



## Q1 2020 Financial Results

**Prof. Arndt Rolfs – CEO**

**Richard Stoffelen – CFO**

JUNE 15, 2020

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FOR FURTHER INFORMATION, PLEASE REFER TO THE RISK FACTORS SECTION IN OUR ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2019 ON FORM 20-F FILED WITH THE SEC ON APRIL 23, 2020 AND OTHER CURRENT REPORTS AND DOCUMENTS FILED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION (SEC). YOU MAY GET THESE DOCUMENTS BY VISITING EDGAR ON THE SEC WEBSITE AT [WWW.SEC.GOV](http://WWW.SEC.GOV).

# Agenda

## 1. Business Update



Professor Arndt Rolfs, MD  
*CEO*

## 2. Financial Review



Richard Stoffelen  
*CFO*

## 3. Summary



Professor Arndt Rolfs, MD  
*CEO*

## 4. Q&A

Our goal

***“Providing precise medical diagnosis of inherited rare diseases at the earliest possible moment; transforming medical expertise and analytical information into actionable results for physicians, patients, and pharmaceutical partners.”***



## Strong execution while adjusting to global pandemic

### Double digit revenue growth despite the pandemic

- Revenue grew 13% compared to Q1 2019 driven by double-digit growth in both the Pharma and Diagnostics segments
- Operating metrics demonstrated solid execution, however slowdown was observed in the latter part of March due to COVID-19

### Nimble response to COVID-19 pandemic

- Quickly implemented measures to minimize disruption and ensure business continuity
- Allocated resources to initiate and expand COVID-19 testing to support global efforts to fight the pandemic

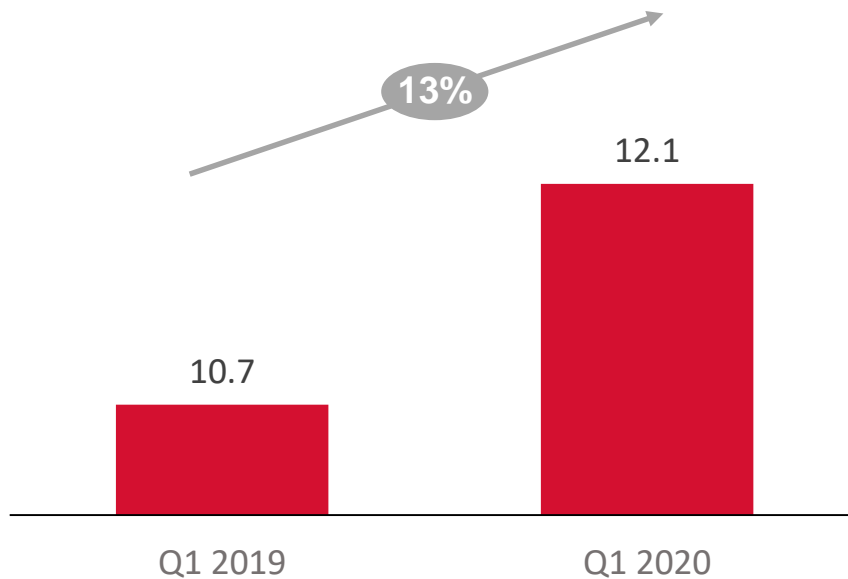
### Financial impact

- Observed continued slow down of core business in April with decrease in sample volume and Pharma business tied to clinical trials caused by COVID-19
- Commercial COVID-19 testing has started and will help offset slowdown; still too early to assess ultimate impact

Double digit revenue growth in Q1 2020 despite COVID-19 pandemic

## Q1 Revenue Development

(€ Millions)

