



Making Solutions Possible

William Blair 42nd Annual Growth Stock Conference

Stephen Gunstream, President and CEO

June 8, 2022

TEKNOVA
science matters

Safe Harbor

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 presentation.

In addition to financial results prepared in accordance with U.S. generally accepted accounting principles (“GAAP”), this presentation may contain 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 directly comparable GAAP financial results set forth in the Appendix to this presentation.

We make solutions possible

Accelerating the introduction of novel vaccines, therapeutics, and diagnostics



Provider of **complex research and clinical grade reagents** fundamental to the life sciences industry



Modular manufacturing supports emerging therapeutic modalities, like cell and gene therapy



Production platform delivers **high-quality, custom products** with short turnaround times



Well-established, respected brand with **3,000+ customers** and a **97% retention rate**



Ability to seamlessly scale with customers from **discovery through commercialization**



Above-market growth rates:
32% overall and 80% in Clinical Solutions category*

Our path to sustainable, above-market revenue growth and profitability

ESTABLISH 1996-2016

- Built scientific and operational know-how
- Established high-quality and customer-centric brand reputation

2016 Revenue: *
\$14.6M

INVEST 2017-2022

- Refine custom production platform
- Clinical/GMP quality certification
- Onboard world-class talent
- Build state-of-the-art GMP manufacturing facility
- Establish Commercial, R&D teams
- Secure capital to drive investments

2021 Revenue:
\$36.9M

SCALE 2023+

- Sustainable above-market revenue growth
- Become partner of choice for CGT, including new products and solutions
- Attractive margin profile vs. Industry; robust cash flows
- Implement best-in-class global platform for custom reagent manufacturing

Long term:
25% Annual CAGR

1996

2017

2023

TEKNOVA

Our products are fundamental to life sciences

Product Categories



Pre-poured Media Plates

Industry standard for growing microorganisms



Cell Culture Media and Supplements

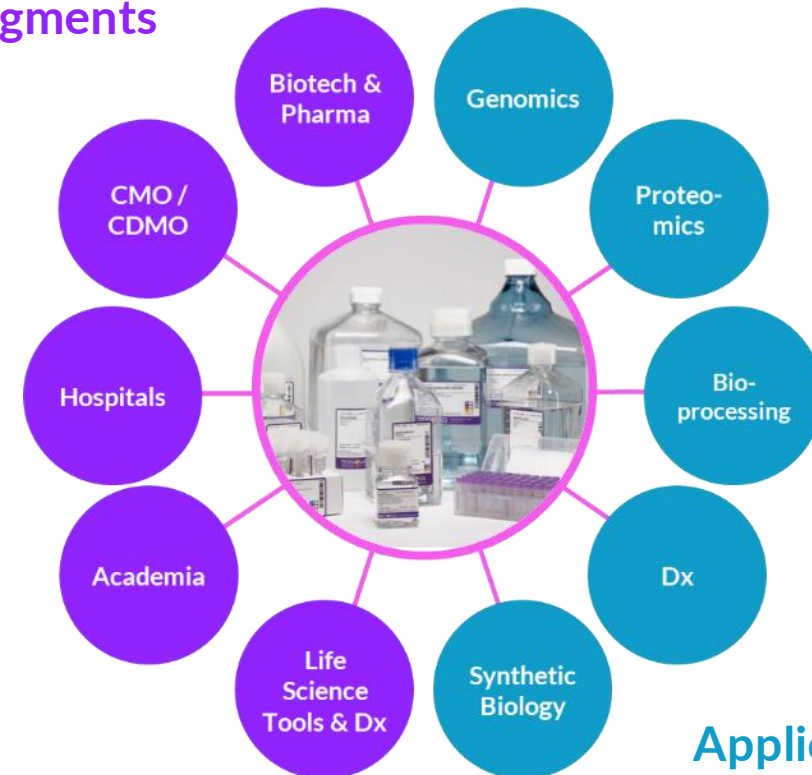
Used for cellular expansion under controlled conditions



