

## **Quantum Genomics releases its 2022 financial results and provides an update on its M&A discussions**

**Quantum Genomics (Euronext Growth - FR0011648971 - ALQGC)** today announces its results for the full year 2022 and provides an update on its ongoing M&A discussions.

The annual accounts were approved by the Board of Directors at the meeting held on May 25, 2023. The audit procedures have been conducted, and the audit report regarding the certification of the accounts is available on the Company's website. The annual financial report for the year ended December 31, 2022, is available on the Company's website.

### **Financial Results of Quantum Genomics for the year 2022**

The results for the year reflect the discontinuation of the development of firibastat in the field of arterial hypertension and heart failure, as a result of the lack of significant efficacy of firibastat compared to placebo in the Phase III FRESH study.

Jean-Philippe Milon, CEO of Quantum Genomics, comments:

"These clinical results are certainly disappointing for our teams, shareholders, and partners, but we have chosen to be resilient and are making every effort to bounce back quickly, leveraging the agility enabled by our structure. Today, we are determined to reinvent ourselves to create shareholder value in the short term. As soon as we became aware of the results, our teams mobilized to swiftly close our research activities, restructure the company, and reduce fixed costs. These actions were aimed at preserving our cash position to start afresh under the best conditions.

We then initiated discussions with various types of companies to explore all opportunities and modalities for potential partnerships, with the aim of building a new business project.

We have focused our efforts on companies already in the commercialization phase, operating in high-volume and technologically advanced markets in the healthcare sector. We are currently in advanced discussions with a company, and our goal is to reach an agreement in the very near term to relaunch an ambitious business project. In this endeavor, we benefit from the valuable support of our shareholders, particularly Otium Capital. Their experience allows us to approach this development phase with confidence and serenity.

The year 2023 will mark the beginning of a new chapter for Quantum Genomics. I am confident that our company will emerge stronger from this challenge. I would like to thank the shareholders who have stood by our side for their trust and support. I also express my gratitude to our teams, both those who tirelessly dedicated themselves to our research programs in the past and those who are now shaping the future we are building."

As of December 2022, operating revenues amount to €3.0 million compared to €3.2 million a year earlier. These

operating revenues consist mainly of payments due under partnership agreements that had been entered into with the aim of commercializing firibastat. These payments remain secured by the company.

The operating loss amounts to -€30.4 million, compared to -€19.2 million at the end of December 2021. Personnel expenses have remained under control, while the progress of clinical studies has led to a substantial increase in operating expenses.

Reflecting this situation, the amount of trade payables increased from €6.8 million on December 31, 2021, to €16.0 million on December 31, 2022. Following the cessation of Quantum Genomics' research activities, the company has reached agreements with its suppliers and service providers and will paid a sum of €5.8 million in June 2023 to settle all outstanding amounts and clear its trade payables. This amount has been provisioned in the accounts for the 2022 fiscal year. In total, the amount of abandoned receivables amounts to €9.1 million, recorded as exceptional income.

The advances due to the providers responsible for the production of firibastat validation batches remain retained by these providers and are recognized as exceptional expenses, along with the raw materials, assets, finished or semi-finished products held by the company. The amount of exceptional charges related to the discontinuation of research activities amounts to €5.8 million.

As a result, the exceptional result amounts to €3 million.

After accounting for the research tax credit of €2.5 million, the net result as of December 31, 2022, is -€24.9 million. Free cash flow (net cash outflows from operations) amounts to -€24.5 million for the period.

At the end of this fiscal year, the company's equity amounts to €3.6 million, compared to €11.4 million at the end of December 2021, including the completion of a capital increase of €17.5 million in April 2022. Available cash reaches €10.4 million, compared to €13.5 million on December 31, 2021, while financial liabilities amount to €3.0 million. These liabilities consist of a state-guaranteed loan of €1.5 million granted by BNP and an Innovation R&D loan of €1.5 million obtained from BPIFrance, with the following key characteristics :

Bank	Amount	Date of first payment	Payment term	Periodicity	Maturity	Capital to be reimbursed as of December 15 - 2022
BNP	1.531.623€	26/03/2022	32.399€	Mensuelle	26/02/2027	1.531.623€
BPI	1.500.000€	31/12/2023	77.000€	Trimestrielle	30/09/2028	1.500.000€

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**Summarized financial information as of December 31, 2022 :**

Data in €'000 (French standards)	31/12/2022	31/12/2021
Income	3 018,7	3 162,3
<i>Personnel expenses</i>	<i>(2 739,9)</i>	<i>(2 664,3)</i>
<i>Other operating costs</i>	<i>(30 361,9)</i>	<i>(19 685,1)</i>
<b>Operating income</b>	<b>(30 083,2)</b>	<b>(19 187,0)</b>
Financial result	(397,8)	2,2
Current result before tax	(30 481,0)	(19 184,8)
Extraordinary result	2 996,3	(32,7)
Research tax credit	2 549,2	2 661,8
<b>Net result</b>	<b>(24 935,5)</b>	<b>(16 555,7)</b>

**Current cash position and financial visibility.**

As of the date of this press release and after settling its entire trade payables, the company has an available cash of €3.1 million, supplemented by a research tax credit of €2.5 million, enabling it to initiate the redeployment of its activities and rebuild its equity story around a high-value technological project.

**M&A discussions**

As a reminder, Quantum Genomics had announced that it was in advanced discussions with a company that meets its strategic criteria and has complementary expertise. The discussions are intensifying in a positive manner, and an announcement will be made to the market very soon.

**Upcoming event**

The Annual General Meeting will be held at the Cosy Meeting Center, located at 34 Avenue des Champs-Elysées, 75008 Paris, on June 30, 2023, at 10:00 am CET.



**Press Release**  
Paris, May 26, 2023, 7 :00 am CET

## **Contacts**

### **Quantum Genomics**

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[contact@quantum-genomics.com](mailto:contact@quantum-genomics.com)

### **Edifice Communication (EUROPE)**

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Financial and media communication

[quantum-genomics@edifice-communication.com](mailto:quantum-genomics@edifice-communication.com)

### **LifeSci (USA)**

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Mike Tattory

Media communication

+1 (646) 751-4362 - [mtattory@lifescipublicrelations.com](mailto:mtattory@lifescipublicrelations.com)