



# Fiscal 2019 4Q and Full Year Financial Results

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@TwistBioscience #WeMakeDNA

## 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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By attending or receiving this presentation you acknowledge that you will be solely responsible for your own assessment of the market and our market position and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of our business.

# Fiscal 2019 Highlights



**Fiscal 2019 was a year of innovation and execution.**

- Shipped products to more than 1,300 customers (versus 717 in 2018)
- Reported record revenue of \$54.4 million (more than double the \$25.4 million in 2018)
- Booked \$70 million in orders (versus \$39.4 million in 2018)
- Gross margin positive for the year, validating our business model
  - Solid growth in synthetic biology and exceptional growth in NGS
  - Silicon-based DNA writing platform continues to provide significant advantages not only in our revenue-generating business (synbio and NGS), but also in our biopharma and DNA data storage vertical market opportunities.



# Synthetic Biology Highlights



## Recent Progress

- Shipped 81,000 genes in fiscal 4Q19 (versus 71,000 in fiscal 4Q18)
- Shipped over 288,000 genes in fiscal 2019, and approximately 8 billion bases
- Introduction of key products in fiscal 2019, made possible by continued investment in R&D:
  - ✓ Longer genes, up to 5kb
  - ✓ Long oligonucleotides, up to 300 bases in length
  - ✓ Gene Pool

## Next Steps

- At approximately 10% market share; goal is continued commercial execution to deliver the DNA our customers need
- Plan to introduce product line extensions to meet the needs of large pharmaceuticals companies that require highly specialized DNA in large quantities
- Second product introduction for gene fragment long tail market penetration

# Genomics & Targeted NGS Highlights



## Recent Progress

- Shipped target enrichment products to 180 customers (36 now in production)
- Introduced new fixed panels that support clinical research:
  - ✓ Fast Hyb and 384 UDI adapters
  - ✓ Mouse exome
  - ✓ Mitochondrial panel
  - ✓ MGI sequencer compatibility
- Began with larger customers – now tracking 88

## Next Steps

- Planning product expansions
  - ✓ Liquid biopsy/oncology
  - ✓ Converting the SNP microarray market to NGS

## Growth Trajectory

Single offering of our DNA probes within a target enrichment kit

\$3 million in revenue

- **\$21 million in revenue**
- Robust NGS product line
- Can be integrated with multiple sequencing workflows, both for standard and customized research



# Investments to Support Further Growth



## Biopharma

*We had an idea, and we now have data and are leveraging that into partnerships.*

- Expansion of collaboration with Pandion Therapeutics
- Continued collaboration with LakePharma
- Continue to generate leads and robust data, now having functional antibodies against 7 GPCR targets, to support signing collaborations with potential biotech/pharma partners



