



CENTOGENE Reports First Quarter 2022 Financial Results

July 15, 2022

On Track for FY 2022 Guidance

- Q1 2022 revenue rises 3% to €10.3 million
- Completed phase out of COVID-19 Business segment in Q1 2022
- Positioning Pharma and Diagnostics for post-COVID recovery and growth in 2022 and beyond
- Reaffirms FY 2022 guidance of 15-20% revenue growth

CAMBRIDGE, Mass. and ROSTOCK, Germany and BERLIN, July 15, 2022 (GLOBE NEWSWIRE) -- **Centogene N.V. (Nasdaq: CNTG)**, the commercial-stage essential biodata life science partner for rare and neurodegenerative diseases, today announced financial results for the first quarter ending March 31, 2022, reaffirmed guidance, and provided a business update.

"We are on track with our renewed focus on the Core Business. The Diagnostics segment continued to show double digit growth rates year-over-year and is planned to grow faster than the market. We are on target to enhance our Pharma offering – broadening our commercial team, marketing a differentiated product portfolio, and growing the pipeline to return the Pharma segment to steady growth in 2022. We see the extension of the market access partnership with Takeda and the new contract with Agios as important proof points of our biopharma strategy," stated Kim Stratton, Chief Executive Officer at CENTOGENE. "In the first quarter, we phased out the COVID-19 Testing Business as planned, allowing our organization to pivot and be focused on Core Business execution."

First Quarter 2022 Financial Highlights

- Overall revenues of €10.3 million (excluding the discontinued operation) were recorded in Q1 2022, a 3% increase compared to €10.0 million in Q1 2021
- Diagnostics segment revenues of €7.1 million in Q1 2022, an increase of 11% compared to €6.4 million in Q1 2021, reflecting the fourth consecutive quarter of year-over-year revenues growth in the segment. The increase in revenues was primarily related to an increase in revenues from Whole Exome Sequencing (WES) and Whole Genome Sequencing (WGS) of 18%
- Pharma segment revenues of €3.2 million in Q1 2022, a decrease of 10% compared to €3.6 million in Q1 2021
- The COVID-19 Testing Business was phased out in Q1 2022 and reported as discontinued operations but no longer as a segment. Revenues from the COVID-19 Business were €19.5 million in Q1 2022, compared to €55.0 million in Q1 2021. Discontinued operations in the period contributed positively to net income and cash flow
- Net loss of €6.4 million in Q1 2022, compared to net loss of €4.8 million in Q1 2021
- Total segment adjusted EBITDA of €1.9 million for the two continuing segments was recorded in Q1 2022, compared to €2.6 million in Q1 2021. This mainly reflects the lower proportion of revenues in the higher margin Pharma segment
- Adjusted EBITDA from COVID-19 business for the three months ended March 31, 2022 was €6,106 thousand as compared to €10,167 thousand for the three months ended March 31, 2021. The decrease was driven by the reduction in COVID-19 test order intakes as the business was phased out
- Cash and cash equivalents were €42.7 million as of March 31, 2022, compared to €17.8 million for the period ending December 31, 2021. The reported cash position per end of Q1 2022 reflects proceeds from the debt (first tranche) and equity financings completed in February 2022

"With the completion of the financings earlier this year, CENTOGENE is operating from a stable financial position. We rolled out multiple initiatives to extend our cash runway by closely managing margins and corporate expenses. As a result, we are expecting to show improvements in our 2022 adj. EBITDA versus the prior year," added Miguel Coego, Chief Financial Officer of CENTOGENE.

Recent Business Highlights

Corporate

- Appointed executive and Supervisory Board leadership, including Kim Stratton as CEO, Miguel Coego as CFO, and Dr. Andreas Busch as Vice Chairman of the Supervisory Board
- Closed \$62 million aggregate equity and debt financings to support growth plan, including a €15 million (approx. \$17 million) private placement incl. 1.3 million warrants at an exercise price of \$7.72 per share from leading growth investors and a \$45 million senior secured loan from Oxford Finance in Q1 2022, with the second tranche of the loan subject to operating covenants
- Added ~28,000 individuals to the CENTOGENE Biodatabank in Q1 2022; CENTOGENE believes its Biodatabank is the world's largest real-world data repository for rare and neurodegenerative diseases, which includes samples as well as data and cell lines from patients from over 120 countries
- Authored 15 peer-reviewed scientific publications in Q1 2022, focused on generating critical insights into an array of diseases, including rare genetic and neurological diseases, e.g., the prevalence of Fabry disease among patients with Parkinson's disease
- Phased out the COVID-19 testing services end of Q1 2022 according to plan

