

Press Release

SYGNIS reports financial results for fiscal year 2015

- **Successful implementation of proprietary product and commercialization strategy**
- **Two product lines with six kits launched in 2015**
- **International distribution network significantly expanded**
- **Revenue in line with guidance and increased to €0.6 million (2014: €0.4 million)**
- **Recurring operating expenses at €3.8 million (2014: €3.6 million)**
- **Operating loss before one-off items mostly unchanged at €3.2 million**
- **Oversubscribed capital increase with proceeds of €5.6 million in December 2015**

Madrid, Spain and Heidelberg, Germany, 28 April 2016 – SYGNIS AG (Frankfurt: LIO1; ISIN: DE000A1RFM03; Prime Standard) today reported results for the fiscal year ending December 31, 2015.

In 2015, SYGNIS strongly focused on the development and launch of new, innovative products based on the Company's proprietary technology portfolio, addressing users in high-growth areas such as next-generation sequencing (NGS), single-cell analysis and liquid biopsies. In line with the strategy outlined by the Company in 2014, SYGNIS successfully transitioned its business into a product company. In addition to its previous licensing strategy, SYGNIS has significantly strengthened its business, increasing corporate control over the commercialization of its proprietary technology portfolio and related products by focusing its efforts on direct sales and distribution agreements, as well as new product development.

During 2015, SYGNIS successfully launched the first six products from its new TruePrime™ and SunScript™ lines and entered into several non-exclusive distribution agreements with international partners.

2015 operational highlights:

In January 2015, SYGNIS launched the TruePrime™ Single Cell WGA kit, the first in a series of new product launches based on its novel multiple displacement amplification (MDA) technology for use with various DNA or RNA species for a wide variety of applications. In February 2015, the second product from this line, the TruePrime™ WGA

kit, was launched, based on the combination of SYGNIS' recently discovered DNA primase TthPrimPol with the Phi29 DNA polymerase.

In April 2015, the first kit from its SunScript™ product line was launched: SunScript™ RT Kit. SYGNIS' SunScript™ product line covers a series of kits based on novel, proprietary engineered reverse transcriptase (RT) which today is one of the most thermostable and fastest enzymes commercially available.

Additional kits from the TruePrime™ and SunScript™ lines followed in June, September and December 2015.

Furthermore, the Company signed a number of non-exclusive distribution agreements, including Axil in Singapore, BioCat in Germany, Bionova in Spain, Cambridge Bioscience in Great Britain, D-Mark Bioscience in Canada, Funakoshi in Japan, Geneworks in Australia, Labgene in Switzerland, Lucigen and Mayflower in the US, Nanodigmbio in China, Ozyme in France, Philekorea, Pharmatech und Thunderbio in South Korea and Welgene in Taiwan.

In December 2015, SYGNIS successfully completed a capital increase and raised €5.6 million by issuing 2,962,552 new shares. The Company is using the proceeds to expand its commercialization activities and to grow its customer base worldwide, particularly in the US, and to further advance its product portfolio. SYGNIS also used a portion of the proceeds to repay outstanding soft loans.

“The year 2015 was highly successful for SYGNIS. We executed our strategy and transitioned SYGNIS into a product company,” **Pilar de la Huerta, CEO and CFO of SYGNIS commented.** “During the year we introduced our first two proprietary product lines, TruePrime™ and SunScript™, launching six new products for DNA sequencing and amplification. In parallel, we expanded our international distribution network by signing a number of non-exclusive distribution agreements. Revenues from the sales of our proprietary kits have been growing quarter by quarter.”

Pilar de la Huerta continued: “We are well financed to advance our next-generation products and to further build our international sales and distribution capabilities. Looking ahead, we have a full pipeline of innovative products to be launched in 2016 and beyond, and we are well on track to position our products as the leading technologies for DNA amplification and sequencing. We are confident that we can achieve our ambitious goals for 2016.”

2015 financial results:

For the year ended December 31, 2015, earnings before interest and taxes (EBIT) excluding one-off items was -€3.2 million, mainly unchanged compared to the same period in 2014. Reported EBIT for 2015 was -€3.9 million and included several one-off items, totaling -€0.7 million. These one-off items comprised of severance and moving expenses, costs for the development of additional sales channels and investments in the distribution network as well as expenses from prior years, among others. The reported net loss for 2015 was €4.0 million (2014: €3.5 million).

Revenues for fiscal year 2015 increased to €0.6 million (2014: €0.4 million), primarily due to the sale of proprietary kits and higher royalties from QIAGEN. These were able to balance lower revenues from Caco-2 licensing rights in the US which were above average in 2014. Revenues for 2015 also included an upfront payment for Double Switch.

