APPENDIX DATED 15 APRIL 2015

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to its contents or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

This appendix (the “Appendix”) is circulated to Shareholders of QT Vascular Ltd. (the “Company”), together with the Company’s annual report for the financial year ended 31 December 2014 (the “Annual Report”). The Notice of the Annual General Meeting and the accompanying Proxy Form are enclosed with the Annual Report.

This Appendix has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”), for compliance with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this Appendix.

This Appendix has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Appendix, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Appendix.

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.

QT Vascular
QT VASCULAR LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 201305911K)

APPENDIX

in relation to

(A) THE PROPOSED RATIFICATION OF THE DETERMINATION OF THE LIMIT ON THE NUMBER OF OPTIONS THAT CAN BE GRANTED UNDER THE 2014 QTV EMPLOYEE SHARE OPTION SCHEME (AS DEFINED HEREIN);

(B) THE PROPOSED AMENDMENTS TO THE RULES OF THE 2014 QTV EMPLOYEE SHARE OPTION SCHEME (AS DEFINED HEREIN);

(C) THE PROPOSED ADOPTION OF THE QTV RESTRICTED SHARE PLAN (AS DEFINED HEREIN); AND

(D) THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE
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SCHEDULE A – RULES OF THE 2014 QTV EMPLOYEE SHARE OPTION SCHEME .. 48

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For the purposes of this Appendix, the following definitions apply throughout unless otherwise required or unless otherwise stated:

“2005 Stock Plan” : The TriReme US share option plan

“2010 Equity Incentive Plan” : The Quattro Vascular share option plan

“2014 QTV Employee Share Option Scheme” or “Scheme” : The employee share option scheme adopted by the Company on 9 April 2014

“ACRA” : Accounting & Corporate Regulatory Authority of Singapore

“Act” : The Companies Act, Chapter 50 of Singapore, as amended, supplemented or modified from time to time

“Affiliate” : Means a partner or managing member of a fund, where such fund is a Controlling Shareholder

“AGM” : The annual general meeting of the Company to be held on 30 April 2015


“Appendix” : This appendix to Shareholders dated 15 April 2015

“Articles” : The articles of association of the Company

“Associate” : (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:—

(i) his immediate family;

(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and

(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more.

(b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Award”</td>
<td>A contingent award of Shares granted under the QTV Restricted Share Plan</td>
</tr>
<tr>
<td>“Award Date”</td>
<td>The date on which an Award is granted pursuant to the QTV Restricted Share Plan</td>
</tr>
<tr>
<td>“Award Letter”</td>
<td>A letter in such form as the Board shall approve, confirming an Award granted to a Participant by the Board</td>
</tr>
<tr>
<td>“Award Shares”</td>
<td>Shares which are the subject of any Award</td>
</tr>
<tr>
<td>“Bio*One Capital”</td>
<td>Bio*One Capital Pte Ltd</td>
</tr>
<tr>
<td>“BMSIF”</td>
<td>Biomedical Sciences Investment Fund Pte Ltd</td>
</tr>
<tr>
<td>“Board”</td>
<td>The board of Directors of the Company for the time being</td>
</tr>
<tr>
<td>“Catalist”</td>
<td>The sponsor-supervised listing platform of the SGX-ST</td>
</tr>
<tr>
<td>“Catalist Rules”</td>
<td>The Listing Manual (Section B: Rules of Catalist) of the SGX-ST, as amended, supplemented or modified from time to time</td>
</tr>
<tr>
<td>“CDP”</td>
<td>The Central Depository (Pte) Limited</td>
</tr>
<tr>
<td>“Code Section 409A”</td>
<td>Section 409A of the United States Internal Revenue Code of 1986, as amended. The Code Section 409A regulates the treatment for federal income tax purposes in the United States of nonqualified deferred compensation paid by a “service recipient” to a “service provider”. Service recipients are generally employers, but those who hire independent contractors are also service recipients. Service providers include executives, general employees, some independent contractors and board members, as well as entities that provide services. Any reference to a section of the Code herein will be a reference to any successor or amended section of the Code.</td>
</tr>
<tr>
<td>“Company” or “QTV”</td>
<td>QT Vascular Ltd.</td>
</tr>
<tr>
<td>“Companies Act”</td>
<td>The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time</td>
</tr>
<tr>
<td>“Controlling Shareholder”</td>
<td>A person who:–</td>
</tr>
<tr>
<td></td>
<td>(a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company; or</td>
</tr>
<tr>
<td></td>
<td>(b) in fact exercises control over the Company</td>
</tr>
<tr>
<td>“Directors”</td>
<td>The directors of the Company as at the date of this Appendix</td>
</tr>
<tr>
<td>“EDB”</td>
<td>Economic Development Board of Singapore</td>
</tr>
</tbody>
</table>
DEFINITIONS

“EDB Investments” : EDB Investments Pte Ltd

“EDBI” : EDBI Pte Ltd

“EPS” : Earnings per Share

“Existing Share Capital” : The existing issued and paid-up share capital of the Company of 766,306,009 Shares

“FY” : Financial year ended 31 December

“Group” : The Company and its subsidiaries

“Latest Practicable Date” : 1 April 2015, being the latest practicable date prior to the printing of this Appendix

“Letter to Shareholders” : The Letter to Shareholders set out in pages 8 to 47 of this Appendix

“Listing” : The admission of the Company to the Catalist and the quotation of the Shares on Catalist

“Luminor Pacific Fund 1” : Luminor Pacific Fund 1 Ltd.

“Luminor Pacific Fund 2” : Luminor Pacific Fund 2 Ltd.

“Market Day” : A day on which the SGX-ST is open for trading in securities

“Memorandum” : The memorandum of association of the Company

“NAV” : Net asset value

“Non-Executive Director” : A Director for the time being of a Group Company who is not a full-time employee and does not perform an executive function

“NTA” : Net tangible asset

“Options” : The right to subscribe for Shares granted or to be granted pursuant to the 2014 QTV Employee Share Option Scheme

“Ordinary Resolutions” : The ordinary resolutions as set out in the notice of AGM on pages 96 to 104 of the Annual Report

“Participant” : A person who has been granted an Award

“Performance Conditions” : In relation to an Award, the performance target and/or service conditions specified by the Board on the Award Date in the Award Letter in relation to that Award
DEFINITIONS

“Performance Period” : A period of at least one (1) year (or such other time period as the Board may determine in its sole discretion) from the Award Date, during which the Performance Conditions are to be satisfied

“Placement” : In connection with the Company’s Listing, the placement of the Placement Shares by the joint placement agents (being PPCF and UOB Kay Hian Pte Ltd) on behalf of the Company for subscription at the issue price of S$0.28 for each Placement Share, subject to and on the terms and conditions of the Company’s offer document dated 16 April 2014

“Placement Shares” : The 196,429,000 new Shares which are the subject of the Placement

“Post-Placement Share Capital” : The post-Placement issued and paid-up share capital of the Company of 755,882,836 Shares

“Proposed Amendments” : The proposed amendments to the rules of the 2014 QTV Employee Share Option Scheme as set out in paragraph 3 of the Letter to Shareholders

“Proposed Ratification” : The proposed ratification of the determination of the limit on the number of Options that can be granted under the 2014 QTV Employee Share Option Scheme as further elaborated in paragraph 2 of the Letter to Shareholders

“QTV 2013 Share Plan” : The share option plan adopted by the Board following the completion of steps 1 to 7 of the Restructuring Exercise

“QTV Restricted Share Plan” : QT Vascular Restricted Share Plan 2015

“Quattro Vascular” : Quattro Vascular Pte. Ltd.

“Ratified Formula” : Has the meaning as ascribed to it in paragraph 2.2 of this Appendix

“Relevant Period” : The period commencing from the date on which the ordinary resolution relating to the Share Buy-Back Mandate is passed in a general meeting and expiring on the earliest of the date on which the next annual general meeting of the Company is held or is required by law to be held, the date on which the share buy-backs are carried out to the full extent of the Share Buy-Back Mandate, or the date the said mandate is revoked or varied by the Company in a general meeting

“Remuneration Committee” : The remuneration committee of the Company as at the date of this Appendix, comprising Robert Michael Kleine, Gregory David Casciaro and Mark Allen Wan
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;Restructuring Exercise&quot;</td>
<td>Collectively, steps 1 to 10 of the section entitled “Restructuring Exercise and Additional Capitalisation” of the Company’s offer document dated 16 April 2014</td>
</tr>
<tr>
<td>&quot;Rules of the Plan&quot;</td>
<td>The rules of the QTV Restricted Share Plan as set out in Schedule B to this Appendix</td>
</tr>
<tr>
<td>&quot;SGX-ST&quot;</td>
<td>Singapore Exchange Securities Trading Limited</td>
</tr>
<tr>
<td>&quot;Shares&quot;</td>
<td>Ordinary shares in the capital of the Company</td>
</tr>
<tr>
<td>&quot;Shareholders&quot;</td>
<td>Registered holders of the Shares in the Register of Shareholders of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose securities accounts those Shares are credited</td>
</tr>
<tr>
<td>&quot;Share Buy-Back Mandate&quot;</td>
<td>The general and unconditional mandate given by Shareholders at the AGM to authorise the Directors to exercise all powers of the Company to purchase or otherwise acquire issued Shares within the Relevant Period, in accordance with the terms set out in this Appendix, as well as the rules and regulations set forth in the Act and the Catalist Rules</td>
</tr>
<tr>
<td>&quot;SIC&quot;</td>
<td>Securities Industry Council of Singapore</td>
</tr>
<tr>
<td>&quot;Sponsor&quot; or &quot;PPCF&quot;</td>
<td>PrimePartners Corporate Finance Pte. Ltd.</td>
</tr>
<tr>
<td>&quot;Substantial Shareholder&quot;</td>
<td>A Shareholder who holds directly or indirectly 5% or more of the total issued share capital of the Company</td>
</tr>
<tr>
<td>&quot;Take-over Code&quot;</td>
<td>The Singapore Code on Take-overs and Mergers, as modified, supplemented or amended from time to time</td>
</tr>
<tr>
<td>&quot;Three Arch Associates&quot;</td>
<td>Three Arch Associates IV, L.P.</td>
</tr>
<tr>
<td>&quot;Three Arch Partners&quot;</td>
<td>Three Arch Partners IV, L.P.</td>
</tr>
<tr>
<td>&quot;Three Share Plans&quot;</td>
<td>Collectively, the QTV 2013 Share Plan, the 2010 Equity Incentive Plan and the 2005 Stock Plan</td>
</tr>
<tr>
<td>&quot;Treasury Shares&quot;</td>
<td>Shares purchased or otherwise acquired by the Company pursuant to the Share Buy-Back Mandate and held by the Company in accordance with Section 76H of the Act</td>
</tr>
<tr>
<td>&quot;TriReme US&quot;</td>
<td>TriReme Medical, LLC, a Delaware limited liability company and its predecessor TriReme Medical, Inc., a Delaware corporation</td>
</tr>
</tbody>
</table>
DEFINITIONS

“Vest” : The absolute entitlement to all or some of the Shares which are the subject of an Award and “Vested” and “Vesting” shall be construed accordingly

“Vesting Date” : The date immediately falling after the end of the Vesting Period, being the date on which the Shares which are the subject of an Award have vested pursuant to the rules of the QTV Restricted Share Plan

“Vesting Period” : The period of four (4) years (or such other period as the Board may decide in its sole and absolute discretion) commencing on the Award Date

“SS$” : Singapore dollar

“US$” : United States dollars

“%” : Per centum or percentage

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively, in Section 130A of the Act or any statutory modification thereof, as the case may be.

The term “subsidiary” shall have the meaning ascribed to it in Section 5 of the Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Act or the Catalist Rules or any statutory modification thereof and used in this Appendix shall, where applicable, have the meaning ascribed to it under the Act or the Catalist Rules or any statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Appendix shall be a reference to Singapore time unless otherwise stated.

Any discrepancy in the tables in this Appendix between the listed amounts and the totals thereof is due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.
15 April 2015

To: The Shareholders of QT Vascular Ltd.

Dear Sir/Madam

(A) THE PROPOSED RATIFICATION OF THE DETERMINATION OF THE LIMIT ON THE NUMBER OF OPTIONS THAT CAN BE GRANTED UNDER THE 2014 QTV EMPLOYEE SHARE OPTION SCHEME;

(B) THE PROPOSED AMENDMENTS TO THE RULES OF THE 2014 QTV EMPLOYEE SHARE OPTION SCHEME;

(C) THE PROPOSED ADOPTION OF THE QTV RESTRICTED SHARE PLAN; AND

(D) THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE

1. INTRODUCTION

The Directors propose to table, for Shareholders’ consideration and approval, the following:

(a) the Proposed Ratification;

(b) the Proposed Amendments;

(c) the proposed adoption of the QTV Restricted Share Plan; and

(d) the proposed adoption of the Share Buy-Back Mandate.

The resolutions pertaining to the aforesaid proposals are as set out in the notice of AGM on pages 96 to 104 of the Annual Report, and for the avoidance of doubt, are not interconditional with each other.

The purpose of this Appendix is to provide Shareholders with information in relation to and the rationale for the Proposed Ratification, Proposed Amendments, the proposed adoption of the QTV Restricted Share Plan and the proposed adoption of the Share Buy-Back Mandate.
2. THE PROPOSED RATIFICATION

2.1. Background

The 2014 QTV Employee Share Option Scheme is a share incentive scheme which was adopted by Shareholders on 9 April 2014 and effective upon the Listing, to provide directors and employees of the Company or its subsidiaries with an opportunity to participate in the equity of the Company, thereby motivating them towards better performance through increased dedication and loyalty. The Scheme, which forms an integral and important component of a compensation plan, is designed primarily to reward and retain employees whose services are vital to the Company's well-being and success. The Company has not issued any new Options under the Scheme since the Listing and as at the date of this Appendix.

Under Rule 9(a) of the Scheme, the number of Options to be granted, when added to the number of outstanding options (options that have not been either exercised or terminated) shall not at any time exceed 15% of the number of issued Shares in the capital of the Company (excluding treasury shares).

2.2. The proposed ratification of the determination of the limit on the number of options that can be granted under the 2014 QTV Employee Share Option Scheme

The Company wishes to ratify and clarify to Shareholders that the number of Shares that may be issued pursuant to Options under the Scheme based on the Scheme limit have been and would be calculated as follows ("Ratified Formula"):

\[
C = (0.15\times x) - y
\]

where:

- \( C \) refers to the number of Shares that may be issued pursuant to Options under the Scheme at a point in time;
- \( x \) refers to the number of issued Shares in the capital of the Company at that point in time; and
- \( y \) refers to the number of options that have been issued and continue to be outstanding pursuant to the 2014 QTV Employee Share Option Scheme, the QTV 2013 Share Plan, the 2010 Equity Incentive Plan and the 2005 Stock Plan (options that have not been either exercised or terminated) at that point in time.

Shareholders should note that the Ratified Formula is different from the more commonly used formula adopted by companies listed in Singapore as set out below and which includes shares already issued pursuant to options exercised under a scheme’s existing limit.

\[
C = (0.15\times x) - (y+z)
\]

where:

- \( C \) refers to the number of shares that may be issued pursuant to options under a share scheme at a point in time;
**LETTER TO SHAREHOLDERS**

- $x$ refers to the number of issued shares in the capital of the company at that point in time;
- $y$ refers to the number of outstanding options (options that have not been either exercised or terminated); and
- $z$ refers to the shares already issued pursuant to options exercised under the share scheme.

The Ratified Formula allows the Company to issue more Options over the term of the Scheme. The effective percentage of Shares issued and issuable against the number of issued Shares in the capital of the Company may therefore be higher than the Scheme limit.

A copy of the amended rules of the 2014 QTV Employee Share Option Scheme is attached in Schedule A to this Appendix.

2.3. Rationale for the Proposed Ratification

The Company believes that the Ratified Formula is consistent with that applied by United States-based companies operating in industries similar to that of the Group. With the Ratified Formula, the Company has more flexibility in granting Options to its Directors and employees, attracting potential employees and directors to join the Group and thereafter retaining and incentivizing such individuals.

Shareholders should note that no new Options have been granted to eligible participants since the Listing.

3. THE PROPOSED AMENDMENTS

3.1. Background

Prior to the Listing, the Company undertook a Restructuring Exercise, pursuant to which TriReme US and Quattro Vascular became wholly-owned subsidiaries of the Company. In connection thereto, the Company assumed the options granted under the 2005 Stock Plan and 2010 Equity Incentive Plan adopted by TriReme US in 2005 and Quattro Vascular in 2010 respectively, which allow the granting of options to purchase shares in TriReme US or Quattro Vascular to TriReme US’s or Quattro Vascular’s employees, directors and consultants respectively (each as defined under the 2005 Stock Plan and 2010 Equity Incentive Plan, respectively). The Company also had in 2013, adopted the QTV 2013 Share Plan to grant options to purchase Shares to the Group’s employees, directors and consultants (each as defined under the QTV 2013 Share Plan).

There was an aggregate of 118,407,264 outstanding options convertible into 118,407,264 Shares (representing 15.7% of the Post-Placement Share Capital) granted under the Three Share Plans as at the close of the Placement on 25 April 2014. Following the close of the Placement on 25 April 2014, the Company ceased issuing additional options under the Three Share Plans. Subsisting options granted prior to the close of the Placement are not affected by the discontinuation and remain exercisable in accordance with the respective rules of the Three Share Plans.
As at the Latest Practicable Date, 10,423,173 options granted under the Three Share Plans have been exercised and 3,583,061 options granted under the Three Share Plans have been forfeited since the close of the Placement on 25 April 2014. Accordingly, 104,401,030 options granted under the Three Share Plans exercisable into 104,401,030 Shares (representing 13.6% of the Existing Share Capital) remain outstanding as at the Latest Practicable Date.

As such, based on the Ratified Formula, the Company is currently only able to grant up to 10,544,871 Options (representing 1.38% of the Existing Share Capital) under the Scheme as the outstanding options granted under the Three Share Plans being 13.6% of the Existing Share Capital, is close to the limit on the size of the Scheme that is 15% of the Existing Share Capital.

3.2. The Proposed Amendments to the Rules of the 2014 QTV Employee Share Option Scheme

The Company is proposing to increase the limit on the number of options that may be granted under the Scheme from 15% to 18% of the prevailing number of issued Shares in the capital of the Company (excluding treasury shares) and based on the Ratified Formula, and removing the discretion to grant Options at a discount to the Market Price (as defined in the rules of the 2014 QTV Employee Share Option Scheme, attached in Schedule A to this Appendix) by amending Rule 9(a), Rule 9(c) and Rule 5 of the Scheme in the following manner (as strikethrough, underlined and/or set in bold):

Existing Rule 9(a)

“The aggregate number of Shares that are subject to granted and outstanding options (options that have not been either exercised or terminated) under the Scheme, when added to the aggregate number of Shares that are subject to granted and outstanding options (options that have not been either exercised or terminated) under all of the Company’s other share option or share schemes, shall not at any time exceed 15% of the number of issued Shares in the capital of the Company (excluding treasury shares).”

Amended Rule 9(a)

“The aggregate number of Shares that are subject to granted and outstanding options (options that have not been either exercised or terminated) under the Scheme, when added to the aggregate number of Shares that are subject to granted and outstanding options (options that have not been either exercised or terminated) under the Scheme, the QTV 2013 Share Plan, the 2010 Equity Incentive Plan and the 2005 Stock Plan (and specifically excluding the QTV Restricted Share Plan) shall not at any time exceed 18% of the number of issued Shares in the capital of the Company (excluding treasury shares).”

Existing Rule 9(c)

“If an Option expires or becomes unexercisable without having been exercised in full, is surrendered pursuant to an exchange program, the unpurchased Shares which were subject thereto will become available for future grant or sale under the Scheme (unless the Scheme has terminated). Shares that have actually been issued under the Scheme under any Option will not be returned to the Scheme and will not become available for future distribution under the Scheme. Shares used to pay the exercise price of an Option or to satisfy the tax withholding obligations related to an Option will become available for future grant or sale under the Scheme.”
Amended Rule 9(c)

“If an Option expires or becomes unexercisable without having been exercised in full, is surrendered pursuant to an exchange program, the unpurchased Shares which were subject thereto will become available for future grant or sale under the Scheme (unless the Scheme has terminated). Shares that have actually been issued under the Scheme under any Option will not be returned to the Scheme and will not become available for future distribution under the Scheme. Shares used to pay the exercise price of an Option or to satisfy the tax withholding obligations related to an Option will become available for future grant or sale under the Scheme.”

