QT Vascular Ltd. and its subsidiaries

Unaudited Financial Statements Announcement for the financial year ended 31 December 2014

*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 Group (which comprises the Company and its subsidiaries) was formed on 11 July 2013 pursuant to a restructuring exercise ("Restructuring Exercise") prior to the IPO and the Company's listing on the Catalist Board of the SGX-ST ("Catalist"). Please refer to the Company's Offer Document dated 16 April 2014 ("Offer Document") for further details on the Restructuring Exercise.

The Company was admitted to Catalist on 29 April 2014. For the purpose of this announcement, the comparative results of the Group for the financial year ended 31 December 2013 ("FY2013") have been prepared based on the assumption that the Group's structure following the completion of the Restructuring Exercise had been in place since 1 January 2013.

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 Year ended 31/12/2014 US$'000	Group Year ended 31/12/2013 US$'000	Change
Revenue	13,159	5,466	140.7%
Cost of sales	(9,820)	(5,855)	67.7%
Gross profit/(loss)	3,339	(389)	NM
Sales and marketing	(8,800)	(7,756)	13.5%
Administrative expenses	(13,732)	(7,691)	78.5%
Research and development expenses	(6,720)	(2,258)	197.6%
Other income	–	332	NM
Other expenses	(197)	(105)	87.6%
Results from operating activities	(26,110)	(17,867)	46.1%
Finance income	1,419	102	NM
Finance costs	(9,482)	(17,838)	(46.8%)
Net finance costs	(8,063)	(17,736)	(54.5%)
Loss before tax	(34,173)	(35,603)	(4.0%)
Tax expense	(1)	(1)	NM
Loss for the year	(34,174)	(35,604)	(4.0%)
Other comprehensive loss			
Item that is or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences	(3,213)	463	NM
Total comprehensive loss for the year	(37,387)	(35,141)	6.4%
Loss attributable to:			
Owners of the Company	(34,174)	(34,523)	(1.0%)
Non-controlling interests [(1)]	–	(1,081)	NM
Loss for the year	(34,174)	(35,604)	(4.0%)
Total comprehensive loss attributable to:			
Owners of the Company	(37,387)	(34,060)	9.8%
Non-controlling interests	–	(1,081)	NM
Total comprehensive loss for the year	(37,387)	(35,141)	6.4%

NM denotes not meaningful

Note:

(1) On 11 July 2013, the Group underwent a restructuring exercise whereby the shareholders of Quattro Vascular Pte. Ltd. ("Quattro") exchanged their respective ownership interests in Quattro for an ownership interest in the Company. Please refer to the Company's Offer Document and the Company's FY2013 annual report for additional information.

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

	Group (Year-To-Date)		
	Year ended		
	31/12/2014 US$'000	31/12/2013 US$'000	% change
Depreciation of property, plant and equipment	(360)	(574)	(37.3)
Allowance of inventory obsolescence	(88)	–	NM
Gain on disposal of property, plant and equipment	3	–	NM
Property, plant and equipment written off	(25)	–	NM
Amortization of intangible assets	(570)	(383)	48.8
Exchange gain	1,401	99	NM
Equity-settled share based payment transactions	(542)	(2,086)	(74.0)
Interest income	21	3	NM
Interest expense	(4,477)	(3,691)	21.3

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	
	31/12/2014 US$'000	31/12/2013 US$'000	31/12/2014 US$'000	31/12/2013 US$'000
Assets:				
Property, plant and equipment	827	376	–	–
Intangible assets	9,235	6,833	40	–
Investment in subsidiaries	–	–	73,232	44,106
Other non-current assets	201	185	–	–
Non-current assets	10,263	7,394	73,272	44,106
Inventories	6,174	3,525	–	–
Trade and other receivables	3,474	1,872	14	239
Cash and cash equivalents	20,152	5,197	11,516	–
Current assets	29,800	10,594	11,530	239
Total assets	40,063	17,988	84,802	44,345
Equity:				
Share capital	133,263	52,733	133,263	52,733
Reserves	(821)	1,850	(33,287)	(29,308)
Accumulated losses	(100,747)	(66,573)	(15,929)	(4,836)
Total equity	31,695	(11,990)	84,047	18,589
Liabilities:				
Loans and borrowings	12	5,475	–	5,475
Trade and other payables, including derivatives	175	4,824	–	4,674
Non-current liabilities	187	10,299	–	10,149
Loans and borrowings	1	6,904	–	6,904
Trade and other payables, including derivatives	8,180	12,128	755	8,703
Deferred income	–	647	–	–
Current liabilities	8,181	19,679	755	15,607
Total liabilities	8,368	29,978	755	25,756
Total equity and liabilities	40,063	17,988	84,802	44,345

