Natera, Inc.

Investor presentation

Third Quarter 2022 Earnings Call

November 8, 2022

Safe harbor statement

This presentation contains forward-looking statements under the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this presentation, including statements regarding our market opportunity, our proposed products and launch schedules, our reimbursement coverage and our product costs, our commercial partners and potential acquisitions, our user experience, our clinical trials and studies, our financial performance, our strategies, our anticipated revenue and financial outlook, our goals and general business and market conditions, are forward-looking statements.

These forward-looking statements are subject to known and unknown risks and uncertainties that may cause actual results to differ materially, including: we face numerous uncertainties and challenges in achieving our financial projections and goals; we may be unable to maintain our business and operations as planned due to disruptions and economic uncertainty caused by the COVID-19 pandemic; we may be unable to further increase the use and adoption of Panorama and Horizon through our direct sales efforts or through our laboratory partners; we may be unable to develop and successfully commercialize new products, including Signatera and Prospera; we have incurred losses since our inception and we anticipate that we will continue to incur losses for the foreseeable future; our quarterly results may fluctuate from period to period; our estimates of market opportunity and forecasts of market growth may prove to be inaccurate; we may be unable to compete successfully with existing or future products or services offered by our competitors; we may engage in acquisitions, dispositions or other strategic transactions that may not achieve our anticipated benefits and could otherwise disrupt our business, cause dilution to our stockholders or reduce our financial resources; we may need to raise additional capital to support our business plans, which may not be available when necessary or on favorable terms; we may not be successful in commercializing our cloud-based distribution model; our products may not perform as expected; the results of our clinical studies, including our SNP-based Microdeletion and Aneuploidy RegisTry, or SMART, Study, may not be compelling to professional societies or payors as supporting the use of our tests, particularly in the average-risk pregnancy population or for microdeletions screening, or may not be able to be replicated in later studies required for regulatory approvals or clearances; if either of our primary CLIA-certified laboratory facilities becomes inoperable, we will be unable to perform our tests and our business will be harmed; we rely on a limited number of suppliers or, in some cases, single suppliers, for some of our laboratory instruments and materials and may not be able to find replacements or immediately transition to alternative suppliers; if we are unable to successfully scale our operations, our business could suffer; the marketing, sale, and use of Panorama and our other products could result in substantial damages arising from product liability or professional liability claims that exceed our resources; we may be unable to expand, obtain or maintain third-party payer coverage and reimbursement for Panorama, Horizon and our other tests, and we may be required to refund reimbursements already received; third-party payers may withdraw coverage or provide lower levels of reimbursement due to changing policies, billing complexities or other factors, such as the increased focus by third-party payers on requiring that prior authorization be obtained prior to conducting a test; if the FDA were to begin actively regulating our tests, we could incur substantial costs and delays associated with trying to obtain premarket clearance or approval and incur costs associated with complying with post-market controls; litigation or other proceedings, resulting from either third party claims of intellectual property infringement or third party infringement of our technology, is costly, time-consuming and could limit our ability to commercialize our products or services; any inability to effectively protect our proprietary technology could harm our competitive position or our brand; and we cannot guarantee that we will be able to service and comply with our outstanding debt obligations or achieve our expectations regarding the conversion of our outstanding convertible notes. We discuss these and other risks and uncertainties in greater detail in the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our periodic reports on Forms 10-K and 10-Q and in other filings we make with the SEC from time to time. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur and our actual results could differ materially and adversely from those anticipated or implied. As a result, you should not place undue reliance on our forward-looking statements. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this presentation to conform these statements to actual results or to changes in our expectations. We file reports, proxy statements, and other information with the SEC. Such reports, proxy statements, and other information concerning us is available at http://www.sec.gov. Requests for copies of such documents should be directed to our Investor Relations department at Natera, Inc., 13011 McCallen Pass, Building A Suite 100, Austin, TX 78753. Our telephone number is (650) 249-9090.

