

March 28, 2019

MYOS RENS Technology Reports Fourth Quarter and Fiscal 2018 Results

Conference Call to be Held Thursday, March 28, 2019 , at 11am ET

CEDAR KNOLLS, N.J., March 28, 2019 /PRNewswire/ -- MYOS RENS Technology Inc. ("MYOS" or "the Company") (NASDAQ: MYOS), an advanced nutrition company and the owner of Fortetropin[®], a proprietary bioactive composition derived from fertilized egg yolk that helps build lean muscle, announced today its results for the fourth quarter and fiscal year ended December 31, 2018.



MANAGEMENT COMMENTARY:

Joseph Mannello, Chief Executive Officer of MYOS, commented, "Our overall performance in fiscal year 2018 reflected much of the transformation of our business that I referred to in my letter to shareholders in January 2019.

"I discussed our near-term initiatives for positioning our Fortetropin-based product brands to grow our sales. We reached several key milestones on this front in 2018, including the launch of our NSF "Certified for Sport[®]" sports nutrition brand, Yolked[®], along with our pet product MYOS Canine Muscle Formula[®] ("MYOS Canine"). In less than a year's time, we have expanded our sales opportunities for both brands, and we expect to deliver increased sales in 2019 for these products.

"For our Yolked brand, we've expanded our marketing partnership with IMG in order to introduce Yolked to colleges throughout the country. In addition, our sales partnership with The Vitamin Shoppe[®] began in earnest in early 2019 to get our Yolked brand on the shelves of their 700+ stores throughout the country. With our revamped website (www.yolked.com) and our in-house sales and marketing initiatives, I'm excited about the potential of Yolked.

"We launched MYOS Canine in June 2018. Since then, we announced our first distribution agreement which will bring greater exposure to veterinary hospitals. The feedback and testimonials we've received from our initial customers on our website www.myospet.com, have been overwhelmingly positive. Together with the encouraging results from our Kansas State University study, which validates our product benefits to veterinarians, I'm very optimistic about the commercial opportunities for our pet business product line in 2019.

"Our long-term initiatives are rooted in our ability to research the clinical uses of Fortetropin to fully leverage its potential and determine our entry-point into the medical nutrition market. We believe these studies and research initiatives will support our ability to build and enhance our patent portfolio and to improve our current product offering with the development of new products. We currently have one clinical and one pre-clinical study underway and anticipate launching additional clinical studies over the next several months. With the compelling results from our Kansas State University study, we feel confident to move forward with a human clinical study related to muscle atrophy after total knee replacement surgery.

"We recently launched our second Kansas State University study, which expands the scope of potential patients from our earlier study to include geriatric dogs experiencing weakness, weight loss, slow mobility, and exercise intolerance. The results of this study will help us to expand our business in the animal health market.

"I expect 2019 will be an important and eventful year for MYOS. We continually evaluate ways to increase our cash runway by controlling expenses and generating cash from increased sales, potential licensing and/or financing transactions. I see a tremendous opportunity for MYOS to capitalize on our attractively positioned brands to create more widespread adoption of our products. We will work diligently to refine our strategic approach to capitalize on opportunities in front of us today, while paving a path towards sustainable profitability over the long term," concluded Mr. Mannello.

CLINICAL RESEARCH HIGHLIGHTS:

