



Fiscal 2020 3Q Financial Results

August 6, 2020

Agenda



Welcome

Jim Thorburn
Chief Financial Officer

Quarterly Highlights

Emily Leproust
Chief Executive Officer

Financial and Operational Performance

Jim Thorburn
Chief Financial Officer

Pipeline & Milestones

Emily Leproust
Chief Executive Officer

Q&A Session





This presentation contains forward-looking statements. All statements other than statements of historical facts contained herein are forward-looking statements reflecting the current beliefs and expectations of management made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including, but not limited to, Twist's expectations regarding its future financial performance, the impact of the COVID-19 pandemic on Twist's future financial performance, Twist's ability to address the challenges posed by the business and economic impacts of COVID-19 pandemic, diversification and revenue growth across all product categories, introduction of new products, the use of our products by the healthcare sectors for the potential detection and treatment of diseases, and expectations regarding newly announced partnerships. Such forward-looking statements involve known and unknown risks, uncertainties, and other important factors that may cause Twist's actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the risks and uncertainties of the duration, extent and impact of the COVID-19 pandemic, including any reductions in demand for our products (or deferred or canceled orders) globally or in certain regions; the ability to attract new customers and retain and grow sales from existing customers; risks and uncertainties of rapidly changing technologies and extensive competition in synthetic biology could make the products Twist is developing obsolete or non-competitive; uncertainties of the retention of a significant customer; supply chain and other disruptions caused by the COVID-19 pandemic or otherwise; risks of third party claims alleging infringement of patents and proprietary rights or seeking to invalidate Twist's patents or proprietary rights; and the risk that Twist's proprietary rights may be insufficient to protect its technologies. For a further description of the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to Twist's business in general, see Twist's risk factors set forth in Twist's Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) on December 13, 2019 and subsequent filings with the SEC. Additional risk factors may be described in the "Risk Factors" section of Twist's Quarterly Report on Form 10-Q to be filed with the SEC on or about August 7, 2020. In addition, many of the foregoing risks and uncertainties are, and could be, exacerbated by the COVID-19 pandemic and any worsening of global or regional business and economic environment as a result. We cannot at this time predict the extent of the impact of the COVID-19 pandemic and any resulting business or economic impact, but it could have a material adverse effect on our business, financial condition, results of operations and cash flows. Any forward-looking statements contained in this presentation speak only as of the date hereof, and Twist Bioscience specifically disclaims any obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise. In addition to the US GAAP financials, this presentation includes certain non-GAAP financial measures. These non-GAAP financial measures are in addition to, not a substitute for or superior to, measures of financial performance prepared in accordance with the US GAAP. A reconciliation of non-GAAP financial measures to GAAP financial measures is contained on page 5.

