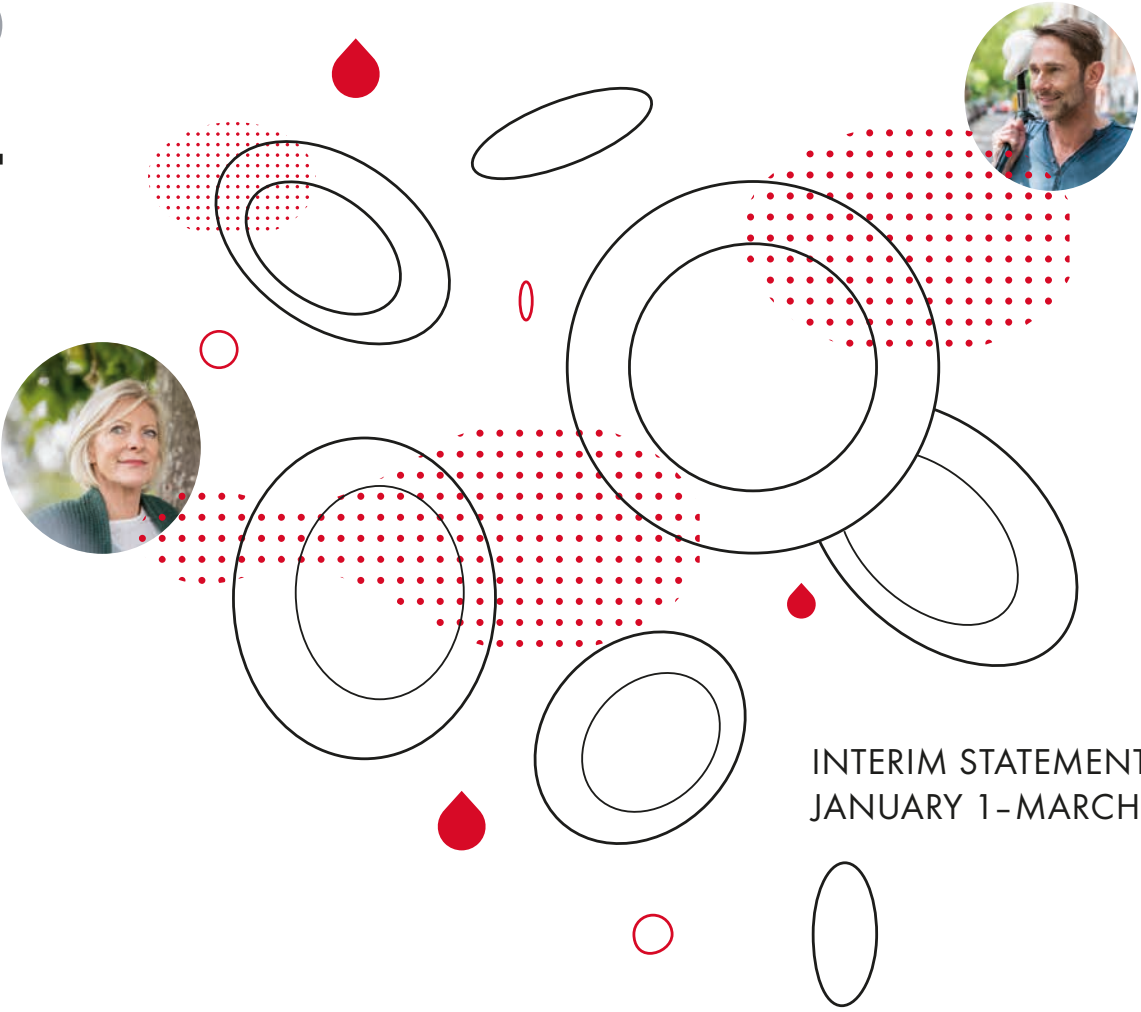


epigenomics



INTERIM STATEMENT Q1
JANUARY 1-MARCH 31 2021

**SAVING LIVES
THROUGH BLOOD-BASED
CANCER DETECTION**

QUARTERLY DEVELOPMENT OF KEY FIGURES (UNAUDITED)

– according to the financial reporting –

in EUR thousand (unless indicated otherwise)