Molecular Biology Reagents

Routinely used for manipulating samples and purifying molecules

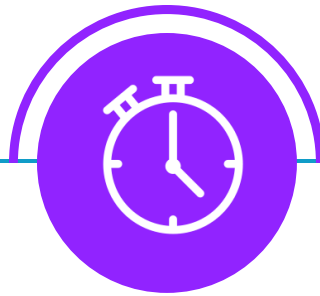
Segments



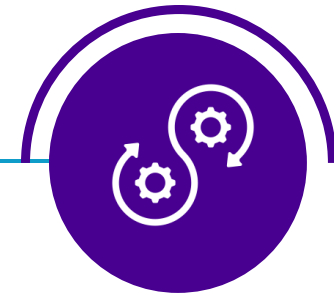
Emerging therapeutic modalities require custom bioprocessing solutions



Scientific advances have enabled the advent of novel therapies that use a patient's individual biology to prevent or fight disease



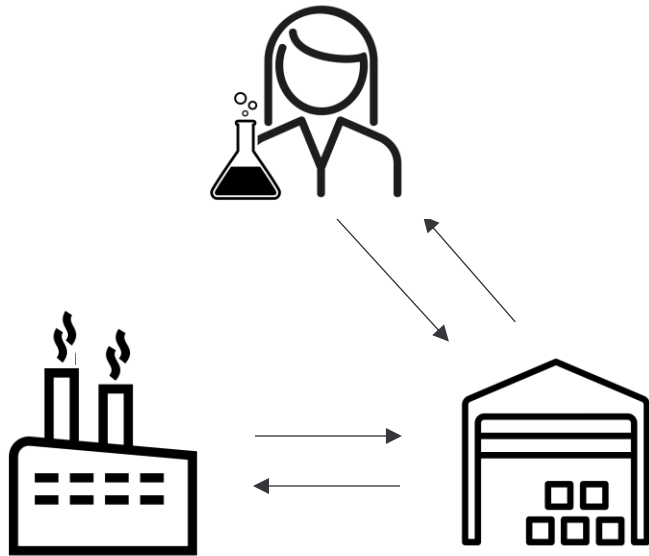
Innovation in drug discovery has far outpaced the bioprocessing methods required to manufacture these products at scale



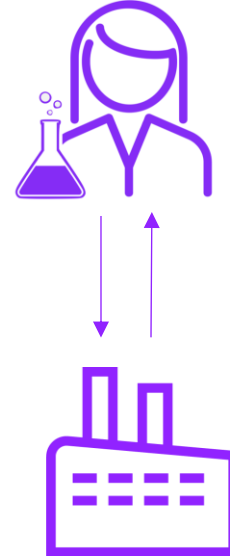
Custom, scalable reagents are critical to accelerating the introduction of novel therapies

