

# Q2 2021 Financial Results

September 7, 2021

Andrin Oswald, M.D. - CEO  
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## Today's Speakers



Andrin Oswald, M.D.  
Chief Executive Officer



René Just  
Chief Financial Officer

# Agenda

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Business Update

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Q&A

## Q2 Performance Reflects Recovery in Core Business

### Strong financial performance

- **Strong revenue growth year-over-year for Q2** driven by strong Covid-19 testing and Clinical Diagnostics revenues
- **Core business** demonstrating recovery to pre-pandemic with revenue increase of 25%
- Strong segment **adjusted EBITDA** multiple quarters in a row

### Diagnostics

- **Expanded Bio/Databank** with ~24k new patients; steady increase towards goal of 1 million patients
- Offering the **broadest diagnostic testing portfolio** for rare diseases, covering over 19,000 genes using over 10,000 different tests.

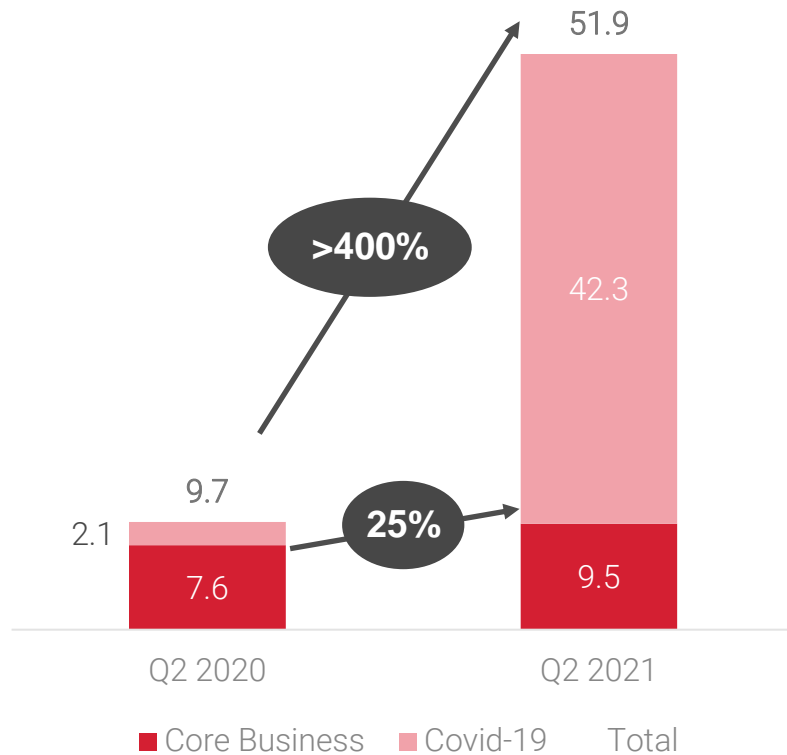
### Pharma

- **Expansion on Pharma partnership contracts** continues; revenues lumpy in part due to continued COVID resource diversions
- 53 active collaborations; **H1 2021 signed contract value exceeds** FY 2020 signed contract value

# Strong Revenue

## Q2 Revenue<sup>1</sup>

(€ Millions)



## Financial Highlights

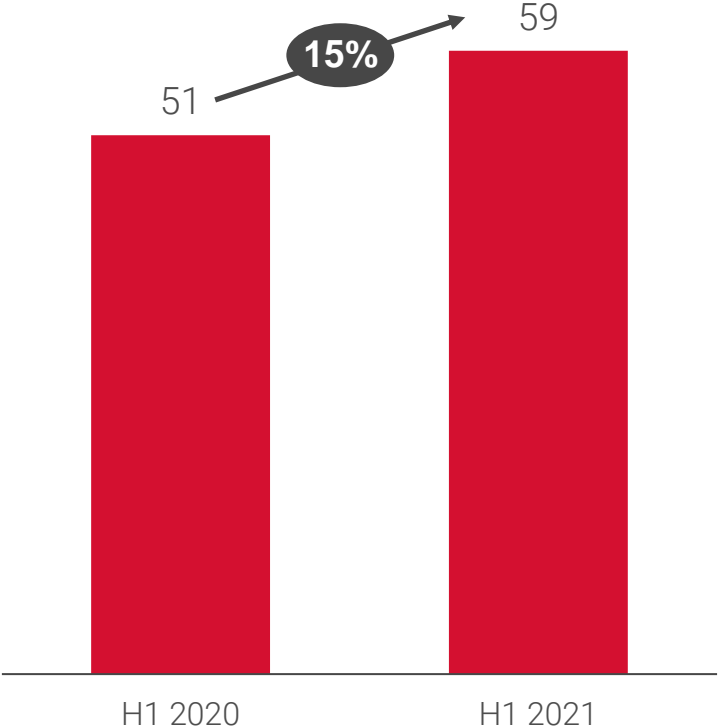
- Revenues more than quadrupled in Q2 2021 compared to Q2 2020, driven by growth from COVID-19 testing and the Diagnostics segment
- Diagnostics revenues (excl. COVID) increased 82% compared to Q2 2020
- Pharma revenues decreased YoY from €3.9 million in Q2 2020 to € 2.8 million in Q2 2021
- Commercial COVID-19 testing contributed €42.3 million in revenues in Q2 2021, up from €2.1 million in Q2 2020

