



# Fiscal 2021 1Q Financial Results

February 4, 2021

# 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



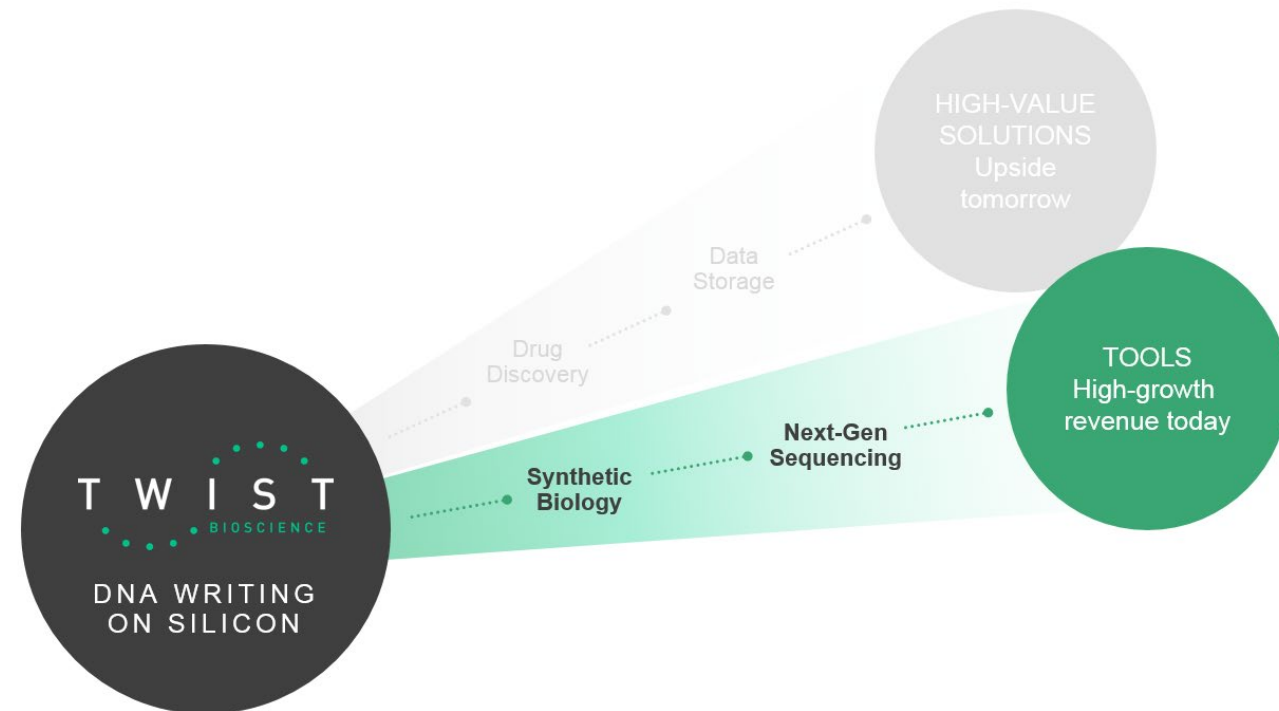
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# 1Q Highlights – Continued Execution & Innovation



*Continuing to apply the power of our DNA synthesis platform to develop innovative solutions for our customers in a wide range of markets, including chemicals, agriculture, healthcare, academia, and even data storage.*

- Beat first quarter guidance of \$25 to \$26M, with a reported revenue of \$28.2M for fiscal 1Q 2021
- Significant YoY growth of 64%
- Trailing 4-quarter run rate of \$100 million



# Synthetic Biology Highlights



## Recent Progress

- \$11.5M revenue in fiscal 1Q
- Recent Progress
  - Expanded product line specific to pharma/biotech customers
  - Introduced DNA preps; commercial launch ramping nicely
  - Working to increase production of IgG and roll out more broadly

### Factory of the Future

- ❖ Next evolution on platform, launching in 2022
- ❖ Expect doubling of current capacity
- ❖ Additional differentiation, including faster turnaround time for all products

