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**STRATEC  
Q1 2021 FINANCIAL RESULTS**

Birkenfeld, 2021-05-07

## SAFE HARBOR STATEMENT

Forward-looking statements involve risks.

This company presentation contains various statements concerning the future performance of STRATEC. These statements are based on both assumptions and estimates. Although we are convinced that these forward-looking statements are realistic, we can provide no guarantee of this. This is because our assumptions involve risks and uncertainties which could result in a substantial divergence between actual results and those expected.

It is not planned to update these forward-looking statements.

## AGENDA

1. Q1 2021 AT A GLANCE
2. FINANCIAL REVIEW
3. OUTLOOK
4. Q&A
5. APPENDIX

## Q1 2021 AT A GLANCE

- Sales up by 32.5% at constant exchange rates to € 72.0 million (Q1 2020: € 56.5 million) → nominal growth of 27.4%
  - Double digit growth rates in all three segments (Instrumentation, Diatron and Smart Consumables)
- Adjusted EBIT more than doubled to € 16.0 million (Q1 2020: 7.7 € million)
  - Adjusted EBIT margin up by 870 bps yoy to 22.3% (Q1 2020: 13.6%)
- Achievement of important development milestones
- Continuously high demand and positive customer feedback for STRATEC's proprietary random access immunoassay platform KleeYa®
  - First partner is expected to launch within the coming months
  - Numerous contract negotiations/etc ongoing



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# FINANCIAL REVIEW

## FINANCIALS AT A GLANCE<sup>1</sup>

€ 000s	Q1 2021	Q1 2020	Change
Sales	71,995	56,504	+27.4%
EBITDA	18,840	10,142	+85.8%
EBITDA margin (%)	26.2	17,9	+830 bps
Adjusted EBIT	16,045	7,658	+109.5%
Adjusted EBIT margin (%)	22.3	13.6	+870 bps
Adjusted consolidated net income	13,147	6,246 <sup>2</sup>	+110.5%
Adjusted basic earnings per share (in €)	1.09	0.52 <sup>2</sup>	+109.6%
Basic earnings per share IFRS (in €)	0.95	0.37 <sup>2</sup>	+156.8%

bps = basis points

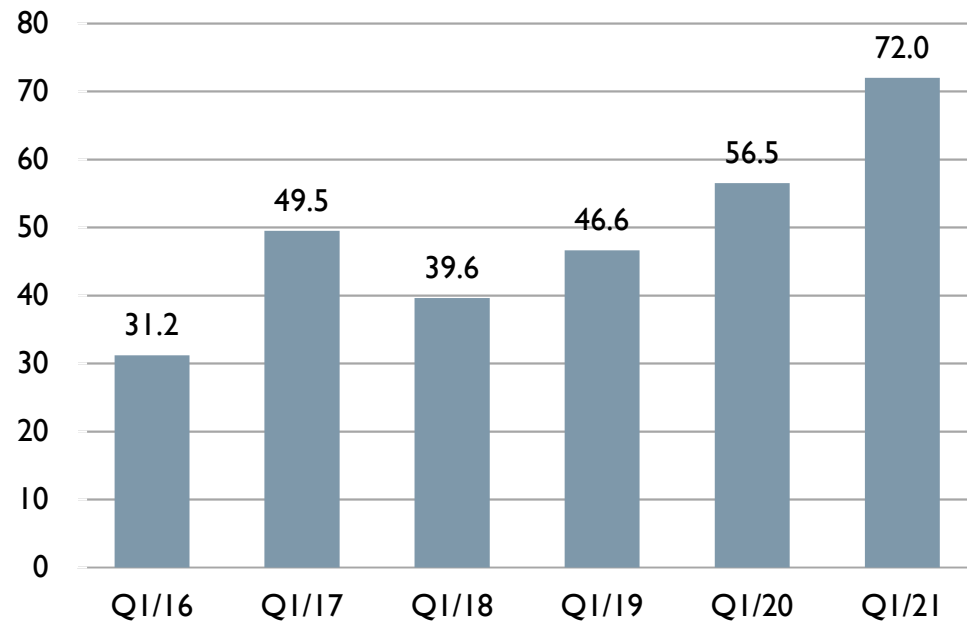
<sup>1</sup> For comparison purposes, adjusted figures exclude amortization resulting from purchase price allocations in the context of acquisitions.