## Data Storage

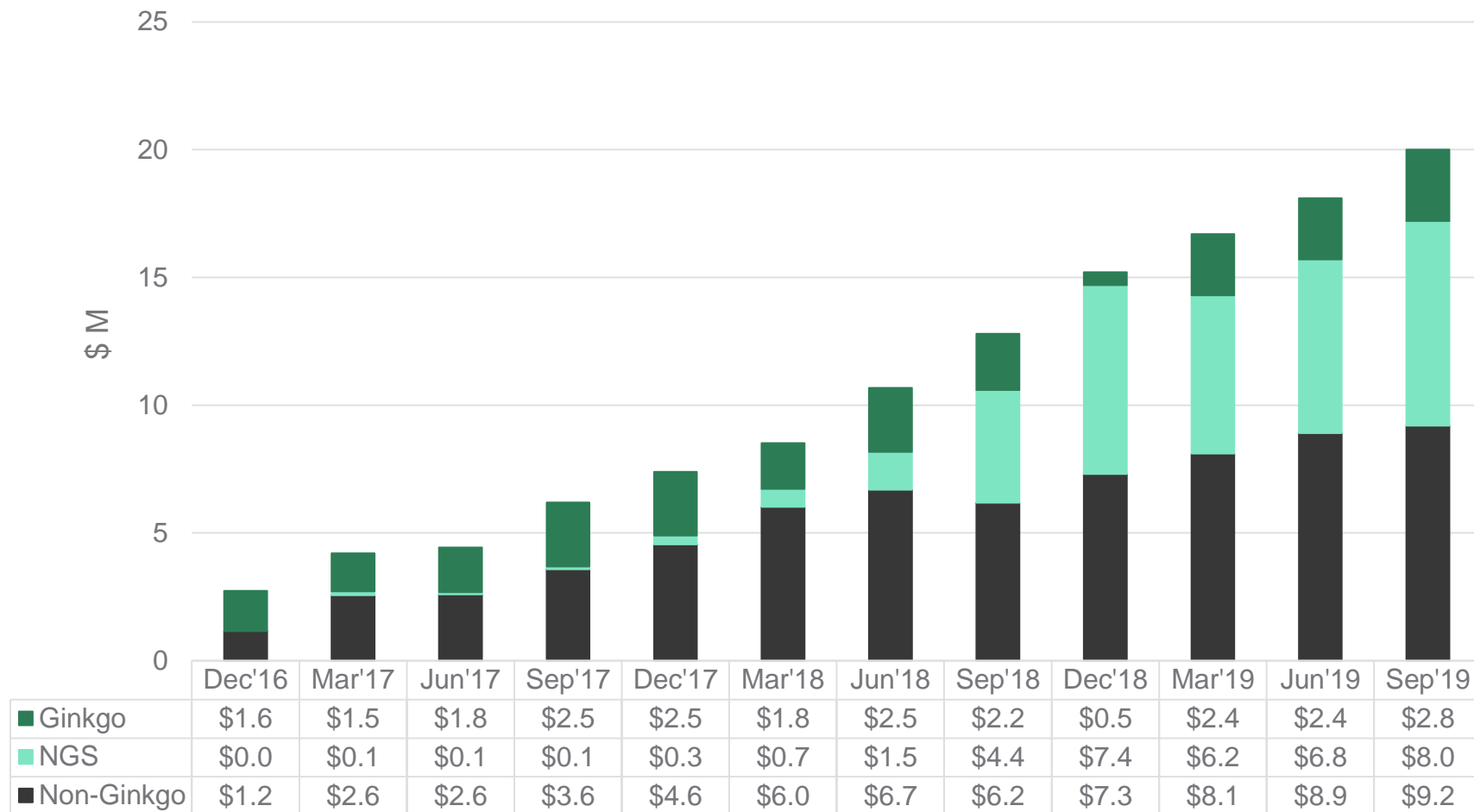
- Continue to increase density and reduce cost of storing digital data on DNA
- Continue development of CMOS chip
- Finalize negotiations for non-dilutive funding

## Global Expansion

- Growth across all geographies: US, EMEA, APAC
- Orders in EMEA in fiscal 2019 are almost equivalent to total company revenue in fiscal 2018
- IP to manufacture DNA on silicon will always remain in the US

