

MAKE THE
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**STRATEC
HI 2021 FINANCIAL RESULTS**

Birkenfeld, 2021-08-06

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

HI 2021 AT A GLANCE

- **Sales up by 36.0%** at constant exchange rates to **€ 155.8 million** with **double digit growth rates in all three segments** (Instrumentation, Diatron and Smart Consumables)
- **Adjusted EBIT margin improvement of 670 basis points to 22.1%**; driven by **scale effects** and **product mix**; strong **profitability upswing** in **Smart Consumables** segment
- **Operating cash flow boosted by 180%** to **€ 33.3 million**
- **Number of employees up by 4.9%** to **1,400**
- STRATECs proprietary random access **immunoassay platform KleeYa®** was brought to the market **by a first customer in Q2**



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FINANCIAL REVIEW

FINANCIALS AT A GLANCE¹

€ 000s	HI/2021	HI/2020	Change	Q2/2021	Q2/2020	Change
Sales	155,765	119,367	+30.5%	83,770	62,863	+33.3%
EBITDA	40,274	23,537	+71.1%	21,434	13,395	+60.0%
EBITDA margin (%)	25.9	19.7	+620 bps	25.6	21.3	+430 bps
Adjusted EBIT	34,457	18,413	+87.1%	18,412	10,755	+71.2%
Adjusted EBIT margin (%)	22.1	15.4	+670 bps	22.0	17.1	+490 bps
Adjusted consolidated net income	28,547	15,595 ²	+83.1%	15,400	9,349 ²	+64.7%
Adjusted basic earnings per share (in €)	2.36	1.30 ²	+81.5%	1.27	0.78 ²	+62.8%
Basic earnings per share IFRS (in €)	2.08	1.01 ²	+105.9%	1.12	0.64 ²	+75.0%

bps = basis points

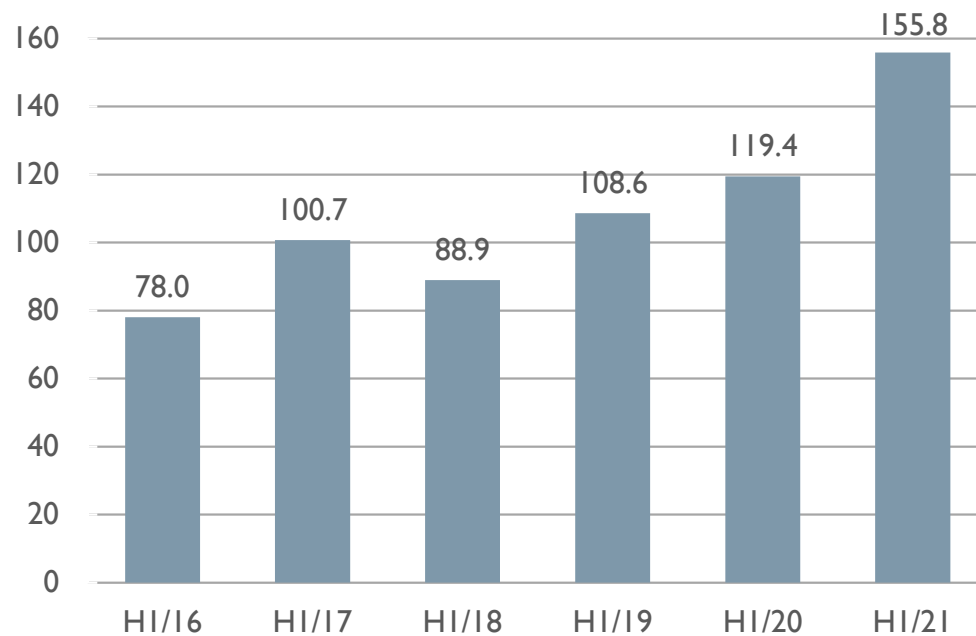
¹ For comparison purposes, adjusted figures exclude amortization resulting from purchase price allocations in the context of acquisitions and an impairment for a proprietary development project in the Diatron Segment. For more details please see appendix.

² Results from continuing operations.