Pharma

- Expanded partnership with Agios Pharmaceuticals for clinical development of PYRUKYND[®] (mitapivat) to treat children with rare blood disease
- Extended market access partnership with Takeda to accelerate path from diagnosis to available treatments for rare metabolic and rare neurodegenerative diseases
- Expanded Data Access and Collaboration R&D Agreement with Pfizer to advance discovery and validation of novel genetic targets as candidates for the development of new therapies for rare diseases
- Initiated collaboration with Insilico Medicine for Niemann-Pick disease Type C (NPC) target discovery, leveraging the CENTOGENE Biodatabank
- Currently leading three observational studies for patient finding and market access in collaboration with our pharma partners in rare and neurodegenerative disorders

Diagnostics

- Reported order intake of approximately 16,300 test requests in our diagnostics segment, representing an increase of approximately 24% as compared to approximately 13,100 test requests in the same period in 2021
- Launch of CENTOGENE MOx – a portfolio of single-step multiomic solutions that combines sequencing and biochemical testing to enable early diagnosis, improved prognosis, and precision medicine
- Global release of CentoCloud, a cloud-based, clinical decision support platform enabling decentralized analysis, interpretation, and quality reporting for laboratories around the world
- Received CE-mark for CentoCloud, making it one of the only decentralized SaaS and clinical decision support platforms compliant with European IVD regulatory framework
- Major Next Generation Sequencing (NGS) panel update with more than 3,000 genes revised and 1,864 genes added to maximize the clinical utility for rare metabolic and neurodegenerative diseases
- Contributed to Europe-wide efforts to update guidelines for WGS in rare disease diagnostics

2022 Financial Guidance

The Company has reaffirmed its previously communicated 2022 annual revenue guidance for year-over-year revenue growth of 15% to 20%. As a result, CENTOGENE expects revenues to be in the range of €50 million to €52 million. This reflects the classification of the COVID-19 Testing Business as discontinued operations.

About CENTOGENE

CENTOGENE (Nasdaq: CNTG) is transforming real-world clinical, genetic, and multiomic data to enable better health outcomes for patients with rare and neurodegenerative diseases. For over 15 years, CENTOGENE has been providing diagnostic insights to patients with genetic diseases through our network of nearly 30,000 active physicians. CENTOGENE now believes its Biodatabank is the world's largest real-world data repository of corresponding patients from more than 120 countries. Simplified logistics solutions, including CentoCard[®] for sending biosamples, and our ISO, CAP, & CLIA certified state-of-the-art multiomic reference labs offer patients rapid and reliable diagnoses to support the identification and personalization of their treatments. Ultimately, offering the best treatment for patients involves developing new or better therapies. We are de-risking orphan drug discovery and development by partnering with more than 30 biopharma in target & drug screening, clinical development, market access and

expansion. CENTOGENE engages in biodata partnerships with our Biodata Licenses and Insight Reports.

To discover more about our products, pipeline, and patient-driven purpose, visit www.centogene.com and follow us on [LinkedIn](#).

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,” “continues,” “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 economic and geopolitical conditions and instability and volatility in the worldwide financial markets, 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, our ability to streamline cash usage, our requirement for additional financing, 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 March 31, 2022, 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’s 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 months ended March 31, 2022 and 2021 (in EUR k)

	Note	For the three months ended March 31	
		2022	2021*
Revenue	4, 5	10,327	9,981
Cost of sales		6,450	6,208
Gross profit		3,877	3,773
Research and development expenses		4,614	4,335
General administrative expenses		7,906	11,596
Selling expenses		2,394	1,949
Impairment of financial assets	8	154	95
Other operating income	6.1	733	366
Other operating expenses	6.2	1	34
Operating loss		(10,459)	(13,870)
Changes in fair value of warrants	11.2	238	—
Interest and similar income		1	—
Interest and similar expense		859	259
Financial costs, net		(620)	(259)
Loss before taxes from continuing operations		(11,079)	(14,129)
Income tax expenses		4	—
Loss for the period from continuing operations		(11,083)	(14,129)
Net income from discontinued operations, net of tax	7	4,601	9,240
Loss for the period		(6,482)	(4,889)
Other comprehensive income, all attributable to equity holders of the parent		94	121
Total comprehensive loss		(6,388)	(4,768)
Attributable to:			
Equity holders of the parent		(6,415)	(4,803)
Non-controlling interests from continuing operations		—	—
Non-controlling interests from discontinued operations		27	35
		(6,388)	(4,768)
Net loss per share - Basic and diluted from (in EUR)			
Continuing operations		(0.48)	(0.63)
Loss attributable to parent		(0.28)	(0.22)

*The comparative numbers have been re-presented as a result of the discontinued operations. Refer to Note 7- Discontinued Operations.