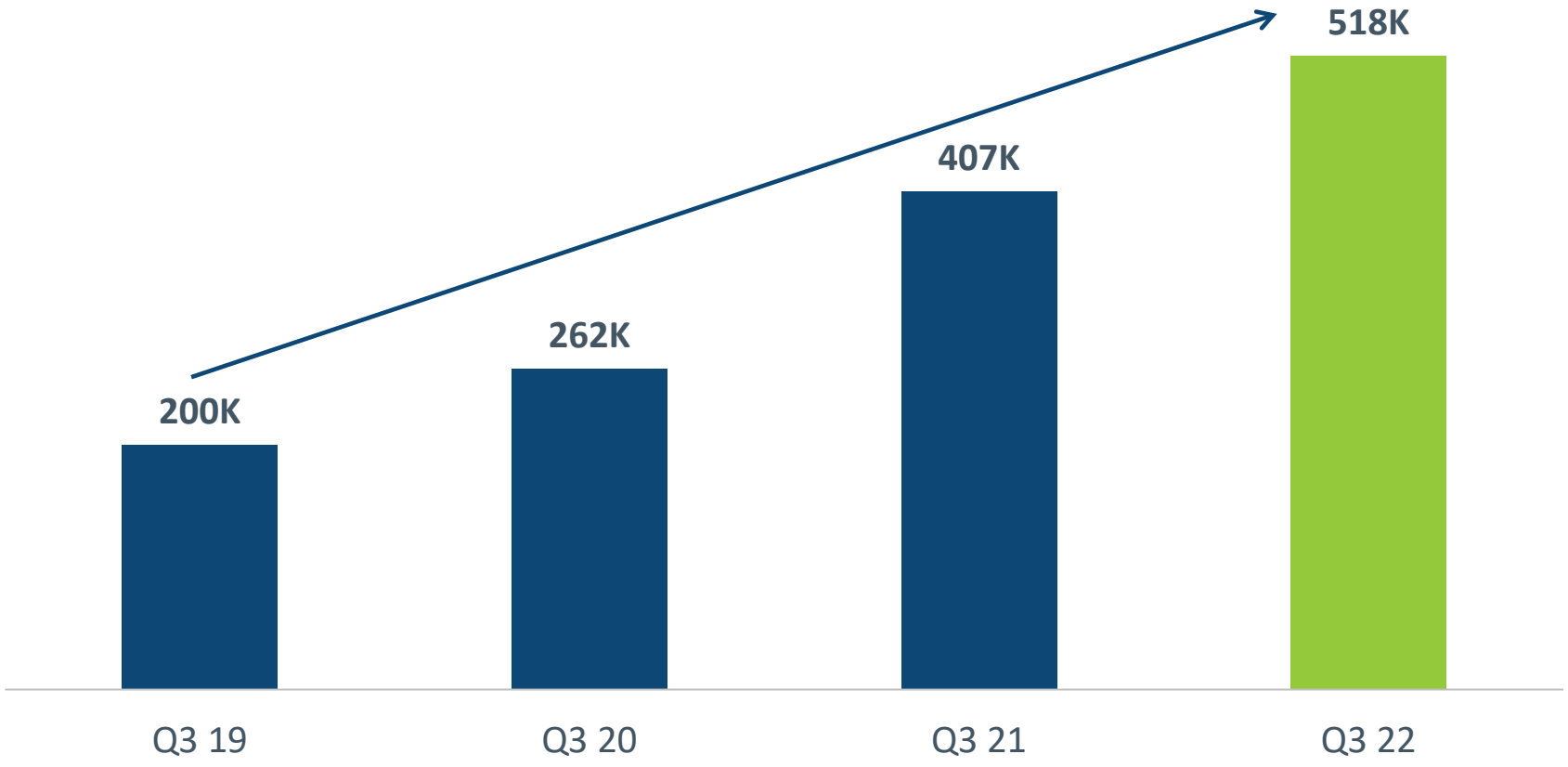
Recent highlights

- Total revenues of $210.6M; ~33% growth over Q3 21
- 518K total tests processed in Q3 22; ~27% growth vs. Q3 21
- 2022 revenue guidance raised to $810 million – $830 million, up $40M vs. initial 2022 guidance
- Performed 53,000 oncology tests in Q3 22, representing over 150% YoY growth, with 35 published peer-reviewed studies for Signatera to date.
- IO Monitoring Medicare reimbursement set at $7,489; awarded pan-cancer Signatera contract from Veterans Administration
- Powerful new Signatera data demonstrates MRD leadership
  - New published studies in Ovarian, Uveal Melanoma
  - CIRCULATE study accepted in *Nature Medicine* with 18-month prospective follow-up
  - Large (N=943) gastro-esophageal study accepted in *JCO Precision Oncology*
- Trifecta Study Demonstrates Prospera™ Kidney dd-cfDNA Test Outperforms DSA in Predicting Antibody Mediated Rejection
- Board of Directors completes independent investigation with the assistance of WilmerHale; determines short seller allegations of wrongdoing against company are unfounded

