



CENTOGENE Reports Second Quarter 2021 Financial Results

September 7, 2021

Strong Revenues and Steady Return to Core Business Growth; Surpasses Milestone of 200 Scientific Publications, Highlighting Value of Bio/Databank

CAMBRIDGE, Mass. and ROSTOCK, Germany and BERLIN, Sept. 07, 2021 (GLOBE NEWSWIRE) -- Centogene N.V. (Nasdaq: CNTG), a commercial-stage company focused on generating data-driven insights to diagnose, understand, and treat rare diseases, today announced financial results for the second quarter ended June 30, 2021, and provided an update on recent business progress.

"We delivered a strong quarter and made meaningful progress on our strategic priorities, which we outlined at our Investor Event in June this year. This includes the appointment and onboarding of an expanded new management team, with the most recent addition of Patrice P. Denèfle as Chief Scientific Officer to help lead our data-driven approach to reinvent rare disease drug discovery and development," stated Andrin Oswald, M.D., Chief Executive Officer at CENTOGENE. "By leveraging the compounding value of our leading and continuously growing Bio/Databank within our diagnostic, research, and pharma initiatives, we have built a strong foundation and are set to enable the cure of 100 rare diseases in 10 years."

Q2 Financial Highlights

- Revenues of €51.9 million in Q2 2021, a 434% increase compared to €9.7 million in Q2 2020; Revenues from the Company's Pharma and Diagnostics segments ("Core Business") increased 25%
- Clinical Diagnostics revenues (excl. COVID) of €6.7 million, an increase of 82% compared to €3.6 million in Q2 2020
- Pharma revenues of €2.8 million in Q2 2021, down from €3.9 million in Q2 2020, with further revenues weighted towards the end of 2021
- Commercial COVID-19 testing revenues of €42.3 million in Q2 2021, up from €2.1 million in Q2 2020
- Positive total segment adjusted EBITDA of €7.5 million compared to €1.0 million in Q2 2020 from the Company's Pharma, Diagnostics, and COVID-19 testing segments
- Cash and cash equivalents of €34.8 million as of June 30, 2021, compared to €45.2 million for the period ending March 31, 2021

"We are very encouraged by the accelerating momentum and the performance we delivered in Q2 2021, particularly in achieving strong segment adjusted EBITDA now multiple quarters in a row," said René Just, Chief Financial Officer of CENTOGENE. "We will continue to efficiently deploy our capabilities and resources to drive further growth and value creation for our patients and shareholders."

Corporate Highlights

- Set mission to enable the cure of 100 rare diseases in 10 years and outlined high value creating strategy and milestones for the next few years at first corporate Investor Event on June 22, 2021
- Published 200th scientific publication – accelerating scientific discoveries through leveraging CENTOGENE's vast Bio/Databank and studying over 115,000 patient cases to diagnose, understand, and treat rare disease patients around the world
- Added approximately 24,000 patients with high quality data sets to CENTOGENE's Bio/Databank, the world's most geographically diverse source of rare disease-centric insights
- Announced key additions to executive management team, including most recently Patrice P. Denèfle as Chief Scientific Officer, who is responsible for overseeing scientific activities to deliver on the Company's vision and strategy, while driving value creation

Pharma Highlights

- Initiated new collaboration with immuno-neurology pioneer Alector to accelerate the diagnosis of patients with frontotemporal dementia, a genetic neurodegenerative disease
- Extended partnership with Takeda to enable access to genetic testing and diagnosis of patients with certain genetic disorders
- Extended global Parkinson's disease study (Rostock International Parkinson's Disease (ROPAD) Study) – aiming to recruit and genetically test an additional 2,500 patients for Parkinson's, one of CENTOGENE's key prioritized diseases. In 2018, CENTOGENE entered into a strategic collaboration with Denali Therapeutics for the targeted global identification and recruitment of Parkinson's disease patients with mutations in the *LRRK2* gene
- Currently leads 12 ongoing observational and longitudinal observational clinical studies to validate/monitor biomarkers, covering several disease categories, such as Parkinson's disease, transthyretin amyloidosis, and inborn errors of

metabolism

Diagnostic Highlights

- Launched enhanced Whole Exome Sequencing (WES) service NEW CentoXome®, coupling insights from the Company's unique rare disease-centric Bio/Databank with superior omics technology to increase diagnostic yield by up to 20% compared to conventional WES
- Reported testing volume/order intake/test requests of 29,100 which represents a 54 % increase compared to 18,850 in the same period in 2020
- Published latest research which led to the discovery of six new rare diseases, which are now incorporated into the Company's diagnostic offering, and diagnosis of over 90 patients by leveraging the Company's Bio/Databank
- Authored 18 peer-reviewed scientific publications in Q2 2021, focused on generating critical insights into diseases, including Parkinson's disease, as well as advancements in genetic sequencing technology

COVID-19 Testing

- Leveraged CENTOGENE's diagnostic expertise and resources with continued COVID-19 testing, including the processing of 679,900 test requests for SARS-CoV-2 testing in Q2 2021

2021 Financial Guidance

The Company continues to see Diagnostics recovery, alongside momentum in newly signed Pharma partnership deals. This trajectory indicates a return to solid core business growth for 2021. Despite anticipating COVID-19 revenues to decline in the second half of the year, overall revenue for FY 2021 is expected to surpass FY 2020.

