

UNICREDIT & KEPLER CHEUVREUX GERMAN CORPORATE CONFERENCE

Frankfurt – January 18, 2023

A PERFECT MATCH IN
DIAGNOSTICS

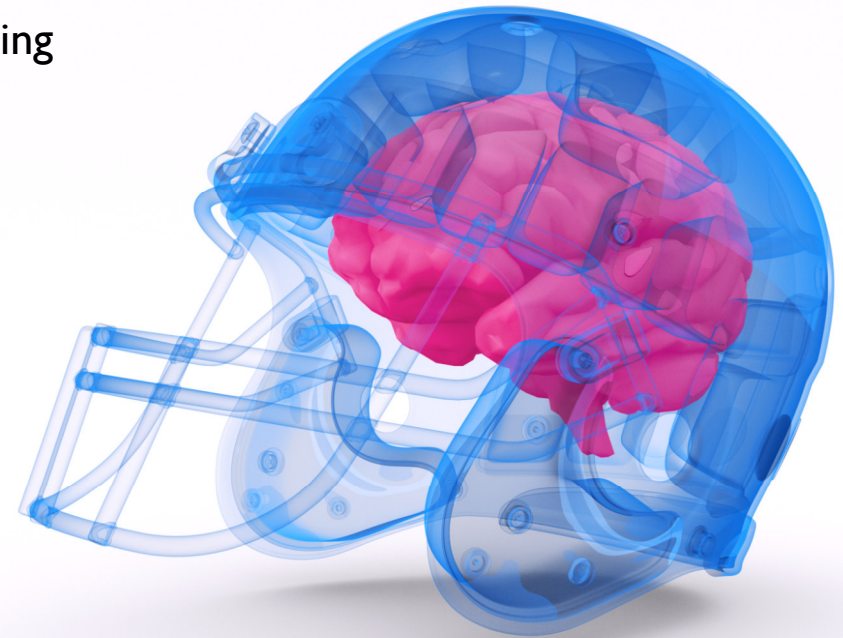
SAFE HARBOR STATEMENT

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.



STRATEC AT A GLANCE

- Leading OEM player for automation solutions for the diagnostics industry and translational research
- Three decades of experience in highly regulated healthcare markets and growing technology pool
- Around 1.400 employees worldwide
 - Around 50% allocable to R&D
- Production sites in Germany (HQ), Switzerland, Hungary and Austria
- High number of systems installed globally
 - More than 14,000 medium to high throughput systems
 - More than 30,000 low throughput systems
- Sales of € 287.3 million in 2021
 - CAGR sales since IPO in 1998: ~15%
- Sales split 2021:
 - Systems 58%
 - Service parts and consumables 33%
 - Development and services 9%
- Dividend payments raised over 18 consecutive years



CORPORATE SOCIAL RESPONSIBILITY



QUALITY MANAGEMENT

Highest quality standards

- Established high-performance, certified quality management system
- Ensuring consistently high product quality
- Strong audit track record (regarding inspections by customers and regulatory authorities)

ENVIRONMENTAL RESPONSIBILITY

Combat climate change

- Greenhouse gas reduction target¹ in-line with Paris agreement
- **STRATEC reduced its total Scope 1 and 2 emissions by 63% since 2019**
- Unavoidable Scope 1 and 2 emissions fully compensated by certified emission reduction projects

SOCIAL RESPONSIBILITY

Secure diverse and inclusive work environment

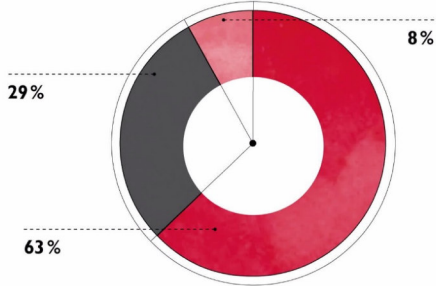
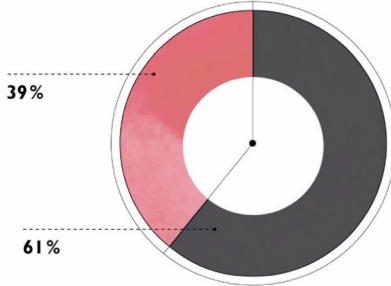
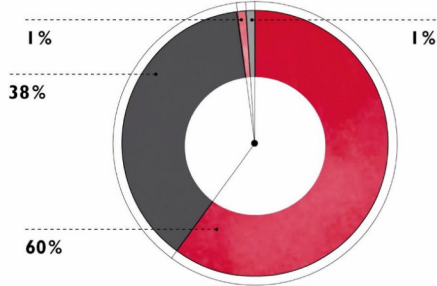
- Strong policies and measures to promote an open, tolerant and discrimination-free corporate culture
- Extensive occupational health/safety policies and programs



Participant of the UN Global Compact: Further alignment of strategies and operations to the Ten Principles of the UN Global Compact on human rights, labor, environment and anti-corruption / SDGs

¹ 30% absolute reduction of scope 1 and 2 emissions by 2030 (versus 2019)

OVERVIEW STRATEC DIVISIONS

	STRATEC Instrumentation	STRATEC Smart Consumables	STRATEC's „Diatron“ division
Business model	OEM development and manufacturing of instruments and related software for medium to high throughput systems, including classical consumables and service parts	OEM development and manufacturing of microfluidic smart consumables	Development and manufacturing of system solutions for de-centralized testing environments. OEM, branded and white-label analyzers (low throughput) as well as associated reagents and service parts
Markets	IVD (i.e. MDx, Immunoassay) Life science	IVD (i.e. MDx) Life science / Translational research Medical technology	IVD (Hematology, MDx) Veterinary
End-user	Clinical labs Reference labs Blood banks Hospitals	Clinical labs Life science / Pharma De-centralized testing environments	Hospitals De-centralized testing environments
Revenue 2021	70.1% of group sales 	6.6% of group sales 	23.3% of group sales 

■ Analyzer systems
 ■ Service parts and consumables
 ■ Development and services
 ■ Others

