



# Making Solutions Possible

Company Overview  
May 2023

teknova:

# Forward-looking statements and use of non-GAAP financial measures

Statements in this presentation about future expectations, plans and prospects, as well as any other statements regarding matters that are not historical facts, may constitute “forward-looking statements.” These statements include, but are not limited to, statements relating to our anticipated total revenue, our expectation that recent customer engagement dynamics will be transitory, and growth in Lab Essentials and growth in Clinical Solutions for 2022, and statements about our prospects and long-term growth strategy. The words, without limitation, “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “goal,” “will,” “would,” “path to,” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these or similar identifying words. These forward-looking statements are based on management’s current expectations and beliefs and are subject to uncertainties and factors, all of which are difficult to predict and many of which are beyond our control and could cause actual results to differ materially and adversely from those described in the forward-looking statements. These risks include, but are not limited to, demand for our products (including the delay or pausing of customer orders); our assessment of fundamental indicators of future demand across our target customer base; our ability to expand our production capacity and commercial and R&D capabilities; our cash flows and revenue growth rate; our supply chain, sourcing, manufacturing and warehousing; inventory management; risks related to global economic and marketplace uncertainties related to the impact of the COVID-19 pandemic, including the impact of the pandemic on our supply chain; reliance on a limited number of customers for a high percentage of our revenue; potential acquisitions and integration of other companies and other factors discussed in the “Risk Factors” section of our most recent periodic reports filed with the Securities and Exchange Commission (“SEC”), including in our Annual Report on Form 10-K for the year ended December 31, 2021, and subsequent Quarterly Reports on Form 10-Q filed with the SEC, all of which you may obtain for free on the SEC’s website at [www.sec.gov](http://www.sec.gov). Although we believe that the expectations reflected in our forward-looking statements are reasonable, we do not know whether our expectations will prove correct. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, even if subsequently made available by us on our website or otherwise. We do not undertake any obligation to update, amend or clarify these forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

Additionally, this presentation contains financial measures that have not been calculated in accordance with U.S. generally accepted accounting principles (GAAP). Teknova uses the following non-GAAP financial measures in assessing the performance of our business and the effectiveness of our business strategies: (a) Adjusted EBITDA and (b) Free Cash Flow. Teknova defines Adjusted EBITDA as net income (loss) adjusted for interest income (expense), net, provision for (benefit from) income taxes, depreciation expense, amortization of intangible assets, and stock-based compensation expense. Adjusted EBITDA reflects further adjustments to eliminate the impact of certain items, including certain non-cash and other items that we do not consider representative of our ongoing operating performance. Teknova defines Free Cash Flow as cash provided by (used in) operating activities less purchases of property, plant, and equipment.

Teknova presents Adjusted EBITDA and Free Cash Flow in this presentation because Teknova believes that analysts, investors, and other interested parties frequently use these measures to evaluate companies in our industry and that such measures facilitate comparisons on a consistent basis across reporting periods. Teknova also believes such measures are helpful in highlighting trends in our operating results because they exclude items that are not indicative of our core operating performance. Investors should consider non-GAAP financial measures in addition to, and not as a substitute for, or as superior to, measures of financial performance prepared in accordance with GAAP. The non-GAAP financial measures presented by Teknova may be different from the non-GAAP financial measures used by other companies.

A full reconciliation of these non-GAAP measures to the most comparable GAAP measures is included at the end of this presentation.

# We make solutions possible

Accelerating the discovery, development, and commercialization of novel therapies, vaccines, and molecular diagnostics that will help people live longer, healthier lives



Producer of **complex research and clinical-grade reagents** fundamental to the life sciences industry



**Modular manufacturing** supports emerging therapeutic modalities, like cell and gene therapy



Production platform delivers **high-quality, custom products** with short turnaround times



Well-established, respected brand with **3,000+ customers** and a 96% retention rate



Ability to seamlessly scale with customers from **discovery through commercialization**



**Above-market growth rates:** 17% overall and 24% in Clinical Solutions category\*

\* Rates based on 2022 revenue, excluding non-recurring Sample Transport revenue

# Our path to sustainable, above-market revenue growth and profitability

## ESTABLISH 1996-2016

- Built scientific and operational know-how
- Established high-quality and customer-centric brand reputation

2016 Revenue\*  
**\$14.6M**

## INVEST 2017-2022

- Received ISO 13485 quality certification
- Secured capital to fund investments
- Onboarded world-class talent, including Commercial and R&D organizations
- Built state-of-the-art, modular manufacturing facility (RUO and GMP) based on our custom production platform
- Modernized infrastructure for seamless, end-to-end operational efficiency

2022 Revenue  
**\$41.4M**

## SCALE 2023+

- Deliver sustainable above-market revenue growth
- Become partner of choice for CGT, including new products and solutions
- Deliver attractive margin profile vs. industry; produce robust cash flows
- Implement best-in-class global platform for custom reagent manufacturing

Long-term Plan  
**25% CAGR**

1996

2017

2023

\* Unaudited

# Our products are fundamental to life sciences

## PRODUCT TYPES



### Pre-poured Agar Plates

Industry standard for growing microorganisms



### Microbial Culture Media

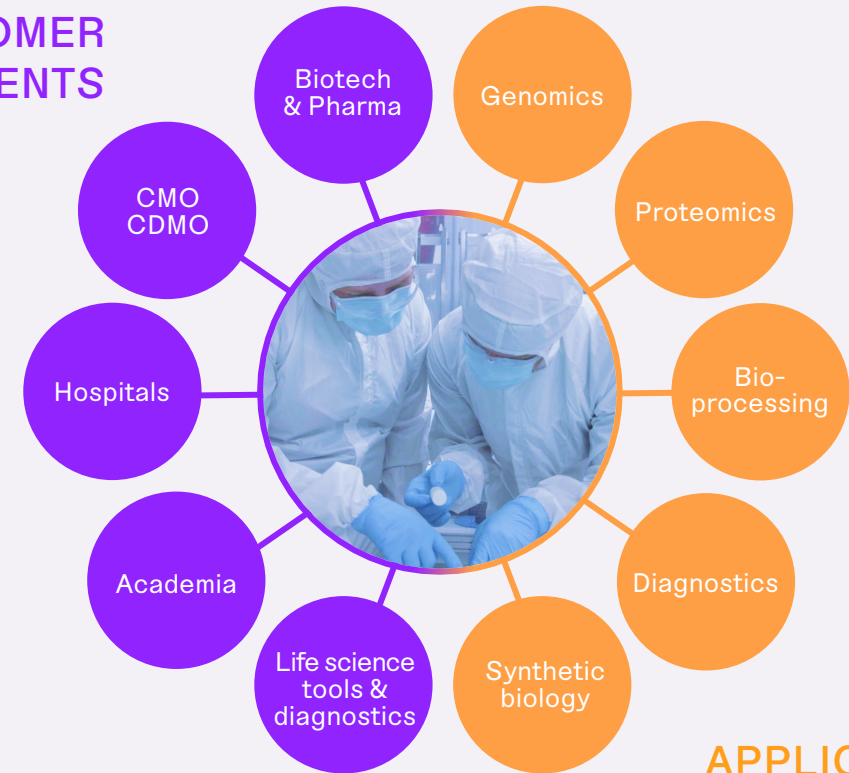
Used for cellular expansion under controlled conditions



