

August 8, 2018

MYOS RENS Technology Reports 49% Increase In Net Revenues In Second Quarter Of 2018

Increase Driven from Early Success of Yolked™ and MYOS Canine Muscle Formula™

Conference Call to be Held Tomorrow, August 9, 2018, at 11am ET

CEDAR KNOLLS, N.J., Aug. 8, 2018 /PRNewswire/ -- MYOS RENS Technology Inc. ("MYOS" or "the Company") (NASDAQ: MYOS), a bionutrition company and owner of Fortetropin®, the natural food product that helps build lean muscle in conjunction with resistance training, announced today its financial results for the three months and six months ended June 30, 2018.



FINANCIAL HIGHLIGHTS: *(Amounts in thousands except where noted.)*

Second Quarter 2018:

- Net revenues increased 49% to \$88 for the three months ended June 30, 2018, compared to \$59 for the three months ended June 30, 2017, primarily due to increased sales from two new products launched in the second quarter of 2018, *Yolked™* and *MYOS Canine Muscle Formula™*.
- Gross profit for the three months ended June 30, 2018 increased 73% to \$26, compared to \$15 for the three months ended June 30, 2017.
- Gross profit margin for the three months ended June 30, 2018 was 30% compared to 25% for the three months ended June 30, 2017.
- Operating expenses for the three months ended June 30, 2018, decreased 6% to \$1,060 compared to \$1,124 for the three months ended June 30, 2017.
- Net loss decreased 7% to \$1,034 for the three months ended June 30, 2018.

First Half 2018:

- Net revenues decreased 31% to \$145 for the six months ended June 30, 2018,

compared to \$209 for the six months ended June 30, 2017. The decrease of \$64 in net revenues was primarily due to a non-recurring sale to a related party of \$116 in the six months ended June 30, 2017 offset by an increase of \$52 in sales of all our other product lines in the six months ended June 30, 2018.

- Gross profit for the six months ended June 30, 2018 increased 73% to \$52, compared to \$30 for the six months ended June 30, of 2017.
- Gross profit margin for the six months ended June 30, 2018 was 36% compared to 14% for the six months ended June 30, 2017.
- Operating expenses for the six months ended June 30, 2018 increased 2% to \$2,298, compared to \$2,261 for the six months ended June 30, 2017.
- Net loss increased 1% to \$2,247 for the six months ended June 30, 2018.

Liquidity

As of June 30, 2018, the Company had cash of \$508 and total assets of \$4,143, with no debt and \$1,972 in working capital. In April 2018, the Company consummated a private placement of 806,452 shares of common stock at a purchase price of \$1.24 per share to a group of accredited investors, including MYOS CEO Joseph Mannello and a member of the Company's board of directors, for aggregate gross proceeds of \$1.0 million.

MANAGEMENT COMMENTARY:

Joseph Mannello, Chief Executive Officer of MYOS, commented, "Overall, we are pleased with the continued improvement in our business during the second quarter. We are happy to see early momentum for our two new products, which contributed to our top-line growth in the second quarter of 2018. These two products were only launched in the second half of the second quarter of 2018, so while we are optimistic about these initial orders, we look forward to seeing greater results as our dedicated marketing initiatives take shape over time.

In April 2018, we launched our new sports nutrition product line **Yolked**[™] that has received the prestigious Certified for Sport[®] certification from NSF International. Yolked is an all-natural nutrition product based on Fortetropin[®] that is marketed specifically to competitive athletes. As part of our marketing agreement with IMG, we have introduced Yolked at Princeton University and six additional Division I universities. Athletes in the university athletic programs are taking Yolked in conjunction with their summer training routines. Thus far, we have been pleased with the feedback we received, and we anticipate our marketing partnership with IMG to lead to more introductions to universities, particularly with the fall semester approaching.

In June 2018, we launched our Fortetropin-based pet product, **MYOS Canine Muscle Formula**[™]. We launched our new website, www.myospet.com, and have begun targeting veterinary hospitals and veterinary practices. In fact, two veterinarian hospitals performed some informal observational studies with older dogs experiencing frailty and observed that the dogs consuming Fortetropin appeared more mobile after taking our pet product— a very positive result. We believe that the feedback we received from these two hospitals, together with the potential results from our Kansas State University study, will enable us to grow our pet business product line.

Also, we recently made some key additions to our sales team by hiring a brand manager, a marketing specialist, and two salespeople. Growing our sales team is crucial to our near- and long-term strategy to expand our customer base across our fitness, sports nutrition, and

veterinary verticals. We have strategically deployed capital into strengthening the scale and scope of our sales efforts and believe that this, combined with our partnership with IMG, will drive top-line growth going forward.