Purpose-built platform addresses critical supply chain needs

EVERYONE ELSE



TEKNOVA PRODUCTION PLATFORM

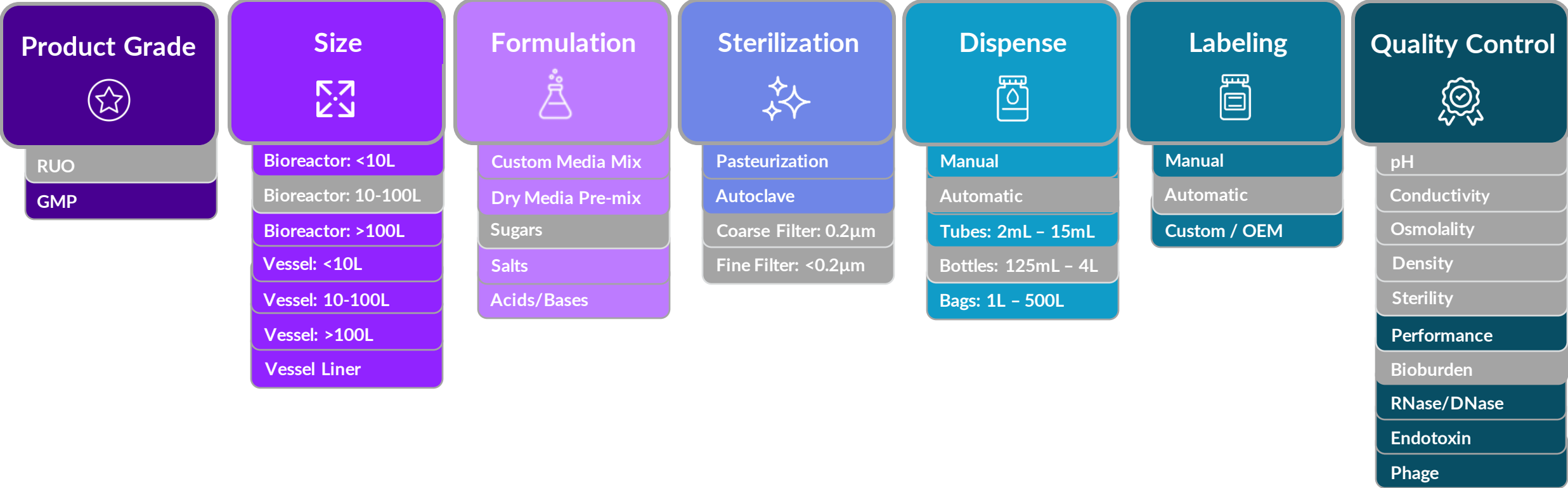


- ✓ Customization
- ✓ Short turnaround times
- ✓ Scalable batch sizes
- ✓ Research (RUO) and Clinical (GMP) grades

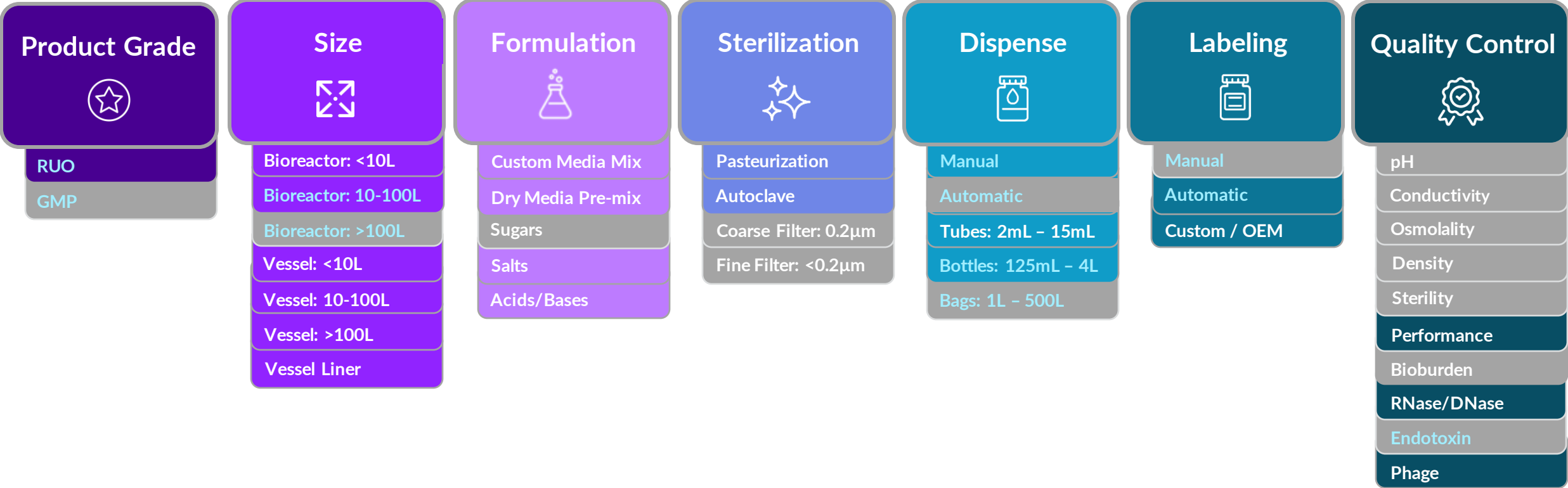
Modular manufacturing lines deliver high-quality customization on demand