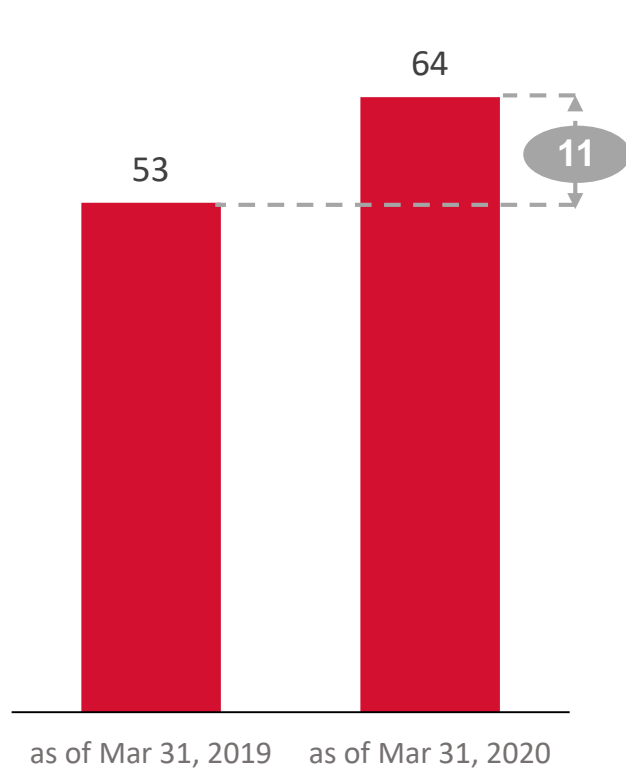


## Financial Highlights

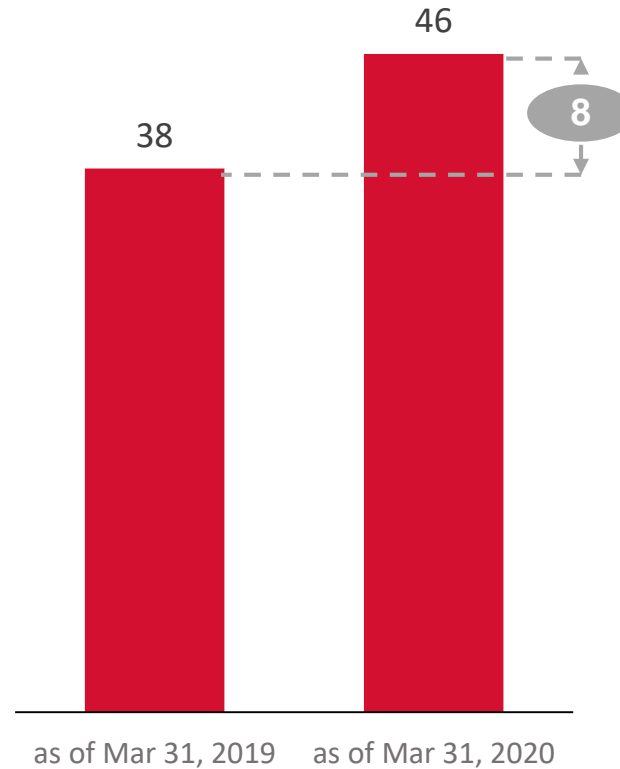
- 13% revenue growth compared to Q1 2019 despite COVID-19 pandemic
- Pharma revenues increased by 10% and Diagnostics revenues grew by 15% compared to Q1 2019
- Operation started to slow-down at the end of March due to COVID-19 situation

