

## A message from the CEO: **Coronavirus update**

Dear Partners.

We at Q3 Medical and our wholly owned subsidiaries QualiMed, AMG, Qsan China, and QualiMed USA, are writing to our customer to convey our commitment to doing our utmost to insure stability and predictability in our future business supply chain. With the unexpected personnel drops, restriction of mobility, or even quarantine measures requiring our full attention and forward planning our primary focus remains to insure the safety of our trusted employees and production continuance. The safety and wellbeing of our colleagues is always our number one priority which is why, we've implemented a number of measures to keep our team and our customers safe through this difficult time. We have already started the implementation of advance procedures and security measures that are focused on facilitating our ability to manufacture products and distribute them globally. Production continuance to meet customer demand and maintain our supply chain for critical medical implants is paramount. We understand and are committed to our responsibility to insure we maintain an open supply chain channel to our partners and their customers in critical need. We are truly conscious of our social responsibility during this critical time.

We are happy to share with you the steps we have implemented to insure the continued production and delivery or our technology to our partners, the doctors they support, and their patients. We are convinced that the best opportunity to insure success and stability of our healthcare system during this difficult time is through our mutual cooperation. As we are not sure of the continued reactions from the governments around the world that may create further challenges that we cannot control we are encouraging all our customers to place orders well in advance of their needs as inventory is the only way to protect the supply chain and delivery risk at this time.

We cannot stress further that it is important that you maintain a 90 to 120 day inventory level to insure that any shut down of 30 to 60 days can be supported through your inventory. As the company continues to experience continued growing demand we cannot stress this fact of how critical it is to insure a smooth transition through this difficult time. Over the next days you will be contacted by your regional sales representatives to encourage the same! They will openly discuss what is possible for the company to support you during this time.

If you have any questions please contact your customer service or sales representative. We may have limited time to react if the government's move in the same direction as China and implement a full country shut down which is not planned at this time. Again the only thing to protect against this is inventory!

We are appreciative of our relationship and will insure, that we do our best to maintain supply to all our customers at this critical time! Please help us help you by discussing risk mitigations with our company representatives. On behalf of all of my colleagues and our team at QualiMed, a Q3 Medical Devices Company, we would like to thank you for your patience and support at this time.

With Warm Regards

Eric K Mangiardi MSc.

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CEO