



BTIG

MedTech, Digital Health, Life Science & Diagnostic Tools Conference

Accelerating the development and commercialization of next generation
therapies, vaccines, and diagnostics

Nasdaq: TKNO

February 15-17, 2022

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Forward-looking statements and use of Non-GAAP financial measures

This presentation contains **forward-looking statements** that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this prospectus, including statements relating to our financial condition, results of operations, plans, objectives, future performance and business, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “would,” “potential,” “likely,” or “continue” or the negative of these terms or other similar expressions. All forward-looking statements are based upon current expectations and projections about future events and trends. There is no assurance or guarantee that the results, events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements. No person assumes responsibility for the accuracy and completeness of the forward-looking statements, and, except as required by law, no person undertakes any obligation to update any forward-looking statements for any reason after the date of this company presentation.

In addition to financial results prepared in accordance with U.S. generally accepted accounting principles (“GAAP”), this presentation contains certain **non-GAAP financial measures**. These measures should always be considered only as a supplement to, and not as superior to, financial measures prepared in accordance with GAAP. Such non-GAAP financial measures in this presentation may differ from similarly named non-GAAP financial measures used by other companies. Management believes that in addition to using GAAP results, non-GAAP financial measures can provide meaningful insight in evaluating the Company’s financial performance and the effectiveness of its business strategies. You are encouraged to review the reconciliation of non-GAAP financial measures with their most direct comparable GAAP financial results set forth in the Appendix to this presentation.

Company Overview

- **Leading provider of highly complex research and clinical-grade reagents** to support the discovery, development, and production of drug therapies, novel vaccines, and molecular diagnostics
- **Strong competitive position in the marketplace**
 - Expertise in high quality, custom reagent manufacturing
 - Differentiated by short turnaround times and the ability to scale from discovery to commercialization
- **Producer of bioprocessing tools critical to cell & gene therapy**
 - Unique capabilities to address cell & gene therapy market requirements create a breakthrough growth opportunity
- **Supported by a robust, predictable reagents business**
 - Products that are fundamental to the life sciences market
 - Well established brand with over 3,000 customers
- **Infrastructure in place to support growth opportunity**
 - Significant investments in capacity expansion, marketing, sales, and R&D
 - Built deep, experienced management team to execute strategy

Where we are today¹

TTM CORE REVENUE²
\$33.4M

ACTIVE CUSTOMERS
3,000+

TTM CORE GROWTH²
37%

PRODUCTION & LAB SPACE
137K ft²

CLINICAL (GMP) TTM
GROWTH
71%

PEOPLE
215+

¹ Data as of September 30, 2021

² Excludes \$3.6M of non-recurring Sample Transport revenue in TTM and \$1.8M in Prior TTM

Proven management team with extensive experience in the life sciences



Stephen Gunstream

Chief Executive Officer, President



Matt Lowell

Chief Financial Officer



Ken Gelhaus

Chief Commercial Officer



Lisa McCann

Chief People Officer



Neal Goodwin

Chief Scientific Officer



Damon Terrill

General Counsel, Chief Compliance Officer



Jennifer Henry

Senior Vice President, Marketing



Jose Olague

Vice President, Engineering



Ben Viering

Vice President, Information Systems & Architecture



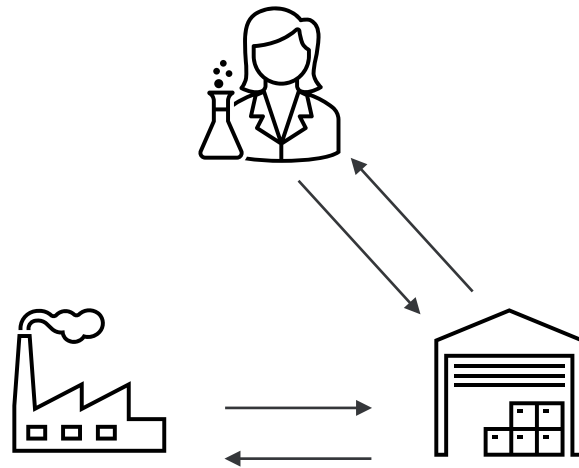
Todd Woodring

Vice President, Operations

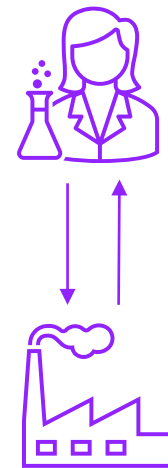


Teknova is purpose-built to address critical supply chain needs in the life sciences

