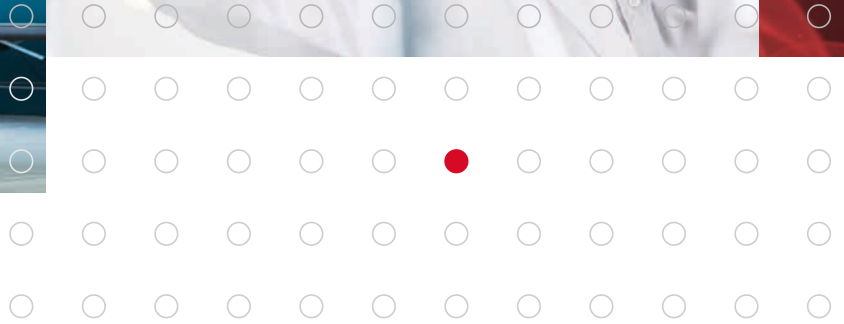


# epigenomics



## Saving lives through blood-based cancer detection

INTERIM STATEMENT Q1  
JANUARY 1 - MARCH 31 2022

## QUARTERLY DEVELOPMENT OF KEY FIGURES (UNAUDITED)

- according to the financial reporting -

in EUR thousand except where indicated

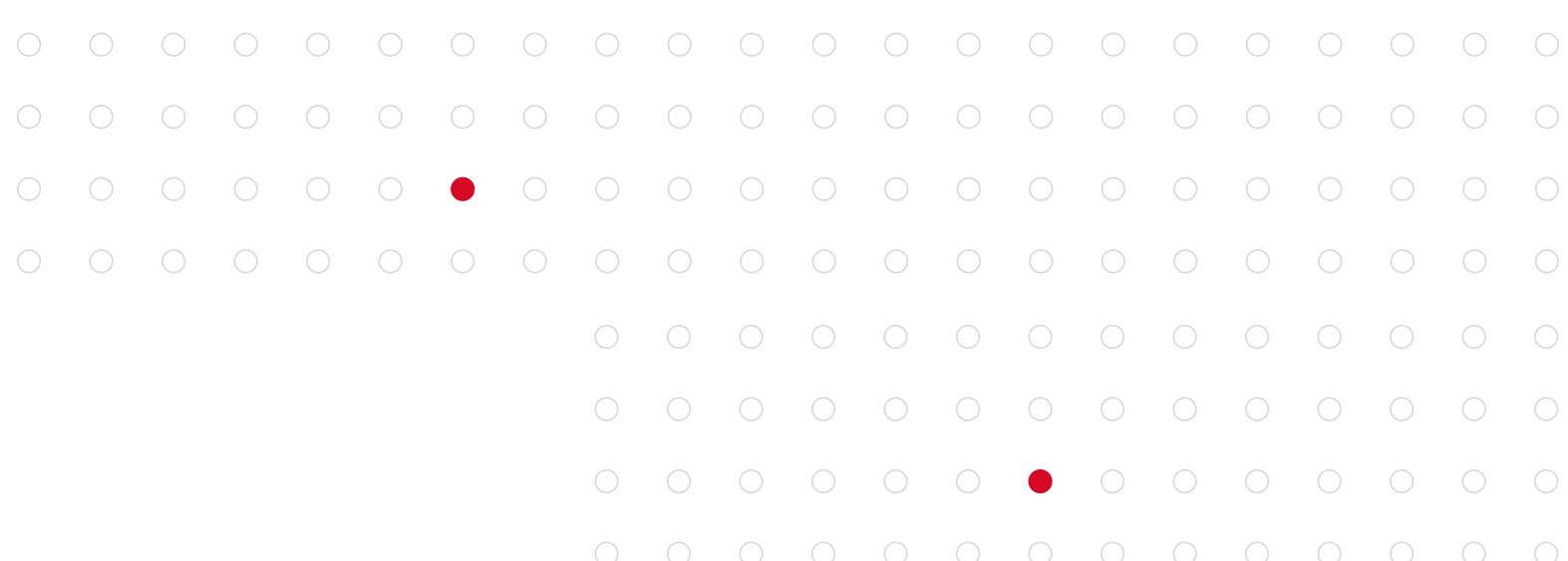
	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
<b>Statement of Profit or Loss</b>					
Revenue	106	117	5,799	181	115
Gross profit	83	91	5,755	138	89
EBIT	-1,174	-2,310	2,850	-1,720	-2,647
EBITDA	-941	-2,232	2,904	-1,666	-2,537
EBITDA before share-based payment costs	-985	-2,179	2,954	-1,623	-2,574
Net loss for the period	-1,201	-2,327	2,836	-1,736	-2,657
<b>Balance Sheet (at the respective reporting dates)</b>					
Non-current assets	1,101	1,028	984	951	1,627
Current assets	8,398	8,662	26,027	23,712	20,811
Non-current liabilities	474	452	429	400	769
Current liabilities	2,546	2,877	2,348	2,143	2,582
Equity	6,479	6,361	24,234	22,120	19,087
Equity ratio (in %)	68.2	65.6	89.7	89.7	85.1
Total assets	9,499	9,690	27,011	24,663	22,438
<b>Statement of Cash Flows</b>					
Cash flow from operating activities	-2,397	-1,826	625	-554	-3,274
Cash flow from investing activities	996	-3	-8	-24	-134
Cash flow from financing activities	5,267	1,247	15,603	-498	-96
Net cash flow	3,866	-582	16,220	-1,076	-3,504
Cash consumption	2,386	1,829	-617	577	3,408
Cash and cash equivalents at the end of the period	7,446	6,949	23,555	23,049	20,039
<b>Stock</b>					
Weighted-average number of shares issued	5,891,230	11,166,381	12,232,303	15,539,737	15,979,781
Earnings per share (basic and diluted, in EUR)	-0.20	-0.21	0.23	-0.11	-0.17
Share price at the end of the period (in EUR)	2.32	1.27	1.20	0.64	0.57
<b>Number of employees at the end of the period</b>					
	32	31	30	32	35