Record Q3 22 volume of 518,000 units

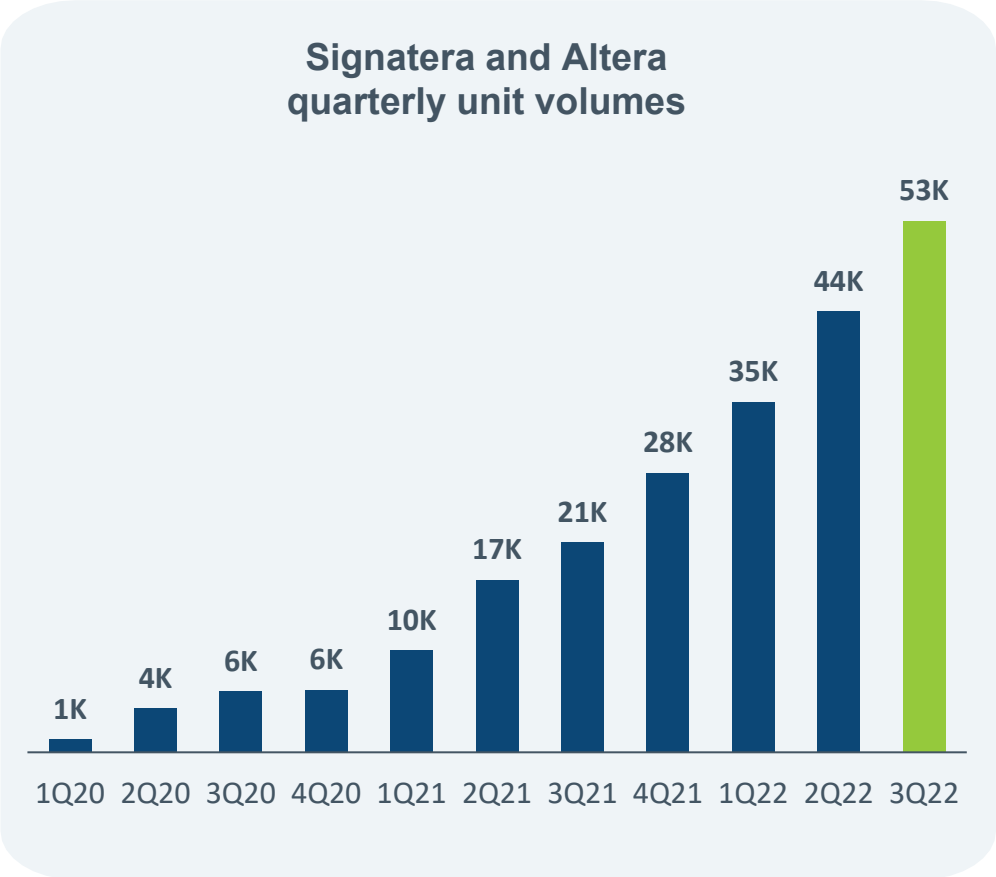
~27% volume growth over Q3 21

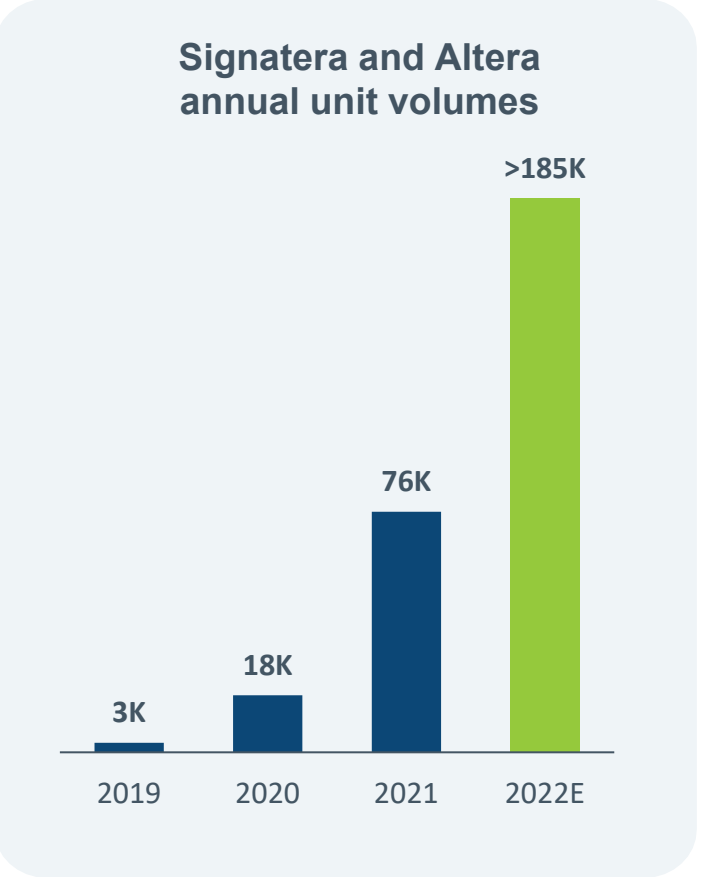
Continued momentum in Women's Health, Organ Health and Oncology



Oncology - Robust volume growth

