



Fulgent Genetics Awarded Contract by the U.S. Department of Veterans Affairs to Provide Hereditary Cancer, Pharmacogenetic and Other Genetic Testing to Veterans¹

October 31, 2024

EL MONTE, Calif.--(BUSINESS WIRE)--Oct. 31, 2024-- Fulgent Genetics, Inc. (NASDAQ: FLGT) ("Fulgent," or the "Company"), a technology-based company with a well-established laboratory services business and a therapeutic development business, today announced it has been awarded a five-year contract by the U.S. Department of Veterans Affairs (VA) to provide hereditary cancer, pharmacogenetic and other genetic testing to Veterans.

A leader in clinical molecular diagnostic testing, Fulgent has been periodically providing genetic testing services to the members of the VA since 2017. These have included both clinical and research-based services. This new award enables Fulgent to provide hereditary cancer tests to individuals with cancer or a family history of certain cancers, enhancing the services available to the VA community. In addition, the contract includes pharmacogenetic testing. Pharmacogenetics uses genomic information to determine how patients will respond to certain medications--an important component of delivering personalized medicine.

"We are honored to receive this award to provide high-quality testing to those who have served our country and to their family members," said Brandon Perthuis, Fulgent's Chief Commercial Officer. "Understanding the germline drivers is an important part of treating cancer, as it provides valuable information to patients, family members, and physicians. Our business development team has a long history of working with the VA and has proven to be successful in representing our strengths in bioinformatics, quality, and turnaround time to position Fulgent as a strong partner."

"We are excited to leverage our flexible testing options to serve the VA community and provide VA physicians the tools to practice genomic medicine," said Dr. Harry Gao, Fulgent's Chief Scientific Officer. "Our comprehensive suite of germline tests enables us to build custom solutions tailored to the VA's needs. PGx testing, in particular, has become increasingly important for patient care. Our PGx test utilizes next-generation sequencing, offering higher resolution and greater coverage to ensure the delivery of accurate and actionable data."

The award is for up to \$99M over five years, including both hereditary cancer testing and pharmacogenetic testing.

¹ The U.S. Department of Veterans Affairs (VA) does not approve or endorse any statements, claims, or language included in this press release. The content herein is solely the responsibility of Fulgent Genetics, Inc. and does not reflect the views or opinions of the VA.

About Fulgent

Fulgent is a technology-based company with a well-established laboratory services business and a therapeutic development business. Fulgent's laboratory services business, which was formerly referred to as the clinical diagnostic business, includes technical laboratory services and professional interpretation of laboratory results by licensed physicians. Fulgent's therapeutic development business is focused on developing drug candidates for treating a broad range of cancers using a novel nanoencapsulation and targeted therapy platform designed to improve the therapeutic window and pharmacokinetic profile of new and existing cancer drugs. The Company aims to transform from a genomic diagnostic business into a fully integrated precision medicine company.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements in this press release include statements about, among other things: future performance, momentum, trajectory, vision, future opportunities and future growth of the Company's testing and laboratory services, technologies and expansion; the Company's identification and evaluation of opportunities and its ability to capitalize on opportunities, capture market share, or expand its presence in certain markets; and the Company's ability to continue to grow its business.

Forward-looking statements are statements other than historical facts and relate to future events or circumstances or the Company's future performance, and they are based on management's current assumptions, expectations, and beliefs concerning future developments and their potential effect on the Company's business. These forward-looking statements are subject to a number of risks and uncertainties, which may cause the forward-looking events and circumstances described in this press release

to not occur, the stated revenue may not be received in its entirety or at all, and actual results to differ materially and adversely from those described in or implied by the forward-looking statements. These risks and uncertainties include, among others: the market potential for, and the rate and degree of market adoption of, the Company's tests; its ability to maintain turnaround times and otherwise keep pace with rapidly changing technology; the Company's ability to maintain the low internal costs of its business model; the Company's ability to maintain an acceptable margin; risks related to volatility in the Company's results, which can fluctuate significantly from period to period; risks associated with the composition of the Company's customer base, which can fluctuate from period to period and can be comprised of a small number of customers that account for a significant portion of the Company's revenue; the Company's level of success in obtaining coverage and adequate reimbursement and collectability levels from third-party payors for its tests and testing services; the Company's level of success in establishing and obtaining the intended benefits from partnerships, strategic investments, joint ventures, acquisitions, or other relationships; the success of the Company's development efforts, including the Company's ability to progress its candidates through clinical trials on the timelines expected; the Company's compliance with the various evolving and complex laws and regulations applicable to its business and its industry; and the Company's ability to protect its proprietary technology and intellectual property. As a result of these risks and uncertainties, forward-looking statements should not be relied on or viewed as predictions of future events.

The forward-looking statements made in this press release speak only as of the date of this press release, and the Company assumes no obligation to update publicly any such forward-looking statements to reflect actual results or to changes in expectations, except as otherwise required by law.

The Company's reports filed with the U.S. Securities and Exchange Commission, or the SEC, including its annual report on Form 10-K for the fiscal year ended December 31, 2023, filed with the SEC on February 28, 2024, and the other reports it files from time to time, including subsequently filed annual, quarterly and current reports, are made available on the Company's website upon their filing with the SEC. These reports contain more information about the Company, its business and the risks affecting its business, as well as its results of operations for the periods covered by the financial results included in this press release.

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