# Interim Statement on Financial Results for Q1 2022

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
(CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME)  
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31 (UNAUDITED)

EUR thousand	Q1 2022	Q1 2021
<b>Revenue</b>	<b>115</b>	<b>106</b>
Cost of sales	-26	-23
<b>Gross profit</b>	<b>89</b>	<b>83</b>
Gross margin (in %)	77.4	78.3
Other income	805	1,096
Research and development costs	-1,401	-737
Selling, general and administrative costs	-2,015	-1,601
Other expenses	-125	-15
<b>Operating result/Earnings before interest and taxes (EBIT)</b>	<b>-2,647</b>	<b>-1,174</b>
Interest income	8	3
Interest expenses	-17	-11
Other financial result	0	-16
<b>Net loss for the period before taxes on income</b>	<b>-2,656</b>	<b>-1,198</b>
Taxes on income	-1	-3
<b>Net loss for the period</b>	<b>-2,657</b>	<b>-1,201</b>
Items that may be reclassified subsequently to profit or loss:		
Exchange rate differences from the conversion of foreign entities	-323	-812
Fair value adjustment of financial instruments measured at fair value through other comprehensive income	0	39
<b>Other comprehensive income for the period</b>	<b>-323</b>	<b>-773</b>
<b>Total comprehensive income for the period</b>	<b>-2,980</b>	<b>-1,974</b>
<b>Earnings per share (basic and diluted, in EUR)</b>	<b>-0.17</b>	<b>-0.20</b>

The earnings per share (basic and diluted) are calculated by dividing the Group's net loss for the period by the weighted-average number of shares issued and admitted to trading in the respective period. The outstanding stock options and convertible notes issued by the Company are anti-dilutive according to IAS 33.41 and 33.43. Therefore, the earnings per share (diluted) equal the earnings per share (basic). In Q1 2022, the weighted-average number of shares issued was 15,979,781 (Q1 2021: 5,891,230).

