



Personalis Reports Fourth Quarter and Full Year 2021 Financial Results

February 24, 2022

MENLO PARK, Calif.--(BUSINESS WIRE)--Feb. 24, 2022--Personalis, Inc. (Nasdaq: PSNL), a leader in advanced genomics for precision oncology, today reported financial results for the fourth quarter and full year ended December 31, 2021.

Fourth Quarter and Recent Highlights

- Reported quarterly revenue of \$20.7 million in the fourth quarter of 2021 compared with \$20.2 million in the fourth quarter of 2020, a 3% increase
 - Revenue from biopharma and other customers, excluding the VA MVP (as defined below), of \$15.4 million in the fourth quarter of 2021 compared with \$7.6 million in the fourth quarter of 2020, a 102% increase and a record quarter; revenue from biopharma and other customers includes revenue from Natera at \$5.8 million in the fourth quarter of 2021; revenue from biopharma customers excluding Natera at \$9.6 million for the fourth quarter of 2021, a 26% increase compared with the fourth quarter of 2020
 - Revenue from the U.S. Department of Veterans Affairs Million Veterans Program (VA MVP) of \$5.3 million in the fourth quarter of 2021 compared with \$12.6 million in the fourth quarter of 2020, a decrease of 58%
- Launched tumor-informed liquid biopsy assay, NeXT Personal™ in December 2021; NeXT Personal is designed to deliver industry leading molecular residual disease (MRD) sensitivity down to approximately 1 part-per-million, which is expected to enable earlier detection across a broader set of cancers with low mutational burden and low-shedding cancers
- Received first customer order for NeXT Personal in the first quarter of 2022 from a top global pharmaceutical company
- Announced a collaboration with the Moores Cancer Center at UC San Diego Health, a National Cancer Institute-designated Comprehensive Cancer Center, to support clinical diagnostic testing in patients with advanced solid tumors and hematological malignancies
- Added Olivia Bloom to the Personalis Board of Directors and Audit Committee effective March 1, 2022; Ms. Bloom is a certified public accountant and currently serves as Executive Vice President and Chief Financial Officer of Geron Corporation
- Cash, cash equivalents, and short-term investments were \$287.1 million as of December 31, 2021

Full Year 2021 Highlights

- Reported annual revenue of \$85.5 million for the full year of 2021 compared with \$78.6 million for the full year of 2020, a 9% increase
 - Revenue from biopharma and other customers of \$39.8 million for the full year of 2021 compared with \$22.5 million for the full year of 2020, a 77% increase; revenue from biopharma and other customers includes revenue from Natera of \$8.6 million for the full year of 2021; revenue from biopharma customers excluding Natera of \$31.2 million for the full year of 2021, a 39% increase
 - Revenue from the VA MVP of \$45.7 million for the full year of 2021 compared with \$56.2 million for the full year of 2020, a decrease of 19%; VA MVP unfulfilled orders were approximately \$7.6 million at December 31, 2021 and remaining unfulfilled orders are expected to be recognized as revenue from the first quarter through the third quarter of 2022, depending upon sample receipt volume and timing from the VA MVP

"I'm pleased to report that revenue for our oncology business exceeded \$15 million in the fourth quarter of 2021 and was nearly \$40 million for the full year 2021 and grew 77% over 2020, reflecting consistent execution on our growth initiatives. Customer orders were once again significantly above revenue for both the fourth quarter and full year of 2021. Accordingly, we expect our oncology revenue to grow by more than 50% in 2022 over 2021," said John West, Chief Executive Officer of Personalis. "In addition, we recently received our first customer order for NeXT Personal, our MRD liquid biopsy offering, from a large global pharmaceutical company. We expect NeXT Personal to be an important growth driver for both biopharma and diagnostic test revenue."

