

Quantum Genomics enters into exclusive negotiations with Vistacare Medical with the ambition of creating a reference player in the management of complex wounds

- A French HealthTech company developing a revolutionary technology for treating complex wounds, with the support of the medical community
- A patented technology with CE marking already implemented in several French hospitals
- Complex wounds: a growing and voluminous market with unmet needs
- A business model offering strong recurring revenue and visibility
- The merger completion is expected in the fourth quarter of 2023
- Financial visibility extended until the second quarter of 2024, with a consolidated cash position estimated at 4.3 million euros as of the merger's closing date¹
- The name change of Quantum Genomics to Vistacare Medical is anticipated

Quantum Genomics (Euronext Growth - FR0011648971 - ALQGC) announces that it has entered into exclusive negotiations for a merger with Vistacare Medical, a French HealthTech company developing an innovative technology dedicated to the treatment of complex wounds, addressing the unmet needs of this market.

Vistacare Medical: A revolutionary approach to managing complex wounds

Vistacare Medical is the originator of **WEC therapy** (Wound Environment Controlled for wound environment control), a highly innovative concept from which it has developed and commercialized **its patented medical device Vistacare**. This device allows healthcare professionals to directly act on the three essential environmental parameters to accelerate the healing of complex wounds (**oxygen content, temperature, and humidity**).

This is a major breakthrough, as until now, there was no treatment, whether traditional dressings or more innovative procedures, that could act on all three variables simultaneously and adapt to the wound's evolving state.

The medical device involves placing the injured limb in a sterile, hermetic enclosure that provides permanent direct visual access to the wound. Within this enclosure, oxygenation, temperature, and humidity levels are continuously controlled by a generator. Thus, healthcare providers can adjust the environmental parameters around the wound at any time according to its evolving condition.

This technology revolutionizes the management of complex wounds by:

- **Cutting the time needed for optimal tissue generation, allowing for coverage procedures such as grafts to be performed** in 10 days instead of the 20 days required with existing solutions

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Estimated cash available to the new entity following the share contribution operation, which will need to be approved by Quantum Genomics' shareholders

- **to save valuable time for healthcare professionals** through direct visualization of the wound, without the need to change dressings or dedicated devices, and through the simple and intuitive handling of the generator, even for non-specialized healthcare professionals
- **to improve the patient's quality of life** by eliminating pain associated with dressing changes or devices, to save time for healthcare staff, thus contributing to reducing the costs of wound care

Complex wounds: A major public health challenge still poorly controlled and a voluminous market with strong growth

Approximately 1% of the European population and 2.5% of the US population suffer from chronic wounds. In France, about 1 million people suffer from complex wounds. The global wound care market is a voluminous and rapidly expanding market, projected to reach 18.7 billion dollars by 2027, with a compound annual growth rate (CAGR) of 6.6%. The market's growth is mainly attributed to the aging population and the increasing incidence of chronic diseases such as diabetes.

A merger with the ambition to create a reference leader in the management of complex wounds

Vistacare Medical's technological breakthrough has allowed it to raise 7.2 million euros since its inception, including 4 million euros in capital from two investment funds, CapInnov'Est (France) and Noshaq (Belgium).

The technological innovation offered by Vistacare Medical, the financial contribution, and the stock listing of Quantum Genomics, along with the complementary expertise of the teams, are all assets that should enable the new entity to establish a prominent position in the market for complex wound management, where unmet needs persist. The merger of Quantum Genomics and Vistacare Medical will allow:

- The continued deployment of the patented Vistacare device, already implemented in about thirty hospitals **in France** and potentially **in international markets with strong prospects** (Europe, United Arab Emirates, USA)
- Further development towards **a connected ambulatory version**, providing effective treatment to all patients with complex wounds worldwide, **regardless of their treatment location, be it in hospitals or at home**
- The continuation of R&D operations in Liège, supported by the Walloon Region, by its subsidiary VistaCare Medical Benelux.

They said

François Dufaÿ, President and Founder of Vistacare Medical:

The approach of WEC therapy developed by VistaCare Medical is radically different from conventional practices in the treatment of complex wounds. It gives patients a chance to heal through effective and reproducible treatment - regardless of their treatment location, including home care in the future, with the development of an ambulatory device. WEC therapy, currently used as a second-line treatment, is gradually becoming a first-line treatment alongside existing techniques in the services that use it routinely. The prospect of accelerating the development of Vistacare Medical through the merger with Quantum Genomics is excellent news to provide this therapeutic innovation to patients in need, in the best possible time and conditions.»