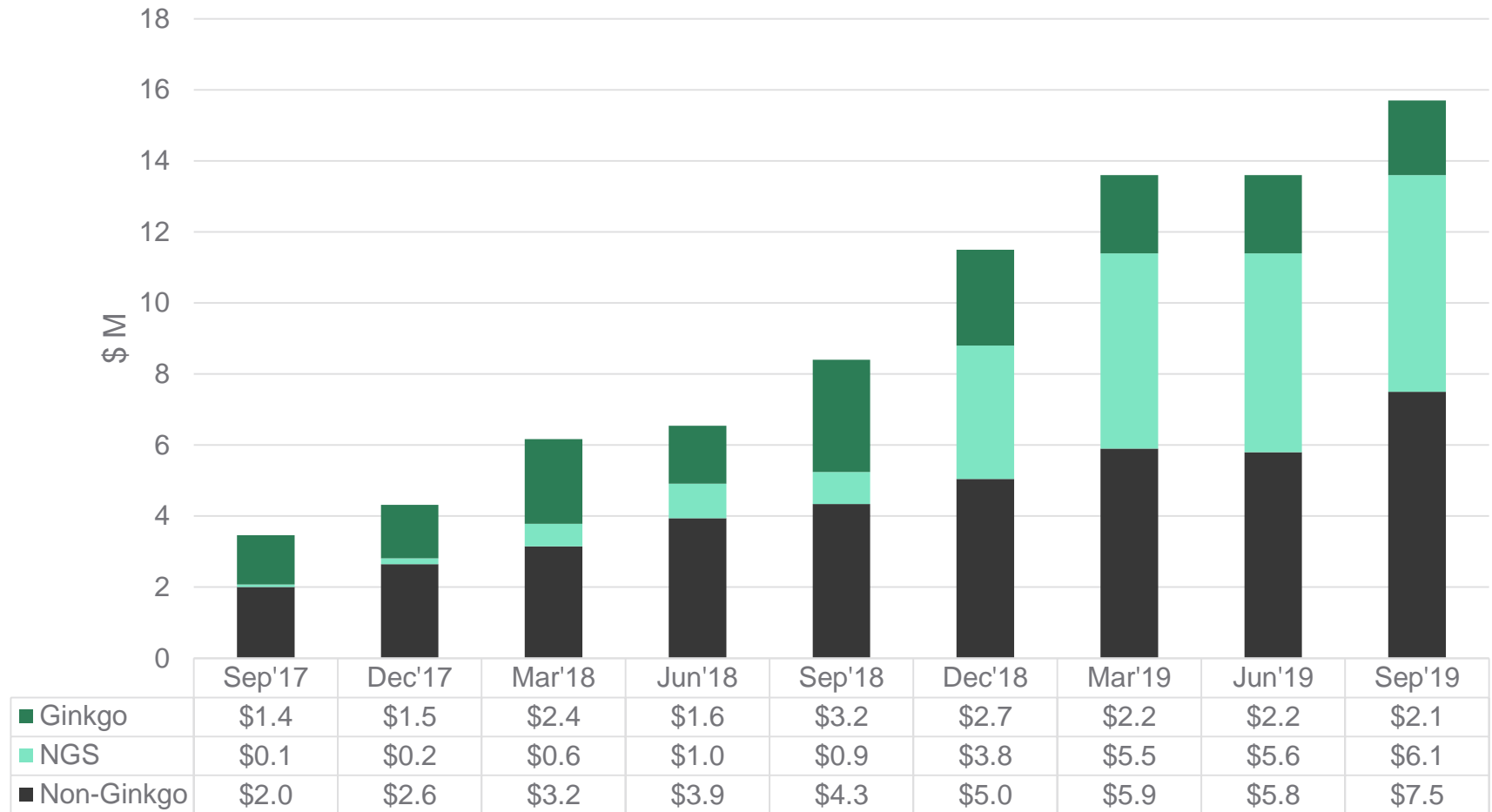


# Booking/Order Trend

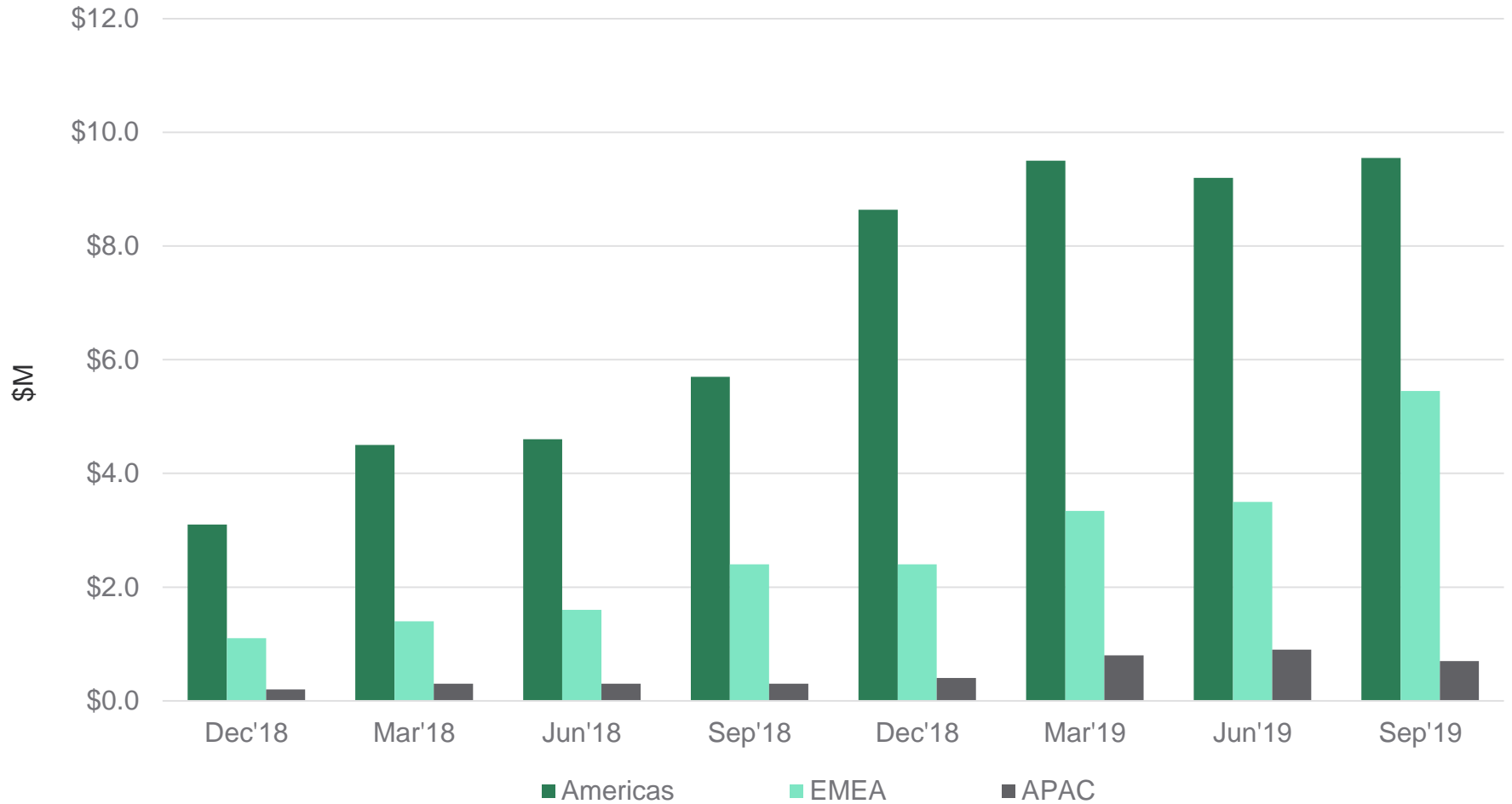




# Revenue Trend \$M



# Revenue by Geography



# Additional Financial Commentary



## 4Q FY19 Quarterly Results



**Revenue:** \$15.7M  
**Gross Margin:** \$3.4M  
**Operating Expenses:** \$47.3M  
**R&D:** \$10.5M  
**SG&A:** \$24.4M  
**Net Loss:** \$31.2M

## FY19 Results

**Revenue:** \$54.4M  
**Gross Margin:** \$7.0M  
**Operating Expenses:** \$163.2M  
**R&D:** \$35.7M  
**SG&A:** \$80.1M  
**Net Loss:** \$107.7M  
**Cash & ST Inv Balance at 9/30/19:** \$138.1M

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## Fiscal 2020 Financial Guidance



### **Projecting increased revenue of \$80 to \$84M**

- Robust demand; gene orders are strong
- NGS products have good momentum as more customers adopt & scale to production volumes

### **Net loss guidance to \$103 to \$106M**

- Continue to scale investment in commercial organization and R&D

# Twist Bioscience Pipeline & Milestones



MARKET OPPORTUNITIES	EXPLORATION	PROOF OF CONCEPT	BETA	COMMERCIAL	NEXT STEPS
