

QT VASCULAR LTD.
(Company Registration No. 201305911K)
(Incorporated in Singapore)
(the “**Company**”)

EXTENDED REPAYMENT OF EXISTING LOANS

QT Vascular Ltd. (“**Company**”, and together with its subsidiaries, “**Group**”) has today entered into a loan extension deed with Mr. Tanhum Feld, Ms. Lim Sai Guet and The Ephraim Heller Separate Property Trust (each a “**Lender**”, and collectively, the “**Lenders**”) to extend the repayment date of existing loans which were extended to the Company by the Lenders in aggregate amount of US\$1,362,839, from 15 May 2019 to 15 November 2020 with an option, at the discretion of the Company, to extend the repayment of the outstanding loan amount by another six (6) months from 15 November 2020 (“**Extension**”).

The outstanding loan amounts which were extended by Mr. Feld, Ms. Lim and The Ephraim Heller Separate Property Trust are US\$1 million, US\$55,992 and US\$306,847 respectively. The aforesaid outstanding loan amounts subject to the Extension is a reduced sum from the outstanding loan amounts totalling US\$2.4 million as at 31 March 2019 following repayments made subsequent to 31 March 2019 by the Company to certain lenders of approximately US\$1.0 million.

Information on the Lenders

Mr. Feld is an individual investor based in Israel and is the co-inventor of Chocolate®, one of the Group’s key products. As at the date of hereof, he is deemed interested in 104,062,840 ordinary shares in the Company (“**Shares**”) held by MDIE Pte. Ltd., representing approximately 4.97% of the entire issued Shares.

Ms. Lim is an individual investor based in Singapore. As at the date of hereof, she does not own any Shares.

The Ephraim Heller Separate Property Trust is a revocable living trust based in the United States of America. The trust is managed by Mr Ephraim Heller who is the current CEO of SynAgile Corporation and was the founding CEO of Angioscore, Inc.. The beneficiaries of the trust are Mr Ephraim Heller and Ms Kira Heller. As of the date hereof, the trust owns 44,680,432 Shares, representing approximately 2.14% of the entire issued Shares.

All of the Lenders:

- (i) are not related to the Company’s Directors or their associates (“**Relevant Persons**”);
- (ii) are not accustomed or under the obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Relevant Persons; and

- (iii) do not fall within the categories set out in Rule 812(1) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

Details of the Extension

In consideration of the aforesaid Extension, the Company has agreed to:

- (i) pay the Lenders an aggregate extension fee of US\$204,426 (“**Extension Fee**”) and an aggregate interest amount of US\$204,613 (which is equivalent to an interest rate of 10% per annum) (“**Interest**”), where both the Extension Fee and Interest are to be fully satisfied by the issue and allotment of an aggregate 142,639,054 new Shares (“**New Shares**”) at an issue price of S\$0.0039⁽¹⁾ per Share (“**Issue Price**”) to the Lenders; and
- (ii) extend the Qualifying Exit Event⁽²⁾ period which has the same terms ascribed in the 24 July 2015 and 27 January 2016 convertible bond agreements during the Extension period. Any Qualifying Exit Event payout will be based on the outstanding loan amounts at the date of the loan extension deed.

The proportion of the (i) Extension Fee payable to each Lender; (ii) Interest payable to each Lender; and (iii) New Shares to be issued and allotted to each Lender is set out in Parts 3, 5 and 7 of Schedule 1 of this announcement respectively.

The Company considers the Extension and repayment of the Extension Fee and Interest in the form of equity to be advantageous to the Group as it will, *inter alia*, retain the cash currently available in the Group for working capital purposes and is in the long-term interest of the Group.

The Issue Price represents the 5-day volume weighted average price (“**VWAP**”) of the Shares traded on the SGX-ST prior to the date of this announcement and was determined based on arm’s length negotiations with the Lenders. The Issue Price represents a discount of 2.5% to the VWAP of S\$0.004 for trades done on the SGX-ST for the full market day on 13 May 2019, being the last trading date immediately preceding the date of the loan extension deed.

(1) Based on an exchange rate of US\$1.00 to S\$1.36 as at 14 May 2019.

