



Quoin Pharmaceuticals Provides Corporate Update and Announces First Quarter 2024 Financial Results

May 9, 2024

FDA clearance to recruit teens in both on-going Netherton Syndrome clinical studies

U.S. and International patent filed for novel Netherton Syndrome combination product

Cash runway extended into late 2025

ASHBURN, Va., May 09, 2024 (GLOBE NEWSWIRE) -- Quoin Pharmaceuticals Ltd. (NASDAQ: QNRX) (the "Company" or "Quoin"), a clinical stage, specialty pharmaceutical company focused on developing and commercializing novel treatments for rare and orphan diseases, today provides a business update and announces financial results for the first quarter ended March 31, 2024.

Quoin CEO, Dr. Michael Myers, said, "We are pleased to announce this encouraging start to 2024 as throughout the past quarter we successfully built upon the positive momentum from last year. Following a series of protocol amendments to both of our ongoing clinical studies in Netherton Syndrome subjects, we believe we have enhanced the potential for a successful outcome. All of the protocol amendments, which were based on positive initial clinical data, have been cleared by the FDA and have now been fully implemented. The amendments include increasing the size of the open-label and blinded studies to 20 and 30 subjects respectively, modifying dosing frequency to twice-daily from once-daily, eliminating the lower dose from the blinded study and reducing the age of eligibility to fourteen years and older. Combined the two studies will test a total of 50 Netherton subjects with over 30 of those tested being treated with QRX003 at the target commercial dose, either as monotherapy or in conjunction with systemic biologics. The Company believes the data set from both clinical studies could potentially be sufficiently robust and comprehensive to support an NDA filing, without the need for any additional clinical studies in Netherton subjects.

During the quarter, we expanded our intellectual property portfolio by the filing of US and International patent applications for a novel combination product as a treatment for Netherton Syndrome. We continue to explore additional patent opportunities for the product in both clinical and in the manufacturing of the active ingredient and finished product. Finally, via the combination of a successful public offering and the execution of an equity line of credit arrangement, we have extended our cash runway into late 2025, which is well beyond a number of potentially significant milestones for the Company.

Recent Corporate Highlights –

- On March 4th, Quoin announced FDA Clearance to recruit teen subjects into both ongoing Netherton Syndrome clinical studies.
- On March 5th, Quoin completed a public offering of securities with gross proceeds of \$6.5 million.
- On February 8th, Quoin filed U.S. and International patent applications for a novel Netherton Syndrome combination product.
- On January 25, Quoin Signed an equity line of credit with Alumni Capital for up to \$8 million that was approved by shareholders on April 5th 2024.

Financial Highlights

- Quoin had approximately \$14.7 million in cash, cash equivalents and marketable securities as of March 31, 2024.
- Net loss for the quarter ended March 31, 2024 was approximately \$2.3 million compared to approximately \$2.6 million for the quarter ended March 31, 2023.
- Investors are encouraged to read the Company's Report on Form 10-Q when it is filed with the Securities and Exchange Commission (the "SEC"), which will contain additional details about Quoin's financial results as of and for the period ended March 31, 2024.

About Quoin Pharmaceuticals Ltd.

Quoin Pharmaceuticals Ltd. is a clinical stage specialty pharmaceutical company focused on developing and commercializing therapeutic products that treat rare and orphan diseases. We are committed to addressing unmet medical needs for patients, their families, communities and care teams. Quoin's innovative pipeline comprises four products in development that collectively have the potential to target a broad number of rare and orphan indications, including Netherton Syndrome, Peeling Skin Syndrome, Palmoplantar Keratoderma, Scleroderma, Epidermolysis Bullosa and others. For more information, visit: www.quoinpharma.com or [LinkedIn](#) for updates.

Cautionary Note Regarding Forward Looking Statements

The Company cautions that statements in this press release that are not a description of historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words referencing future events or circumstances such as “expect,” “intend,” “plan,” “anticipate,” “believe,” and “will,” among others. All statements that reflect the Company’s expectations, assumptions, projections, beliefs, or opinions about the future, other than statements of historical fact, are forward-looking statements, including, without limitation, statements relating to the Company’s expected cash runway, the belief that the data set from both clinical studies could potentially be sufficiently robust and comprehensive to support an NDA filing, without the need for any additional clinical studies in Netherton subjects, and the belief that certain protocol changes has enhanced the potential for a successful outcome and Quoin’s products in development collectively have the potential to target a broad number of rare and orphan indications, including Netherton Syndrome, Peeling Skin Syndrome, Palmoplantar Keratoderma, Scleroderma, Epidermolysis Bullosa and others. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. These forward-looking statements are based upon the Company’s current expectations and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties including, but not limited to, the Company may need to raise additional funds sooner than planned, the clinical studies may not generate data which is sufficiently robust and comprehensive to support an NDA filing and the Company’s ability to obtain regulatory approvals. More detailed information about the risks and uncertainties affecting the Company is summarized in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023 and in other filings the Company has made and may make with the SEC in the future. One should not place undue reliance on these forward-looking statements, which speak only as of the date on which they were made. The Company undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made, except as may be required by law.

For further information:

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- Tables Follow -

QUOIN PHARMACEUTICALS, LTD.

Consolidated Balance Sheets

	March 31, 2024	December 31, 2023
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,833,524	\$ 2,401,198
Investments	12,856,448	8,293,663
Prepaid expenses and other current assets	574,904	591,034
Total current assets	15,264,876	11,285,895
Prepaid expenses - long term	300,000	300,000
Intangible assets, net	558,334	583,334
Total assets	<u>\$ 16,123,210</u>	<u>\$ 12,169,229</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 358,510	\$ 526,523
Accrued expenses	2,119,194	1,308,706
Accrued interest and financing expense	1,146,251	1,146,251
Due to officers - short term	600,000	600,000
Total current liabilities	4,223,955	3,581,480
Due to officers - long term	2,773,733	2,923,733
Total liabilities	\$ 6,997,688	\$ 6,505,213
Shareholders' equity:		
Ordinary shares, no par value per share, 100,000,000 ordinary shares authorized at March 31, 2024 and December 31, 2023, respectively - 3,795,970 (3,795,970 ADS's) ordinary shares issued and outstanding at March 31, 2024 and 987,220 (987,220 ADS's) at December 31, 2023	\$ -	\$ -
Additional paid in capital	57,656,122	51,867,336
Accumulated deficit	(48,530,600)	(46,203,320)
Total shareholders' equity	<u>9,125,522</u>	<u>5,664,016</u>

Total liabilities and shareholders' equity

\$ 16,123,210 \$ 12,169,229

QUOIN PHARMACEUTICALS LTD.

Consolidated Statements of Operations (unaudited)

	Three months ended March 31,	
	2024	2023
Operating expenses		
General and administrative	\$ 1,615,452	\$ 1,683,817
Research and development	<u>842,832</u>	<u>1,091,733</u>
Total operating expenses	<u>2,458,284</u>	<u>2,775,550</u>
Other (income) and expenses		
Unrealized loss (gain)	6,509	(20,427)
Realized and accrued interest income	<u>(137,513)</u>	<u>(152,054)</u>
Total other income	<u>(131,004)</u>	<u>(172,481)</u>
Net loss	<u>\$ (2,327,280)</u>	<u>\$ (2,603,069)</u>
Loss per ADS		
Basic	\$ (1.11)	\$ (4.09)
Fully-diluted	\$ (1.11)	\$ (4.09)
Weighted average number of ADS's outstanding		
Basic	2,103,292	637,217
Fully-diluted	2,103,292	637,217