



From genetics, health

First Quarter 2021 Financial Results

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Safe harbor statement

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to the company's belief regarding the value and leverage of its global, diversified business; the company's future results and targets; the company's beliefs regarding its ability to deliver sustained growth and the drivers of its growth; the benefits and value of customer relationships and the information the company provides; the company's beliefs regarding its ability to execute its business strategy; and the benefits and importance of the company's acquisitions and collaborations. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially, and reported results should not be considered as an indication of future performance. These risks and uncertainties include, but are not limited to: the impact of COVID-19 on the company, and the effectiveness of the efforts it has taken or may take in the future in response thereto; the company's ability to continue to grow its business, including internationally; the ability to maintain important customer relationships; the company's ability to compete; the company's failure to manage growth effectively; the company's need to scale its infrastructure in advance of demand for its tests and to increase demand for its tests; the risk that the company may not obtain or maintain sufficient levels of reimbursement for its tests; the company's ability to obtain regulatory approval for its tests; the company's failure to successfully integrate or fully realize the anticipated benefits of acquired businesses; risks associated with litigation; the company's ability to use rapidly changing genetic data to interpret test results accurately and consistently; the applicability of clinical research results to actual outcomes; the success of collaborations; security breaches, loss of data and other disruptions; laws and regulations applicable to the company's business; and the other risks set forth in the company's Annual Report on Form 10-K for the year ended December 31, 2020. These forward-looking statements speak only as of the date hereof, and Invitae Corporation disclaims any obligation to update these forward-looking statements.



Non-GAAP financial measurements

To supplement Invitae's consolidated financial statements prepared in accordance with generally accepted accounting principles in the United States (GAAP), the company is providing several non-GAAP measures, including non-GAAP gross profit, non-GAAP cost of revenue, non-GAAP operating expense, including non-GAAP research and development, non-GAAP selling and marketing, non-GAAP general and administrative and non-GAAP other income (expense), net, as well as non-GAAP net loss and non-GAAP net loss per share and non-GAAP cash burn. These non-GAAP financial measures are not based on any standardized methodology prescribed by GAAP and are not necessarily comparable to similarly-titled measures presented by other companies. Management believes these non-GAAP financial measures are useful to investors in evaluating the company's ongoing operating results and trends.

Management is excluding from some or all of its non-GAAP operating results (1) amortization of acquired intangible assets, (2) acquisition-related stock-based compensation, (3) post-combination expense related to the acceleration of equity grants or bonus payments in connection with acquisitions, (4) adjustments to the fair value of acquisition-related assets and/or liabilities and (5) acquisition-related income tax benefits. These non-GAAP financial measures are limited in value because they exclude certain items that may have a material impact on the company's reported financial results. Management accounts for this limitation by analyzing results on a GAAP basis as well as a non-GAAP basis and also by providing GAAP measures in the company's public disclosures.

Cash burn excludes (1) changes in marketable securities, (2) cash received from equity financings, and (3) cash received from exercises of warrants. Management believes cash burn is a liquidity measure that provides useful information to management and investors about the amount of cash consumed by the operations of the business. A limitation of using this non-GAAP measure is that cash burn does not represent the total change in cash, cash equivalents, and restricted cash for the period because it excludes cash provided by or used for other operating, investing or financing activities. Management accounts for this limitation by providing information about the company's operating, investing and financing activities in the statements of cash flows in the consolidated financial statements in the company's most recent Quarterly Report on Form 10-Q and Annual Report on Form 10-K and by presenting net cash provided by (used in) operating, investing and financing activities as well as the net increase or decrease in cash, cash equivalents and restricted cash in its reconciliation of cash burn.

In addition, other companies, including companies in the same industry, may not use the same non-GAAP measures or may calculate these metrics in a different manner than management or may use other financial measures to evaluate their performance, all of which could reduce the usefulness of these non-GAAP measures as comparative measures. Because of these limitations, the company's non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Investors are encouraged to review the non-GAAP reconciliations provided in the tables below.

