

August 5, 2020

MYOS RENS Technology's Net Revenues Increase 114% and Operating Expenses Decrease 26% for the Three Months Ended June 30, 2020

For the six months ended June 30, 2020, Net Revenues Increase 104% and Operating Expenses Decrease by 17%

Peer-Reviewed Research Published, Launch of AAVSB-Accredited Veterinary Continuing Education Program and Wide-Ranging Distribution Agreements with Key Partners Lay the Foundation for Sustained Growth.

CEDAR KNOLLS, N.J., Aug. 5, 2020 /PRNewswire/ --**MYOS RENS Technology Inc. ("MYOS" or "the Company")** (NASDAQ: MYOS), an advanced nutrition company and the owner of Fortetropin[®], a proprietary bioactive composition that helps build lean muscle, announces its results for the three and six months ended June 30, 2020.



"Our Myos team entered the second quarter with incredible uncertainty and quite a bit of trepidation as the pandemic in New Jersey and New York was growing at an alarming rate," said Joseph Mannello, CEO of MYOS. "We made a commitment to each other, our customers, and stakeholders that we would keep moving forward and not let what we could not control set us back or slow us down. The results of this commitment are shown not only in our numbers but in the many things we've accomplished. The fact that a company of our size was able to achieve these results during such an unsettling time, is truly remarkable."

FINANCIAL HIGHLIGHTS

Net revenues for the three months ended June 30, 2020 increased by \$175 or 114% to \$329 compared to net revenues of \$154 for the three months ended June 30, 2019.

Cost of revenues for the three months ended June 30, 2020 increased by \$91 or 112% to

\$172 compared to cost of revenues of \$81 for the three months ended June 30, 2019.

Gross profit increased \$84 or 116% to \$157 for the three months ended June 30, 2020 compared to \$73 for the three months ended 2019.

Operating expenses for the three months ended June 30, 2020 decreased by \$318 or 26% to \$921, compared to operating expenses of \$1,239 for the three months ended June 30, 2019. The decrease is primarily due to a 33% decrease in selling, marketing and research expenses of \$110, a 24% decrease in general and administrative of \$103, and a 23% decrease in personnel and benefits of \$105 due to certain personnel changes.

Three Months Ended June 30, 2020 Compared to Three Months Ended June 30, 2019

<i>(amounts in thousands)</i>	Three Months Ended June 30,		Change	
	2020	2019	Dollars	%
Net revenues	\$ 329	\$ 154	\$ 175	114 %
Cost of revenues	172	81	91	112 %
Gross profit	157	73	84	116 %
Operating expenses:				
Selling, marketing and research	227	337	(110)	-33 %
Personnel and benefits	365	470	(105)	-23 %
General and administrative	329	432	(103)	-24 %
Total operating expenses	921	1,239	(318)	-26 %
Operating loss	(764)	(1,166)	402	-35 %
Interest expense	(7)	(9)	2	-23 %
Net loss	\$ (771)	\$ (1,175)	\$ 404	-34 %

Net revenues for the six months ended June 30, 2020 increased by \$316 or 104% to \$619 compared to net revenues of \$303 for the six months ended June 30, 2019.

Cost of revenues for the six months ended June 30, 2020 increased by \$188 or 132% to \$330 compared to cost of revenues of \$142 for the six months ended June 30, 2019.

Gross profit increased \$128 or 79% to \$289 for the six months ended June 30, 2020 compared to \$161 for the six months ended June 30, 2019.

Operating expenses for the six months ended June 30, 2020 decreased by \$384 or 17% to \$1,906, compared to operating expenses of \$2,290 for the six months ended June 30, 2019. The decrease is primarily due to a 30% decrease in selling, marketing and research expenses of \$183, an 18% decrease in general and administrative of \$144, and a 6% decrease in personnel and benefits of \$57 due to some personnel changes.

Six Months Ended June 30, 2020 Compared to Six Months Ended June 30, 2019

<i>(amounts in thousands)</i>	Six Months Ended June 30,	Change
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	2020	2019	Dollars	%	
Net revenues	\$ 619	\$ 303	\$ 316	104	%
Cost of revenues	330	142	188	132	%
Gross profit	289	161	128	79	%
Operating expenses:					
Selling, marketing and research	429	612	(183)	-30	%
Personnel and benefits	833	890	(57)	-6	%
General and administrative	644	788	(144)	-18	%
Total operating expenses	1,906	2,290	(384)	-17	%
Operating loss	(1,617)	(2,129)	512	-24	%
Interest expense	(20)	(21)	1	-4	%
Net loss	\$ (1,637)	\$ (2,150)	\$ 513	-24	%

"As you will see highlighted below, our studies have been published in prestigious journals, and the case is being made for Fortetropin by others," Mr. Mannello continued. "That credibility makes our job in selling and marketing very powerful. We are not just selling a brand— we are selling results. Please know that as satisfied as we are with our latest results, we are way more excited about where we are heading and have already put the second quarter in the books. Stay safe and well."