FINANCIAL REVIEW

SALES

Sales in € million



As of June 30

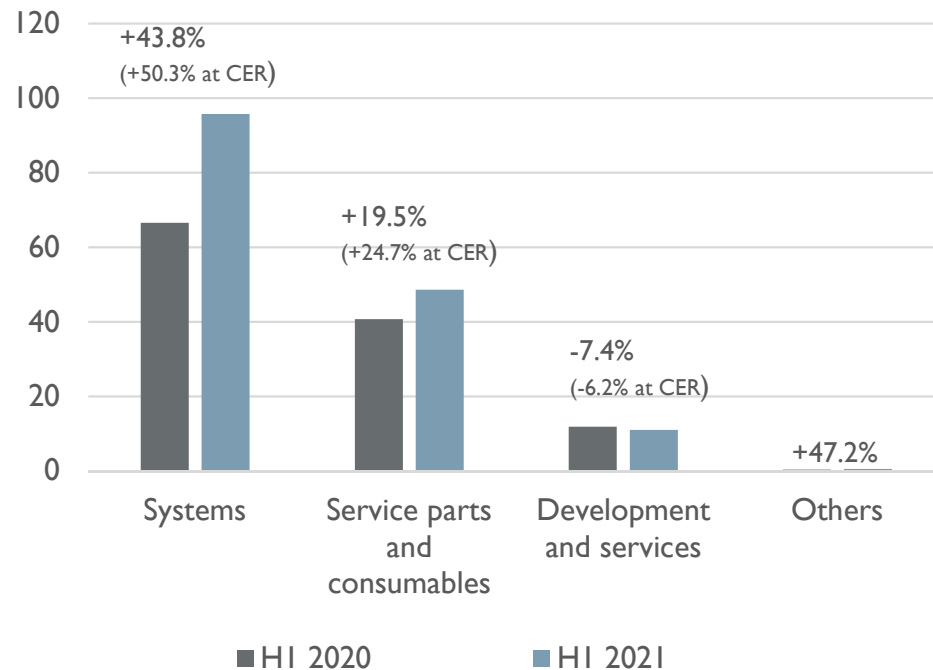
HI/2021 sales up 30.5% yoy to € 155.8 million
 → 36.0% at constant currency

- High demand for product groups relevant to COVID-19 testing
- Recovery in routine testing applications
- Growth contribution of newly launched products

