

PROPOSED APPOINTMENT OF MOORE STEPHENS LLP AS AUDITOR

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of QT Vascular Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company proposes to appoint Moore Stephens LLP (“**Moore Stephens**”) as the auditor of the Company and its Singapore-incorporated subsidiaries, to fill the vacancy in the office of the auditor of the Company and its Singapore-incorporated subsidiaries which has arisen for reasons as further elaborated below (“**Proposed Appointment of Auditor**”).

2. PROPOSED APPOINTMENT OF MOORE STEPHENS LLP AS AUDITOR OF THE COMPANY

At the recent Annual General Meeting (“**AGM**”) of the Company held on 3 August 2020, the Company did not propose any resolution for the appointment of auditor for the financial year ending 31 December 2020 (“**FY2020**”) as KPMG LLP (“**KPMG**”), who had been the auditor of the Company and its Singapore-incorporated subsidiaries since the listing of the Company in 2014, had on 14 July 2020 indicated to the Company that they did not wish to seek re-appointment upon their retirement at such AGM. The Directors of the Company are also of the view that it would be timely to effect a change in external auditor for the cost benefits to the Company.

In light of the vacancy in the office of the auditor arising from the foregoing, the Audit Committee (“**AC**”) of the Company, having approached a few audit firms for proposals, has received a proposal from Moore Stephens in relation to the Proposed Appointment of Auditor, which it has duly reviewed.

Based on such proposal and after taking taking into consideration, *inter alia*, the Audit Quality Indicators Disclosure Framework introduced by the Accounting and Corporate Regulatory Authority (“**ACRA**”) and the criteria for the evaluation and selection of the external auditors contained in the Guidebook for AC in Singapore and the Audit Committee Guide issued by the Singapore Institute of Directors, including factors such as the adequacy of the resources and relevant experiences of the audit firm to be selected and the audit engagement partner to be assigned to the audit, that the audit engagement partner has not been subjected to ACRA’s Practice Monitoring Programme review, audit approach, transition plan, the number and experience of supervisory and professional staff to be assigned and the proposed audit fees, the AC is satisfied that Moore Stephens will be able to meet the audit requirements of the Group and appointing them as auditor best suits the current business and operational needs of the Group, and has recommended to the Board that Moore Stephens be selected for the Proposed Appointment of Auditor.

Having taken into account, *inter alia*, the factors considered in the AC’s evaluation and the AC’s recommendation as aforesaid, the Board is of the view that it is in the interests of the Company to appoint Moore Stephens as the auditor of the Company and its Singapore-incorporated subsidiaries for FY2020, subject to the approval of the Company’s shareholders

("Shareholders") at an extraordinary general meeting of the Company to be convened on 4 December 2020 ("EGM").

Moore Stephens had, on 9 October 2020, given its written consent to act as the auditor of the Company and its Singapore-incorporated subsidiaries, subject to Shareholders' approval being obtained at the EGM.

Pursuant to Rule 712(3) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, as amended from time to time ("**Catalist Rules**"), the appointment of Moore Stephens as the Company's auditor must be specifically approved by the Shareholders at a general meeting.

The appointment of Moore Stephens as the auditor of the Company and its Singapore-incorporated subsidiaries would take effect upon the approval of the Shareholders at the EGM and, if appointed, Moore Stephens will hold office until the conclusion of the next AGM of the Company to be held in 2021.

In accordance with Rule 712(3) of the Catalist Rules:

- (a) the Company has received a copy of KPMG LLP's professional clearance letter dated 7 October 2020 to Moore Stephens, confirming that KPMG LLP is not aware of any professional reasons why Moore Stephens should not accept appointment as the Company's auditor of the Company and its Singapore-incorporated subsidiaries;
- (b) the Company confirms that there were no disagreements with KPMG LLP on accounting treatments within the last twelve (12) months up to the date of this announcement;
- (c) the Company confirms that it is not aware of any circumstances connected with the Proposed Appointment of Auditor that should be brought to the attention of the Shareholders which has not been disclosed in this announcement;
- (d) the Company confirms that the specific reasons for the Proposed Appointment of Auditor are as disclosed above; and
- (e) subject to Shareholders approving the Proposed Appointment of Auditor at the EGM, the Company confirms that it is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the proposed appointment of Moore Stephens as the auditor of the Company and its Singapore-incorporated subsidiaries below:
 - (i) Quattro Vascular Pte. Ltd.; and
 - (ii) TriReme Medical Medical (Singapore) Pte. Ltd..

TriReme Medical, LLC, a wholly owned subsidiary of the Group, is not required to be audited in the country of incorporation (United States of America).

The Board would like to take this opportunity to express their appreciation for the past services rendered by KPMG LLP.

3. CIRCULAR TO SHAREHOLDERS

A circular containing, *inter alia*, the notice of the EGM and the details the Proposed Appointment of Auditor ("**Circular**") will be made available on SGXNet and the Company's website. A printed copy of the Circular will not be despatched to Shareholders.

BY ORDER OF THE BOARD

Eitan Konstantino
Chief Executive Officer
19 November 2020

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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