- On February 27, 2019, MYOS announced the launch of a new research study with Kansas State University College of Veterinary Medicine to evaluate the impact of Fortetropin on quality of life and activity in geriatric dogs. The study will be performed under the supervision of Kenneth R. Harkin, DVM, DACVIM (SAIM), Professor and Section Head, Small Animal Internal Medicine. Forty (40) geriatric dogs that suffer from three of the following conditions will be recruited to participate in the study: weakness, weight loss, slowed or altered mobility, or exercise intolerance. Twenty (20) of these dogs will be assigned to receive Fortetropin and 20 will be assigned to receive a macronutrient-matched placebo. All of the dogs participating in the study will be fitted with an activity collar. After two weeks of initial activity monitoring, the dogs will receive either Fortetropin or placebo for 12 weeks. The Quality of Life (QOL) assessment will be based on the Liverpool Osteoarthritis in Dogs (LOAD) Questionnaire.
- On January 15, 2019 MYOS announced positive top-line results from a randomized, double-blind, placebo-controlled study by Kansas State University evaluating the impact of Fortetropin on attenuating muscle atrophy following a common surgical procedure known as tibial-plateau leveling osteotomy ("TPLO") in 100 dogs. Key findings of the study included:
 - Fortetropin prevented the loss of muscle mass in these dogs as measured by the thigh circumference in their affected and unaffected limbs.
 - Fortetropin-supplemented dogs had a more significant improvement in percentage of weight supported by the affected limb as determined by force plate stance analysis (more rapid return to normal stance force distribution) than the placebo group.
 - Fortetropin prevented a rise in serum myostatin levels (myostatin is a protein that prevents muscle growth).
- Dr. Kenneth R. Harkin, DVM, DACVIM (SAIM), Professor and Section Head, College of Veterinary Medicine, Kansas State University, and principal investigator of the study, presented an oral summary of the study results at the North American Veterinary Community (NAVC) / VMX Conference on January 20, 2019 in Orlando, Florida. The presentation was entitled, "The Impact of Fortetropin[®] Supplementation on Dogs Recovering from Tibial-Plateau Leveling Osteotomy (TPLO) Surgery."

BUSINESS & OPERATIONAL HIGHLIGHTS:

- On February 7, 2019 MYOS announced an endorsement partnership with NBA superstar Aaron Gordon of the Orlando Magic. Gordon will serve as an endorser of Yolked, our "NSF Certified for Sport" branded sports nutrition product. In addition:
 - Yolked expanded its national college athletics marketing campaign via partnerships with nine (9) additional universities. Since the beginning of 2019, Yolked has had a prominent presence in college basketball via TV-visible courtside LED signage seen on nationally televised games, introducing the brand to millions of fans across the country.
 - Beyond the TV-visible signage, Yolked is featured on each athletic department's official website and official social media channels and is a staple at basketball home games as sponsor of nightly on-court fan contests and t-shirt toss promotions.
 - In the fall, Yolked will be prominently featured throughout the college football season with in-stadium signage, on-site experiential activities, digital assets, social media, and more.
- On January 1, 2019, MYOS received the United States Patent # 10,165,785 titled, "Process for Producing Composition for Increasing Muscle Mass" from the United States Patent and Trademark Office (USPTO). This new patent significantly enhances MYOS' existing intellectual property portfolio, enabling MYOS to protect its advanced technologies for the development of innovative nutrition products to address musculoskeletal health.
- On December 11, 2018, MYOS announced that The Vitamin Shoppe will distribute 'Yolked' formulated with Fortetropin, MYOS' muscle-enhancing sports nutrition product line. The Vitamin Shoppe is the first retailer to carry Yolked at its 775 store locations across the U.S. and online at vitaminshoppe.com.
- On December 6, 2018, MYOS received approval from the New Jersey Economic Development Authority ("NJEDA") to receive approximately \$1.1 million in non-dilutive funding for general working capital purposes by transferring its tax benefits through the NJEDA New Jersey Technology Business Tax Certificate Transfer Program, which provides a mechanism for approved New Jersey technology and biotechnology companies to sell their unused net operating loss carryovers and research and development tax credits for cash.
- On November 8, 2018, MYOS announced that it signed a distribution agreement with Miller Veterinary Supply East ("Miller"), which will allow MYOS to sell its MYOS Canine Muscle Formula to veterinary hospitals on the east coast. MYOS Canine has been well received by all, including holistic veterinarians, who were impressed with the "single-ingredient" product.
- On October 2, 2018, MYOS announced that MYOS Enteral Nutrition Formula[™], formulated with Fortetropin, became eligible for Medicare and Medicaid reimbursement, as it was approved as an HCPCS B4150 Product after review by the Pricing, Data Analysis, and Coding Contractor for the Centers for Medicare and Medicaid Services. This HCPCS B4150 code is used to describe enteral formulas which are nutritionally complete with

intact nutrients, including proteins, fats, carbohydrates, vitamins, and minerals. Securing Medicare and Medicaid reimbursement widens the spectrum of patients who could gain access to this product, and we believe such reimbursement will encourage clinicians to utilize this product in their practices.