UNIQUE POSITION WITHIN THE VALUE CHAIN

STRATEC provides instrumentation, consumables, software and automation solutions

- OEM development and manufacturing
- More than 10,000 fully automated analyzer systems manufactured annually
- Wide range of intellectual property rights / broad technology pool

Long market lifecycles lead to longstanding partnerships

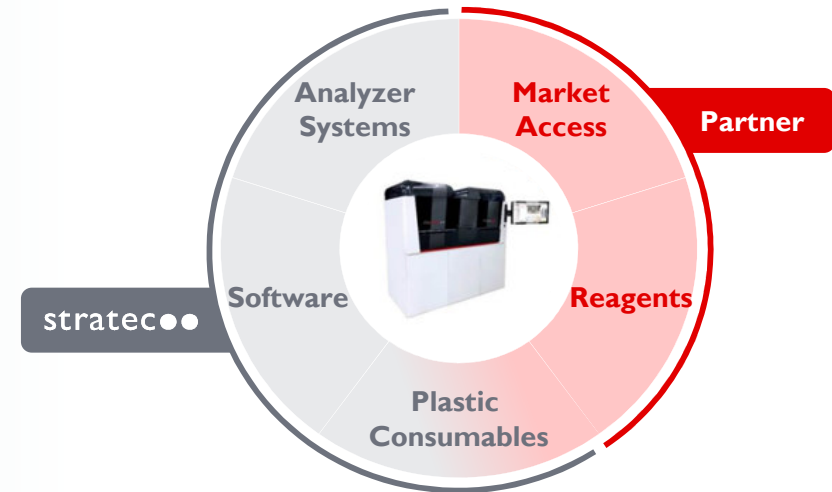
- Product lifecycles for a system typically in an area of 12 to 15 years
- Expanding installed base of systems
- Product enhancement and extension drives value / Life cycle management

Long-term contractual setup

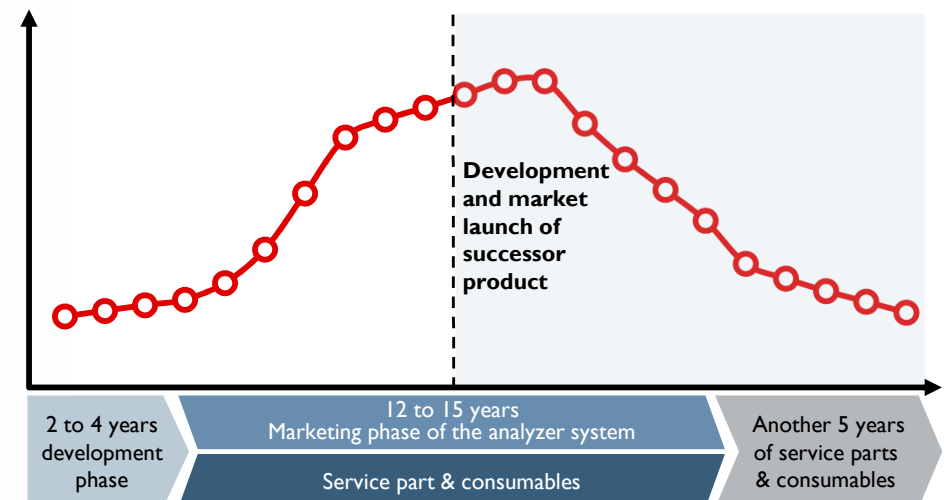
- Milestone payments during development stage (linked to agreed development budget and development targets)
- Operating sales during series production stage - minimum volume commitment by partner, firm transfer price)
- Recurring sales from service parts & consumables

→ strong commitment by both partners

Shared responsibilities



Indicative revenue characteristics of an analyzer OEM project



ACTIVE IN FAST GROWING SEGMENTS

IVD MARKET SEGMENTS / IVD MARKET: >100 BILLION USD IN 2021

Focus on market segments with above average complexity and growth

Molecular Diagnostics

- Random access analyzer systems (mid-to-high throughput)
- Smart consumables (multiplexing)
- POC devices (multiplexing) with smart consumables

Immunoassay

- Random access analyzer systems (mid-to-high throughput)
- Classic plastic consumables
- Smart consumables