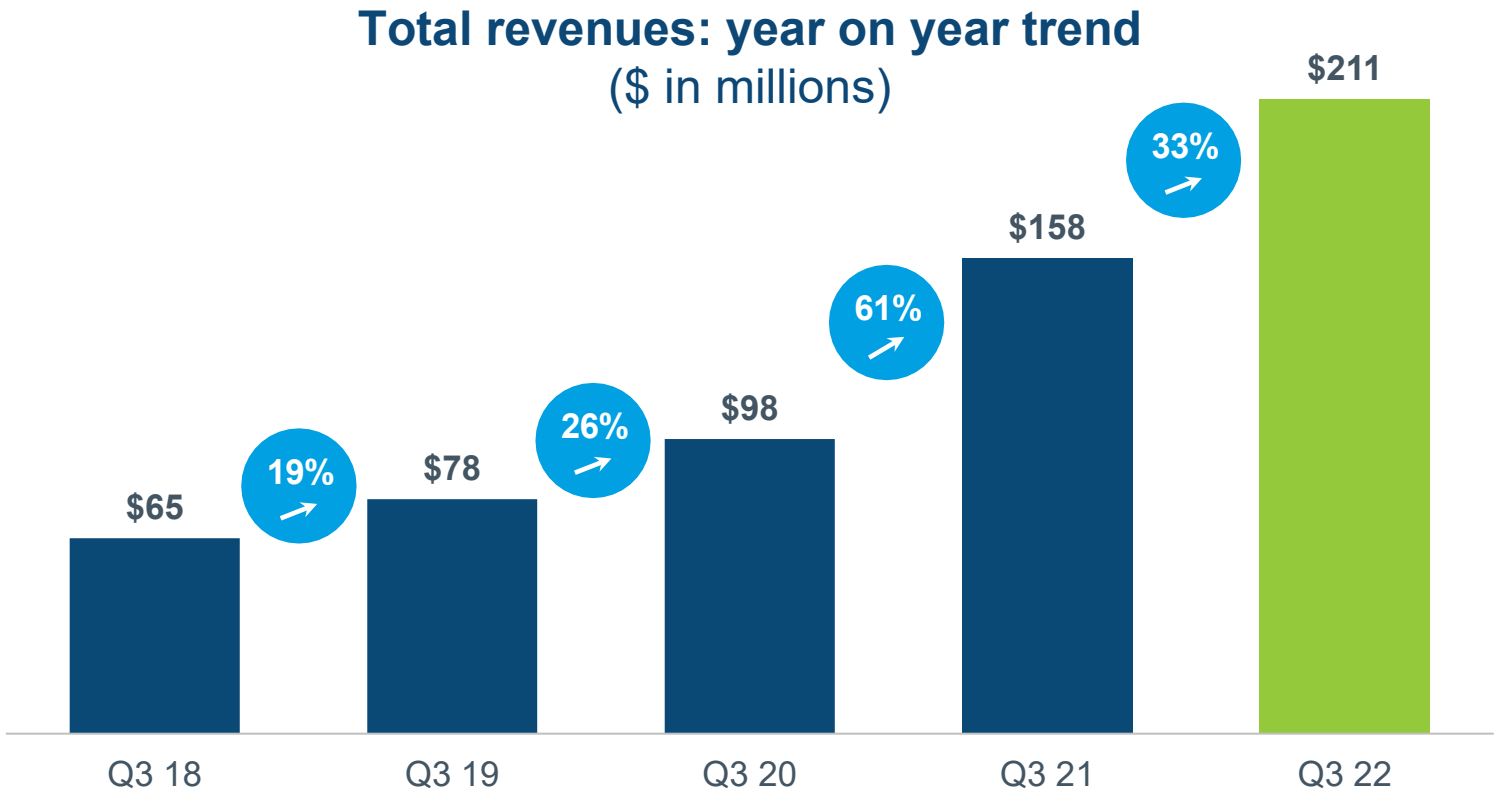
- ~25% of US oncologists have ordered Signatera in the quarter with continued growth in new accounts
- Growth driven by both new patients and serial testing
- Increase in utilization beyond CRC, ahead of coverage





