

## PRESS RELEASE

### STRATEC WITH DOUBLE-DIGIT SALES GROWTH AND SIGNIFICANTLY INCREASED PROFITABILITY IN 2020

- Consolidated sales at constant currency up by 18.4% to € 250.1 million in 2020; nominal: +16.8% (2019: € 214.2 million)
- Adjusted EBIT in 2020 increases by 42.6% to € 41.7 million (2019: € 29.3 million)
- Adjusted EBIT margin in 2020 improves by 300 basis points to 16.7% (2019: 13.7%)
- New product launches and well-stocked development pipeline underpin long-term growth prospects
- Further sales growth and rising profitability expected for 2021

Birkenfeld, March 31, 2021

STRATEC SE, Birkenfeld, Germany, (Frankfurt: SBS; Prime Standard, SDAX) today announced its financial results and major events for the period from January 1, 2020 to December 31, 2020 with the publication of its 2020 Annual Report.

#### KEY FIGURES<sup>1</sup>

| € 000s                                    | 2020    | 2019 <sup>2</sup> | Change   | Q4 2020 | Q4 2019 <sup>2</sup> | Change   |
|---|---------|-------------------|----------|---------|----------------------|----------|
| Sales                                     | 250,099 | 214,157           | +16.8%   | 71,017  | 55,821               | +27.2%   |
| Adj. EBITDA                               | 51,978  | 38,670            | +34.4%   | 16,157  | 11,894               | +35.8%   |
| Adj. EBITDA margin (%)                    | 20.8    | 18.1              | +270 bps | 22.8    | 21.3                 | +150 bps |
| Adj. EBIT                                 | 41,713  | 29,259            | +42.6%   | 13,592  | 9,274                | +46.6%   |
| Adj. EBIT margin (%)                      | 16.7    | 13.7              | +300 bps | 19.1    | 16.6                 | +250 bps |
| Adj. consolidated net income <sup>3</sup> | 35,218  | 24,070            | +46.3%   | 11,453  | 8,139                | +40.7%   |
| Adj. earnings per share (€) <sup>3</sup>  | 2.92    | 2.01              | +45.3%   | 0.95    | 0.68                 | +39.7%   |
| Earnings per share (€) <sup>3</sup>       | 2.36    | 1.19              | +98.3%   | 0.81    | 0.46                 | +76.1%   |

Adj. = adjusted  
bps = basis points

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

<sup>2</sup> Retrospectively adjusted for the recognition of the Data Solutions business unit as a discontinued operation pursuant to IFRS 5.

<sup>3</sup> Earnings from discontinued operations.

## BUSINESS PERFORMANCE

STRATEC increased its consolidated sales by 16.8% from € 214.2 million in the previous year to € 250.1 million in the 2020 financial year. On a constant-currency basis, this corresponds to organic growth of 18.4%, and thus slightly exceeds the target corridor of 14.0% to 18.0% communicated in the most recent update to the financial guidance in August 2020. The sales performance was positively influenced in particular by significantly higher and constantly rising levels of demand for in-vitro diagnostics products from the second quarter onwards due to the COVID-19 pandemic. Against this backdrop, the Systems business in particular showed highly dynamic developments in the 2020 financial year, with year-on-year sales growth of 39.8% (constant currency: +42.0%). Due to the significant rise in the number of systems in the market and their high capacity utilization rates, sales with Service Parts and Consumables also rose significantly (+18.0%; constant currency: +19.7%). By contrast, sales with Development and Services showed an expected year-on-year reduction of 38.9% (constant currency: -38.6%). The sales performance here was adversely affected in particular by the timing of sales recognition under IFRS 15 and the associated high basis for comparison provided by the previous year's figure. The additional and ever growing demand for many product lines triggered by the pandemic also continued at an undiminished rate in the fourth quarter of 2020 (sales Q4/2020: +27.2%; +33.5% at constant currency) as well as in the new financial year.

Adjusted EBIT grew by 42.6% to € 41.7 million in the 2020 financial year, as against € 29.3 million in the previous year. As a result, the adjusted EBIT margin rose by 300 basis points to 16.7% (2019: 13.7%) and is thus at the upper end of the forecast target corridor (around 15.5% to 16.5%). The development in the margin was positively influenced in particular by benefits of scale, as well as by an improved sales and product mix. As expected, the earnings improvement initiative launched in 2018 also impacted positively on the company's profitability. By contrast, measurement items for stock appreciation rights depressed the margin by 210 basis points.

Driven by this operating earnings growth, adjusted consolidated net income from continuing operations (as per IFRS 5) rose by 46.3% to € 35.2 million (2019: € 24.1 million). Adjusted earnings per share from continuing operations (basic) for the 2020 financial year amounted to € 2.92, as against € 2.01 in the previous year.

In the interests of comparability, key earnings figures have been adjusted to exclude amortization resulting from purchase price allocations in the context of acquisitions and associated reorganization expenses. A reconciliation of the adjusted figures with those reported in the consolidated statements of comprehensive income can be found in the 2020 Annual Report also published today.

