

Dear Stockholders,

Fiscal 2022 was a year of expansion, marked by significant progress growing our customer base, increasing our market share, investing in our future success and advancing our technology. Against the backdrop of macroeconomic contraction, COVID shutdowns and geopolitical instability, we delivered 54% revenue growth year over year.

Over the course of the year, we built out our new 110,000 square-foot manufacturing site outside of Portland, Oregon, with initial products on track to ship out in January 2023. We expanded our portfolio of NGS products with a focus on cancer research, positioning for growth both within our existing customer accounts as well as adding new customers. As of September 30, 2022, our biopharma group in South San Francisco signed 59 partnerships, with 50 active programs and 83 completed programs. Of the 133 programs, 59 have milestones and/or royalties. Our Boston biopharma team had 62 programs underway at the end of fiscal 2022. For DNA data storage, we disclosed our method of enzymatic synthesis for enterprise storage and are on track to introduce our first commercial product for early access customers, the Century Archive, in late calendar 2023.

Enabled by our proprietary silicon-based DNA synthesis platform that provides precision at massive scale, we continue to deliver products to enable our customers to improve health and sustainability. In addition to DNA, we now offer customers RNA and proteins to facilitate their research and development across myriad applications, including therapeutics, liquid biopsy, rare disease research, protein degradation, phenotype studies, population health, COVID-19 testing, materials science, enzyme engineering, and so much more.

In fiscal 2022, we reported another record year of revenue of \$203.6 million compared to \$132.3 million in fiscal 2021, and achieved several key milestones:

- Shipped our products to 3,300 customers compared to just over 2,900 in fiscal 2021;
- Booked approximately \$226 million in orders versus \$160 million in fiscal 2021;
- Increased our gross margin to 41% from 39% in fiscal 2021;
- Invested in the Factory of the Future outside of Portland, Oregon to prepare for our next phase of growth;
- Augmented our synthetic biology and NGS product lines;
- Signed multiple biopharma revenue-generating partnerships;
- Announced that our first DNA data storage offering would be a Century Archive solution that is expected to be available to early access customers in late calendar 2023; and
- Retained a cash and investments balance of approximately \$505 million as of September 30, 2022.

Synthetic Biology Business

Our customers use our synthetic biology products for applications, including the development of therapeutics for a wide range of diseases, producing chemicals without using fossil fuels and improving crop traits. For fiscal 2022, we reported \$80 million in revenue for our synthetic biology products, an increase of more than 50% year over year. Importantly, we shipped 558,000 genes in fiscal 2022 compared to 372,000 genes in fiscal 2021. As we look toward the Factory of the Future that we expect to begin shipping products in January 2023, we believe this new, much larger site will allow us to reach potential customers who need their DNA very quickly and are currently making their own, which we call the “DNA makers” market. In addition, we have opportunities in long fragments, “impossible” genes and RNA-based products.

Genomics and Targeted Next-Generation Sequencing (NGS) Business

We reported almost \$100 million in revenue for our NGS product line for fiscal 2022, compared to \$72.7 million in fiscal 2021. Our NGS products enable a wide range of applications including liquid biopsy (a blood test for multiple cancers at early stage), development of diagnostic tests, consumer genetic testing, minimal residual disease (MRD) and translational research. We launched several new products, many of which support cancer research, an area we expect to grow significantly in the years ahead. Moving forward, we expect some of our liquid biopsy customers to reach commercialization, with new tools focused on the workflow between the sample and the sequencer.



Biopharma Business

For biopharma, we booked \$24.2 million in revenue for fiscal 2022 compared to \$7 million in fiscal 2021. In addition, with a robust pipeline of programs progressing for our partners and driving revenue growth, we continue to advance our internal programs for outlicensing, with our first exclusive option to license an internally generated candidate announced in May 2022. We completed the acquisition of Abveris, a private company that adds an *in vivo* antibody discovery capability to our biopharma portfolio. As we move into 2023, we look forward to integrating our synthetic library discovery and optimization capabilities with the *in vivo* and B-cell-specific synergies along with machine learning and artificial intelligence capabilities, with a comprehensive biopharma offering moving forward.

DNA for Digital Data Storage Business

For data storage, we continue to bring up our proof-of-concept chip, which we expect will enable us to move from writing 1 megabyte of data to 1 gigabyte of data in a single synthesis run. We are also working to integrate the chip into our prototype electrochemistry DNA writer system. We expect this system will enable us to launch our Century Archive solution, a product we believe will set a new standard for archive data retention longevity, for early access customers in late calendar 2023.

2023 and the Pathway to Profitability

In November, we provided financial guidance for fiscal 2023 and 2024, demonstrating our path to achieve adjusted EBITDA breakeven for our core business. Our plan relies upon the successful launch of the Factory of the Future and an increasing revenue stream as well as executing to deliver new products for our customers in all areas of our business. We set aggressive objectives and we believe we have the team in place to achieve our goal to deliver value for our stockholders, customers, employees, partners and collaborators.

We appreciate your continued support and look forward to keeping you apprised of our progress.

Sincerely,

A handwritten signature in black ink, appearing to read "Emily M. Leproust".

Emily M. Leproust, Ph.D.,
CEO and Co-founder
Twist Bioscience Corporation

January 6, 2023

This letter contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, relating to future events including but not limited to, statements under the headings "Synthetic Biology Business," "Genomics and Targeted Next Generation Sequencing (NGS) Business," "Biopharma Business," "DNA for Digital Data Storage Business" and "2023 and the Pathway to Profitability" regarding our financial outlook, market opportunities, future growth, anticipated product enhancements and offerings, projected timing for product shipments or availability, and expansion plans. Such statements involve risks and uncertainties, resulting in the possibility that the actual events or performance will differ materially from such predictions. For a nonexclusive list of major factors which could cause the actual results to differ materially from the forward-looking statements, please refer to the Risk Factors in Part I, Item 1A of our Annual Report on Form 10-K for the year ended September 30, 2022, as may be updated from time to time in our quarterly reports on Form 10-Q and in our current reports on Form 8-K. Any forward-looking statements contained in this letter speak only as of the date hereof, and we specifically disclaim any obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.