Strong revenue growth driven by strong volumes

- ~33% revenue growth over Q3 21
- Strong volume growth
- Significant growth in Signatera ASP



Prospera Kidney – Trifecta study demonstrates Prospera is superior to DSA in predicting AMR

Prospera™ Transplant assessment

Prospera Kidney[1]

Transplantation

Predictor Variable(s)	AUC
DSA	0.66
%dd-cfDNA	0.84
Quantity dd-cfDNA	0.85

- Societal guidelines currently recommend DSA testing as standard practice for monitoring AMR, highlighting a compelling consideration for the broader use of dd-cfDNA in kidney transplantation.

- Assessed 280 samples from kidney transplant recipients matched to kidney biopsies evaluated by both RNA-based molecular pathology and histology
- Donor-derived cell-free DNA (dd-cfDNA) testing with the Prospera test was superior to the current standard of care, donor-specific antibody (DSA) testing in predicting antibody mediated rejection (AMR)
  - Both components of Prospera algorithm, dd-cfDNA donor fraction (AUC 0.84) and estimated amount of dd-cfDNA (AUC 0.85), outperformed DSA (AUC 0.66) in identifying AMR

1. Halloran PF, Reeve J, Madill-Thomsen KS, et al. Antibody-mediated Rejection Without Detectable Donor-specific Antibody Releases Donor-derived Cell-free DNA: Results From the Trifecta Study [published online ahead of print, 2022 Oct 3]. *Transplantation*. 2022;10.1097/TP.0000000000004324. doi:10.1097/TP.0000000000004324

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Oncology commercial strengths

Commercial Team

Large, tenured pan-cancer sales and medical affairs team, with 4 physicians on staff, calling on community and academia

