

## Co-Diagnostics, Inc. Announces Q1 2020 Results and Provides Mid-Second Quarter Update

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### **Company reports robust sales of COVID-19 tests as Co-Diagnostics generates net profit through middle of second quarter**

**Salt Lake City, Utah - May 14, 2020** - Co-Diagnostics, Inc. (Nasdaq:CODX) (the Company), a molecular diagnostics company with a unique, patented platform for the development of diagnostic tests, announced today the filing of its operating results for the three-month period ending March 31, 2020, and provided updates on Company developments.

#### Q1 2020 Highlights:

- Company commences COVID-19 test sales and reports \$1.5 Million of revenue in Q1
- Gross margins of 71.5% on sales of Logix Smart™ COVID-19 test kits
- Raised capital with net proceeds of \$18 million
- First US company to receive CE marking for COVID-19 test kit (February 24)

#### Q2 2020 Mid-Quarter Highlights:

- Receives FDA Emergency Use Authorization on COVID-19 test kit on April 3, 2020;
- Company manufactures more than 6 million COVID-19 tests to date, and has ordered components for more than 20 million additional tests to fill existing and expected orders in the near future;
- Records COVID-19 test and equipment sales of over \$18 Million YTD through mid-second quarter (unaudited);
- Receives COVID-19 test orders from public and private organizations in nearly 50 countries and over 15 states in the U.S.;
- COVID-19 test kit shows 100% specificity and 100% sensitivity in several independent evaluations;

“Co-Diagnostics has increased production capacity to meet growing demand for our tests,” said Dwight Egan, Chief Executive Officer. “We have positioned the company to continue to make an important contribution in meeting the enormous demand for tests around the world. Our value proposition of accurate, high-throughput, and cost-effective tests continues to resonate with customers around the globe.”

The Company will host an earnings call at 4:30 pm EDT today. Analysts providing coverage for Co-Diagnostics will also be invited participate in a question and answer session. U.S. callers may dial toll free at 1-877-309-2073. International callers can access the call by dialing +1-646-749-3129. The access code to join the call is: 531-241-589. The call will be recorded and later made available on the Company’s website.

#### **Forward-Looking Statements**

**This press release contains forward-looking statements. Forward-looking statements can be identified by words such as “believes,” “expects,” “estimates,” “intends,” “may,” “plans,” “will” and similar expressions, or the negative of these words. Such forward-looking statements are based on facts and conditions as they exist at the time such statements are made and predictions as to future facts and conditions. Forward-looking statements in this release may include statements regarding the (i) use of funding proceeds, (ii) expansion of product distribution, (iii) acceleration of initiatives in certain verticals or markets, (iv) capital resources and runway needed to advance the Company’s products and markets, (v) increased sales in the near-term, (vi) flexibility in managing the Company’s balance sheet, (vii) anticipation of business expansion, and (viii) benefits in research and worldwide accessibility of the CoPrimer technology and its cost-saving and scientific advantages. Forward-looking statements are subject to inherent uncertainties, risks and changes in circumstances. Actual results may differ materially from those contemplated or anticipated by such forward-looking statements. Readers of this press release are cautioned not to place undue reliance on any forward-looking statements. The Company does not undertake any obligation to update any forward-looking statement relating to matters discussed in this press release, except as may be required by applicable securities laws.**

# CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

|  | March 31,<br>2020 | December<br>31, 2019 |
|--|-------------------|----------------------|
| <b>ASSETS:</b>   |                   |                      |
| Current Assets   |                   |                      |
| Cash and cash equivalents  | \$ 17,369,323     | \$ 893,138           |
| Accounts receivables, net  | 1,055,738         | 131,382              |
| Inventory  | 686,078           | 197,168              |
| Prepaid expenses   | 499,327           | 362,566              |
| Total current assets   | 19,610,466        | 1,584,254            |
| Other Assets   |                   |                      |
| Property and equipment, net  | 276,454           | 186,832              |
| Investment in joint venture  | 593,421           | 434,240              |
| Total other assets   | 869,875           | 631,072              |
| Total assets   | \$ 20,480,341     | \$ 2,215,326         |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY:</b>   |                   |                      |
| Current Liabilities  |                   |                      |
| Accounts payable   | \$ 132,516        | \$ 5,959             |
| Accrued expenses   | 496,524           | 200,788              |
| Accrued expenses (related party)   | 120,000           | 120,000              |
| Deferred revenue   | 444,332           | 1,323                |
| Total current liabilities  | 1,193,372         | 328,070              |
| Long-term Liabilities, net of current portion  |                   |                      |
| Accrued expenses-long-term (related party)   | 120,000           | 150,000              |
| Total long-term liabilities, net of current portion  | 120,000           | 150,000              |
| Total liabilities  | 1,313,372         | 478,070              |
| <b>STOCKHOLDERS' EQUITY</b>  |                   |                      |
| Convertible preferred stock, \$0.001 par value; 5,000,000 shares authorized, 0 and 25,600 shares issued and outstanding as of March 31, 2020 and December 31, 2019, respectively   | —                 | 26                   |
| Common stock, \$0.001 par value, 100,000,000 shares authorized; 27,451,064 and 17,342,922 shares issued and outstanding, as of March 31, 2020 and December 31, 2019, respectively. | 27,451            | 17,343               |
| Additional paid-in capital   | 45,172,525        | 26,687,701           |
| Accumulated deficit  | (26,033,007 )     | (24,967,814 )        |
| Total stockholders' equity   | 19,166,969        | 1,737,256            |
| Total liabilities and stockholders' equity   | \$ 20,480,341     | \$ 2,215,326         |

CO - DIAGNOSTICS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

|   | For the Three Months<br>Ended March 31, |                 |
|---|---|-----------------|
|   | 2020                                    | 2019            |
| Net sales   | \$ 1,548,528                            | \$ 3,400        |
| Cost of sales   | 481,740                                 | 452             |
| Gross profit  | 1,066,788                               | 2,948           |
| Operating expenses:   |   |                 |
| Sales and marketing   | 268,483                                 | 256,103         |
| Administrative and general                                    | 1,459,484                               | 640,363         |
| Research and development                                      | 400,022                                 | 347,306         |
| Depreciation and amortization                                 | 20,748                                  | 13,668          |
| Total operating expenses                                      | 2,148,737                               | 1,257,440       |
| Loss from operations  | (1,081,949 )                            | (1,254,492 )    |
| Other expense:  |   |                 |
| Interest income   | 7,575                                   | 408             |
| Interest expense  | —                                       | (106,427 )      |
| Gain on disposition of assets                                 | —                                       | 850             |
| Gain (loss) on equity method investment in joint venture      | 9,181                                   | (8,728 )        |
| Total other expense   | 16,756                                  | (113,897 )      |
| Loss before income taxes                                      | (1,065,193 )                            | (1,368,389 )    |
| Provision for income taxes                                    | —                                       | —               |
| Net loss  | \$ (1,065,193 )                         | \$ (1,368,389 ) |
| Basic and diluted income (loss) per common share              | \$ (0.05 )                              | \$ (0.09 )      |
| Weighted average common shares outstanding, basic and diluted | 22,820,450                              | 16,066,633      |

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<https://news.codiagnostics.com/2020-05-14-Co-Diagnostics-Inc-Announces-Q1-2020-Results-and-Provides-Mid-Second-Quarter-Update>