

Aspira Women's Health Reports Fourth Quarter and Full Year 2021 Financial Results

Description

Total Revenue Increased 46% to \$6.8 million; OVA1 Volume Grew 28% to 17,359 Units

Exercise of option in the Harvard Dana-Farber Cancer Institute Collaboration

Leadership and Board appointments implemented in First Quarter of 2022

Conference Call and Webcast scheduled for today, March 23rd at 8:30 a.m. ET

AUSTIN, Texas —March 23, 2022 — 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, 2021.

"We are pleased to announce our full 2021 results and early 2022 trends. The trend in new ordering physicians as we enter the new year is extremely encouraging," noted Valerie Palmieri, Aspira's Executive Chair. "We are excited about the success of our collaboration with the Harvard Dana-Farber Cancer Institute, and, just this month, we have exercised our option for an exclusive world-wide license of the Micro RNA technology," said Nicole Sandford, Aspira's Chief Executive Officer. "We are working with our collaborators to develop a combined test leveraging our high sensitivity protein markers together with the high specificity miRNA technology," Ms. Sandford continued.

Recent Corporate Highlights

- **Exercise of the option for an exclusive world-wide license of cutting-edge miRNA technology.** In connection with our Strategic Research Collaboration Agreement for the development and commercialization of a high risk ovarian cancer early-detection test with the Harvard Dana-Farber Cancer Institute, Brigham and Women's Hospital and Medical University Lodz, this month we have exercised our option for an exclusive world-wide license of miRNA technology and will continue development of a novel combined assay utilizing this new platform. We believe the high specificity demonstrated by the miRNA technology coupled with our strong sensitivity has the potential to be the base technology for a diagnostic which will function as a test for women with a high genetic risk of ovarian cancer.
- **Expansion of Aspira's Leadership Team.** The Company recently named Valerie Palmieri as Executive Chair of the Board and Nicole Sandford as President and Chief Executive Officer of the Company. Nicole will lead the business, execute strategic and operational plans and scale and transform operational and functional areas to support our planned growth. Valerie will focus on specific strategic imperatives and enterprise value drivers, including the launch of critical new products, further development of Aspira's thought leadership, including strategic commercial, scientific and advocacy partnerships as well as clinical and scientific leadership via Key Opinion

Leader advisory networks.

- **Board Member Appointment.** Celeste Fralick, Ph.D., was appointed to the Company's board of directors during the first quarter of 2022. Dr. Fralick recently retired as Chief Data Scientist at McAfee where she was responsible for developing enterprise and consumer product analytics and the data ecosystem, cardiomyopathy and neurostimulation. Dr. Fralick is an accomplished executive who brings over four decades of data strategy experience to the Board.
- **Commercial Leadership Appointment and Commercial Strategic Refresh.** During the first quarter of 2022, Michael Newton was appointed head of commercial. Drawing on over twenty years of diagnostic healthcare sales experience, Michael helped to execute a commercial strategic refresh and reorganization in February 2022 to enhance our national sales force and drive the accelerated adoption of OVA1plus as the standard of care for early risk detection of ovarian cancer in women who have been planned for surgery. This strategic refresh is aimed at positioning us to take full advantage of our commercial scale-up over the past 18 months, focusing on the most promising territories.
- **Customer Base Expansion.** The number of base ordering physicians increased to approximately 3,216 for the fourth quarter of 2021, representing a year-over-year increase of 23% and a sequential increase of 10% for the quarter. The total number of new physicians in the fourth quarter of 2021 was 584, an increase of 25% over the same period in the prior year, and we noted a significant new customer increase of 32% sequentially versus the third quarter of 2021.