# Key operational metrics demonstrate strong fundamentals driving Pharma growth

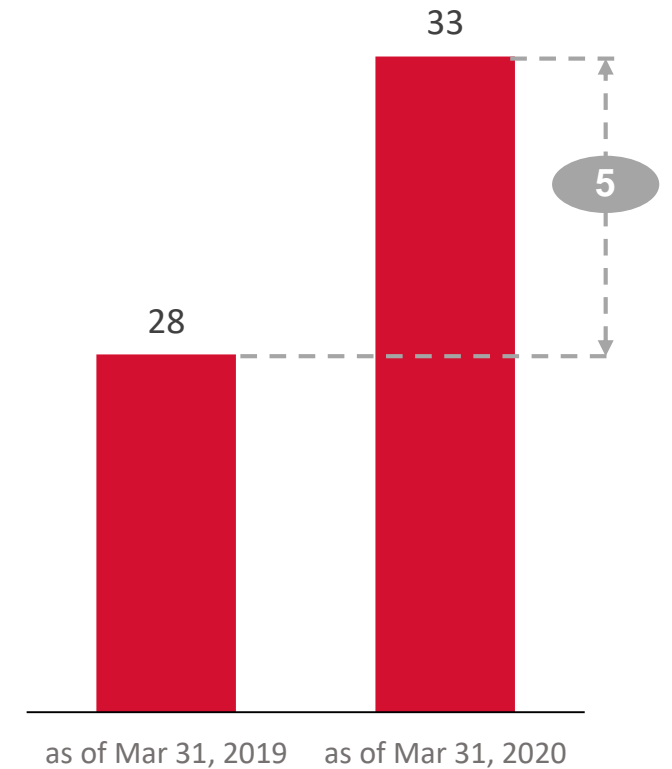
## # of Pharma Collaborations



## # of Diseases under Partnership



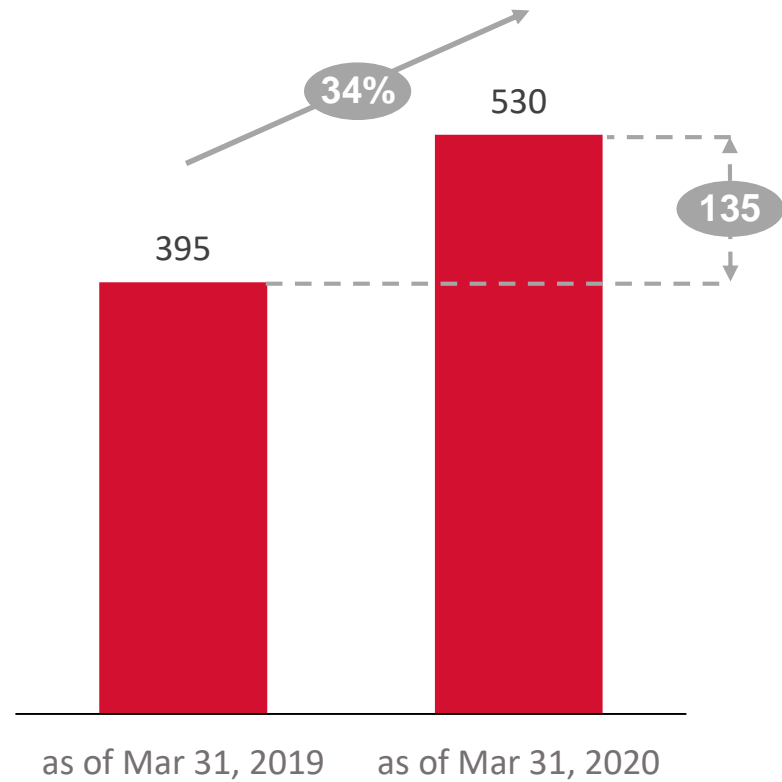
## # of Biomarker Partnerships



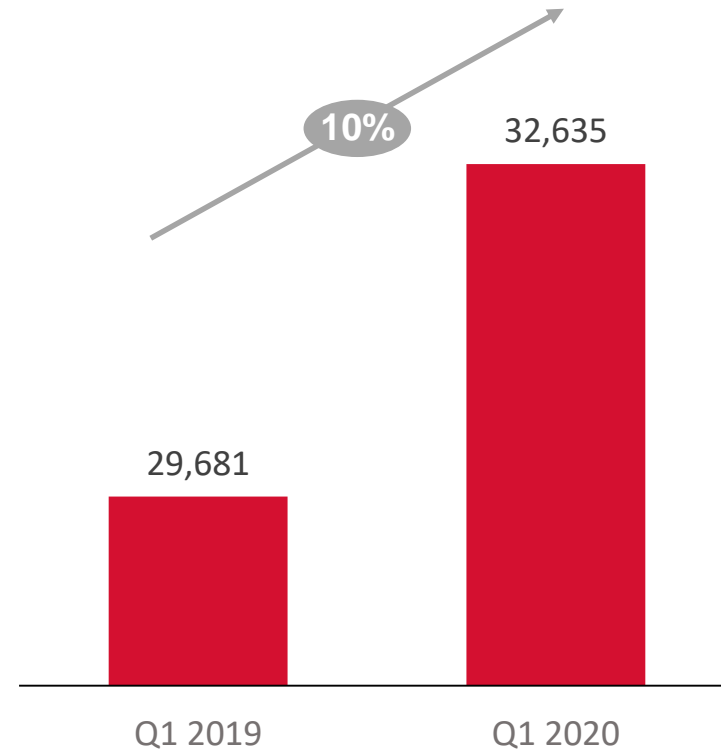
# Clinical Diagnostics continues to drive strong growth of our knowledge repository