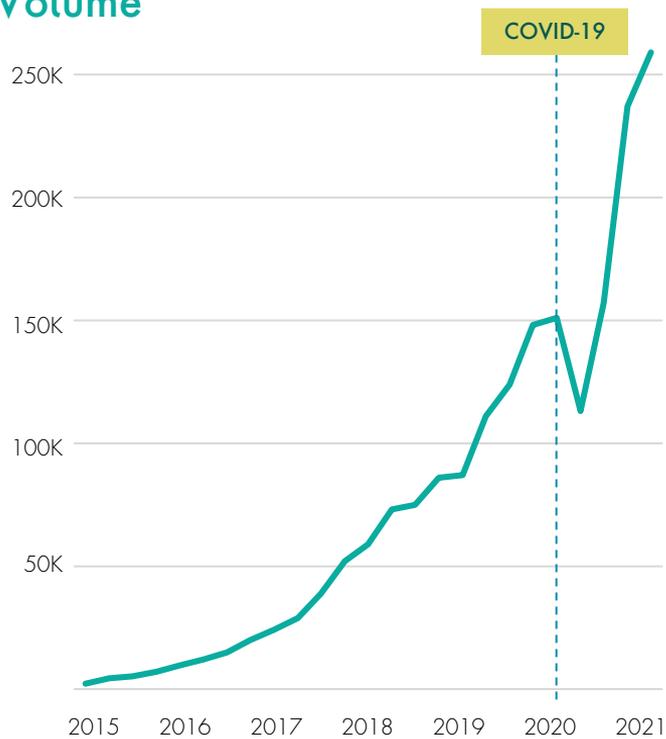


Consistent execution as we scale*

Revenue



Volume



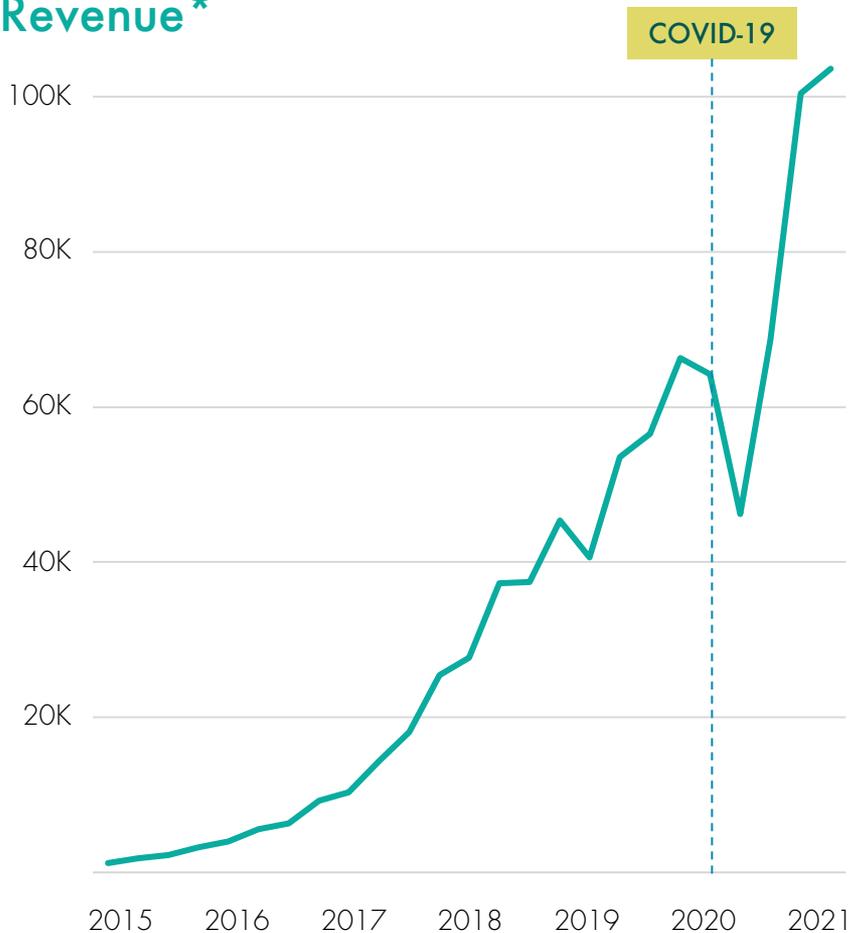
Q1 2021 Financials



Generated revenue of \$103.6 million in Q1 2021

Representing a 61% increase from \$64.2 million in Q1 2020