<sup>1</sup>Core Business includes Clinical Diagnostics and Pharma segments. May include rounding differences.

# Continuing to Expand our Knowledge Repository

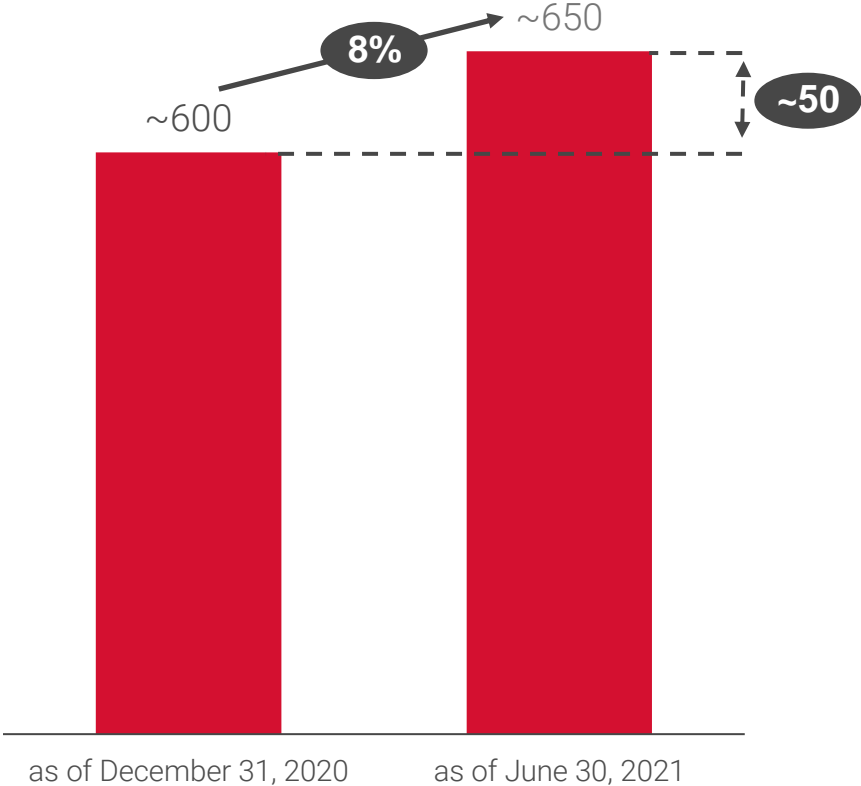
## Sample Order Intake Core Business<sup>1</sup>

(Number in Thousands, rounded)



## Patients in Repository<sup>2</sup>

(Number in Thousands, rounded)



<sup>1</sup> Reflects the number of test requests for diagnostic analysis for individuals from the core business, i.e. excluding COVID-19 related tests, during the period. Multiple orders may be associated with one individual; an order may relate to analysis of a new sample or to additional (re-)analysis of an existing sample.

<sup>2</sup> Number of patients in repository indicative of registered individuals in CENTOGENE (laboratory) information systems related to the core business, i.e., Clinical Diagnostics and Pharma segment.