At the heart of MYOS is our commitment towards uncovering the science behind Fortetropin. We have made investments in research and development through academic collaborations aimed at enhancing our products and broadening the product portfolio. We currently have the following four research studies underway:

- Kansas State University College of Veterinary Medicine, to study the impact of Fortetropin on reducing muscle atrophy in dogs after tibial-plateau-leveling osteotomy (TPLO) surgery (similar to ACL surgery in humans). The recruitment is complete and the study results are expected in the fourth quarter of this year.
- University of California, Berkeley's Department of Nutritional Sciences & Toxicology, to study the effects of Fortetropin on increasing the fractional rate of skeletal muscle protein synthesis in men and women between 60 and 75 years of age. Patient enrollment has been initiated with complete enrollment expected by mid-fourth quarter of 2018. Proteomics and data analysis are expected to be completed by the second quarter of 2019.
- Rutgers University, The State University of New Jersey, to work with Rutgers researchers in a program focused on discovering compounds and products for improving muscle health and performance. They have initiated assay optimization and will shortly begin compound screening. We anticipate announcing developments on this research as they become available.
- Weill Cornell Medical College, to study the efficacy of Fortetropin in preventing weight and muscle loss associated with cancer in a mouse model of lung cancer. They have initiated tumor inductions in mice and expect to begin dosing in about two months. After two months of dosing, the team will begin histological evaluations. The Company anticipates that the study will be completed and the results announced around the end of the first quarter of 2019.

We are committed to continuing our focus on various clinical trials in support of enhancing our commercial strategy as well as enhancing our intellectual property assets, to develop product improvements and new products. We anticipate launching several additional clinical studies.

As I approach the end of my first year as permanent CEO, I believe that we are in a much better position today than a year ago. We've managed to control expenses, have no debt on the balance sheet, and have successfully raised capital through our ATM program and private placement. We launched four clinical studies (with more to come), two new product lines, and partnered with the leading global sports marketing agency to help market our products. We still have room to improve our positioning, which I am committed towards accomplishing.

I remain optimistic in our ability to grow the business as Fortetropin is a remarkable, disruptive ingredient, one that has demonstrated tremendous clinical and anecdotal evidence and versatility. I agreed to forego an annual salary in lieu of stock options, while purchasing

MYOS stock on the open market and making direct investments in the Company because I believe this is truly an undervalued company. We have a strong balance sheet, maintain conservative cash management, an improved scientific profile and brand development, all of which we expect will yield long-term success," concluded Mr. Mannello.

CONFERENCE CALL

MYOS will host a conference call tomorrow, Thursday, August 9, 2018 at 11:00 am ET, at which time MYOS Chief Executive Officer Joseph Mannello will provide highlights and commentary on earnings results and developments on clinical studies for the second quarter ended June 30, 2018.

Call Date/Time: Thursday, August 9, 2018 at 11:00 am ET

Call Title: MYOS RENS Technology Second Quarter & First Half 2018 Results Conference Call

Dial In: 877-407-4019 from the U.S.; international callers may telephone 201-689-8337, approximately 15 minutes before the call.

A digital replay will be available by telephone approximately two hours after the completion of the call until November 9, 2018 and may be accessed by dialing 877-660-6853 from the U.S. or 201-612-7415 for international callers, using the Conference ID# 13682085.

This call will be simultaneously webcast. The webcast will be available on the MYOS website, www.myosrens.com, in the "Investor Relations" section. The webcast will be archived and available at the same web address for two weeks following the call.

About MYOS RENS Technology Inc.

MYOS RENS Technology Inc. (MYOS), "The Muscle Company™", is a Cedar Knolls, NJ-based bionutrition company that develops and markets products that improve muscle health and performance. MYOS is the owner of Fortetropin®, a fertilized egg yolk-based product manufactured via a proprietary process to retain and optimize its biological activity. Fortetropin has been clinically shown to increase muscle size and lean body mass in conjunction with resistance training. MYOS believes Fortetropin has the potential to redefine existing standards of physical health and wellness. For more information, please visit www.MYOSRENS.com.

Forward-Looking Statements

Any statements in this release that are not historical facts are forward-looking statements. Actual results may differ materially from those projected or implied in any forward-looking statements. Such statements involve risks and uncertainties, including but not limited to those relating to product and customer demand, market acceptance of our products, the ability to create new products through research and development, the successful results of strategic initiatives, the successful launch of our products, including our Yolked™ and MYOS Canine Muscle Formula™. products, the success of our research and development, the results of the clinical evaluation of Fortetropin® and its effects, the ability to enter into new partnership opportunities and the success of our existing partnerships, the ability to generate the forecasted revenue stream and cash flow from sales of our products, the ability to continue increasing our revenue and gross profit margins, the ability to achieve a sustainable, profitable business, the effect of economic conditions, the ability to protect our

intellectual property rights, competition from other providers and products, the continued listing of our securities on the Nasdaq Stock Market, risks in product development, our ability to raise capital to fund continuing operations, and other factors discussed from time to time in the Company's Securities and Exchange Commission filings. The Company undertakes no obligation to update or revise any forward-looking statement for events or circumstances after the date on which such statement is made except as required by law.