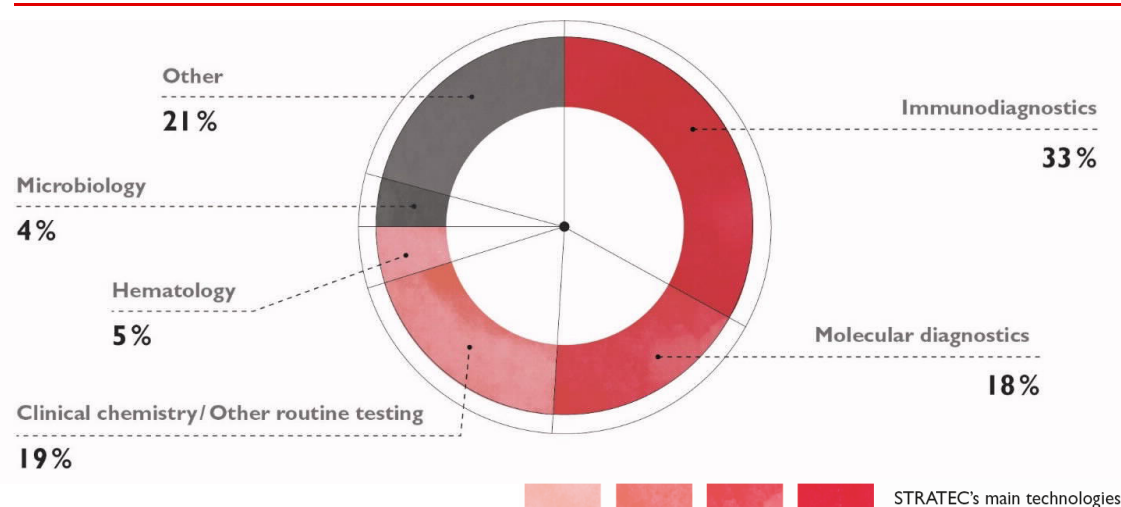
Hematology & other routine testing

- Decentralized testing solutions
- Veterinary diagnostics
- Plastics

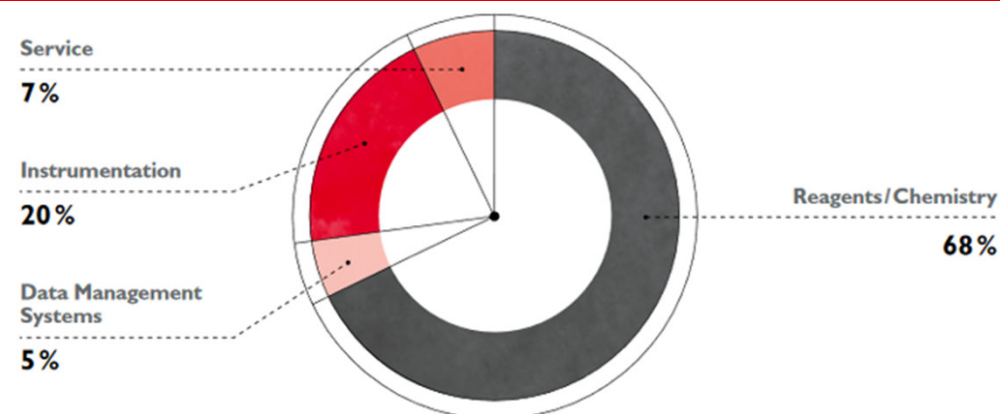
Further specialities / focus areas

- Immunochemistry
- Complex Sample Processing
- Tissue Diagnostics
- Translational Research

IVD market by technologies



IVD market by product group



BENEFITTING FROM OUTSOURCING TREND

OUTSOURCED VS IN HOUSE INSTRUMENTATION MARKET

The majority of instrumentation equipment in the IVD market is still developed in-house by diagnostics companies.

Share of outsourced developments has already increased significantly over the last couple of years.

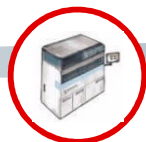
Trend of outsourcing towards specialized players set to continue, due to:

- Engineering of automation solutions often not core competence of diagnostics companies
- Shorter development timeframes due to already existent technology pools
- Guaranteed project budget and firm transfer prices
- Keeping up with regulatory developments easier for specialized players
- Structured processes in order to address end customer needs, such as ease of use, user experience, workflow efficiencies, remote access, serviceability and preventive maintenance

Proportion of outsourced instrumentation developments over time

Past

Ongoing paradigm shift even within the „blue chips“ towards outsourcing



STRONG RECURRING REVENUE BASE

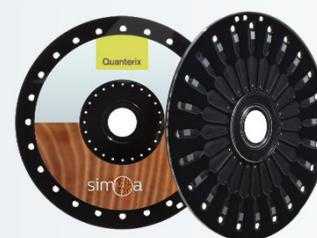
Service parts and consumables (33% of sales)

- Maintenance parts
- Spare parts
- Classic plastic consumables (eg. Pipetting tips, reaction vessels)
- Smart consumables (highly complex cartridges; microfluidics, molding, mastering and coating technologies)

Fueled by growing installed base and increasing complexity

- Continuously growing number of active systems in the lab
- Strong upward trend in the average complexity of systems

Smart consumables



SIMOA™ 24-ASSAY DISC
Quantarix



FLEXIMASS™ - DS MALDI TARGET
Shimadzu Biotech

Service and spare parts



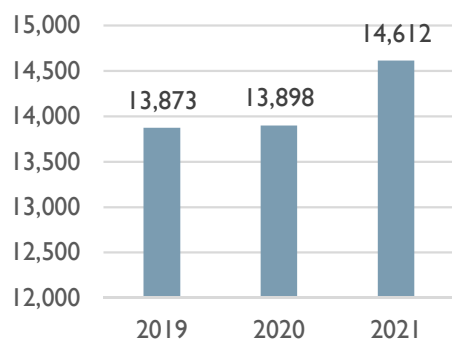
Peristaltic Pump
STRATEC

Classic consumables



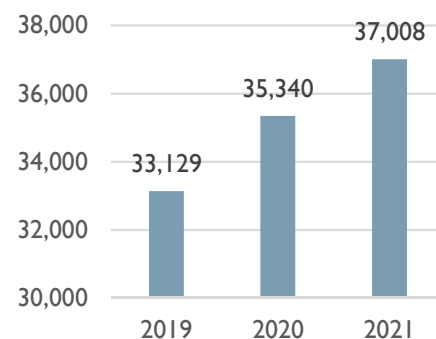
Stackable Cuvette
STRATEC

Installed base¹
STRATEC Instrumentation

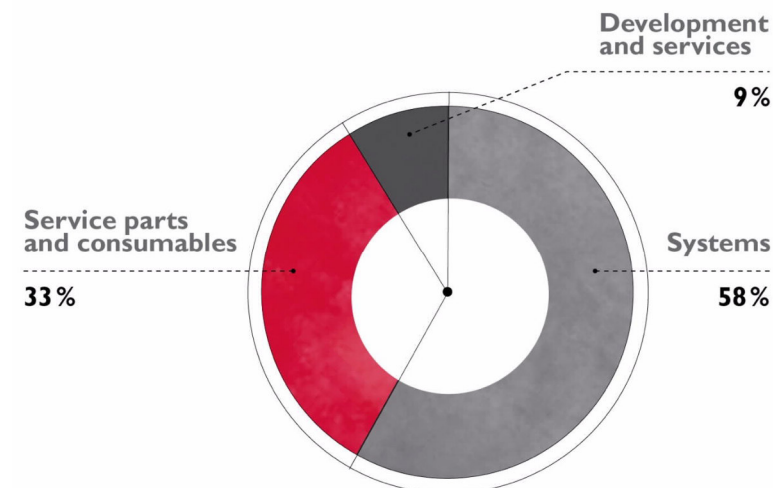


■ Installed base (number of system)

Installed base¹
Diatron



Sales split 2021



¹ Estimated with the assumption of an average six year replacement cycle in the lab