Revenue*



*Depicts quarterly results

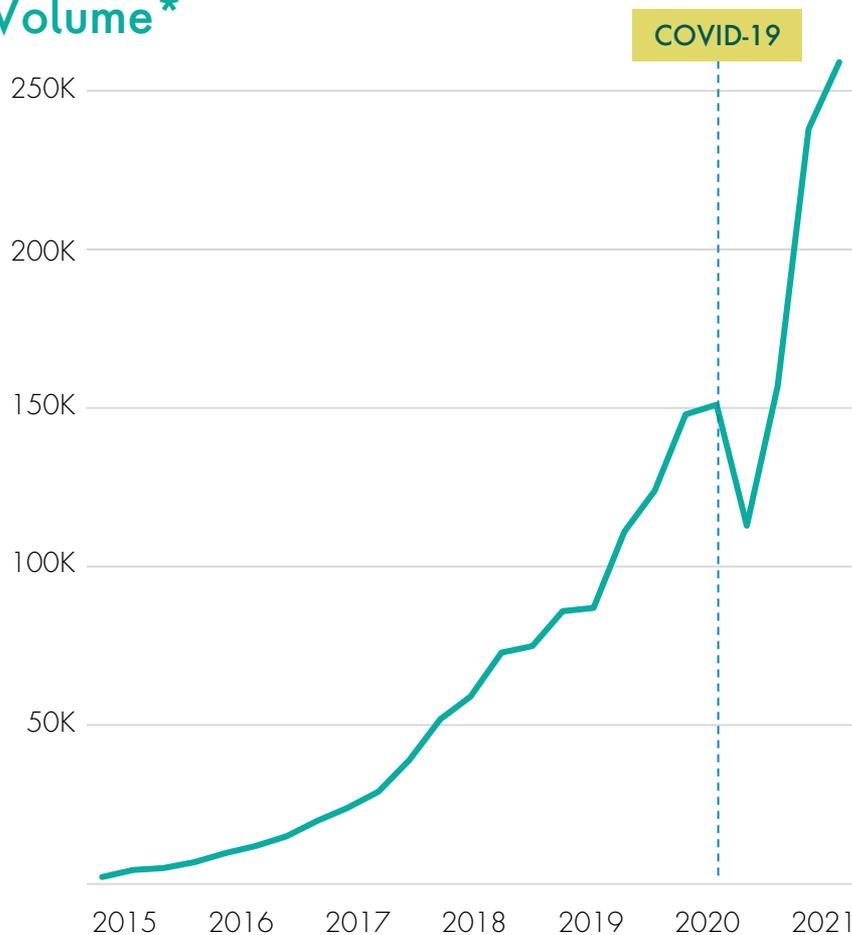


Billable volume of 259,000 in Q1 2021

Representing a 72% increase from 151,000 in Q1 2020

International volume increased to nearly 18% of total billable volume for the quarter