These statements have not been evaluated by the Food and Drug Administration. Our products are not intended to diagnose, treat, cure or prevent any disease.

The following tables should be read in conjunction with the footnotes accompanying the consolidated financial statements contained in the Quarterly Report on Form 10-Q filed today with the Securities and Exchange Commission.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

MYOS RENS TECHNOLOGY INC. AND SUBSIDIARY CONDENSED CONSOLIDATED BALANCE SHEETS (in thousands, except share and per share amounts)

	June 30, 2018 (Unaudited)	December 31 2017
ASSETS		
Current assets:		
Cash	\$ 508	\$ 923
Accounts receivable, net	2	4
Inventories, net	1,767	1,779
Prepaid expenses and other current assets	112	163
Total current assets	2,389	2,869
Deferred offering costs	94	102
Fixed assets, net	164	184
Intangible assets, net	1,496	1,640
Total assets	<u>\$ 4,143</u>	<u>\$ 4,795</u>
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	\$ 249	\$ 176
Accrued expenses and other current liabilities	168	255
Total current liabilities	417	431
Total liabilities	417	431
Commitments and contingencies	-	-
Stockholders' equity:		
Preferred stock, \$.001 par value; 500,000 shares authorized; no shares issued and outstanding	-	-

Common stock, \$.001 par value; 12,000,000 shares authorized at June 30, 2018 and at December 31, 2017; 7,473,723 and 6,340,604 shares issued and outstanding at June 30, 2018 and December 31, 2017, respectively

	7	6
Additional paid-in capital	37,810	36,202
Accumulated deficit	<u>(34,091)</u>	<u>(31,844)</u>
Total stockholders' equity	<u>3,726</u>	<u>4,364</u>
Total liabilities and stockholders' equity	<u>\$ 4,143</u>	<u>\$ 4,795</u>

**MYOS RENS TECHNOLOGY INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited; in thousands, except share and per share amounts)**

	Three Months Ended		Six M
	June 30,		J
	<u>2018</u>	<u>2017</u>	<u>2018</u>
Net revenues	\$ 88	\$ 59	\$ 145
Cost of sales	<u>62</u>	<u>44</u>	<u>93</u>
Gross profit	<u>26</u>	<u>15</u>	<u>52</u>
Operating expenses:			
Selling, marketing and research	235	208	629
Personnel and benefits	348	411	765
General and administrative	<u>477</u>	<u>505</u>	<u>904</u>
Total operating expenses	<u>1,060</u>	<u>1,124</u>	<u>2,298</u>
Operating loss	<u>(1,034)</u>	<u>(1,109)</u>	<u>(2,246)</u>
Other income (expense), net	<u>-</u>	<u>3</u>	<u>(1)</u>
Loss before income taxes	<u>(1,034)</u>	<u>(1,106)</u>	<u>(2,247)</u>
Net loss	<u>\$ (1,034)</u>	<u>\$ (1,106)</u>	<u>\$ (2,247)</u>
Net loss per share attributable to common shareholders:			
Basic and diluted	<u>\$ (0.14)</u>	<u>\$ (0.19)</u>	<u>\$ (0.33)</u>
Weighted average number of common shares outstanding:			
Basic and diluted	<u>7,249,782</u>	<u>5,844,372</u>	<u>6,877,186</u>

**MYOS RENS TECHNOLOGY INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; in thousands)**

Six Months Ended	
June 30,	
<u>2018</u>	<u>2017</u>

Cash Flows From Operating Activities:

Net loss	\$ (2,247)	\$ (2,223)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	20	26
Amortization	144	124
Stock-based compensation	165	82
Deferred offering costs	96	-
Bad debt recovery	-	(59)
Changes in operating assets and liabilities:		
Decrease in accounts receivable	2	59
Decrease in inventories, net	12	7
Decrease (increase) in prepaid expenses	51	(230)
Decrease in deferred revenue	-	(36)
Decrease in accounts payable and accrued expenses	(13)	(273)
Net cash used in operating activities	<u>(1,770)</u>	<u>(2,523)</u>

Cash Flows From Financing Activities:

Deferred offering costs from at-the-market transaction	(49)	(125)
Deferred offering costs from private placement	(45)	-
Proceeds from registered direct offering of common stock, net of costs	<u>1,449</u>	<u>1,926</u>
Net cash provided by financing activities	<u>1,355</u>	<u>1,801</u>
Net decrease in cash	(415)	(722)
Cash at beginning of period	<u>923</u>	<u>1,866</u>
Cash at end of period	<u>\$ 508</u>	<u>\$ 1,144</u>

Supplemental schedule of non-cash investing and financing activities:

Recognition of deferred offering costs as a reduction of equity in connection with the at-the-market offering	<u>6</u>	<u>-</u>
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Investor Relations:

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