

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): November 14, 2022

SomaLogic, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-40090

(Commission File Number)

85-4298912

(IRS Employer
Identification No.)

2945 Wilderness Place, Boulder, Colorado

(Address of principal executive offices)

80301

(Zip Code)

Registrant's telephone number, including area code: **(303) 625-9000**

Not Applicable

(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 to 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 |
|--|--------------------------|--|
| Class A common stock, \$0.0001 par value per share | SLGC | The NASDAQ Stock Market LLC |
| Warrants, each exercisable for one share of Class A common stock at an exercise price of \$11.50 per share | SLGCW | The NASDAQ Stock Market LLC |

Indicate by check mark whether the registrant is an emerging growth company as defined in 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 14, 2022, SomaLogic, Inc. issued a press release announcing results for the third quarter ended September 30, 2022. A copy of the press release is furnished with this report as Exhibit 99.1.

The information contained in this Current Report, including Exhibit 99.1, is being furnished to the Securities and Exchange Commission and, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

| Exhibit Number | Exhibit Description |
|---------------------------|---|
| 99.1 | Press release issued November 14, 2022 |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

SIGNATURES

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

November 14, 2022

SomaLogic, Inc.

By: /s/ Roy Smythe

Name: Roy Smythe

Title: Chief Executive Officer



SomaLogic Reports Third Quarter 2022 Financial Results

- *Third quarter 2022 revenue of \$41.7 million, bringing year to date revenue to \$78.8 million.*
- *Core life science revenue of \$20.5 million, representing an increase of 2.9% year-over-year and 45.4% compared to the last quarter.*
- *On track to reduce operational expenses by \$75 million through 2023.*
- *Raising 2022 full year revenue guidance to a range of \$93 to \$98 million, taking into account the \$21.2 million in licensing royalty revenue recognized in the third quarter.*
- *Cash, cash equivalents, and short-term investments of \$566.3 million as of September 30, 2022.*

BOULDER, Colo. (November 14, 2022) – SomaLogic (NASDAQ: SLGC), a leader in AI data-driven proteomics technology, today reported financial results for the quarter ended September 30, 2022.

“I’m proud to share a strong third quarter result with over 45% sequential growth in our core life sciences revenue, driven by our expanding customer base and reach into biopharma. We are pleased to have added more than 50 new customers to our platform over the past twelve months,” said Roy Smythe, M.D., SomaLogic’s Chief Executive Officer. “We remain committed to the growth of our core life sciences business and will continue to invest strategically in our global commercial organization to ensure we are well positioned to capitalize on the immense opportunities now and ahead in proteomics. At the same time, we are being judicious with our spend and protecting our strong balance sheet by focusing resources on key life science opportunities that will have the highest impact going forward.”

Recent Strategic Highlights

- Announced Troy Cox, former CEO of Foundation Medicine, appointed to Executive Board Chair role.
- Announced strategic acquisition of Palamedrix, a San Diego based leader in DNA nanotechnology, to develop the next-generation SomaScan® Assay.
- Recognized substantial one-time royalty revenue from SomaLogic technology licensee, New England Biolabs.

Third Quarter 2022 Financial Results

- Revenue for the three months ended September 30, 2022 was \$41.7 million, an 108.6% increase from \$20.0 million in the corresponding period of 2021. Revenue included \$20.5 million in core life sciences revenue and one-time licensing royalties of \$21.2 million.
- Gross margin for the three months ended September 30, 2022 was 72.0% compared to 56.1% for the corresponding period of 2021. The increase was primarily driven by the licensing royalty revenue at 100% margin.
- Research and development expenses grew by \$3.8 million, and selling, general and administrative expenses grew by \$30.6 million in the three-months ended September 30, 2022, compared to the corresponding period of 2021. The increase was primarily due to investments to enable our growth acceleration initiatives.
- Net loss was \$32.9 million for the three months ended September 30, 2022, or a loss of \$0.18 per share, as compared to a loss of \$41.4 million, or \$0.30 per share, in the corresponding period of 2021.

- Adjusted EBITDA was a loss of \$31.9 million for the three months ended September 30, 2022, compared with an adjusted EBITDA loss of \$18.0 million in the corresponding period of 2021.
- Cash, cash equivalents, and short-term investments were \$566.3 million as of September 30, 2022.

2022 Financial Guidance

- SomaLogic now expects revenue for the full year 2022 to be in the range of \$93 to \$98 million.

Webcast and Conference Call Details

SomaLogic will host a conference call at 8:30 a.m. ET on Monday, November 14, 2022 to discuss its third quarter 2022 financial results. Those interested in listening to the conference call should [register online using this link](#). A replay of the webcast will be available at <https://investors.somallogic.com/>.

About SomaLogic

SomaLogic (Nasdaq: SLGC) seeks to deliver precise, meaningful, and actionable health-management information that empowers individuals worldwide to continuously optimize their personal health and wellness throughout their lives. This essential information, to be provided through a global network of partners and users, is derived from SomaLogic's personalized measurement of important changes in an individual's proteins over time. For more information, visit www.somallogic.com and follow [@somallogic](https://twitter.com/somallogic) on Twitter.