Webcast and Conference Call Information

Management will host a conference call and webcast today at 2 p.m. CEST/ 8 a.m. EDT to discuss financial results and recent developments. To access the conference call and webcast, please register at: <http://emea.directeventreg.com/registration/6090847>. Upon registering, each participant will be provided with Participant Dial In Numbers, a Direct Event Passcode, and a unique Registrant ID. Registrants can then join up to 10 minutes prior to the start of the call.

The webcast of the conference call and the slide deck will also be available on the Investor Relations page of the Company's website at <http://investors.centogene.com>.

These results reflect another step forward for CENTOGENE's mission to enable the cure of 100 rare diseases within the next 10 years. To learn more, visit: <https://www.centogene.com/virtual-investor-event>

About CENTOGENE

CENTOGENE engages in diagnosis and research around rare diseases transforming real-world clinical, genetic, and multiomic data to diagnose, understand, and treat rare diseases. Our goal is to bring rationality to treatment decisions and to accelerate the development of new orphan drugs by using our extensive rare disease knowledge and data. CENTOGENE has developed a global proprietary rare disease platform based on our real-world data repository with over 3.9 billion weighted data points from approximately 600,000 patients representing over 120 different countries as of December 31, 2020.

The Company's platform includes epidemiologic, phenotypic, and genetic data that reflects a global population, as well as a biobank of patients' blood samples and cell cultures. CENTOGENE believes this represents the only platform focused on comprehensive analysis of multi-level data to improve the understanding of rare hereditary diseases. It allows for better identification and stratification of patients and their underlying diseases to enable and accelerate discovery, development, and access to orphan drugs. As of December 31, 2020, the Company collaborated with over 30 pharmaceutical partners.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the U.S. federal securities laws. Statements contained herein that are not clearly historical in nature are forward-looking, and the words "anticipate," "believe," "continue," "expect," "estimate," "intend," "project," and similar expressions and future or conditional verbs such as "will," "would," "should," "could," "might," "can," and "may," are generally intended to identify forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, and other important factors that may cause CENTOGENE's actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, negative worldwide economic conditions and ongoing instability and volatility in the worldwide financial markets, the effects of the COVID-19 pandemic on our business and results of operations, possible changes in current and proposed legislation, regulations and governmental policies, pressures from increasing competition and consolidation in our industry, the expense and uncertainty of regulatory approval, including from the U.S. Food and Drug Administration, our reliance on third parties and collaboration partners, including our ability to manage growth and enter into new client relationships, our dependency on the rare disease industry, our ability to manage international expansion, our reliance on key personnel, our reliance on intellectual property protection, fluctuations of our operating results due to the effect of exchange rates, or other factors. For further information on the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to CENTOGENE's business in general, see CENTOGENE's risk factors set forth in CENTOGENE's Form 20-F filed on April 15, 2021, with the Securities and Exchange Commission (the "SEC") and subsequent filings with the SEC. Any forward-looking statements contained in this press release speak only as of the date hereof, and CENTOGENE specifically disclaims any obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

Centogene N.V.
Unaudited interim condensed consolidated statements of comprehensive loss
for the three and six months ended June 30, 2021, and 2020
(in EUR k)

	Note	For the three months ended June 30		For the six months ended June 30	
		2020	2021	2020	2021
Revenue	4, 5	9,719	51,871	21,824	116,831
Cost of sales		6,815	43,760	13,833	95,707
Gross profit		2,904	8,111	7,991	21,124
Research and development expenses		3,119	4,053	5,810	8,388
General administrative expenses		7,767	10,494	15,665	22,090
Selling expenses		2,386	1,942	4,712	3,891
Impairment of financial assets	7	500	580	1,674	675
Other operating income	6.1	801	1,276	1,746	1,642
Other operating expenses	6.2	37	2	138	36
Operating loss		(10,104)	(7,684)	(18,262)	(12,314)
Interest and similar income		13	—	13	—
Interest and similar expense		269	212	718	471
Financial costs, net		(256)	(212)	(705)	(471)
Loss before taxes		(10,360)	(7,896)	(18,967)	(12,785)
Income tax expenses		—	124	129	124
Loss for the period		(10,360)	(8,020)	(19,096)	(12,909)
Other comprehensive income/ (loss), all attributable to equity holders of the parent		(6)	(191)	70	(70)
Total comprehensive loss		(10,366)	(8,211)	(19,026)	(12,979)
Attributable to:					
Equity holders of the parent		(10,364)	(8,222)	(18,963)	(13,025)
Non-controlling interests		(2)	11	(63)	46
		(10,366)	(8,211)	(19,026)	(12,979)
Loss per share - Basic and diluted (in EUR)		(0.52)	(0.37)	(0.95)	(0.58)