## Number of Patients in Repository

(Thousands)



## # of Sample Order Intakes





## Addressing the evolving COVID-19 pandemic

### Quick mobilization to ensure business continuity

- Initial actions enabled ~75% of employees to work from home
- Critical employees continued to work in the office to keep the laboratory operational
- Additional safety measures were implemented to protect the safety of employees that continued to work in the office

### Commitment to support the global community

- Modified lab operation to provide testing for COVID-19
- Initially provided COVID-19 testing to employees
- Further expanded COVID-19 testing to essential workers in the city of Rostock

### Diagnostic blueprint to help reopen the economy

- Providing COVID-19 testing to employees twice a week to re-open offices in Germany
- Providing COVID-19 testing support to other institutions that are opening up, such as local schools and nursing homes

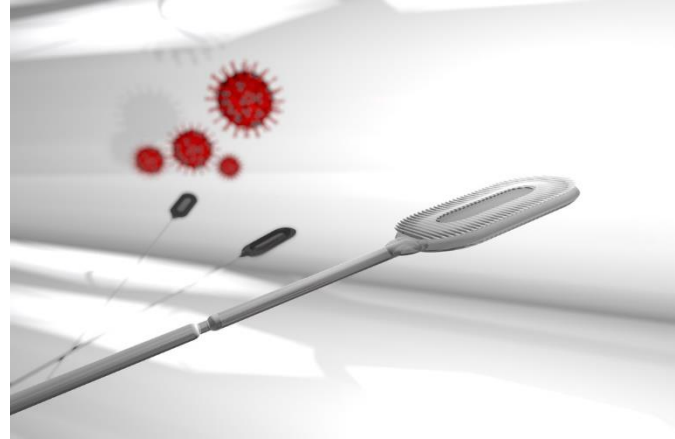
## Implemented phased approach to COVID-19 testing

### Hamburg laboratory acquisition



- Acquired laboratory in Hamburg to secure lab space to manage COVID-19 testing offering
- Allows for Rostock laboratory to focus on the core rare disease business and research efforts

### Securing of supply chain



- Secured necessary reagents and supplies, such as the CentoSwab™
- Additional offering to provide CentoSwab™ for countries with limited supply

### Commercial testing example



- Provide testing to nursing homes in Mecklenburg-Western Pomerania, Germany
- Anticipated contract value of € 2-3 million over the coming months

