DermTech Study, “Cost-Benefit Analysis of the Pigmented Lesion Assay When Introduced into the Visual Assessment / Histopathology Pathway for Lesions Clinically Suspicious for Melanoma,” Published in SKIN: The Journal of Cutaneous Medicine

March 8, 2022

LA JOLLA, Calif.--(BUSINESS WIRE)--Mar. 8, 2022-- DermTech, Inc. (NASDAQ: DMTK) (“DermTech” or the “Company”), a leader in precision dermatology enabled by a non-invasive skin genomics platform, announced today that *SKIN: The Journal of Cutaneous Medicine* has published its original research study, with Daniel M. Siegel, MD, MS as the lead author. A nationally recognized reimbursement expert, Dr. Siegel is a clinical professor of dermatology at SUNY Downstate Medical Center and a former president of the American Academy of Dermatology. By incorporating the Pigmented Lesion Assay (“PLA”) into the current care pathway of assessing pigmented skin lesions or moles suspicious for melanoma, the study highlights the potential reduction in cost for commercial health insurance plans, in addition to a higher quality of care for patients and improved health outcomes.

The PLA, a component of the DermTech Melanoma Test, objectively measures genomic markers associated with melanoma within skin tissue samples collected via non-invasive adhesive patches, or Smart Stickers™. It is used to identify high-risk lesions and help providers determine the next best treatment: either a biopsy and histopathologic evaluation or clinical surveillance of the lesion in question. Comparatively, the traditional care pathway for evaluating suspicious moles is visual assessment, which is subjective, followed by a potentially avoidable surgical biopsy and histopathologic assessment.

The findings outlined in the publication, “Cost-Benefit Analysis of the Pigmented Lesion Assay When Introduced into the Visual Assessment / Histopathology Pathway for Lesions Clinically Suspicious for Melanoma,” suggests that use of the PLA to rule out melanoma can minimize avoidable surgical procedures on benign lesions and decrease downstream costs of late-stage melanoma diagnoses, which reduces overall cost of care. To determine the per member per month (“PMPM”) net savings of incorporating the PLA into the current care pathway, a Return on Investment (“ROI”) model was developed from a U.S. payor perspective. This model predicted annual net savings of $0.54 PMPM for commercial health plans over a three-year period with incorporation of the PLA.

“There is a clear need for objective, cost-effective technologies to help improve the assessment, classification and management of skin lesions and moles suspicious for melanoma,” said Dr. Siegel. “The PLA offers just that, helping to make sure that the lesions and moles most likely to be malignant are the ones being biopsied.”

The published findings in *SKIN* can be found here: https://jofskin.org/index.php/skin/article/view/1475.

“This research study is a testament to how the PLA has the potential to reduce costs for health insurance plans and improve patient care by limiting the number of potentially avoidable biopsies,” said John Dobak, MD, CEO of DermTech. “As we continue to leverage genomics to advance melanoma detection and dermatology as a whole, we continue to believe that the PLA has the potential to be incorporated into additional insurance plans.”

For additional information, visit https://dermtech.com/.

About DermTech:

DermTech is a 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 dermatology with our non-invasive skin genomics platform, to democratize access to high quality dermatology care, and to improve the lives of millions. DermTech provides genomic analysis of skin samples collected non-invasively using an adhesive patch rather than a scalpel. DermTech is developing and marketing novel non-invasive genomics tests to aid in the diagnosis and management of various skin conditions, including skin cancer, inflammatory diseases, and aging-related conditions. 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 and evaluations with respect to: the performance, patient benefits, benefits to research partners and collaborators, cost-effectiveness, commercialization and adoption of DermTech’s products and services and the market opportunity for these products, and DermTech’s ability to expand its product and service offerings and develop pipeline products. 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 and services; (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 Annual Report on Form 10-K filed by DermTech with the Securities and Exchange Commission (the “SEC”), and (y) other documents filed or to be filed by DermTech with the SEC, including subsequently filed reports. 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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