

Aspira Women's Health Reports Fourth Quarter and Full Year 2020 Financial Results

Description

To read a PDF of this press release including balance sheets, [please click here](#).

Conference Call scheduled for today, March 25th at 4:30 p.m. ET

AUSTIN, Texas — March 25, 2021 — Aspira Women's Health Inc. ("Aspira") (Nasdaq: AWH), a bio-analytical based women's health company focused on gynecologic disease, today reported its financial results for the fourth quarter and year ended December 31, 2020.

"In a year dominated by the pandemic, we delivered strong stock price appreciation, growth in revenue and test volume, and financial stability. In addition, we strengthened our team and board of directors. We are starting 2021 by announcing an accelerated product launch of OVASight, a new strategic partnership and increases in our sales footprint." stated Valerie Palmieri, President and CEO.

Recent Corporate Highlights

Acceleration of Launch Date of OVASight to Fourth Quarter 2021

Aspira announced the acceleration of the target launch date of OVASight to the fourth quarter of 2021 with full national availability in 2022. This test allows physicians to classify suspected benign masses as low or high risk for malignancy to help guide clinical management. The test is specifically designed for a population with a low prevalence of disease, and we estimate it may reach approximately 1.2 million to 1.5 million additional women in the United States.

Strategic Research Collaboration to Develop a Combined Technology Product- Development of Highly Sensitive and Specific Proteomic and Transcriptomics Early Detection Test For Women With High-Risk Of Ovarian Cancer

Aspira announced it has entered into an agreement with Dana Farber Cancer Institute (DFCI), Brigham and Women's Hospital, and Medical University Lodz to evaluate their jointly-developed novel microRNA (miRNA) technology in combination with current Aspira technologies, for the development of a highly sensitive and specific early detection test for women with high-risk of ovarian cancer.

New York Medicaid Coverage

We announced coverage by New York State Medicaid – one of the larger Medicaid populations in the U.S., covering 33% of the population in the state. This is a significant add to serve this underserved population in New York State, and this will bring our total covered lives to approximately 179M or 54% of the U.S. population as of April 1, 2021.

Financing

On February 8, 2021, the Company completed an offering of Aspira common stock resulting in net proceeds of approximately \$48.4 million, including full exercise of the underwriters option to purchase additional shares and after giving effect to underwriting discounts but before expenses.

Board Update

Aspira announced the appointment of Nicole Sandford to its board of directors. The board is now 71% female.

Financial Highlights

Quarter over Quarter Results – Fourth Quarter 2020 versus Fourth Quarter 2019:

- Total product and genetics volumes were relatively flat at 3,937 units compared to 3,950 units in the fourth quarter of last year
- Total product and genetics revenue increased 11% to \$1.4 million up from \$1.3 million in the fourth quarter of last year

Year over Year Results – Full Year of 2020 versus Full Year 2019:

- Total product and genetics volumes increased 7% to 13,864 units up from 12,994 units in 2019
- Total product and genetics revenue increased 5% to \$4.6 million up from \$4.4 million in 2019

Fourth Quarter Highlights:

- Total Product and genetics revenue was \$1.446 million for the three months ended December 31, 2020, compared to \$1.239 million for the third quarter 2020. The 17% sequential increase is primarily due to an increase in OVA1plus test volume compared to the prior quarter. Prior year fourth quarter total product and genetics revenue was \$1.306 million.
- The number of OVA1plus tests performed increased 7% to approximately 3,849 OVA1plus tests during the three months ended December 31, 2020, compared to approximately 3,596 OVA1plus tests for the third quarter. This test volume increase was primarily due to our continued investment in commercialization and a further increase in patient doctor visits as patients have adjusted to the COVID-19 environment. Prior year fourth quarter OVA1plus tests performed was 3,854.
- Gross profit on OVA1plus product revenue was \$695 thousand (50% profit margin) for the fourth quarter 2020 compared to \$547 thousand for the third quarter of 2020 (45% profit margin). Prior year

fourth quarter OVA1plus gross profit was \$619 thousand (48% profit margin).

- Research and development expenses for the fourth quarter 2020 were \$734 thousand compared to \$244 thousand the same period in 2019. This increase was primarily due to product development costs related to OVASight, our third-generation serial monitoring product, as well as investments in bioinformatics and Aspira Synergy, a decentralized platform and cloud service technology.
- Sales and marketing expenses for the fourth quarter 2020 were \$2.843 million compared to \$2.076 million the same period in 2019. This increase was primarily due to increased expenditures on marketing to improve product awareness as well as investments in personnel.
- General and administrative expenses for the fourth quarter 2020 were \$2.728 million compared to \$1.600 million for the same period in 2019. This increase was primarily due to an increase in legal expenditures, board of director fees, which included the cash settlement of restricted stock units to defray tax liabilities resulting from earlier-granted restricted stock units, and headcount and personnel-related expenses in the fourth quarter.
- The Company ended the year with approximately \$16.6 million in cash. Cash utilization in the fourth quarter of 2020 was \$4.205 million, compared to \$2.933 million in the prior year fourth quarter.
- On February 8, 2021, the Company completed a public offering of its common stock resulting in net proceeds of approximately \$48.4 million, after giving effect to underwriting discounts but before expenses.

Conference Call and Webcast

Aspira will host a call today at 4:30 p.m. Eastern Time to discuss results followed by a question and answer period.

Thursday March 25th @ 4:30pmET

877-407-4018 ß Investors Dial

201-689-8471 ß Int'l Investors Dial

13717832 ß Conference ID

Webcast: <http://public.viavid.com/index.php?id=144003>