Existing Rule 5

“Subject to any adjustment pursuant to Rule 10, the Exercise Price payable for each Share in respect of which an Option is exercisable shall be determined by the Committee in its absolute discretion, on the Date of Grant, at:–

(a) the Market Price; or

(b) a price which is set at a discount to the Market Price, provided that:–

(i) the maximum discount shall not exceed 20% of the Market Price. The Committee shall have the sole and absolute discretion to determine the exact amount of discount, if any, to each Participant; and

(ii) the Shareholders shall have authorised the making of offers and grants of Options under the Scheme at a discount not exceeding the maximum discount as aforesaid.

Notwithstanding the foregoing, the Exercise Price payable for each Share in respect of which an Incentive Stock Option is exercisable will be no less than the Market Price on the Date of Grant. In addition, in the case of an Incentive Stock Option granted to an Employee who owns stock representing more than 10% of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the Exercise Price payable for each Share will be no less than the Market Price.”

Amended Rule 5

“Subject to any adjustment pursuant to Rule 10, the Exercise Price payable for each Share in respect of which an Option is exercisable shall be determined by the Committee in its absolute discretion, on the Date of Grant, at:–

(a) the Market Price on the Date of Grant; or

(b) a price which is set at a discount to the Market Price, provided that:–

(i) the maximum discount shall not exceed 20% of the Market Price. The Committee shall have the sole and absolute discretion to determine the exact amount of discount, if any, to each Participant; and
(iii) the Shareholders shall have authorised the making of offers and grants of Options under the Scheme at a discount not exceeding the maximum discount as aforesaid.

Notwithstanding the foregoing, the Exercise Price payable for each Share in respect of which an Incentive Stock Option is exercisable will be no less than the Market Price on the Date of Grant. In addition, in the case of an Incentive Stock Option granted to an Employee who owns stock representing more than 10% of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the Exercise Price payable for each Share will be no less than the Market Price.

In addition, all references to “granted and outstanding options” in the rules of the 2014 QTV Employee Share Option Scheme shall be amended to “outstanding options”.

A copy of the amended rules of the 2014 QTV Employee Share Option Scheme is attached in Schedule A to this Appendix.

3.3. Rationale for the Proposed Amendments

The Proposed Amendments will enable the Group to:

(a) attract potential employees and directors to join the Group by using the Scheme as an additional component in its compensation and incentive package;

(b) retain employees and directors who have contributed or continue to contribute significantly to the growth and performance of the Group, as their possible departure may be detrimental to the Group;

(c) motivate and incentivize employees and directors to optimise their performance in the long term and instil a sense of loyalty to the Group; and

(d) enable the Company to grant up to 33,534,051 Options (based on the Existing Share Capital) under the Scheme as and when required, in particular in the recruitment of scarce talent.

The Company also wishes to highlight that since the Listing on 29 April 2014 and up to the Latest Practicable Date, only 10,423,173 options granted under the Three Share Plans (representing approximately 8.8% of the total outstanding options granted under the Three Share Plans as at the date of Listing) have been exercised. Notwithstanding that the exercise price of the outstanding options granted under the Three Share Plans are in-the-money, the rate of these option exercises has been very slow and hence, due in part to tax considerations on the part of the optionees, the Company may not be able to grant Options under the Scheme in the short and medium term unless the Company undertakes corporate actions to increase its Existing Share Capital. As such, the Company’s inability to grant Options under the Scheme might impede the Group’s competitiveness to attract and retain talent, which are vital to the further growth and success of the Group.

In addition, the removal of the discretion to grant Options at a discount to Market Price (as defined in the rules of the 2014 QTV Employee Share Option Scheme, attached in Schedule A to this Appendix) is consistent with that applied by United States-based companies operating in industries similar to that of the Group.
The Remuneration Committee has considered the Proposed Amendments and concurs with the rationale as set out above. The Remuneration Committee is of the opinion that the Proposed Amendments is in the interests of the Company and hence, recommends to the Board that Shareholders’ approval for the Proposed Amendments be sought at the forthcoming AGM.

4. THE PROPOSED ADOPTION OF THE QTV RESTRICTED SHARE PLAN

4.1. Background and Rationale

As explained in paragraph 3.1 above, prior to the Listing, the Company assumed the options granted under the 2005 Stock Plan and 2010 Equity Incentive Plan adopted by TriReme US in 2005 and Quattro Vascular in 2010 respectively. The Company also had in 2013, adopted the QTV 2013 Share Plan to grant options to purchase Shares to the Group’s employees, directors and consultants (each as defined under the QTV 2013 Share Plan).

The following tables set out the details of options assumed by the Company under the 2005 Stock Plan and the 2010 Equity Incentive Plan as well as the options issued by the Company under the QTV 2013 Share Plan, in each case as of 31 March 2015:

**2005 Stock Plan**

<table>
<thead>
<tr>
<th>Details of options previously granted under the 2005 Stock Plan</th>
</tr>
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<tr>
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<td>Any material conditions to which the options are subject</td>
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2010 Equity Incentive Plan

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QTV 2013 Share Plan

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Note:

(1) The number of Shares set forth in the table is the original authorized amount of Shares reserved for issuance under the 2005 Stock Plan (following adjustment based on the post-restructuring and post-Placement conversion ratios applied) and includes Shares issued upon the exercise of previously granted options and also includes Shares that were subject to options that have been terminated.

On 9 April 2014, the Company adopted the 2014 QTV Employee Share Option Scheme which became effective upon the Listing, to provide employees of the Company or its subsidiaries with an opportunity to participate in the equity of the Company. However, due to the limit on the number of options that may be granted under the Scheme (details of which are explained in paragraph 3.1 above), the Company had not granted any options under the Scheme.
Since the Listing, the Company and its Remuneration Committee have undertaken a comprehensive review of the employee compensation, including retaining independent third-party equity compensation consultants, in terms of cash and long-term equity incentives. The aim of the review was to ensure that the Company is able to continually provide attractive compensation packages to hire or retain the calibre of talent that it requires to compete in the marketplace, promote growth, and specifically foster shareholder value creation.

Due to the limit in the number of options that may be granted under the Scheme, the Scheme is in and of itself insufficient to attract, motivate, reward and maintain a core group of key executives and Directors. Accordingly, the Company intends to introduce a new compensation scheme that will allow the Company to award Shares to its employees and Directors as a direct compensation tool. The Company believes that this will increase its flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to improve their performance. Additionally, the Company believes that the introduction of the QTV Restricted Share Plan will strengthen the overall effectiveness of the Company’s current performance-based compensation schemes.

Unlike the Scheme which is an option-based incentive scheme, the QTV Restricted Share Plan is a share-based incentive scheme. Pursuant to the 2014 QTV Employee Share Option Scheme, a consideration is required to be paid for the Shares when the options are exercised. The relevant employees to whom the options are granted may or may not have the financial resources to exercise such options and to pay the consideration for the underlying Shares. Depending on the market price of the Shares of the Company, there may also not be any incentives for the Participants to exercise their Options. The QTV Restricted Share Plan affords the Company an additional compensation tool, allowing it to minimise such market risks and award Shares directly to the Participants. This, in the Company’s view, allows it to better attract, motivate, reward and maintain a core group of key executives. The Company believes that the QTV Restricted Share Plan will therefore strengthen the Company’s competitiveness in attracting and retaining suitable talent.

The Directors believe that the proposed QTV Restricted Share Plan will serve as a powerful incentive in retaining and motivating qualified and experienced manpower to optimise their performance standards and efficiency in the strive for sustainable growth and prosperity for the Company as well as to encourage the Participant’s greater dedication and loyalty to the Company.

An application has been made to the SGX-ST by the Sponsor on behalf of the Company for the listing of and quotation for the Shares to be issued pursuant to the QTV Restricted Share Plan on Catalist. The relevant conditions of the in-principle approval of the SGX-ST as sought by the Company through the Sponsor shall be disclosed in the announcement on the receipt of the listing and quotation notice in due course.

4.2. Objectives of the QTV Restricted Share Plan

The objectives of the QTV Restricted Share Plan are as follows:

(a) to align the interests of employees with the interests of the Shareholders;

(b) to foster an ownership culture within the Group;
(c) to instil loyalty to and a stronger identification by Participants with the long-term growth and prosperity of the Group;

(d) to motivate Participants to optimize their performance standards and efficiency and maintain a high level of contribution to the Group;

(e) to retain key employees and Directors whose contributions are essential to the growth and success of the Group; and

(f) to attract talented individuals with the relevant skills to join the Group.

4.3. Summary of the QTV Restricted Share Plan

The principal terms of the QTV Restricted Share Plan are summarised and set out below. Please refer to Schedule B to this Appendix for the Rules of the Plan.

(a) Eligibility

The following persons shall be eligible to participate in the QTV Restricted Share Plan subject to the absolute discretion of the Board:

(i) employees and Non-Executive Directors who have attained the age of twenty-one on or before the Award Date and who are not undischarged bankrupts; and

(ii) subject to the below, persons who qualify under sub-paragraph (i) above and who are also Controlling Shareholders or Associates of Controlling Shareholders.

Participation in the QTV Restricted Share Plan by Controlling Shareholders or their Associates must be approved by independent Shareholders. A separate resolution shall be passed for each Participant who is a Controlling Shareholder or their Associates and to approve the number of Shares to be awarded to that Participant and the terms of such Award.

However, a Director who is also (i) a Controlling Shareholder or (ii) an Affiliate of a Controlling Shareholder shall not be eligible to receive Awards under the QTV Restricted Share Plan until such time as that Director ceases to be a (i) Controlling Shareholder or (ii) an Affiliate of a Controlling Shareholder. Accordingly, as a Director who is an Affiliate of a Controlling Shareholder, Mark Allen Wan will not be eligible to receive Awards under the QTV Restricted Share Plan.

There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented, including the 2014 QTV Employee Share Option Scheme, or to be implemented by the Company or another company within the Group. As at the Latest Practicable Date, save for the 2014 QTV Employee Share Option Scheme, the Company does not have any other share-based incentive scheme with available shares for grant.
(b) Awards

Awards represent the right of a Participant to receive fully paid Shares, free of charge, upon the satisfaction of any prescribed Performance Conditions within any Performance Period. Participants will be granted an Award, under which Shares may be Vested and released at the end of any Performance Period once the Board is, at its sole discretion, satisfied that the Performance Conditions have been achieved.

An Award is personal to the Participant to whom it is granted and shall not be transferred (other than to a Participant's personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of or encumbered, in whole or in part, except with the prior approval of the Board although the Shares granted to a Participant pursuant to a grant of the Award may be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part subject to the Rules of the Plan.

Awards will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A, except as otherwise determined in the sole discretion of the Board. The QTV Restricted Share Plan and each Award under the QTV Restricted Share Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Board. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Code Section 409A, the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Code Section 409A, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A.

c) Participants

The selection of a Participant and the number of Shares which are the subject of each Award to be granted to a Participant in accordance with the QTV Restricted Share Plan shall be determined at the absolute discretion of the Board, which shall take into account criteria such as the Participant's rank, job performance, seniority, creativity, innovativeness, entrepreneurship, potential for future development, length of service, contribution to the success and development of the Group and if applicable, the extent of effort and resourcefulness required to achieve the Performance Conditions (if any) within the Performance Period (if any), subject to such limits as may be prescribed by the SGX-ST.

Subject to the Companies Act and requirements of the SGX-ST, the terms of eligibility of any Participant in the QTV Restricted Share Plan may be amended from time to time at the absolute discretion of the Board, which would be exercised judiciously. The terms of employment or appointment of a Participant shall not be affected by his participation in the QTV Restricted Share Plan which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment or appointment for any reason.
(d) Details of Awards

The Board shall decide, in relation to each Award to be granted to a Participant under the QTV Restricted Share Plan:

(i) the Participant;

(ii) the Award Date;

(iii) the number of Shares which are the subject of an Award;

(iv) the Performance Period (if any);

(v) the Performance Conditions (if any);

(vi) the extent to which Shares which are the subject of that Award shall be released on the Performance Conditions being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period;

(vii) the Vesting Period(s) (if any);

(viii) the release schedule (if any) setting out the extent to which Shares, which are the subject of that Award, shall be released at the end of each prescribed Vesting Period; and

(ix) any other condition(s) which the Board may determine in relation to that Award.

The Company does not intend to fix the Performance Conditions under the rules of the QTV Restricted Share Plan so as to accord it with greater flexibility to optimise the implementation of the QTV Restricted Share Plan depending on market conditions, operations, business and employees of the Group as and when the need arises, without the requirement and associated expense of announcing and convening separate general meetings on each issuance of Shares or grant of Awards to seek Shareholders’ prior approval.

(e) Timing

It is currently anticipated that Awards under the QTV Restricted Share Plan would be made at regular scheduled meetings of the Board and otherwise on an as-needed basis. An Award Letter confirming the Award and specifying, inter alia, the matters in paragraph 4.3(d) above will be sent to each Participant as soon as is reasonably practicable after the grant of an Award.

(f) Vesting of Awards

Without prejudice to the events specified in this paragraph 4.3(f), the Award will be Vested and released according to the terms of the Award (including Vesting Period(s) if any) and, if applicable, after the Board is satisfied that the Performance Conditions have been met.
Unless the Board provides otherwise, Vesting of an Award granted hereunder will be suspended during any unpaid leave of absence. A Participant will not cease to be an Employee (as defined in the rules of the QTV Restricted Share Plan, attached as Schedule B to this Appendix) in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company, its parent, or any subsidiary.

Notwithstanding that the prescribed Performance Conditions have been satisfied, the Board may, in its absolute discretion, preserve all or any part of any Award and decide either to Vest all or some of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant Performance Period:

(i) upon the death of the Participant (in which case the Award Shares shall in such circumstances be given to the personal representatives of the Participant);

(ii) upon the Participant ceasing to be in the employment of the Group for any reason whatsoever except by reason of:

(a) ill health, injury or disability (in each case, evidenced to the satisfaction of the Board);

(b) redundancy;

(c) retirement at or after the legal retirement age;

(d) retirement before the legal age with the consent of the Board; or

(e) any other event approved by the Board.

In exercising its discretion, the Board will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Conditions, if any, have been satisfied.

In the event of a merger of the Company with or into another corporation or other entity or a Change in Control (as defined in the Rules of the Plan, which is attached in Schedule B to this Appendix), each outstanding Award may be assumed and substituted by and for securities of the acquiring or successor corporation.

In the event that the successor corporation does not assume or substitute for the Award (or portion thereof), the Award will fully Vest, including Shares as to which such Awards would not otherwise be vested or exercisable, all restrictions on the Award will lapse, and, with respect to Awards with Performance Conditions, all Performance Conditions or other vesting criteria will be deemed achieved at 100.0% of target levels and all other terms and conditions met. In addition, if an Award is not assumed or substituted in the event of a merger or Change in Control, the Board will notify the Participant in writing or electronically that the Award will be exercisable for a period of time to be determined by the Board in its sole discretion, and the Award will terminate upon the expiration of such period.
The aggregate number of Shares to be delivered pursuant to the QTV Restricted Share Plan shall initially be set at 5.0% of the total issued share capital of the Company on the day preceding the initial adoption of the QTV Restricted Share Plan ("1st Year Limit"). Thereafter, subject to a maximum period of five (5) years commencing on the date on which the QTV Restricted Share Plan is adopted by the Company in general meeting, on January 1st of each year, an additional number of Shares representing 2.5% of the total issued share capital of the Company on the day preceding January 1st of the second ("2nd Year Limit"), third, fourth and fifth years from the adoption of the QTV Restricted Share Plan shall be added to the QTV Restricted Share Plan and available for delivery thereunder. Following the fifth anniversary of the date on which the QTV Restricted Share Plan is adopted by the Company in general meeting, the Company shall seek Shareholders’ approval for increases in the aggregate number of Shares available to be delivered pursuant to the QTV Restricted Share Plan for the remaining duration of the QTV Restricted Share Plan. For greater certainty, any unused share allocation from a prior year shall be carried forward into following year and if still available for issuance, into each subsequent following year during the ten (10) year life of the QTV Restricted Share Plan.

For illustrative purposes only, if the maximum number of Awards that can be granted pursuant to the 1st Year Limit was fully granted during the first year, the Company will be able to grant additional Awards of up to 2.5% of the total issued share capital of the Company on the day preceding January 1st in the second year. If the Awards available pursuant to the 1st Year Limit is not fully granted during the first year, the Company will be able to grant Awards of up to 2.5% of the total issued share capital of the Company on the day preceding January 1st in addition to the remaining Awards available for grant under the 1st Year Limit. If the Awards available pursuant to the 1st Year Limit and 2nd Year Limit are not fully granted during the first and second years, the Company will be able to grant Awards of up to 2.5% of the total issued share capital of the Company on the day preceding January 1st of the third year in addition to the remaining Awards available under the 1st Year Limit and 2nd Year Limit and so on through the third, fourth and fifth years from the adoption of the QTV Restricted Share Plan. Following the fifth anniversary of the date on which the QTV Restricted Share Plan is adopted, the Company shall seek Shareholders’ approval for increases in the aggregate number of Shares available to be delivered pursuant to the QTV Restricted Share Plan for the remaining duration of the QTV Restricted Share Plan. However, the carry-over of shares available for grant under the Awards shall continue in each of the following years so long as the QTV Restricted Share Plan is in force.

This mechanism will allow an annual increase in the size of the QTV Restricted Share Plan which will ensure that the Company will be able to continually issue equity compensation to its employees through Awards granted under the QTV Restricted Share Plan.

The aggregate number of Shares available to eligible Controlling Shareholders and their Associates under the QTV Restricted Share Plan shall not exceed 25.0% of the Shares available under the QTV Restricted Share Plan at any point in time. In addition, the aggregate number of Shares available to each Controlling Shareholder or his Associate shall not exceed 10.0% of the Shares available under the QTV Restricted Share Plan at any point in time.
The QTV Restricted Share Plan shall continue in force at the discretion of the Board, subject to a maximum period of ten (10) years commencing on the date on which the QTV Restricted Share Plan is adopted by the Company in general meeting, provided always that the QTV Restricted Share Plan may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. The termination or discontinuance of the QTV Restricted Share Plan shall be without prejudice to the rights accrued to any Participant who has been granted Awards, whether such Awards have been Vested (whether fully or partially) or not.

(h) Operation of the QTV Restricted Share Plan

Subject to the prevailing legislation, the Catalist Rules and any other SGX-ST guidelines, the Company will deliver Shares to Participants upon Vesting of their Awards by way of either an issue of new Shares, or the purchase of existing Shares, with all Shares deemed to be fully paid upon their issuance and/or allotment.

In determining whether to issue new Shares, the Company will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing new Shares or purchasing existing Shares.

The financial effects of the delivery of Shares to Participants upon Vesting of the Awards are set out in paragraph 4.5 below.

Shares allotted and issued on the release of an Award shall rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date (as defined in the Rules of the Plan, which is attached in Schedule B to this Appendix) for which falls on or after the relevant release date of the Award, and shall in all other respects, rank pari passu with other existing Shares then in issue.

When determining the Performance Conditions, the Board may take cognizance of the audited results of the Company or the Group, adjusted to take into account such factors as the Board may determine to be relevant, including changes in accounting methods, taxes and extraordinary events. The Board has the right to amend the Performance Conditions if it decides that such amendment would be a fairer measure of performance. Awards will only be Vested and released according to the terms of the Award if Participants meet the Performance Conditions determined by the Board.

Notwithstanding any provision contained in the Rules of the Plan, the Directors, Board and the Company shall not under any circumstance be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to, the Company’s delay in issuing the Shares or applying for or procuring the listing of the Shares awarded on the SGX-ST.

Every Award shall be subject to the condition that no Shares would be issued pursuant to the Vesting of any Award if such issue would be contrary to any law or enactment or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any other relevant country having jurisdiction in relation to the issue of Shares hereto.
(i) Adjustments and Alterations under the QTV Restricted Share Plan

If a variation in the issued ordinary share capital of the Company (whether by way of a capitalization of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place:

(a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or

(b) the class and/or number of Shares in respect of which future Awards may be granted under the QTV Restricted Share Plan,

shall be adjusted by the Board to give each Participant the same proportion of the equity capital of the Company as that to which he was previously entitled and, in doing so, the Board shall determine at its own discretion the manner in which such adjustment shall be made and any adjustments, other than on a capitalisation issue, must be confirmed in writing by the auditors of the Company for the time being (acting as experts and not as arbitrators) to be in their opinion, fair and reasonable, and provided that any such adjustment must be made in a way that a Participant will not receive a benefit that a Shareholder does not receive.

