



## **SQI Diagnostics Reports First Quarter 2022 Results**

**TORONTO, February 28, 2022 -- SQI Diagnostics Inc. (TSX-V: SQD; OTCQB: SQIDF)**, a leader in the science of lung health that develops and manufactures respiratory health and precision medicine tests today reported their financial and operational results for the first quarter for fiscal year ending September 30, 2022.

*“SQI continues to make new acquisitions and position itself for growth in new lines of business,” said Andrew Morris, President and CEO of SQI Diagnostics. “We are excited to attract a broader array of new customers, to engage in more cross-selling opportunities and use accretive acquisition to support the aggressive launch of our lung health products.”*

### **Q1 2022 Financial Highlights**

- Sales were \$0.06M in Q1 2022, compared to \$0.16M in Q1 2021. The decrease in sales is mainly due to a production equipment issue that impacted shipment of products during the quarter and a strategic exit from the Lifesciences business as we focus on our larger revenue markets in our lung health product and services business
- Gross profit was \$0.05M in Q1 2022, compared to \$0.1M in Q1 2021
- SG&A expense was \$1.7M in Q1 2022, compared to \$1.8M in Q1 2021. The decrease in SG&A expense can be attributed to lower overhead expenses for sales as well as lower consulting costs for external contractors that were engaged in the previous year to help support the regulatory submission process.
- R&D expense was \$1.7M in Q1 2022, compared to \$1.8M in Q1 2021.
- Cash and cash equivalents were \$3.4M as of December 31, 2021
- Net working capital was \$2.7M as of December 31, 2021, compared to \$0.7M on September 30, 2021

### **Corporate Highlights during the Quarter:**

- The company completed its submission of RALI-Dx™ IL-6 Severity Triage Test for an Interim Order to Health Canada
- The company completed a private placement of 26.9M units of the Company’s shares at \$0.19 per unit, for gross proceeds of \$5.1M
- Following the quarter, the Company completed the acquisition of Precision Biomonitoring Inc’s human diagnostics COVID-19 PCR and Rapid Antigen testing business and its TripleLock molecular diagnostic testing technology for consideration of \$6.8M, including \$6.2M in cash.

### **About SQI Diagnostics**

SQI Diagnostics is a leader in the science of lung health. The Company develops and manufactures respiratory health and precision medicine tests that run on SQI’s fully automated systems. The Company’s tests simplify and improve COVID19 antibody monitoring, Rapid Acute Lung Injury testing, donor organ transplant informatics, and immunological protein and antibody testing. SQI Diagnostics is driven to create and market life-saving testing technologies that help more people in more places live longer, healthier lives. For more information, please visit [www.sqidiagnostics.com](http://www.sqidiagnostics.com).

### **Contact:**

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*FORWARD-LOOKING INFORMATION*

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