BUSINESS HIGHLIGHTS:

- University of California, Berkeley Researchers published results from a randomized, double blind, placebo-controlled human clinical trial in *J. Gerontol. Medical Sciences* that reported that subjects (60-75 year-old men and women) who consumed Fortetropin® on a daily basis for 21 days experienced an increase of approximately 18% in the rate of muscle protein synthesis when compared with subjects who received a macronutrient-matched placebo (<https://doi.org/10.1093/gerona/glaa162>).
- Kansas State University College of Veterinary Medicine Researchers published results from a randomized, double blind, placebo-controlled veterinary clinical trial in *PLOS One* that reported that dogs that consumed Fortetropin while recovering from TPLO surgery experienced reduced muscle atrophy and improved recovery when compared with dogs that received a macronutrient-matched placebo (<https://doi.org/10.1371/journal.pone.0231306>).
- Basic Research sponsored by MYOS at Rutgers University led to a publication that reported that fertilized egg yolk enhanced the differentiation and proliferation of myoblasts relative to unfertilized egg yolk in *Regenerative Engineering & Translational Medicine* (<https://doi.org/10.1007/s40883-019-00137-y>).
- MYOS became recognized as an accredited provider of veterinary Continuing Education (CE) by the American Association of Veterinary State Boards (AAVSB) after receiving approval for inclusion of the company's CE Course on Small Animal Sarcopenia in AAVSB's Registry of Approved Continuing Education (RACE) (<https://www.aavsb.org/ce-services/race/find-a-race-program>). The CE Course has been offered since June 2020 and has been well received by veterinarians from across

the U.S. and has attracted participants from Canada, Israel, Italy and South Korea.

- MYOS announced a distribution agreement with BodyLogicMD (www.bodylogicmd.com), a leading nationwide network of Anti-Aging Medical Practices with 45 practices in 28 U.S. States to distribute a Fortetropin-based, private label nutrition product, *BodyLogicMD Muscle Health Formula*.
- MYOS announced a distribution agreement with Victor Medical, the largest privately owned veterinary distributor in the Western U.S. to distribute its MYOS Canine Muscle Formula[®] products.
- MYOS announced a distribution agreement with GetHealthy.store, a Texas-based e-commerce platform that serves over 1,000 Anti-Aging Medical Practices throughout the U.S. to distribute MYOS Physician Muscle Health Formula[®].
- MYOS announced that multiple top-tier pet insurance companies offer partial reimbursement coverage for its MYOS Canine Muscle Formula products. These companies include *Nationwide Pet Insurance, Trupanion Pet Insurance, Embrace Pet Insurance, PetPlan Insurance, Hartville Pet Insurance/Petshealth Care Plan, Prudent Pet Insurance, and PetPartners Pet Insurance*.
- MYOS recruited Jay Hamill to be Chief of Customer Experience. Mr. Hamill is a seasoned sales & marketing executive with 30+ years of experience in senior roles at General Motors, Volvo Car Group, Marco's Pizza and Legoland[®] New York Resort.
- MYOS RENS Technology settled its lawsuit with RENS Technology, Inc. and Ren Ren. This will enable us to focus on further developing our business and leveraging the world-class research that we have done in muscle health, especially following the Merger and our transition to a private company.
- MYOS announced its intention to merge with MedAvail, a Canadian tele-medicine organization. The merger will result in a spin-out of the 'MYOS' nutrition business as a private, unaffiliated entity. We expect that the transition of MYOS from a public company listed on the NASDAQ to a private company will enable MYOS to significantly reduce its operating expenses while focusing its resources on continuing to expand its Human Nutrition and Animal Health businesses.

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

	June 30, 2020	December 31, 2019
	(Unaudited)	
ASSETS		
Current assets:		
Cash	\$ 1,334	\$ 64
Accounts receivable, net	33	5
Inventories, net	1,474	1,666
Prepaid expenses	187	23
Total current assets	3,028	1,758
Operating lease right of use asset	165	192
Deferred offering costs	-	95
Fixed assets, net	88	97

Intangible assets, net	791	896
Total assets	<u>\$ 4,072</u>	<u>\$ 3,038</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Accounts payable	\$ 108	\$ 277
Accrued expenses and other current liabilities	3	230
Operating lease liabilities – current portion	37	46
Related party promissory note payable and accrued interest	654	1,159
Total current liabilities	<u>802</u>	<u>1,712</u>

Long-term liabilities:

Note Payable PPP loan	310	-
Operating lease liabilities – net of current portion	132	146
Total liabilities	<u>1,244</u>	<u>1,858</u>

Commitments and contingencies (Note 11)

Stockholders' equity:

Preferred stock, \$0.001 par value; 500,000 shares authorized; no shares issued and outstanding

Common stock, \$0.001 par value; 15,000,000 shares authorized; 11,846,795 and 9,176,908 shares issued and outstanding at June 30, 2020 and December 31, 2019, respectively

	12	9
Additional paid-in capital	43,778	40,496
Accumulated deficit	(40,962)	(39,325)
Total stockholders' equity	<u>2,828</u>	<u>1,180</u>
Total liabilities and stockholders' equity	<u>\$ 4,072</u>	<u>\$ 3,038</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 Months Ended	
	June 30,		June 30,	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Net revenues	\$ 329	\$ 154	\$ 619	303
Cost of revenues	<u>172</u>	<u>81</u>	<u>330</u>	<u>142</u>
Gross profit	<u>157</u>	<u>73</u>	<u>289</u>	<u>161</u>
Operating expenses:				
Selling, marketing and research	227	337	429	612
Personnel and benefits	365	470	833	890
General and administrative	<u>329</u>	<u>432</u>	<u>644</u>	<u>788</u>
Total operating expenses	<u>921</u>	<u>1,239</u>	<u>1,906</u>	<u>2,290</u>
Operating loss	(764)	(1,166)	(1,617)	(2,129)
Other expense, net	<u>(7)</u>	<u>(9)</u>	<u>(20)</u>	<u>(21)</u>

Net loss	<u>\$ (771)</u>	<u>\$ (1,175)</u>	<u>\$ (1,637)</u>	<u>\$ (2,150)</u>
Net loss per share attributable to common shareholders:				
Basic and diluted	<u>\$ (0.07)</u>	<u>\$ (0.13)</u>	<u>\$ (0.15)</u>	<u>\$ (0.23)</u>
Weighted average number of common shares outstanding:				
Basic and diluted	<u>11,404,497</u>	<u>9,170,658</u>	<u>10,562,389</u>	<u>9,170,658</u>

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

	Six Months Ended	
	June 30,	
	2020	2019
Cash Flows From Operating Activities:		
Net loss	\$ (1,637)	\$ (2,150)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	9	13
Amortization	105	165
Stock-based compensation	227	71
Non-cash lease expense	27	-
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(28)	62
Decrease in other current asset	-	1,124
Decrease (increase) in inventories	192	(1)
Increase in prepaid expenses and other assets	(164)	(87)
Decrease in operating lease liabilities	(23)	-
Increase in accrued interest expense	20	20
Decrease in accounts payable and accrued expenses	(396)	(352)
Net cash used in operating activities	<u>(1,668)</u>	<u>(1,135)</u>
Cash Flows From Financing Activities:		
Proceeds from registered direct offering of common stock, net	1,298	428
Proceeds from related party promissory note	300	-
Proceeds from note payable PPP loan	310	-
Proceeds from issuance of common stock in private placement	<u>1,030</u>	<u>1,850</u>
Net cash provided by financing activities	<u>2,938</u>	<u>2,278</u>
Net increase in cash	1,270	1,143
Cash at beginning of period	<u>64</u>	<u>15</u>
Cash at end of period	<u>\$ 1,334</u>	<u>\$ 1,158</u>

Supplemental schedule of non-cash investing and financing activities:

Conversion of related party promissory note payable into shares of common stock	825	250
Reclassification of deferred offering costs to additional paid in capital	95	16

About MYOS RENS Technology Inc.

MYOS RENS Technology Inc. (MYOS), "The Muscle Company[®]", is a Cedar Knolls, NJ-based advanced nutrition 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, lean body mass and reduce muscle atrophy. MYOS believes Fortetropin has the potential to redefine existing standards of physical health and wellness and produces muscle health support products featuring Fortetropin under the names of **Yolked[®]**, **Physician Muscle Health Formula[®]**, **MYOS Canine Muscle Formula[®]**, (*Regular & Vet Strength*) and **Qurr[®]**. 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 success of our products, including **Yolked[®]**, **Physician Muscle Health Formula[®]**, **MYOS Canine Muscle Formula[®]**, **Qurr[®]**, and **MYOS Enteral Nutrition Formula[™]**, 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 revenue and cash flow from sales of our products, the ability to increase our revenue and gross profit margins, the ability to achieve a sustainable, profitable business, the effect of adverse economic conditions, including as a result of the COVID-19 pandemic, the ability to consummate the Merger Agreement with MedAvail, Inc., 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 our filings with the Securities and Exchange Commission. We undertake 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.

Investor Relations:

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