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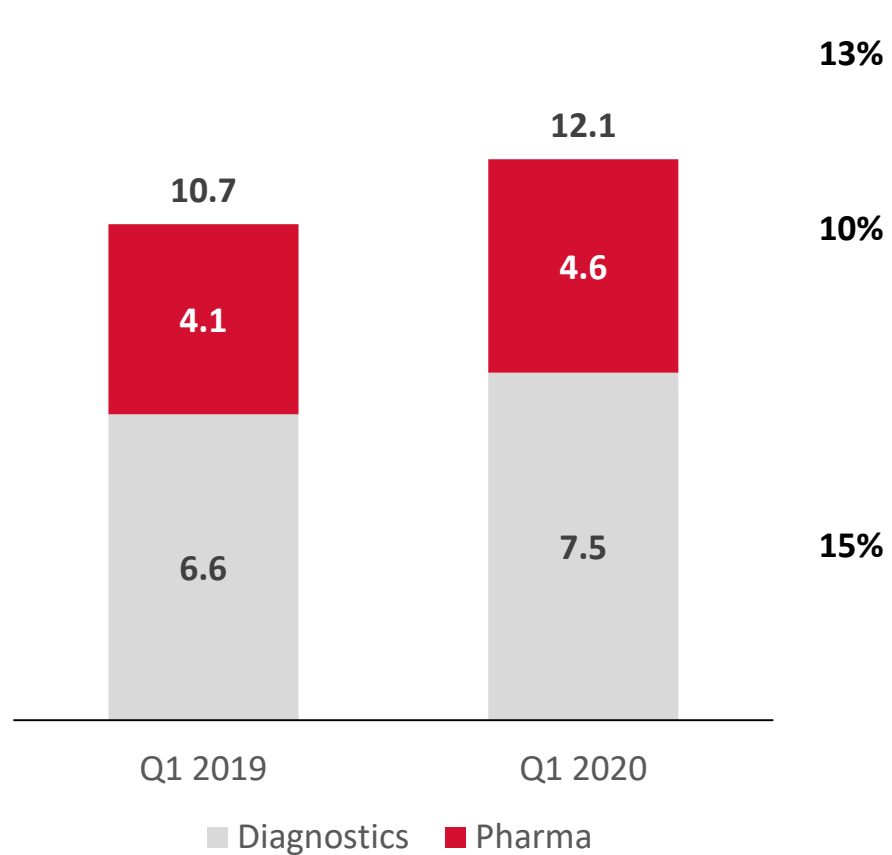
4. Q&A

## Profitable topline growth for Pharma and Diagnostics segments

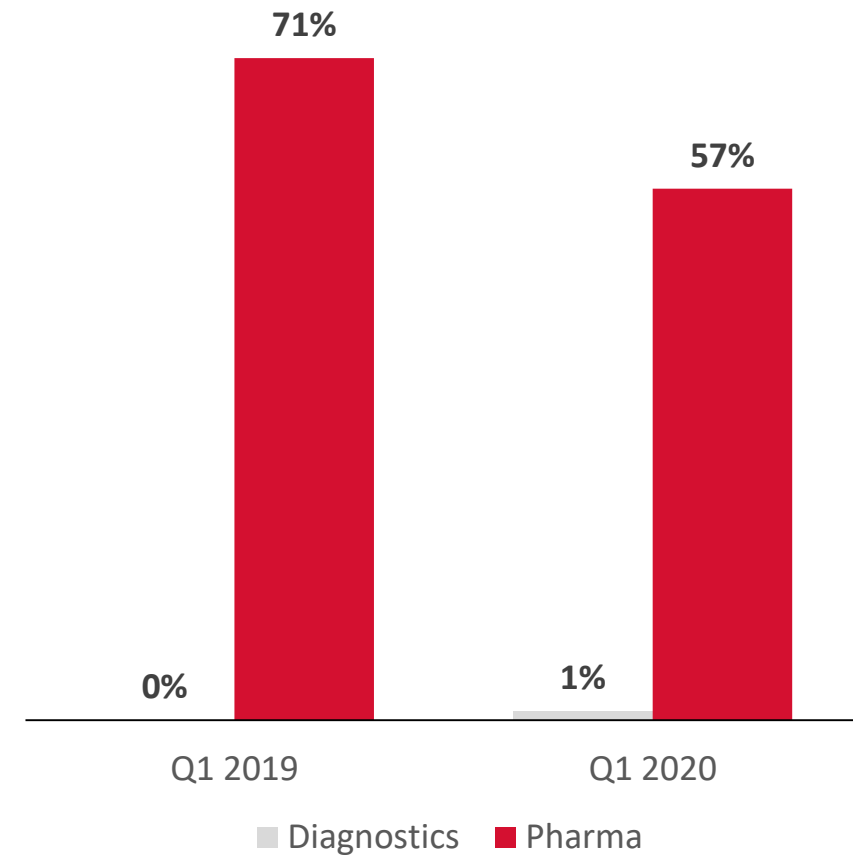
### Revenue by Segment – Q1

(€ Millions)

Growth (%)