Non-GAAP Financial Measures

We present non-GAAP financial measures in order to assist readers of our condensed consolidated financial statements in understanding the core operating results used by management to evaluate and run the business, as well as, for financial planning purposes. Our non-GAAP financial measure, Adjusted EBITDA, provides an additional tool for investors to use in comparing our financial performance over multiple periods.

Adjusted EBITDA is a key performance measure that our management uses to assess its operating performance. Adjusted EBITDA facilitates internal comparisons of our operating performance on a more consistent basis, and we use this measure for business planning, forecasting, and decision-making. We believe that Adjusted EBITDA enhances an investor's understanding of our financial performance as it is useful in assessing our operating performance from period-to-period by excluding certain items that we believe are not representative of our core business.

Our Adjusted EBITDA may not be comparable to similarly titled measures of other companies because they may not calculate this measure in the same manner. Adjusted EBITDA is not prepared in accordance with GAAP and should not be considered in isolation of, or as an alternative to, measures prepared in accordance with GAAP. When evaluating our performance, you should consider Adjusted EBITDA alongside other financial performance measures prepared in accordance with GAAP, including net loss.

Forward Looking Statements Disclaimer

This press release contains certain forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. All statements, other than statements of historical fact included in this press release, regarding our strategy, future operations, financial position, estimated revenues, projections, prospects, plans and objectives of management are forward-looking statements. These forward-looking statements generally are identified by the words "believe," "project," "forecast," "guidance," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "continue," "will likely result," "possible," "potential," "predict," "pursue," "target" and similar expressions, although not all forward-looking statements contain such identifying words. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Forward-looking statements do not guarantee future performance and involve known and unknown risks, uncertainties and other factors. Many factors could cause actual future events to differ materially from the forward-looking statements in

this press release, including factors which are beyond SomaLogic's control. You should carefully consider these risks and uncertainties, including, but not limited to, those factors described under Part I, Item 1A – "Risk Factors" in our Annual Report on Form 10-K and other filings we make with the Securities and Exchange Commission. These filings identify and address important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and SomaLogic assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Should one or more of these risks or uncertainties materialize, or should any of the assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. The Company will not and does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

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SomaLogic, Inc.
Condensed Consolidated Statements of Operations and Comprehensive Loss
Unaudited
(in thousands, except share data)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|----------------------------------|--------------------|---------------------------------|--------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Revenue | | | | |
| Assay services revenue | \$ 17,574 | \$ 17,499 | \$ 47,305 | \$ 48,308 |
| Product revenue | 1,051 | 75 | 2,218 | 730 |
| Collaboration revenue | 763 | 763 | 2,288 | 2,288 |
| Other revenue | 22,325 | 1,655 | 27,026 | 7,306 |
| Total revenue | 41,713 | 19,992 | 78,837 | 58,632 |
| Operating expenses | | | | |
| Cost of assay services revenue | 11,264 | 8,737 | 29,215 | 22,548 |
| Cost of product revenue | 406 | 33 | 1,184 | 452 |
| Research and development | 19,419 | 15,596 | 50,855 | 32,304 |
| Selling, general and administrative | 51,236 | 20,632 | 118,863 | 48,274 |
| Total operating expenses | 82,325 | 44,998 | 200,117 | 103,578 |
| Loss from operations | (40,612) | (25,006) | (121,280) | (44,946) |
| Other (expense) income | | | | |
| Interest income and other, net | 2,417 | 55 | 3,456 | 126 |
| Interest expense | — | (2) | — | (1,324) |
| Change in fair value of warrant liabilities | 3,371 | (8,111) | 30,547 | (8,111) |
| Change in fair value of earn-out liability | 1,260 | (5,662) | 26,749 | (5,662) |
| Loss on extinguishment of debt, net | — | (2,693) | — | (4,323) |
| Total other income (expense) | 7,048 | (16,413) | 60,752 | (19,294) |
| Net loss before income tax benefit | \$ (33,564) | \$ (41,419) | \$ (60,528) | \$ (64,240) |
| Income tax benefit | 622 | — | 622 | — |
| Net loss | \$ (32,942) | \$ (41,419) | \$ (59,906) | \$ (64,240) |
| Other comprehensive loss | | | | |
| Net unrealized loss on available-for-sale securities | \$ (13) | \$ (15) | \$ (874) | \$ (7) |
| Foreign currency translation loss | (14) | (4) | (28) | (3) |
| Total other comprehensive loss | (27) | (19) | (902) | (10) |
| Comprehensive loss | \$ (32,969) | \$ (41,438) | \$ (60,808) | \$ (64,250) |
| Net loss per share, basic and diluted | \$ (0.18) | \$ (0.30) | \$ (0.33) | \$ (0.53) |
| Weighted-average shares used to compute net loss per share, basic and diluted | 184,407,874 | 137,176,228 | 183,209,213 | 122,268,443 |