Market Access / Reimbursement

Broad Medicare coverage with CRC, bladder, pan-cancer IO monitoring

Premium pricing: ADLT at $3,920, IO monitoring bundle at $7,489

User Experience

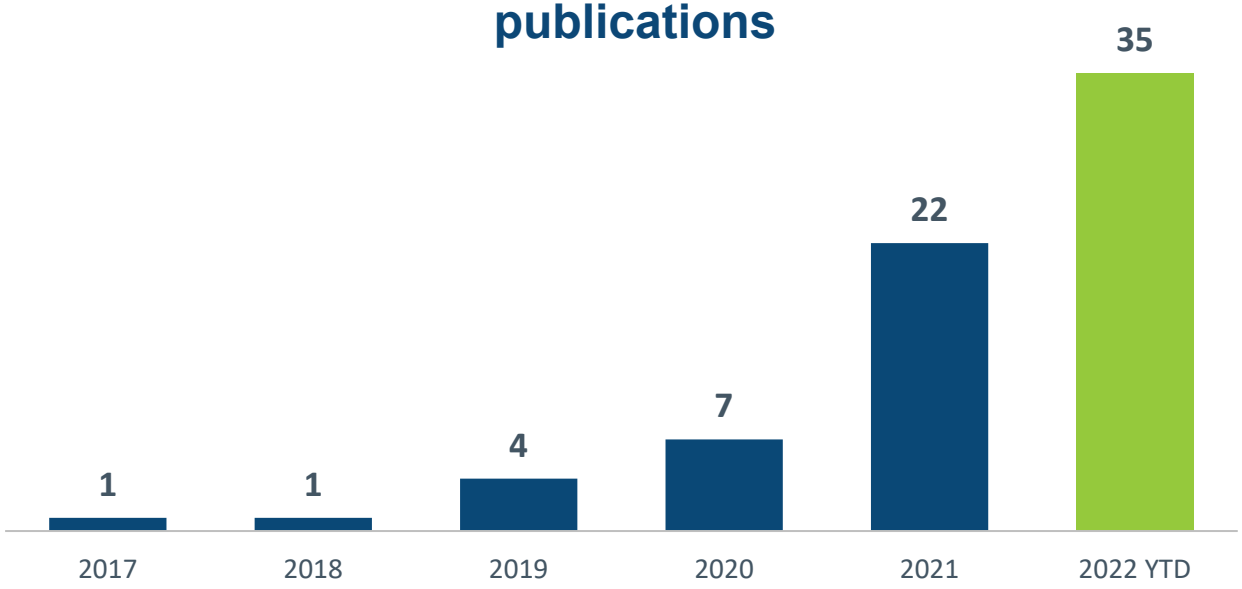
Strong customer loyalty with mobile phlebotomy, physician portals, fast turnaround, EMR integration, easy to interpret results

Data Leadership

35 published peer-reviewed studies, covering thousands of patients and over 25 different cancer types

Building evidence for Signatera clinical validity and utility

Cumulative growth of Signatera peer-reviewed publications



Signatera published indications	
CRC	Melanoma
Breast	Multiple Myeloma
Pan-cancer	Gastrointestinal
Bladder	Head & Neck
Lung	Pancreatic
Esophageal	Ovarian
Merkel cell	

35 published peer-reviewed studies on Signatera across multiple cancer indications
41 posters and 13 oral presentations at oncology conferences in 2022

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Highlights from recent data publications

Ovarian Cancer Study – Published[1]

- Multi-site study analyzed 163 plasma samples from 69 patients with Stage I-IV epithelial ovarian cancer
- Observed 100% sensitivity and specificity
- 10 months average diagnostic lead time ahead of imaging

Uveal Melanoma – Published[2]

- Multi-center phase 2 study of tebentafusp in 127 patients with treatment-refractory metastatic uveal melanoma
- Early reduction in ctDNA (week 9) was correlated with improved overall survival, even in patients with apparent radiographic progression

Breast – BELLINI Study Presented[3]

- Immunotherapy response monitoring in neoadjuvant TNBC (stage I-II)
- All patients who achieved partial response had >50% ctDNA reduction after 4 weeks (2 cycles) of immunotherapy

Colorectal Cancer – Presented[4]

- Real-world data from > 16,000 Signatera CRC patients
- Observed no significant treatment benefit in MRD-negative population

1. Hou, J.S. Chapman, E. Kalashnikova et al. Circulating tumor DNA monitoring for early recurrence detection in epithelial ovarian cancer. Gynecologic Oncology. 2022
2. Carvajal RD, Butler MO, Shoushtari AN et al. Clinical and molecular response to tebentafusp in previously treated patients with metastatic uveal melanoma: a phase 2 trial. Nature Medicine. 2022
3. Nederlof I, Isaeva O, Bakker N, et al. Nivolumab and ipilimumab in early-stage TNBC with tumor-infiltrating lymphocytes (TILs). First results from BELLINI Trial. ESMO, Paris, France, Sept 9-13, 2022.
4. S.A. Cohen, P.M. Kasi, et al. Real-world monitoring of circulating tumor DNA reliably predicts cancer recurrence in patients with resected stages I-III colorectal cancer. ESMO, Paris, France, Sept 9-13, 2022.