Thierry Sarda, CEO of Vistacare Medical : « *I am delighted with this merger that will propel VistaCare Medical into a new dimension. The new financial and human resources provided by Quantum Genomics will enable us to accelerate our development in France and explore new international markets, with the aim of becoming a major player in the management of complex wounds.* »

Francois Durvy, CEO of Otium Capital, Quantum Genomics' leading shareholder and a historical leader in private equity in France, managing 1.2 billion euros in assets: *"We renew our full confidence in the Quantum Genomics team with whom we wish to continue this entrepreneurial adventure. This new project makes even more sense as it brings real technological innovation in an important area of healthcare with unmet needs and allows for the combination of complementary experiences, talents, and skills. We are pleased with the speed of Quantum Genomics' repositioning."*

Jean-Philippe Milon, President and CEO of Quantum Genomics : « *This merger with Vistacare Medical comes after an in-depth strategic analysis conducted by our team to effectively reposition the company. As we had said, we sought collaboration with a company in the healthcare sector that meets four criteria: a major business area, an innovative and distinctive project, a know-how replicable internationally, and a high-performing team complementary to ours to support the project. These criteria naturally led us to take an interest in Vistacare Medical and its technological innovation, which meet all our selection criteria.* »

Jean-François RAX, Member of the Management Board and Director of Participations at Cap Innov'Est: « *We are very happy to see VistaCare, whom we have been supporting since late 2014, enter a new phase of development. This operation will allow the company to fully deploy its commercial potential while continuing to develop its second product dedicated to home hospitalization. The human synergy between the teams of Quantum Genomics and VistaCare will make this merger a true success.*»

Eric Brandt, Investment Manager at Noshaq : « *We fully support this merger initiative, as it will offer VistaCare Medical the opportunity to accelerate its commercial growth and expand internationally. The additional financial resources will also strengthen research and development activities, consolidating its position as a leader in the development of innovative solutions for contactless treatment of complex wounds. We congratulate the management of both companies for this merger.*»

As of the date of this press release:

- Otium Capital and Jean-Philippe Milon hold 11.6% and 2.2% of the share capital of Quantum Genomics, respectively.
- François Dufaÿ, Thierry Sarda, Cap Innov'Est, and Noshaq hold 16.1%, 0.12%, 46.5%, and 15.2% of the share capital of Vistacare Medical, respectively².

Characteristics of the proposed operation

Key terms of the operation

A letter of intent outlining the main terms of the proposed transaction was signed on July 19, 2023, between the majority shareholders of Vistacare Medical and Quantum Genomics, as decided by its Board of Directors.

² François Dufaÿ, Thierry Sarda, Cap Innov'Est, and Noshaq respectively hold 17.8%, 5.9%, 39.2%, and 12.8% of Vistacare Medical's fully diluted capital.

The proposed capital merger operation would ultimately result in the absorption merger of Vistacare Medical by Quantum Genomics and would be executed through a share exchange.

The selected valuations, namely approximately €10 million for Vistacare Medical and approximately €6 million for Quantum Genomics, should ensure that Quantum Genomics' shareholders retain at least 37.50% and up to 40.00% of Quantum Genomics' capital after the operation. Thus, a Quantum Genomics shareholder holding 1% of the company's capital before the operation would hold a capital stake ranging between 0.375% and 0.4% of Quantum Genomics' capital following the proposed operation. A nominal value reduction of Quantum Genomics' shares will be carried out before the proposed operation to ensure this exchange parity.

The operation is fully supported by the main shareholders of Quantum Genomics and Vistacare Medical, namely Otium Capital on the side of Quantum Genomics, and François Dufay (President and Founder), Noshag, and Cap Innov'est on the side of Vistacare Medical.

The Letter of Intent (LOI) includes standard exclusivity provisions and customary commitments until the completion of the proposed transaction, including, as suspensive conditions for the completion of the operation, the completion of satisfactory cross-audits and the issuance of reports by an independent appraiser providing a favorable opinion on the valuation of the contributed securities and the fairness of the exchange ratio.

A commissioner in charge of appraisals will be appointed to establish reports on the value of the contributions and the fairness of the exchange ratio in the context of the proposed transaction, which will not require the establishment of a prospectus but the filing of an exemption document with the Financial Markets Authority.

The Letter of Intent stipulates an exclusivity obligation for the parties until December 15, 2023.

Indicative timetable and upcoming deadlines

The Extraordinary General Meeting (EGM) of Quantum Genomics, which is currently anticipated for Q4 2023, will be called upon to vote on the proposed operation. The EGM will also be asked to approve the change of name of the new entity, marking the beginning of a new strategic development phase.

As a reminder, the EGM makes decisions by a two-thirds majority of the votes held by the shareholders present or represented.

As an indication, the proposed operation's timeline would be as follows:

- Early October 2023: Publication of Quantum Genomics' financial results for the first half of 2023.
- 4th quarter of 2023: Convocation and holding of the Extraordinary General Meeting of Quantum Genomics.
- 4th quarter of 2023: Contribution of Vistacare's shares to Quantum Genomics, merger/dissolution - consolidation, and commencement of the activities of the new entity resulting from the merger.

Governance of the new structure

Upon completion of the proposed operation, Mr. Jean-Philippe Milon, CEO of Quantum Genomics, will resign from his position as CEO and become Chairman of the Board of Directors of the new entity.

Mr. François Dufay, President and founder of Vistacare Medical, will become Chief Scientific Officer and a member of the Board of Directors of the new entity.

Mr. Thierry Sarda, the current CEO of Vistacare Medical, will become CEO and a member of the Board of Directors of the new entity.

Mr. Benoit Gueugnon, the current Chief Administrative and Financial Officer of Quantum Genomics, will retain his position.

The Board of Directors of the new entity will be composed of members of the management, investors, and independent directors.

Contacts



Quantum Genomics is listed on Euronext Growth in Paris (FR0011648971 - ALQGC)
Learn more on www.quantum-genomics.com and our [Twitter](#) and [LinkedIn](#) accounts

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