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

	Secured		Unsecured	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	US$'000	US$'000	US$'000	US$'000
Amount repayable within one year or less or on demand:				
Loans and borrowings	1	–	–	6,904
	1	–	–	6,904

	Secured		Unsecured	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	US$'000	US$'000	US$'000	US$'000
Amount repayable after one year:				
Loans and borrowings	12	–	–	5,475
	12	–	–	5,475

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 Year ended 31/12/2014 US$'000	Group Year ended 31/12/2013 US$'000
Cash flows from operating activities			
Net loss		(34,174)	(35,604)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation of property, plant and equipment		360	574
Amortisation of intangible assets		570	383
Interest income		(21)	(3)
Interest expense on convertible notes		4,477	3,691
Gain on disposal of property, plant and equipment		(3)	–
Property, plant and equipment written off		25	–
Exchange gain		(1,401)	(99)
Equity-settled share-based payment transactions		542	2,086
Change in fair value of financial instruments		5,010	14,147
		(24,615)	(14,825)
Changes in working capital:			
- Trade and other receivables		(1,581)	(1,330)
- Inventories		(2,649)	(700)
- Other assets		(16)	4
- Trade and other payables, including derivatives		3,048	3,127
- Deferred income		(647)	(353)
Net cash used in operating activities		(26,460)	(14,077)
Cash flows from investing activities			
Purchase of property, plant and equipment		(811)	(183)
Proceeds from disposal of plant and equipment		–	7
Additions to intangible assets		(2,975)	(4,084)
Net cash used in investing activities		(3,786)	(4,260)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		40,768	–
Repayment of convertible note interests		(702)	–
Repayment of hire purchase creditor		(2)	–
Proceeds from issuance of preference shares		–	3,941
Proceeds from issuance of convertible notes		2,500	14,612
Proceeds from exercise of share options		164	–
Proceeds from exercise of warrants		3,487	–
Net cash from financing activities		46,215	18,553
Net increase in cash and cash equivalents		15,969	216
Effect of exchange rate changes on cash and cash equivalents		(1,014)	(16)
Cash and cash equivalents at beginning of year		5,197	4,997
Cash and cash equivalents at end of year	1	20,152	5,197

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

Note:

(1) Cash and cash equivalents are derived from:

	Group	
	31/12/2014	**31/12/2013**
	US$'000	**US$'000**
Bank balances	20,107	5,099
Deposits pledged	45	98
Total cash and cash equivalents	20,152	5,197

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$'000**	**Total US$'000**	**Non-controlling interests US$'000**	**Total equity US$'000**
Group										
At 1 January 2013	–	–	1,793	–	(107)	887	(32,050)	(29,477)	(1,989)	(31,466)
Total comprehensive loss for the period										
Loss for the period	–	–	–	–	–	–	(34,523)	(34,523)	(1,081)	(35,604)
Other comprehensive income										
Foreign currency translation differences	–	–	–	–	463	–	–	463	–	463
Total comprehensive loss for the period	–	–	–	–	463	–	(34,523)	(34,060)	(1,081)	(35,141)
Contributions by and distributions to owners										
Conversion of preference shares into ordinary shares	–	–	3,719	–	–	–	–	3,719	–	3,719
Issuance of ordinary shares upon restructuring	5,512	–	(5,512)	–	–	–	–	–	–	–
Issuance of series A-1 to A-6 and series B convertible preference shares	–	47,204	1,685	–	–	–	–	48,889	–	48,889
Share buy back	–	–	–	(77)	–	–	–	(77)	–	(77)
Share options exercised	17	–	–	–	–	(17)	–	–	–	–
Share-based payment transactions	–	–	–	–	–	2,086	–	2,086	–	2,086
Acquisition of non-controlling interest without change in control	–	–	(3,070)	–	–	–	–	(3,070)	3,070	–
	5,529	47,204	(3,178)	(77)	–	2,069	–	51,547	3,070	54,617
At 31 December 2013	5,529	47,204	(1,385)	(77)	356	2,956	(66,573)	(11,990)	–	(11,990)