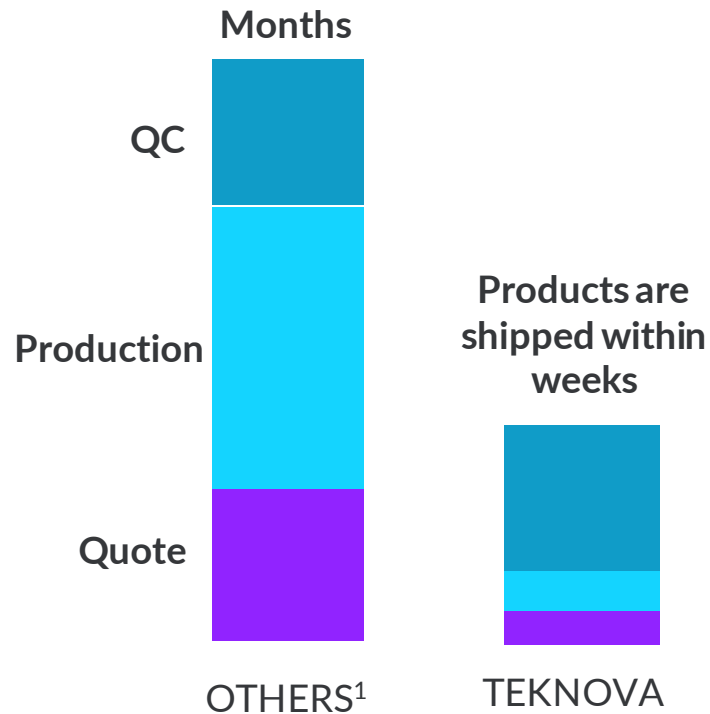
Modular manufacturing lines deliver high-quality customization on demand