STRONG LONG-TERM CUSTOMER RELATIONSHIPS

A SELECTION OF STRATEC CUSTOMERS

GLOBAL TOP 20 IVD COMPANIES		Sales 2021 (USD billion)
1.	Roche	19.0
2.	Abbott	15.6
3.	Danaher	9.8
4.	SIEMENS Healthineers	6.6
5.	Thermo Fisher	5.7
6.	BECTON DICKINSON	4.4
7.	HOLOGIC	3.5
8.	bioMérieux	3.2
9.	Sysmex	3.1
10.	PerkinElmer	2.9
11.	mindray	2.8
12.	Ortho Clinical Diagnostics	2.0
13.	illumina	1.8
14.	Exact Sciences	1.8
15.	QUIDEL	1.7
16.	BIO-RAD	1.5
17.	werfen	1.4
18.	Agilent	1.4
19.	DiaSorin	1.3
20.	Seegene	1.1

... And other technology pioneers



■ STRATEC customer ■ Not a STRATEC customer

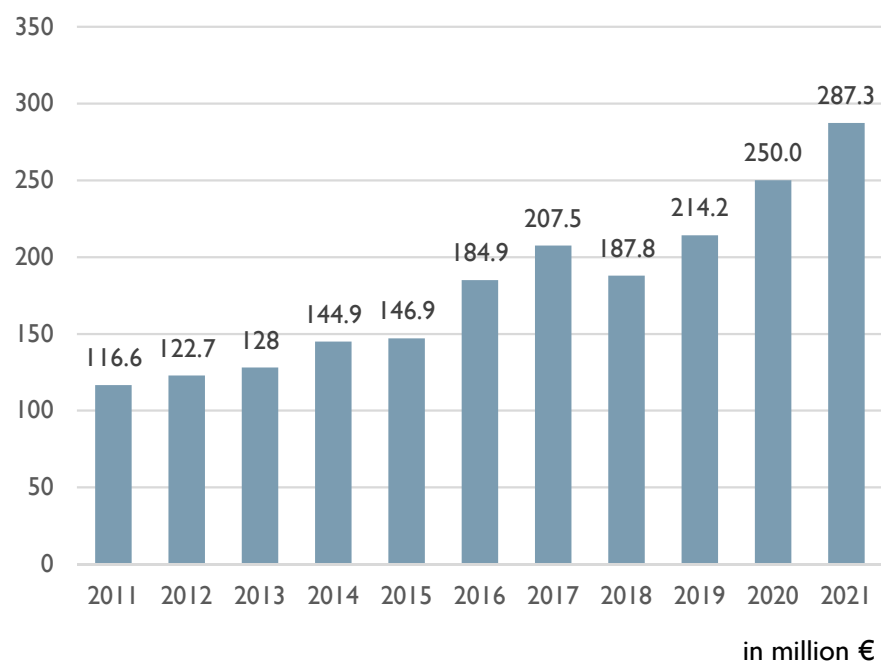
Source: IVD News / non-public companies estimated / non-reported sector sales estimated

POSITIVE LONG-TERM FINANCIAL PERFORMANCE

KEY FIGURES - TRACK RECORD

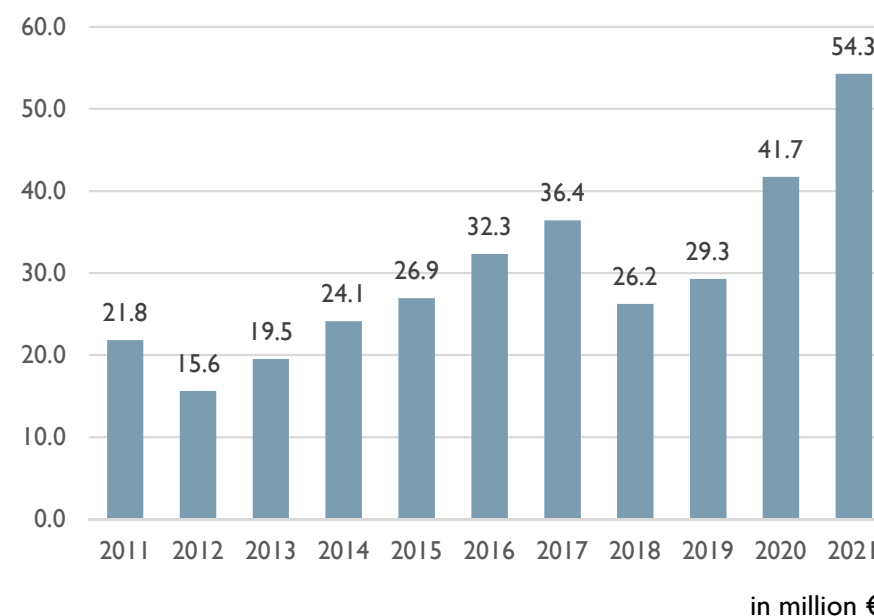
Sales

CAGR ~9%



Adjusted EBIT¹

CAGR ~10%



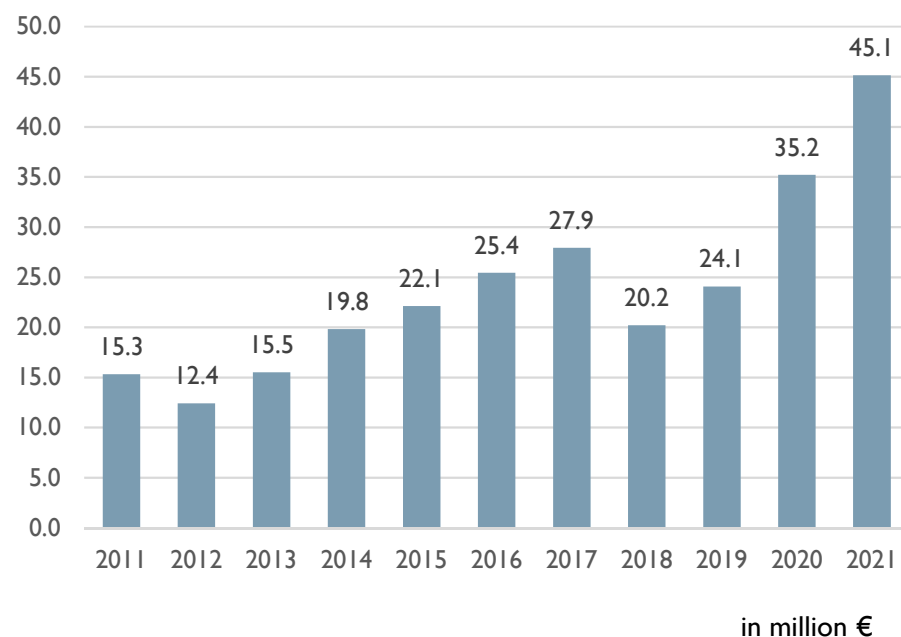
¹ Figures adjusted for comparison; adjusted for depreciation and amortization from purchase price allocation for acquisitions, related integration expenses and other extraordinary effects. Reconciliation to IFRS figures can be found in the respective annual report.