The accompanying notes form an integral part of these unaudited interim condensed consolidated financial statements.

Centogene N.V.
Unaudited interim condensed consolidated statements of financial position
as at December 31, 2020, and June 30, 2021
(in EUR k)

Assets	Note	Dec 31, 2020	June 30, 2021
Non-current assets			
Intangible assets		12,407	12,179
Property, plant and equipment		16,590	16,411
Right-of-use assets		22,120	20,558
Other assets	7	1,967	3,023
		53,084	52,171
Current assets			
Inventories		11,405	9,281
Trade receivables and contract assets	7	29,199	18,490
Other assets	7	8,286	6,064
Cash and cash equivalents	8	48,156	34,780
		97,046	68,615
		150,130	120,786

Equity and liabilities	Note	Dec 31, 2020	June 30, 2021
Equity			

Issued capital	9	2,654	2,693
Capital reserve	9	125,916	130,153
Retained earnings and other reserves		(62,888)	(75,913)
Non-controlling interests		95	141
		65,777	57,074
Non-current liabilities			
Non-current loans	10.1	401	200
Lease liabilities	10.1	17,677	16,209
Deferred tax liabilities		207	246
Government grants	10.2	8,950	8,640
		27,235	25,295
Current liabilities			
Government grants	10.2	1,342	1,352
Current loans	10.1	2,492	3,883
Lease liabilities	10.1	3,528	3,299
Trade payables	10.2	31,736	14,014
Liabilities from income taxes	10.2	58	143
Other liabilities	10.2	17,962	15,726
		57,118	38,417
		150,130	120,786

The accompanying notes form an integral part of these unaudited interim condensed consolidated financial statements.

Centogene N.V.
Unaudited interim condensed consolidated statements of cash flows
for the six months ended June 30, 2020, and 2021
(in EUR k)

	Note	For the six months ended June 30	
		2020	2021
Operating activities			
Loss before taxes		(18,967)	(12,785)
Adjustments to reconcile loss to cash flow from operating activities			
Amortization and depreciation	5	4,432	6,670
Interest income		(13)	—
Interest expense		718	471
Expected credit loss allowances on trade receivables and contract assets	7	1,674	675
Share-based payment expenses	11	1,393	4,276
Tax expense		129	124
Other non-cash items		(686)	126
Changes in operating assets and liabilities			
Inventories		(6,252)	2,124
Trade receivables and contract assets	7	(64)	10,034
Other assets	7	269	328
Trade payables	10.2	274	(17,722)
Other liabilities	10.2	2,457	(2,151)
Cash flow used in operating activities		(14,636)	(7,830)
Investing activities			
Cash paid for investments in intangible assets	5	(3,965)	(2,089)
Cash paid for investments in property, plant and equipment		(3,072)	(2,696)
Grants received for investment in property, plant and equipment	10.2	390	—
Interest received		13	—

Cash flow used in investing activities		<u>(6,634)</u>	<u>(4,785)</u>
Financing activities			
Cash paid for acquisition of non-wholly owned subsidiary		(75)	—
Cash received from loans	10.1	928	1,769
Cash repayments of loans	10.1	(1,260)	(185)
Cash repayments of lease liabilities	10.1	(1,619)	(2,263)
Interest paid		(399)	(82)
Cash flow from used in financing activities		<u>(2,425)</u>	<u>(761)</u>
Changes in cash and cash equivalents		(23,695)	(13,376)
Cash and cash equivalents at the beginning of the period		<u>41,095</u>	<u>48,156</u>
Cash and cash equivalents at the end of the period		<u>17,400</u>	<u>34,780</u>

The accompanying notes form an integral part of these unaudited interim condensed consolidated financial statements.

CENTOGENE Lennart Streibel Investor Relations investor.relations@centogene.com FTI Consulting Robert Stanislaro
robert.stanislaro@fticonsulting.com Rachel Kleiman rachel.kleiman@fticonsulting.com