FINANCIAL HIGHLIGHTS *(Amounts in thousands except where noted.)*

Fourth Quarter 2018:

Net sales for the quarter ended December 31, 2018 were \$149, a decrease of \$8, or 5%, compared to \$157 for the quarter ended December 31, 2017.

Cost of sales for the quarter ended December 31, 2018 increased 33% to \$97, compared to cost of sales of \$64 for the quarter ended December 31, 2017.

Gross profit for the quarter ended December 31, 2018 decreased 45% to \$51, compared to \$93 for the quarter ended December 31, 2017. Gross profit margin for the quarter ended December 31, 2018 was 34%, compared to 59% for the quarter ended December 31, 2017.

Operating expenses were \$1,224 in the quarter ended December 31, 2018, an increase of 5% compared to operating expenses of \$1,173 for the quarter ended December 31, 2017.

Net loss decreased 96% to \$62 for the quarter ended December 31, 2018 compared to \$1,082 for the quarter ended December 31, 2017.

Year Ended December 31, 2018

Net sales for the year ended December 31, 2018 were \$360, a decrease of \$166, or 32%, compared to \$526 for the year ended December 31, 2017 primarily due to net sales of \$327 in 2017 of our previous product lines, offset by an increase in sales of \$161 in all of our current product lines, including Yolked[®] and MYOS Canine Muscle Formula[®].

Cost of sales for the year ended December 31, 2018 were \$248, a decrease of \$60 or 19%, compared to cost of sales of \$308 for the year ended December 31, 2017, primarily due to lower costs associated with a decrease in direct sales to consumers.

Gross profit for the year ended December 31, 2018 decreased 49% to \$112, compared to \$218 for the year ended December 31, 2017.

Operating expenses were \$4,441 for the year ended December 31, 2018, an increase of 4% compared to operating expenses of \$4,286 for the year ended December 31, 2018. This was due to a \$72 increase in sales and marketing expenses, primarily for marketing and promotional costs associated with the development and launch of new products in 2018, a \$267 increase in personnel and benefits costs, primarily for the hiring of additional sales staff to support the new product launch, and a \$183 decrease in general and administrative expenses, due to a decrease in costs associated with legal proceedings.

Net loss decreased \$835 or 21% to \$3,223 for the year ended December 31, 2018 compared to \$4,058 for the year ended December 31, 2017.

Liquidity

As of December 31, 2018, the Company had cash of \$15 and total assets of \$4,455, and \$1,269 in working capital. Net cash used in operating activities for the year ended December 31, 2018 was \$3,250, a decrease of \$533 compared to \$3,783 for the year ended December 31, 2017.

At-the-Market Offering

Subsequent to year end, on January 15, 2019, the Company sold 32,489 shares of common stock for \$2.00 per share for gross proceeds of \$65, and on March 19, 2019, the Company sold 73,560 shares of common stock for \$1.86 per share for gross proceeds of \$138.

CONFERENCE CALL

MYOS will host a conference call on Thursday, March 28, 2019 at 11:00 AM ET, at which time MYOS' Chief Executive Officer Joseph Mannello will provide commentary on earnings results and provide an update on the business.

Conference Call Details:

- **Dial In: 877-407-4019 from the U.S.; international callers may telephone 201-689-8337, approximately 15**

minutes before the call

A digital replay will be available by telephone approximately two hours after the completion of the call until June 30, 2019 and may be accessed by dialing 877-660-6853 from the U.S. or 201-612-7415 for international callers, using the Conference ID# 13689169.

This call will be simultaneously webcast. The webcast will be available on the MYOS website, www.myosrens.com, in the "Investor Relations" section. The webcast will be archived and available at the same web address for two weeks following the call.

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 and lean body mass in conjunction with resistance training. MYOS believes Fortetropin has the potential to redefine existing standards of physical health and wellness. 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 Qurr[®], Yolked[®], MYOS Enteral Nutrition Formula[™] and MYOS Canine Muscle Formula[®] products, the success of our research and development, the results of the clinical evaluation of Fortetropin[®] and its effects including the clinical study described herein, 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 economic conditions, 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.

The following tables should be read in conjunction with the footnotes accompanying the consolidated financial statements contained within the Annual Report on Form 10-K filed by the Company on March 27, 2019.