Modular manufacturing lines deliver high-quality customization on demand

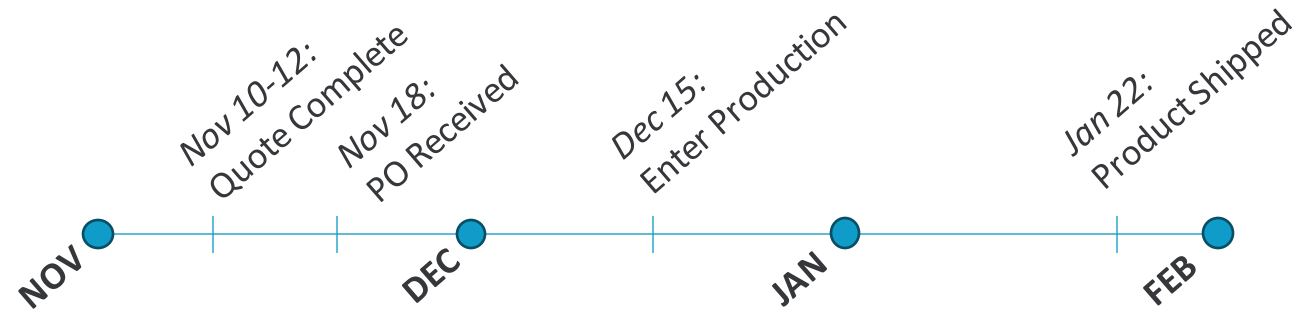


Delivering high-quality custom reagents with short turnaround times



Case Study: Fast GMP Turnaround

Protein Therapeutic Production

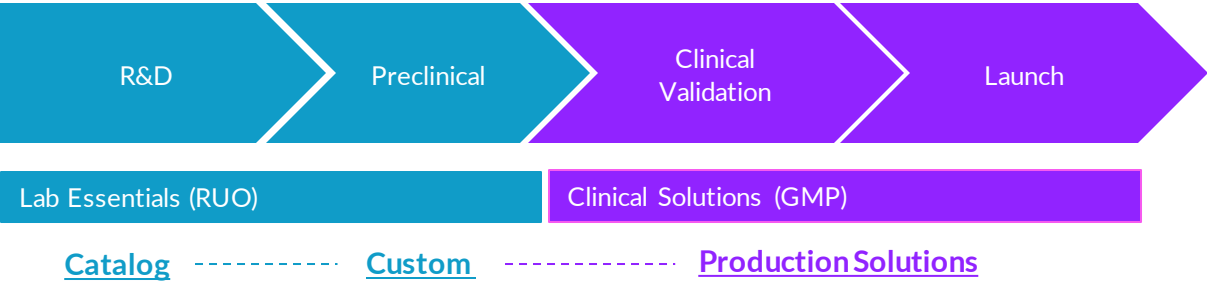


Background

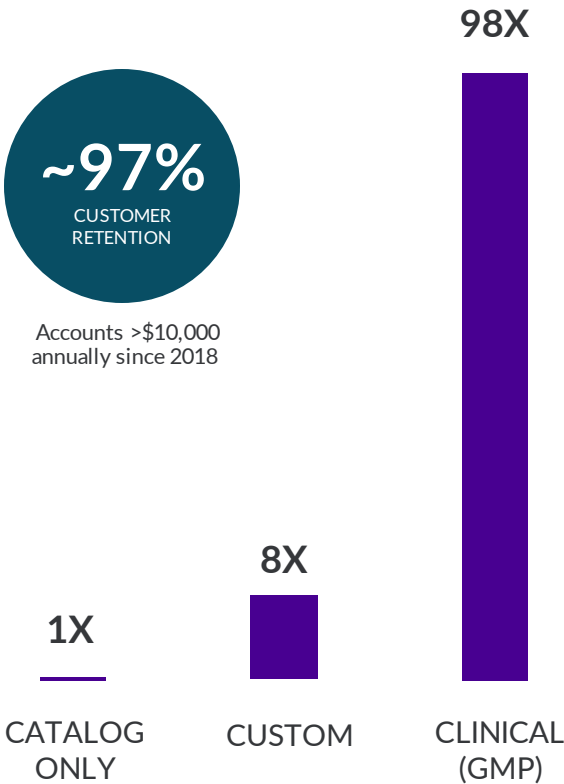
- New customer request for 8 custom GMP reagents
- Alternative suppliers were not able to meet production schedule
- Customer ordered 10 additional products in April 2021

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

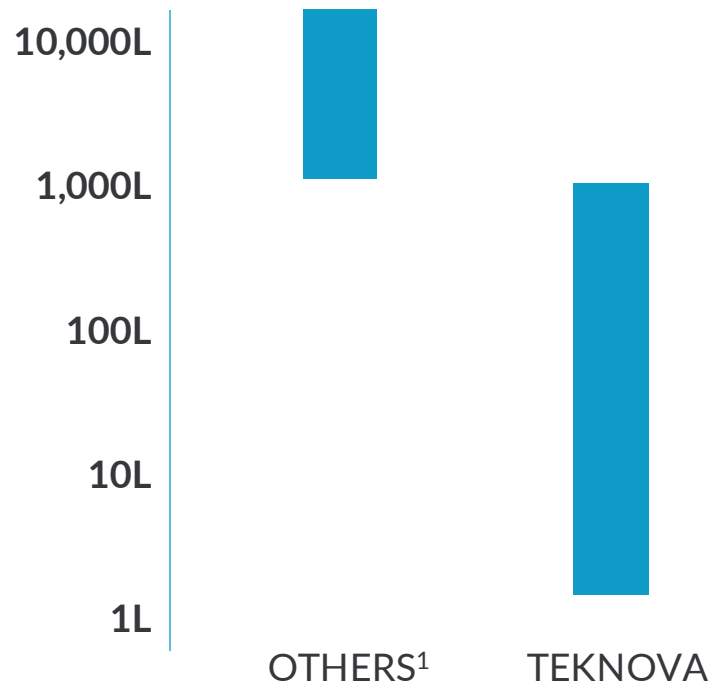
Delivering value to customers across the entire product development workflow