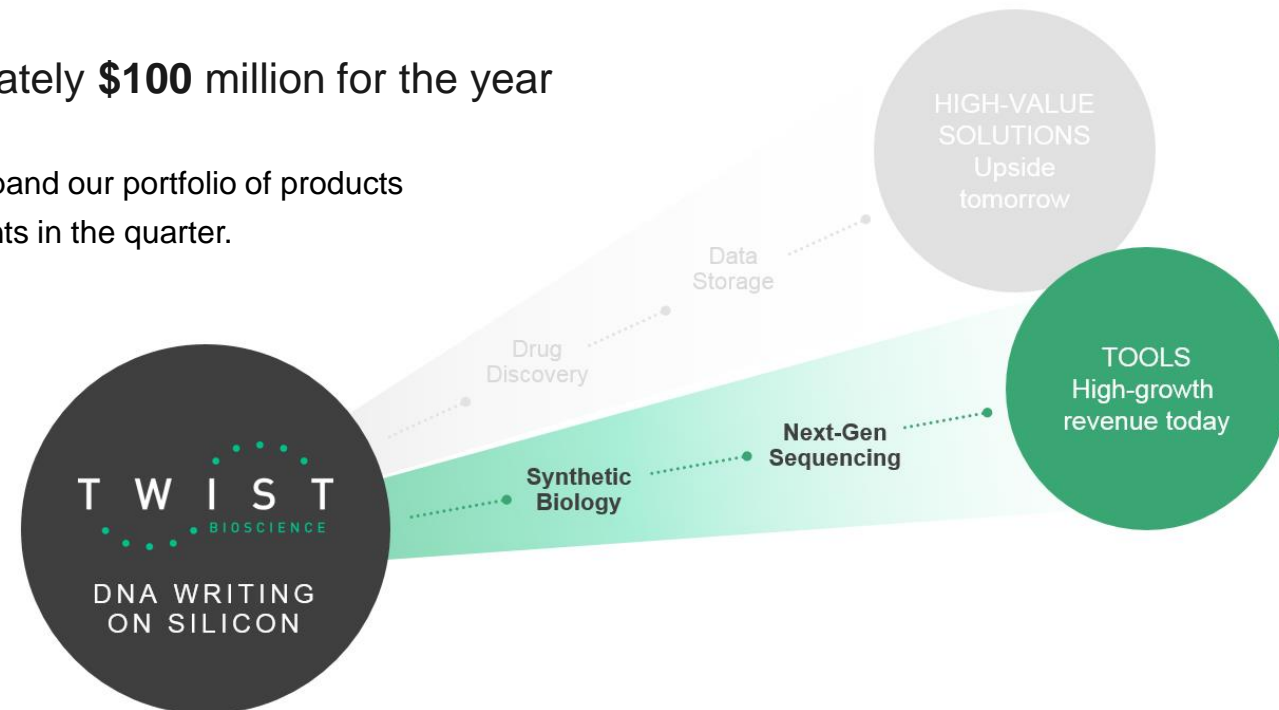
3Q Highlights – Continuing to Deliver Strong Results



Our disruptive silicon-based technology platform continues to enable us to expand our footprint among existing markets, while concurrently responding to pressing market needs, including the fight against the COVID-19 pandemic.

- Reported **\$21.2** million in revenue for the fiscal 3Q 2020
 - Resulting from strong synbio and NGS sales as well as initial revenue from biopharma partnerships
- **\$24.7** million in orders; continued order run rate of approximately **\$100** million for the year
 - Customers are impacted by COVID
 - Continue to expand our pipeline of opportunities, # of customers and expand our portfolio of products
 - \$1.1M in biopharma orders and announced 3 new partnership agreements in the quarter.
- Gross margin of **22%** (Normalized to 26.4%*)
 - Shelter in place compensation
 - Underutilized capacity on new product launched in Q3

*Normalized gross margin is a non-GAAP financial measure. See page 5 for a reconciliation to the most directly comparable GAAP financial measure.



Reconciliation of Normalized Gross Margin to GAAP



Three Months Ended	June 30, 2020
Revenue	\$ 21,207
Cost of Revenue	\$ 16,472
Gross Profit	\$ 4,735
Shelter in Place Compensation	\$ 871
Non-GAAP Profit	\$ 5,606
Non-GAAP Margin %	26.4%
Non-GAAP Gross Margin excluding shelter in place compensation included in Cost of Revenue	

Recent Progress

- \$11.8M revenue (\$2.8M from Ginkgo)
- \$14.9M orders, recovering from shutdown of academic labs
- Increasing opportunity from healthcare customers, in addition to industrial chemicals customers
- DNA preps launch allows Twist to become a “one-stop shop” for synthetic DNA products
- Opportunities to pursue DNA maker, supporting growth in the long tail (customers that need a few genes at a time)

Next Steps

- Launch IgG product line
- Launch clonal-ready gene fragments for the long tail in calendar 2020

Today



Genes

Clonal

Non-clonal

Fragments

DNA preps



Oligo Pools

sgRNA



Variant Libraries

Site saturation

Combinatorial

Roadmap

- IgG
- Clonal-Ready Gene Fragments

Genomics & Targeted NGS Highlights



Responding not only to our existing customers' needs, but also meeting the emerging global needs.