(2) A Qualifying Exit Event shall mean any of the following events, provided that cumulatively such events involve an aggregate transaction size of equal to or more than S\$75,000,000 (“**S\$75m Qualifying Exit Event Threshold**”) and occur prior to the maturity date:

- (a) entry by the Company into legally binding agreements for the sale of the Company and/or all or any of its subsidiaries; or
- (b) entry by the Company into legally binding agreements for the sale of a major asset or business of the Group.

In the event of completion of a Qualifying Exit Event, the Company, upon receiving full proceeds on completion of such Qualifying Exit Event and the S\$75m Qualifying Exit Event Threshold having been crossed, the Company will pay to each Lender an amount equivalent to two (2) times of the outstanding amount of the loans due to each Lender.

The New Shares will be issued free from all claims, pledges, mortgages, charges, liens and encumbrances and rank in all respects *pari passu* with the then existing 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 allotment and issue of the New Shares is made pursuant to the authority under the general share issue mandate of the Company granted by the shareholders at the annual general meeting of the Company held on 30 April 2019 pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and Rule 806 of the Catalist Rules.

On completion of the allotment and issuance of the New Shares, the Company's issued and paid-up share capital will increase from 2,092,632,446 Shares to 2,235,271,500 Shares. The New Shares represent approximately 6.82% of the existing issued Shares and approximately 6.38% of the enlarged issued Shares.

The respective shareholding interests of the Lenders before and after the allotment and issuance of the New Shares are set out in Parts 8 and 9 of Schedule 1 respectively.

An application to the SGX-ST will be made by the Company through its sponsor, PrimePartners Corporate Finance Pte. Ltd., for the listing of and quotation for the New Shares on Catalist. The Company will make the necessary announcement in due course upon receipt of the listing and quotation notice from the SGX-ST.

None of the Directors of the Company has an interest, direct or indirect, in the aforesaid transaction, other than through their respective shareholding interests, direct or indirect, in the Company. There are no existing substantial shareholders in the Company.

By Order of the Board of Directors
QT VASCULAR LTD.

Eitan Konstantino
Chief Executive Officer
15 May 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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

SCHEDULE 1

							Total shareholding interest in the Company	
(1) Name of Lender	(2) Outstanding loan amount	(3) Extension Fee entitlement	(4) No. of New Shares to be issued to satisfy Extension Fee entitlement ⁽¹⁾	(5) Interest entitlement	(6) No. of New Shares to be issued to satisfy Interest entitlement ⁽²⁾	(7) Total no. of New Shares to be issued to satisfy both the Extension Fee and Interest entitlement (% of Enlarged Share Capital ⁽³⁾)	(8) Before allotment of New Shares (% of Existing Share Capital ⁽⁴⁾)	(9) After allotment of New Shares (% of Enlarged Share Capital)
Tanhum Feld	US\$1,000,000	US\$150,000	52,307,692	US\$150,137	52,355,461	104,663,153 (4.68%)	104,062,840 (4.97%)	208,725,993 (9.34)%
Lim Sai Guet	US\$55,992	US\$8,399	2,928,836	US\$8,407	2,931,511	5,860,347 (0.26%)	NIL	5,860,347 (0.26)%
The Ephraim Heller Separate Property Trust	US\$306,847	US\$46,027	16,050,448	US\$46,069	16,065,106	32,115,554 (1.44%)	44,680,432 (2.14%)	76,795,986 (3.44)%
TOTAL	US\$1,362,839	US\$204,426	71,286,976	US\$204,613	71,352,078	142,639,054		

Notes:

- (1) Computed based on the Extension Fee entitlement, converted to the SGD equivalent at the exchange rate of US\$1.00 to S\$1.36 as at 14 May 2019, divided by the Issue Price of S\$0.0039.
- (2) Computed based on the Interest entitlement, converted to the SGD equivalent at the exchange rate of US\$1.00 to S\$1.36 as at 14 May 2019, divided by the Issue Price of S\$0.0039.
- (3) Computed based on the Company's enlarged share capital of 2,235,271,500 Shares after the allotment of New Shares ("**Enlarged Share Capital**").
- (4) Computed based on the Company's existing share capital of 2,092,632,446 Shares before the allotment of New Shares ("**Existing Share Capital**").