## FINANCIAL GUIDANCE

Given current developments in the pandemic, in the first half of 2021 STRATEC is witnessing further growth in demand for many of its product lines. In view of this, and together with the customer forecasts already received for the second half of 2021 and internally adjusted to account for risks, STRATEC expects to generate constant-currency sales growth in at least a mid single-digit percentage range in the 2021 financial year. For its adjusted EBIT margin, STRATEC forecasts a figure of around 17.0% to 18.0% for the 2021 financial year (2020: 16.7%).

Against the backdrop of the COVID-19 pandemic, STRATEC is continuing to observe increased volatility in terms of its customers' order behavior. Overall, the company has most recently witnessed increased order forecasts for the second half of 2021. Due to the additional forecasting uncertainty on account of the pandemic, however, these increases have not been incorporated into the above financial guidance.

Following the completion of the construction measures to convert and extend the buildings at its Birkenfeld location in 2020, STRATEC expects its capex ratio to decrease in 2021. For 2021, the company has budgeted investments in property, plant and equipment and intangible assets at a total of around 6.0% to 8.0% of sales (2020: 10.2%).

## PROJECTS AND OTHER DEVELOPMENTS

STRATEC reached further major milestones in its development projects in 2020 and moved numerous new products to serial production. Examples worth mentioning here are significant software and hardware extensions for a molecular diagnostics analyzer system for a North American partner and a polymer-based smart consumable for a partner in the field of flow cytometry. Furthermore, STRATEC achieved CE conformity for its proprietary next-generation analyzer platform for chemiluminescence immunoassays (KleeYa) in March 2020 already.

Despite the challenges presented by the COVID-19 pandemic, STRATEC also agreed new cooperations with partners in 2020 while also pressing ahead with negotiations for numerous new development projects. Its development pipeline is well stocked. STRATEC therefore expects numerous new product launches together with its partners in the years ahead as well.

The construction work begun in the 2018 financial year to significantly extend the buildings at the company's headquarters in Birkenfeld were successfully completed at the end of 2020.

## DEVELOPMENT IN PERSONNEL

The STRATEC Group can report a further expansion in its workforce in the 2020 financial year. Including personnel hired from a temporary employment agency and trainees, the Group had a total of 1,319 employees as of December 31, 2020 (previous year: 1,302). Adjusted for the sale of the Data Solutions business unit in May 2020, this corresponds to organic growth of 4.1% in the number of employees (nominal: 1.6%). Among other factors, this growth in the workforce was due to increased production capacity in connection with the COVID-19 pandemic. Given the further rise in the interest and willingness shown by customers to outsource the design and manufacture of automation solutions to specialist partners such as STRATEC, the company expects to see consistent growth in its development activities in future as well. As a result, STRATEC has also forecast a growing need for highly qualified employees in the years ahead.

## DIVIDEND PROPOSAL

In light of its success in the 2020 financial year, its positive growth prospects, and its solid balance sheet, STRATEC would like to enable its shareholders to participate in the company's success with a higher dividend this year as well. The Board of Management will therefore propose a dividend distribution of € 0.90 per share (previous year: € 0.84) for approval at this year's Annual General Meeting. Shareholders would thus benefit from the seventeenth consecutive year-on-year dividend increase since payment of the first dividend in 2004.

## 2020 ANNUAL REPORT

The 2020 Annual Report of STRATEC SE has been published on the company's website at [www.strattec.com/financial\\_reports](http://www.strattec.com/financial_reports).

## FORTHCOMING DATES

The Quarterly Statement Q1|2021 will be published on May 7, 2021.

## CONFERENCE CALL AND AUDIO WEBCAST

To mark the publication of the definitive results for the 2020 financial year, we will be holding a conference call in English at 2.00 p.m. (CEST) today, Wednesday, March 31, 2021.

You will receive the dial-in data (telephone number, password + individual PIN) following brief registration at the following link: [www.strattec.com/registration](http://www.strattec.com/registration)

The conference call will also be available at the same time as an audio webcast at [www.strattec.com/audiowebcast20210331](http://www.strattec.com/audiowebcast20210331) (brief registration required). Please note that no questions can be submitted via the audio webcast. Clicking this link also enables you to follow or download the slide presentation.

## ABOUT STRATEC

STRATEC SE ([www.stratec.com](http://www.stratec.com)) designs and manufactures fully automated analyzer systems for its partners in the fields of clinical diagnostics and biotechnology. Furthermore, the company offers complex consumables for diagnostic and medical applications. STRATEC covers the entire value chain – from development to design and production through to quality assurance.

The partners market the systems, software and consumables, in general together with their own reagents, as system solutions to laboratories, blood banks and research institutes around the world. STRATEC develops its products on the basis of its own patented technologies.

Shares in the company (ISIN: DE000STRA555) are traded in the Prime Standard segment of the Frankfurt Stock Exchange and are listed in the SDAX select index of the German Stock Exchange.

## FURTHER INFORMATION IS AVAILABLE FROM:

STRATEC SE

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