Recent Progress

- \$9.1 million in revenue
 - Includes revenue from infectious disease products for respiratory diseases and COVID-19
- Currently offer 7 SARS-CoV-2 controls, 15 controls for a wide range of respiratory diseases
- Launched the Twist Respiratory Virus Research Panel to detect the most common respiratory diseases
- YTD orders \$30.3M, some orders pushed out
 - A few key customers pivoted ops to solely PCR-based tests for COVID-19
 - FAS not able to enter labs for training and support
 - Large volume orders impacted by uncertain market conditions for customers
 - **We believe fundamentals have not changed; in light of COVID-19, diagnostic tools will become even more important in the medium and long term**

Today



Human Core Exome



Fixed Panels



Custom Panels



Library Preparation



Reagents and Kits



Synthetic Viral Controls

Roadmap

- Oncology
- SNP Microarray Conversion to NGS
- Methylation

Significant Progress in Biopharma Vertical



Biopharma

Partnerships

- Partnership announced with Takeda for access to Twist's proprietary phage display libraries
- Two new agreements with Invetx and Seismic Bio
- Total of **nine** new biopharma collaborations (not all disclosed) in 2020
 - **Six** have milestones and/or royalties in the terms

Internal Development

- Launched two new SARS-CoV-2 antibody panels designed for research use through our eCommerce portal
- Characterized and tested many antibodies against SARS-CoV-2 and ACE2
- Identified 30 neutralizing in pseudoviral testing
- Awaiting live virus neutralization results from on-going test at 3 sites



DNA Data Storage: On Track



- Important technical breakthroughs that we believe will further facilitate miniaturization of our silicon technology
- Remain on track with the internal goals we have set for ourselves



				vs. HARD DRIVE
Commercial Goal	\$1000 / Mb	\$1000 / Gb	\$100 / Tb	\$125 / \$25 / Tb
Engineering Goal	50μm	1μm	50-100nm	2nm / 3nm



