

AD-HOC ANNOUNCEMENT

STRATEC POSTS PRELIMINARY RESULTS FOR FIRST HALF AND ADJUSTS GUIDANCE FOR 2023 FINANCIAL YEAR

Birkenfeld, July 18, 2023

Based on preliminary figures, STRATEC generated sales of € 125.0 million in the first half of 2023 (H1/2022: € 137.2 million). This marks a reduction of 8.9% (constant currency: -9.1%) compared with the previous year. The adjusted EBIT margin for the first six months of 2023 is expected at 5.6% (H1/2022: 15.4%). Overall, the results for the first half of 2023 are slightly lower than the most recent expectations of the company. Among other factors, this is due to lower demand for those products which benefited from significant additional demand during the coronavirus pandemic, as well as to a reduction in sales with veterinary diagnostic solutions.

Given the interaction of temporarily lower sales with established systems on the one hand but increasing growth with newer products on the other, STRATEC still expects its sales to gain fresh momentum in the second half of the year. Overall, however, the company no longer expects to achieve the volume of sales originally planned. This is due in particular to the following factors:

- Revised order forecasts by customers: Having initially seen a recovery in customer order behavior in the spring, the company has recently again received significantly reduced orders and order forecasts for the second half of 2023. It now expects temporarily lower delivery volumes, particularly for those system lines that were in strong demand during the pandemic. Furthermore, in the wake of the pandemic numerous customers are stepping up their efforts to optimize their stocks while also observing lower demand from end customers.
- Delivery backlogs with a new system generation for a veterinary diagnostics customer due to unexpected delays in transferring the development design to serial production.
- Unlike the significant rise in the number of systems in use at laboratories during the pandemic, the budgeted level of sales with service parts is now below the original budget assumptions due to lower than expected capacity utilization rates.
- Postponement in the recognition of sales for development work on a molecular diagnostics system due to extensions in the scope of development activities.
- The discontinuation by a customer in a German-speaking country of a system solution in an advanced stage of its lifecycle, a move which was not expected and which, from STRATEC's perspective, is not consistent with the contractual arrangements.

Having duly appraised all of the aforementioned points, the Board of Management of STRATEC has decided to adjust the guidance for the 2023 financial year. On a constant-currency basis, STRATEC now expects its consolidated sales to remain stable or grow slightly compared with the previous year (previously: constant-currency sales growth of 8.0% to 12.0%). The acquisition of Natech Plastic, Inc, completed as of July 1, 2023, is expected to contribute around 3.0 percentage points to the

aforementioned sales volumes. Given lower economies of scale and changes in product mix assumptions, the adjusted EBIT margin is now expected at around 10.0% to 12.0% (previously: around 12.0% to 14.0%). The assumption that profitability will gradually improve in the second half of 2023 is based on price increases already agreed in some cases, as well as greater cost discipline in procurement activities, and the growing impact of measures within the efficiency enhancement program initiated in March 2023.

From STRATEC's perspective, the aforementioned discontinuation of a system solution should result in a compensation package. As no such package has yet been negotiated, this has not been included in the 2023 guidance figures.

Given the unexpectedly swift and steep reduction in COVID-19 test volumes and the manifold knock-on effects in terms of developments in demand for in-vitro diagnostics solutions, the Board of Management expects customer order behavior to remain volatile. The assumptions underlying the above guidance are therefore subject to greater uncertainties than usual. These factors are countered by medium to long-term market trends, which remain as positive as ever, as well as the growth potential for the company harbored by its strong development pipeline.

STRATEC will publish the final figures for the first half of 2023 on August 9, 2023. A conference call/audio webcast in English will also be held on August 9, 2023.

FURTHER INFORMATION IS AVAILABLE FROM:

STRATEC SE

Jan Keppeler | Investor Relations, Sustainability & Corporate Communications

Tel: +49 7082 7916-6515

ir@stratec.com

www.stratec.com