DermTech PLA Included in Peer Review Article of Novel Molecular Technologies for Melanoma Management with Potential to Address Current Gaps in Diagnostic Accuracy and Prognostication

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High negative predictive value of >99% suggests role for DermTech PLA as a non-invasive rule-out tool for melanoma

LA JOLLA, Calif.--(BUSINESS WIRE)--May 20, 2020-- DermTech, Inc. (NASDAQ: DMTK) ("DermTech"), a leader in precision dermatology enabled by a non-invasive skin genomics platform, today announced that the DermTech Pigmented Lesion Assay (the "DermTech PLA") is reviewed in the Journal of the American Academy of Dermatology ("JAAD") by leading dermatologists at the New York University School of Medicine as one of four novel molecular technologies with the potential to address current gaps in melanoma management through improved diagnostic accuracy and prognostication. Since its launch in 2016, the DermTech PLA, DermTech's non-invasive adhesive patch test for melanoma detection, has been used to assess more than 50,000 lesions and remains the first and only non-invasive gene expression test in dermatology, providing objective genomic data to help guide clinical decisions.

The article published in JAAD summarizes a review of four molecular technologies that analyze skin cells and inherited genetic variations as adjunct tools for melanoma management, providing a comprehensive, evidence-based foundation for clinicians regarding the management of difficult pigmented lesions. The review examined the fundamental principles behind each test, peer-reviewed literature assessing tool performance, and the utility and limitations of each assay. The published summary cites six peer-reviewed studies of the DermTech PLA. Key points from the article in reference to the DermTech PLA include:

- The DermTech PLA's high negative predictive value ("NPV") of >99% suggest a role as a rule-out tool for melanoma, providing clinicians with additional information to reduce biopsies of benign lesions
- The molecular test measures the levels of PRAME and LINC00518, two genes preferentially identified in melanoma
- The non-invasive adhesive patch removes only the outermost layers of the stratum corneum and does not impact future histologic examination of the underlying epidermis
- Reduction of unnecessary biopsies not only decreases patient morbidity but may reduce costs to the overall healthcare system
- Physician follow-up within 6-12 months on negative results, per standard of care, should mitigate any remaining risk of missed melanoma(s)

"This review underscores the growing importance of genomic information and objective diagnostic tools in melanoma diagnosis. The revolution in cancer care brought about by genomics is beginning to take hold in dermatology, and DermTech is at the forefront of this change," said John Dobak, M.D., Chief Executive Officer of DermTech. "Early melanoma detection is very challenging, and the DermTech PLA can reduce unnecessary pain and scarring from surgical biopsies, while improving the overall accuracy of diagnosis. As the authors note, the DermTech PLA is validated with proven clinical utility and a high sensitivity and low probability of missing melanoma."

Surgical biopsies are the current standard method for testing suspicious lesions for melanoma, though they can cause discomfort and scarring for patients, and still carry a 17% chance of missing melanoma. Of the 4.5 million skin biopsies performed annually in the U.S. to rule out melanoma, approximately 180,000 cases of melanoma are detected. In addition, 8%-20% of pathologist-evaluated lesions are classified as ambiguous or indeterminate, demonstrating the difficulty and subjectivity in detecting melanoma based on a clinical visual assessment alone.

The DermTech PLA uses a revolutionary adhesive patch technology to collect skin cells from the surface of an entire lesion without a biopsy, leaving the lesion intact to offer dermatologists the option for additional analyses if necessary. The skin cells extracted from the patch are analyzed for genetic data associated with melanoma. The DermTech PLA is validated with proven clinical utility, and has a 91% sensitivity with less than a 1% chance of missing a melanoma (99% NPV).

About DermTech:

DermTech is the leading genomics company in dermatology and is creating a new category of medicine, precision dermatology, enabled by our non-invasive skin genomics platform. DermTech's mission is to transform the practice of dermatology through more accurate diagnosis and treatment, and the elimination of unnecessary surgery, leading to improved patient care and lower costs. DermTech provides genomic analysis of skin samples collected non-invasively using an adhesive patch rather than a scalpel. DermTech markets and develops products that facilitate the early detection of skin cancers, and is developing products that assess inflammatory diseases and customize drug treatments. For additional information on DermTech, please visit DermTech's investor relations site at: www.DermTech.com.

Forward Looking Statements:

This press release includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The expectations, estimates, and projections of DermTech may differ from its actual results and consequently, you should not rely on

these forward-looking statements as predictions of future events. Words such as “expect,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believes,” “predicts,” “potential,” “continue,” and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, expectations with respect to: the performance, patient benefits, cost-effectiveness and commercialization of DermTech’s products, including the DermTech PLA, and the market opportunity therefor. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside of the control of DermTech and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) the outcome of any legal proceedings that may be instituted against DermTech; (2) DermTech’s ability to obtain additional funding to develop and market its products; (3) the existence of favorable or unfavorable clinical guidelines for DermTech’s tests; (4) the reimbursement of DermTech’s tests by Medicare and private payors; (5) the ability of patients or healthcare providers to obtain coverage of or sufficient reimbursement for DermTech’s products; (6) DermTech’s ability to grow, manage growth and retain its key employees; (7) changes in applicable laws or regulations; (8) the market adoption and demand for DermTech’s products and services together with the possibility that DermTech may be adversely affected by other economic, business, and/or competitive factors; and (9) other risks and uncertainties included in (x) the “Risk Factors” section of the most recent Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission (the “SEC”) by the company, and (y) other documents filed or to be filed with the SEC by the company. DermTech cautions that the foregoing list of factors is not exclusive. You should not place undue reliance upon any forward-looking statements, which speak only as of the date made. DermTech does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based.

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