SomaLogic, Inc.
Condensed Consolidated Balance Sheets
Unaudited
(in thousands, except share data)

| | September 30, 2022 | December 31, 2021 |
|--|-----------------------|----------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 380,374 | \$ 439,488 |
| Investments | 185,963 | 218,218 |
| Accounts receivable, net | 25,050 | 17,074 |
| Inventory | 18,499 | 11,213 |
| Deferred costs of services | 1,217 | 462 |
| Prepaid expenses and other current assets | 10,157 | 5,097 |
| Total current assets | 621,260 | 691,552 |
| Non-current inventory | 3,810 | 4,085 |
| Accounts receivable, net of current portion | 10,383 | — |
| Property and equipment, net of accumulated depreciation of \$17,416 and \$15,244 as of September 30, 2022 and December 31, 2021, respectively | 19,910 | 9,557 |
| Other long-term assets | 5,716 | 908 |
| Intangible assets | 16,700 | — |
| Goodwill | 10,465 | — |
| Total assets | \$ 688,244 | \$ 706,102 |
| LIABILITIES AND STOCKHOLDERS' DEFICIT | | |
| Current liabilities | | |
| Accounts payable | \$ 20,295 | \$ 15,089 |
| Accrued liabilities | 16,324 | 11,109 |
| Deferred revenue | 3,611 | 3,021 |
| Other current liabilities | 2,445 | 66 |
| Total current liabilities | 42,675 | 29,285 |
| Warrant liabilities | 4,635 | 35,181 |
| Earn-out liability | 136 | 26,885 |
| Deferred revenue, net of current portion | 32,015 | 2,364 |
| Other long-term liabilities | 6,113 | 363 |
| Total liabilities | 85,574 | 94,078 |
| Commitments and contingencies | | |
| Stockholders' equity: | | |
| Preferred stock, \$0.0001 par value; 1,000,000 shares authorized; no shares issued and outstanding at September 30, 2022 and December 31, 2021 | — | — |
| Common stock, \$0.0001 par value; 600,000,000 shares authorized; 187,495,940 and 181,552,241 shares issued and outstanding at September 30, 2022 and December 31, 2021, respectively | 19 | 18 |
| Additional paid-in capital | 1,162,444 | 1,110,991 |
| Accumulated other comprehensive income (loss) | (974) | (72) |
| Accumulated deficit | (558,819) | (498,913) |
| Total stockholders' equity | 602,670 | 612,024 |
| Total liabilities and stockholders' equity | \$ 688,244 | \$ 706,102 |

SomaLogic, Inc.
Reconciliation of net loss in accordance with GAAP to non-GAAP adjusted EBITDA

| <i>(in thousands)</i> | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|----------------------------------|-------------|---------------------------------|-------------|
| | 2022 | 2021 | 2022 | 2021 |
| GAAP net loss | \$ (32,942) | \$ (41,419) | \$ (59,906) | \$ (64,240) |
| Non-GAAP EBITDA adjustments to net income: | | | | |
| Interest income and other, net | (2,417) | (55) | (3,456) | (126) |
| Interest expense | — | 2 | — | 1,324 |
| Income tax benefit | (622) | — | (622) | — |
| Depreciation and amortization | 1,172 | 532 | 2,890 | 1,909 |
| EBITDA | (34,809) | (40,940) | (61,094) | (61,133) |
| Other non-GAAP adjustments: | | | | |
| Loss on extinguishment debt, net ⁽¹⁾ | — | 2,693 | — | 4,323 |
| Change in fair value of warrant liabilities ⁽²⁾ | (3,371) | 8,111 | (30,547) | 8,111 |
| Change in fair value of earn-out liability ⁽³⁾ | (1,260) | 5,662 | (26,749) | 5,662 |
| One-time non-cash stock-based compensation ⁽⁴⁾ | — | 6,461 | — | 6,461 |
| Stock compensation expense related to equity award modifications ⁽⁵⁾ | 7,538 | — | 7,793 | 700 |
| Adjusted EBITDA | \$ (31,902) | \$ (18,013) | \$ (110,597) | \$ (35,876) |

(1) Represents the \$5.2 million loss on extinguishment of debt as a result of the repayment of the Amended and Restated Credit Agreement in April 2021, the \$2.7 million loss on extinguishment of debt as a result of the conversion of the Convertible Debt in July 2021, and offset by the \$3.6 million gain on extinguishment of debt as a result of the forgiveness of the PPP loan in June 2021.

(2) Represents fair value adjustments to warrant liabilities.

(3) Represents fair value adjustments to earn-out liability.

(4) Represents a one-time non-cash stock-based compensation expense of \$6.5 million related to the sale of stock and vested options by an employee to an economic interest holder in excess of fair value.

(5) Represents stock-based compensation expense related to accelerated vesting for terminated executives.