The following (whether singly or in combination) shall not be regarded as events requiring adjustments unless the Board considers an adjustment to be appropriate:

(i) the issue of securities as consideration for an acquisition of any assets by the Company or in connection with a private placement of securities;

(ii) any increase in the number of issued Shares as a consequence of the exercise of options or other convertibles issued from time to time by the Company entitling holders thereof to acquire new Shares in the capital of the Company (including the issue and allotment of Shares pursuant to the Vesting of Awards from time to time under the QTV Restricted Share Plan or any other share-based incentive schemes implemented by the Company); or

(iii) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased by the Company by way of market purchase(s) of such Shares undertaken by the Company on the SGX-ST during the period while a share purchase mandate granted by Shareholders (or any renewal thereof) is in force.

(j) Modification or Alteration to the QTV Restricted Share Plan

The Rules of the Plan may be modified or amended by resolution of the Board from time to time subject to any necessary approvals of the SGX-ST (and any other stock exchange on which the Shares may be listed or quoted) and such other regulatory authorities as may be necessary except that:

(a) any proposed modification or amendment, which would be to the advantage of the Participants under the QTV Restricted Share Plan shall be subject to the prior approval of Shareholders of the Company in general meeting;
(b) no modification or amendment shall be made which would adversely affect the rights attached to Awards granted prior to such modification or alteration except with the prior consent in writing of such number of Participants under the QTV Restricted Share Plan who, if the Shares comprised in the Awards granted to them are Vested, would thereby become entitled to not less than three-quarters in number of all Shares which would be available under the QTV Restricted Share Plan; and

(c) no modification or amendment shall be made without due compliance with the Catalist Rules and such other regulatory authorities as may be necessary.

Notwithstanding anything to the contrary contained in this paragraph, the Board may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST when necessary) modify or amend the Rules of the Plan in any way to the extent necessary to cause the QTV Restricted Share Plan to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including but not limited to the SGX-ST).

(k) Administration of the QTV Restricted Share Plan

The QTV Restricted Share Plan shall be administered by the Board or its designees on the Board as provided for in the QTV Restricted Share Plan. The Board shall administer the QTV Restricted Share Plan in its absolute sole discretion with such powers and duties as are conferred upon it from time to time provided that no member of the Board shall participate in any deliberation or decision in respect of any Award granted or to be granted to him. Notwithstanding the foregoing, the Board may delegate the administration of the QTV Restricted Share Plan to the Remuneration Committee and in the event the Board makes such delegation, all references to “Board” in the QTV Restricted Share Plan shall be interpreted to read and mean the subset of the Board with such delegated power, being the Remuneration Committee, unless the context otherwise requires.

The Board shall have the power, from time to time, to make and vary such rules and regulations or impose terms and conditions necessary, desirable or expedient for the implementation and administration of the QTV Restricted Share Plan as it may think fit.

Any decision of the Board made pursuant to any provision of the QTV Restricted Share Plan (other than a matter to be certified or confirmed by the auditors of the Company for the time being or an independent public accountant as appointed by the Company, acting as experts and not as arbitrators), shall be final and binding (including any decisions pertaining to disputes as to interpretation of the QTV Restricted Share Plan or any regulation, rule or procedure thereunder or as to any rights under the QTV Restricted Share Plan).

(l) Disclosures in Annual Reports

The Company shall disclose the following in its annual report to Shareholders in compliance with the Catalist Rules for so long as the QTV Restricted Share Plan continues in operation:

(a) The names of the members of the Board or Committee administering the QTV Restricted Share Plan.
(b) The information required in the table below for the following Participants:

(i) Participants who are Directors; and

(ii) Participants who are Controlling Shareholders and their Associates; and

(iii) Participants, other than those in (i) and (ii) who receive 5% or more of the total number of Shares available under the QTV Restricted Share Plan.

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<tr>
<th>Name of Participant</th>
<th>Number of Shares comprised in Awards granted during FY under review</th>
<th>Aggregate number of Shares comprised in Awards since commencement of the QTV Restricted Share Plan to end of FY under review</th>
<th>Aggregate number of Shares exercised since commencement of the QTV Restricted Share Plan to end of FY under review</th>
<th>Aggregate number of Shares outstanding as at end FY under review</th>
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(c) Such other information as may be required under the Catalist Rules or the Companies Act.

If any of the above is not applicable, an appropriate negative statement shall be included therein.

4.4. Taxes, Costs and Expenses Relating to the QTV Restricted Share Plan

All taxes (including income tax, if applicable) arising from the grant, vest and/or disposal of Shares pursuant to the Awards granted to any Participant under the QTV Restricted Share Plan shall be borne by that Participant.

Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment of any Shares pursuant to the Vesting of any Award in CDP’s name, the deposit of share certificate(s) with CDP, the Participant’s securities account with CDP, or the Participant’s securities sub-account with a CDP depository agent.

Save for the above, all other fees, costs and expenses incurred by the Company in relation to the QTV Restricted Share Plan shall be borne by the Company.

4.5. Financial Effects

The following sets out the financial effects of the QTV Restricted Share Plan:

(a) Share capital

The QTV Restricted Share Plan will result in an increase in the Company’s issued Shares where new Shares are issued to Participants. The number of new Shares issued will depend on, *inter alia*, the size of the Awards granted under the QTV Restricted Share Plan.
If instead of issuing new Shares to Participants, existing Shares are purchased for delivery to Participants or treasury Shares are delivered to the Participants, the QTV Restricted Share Plan will have no impact on the Company’s issued share capital.

(b) Net Tangible Assets

The QTV Restricted Share Plan will result in a charge to the Company’s profit and loss account equal to the market value at which the existing Shares are purchased or the market value on the date at which new Shares are issued under the Awards. If new Shares are issued to the Participants pursuant to the release of the Awards, there will be no effect on the consolidated NTA of the Company. If existing Shares are purchased for delivery to Participants or treasury Shares are delivered to the Participants, the consolidated NTA of the Company would decrease by the cost of the Shares purchased or treasury Shares delivered.

However it should be noted that the delivery of Shares to Participants of the QTV Restricted Share Plan is contingent upon the Participants meeting the Performance Conditions as determined by the Board in its sole discretion. Accordingly, such Participants would have brought significant added value to the Company’s consolidated NTA before the Shares are delivered.

(c) Earnings Per Share

The QTV Restricted Share Plan will result in a charge to earnings over the period from the Award Date to the Vesting Date and in an amount computed in accordance with the modified grant date method under the Singapore Financial Reporting Standards (in particular, FRS 102, Share-based Payment). According to the FRS 102, the charge to earnings is equivalent to the market value at which the existing Shares are purchased or the market value on the date at which new Shares are issued under the Awards.

Although the QTV Restricted Share Plan will have a dilutive impact (to the extent that new Shares are issued pursuant to the QTV Restricted Share Plan) on the Company’s consolidated EPS, it should again be noted that the delivery of Shares to Participants in respect of Awards will generally be contingent upon the Participants meeting the Performance Conditions, resulting in, *inter alia*, added value to Shareholders.

(d) Dilutive Impact

Shareholders’ shareholding percentages will be diluted accordingly as a result of the issue and allotment of the New Shares under the QTV Restricted Share Plan.

Although the QTV Restricted Share Plan will have a dilutive impact on the NTA and the EPS, it should be noted that the delivery of Shares to Participants is contingent upon, *inter alia*, the Performance Conditions being met during the Performance Period.

(e) Costs to the Company

As Participants are not required to pay for the grant of Awards, such grant of Awards will have a financial effect on the Company. The FRS 102 requires the recognition of an expense in respect of Awards granted under the QTV Restricted Share Plan. The expense will be based on the fair value of the Awards at each grant date and recognised at each financial reporting date of the Company. However, if the Awards do not Vest
because of any failure to satisfy a service or Performance Conditions (other than a
market condition), the expense previously charged to the profit and loss account will be
reversed.

4.6. Rationale for participation by Non-Executive Directors in the QTV Restricted Share
Plan

Under the Catalist Rules, the Group has some flexibility in formulating schemes that
recognises and benefits not only persons who are employees of the Group but also
Non-Executive Directors (including independent Directors) who are not employed by the
Group but who nevertheless work closely with the Group and/or are in the position to
contribute their experience, knowledge and expertise to the success of the Group. The QTV
Restricted Share Plan is extended to all of our Directors, including Non-Executive Directors
and Independent Directors.

Although the Non-Executive Directors are not involved in the day-to-day running of the
Group, they also play an invaluable role in our success by applying their experience, drawing
on their knowledge and utilising their expertise for the benefit of the Group. It is desirable that
the Non-Executive Directors (including independent Directors) be allowed to participate in
the QTV Restricted Share Plan to provide recognition for their services and contributions and
to further align their interests with that of the Group.

The Board when deciding on the selection of Non-Executive Directors to participate in the
QTV Restricted Share Plan, and the number of Shares to be offered (in accordance with the
QTV Restricted Share Plan) will take into consideration the nature and extent of their input,
assistance and expertise rendered to the committees on which they sit and the impact
thereof on the growth, success and development of the Company and the Group, as well as
their involvement and commitment to the Board. In connection with any Awards under the
QTV Restricted Share Plan to Non-Executive Directors (including independent Directors),
the individual recipient of a particular Award will abstain from making any recommendation
as a Director and abstain from voting as a member of the Board when the grant of Awards
to him is being considered.

In relation to the independent Directors, the Board confirms that the quantum of Shares
awarded to them will not affect their independence in accordance with the nominating
committee’s terms of reference and the Code of Corporate Governance 2012.

Notwithstanding the above, as Mark Allen Wan is a Director and an Affiliate of a Controlling
Shareholder, he is pursuant to rule 6.1 of the Rules of the Plan, ineligible to receive Awards
under the QTV Restricted Share Plan until such time as he is no longer an Affiliate of a
Controlling Shareholder.

5. THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE

5.1. Background

The Act allows a Singapore-incorporated company to purchase or otherwise acquire its
issued ordinary shares, stocks and preference shares if the purchase or acquisition is
permitted under the company’s articles of association. Article 50(2) of the Company’s Articles
expressly permits the Company to purchase its issued Shares. Any purchase or acquisition
of Shares by the Company would have to be made in accordance with, and in the manner
prescribed by the Act and the Catalist Rules, in particular Part XI of Chapter 8 of the Catalist Rules, which relates to the purchase or acquisition by an issuer of its own shares, and such other laws and regulations as may for the time being be applicable.

It is a requirement under the Act and the Catalist Rules that a company which wishes to purchase or otherwise acquire its own shares should obtain approval of its shareholders to do so at a general meeting. Accordingly, approval is being sought from Shareholders at the AGM for the proposed adoption of the Share Buy-Back Mandate.

If approved by Shareholders at the AGM, the authority conferred by the Share Buy-Back Mandate will take effect from the date of the AGM at which the proposed adoption of the Share Buy-Back Mandate will be approved ("Approval Date") and continue to be in force for the duration of the Relevant Period, which is until the earlier of the date on which the next annual general meeting of the Company is held or is required by law to be held, (whereupon it will lapse, unless renewed at such meeting), the date on which the share buy-backs are carried out to the full extent of the Share Buy-Back Mandate, or the date the said mandate is varied or revoked by the Company in a general meeting. Subject to its continued relevance to the Company, the Share Buy-Back Mandate will be put to Shareholders for renewal at each subsequent annual general meeting of the Company.

5.2. Rationale for the Share Buy-Back Mandate

The Share Buy-Back Mandate will give the Company the flexibility to purchase or otherwise acquire its Shares if and when circumstances permit. The Directors believe that share buy-backs would allow the Company and the Directors to better manage the Company’s share capital structure, dividend payout and cash reserves. In addition, it also provides the Directors the opportunity to exercise control over the Company’s share capital structure with a view to enhancing the EPS and/or NAV per Share. Share buy-backs also help the Company to mitigate short term market volatility, offset the effects of short term speculation and bolster Shareholder’s confidence.

Pursuant to the Act, Shares purchased or otherwise acquired pursuant to the Share Buy-Back Mandate may be held or dealt with as Treasury Shares.

The existing Shares purchased by the Company under the Share Buy-Back Mandate, if held as Treasury Shares, may be used for the purposes set out in paragraph 5.5(iii) of this Appendix, which include but is not limited to the transfer of Treasury Shares to participants of the Scheme pursuant to the exercise of Options granted under the Scheme.

If and when circumstances permit, the Directors will decide whether to effect the Shares purchases via on-market purchases or off-market purchases, after taking into account the amount of surplus cash available, the prevailing market conditions and the most cost-effective and efficient approach.

Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate will only be made when the Directors believe that such purchases or acquisitions would be made in circumstances which would not have a material adverse effect on the financial position of the Company or the Group and when the Directors believe that such purchases or acquisitions would benefit the Company and its Shareholders.
5.3. Terms of the Share Buy-Back Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Buy-Back Mandate are summarised below:

(i) Maximum number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

The total number of Shares that may be purchased or acquired by the Company during the Relevant Period shall not exceed ten per cent. (10%) of the total number of issued Shares of the Company as at the Approval Date, unless the Company has, at any time during the Relevant Period, reduced its share capital by a special resolution under Section 78C of the Act, or the court has, at any time during the Relevant Period, made an order under Section 78I of the Act confirming the reduction of share capital of the Company, in which event the total number of Shares shall be taken to be the total number of Shares as altered by the special resolution of the Company or the order of the court, as the case may be. For purposes of calculating the percentage of Shares referred to above, any of the Shares which are held as Treasury Shares will be disregarded.

For illustrative purposes only, based on the existing issued and paid-up share capital of the Company as at the Latest Practicable Date comprising 766,306,009 Shares, and assuming no further Shares are issued on or prior to the AGM, no more than 76,630,600 Shares representing ten per cent. (10%) of the issued and paid-up share capital of the Company as at the date of the AGM may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate.

(ii) Duration of authority

Purchases or acquisitions of Shares may be made during the Relevant Period, which is at any time and from time to time, on and from the Approval Date, up to the earliest of:

(a) the conclusion of the next annual general meeting of the Company or the date by which such annual general meeting of the Company is required to be held;

(b) the date on which the share buy-backs are carried out to the full extent of the Share Buy-Back Mandate; or

(c) the date on which the authority conferred in the Share Buy-Back Mandate is varied or revoked by Shareholders in a general meeting.

(iii) Manner of purchase of Shares

Purchases or acquisitions of Shares may be made by way of:

(a) on-market purchases ("Market Purchase"), transacted on the SGX-ST through the ready market, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
LETTER TO SHAREHOLDERS

(b) off-market purchases ("Off-Market Purchase") (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme as defined in Section 76C of the Act.

(c) The Directors may impose such terms and conditions which are not inconsistent with the Share Buy-Back Mandate, the Catalist Rules and the Act as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme. Pursuant to the Act, an Off-Market Purchase must satisfy all of the following conditions:—

(1) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

(2) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and

(3) the terms of all the offers shall be the same, except that there shall be disregarded:

(i) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;

(ii) (if applicable) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and

(iii) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, the Catalist Rules provide that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders containing at least the following information:—

(aa) the terms and conditions of the offer;

(bb) the period and procedures for acceptances;

(cc) the reasons for the proposed share buy-back;

(dd) the consequences, if any, of share buy-backs by the Company that will arise under the Take-over Code or other applicable take-over rules;

(ee) whether the share buy-back, if made, would have any effect on the listing of the Shares on the SGX-ST;

(ff) details of any share buy-back made by the Company in the previous twelve (12) months (whether by way of Off-Market Purchases in accordance with an equal access scheme or Market Purchases), setting out the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
whether the Shares purchased by the Company will be cancelled or kept as Treasury Shares.

(iv) Maximum purchase price

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the purchase price to be paid for the Shares pursuant to the purchases or acquisitions of the Shares, excluding related expenses of the purchase or acquisition, must not exceed the Maximum Price (as defined hereinafter) which is:–

(a) in the case of a Market Purchase, five per cent. (5%) above the average of the closing market prices of the Shares over the five (5) Market Days on which transactions in the Shares were recorded before the day on which the Market Purchase was made by the Company and deemed to be adjusted for any corporate action that occurs after the relevant five (5)-day period; and

(b) in the case of an Off-Market Purchase pursuant to an equal access scheme, ten per cent. (10%) above the average of the closing market prices of the Shares over the five (5) Market Days on which transactions in the Shares were recorded before the day on which the Company makes an announcement of an offer under the Off-Market Purchase scheme stating the purchase price (which shall not be more than the Maximum Price (as defined hereinafter) calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5)-day period,

(the “Maximum Price”) in either case, excluding related expenses of the purchase.

5.4. Status of Purchased Share

A Share purchased or otherwise acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Shares are held by the Company as Treasury Shares to the extent permitted under the Act. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or otherwise acquired by the Company and which are not held as Treasury Shares. All Shares purchased or acquired by the Company (other than Treasury Shares held by the Company to the extent permitted under the Act), will be automatically de-listed by the SGX-ST, and the certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

At the time of each purchase of Shares by the Company, the Directors will decide whether the Shares purchased will be cancelled or kept as Treasury Shares, or partly cancelled and partly kept as Treasury Shares, depending on the needs of the Company and as the Directors deem fit in the interests of the Company at that time.
5.5. Treasury Shares

Under the Act, Shares purchased or otherwise acquired by the Company may be held or dealt with as Treasury Shares. Some of the provisions on Treasury Shares under the Act are summarised below:–

(i) Maximum holdings

The number of Shares held as Treasury Shares cannot at any time exceed ten per cent. (10%) of the total number of issued Shares. Any Shares in excess of this limit shall be disposed of or cancelled in accordance with Section 76K of the Act within six (6) months or such further periods as the Registrar of Companies may allow.

(ii) Voting and other rights

The Company cannot exercise any right in respect of Treasury Shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Act, the Company shall be treated as having no right to vote and the Treasury Shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of Treasury Shares. However, the allotment of Shares as fully paid bonus shares in respect of Treasury Shares is allowed. Also, a subdivision of any Treasury Shares into Treasury Shares of a larger amount, or a consolidation of any Treasury Shares into Treasury Shares of a smaller amount, is allowed so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before.

(iii) Disposal and cancellation

Where Shares are held as Treasury Shares, the Company may at any time:–

(a) sell the Treasury Shares for cash;

(b) transfer the Treasury Shares for the purposes of, or pursuant to an employees’ share scheme of the Company;

(c) transfer the Treasury Shares as consideration for the acquisition of shares in, or assets of, another company or assets of a person;

(d) cancel the Treasury Shares; or

(e) sell, transfer or otherwise use the Treasury Shares for such other purposes as may be prescribed by the Minister for Finance.

5.6. Reporting Requirements

Within thirty (30) days of the passing of a Shareholders’ ordinary resolution to approve any purchase or acquisition of Shares by the Company, the Company shall lodge a copy of such ordinary resolution with ACRA.
LETTER TO SHAREHOLDERS

The Company shall notify ACRA within thirty (30) days of a purchase or acquisition of Shares on the SGX-ST or otherwise. Such notification shall include details of the purchase, including the date of the purchase or acquisition, the total number of Shares purchased or otherwise acquired by the Company, the number of Shares cancelled, the number of Shares held as Treasury Shares, the Company’s issued share capital before the purchase or acquisition of Shares, the Company’s issued share capital after the purchase or acquisition of Shares, the amount of consideration paid by the Company for the purchase or acquisition, whether the Shares were purchased or acquired out of profits or the capital of the Company and such other particulars as may be required by ACRA.

Within thirty (30) days of the cancellation or disposal of Treasury Shares in accordance with the provisions of the Act, the Directors shall lodge with ACRA the notice of cancellation or disposal of Treasury Shares in the prescribed form as required by ACRA.

The Catalist Rules specifies that a listed company shall notify the SGX-ST of all purchases or acquisitions of its shares no later than 9.00 a.m.:

(a) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and

(b) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

The notification of such purchase or acquisition of shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide to the Company in a timely fashion the necessary information which will enable the Company to make the necessary notifications to the SGX-ST.

5.7. Source of funds

In purchasing or acquiring Shares, the Company may only apply funds legally available for such purchase or acquisition in accordance with the Articles and the applicable laws of Singapore. The Company may not purchase its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST. As stated in the Act, the share buy-back may be made out of the Company’s profits or capital so long as the Company is solvent.

