StageZero Life Sciences Ltd. Provides Update on Financial Statements

written by Raj Shah | November 17, 2020

November 17, 2020 (Source) – StageZero Life Sciences Ltd. (TSX:SZLS) ("**StageZero**", or the "**Company**") announces that it is restating its financial statements for the three and six months ended June 30, 2020 (the **"Amended Financial Statements**"), along with a corresponding restated management discussion and analysis (the **"Amended MD&A**"), and will be delayed in filing its interim financial statements for the three and nine months ended September 30, 2020 pending an accounting review (the "**Q3 Financial Statements**"), along with the corresponding management discussion and analysis (the "**Q3 MD&A**").

The restatement of the Amended Financial Statements and the Amended MD&A was made as the result of management and the auditor's review of the financial statements during the course of the Ontario Securities Commission's review of the Company's short-form prospectus (the "**Prospectus**") filed in connection with its previously announced offering of units.

In connection with the Prospectus, the Company engaged its auditors to perform a review of the previously filed unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2020 (the **"Previously Filed Financial Statements**"). During the auditor's review, the Company identified certain amendments to the Previously Filed Financial Statements including:

June 30, 2020

- an adjustment to the fair value of certain convertible debentures and warrant liabilities as at June 30, 2020.
- adjustments to the number of units, shares and warrants and the pricing thereof resulting from the Company's 8:1 share consolidation.

June 30, 2019

- a revision to the valuation of the warrant liability associated with the June 8, 2018 convertible securities funding agreement (CSFA) with Lind Asset Management XI, LLC and corresponding adjustments to share capital and interest expense.
- adjustments to right-of-use asset, rent receivable, amortization and interest charges.

Adjustments similar to the above must also be reflected in the Company's interim financial statements for the three and nine months ended September 30, 2020. To allow extra time to input these adjustments, the Company will file the Q3 Financial Statements and Q3 MD&A on Wednesday, November 18, 2020. The Company has engaged an independent national accounting firm to provide technical assistance to it in connection with the completion of the Q3 Financial Statements.

The Company is working towards closing the previously announced Offering by the end of November.

About StageZero Life Sciences Ltd.

StageZero Life Sciences is dedicated to the early detection of multiple disease states through whole blood. The Company operates a CAP accredited and CLIA certified high complexity reference laboratory based in Richmond, Virginia. A specialist in PCR testing for the early identification of cancer through blood, the Company is uniquely positioned to provide both COVID

PCR testing (nasal swab) and blood test analysis (antibody testing). The Company's full service, telehealth platform includes access to physicians and phlebotomist who can prescribe and draw samples for individuals and groups. As the Company provides COVID-19 testing during this pandemic, the Company continues making progress with its mission to eradicate late stage cancers through early detection. The Company's next generation test, Aristotle®, is a multi-cancer panel for simultaneously screening for 10 cancers from a single sample of blood with high sensitivity and specificity for each cancer. www.stagezerolifesciences.com

Forward-Looking Statements

This press release contains forward-looking statements identified by words such as "expects", "will" and similar expressions, which reflect the Company's current expectations regarding future events. The forward-looking statements involve risks and uncertainties that could cause the Company's actual events to differ materially from those projected herein. Investors should consult the Company's ongoing quarterly filings and annual reports for additional information on risks and uncertainties relating to these forward-looking statements. The reader is cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements, except as required by law.