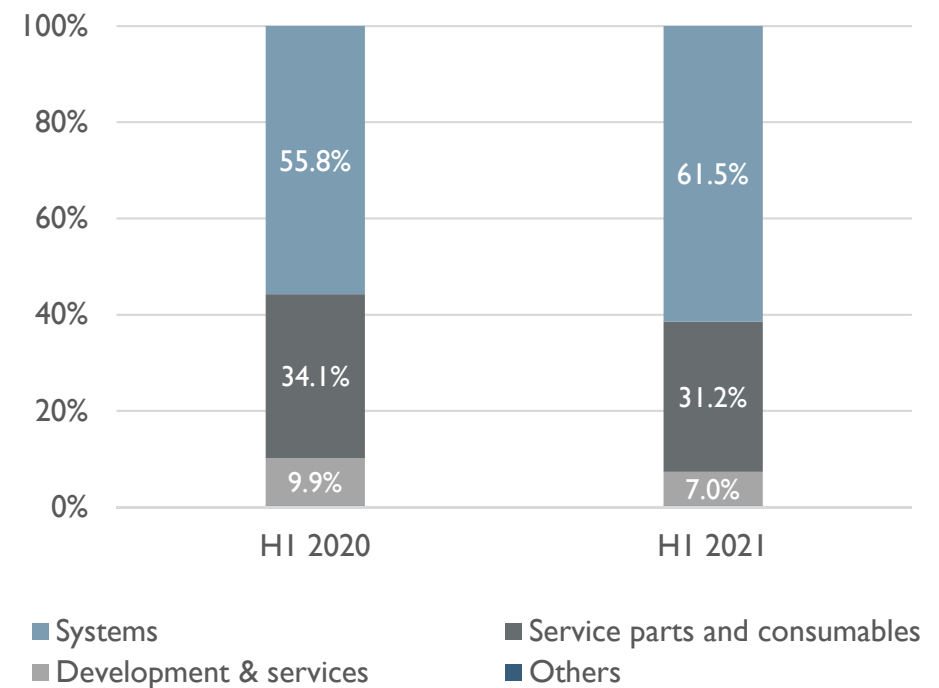
FINANCIAL REVIEW

SALES BY OPERATING DIVISIONS

Sales in € million



In % of total sales

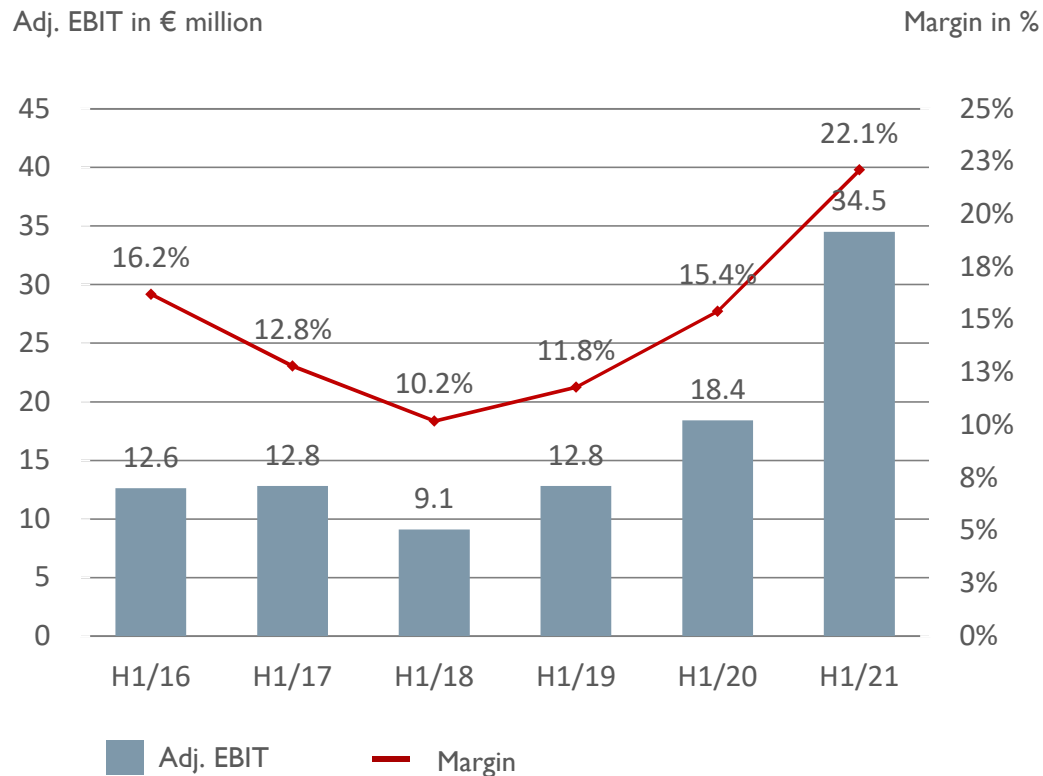


CER = Constant exchange rates

As of June 30

FINANCIAL REVIEW

ADJUSTED EBIT AND EBIT MARGIN



H1/2021 EBIT up 87.1% yoy to € 34.5 million

H1/2021 adjusted EBIT margin at 22.1%

Margin expansion of 670 bps yoy

(+) Economies of scale

(+) Product mix

(+) Efficiency enhancements

(+) Lower burden from stock appreciation rights (SARs)

As of June 30

FINANCIAL REVIEW

SEGMENT PERFORMANCE

Instrumentation

€ 000s	HI/2021	HI/2020	Change	At CER
Sales	109,873	84,551	+29.9%	+36.5%
Adj. EBIT	22,267	12,468	+78.6%	
Adj. EBIT margin	20.3%	14.7%	+560 bps	

- Strong growth with COVID-19-related product groups, new launches and pick up of immunohematology business

Diatron

€ 000s	HI/2021	HI/2020	Change	At CER
Sales	35,206	28,101	+25.3%	+27.3%
Adj. EBIT	10,916	7,515	+45.3%	
Adj. EBIT margin	31.0%	26.7%	+430 bps	