Relative Annual Spend by Account Type

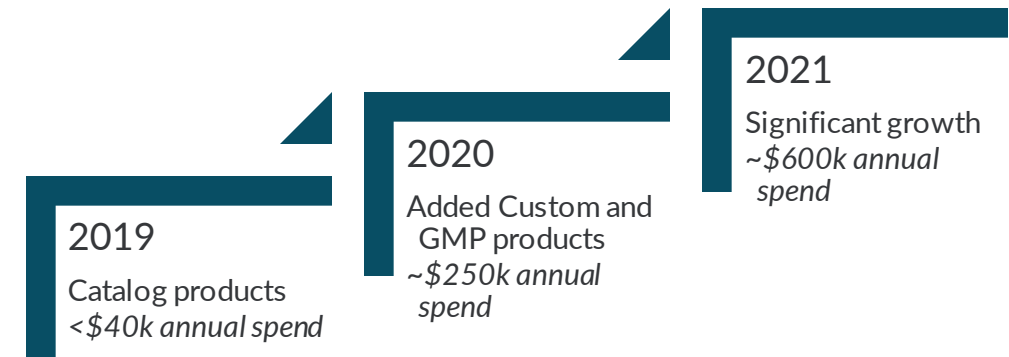


Seamlessly scale from discovery to commercialization



Case Study: Scaling from RUO to GMP

CDMO Plasmid Production



Products for cell lysis, synthesis, isolation, and purification

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

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

Cell and Gene Therapy



Cell and gene therapy is the next modality of medicine

Small Molecule Drug



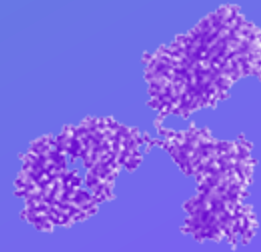
Aspirin
~0.5 kD

Small Biologics



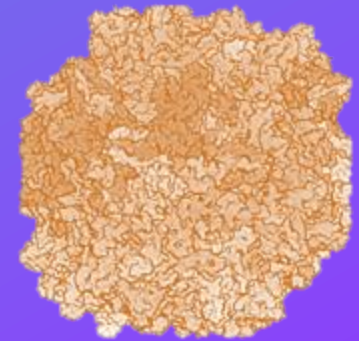
Human growth hormone
~10 kD

Large Biologics



Monoclonal antibody
~150 kD

Cell and Gene Therapy



AAV capsid
~4,000 kD

Increasing Complexity

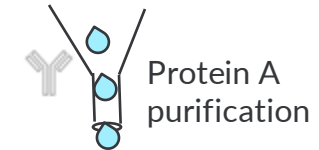
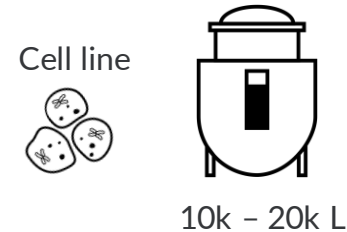
Traditional bioproduction infrastructure is not well equipped to support cell and gene therapy

Traditional Modalities (mAb)

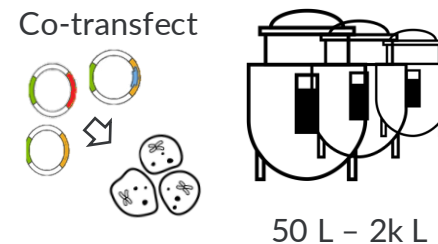
Plasmid Production

Cell Expansion

Purification



New Modalities (Viral Gene Therapy)