POSITIVE LONG-TERM FINANCIAL PERFORMANCE

KEY FIGURES - TRACK RECORD

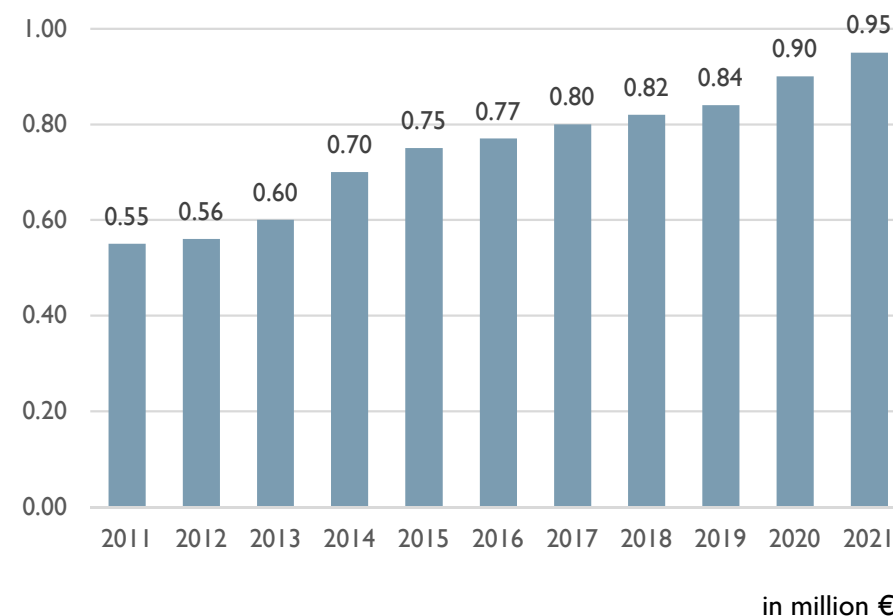
Adjusted net income¹

CAGR ~11%



Dividend per share

CAGR ~6%



¹ Figures adjusted for comparison; adjusted for depreciation and amortization from purchase price allocation for acquisitions, related integration expenses and other extraordinary effects. Reconciliation to IFRS figures can be found in the respective annual report.

9M 2022 AT A GLANCE

- **Sales -11.7%** at constant exchange rates to **€ 207.7 million** due to tough prior year **base of comparison** and **delivery backlogs** as result of **tense supply chain** (particularly for electronics components)
- **Sales outlook** for 2022 **adjusted** on 18 October as **make up** of **delivery backlogs** takes longer than expected
- **Adjusted EBIT** margin **with 18.3%** (9M/2021: 21.6%) at the **upper end** of guided full year **target corridor**
- **Successful market launch** of a next generation **MDx system** solution for one on the market leaders in Q3 2022
- **Well-stocked development pipeline** and **high number** of ongoing **negotiations** about **further projects**
- **Number of employees up by 3.1%** year-over-year to **1,449**



FINANCIAL REVIEW

FINANCIALS AT A GLANCE 9M/2022¹

€ 000s	9M/2022	9M/2021	Change	Q3/2022	Q3/2021	Change
Sales	207,654	225,420	-7.9%	70,461	69,655	+1.2%
EBITDA	48,095	57,665	-16.6%	20,254	17,391	+16.5%
EBITDA margin (%)	23.2	25.6	-240 bps	28.7	25.0	+370 bps
Adjusted EBIT	38,067	48,690	-21.8%	16,889	14,233	+18.7%
Adjusted EBIT margin (%)	18.3	21.6	-330 bps	24.0	20.4	+360 bps
Adjusted consolidated net income	29,549	40,563	-27.2%	12,870	12,016	+7.1%
Adjusted basic earnings per share (in €)	2.44	3.35	-27.2%	1.06	0.99	+7.1%
Basic earnings per share IFRS (in €)	2.04	3.00	-32.0%	1.00	0.92	+8.7%

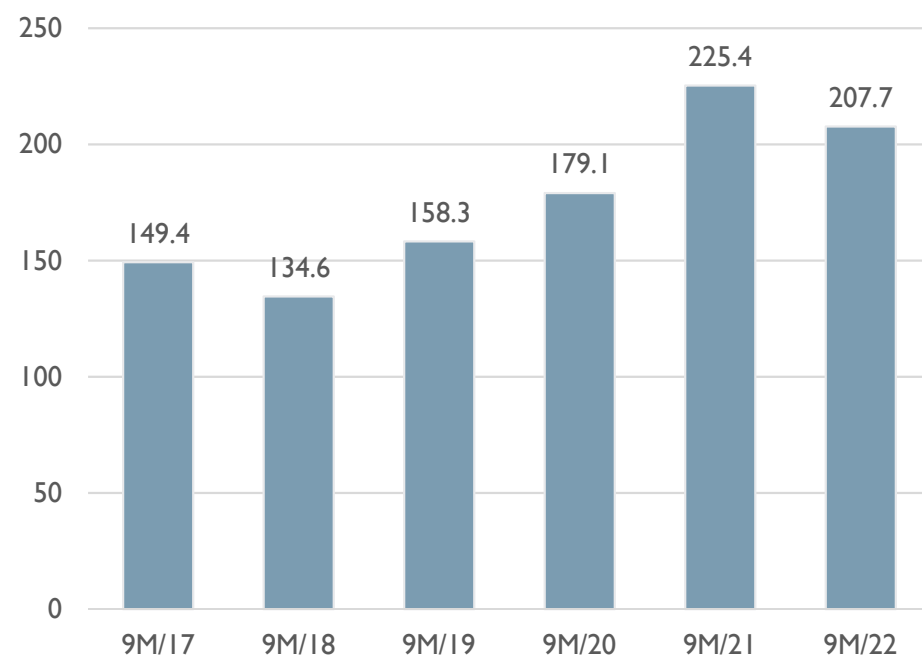
bps = basis points

¹ To facilitate comparison, the figures have been adjusted to exclude amortization from acquisition-related purchase price allocations and a tax 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 9M/2022