- Strong growth with molecular diagnostics products

Smart Consumables

€ 000s	HI/2021	HI/2020	Change	At CER
Sales	10,686	6,715	+59.1%	+65.8%
Adjusted EBIT	1,274	-1,570	nm	
Adj. EBIT margin	11.9%	-23.4%	+3.530 bps	

- Transition from development revenues to end product sales

CER = Constant exchange rates

FINANCIAL REVIEW

CASH FLOW AND NET DEBT

€ 000s	HI/2021	HI/2020	Change
Cash flow – operating activities	33,269	11,873	+180.2%
Cash flow – investment activities	-10,313	-8,800 ¹	n/a
Cash flow – financing activities	-18,926	64	n/a
Free cash flow	22,956	3,073	+647.0%

¹ Includes incoming payments of € 1.9 million from sale of companies previously consolidated

€ 000s	HI/2021	FY/2020	Change
Cash and cash equivalents at end of period	41,272	37,561	+9.9%
Equity ratio (%)	52.0	52.0	+0 bps
Net debt	72,742	82,677	-12.0%

- Strong improvement in operating cash flow dynamics despite still elevated inventory needs
- Investment ratio¹ at 6.7% of sales versus 9.7% in HI/2020
- Net debt down by 12.0% versus fiscal year end 2020
Net debt / LTM EBITDA of 1.1x

¹ Total investments in intangible and tangible assets in % of sales

LTM = Last twelve months

AGENDA

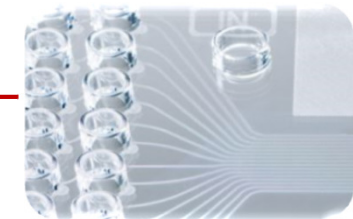
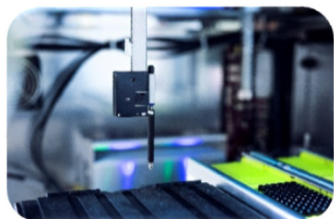
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OUTLOOK

FINANCIAL GUIDANCE FOR FISCAL YEAR 2021¹

- Constant-currency sales growth of at least 12.0%
- 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

¹The above guidance is based on a planning scenario which assumes that the vaccines currently available will remain highly effective against new virus mutations and that further major waves of infection can be avoided in North America and Europe. Furthermore, STRATEC continues to observe a high level of volatility in its customers' order behavior. This volatility is tending to increase overall. In view of this, some customer orders for the fourth quarter of 2021 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. Market launch expected for H1/2022.
- Focus on potential M&A activities in-light of solid balance sheet and upcoming opportunities
- Execute deal pipeline regarding new development and manufacturing agreements
 - Two bigger deals in the final negotiation stage
- Manage transition to post-pandemic priorities
- Restore pre-pandemic efficiency levels throughout the company



QUESTIONS & ANSWERS

APPENDIX

ADJUSTMENTS

EBIT

€ 000s	HI/2021	HI/2020
Adjusted EBIT	34,457	18,413
Adjustments:		
PPA amortization	-2,909	-4,076
Impairment	-1,049	0
EBIT	30,499	14,337

Consolidated net income

€ 000s	HI/2021	HI/2020 ¹
Adjusted consolidated net income	28,547	15,595
Adjusted earnings per share in € (basic)	2.36	1.30
Adjustments:		
PPA amortization	-2,909	-4,076
Impairment	-1,049	0
Taxes on income	572	637
Consolidated net income	25,161	12,156
Earnings per share in € (basic)	2.08	1.01

¹ Results from continuing operations

CONTACT

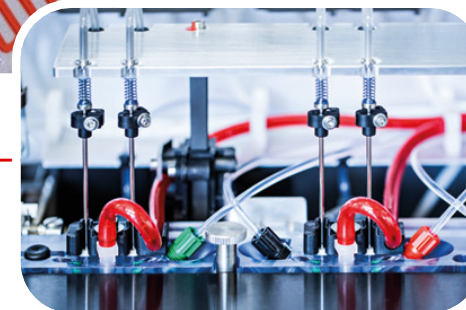
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