R&D at CENTOGENE

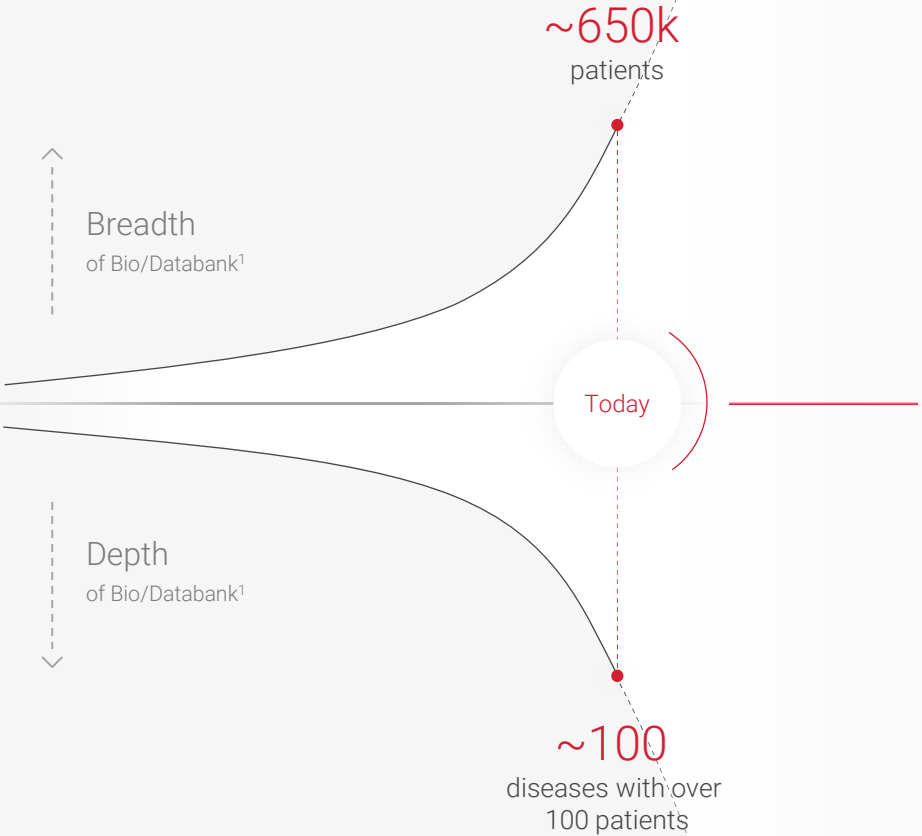
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Scientific  
Papers