Sales in € million



As of September 30

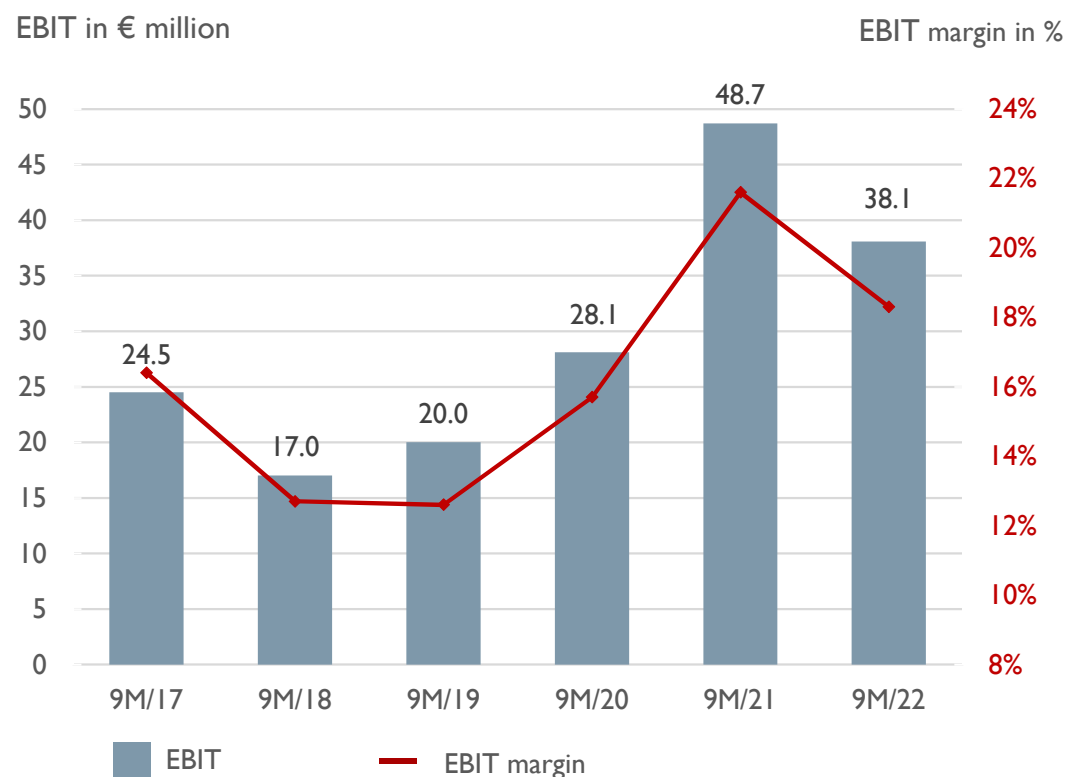
Sales in 9M/2022 -7.9% to € 207.7 million

→ -11.7% at constant currency

- (-) High prior year base of comparison (pandemic-related)
- (-) Tense supply chain and significant delivery backlogs
- (+) Strong growth with development and service sales

FINANCIAL REVIEW

ADJUSTED EBIT AND EBIT MARGIN 9M/2022



As of September 30

9M/2022 adjusted EBIT down by 21.8% yoy to € 38.1 million

9M/2022 adjusted EBIT margin at 18.3%
→ at upper end of full year target corridor

Margin decline of 330 bps yoy

- (-) Negative economies of scale
- (-) Normalization of product mix
- (-) Increased input costs and supply chain inefficiencies
- (+) High earnings contribution from recognized development services

FINANCIAL REVIEW

CASH FLOW AND NET DEBT 9M/2022

€ 000s	9M/2022	9M/2021	Change
Cash flow – operating activities	22,285	50,523	-55.9%
Cash flow – investment activities	-16,921	-15,343	n/a
Cash flow – financing activities	-16,938	-26,952	n/a
Free cash flow	5,364	35,180	-84.8%

€ 000s	9M/2022	FY/2021	Change
Cash	34,400	47,184	-27,1%
Equity ratio (%)	53.8	55.8	-200 bps
Net debt	69,792	52,443	+33,1%

- Operating cash flow burdened by higher inventory needs related to supply chain issues
- Cash flow from investment activities includes € 4.8 million outflow for short-term deposits
- Investment ratio¹ at 5.8% of sales versus 6.8% in 9M/2021 → slightly below full year target corridor of 6.0% to 8.0%
- Net debt / LTM EBITDA of 1.2x