Highlights of Full Year 2021 vs. Full Year 2020:

- Product revenue was \$6,568,000 for the year ended December 31, 2021, compared to \$4,543,000 for the same period in 2020, an increase of 45%.
- The number of OVA1plus tests performed increased 28% to 17,359 OVA1plus tests during the year ended December 31, 2021, compared to 13,557 OVA1plus tests for the same period in 2020.
- The revenue per OVA1plus test performed increased to \$378 compared to \$334 for the same period in 2020, an increase of 13%.
- Gross profit margin for OVA1plus was 55% for the year ended 2021 compared to 45% for the same period in 2020.
- Research and development expenses for the year ended December 31, 2021 increased by \$3,210,000, or 153%, compared to the same period in 2020.
- Sales and marketing expenses for the year ended December 31, 2021 increased by \$8,243,000, or 93%, compared to the same period in 2020. The increase was primarily driven by increases in personnel costs and investments in marketing.
- General and administrative expenses for the year ended December 31, 2021 increased by \$4,987,000, or 60%, compared to the same period in 2020.
- We ended 2021 with approximately \$37.2 million in unrestricted cash. Cash used in operations for the year ended December 31, 2021 was \$27.4 million compared to \$14.7 million for the same period in 2020. The increase was primarily driven by investment in new hires, as well as research and development spending focused on OvaWatch and EndoCheck.

Highlights of Fourth Quarter 2021 vs. Fourth Quarter 2020:

- Product revenue was \$1,815,000 for the three months ended December 31, 2021, compared to \$1,402,000 for the same period in 2020, an increase of 29%.
- The number of OVA1plus tests performed increased 23% to 4,750 OVA1plus tests during the three months ended December 31, 2021, compared to 3,849 OVA1plus tests for the same period in 2020.
- The revenue per OVA1plus test performed for the three months ended December 31, 2021 increased to approximately \$382 compared to \$364 for the same period in 2020, an increase of 5%. This increase was primarily driven by an increase in payments by contracted payers and improved collections.
- Gross profit margin for OVA1plus was 56% for the three months ended December 31, 2021 compared to 50% for the same period in 2020. The year-over-year increase was primarily driven by an increase in average revenue per test.
- Research and development expenses for the three months ended December 31, 2021 increased by \$719,000, or 98%, compared to the same period in 2020. This increase was primarily due to increased personnel and consulting expenses associated with the EndoCheck regulatory clearance process.
- Sales and marketing expenses for the three months ended December 31, 2021 increased by \$2,035,000, or 72%, compared to the same period in 2020. This increase was primarily due to increased personnel, consulting and recruiting costs.
- General and administrative expenses for the three months ended December 31, 2021 increased by \$902,000 or 33%, compared to the same period in 2020. This increase was primarily due to an increased personnel, legal fees and consulting expenses.
- We ended the fourth quarter of 2021 with approximately \$37.2 million in unrestricted cash. Cash used in operations in the fourth quarter of 2021 was \$7.6 million compared to \$4.8 million in the fourth quarter of 2020. This increase was across all elements of operating expenses, but primarily sales and marketing employment costs.

Conference Call and Webcast

Aspira will host a call today at 8:30 a.m. Eastern Time to discuss results followed by a question-and-answer period.

Domestic: 1-877-407-4018

International: 1-201-689-8471

Conference ID: 13726810

Webcast: https://viaid.webcasts.com/starthere.jsp?ei=1527421&tp_key=e6d813f5a1

About Aspira Women's Health Inc.

Aspira Women's Health Inc. is transforming women's health with the discovery, development, and commercialization of innovative testing options and bio-analytical solutions that help physicians assess risk, optimize patient management, and improve gynecologic health outcomes for women. Aspira Women's Health is particularly focused on closing the ethnic disparity gap in ovarian cancer risk assessment and developing solutions for pelvic diseases such as pelvic mass risk assessment and

endometriosis. OVA1plus™ combines our FDA-cleared products, OVA1® and OVERA®, to detect risk of ovarian malignancy in women with adnexal masses. Aspira GenetiX™ testing offers both targeted and comprehensive genetic testing options with a gynecologic focus. With over 10 years of expertise in ovarian cancer risk assessment, Aspira Women's Health is working to deliver a portfolio of pelvic mass products over a patient's lifetime with our cutting-edge research. The next generation of products in development include OVAWatch™ and EndoCheck™. To improve patient accessibility, Aspira Women's Health has recently launched our Aspira Synergy technology transfer platform to empower health systems, academics, regional labs, and physician group labs to conduct genetic and specialty tests in-house. Visit our website for more information at www.aspirawh.com.