## Today



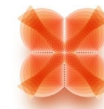
### Genes

Clonal  
Non-clonal Fragments  
DNA preps  
IgG\*  
Clonal-ready gene fragments



### Oligo Pools

sgRNA



### Variant Libraries

Site saturation  
Combinatorial

## Roadmap

- Building B2B Capabilities to Expedite Order Placement
- “Factory of the Future”

*\*Initial early access customers*

# Robust Growth in Genomics & Targeted NGS









*Going forward, we expect revenue from our SynBio and NGS business to be approximately equal*

## Recent Progress

- \$15.6 million in revenue for fiscal 1Q
  - NGS revenue exceeded SynBio
  - Single customer \$4.5M order for liquid biopsy in clinical trials
  - NGS revenue somewhat concentrated with a fair portion coming from customers in the liquid biopsy space
- COVID-19 Updates
  - The CDC included our SARS-CoV-2 controls in their Flu SC2 test, which screens for influenza A, influenza B, and COVID-19
  - Launched controls to cover the B.1.1.7 variant strain of COVID-19; additional controls forthcoming

## Today

-  Human Core Exome
-  Fixed Panels
-  Custom Panels
-  Library Preparation
-  Reagents and Kits
-  Synthetic Viral Controls

## Roadmap

- Oncology
- Continued SNP Microarray Conversion to NGS
- Methylation (broad launch)

# Significant Progress in Biopharma Vertical



*Continuing to advance work through our partnerships as well as antibodies against internal targets*

## Partnerships

- Two technology agreements signed in January 2021: Serotiny & Applied StemCell Inc.
- Funnel remains full, with several agreements beyond the term sheet stage

## Internal Development

- Pursuing the development of several antibodies to specific therapeutic targets
  - Identified a potent antibody antagonist, TB206-001 to ADORA2a, an immunology target in the adenosine pathway that we believe could be an important complement to checkpoint inhibitors; exploring out-licensing opportunities
  - Excluding ADORA2a, identified additional key targets for antibody discovery where we believe our biopharma platform can generate differentiated antibodies