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

	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 January 2014	5,529	47,204	(1,385)	(77)	356	2,956	(66,573)	(11,990)
Total comprehensive loss for the period								
Loss for the period	–	–	–	–	–	–	(34,174)	(34,174)
Other comprehensive income								
Foreign currency translation differences	–	–	–	–	(3,213)	–	–	(3,213)
Total comprehensive loss for the period	–	–	–	–	(3,213)	–	(34,174)	(37,387)
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
Transactions costs pursuant to the initial public offering	(4,691)	–	–	–	–	–	–	(4,691)
Shares issued pursuant to conversion of convertible notes	35,911	–	–	–	–	–	–	35,911
Issuance of preference shares	–	200	–	–	–	–	–	200
Share options exercised	164	–	–	–	–	–	–	164
Share-based payment transactions	–	–	–	–	–	542	–	542
Total contributions by and distributions to owners	127,734	(47,204)	–	–	–	542	–	81,072
At 31 December 2014	133,263	–	(1,385)	(77)	(2,857)	3,498	(100,747)	31,695

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

	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
Company								
At 1 January 2013	–	–	–	–	–	–	–	–
Total comprehensive loss for the period								
Loss for the period	–	–	–	–	–	–	(4,836)	(4,836)
Other comprehensive income								
Foreign currency translation differences	–	–	–	–	201	–	–	201
Total comprehensive loss for the period	–	–	–	–	201	–	(4,836)	(4,635)
Contributions by and distributions to owners								
Conversion of preference shares into ordinary shares	–	–	3,719	–	–	–	–	3,719
Shares issued pursuant to restructuring	5,512	–	(5,512)	–	–	–	–	–
Issuance of series A-1 to A-6 and series B convertible preference shares	–	47,204	1,685	–	–	–	–	48,889
Share buy back	–	–	–	(77)	–	–	–	(77)
Share option exercised	17	–	–	–	–	(17)	–	–
Share-based payment transactions	–	–	–	–	–	2,973	–	2,973
Loss on acquisition of interests in subsidiaries due to the restructuring	–	–	(32,280)	–	–	–	–	(32,280)
Total contributions by and distributions to owners	5,529	47,204	(32,388)	(77)	–	2,956	–	23,224
At 31 December 2013	5,529	47,204	(32,388)	(77)	201	2,956	(4,836)	18,589

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

	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
Company								
At 1 January 2014	5,529	47,204	(32,388)	(77)	201	2,956	(4,836)	18,589
Total comprehensive loss for the period								
Loss for the period	–	–	–	–	–	–	(11,093)	(11,093)
Other comprehensive income								
Foreign currency translation differences	–	–	–	–	(4,519)	–	–	(4,519)
Total comprehensive loss for the period	–	–	–	–	(4,519)	–	(11,093)	(15,612)
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)	–	–	–	–	–	–
Conversion of preference shares into ordinary shares	–	–	(2)	–	–	–	–	(2)
Shares issued pursuant to the initial public offering	43,775	–	–	–	–	–	–	43,775
Shares issued in satisfaction of professional fees	1,684	–	–	–	–	–	–	1,684
Transactions costs pursuant to the initial public offering	(4,691)	–	–	–	–	–	–	(4,691)
Shares issued pursuant to conversion of convertible notes	35,911	–	–	–	–	–	–	35,911
Issuance of preference shares	–	200	–	–	–	–	–	200
Share options exercised	164	–	–	–	–	–	–	164
Share-based payment transactions	–	–	–	–	–	542	–	542
Total contributions by and distributions to owners	127,734	(47,204)	(2)	–	–	542	–	81,070
At 31 December 2014	133,263	–	(32,390)	(77)	(4,318)	3,498	(15,929)	84,047

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

The Company's issued and fully paid-up ordinary share capital increased by 1,934,684 shares from 758,193,576 as at 1 October 2014 to 760,128,260 shares as at 31 December 2014 due to the following:

	Number of ordinary shares	Issued and paid-up share capital US$'000
Balance at 1 October 2014	758,193,576	133,200
Shares issued pursuant to exercise of share options	1,934,684	63
Balance at 31 December 2014	760,128,260	133,263

Outstanding Options

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

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 QTV 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 ("Subdivision").

On 19 December 2014, 1,934,684 ordinary shares were issued in respect of the exercise of 1,934,684 options under the Three Share Plans.