<sup>2</sup> Result from continuing operations.

# FINANCIAL REVIEW

## SALES

In € million



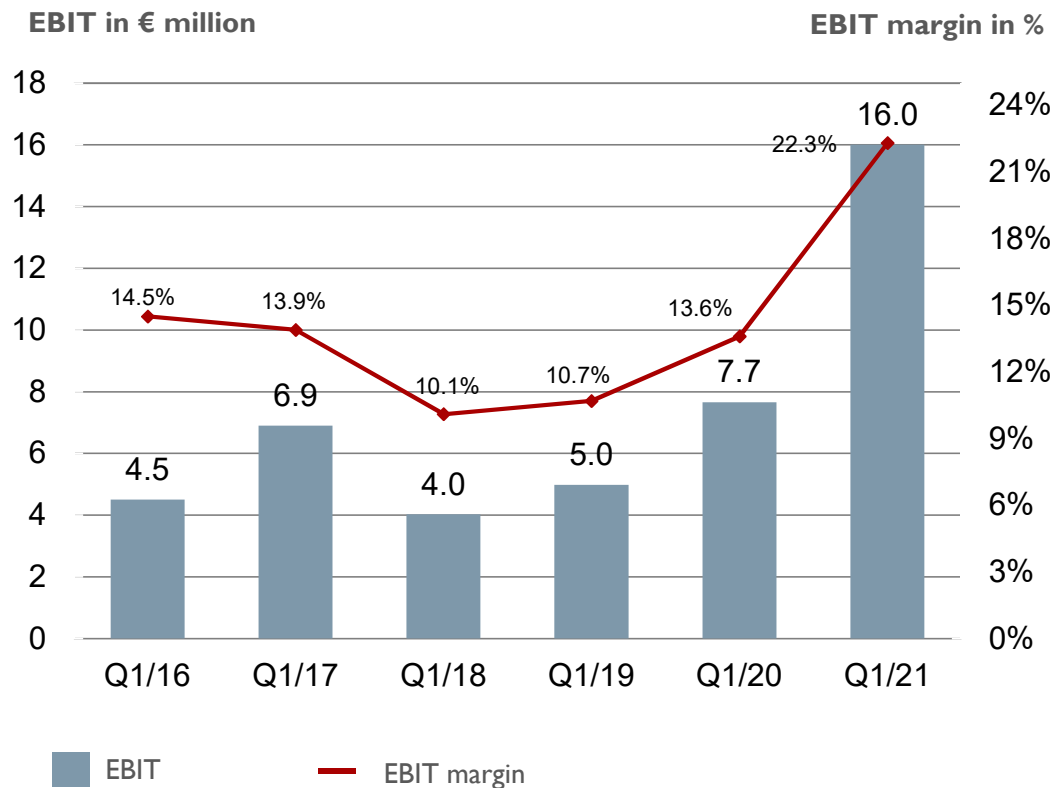
As of March 31

Q1 2021 sales up 27.4% yoy to € 72.0 million  
 → +32.5% at constant currency

- (+) Continuously high demand for molecular and immunoassay solutions  
 → Strong business with Systems as well as Service parts & Consumables
- (+) Single-digit growth with Development and Services sales
- (-) Ramp-up curve of newly launched products tampered by pandemic-driven reallocation of priorities

# FINANCIAL REVIEW

## ADJUSTED EBIT AND EBIT MARGIN



Q1 2021 adjusted EBIT up by 109.5% yoy to € 16.0 million

Q1 2021 adjusted EBIT margin up by 870 bps yoy to 22.3%

(+) Economies of scale

(+) Sales/product mix

(+) Efficiency enhancements

As of March 31



# FINANCIAL REVIEW

## CASH FLOW AND NET DEBT

€ 000s	Q1 2021	Q1 2020	Change
Cash flow – operating activities	14.0	3.2	+337.5%
Cash flow – investment activities	-4.3	-7.1	n/a
Cash flow – financing activities	-1.3	14.5	n/a
Free cash flow	9.7	-3.9	n/a