EVERYONE ELSE



TEKNOVA PRODUCTION PLATFORM



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

Our products are fundamental to the life sciences



Pre-poured
Media Plates

Industry standard
for growing
microorganisms



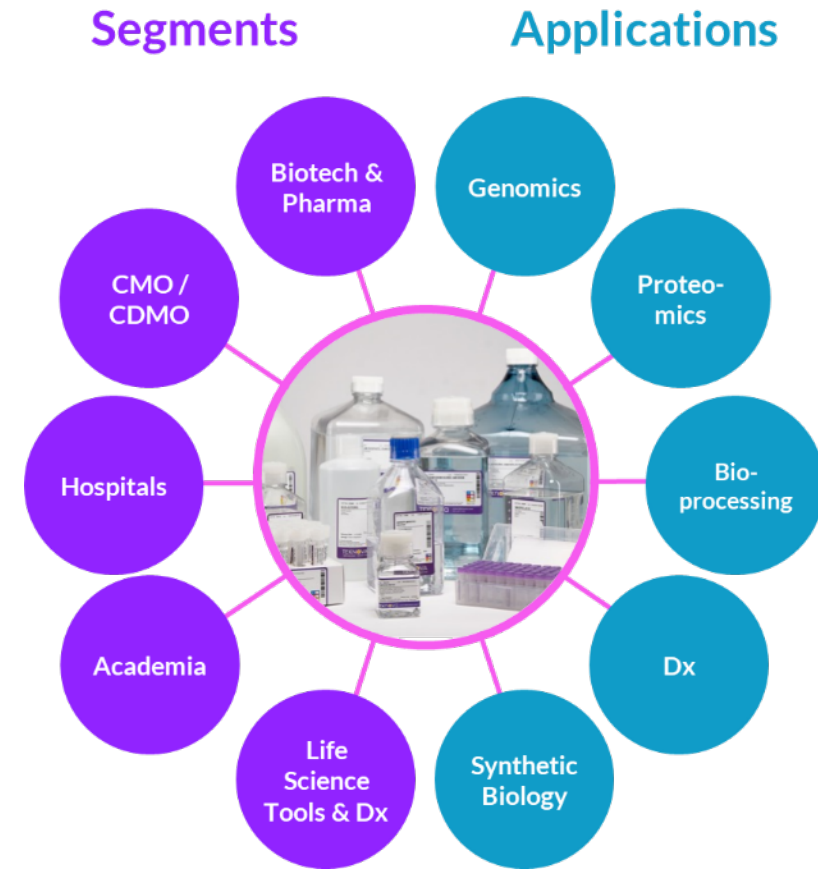
Cell Culture
Media &
Supplements

Used for cellular
expansion under
controlled conditions

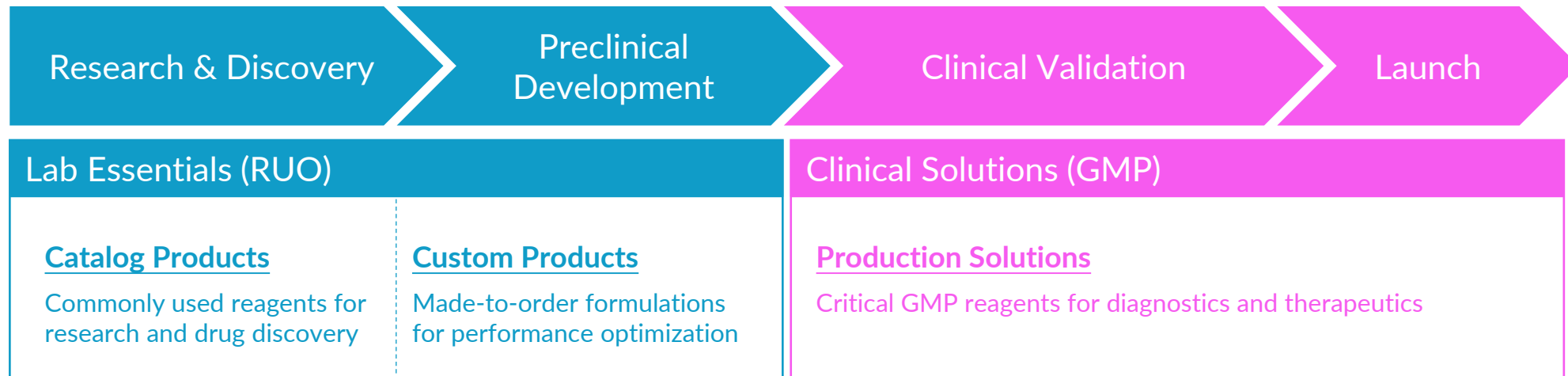


Molecular
Biology
Reagents

Routinely used for
manipulating
samples and
purifying molecules

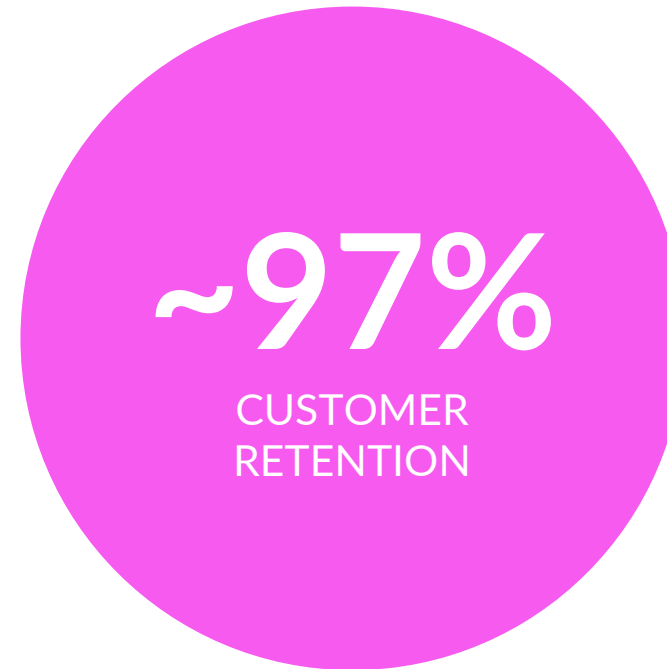
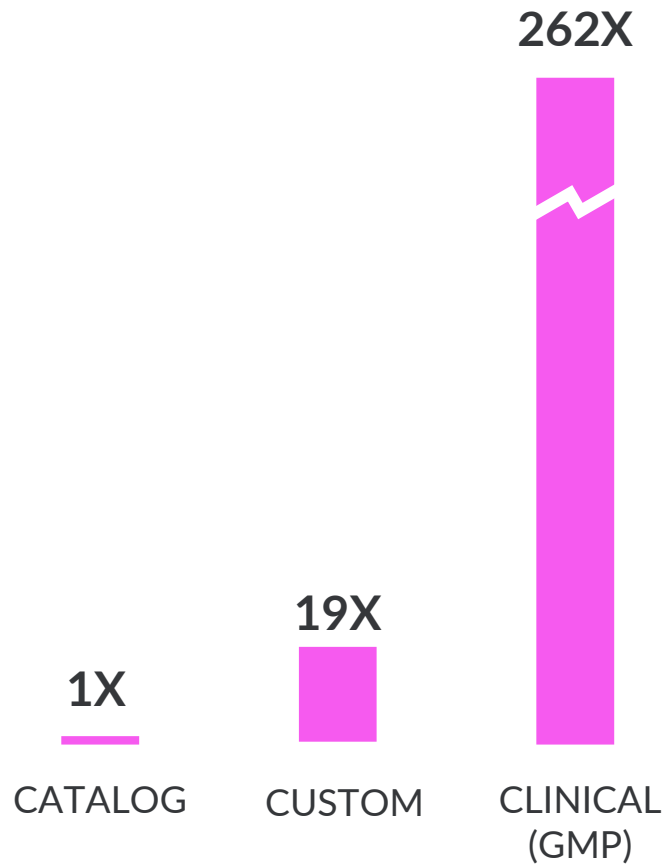


Providing value to customers across the entire product development workflow



And supporting our customers as their needs evolve

Relative Annual Spend by Account Type



Accounts spending >\$10,000 annually since 2018

As demonstrated by a broad, loyal customer base

Top 10 Accounts ¹	Customer Since	CAGR ²	
		3 YR	5 YR
Cell & Gene Therapy	2012	10%	24%
Cell & Gene Therapy	2016	121%	N/A
CMO/CDMO	2009	134%	98%
CMO/CDMO	2010	42%	72%
CMO/CDMO	2005	21%	53%
Large Pharma	< 2003	9%	12%
Life Science Tools	2006	37%	39%
Life Science Tools	< 2003	40%	43%
Life Science Tools	2006	65%	50%
Synthetic Biology	2004	7%	18%

Broad base with low concentration

- Over 3,000 active accounts
- Top 20 accounts represent <50% of revenue
- Largest direct account ~10% of revenue

Staying power

- 9/10 customers for ≥ 5 years
- 8/10 customers for ≥10 years
- 6/10 customers for ≥ 15 years

Sustained growth within accounts

- 9/9 have 5yr CAGR ≥ 12%
- 8/9 have 5yr CAGR >15%
- 7/10 have 3yr CAGR >20%

¹ Top 10 accounts based on sales in 2020 excluding transport medium

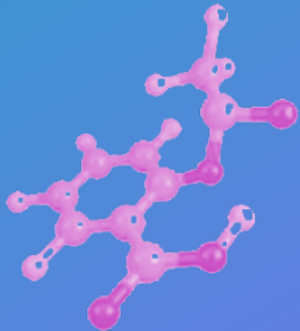
² CAGR to 2020, 3yr: 2017-20, 5yr: 2015-20