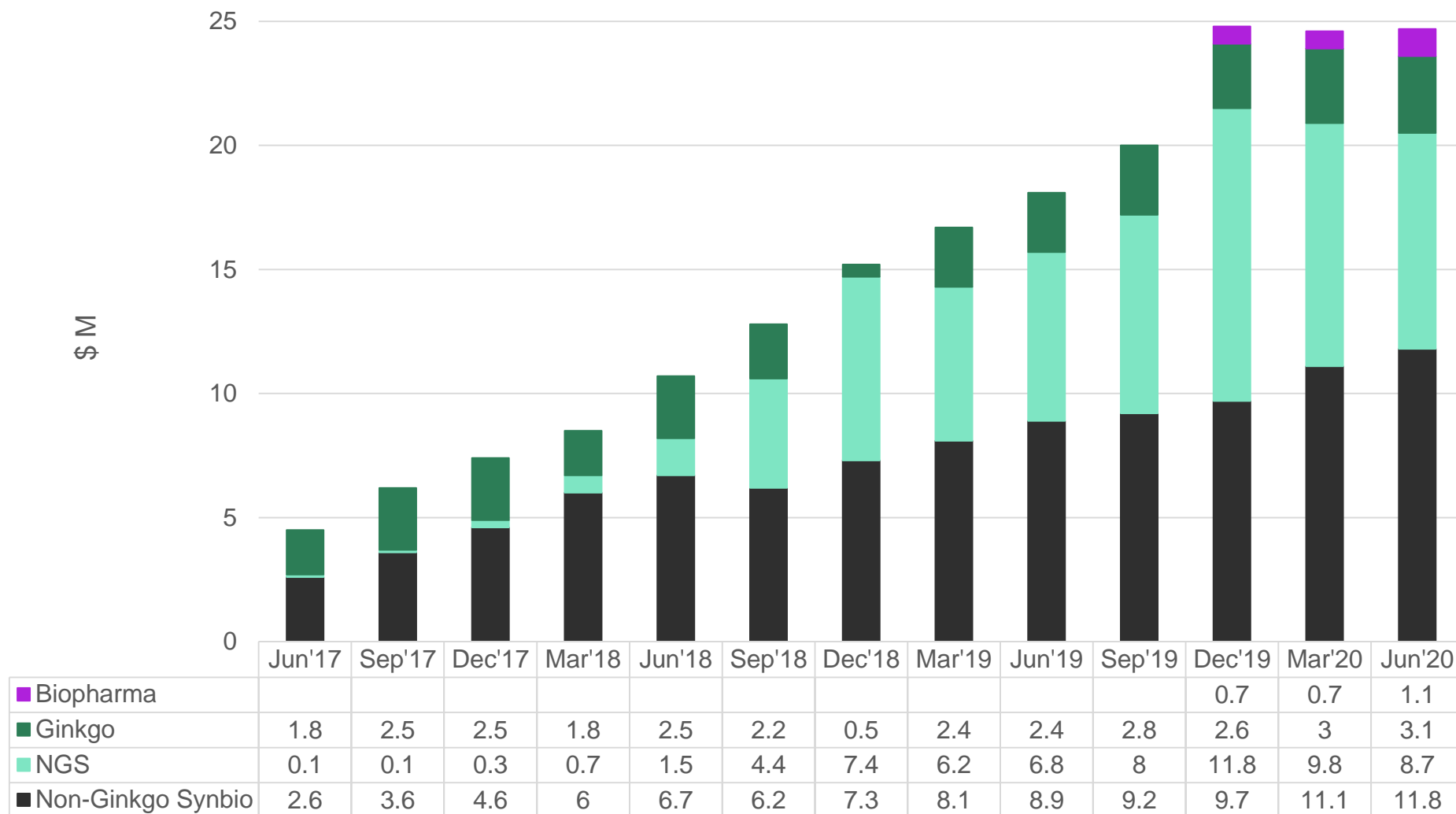
Funding

Non-dilutive IARPA \$2.5M / yr