- Strong improvement in operating cash flow dynamics but still elevated inventory needs
- Lower investment spending following completed construction work for expansion of building capacity at HQ (investment ratio<sup>1</sup> at 6.0% of sales)
- Net debt down by 8.5%  
Net debt / LTM EBITDA of 1.2x

€ 000s	Q1 2021	FY 2020	Change
Cash and cash equivalents at end of period	45.7	37.6	+21.5%
Equity ratio (%)	51.3	52.0	-70 bps
Net debt	75.7	82.7	-8.5%

<sup>1</sup> Total investments in intangible and tangible assets in % of sales  
LTM = Last twelve months

## AGENDA

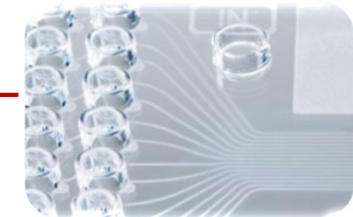
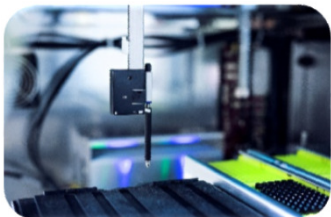
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# OUTLOOK

## FINANCIAL GUIDANCE FOR FISCAL YEAR 2021<sup>1</sup>

- Constant-currency sales growth in at least a high single-digit percentage range
- Adjusted EBIT margin of around 17.5% to 18.5% (2020: 16.7%)
- Investments in tangible and intangible assets combined of around 6.0% to 8.0% of sales

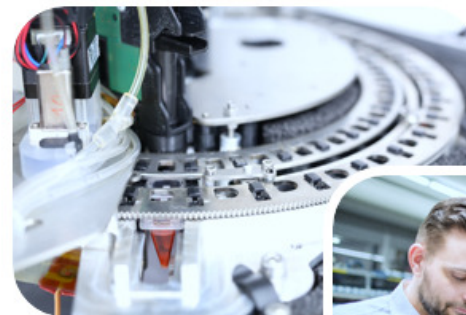
<sup>1</sup> Due to the COVID-19 pandemic, STRATEC continues to observe higher volatility in its customers' order behavior. In the first quarter of 2021, the company witnessed an overall rise in order forecasts for the second half of 2021. Due to the additional forecasting uncertainties resulting from the pandemic, however, the higher order forecasts for the fourth quarter of 2021 in particular are still not incorporated in the above financial guidance.



# OUTLOOK

## FOCUS IN 2021 AND BEYOND

- Drive forward development program for next-generation MDx solution for one of the dominant market players
- Focus on potential M&A activities in-light of solid balance sheet and upcoming opportunities
- Sign further development and manufacturing agreements
  - Two bigger deals in the final negotiation stage
- Manage transition to post-pandemic priorities



# QUESTIONS & ANSWERS

# APPENDIX

## ADJUSTMENTS

### EBIT

€ 000s	Q1 2021	Q1 2020
<b>Adjusted EBIT</b>	<b>16,045</b>	<b>7,658</b>
<b>Adjustments:</b>		
PPA amortization	-1,917	-2,062
<b>EBIT</b>	<b>14,128</b>	<b>5,596</b>

### Consolidated net income

€ 000s	Q1 2021	Q1 2020 <sup>1</sup>
<b>Adjusted consolidated net income</b>	<b>13,147</b>	<b>6,246</b>
<b>Adjusted earnings per share in € (basic)</b>	<b>1.09</b>	<b>0.52</b>
<b>Adjustments:</b>		
PPA amortization	-1,917	-2,062
Taxes on income	319	320
<b>Consolidated net income</b>	<b>11,549</b>	<b>4,503</b>
<b>Earnings per share in € (basic)</b>	<b>0.95</b>	<b>0.37</b>

<sup>1</sup> Results from continuing operations

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