### Buffers and Reagents

Routinely used for manipulating samples and purifying molecules

## CUSTOMER SEGMENTS



## APPLICATIONS

# Emerging therapeutic and diagnostic modalities require custom bioprocessing solutions



Scientific advances have enabled the advent of novel therapies that use a patient's individual biology to prevent or fight disease



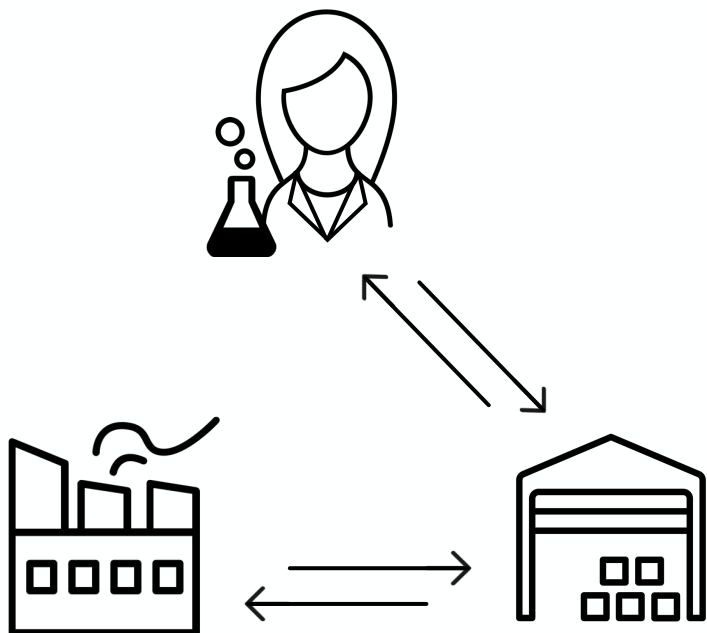
Innovation in drug discovery has far outpaced the bioprocessing methods required to manufacture these products at scale



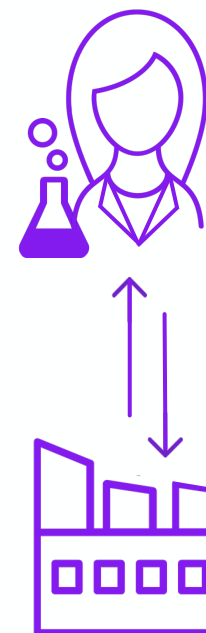
Custom, scalable reagents are critical to accelerating the introduction of novel therapies