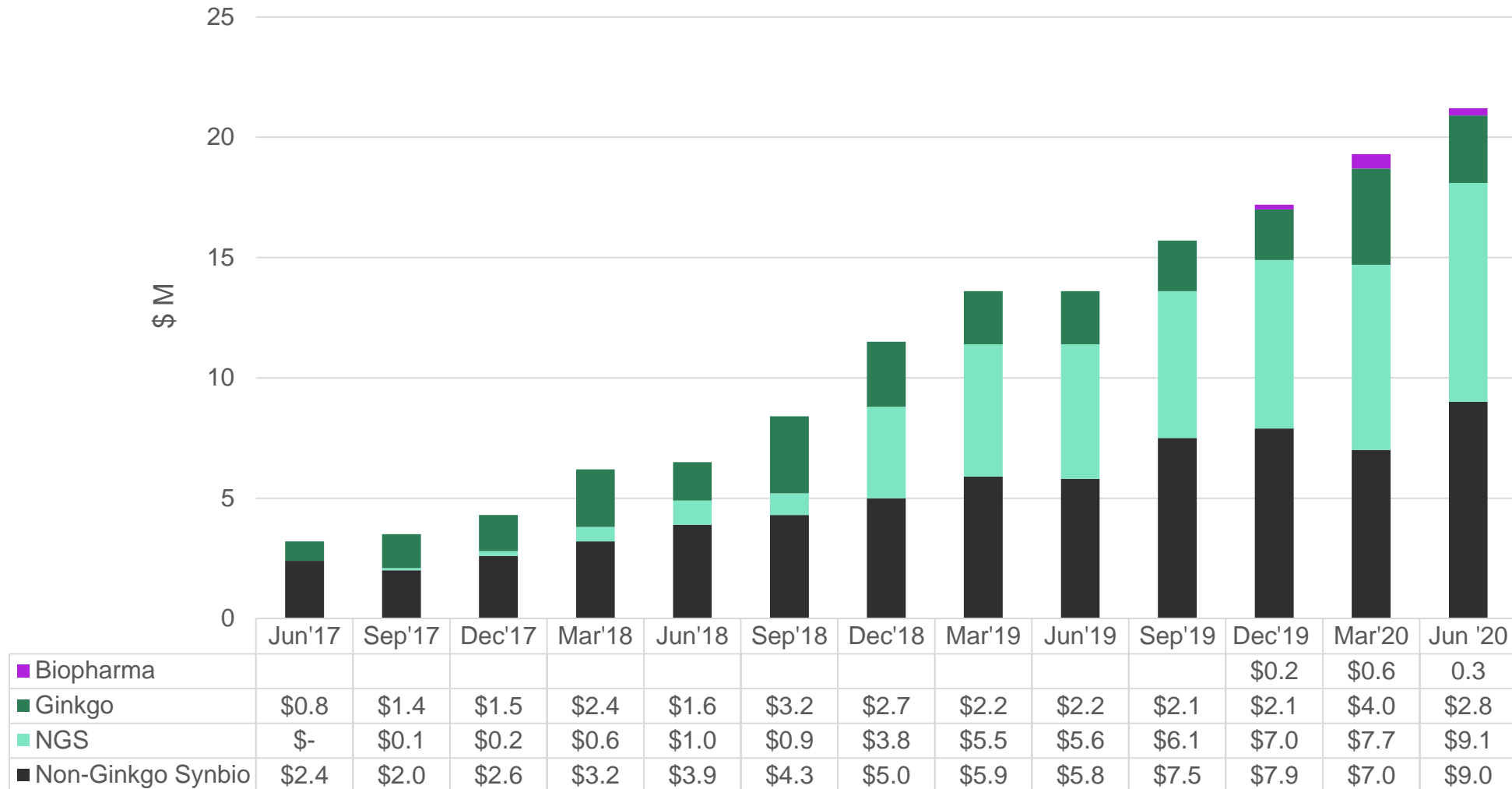
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Twist \$2.5M / yr +

