

# HI 2022 FINANCIAL RESULTS

Birkenfeld - August 10, 2022

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. HI 2022 AT A GLANCE
2. FINANCIAL REVIEW
3. OUTLOOK
4. Q&A
5. APPENDIX

## HI 2022 AT A GLANCE

- **Sales -15.2%** at constant exchange rates to **€ 137.2 million** due to tough prior year **base of comparison** and **delivery backlogs** as result of **tense supply chain**
- **Adjusted EBIT** margin at **15.4%** (HI/2021: 22.1%); negative **scale effects** and normalization of **product mix**
- **Fully project pipeline** and numerous promising **negotiations** for **additional projects**
- **Launch** of a new **MDx system** solution is **imminent**
- New **hematology system** launched by **Diatron** addressing the need of **decentralized testing** environments
- **Number of employees** up by 2.1% to **1,429**



Aquarius 3 (hematology system)

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# FINANCIAL REVIEW

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

€ 000s	HI/2022	HI/2021	Change	Q2/2022	Q2/2021	Change
Sales	137,193	155,765	-11.9%	61,806	83,770	-26.2%
EBITDA	27,841	40,274	-30.9%	9,382	21,434	-56.2%
EBITDA margin (%)	20.3	25.9	-560 bps	15.2	25.6	-1,040 bps
Adjusted EBIT	21,178	34,457	-38.5%	6,141	18,412	-66.6%
Adjusted EBIT margin (%)	15.4	22.1	-670 bps	9.9	22.0	-1,210 bps
Adjusted consolidated net income	16,679	28,547	-41.6%	4,731	15,400	-69.3%
Adjusted basic earnings per share (in €)	1.38	2.36	-41.5%	0.39	1.27	-69.3%
Basic earnings per share IFRS (in €)	1.04	2.08	-50.0%	0.12	1.12	-89.3%

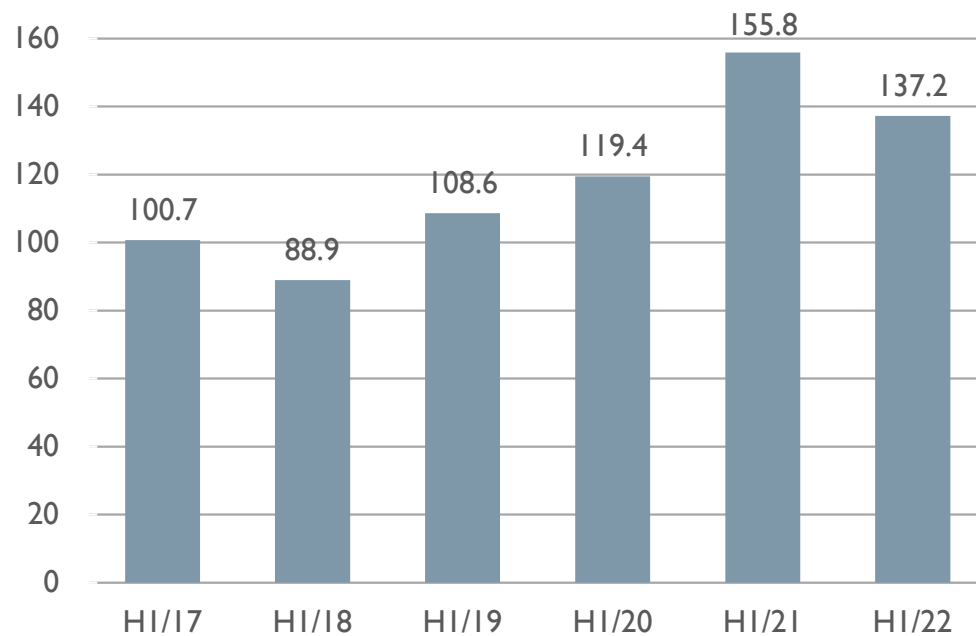
Adj. = adjusted / bps = basis points

<sup>1</sup> To facilitate comparison, the figures have been adjusted to exclude amortization resulting from acquisition-related purchase price allocations and a provision recognized for expected tax back payments (including interest payments). In the previous year, the figures were also adjusted to exclude an impairment recognized on a proprietary development project in the Diatron segment.