Pursuant to Section 76F(4) of the Act, a company is solvent if (a) it is able to pay its debts in full at the time of payment and will be able to pay its debts as they fall due in the normal course of business in the twelve (12) months following such date of payment; and (b) the value of its assets is not less than the value of its liabilities (including contingent liabilities) and such value of its assets will not, after any purchase of shares for purposes of any proposed acquisition or release of the company’s obligations, become less than the value of its liabilities (including contingent liabilities). In determining whether the Company is solvent, the Directors must have regard to the most recently audited financial statements, other relevant circumstances, and may rely on valuations or estimation of assets or liabilities. In determining the value of contingent liabilities, the Directors may take into account the likelihood of the contingency occurring, as well as any counter-claims by the Company.
The Company intends to use internal sources of funds, or a combination of internal resources and external borrowings to finance the Company’s purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate. The Directors do not propose to exercise the Share Buy-Back Mandate in a manner and to such extent that it would have a material adverse effect on the working capital requirements and/or the gearing of the Group.

5.8. Financial effects

Under the Act, the purchase or acquisition of Shares by the Company may be made out of the Company’s capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the profits of the Company and hence the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the share capital of the Company but the amount available for the distribution of cash dividends by the Company will not be reduced. The NTA of the Company and of the Group will be reduced by the aggregate purchase price paid by the Company for the Shares.

For illustrative purposes only, as at the Latest Practicable Date, the issued and paid-up ordinary share capital of the Company (excluding Treasury Shares) comprises 766,306,009 Shares. The exercise in full of the Share Buy-Back Mandate would result in the purchase of 76,630,600 Shares.

It is not possible for the Company to realistically calculate or quantify the financial impact of purchases or acquisitions of Shares that may be made pursuant to the Share Buy-Back Mandate as the resultant effect would depend on, inter alia, the aggregate number of Shares purchased or otherwise acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares and whether the Shares purchased or otherwise acquired are cancelled or held as Treasury Shares.

For illustrative purposes only, the financial effects of the Share Buy-Back Mandate on the Company and the Group, based on the audited financial statements of the Company and the Group for FY2014 are based on the following assumptions:–

(a) based on 766,306,009 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the AGM, the purchase or acquisition by the Company of ten per cent. (10%) of its issued Shares will result in the purchase or acquisition of 76,630,600 Shares;

(b) assuming that the Company obtains theoretical external borrowings of S$10 million prior to the Off-Market Purchase so that the cash and cash equivalents remains positive;
(c) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires 76,630,600 Shares, the maximum amount of funds required for the purchase (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) assuming a Maximum Price of S$0.29 for one Share which is five per cent. (5%) above the average of the closing market prices of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date, is approximately S$22.223 million (equivalent to approximately US$16.223 million based on an exchange rate of S$1: US$0.73 as at 31 December 2014); and

(d) in the case of the Off-Market Purchases by the Company and assuming that the Company purchases or acquires 76,630,600 Shares, the maximum amount of funds required for the purchase (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) assuming a Maximum Price of S$0.31 which is ten per cent. (10%) above the average closing market prices of the Shares for the last five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date, is approximately S$23.755 million (equivalent to approximately US$17.341 million based on an exchange rate of S$1: US$0.73 as at 31 December 2014).

For illustrative purposes only and on the basis of the assumptions set out in (a), (b), (c) and (d) above, the financial effects of the:

(i) purchase or acquisition of 76,630,600 Shares by the Company pursuant to the Share Buy-Back Mandate by way of Market Purchases made entirely out of capital and cancelled or held in treasury; and

(ii) purchase or acquisition of 76,630,600 Shares by the Company pursuant to the Share Buy-Back Mandate by way of Off-Market Purchases made entirely out of capital and cancelled or held in treasury,

on the audited financial statements of the Company and the Group for FY2014 are set out as follows:
LETTER TO SHAREHOLDERS

Scenario 1: Purchases made entirely out of capital and cancelled

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<td>133,263</td>
<td>117,040</td>
<td>115,921</td>
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<td>Accumulated losses</td>
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<td>(100,747)</td>
<td>(100,747)</td>
<td>(15,929)</td>
<td>(15,929)</td>
<td>(15,929)</td>
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<tr>
<td>Reserves</td>
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<td>(33,287)</td>
<td>(33,287)</td>
<td>(33,287)</td>
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<td>22,458</td>
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<td>Total borrowings</td>
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<td>10,000</td>
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<td>Cash and cash</td>
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<td>equivalents</td>
<td>Total issued number of Shares ('000)</td>
<td>766,306</td>
<td>689,675</td>
<td>689,675</td>
<td>766,306</td>
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<tr>
<td>Weighted average number of Shares</td>
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<td>486,733</td>
<td>486,733</td>
<td>563,364</td>
<td>486,733</td>
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<tr>
<td>Total comprehensive income</td>
<td>(37,387)</td>
<td>(37,387)</td>
<td>(37,387)</td>
<td>(11,093)</td>
<td>(11,093)</td>
<td>(11,093)</td>
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<tr>
<td>Loss attributable to owners of the parent</td>
<td>(34,174)</td>
<td>(34,174)</td>
<td>(34,174)</td>
<td>(11,093)</td>
<td>(11,093)</td>
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<td>Financial Ratios</td>
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<td>NTA per Share(1)</td>
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<td>0.01</td>
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<td>Gearing ratio(2)</td>
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<td>0.70</td>
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<td>Current ratio(3)</td>
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<td>EPS(3)</td>
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<td>(0.07)</td>
<td>(0.07)</td>
<td>(0.02)</td>
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</tbody>
</table>

Notes:

(1) NTA per Share equals to NTA divided by the number of Shares outstanding (excluding Treasury Shares).

(2) Gearing ratio represents total borrowings divided by shareholders’ equity.

(3) EPS is calculated based on profit attributable to owners of the parent and aggregated weighted average number of issued and paid-up Shares (excluding Treasury Shares).
## LETTER TO SHAREHOLDERS

Scenario 2: Purchases made entirely out of capital and held as Treasury Shares

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th></th>
<th>Company</th>
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<tr>
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<td>Before Share Buy-Back</td>
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<td>After Share Buy-Back</td>
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</tr>
<tr>
<td></td>
<td>Market Purchase</td>
<td>Off-Market Purchase</td>
<td>Market Purchase</td>
<td>Off-Market Purchase</td>
</tr>
<tr>
<td>US$ ('000)</td>
<td>US$ ('000)</td>
<td>US$ ('000)</td>
<td>US$ ('000)</td>
<td>US$ ('000)</td>
</tr>
<tr>
<td>Share capital</td>
<td>133,263</td>
<td>133,263</td>
<td>133,263</td>
<td>133,263</td>
</tr>
<tr>
<td>Accumulated losses</td>
<td>(100,747)</td>
<td>(100,747)</td>
<td>(100,747)</td>
<td>(15,929)</td>
</tr>
<tr>
<td>Reserves</td>
<td>(821)</td>
<td>(821)</td>
<td>(821)</td>
<td>(821)</td>
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<td>Treasury Shares</td>
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<tr>
<td>Intangible assets</td>
<td>9,235</td>
<td>9,235</td>
<td>9,235</td>
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<tr>
<td>NTA</td>
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<td>Current assets</td>
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</tr>
<tr>
<td>Working capital</td>
<td>21,619</td>
<td>5,396</td>
<td>4,277</td>
<td>10,775</td>
</tr>
<tr>
<td>Total borrowings</td>
<td>13</td>
<td>10,013</td>
<td>10,013</td>
<td>–</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>20,152</td>
<td>13,929</td>
<td>12,810</td>
<td>11,516</td>
</tr>
<tr>
<td>Weighted average number of Shares</td>
<td>563,364</td>
<td>563,364</td>
<td>563,364</td>
<td>563,364</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>(37,387)</td>
<td>(37,387)</td>
<td>(37,387)</td>
<td>(11,093)</td>
</tr>
<tr>
<td>Loss attributable to owners of the parent</td>
<td>(34,174)</td>
<td>(34,174)</td>
<td>(34,174)</td>
<td>(11,093)</td>
</tr>
<tr>
<td>Financial Ratios</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NTA per Share(1)</td>
<td>0.03</td>
<td>0.05</td>
<td>0.05</td>
<td>0.11</td>
</tr>
<tr>
<td>Gearing ratio(2) (times)</td>
<td>–</td>
<td>0.21</td>
<td>0.20</td>
<td>–</td>
</tr>
<tr>
<td>Current ratio (times)</td>
<td>3.64</td>
<td>2.88</td>
<td>2.75</td>
<td>15.27</td>
</tr>
<tr>
<td>EPS(3) (cents)</td>
<td>(0.06)</td>
<td>(0.06)</td>
<td>(0.06)</td>
<td>(0.02)</td>
</tr>
</tbody>
</table>

Notes:

1. NTA per Share equals to NTA divided by the number of Shares outstanding (excluding Treasury Shares).
2. Gearing ratio represents total borrowings divided by shareholders’ equity.
3. EPS is calculated based on profit attributable to owners of the parent and aggregated weighted average number of issued and paid-up Shares (excluding Treasury Shares).
Based on the audited financial statements of the Company and the Group for FY2014, the Company and the Group has no distributable profits to effect any buy-back of its Shares from the market. As such, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate by way of Market Purchases and Off-Market Purchases made entirely out of profits is not disclosed in this Appendix.

The actual impact will depend on the number and price of the Shares bought back. As stated, the Directors do not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements and/or gearing of the Group. The purchase of Shares will only be effected after assessing the relative impact of a share buy-back taking into consideration both financial factors (such as cash surplus, debt position and working capital requirements) and non-financial factors (such as share market conditions and performance of the Shares).

Shareholders should note that the financial effects illustrated above, based on the respective aforesaid assumptions, are for illustration purposes only. In particular, it is important to note that the above analysis is based on the audited financial statements of the Company and the Group for FY2014, and is not necessarily representative of the future financial performance of the Company and the Group.

It should be noted that although the Share Buy-Back Mandate would authorise the Company to purchase or otherwise acquire up to ten per cent. (10%) of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or otherwise acquire the entire ten per cent. (10%) of the issued Shares. In addition, the Company may cancel, or hold as Treasury Shares, all or part of the Shares purchased or otherwise acquired. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a share purchase or acquisition before execution.

5.9. Take-over implications arising from share buy-backs

The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

(i) **Obligation to make a take-over offer**

Rule 14 of the Take-over Code ("Rule 14") requires, *inter alia*, that except with the consent of SIC, where:

(a) any person acquires, whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry thirty per cent. (30%) or more of the voting rights of a company; or

(b) any person who, together with persons acting in concert with him, holds not less than thirty per cent. (30%) but not more than fifty per cent. (50%) of the voting rights and such person, or any person acting in concert with him, acquires in any period of six (6) months additional shares carrying more than one per cent. (1%) of the voting rights,
such person shall extend immediately an offer on the basis set out below to the holders of any class of shares in the capital which carries votes and in which such person or persons acting in concert with him hold shares. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

In calculating the percentages of voting rights of such person and their concert parties, Treasury Shares shall be excluded.

(ii) Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons will, inter alia, be presumed to be acting in concert with each other under the Take-over Code:

(a) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);

(b) a company with its parent, subsidiaries and fellow subsidiaries, and their associated companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights, all with one another. For this purpose, ownership or control of at least twenty per cent. (20%) but not more than fifty per cent. (50%) of the voting rights of a company will be regarded as the test of associated company status; and

(c) an individual with his close relatives, related trusts and person(s) who are accustomed to act in accordance with his instructions.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Rule 14 and Appendix 2 of the Take-over Code.

(iii) Effect of Rule 14 and Appendix 2

Appendix 2 of the Take-over Code contains the share buy-back guidance note. In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, if, as a result of any purchase or acquisition by the Company of its Shares, the proportionate percentage of voting rights held by a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of the Take-over Code. If as a result of such increase, a Shareholder or group of Shareholders acting in concert with a Director obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert with a Director could become obliged to make a take-over offer for the Company under Rule 14.
Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to thirty per cent. (30%) or more, or, if such Shareholder holds between thirty per cent. (30%) and fifty per cent. (50%) of the Company’s voting rights, the voting rights of such Shareholder would increase by more than one per cent. (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the ordinary resolution authorising the Share Buy-Back Mandate.

(iv) Advice to Shareholders

Shareholders are advised to consult their professional advisers and/or SIC and/or other relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any share purchases by the Company.

(v) Interests of Directors and Substantial Shareholders

Assuming (i) the Company purchases the maximum number of ten per cent. (10%) of the issued Shares of the Company as at the Latest Practicable Date, and (ii) there is no change in the number of Shares held or deemed to be held by the Directors and Substantial Shareholders, based on the Register of Directors’ Shareholdings of the Company and the Register of Substantial Shareholders of the Company maintained pursuant to Section 164 and Section 88 of the Act respectively, as at the Latest Practicable Date, the shareholdings of the Directors and Substantial Shareholders before and after the purchase of Shares were/will be as follows:

<table>
<thead>
<tr>
<th>Before Share Buy-Back</th>
<th>After Share Buy-Back</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct Interest</strong></td>
<td><strong>Deemed Interest</strong></td>
</tr>
<tr>
<td><strong>No. of Shares</strong></td>
<td><strong>No. of Shares</strong></td>
</tr>
<tr>
<td><strong>Before Share Buy-Back</strong></td>
<td><strong>After Share Buy-Back</strong></td>
</tr>
<tr>
<td><strong>(1)</strong></td>
<td><strong>(2)</strong></td>
</tr>
<tr>
<td>Directors</td>
<td></td>
</tr>
<tr>
<td>Mark Allen Wan</td>
<td>– 157,284,444</td>
</tr>
<tr>
<td>Dr Eitan Konstantino</td>
<td>14,974,336</td>
</tr>
<tr>
<td>Gregory David Casciaro</td>
<td>– –</td>
</tr>
<tr>
<td>Hoon Ching Sing</td>
<td>– –</td>
</tr>
<tr>
<td>Robert Michael Kleine</td>
<td>– –</td>
</tr>
<tr>
<td>Substantial Shareholders (other than Directors)</td>
<td></td>
</tr>
<tr>
<td>Three Arch Partners</td>
<td>153,887,339</td>
</tr>
<tr>
<td>Three Arch Management</td>
<td>– 157,284,444</td>
</tr>
<tr>
<td>Luminor Pacific Fund 1</td>
<td>102,120,176</td>
</tr>
<tr>
<td>Luminor Capital</td>
<td>– 109,033,936</td>
</tr>
<tr>
<td>BMSIF</td>
<td>66,596,116</td>
</tr>
<tr>
<td>EDB Investments</td>
<td>– 66,596,116</td>
</tr>
<tr>
<td>Bio*One Capital</td>
<td>– 66,596,116</td>
</tr>
<tr>
<td>EDBI</td>
<td>– 66,596,116</td>
</tr>
<tr>
<td>EDB</td>
<td>– 66,596,116</td>
</tr>
</tbody>
</table>
Notes:

(1) The percentages in the table are calculated based on 766,306,009 Shares as at the Latest Practicable Date.

(2) The percentages in the table are calculated based on 687,686,509 Shares, assuming that the Company purchases the maximum number of ten per cent. (10%) of the issued Shares of the Company.

(3) Mark Allen Wan is a managing member of Three Arch Management, the general partner of Three Arch Partners and Three Arch Associates and is deemed to have share voting and dispositive power over the shares held by Three Arch Partners and Three Arch Associates. Accordingly, Mark Allen Wan is deemed interested in the 153,887,339 ordinary shares held by Three Arch Partners and 3,397,105 ordinary shares held by Three Arch Associates.

(4) 3,457,000 shares are held in the name of UOB Kay Hian Pte Ltd.

(5) Three Arch Management is the general partner of Three Arch Partners and Three Arch Associates. Accordingly, Three Arch Management is deemed interested in the shares held Three Arch Partners and the 3,397,105 shares held by Three Arch Associates.

(6) Luminor Capital is the investment manager of Luminor Pacific Fund 1 and Luminor Pacific Fund 2. Accordingly, Luminor Capital is deemed interested in the shares held by Luminor Pacific Fund 1 and the 6,913,760 shares held by Luminor Pacific Fund 2.

(7) BMSIF is a wholly-owned subsidiary of EDB Investments. Bio*One Capital is the fund manager of BMSIF and is wholly-owned by EDBI. EDB Investments and EDBI are in turn wholly-owned by EDB. Accordingly, EDB Investments, Bio*One Capital, EDBI and EDB are deemed interested in the shares held by BMSIF.

Based on the information set out above and assuming that there is no change in the shareholding interests of the Directors and Substantial Shareholders as set out above since the Latest Practicable Date, none of the Directors and Substantial Shareholders referred to above is expected to incur an obligation to make a general offer to other Shareholders under the Take-over Code, in the event that the Company undertakes share buy-backs of up to ten per cent. (10%) of the issued Shares of the Company as permitted under the Share Buy-Back Mandate. There are also no persons acting in concert with each other under the Take-over Code.

(vi) Listing status of Shares on the SGX-ST

The Company does not have any individual shareholding limit or foreign shareholding limit. However, the Company is required under Rule 723 of the Catalist Rules to ensure that at least ten per cent. (10%) of its Shares are in the hands of the public. The term “public”, as defined under the Catalist Rules, are persons other than (i) the Directors, chief executive officer, Substantial Shareholders or Controlling Shareholders of the Company and its subsidiaries; and (ii) the Associates of persons in (i).

As at the Latest Practicable Date, approximately 418,417,177, issued Shares were held by the public, representing approximately 54.60% of the total number of issued Shares. For illustration purposes only, assuming that the Company purchases the maximum number of ten per cent. (10%) of the issued Shares, being 76,630,600 Shares as at the Latest Practicable Date, and assuming that such Shares are held in public hands, the resultant number of Shares held by the public after the purchase of such Shares would be 341,786,577 Shares, representing approximately 49.56% of the remaining issued Shares of the Company.

Before deciding to effect a purchase of Shares, the Directors will consider whether, notwithstanding such purchase, a sufficient float in the hands of the public will be maintained to provide for an orderly market for trading in the Shares.
LETTER TO SHAREHOLDERS

The Directors will use their best efforts to ensure that the Company does not effect a purchase or acquisition of Shares if the purchase or acquisition of Shares would result in the number of Shares remaining in the hands of the public falling to such a level as to cause market illiquidity or adversely affect the listing status of the Company.

(vii) Shares purchased by the Company

The Company has not made any Share purchases in the last twelve (12) months preceding the date of this Appendix.

(viii) Timing of purchases

While the Catalist Rules do not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in observing the best practices recommended in the Catalist Rules on securities dealings, the Company will not purchase or acquire any Shares through Market Purchases during the period commencing two (2) weeks immediately preceding the announcement of the Company’s financial results for each of the first three quarters of its financial year and one (1) month immediately preceding the announcement of the Company’s full-year results and ending on the date of announcement of the relevant results.

(ix) Tax implications

The following is a general overview of the Singapore tax implications of share buy-backs by the Company.

Shareholders should note that the following general overview of the Singapore tax position is not to be regarded as advice on the tax position of any Shareholder, or on any tax implications arising from the proposed Share Buy-Back Mandate. Shareholders who are in doubt as to their respective tax positions or the tax implications arising from the purchase or acquisition of Shares by the Company, or who may be subject to tax in a jurisdiction, should consult their own professional advisers.

(a) Company’s Treatment

Under Section 10J of the Singapore Income Tax Act, Chapter 134 of Singapore, where a company tax resident in Singapore purchases or otherwise acquires shares issued by it from any shareholder of the company and such shares are deemed cancelled under Section 76B of the Act by way of a Market Purchase or an Off-Market Purchase, to the extent that the payment for the share buy-backs is made out of the contributed capital of the company, such payment should not be regarded as a payment of dividend by the company to the shareholders, and an amount equal to the payment shall be debited to the contributed capital account kept by the company. However, to the extent that the payment for the share buy-backs is not made out of the contributed capital of the company, such payment should be deemed to be a dividend paid by the company on the date of the payment.
As the Company is a tax resident in Singapore for Singapore income tax purposes and is under the one-tier corporate tax regime, to the extent that the payment for the share buy-backs is not made out of the contributed capital of the Company, the payment should be deemed as a dividend paid by the Company on the date of the payment and the dividend should be treated as a tax exempt (one-tier) dividend.

(b) Shareholder’s Treatment

From a shareholder’s perspective, the tax treatment of the receipt from a share buy-back would depend on whether the sale is by way of a Market Purchase or an Off-Market Purchase. A sale by a shareholder of his shares through a normal ready market counter will be treated like any other sale made on the SGX-ST, and not as a dividend. Whether the proceeds from such a sale are taxable in the hands of the shareholder will depend on whether such proceeds are receipts of an income or a capital nature.

Proceeds received in an Off-Market Purchase effected by way of an equal access scheme as defined in Section 76C of the Act will be treated as a receipt of a dividend in the hands of the shareholder if the payment for the share buy-back is not made out of the contributed capital of the Company. In the case where the consideration received pursuant to the share buy-back is treated as a tax exempt (one-tier) dividend in the hands of a shareholder, the dividend should be exempt from Singapore income tax in the hands of that shareholder (both resident and non-resident) in Singapore.