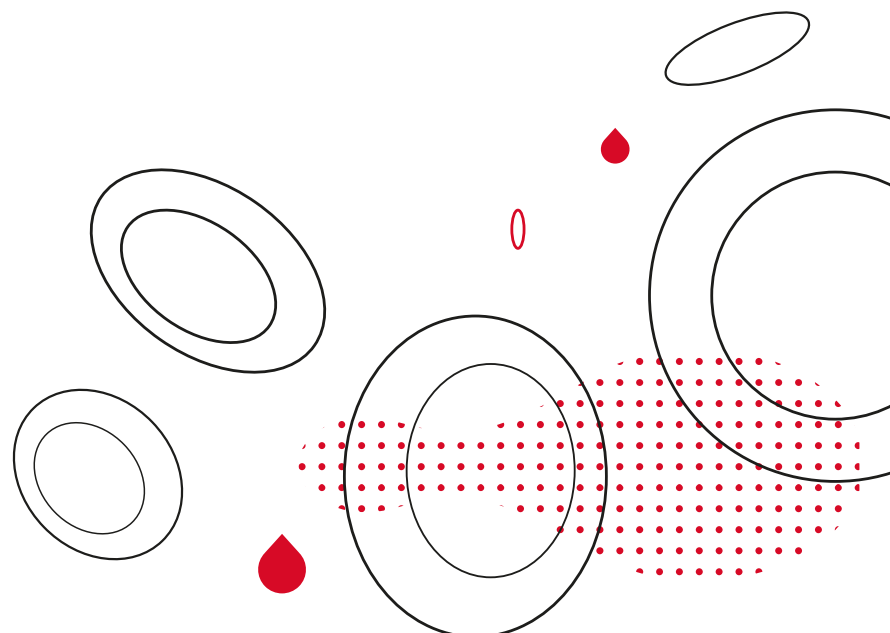
| | Q1 2020 | Q2 2020 | Q3 2020 | Q4 2020 | Q1 2021 |
|--|-----------|-----------|-----------|-----------|-----------|
| Statement of Profit or Loss | | | | | |
| Revenue | 239 | 83 | 219 | 301 | 106 |
| Gross profit | 182 | 68 | 176 | 271 | 83 |
| EBIT | -2,966 | -3,356 | -2,741 | -2,564 | -1,174 |
| EBITDA | -2,828 | -3,220 | -2,611 | -2,433 | -941 |
| EBITDA before share-based payment costs | -2,641 | -3,018 | -2,430 | -2,372 | -985 |
| Net loss for the period | -2,982 | -3,373 | -2,754 | -2,577 | -1,201 |
| Balance Sheet (at the respective reporting dates) | | | | | |
| Non-current assets | 1,748 | 1,606 | 1,466 | 1,328 | 1,101 |
| Current assets | 11,803 | 9,435 | 7,364 | 5,469 | 8,398 |
| Non-current liabilities | 687 | 625 | 563 | 496 | 474 |
| Current liabilities | 6,592 | 3,099 | 2,723 | 2,437 | 2,546 |
| Equity | 6,272 | 7,317 | 5,544 | 3,864 | 6,479 |
| Equity ratio (in %) | 46,3 | 66,3 | 62,8 | 56,8 | 68,2 |
| Total assets | 13,551 | 11,041 | 8,830 | 6,797 | 9,499 |
| Statement of Cash Flows | | | | | |
| Cash flow from operating activities | -3,272 | -2,244 | -1,983 | -2,072 | -2,397 |
| Cash flow from investing activities | -12 | 18 | 2 | -5 | 996 |
| Cash flow from financing activities | 3,363 | -213 | -96 | -72 | 5,267 |
| Net cash flow | 79 | -2,439 | -2,077 | -2,149 | 3,866 |
| Cash consumption | -3,284 | -2,226 | -1,981 | -2,077 | -1,401 |
| Cash and cash equivalents at the end of the period | 10,252 | 7,809 | 5,735 | 3,566 | 7,446 |
| Stock¹ | | | | | |
| Weighted-average number of shares issued | 5,440,961 | 5,891,230 | 5,891,230 | 5,891,230 | 5,891,230 |
| Earnings per share (basic and diluted, in EUR) | -0.55 | -0.57 | -0.47 | -0.43 | -0.20 |
| Share price at the end of the period (in EUR) | 8.72 | 11.60 | 19.60 | 3.40 | 2.32 |
| Number of employees at the end of the period | | | | | |
| | 40 | 39 | 38 | 37 | 32 |

¹ Due to the capital reduction carried out in the previous year at a ratio of 8:1, the previous year's figures stated here have been adjusted where necessary for reasons of comparability.

