

Monaco, October 8, 2023

Dear Community,

One month separates us from the 10th edition of Only Watch, and although we are fully mobilized on the world tour of the collection of unique timepieces and the organization of our auction on November 5, we have become aware of online publications casting doubt on the financial regularity of our association. While these accusations are serious and disconnected from the reality of our charity, they provide us with an opportunity to review the way we operate, our present and future stakes, and to provide you with additional data.

1. Financial overview

Since the creation of Only Watch in 2005, the Association Monégasque contre les Myopathies (AMM) has - thanks to the generosity of an entire ecosystem - raised nearly 100 million euros in 9 editions (of which around 70 million over the last three editions 2017, 2019, 2021) to accelerate research into Duchenne muscular dystrophy.

To date, approximately half of that amount has been spent, a large majority of it on efforts to find a drug to treat Duchenne muscular dystrophy patients, the heart of our mission. And the results are starting to show: in November 2022, AMM-funded biotech SQY Therapeutics received authorization from ANSM and EMA (French and European sanitary authorities) (EUCT N° 2022-500703-49-01; [clinicaltrials.gov NCT05753462](https://clinicaltrials.gov/NCT05753462)) for a Phase 1 clinical trial for Duchenne. Named AVANCE 1, the first 'First in Human' clinical trial with a molecule from the tricyclo-DNA class (SQY51) in twelve patients (pediatric and adult), is underway since June 2023 at the Raymond-Poincaré AP-HP hospital in Garches.

The financial resources required for current and future clinical developments are considerable, amounting to millions of euros. At the request of our research community, the remaining funds are rigorously managed to ensure that we are ready for the next steps: the next phases of the SQY51 clinical trial, development of the molecule for other exons of Duchenne muscular dystrophy (exons 16 and 45 are in preparation) as well as for other genetic diseases (work is in progress on spinal muscular atrophy and epidermolysis bullosa), and the launch of new clinical trials testing the safety and efficacy of the molecules.

[→ APPENDIX 1 - Letter from Luis Garcia, researcher, to the Only Watch community, regarding the strategy adopted in the management and distribution of funds to research.](#)

2. Accounting audit of the association and legal obligations

AMM, founded by Monegasque patient families, is subject to the laws of the Principality of Monaco. Until now, Monegasque [law of 2008 concerning associations and federations of associations](#) required only that the financial statements of associations be made available to the state and the administration. A few days ago, by [a sovereign ordinance dated September 14, 2023](#), this law changed, introducing the obligation to audit the accounts of associations with a budget in excess of €500,000.

We have already taken the necessary steps to have our accounts audited so that they can be made public, a legitimate step in line with the maturity of this project. We have appointed Ms Bettina Ragazzoni - KPMG Monaco, as auditor.

In anticipation of the certification of our accounts, and in response to the normal need for more information on the beneficiaries and the amounts paid out to them by our association, we're happy to share a document we have compiled listing our support to research projects (mainly biotech and

grants/fellowships researchers within academic institutions) based on payments over the last 10 years. You'll find it in the appendix accessible below.

[→ APPENDIX 2 - Details of the association's financial support over the last 10 years.](#)

3. Understanding the stakes and shareholding of AMM-backed biotech SQY Therapeutics, the initiator of the AVANCE 1 clinical trial.

SQY Therapeutics was founded in 2015 to bring a therapeutic avenue, that of tricyclo-DNA, to the clinic. The company, currently housed at the Université de Versailles Saint-Quentin-en-Yvelines and employing around 20 staff (mainly biologists and chemists), is behind a first 'First in Human' trial with a molecule from the tricyclo-DNA class, launched in June 2023.

The company's shareholding structure¹ shows a slight majority of individuals (51%) (parents and representatives of patient associations, including Luc Pettavino), so that the company could benefit from the status of "Jeune Entreprise Innovante", a French state program designed to facilitate the development of R&D companies in France. Moreover, it was important to the collective behind the project that the decision-making bodies of such a structure be made up of parents and patient representatives, in order to preserve the patient-oriented and non-profit spirit. The remaining 49% are owned by AMM.

No dividend has been or will be paid. Once certain stages of development have been achieved, and should the biotech one day become profitable, its form will evolve in order to protect this non-lucrative orientation.

The biotech's financial statements are available online, on public websites. You can also consult them by clicking on the following links: [2017](#), [2018](#), [2019](#), [2020](#), [2021](#), [2022](#).

[→ APPENDIX 3 - Letter from the Chairman of SQY Therapeutics, Pascal Ferré, about the biotech's structure and operations.](#)

We would like to thank all the members of the Only Watch epic for their support and contribution to this unique project, as well as for their trust. The projects underway are exceptional and could bring about major changes in the lives of thousands of young boys and men. We owe this hope to the Only Watch community.

We remain at the disposal of our stakeholders and supporters (info@onlywatch.com) and look forward to seeing you soon on the stages of the world tour.



Luc Pettavino
Chairman of Association Monégasque contre les Myopathies
Founder of Only Watch

¹ AMM 23 058 shares (49%), Alain Camusat 4000 shares, Françoise Camusat 4000 shares, Pascal Ferré 4000 shares, Luc Pettavino 4000 shares, Tess Pettavino 4000 shares, Christine Saulnier 4000 shares.