

Press release

## **Epigenomics AG Reports Financial Results for the First Quarter of 2021**

**Berlin (Germany) and San Diego, CA (U.S.A.), May 12, 2021** - Epigenomics AG (FSE: ECX, OTCQX: EPGNY, the "Company") today reported financial results (IFRS, unaudited) for the first three months of 2021.

### **Financial key figures**

- Product revenue in the first quarter 2021 decreased from EUR 239 thousand to EUR 106 thousand compared to the prior-year period due to lower product revenues in the United States and Europe. In the current pandemic situation, many patients eligible for screening continue to postpone their screenings.
- Research and development costs decreased from EUR 1,603 thousand to EUR 737 thousand.
- Selling, general and administrative costs diminished from EUR 1,992 thousand to EUR 1,601 thousand.
- EBITDA before share-based payment expenses improved to EUR -985 thousand in the reporting period vs. EUR -2,641 thousand in the same period as the previous year
- The net loss for the period was EUR -1,201 thousand (Q1 2020: EUR -2,982 thousand); the net loss per share decreased significantly from EUR 0.55 to EUR 0.20 compared to the same period of the previous year.
- Cash consumption decreased to EUR 1,401 thousand in Q1 2021 (Q1 2020: EUR 3,284 thousand).
- As of March 31, 2021, the Company had cash and cash equivalents (including marketable securities) of EUR 7,446 thousand (December 31, 2020: EUR 4,527 thousand).

### **Strategic options**

Following the negative reimbursement decision by the CMS in January 2021, the management is considering various strategic options. As announced at the end of March, the Company is evaluating, among other things, a potential sale of the Company by way of a share deal (public takeover) or asset deal to one or more investors as part of an M&A transaction. For this purpose, a corresponding sales process has been set up and the Company is in discussions with several potential parties. The Company has mandated a leading international investment bank as advisor in connection with the sale process.

### **Major events after the end of the reporting period**

- The first conversion period for the mandatory convertible bond issued in January 2021, ran

from April 1 to April 14, 2021. Bonds with a nominal value of EUR 4,357,606.00 have been converted into 3,961,460 new shares (ISIN DE000A3H2184). Accordingly, the number of issued shares increased from 5,891,230 to 9,852,690 no-par value registered shares of the Company. The Company's share capital increased correspondingly to EUR 9,852,690.00. The outstanding portion of the mandatory convertible bond 2021/2024 therefore has a nominal value of EUR 1,142,394.00.

- In addition, on April 27, 2021, the Executive Board of Epigenomics AG resolved, with approval of the Supervisory Board, to increase the company's share capital through a rights issue using the Authorized Capital 2020/II. The share capital shall be increased from currently EUR 9,852,690.00 by up to EUR 1,970,537.00 to up to EUR 11,823,227.00 by issuing up to 1,970,537 new registered no par value shares of the Company against cash contributions. The subscription price for the new shares was set at EUR 1.10. The subscription ratio is 5:1. This means for each five existing shares of the Company, a subscription right for one new share will be allocated. Deutsche Balaton Aktiengesellschaft, with 22.59% the largest shareholder of Epigenomics AG, has already announced that it will participate in the capital increase. The capital increase serves the purpose of improving the Company's liquidity position ahead of upcoming important strategic decisions.

## **Outlook 2021**

### **Revenue**

- The Company confirms its outlook for fiscal year 2021 and continues to expect revenue within the range of EUR 0.4 million to EUR 1.0 million. If the NCD decision made by CMS is successfully appealed or reversed in 2021, a change in the revenue guidance would be made.

### **EBITDA / Cash consumption**

- For EBITDA before share-based payment expenses, Epigenomics forecasts a range of EUR -7.0 million to EUR -9.0 million. Based on the Company's 2021 business plan, cash consumption is expected to be in line with the EBITDA forecast (before share-based payment expenses).

## **Further Information**

The 2020 Q1 interim statement (unaudited) is available on the Epigenomics' website: <https://www.epigenomics.com/news-investors/financial-reports/>.

## **Conference call for analysts and investors**

Epigenomics AG will host a conference call for analysts and investors today at 5.00 pm (CET) / 11.00 am (EDT). The webcast can be accessed on the Company's website: <https://www.epigenomics.com/news-investors/financial-reports/>.

The dial-in numbers for the conference call are:



Dial-in number Germany: +49 30 232531508

Dial-in number UK: +44 20 3872 0883

Dial-in number U.S.A.: +1 516-269-8979

Participants are asked to dial in 10 minutes prior to the start of the conference call and to register using the link above.

An audio replay of the conference call will be provided on the Epigenomics' website subsequently.

### **About Epigenomics**

Epigenomics AG is a molecular diagnostics company focused on blood testing for the early detection of cancer. Based on its proprietary biomarker technology for the detection of methylated DNA, Epigenomics develops and markets blood tests for various cancer indications with high unmet medical need. Epigenomics' lead product is the blood test Epi proColon® for the early detection of colorectal cancer. Epi proColon is approved by the U.S. Food and Drug Administration (FDA) and is marketed in the United States and Europe as well as other selected countries. HCCBloodTest, a blood test for the detection of liver cancer, have received the CE Mark for marketing in Europe.

For further information please visit [www.epigenomics.com](http://www.epigenomics.com).

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### **Note on forward-looking statements**

*This publication expressly or implicitly contains forward-looking statements concerning Epigenomics AG and its business. These statements involve certain known and unknown risks, uncertainties and other factors that may cause Epigenomics AG's actual results, financial condition and performance to be materially different from any future results, performance or achievements expressed or implied by such statements. Epigenomics makes this announcement as of the date of this release and does not intend to update any forward-looking statements contained herein as a result of new information or future events or otherwise.*