

# STRATEC Q1 2022 FINANCIAL RESULTS

Birkenfeld, 2022-05-05

A PERFECT MATCH IN  
**DIAGNOSTICS**

## 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. Q1/2022 AT A GLANCE
2. FINANCIAL REVIEW
3. OUTLOOK
4. Q&A
5. APPENDIX

## Q1 2022 AT A GLANCE

- **Group sales up by 4.7% yoy to € 75.4 million (Q1/2021: € 72.0 million)**
  - Growth of 1.8% at constant currency
- **Adjusted EBIT of € 15.0 million moderately below strong prior year level but slightly ahead of budget (Q1/2021: € 16.0 million)**
- **Significant progress** within well-filled **development pipeline** and several **promising negotiations** in regard to new projects
  - **Further customer of Smart Consumables** segment about to **submit for approval: Novel test** for the **early and fast detection** and **risk assessment of sepsis** (one of the **most frequent causes of death** worldwide)
  - **High number** of incoming **customer requests** regarding **new projects** and **ongoing feasibility studies**
- Several products in **ramp-up phase** and **more launches** to come in the next **12 months**
  - **Molecular diagnostics system family** for one of the **market leaders** scheduled for **launch in mid-2022**

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# FINANCIAL REVIEW

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

€ 000s	Q1/2022	Q1/2021	Change
Sales	75,387	71,995	+4.7%
EBITDA	18,459	18,840	-2.0%
EBITDA margin (%)	24.5	26.2	-170 bps
Adjusted EBIT	15,037	16,045	-6.3%
Adjusted EBIT margin (%)	19.9	22.3	-240 bps
Adjusted consolidated net income	11,948	13,147	-9.1%
Adjusted basic earnings per share (in €)	0.99	1.09	-9.2%
Basic earnings per share IFRS (in €)	0.92	0.95	-3.2%

