

Press release

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

**Berlin (Germany) and San Diego, CA (U.S.A.), August 11, 2021** - Epigenomics AG (FSE: ECX, OTCQX: EPGNY, the "Company") today reported financial results (IFRS, unaudited) for the second quarter and first half of 2021.

### **OPERATIONAL DEVELOPMENTS**

- Epigenomics AG has two options to obtain reimbursement for Epi proColon after the disappointing negative NCD reimbursement decision by the Centers for Medicare & Medicaid Services (CMS) earlier this year: via legislation and by appealing the NCD decision. In the legislative process, the Donald Payne, Sr. Colorectal Cancer Detection Act of 2021 (H.R. 1655) was reintroduced in the new session of Congress and currently has 63 co-sponsors.
- Epigenomic's management is confident that the company's new Next-Gen version of Epi proColon will meet the new CMS reimbursement criteria. The critical factor for the commercialization of the new test is the clinical study required to apply for marketing approval, which will take at least two years, and the subsequent duration of the FDA review. Epigenomics plan to initiate this trial in the first half of 2022.
- As a result of the two capital measures carried out in the first half of 2021, Epigenomics AG received gross proceeds of approximately EUR 7.5 million, which will provide the Company with liquidity well into 2022. In addition, Epigenomics recently announced a further capital measure to raise up to EUR 18 million (gross proceeds) through the issuance of a convertible bond. The placement is back-stopped by the largest shareholder, Deutsche Balaton, and is expected to be issued in the third quarter of the year.

Greg Hamilton, CEO of Epigenomics AG: "We are determined to increase shareholder value. A prerequisite for this is that we continue to move the business forward. Therefore, our strategy at this point is to focus on both achieving CMS reimbursement of Epi proColon, possibly via legislation, while at the same time advancing the development of Epi proColon "Next-Gen". If we make discernible progress in this regard, we will move decisively closer to the goal of maximizing shareholder value."

### **6M 2021 FINANCIAL RESULTS**

- In the first six months of 2021, total revenue decreased from EUR 322 thousand in the first half of 2020 to EUR 223 thousand, with product revenue declining from EUR 293 thousand to EUR 210 thousand. In the current pandemic situation, many patients eligible for screening continue to postpone their screenings.
- Research and development costs decreased from EUR 2,754 thousand in the prior year to

EUR 1,545 thousand in the first half of 2021. The sharp decrease is mainly due to the fact that almost all clinical trials in the U.S.A. are continuing slowly or remain dormant.

- Selling, general and administrative expenses decreased from EUR 3,901 thousand to EUR 3,021 thousand.
- EBITDA before share-based payment expenses improved to EUR -3,165 thousand in the reporting period, compared with EUR -5,659 thousand in the same period of the previous year.
- The net loss for the period was EUR -3,528 thousand (6M 2020: EUR -6,403 thousand); the loss per share decreased significantly from EUR 1.21 to EUR 0.41 compared to the same period of the previous year.
- Cash consumption decreased to EUR 4,214 thousand in the first half of 2021 (6M 2020: EUR 5,510 thousand).
- As of June 30, 2021, the Company had cash and cash equivalents of EUR 6,949 thousand (December 31, 2020: EUR 3,566 thousand).

## **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.

### **EBITDA / Cash consumption**

- For EBITDA before share-based payment expenses, Epigenomics forecasts a range of EUR -7.0 million to EUR -9.0 million for full year 2021. 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 financial report for the first six months of 2021 is available on the Epigenomics' website at: <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 4.00 pm (CET) / 10.00 am (EDT). The webcast can be accessed at the following link: <https://webcast.meetyoo.de/reg/VC1x57QmmbZi>

The dial-in numbers for the conference call are:

Dial-in number Germany: +49 30 232531508

Dial-in number UK: +44 20 3872 0888

Dial-in number U.S.A.: +1 516-269-8981

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 Company's website following the call.

## **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.*