# DNA Data Storage:

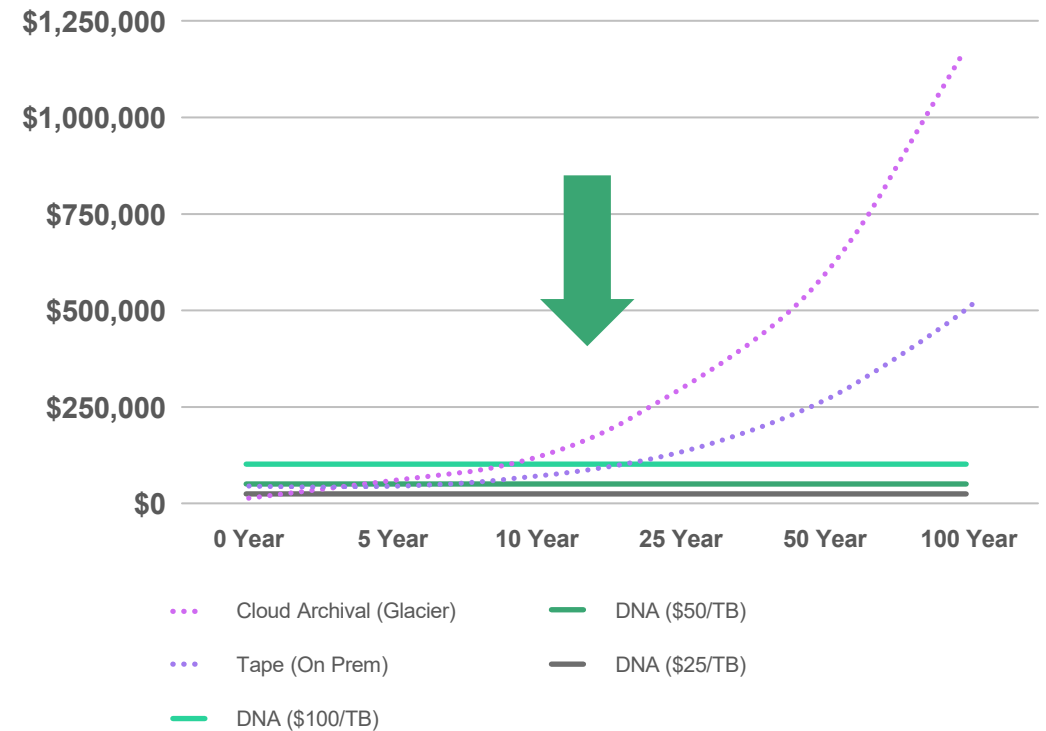
## Cost for Digital Film Preservation



- As resolution increases, films and tv episodes get more expensive to store, and each additional copy multiplies the cost
- DNA copies are almost free due to the PCR process
- Cost of storage on Tape/Cloud will grow over time due to required data migration while the cost of DNA will remain flat
- When DNA reaches \$100/TB it will be more economical to store any data on DNA if it needs to be preserved for 15+ years