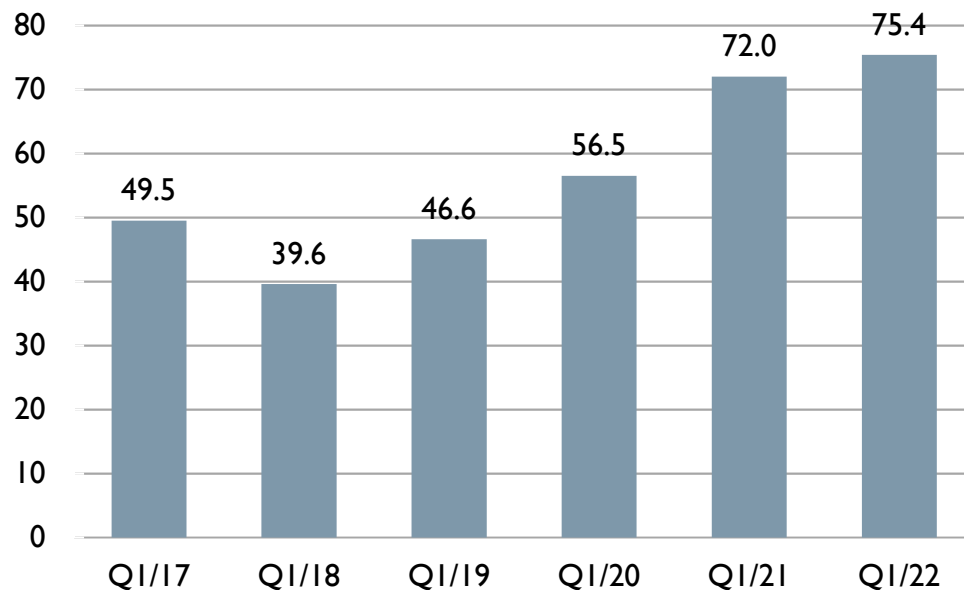
bps = basis points

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

# FINANCIAL REVIEW

## SALES Q1/2022

In € million



Q1/2022 sales up 4.7% yoy to € 75.4 million

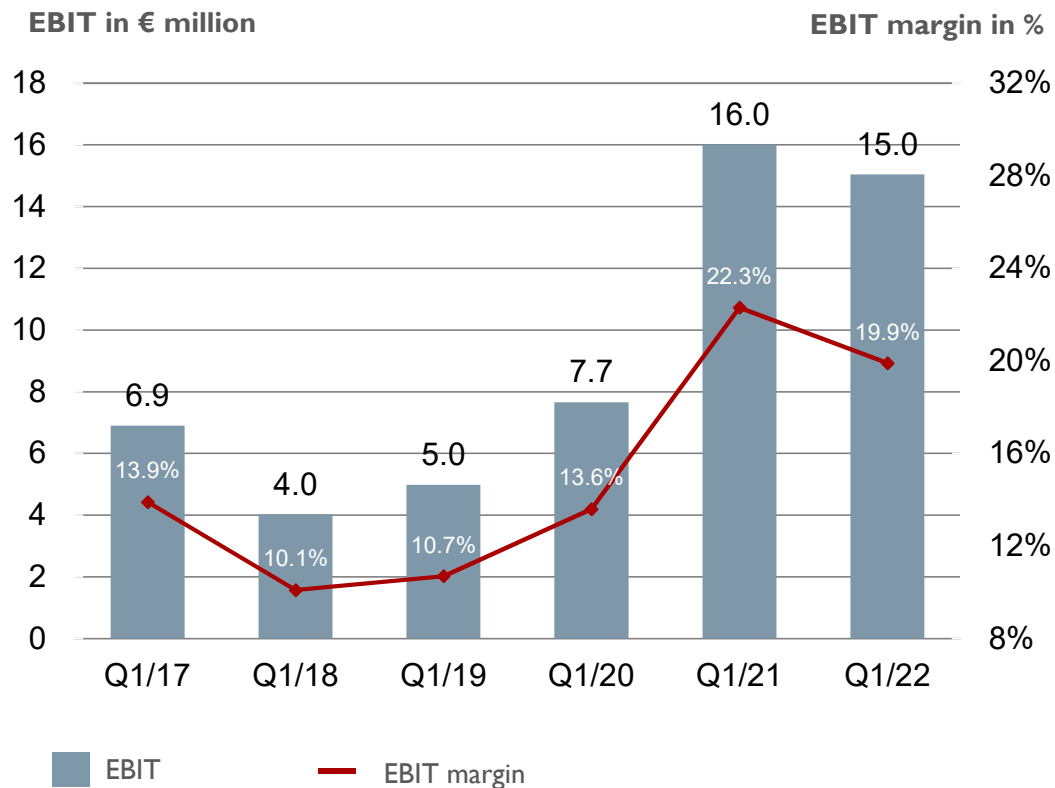
→ +1.8% at constant currency

- (+) Higher Development & Service sales
- (+) Strong Service Parts & Consumables business
- (+) Strong call-up numbers for immunoematology systems
- (+) New product launches
- (-) Lower sales with molecular diagnostic systems due to pandemic related build-up of capacities in the prior year

As of March 31

# FINANCIAL REVIEW

## ADJUSTED EBIT AND EBIT MARGIN Q1/2022



Q1/2022 adjusted EBIT down by 6.3% yoy to € 15.0 million

Q1/2022 adjusted EBIT margin of 19.9% versus 22.3% in the prior year

- (-) Normalization of product mix within Systems sales
- (-) Tense supply chain and input cost inflation
- (+) Increased share of high margin Service Parts and Consumables sales
- (+) Higher-than-usual contribution margin from Development and Services sales

As of March 31



# FINANCIAL REVIEW

## CASH FLOW AND NET DEBT

€ 000s	Q1/2022	Q1/2021	Change
Cash flow – operating activities	773	14,028	-94.4%
Cash flow – investment activities	-3,914	-4,302	n/a
Cash flow – financing activities	5,089	-1,292	n/a
Free cash flow	-3,141	9,726	n/a

- Cash flow from operating activities burdened by increased trade receivables position  
→ reporting date effects; significant improvement was already visible at the beginning of Q2/2022
- Investment ratio<sup>1</sup> at 5.2% of sales
- Net debt / LTM EBITDA of 0.8x

