

March 25, 2024



Quantum Provides Business Update

SAN JOSE, Calif.--(BUSINESS WIRE)-- Quantum Corporation (Nasdaq: QMCO) ("Quantum" or the "Company"), the pioneer in end-to-end data management solutions designed for the AI era, today filed a Form 8-K regarding several business updates, including reiterating its efforts to be current with its SEC financial reports by May 7, 2024.

On March 19, 2024, the Company received a letter (the "Letter") from the listing qualifications staff (the "Staff") of The Nasdaq Stock Market LLC ("Nasdaq") regarding the Company's non-compliance with the \$1.00 bid price requirement for continued listing on the Nasdaq Global Market, as set forth in Nasdaq Listing Rules 5450(a)(1). Accordingly, the Company requested a hearing in response to the Letter to present to the Nasdaq Hearings Panel (the "Panel") its plan to comply with all applicable requirements for continued listing on Nasdaq and request an additional 180-day extension to do so. Although there can be no assurance that the Panel will grant the Company's request for an extension, the Company is diligently working to comply with all of the applicable Nasdaq listing criteria within the period of time that the Panel may grant.

Also as part of today's news, Quantum filed a Form 8-K regarding an amendment to the Company's term loan credit and security agreement, which stipulates that proceeds related to the disposition of assets be used to improve financial flexibility, including the pay-down of existing debt. This amendment is consistent with the Company's broader efforts to prioritize certain financial and business projects targeting improvements to working capital, acceleration of new products and a more focused business.

As previously disclosed, the Company is in the process of re-evaluating its application of standalone selling price under Accounting Standards Codification Topic 606 ("ASC 606") that has resulted in the delayed filing of its Form 10-Qs for the second and third fiscal quarters of fiscal year ending March 31, 2024. This re-evaluation process has involved an extensive and detailed analysis of the current financial periods as well as historical quarterly and annual reports. Although the Company, along with its independent registered public accounting firm, is making significant progress, additional time is being taken in order to make a final determination.

About Quantum

Quantum delivers end-to-end data management solutions designed for the AI era. With over four decades of experience, our data platform has allowed customers to extract the maximum value from their unique, unstructured data. From high-performance ingest that powers AI applications and demanding data-intensive workloads, to massive, durable data lakes to fuel AI models, Quantum delivers the most comprehensive and cost-efficient solutions. Leading organizations in life sciences, government, media and entertainment, research, and industrial technology trust Quantum with their most valuable asset – their data. Quantum is listed on Nasdaq (QMCO). For more information visit www.quantum.com.

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Forward-Looking Information

The information provided in this press release may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (Exchange Act). These forward-looking statements are largely based on our current expectations and projections about future events affecting our business. Such forward-looking statements include, in particular, statements related to the ongoing re-evaluation of certain accounting matters; timing of completion of the re-evaluation and filing of the Form 10-Qs; the Company's ability to maintain compliance with the listing standards of Nasdaq; and the Company's plans, objectives and intentions that are not historical facts generally.

These forward-looking statements may be identified by the use of terms and phrases such as "anticipates", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "plans", "projects", "targets", "will", and similar expressions or variations of these terms and similar phrases. Additionally, statements concerning future matters and other statements regarding matters that are not historical are forward-looking statements. Investors are cautioned that these forward-looking statements relate to future events or our future performance and are subject to business, economic, and other risks and uncertainties, both known and unknown, that may cause actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by any forward-looking statements.

These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected, including without limitation, the following: the outcome of the pending re-evaluation of accounting matters and the possibility of adjustments, including material adjustments, to the Company's financial statements as the re-evaluation progresses; the discovery of additional and unanticipated information during the re-evaluation process; risks related to the timely completion of the re-evaluation and filing of the Form 10-Qs; the ability to meet stock exchange continued listing standards; the possibility that the Nasdaq may delist the Company's securities; the possibility that the Nasdaq Hearings Panel may not grant an additional extension; risks related to the Company's ability to implement and maintain effective internal control over financial reporting in the future; the impact of these factors on the Company's performance and outlook. See also other risks that are described in "Risk Factors" in the Company's filings with the Securities and Exchange Commission (the SEC), including its Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2023, and any subsequent reports filed with the SEC. The Company does not intend to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law or regulation.

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