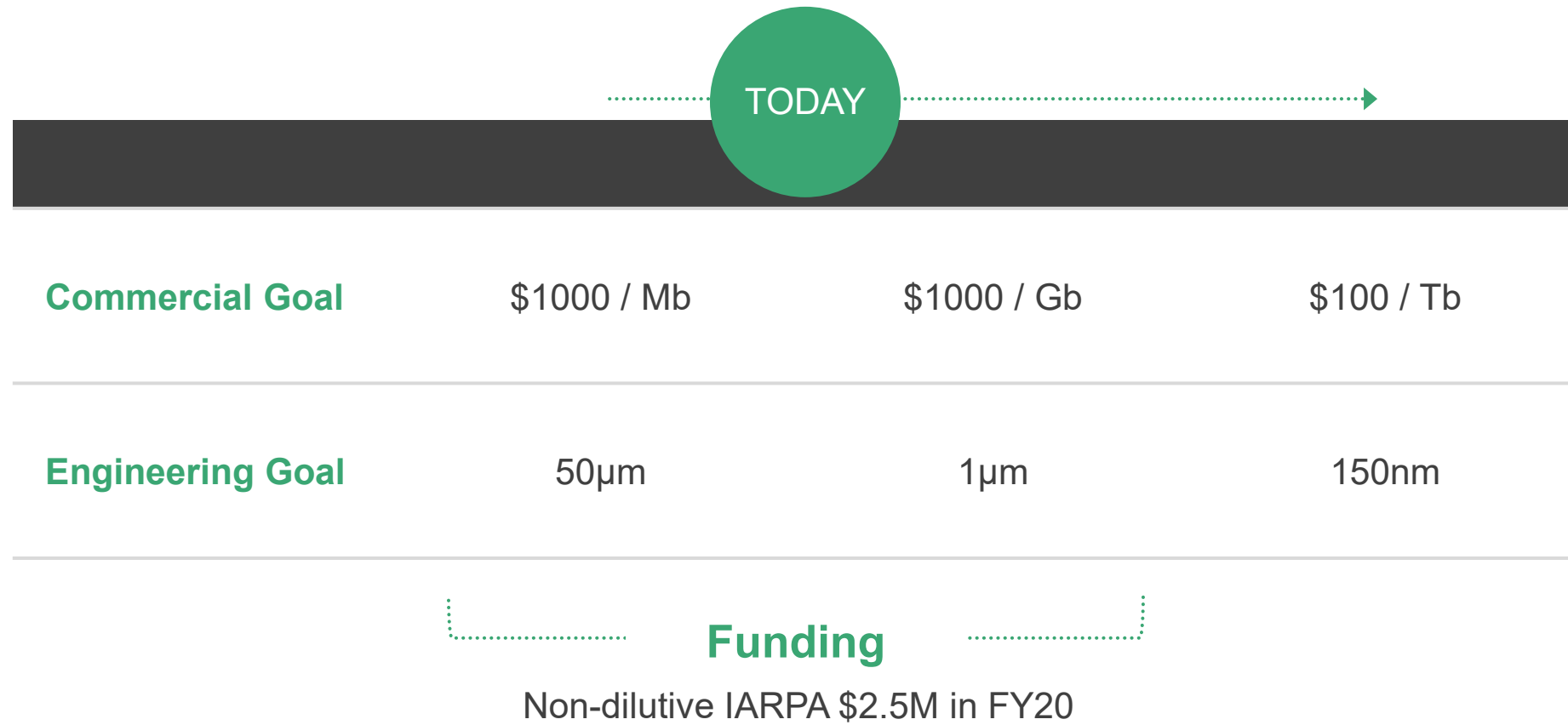
## TCO COMPARISON

TCO Analysis for Cloud Archival (Glacier Deep Archive), Tape (On-Prem) and DNA for 1 PB