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 of March 31, 2022 and December 31, 2021
(in EUR k)

Assets	Note	Mar 31, 2022	Dec 31, 2021
			Revised
Non-current assets			
Intangible assets		8,183	9,194
Property, plant and equipment*	2.2	7,674	9,464
Right-of-use assets		17,972	18,904
Other assets	8	2,972	2,972
		36,801	40,534
Current assets			
Inventories		2,067	3,869
Trade receivables and contract assets	8	21,125	24,337
Other assets	8	5,443	5,453
Cash and cash equivalents	9	42,666	17,818
		71,301	51,477
		108,102	92,011
Equity and liabilities	Note	Mar 31, 2022	Dec 31, 2021
			Revised
Equity			
Issued capital	10	3,250	2,708
Capital reserve	10	143,456	133,897
Retained earnings and other reserves		(114,120)	(107,705)
Non-controlling interests		220	193
		32,806	29,093
Non-current liabilities			
Non-current loans	11,1	21,890	—
Lease liabilities*	11,1	14,540	15,394
Deferred tax liabilities		59	79
Government grants	11,2	7,506	8,028
Warrants liability	11,2	2,603	—
		46,598	23,501
Current liabilities			
Government grants	11,2	1,517	1,368
Current loans	11,1	3,574	3,815
Lease liabilities*	2.2, 11.1	2,953	3,330
Trade payables	11,2	5,897	11,252
Liabilities from income taxes	11,2	198	178
Other liabilities	11,2	14,559	19,474
		28,698	39,417
		108,102	92,011

*Property, plant and equipment and lease liabilities as of December 31, 2021 have been revised. Refer to Note 2.2 – Revision of selected assets and liabilities in the consolidated statement of financial position and selected income and expenses in the consolidated statement of comprehensive loss.

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 three months ended March 31, 2022 and 2021

(in EUR k)

	Note	For the three months ended March	
		2022	2021*
Operating activities			
Loss before taxes from continuing operations		(11,079)	(14,129)
Income before taxes from discontinued operations	7	4,614	9,240
Loss before taxes		(6,465)	(4,889)
Adjustments to reconcile loss to cash flow from operating activities			
Amortization and depreciation	5	3,808	3,286
Interest expense		859	259
Expected credit loss allowances on trade receivables and contract assets	8	146	95
Gain on disposal of property, plant and equipment		(527)	—
Share-based payment (true up)/ expenses	12	(1,957)	2,042
Fair value adjustments of warrants		(238)	—
Other non-cash items		(141)	(184)
Changes in operating assets and liabilities			
Inventories		1,802	2,083
Trade receivables and contract assets	8	3,066	500
Other assets	8	10	(941)
Trade payables	11.2	(5,355)	(6,638)
Other liabilities	11.2	(4,908)	4,629
Thereof cash flow used in continuing operating activities		(12,735)	(8,720)
Thereof cash flow from discontinued operating activities	7	2,835	8,962
Net cash flow (used in)/ from operating activities		(9,900)	242
Investing activities			
Cash paid for investments in intangible assets	5	(44)	(1,326)
Cash paid for investments in property, plant and equipment		(79)	(1,970)
Cash received for disposal of property, plant and equipment		575	—
Thereof cash flow from continuing investing activities		(123)	(1,526)
Thereof cash flow from discontinued investing activities	7	575	(1,770)
Cash flow from/ (used in) investing activities		452	(3,296)
Financing activities			
Cash received from issuance of shares	10	12,058	—
Cash received from issuance of warrants		2,833	—
Cash received from loans	11.1	21,695	1,587
Cash repayments of loans	11.1	(200)	(185)
Cash repayments of lease liabilities	11.1	(1,231)	(1,222)
Interest paid		(859)	(61)
Thereof net cash flow from continuing financing activities		34,705	394
Thereof net cash flow used in discontinued financing activities		(409)	(275)
Net cash flow from financing activities		34,296	119
Changes in cash and cash equivalents		24,848	(2,935)
Cash and cash equivalents at the beginning of the period		17,818	48,156
Cash and cash equivalents at the end of the period		42,666	45,221

*The comparative numbers have been re-presented as a result of the discontinued operations. Refer to Note 7- Discontinued Operations.

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

Reconciliation of segment Adjusted EBITDA to Group loss before taxes from continuing operations

For the three months ended March 31	2022	2021
Reported segment Adjusted EBITDA	1,911	2,551
Corporate expenses	(11,964)	(12,020)
	(10,053)	(9,469)
Share-based payment (true-up)/ expenses (Note 12)	1,957	(2,042)
Depreciation and amortization	(2,363)	(2,359)
Operating loss from continuing operations	(10,459)	(13,870)
Financial costs, net	(620)	(259)
Loss before taxes from continuing operations for the three months ended March 31	(11,079)	(14,129)

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