



## **Quinsam Reports Q3/2022 Results**

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**Toronto, Ontario, November 29, 2022** – Quinsam Capital Corporation (CSE:QCA) (“Quinsam” or the “Company”) is announcing its Q3/2022 results, with a net loss of \$2.3 million for the quarter (\$0.02 per share basic, \$0.02 fully diluted) versus a net loss of \$0.7 million (\$0.01 per share basic, \$0.01 fully diluted) in Q3/2021.

“At September 30, 2022, we had net assets (pro forma the October 4, 2022 cancellation of shares repurchased in the quarter pursuant to the Company’s normal course issuer bid) of approximately \$0.21 per share outstanding” said Roger Dent, CEO. “Our shares continue to trade at a very steep discount of over 50% from NAV.”

Investors can access the Company’s full financial statements on [sedar.com](https://www.sedar.com).

### **Recent Activity**

Small cap market conditions continued to be extremely difficult in Q3/2022. Equity markets were highly risk averse during the quarter, which led to a particularly pronounced impact on small cap stocks. In general, valuations of our listed small cap companies declined during the quarter.

In light of market conditions, Quinsam elected to write down its private equity investments by 15% in Q3/2022 with a limited group of exceptions. Quinsam did not adjust the valuation of its loan investments in Q3/2022.

Quinsam continued to take a very cautious stance in the third quarter, with limited new investment activity.

Given prevailing market conditions, the timing of future liquidity events by our private investees is difficult to predict. Private companies generally were reluctant or unable to trigger liquidity events in Q3 and this situation has largely continued due to volatile market conditions. We are still expecting liquidity events in the coming months from a number of issuers. Those with the most promising near term potential are in our opinion Silver Eagle, Gefion and Zodiac Gold.

Silver Eagle has a filed a prospectus and applied for listing. Following promising clinical trial data, Gefion has announced its intent to try to raise new funds at 5x our carrying

value and apply for a listing, although in current markets there is obviously no certainty that the fundraising or listing will be completed. Zodiac has announced its intention to complete an RTO transaction.

## **Issuer Bid**

In Q3/2022, Quinsam acquired 516,000 shares pursuant to its issuer bid to acquire up to 4,916,605 shares that commenced on September 6, 2022 and will terminate on September 5, 2023. To date, the Company has acquired 516,000 shares pursuant to this issuer bid. Quinsam has now repurchased and cancelled over 20 million shares since 2018 pursuant to its issuer bids, resulting in significant NAV per share accretion for remaining shareholders.

## **About Quinsam Capital Corporation**

Quinsam is a merchant bank with a focus on “small cap” investments which it believes are undervalued. We do not invest on behalf of third parties or offer investment advice.

Generally, Quinsam does not believe that individual investments are material events. Quinsam may choose to announce certain investments once the Company has finished buying its position because we feel that this information helps investors understand our decision making process. Generally, Quinsam does not announce the sale of investments.

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This press release may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events, which are inherently uncertain. Forward-looking statements can often, but not always, be identified by forward-looking words such as “anticipate”, “believe”, “continue”, “expect”, “goal”, “plan”, “intend”, “estimate”, “may”, “project”, “predict”, “potential”, “target”, and “will” or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance.

By their nature, forward-looking statements require making assumptions which include, among other things, that (i) Quinsam will have sufficient capital to effect its business strategies, (ii) the business strategies will produce the results intended by Quinsam, and (iii) the markets will react and perform in a manner consistent with the business strategies.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated. Quinsam believes that the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct. Some risks and other factors that could cause actual results to differ materially from those expressed in forward-looking information in this press release include, but are not limited to: cannabis companies Quinsam has invested in obtaining and maintaining regulatory approvals including acquiring and renewing U.S. state, local or other licenses, and the uncertainty of existing protection from U.S. federal or other prosecution; regulatory or political change such as changes in applicable laws and regulations, including U.S. state-law legalization; market and general economic conditions of the cannabis sector or otherwise, interest rates, regulatory and statutory developments, the nature of the Company's investments, the available opportunities and competition for investments, the concentration of our investments in certain industries and sectors, reliance on key personnel, risks affecting investments, management of the growth of the Company, and exchange rate fluctuations. Readers are cautioned that the foregoing list of risks and factors is not exhaustive. Although Quinsam has attempted to identify factors that could cause actual events or results to differ materially from those described in forward-looking information, there may be factors that cause events or results to differ from those intended, anticipated or estimated.

The forward-looking information contained herein is provided as at this date, based upon the opinions and estimates of management and information available to management as at this date. Quinsam does not undertake and specifically disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable law. Readers are cautioned not to place undue reliance on forward-looking information contained herein.