# Purpose-built platform addresses critical supply chain needs

## EVERYONE ELSE

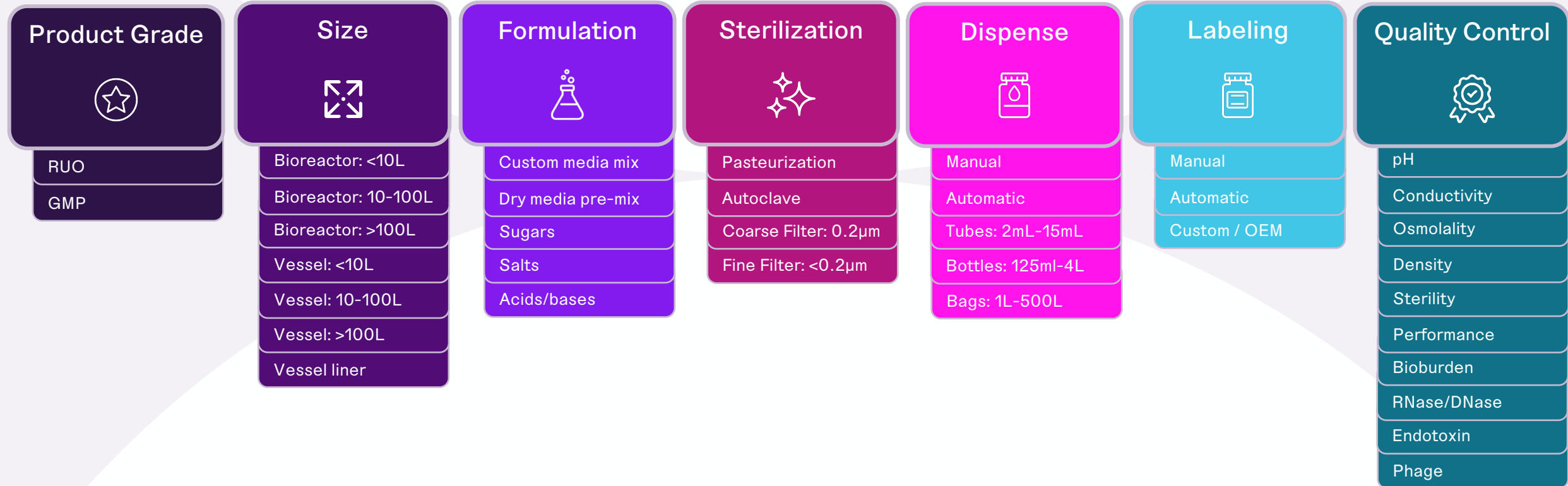


## TEKNOVA PRODUCTION PLATFORM

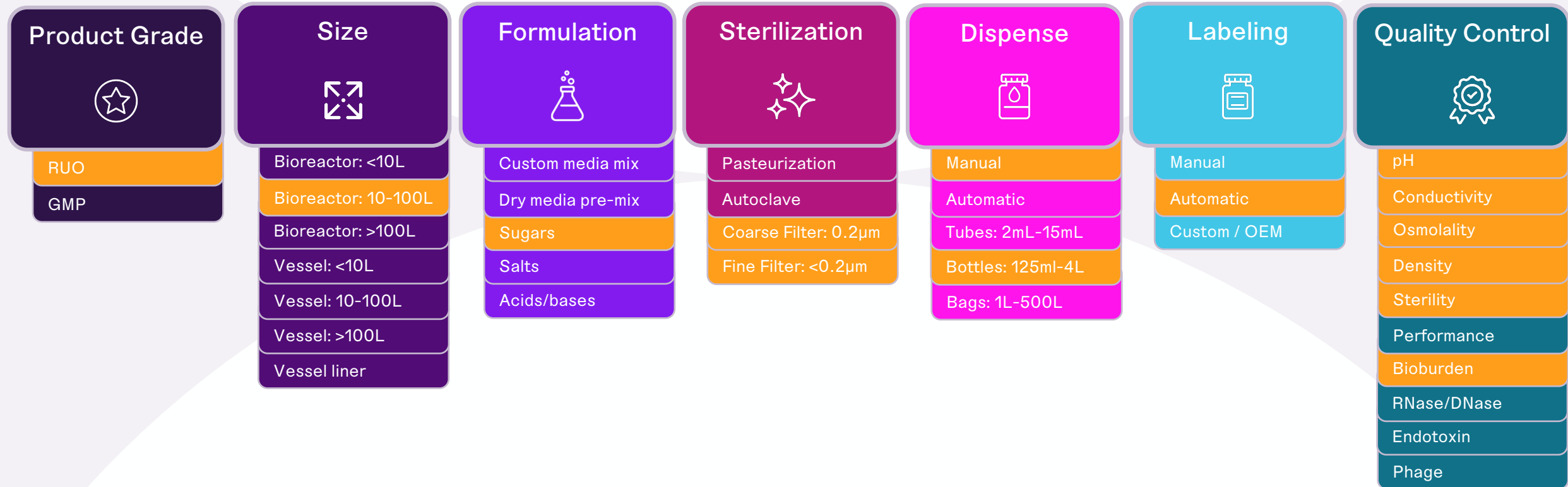


- ✓ Customization
- ✓ Short turnaround times
- ✓ Scalable batch sizes
- ✓ Research (RUO) and GMP grades

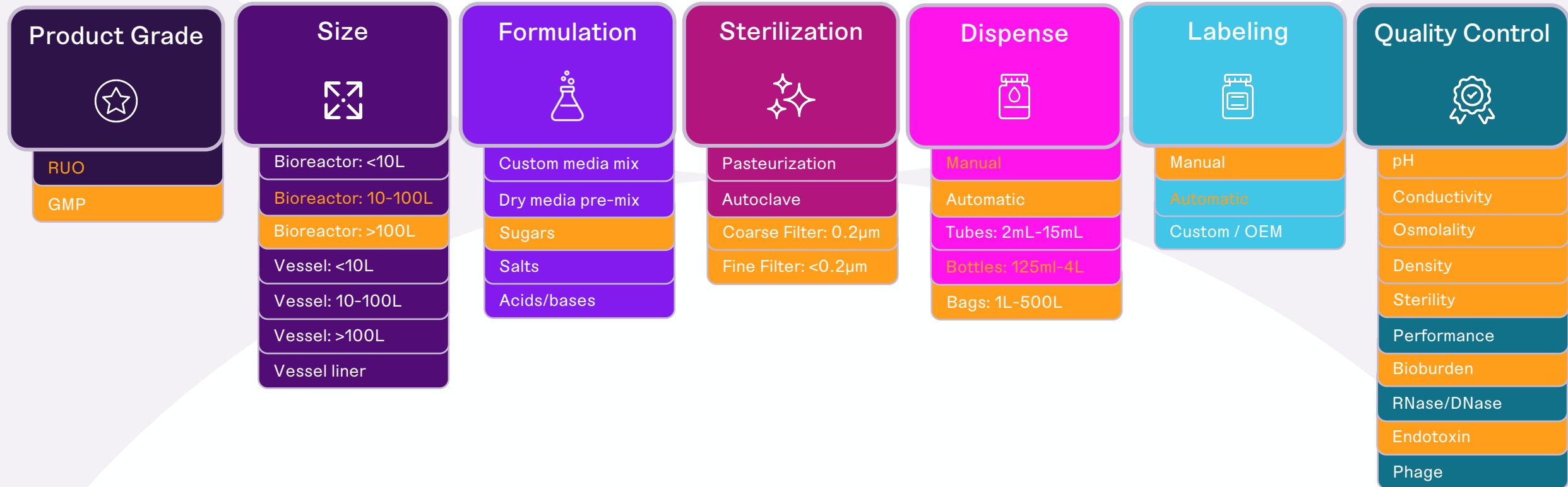
# Modular manufacturing lines deliver high-quality customization on demand



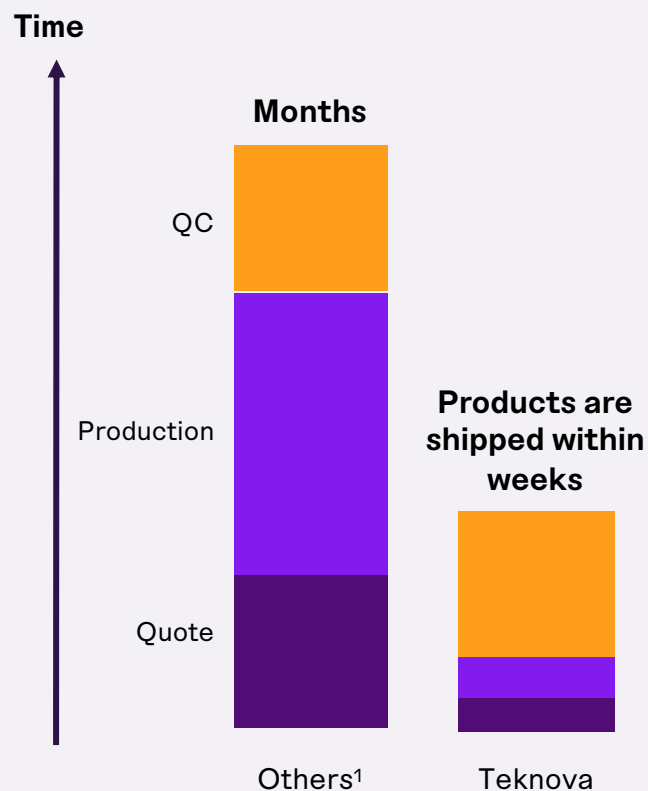
# Modular manufacturing lines deliver high-quality customization on demand



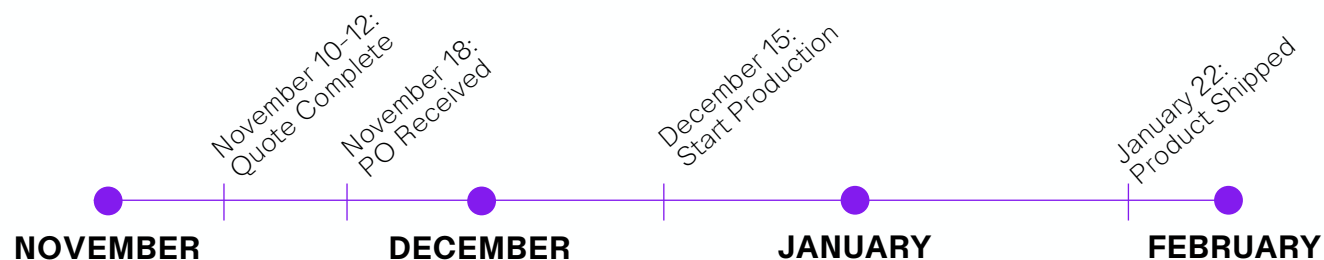
# Modular manufacturing lines deliver high-quality customization on demand