# FINANCIAL REVIEW

## SALES

Sales in € million



As of June 30

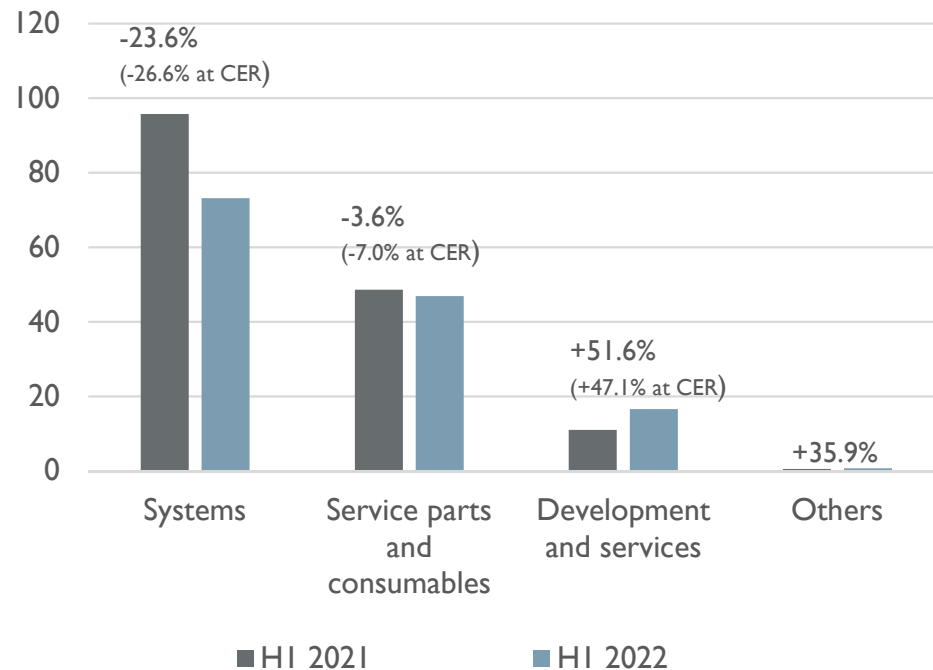
H2 2022 down by 11.9% yoy to € 137.2 million  
 → -15.2% at constant currency

- Pandemic-related demand for molecular diagnostic capacities in the previous year
- Delivery backlogs due to tense supply chain
- Postponed recognition of development sales