Emergence of Cell & Gene therapies



Cell & Gene therapy is the next modality of medicine

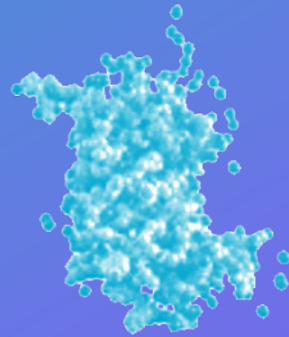
Small Molecule Drug



Aspirin

~0.5 kD

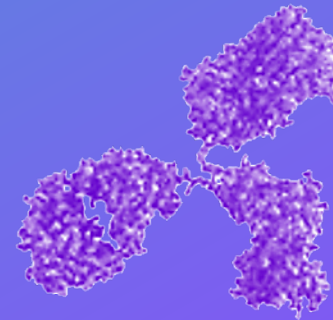
Small Biologics



Human growth hormone

~10 kD

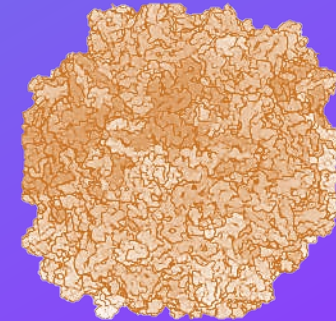
Large Biologics



Monoclonal antibody

~145 kD

Cell & Gene Therapy

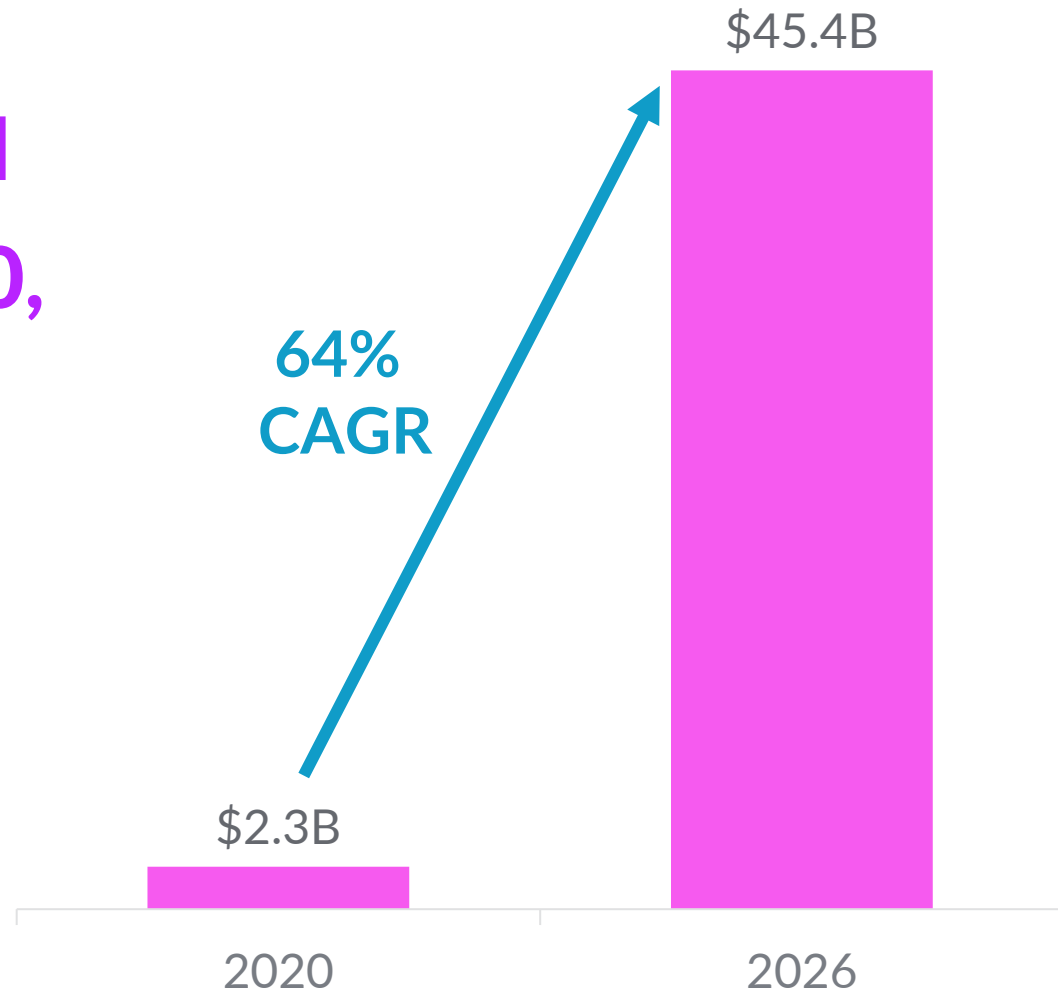


AAV capsid

~4,000 kD

Increasing Complexity

The global Cell & Gene therapy market is expected to grow from \$2.3B in 2020, to \$45.4B in 2026



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

UPSTREAM

DOWNSTREAM

Plasmid Manufacturing & Purification

- 10X T7 Buffer
- WFI Water, Sterile
- Terrific Broth, Complete
- LB Broths
- LB Agar Plates
- Tryptic Soy Broths
- Tryptic Soy Agar Plates
- Brain Heart Fusion Agar Plates

Cell Expansion

- DMEM
- Glucose
- Hanks' Balanced Salt Solution
- Customized Cell Culture Media

Plasmid Transfection

- HEPES
- Transfection Reagents

Viral Vector Production

- Tris, NaCl
- Tris-HCl
- Endonucleases
- Cell Lysis Reagents for AAV

Viral Purification

- Cell Lysis
 - RIPA
 - Tween-20; Triton X-100
- Ultrafiltration & Ultracentrifugation
 - Pluronic F-68
 - PBS
 - Glycerol
- Chromatography
 - Tris Buffers
 - NaCl Solutions
 - PBS