INTERIM STATEMENT ON FINANCIAL RESULTS FOR Q1 2021

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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 2021 | Q1 2020 |
|--|---------------|---------------|
| Revenue | 106 | 239 |
| Cost of sales | -23 | -57 |
| Gross profit | 83 | 182 |
| Gross margin (in %) | 78.3 | 76.2 |
| Other income | 1,096 | 475 |
| Research and development (R&D) costs | -737 | -1,603 |
| Selling, general and administrative (SG&A) costs | -1,601 | -1,992 |
| Other expenses | -15 | -28 |
| Operating result/ Earnings before interest and taxes (EBIT) | -1,174 | -2,966 |
| Interest income | 3 | 7 |
| Interest expenses | -11 | -15 |
| Other financial result | -16 | 0 |
| Net loss for the period before taxes on income | -1,198 | -2,974 |
| Taxes on income | -3 | -8 |
| Net loss for the period | -1,201 | -2,982 |
| Items that may be reclassified subsequently to profit or loss: | | |
| Exchange rate differences from the conversion of foreign entities | -812 | -394 |
| Fair value adjustment of financial instruments measured at fair value through other comprehensive income | 39 | -150 |
| Other comprehensive income for the period | -773 | -544 |
| Total comprehensive income for the period | -1,974 | -3,526 |
| Earnings per share (basic and diluted, in EUR)¹ | -0.20 | -0.55 |

¹ For reasons of comparability, the figures for 2020 have been adjusted retrospectively.

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 2021, the weighted-average number of shares issued was 5,891,230 (Q1 2020: 5,440,961).

OPERATING RESULT (EBIT) AND EBITDA

| EUR thousand | Q1 2021 | Q1 2020 |
|---|---------------|---------------|
| Operating result/Earnings before interest and taxes (EBIT) | -1,174 | -2,966 |
| Amortization and depreciation | 233 | 138 |
| EBIT before amortization and depreciation (EBITDA) | -941 | -2,828 |
| Share-based payment costs | -44 | 187 |
| EBITDA before share-based payment costs | -985 | -2,641 |

CONSOLIDATED BALANCE SHEET AS OF MARCH 31 (UNAUDITED)

| ASSETS EUR thousand | Mar 31, 2021 | Dec 31, 2020 |
|---------------------------------|---------------------|---------------------|
| Non-current assets | | |
| Intangible assets | 97 | 144 |
| Property, plant and equipment | 1,004 | 1,184 |
| Total non-current assets | 1,101 | 1,328 |
| Current assets | | |
| Inventories | 279 | 122 |
| Trade receivables | 53 | 251 |
| Marketable securities | 0 | 961 |
| Cash and cash equivalents | 7,446 | 3,566 |
| Other current assets | 620 | 569 |
| Total current assets | 8,398 | 5,469 |
| Total assets | 9,499 | 6,797 |

| EQUITY AND LIABILITIES EUR thousand | Mar 31, 2021 | Dec 31, 2020 |
|--|---------------------|---------------------|
| Equity | | |
| Subscribed capital | 5,891 | 5,891 |
| Capital reserve | 92,007 | 87,419 |
| Retained earnings | -90,732 | -79,046 |
| Net loss for the period | -1,201 | -11,686 |
| Other comprehensive income | 514 | 1,286 |
| Total equity | 6,479 | 3,864 |
| Non-current liabilities | | |
| Liabilities from leasing contracts | 438 | 460 |
| Provisions | 36 | 36 |
| Total non-current liabilities | 474 | 496 |
| Current liabilities | | |
| Trade payables | 1,158 | 629 |
| Liabilities from leasing contracts | 196 | 223 |
| Deferred income | 94 | 80 |
| Other liabilities | 745 | 627 |
| Provisions | 353 | 878 |
| Total current liabilities | 2,546 | 2,437 |
| Total equity and liabilities | 9,499 | 6,797 |