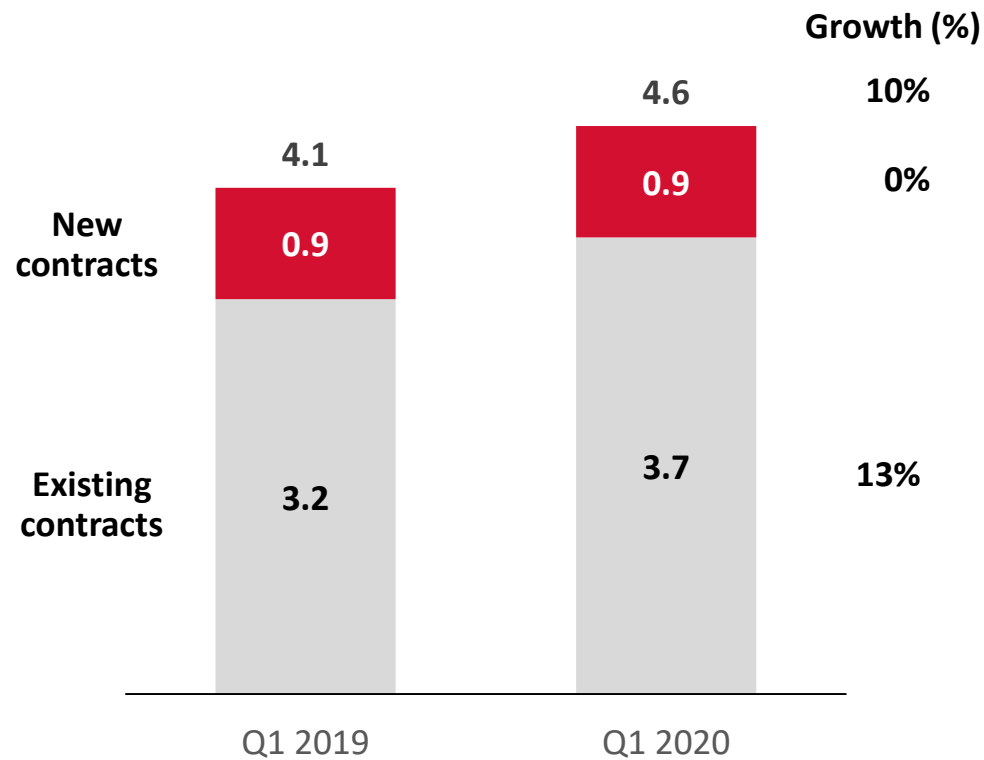
### Segment Adjusted EBITDA – Q1



# Solid Pharma base and core genetic testing growth drove top line growth

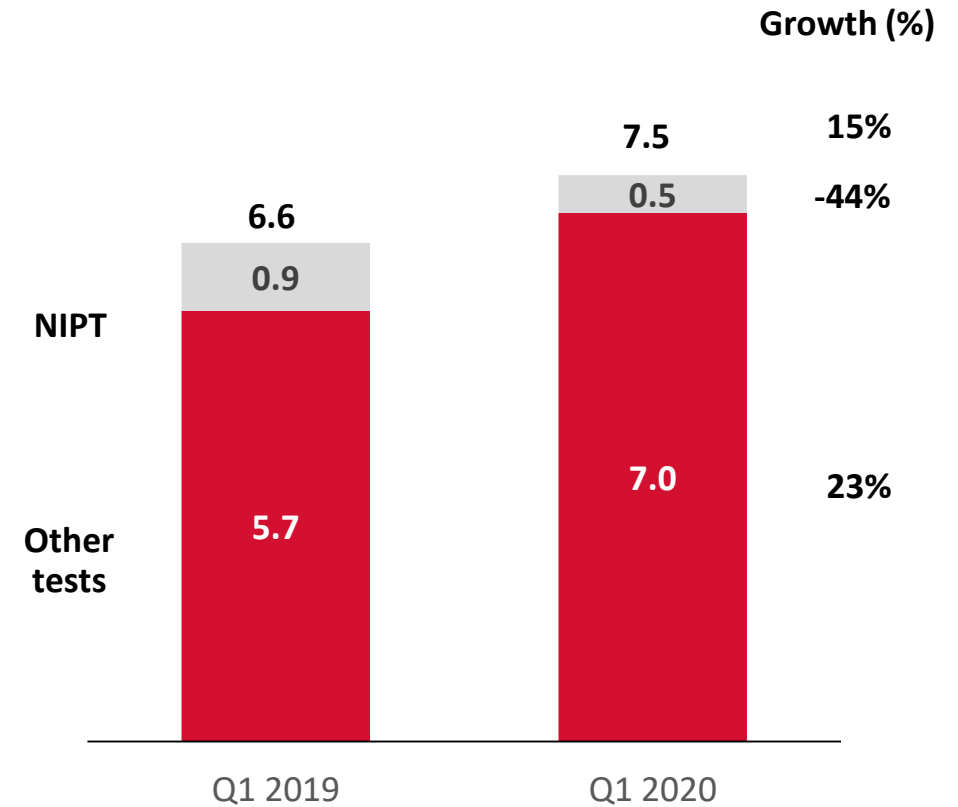
## Pharmaceutical Revenue Growth

(€ Millions)



## Diagnostic Revenue Growth

(€ Millions)



# Income Statement\*

€ Thousands

	For the three months ended March 31,	
	2019	2020
Revenues	10,715	12,105
Cost of sales	6,744	7,018
Gross profit	<b>3,971</b>	<b>5,087</b>
Research and development expenses	1,701	2,691
General administrative expenses	5,910	7,898
Selling expenses	2,011	2,326
Other operating income	1,098	945
Other operating expenses	342	1,275
Operating result	<b>(4,895)</b>	<b>(8,158)</b>



## Cash flow & balance sheet\*

	For the three months ended March 31, 2019 € Millions	For the three months ended March 31, 2020 € Millions	Period over period change	
<b>Key Items</b>	Cash flow (used in) operating activities	(3.3)	(4.2)	(0.9)
	Cash flow (used in) investing activities	(1.6)	(1.6)	-
	Cash flow from / (used in) financing activities	0.7	(1.9)	(2.6)

	As of December 31, 2019 € Millions	As of March 31, 2020 € Millions	Period over period change	
<b>Key Items</b>	Cash & cash equivalents	41.1	33.4	(7.7)
	Debt outstanding**	27.0	27.1	0.1
	Net debt / (net cash)	(14.1)	(6.3)	(7.8)

## Financial commentary on expectations for Full-year and Q2 2020

- COVID-19 situation has started to slow down our core business in Q2
- On the Diagnostics side, at the trough of the crisis weekly volume had decreased to below 50% of pre-crisis volume.
- On the Pharma side, clinical trial related revenues, which account for roughly one third of the business, slowed down due to COVID-19.