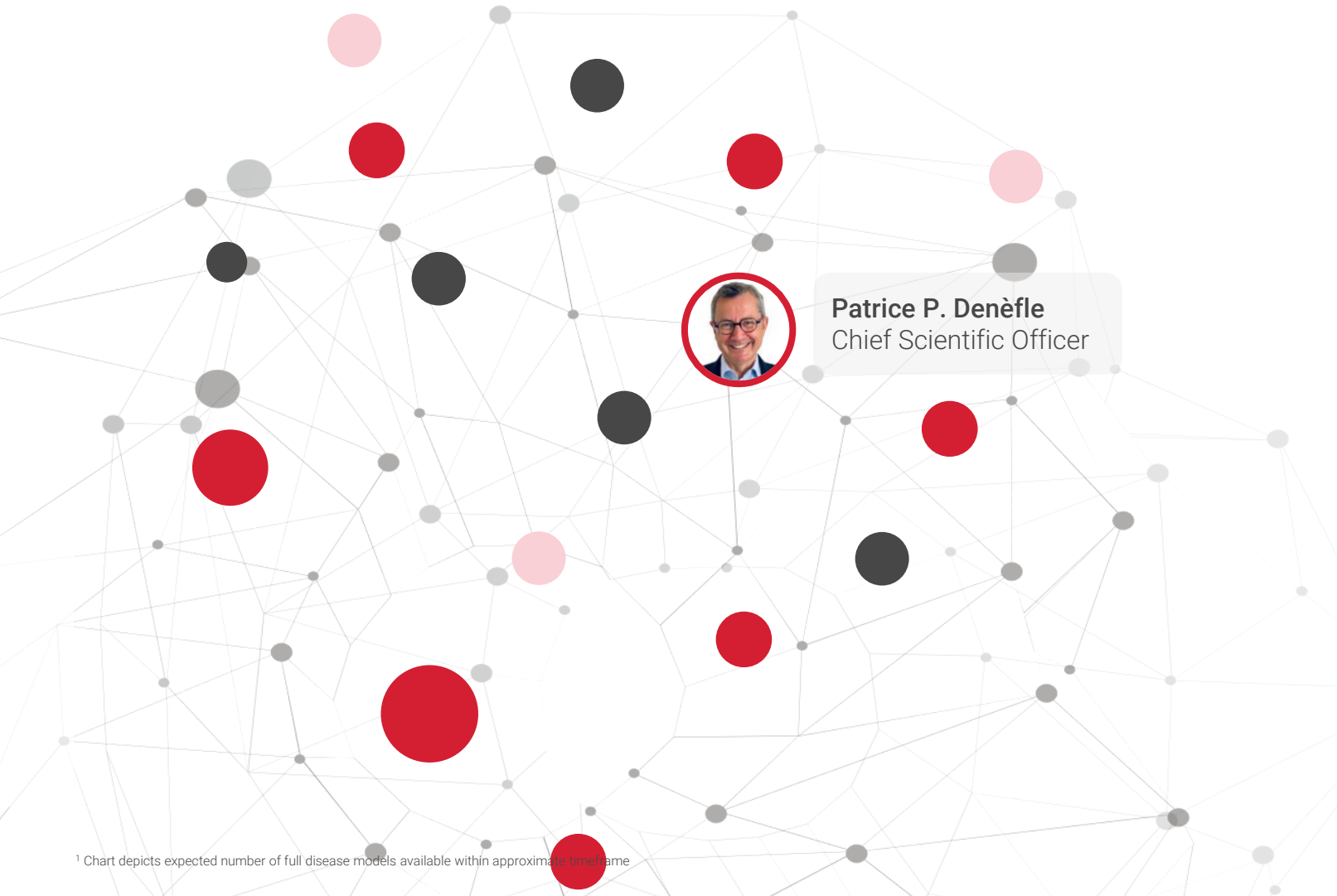


# Our Growing Bio/Databank Enables Key Use Cases With Data Breadth & Multiomic Depth

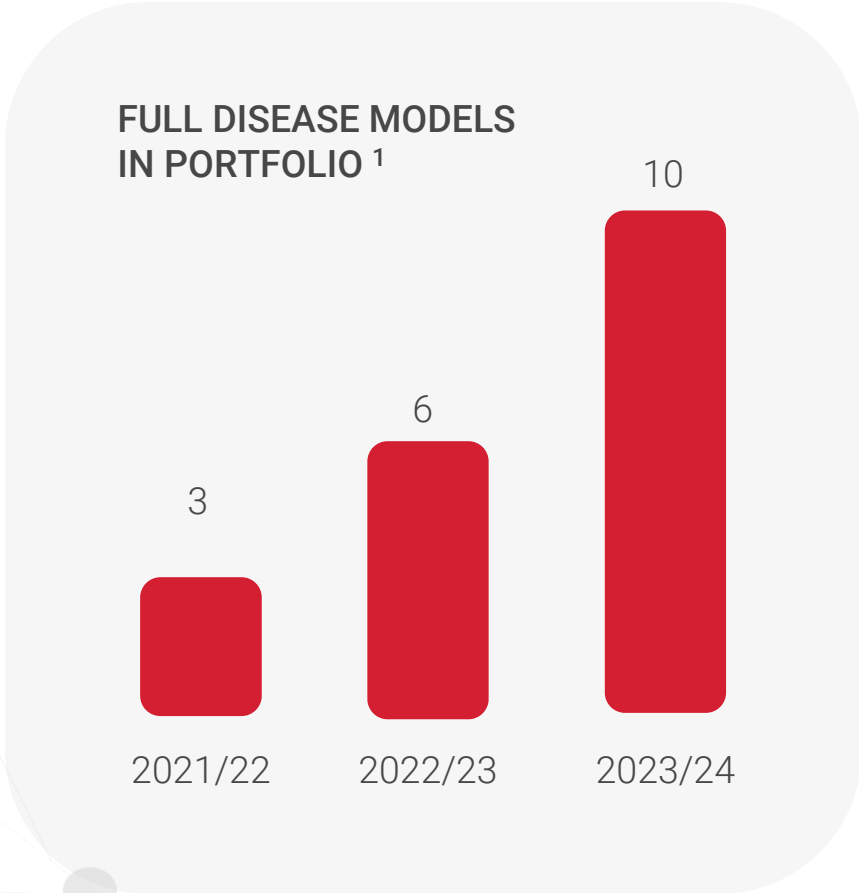


<sup>1</sup> Illustrative graphs. Metrics dependent on exact definition incl. variant classification.

# Establishing Relevant Datasets With Multiomics for Orphan Drug Discovery and Development













**Patrice P. Denèfle**  
Chief Scientific Officer



<sup>1</sup> Chart depicts expected number of full disease models available within approximate timeframe

# Leading Data-Driven Insights Creator in Rare Diseases

Peer Group of Data-driven Insights Companies

		<b>TEMPUS</b>		SEMA4	insitro		
 Focus on rare diseases	✓	✗	✗	✓	✓	✓	✗
 Databank	✓	✓	✓	✓	✓	✓	✓
 Biosamples	✓	✓	✓	✓	✗	✓	✗
 Proprietary data value chain	✓	✓	✓	✓	✓	✓	✓
 Geographical diversity	✓	✗	✓	✗	✗	✗	✗
 Commercial multiomic products	✓	✗	✗	✗	✗	✓	✗