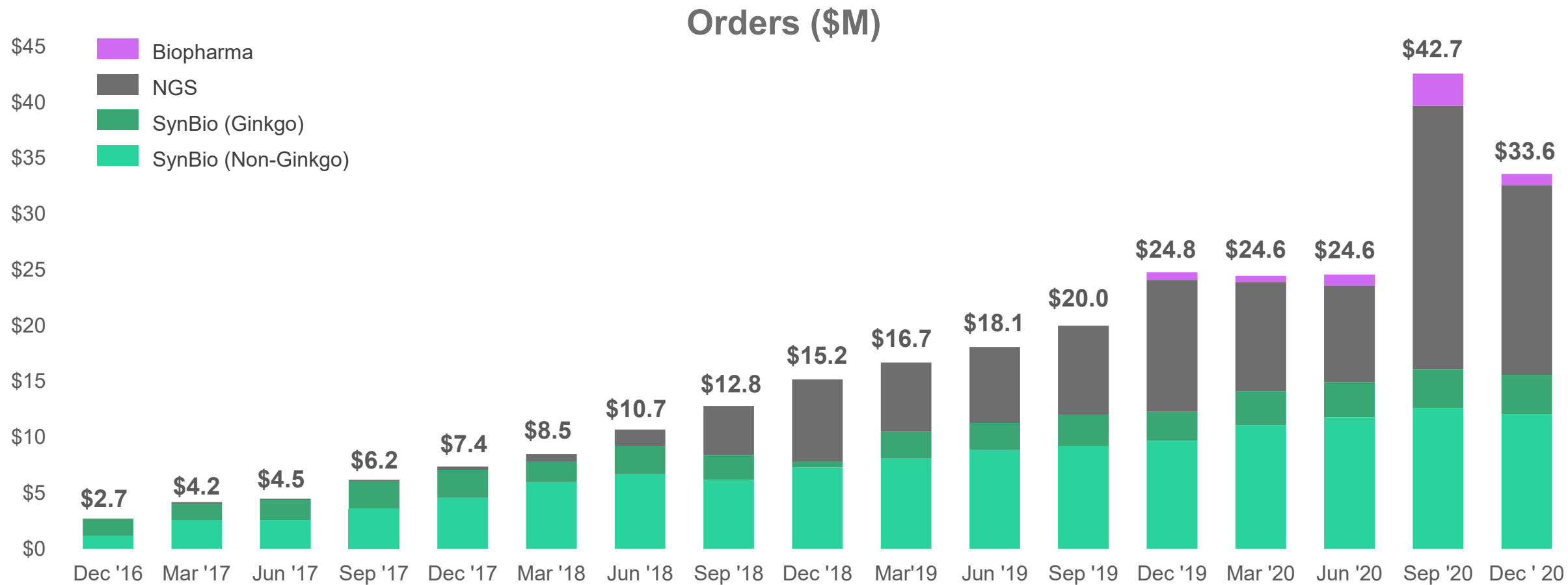




# DNA Data Storage: Continued Innovation

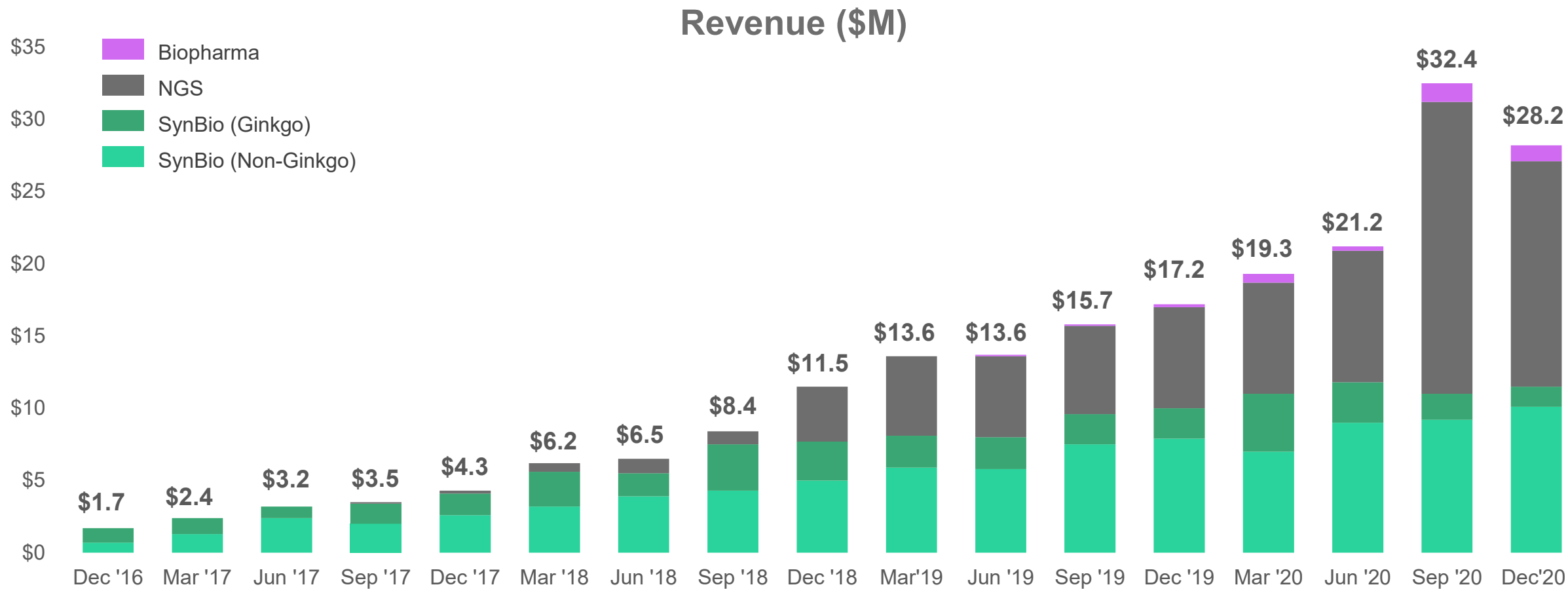


# Quarterly Order Growth



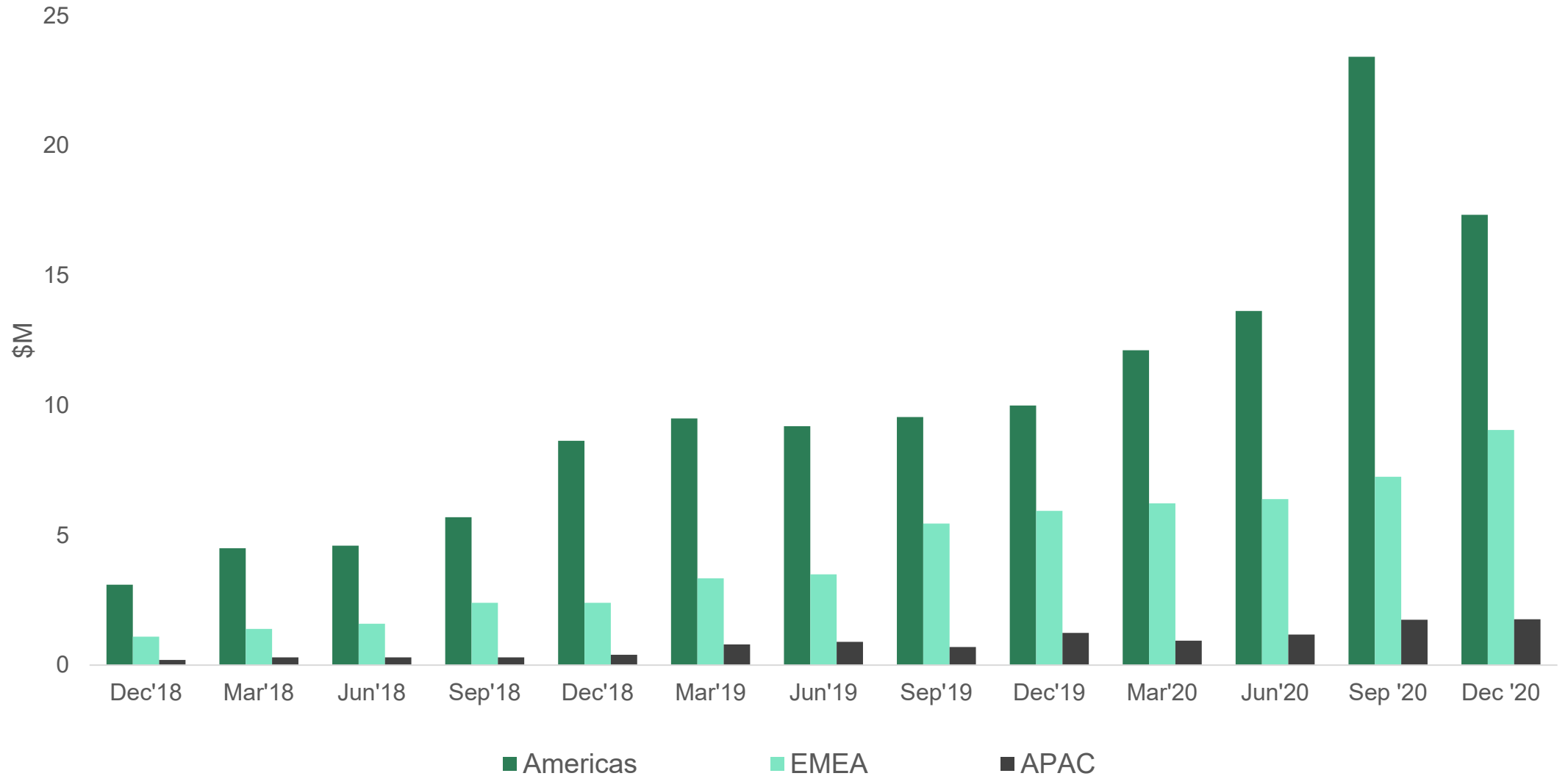
FY Ends September 30

# Quarterly Revenue Growth



FY Ends September 30

# Revenue by Geography



# Additional Financial Commentary



## Fiscal 2021 Q1 Financial Highlights



Revenue: \$28.2M

Orders: \$33.6M

Gross Margin : 35.5%

Customers: ~1500 ordering during Q1

R&D: \$14.0M

SG&A: \$28.8M

Net Loss: \$32.9M

Cash position: \$587.3M

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## 2021 Guidance



Expected Revenue: \$110M - \$118M

Expected Gross Margin: ~32-34%

Net Loss: \$142M - \$147M (FY21 investment year)

Capex: \$30M



## SYNBIO

- Continued growth and diversification of revenue stream
- Ramping pharma-focused products, including DNA preps and IgG
- Launch of clonal ready gene fragments
- B2B solutions to allow capture of specific multi-site institutions
- Significant investment in “Factory of the Future”

## NGS

- Continued revenue growth and customer ramping production
- Full launch of methylation solution
- Technical addition of UMIs
- Continued conversion of SNP Microarrays to NGS + sequencing

## BIOPHARMA

- Additional partnerships to expand technology base and generate revenue
- Additional internal pipeline of antibodies, pursuing out licensing opportunities over the next 18 months

## DATA STORAGE

- Drive technology forward, demonstration of 300 nanometer silicon synthesis on 1-micron pitch
- Execute on agreement with IARPA

Expand OEM Strategy



## 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