Volume*

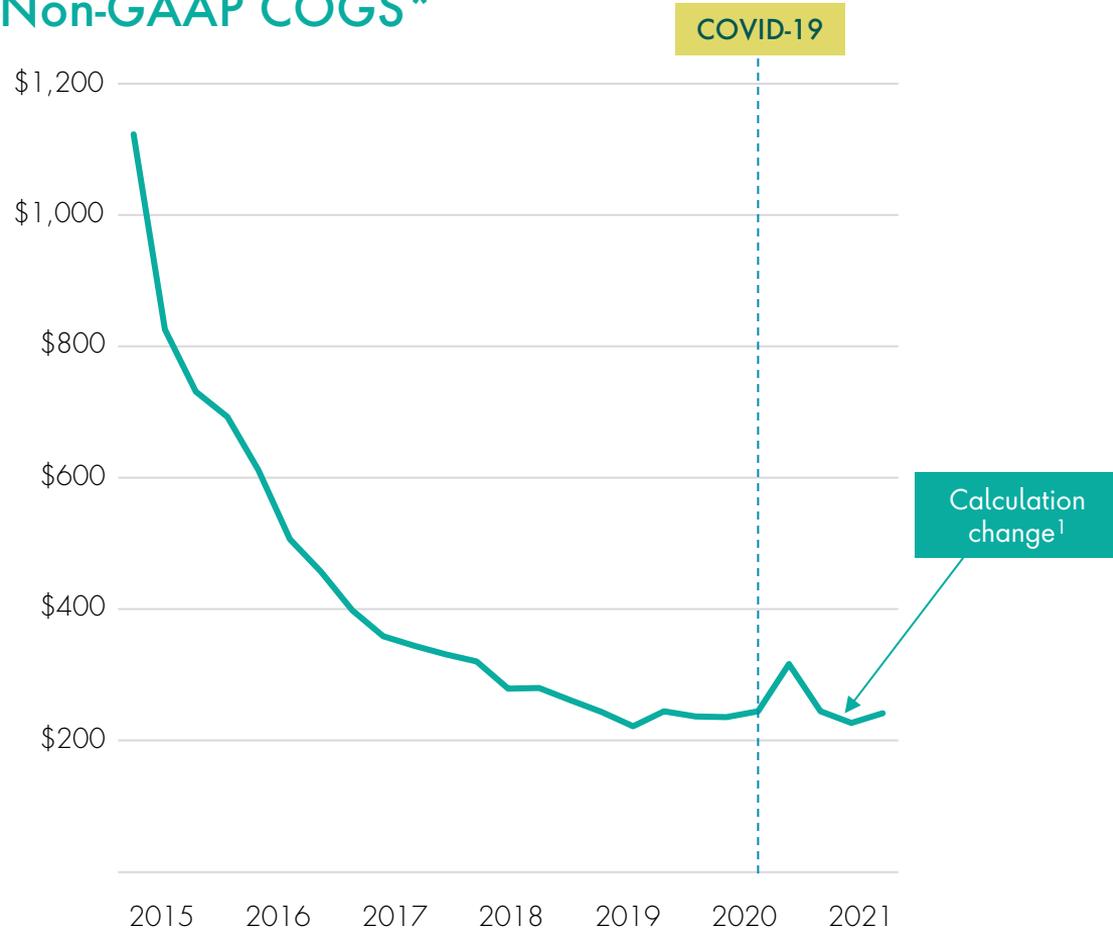


Reported average cost per unit of \$290 for Q1 2021

Non-GAAP of \$242 for the quarter

¹ Our average cost per unit is now calculated as total cost of revenue divided by billable units beginning in Q4 of 2020

Non-GAAP COGS*



*Depicts quarterly results; see reconciliation for GAAP to non-GAAP in Appendix

Reported gross profit of \$28.1 million in Q1 2021

Non-GAAP gross profit of \$40.5 million for the quarter

GAAP gross margin of 27% in Q1 2021

- Non-GAAP gross margin of 39% for the quarter

Continue to target 50% gross margin in the long term

Non-GAAP Gross Profit*



Continued investment to fuel the business

- Operating expense, excluding cost of revenue, was \$140.5 million in Q1 2021
 - Non-GAAP operating expense* was \$155.4 million in Q1 2021
 - Increased investments in research and development, expected to continue throughout 2021
 - Smaller increases in sales and marketing, which will increase as 2021 proceeds
- Net loss was \$109.5 million, or \$0.56 net loss per share, in Q1 2021
 - Non-GAAP net loss* was \$122.2 million, or \$0.63 non-GAAP net loss per share in Q1 2021



