

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 10, 2021**

**EXAGEN INC.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-39049**  
(Commission  
File Number)

**20-0434866**  
(IRS Employer  
Identification No.)

**1261 Liberty Way**  
**Vista, CA 92081**  
(Address of principal executive offices) (Zip Code)

**(760) 560-1501**  
(Registrant's telephone number, including area code)

**N/A**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
<b>Common Stock, par value \$0.001 per share</b>	<b>XGN</b>	<b>The Nasdaq Global Market</b>

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02. Results of Operations and Financial Condition.**

On November 10, 2021, the Company reported its financial results for the three and nine months ended September 30, 2021. A copy of the press release issued by the Company is furnished as Exhibit 99.1 to this report.

The information furnished with Item 2.02 of this report, including Exhibit 99.1, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filings under the Exchange Act or under the Securities Act of 1933, as amended, whether made before or after the date hereof, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Press Release dated November 10, 2021</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EXAGEN INC.

Date: November 10, 2021

By: /s/ Kamal Adawi  
Kamal Adawi  
Chief Financial Officer



## Exagen Inc. Reports Third Quarter 2021 Results

### *Quarterly Records: Ordering Healthcare Providers and Adopters*

November 10, 2021

SAN DIEGO – Exagen Inc. (Nasdaq: XGN), a leading provider of autoimmune testing solutions, today reported financial results for the quarter ended September 30, 2021.

#### **Third Quarter Highlights:**

- Generated total revenue of \$12.3 million for the third quarter of 2021, a 14% increase over the third quarter of 2020.
- Our flagship AVISE® CTD test, including AVISE® Lupus, generated revenue of \$9.9 million for the third quarter of 2021. This represents a 34% increase over the third quarter of 2020.
- Delivered 31,742 AVISE® CTD tests, including AVISE® Lupus, in the third quarter of 2021, a 21% increase over the third quarter of 2020.
- Record number of ordering healthcare providers totaling 1,969 in the third quarter of 2021.
- Record of 714 adopters, and sequential quarterly retention rate of approximately 99% among adopting healthcare providers from the prior quarter.

"Exagen continues to achieve record results with our number of ordering healthcare providers and adopters. Our world class research and development team continues to drive our science, as demonstrated by the eight key abstracts that were accepted by the American College of Rheumatology conference. Additionally, we are pleased to expand payor access by signing an agreement with Inland Empire Health Plan, which increased our in-network lives to approximately 68.9 million," said Ron Rocca, President and Chief Executive Officer of Exagen. "We are also happy to announce that we have entered into a pilot agreement to supply AVISE® MTX to a partnership between a retail pharmacy chain and a major payor to advance personalized medicine for patients with rheumatoid arthritis. These accomplishments further our mission of reducing time-to-treatment and improving patient outcomes."

#### **Third Quarter 2021 Financial Results**

Revenue for the three months ended September 30, 2021 was \$12.3 million, compared with \$10.8 million in the third quarter of 2020. Testing revenue was \$11.9 million for the third quarter of 2021, compared to \$9.5 million in the third quarter of 2020, due to increased testing volumes. Our SIMPONI® co-promotion efforts contributed \$0.4 million in the third quarter of 2021, compared to \$1.3 million in

the third quarter of 2020. Gross margin was 55% in the third quarter of 2021 compared to 60% in the third quarter of 2020, driven by the decrease in co-promotion revenue.

Operating expenses were \$18.8 million in the third quarter of 2021, compared with \$14.6 million in the third quarter of 2020, due to increases in employee related expenses from headcount growth, including stock-based compensation, cost of revenue due to the increase in testing volumes, and research and development expenses.

For the third quarter of 2021, net loss was \$7.2 million, compared to a net loss of \$4.3 million for the third quarter of 2020.

Cash and cash equivalents were approximately \$106.8 million as of September 30, 2021.

### **2021 Guidance**

For the full year 2021, Exagen reaffirms its prior guidance and expects revenue to be in the range of \$47 million to \$49 million.

### **Conference Call**

A conference call to review third quarter 2021 financial results and to provide a business update is scheduled for today November 10, 2021 at 4:30 PM ET (1:30 PM PT). Interested parties may access the conference call by dialing (844) 826-3033 (U.S.) or (412) 317-5185 (international). Additionally, a link to a live webcast of the call will be available in the Investor Relations section of Exagen's website at <http://investors.exagen.com>.

Participants are asked to join a few minutes prior to the call to register for the event. A replay of the conference call will be available until Wednesday, November 17, 2021 at 11:59 PM ET (8:59 PM PT). Interested parties may access the replay by dialing (844) 512-2921 (U.S.) or (412) 317-6671 (international) using passcode 10161457. A link to the replay of the webcast will also be available in the investor relations section of Exagen's website.