# Delivering high-quality custom reagents with short turnaround times



## Case Study: Fast GMP Turnaround *Protein Therapeutic Production*

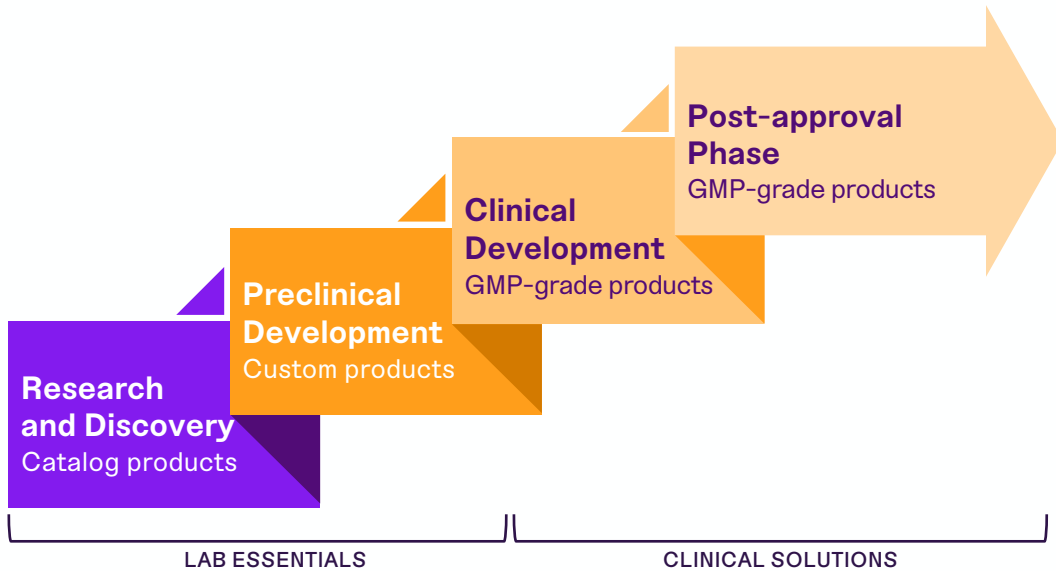


### DETAILS

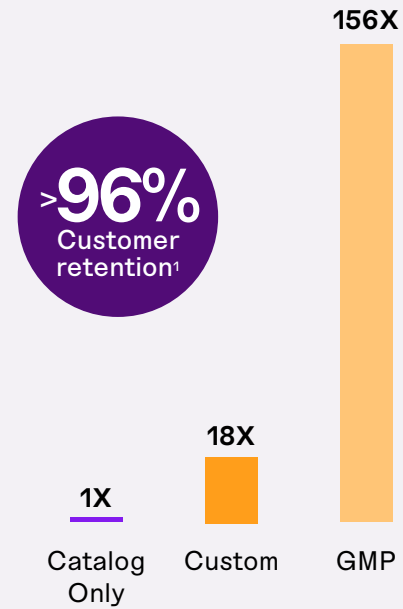
- New customer request for eight (8) custom GMP reagents
- Alternative suppliers were not able to meet production schedule
- Loyal customer established, ordering additional GMP-grade products

<sup>1</sup>Illustrative models based on Teknova's knowledge of competing technologies

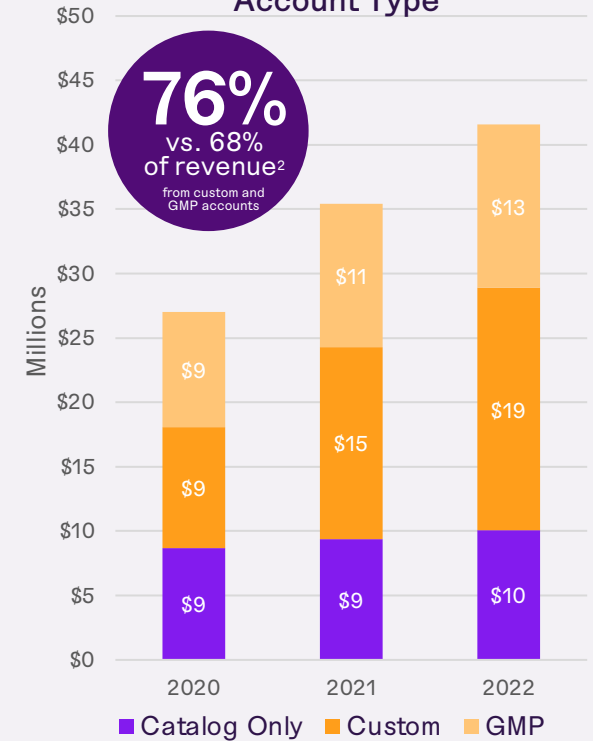
# Delivering value to customers across the entire product development pipeline