MYOS RENS TECHNOLOGY INC. AND SUBSIDIARY Consolidated Balance Sheets (in thousands, except share amounts)

	December 31, 2018	December 31, 2017
ASSETS		
Current assets:		
Cash	\$ 15	\$ 923
Accounts receivable, net	78	4
Other current asset	1,124	-
Inventories, net	1,676	1,779
Prepaid expenses	10	113
Total current assets	2,903	2,819
Other asset	50	50
Deferred offering costs	108	102
Fixed assets, net	149	184
Intangible assets, net	1,245	1,640

Total assets	\$ 4,455	\$ 4,795
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 236	\$ 176
Accrued expenses and other current liabilities	383	255
Related party promissory note payable and accrued interest	1,015	-
Total current liabilities	1,634	431
Total liabilities	1,634	431
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$.001 par value; 500,000 shares authorized; no shares issued and outstanding	-	-
Common stock, \$.001 par value; 12,000,000 shares authorized at December 31, 2018 and 2017; 7,481,723 and 6,340,604 shares issued and outstanding at December 31, 2018 and 2017, respectively	8	6
Additional paid-in capital	37,880	36,202
Accumulated deficit	(35,067)	(31,844)
Total stockholders' equity	2,821	4,364
Total liabilities and stockholders' equity	\$ 4,455	\$ 4,795

MYOS RENS TECHNOLOGY INC. AND SUBSIDIARY
Consolidated Statements of Operations
(in thousands, except per share amounts)

	Years Ended	
	December 31,	
	2018	2017
Net revenues	\$ 360	\$ 526
Cost of sales	248	308
Gross profit	112	218
Operating expenses:		
Selling, marketing and research	894	822
Personnel and benefits	1,718	1,450
General and administrative	1,829	2,014
Total operating expenses	4,441	4,286
Operating loss	(4,329)	(4,068)
Other (expense) income:		
Other (expense) income	(2)	12
Interest expense	(16)	(2)
Total other (expense) income	(18)	10
Loss before income taxes	(4,347)	(4,058)
Income tax benefit	1,124	-
Net loss	\$ (3,223)	\$ (4,058)
Net loss per share attributable to common shareholders:		
Basic and diluted	\$ (0.45)	\$ (0.69)

Weighted average number of common shares
outstanding:

Basic and diluted	<u>7,139,312</u>	<u>5,875,239</u>
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MYOS RENS TECHNOLOGY INC. AND SUBSIDIARY
Consolidated Statements of Cash Flows
(in thousands)

	Years Ended	
	December 31,	
	<u>2018</u>	<u>2017</u>
Cash Flows From Operating Activities:		
Net loss	\$ (3,223)	\$ (4,058)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	35	51
Amortization	395	267
Provision for inventory reserve	25	2
Bad debt expense	-	59
Share-based compensation	235	160
Deferred offering costs	97	-
Changes in operating assets and liabilities:		
Increase in accounts receivable	(74)	(55)
Increase in other current asset	(1,124)	-
Decrease in inventories	78	81
Decrease (increase) in prepaid expenses	103	(78)
Decrease in deferred revenue	-	(56)
Decrease in accounts payable and accrued expenses	203	(156)
Net cash used in operating activities	<u>(3,250)</u>	<u>(3,783)</u>
Cash Flows From Investing Activities:		
Purchases of fixed assets	-	(2)
Net cash used in investing activities	<u>-</u>	<u>(2)</u>
Cash Flows From Financing Activities:		
Proceeds from registered direct offering of common stock, net of costs	1,450	2,944
Deferred offering costs from at-the-market transaction	(108)	(102)
Proceeds from related party promissory note payable	1,000	-
Net cash provided by financing activities	<u>2,342</u>	<u>2,842</u>
Net decrease in cash	(908)	(943)
Cash at beginning of year	923	1,866
Cash at end of year	<u>\$ 15</u>	<u>\$ 923</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest	<u>\$ 1</u>	<u>\$ 2</u>
Supplemental schedule of non-cash investing and financing activities:		
Recognition of deferred offering costs as a reduction of equity in connection with the at-the-market offering	<u>\$ 6</u>	<u>\$ 23</u>

Investor Relations:

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