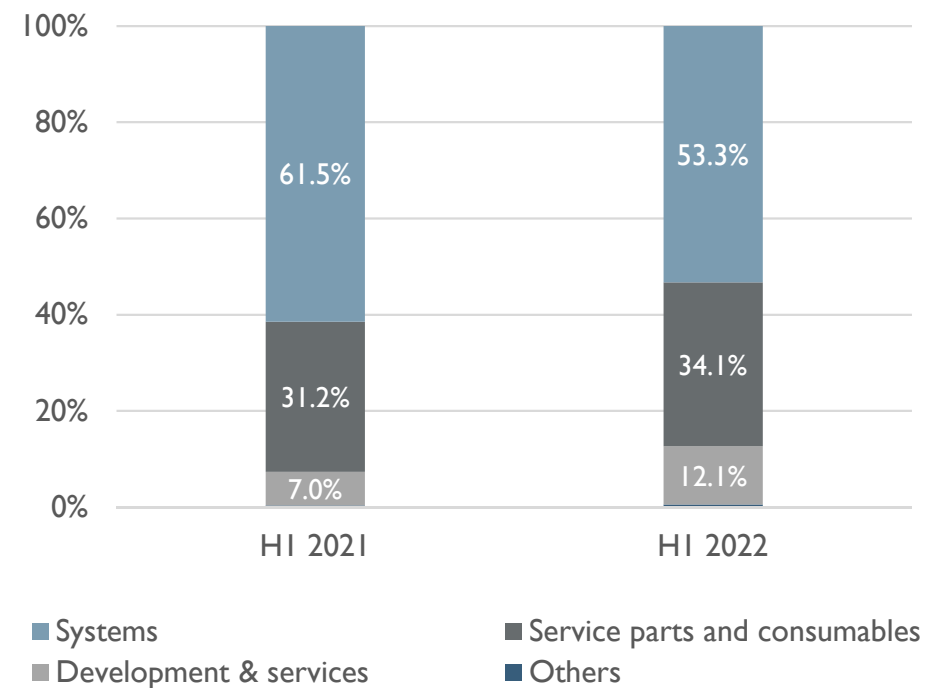
# FINANCIAL REVIEW

## SALES BY OPERATING DIVISIONS

Sales in € million



In % of total sales



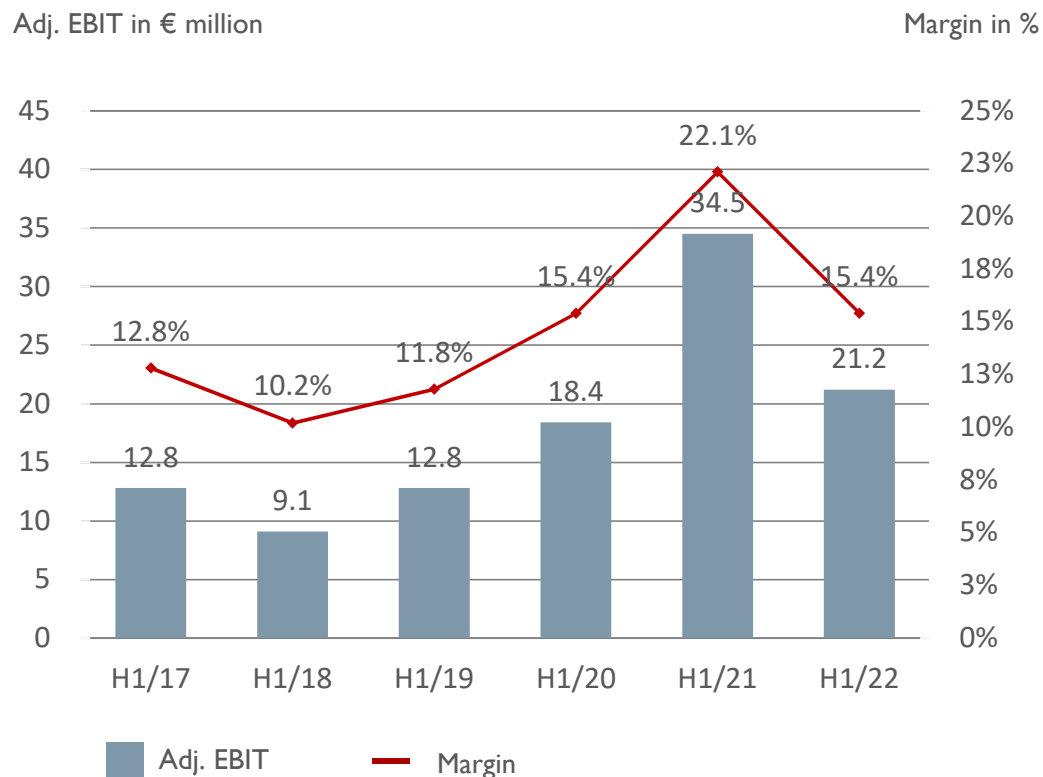
CER = Constant exchange rates

As of June 30



# FINANCIAL REVIEW

## ADJUSTED EBIT AND EBIT MARGIN



H1 2022 adjusted EBIT -38.5% yoy to € 21.2 million

H1 2022 adjusted EBIT margin at 15.4% versus 22.1% in the prior year

- (-) Negative economies of scale
- (-) Normalization of product mix
- (-) Higher input costs
- (-) Measurement items for currency hedges

As of June 30

# FINANCIAL REVIEW

## SEGMENT PERFORMANCE

### Instrumentation

€ 000s	HI/2022	HI/2021	Change	At CER
Sales	100,423	109,873	-8.6%	-12.3%
Adj. EBIT	12,625	22,267	-43.3%	
Adj. EBIT margin	12.6%	20.3%	-770 bps	

- Expected declines in COVID-19-related product groups but strong immunohematology business; significant delivery backlogs; postponed recognition of development sales

### Smart Consumables

€ 000s	HI/2022	HI/2021	Change	At CER
Sales	10,551	10,686	-1.3%	-4.9%
Adjusted EBIT	1,189	1,274	-6.7%	
Adj. EBIT margin	11.3%	11.9%	-60 bps	

- Strong prior year base of comparison (timing of orders)

### Diatron

€ 000s	HI/2022	HI/2021	Change	At CER
Sales	26,219	35,206	-25.5%	-27.3%
Adj. EBIT	7,364	10,916	-32.5%	
Adj. EBIT margin	28.1%	31.0%	-290 bps	

- Expected declines in COVID-19-related product groups but strong veterinary diagnostics business

CER = Constant exchange rates

# FINANCIAL REVIEW

## CASH FLOW AND NET DEBT

€ 000s	H1/2022	H1/2021	Change
Cash flow – operating activities	24,755	33,269	-25.6%
Cash flow – investment activities	-7,923	-10,313	n/a
Cash flow – financing activities	-14,945	-18,926	n/a
Free cash flow	16,832	22,956	-26.7%

- Investment ratio<sup>1</sup> at 5.8% of sales versus 6.7% in H1 2021 → slightly below full year target corridor of 6.0% to 8.0%
- Net debt down by 1.0% versus fiscal year end 2021  
Net debt / LTM EBITDA of 1.0x

€ 000s	H1/2022	FY/2021	Change
Cash	48,812	47,184	+3.5%
Equity ratio (%)	53.0	55.8	-280 bps
Net debt	51,908	52,443	-1.0%