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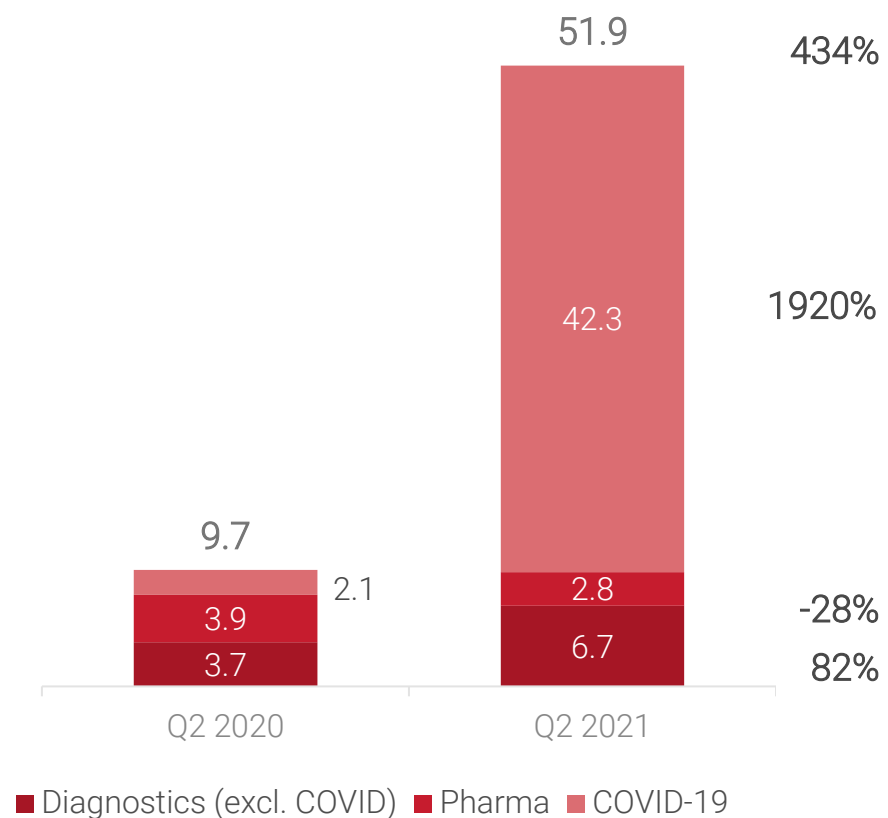
Q&A

# Q2 2021 and H1 2021 Segment Revenue

## Q2 Revenues by Segment

(€ Millions)

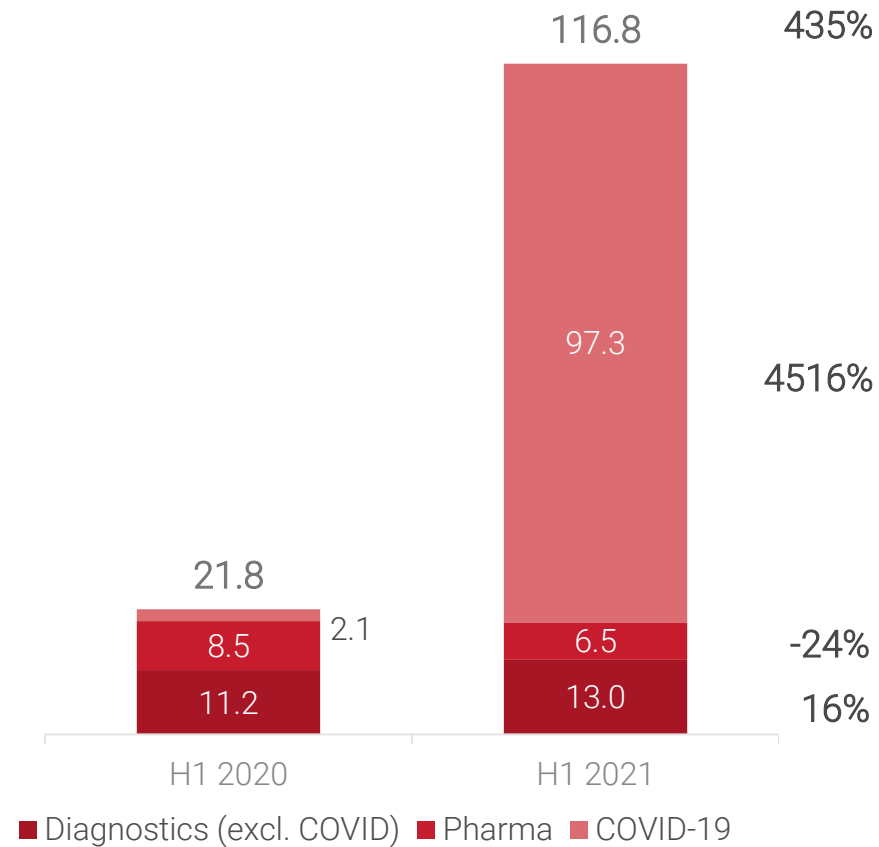
Growth (%)