Accordingly, no deduction of the cost of the shares sold will be allowed, but the cost base will be apportioned among the remaining shares.

6. DIRECTORS’ AND SUBSTANTIAL SHAREHOLDERS’ INTERESTS

Based on the register of Directors’ shareholdings and the register of Substantial Shareholders as at the Latest Practicable Date, the shareholdings of the Directors and the Substantial Shareholders are as follows:

<table>
<thead>
<tr>
<th>Directors</th>
<th>Direct Interest</th>
<th>Deemed Interest</th>
<th>Total Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Shares</td>
<td>% (1)</td>
<td>No. of Shares</td>
</tr>
<tr>
<td>Mark Allen Wan (2)</td>
<td>–</td>
<td>–</td>
<td>157,284,444</td>
</tr>
<tr>
<td>Dr Eitan Konstantino</td>
<td>14,974,336</td>
<td>1.95</td>
<td>–</td>
</tr>
<tr>
<td>Gregory David Casciaro</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Hoon Ching Sing</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Robert Michael Kleine</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>
### LETTER TO SHAREHOLDERS

<table>
<thead>
<tr>
<th>Substantial Shareholders (other than Directors)</th>
<th>Direct Interest</th>
<th>Deemed Interest</th>
<th>Total Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Shares</td>
<td>% (1)</td>
<td>% (1)</td>
</tr>
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<td>Three Arch Partners</td>
<td>153,887,339</td>
<td>20.08</td>
<td>153,887,339</td>
</tr>
<tr>
<td>Three Arch Management</td>
<td>–</td>
<td>–</td>
<td>157,284,444</td>
</tr>
<tr>
<td>Luminor Pacific Fund 1</td>
<td>102,120,176</td>
<td>13.33</td>
<td>102,120,176</td>
</tr>
<tr>
<td>Luminor Capital</td>
<td>–</td>
<td>–</td>
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<tr>
<td>BMSIF</td>
<td>66,596,116</td>
<td>8.69</td>
<td>66,596,116</td>
</tr>
<tr>
<td>EDB Investments</td>
<td>–</td>
<td>–</td>
<td>66,596,116</td>
</tr>
<tr>
<td>Bio*One Capital</td>
<td>–</td>
<td>–</td>
<td>66,596,116</td>
</tr>
<tr>
<td>EDB</td>
<td>–</td>
<td>–</td>
<td>66,596,116</td>
</tr>
</tbody>
</table>

**Notes:**

(1) The percentages in the table are calculated based on 766,306,009 Shares as at the Latest Practicable Date.

(2) Mark Allen Wan is a managing member of Three Arch Management, the general partner of Three Arch Partners and Three Arch Associates and is deemed to have share voting and dispositive power over the shares held by Three Arch Partners and Three Arch Associates. Accordingly, Mark Allen Wan is deemed interested in the 153,887,339 ordinary shares held by Three Arch Partners and 3,397,105 ordinary shares held by Three Arch Associates.

(3) 3,457,000 shares are held in the name of UOB Kay Hian Pte Ltd.

(4) Three Arch Management is the general partner of Three Arch Partners and Three Arch Associates. Accordingly, Three Arch Management is deemed interested in the shares held Three Arch Partners and the 3,397,105 shares held by Three Arch Associates.

(5) Luminor Capital is the investment manager of Luminor Pacific Fund 1 and Luminor Pacific Fund 2. Accordingly, Luminor Capital is deemed interested in the shares held by Luminor Pacific Fund 1 and the 6,913,760 shares held by Luminor Pacific Fund 2.

(6) BMSIF is a wholly-owned subsidiary of EDB Investments. Bio*One Capital is the fund manager of BMSIF and is wholly-owned by EDBI. EDB Investments and EDBI are in turn wholly-owned by EDB. Accordingly, EDB Investments, Bio*One Capital, EDBI and EDB are deemed interested in the shares held by BMSIF.
7. DIRECTORS' RECOMMENDATION

7.1. Ordinary Resolution 9: The Proposed Ratification

Having fully considered the rationale set out in paragraph 2.3 of this Appendix, the Directors are of the opinion that the Proposed Ratification is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of Ordinary Resolution 9 in respect of the Proposed Ratification as set out in the notice of AGM.

7.2. Ordinary Resolution 10: The Proposed Amendments

As all of the Directors are eligible to participate in the 2014 QTV Employee Share Option Scheme, they are deemed to be interested in the Proposed Amendments. Accordingly, the Directors have abstained from making any recommendation to the Shareholders in respect of Ordinary Resolution 10 as set out in the notice of AGM.

7.3. Ordinary Resolution 11: The Proposed Adoption of the QTV Restricted Share Plan

As Mark Allen Wan is a Director and an Affiliate of a Controlling Shareholder, he is pursuant to rule 6.1 of the Rules of the Plan, ineligible to receive Awards under the QTV Restricted Share Plan until such time as he is no longer an Affiliate of a Controlling Shareholder. As such, he is not interested in the proposed adoption of the QTV Restricted Share Plan.

Save for Mark Allen Wan, all of the Directors are eligible to participate in the QTV Restricted Share Plan. Accordingly, they are deemed to be interested in the proposed resolution to adopt the QTV Restricted Share Plan. As such, save for Mark Allen Wan, all of the Directors have abstained from making any recommendation to the Shareholders in respect of Ordinary Resolution 11 as set out in the notice of AGM.

Having fully considered, among others, the rationale and terms of the QTV Restricted Share Plan, Mark Allen Wan is of the opinion that the adoption of the QTV Restricted Share Plan is in the best interests of the Company and accordingly recommends that Shareholders vote in favour of Ordinary Resolution 11 in respect of the proposed adoption of the QTV Restricted Share Plan as set out in the notice of AGM.

7.4. Ordinary Resolution 12: The Proposed Adoption of the Share Buy-Back Mandate

Having fully considered the rationale set out in paragraph 5.2 of this Appendix, the Directors are of the opinion that the Share Buy-Back Mandate is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of Ordinary Resolution 12 in respect of the proposed adoption of the Share Buy-Back Mandate as set out in the notice of AGM.
8. ABSTENTION FROM VOTING

8.1. Ordinary Resolution 10: The Proposed Amendments

All Shareholders who are eligible to participate in the 2014 QTV Employee Share Option Scheme shall abstain from voting in respect of Ordinary Resolution 10 and shall also decline to accept any appointment as proxies for any Shareholder to vote on Ordinary Resolution 10 as set out in the notice of AGM unless the Shareholder concerned has given specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of Ordinary Resolution 10 as set out in the notice of AGM.

All Directors who are eligible to participate in the 2014 QTV Employee Share Option Scheme shall also decline to accept any appointment as proxies for any Shareholder to vote on Ordinary Resolution 10 as set out in the notice of AGM unless the Shareholder concerned has given specific instructions in his Proxy form as to the manner in which his votes are to be cast in respect of Ordinary Resolution 10 as set out in the notice of AGM.

8.2. Ordinary Resolution 11: The Proposed Adoption of the QTV Restricted Share Plan

All Shareholders who are eligible to participate in the QTV Restricted Share Plan shall abstain from voting in respect of Ordinary Resolution 11 and shall also decline to accept any appointment as proxies for any Shareholder to vote on Ordinary Resolution 11 as set out in the notice of AGM unless the Shareholder concerned has given specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of Ordinary Resolution 11 as set out in the notice of AGM.

All Directors who are eligible to participate in the QTV Restricted Share Plan shall also decline to accept any appointment as proxies for any Shareholder to vote on Ordinary Resolution 11 as set out in the notice of AGM unless the Shareholder concerned has given specific instructions in his Proxy form as to the manner in which his votes are to be cast in respect of Ordinary Resolution 11 as set out in the notice of AGM.

9. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Ratification, Proposed Amendments, the proposed adoption of the QTV Restricted Share Plan and the proposed adoption of the Share Buy-Back Mandate, and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information contained in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.
10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal office hours, on any weekday (public holidays excepted), at the registered office of the Company at 80 Robinson Road #02-00 Singapore 068896 from the date of this Appendix up to and including the date of the AGM:

(a) the existing rules of the Scheme;

(b) the Rules of the Plan; and

(c) the Memorandum and Articles of Association of the Company.

Yours faithfully
For and on behalf of the Board of Directors
QT VASCULAR LTD.

Eitan Konstantino
Chief Executive Officer
15 April 2015
1. **Name of Scheme**

The Scheme shall be called the “2014 QTV Employee Share Option Scheme”.

2. **Definitions**

(a) In this Scheme, unless the context otherwise requires, the following words and expressions shall have the following meanings:

- “2005 Stock Plan” The TriReme US share option plan
- “2010 Equity Incentive Plan” The Quattro Vascular share option plan
- “Act” The Companies Act, Chapter 50 of Singapore as amended or modified from time to time
- “Adoption Date” The date upon which this Scheme is adopted by the Board of Directors of the Company and its Shareholders in a general meeting
- “Aggregate Exercise Price” The total amount payable for the Scheme Shares which may be acquired on the exercise of an Option
- “Associate” In relation to a person, means his or her spouse, child, adopted child, step-child, brother, sister or parent
- “Associated Company” A company which is for the time being an Associated Company of the Company as defined in the Listing Manual, provided that at the Offer Date, the Company has control over the management of the Associated Company.
- “Auditors” The auditors of the Company for the time being
- “Board” The Board of Directors of the Company
- “CDP” The Central Depository (Pte) Limited
“Change in Control”  The occurrence of any of the following events:

(a) Change in Ownership of the Company. A change in the ownership of the Company which occurs on the date that any one person, or more than one person acting as a group ("Person"), acquires ownership of the shares of the Company that, together with the shares held by such Person, constitute more than 50% of the total voting power of the shares of the Company, except that any change in the ownership of the shares of the Company as a result of a private financing of the Company that is approved by the Board will not be considered a Change in Control; or

(b) Change in Effective Control of the Company. If the Company has a class of securities registered pursuant to Section 12 of the Exchange Act, a change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purposes of this subclause (b), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control; or

(c) Change in Ownership of a Substantial Portion of the Company’s Assets. A change in the ownership of a substantial portion of the Company’s assets which occurs on the date that any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions. For purposes of this subclause (c), gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets. For purposes of the definition of Change in Control, persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of shares, or similar business transaction with the Company.
Notwithstanding the foregoing, a transaction will not be deemed a Change in Control unless the transaction qualifies as a change in control event within the meaning of Code Section 409A, as it has been and may be amended from time to time, and any proposed or final Treasury Regulations and Internal Revenue Service guidance that has been promulgated or may be promulgated thereunder from time to time.

Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (i) its sole purpose is to change the jurisdiction of the Company’s incorporation, or (ii) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company’s securities immediately before such transaction.

“Closing Date” 30 Days from the relevant Offer Date

“Code” The United States Internal Revenue Code of 1986, as amended. Any reference to a section of the Code herein will be a reference to any successor or amended section of the Code.

“CPF” Central Provident Fund

“Committee” A committee duly authorised and appointed by the Board of Directors of the Company and comprising Directors of the Company, established for the purpose of administering the Scheme.

“Company” or “QT Vascular” QT Vascular Ltd.

“Controlling Interest” The interest of the Company’s Controlling Shareholder(s)

“Control” The capacity to dominate decision making, directly or indirectly in relation to the financial and operating policies of the Company.
### SCHEDULE A – RULES OF THE 2014 QTV EMPLOYEE SHARE OPTION SCHEME

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Controlling Shareholder”</td>
<td>A person who exercises control over the Company. Unless rebutted, a person who controls directly or indirectly a shareholding interest of 15% or more of the Company’s issued share capital shall be presumed to be a Controlling Shareholder of the Company</td>
</tr>
<tr>
<td>“Date of Grant”</td>
<td>The date on which an Option is granted to a Participant pursuant to the Option Scheme</td>
</tr>
<tr>
<td>“Depositor”</td>
<td>A person being a Depository Agent or holder of a Securities Account maintained with CDP but does not include a holder of an account maintained with a Depository Agent</td>
</tr>
<tr>
<td>“Depository Agent”</td>
<td>An entity registered as a depository agent with CDP for the purpose of maintaining securities subaccounts for its own account and for the account of others</td>
</tr>
<tr>
<td>“Depository Register”</td>
<td>A register maintained by CDP in respect of book entry securities</td>
</tr>
<tr>
<td>“Director”</td>
<td>A director (whether executive or non-executive), for the time being of the Company or its Subsidiary</td>
</tr>
<tr>
<td>“Disability”</td>
<td>Total and permanent disability as defined in Code Section 22(e)(3), provided that in the case of Nonstatutory Stock Options, the Committee in its discretion may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Committee from time to time</td>
</tr>
<tr>
<td>“Employee”</td>
<td>A confirmed employee of the Company or its Subsidiaries selected by the Committee to participate in the Scheme in accordance with Rule 4</td>
</tr>
<tr>
<td>“Exchange Act”</td>
<td>The United States Securities Exchange Act of 1934, as amended</td>
</tr>
<tr>
<td>“Executive Director”</td>
<td>A director who is an employee of the Company or its Subsidiary</td>
</tr>
</tbody>
</table>
“Exercise Price” The price at which a Participant shall subscribe for each Scheme Share upon the exercise of an Option as determined in accordance with Rule 5.

“Exercise Limitation Period” The period within which an Option subject to Rule 846 of the Listing Manual may not be exercised, consisting of (i) with respect to Options with an Exercise Price equal to or greater than the Market Price on the Date of Grant, the one (1) year period following the Date of Grant, and (ii) with respect to Options with an Exercise Price that is less than the Market Price on the Date of Grant, the two (2) year period following the Date of Grant.

“Financial Year” Each period of twelve (12) months at the end of which the profit and loss accounts and balance sheets of the Company are prepared and audited for the purpose of laying the same before an annual general meeting of the Company.

“Group” The Company and its Subsidiaries.

“Incentive Stock Option” An Option that by its terms qualifies and is otherwise intended to qualify as an incentive stock option within the meaning of Code Section 422 and the regulations promulgated thereunder.

“Listing Manual” The Listing Manual of the SGX-ST, Section B: Rules of Catalist as amended or modified from time to time.

“Market Day” A day on which the SGX-ST is open for trading in securities.

“Market Price” The weighted average of the last-dealt price for a Share, as determined by reference to the daily Official List published by the SGX-ST for the three (3) consecutive trading days immediately preceding the Date of Grant of an Option.

“Month” Calendar month.

“Non-Executive Director” A director (including an independent director) who does not perform any executive function in the Company or its Subsidiary.
### SCHEDULE A – RULES OF THE 2014 QTV EMPLOYEE SHARE OPTION SCHEME

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Nonstatutory Stock Option”</td>
<td>An Option that by its terms does not qualify or is not intended to qualify as an Incentive Stock Option</td>
</tr>
<tr>
<td>“Offer”</td>
<td>The Company’s offer to a Participant of an Option to subscribe for Shares under the Scheme</td>
</tr>
<tr>
<td>“Offer Date”</td>
<td>The date on which an Offer is made to a Participant to participate in the Scheme</td>
</tr>
<tr>
<td>“Option”</td>
<td>The right to subscribe for the Scheme Shares granted or to be granted pursuant to this Scheme and for the time being subsisting</td>
</tr>
<tr>
<td>“Option Agreement”</td>
<td>The written or electronic agreement setting forth the terms and provisions applicable to each Option granted under the Scheme. The Option Agreement is subject to the terms and conditions of the Scheme</td>
</tr>
<tr>
<td>“Participant”</td>
<td>The holder of an Option</td>
</tr>
<tr>
<td>“Parent”</td>
<td>A “parent corporation” whether now or hereafter existing, as defined in Code Section 424(e)</td>
</tr>
<tr>
<td><strong>“QTV 2013 Share Plan”</strong></td>
<td>The share option plan adopted by the Board after the restructuring exercise where the Company became the holding company of TriReme Medical (Singapore) Pte. Ltd., TriReme Medical, LLC and Quattro Vascular Pte. Ltd.</td>
</tr>
<tr>
<td><strong>“QTV Restricted Share Plan”</strong></td>
<td>The QT Vascular Restricted Share Plan 2015, as may be amended or modified from time to time</td>
</tr>
<tr>
<td>“Record Date”</td>
<td>The date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares</td>
</tr>
<tr>
<td>“Scheme”</td>
<td>The 2014 QTV Employee Share Option Scheme, as the same may be amended from time to time</td>
</tr>
<tr>
<td>“Scheme Shares”</td>
<td>Shares to be issued pursuant to the Scheme</td>
</tr>
<tr>
<td>“Service Provider”</td>
<td>An Employee or Director</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>&quot;Securities Account&quot;</td>
<td>A securities account maintained by a Depositor with CDP but does not include a securities subaccount</td>
</tr>
<tr>
<td>&quot;SGX-ST&quot;</td>
<td>The Singapore Exchange Securities Trading Limited</td>
</tr>
<tr>
<td>&quot;Shares&quot;</td>
<td>Ordinary shares in the capital of the Company</td>
</tr>
<tr>
<td>&quot;Shareholders&quot;</td>
<td>A person who is named as a registered holder of the Shares from time to time and in the case of the Depositor, a person who is named as the Depositor in the Depository Register maintained by the CDP and into whose Securities Account those Shares are credited</td>
</tr>
<tr>
<td>&quot;Subsidiary&quot;</td>
<td>A company (wheresoever incorporated) which is for the time being a subsidiary of the Company as defined within the meaning of Section 5 of the Act and, with respect to Incentive Stock Options, as defined in Code Section 424(f)</td>
</tr>
<tr>
<td>&quot;Trading Day&quot;</td>
<td>A day on which is for the time being a subsidiary of the Company within the meaning of the Companies Act</td>
</tr>
<tr>
<td>&quot;Treasury Shares&quot;</td>
<td>Has the meaning ascribed to it in Section 4 of the Act</td>
</tr>
<tr>
<td>&quot;$&quot;</td>
<td>Singapore dollars</td>
</tr>
<tr>
<td>&quot;%&quot; or &quot;per cent.&quot;</td>
<td>Percentage or per centum</td>
</tr>
</tbody>
</table>

(b) Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and vice versa. References to persons shall, where applicable, include corporations.

(c) Any reference in the Scheme to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the Listing Manual or any modification thereof and used in the Scheme shall have the meaning assigned to it under the Act or the Listing Manual or any modification thereof, as the case may be.

(d) Any reference to a time of the day in the Scheme shall be a reference to Singapore time.

(e) Unless the context otherwise requires, references to “Rules” are to rules of the Scheme.
3. Objectives of the Scheme

The Scheme is a share incentive scheme. The purpose of the Scheme is to allow persons (including Controlling Shareholders and their Associates) who are Service Providers who have contributed significantly to the growth and development of the Group to have a personal stake in the Company at relatively low direct cost to the Company’s profitability. The Scheme will also help to achieve the following positive objectives:—

(a) to motivate the Participants to optimise their performance, efficiency and productivity to achieve higher levels of contribution to the Group and to work towards the growth and prosperity of the Group reflected through the growth in the price of the Shares, which ultimately benefits the Shareholders;

(b) to increase the competitiveness of the Group by giving it the option to use the Scheme as an additional component in its compensation and incentive package to attract and retain key staff whose contributions are important to the long-term growth and profitability of the Group;

(c) to instill a sense of loyalty in the staff with the view to achieving long-term prosperity for the Group;

(d) to attract potential Service Providers with relevant skills to contribute to the Group and to create value for Shareholders; and

(e) to align the interests of Participants with the interests of the Shareholders.

4. Grant of Options

(a) Any Service Provider shall be eligible to participate in the Scheme if he is not an undischarged bankrupt on or before the relevant Date of Grant and is at the absolute discretion of the Committee, selected to participate in the Scheme. Notwithstanding the foregoing, only Employees will be eligible to receive Incentive Stock Options under the Scheme.

(b) Participants who are Controlling Shareholders or Associates of Controlling Shareholders shall (notwithstanding that they may meet the eligibility criteria in Rule 4(a) above) not participate in the Scheme unless:—

(i) their participation; and

(ii) the actual number of Shares and terms of any Option to be granted to them, have been approved by the independent Shareholders in general meeting in separate resolutions for each such person and, in respect of each such person, in separate resolutions for each of (i) his participation and (ii) the actual number of Shares and terms of any Option to be granted to him.
(c) For the purposes of obtaining such approval of the independent Shareholders, the Committee shall procure that the Appendix, letter or notice to the Shareholders in connection therewith shall set out the following:—

(i) clear justifications for the participation of such Controlling Shareholders or Associates of Controlling Shareholders; and

(ii) clear rationale for the number and terms (including the Exercise Price) of the Options to be granted to such Controlling Shareholders or Associates of Controlling Shareholders.