€ 000s	Q1/2022	FY/2021	Change
Cash at end of period	49,564	47,184	+5.0%
Equity ratio (%)	56.2	55.8	+40 bps
Net debt	54,984	52,443	-4.8%

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

## AGENDA

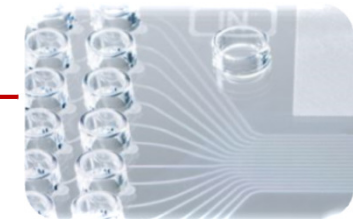
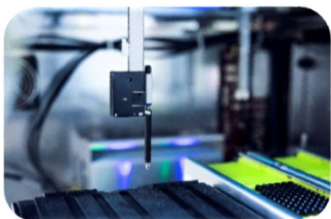
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# OUTLOOK

## CONFIRMED GUIDANCE FOR FISCAL YEAR 2022\*

- Sales to match the previous year's level on a constant-currency basis
  - Ramp-up of young product portfolio and additional upcoming launches set to compensate potential declines in COVID-19-related product lines
- Adjusted EBIT margin of around 16.5% to 18.5% (2021: 18.9%)
  - Raising input costs and normalization of product mix
- Investments in tangible and intangible assets combined of around 6.0% to 8.0% of sales

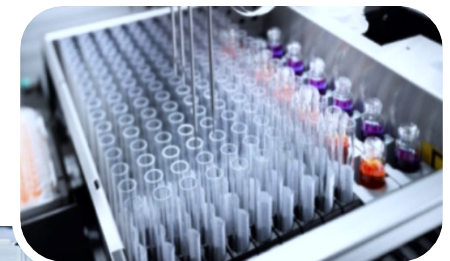
\* Any assessment of the further course of the pandemic, particularly from the fall onwards, and associated demand for in-vitro diagnostics products is subject to great uncertainties. STRATEC's budget scenario for the 2022 financial year includes a higher than normal number of assumptions and risk adjustments. Furthermore, the situation in global supply chains also remains tense and increasingly difficult to predict, with this being due not least to the war in Ukraine and renewed lockdowns in Asia.



# OUTLOOK

## FOCUS IN 2022 AND BEYOND

- Execute on current development pipeline and launch line-up
  - Expected launches over the next 12 months include two MDx solution families
  - Further MDx solution (x-plex) for decentralised testing needs is set to hit the market in 2024
- Execute deal pipeline regarding new development and manufacturing agreements
- Implement measures to address supply chain issues and rising input costs
- M&A remains part of the company's growth and diversification strategy
- Restore pre-pandemic efficiency levels throughout the company
- Manage additional personnel requirements in view of a well-filled project pipeline



# QUESTIONS & ANSWERS

# APPENDIX

## ADJUSTMENTS Q1/2022

### EBIT

€ 000s	Q1/2022	Q1/2021
<b>Adjusted EBIT</b>	<b>15,037</b>	<b>16,045</b>
<b>Adjustments:</b>		
PPA amortization	-936	-1,917
<b>EBIT</b>	<b>14,101</b>	<b>14,128</b>

### Consolidated net income

€ 000s	Q1/2022	Q1/2021
<b>Adjusted consolidated net income</b>	<b>11,948</b>	<b>13,147</b>
<b>Adjusted earnings per share in € (basic)</b>	<b>0.99</b>	<b>1.09</b>
<b>Adjustments:</b>		
PPA amortization	-936	-1,917
Taxes on income	157	319
<b>Consolidated net income</b>	<b>11,169</b>	<b>11,549</b>
<b>Earnings per share in € (basic)</b>	<b>0.92</b>	<b>0.95</b>

# CONTACT

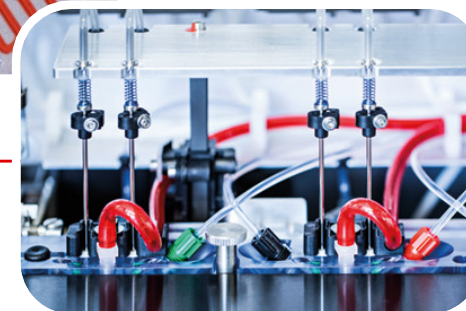
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 ATTENTION