Final Formulation

- Sucrose
- Mannitol
- Sorbitol

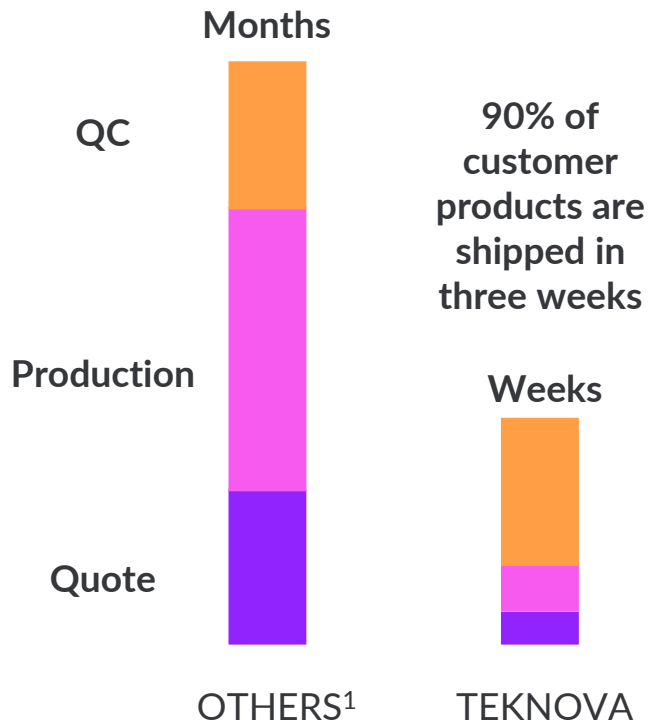
Pre-poured Media Plates

Cell Culture Medium & Supplements

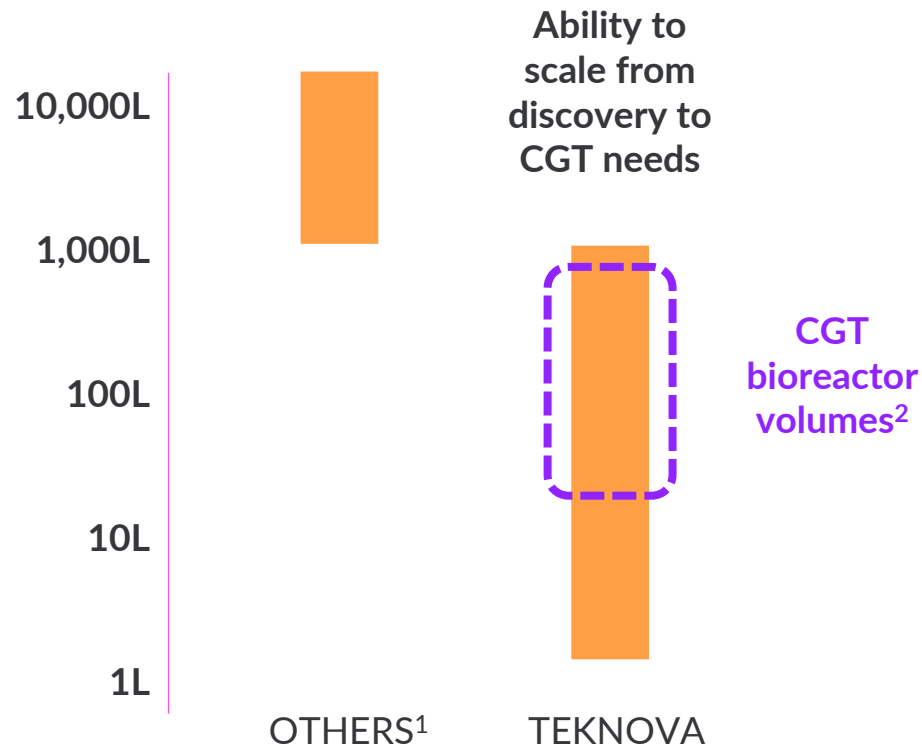
Molecular Biology Reagents

Why we win

Rapid Delivery of Custom Products



Flexible Production Scale



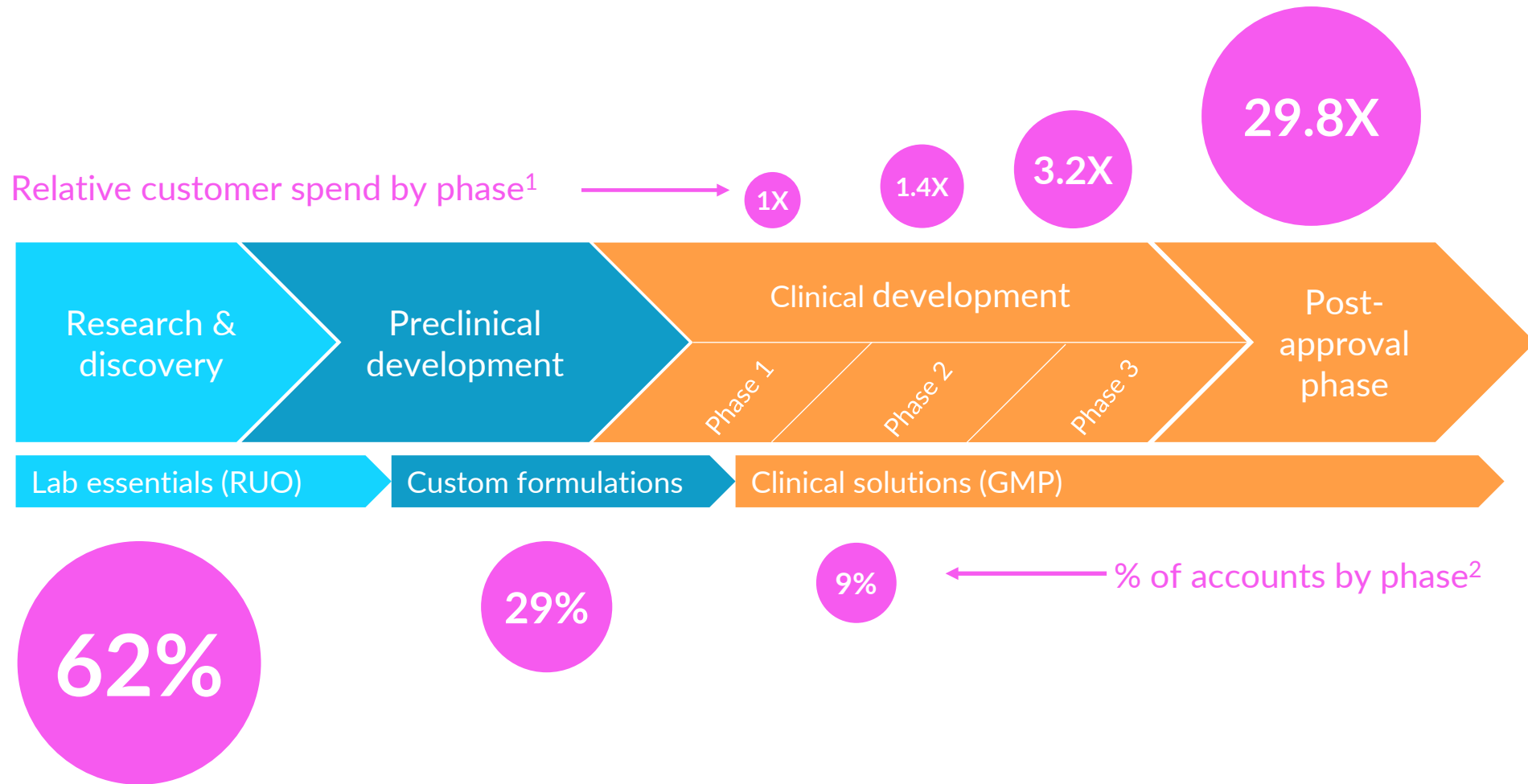
Leader in GMP Bacterial Cell Culture and Protein Purification