Relative Annual Spend by Account Type in 2022



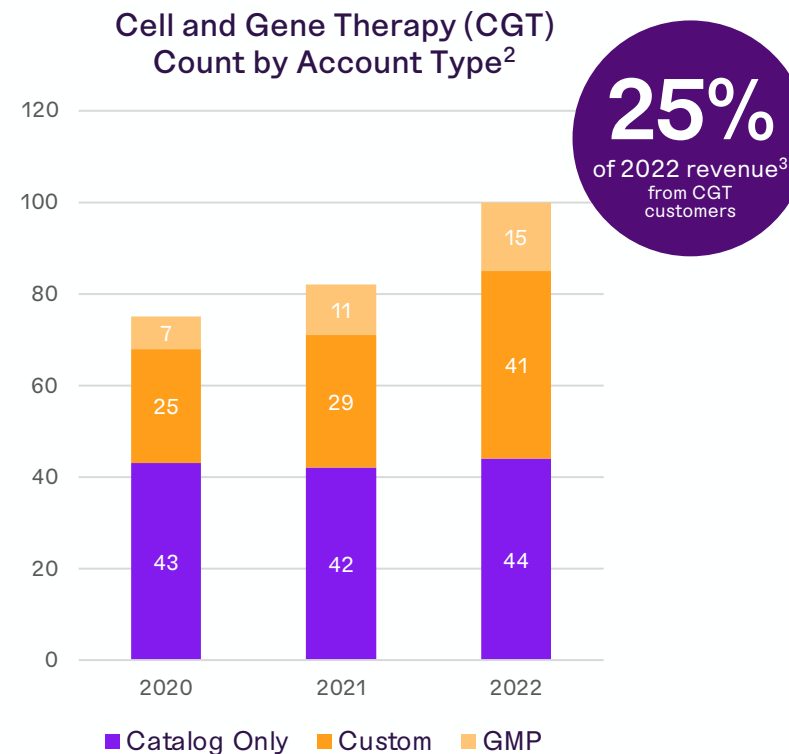
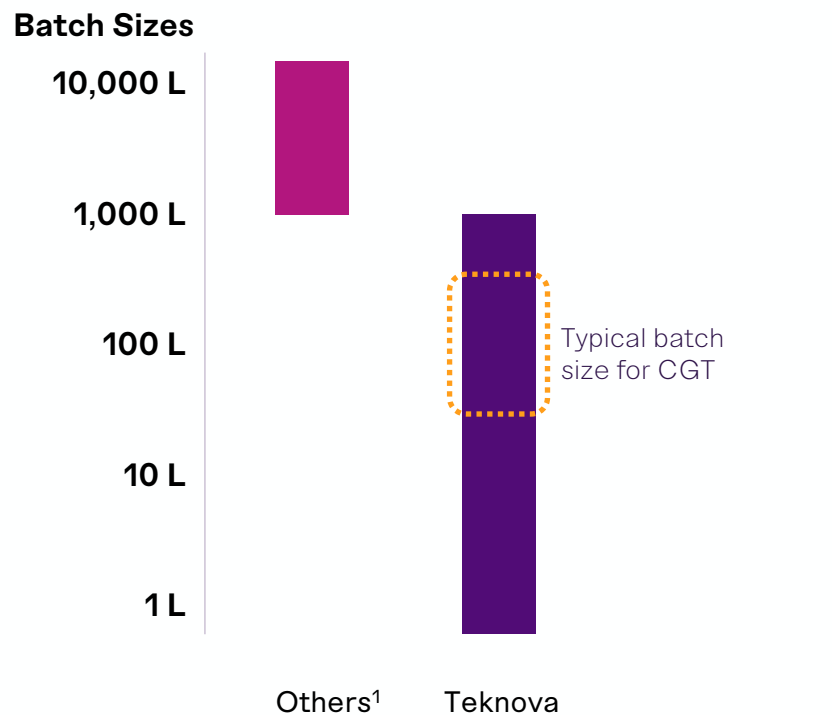
Total Revenue by Account Type



<sup>1</sup>Based on actual customer spend (>\$10K accounts) for the four years ended December 31, 2022  
<sup>2</sup>Comparison of 2022 to 2020 annual revenue, does not include Sample Transport revenue

**Catalog only** refers to customers who purchase only catalog products  
**Custom** refers to customers who purchase custom and/or catalog products  
**GMP** refers to customers who purchase GMP, custom, and/or catalog products

# Seamlessly scale from discovery to commercialization



<sup>1</sup> Illustrative models based on Teknova's knowledge of competing technologies

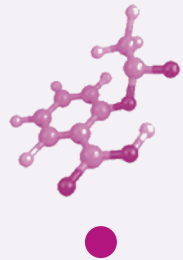
<sup>2</sup> CGT customers with >\$5K spend per year

<sup>3</sup> Does not include Sample Transport revenue

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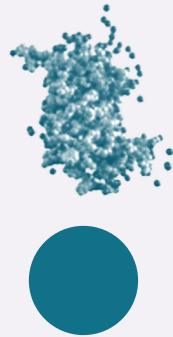
# Cell and Gene Therapy