Signatera pan-cancer clinical pipeline

Anticipated near term publications

	Indication	Description	Patients	Plasma time points
Accepted	CRC	CIRCULATE GALAXY with 18m followup	>1,000	>7,000
	CRC	Multi center	>300	>1,300
Accepted	Gastroesophageal	Multi center	>275	>900
	Pancreatic	Multi center	>175	~500
	Breast	EBLIS expanded cohort	>175	>1,200
	Breast	ISPY 2.0 expanded cohort	>275	>1,000
	Melanoma	Single center	>50	>500

Longer term prospective trials

- Phase III CIRCULATE Japan (CRC)
- Phase III CIRCULATE US (CRC)
- Phase III CDx study (MIBC)
- Phase III CDx study (TNBC, mBRCA HR+)
- BESPOKE CRC (CRC)
- BESPOKE-IO (Pan-Cancer)
- AMPLIFY (Multi)
- DARE (Breast)
- LEADER (Breast)

Building evidence to change practice guidelines

Source: Internal estimates

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Recent MRD Guideline in CRC from the Japanese Society for Medical Oncology

Dated October 2022

Essential Principles

Panel test for detecting minimal residual disease is performed on patients with resectable advanced recurrent colorectal cancer for treatment selection in consideration of the risk of recurrence.*

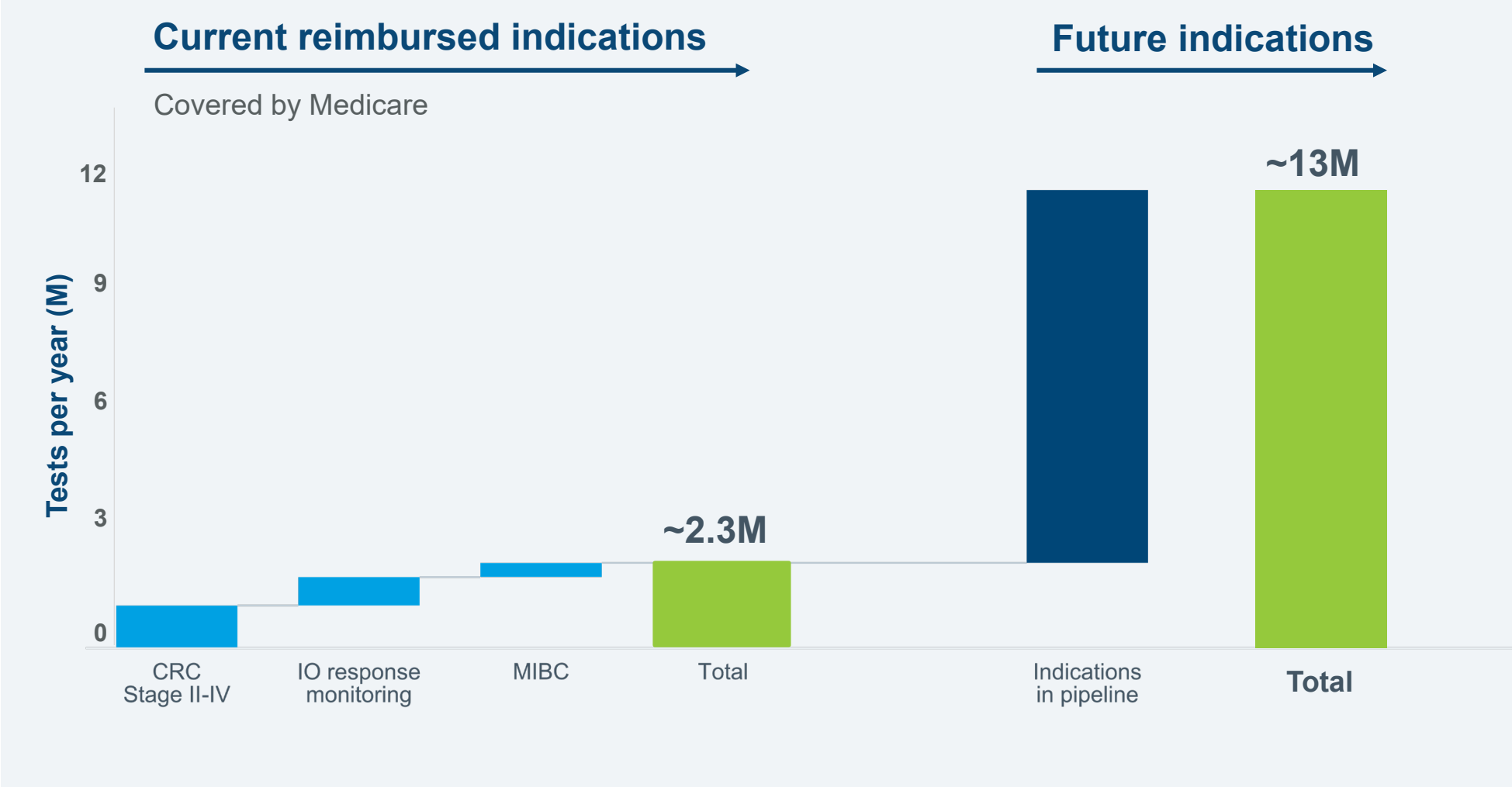
Degree of Recommendation

Highly recommended [8 SRs, 1 R]