- Pre-poured Media Plates
- Cell Culture Medium & Supplements
- Molecular Biology Reagents

¹ Illustrative models based on Teknova's knowledge of competing technologies

² <https://www.biopharminternational.com/view/cell-culture-variables-gene-therapy-vectors>

Teknova is already a supplier to more than 65 leading Cell & Gene therapy organizations



Investing in our growth



**We are investing to
support rapid growth
to revenue of
\$100M+**

**Facilities &
Equipment**

**R&D, Marketing,
Commercial
Capabilities**

**Management &
Workforce**

Systems & Tools

Expanding production capacity five-fold

137,000 ft² facilities in Hollister, CA and Mansfield, MA

- Custom designed clean rooms and automation systems for product formulation and dispensing
- Successful ISO 13485:2016 audit in October 2020

Expanding production capacity five-fold over the next two years

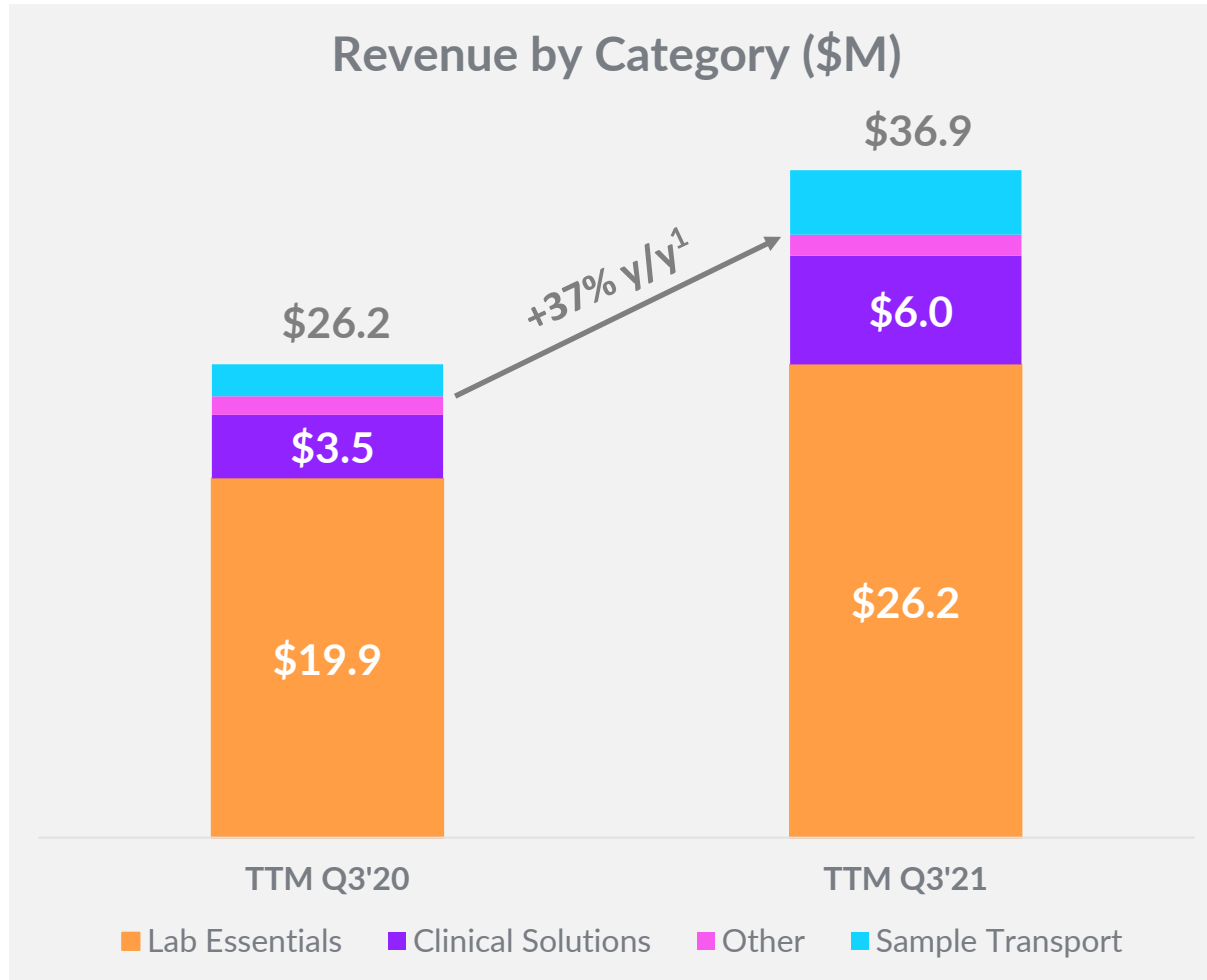
- +30,000 ft² custom designed manufacturing space
- +5,000 ft² of ISO Class 7 GMP clean rooms



Financials



Revenue Highlights



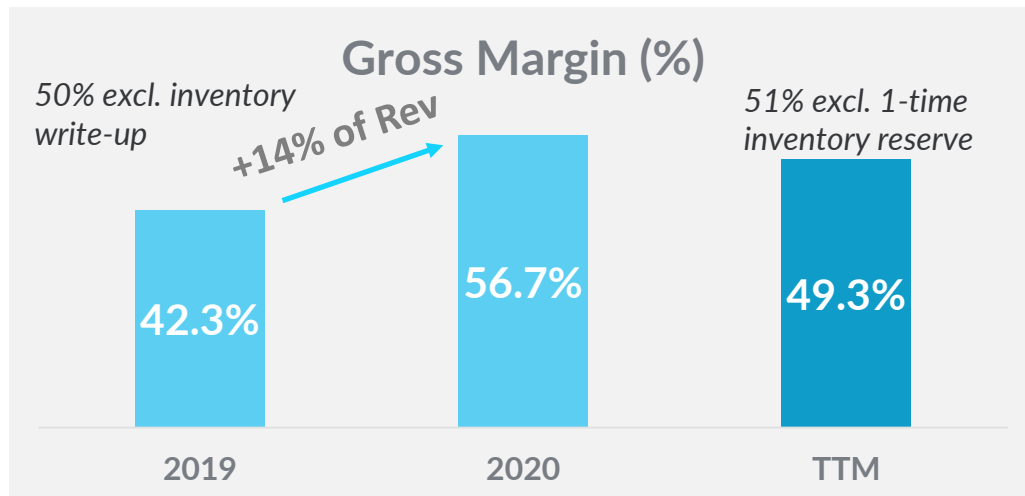
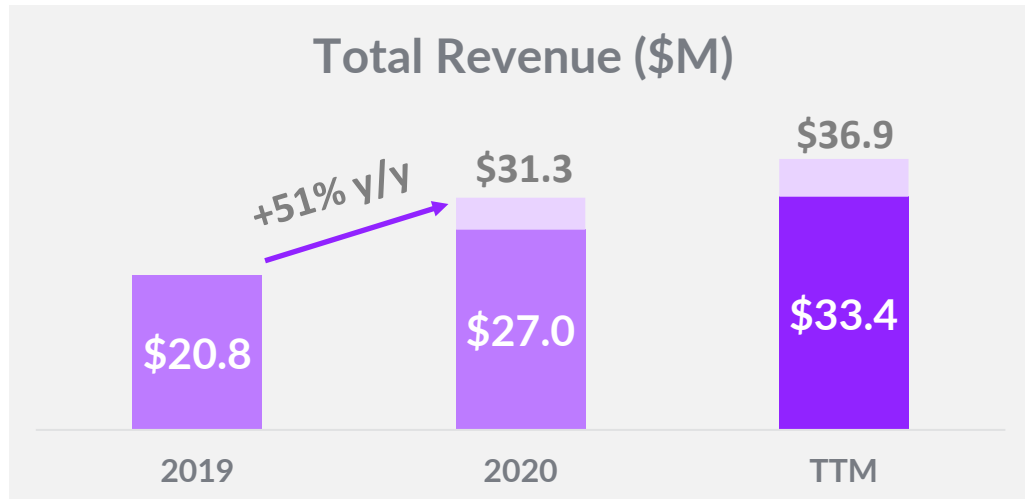
Key Highlights (TTM)