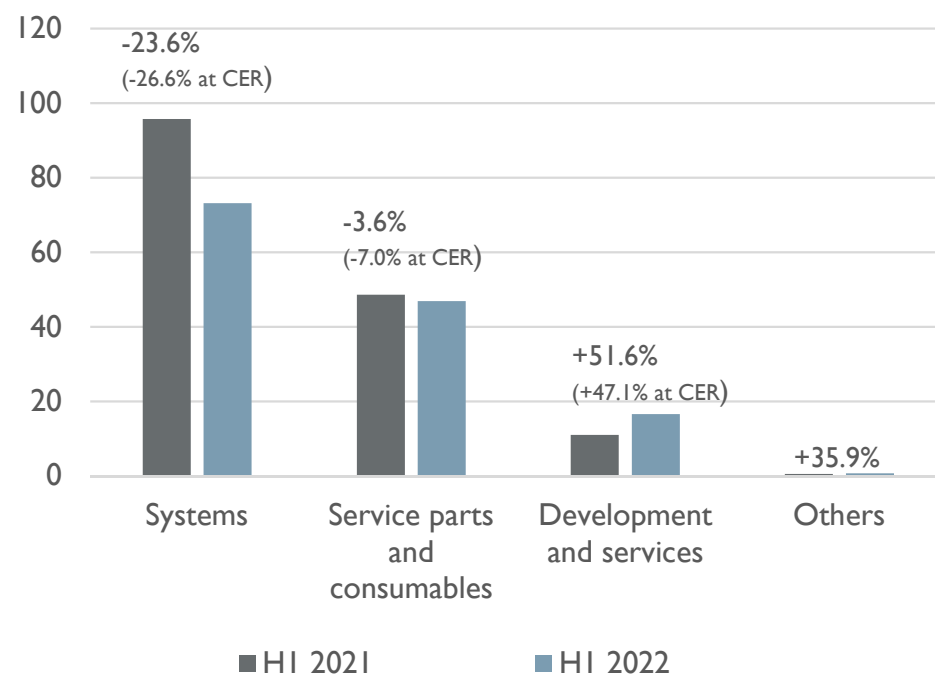
¹ Total investments in intangible and tangible assets in % of sales

LTM = Last twelve months

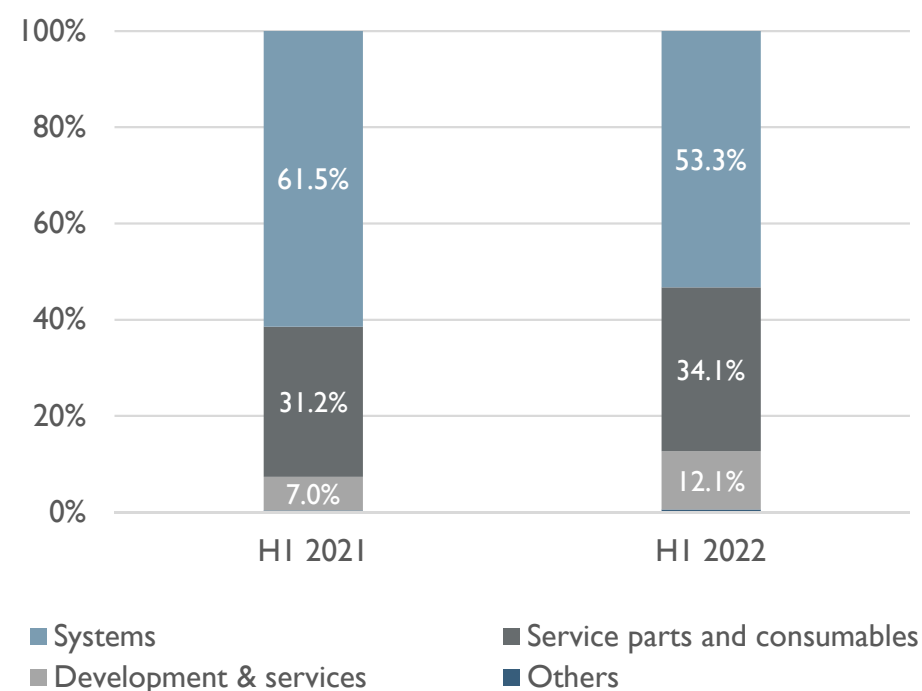
FINANCIAL REVIEW

SALES BY OPERATING DIVISIONS HI/2022

Sales in € million



In % of total sales



CER = Constant exchange rates

As of June 30

FINANCIAL REVIEW

SEGMENT PERFORMANCE H1/2022

Instrumentation

€ 000s	H1/2022	H1/2021	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	H1/2022	H1/2021	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

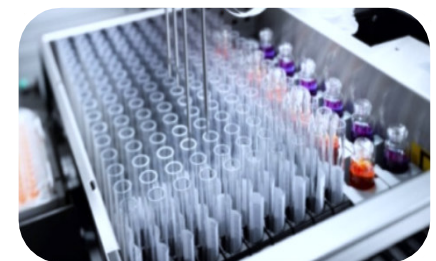
€ 000s	H1/2022	H1/2021	Change	At CER
Sales	26,219	35,206	-25.5%	-27.3%
Adj. EBIT	7,364	10,916	-32.5%	
Adj. EBIT margin	28.1%	31.0%	-290 bps	

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

CER = Constant exchange rates

FOCUS IN 2023 AND BEYOND

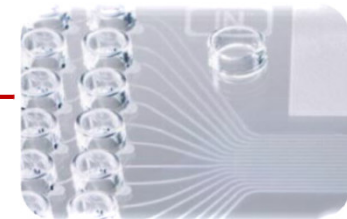
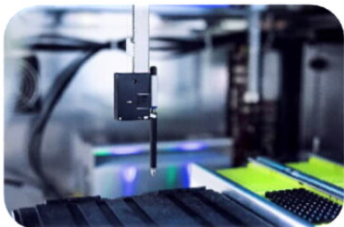
- Address supply chain issues and clear delivery backlogs
- Execute on current development pipeline and launch line-up
- Execute deal pipeline regarding new development and manufacturing agreements
- Realize tailwinds from stricter EU regulations (e.g. utilize competitive edge versus non-IVDR-compliant competitive set-ups)
- Implement measures to limit input cost inflation
- M&A remains part of the company's growth and diversification strategy
- Manage additional personnel requirements in view of a well-filled project pipeline