## OPERATING RESULT (EBIT) AND EBITDA

EUR thousand	Q1 2022	Q1 2021
<b>Operating result/Earnings before interest and taxes (EBIT)</b>	<b>-2,647</b>	<b>-1,174</b>
Amortization and depreciation	110	233
<b>EBIT before amortization and depreciation (EBITDA)</b>	<b>-2,537</b>	<b>-941</b>
Share-based payment costs/income	-37	-44
<b>EBITDA before share-based payment costs</b>	<b>-2,574</b>	<b>-985</b>

## CONSOLIDATED BALANCE SHEET AS OF MARCH 31 (UNAUDITED)

<b>ASSETS</b> EUR thousand	<b>Mar 31, 2022</b>	<b>Dec 31, 2021</b>
<b>Non-current assets</b>		
Intangible assets	56	60
Property, plant and equipment	1,571	891
<b>Total non-current assets</b>	<b>1,627</b>	<b>951</b>
<b>Current assets</b>		
Inventories	115	176
Trade receivables	57	73
Cash and cash equivalents	20,039	23,049
Other current assets	600	414
<b>Total current assets</b>	<b>20,811</b>	<b>23,712</b>
<b>Total assets</b>	<b>22,438</b>	<b>24,663</b>

<b>EQUITY AND LIABILITIES</b> EUR thousand	<b>Mar 31, 2022</b>	<b>Dec 31, 2021</b>
<b>Equity</b>		
Subscribed capital	15,980	15,540
Capital reserve	99,263	99,756
Retained earnings	-93,160	-90,732
Net loss for the period	-2,657	-2,428
Other comprehensive income	-339	-16
<b>Total equity</b>	<b>19,087</b>	<b>22,120</b>
<b>Non-current liabilities</b>		
Liabilities from leasing contracts	728	369
Provisions	41	31
<b>Total non-current liabilities</b>	<b>769</b>	<b>400</b>
<b>Current liabilities</b>		
Trade payables	814	503
Liabilities from leasing contracts	292	91
Deferred income	91	69
Other liabilities	559	650
Provisions	826	830
<b>Total current liabilities</b>	<b>2,582</b>	<b>2,143</b>
<b>Total equity and liabilities</b>	<b>22,438</b>	<b>24,663</b>

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31 (UNAUDITED)

EUR thousand	Q1 2022	Q1 2021
<b>Cash and cash equivalents at the beginning of the period</b>	<b>23,049</b>	<b>3,566</b>
<b>Operating activities</b>		
<b>Net loss for the period</b>	<b>-2,657</b>	<b>-1,201</b>
Adjustments for:		
Share-based payment expenses	-47	-44
Amortization of intangible assets	4	47
Depreciation of property, plant and equipment	106	186
Foreign currency exchange results	-538	-560
Financial income	-8	-26
Financial expenses	17	50
Taxes	1	3
<b>Operating result before changes in operating assets and liabilities</b>	<b>-3,122</b>	<b>-1,545</b>
Changes in operating assets and liabilities:		
Inventories	62	-156
Trade receivables	14	195
Other assets	-183	-48
Non-current and current provisions	1	-529
Trade payables and other liabilities	-67	-326
Deferred income	22	15
Tax paid	-1	-3
<b>Cash flow from operating activities</b>	<b>-3,274</b>	<b>-2,397</b>

EUR thousand	Q1 2022	Q1 2021
<b>Investing activities</b>		
Payments to acquire property, plant and equipment	-143	0
Proceeds from the sale of securities	0	984
Proceeds from investment grants received	9	0
Interest received	0	12
<b>Cash flow from investing activities</b>	<b>-134</b>	<b>996</b>
<b>Financing activities</b>		
Proceeds from the issue of convertible notes	0	5,500
Payments for the issue of convertible notes	-10	-167
Payments from leasing contracts	-86	-66
<b>Cash flow from financing activities</b>	<b>-96</b>	<b>5,267</b>
<b>Total net cash flow</b>	<b>-3,504</b>	<b>3,866</b>
Currency translation effects	494	14
<b>Cash and cash equivalents at the end of the period</b>	<b>20,039</b>	<b>7,446</b>

At the reporting date, EUR 87 thousand of cash and cash equivalents included restricted cash.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS OF MARCH 31 (UNAUDITED)