- **Total** revenue up 41% y/y
- Total revenue of \$33.4 million, **excluding** Sample Transport, up 37% y/y
- Strong **Lab Essentials** growth, up 32% y/y
- Strong **Clinical Solutions** growth, up 71% y/y

¹ Excludes Sample Transport Media

Financial Overview

TTM = Trailing Twelve Months Ended September 30, 2021

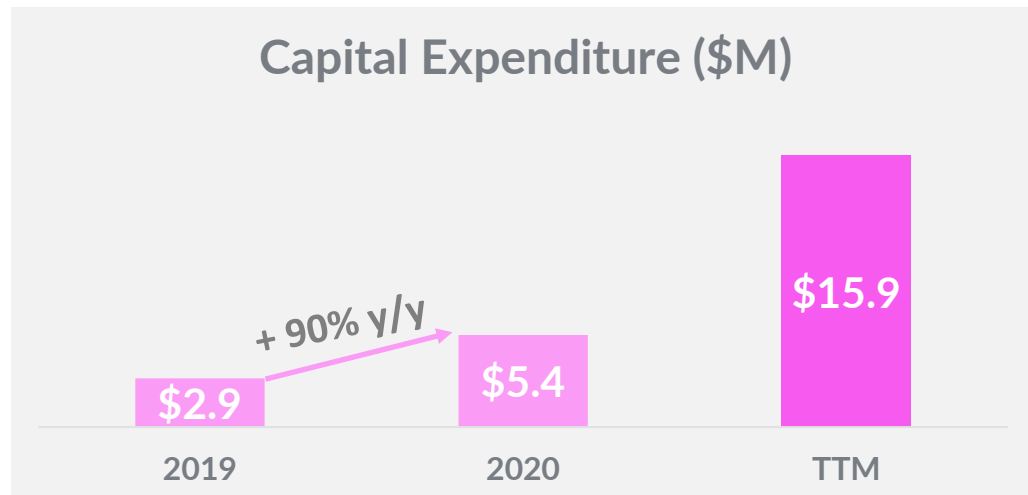
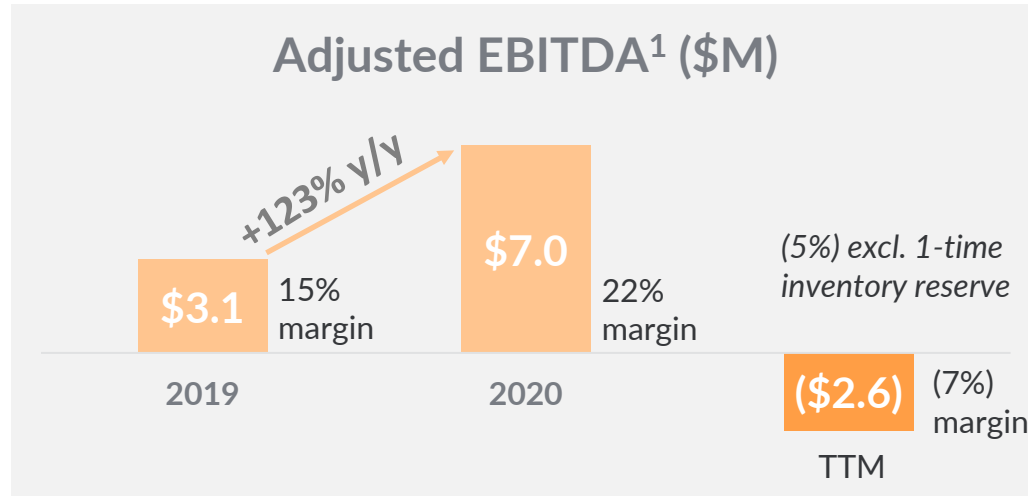


Key Highlights

- TTM Revenue of \$33.4 million, excluding Sample Transport, up 37% vs. prior TTM primarily due to higher avg. revenue per customer and higher avg. number of customers
- Gross Margins down in TTM compared to 2020 at 51% of Revenue, when excluding the one-time reserve for Sample Transport inventory, due to investments in manufacturing capacity and capabilities to support long-term growth

Financial Overview

TTM = Trailing Twelve Months Ended September 30, 2021



Key Highlights

- **Adjusted EBITDA** margins dropped significantly TTM vs. 2020 due to lower gross margins and investments in commercial, R&D, executive team plus new public company costs
- **Capital Expenditures** rose nearly 3-fold TTM vs. 2020 due to substantial investments in new GMP manufacturing facility, manufacturing capacity / efficiency and a new R&D laboratory

Our value creation path

2019 – 2022:

**Invest to scale in operations,
commercial, and R&D**

2023+:

**Deliver sustainable, above-market
growth, and profitability**

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Target model

**Sustainable 25%+
Revenue growth**

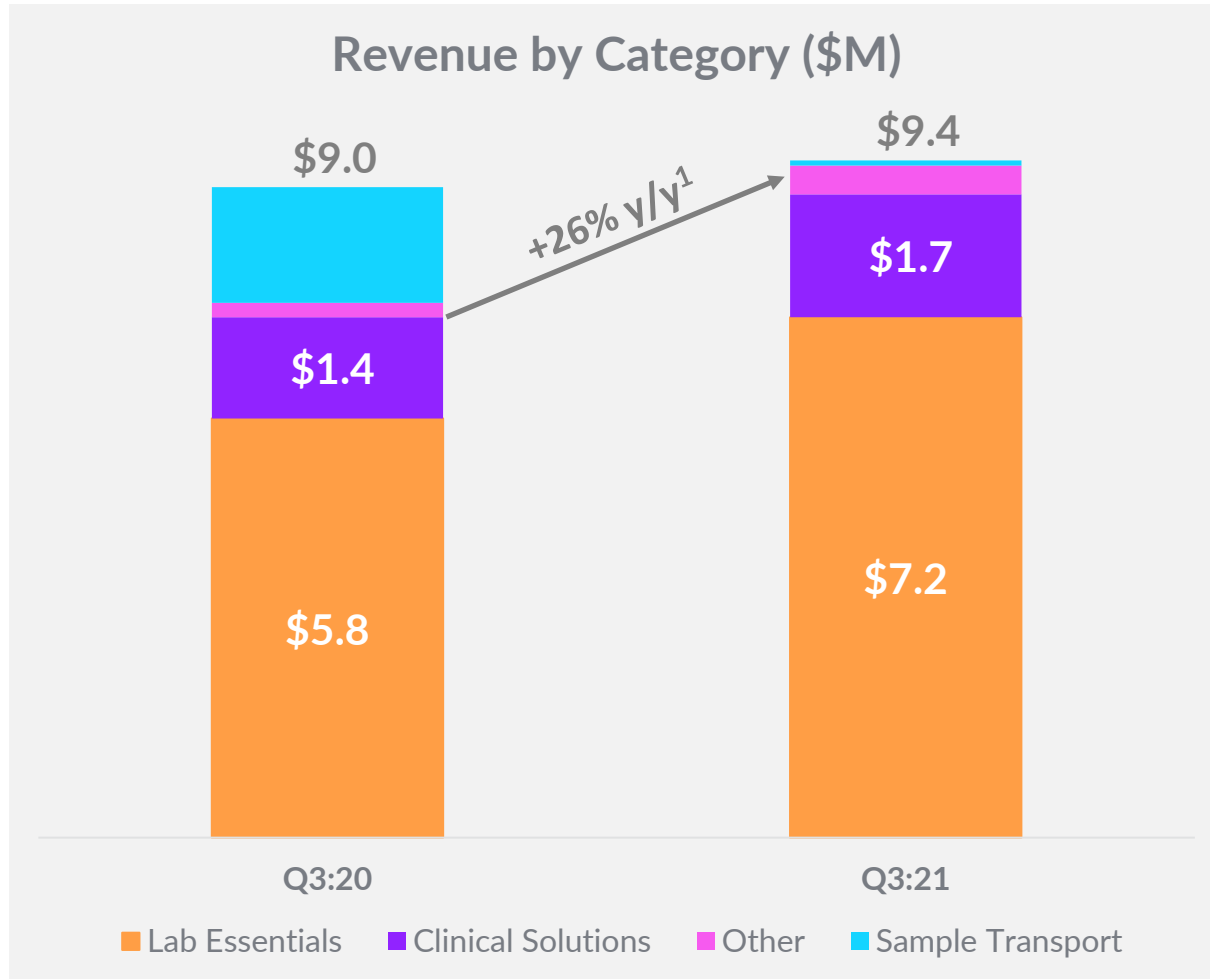
65%+ Gross Margin

**25-30% Adjusted
EBITDA Margin**

Q3:2021 Financial results



Q3:2021 Revenue Highlights

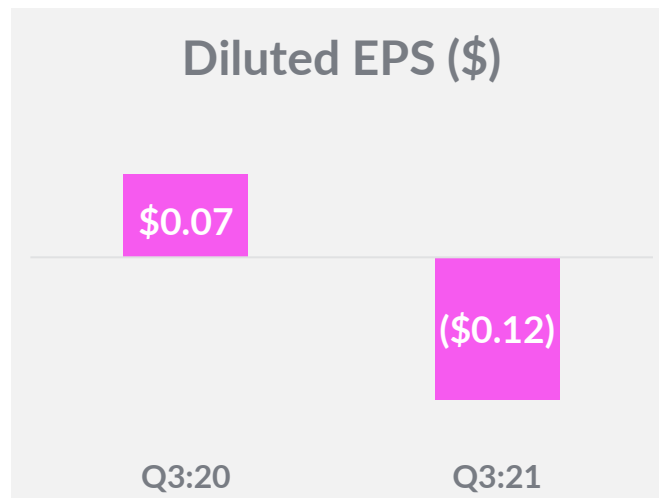
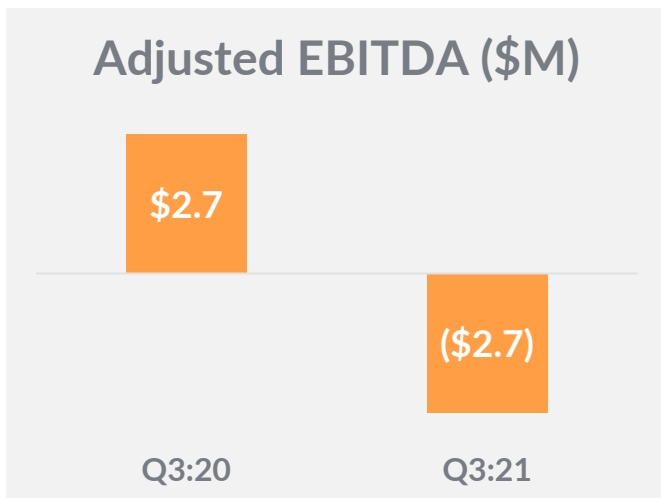
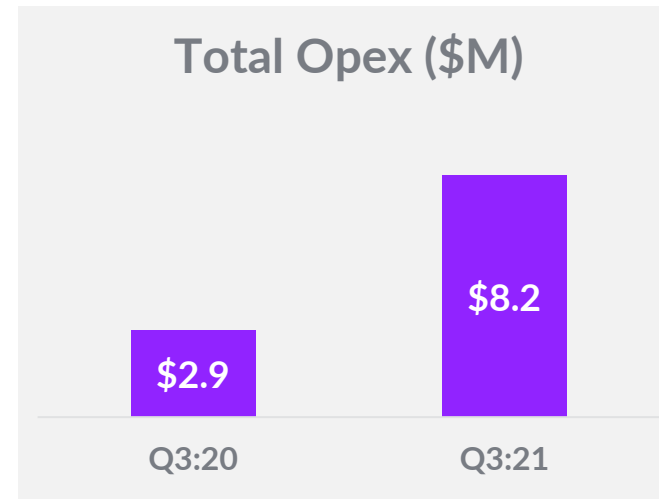
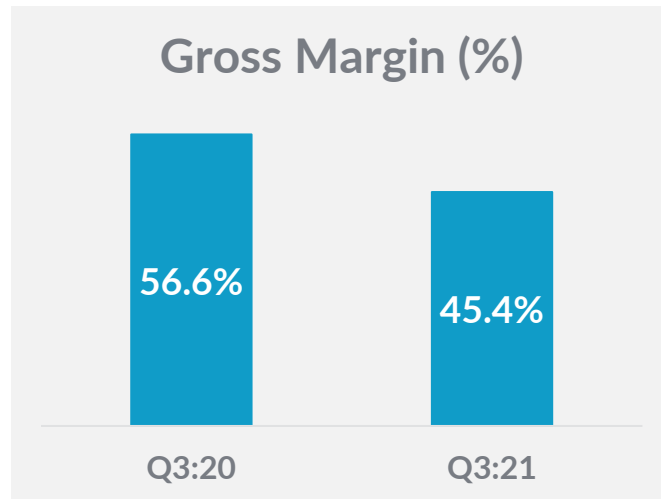