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

| EUR thousand | Q1 2021 | Q1 2020 |
|--|---------------|---------------|
| Cash and cash equivalents at the beginning of the period | 3,566 | 10,155 |
| Operating activities | | |
| Net loss for the period | -1,201 | -2,982 |
| Adjustments for: | | |
| Share-based payment expenses | -44 | 187 |
| Amortization of intangible assets | 47 | 49 |
| Depreciation of property, plant and equipment | 186 | 88 |
| Foreign currency exchange results | -560 | 0 |
| Financial income | -26 | -7 |
| Financial expenses | 50 | 16 |
| Taxes | 3 | 8 |
| Operating result before changes in operating assets and liabilities | -1,652 | -2,641 |
| Changes in operating assets and liabilities | | |
| Inventories | -156 | 25 |
| Trade receivables | 195 | 17 |
| Other assets | -48 | 233 |
| Non-current and current provisions | -529 | 522 |
| Trade payables and other liabilities | -326 | -1,535 |
| Deferred income | 15 | 115 |
| Tax paid | -3 | -8 |
| Cash flow from operating activities | -2,397 | -3,272 |

| EUR thousand | Q1 2021 | Q1 2020 |
|---|--------------|---------------|
| Investing activities | | |
| Payments to acquire intangible fixed assets | 0 | -11 |
| Payments to acquire property, plant and equipment | 0 | -7 |
| Payments from the sale of marketable securities | 984 | 0 |
| Interest received | 12 | 6 |
| Cash flow from investing activities | 996 | -12 |
| Financing activities | | |
| Proceeds from the issue of new shares | 0 | 3,602 |
| Payments for the issue of new shares | 0 | -171 |
| Proceeds from the issue of convertible bonds | 5,500 | 0 |
| Payments for the issue of convertible bonds | -167 | 0 |
| Payments for leasing contracts | -66 | -68 |
| Cash flow from financing activities | 5,267 | 3,363 |
| Total net cash flow | 3,866 | 79 |
| Currency translation effects | 14 | 18 |
| Cash and cash equivalents at the end of the period | 7,446 | 10,252 |

At the reporting date, EUR 84 thousand of cash and cash equivalents included restricted cash.

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

| TEUR | Subscribed capital | Capital reserve | Retained earnings | Net loss for the period | Other comprehensive income | Group equity |
|---|--------------------|-----------------|-------------------|-------------------------|----------------------------|---------------|
| December 31, 2019 | 43,528 | 69,251 | -85,807 | -17,020 | -323 | 9,629 |
| Total comprehensive income | 0 | 0 | 0 | -2,982 | -544 | -3,526 |
| Transfer of net loss for the year 2019 to retained earnings | 0 | 0 | -17,020 | 17,020 | 0 | 0 |
| Costs for the creation of new shares | 0 | -18 | 0 | 0 | 0 | -18 |
| Stock option expenses | 0 | 187 | 0 | 0 | 0 | 187 |
| March 31, 2020 | 43,528 | 69,420 | -102,826 | -2,982 | -868 | 6,272 |
| December 31, 2020 | 5,891 | 87,419 | -79,046 | -11,686 | 1,286 | 3,864 |
| Total comprehensive income | 0 | 0 | 0 | -1,201 | -773 | -1,974 |
| 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 | -881 |
| Stock option expenses | 0 | -44 | 0 | 0 | 0 | -44 |
| March 31, 2021 | 5,891 | 92,007 | -90,732 | -1,201 | 514 | 6,479 |

FINANCIALS Q1 2021¹

FINANCIAL POSITION AND CASH FLOW

In the first quarter of 2021, the cash outflow from operating activities decreased by EUR 875 thousand from EUR 3,272 thousand to EUR 2,397 thousand due to the EUR 1,792 thousand year-on-year improvement in the operating result (EBIT) in the first three months of 2021. EUR 0.6 million of the improvement is attributable to a non-cash foreign currency effect.

The cash inflow from investing activities in the amount of EUR 996 thousand resulted largely from the sale of securities from current assets (Q1 2020: EUR -12 thousand).

The cash inflow from financing activities amounted to EUR 5,267 thousand in the first three months of 2021 (Q1 2020: EUR 3,363 thousand). This was due to proceeds from the issuance of convertible bonds in the reporting period. Payments for leases are included in financing cash flow in the amount of EUR 66 thousand (Q1 2020: EUR 68 thousand).

Our net cash flow for the first quarter of 2021 was EUR 3,866 thousand (Q1 2020: EUR 79 thousand).

Cash and cash equivalents amounted to EUR 7,446 thousand as of the reporting date (December 31, 2020: EUR 3,566 thousand).