A reconciliation of outstanding share options from 1 October 2014 to 31 December 2014 is as follows:

Outstanding Options	**Number of Options**
At 1 October 2014	114,309,910
Adjusted during the period	16,526
Exercised during the period	(1,934,684)
At 31 December 2014	112,391,752

As of 31 December 2014, there are 112,391,752, outstanding options convertible into 112,391,752 ordinary shares, representing approximately 14.8% of the existing ordinary share capital as at 31 December 2014 (31 December 2013: 5,092,000 (24.2% of the ordinary shares on a fully diluted basis).

For further details on the Three Share Plans, please refer to the Company's Offer Document.

Convertible Preference Shares ("CPS")

As at 31 December 2013, the Company had 16,506,675 convertible preference shares with a carrying value of US$50.6 million. Pursuant to the Restructuring Exercise on 9 April 2014, all CPS was converted into ordinary shares of the Company.

The Company held no CPS as at 31 December 2014.

Convertible Notes

As at 31 December 2013, the Group had convertible notes with an aggregate carrying value of US$12.4 million outstanding which was converted to 68,615,268 ordinary shares of the Company.

The Company held no convertible notes as at 31 December 2014.

Convertible Warrants

As at 31 December 2013, the Company had outstanding warrants exercisable for 2,480,239 (on a fully-diluted basis) of its ordinary and preference shares. On 7 April 2014, the holders of the convertible warrants exercised their rights to purchase shares in the Company and the Company allotted and issued an aggregate of 1,167,647 ordinary shares and 1,204,134 preference shares.

The Company held no convertible warrants as at 31 December 2014.

Treasury Shares

The Company held no treasury shares as at 31 December 2014 and as at 31 December 2013.

For further details on the convertible preference shares, convertible notes and convertible warrants, please refer to the Company's offer document dated 16 April 2014 and the Company's 2013 Annual Report.

Save as disclosed above, there were no outstanding convertibles or treasury shares held by the Company as at 31 December 2014 and 31 December 2013.

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 760,128,260 as at 31 December 2014 and 4,542,897 as at 31 December 2013.

The total number of issued convertible preference shares was Nil as at 31 December 2014 and 16,506,675 as at 31 December 2013.

The Company held no treasury shares as at 31 December 2014 and 31 December 2013.

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 those used in the most recently audited annual financial statements.

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 year compared with the audited financial statements for the year ended 31 December 2013, except for the adoption of the Financial Reporting Standards ("**FRS**") and Interpretation of FRS ("**INT FRS**") that are mandatory for financial years beginning on or after 1 January 2014. The adoption of these new FRS and INT FRS has no significant impact on the financial statements for the current and prior reporting periods.

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	Year ended 31/12/2014	Year ended 31/12/2013	
	Basic and diluted (1), (2)	**Basic and diluted (1), (2)**	**Basic and diluted (Adjusted) (3)**
Loss for the year attributable to owners of the Company **(US$'000)**	(34,174)	(34,523)	(34,523)
Weighted average number of ordinary shares used to compute loss per share **('000)**	563,364	2,116	33,856
Loss per share **(US$)**	(0.061)	(16.315)	(1.020)

Notes:

(1) The calculation is based on the weighted average number of ordinary shares in issue during the respective periods. As of the respective dates, the share amounts and financial information used in the calculation of earnings per share above were arrived at using data in existence prior to the IPO for the financial year ended 31 December 2013 ("FY2013") and post IPO data for the financial year ended 31 December 2014 ("FY2014").

(2) 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.

(3) For illustrative and comparison purposes, the adjusted loss per share for FY2013 were calculated assuming the subdivision of 1 ordinary share to 16 ordinary shares which was completed on 9 April 2014 had taken place at the beginning of the financial year.

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	
	31/12/2014 US$	**31/12/2013 US$**	**31/12/2014 US$**	**31/12/2013 US$**
Net asset/(liability) value per ordinary share [(1), (2)]	0.04	(2.64)	0.11	4.09

Notes:

(1) The net asset/(liability) value per ordinary share of the Group is calculated based on net assets/(liabilities) of US$31.7 million as at 31 December 2014 (31 December 2013: US$(12.0) million). The net asset value per ordinary share of the Company is calculated based on net assets of US$84.0 million as at 31 December 2014 (31 December 2013: US$18.6 million).