## H1 Revenues by Segment

(€ Millions)

Growth (%)

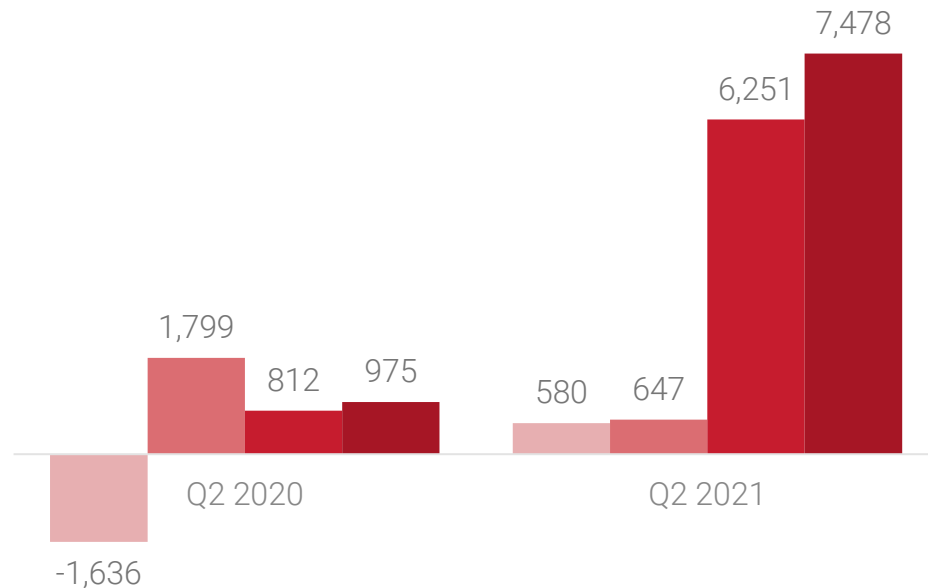


May include rounding differences.

# Q2 2021 Segment Adjusted EBITDA

## Segment Adjusted EBITDA

(€ Thousands)



- Diagnostics
- Pharma
- COVID-19
- Total segment Adjusted EBITDA

May include rounding differences.

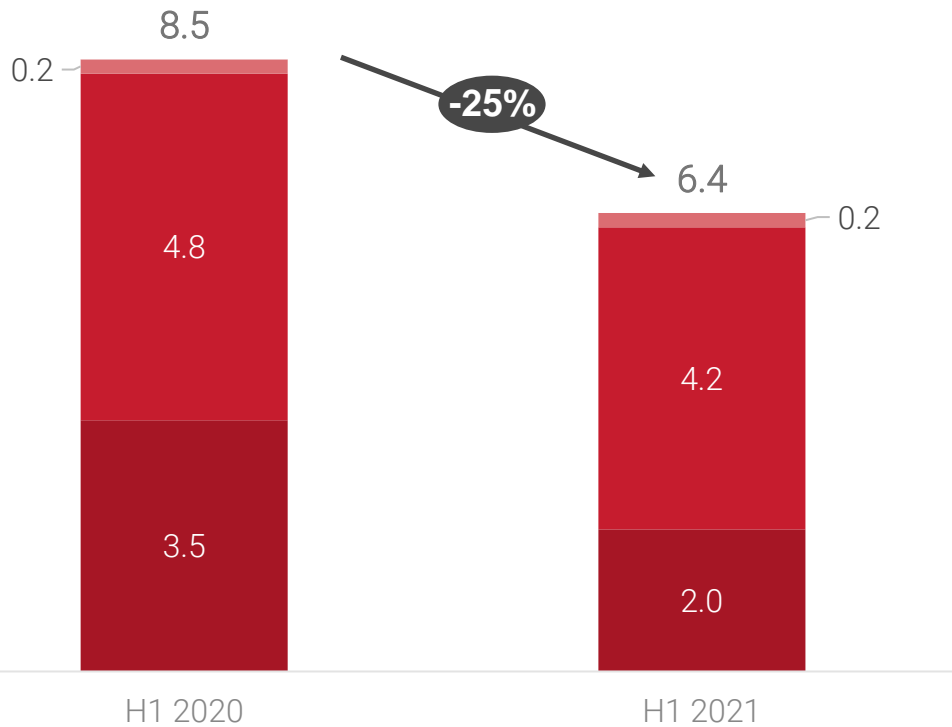
## Financial Highlights

- Total segment adjusted EBITDA grew to €7.5 million in Q2 2021 compared to €1.0 million in Q1 2021
- Positive segment adjusted EBITDA, driven by COVID-19 testing revenues; continuing to invest in the rare disease core business