EUR thousand	Subscribed capital	Capital reserve	Retained earnings	Net loss for the period	Other comprehensive income	Group equity
<b>December 31, 2020</b>	<b>5,891</b>	<b>87,419</b>	<b>-79,046</b>	<b>-11,686</b>	<b>1,286</b>	<b>3,864</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,201</b>	<b>-773</b>	<b>-1,974</b>
Transfer of net loss for the year 2020 to retained earnings	0	0	-11,686	11,686	0	0
Premium from the issue of convertible bonds	0	5,500	0	0	0	5,500
Costs for the creation of convertible bonds	0	-868	0	0	0	-868
Stock option expenses	0	-44	0	0	0	-44
<b>March 31, 2021</b>	<b>5,891</b>	<b>92,007</b>	<b>-90,732</b>	<b>-1,201</b>	<b>514</b>	<b>6,479</b>
<b>December 31, 2021</b>	<b>15,540</b>	<b>99,756</b>	<b>-90,732</b>	<b>-2,428</b>	<b>-16</b>	<b>22,120</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2,657</b>	<b>-323</b>	<b>-2,980</b>
Transfer of net loss for the year 2021 to retained earnings	0	0	-2,428	2,428	0	0
Conversion in convertible notes	440	-440	0	0	0	0
Costs for conversion in convertible notes	0	-6	0	0	0	-6
Stock option expenses	0	-47	0	0	0	-47
<b>March 31, 2022</b>	<b>15,980</b>	<b>99,263</b>	<b>-93,160</b>	<b>-2,657</b>	<b>-339</b>	<b>19,087</b>

## FINANCIALS Q1 2022

### RESULTS OF OPERATIONS

In the first quarter of 2022, we recorded revenues of EUR 115 thousand (Q1 2021: EUR 106 thousand). Product sales increased slightly from EUR 106 thousand in Q1 2021 to EUR 110 thousand in Q1 2022. As a consequence of the Covid 19 pandemic and due to the fact, that we could not achieve a reimbursement in the U.S. market yet, the U.S. business remained at a low level.

Cost of sales was EUR 26 thousand in Q1 2022 (Q1 2021: EUR 23 thousand). Our gross margin was 77% in the first quarter of 2022 (Q1 2021: 78%).

Other income of EUR 805 thousand in Q1 2022 (Q1 2021: EUR 1,096 thousand) includes EUR 719 thousand for exchange rate gains from currency translation and EUR 85 thousand for income from reversal of provisions and correction of deferred liabilities.

R&D costs increased strongly as planned from EUR 737 thousand in Q1 2021 to EUR 1,401 thousand in Q1 2022. After almost all clinical trials came to a standstill in the previous year due to Covid-19, patient enrollment in trials is increasing again. After the end of short-time work (mid-September 2021), full-time work was again performed on projects at the Berlin site, so that R&D-related expenses for this increased. In addition, additional personnel were recruited in the USA for the "Next-Gen" study.

Our selling and administrative expenses increased to EUR 2,015 thousand in the first quarter of 2022 from EUR 1,601 thousand in the same period of 2021, mainly due to the preparation of U.S. market studies for future market development there.

Other expenses of EUR 125 thousand in the first quarter of 2022 (Q1 2021: EUR 15 thousand) were exclusively attributable to exchange rate losses from currency translation.

Overall, our operating costs increased to EUR 3.6 million in Q1 2022 compared to EUR 2.4 million in the same period of the previous year for the reasons mentioned above.

In Q1 2022, we incurred a net loss of EUR 2.7 million (Q1 2021: EUR 1.2 million). The net loss per share for the quarter decreased from EUR 0.20 in the previous year to EUR 0.17. This decrease in the net loss was caused by the capital measures implemented in 2021 and the resulting increase in the number of shares.

### FINANCIAL POSITION AND CASH FLOW

In the first quarter of 2022, the cash outflow from operating activities increased by EUR 877 thousand from EUR 2,397 thousand to EUR 3,274 thousand. This is attributable to the year-on-year increase in operating profit before depreciation and amortization and share-based compensation in the reporting period.

The cash inflow from investing activities of EUR 996 thousand in the first quarter of 2021 was offset by a cash outflow of EUR 134 thousand in the reporting period. When making this comparison, it should be noted that in 2021 a cash inflow of EUR 984 thousand resulted from the sale of marketable securities.

The cash outflow from financing activities amounted to EUR 96 thousand in the first three months of 2022, compared with a cash inflow of EUR 5,267 thousand in the same period of the previous year. The background to the change was the issue of convertible bonds in the first quarter of 2021. Payments for leases are included in financing cash flow in the amount of EUR 86 thousand (Q1 2021: EUR 66 thousand).