# Cell and gene therapy is the next modality of medicine



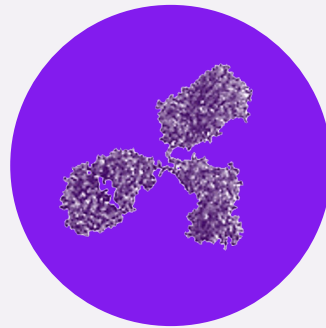
**SMALL  
MOLECULE DRUG**

Aspirin  
~0.5 kD



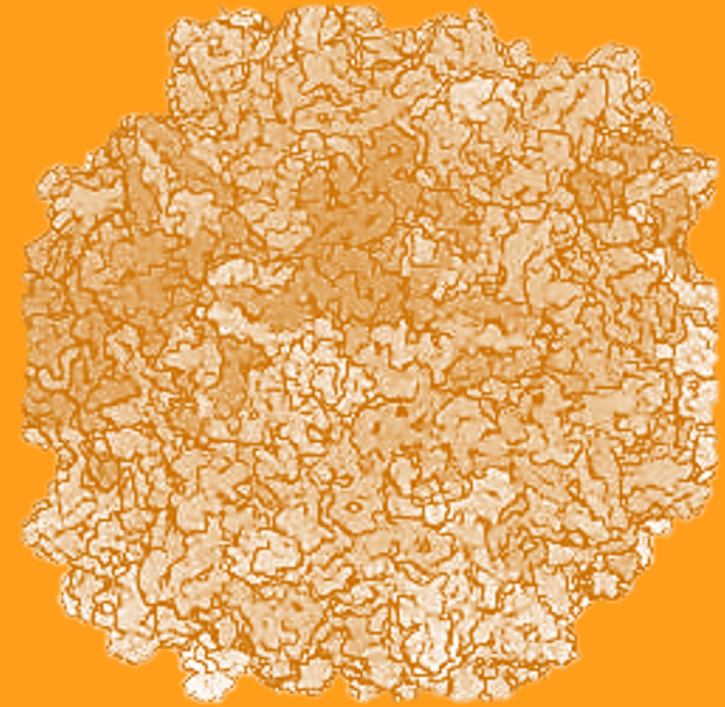
**SMALL  
BIOLOGICS**

Human Growth Hormone  
~10 kD



**LARGE  
BIOLOGICS**

Monoclonal Antibody  
~150 kD

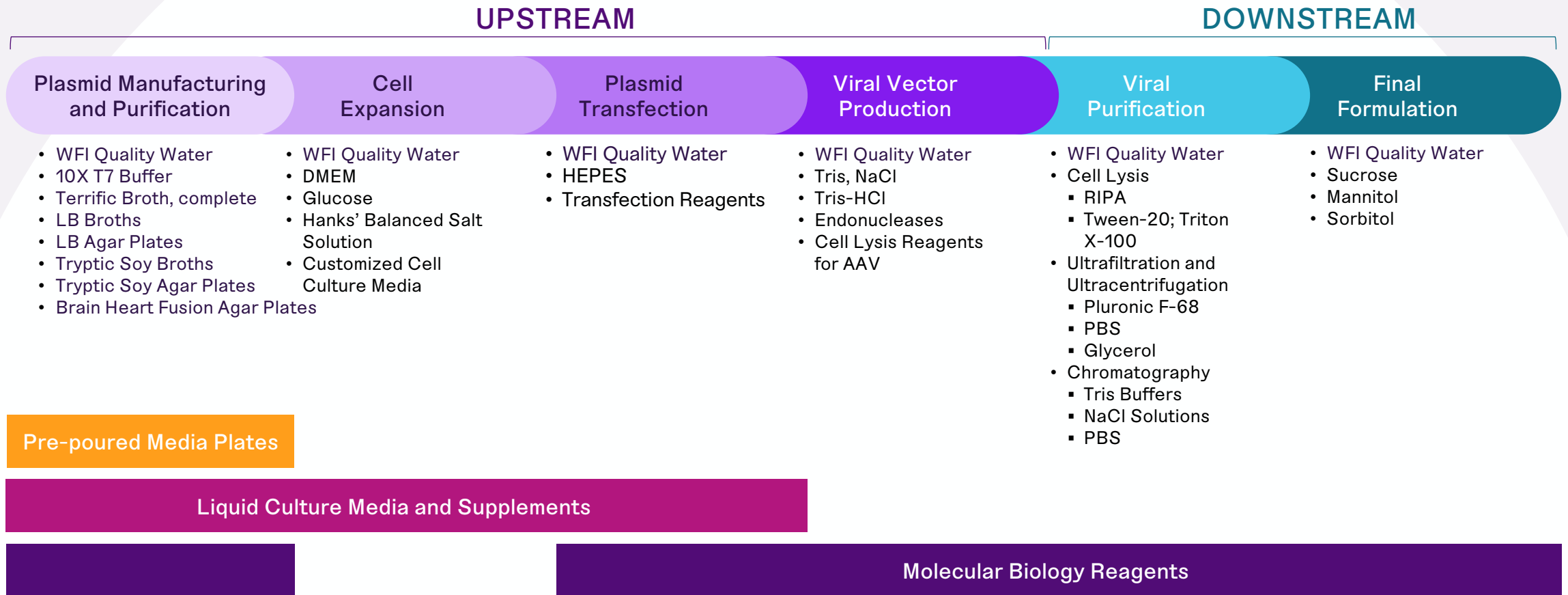


**CELL AND  
GENE THERAPY**

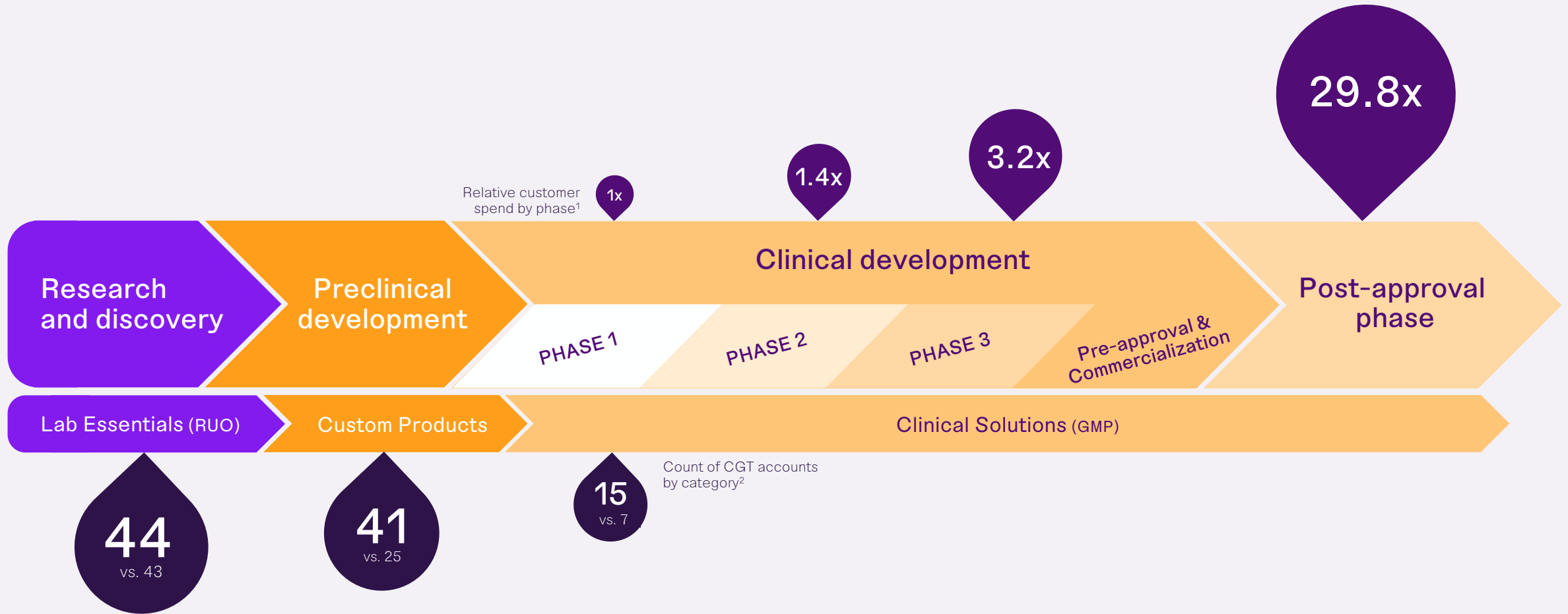
AAV Capsid  
~4,000 kD

INCREASING COMPLEXITY

# Our portfolio addresses the complex needs across the gene therapy production workflow



# We already supply approximately 100 cell and gene therapy organizations



<sup>1</sup>Fletcher Spaght Growth Strategy Report, a report commissioned by Teknova  
<sup>2</sup>Accounts relate to 2022 vs. 2020 calendar year for CGT customers with >\$5K spend per year

# Ready to Scale

# Leading provider of custom research and clinical-grade reagents ready to support our customers to scale

We are growing today, with **more than 100 cell and gene therapy customers<sup>1</sup>** (+22% YoY) representing **~25% of our annual revenue<sup>2</sup>**

We believe that our investment in **capacity, sales, marketing and R&D** positions Teknova for **sustainable long-term, above-market revenue CAGR of 25%**

teknova:

- Best-in-class scalable, modular manufacturing platform for custom research and clinical reagents
- Innovative partner for CGT customers developing proprietary products to address critical workflow pain points
- Proven ability to move customers along product development pipeline, from catalog to custom to GMP

<sup>1</sup>CGT customers with >\$5K spend per year  
<sup>2</sup>Does not include Sample Transport revenue

# Our state-of-the-art, modular manufacturing facility is now operational

- +30,000 ft<sup>2</sup> custom-designed manufacturing space for RUO and GMP reagents
- Completing qualification of +10,000 ft<sup>2</sup> of ISO Class 7 clean rooms
- Currently operational for research-grade production; on track for GMP-grade production by mid-2023
- Combined with existing infrastructure, will create capacity for approximately \$200 million in annual product revenue when fully utilized