(2) For both the Group and the Company, the net asset/(liability) value per ordinary share were calculated based on 760,128,260 ordinary shares in issue as at 31 December 2014 and 4,542,897 as at 31 December 2013. As of the respective dates, the share amounts and financial information used in the calculation of net asset/(liability) value per ordinary share above were arrived at using data in existence prior to the IPO for FY2013 and post IPO data for FY2014.

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

Year ended 31 December 2014 compared to the Year ended 31 December 2013

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 FY2014 and for FY2013 are presented below:

	Year ended 31 December 2014		Year ended 31 December 2013	
	US$'000	%	US$'000	%
United States	11,738	89.2	4,573	83.7
Europe	258	2.0	341	6.2
Asia Pacific	1,163	8.8	552	10.1
	13,159	100.0	5,466	100.0

	Year ended 31 December 2014	Year ended 31 December 2013
Units sold	30,344	10,311

Our revenue increased by US$7.7 million, or 140.7%, from US$5.5 million in FY2013 to US$13.2 million in FY2014. The increase was mainly due to an increase in sales of our Chocolate PTA and Glider PTCA with our distributors and our direct coronary sales in the United States.

Cost of sales increased by US$3.9 million, or 67.7%, from US$5.9 million in FY2013 to US$9.8 million in FY2014 mainly due to the increased sales of Chocolate PTA and Glider PTCA as well as some short-term increase in unit costs primarily attributable to materials and overhead expenses in the second half of the year. These short term unit cost increases were partially offset by continued pricing improvements from our suppliers.

The Group recorded a gross profit of US$3.3 million or 25.4% of revenue in FY2014 mainly due to better sales volumes achieved for the Group's products during the year as compared to a gross loss of US$0.4 million or negative 7.1% of revenue for the FY2013 which was mainly due to low sales volumes and higher unit costs incurred for the production of the Group's various products.

Our loss before taxation decreased by US$1.4 million or 4.0%, from US$35.6 million in the FY2013 to US$34.2 million in the FY2014. The analysis of the loss before taxation are as follows:

- Our administrative expenses increased by US$6.0 million, or 78.5%, from US$7.7 million in FY2013 to US$13.7 million in FY2014. The increase was mainly due to the increase in business activities and professional service fees of US$3.0 million for our IPO and our ongoing litigation for which more information can be obtained from the Company's Offer Document.

- Our research and development expenses increased by approximately US$4.4 million from US$2.3 million in FY2013 to US$6.7 million in FY2014. The increase is due to US$9.7 million of research and development expenses incurred in FY2014 but is offset by capitalization of development expenses of US$3.0 million during the year. The Group capitalized US$4.1 million of development expenses in FY2013 to intangible assets.

- We were in a net finance cost position of US$8.1 million in FY2014, as compared to a net finance cost position of US$17.7 million in FY2013. We recorded a fair value loss on financial instruments of US$5.0 million in FY2014 as compared to a fair value loss of US$14.1 million in FY2013. 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 addition, we recorded interest expense on convertible notes of US$4.5 million in FY2014 as compared to US$3.7 million in FY2013 mainly due to accretion expense on our convertible notes. The finance costs in FY2014 was offset by the foreign exchange gain of US$1.4 million as compared to a foreign exchange gain of US$0.1 million during FY2013 pursuant to exchange rate changes between the Singapore dollar and United States dollar.

- Depreciation expenses decreased by US$214,000, or 37.3% from US$574,000 in FY2013 to US$360,000 in FY2014 as most of the Group's property, plant and equipment have been fully depreciated as at 31 December 2014 and most property, plant and equipment additions during FY2014 were made mostly in the second half of the year.

- Amortization of intangible assets increased by US$187,000, or 48.8% from US$383,000 in FY2013 to US$570,000 in FY2014 mainly due to the commencement of the amortization for Chocolate PTCA and amortization of existing intangible assets such as Glider PTCA and Chocolate PTA during FY2014.