Our net cash flow for the first quarter of 2022 was EUR -3,504 thousand (Q1 2021: EUR -3,866 thousand).

Cash and cash equivalents usage increased to EUR 3,408 thousand in the first three months of 2022 compared to EUR 2,386 thousand in the same period of the previous year.

Cash and cash equivalents amounted to EUR 20,039 thousand as of the reporting date (December 31, 2021: EUR 23,049 thousand).

## NET ASSET POSITION

As of the reporting date, non-current assets increased from EUR 1.0 million as of December 31, 2021 to EUR 1.6 million. The increase was mainly due to the application of IFRS 16, under which rights of use from rental and lease agreements for the San Diego site amounting to EUR 0.6 million were capitalized. Current assets decreased from EUR 23.7 million at the beginning of the reporting period to EUR 20.8 million as of March 31, 2022, mainly as a result of cash consumption for operating activities in the first quarter.

Total equity decreased by EUR 3.0 million to EUR 19.1 million as of the reporting date (December 31, 2021: EUR 22.1 million). The equity ratio decreased to 85.1% as of the reporting date (December 31, 2021: 89.7%).

Compared with the closing balance sheet as of December 31, 2021, non-current liabilities increased to EUR 769 thousand as of March 31, 2022 (December 31, 2021: EUR 400 thousand). This mainly includes liabilities from rental and lease agreements in the amount of EUR 728 thousand.

Current liabilities increased from EUR 2.1 million as of December 31, 2021 to EUR 2.6 million as of March 31, 2022.

## OPPORTUNITIES AND RISKS

The opportunities and risks to which our company's business activities are exposed are described in detail in the Group management report, which we published together with the consolidated financial statements for 2021, and have not changed. These consolidated financial statements are available on our website ([www.epigenomics.com](http://www.epigenomics.com)).

## SHAREHOLDINGS OF THE MEMBER OF THE BOARDS OF EPIGENOMICS AG

### Numbers as of March 31, 2022

	Shares	Stock options	Phantom stock options	Convertible notes
<b>Greg Hamilton (CEO)</b>	2,656	73,946	0	0
<b>Andrew Lukowiak, Ph.D., (President und CSO)</b>	0	0	100,000	0
<b>Jens Ravens (CFO)</b>	0	0	0	0
<b>Total Executive Board</b>	<b>2,656</b>	<b>73,946</b>	<b>100,000</b>	<b>0</b>
<b>Heino von Prondzynski (Chairman)</b>	166,260	0	0	0
<b>Alexander Link (Deputy Chairman)</b>	11,490	0	0	50
<b>Dr. Helge Lubenow</b>	2,193	0	0	0
<b>Franz Thomas Walt</b>	2,437	0	0	32
<b>Total Supervisory Board</b>	<b>182,380</b>	<b>0</b>	<b>0</b>	<b>82</b>



## OUTLOOK

We confirm our outlook for fiscal year 2022, as presented in the Group management report section of the Annual Report 2021:

- Revenue 2022: between EUR 0.3 Mio. and EUR 0.8 Mio.
- EBITDA before share-based payment expenses 2022: between EUR -15.0 Mio. and -17.0 Mio.
- Cash consumption 2022: between EUR 15.0 Mio. and EUR 17.0 Mio.

This interim statement was approved and cleared for publication by the Executive Board of the Company on May 11, 2022

Berlin, May 11, 2022

The Executive Board



## DISCLAIMER

This publication expressly or implicitly contains certain forward-looking statements concerning Epigenomics AG and its business. Such statements involve certain known and unknown risks, uncertainties and other factors which could cause the actual results, financial condition, performance or achievements of Epigenomics AG to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Epigenomics AG is providing this statement as of this date and does not undertake to update any forward-looking statements contained herein as a result of new information, future events or otherwise.



## FINANCIAL CALENDAR

Annual General Meeting 2022 .....	Wednesday, June 15 2022
Report on second quarter/first half 2022 .....	Wednesday, August 10 2022
Report on third quarter 2022 .....	Wednesday, November 9 2022

## PICTURE CREDITS

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