

Press release

Epigenomics AG Reports Financial Results for Fiscal Year 2021

- **Total revenue of EUR 6.2 million, adjusted EBITDA of EUR -1.8 million**
- **FDA clinical trial for Epi proColon “Next Gen” expected to start with patient enrollment this summer and to take two years to complete; publication of preliminary data is anticipated**
- **Company evaluating multiple financing alternatives for the completion of the “Next-Gen” trial**

Berlin (Germany) and San Diego, CA (U.S.A.), March 24, 2022 - Epigenomics AG (FSE: ECX, OTCQX: EPGNY, the "Company") today reported financial results (according to IFRS) for fiscal year 2021.

OPERATIONAL DEVELOPMENTS

- In 2021, Epigenomics started preparations for the FDA clinical trial for the Company’s Epi proColon “Next-Gen” test. Epigenomics expects to start enrollment this summer. The study will require approximately 16,000 participants and will take about two years to complete. If the test receives FDA approval and meets the criteria for blood-based colorectal cancer screening tests set by the Centers for Medicare and Medicaid Services (CMS) - which Epigenomics is confident of - Epi proColon "Next-Gen" will be automatically reimbursed by CMS. The Company will focus its efforts on the activities required to bring Epi proColon “Next-Gen” to market.
- Until the FDA approval of Epi proColon “Next-Gen”, Epigenomics still has the opportunity to obtain CMS reimbursement for its current test Epi proColon via legislation. Recently President Biden announced a reignition of the Cancer Moonshot, a program launched in 2016 with the mission to accelerate the rate of progress against cancer. The passage of a bill to reimburse a blood test for CRC screening would serve the program’s target as well as two other core goals of the Biden administration: Fighting racial healthcare discrimination and the COVID-19 pandemic, since CRC affects a disproportionate number of People of Color, and the pandemic has significantly reduced CRC screening participation rates in the U.S. As promising as the initiative is, it is currently impossible to make a reliable statement on whether a relevant bill will be passed.
- In 2021, the Company has also focused on maximizing its financial position to enable the development of the Epi proColon “Next-Gen” test. In this context, cost-cutting measures were initiated, the sale of a non-essential portion of the Company’s biobank as well as the issuance of convertible bonds in the amount of EUR 22.0 million have strengthened the balance sheet and given Epigenomics the ability to move forward with the FDA trial in 2022. However, the Company will need to raise additional capital to complete the trial and the subsequent FDA approval. The Company is evaluating numerous financing alternatives

including exchanges with more potential access to capital.

- The Executive Board has added two new members. President and Chief Scientific Officer Andrew Lukowiak, Ph.D., started as President and Chief Scientific Officer in December 2021 and Jens Ravens has taken over the CFO position in February 2022. The Executive Board looks forward to working together and is convinced that Epigenomics is well positioned to master the challenges to achieve the Company's goals.

Greg Hamilton, CEO of Epigenomics AG: "We are excited about the future of Epigenomics and see our improved Epi proColon "Next-Gen" test as a major untapped opportunity in the cancer screening market. We expect to initiate the clinical trial this summer and to publish preliminary data for the "Next-Gen" test. We believe our blood based "Next-Gen" will be a cost-effective solution in the market."

Financial results 2021

- Total revenue increased to EUR 6.2 million (2020: EUR 0.8 million), mainly due to the sale of the blood sample database ("biobank") in August 2021. In contrast, revenues from Epigenomics' test kits remained low both in the U.S.A. and in Europe, amounting in total in the fiscal year to EUR 0.4 million (2020: EUR 0.6 million) in line with the expectations, due to the pandemic-related reduction of patient office visits.
- Selling, general and administrative costs in the amount of EUR 7.5 million remained roughly equivalent to previous year's level of EUR 7.3 million and is inclusive of the costs related to the biobank sale.
- EBITDA (before share-based payment expenses) improved to EUR -1.8 million (2020: EUR -10.5 million) and exceeded the forecast of EUR -3.0 million adjusted in the third quarter due to currency effects.
- The net loss for the year fell to EUR -2.4 million (2020: EUR -11.7 million); the loss per share also decreased to EUR -0.22 (2020: EUR -2.02).
- Cash consumption improved to EUR -4.2 million in fiscal year 2021 compared to EUR -9.6 million in 2020

Outlook 2022

Revenue

- As the Company is not currently actively marketing Epi proColon due to the lack of CMS reimbursement, Epigenomics estimates its 2022 revenue between EUR 0.3 million and EUR 0.8 million. If Medicare reimbursement is indeed achieved via legislation in 2022, the Company is likely to amend the revenue forecast.

EBITDA / Cash consumption

- For EBITDA (before share-based payment expenses), Epigenomics forecasts a range of EUR -15.0 million to EUR -17.0 million. This assumes that the Company initiates the Epi proColon “Next-Gen” trial in the summer of 2022. If this trial is delayed or enrollment is slower than anticipated then the forecast for the adjusted EBITDA is likely to improve. The anticipated spend for the clinical trial in 2022 will be aligned with the Company’s ability to raise funds for the remainder of the trial in 2023 and 2024.

Further information

The Annual Report 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) / 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 69 6677 38007

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.

Contact:

Company

Epigenomics AG, Geneststrasse 5, 10829 Berlin

Tel +49 (0) 30 24345 0, Fax +49 (0) 30 24345 555, E-Mail: contact@epigenomics.com

Investor Relations

IR.on AG, Frederic Hilke, Tel +49 221 9140 970, E-Mail: ir@epigenomics.com.

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.