# We announced a collaboration with **Sartorius BIA Separations** to help our customers improve AAV gene therapy purification processes

For more information, [read our joint press release](#)



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## Downstream Purification Reagents

Highly customized buffers with discreet specifications required at small scales (<1000 L)

SARTORIUS



## Monolithic Column Technology

Consumables utilized in purification process of AAV (among others)

X

# We launched our first, proprietary **AAV-Tek™ Solutions** product line to accelerate the development of AAV gene therapies

- The first product released in this line – the **AAV-Tek AEX Buffer Screening Kit** – can save AAV gene therapy developers months of process development time
- Our first-of-its-kind, off-the-shelf kit is designed to identify the ideal buffer formulations for use during AAV downstream processing
- Proprietary set of equilibration and elution buffers are designed to optimize the separation of empty and full capsids during the anion exchange (AEX) purification step
- The kit is currently available for AAV2, with plans to release a kit for AAV8 in the coming months and kits for additional serotypes later this year



# Proven management team with extensive experience in life sciences



**Stephen Gunstream**  
Chief Executive Officer, President



**Ken Gelhaus**  
Chief Commercial Officer



**Matt Lowell**  
Chief Financial Officer



**Lisa McCann**  
Chief People Officer



**Damon Terrill**  
General Counsel,  
Chief Compliance Officer



**Jennifer Henry**  
Senior Vice President,  
Marketing



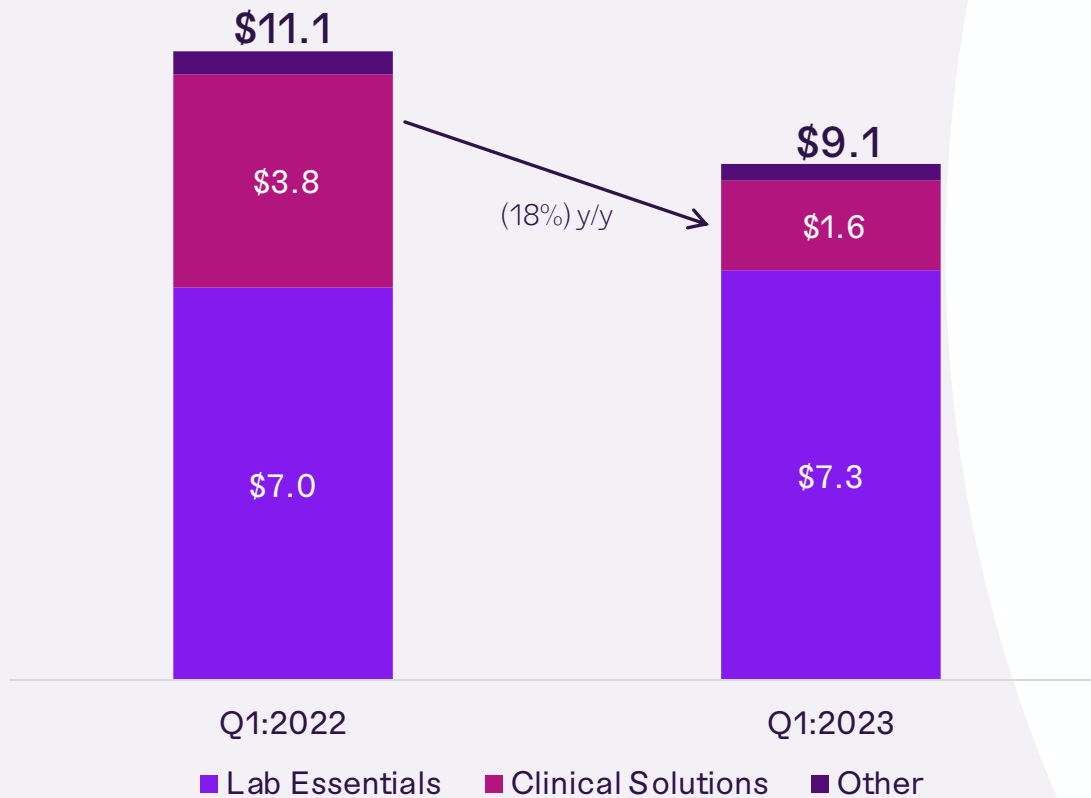
# Key Takeaways



# Financials

# Q1:2023 Revenue Highlights

Revenue by Category (\$M)

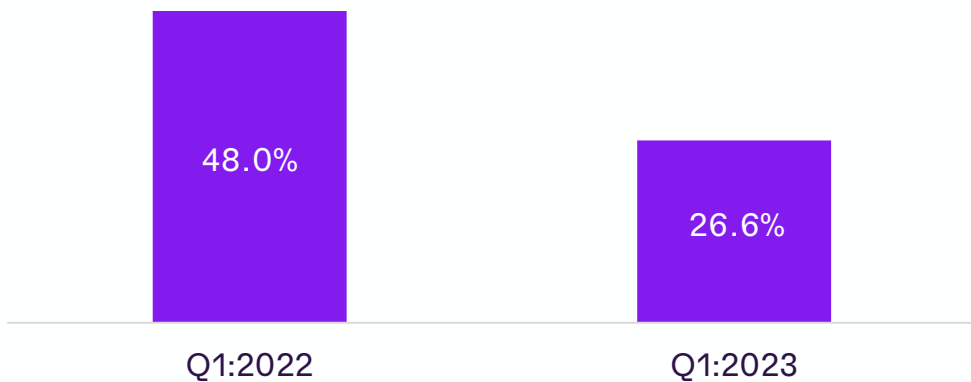


## KEY HIGHLIGHTS

- Total quarterly revenue down 18% from the same period in prior year, and up 16% sequentially
- Lab Essentials growth, up 4% from the same period in prior year
- Clinical Solutions declined 58% from the same period in prior year

# Q1:2023 Income Statement Highlights

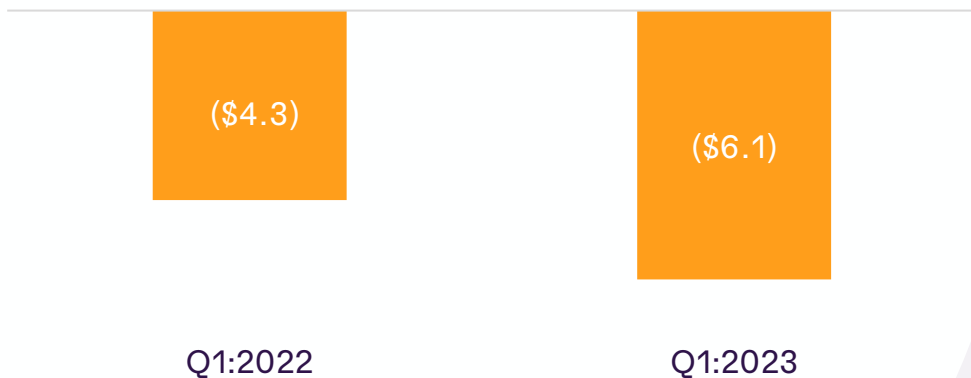
Gross Margin (%)



