Fulgent Genetics Confirms Ability to Detect Omicron Variant with RT-PCR Tests for COVID-19

December 1, 2021

TEMPLE CITY, Calif.--(BUSINESS WIRE)--Dec. 1, 2021-- Fulgent Genetics, Inc. (NASDAQ: FLGT) (“Fulgent” or the “Company”), a technology-based genetic testing company focused on transforming patient care in oncology, infectious and rare diseases, and reproductive health, today confirmed that the Company’s RT-PCR test for SARS-CoV-2, the virus that causes COVID-19, can successfully detect the recently emerged Omicron variant of the virus. In addition, Fulgent is confident that its Next Generation Sequencing (NGS) tests for COVID-19 can accurately identify the variant.

The Omicron variant (B.1.1.529) contains approximately 30 mutations and was originally detected in South Africa before subsequently emerging in several African, European and North American countries. The Omicron variant has since been detected in the United States with the first confirmed case of variant identified in California on December 1, 2021. While Fulgent has not yet identified any cases of the Omicron variant, the Company has confirmed that the mutations in the Omicron variant do not affect the assays used in its existing RT-PCR test for the virus. In addition, the Company is confident that its NGS test for COVID-19 will also be able to identify the Omicron variant leveraging Fulgent's proprietary kiloplex primer set with redundant coverage of the viral genome. Fulgent’s testing platform leverages an automated system that will immediately identify and flag any potential Omicron samples as soon as the analysis is complete.

“As COVID-19 has continued to challenge us with new mutations and variants, we have continued to take swift action to ensure our customers and their patients are protected with the most accurate testing solutions for the virus,” said Brandon Perthuis, Chief Commercial Officer of Fulgent. “We remain diligent and responsive to customers in our ongoing fight against this pandemic.”

Fulgent has become a leader in COVID-19 testing having conducted more than 12 million COVID-19 tests for customers since the onset of the pandemic.

About Fulgent Genetics

Fulgent Genetics is a technology-based genetic testing company focused on transforming patient care in oncology, infectious and rare diseases, and reproductive health. Fulgent’s proprietary technology platform has created a broad, flexible test menu and the ability to continually expand and improve its proprietary genetic reference library while maintaining accessible pricing, high accuracy, and competitive turnaround times. Combining next generation sequencing (“NGS”) with its technology platform, the Company performs full-gene sequencing with deletion/duplication analysis in an array of panels that can be tailored to meet specific customer needs. A cornerstone of the Company’s business is its ability to provide expansive options and flexibility for all clients’ unique testing needs through a comprehensive technology offering including cloud computing, pipeline services, record management, web portal services, clinical workflow, sequencing as a service and automated lab services.

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: Fulgent’s testing solutions and services, including the ability of its NGS tests to detect the Omnicron variant; the Company’s identification and evaluation of opportunities and its ability to capitalize on opportunities 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, 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 ongoing impacts of the COVID-19 pandemic, including the preventive public health measures that may continue to impact demand for its genetics tests and the pandemic’s effects on the global supply chain; the market potential for, and the rate and degree of market adoption of, the Company’s tests, including its newly-developed tests for COVID-19 and genetic testing generally; the Company’s ability to capture a sizable share of the developing market for genetic and COVID-19 testing and to compete successfully in these markets, including its ability to continue to develop new tests that are attractive to its various customer markets, its ability to maintain turnaround times and otherwise keep pace with rapidly changing technology; the Company’s ability to successfully integrate acquired businesses and assets into its business strategy and to derive value from its investments; the Company’s ability to maintain the low internal costs of its business

model, particularly as the Company makes investments across its business; the Company's ability to maintain an acceptable margin on sales of its tests, particularly in light of increasing competitive pressures and other factors that may continue to reduce the Company's sale prices for and margins on its tests; 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 ability to grow and diversify its customer base and increase demand from existing and new customers; the Company's investments in its infrastructure, including its sales organization and operational capabilities, and the extent to which these investments impact the Company's business and performance and enable it to manage any growth it may experience in future periods; the Company's level of success in obtaining coverage and adequate reimbursement and collectability levels from third-party payors for its tests; the Company's level of success in establishing and obtaining the intended benefits from CSI, partnerships, joint ventures or other relationships; the Company's compliance with the various evolving and complex laws and regulations applicable to its business and its industry; risks associated with the Company's international operations; the Company's ability to protect its proprietary technology platform; and general industry, economic, political and market conditions. 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 ("SEC"), including its annual report on Form 10-K for the year ended December 31, 2020 filed with the SEC on March 8, 2021 and the other reports it files from time to time, including subsequently filed 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.

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