### **About Exagen**

Exagen is dedicated to transforming the care continuum for patients suffering from debilitating and chronic autoimmune diseases by enabling timely differential diagnosis and optimizing therapeutic intervention. Exagen has developed and is commercializing a portfolio of innovative testing products under its AVISE® brand, several of which are based on our proprietary Cell-Bound Complement Activation Products, or CB-CAPs, technology. Exagen's goal is to enable providers to improve care for patients through the differential diagnosis, prognosis and monitoring of complex autoimmune and autoimmune-related diseases, including rheumatoid arthritis and lupus. For more information, please visit [www.Exagen.com](http://www.Exagen.com).

### **Forward Looking Statements**

Exagen cautions you that statements contained in this press release regarding matters that are not historical facts are forward-looking statements. These statements are based on Exagen's current beliefs and expectations. Such forward-looking statements include, but are not limited to, statements regarding: Exagen's goals and strategies; the potential utility and effectiveness of Exagen's services and testing solutions; evaluations and judgements regarding published abstracts; the ability of the company to secure wider reimbursement for its tests; the expected impact and results of further investments in our business and collaborations, including the pilot agreement; Exagen's future potential growth in

2021; and the 2021 guidance. The inclusion of forward-looking statements should not be regarded as a representation by Exagen that any of its plans will be achieved. Actual results may differ from those set forth in this press release due to the risks and uncertainties inherent in Exagen's business, including, without limitation: the COVID-19 pandemic may continue to adversely affect our business, financial condition and results of operations, including as a result of shutdowns of our facilities and operations as well as those of our suppliers and courier services, impeding patient movement and interruptions to healthcare services causing a decrease in test volumes, disruptions to the supply chain of material needed for our tests, our sales and commercialization activities and our ability to receive specimens and perform or deliver the results from our tests, delays in reimbursement and coverage decisions from Medicare and third-party payors and in interactions with regulatory authorities, and delays in ongoing and planned clinical trials involving our tests; the company's commercial success depends upon attaining and maintaining significant market acceptance of its testing products and promoted therapeutics among rheumatologists, patients, third-party payors and others in the medical community; the company's ability to successfully execute on its business strategies, including its strategy of integrating the promotion of its existing and future proprietary testing products with the promotion of therapeutics; third-party payors not providing coverage and adequate reimbursement for the company's testing products or promoted therapeutics; the company's ability to obtain and maintain intellectual property protection for its testing products; regulatory developments affecting the company's business; and other risks described in the company's prior press releases and the company's filings with the Securities and Exchange Commission ("SEC"), including under the heading "Risk Factors" in Exagen's Annual Report on Form 10-K for the year ended December 31, 2020 and any subsequent filings with the SEC. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and Exagen undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement, which is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

**CONTACTS:**

**Investors Relations**

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**Company**

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Exagen Inc.

Unaudited Condensed Statements of Operations  
(in thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(Unaudited)			
Revenue	\$ 12,251	\$ 10,775	\$ 35,610	\$ 29,307
Operating expenses:				
Costs of revenue	5,487	4,341	15,649	12,224
Selling, general and administrative expenses	11,528	9,202	32,739	27,104
Research and development expenses	1,740	1,018	5,035	2,403
Total operating expenses	18,755	14,561	53,423	41,731
Loss from operations	(6,504)	(3,786)	(17,813)	(12,424)
Interest expense	(678)	(647)	(1,986)	(1,913)
Other income, net	3	125	1	985
Loss before income taxes	(7,179)	(4,308)	(19,798)	(13,352)
Income tax benefit	—	—	—	118
Net loss	\$ (7,179)	\$ (4,308)	\$ (19,798)	\$ (13,234)
Net loss per share, basic and diluted	\$ (0.42)	\$ (0.34)	\$ (1.27)	\$ (1.05)
Weighted-average number of shares used to compute net loss per share, basic and diluted	16,945,591	12,644,348	15,636,150	12,626,259

**Exagen Inc.**  
**Condensed Balance Sheets**  
(in thousands, except share and per share data)

	<b>September 30, 2021</b>	<b>December 31, 2020</b>
	<b>(Unaudited)</b>	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 106,766	\$ 57,448
Accounts receivable, net	9,210	8,910
Prepaid expenses and other current assets	2,405	4,159
Total current assets	118,381	70,517
Property and equipment, net	3,446	2,102
Goodwill	5,506	5,506
Other assets	439	250
Total assets	\$ 127,772	\$ 78,375
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 1,512	\$ 3,014
Accrued and other current liabilities	6,584	5,757
Total current liabilities	8,096	8,771
Borrowings-non-current portion, net of discounts and debt issuance costs	27,288	26,659
Deferred tax liabilities	158	158
Other non-current liabilities	1,427	948
Total liabilities	36,969	36,536
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized, no shares issued or outstanding at September 30, 2021 and December 31, 2020	—	—
Common stock, \$0.001 par value; 200,000,000 shares authorized at September 30, 2021 and December 31, 2020; 16,164,232 and 12,652,308 shares issued and outstanding at September 30, 2021 and December 31, 2020, respectively	16	13
Additional paid-in capital	291,874	223,115
Accumulated deficit	(201,087)	(181,289)
Total stockholders' equity	90,803	41,839
Total liabilities and stockholders' equity	\$ 127,772	\$ 78,375