Key Challenges



Limited supply of
GMP plasmids
and bacterial cell
culture



Limited availability of
small-scale bioreactors



Low efficiency



Low yield and
purity of active
virus

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

UPSTREAM

Plasmid Manufacturing and 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

DOWNSTREAM

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

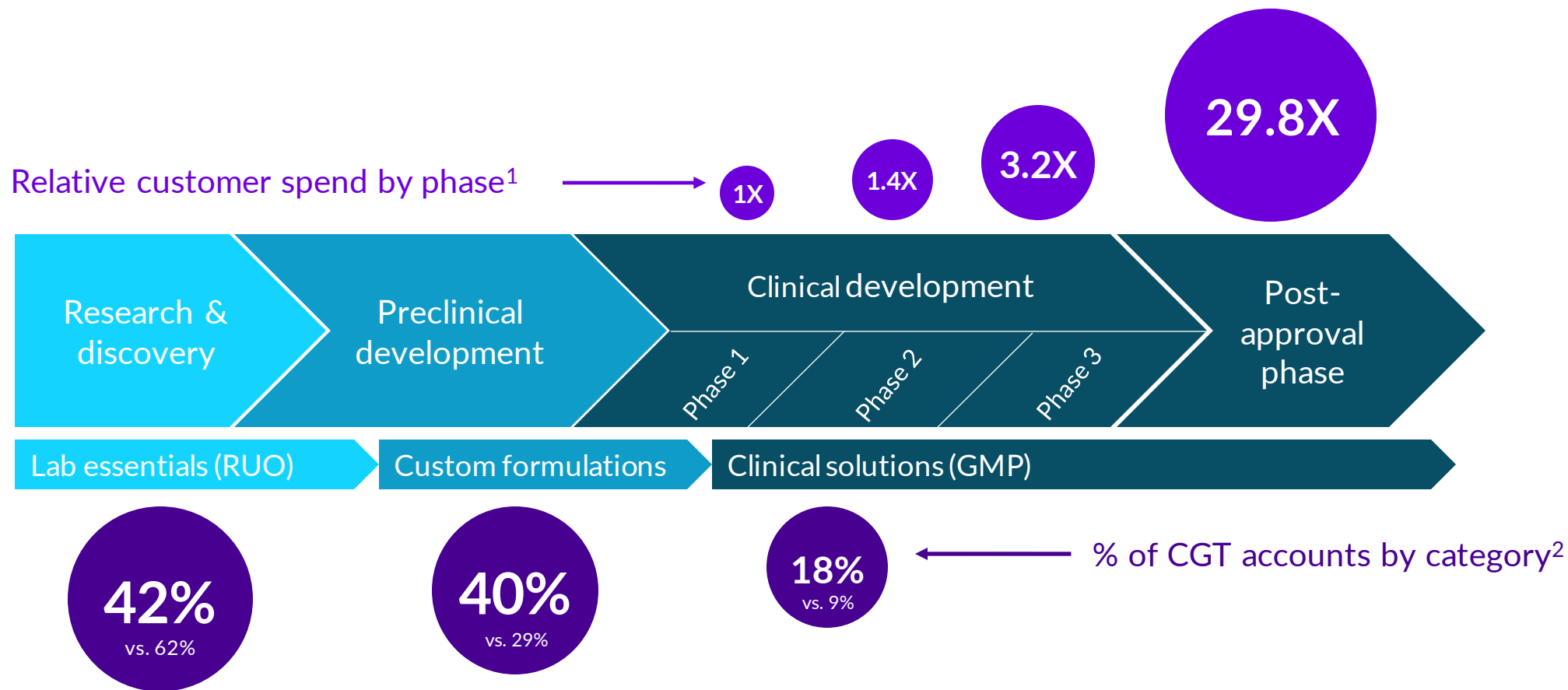
- Sucrose
- Mannitol
- Sorbitol

Pre-poured Media Plates

Cell Culture Medium & Supplements

Molecular Biology Reagents

We already supply approximately 80 cell and gene therapy organizations



Invest to Scale



Becoming the leading provider of custom research and clinical grade reagents

We are growing rapidly today, with over 30% growth in our core business projected for 2022*

To position Teknova for sustainable long-term, above-market growth, we are aggressively investing in capacity, sales and marketing, and R&D

Teknova of the Future

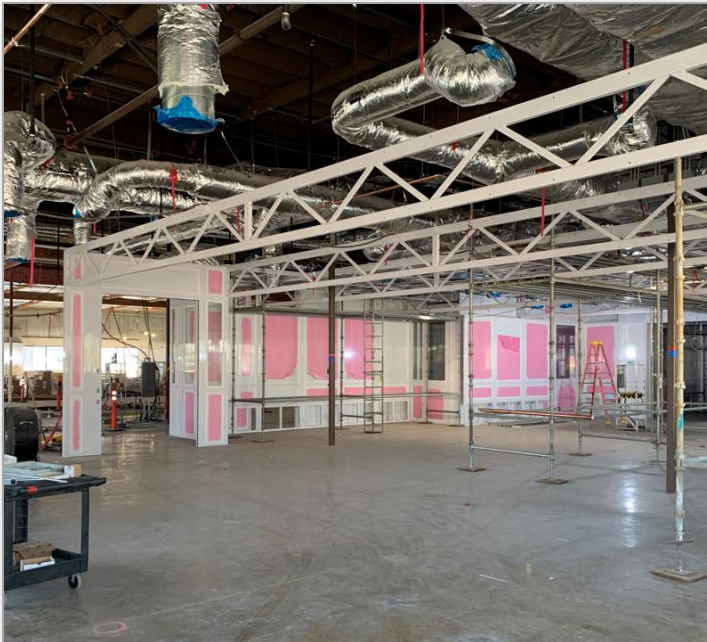
- Best-in-class scalable platform for custom research and clinical reagents
- Innovative partner for CGT customers
- Significant sustainable revenue growth >25%
- Attractive margin profile relative to industry, robust cash flows

*2022 revenue guidance as of May 11, 2022, is \$45-48 million; mid-point of \$46.5 million is approximately 31% growth as compared to 2021 revenue excluding Sample Transport revenue in 2021, or \$35.4 million

Significant capacity expansion through new state-of-the-art GMP production facility

Increased production capacity enabling approximately \$150M of additional revenue

- +30,000 ft² custom-designed manufacturing space for RUO and GMP reagents
- +5,000 ft² of ISO Class 7 GMP clean rooms
- Operational by end of 2022