*Includes all Stage I-III CRC and resectable Stage IV

*Interpretation informed by Dr. Takayuki Yoshino, National Cancer Center East, Tokyo, Japan, and member of JSMO board of directors.
Source: Japanese Society of Medical Oncology Clinical Guidelines: Guidance for gene-related tests in colorectal cancer treatment, 5th Edition, Version 3, Oct 5, 2022.
Translated by Simultrans. Mountain View, CA.

Significant unmet need served by one technology platform and one commercial team



Source: Internal estimates

Big bets in oncology

Pre-selling pan-cancer Signatera offering ahead of broad reimbursement

Significant investment in clinical trials and data generation is important to expand our first-mover competitive advantage, gain coverage

IVD development and global infrastructure to drive future international expansion and companion diagnostic applications with pharma partners

Cutting-edge product portfolio to improve existing solutions and develop new technologies, for early detection, therapy selection, and disease monitoring

Oncology data product to monetize our unique, fast-growing library of exome data in early-stage disease, paired with clinical data and longitudinal MRD outcomes

Q3 financial overview

($ in millions, except for per share data)

P&L	Q3'22	Q3'21	Change
Product Revenues	$199.8	$153.9	$45.9
Licensing and Other Revenues	$10.8	$4.2	$6.6
Total Revenues	$210.6	$158.1	$52.5
Gross Margin%[1]	44.7%	48.5%	(385 bps)
R&D	$65.5	$98.5	($33.0)
SG&A	$147.7	$128.5	$19.2
Net Loss Per Diluted Share	($1.25)	($1.63)	$0.38

Balance sheet	Sep 30, 2022	Jun 30, 2022	Change Q/Q
Cash & Investments[2]	$521.2	$638.7	($117.5)
UBS Line of Credit	$50.1	$50.1	$ —
Convertible Senior Notes[3]	$281.3	$281.0	$0.3

1. Gross margin is calculated as gross profit divided by GAAP total revenues. Gross profit is calculated as GAAP total revenues less GAAP cost of revenues.
2. Cash and investments also include cash equivalents and restricted cash.
3. This balance reflects net carrying value for the Convertible Senior Notes under ASC 470-20 while the gross principal amounts outstanding is $287.5 million as of September 30, 2022.

Well positioned for scale

Natera Today

- Established products with strong market positions
- Addressing large unmet clinical needs
- Volumes, revenues continued to ramp quickly
- Significant published data in women's health, oncology
- Commercial teams fully built to support increased future adoption

Near Future

- Multiple large potential catalysts:
  - Microdeletions guideline inclusion
  - Signatera colorectal cancer NCCN guideline inclusion
  - Signatera commercial payer coverage
  - MolDx coverage for additional tumor types
- Improve COGS and scalability:
  - High volume products on lower-cost sequencers
  - Scaling tissue whole exome capability, lower-cost lab operations
- Manage operating expenses
  - Stable commercial presence
  - Stable investment in clinical trials

Raising 2022 annual guidance

Guide $ (millions)	Original	Q1 22	Q2 22	Q3 22	Key drivers
Revenue	$770 – $790	$790 – $810	$805 – $825	**$810 – $830**	• Volume outperformance • Improving oncology ASPs
Gross margin % revenue	46% – 48%	46% – 48%	46% – 48%	**44% – 47%**	• Growing oncology volumes
SG&A	$560 – $590	$560 – $590	$560 – $590	**$575 – $590**	• Commercial teams built out
R&D	$340 – $360	$340 – $360	$340 – $360	**$320 – $340**	• Foundational clinical trials and COGS improvements
Cash burn	$370 – $400	$370 – $400	$370 – $400	**~$450**	• Poised to reduce in 2023 and beyond