

ASX Announcement

25 May 2018

LCM to fund Shareholder Class Action against Quintis Limited and Ernst & Young

Litigation Capital Management (“LCM”) (ASX:LCA) will fund a class action, that commenced today in Sydney in the Federal Court of Australia, on behalf of shareholders in Quintis Limited (“Quintis”) (ASX: QIN). Piper Alderman are the lawyers for the class members and LCM is funding the class action, now on an unconditional basis.

As previously announced to the market on 19 May 2017, LCM had proposed to fund on a conditional basis, claims of certain current and former Quintis shareholders in a class action against Quintis. The class action that commenced today differs significantly from this earlier proposed funding of a claim which LCM was investigating with Piper Alderman and also from the two other class actions against Quintis which commenced in the intervening period.

Today’s action is based on the accounting treatment used in the 2015 and 2016 Financial Reports. This class action is against both Quintis and their auditors Ernst & Young (“EY”). The claim alleges that by signing off on the 2015 and 2016 Financial Reports, EY engaged in conduct that was misleading or deceptive, and was negligent.

The case alleges that in both 2015 and 2016, the Financial Reports issued by Quintis did not give a true and fair view of the financial position and performance of Quintis. Rather, those Financial Reports significantly over-stated the value of Quintis’ assets and the amount of Quintis’ profits in those years.

Mr Patrick Moloney of LCM said: *“We and Piper Alderman have spent a significant amount of time preparing this action which we believe gets to the heart of the collapse of Quintis and which represents the best opportunity for shareholders to recoup their losses. The claim is based on significant accounting errors which should have been identified by EY in their role as auditors”.*

Shareholders in Quintis can find out more about this class action at the following website: pipald.info/QIN

Litigation Capital Management Limited provides litigation financing and ancillary services to enable the recovery of funds from legal claims in Australia. It serves companies and individuals primarily in the areas of commercial and insolvency matters, and class actions. Litigation Capital Management Limited was founded in 1998 and is based in Sydney, Australia.