Key Highlights

- **Total** revenue up 5% y/y
- Total revenue of \$9.3 million, **excluding** Sample Transport, up 26% y/y
- Strong **Lab Essentials** growth, up 24% y/y
- Strong **Clinical Solutions** growth, up 25% y/y

¹ Excludes Sample Transport Media

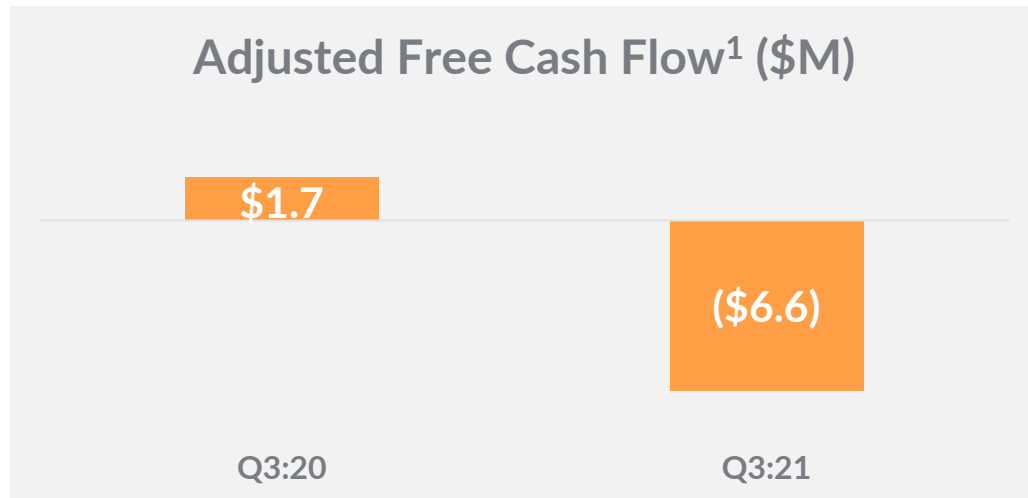
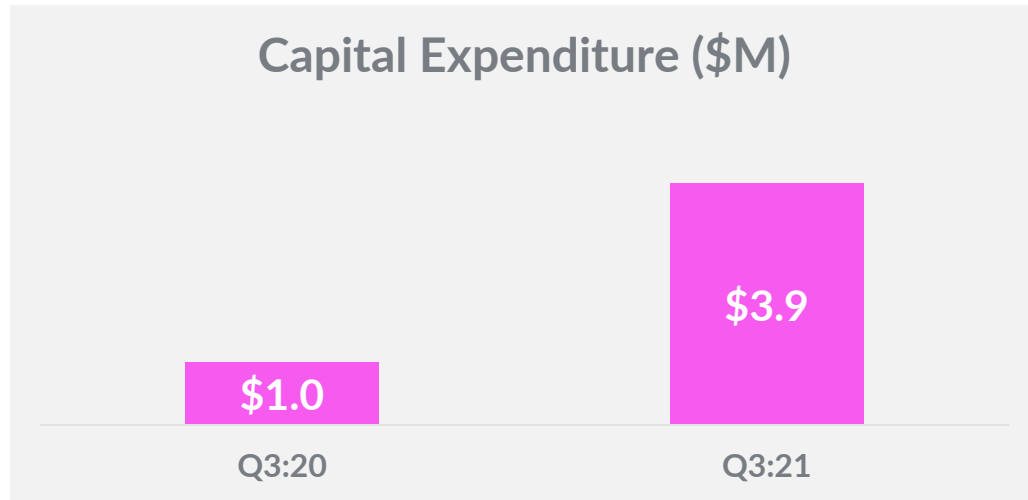
Q3:2021 Income Statement Highlights



Key Highlights

- **Gross Margins** were down due to higher costs associated with investments in manufacturing capacity and capabilities to support long-term growth
- **Opex** up 178% y/y due to in commercial, R&D and leadership team plus ↑ professional expenses
- Swung from **Adj. EBITDA** profit to loss due to lower Gross Margins and higher Opex

Q3:2021 Cash Flow & Balance Sheet Highlights



Key Highlights

- Significant **Capital Expenditures** on facilities and equipment:
 - New GMP facility
 - Capacity / efficiency in current facilities
 - R&D lab
- **Adjusted Free Cash Flow** turned negative y/y due to higher CapEx investments and negative Adj. EBITDA

**Cash and Cash Equivalents as of
September 30, 2021: \$98.0 M**

¹ Adjusted Free Cash Flow equals Adjusted EBITDA less Capital Expenditures



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Non-GAAP Reconciliations



Non-GAAP Reconciliations

ALPHA TEKNOVA, INC.
Reconciliation of Non-GAAP Measures to the Most Comparable GAAP Measures
(Unaudited)
(In thousands)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Net (loss) income – as reported	\$ (3,251)	\$ 1,533	\$ (6,156)	\$ 2,993
Add back:				
Interest (expense) income, net	(255)	19	(553)	74
(Benefit from) provision for income taxes	(892)	636	(1,640)	922
Depreciation expense	461	254	1,239	612
Amortization of intangible assets	287	287	861	861
EBITDA	\$ (3,140)	\$ 2,691	\$ (5,143)	\$ 5,314
Other and one-time expenses:				
Stock-based compensation expense	442	31	927	31
Adjusted EBITDA	\$ (2,698)	\$ 2,722	\$ (4,216)	\$ 5,345
Less: capital expenditures	(3,907)	(1,016)	(12,465)	(1,969)
Adjusted Free Cash Flow	\$ (6,605)	\$ 1,706	\$ (16,681)	\$ 3,376
Addback: capital expenditures	3,907	1,016	12,465	1,969
Less: total other and one-time expenses	(442)	(31)	(927)	(31)
Less: total interest, taxes, depreciation and amortization expenses	(111)	(1,158)	(1,013)	(2,321)
Net (loss) income – as reported	\$ (3,251)	\$ 1,533	\$ (6,156)	\$ 2,993
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities, net	321	1,101	2,381	3,455
Changes in operating assets and liabilities, net	(1,907)	(4,259)	(2,212)	(6,377)
Cash (used in) provided by operating activities	\$ (4,837)	\$ (1,625)	\$ (5,987)	\$ 71