

PRESS RELEASE

STRATEC WITH DOUBLE-DIGIT GROWTH IN SALES AND EARNINGS IN FIRST NINE MONTHS OF 2020

- Sales in 9M/2020 rise year-on-year by 13.1% to € 179.1 million (9M/2019: € 158.3 million)
- Adjusted EBIT in 9M/2020 up 40.7% to € 28.1 million (9M/2019: € 20.0 million)
- Adjusted EBIT margin improves year-on-year by 310 basis points to 15.7%
- Well-filled development pipeline and key development milestones achieved
- Financial guidance for 2020: Sales and margin expected at upper end of forecast ranges

Birkenfeld, November 5, 2020

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 September 30, 2020 with the publication of its Quarterly Statement 9M|2020.

KEY FIGURES¹

€ 000s	9M/2020	9M/2019 ²	Change	9M/2020	9M/2019 ²	Change
Sales	179,082	158,336	+13.1%	59,715	49,732	+20.1%
Adj. EBITDA	35,821	26,776	+33.8%	12,284	9,451	+30.0%
Adj. EBITDA margin (%)	20.0	16.9	+310 bps	20.6	19.0	+160 bps
Adj. EBIT	28,121	19,985	+40.7%	9,708	7,180	+35.2%
Adj. EBIT margin (%)	15.7	12.6	+310 bps	16.3	14.4	+190 bps
Adj. consolidated net income ³	23,765	15,931	+49.2%	8,170	5,476	+49.2%
Adj. earnings per share (€) ³	1.97	1.33	+48.1%	0.67	0.46	+45.7%
Earnings per share (€) ³	1.55	0.72	+115.3%	0.54	0.24	+125.0%

Adj. = adjusted
bps = basis points

¹ To facilitate comparison, adjusted figures exclude amortization resulting from purchase price allocations in the context of acquisitions and associated reorganization expenses.

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

³ Consolidated net income from continuing operations.

BUSINESS PERFORMANCE

At € 179.1 million, consolidated sales for the first nine months of 2020 showed both constant-currency and nominal growth of 13.1% compared with the previous year's period. The high level of additional demand seen for in-vitro diagnostics products to contain the COVID-19 pandemic continued unabated in the third quarter (consolidated sales Q3/2020: +22.4% at constant-currency). Against this backdrop, the systems business in particular showed highly dynamic developments in the first nine months of 2020. Sales with service parts and consumables also reported double-digit percentage growth. By contrast, sales with development and services fell by more than € 10 million in the first nine months of 2020. This reduction, which was in line with expectations, was due not least to the exceptionally high basis of comparison of the previous year's period.

Adjusted EBIT improved by 40.7% to € 28.1 million in the first nine months of 2020, compared with € 20.0 million in the previous year's period. As a result, the adjusted EBIT margin rose by 310 basis points to 15.7% (9M/2019: 12.6%). This substantial increase in the margin was driven by positive benefits of scale, as well as by improved sales and product mixes. Measures taken within the initiative to improve earnings launched in 2018 also showed their expected effect. By contrast, measurement items for stock appreciation rights had a negative impact of 280 basis points on the margin.

Adjusted consolidated net income from continuing operations (pursuant to IFRS 5) increased by 49.2% to € 23.8 million (9M/2019: € 15.9 million). Adjusted earnings per share (basic) from continuing operations for the first nine months of 2020 rose by 48.1% to € 1.97, up from € 1.33 in the previous year's period.

To facilitate comparison, 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 income statement can be found in the Quarterly Statement 9M|2020 also published today.

FINANCIAL GUIDANCE

Given its pleasing business performance in the first nine months of 2020, STRATEC can confirm the financial guidance issued for 2020, which provides for adjusted constant-currency organic sales growth of between 14.0% and 18.0% (2019 sales basis: € 214.2 million) and an adjusted EBIT margin of around 15.5% to 16.5% (2019: 13.7%). In view of the high ongoing demand seen in connection with the COVID-19 pandemic and updated forecasts, STRATEC nevertheless currently expects to reach the upper ends of the aforementioned sales growth and adjusted EBIT margin corridors.

For 2020, STRATEC still expects its investments in property, plant and equipment and intangible assets to correspond to around 10% to 12% of sales. Investments in property, plant and equipment mainly relate to the construction work currently underway to significantly extend the buildings at the company's main location in Birkenfeld. This work was largely completed in the third quarter of 2020. As a result, the investment ratio is expected to decrease further in 2021.

PROJECTS AND OTHER DEVELOPMENTS

STRATEC has reached further important milestones in its development projects in recent months. In the Smart Consumables segment, for example, serial production for a polymer-based smart consumable has been launched for a partner in the field of flow cytometry. Furthermore, STRATEC concluded new cooperation agreements with partners and pressed further ahead with negotiations concerning numerous new development projects. The construction work begun in the 2018 financial year to significantly extend the buildings at the company's main location in Birkenfeld was almost completed in the third quarter.

DEVELOPMENT IN PERSONNEL

Including personnel hired from a temporary employment agency and trainees, the STRATEC Group had a total of 1,315 employees as of September 30, 2020 (previous year: 1,282). Adjusted to account for the disposal of the Data Solutions business unit, this corresponds to organic growth of 7.0% in the workforce compared with the previous year (nominal growth: +2.6%). The rise in the number of employees is due among other factors to increased production capacities in connection with the COVID-19 pandemic.

QUARTERLY STATEMENT 9M|2020

The Quarterly Statement 9M|2020 of STRATEC SE has been published on the company's website at www.stratec.com/financial_reports.

CONFERENCE CALL AND AUDIO WEBCAST

To mark the publication of the results for the first nine months of 2020, STRATEC will be holding a conference call in English at 2.00 p.m. (CET) today, Thursday, November 5, 2020.

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

The conference call will also be available at the same time as an audio webcast at <http://www.stratec.com/audioweecast20201105> (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) 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

Jan Keppeler | Investor Relations & Corporate Communications

Tel: +49 7082 7916-6515

Fax: +49 7082 7916-9190

ir@stratec.com

www.stratec.com