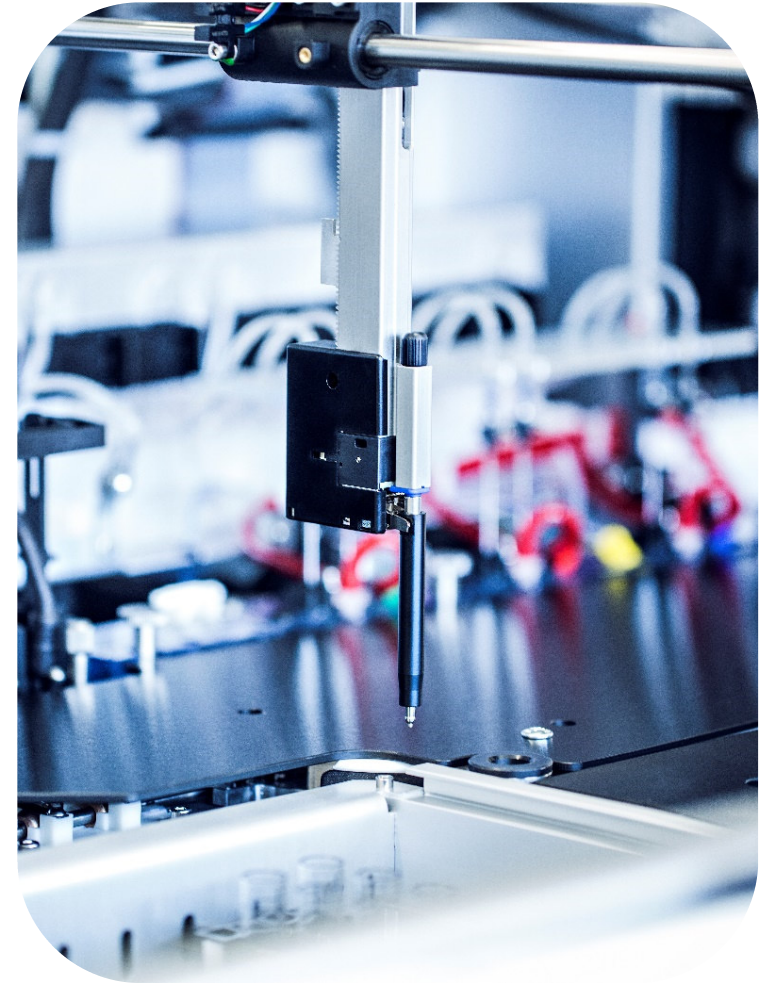
FISCAL YEAR 2022

Updated guidance as of October 18, 2022:

- Constant-currency sales to decrease by around 5.0% to 8.0% in the 2022 financial year (nominal sales reduction of 1.0% to 4.0%)
 - High prior year base of comparison (pandemic-related)
 - Tense supply chain and significant delivery backlogs
- Adjusted EBIT margin of around 16.5% to 18.5% (2021: 18.9%)
- Investments in tangible and intangible assets combined of around 6.0% to 8.0% of sales (2021: 7.0%)



APPENDIX



APPENDIX

KEY FIGURES AT A GLANCE¹

IFRS (€ million)	2017	2018	2019	2020	2021
Sales	207.5	187.8	214.2	250.1	287.3
Adjusted EBIT	36.4	26.2	29.3	41.7	54.3
Adjusted EBIT margin (%)	17.5	13.9	13.7	16.7	18.9
Adjusted Consolidated net income	28.9	20.2	24.1	35.2	45.1
Adjusted Earnings per share (€)	2.43	1.70	2.01	2.92	3.73
Dividend per share (€)	0.80	0.82	0.84	0.90	0.95
No. of employees	1,086	1,228	1,302	1,319	1,398
Total assets	264	275	299	332	369
Equity ratio (%)	59.8	55.3	53.1	52.0	55.8
Free cash flow	14.4	1.2	-6.4	10.0	43.3

¹ Figures adjusted for comparison; adjusted for depreciation and amortization from purchase price allocation for acquisitions, related integration expenses and other extraordinary effects. Reconciliation to IFRS figures can be found in the respective annual report.

APPENDIX

ADJUSTMENTS 9M/2022

EBIT

€ 000s	9M/2022	9M/2021
Adjusted EBIT	38,067	48,690
Adjustments:		
PPA amortization	-2,627	-3,907
Impairment	0	-1,049
EBIT	35,440	43,734

Consolidated net income

€ 000s	9M/2022	9M/2021
Adjusted consolidated net income	29,549	40,563
Adjusted earnings per share in € (basic)	2.44	3.35
Adjustments:		
PPA amortization	-2,627	-3,907
Impairment	0	-1,049
Taxes on income	-2,020	741
Interest expenses	-183	0
Consolidated net income	24,719	36,348
Earnings per share in € (basic)	2.04	3.00

APPENDIX

ADJUSTMENTS FY 2021

EBIT

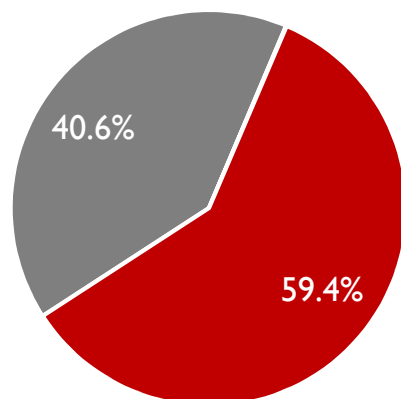
€ 000s	FY 2021	FY 2020
Adjusted EBIT	54,273	41,713
Adjustments:		
PPA amortization	-4,874	-8,036
Impairment	-1,047	0
Other	-175	0
EBIT	48,177	33,677

Consolidated net income

€ 000s	FY 2021	FY 2020
Adjusted consolidated net income	45,122	35,218
Adjusted earnings per share in € (basic)	3.73	2.92
Adjustments:		
PPA amortization	-4,874	-8,036
Impairment	-1,047	0
Other	-175	0
Taxes	932	1,253
Consolidated net income	39,958	28,435
Earnings per share in € (basic)	3.30	2.36

SHAREHOLDER STRUCTURE

(AS OF: DECEMBER 2022)



■ Fixed and family ownership
(incl. their investment companies)

■ Free float

Institutional investors > 3%:

Ameriprise Financial
Brown Capital Management
Invesco
Juno Investment Partners

SHARE

IPO	Aug. 1998
Number of shares	12,157,841
Share price (12/19/2022)	€ 79.00
Market capitalization	€ 1.0 billion

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THANK YOU
FOR YOUR
ATTENTION