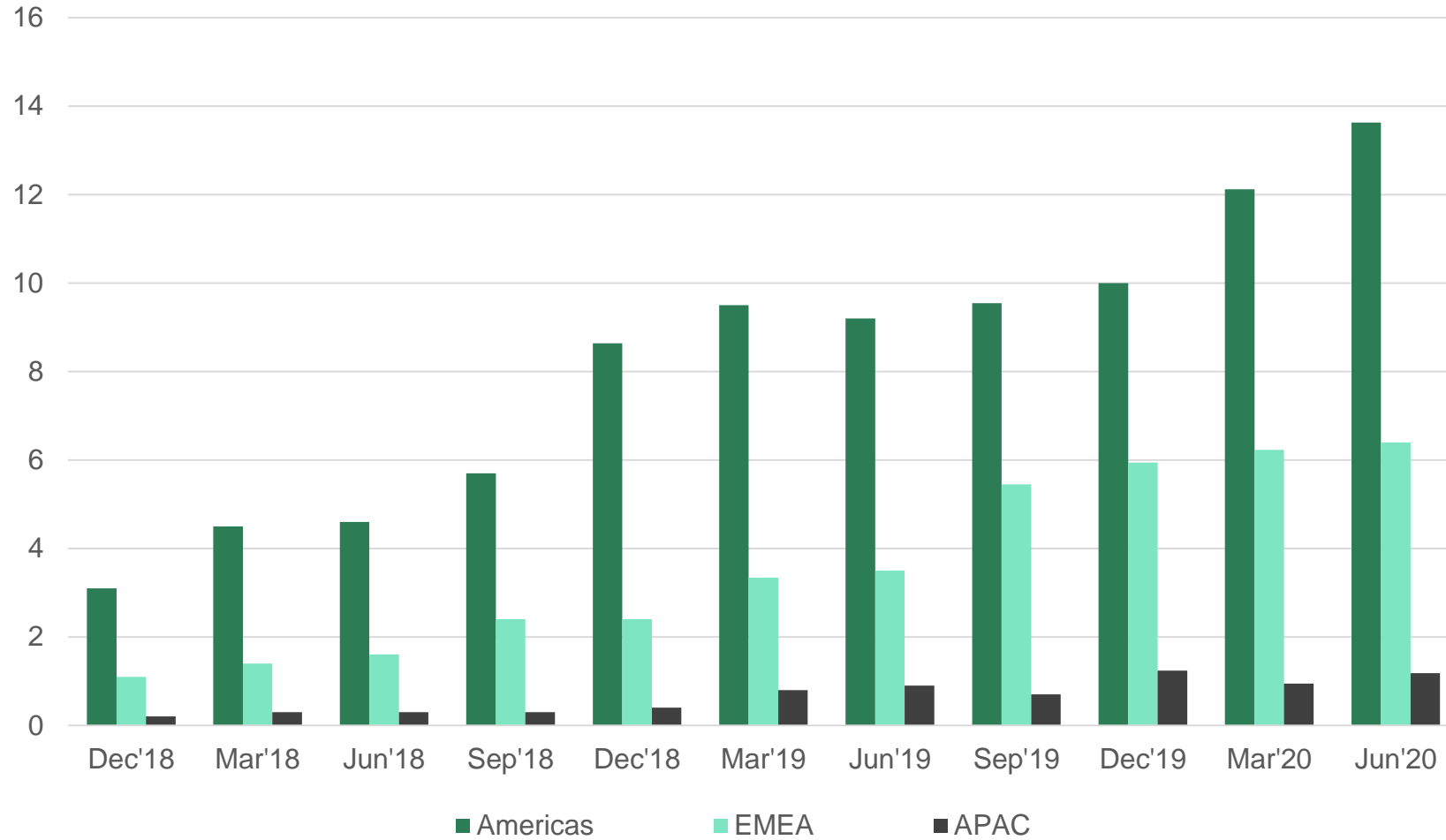
Strong Order Growth



Strong Revenue Growth



Revenue by Geography



Fiscal 3Q Financial Highlights

Revenue: \$21.2M (sequential growth of 10%; in excess of 50% YoY growth; both synbio and NGS grew sequentially)

Orders: \$24.7M (slight sequential growth)

Gross Margin positive at 22%

Customers: 1,377 ordering during 3Q and 1,900 fiscal year to date

R&D: \$10.4M

SG&A: \$22.5M

Net Loss: \$28.2M

Ended quarter with \$311.8M cash and short-term investments, continuing to invest in our platform, tap into new revenue streams to deliver growth. Consistent with last quarter, we are not providing financial guidance for the rest of the fiscal year, due to the unpredictable impact, both positive and negative, of the ongoing COVID-19 global pandemic on our results of operations. We anticipate continued growth, but we do not anticipate dramatic increases or decreases in revenue as a result of COVID-19 for 4QFY20.

Delivering on Our Plan



2019

What we said we'd do

5Kb gene, Twist API
revenue diversification



ISO certification, ecommerce platform,
pilot conversion to full production



Early POC, 2 collaborations



Proof-of-concepts, increase density,
CMOS chip



Positive gross margin



SYNBIO

NGS

BIOPHARMA

DATA STORAGE

OPERATIONS

2020

Goals for 2020



Revenue growth and diversification,
new products, enhanced ecommerce



Continued pilot, SNP conversion, products
for liquid biopsy, oncology



Continued POC data packages, results for
collaborators, 5-10 new collaborators



Execute on IARPA



Increased gross margin, completion of new
writer introductions, improved TAT on genes



Writing the Future



Large, growing markets

Platform for writing DNA on silicon

Portfolio of high growth businesses

Differentiated value proposition

High, consistent revenue growth

Track record of execution and innovation