Total recurring operating expenses for 2015 were €3.8 million compared to €3.6 million in 2014. This increase was primarily due to higher selling and administrative expenses as a result of expanded marketing activities, whereas research and development (R&D) costs continued to decrease. Furthermore, impairment losses were reduced to €0.1 million (2014: €0.3 million).

Total assets at December 31, 2015 increased to €14.0 million, compared to €12.5 million at the end of 2014, mainly due to higher cash and cash equivalents as a result of the successful capital increase in December 2015, as well as increased receivables.

In 2015, cash outflow from operating activities rose by €0.2 million to € 3.8 million. Cash flow from investing activities amounted to €0.5 million (2014: €0.6 million). Cash flow from financing activities was €4.7 million (2014: €5.4 million) and primarily resulted from proceeds from capital increases of €5.1 million (less issuance costs of €1.0 million). In 2014 it included proceeds from capital increases of €5.9 million.

Cash and cash equivalents at year end 2015 were €4.6 million, compared to €3.8 million at year end 2014.

Figures FY 2015 and comparative figures in accordance with IFRS

[Numbers in € million]	2015	2014
Revenues	0.6	0.4
Recurring operating expenses	3.8	3.6
EBIT (excluding one-off items)	-3.2	-3.2
One-off items	-0.7	-
EBIT (reported)	-3.9	-3.2
Net loss	-4.0	-3.5
Cash and cash equivalents	4.6	3.8
Equity	10.4	8.3
Equity ratio	74.2%	66.5%
Long-term financial liabilities	1.9	2.9
Operating cash flow	-3.8	-3.6

Outlook 2016

Revenues for fiscal year 2016 are dependent upon the success of the Company's sales and distribution strategy implemented during 2015 and ongoing marketing efforts. SYGNIS increased its marketing activities during the initial months of 2016, focusing on increasing its presence in the US, where more than 50% of NGS users are located. Assuming these activities are successful, the Management Board expects revenues for 2016 in the range of €1.2 million to €1.5 million, with strong upside potential for 2017.

In 2016, R&D expenses are expected to further decrease as SYGNIS focuses on product development instead of basic research. On the other hand, marketing and commercial expenses are expected to increase due to the commercialization and production of the Company's proprietary kits. General administration expenses will decline compared with 2015 due to continued cost reduction actions. The Management Board expects net loss for 2016 to be significantly lower than in 2015.

Additionally, the Company expects lower liquid funds.

As a result of the successful capital increase in December 2015, cash and cash equivalents at year-end 2015 amounted to €4.6 million. With the Company's current financial resources and the expected additional cash inflows SYGNIS will have sufficient liquidity to fund operations until achieving break-even, which is expected to be in 2017.

The Company's 2015 Annual Report is available online at http://www.sygnis.com/wp-content/uploads/2016/04/2015_AR_ENG.pdf.

Conference call details:

SYGNIS will host a conference call (conducted in English) today, April 28, 2016, at 10:00 Central European Time (CET) to discuss the consolidated financial statements and important developments during the reporting period and to provide a strategic update and financial outlook.

Interested parties can access the conference call via the following telephone numbers:

- From Germany: +49 (0) 69 7104 45598
- From Spain: +34 91 787 0777
- From the US: +1 646 843 4608
- From the UK and other countries: +44 (0) 20 3003 2666

When prompted, please provide the password, "SYGNIS".

The conference call, which is also being webcast, will be accompanied by a slide presentation which can be accessed during the call at: <https://mc-events.webex.com/mc-events/j.php?MTID=m7d4ec250ade18a562aa45f7761b873f0>

Please dial in 5 minutes before the beginning of the event.

A conference call recording will be available in the "Investors" section of the Company's website at www.sygnis.com.

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About SYGNIS AG: www.sygnis.com

SYGNIS, headquartered in Germany and Spain, specializes in the development and commercialization of innovative products for DNA amplification and sequencing. Based on its proprietary technologies, SYGNIS has developed a commercial product portfolio addressing key challenges in the fast-growing fields of molecular biology and next-generation sequencing applications. Key products include the TruePrime™ product line and SensiPhi®, licensed to a leading industry partner, for whole genome DNA amplification and sequencing, as well as the SunScript™ Reverse Transcriptase product family to convert genetic information from RNA molecules back to DNA. SYGNIS AG is listed on the German Stock Exchange in the Prime Standard segment (Ticker: LIO1; ISIN: DE000A1RFM03).

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