(d) The Committee may, subject as provided in Rule 9, grant Options to the Participants as it may select in its absolute discretion at any time during the duration of the Scheme, provided that in the event that an announcement is made on any matter of an exceptional nature involving unpublished price sensitive information is imminent, Options may only be granted on or after the second (2nd) Market Day from the date on which the aforesaid announcement is released.

(e) The Option Agreement setting forth the terms and conditions of the Option shall be in or substantially in the form set out in Appendix A (subject to such modification as the Committee may from time to time determine). The Option shall be personal to the Participant to whom it is granted and, unless determined otherwise by the Committee, shall not be transferred, charged or assigned, pledged or otherwise disposed of or encumbered, in whole or in part, and may be exercised, during the lifetime of the Participant, only by the Participant, but may be exercised by the Participant’s legal personal representative(s) as provided in Rule 6(d) in the event of the death of the Participant. If the Committee makes an Option transferable, such Option may only be transferred (i) by will, (ii) by the laws of descent and distribution, or (iii) as permitted by Rule 701 of the United States Securities Act of 1933, as amended (the “Securities Act”).

(f) Subject to any adjustment pursuant to Rule 10, the number of Shares in respect of which Options may be granted to a Participant pursuant to the Scheme shall be determined at the discretion of the Committee who shall take into account criteria such as the rank, performance, length of service of such Participant, and the services and/or contributions made by such Participant to the Group and the potential for such Participant making further contributions to the Group as well as the performance of Group.

(g) The grant of an Option to a Participant under this Rule 4 shall be accepted by the Participant within thirty (30) days from the Date of Grant of that Option and not later than 5.00 p.m. on the thirtieth (30th) day from such Date of Grant by completing, signing and returning the Acceptance Form in or substantially in the form set out in Appendix B (subject to such modification as the Committee may from time to time determine), accompanied by payment of $1.00 as consideration.

(h) If a grant of an Option is not accepted in the manner as provided in Rule 4(e), such offer shall upon the expiry of the thirty (30) day period automatically lapse and shall be null and void and of no effect.
5. Exercise Price

Subject to any adjustment pursuant to Rule 10, the Exercise Price payable for each Share in respect of which an Option is exercisable shall be determined by the Committee in its absolute discretion, on the Date of Grant, at:

(a) the Market Price on the Date of Grant; or

(b) a price which is set at a discount to the Market Price, provided that:

(i) the maximum discount shall not exceed 20% of the Market Price. The Committee shall have the sole and absolute discretion to determine the exact amount of discount, if any, to each Participant; and

(ii) the Shareholders shall have authorised the making of offers and grants of Options under the Scheme at a discount not exceeding the maximum discount as aforesaid.

Notwithstanding the foregoing, the Exercise Price payable for each Share in respect of which an Incentive Stock Option is exercisable will be no less than the Market Price on the Date of Grant. In addition, in the case of an Incentive Stock Option granted to an Employee who owns stock representing more than 10% of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the Exercise Price payable for each Share will be no less than the Market Price.

6. Right to Exercise Option

(a) Subject as provided in this Rule 6 and in Rule 7 and Rule 8, an Option shall be exercisable, in whole or in part, at such times and under such conditions as determined by the Committee and set forth in the Option Agreement. Notwithstanding the foregoing, Options subject to the Act may not be exercised prior to the applicable Exercise Limitation Period.

(b) If a Participant ceases to be a Service Provider, other than upon the Participant’s termination as the result of the Participant’s death or Disability, the Participant may exercise his or her Option within thirty (30) days of termination, or such longer period of time as is specified in the Option Agreement (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement) to the extent that the Option is vested on the date of termination. Unless otherwise provided by the Committee, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Scheme. If after termination the Participant does not exercise his or her Option within the time specified by the Committee, the Option will terminate, and the Shares covered by such Option will revert to the Scheme. For the purpose of this Rule 6(b), a Participant shall be deemed to have ceased to be a Service Provider as of the date the notice of termination of service is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date. In determining the service period of the Participant, any period during which the Participant was previously a Service Provider of any company within the Group shall be taken into account. For the avoidance of doubt,
where the Participant is a Non-Executive Director of the Company, the cessation of his or her appointment as a Director of the Company shall be treated as equivalent to the cessation of the full time employment of a Service Provider within the Group.

(c) If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within six (6) months of termination, or such longer period of time as is specified in the Option Agreement (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement) to the extent the Option is vested on the date of termination. Unless otherwise provided by the Committee, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Scheme. If after termination the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Scheme.

(d) If a Participant dies while he or she is a Service Provider, the Option may be exercised within six (6) months following the Participant’s death, or within such longer period of time as is specified in the Option Agreement (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement) to the extent that the Option is vested on the date of death, by the Participant's designated beneficiary, provided such beneficiary has been designated prior to the Participant’s death in a form acceptable to the Committee. If no such beneficiary has been designated by the Participant, then such Option may be exercised by the personal representative of the Participant’s estate or by the person(s) to whom the Option is transferred pursuant to the Participant’s will or in accordance with the laws of descent and distribution. Unless otherwise provided by the Committee, if at the time of death, the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will immediately revert to the Scheme. If the Option is not so exercised within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Scheme.

(e) An Option shall, to the extent unexercised, immediately lapse and become null and void without any claim against the Company and the Shares covered by such Option will revert to the Scheme:–

(i) upon the bankruptcy of the Participant or the happening of any other event which results in his or her being deprived of the legal or beneficial ownership of such Option; or

(ii) in the event of misconduct on the part of the Participant as determined by the Committee in its absolute discretion or if the Participant commits any breach of any of the terms of his or her Option.

(f) The term of each Option will be stated in the Option Agreement; provided, however, that the term will be no more than 120 months from the Date of Grant of such Option.
7. Take-over, Change in Control and Winding-Up of the Company

(a) In the event of a take-over offer being made for the Shares and such offer becoming or being declared unconditional, each outstanding Option will be treated as the Committee determines.

(b) In the event of a merger or Change in Control, each outstanding Option will be treated as the Committee determines. Notwithstanding the foregoing, in the event that the successor corporation does not assume or substitute for the Option (or portion thereof), the Participant will fully vest in and have the right to exercise all of his or her outstanding Options, including Shares as to which such Options would not otherwise be vested or exercisable. In addition, if an Option is not assumed or substituted in the event of a merger or Change in Control, the Committee will notify the Participant in writing or electronically that the Option will be exercisable for a period of time determined by the Committee in its sole discretion, and the Option, to the extent unexercised, will immediately lapse and become null and void without any claim against the Company. For the purposes of this Rule 7(b), an Option will be considered assumed if, following the merger or Change in Control, the Option confers the right to purchase or receive, for each Share subject to the Option immediately prior to the merger or Change in Control, the consideration (whether in shares, cash, or other securities or property) received in the merger or Change in Control by holders of Shares held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the merger or Change in Control is not solely ordinary shares of the successor corporation or its Parent, the Committee may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of an Option, for each Share subject to such Option, to be solely ordinary shares of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Shares in the merger or Change in Control.

(c) If under the Act the court sanctions a compromise or arrangement, proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, each Participant shall be entitled, subject to Rule 6(b) above and Rule 7(f) below, to exercise any Option then held by him or her during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of sixty (60) days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later (but not after the expiration of the term of the Option), after which the Option, to the extent unexercised, shall lapse and become null and void. Provided always that the date of exercise of the Option shall be before the fifth (5th) anniversary of the Date of Grant.

(d) In the event of a members’ solvent voluntary winding-up (other than for amalgamation or reconstruction), each Participant shall be entitled to exercise any Option then held by him or her within thirty (30) days of the passing of the resolution of such winding-up or before the expiration of the term of the Option relating thereto, whichever is the earlier, after which all Options, to the extent unexercised shall, subject to Rule 7(f) below, lapse and become null and void.
(e) If an order is passed for the winding-up of the Company on the basis of its insolvency (whether voluntary or involuntary), all Options, to the extent unexercised, shall lapse and become null and void.

(f) If in connection with making of a general offer referred to in Rule 7(a) or the Change in Control referred to in Rule 7(b) or the scheme referred to in Rule 7(c) or the winding-up referred to in Rule 7(d), arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a Participant holding an Option, which is not then exercisable, may not, at the discretion of the Committee, be permitted to exercise that Option as provided for in this Rule 7.

(g) For the avoidance of doubt, any Option which is permitted to be exercised by reason of Rules 7(a), 7(b), 7(c), and 7(d) shall be so capable of being exercised notwithstanding that the exercise thereof may take place during the Exercise Limitation Period, if applicable.

8. Exercise of Options, Allotment and Listing of Shares

(a) An Option may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of whole shares and never for fractional shares), by a Participant giving a notice in writing to the Company in the form or substantially in the form set out in Appendix C (subject to such modification as the Committee may from time to time determine). Such notice must be accompanied by a remittance for the Aggregate Exercise Price and any other documentation the Committee may require. All payments pursuant to this Rule shall be made by cheque, cashier’s order, bank draft or postal order made out in favour of the Company. An Option shall be deemed to be exercised upon the receipt by the Company of the said notice duly completed and the Aggregate Exercise Price.

(b) The exercise of an Option (including the time and manner of such exercise) shall be subject to and carried out in accordance with any guidelines that may from time to time be prescribed by the Committee. The Company further reserves the right to treat any exercise as invalid where it has reason to believe that such exercise would or may infringe any applicable guidelines of the SGX-ST.

(c) Subject to prevailing legislation and guidelines issued by the SGX-ST, the Company will deliver Shares to Participants in relation to the exercise of an Option, either by way of an issue of new Shares, deemed to be fully paid upon their issuance and allotment, or the delivery of Treasury Shares. In determining whether to issue new Shares or deliver Treasury Shares, the Company will take into account factors such as (but not limited to) the amount of cash available, the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of the various modes of settlement.
(d) The Company shall, as soon as practicable after the exercise of an Option by a Participant but in any event within ten (10) Market Days after the date of the exercise of the Option in accordance with Rule 8(a), allot and issue or procure the delivery or transfer, as the case may be, of the relevant Scheme Shares in respect of which the Option has been exercised by the Participant and within five (5) Market Days from the date of such allotment or transfer, deliver the relevant share certificates to CDP for the credit of the Securities Account of that Participant by ordinary post or such other mode of delivery as the Committee may deem fit.

(e) Where new Shares are allotted pursuant to this Rule, the Company shall, as soon as practicable, apply to the SGX-ST and/or any other stock exchange on which the Shares are quoted, for the listing and quotation of the Scheme Shares.

(f) Shares which are allotted or transferred on the exercise of an Option to a Participant shall be transferred or issued respectively in the name of CDP to the credit of the Securities Account of that Participant maintained with CDP or the securities sub-account maintained by the Participant with a Depository Agent.

(g) Shares which are allotted on the exercise of an Option to a Participant shall be subject to all the provisions of the Articles of Association of the Company (including all provisions thereof relating to the voting, dividend, transfer and other rights attached to the Shares, including those rights which arise from a liquidation of the Company), and shall rank pari passu in all respects with the then existing issued Shares, save for any dividends, rights, allotments or other distributions, the Record Date of which falls on or prior to the date of exercise of the Option.

9. Limitations on the Size of the Scheme

(a) The aggregate number of Shares that are subject to granted and outstanding options (options that have not been either exercised or terminated) under the Scheme, when added to the aggregate number of Shares that are subject to granted and outstanding options (options that have not been either exercised or terminated) under the Scheme, the QTV 2013 Share Plan, the 2010 Equity Incentive Plan and the 2005 Stock Plan (and specifically excluding the QTV Restricted Share Plan) all of the Company’s other share option or share schemes, shall not at any time exceed 15% of the number of issued Shares in the capital of the Company (excluding treasury shares).

(b) The aggregate number of Shares available under the Scheme to Controlling Shareholders and/or their Associates shall not exceed 25% of the Shares available under the Scheme, and the number of Shares available under the Scheme to each Controlling Shareholder and/or his Associate shall not exceed 10% of the Shares available under the Scheme.

(c) If an Option expires or becomes unexercisable without having been exercised in full, is surrendered pursuant to an exchange program, the unpurchased Shares which were subject thereto will become available for future grant or sale under the Scheme (unless the Scheme has terminated). Shares that have actually been issued under the Scheme under any Option will not be returned to the Scheme and will not become
10. Alteration of Capital

(a) If a variation in the issued share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, including any dividend or other distribution whether in the form of cash, Shares, other securities, or other property, or a reduction, sub-division or consolidation of the existing Shares, or a reverse stock split, reorganisation, merger, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, or other change in the corporate structure of the Company affecting the Shares) shall take place, then:–

(i) the Exercise Price for the Shares; and/or

(ii) the class and/or number of Shares comprised in an Option to the extent unexercised; and/or

(iii) the class and/or number of Shares over which additional Options may be granted to the Participants,

shall be adjusted in such manner as the Committee may determine to be appropriate and except in relation to a capitalisation issue, upon the written confirmation of the Auditors (acting only as experts and not as arbitrators), that in their opinion, such adjustment is fair and reasonable.

(b) Unless the Committee considers an adjustment to be appropriate, the following (whether singly or in combination) shall not be regarded as events requiring adjustment:–

(i) any issue of securities as consideration for an acquisition or a private placement of securities;

(ii) any increase in the number of issued Shares as a consequence of the exercise of options or other convertibles issued from time to time by the Company entitling holders thereof to subscribe for new Shares in the capital of the Company (including the exercise of any Options granted pursuant to this Scheme);

(iii) any issue of Shares pursuant to any scrip dividend scheme for the time being of the Company; and

(iv) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased by the Company by way of market purchase(s) effected on SGX-ST pursuant to a share purchase mandate (or any renewal thereof) given by the shareholders of the Company in general meeting and for the time being in force.
(c) No such adjustment shall be made if as a result, the Participant receives a benefit that a Shareholder does not receive; and unless the Committee, after considering all relevant circumstances, considers it equitable to do so.

(d) Upon any adjustment made pursuant to this Rule 10, the Company shall notify the Participant (or his or her duly appointed personal representatives where applicable) in writing informing him or her (or his or her duly appointed personal representatives where applicable) of the Exercise Price thereafter in effect and the nominal amount, class and/or number of Scheme Shares thereafter to be issued on the exercise of the Option. Any adjustment shall take effect upon such written notification being given.

11. Administration of Scheme

(a) The Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board.

(b) The Committee shall have the power, from time to time, to make and vary such regulations (not being inconsistent with the Scheme) for the implementation and administration of the Scheme as it thinks fit.

(c) Any decision of the Committee, made pursuant to any provisions of the Scheme (other than a matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes as to interpretation of the Scheme or any rule, regulation or procedure thereunder or as to any rights under the Scheme), provided that a member of the Committee shall abstain from voting where the Committee is deliberating on whether an Option shall be granted to him or her pursuant to the Scheme or on any matter relating to the Scheme in which such member is interested.

(d) All determinations or actions of the Committee with respect to the interpretation and/or implementation of the Scheme shall be by the affirmative vote of the majority of the members thereof or by way of a written instrument signed by a majority of the members of the Committee. In the latter case, the determination or actions so taken shall be as fully effective as if they had been taken by a vote of the majority of the members of the Committee at a meeting duly called and held. Only in the event of a tie shall the Chairman of the Committee be requested to cast his vote, otherwise, a simple majority of the members of the Committee shall suffice.

12. Notices

(a) A Participant shall not by virtue of any unexercised Option be entitled to receive copies of any notices or other documents sent by the Company to the Shareholders.

(b) Any notice or other communication between the Company and a Participant may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its registered office at 80 Robinson Road #02-00 Singapore 068898 and, in the case of the Participant, his or her address as notified by him or her to the Company from time to time.
13. Alteration and Termination of Scheme

(a) Any or all the provisions of the Scheme may be modified and/or altered at any time and from time to time by resolution of the Committee except that:

(i) no modification or alteration shall alter adversely the rights of any Participant except with the consent in writing of the affected Participant;

(ii) the definitions of “Associate”, “Controlling Shareholder”, “Employee”, “Participant”, “Committee” and “Exercise Price” and the provisions of Rules 4, 5, 6, 7, 8(e), 9, 10, 11 and this Rule 13 shall not be altered to the advantage of Participants except with the prior sanction of the Shareholders in general meeting; and

(iii) no modification or alteration shall be made without the prior approval of the SGX-ST or any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities as may be necessary.

(b) Written notice of any modification or alteration made in accordance with this Rule shall be given to all Participants but omission to give notice to any Participant shall not invalidate any such amendments.

(c) Notwithstanding anything to the contrary contained in Rule 13(a), the Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the Scheme in any way to the extent necessary to cause the Scheme to comply with any statutory provision or the requirements of any regulatory or other relevant authority or body (including the SGX-ST).

(d) The Scheme may be terminated at any time by the Committee or by ordinary resolution of the Shareholders in general meeting and if the Scheme is so terminated no further Options shall be offered by the Company hereunder but the then existing rights of Participants under the Scheme shall not thereby be affected.

14. Terms of Employment Unaffected

Where the Participant is a Service Provider, the terms of the Participant’s status as a Service Provider shall not be affected by his participation in the Scheme which shall neither form part of such terms nor entitle him or her to take into account such participation in calculating any compensation or damages on the termination of his or her status as a Service Provider for any reason.
15. Duration of the Scheme

The Scheme shall continue for a period of ten (10) years commencing from the Adoption Date, provided always that the Scheme may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution in general meeting and of any relevant authorities which may be required. Notwithstanding the foregoing, the Scheme will terminate ten (10) years from the earlier of the most recent Board or Shareholder approval of an increase in the number of Shares reserved for issuance under the Scheme.

The Scheme will be subject to approval by the Shareholders within twelve (12) months after the Adoption Date. Such Shareholder approval will be obtained in the manner and to the degree required under applicable laws.

The expiry of the Scheme shall not affect Options which have been granted and accepted as provided in Rule 4, whether such Options have been exercised (whether fully or partially) or not.

16. Taxes and Consents

All taxes (including income tax) arising with respect to any Option (including, without limitation, upon exercise of an Option) granted to any Participant under the Scheme shall be borne by that Participant. The Participant shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or exercise of the relevant Option.

17. Costs and Expenses of Scheme

(a) The Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment of any Scheme Shares in CDP's name, the deposit of share certificate(s) with CDP, the Participant's Securities Account with CDP, or the Participant's securities sub-account with a CDP Depository Agent.

(b) Save for the taxes referred to in Rule 16 and the fees referred to in Rule 17(a) above, all fees, costs and expenses incurred by the Company in relation to the Scheme including but not limited to the fees, costs and expenses relating to the issue and allotment of the Shares of the Company pursuant to the exercise of any Option shall be borne by the Company.

18. Disclaimer of Liability

Notwithstanding any provisions contained herein and subject to the Act, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing the Shares or procuring the listing of the Shares on the SGX-ST in accordance with Rule 8(c) (and any other stock exchange on which the Shares are quoted or listed).
19. Disputes

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

20. Disclosures

(a) In accordance with the Listing Manual, the Company shall, on any grant of Option(s) make an announcement providing details of the grant, including the date of grant, exercise price of Option(s) granted, number of Option(s) granted, market price of its securities on the date of grant, number of Option(s) granted to directors and controlling shareholders (and their associates), if any, and the validity period of the Option(s).

(b) The Company shall further make the following disclosures in its annual report to shareholders:–

(i) the names of the members of the Committee;

(ii) the information required in the table below for the following participants of the Scheme:–

<table>
<thead>
<tr>
<th>Name of Participant</th>
<th>Options granted during the financial year under review (including terms)</th>
<th>Aggregate Options granted since commencement of the Scheme to the end of the financial year under review</th>
<th>Aggregate Options exercised since commencement of the Scheme to the end of the financial year under review</th>
<th>Aggregate Options outstanding as at the end of financial year under review</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participants who are Controlling Shareholders and their Associates; and</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participants, other than those in Rules 20(b)(ii)(1) and (2) above, who receive 5% or more of the total number of Options available under the Scheme;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(iii) in respect of the Options granted during the Financial Year under review, the number and proportion of Options granted at a discount, in respect of every 10% discount range, up to the maximum discount of 20%.

Provided that if any of the above requirements is not applicable, an appropriate negative statement should be included therein.
21. Governing Law

The Scheme shall be governed by and construed in accordance with the laws of the Republic of Singapore. The Company and the Participants, by participating in the Scheme agree to irrevocably submit to the exclusive jurisdiction of the courts of Singapore.