<sup>1</sup> Total investments in intangible and tangible assets in % of sales

LTM = Last twelve months

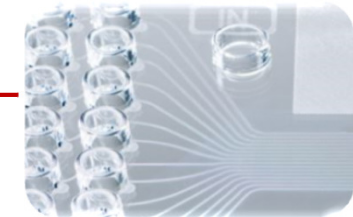
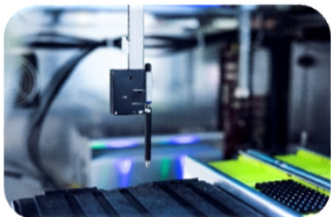
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# OUTLOOK AND STRATEGY

## GUIDANCE FOR FISCAL YEAR 2022 CONFIRMED

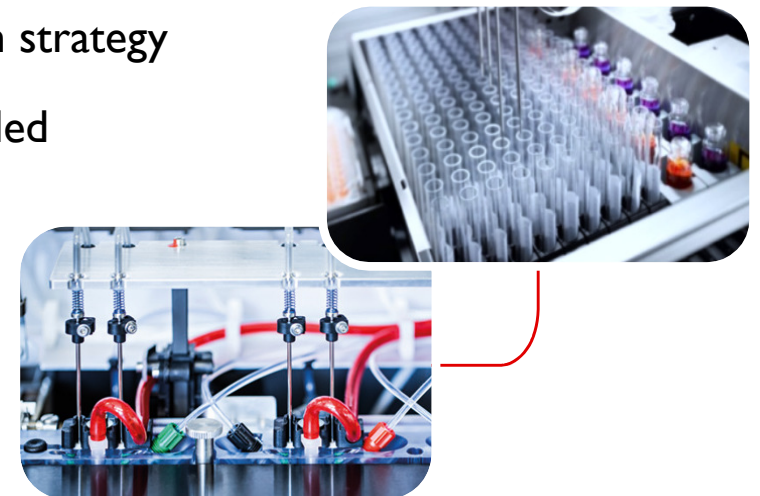
- Sales to match the previous year's level on a constant-currency basis
  - Sales momentum is expected to improve significantly in the second half of 2022 → Lower overall basis of comparison, catch up on delivery backlogs and postponed revenue recognition, new product launches
- Adjusted EBIT margin of around 16.5% to 18.5% (2021: 18.9%)
  - Price adjustments to account for higher input costs set to support profitability in H2 2022
- Investments in tangible and intangible assets combined of around 6.0% to 8.0% of sales (2021: 7.0%)



# OUTLOOK

## FOCUS IN 2022 AND BEYOND

- Execute on current development pipeline and launch line-up
  - New MDx system solution set to be launched by partner in Q3 2022
- Execute deal pipeline regarding new development and manufacturing agreements
- Address supply chain issues and clear delivery backlogs
- Implement measures to limit input cost inflation
- Conclude additional negotiations and implement price adjustments across the portfolio
- M&A remains part of the company's growth and diversification strategy
- Manage additional personnel requirements in view of a well-filled project pipeline



# QUESTIONS & ANSWERS

# APPENDIX

## ADJUSTMENTS

### EBIT

€ 000s	HI/2022	HI/2021
<b>Adjusted EBIT</b>	<b>21,178</b>	<b>34,457</b>
<b>Adjustments:</b>		
PPA amortization	-1,844	-2,909
Impairment	0	-1,049
<b>EBIT</b>	<b>19,334</b>	<b>30,499</b>

### Consolidated net income

€ 000s	HI/2022	HI/2021
<b>Adjusted consolidated net income</b>	<b>16,679</b>	<b>28,547</b>
<b>Adjusted earnings per share in € (basic)</b>	<b>1.38</b>	<b>2.36</b>
<b>Adjustments:</b>		
PPA amortization	-1,844	-2,909
Impairment	0	-1,049
Taxes on income	-2,019	572
Interest expenses	-214	0
<b>Consolidated net income</b>	<b>12,602</b>	<b>25,161</b>
<b>Earnings per share in € (basic)</b>	<b>1.04</b>	<b>2.08</b>



## CONTACT

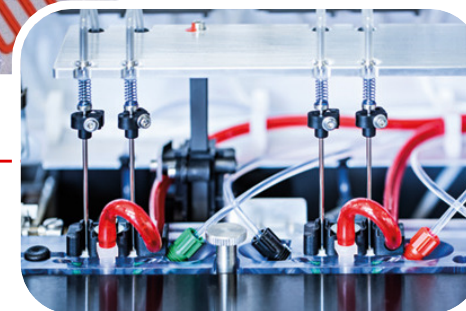
STRATEC SE  
Gewerbestr. 37  
75217 Birkenfeld  
Germany

Phone +49 7082 7916-0  
Fax +49 7082 7916-999  
[www.strattec.com](http://www.strattec.com)

## CONTACT

**Jan Keppeler, CFA**  
Head of Investor Relations, Sustainability &  
Corporate Communications

Phone +49 7082 7916-6515  
[j.keppeler@strattec.com](mailto:j.keppeler@strattec.com)



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