- Commercial COVID-19 testing is generating revenue to help offset the negative impact on the core business, although it is too early to quantify this negative impact.

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## Demonstrating resilience through the global pandemic

### Strong Q1 performance

- 13% revenue increase with both segments growing by double digits despite the impact of COVID-19 in March
- Operating metrics demonstrating strong execution of the fundamentals

### Meeting the challenge

- Put in place business continuity plan to operate effectively while driving innovation to provide COVID-19 testing
- Leveraging commercial COVID-19 testing to mitigate impact on the core business

### Expectations for remainder of 2020

- Continue to expand commercial COVID-19 testing
- Continue to execute against our strategy to help Pharma partners accelerate programs

CENTGENE  
THE RARE DISEASE COMPANY

	For the three months ended March 31,	
	2019	2020
Revenues	10,715	12,105
Cost of sales	6,744	7,018
<b>Gross profit</b>	<b>3,971</b>	<b>5,087</b>
Research and development expenses	1,701	2,691
General administrative expenses	5,910	7,898
Selling expenses	2,011	2,326
Other operating income	1,098	945
Other operating expenses	342	1,275
<b>Operating result</b>	<b>(4,895)</b>	<b>(8,158)</b>
Interest and similar income	8	-
Interest and similar expenses	220	449
<b>Finance costs, net</b>	<b>(212)</b>	<b>(449)</b>
Loss before taxes	(5,107)	(8,607)
Income tax expenses	174	129
<b>Loss for the period</b>	<b>(5,281)</b>	<b>(8,736)</b>
Other comprehensive income	2	76
<b>Total comprehensive loss for the period</b>	<b>(5,279)</b>	<b>(8,660)</b>