22. Contracts (Right of Third Parties) Act, Chapter 53B of Singapore

No person other than the Company or a Participant shall have the right to enforce any provision of the Scheme or any Option by virtue of the Contracts (Right of Third Parties) Act, Chapter 53B of Singapore.

23. Eligible Shareholders

Shareholders who are eligible to participate in the Scheme shall abstain from voting on any resolution relating to the Scheme (other than a resolution relating to the participation of, or grant of options to, directors and employees of the Company’s parent company and its Subsidiaries). In particular, all Shareholders who are eligible to participate in the Scheme shall abstain from voting on resolutions of the Shareholders relating to (i) the implementation of the Scheme and (ii) the participation of, or grant of Options to Controlling Shareholders and their Associates.
PRIVATE & CONFIDENTIAL

To: [Name]

[Designation]

[Address]

Dear Sir/Madam

We have the pleasure of informing you that you have been nominated by the Committee of the Board of Directors of QT Vascular Ltd. (the “Company”) to participate in the 2014 QTV EMPLOYEE SHARE OPTION SCHEME (the “Scheme”). Unless otherwise defined herein, the terms defined in the Scheme shall have the same defined meanings in this Share Option Agreement (the “Option Agreement”).

Accordingly, an offer is hereby made to grant you an option in consideration of the payment of the sum of $1.00, to subscribe and be allotted ordinary shares in the Capital of the Company (the “Shares”), subject to the terms and conditions of the Scheme and this Option Agreement, as follows:

Date of Grant : 

Vesting Commencement Date : 

Exercise Price per Share : $ 

Total Number of Shares Granted : 

Total Exercise Price : $ 

Type of Option : Incentive Stock Option Nonstatutory Stock Option

Term/Expiration Date : 

Serial No: _____________
SCHEDULE A – RULES OF THE
2014 QTV EMPLOYEE SHARE OPTION SCHEME

Vesting Schedule:

This Option shall be exercisable, in whole or in part, according to the following vesting schedule:

(a) [Twenty-five percent (25%) of the Shares subject to the Option shall vest on the one (1) year anniversary of the Vesting Commencement Date, and one forty-eighth (1/48th) of the Shares subject to the Option shall vest each month thereafter on the same day of the month as the Vesting Commencement Date (and if there is no corresponding day, on the last day of the month), subject to Participant continuing to be a Service Provider through each such date.]

(b) [Notwithstanding the foregoing, your Option is subject to a one (1) year Exercise Limitation Period, as set forth in the Scheme.]

Termination Period:

This Option shall be exercisable for thirty (30) days after Participant ceases to be a Service Provider, unless such termination is due to Participant's death or Disability, in which case this Option shall be exercisable for six (6) months after Participant ceases to be a Service Provider. Notwithstanding the foregoing sentence, in no event may this Option be exercised after the Term/Expiration Date as provided above and this Option may be subject to earlier termination as provided in Rule 7 of the Scheme.

The Option is personal to you and shall not be transferred, charged, pledged, assigned or otherwise disposed of or encumbered, in whole or in part, to any person and whomsoever unless approved by the Committee.

If you wish to accept the offer, please sign and return the enclosed Acceptance Form with a sum of $1.00 not later than 5:00 p.m. on the _______ day of ________________ 20____, failing which this offer will lapse.

Yours faithfully,

For and on behalf of

The Board of QT Vascular Ltd.

Enc.
SCHEDULE A – RULES OF THE 2014 QTV EMPLOYEE SHARE OPTION SCHEME

Appendix B
(of the Rules of the 2014 QTV Employee Share Option Scheme)

2014 QTV EMPLOYEE SHARE OPTION SCHEME
OPTION AGREEMENT

ACCEPTANCE FORM

PRIVATE & CONFIDENTIAL

To: The Company Secretary

QT Vascular Ltd.
80 Robinson Road
#02-00
Singapore 068898

Closing Time and Date for Acceptance of Offer: ______________________________
Number of Shares in respect of which Option is Offered: ______________________________
Exercise Price per Share: $ ______________________________
Total Amount Payable: $ ______________________________

I have read your Letter of Offer dated [Date of Grant] and agree to be bound by the terms of the Letter of Offer and the Rules of the 2014 QTV EMPLOYEE SHARE OPTION SCHEME.

I hereby accept the Option to subscribe for __________ ordinary shares in the capital of the Company at the price of $ __________ per share. I enclose a **cheque/cashier’s order/bank draft/postal order for $1.00 in payment for the consideration for the Option.

I understand that:–

(i) I am not obliged to exercise the Option; and

(ii) if I exercised the Option to subscribe for shares in the Company, I shall notify the Company Secretary or any other person authorized in writing by the Directors of the Company within 24 hours of my disposal of the shares (or any part thereof) arising from the exercise of the Option, stating the date of transaction, the transaction price and the number of shares disposed of and such other information as the Company may require.

I confirm that as the date hereof, I am not less than 21 years old or an undischarged bankrupt.
I acknowledge and agree that if designated in the Letter of Offer as an Incentive Stock Option ("ISO"), this Option is intended to qualify as an Incentive Stock Option as defined in Section 422 of the Code. Nevertheless, to the extent that it exceeds the $100,000 rule of Code Section 422(d), this Option shall be treated as a Nonstatutory Stock Option ("NSO"). Further, if for any reason this Option (or portion thereof) shall not qualify as an ISO, then, to the extent of such nonqualification, such Option (or portion thereof) shall be regarded as a NSO granted under the Plan. In no event shall the Committee, the Company or any Parent or Subsidiary or any of their respective employees or directors have any liability to me (or any other person) due to the failure of the Option to qualify for any reason as an ISO.

I acknowledge and agree that I may suffer adverse tax consequences as a result of my purchase or disposition of the Shares. I represent that I have consulted with any tax consultant I have deemed advisable in connection with the purchase or disposition of the Shares and that I am not relying on the Company for any tax advice.

I further acknowledge that you have not made any representation or warranty to induce me to accept the Offer and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the Offer.

I agree to keep confidential all information relating to the grant of the Option to me.

Please print in block letters

Name in full : ________________________________

Designation : ________________________________

Address : ________________________________

Nationality : ________________________________

Identification No./Passport No. : ________________________________

Signature : ________________________________

Date : ________________________________

Note:—

Shares will not be accepted in fractions of whole shares.
PRIVATE & CONFIDENTIAL

Serial No: __________

To: The Company Secretary

QT Vascular Ltd.
80 Robinson Road
#02-00
Singapore 068898

Total number of ordinary shares of $ each (“Shares”) offered under the Scheme on [Date of Grant]: ______________

Number of Shares previously issued and allotted thereunder: ______________

Outstanding balance of Shares to be issued and allotted thereunder: ______________

Number of Shares now to be subscribed: ______________

Exercise Price per Share: ______________

Pursuant to your Letter of Offer dated [Date of Grant] and my acceptance thereof, I hereby exercise the Option (as defined under the Scheme) to subscribe for __________ Shares in the capital of QT Vascular Ltd. (the “Company”) at $ __________ per Share.

I enclose a **cheque/cashier’s order/bank draft/postal order no. __________ for $ __________ being the aggregate exercise price in payment for the subscription of the Shares.

I agree to subscribe for the Shares subject to the terms of the Letter of Offer, the **2014 QTV EMPLOYEE SHARE OPTION SCHEME and the Memorandum of Association and the Articles of Association of the Company.

I declare that I am subscribing for the Shares for myself and not as a nominee for any other person.
I request that the Company allot and issue the Shares in the name of The Central Depository (Pte) Limited (“CDP”) and to deliver to CDP the share certificate(s) for the Shares for credit into my securities account as specified below and I undertake to bear such fees or other charges as may be imposed by CDP in connection with the foregoing:–

(i) Direct Securities Account No. : __________________

or

(ii) Securities sub-account No. and the name of the Depository Agent

Securities sub-account No. : __________________

Name of Depository Agent : __________________

or

(iii) CPF investment account No. and the name of the CPF agent bank

CPF investment account No : __________________________

Name of CPF agent bank : __________________________

Please print in block letters

Name in full : __________________________

Designation : __________________________

Address : __________________________

Nationality : __________________________

Identification No./Passport No. : __________________________

Signature : __________________________

Date : __________________________
1. NAME OF THE RESTRICTED SHARE PLAN

The Restricted Share Plan shall be called the QT Vascular Restricted Share Plan 2015.

2. DEFINITIONS

2.1. In the Restricted Share Plan, unless the context otherwise requires, the following words and expressions shall have the following meanings:–

“%” or “per cent” : Per centum or percentage.

“Affiliate” : Means the partner or managing member of a fund, where such fund is a Controlling Shareholder.

“Associate” : (a) In relation to any director, chief executive officer, substantial shareholder or Controlling Shareholder (being an individual) means:–

(i) his Immediate Family;

(ii) the trustee of any trust of which he or his Immediate Family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and

(iii) any company in which he and his Immediate Family together (directly or indirectly) have an interest of 30% or more; and

(b) in relation to a substantial shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.

“Associated Company” : A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group and over which the Company has control.

“Auditors” : The auditors of the Company for the time being.

“Award Date” : The date on which an Award is granted pursuant to the Restricted Share Plan.
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Award Letter”</td>
<td>A letter in such form as the Board shall approve, confirming an Award granted to a Participant by the Board.</td>
</tr>
<tr>
<td>“Award Shares”</td>
<td>Shares which are the subject of any Award.</td>
</tr>
<tr>
<td>“Award”</td>
<td>A contingent award of Shares granted under the Restricted Share Plan.</td>
</tr>
<tr>
<td>“Board”</td>
<td>The board of Directors of the Company.</td>
</tr>
<tr>
<td>“Catalist Rules”</td>
<td>Any or all rules in the Section B: Rules of Catalist of the Listing Manual, as amended or modified from time to time.</td>
</tr>
<tr>
<td>“CDP”</td>
<td>The Central Depository (Pte) Limited.</td>
</tr>
<tr>
<td>“Code”</td>
<td>The United States Internal Revenue Code of 1986, as amended. Any reference to a section of the Code herein will be a reference to any successor or amended section of the Code.</td>
</tr>
<tr>
<td>“Committee”</td>
<td>The Remuneration Committee of the Board.</td>
</tr>
<tr>
<td>“Companies Act”</td>
<td>The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time.</td>
</tr>
<tr>
<td>“Company”</td>
<td>QT Vascular Ltd.</td>
</tr>
<tr>
<td>“control”</td>
<td>The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company.</td>
</tr>
<tr>
<td>“Controlling Interest”</td>
<td>The interest of the Controlling Shareholder.</td>
</tr>
<tr>
<td>“Controlling Shareholder”</td>
<td>A person who (a) holds directly or indirectly 15% or more of the total number of issued Shares (excluding Treasury Shares) in the Company (unless the SGX-ST determines otherwise); or (b) a person who in fact exercises control over the Company</td>
</tr>
<tr>
<td>“Director”</td>
<td>A person holding office as a director for the time being of the Company.</td>
</tr>
<tr>
<td>“Employee”</td>
<td>A confirmed employee of (i) a Group Company or (ii) an Associated Company.</td>
</tr>
<tr>
<td>“FY”</td>
<td>Financial year ended, or as the case may be, ending 31 December.</td>
</tr>
<tr>
<td>“Group”</td>
<td>The Company, its Subsidiaries and its Associated Companies.</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-------------------------------------------------------------</td>
</tr>
<tr>
<td>“Group Company”</td>
<td>A company within the Group.</td>
</tr>
<tr>
<td>“Immediate Family”</td>
<td>A person’s spouse, child, adopted child, step-child, sibling and parent, or such other definition as the SGX-ST may from time to time require.</td>
</tr>
<tr>
<td>“Listing Manual”</td>
<td>The Listing Manual of the SGX-ST, as amended or modified from time to time.</td>
</tr>
<tr>
<td>“Market Day”</td>
<td>A day on which the SGX-ST is open for trading in securities.</td>
</tr>
<tr>
<td>“Memorandum and Articles of Association”</td>
<td>The memorandum and articles of association or other regulations of the Company for the time being in force as originally framed, or as amended from time to time.</td>
</tr>
<tr>
<td>“Non-Executive Director”</td>
<td>A Director for the time being of a Group Company who is not an a full-time employee and does not perform an executive function.</td>
</tr>
<tr>
<td>“Participant”</td>
<td>A person who has been granted an Award.</td>
</tr>
<tr>
<td>“Performance Conditions”</td>
<td>In relation to an Award, the performance target and/or service conditions specified by the Board on the Award Date in the Award Letter in relation to that Award.</td>
</tr>
<tr>
<td>“Performance Period”</td>
<td>A period of at least one (1) year (or such other time period as the Board may determine in its sole discretion) from the Award Date, during which the Performance Conditions are to be satisfied.</td>
</tr>
<tr>
<td>“Record Date”</td>
<td>The date as at the close of business on which the Shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions.</td>
</tr>
<tr>
<td>“Restricted Share Plan”</td>
<td>The QT Vascular Restricted Share Plan 2015, as may be amended or modified from time to time.</td>
</tr>
<tr>
<td>“Securities Account”</td>
<td>The securities account maintained by a Depositor with CDP.</td>
</tr>
</tbody>
</table>
“Shareholders” : Persons who are registered as holders of the Shares, or where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose securities accounts are credited with the relevant Shares.

“Shares” : Ordinary shares in the capital of the Company.

“Subsidiary” : A company which is for the time being a subsidiary of the Company as defined by Section 5 of the Companies Act.

“Treasury Shares” : Has the meaning ascribed to it in Section 4 of the Companies Act.

“Vest” : The absolute entitlement to all or some of the Shares which are the subject of an Award and “Vested” and “Vesting” shall be construed accordingly.

“Vesting Date” : The date immediately falling after the end of the Vesting Period, being the date on which the Shares which are the subject of an Award have vested pursuant to the rules of the Restricted Share Plan.

“Vesting Period” : The period of four (4) years (or such other period as the Board may decide in its sole and absolute discretion) commencing on the Award Date.

2.2. The term “Depositor”, “ Depository Register” and “Depository Agent” shall have the meanings ascribed to it by Section 130A of the Companies Act.

2.3. Words importing the singular number shall, where applicable, include the plural number and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter gender.

2.4. Any reference to a time of a day in the Restricted Share Plan is a reference to Singapore time.

2.5. Any reference in the Restricted Share Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and used in the Restricted Share Plan shall have the meaning assigned to it under the Companies Act as the case may be.

3. OBJECTIVES OF THE RESTRICTED SHARE PLAN

The main objectives of the Restricted Share Plan are as follows:–

(a) to align the interests of Employees with the interests of the Shareholders;

(b) to foster an ownership culture within the Group;
(c) to instil loyalty to and a stronger identification by Participants with the long-term growth and prosperity of the Group;

(d) to motivate Participants to optimize their performance standards and efficiency and maintain a high level of contribution to the Group;

(e) to retain key employees and Directors whose contributions are essential to the growth and success of the Group; and

(f) to attract talented individuals with the relevant skills to join the Group.

4. SIZE OF THE RESTRICTED SHARE PLAN

4.1. The aggregate number of Shares to be delivered pursuant to the Restricted Share Plan shall initially be set at 5.0% of the total issued share capital of the Company on the day preceding the initial adoption of the Restricted Share Plan. Thereafter, subject to a maximum period of five (5) years commencing on the date on which the Restricted Share Plan is adopted by the Company in general meeting, on January 1st of each year, an additional number of Shares representing 2.5% of the total issued share capital of the Company on the day preceding January 1st shall be added to the Restricted Share Plan and available for delivery thereunder. Following the fifth anniversary of the date on which the Restricted Share Plan is adopted by the Company in general meeting, the Company shall seek Shareholders' approval for annual increases in the aggregate number of Shares available to be delivered pursuant to the Restricted Share Plan. For greater certainty, any unused share allocation from a prior year shall be carried forward into following year and if still available for issuance, into each subsequent following year during the ten (10) year life of the Restricted Share Plan.

4.2. The aggregate number of Shares available to eligible Controlling Shareholders and their Associates under the Restricted Share Plan shall not exceed 25.0% of the Shares available under the Restricted Share Plan. In addition, the number of Shares available to each Controlling Shareholder or his Associate shall not exceed 10.0% of the Shares available under the Restricted Share Plan.

4.3. The number of existing shares purchased from the market or from ordinary Shares held in treasury which may be delivered pursuant to Awards granted under the proposed Restricted Share Plan will be subject to the applicable Catalyst Rules and/or the provisions of the Companies Act.

4.4. Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Board under the Restricted Share Plan.

5. DURATION OF THE RESTRICTED SHARE PLAN

5.1. The Restricted Share Plan shall continue in force at the discretion of the Board, subject to a maximum period of ten (10) years commencing on the date the Restricted Share Plan is adopted by the Company in general meeting, provided always that the Restricted Share Plan may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.
5.2. The Company may terminate the Restricted Share Plan at any time by an ordinary resolution in general meeting and in such event no additional Awards shall be granted by the Company hereunder.

5.3. Notwithstanding Rule 5.1 or Rule 5.2 above, if for any reason whatsoever, the Restricted Share Plan is terminated or discontinued, the same shall be without prejudice to the rights accrued to any Participant who have been granted Awards, whether such Awards have been Vested (whether fully or partially) or not.

6. ELIGIBILITY

6.1. The following persons shall be eligible to participate in the Restricted Share Plan at the absolute discretion of the Board:

(a) Employees and Non-Executive Directors who have attained the age of twenty-one (21) on or before the Award Date and who are not undischarged bankrupts; and

(b) subject to the below, persons who qualify under sub-paragraph (a) above and who are also Controlling Shareholders or Associates of Controlling Shareholders.

Any Director who is a member of the Board shall not be involved in the Board's deliberations and decision in respect of Awards to be granted to or held by that Director. As a safeguard against abuse, in respect of Awards to be granted to the Associates of Controlling Shareholders and the terms and conditions attached to such Awards, all members of the Board who are not Controlling Shareholders or Associates of Controlling Shareholders (and not just members of the Board) will be involved in deliberations.

No Award shall be granted to such Associates of Controlling Shareholders unless his participation in the Restricted Share Plan and the actual number and terms of the Awards to be granted shall have been approved by the independent Shareholders in separate resolutions for each such person. A circular, letter or notice of participation proposing such a resolution should include clear rationale for the proposed participation by such Associates. Such circular, letter or notice to Shareholders shall also include a clear rationale for the number and terms of the Awards to be granted.

Notwithstanding any provision in this Rule 6.1, a Director who is also a (i) Controlling Shareholder or (ii) an Affiliate of a Controlling Shareholder shall not be eligible to receive Awards under the Restricted Share Plan until such time as that Director ceases to be a (i) Controlling Shareholder or (ii) an Affiliate of a Controlling Shareholder.

Such Controlling Shareholder and Associate shall abstain from voting on the resolution in relation to his participation in the Restricted Share Plan and the actual number and terms of Awards to be granted.

6.2. For the purposes of sub-paragraph 6.1(a) above, the secondment of an employee to another company shall not be regarded as a break in his employment or his having ceased by reason only of such secondment to be a full-time employee of the Group.

6.3. There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by any other Group Companies or by any Associated Company or otherwise.
6.4. Subject to the Companies Act and any requirement of the SGX-ST, the terms of eligibility for participation in the Restricted Share Plan may be amended from time to time at the absolute discretion of the Board, which would be exercised judiciously.

7. **GRANT OF AWARDS**

7.1. Subject to Rules 4 and 5, the Board may grant Award(s) at any time during the period when the Restricted Share Plan is in force, except that no Award shall be granted during the period of one (1) month immediately preceding the date of announcement of the Company's full-year results and two (2) weeks before the announcement of the results of the Company for each of the first, second and third quarters of its FY (as the case may be). In addition, in the event that an announcement of any matter of an exceptional nature involving unpublished price sensitive information is made, the Board may only grant the Award on or after the second Market Day after such announcement has been released.

7.2. In relation to an Award, the Board shall decide in its absolute discretion:–

(a) the Participant;

(b) the Award Date;

(c) the number of Shares which are the subject of an Award;

(d) the Performance Period (if any);

(e) the Performance Conditions (if any) which shall be set according to the specific roles of each Participant, and which may differ from Participant to Participant;

(f) the extent to which Shares which are the subject of that Award shall be Vested on the Performance Conditions being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period;

(g) the Vesting Period(s) (if any);

(h) the release schedule (if any) setting out the extent to which Shares, which are the subject of that Award, shall be Vested at the end of each prescribed Vesting Period; and

(i) any other condition which the Board may determine in relation to that Award.

