118,882,706 Shares pursuant to the bond repayment and share issuance deed dated 18 January 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 26 January 2017; (iii) 30 March 2017 issued 77,964,405 Shares pursuant to the bond repayment and share issuance deed dated 16 March 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 16 March 2017; and (iv) will be issuing up to 213,000,000 Shares pursuant to the capital commitment agreement entered with GEM Global Yield Fund LLC SCS ("**GEM Shares**") ("**GEM Agreement**"), further details of which can be found in the Company's announcement on the SGXnet dated 21 March 2017.

As such, assuming the issuance of the GEM Shares, the remaining number of new Shares that may be issued other than on a pro rata basis is 46,473,817. Accordingly, the allotment and issuance of

new Shares underlying the Repayment Agreements of 45,202,767 New Shares falls within the limits of the Share Issue Mandate.

Pursuant to the allotment and issuance of the 45,202,767 New Shares, the Company's issued and paid-up share capital has increased from 1,265,655,943 Shares ("**Existing Share Capital**") to 1,310,858,710 Shares ("**Enlarged Share Capital**"). The New Shares represents 3.57% of the Existing Share Capital and approximately 3.45% of the Enlarged Share Capital.

3. ADDITIONAL LISTING APPLICATION

The sponsor of the Company (the "**Sponsor**"), PrimePartners Corporate Finance Pte. Ltd., had made an application on behalf of the Company to the SGX-ST for the dealing in, listing of and quotation for the New Shares on Catalist of the SGX-ST ("**LQN**") and the LQN was received on 17 April 2017, and is subject to the compliance of the Company with the SGX-ST's listing requirements. The LQN is not to be taken as an indication of the merits of the Proposed Issue, the New Shares, Loan Agreements, Repayment Agreements, the Company, its subsidiaries and their securities.

4. CONFIRMATION BY THE DIRECTORS

The Directors are of the opinion that after taking into consideration the Group's present bank and credit facilities (including the GEM Agreement), the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the aforementioned, the Company considers the repayment of the Short Term Loans and trade payables in the form of equity to be advantageous to the Group as it will, *inter alia*, ease the cash flow position of the Group and is in the long term interest of the Group.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the directors or substantial Shareholders of the Company has any interest, direct or indirect, in the issuance of the New Shares (other than through their shareholdings in the Company).

By Order of the Board
QT VASCULAR LTD.

Eitan Konstantino
Chief Executive Officer
18 April 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 at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.