# Balance sheet

€ Thousands

Assets	As of	
	March 31, 2019	March 31, 2020
<b>Non-current assets</b>		
Intangible Assets	14,145	14,518
Property, plant and equipment	8,376	8,709
Right-of-use assets	24,932	24,710
Other assets	1,948	2,098
	<b>49,401</b>	<b>50,035</b>
<b>Current assets</b>		
Inventories	1,809	5,849
Trade receivables	16,593	14,646
Other assets	8,612	8,890
Cash and cash equivalents	41,095	33,381
	<b>68,109</b>	<b>62,766</b>
	<b>117,510</b>	<b>112,801</b>

Equity and Liabilities	As of	
	March 31, 2019	March 31, 2020
<b>Equity</b>		
Issued capital	2,383	2,383
Capital reserve	98,099	99,156
Retained earnings and other reserves	(40,622)	(49,221)
Non-controlling interests	(938)	(731)
	<b>58,922</b>	<b>51,587</b>
<b>Non-current liabilities</b>		
Non-current loans	1,578	768
Lease liabilities	18,069	18,826
Deferred tax liabilities	-	121
Government grants	9,941	9,773
	<b>29,588</b>	<b>29,488</b>
<b>Current liabilities</b>		
Government grants	1,348	1,364
Current loans	3,688	3,852
Lease liabilities	3,635	3,625
Trade payables	8,554	10,173
Other liabilities	11,775	12,712
	<b>29,000</b>	<b>31,726</b>
	<b>117,510</b>	<b>112,801</b>

# Cash flow

€ Thousands	For the three months ended March 31,	
	2019	2020
Loss before taxes	(5,107)	(8,607)
Amortization and depreciation	1,397	2,084
Interest income	(8)	-
Interest expense	220	449
Expected credit loss allowances on trade receivables	340	1,174
Share-based payment expenses	2,633	1,057
Other non-cash items	(268)	(192)
Inventories	(275)	(4,040)
Trade receivables	(2,073)	773
Other assets	(967)	(234)
Trade payables	507	1,619
Other liabilities	328	1,751
<b>Cash flow used in operating activities</b>	<b>(3,273)</b>	<b>(4,166)</b>
Cash paid for investments in intangible assets	(1,113)	(1,191)
Cash paid for investment in property, plant and equipment	(441)	(644)
Grants received for investment in property, plant and equipment	-	207
Interest received	8	-
<b>Cash flow used in investing activities</b>	<b>(1,546)</b>	<b>(1,628)</b>
Cash received from loans	1,864	414
Cash repayments of loans	(451)	(1,060)
Cash repayments of lease liabilities	(461)	(1,044)
Interest paid	(220)	(230)
<b>Cash flow from/ (used in) financing activities</b>	<b>732</b>	<b>(1,920)</b>
Changes in cash and cash equivalents	(4,087)	(7,714)
Cash and cash equivalents at the beginning of the period	9,222	41,095
<b>Cash and cash equivalents at the end of the period</b>	<b>5,135</b>	<b>33,381</b>

## Reconciliation of segment adjusted EBITDA to Group loss for the period

€ Thousands

	For the three months ended March 31,	
	2019	2020
<b>Reported segment adjusted EBITDA</b>	<b>2,955</b>	<b>2,695</b>
Corporate expenses	(3,820)	(7,712)
	<b>(865)</b>	<b>(5,017)</b>
Share-based payment expenses	(2,633)	(1,057)
Depreciation and amortization	(1,397)	(2,084)
<b>Operating loss</b>	<b>(4,895)</b>	<b>(8,158)</b>
Financial costs, net	(212)	(449)
Income tax expenses	(174)	(129)
<b>Loss for the period</b>	<b>(5,281)</b>	<b>(8,736)</b>