Cash¹ totaled \$681.9 million as of March 31, 2021

Non-GAAP cash burn* of \$112.3 million during Q1 2021

Non-GAAP cash burn* for the quarter would have been \$94.6 million, excluding acquisition-related spend, primarily related to the cash paid to acquire One Codex



Q1 2021 key sources of cash (in millions)	
Financings (net)	
January 2021 equity financing	\$434.3

Q1 2021 key uses of cash (in millions)	
Cash to close acquisitions	\$17.7
M&A fees and related expenses	\$1.5
"Operating" cash use (non-GAAP)	\$93.1

Illustrative pro forma cash analysis

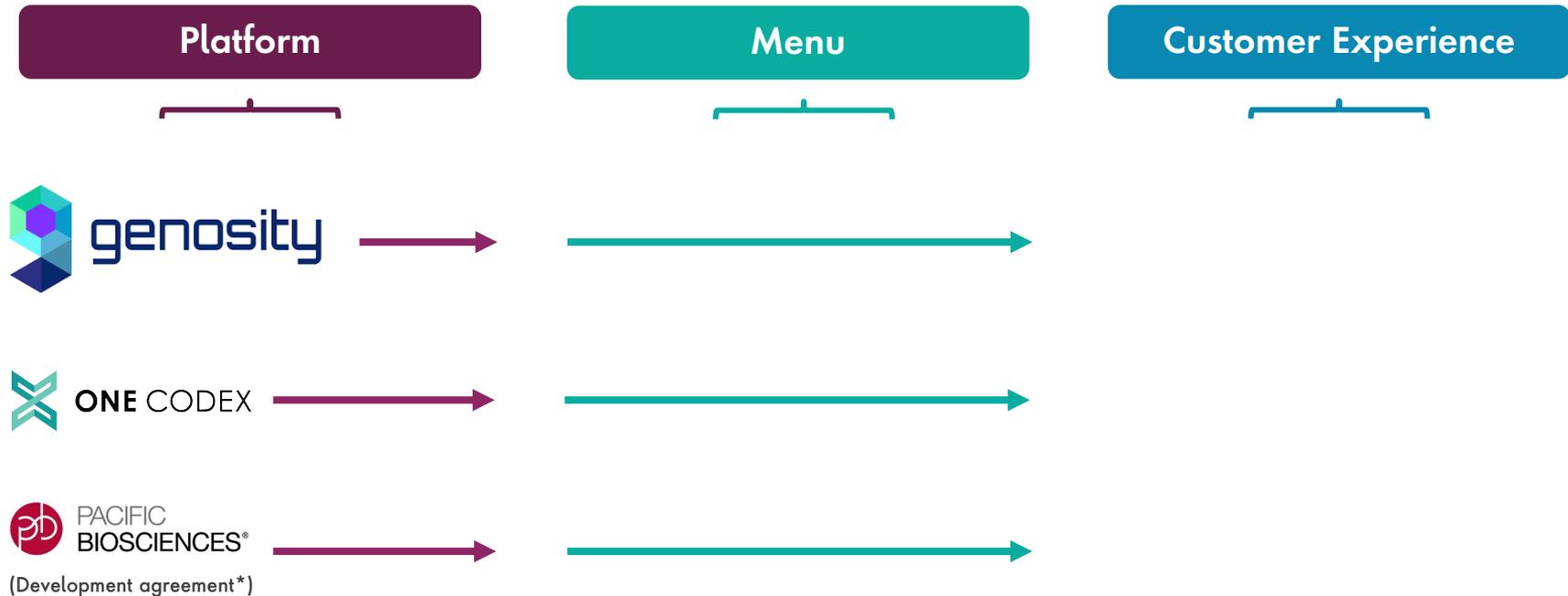
Cash at March 31, 2021	\$681.9 million
Subsequent event: April 2021 convertible note financing (net)	\$1.1 billion
Total pro forma cash as of early April²	\$1.8 billion