RESULTS OF OPERATIONS

Product revenue decreased from EUR 239 thousand in the first quarter of 2020 to EUR 106 thousand in the first quarter of 2021 due to lower product sales in the United States and Europe. In the current pandemic situation, many beneficiaries continue to postpone their preventive medical check-ups. In addition, the negative reimbursement decision in the U.S.A. by the Centers for Medicare and Medicaid Services (CMS) at the beginning of the year is having a negative impact here.

Cost of sales was EUR 23 thousand in Q1 2021 (Q1 2020: EUR 57 thousand). Our gross margin increased in the first quarter from 76% in 2020 to 78% in 2021.

Other income of EUR 1,096 thousand in Q1 2021 (Q1 2020: EUR 475 thousand) includes EUR 834 thousand for exchange rate gains from currency translation and EUR 229 thousand for income from reversal of provisions.

R&D costs decreased from EUR 1,603 thousand in Q1 2020 to EUR 737 thousand in Q1 2021 due to the severe delay of almost all clinical trials caused by the Covid 19 pandemic. Among others, our post-approval study for Epi proColon was affected. R&D-related expenses for internal projects were also noticeably reduced due to short-time work at the Berlin site.

Our SG&A costs decreased to EUR 1,601 thousand in the first quarter of 2021 from EUR 1,992 thousand in the same period of 2020, mainly due to the reduction of sales and marketing activities in the United States.

Other expenses of EUR 15 thousand in the first quarter of 2021 (Q1 2020: EUR 28 thousand) were exclusively attributable to exchange rate losses from currency translation.

Overall, our operating costs decreased to EUR 2.4 million in Q1 2021, compared to EUR 3.7 million in the same period of the previous year, for the reasons mentioned above.

A net loss of EUR 1.2 million was recorded in Q1 2021 (Q1 2020: EUR 3.0 million). The net loss per share for the quarter decreased significantly from EUR 0.55 to EUR 0.20 compared to the same period of the previous year.

¹ Due to the capital reduction carried out in the previous year at a ratio of 8:1, the previous year's figures stated here have been adjusted where necessary for reasons of comparability.

NET ASSET POSITION

As of the reporting date, non-current assets decreased from EUR 1.3 million as of December 31, 2020 to EUR 1.1 million. Current assets increased from EUR 5.5 million at the beginning of the reporting period to EUR 8.4 million as of March 31, 2021. The rise resulted from the increase in cash and cash equivalents due to the issuance of the convertible bonds, offset by the cash consumption in the first quarter.

Total equity increased by EUR 2.6 million to EUR 6.5 million as of the reporting date (December 31, 2020: EUR 3.9 million). The increase in capital reserves by EUR 4.6 million due to the issuance of convertible bonds was partly offset by the net loss of the first quarter in the amount of EUR 1.2 million. The equity ratio increased to 68.2% as of the reporting date (December 31, 2020: 56.8%).

Compared with the closing balance sheet as of December 31, 2020 (EUR 496 thousand), non-current liabilities fell to EUR 474 thousand as of March 31, 2021, including liabilities from rental and lease agreements in the amount of EUR 438 thousand.

Current liabilities increased from EUR 2.4 million as of December 31, 2020 to EUR 2.5 million as of March 31, 2021.

OPPORTUNITIES AND RISKS

The opportunities and risks to which the business activities of our Company are exposed are described in detail in the Group management report, which we published together with the consolidated financial statements for 2020. In addition, we refer to the prospectus for the admission to trading of the new shares from the convertible bond issued in the first quarter of 2021, which we published after the end of the reporting period on April 16, 2021. Both documents are available on the Company's website (www.epigenomics.com).

REPORT ON POST-BALANCE SHEET DATE EVENTS

On April 27, 2021, and thus after the end of the reporting period, we published that the Executive Board of Epigenomics AG (Frankfurt Prime Standard: ECX, OTCQX: EPGNY; the "Company") 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 of the new shares was set at EUR 1.10. The new shares will be offered to the Company's shareholders as part of a public offering in Germany by way of indirect subscription rights during the subscription period, which is expected to run from May 3, 2021 to May 17, 2021. The subscription ratio will be 5:1. This means that for each five existing shares of the Company, a subscription right for one new share is allocated. The Company will strive to place new shares that are not subscribed during the subscription period with selected investors. M.M.Warburg & CO (AG & Co.) Kommanditgesellschaft auf Aktien is accompanying the transaction.