7.3. The selection of a Participant and the number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Restricted Share Plan shall be determined at the absolute discretion of the Board, which shall take into account criteria such as the rank, job performance, seniority, creativity, innovativeness, entrepreneurship, potential for future development, length of service, contribution to the success and development of the Group and if applicable, the extent of effort and resourcefulness required to achieve the Performance Conditions (if any) within the Performance Period (if any), subject to such limits as may be prescribed by the SGX-ST.
7.4. The Board may amend or waive the Performance Period (if any), the Performance Conditions (if any) and/or the release schedule in respect of any Award:—

(a) subject to Rule 12, in the event of a take-over offer being made for the Shares or if Shareholders or under the Companies Act, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company; or

(b) if any event occurs or circumstances arise which causes the Board to conclude that:—

(i) a changed Performance Condition (if any) would be a fairer measure of performance and would be no less difficult to satisfy; or

(ii) the Performance Condition (if any) should be waived,

and the Board shall as soon as practicable, notify the Participants of such change or waiver.

7.5. The Board shall issue an Award Letter to the relevant Participant confirming the Award and specifying the following:—

(a) the date on which the Award is to be granted;

(b) the number of Shares which are the subject of the Award;

(c) the Performance Conditions (if any) for the Participant;

(d) the Performance Period (if any);

(e) the Vesting Period(s) (if any);

(f) the extent (if applicable) to which Shares which are the subject of that Award shall be Vested on the Performance Conditions being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period;

(g) the release schedule; and

(h) any other condition which the Board may determine in relation to that Award, to each Participant as soon as is reasonably practicable after the granting of an Award.

7.6. The grant of an Award to a Participant shall be accepted by the Participant within 30 days from the Award Date. If the grant of an Award is not accepted by the Participant within 30 days from the Award Date, the offer shall upon the expiry of the 30-day period automatically lapse (together with all voting, dividend or transfer rights that may be attached to the Awards) and shall be null and void.

7.7. Participants are not required to pay for the grant of the Awards.
8. VESTING OF AWARDS

8.1. Provided that:

(a) the prescribed Performance Conditions (if any) have been satisfied within the Performance Period (if any);

(b) the Participant has continued to be in employment with the Company or a Group Company, as the case may be, from the date of the Award up to the end of the prescribed Vesting Period; and

(c) the Award is still subsisting,

upon the expiry of the prescribed Vesting Period, the Board will Vest the Award in the Participant, subject to the terms of the Award.

8.2. Subject to any applicable law and the Catalist Rules, prior to a Vesting Date, but subsequent to the end of any relevant Performance Period, the Board (in its sole and absolute discretion) may increase the number of Shares which are the subject of an Award as set out in the relevant Award Letter, taking into account factors such as the financial performance of the Group subsequent to the end of any Performance Period and any further significant contributions by the Participant. Where the Board exercises such discretion to increase the number of Award Shares, the relevant Award to the Participant shall be deemed to comprise of such increased number of Award Shares.

8.3. Notwithstanding that a Participant may have satisfied his prescribed Performance Conditions, if a Participant ceases to be an Employee or a Non-Executive Director (as the case may be), prior to the Vesting Date, by reason of his or her ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Board, redundancy, retirement at or after a legal retirement age or retirement before that age with the consent of the Board, the Participant dies prior to the Vesting Date, or upon any other event approved by the Board in writing, then the Board may, in its absolute discretion, preserve all or any part of an Award and decide as soon as reasonably practicable following such event either to vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Vesting Period and subject to the Rules of the Restricted Share Plan. In exercising its discretion, the Board will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Conditions (if any) have been satisfied.

8.4. Leaves of Absence/Transfer Between Locations. Unless the Board provides otherwise, Vesting of an Award granted hereunder will be suspended during any unpaid leave of absence. A Participant will not cease to be an Employee in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or amongst the companies within the Group.
9. RELEASE OF AWARDS

9.1. Review of Performance Conditions to the extent such have been included in an Award.

(a) As soon as reasonably practicable after the end of each Performance Period, the Board shall review the Performance Conditions specified in respect of each Award and determine at its discretion whether they have been satisfied and, if so, the extent to which it has been satisfied, and provided that the relevant Participant has continued to be an employee of the Group from the Award Date up to the end of the Vesting Period and subject to Rule 8, shall release to that Participant all or part (as determined by the Board at its discretion in the case where the Board has determined that there has been partial satisfaction of the Performance Conditions) of the Shares to which his Award relates in accordance with the release schedule specified in respect of his Award on the Vesting Date. If not, the Awards shall lapse (together with all voting, dividend or transfer rights that may be attached to the Awards) and be of no value.

(b) If the Board determines in its sole discretion that the Performance Conditions have not been satisfied or (subject to Rule 8) if the relevant Participant has not continued to be an employee of the Group from the Award Date up to the end of the relevant Performance Period, that Award shall lapse (together with all voting, dividend or transfer rights that may be attached to the Awards) and be of no value.

(c) The Board shall have the discretion to determine whether the Performance Conditions have been satisfied (whether fully or partially) or exceeded and in making any such determination, the Board shall have the right to make reference to the audited results of the Company or the Group, to take into account such factors as the Board may determine to be relevant, including changes in accounting methods, taxes and extraordinary events, and further the right to amend the Performance Conditions if the Board decides that a changed performance target would be a fairer measure of performance.

9.2. Subject to:–

(a) such consents or other actions required by any competent authority under any regulations or enactments for the time being in force as may be necessary (including any approvals required from the SGX-ST); and

(b) compliance with the Rules of the Restricted Share Plan and the Memorandum and Articles of Association of the Company,

Shares which are the subject of a Vested Award shall be issued and allotted or transferred (as the case may be) to a Participant on the Market Day falling as soon as practicable after the Vesting Date and, the Board will procure the allotment to each Participant of the number of Shares so determined and within five (5) Market Days from the date of such allotment, dispatch the relevant share certificates to the CDP for the credit of the Securities Account of that Participant, or as the case may be, its CDP Depository Agent, by ordinary post or such other mode of delivery as the Board may deem fit.
9.3. Where new Shares are allotted upon the Vesting of an Award, the Company shall, as soon as practicable after such allotment, apply to the SGX-ST or such other stock exchange on which the Shares are quoted or listed for permission to deal in and for quotation of such Shares.

9.4. Shares which are allotted on the Vesting of an Award to a Participant shall be issued in the name of CDP to the credit of the Securities Account of that Participant maintained with CDP or the Participant’s securities sub-account maintained with a CDP Depository Agent, in each case, as designated by that Participant, or if such Securities Account is not available, issued in the Participant’s name.

9.5. New Shares allotted and issued, on the Vesting of an Award, shall:

(a) be subject to all the provisions of the Memorandum and Articles of Association of the Company; and

(b) rank in full for all entitlements, including dividends, rights, allotments or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank pari passu with other existing Shares then in issue.

9.6. Until the issue and allotment or transfer of the Shares to a Participant under an Award has been effected, that Participant shall have no voting rights nor any entitlements to dividends or other distributions declared or recommended in respect of any Shares which are the subject of the Award granted to him.

10. NON-TRANSFERABILITY OF AWARD

An Award is personal to the Participant to whom it is granted and shall not be transferred (other than to a Participant’s personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of or encumbered, in whole or in part, except with the prior approval of the Board and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any such rights under an Award, that Award shall immediately lapse (together with all voting, dividend or transfer rights that may be attached to the Awards). However the Shares granted to a Participant pursuant to a grant of the Award may be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part.

11. ADJUSTMENTS

11.1. If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place:

(a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or

(b) the class and/or number of Shares in respect of which future Awards may be granted under the Restricted Share Plan,
shall be adjusted by the Board to give each Participant the same proportion of the equity capital of the Company as that to which he was previously entitled and, in doing so, the Board shall determine at its own discretion the manner in which such adjustment shall be made and any adjustments, other than on a capitalisation issue, must be confirmed in writing by the auditors of the Company for the time being (acting as experts and not as arbitrators) to be in their opinion, fair and reasonable.

11.2. The following (whether singly or in combination) shall not be regarded as events requiring adjustments unless the Board considers an adjustment to be appropriate:

(a) the issue of securities as consideration for an acquisition of any assets by the Company or in connection with a private placement of securities;

(b) any increase in the number of issued Shares as a consequence of the exercise of options or other convertibles issued from time to time by the Company entitling holders thereof to acquire new Shares in the capital of the Company (including the issue and allotment of Shares pursuant to the Vesting of Awards from time to time under the Restricted Share Plan or any other share-based incentive schemes implemented by the Company); or

(c) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased by the Company by way of market purchase(s) of such Shares undertaken by the Company on the SGX-ST during the period while a share purchase mandate granted by Shareholders (or any renewal thereof) is in force.

11.3. Notwithstanding Rule 11.1, no such adjustment shall be made if as a result, the Participant receives a benefit that a Shareholder does not receive.

11.4. Upon any adjustment made, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued pursuant to the grant of an Award. Any adjustment shall take effect upon such written notification being given.

12. TAKE-OVER AND WINDING-UP OF THE COMPANY

12.1. “Change in Control” means the occurrence of any of the following events:

(a) Change in Ownership of the Company. A change in the ownership of the Company which occurs on the date that any one person, or more than one person acting as a group (“Person”), acquires ownership of the stock of the Company that, together with the stock held by such Person, constitutes more than 50.0% of the total voting power of the stock of the Company, except that any change in the ownership of the stock of the Company as a result of a private financing of the Company that is approved by the Board will not be considered a Change in Control; or

(b) Change in Effective Control of the Company. A change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purposes of this subsection (b), if any Person is
considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control; or

(c) Change in Ownership of a Substantial Portion of the Company’s Assets. A change in the ownership of a substantial portion of the Company’s assets which occurs on the date that any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to or more than 50.0% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions. For purposes of this subsection (c), gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this Rule 12, persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (i) its sole purpose is to change the jurisdiction of the Company’s incorporation, or (ii) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company’s securities immediately before such transaction.

12.2. Dissolution or Liquidation; Merger or Change in Control.

(a) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Board will notify each Participant as soon as practicable prior to the effective date of such proposed transaction. To the extent it has not been previously Vested, an Award will terminate immediately prior to the consummation of such proposed action.

(b) Merger or Change in Control. In the event of a merger of the Company with or into another corporation or other entity or a Change in Control, each outstanding Award will be treated as the Board determines (subject to the provisions of the following paragraph) without a Participant’s consent, including, without limitation, that (i) Awards will be assumed, or substantially equivalent Awards will be substituted, by the acquiring or succeeding corporation (or an affiliate thereof) with appropriate adjustments as to the number and kind of shares and prices; (ii) upon written notice to a Participant, that the Participant’s Awards will terminate upon or immediately prior to the consummation of such merger or Change in Control; (iii) outstanding Awards will Vest or restrictions applicable to an Award will lapse, in whole or in part prior to or upon consummation of such merger or Change in Control, and, to the extent the Board determines, terminate upon or immediately prior to the effectiveness of such merger or Change in Control; (iv) (A) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant’s rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Board determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Participant’s rights, then such Award may be terminated by the
Company without payment), or (B) the replacement of such Award with other rights or property selected by the Board in its sole discretion; or (v) any combination of the foregoing. In taking any of the actions permitted under this Rule 12, the Board will not be obligated to treat all Awards, all Awards held by a Participant, or all Awards of the same type, similarly.

(c) In the event that the successor corporation does not assume or substitute for the Award (or portion thereof), the Award will fully Vest, including Shares as to which such Awards would not otherwise be vested or exercisable, all restrictions on the Award will lapse, and, with respect to Awards with Performance Conditions, all Performance Conditions or other vesting criteria will be deemed achieved at one hundred percent (100%) of target levels and all other terms and conditions met. In addition, if an Award is not assumed or substituted in the event of a merger or Change in Control, the Board will notify the Participant in writing or electronically that the Award will be exercisable for a period of time determined by the Board in its sole discretion, and the Award will terminate upon the expiration of such period.

12.2.1 For the purposes of this Rule 12, an Award will be considered assumed if, following the merger or Change in Control, the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the merger or Change in Control, the consideration (whether stock, cash, or other securities or property) received in the merger or Change in Control by holders of the Company’s ordinary shares for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the merger or Change in Control is not solely common stock of the successor corporation or its parent, the Board may, with the consent of the successor corporation, provide for the consideration to be received for each Share subject to such Award, to be solely common stock or ordinary shares of the successor corporation or its parent equal in fair market value to the per share consideration received by holders of the Company’s ordinary shares in the merger or Change in Control.

12.2.2 Notwithstanding anything in this Rule 12 to the contrary, if a payment under an Award is subject to Code Section 409A and if the change in control definition contained in the Award does not comply with the definition of “change of control” for purposes of a distribution under Code Section 409A, then any payment of an amount that is otherwise accelerated under this Rule 12 will be delayed until the earliest time that such payment would be permissible under Code Section 409A without triggering any penalties applicable under Code Section 409A.

13. MODIFICATIONS TO THE RESTRICTED SHARE PLAN

13.1 The Rules of the Restricted Share Plan may be modified or amended by resolution of the Board from time to time subject to any necessary approvals of the SGX-ST (and any other stock exchange on which the Shares may be listed or quoted) and such other regulatory authorities as may be necessary except that:–

(a) any proposed modification or amendment, which would be to the advantage of the Participants under the Restricted Share Plan (as confirmed by the auditors of the Company for the time being acting as experts and not as arbitrators) shall be subject to the prior approval of Shareholders of the Company in general meeting;
(b) no modification or amendment shall be made which would adversely affect the rights attached to Awards granted prior to such modification or alteration except with the prior consent in writing of such number of Participants under the Restricted Share Plan who, if the Shares comprised in the Awards granted to them Vested, would thereby become entitled to not less than three-quarters in number of all Shares which would be available under the Restricted Share Plan; and

(c) no modification or amendment shall be made without due compliance with the Catalist Rules and such other regulatory authorities as may be necessary.

13.2. Notwithstanding anything to the contrary contained in Rule 13.1, the Board may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST when necessary) modify or amend the Rules of the Restricted Share Plan in any way to the extent necessary to cause the Restricted Share Plan to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

13.3. The opinion of the Board as to whether any modification or alteration would adversely affect the rights attached to any Award shall be final, binding and conclusive.

13.4. Written notice of any modifications or amendments made in accordance with this Rule 13 shall be given to all Participants. Modifications or waivers of Performance Conditions are not modifications to the Restricted Share Plan for the purposes of the provisions of this Rule 13.

14. ADMINISTRATION OF THE RESTRICTED SHARE PLAN

14.1. The Restricted Share Plan shall be administered by the Board, which will comprise all of the members of Board and/or any other Director as may be nominated by the Board. The Board shall administer the Restricted Share Plan in its absolute sole discretion with such powers and duties as are conferred on it by the Board from time to time provided that no member of the Board shall participate in any deliberation or decision in respect of Award granted or to be granted to him. Notwithstanding the forgoing, the Board may delegate the administration of the Plan to the Committee and in the event the Board makes such delegation, all references to “Board” in the Restricted Share Plan shall be interpreted to read and mean the subset of the Board with such delegated power, being the Committee, unless the context otherwise requires.

14.2. The Board shall have the power, from time to time, to make and vary such rules and regulations or impose terms and conditions necessary, desirable or expedient for the implementation and administration of the Restricted Share Plan as it may think fit.

14.3. Any decision of the Board made pursuant to any provision of the Restricted Share Plan (other than a matter to be certified or confirmed by the auditors of the Company for the time being or an independent public accountant as appointed by the Company, acting as experts and not as arbitrators), shall be final and binding (including any decisions pertaining to disputes as to interpretation of the Restricted Share Plan or any regulation, rule or procedure thereunder or as to any rights under the Restricted Share Plan).
15. **NO COMPENSATION**

The Restricted Share Plan shall not afford to any Participant any additional right to compensation or damages in consequence of his employment or appointment with the Company being terminated for any reason whatsoever.

16. **TERMS OF EMPLOYMENT UNAFFECTED**

16.1. The Restricted Share Plan or any Award shall not form part of any contract of employment between the Company or any of its subsidiaries and any Participant and the rights and obligations of any individual under the terms of the office or employment with such company shall not be affected by his participation in the Restricted Share Plan or any right which he may have to participate in it or any Award which he may hold and the Restricted Share Plan or any Award shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever.

16.2. The Restricted Share Plan shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company and/or any of its subsidiaries directly or indirectly or give rise to any cause of action at law or in equity against the Company and/or any of its subsidiaries.

17. **ELIGIBLE SHAREHOLDERS**

Shareholders who are eligible to participate in the Restricted Share Plan must abstain from voting on resolutions relating to the Restricted Share Plan (other than a resolution relating to the participation of, or grant of options to Directors or Employees. In particular, all Shareholders who are eligible to participate in the Restricted Share Plan shall abstain from voting on resolutions relating to (a) the implementation of the Restricted Share Plan; and (b) the participation of, or grant of Awards to Controlling Shareholders and their Associates (where applicable).

18. **DISCLOSURES IN ANNUAL REPORT**

18.1. The Company shall disclose the following in its annual report to Shareholders in compliance with the Catalist Rules for so long as the Restricted Share Plan continue in operation:--

   (a) The names of the members of the Board or Committee administering the Restricted Share Plan.

   (b) The information required in the table below for the following Participants:--

   (i) Participants who are Directors; and

   (ii) Participants who are Controlling Shareholders and their Associates; and

   (iii) Participants, other than those in (i) and (ii) who receive 5% or more of the total number of Shares available under the Restricted Share Plan.
### SCHEDULE B – RULES OF THE QTV RESTRICTED SHARE PLAN

<table>
<thead>
<tr>
<th>Name of Participant</th>
<th>Number of Shares comprised in Awards granted during FY under review</th>
<th>Aggregate number of Shares comprised in Awards since commencement of the Restricted Share Plan to end of FY under review</th>
<th>Aggregate number of Shares comprised in Awards exercised since commencement of the Restricted Share Plan to end of FY under review</th>
<th>Aggregate number of Shares comprised in Awards outstanding as at end FY under review</th>
</tr>
</thead>
</table>

(c) Such other information as may be required under the Catalist Rules or the Companies Act.

18.2. If any of the disclosures in Rule 18.1 is not applicable, an appropriate negative statement will be included in the annual report.

19. **NOTICES AND COMMUNICATIONS**

19.1. All notices and communications to be given by a Participant to the Company shall be made or sent to the registered office of the Company or such other address(es) as may be notified by the Company to the Participant in writing.

19.2. Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Board (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address according to the records of the Company or at the last known address of the Participant.

19.3. Any notice sent by post, whether by airmail or not, shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is posted, and in proving such service by post it shall be sufficient to prove that the letter or wrapper containing the same was properly addressed and put into the post office as a prepaid letter or wrapper.

20. **COSTS AND EXPENSES**

20.1. Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment of any Shares pursuant to the Vesting of any Award in CDP’s name, the deposit of share certificate(s) with CDP, the Participant’s Securities Account with CDP, or the Participant’s securities sub-account with a CDP Depository Agent.

20.2. Save for the above and the taxes referred to in Rule 21, all other fees, costs and expenses incurred by the Company in relation to the Restricted Share Plan shall be borne by the Company.

21. **TAXES**

21.1. Generally, All taxes (including income tax, if applicable) arising from the grant and/or disposal of Shares pursuant to the Awards granted to any Participant under the Restricted Share Plan shall be borne by that Participant.
21.2. **Compliance With Code Section 409A.** Awards will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A, except as otherwise determined in the sole discretion of the Board. The Plan and each Award under the Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Board. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Code Section 409A the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Code Section 409A, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A.

22. **DISCLAIMER OF LIABILITY**

Notwithstanding any provisions contained herein, the Directors, the Board and the Company shall not be held liable under any circumstances to any Participant or any person whomsoever for any costs, losses, expenses and damages whatsoever and howsoever arising in connection with the Restricted Share Plan or the administration thereof including but not limited to the Company's delay in issuing the Shares and/or in procuring listing of and quotation for the Shares on the SGX-ST (and any other stock exchange on which the Shares may be listed or quoted).

23. **DISPUTES**

Any disputes or differences of any nature arising hereunder (including the interpretation or administration of the Restricted Share Plan) shall be referred to the Committee whose decision shall be final and binding in all respects.

24. **ISSUE CONTRARY TO LAW**

Every Award shall be subject to the condition that no Shares shall be Vested pursuant to an Award under the Restricted Share Plan if such Vesting would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any other relevant country having jurisdiction in relation to the issue of Shares hereto.

25. **GOVERNING LAW**

The Restricted Share Plan shall be governed by, and construed in accordance with the laws of the Republic of Singapore. The Participants (by accepting Awards in accordance with the Restricted Share Plan) and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.