¹Consists of cash, cash equivalents, restricted cash and marketable securities

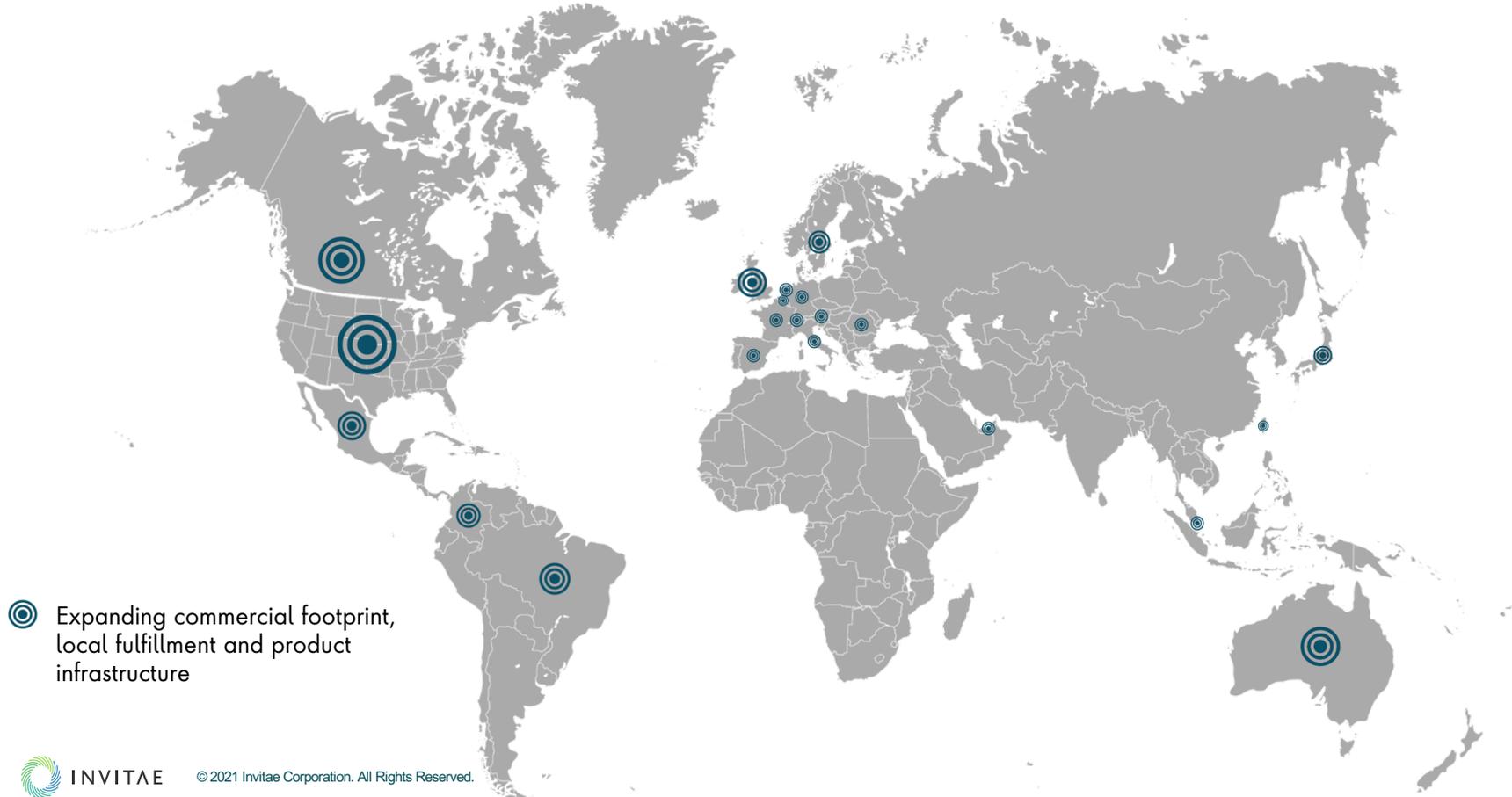
²Does not include cash paid for Genosity