- For FY2014, the Group incurred expenses that are non-recurring in nature such as those relating to the IPO of US$1.6 million and interest expenses relating to convertible notes of US$4.5 million.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 31 December 2014 US$'000	As at 31 December 2013 US$'000	Change %
Non-current assets	10,263	7,394	38.8%
Current assets	29,800	10,594	181.3%
Total assets	40,063	17,988	122.7%
Total equity	31,695	(11,990)	NM
Non-current liabilities	187	10,299	(98.2%)
Current liabilities	8,181	19,679	(58.4%)
Total liabilities	8,368	29,978	(72.1%)

The Group had working capital of US$21.6 million as at 31 December 2014 and a negative working capital of US$9.1 million as at 31 December 2013. The working capital as at 31 December 2014 was mainly due to the receipt of cash proceeds from the IPO and the conversion of all outstanding balances on convertible notes to equity. The negative working capital at 31 December 2013 was primarily due to the outstanding balance on the Group's loans and borrowings.

Our non-current assets increased by US$2.9 million from US$7.4 million as at 31 December 2013 to US$10.3 million as at 31 December 2014 mainly due to the increase in intangible assets of US$2.4 million and property, plant and equipment of US$0.5 million. The increase in intangible assets was due to the capitalization of development expenses whilst the increase in property, plant and equipment was mainly due to purchases of machinery and equipment of US$0.8 million during the FY2014.

Our current assets increased by US$19.2 million from US$10.6 million as at 31 December 2013 to US$29.8 million as at 31 December 2014 mainly due to the increase in cash from net IPO proceeds of US$40.8 million (prior to utilization of IPO proceeds during the year), trade and other receivables of US$1.6 million and inventories of US$2.6 million. The increase in inventories was due to the ramping up of our production to meet the increase in customer demand for Chocolate PTA, Chocolate PTCA and Glider PTCA whilst the increase in trade and other receivables is mainly due to increase in trade receivables as a result in the increase in sales.

Our non-current liabilities decreased by US$10.1 million from US$10.3 million as at 31 December 2013 to US$0.2 million as at 31 December 2014 mainly due to the conversion of all loans and borrowings of US$5.5 million, being long-term obligations as at 31 December 2013, to ordinary shares upon the Company's IPO. Trade and other payables, including derivatives decreased by US$4.6 million due mainly to the extinguishment of the Company's embedded derivatives.

Our current liabilities decreased by US$11.5 million from US$19.7 million as at 31 December 2013 to US$8.2 million as at 31 December 2014 mainly due to the conversion of all loans and borrowings of US$6.9 million, being short-term obligations as at 31 December 2013, to ordinary shares upon the Company's IPO. Trade and other payables, including derivatives decreased by US$4.0 million mainly due to the extinguishment of the Company's embedded derivatives.

CONSOLIDATED STATEMENT OF CASH FLOWS

Cash Flow Analysis FY2014

The Group recorded cash outflows from operating activities of US$26.5 million for FY2014 which was a result of an operating loss before working capital changes of US$24.6 million and an increase in working capital changes of US$1.9 million. The increase in working capital was due to the decrease in deferred income of US$0.6 million following the fulfilment of the contract and increases in inventories and, trade and other receivables balances of US$2.6 million and US$1.6 million respectively as a result of increase in sales during the year and the ramping up of production for sales of Chocolate PTA, Chocolate PTCA and Glider PTCA. The increase in working capital is partially offset by the increase in trade and other payables, including derivatives, of US$3.0 million for amounts owing to suppliers for purchases made to support our Group's operations.

Cash used in investing activities for FY2014 was US$3.8 million which was mainly due to additions to fixed assets and intangible assets of approximately US$0.8 million and US$3.0 million respectively.

For FY2014, net cash inflow from financing activities was US$46.2 million which was mainly due to proceeds received from the issue of shares pursuant to the initial public offering of US$40.8 million, issue of convertible notes of US$2.5 million and exercise of warrants of US$3.5 million. The net cash inflow from financing activities was partially offset by the repayment of convertible note interests of US$0.7 million during the year.

Cash Flow Analysis FY2013

The Group recorded cash outflows from operating activities of US$14.1 million for FY2013 which was mainly due to the operating loss before working capital changes of US$14.8 million but was offset due to a decrease in working capital changes of US$0.7 million. The decrease in working capital changes was mainly due to the increase in trade and other payables, including derivatives, of US$3.1 million as the Group increased its purchases to support the expansion of its operations. The increase was offset by a US$0.7 million and US$1.3 million increase in inventory and, trade and other receivables balances respectively as well as a decrease in deferred income of US$0.4 million.

Cash used in investing activities for FY2013 was US$4.3 million which was mainly due to additions to intangible assets pertaining to developed technology of approximately US$4.1 million.