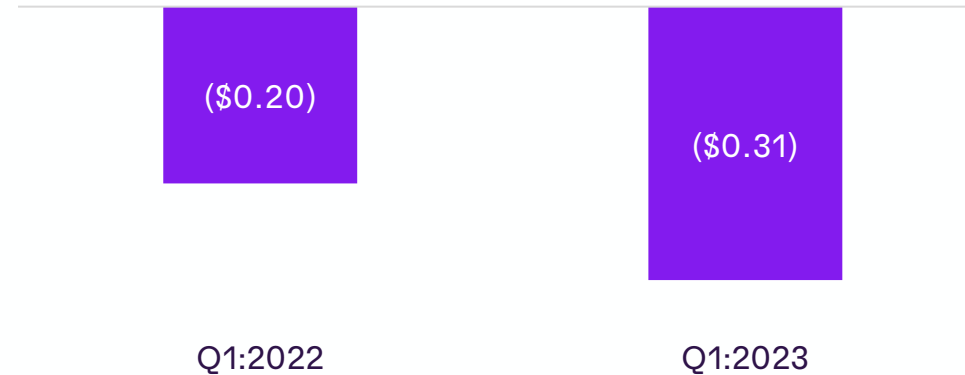
Total OpEx (\$M)



Adjusted EBITDA<sup>1</sup> (\$M)



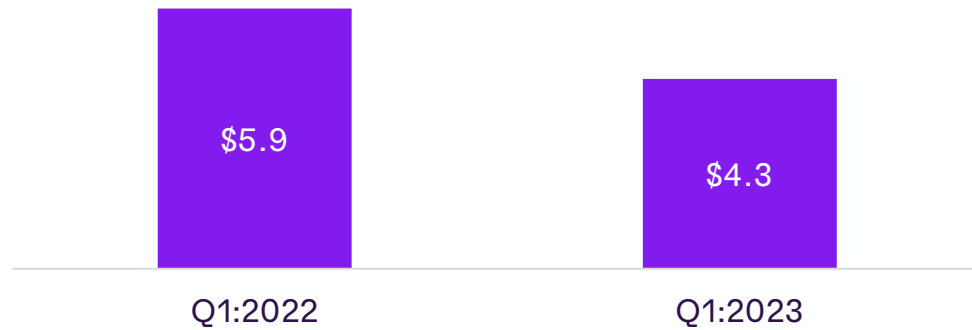
Diluted EPS (\$)



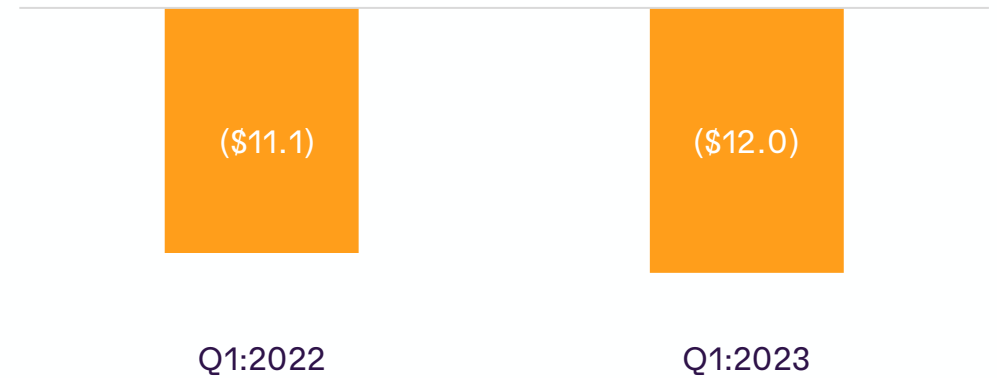
<sup>1</sup>Adjusted EBITDA is non-GAAP and adds back stock-based compensation and any qualified non-recurring items to EBITDA

# Q1:2023 Cash Flow and Balance Sheet Highlights

Capital Expenditure (\$M)



Free Cash Flow<sup>1</sup> (\$M)



**Cash and Cash Equivalents \$30.2M as of March 31, 2023**

<sup>1</sup>Free Cash Flow equals cash provided by (used in) operating activities less purchases of property, plant, and equipment

## 2023 Outlook Reiterated

- Estimate total revenue between \$42–46 million, 6% growth y/y at the midpoint
  - Lab Essentials revenue to be roughly flat y/y
  - Clinical Solutions revenue growth of 20-50% y/y
- Anticipate significantly lower CapEx and flat OpEx in 2023 vs. 2022, excluding non-recurring charges
- Targeting 2023 Free Cash Flow of approximately negative \$30M



# Appendix



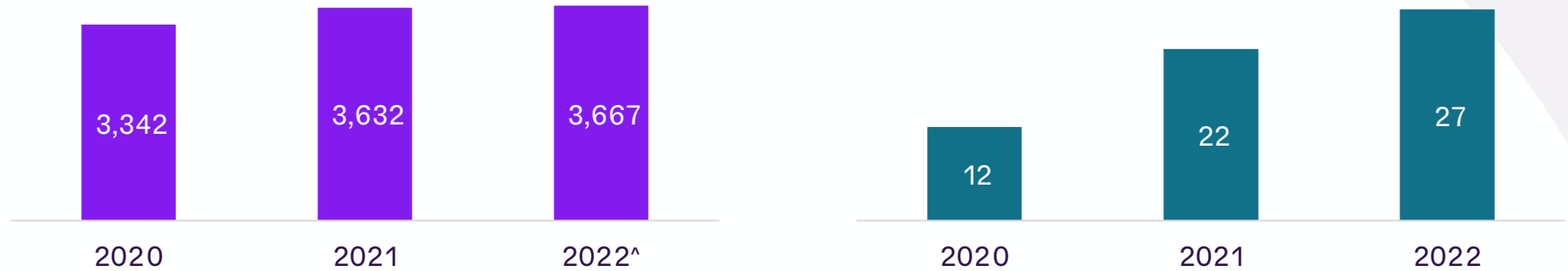
# Historical Customer Metrics by Product Category

NON-GAAP FIGURES:

LAB ESSENTIALS

CLINICAL SOLUTIONS

Number of Active Customers<sup>1</sup>



Average Revenue per Active Customer<sup>1</sup>



In Thousands

<sup>^</sup> Corrected in April 2023

<sup>1</sup>Active customer is an entity that has received product within the trailing twelve-month period. There is also a \$5,000 minimum threshold for Clinical Solutions customers only.

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