* See reconciliation for GAAP to non-GAAP in Appendix

Investing to build a world-class platform



Global expansion to support rapid growth



🎯 Expanding commercial footprint, local fulfillment and product infrastructure



Their daughters' rare disease brought two dads together. Now they're fighting for genetic testing for more Washington state children.

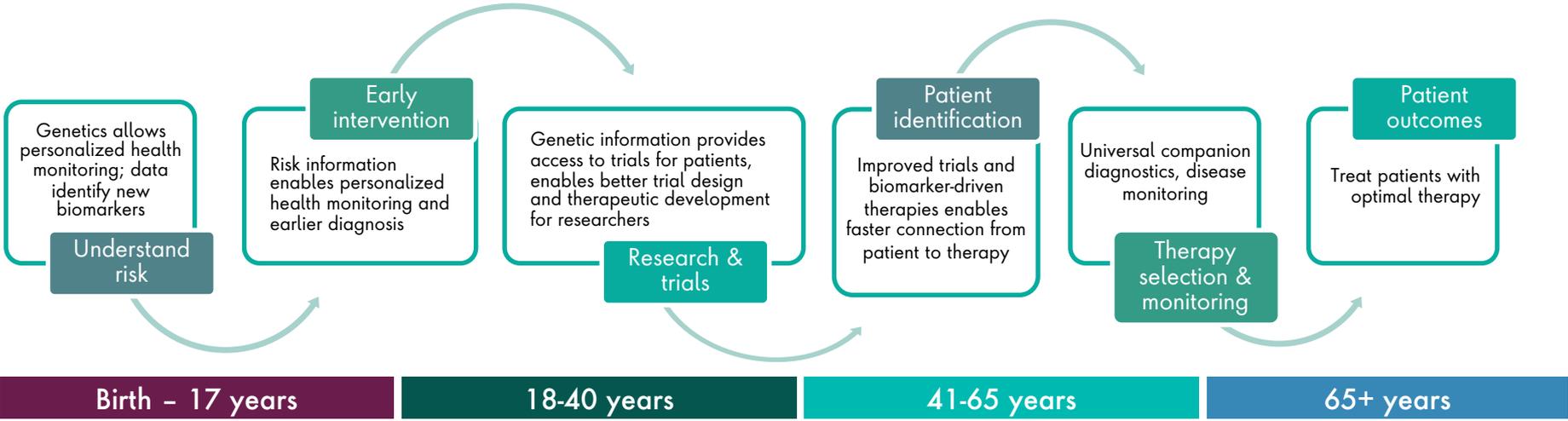
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BEHIND
the SEIZURE®



A platform designed to drive outcomes throughout life



Platform addresses large, durable U.S. markets*

**\$26
billion**

Total opportunity
for genetic testing
ages 0-17

- Newborn Screening
- Developmental Delay
- Diagnosis/Prognosis

**\$5
billion**

Total opportunity
for genetic testing
ages 18-40

- Conception
- Assisted Repro/IVF
- Pregnancy/Perinatal

**\$60
billion**

Total opportunity
for genetic testing
ages 41-65

- Risk/Screening
- Familial Risk
- Diagnostic

**\$63
billion**

Total opportunity for
genetic testing
ages 65+

- Screening/Germline
- Oncology Therapy Selection
- MRD/Recurrence Monitoring

Scaling for transformation

GENOME
MANAGEMENT

Provide genetic information services that inform healthcare throughout life

Where we are today

Share genetics on a global scale to diagnose more patients correctly, earlier, and bring therapies to market faster