<b>Synthetic Biology:</b> Synthetic Genes, DNA Libraries and Oligo Pools <sup>1</sup>					<ul style="list-style-type: none"> <li>• Continue to drive growth, add market share</li> <li>• Launch products and ecommerce enhancement for pharma, academia</li> </ul>
<b>Genomics:</b> Targeted NGS <sup>2</sup>					<ul style="list-style-type: none"> <li>• Convert NGS pilot accounts to production</li> <li>• Launch products for oncology, convert SNP microarray market</li> </ul>
<b>Biological Drug Discovery and Development</b> <sup>3</sup>					<ul style="list-style-type: none"> <li>• Expand proof-of-concept data package</li> <li>• Establish 5-10 partnerships</li> </ul>
<b>Digital Data Storage in DNA</b>					<ul style="list-style-type: none"> <li>• Design of CMOS driver chip</li> <li>• Finalize negotiations for non-dilutive financing</li> </ul>

<sup>1</sup> Products addressing this market include clonal, non-clonal genes (gene fragments), oligo pools and DNA libraries

<sup>2</sup> Products addressing this market include NGS exome capture and NGS custom capture

<sup>3</sup> Products addressing this market include custom DNA libraries, our proprietary GPCR-targeting antibody library and our antibody optimization solution

# Q&A Session