OUTLOOK

We confirm our outlook for fiscal year 2021, as presented in the Group management report section of the Annual Report 2020:

- Revenue 2021: between EUR 0.4 million and EUR 1.0 million.
- EBITDA before share-based payment expenses 2021: between EUR -7.0 million and EUR -9.0 million.
- Cash consumption 2021: between EUR 7.0 million and EUR 9.0 million.

This interim statement was approved and cleared for publication by the Executive Board of the Company on May 10, 2021.

Berlin, May 10, 2021

The Executive Board



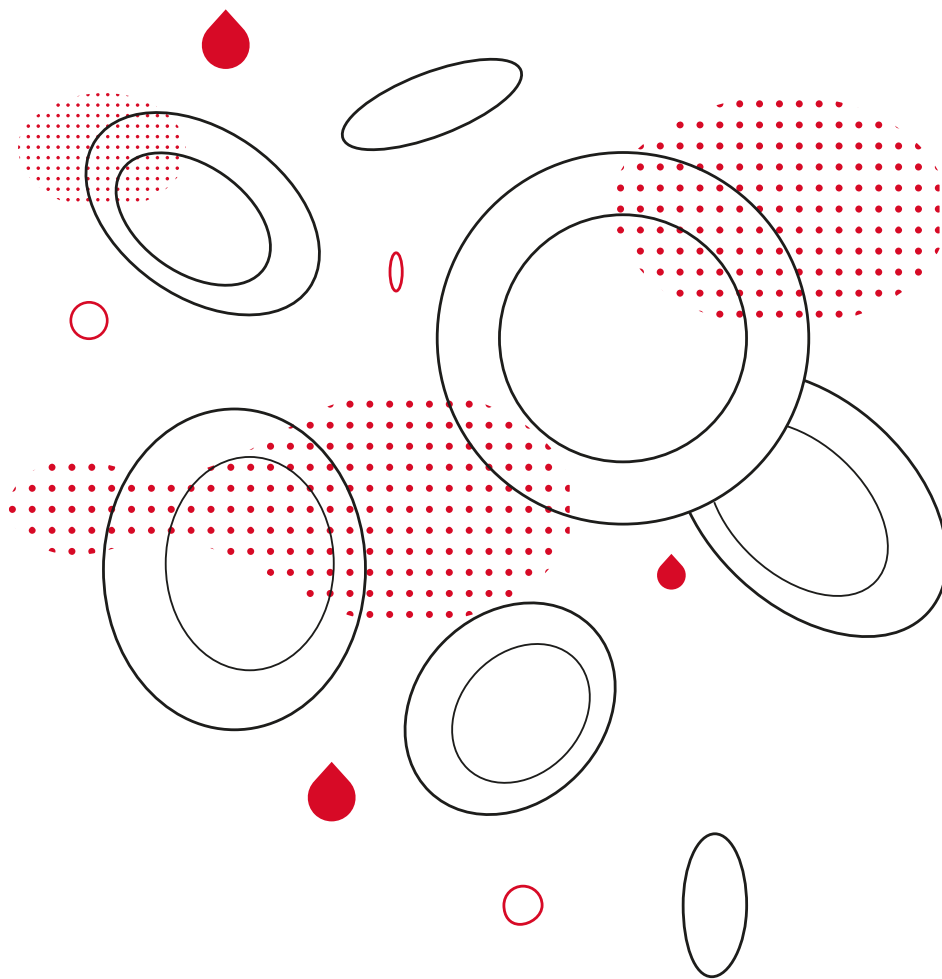
DISCLAIMER

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 position, 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 makes this statement as of the date of this publication and does not intend to update the forward-looking statements contained herein as a result of new information, future events or otherwise.



FINANCIAL CALENDAR

| | |
|--|------------------------------|
| Annual General Meeting 2021 | Wednesday, June 16, 2021 |
| Report on second quarter/first half 2021 | Wednesday, August 11, 2021 |
| Report on third quarter 2021 | Wednesday, November 10, 2021 |



CONTACT

Epigenomics AG
Genestrasse 5
10829 Berlin, Germany
Phone: +49 30 24345-0
Fax: +49 30 24345-555
contact@epigenomics.com

Investor IR.on AG
Frederic Hilke
Phone: +49 221 9140 970
ir@epigenomics.com

Concept & Design
Impactt GmbH
impactt.de