GENOME
NETWORK

Make acquisitions that expand test menu content and services to open new markets

GENETIC
TESTING

Build partnerships with industry peers to increase utilization of genetic testing

Make genetic testing more affordable and more accessible



Right time, right plan, right team

Disruptive platform
transforming genetics
into better health

Ecosystem that drives
better outcomes for all

Proven leader driving
high growth and
industry impact



Q&A



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Appendix



Cost of revenue Q1 2021 GAAP to non-GAAP reconciliation

Average cost per unit of
\$290 for Q1 2021

Non-GAAP of \$242 for
the quarter

(in thousands)	Q1 2021	Q1 2020
Cost of revenue	\$75,491	\$40,422
Amortization of acquired intangible assets	(9,833)	(2,674)
Acquisition-related stock-based compensation	(934)	-
Fair value adjustments to acquisition-related assets	(1,574)	-
Non-GAAP cost of revenue	\$63,150	\$37,748

Gross profit Q1 2021 GAAP to non-GAAP reconciliation

Gross profit of \$28.1 million

Non-GAAP gross profit of
\$40.5 million

(in thousands)	Q1 2021	Q1 2020
Revenue	\$103,621	\$64,248
Cost of revenue	75,491	40,422
Gross profit	28,130	23,826
Amortization of acquired intangible assets	9,833	2,674
Acquisition-related stock-based compensation	934	-
Fair value adjustments to acquisition-related assets	1,574	-
Non-GAAP gross profit	\$40,471	\$26,500

OpEx & net loss Q1 2021 GAAP to non-GAAP reconciliation

Total operating expense, which excludes cost of revenue, for Q1 2021 was \$140.5 million

Total non-GAAP operating expense was \$155.4 million for the quarter

(in thousands)	Q1 2021	Q1 2020
Research and development	\$80,358	\$55,668
Selling and marketing	51,240	42,120
General and administrative	8,896	23,822
Operating expense	140,494	121,610
Amortization of acquired intangible assets	(2,222)	(913)
Acquisition-related stock-based compensation	(42,680)	(18,799)
Acquisition-related post-combination expense	(3,842)	-
Fair value adjustments to acquisition-related liabilities	63,621	-
Non-GAAP operating expense	\$155,371	\$101,898

(in thousands)	Q1 2021	Q1 2020
Net loss	\$(109,492)	\$(98,527)
Amortization of acquired intangible assets	12,055	3,587
Acquisition-related stock-based compensation	43,614	18,799
Acquisition-related post-combination expense	3,842	-
Fair value adjustments to acquisition-related assets and liabilities	(65,425)	(3,663)
Acquisition-related income tax benefit	(6,800)	-
Non-GAAP net loss	\$(122,206)	\$(79,804)

Cash¹ totaled \$681.9 million at March 31, 2021

Cash burn of \$112.3 million in Q1 2021

Without cash paid for acquisitions, primarily related to cash paid to acquire One Codex, cash burn would have been \$94.6 million for the quarter

(in thousands)	Q1 2021
Net cash used in operating activities	\$(89,520)
Net cash provided by (used in) investing activities	(273,558)
Net cash provided by financing activities	436,091
Net increase in cash, cash equivalents and restricted cash	73,013
Adjustments:	
Net changes in investments	249,694
Proceeds from public offering of common stock, net of issuance costs	(434,263)
Proceeds from exercises of warrants	(790)
Cash burn*	\$(112,346)

*Cash burn for the three months ended March 31, 2021 includes \$17.7 million of cash paid for acquisitions, primarily related to the cash paid to acquire One Codex.