# Pharma Collaborations and H1 2021 Revenue Breakdown

## Revenue by Deal Type

(€ Millions)

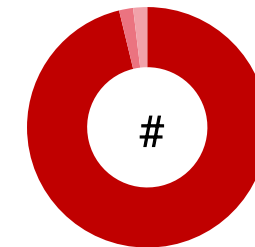


- Total
- Drug Discovery R&D Collaborations
- Patient Identification (on-market products)
- Clinical Trial Support

May include rounding differences.

## Pharma Highlights

- H1 2021 total 53 active collaborations (12 new, 3 extended and 25 completed) vs. H1 2020 63 active collaborations
- Revenue from new/extended collaborations in H1 2021 €2.1 million
- Signed 7 new deals covering the pharma service universe in Q2 2021 compared to 5 new deals in Q1 2021
- Signed contract value higher in H1 2021 vs FY 2020



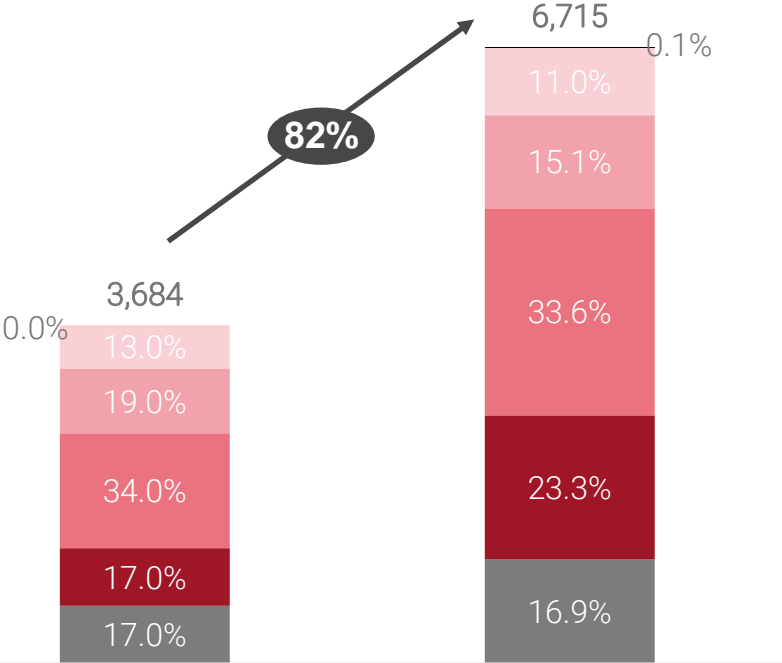
- Clinical Trial Support
- Patient Identification
- Drug Discovery R&D Collaborations

Chart depicts breakdown of number of active collaborations by type per June 30, 2021.

# Q2 Clinical Diagnostics Revenue Breakdown

## Diagnostics Revenue Split

(€ Thousands and % split)



- Standard genetics
- Panel Testing
- WES
- WGS
- NIPT
- Biochemical Testing

## Diagnostic Highlights

- Revenues from our Diagnostics segment were €6.7 million in Q2 2021
- Diagnostics revenues (excl. COVID) increased 82% compared to €3.7 million in Q2 2020
- The increase in revenues was primarily related to an increase in test requests for WES and WGS

May include rounding differences.



# Income Statement<sup>1</sup>

	For the <u>three</u> months ended June 30 in € millions			For the <u>six</u> months ended June 30 in € millions	
	2020	2021		2020	2021
Revenue	9.7	51.9		21.8	116.8
Cost of sales	6.8	43.8		13.8	95.7
<b>Gross profit</b>	<b>2.9</b>	<b>8.1</b>		<b>8.0</b>	<b>21.1</b>
Research and development expenses	3.1	4.1		5.8	8.4
General administrative expenses	7.8	10.5		15.7	22.1
Selling expenses	2.4	1.9		4.7	3.9
Impairment of financial assets	0.5	0.6		1.7	0.7
Other operating income	0.8	1.3		1.7	1.6
Other operating expenses	0.0	0.0		0.1	0.0
<b>Operating loss</b>	<b>(10.1)</b>	<b>(7.7)</b>		<b>(18.3)</b>	<b>(12.3)</b>

<sup>1</sup>Selected information. May include rounding differences.