For FY2013, net cash inflow derived from financing activities was US$18.6 million which was mainly due to proceeds from the issuance of convertible notes and preference shares of US$14.6 million and US$3.9 million respectively.

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 global economy continues to recover after the "Great Recession" of 2008-2010 that impacted the United States and Europe. In addition, as populations age across North America, Europe and Asia, governments are increasing their healthcare spending both in absolute terms and as a percentage of overall spending. These broad trends have created a favourable environment for companies in the healthcare sector, especially those who are able to provide innovations that not only save or improve lives, but also allow for healthcare to be delivered more efficiently.

Within this overall favourable framework, spending on medical devices continues to increase as populations age across the globe, incomes rise in the developing world and insurance coverage expands. Specific to the peripheral and coronary angioplasty markets where our products compete, the growth in the overall number of procedures has flattened off in North America and Europe while there continues to be robust growth in many emerging markets, namely China and India.

As certain markets mature, competition is becoming more intense and procurement cycles within hospitals (especially in the United States) are taking longer. Nevertheless, there continues to be significant rewards for those companies who innovate rapidly to deliver products that improve clinical outcomes and reduce overall healthcare costs. A recent example of this is the introduction of drug-coated balloons (DCBs) in Europe and the United States. In some countries, DCBs are rapidly becoming the standard of care for certain peripheral interventions as they provide robust long-term outcomes without the risks associated with permanent implants such as stents. Management believes this adoption of drug-coated balloons in the periphery is a highly positive development for its drug-coated balloon under development known as Chocolate Touch which is expected to be approved in Europe later this year. Furthermore, management believes that, over time, DCBs will play a significant role in coronary interventions, a much larger market. As such, it has initiated a development program in this area as well.

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.

Other than the interested person transactions as disclosed on pages 169 to 181 of the Company's Offer Document, there were no new interested person transactions which were more than S$100,000 entered into during the current financial period reported on. The Group does not have a general mandate for recurrent interested person transactions.

14. USE OF IPO PROCEEDS

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	4,250	750
Development of new products and product enhancements	15,000	12,701	2,299
General working capital purposes (2)	30,261	22,232	8,029
Listing expenses (3)	4,739	4,718	21
Total	55,000	43,901	11,099

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) Utilized mainly for the payment of salaries and wages and raw material purchases.

(3) Of the total listing expenses to be borne by our Company, approximately S$3.8 million (or the equivalent of US$3.0 million) was capitalized against share capital and the balance of the estimated listing expenses was charged to the income statement of our Company. This excludes professional fees paid by our Company to PPCF by the issue and allotment of 7,558,828 shares. The amount of placement commission for each placement share, agreed upon between the Joint Placement Agents and our Company, is 5.0% of the issue price for each placement share. Please refer to the section entitled

"General and Statutory Information – Placement Arrangement" of the Company's Offer Document for further details.

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

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Not applicable. As the Group only has one reportable operating segment, which is development and sales of medical devices, there was no presentation of the Group's segmented revenue and results in the Group's most recent annual financial statements.

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

Please refer to Paragraph 8 for analysis of revenue for the financial year ended 31 December 2014 ("FY2014"), as contributed by the medical devices segment.

The medical devices segment recorded a loss before income tax of US$34.2 million in FY2014 as compared to US$35.6 million in FY2013 due to the reasons highlighted in Paragraph 8.

17. A breakdown of sales

	Group		
	Year ended		
	31 December 2014	31 December 2013	Increase/(Decrease)
	US$'000	US$'000	%
(a) Sales reported for the first half year	6,067	1,675	262.2%
(b) Operating loss after tax before deducting minority interests reported for first half year	(22,668)	(16,611)	36.5%
(c) Sales reported for the second half year	7,092	3,791	87.1%
(d) Operating loss after tax before deducting minority interests reported for second half year	(11,506)	(18,993)	(39.4%)

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable. No dividend has been declared or recommended for the financial years ended 31 December 2014 and 31 December 2013.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(10) of the Listing Manual Section B: Rules of Catalist of the SGX-ST, none of the employees occupying managerial positions in QT Vascular Ltd. (the "Company") or any of its principal subsidiaries are relatives of the Directors or Chief Executive Officer or Substantial Shareholders of the Company.

BY ORDER OF THE BOARD
Eitan Konstantino
Chief Executive Officer
25 February 2015