

Co-Diagnostics

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Co-Diagnostics CEO says company profitable on strong demand for its coronavirus diagnostic test

Co-Diagnostics Inc (NASDAQ:CODX) CEO Dwight Egan has told shareholders the company is making a profit during its current second quarter on strong demand for its coronavirus (COVID-19) diagnostic test.

"As of the mid-point in the second quarter we have significantly exceeded the second-quarter estimates of analysts covering the company, and we are pleased to announce that we are already solidly profitable for the second quarter based on results to date," Egan said in a statement Thursday shortly after releasing the group released its first-quarter 2020 financials.

The Salt Lake, Utah-based company closed its 1Q on March 31, 2020, with \$1.5 million in revenue thanks to surging demand for its Logix Smart COVID-19 test kits. Gross margins hit 71.5% on sales of the test.

READ: Co-Diagnostics increases production of coronavirus diagnostic test on robust demand

Co-Diagnostics noted that it is seeing COVID-19 test and equipment sales of over \$18 million in the year-to-date, with \$16.5 million so far in the 2Q as it gets test orders from public and private organizations in nearly 50 countries and over 15 US states.

The company, which is debt-free and recently raised \$18 million in financing, said it has manufactured more than six million COVID-19 tests to date and has ordered components for more than 20 million additional tests, which have shown 100% specificity and 100% sensitivity in several independent evaluations.

"During the pandemic, Co-Diagnostics' ability to utilize its patented CoPrimer technology in highly accurate tests has significantly changed the trajectory of our company," Egan said.

"We believe that test performance, combined with competitive pricing and high throughput attributes, makes for a compelling value proposition. Our COVID-19 test has been the subject of several independent studies validating its specificity and sensitivity, which have demonstrated its excellent performance characteristics."

Possible second test

Egan also noted that the company is moving ahead with a feasibility study aimed at developing a possible second COVID-19 test using CoPrimers to simultaneously identify both the virus and the antibody associated with a past infection in a single test.

In anticipation of future testing needs, Egan said Co-Diagnostics is developing a multiplex panel to differentiate between the COVID-19 virus and other upper respiratory pathogens. It has already designed a test for the D614G mutation, which since March has become the most common coronavirus strain in the US and worldwide.

Price: 16.29

Market Cap: \$447.28 m

1 Year Share Price Graph



August 2019 February 2020 August 2020

Share Information

Code: CODX

Listing: NASDAQ

| | | |
|----------------|-------------|------------|
| 52 week | High | Low |
| | 30.99 | 0.86 |

Sector: Pharma & Biotech

Website: codiagnostics.com

Company Synopsis:

At Co-Diagnostics, we are passionate about providing the most robust and innovative molecular tools for detection of infectious diseases in humans, mosquitoes, and animals, liquid biopsy for cancer screening, and agricultural applications, especially to those regions where pricing is paramount.

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"Our current test is still designed to detect SARS-CoV-2 whether the mutation is present or not," he said. "However, if research confirms that this is a functional mutation, we will respond quickly with a differentiation test designed to distinguish between strains with and without the mutation."

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