Fourth Quarter 2021 Financial Results

- Revenue was \$20.7 million in the three months ended December 31, 2021
- Gross margin was 38.7% in the three months ended December 31, 2021
- Operating expenses were \$28.2 million in the three months ended December 31, 2021
- Net loss was \$20.2 million in the three months ended December 31, 2021 and net loss per share was \$0.45 based on a weighted-average basic and diluted share count of 44.8 million
- Cash, cash equivalents, and short-term investments were \$287.1 million as of December 31, 2021

Full Year 2021 Financial Results

	(unaudited)			
Revenue	\$ 20,682	\$ 20,176	\$ 85,494	\$ 78,648
Costs and expenses				
Cost of revenue	12,686	14,106	53,837	58,534
Research and development	14,512	8,520	49,312	28,568
Selling, general and administrative	13,709	10,920	47,698	33,692
Total costs and expenses	<u>40,907</u>	<u>33,546</u>	<u>150,847</u>	<u>120,794</u>
Loss from operations	(20,225)	(13,370)	(65,353)	(42,146)
Interest income	81	76	367	949
Interest expense	(59)	—	(184)	(2)
Other income (expense), net	<u>1</u>	<u>(29)</u>	<u>(42)</u>	<u>(24)</u>
Loss before income taxes	(20,202)	(13,323)	(65,212)	(41,223)
Provision for income taxes	<u>(3)</u>	<u>18</u>	<u>14</u>	<u>57</u>
Net loss	<u>\$ (20,199)</u>	<u>\$ (13,341)</u>	<u>\$ (65,226)</u>	<u>\$ (41,280)</u>
Net loss per share, basic and diluted	<u>\$ (0.45)</u>	<u>\$ (0.34)</u>	<u>\$ (1.49)</u>	<u>\$ (1.20)</u>
Weighted-average shares outstanding, basic and diluted	<u>44,808,998</u>	<u>38,962,860</u>	<u>43,886,730</u>	<u>34,374,903</u>

PERSONALIS, INC.
SUPPLEMENTAL REVENUE INFORMATION
(in thousands)

	Three Months Ended		Year Ended December 31,	
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
	(unaudited)			
VA MVP	\$ 5,304	\$ 12,556	\$ 45,671	\$ 56,154
All other customers	<u>15,378</u>	<u>7,620</u>	<u>39,823</u>	<u>22,494</u>
Total	<u>\$ 20,682</u>	<u>\$ 20,176</u>	<u>\$ 85,494</u>	<u>\$ 78,648</u>

PERSONALIS, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	December 31, 2021	December 31, 2020
Assets		
Current assets		
Cash and cash equivalents	\$ 105,585	\$ 68,525
Short-term investments	181,479	134,765
Accounts receivable, net	18,468	6,349
Inventory and other deferred costs	5,610	5,639
Prepaid expenses and other current assets	7,089	5,441
Total current assets	<u>318,231</u>	<u>220,719</u>
Property and equipment, net	19,650	11,834
Operating lease right-of-use assets	53,822	10,271
Other long-term assets	4,825	2,018
Total assets	<u>\$ 396,528</u>	<u>\$ 244,842</u>
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	\$ 9,221	\$ 8,301
Accrued and other current liabilities	18,110	11,301
Contract liabilities	3,982	21,034
Total current liabilities	<u>31,313</u>	<u>40,636</u>
Long-term operating lease liabilities	52,797	8,541
Other long-term liabilities	2,117	720
Total liabilities	<u>86,227</u>	<u>49,897</u>

Commitments and contingencies

Stockholders' equity

Preferred stock, \$0.0001 par value — 10,000,000 shares authorized; none issued	—	—
Common stock, \$0.0001 par value — 200,000,000 shares authorized; 44,904,512 and 39,105,548 shares issued and outstanding at December 31, 2021 and 2020, respectively	4	4
Additional paid-in capital	557,558	376,788
Accumulated other comprehensive income (loss)	(166)	22
Accumulated deficit	(247,095)	(181,869)
Total stockholders' equity	<u>310,301</u>	<u>194,945</u>
Total liabilities and stockholders' equity	<u>\$ 396,528</u>	<u>\$ 244,842</u>



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