## Balance Sheet Highlights <sup>1</sup>

		For the six months ended June 30, 2020 € Millions	For the six months ended June 30, 2021 € Millions	Period-over-period change € Millions
Key Items	Cash flow from/(used in) operating activities	(14.6)	(7.8)	6.8
	Cash flow from/(used in) investing activities	(6.6)	(4.8)	1.8
	Cash flow from financing activities	(2.4)	(0.8)	1.7

		As of March 31, 2021 € Millions	As of June 30, 2021 € Millions	Period-over-period change € Millions
Key Items	Cash & cash equivalents	45.2	34.8	(10.4)
	Debt outstanding <sup>2</sup>	(24.4)	(23.6)	0.8
	Net cash/ (net debt)	20.8	11.2	(9.6)

<sup>1</sup> Selected information

<sup>2</sup> Debt outstanding includes non-current loans, non-current lease liabilities, current loans and current lease liabilities.

May include rounding differences.

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# Summary & Outlook

## Q2 and H1 2021 Summary

- **Strong top line revenue** supported by commercial COVID-19 testing
- Core **business recovery with >25% growth** in Q2 2021, 82% growth in Diagnostics vs Q2 2020
- Addition of **5 new members to management team**; most recently Patrice Denèfle, Chief Scientific Officer
- **Reached ~ 650,000 patients** in Bio/Databank; continuously improving our rare disease-centric insights

## FY and H2 2021 Outlook

- **FY 2021 revenue now expected to surpass vs. FY 2020 with core business segments** continuing solid business growth in H2 2021
- Non-core business of commercial **COVID-19 testing difficult to predict but expected to slow down in H2 2021** due to increased vaccination rates
- Continue to **make strategic investments** into core business segments to enhance leading position in the rare disease space and generate long-term value

# Thank You for Joining

Q2 2021

Financial Results



# P&L

	For the three months ended June 30		For the six months ended June 30	
	2020	2021	2020	2021
Revenue	9,719	51,871	21,824	116,831
Cost of sales	6,815	43,760	13,833	95,707
<b>Gross profit</b>	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	500	580	1,674	675
Other operating income	801	1,276	1,746	1,642
Other operating expenses	37	2	138	36
<b>Operating loss</b>	(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)
<b>Loss before taxes</b>	(10,360)	(7,896)	(18,967)	(12,785)
Income tax expenses	—	124	129	124
<b>Loss for the period</b>	(10,360)	(8,020)	(19,096)	(12,909)
Other comprehensive income/ (loss), all attributable to equity holders of the parent	(6)	(191)	70	(70)
<b>Total comprehensive loss</b>	(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)

# Balance Sheet

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

## Equity and liabilities

Dec 31, 2020

June 30, 2021

### Equity

Issued capital	2,654	2,693
Capital reserve	125,916	130,153
Retained earnings and other reserves	(62,888)	(75,913)
Non-controlling interests	95	141
	<b>65,777</b>	<b>57,074</b>

### Non-current liabilities

Non-current loans	401	200
Lease liabilities	17,677	16,209
Deferred tax liabilities	207	246
Government grants	8,950	8,640
	<b>27,235</b>	<b>25,295</b>

### Current liabilities

Government grants	1,342	1,352
Current loans	2,492	3,883
Lease liabilities	3,528	3,299
Trade payables	31,736	14,014
Liabilities from income taxes	58	143
Other liabilities	17,962	15,726
	<b>57,118</b>	<b>38,417</b>
	<b>150,130</b>	<b>120,786</b>

# Cash Flow

	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	4,432	6,670
Interest income	(13)	—
Interest expense	718	471
Expected credit loss allowances on trade receivables and contract assets	1,674	675
Share-based payment expenses	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	(64)	10,034
Other assets	269	328
Trade payables	274	(17,722)
Other liabilities	2,457	(2,151)
<b>Cash flow used in operating activities</b>	<b>(14,636)</b>	<b>(7,830)</b>
Investing activities		
Cash paid for investments in intangible assets	(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	390	—
Interest received	13	—
<b>Cash flow used in investing activities</b>	<b>(6,634)</b>	<b>(4,785)</b>
Financing activities		
Cash paid for acquisition of non-wholly owned subsidiary	(75)	—
Cash received from loans	928	1,769
Cash repayments of loans	(1,260)	(185)
Cash repayments of lease liabilities	(1,619)	(2,263)
Interest paid	(399)	(82)
<b>Cash flow from used in financing activities</b>	<b>(2,425)</b>	<b>(761)</b>
Changes in cash and cash equivalents	(23,695)	(13,376)
Cash and cash equivalents at the beginning of the period	41,095	48,156
<b>Cash and cash equivalents at the end of the period</b>	<b>17,400</b>	<b>34,780</b>