Investing in Sales, Marketing, and R&D to drive demand and introduce new products

Increasing commercial presence and brand awareness

- Building company's first dedicated field sales and marketing teams
- Creating a PhD-level, science-driven field organization with initial emphasis on gene therapy and nucleic acid therapeutics accounts
- Establishing internal account executive team to drive same-account revenue growth

Establishing technical support and R&D capabilities

- Developing novel products and services that utilize current operational capabilities and know-how
- New product introduction expected in 2023 with a focus on increasing efficiency of CGT bioproduction
- Continue to invest in operational excellence, process engineering, and automation to increase efficiency and capacity

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



Damon Terrill

General Counsel, Chief Compliance Officer



Jennifer Henry

Senior Vice President, Marketing



Rakesh Ahuja

Vice President, Quality & Regulatory



Jose Olague

Vice President, Engineering



Ben Viering

Vice President, Information Systems & Architecture



Todd Woodring

Vice President, Operations



Key Takeaways





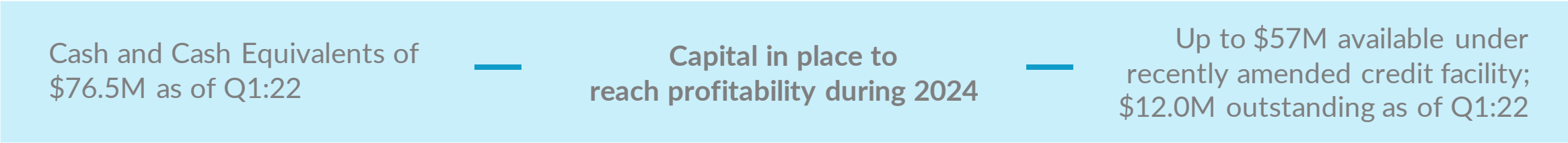
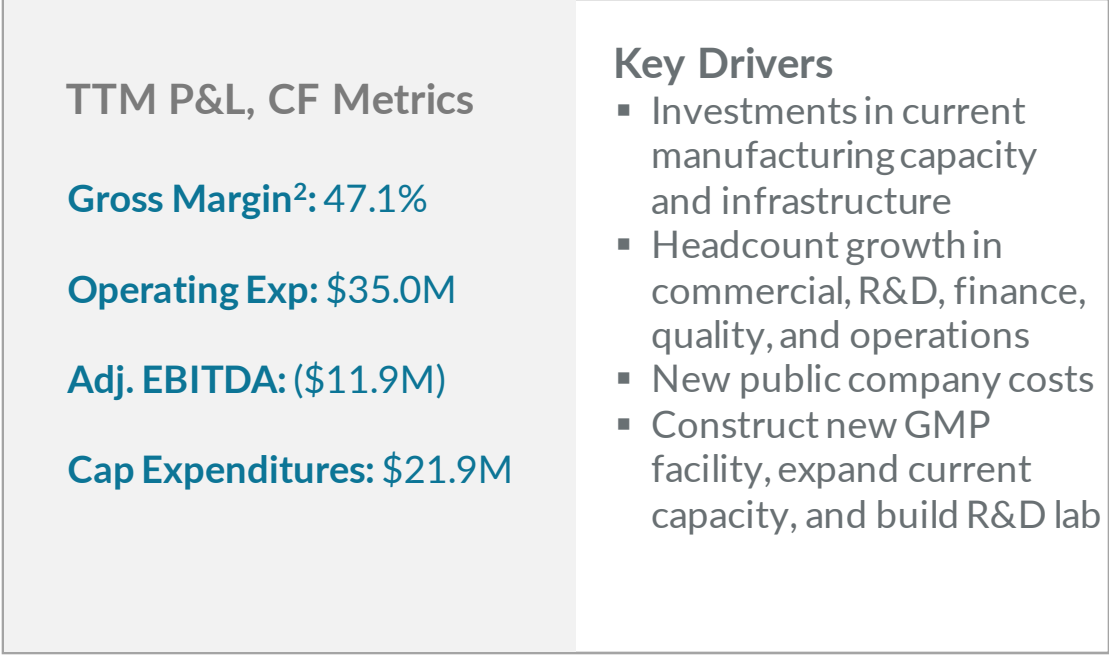
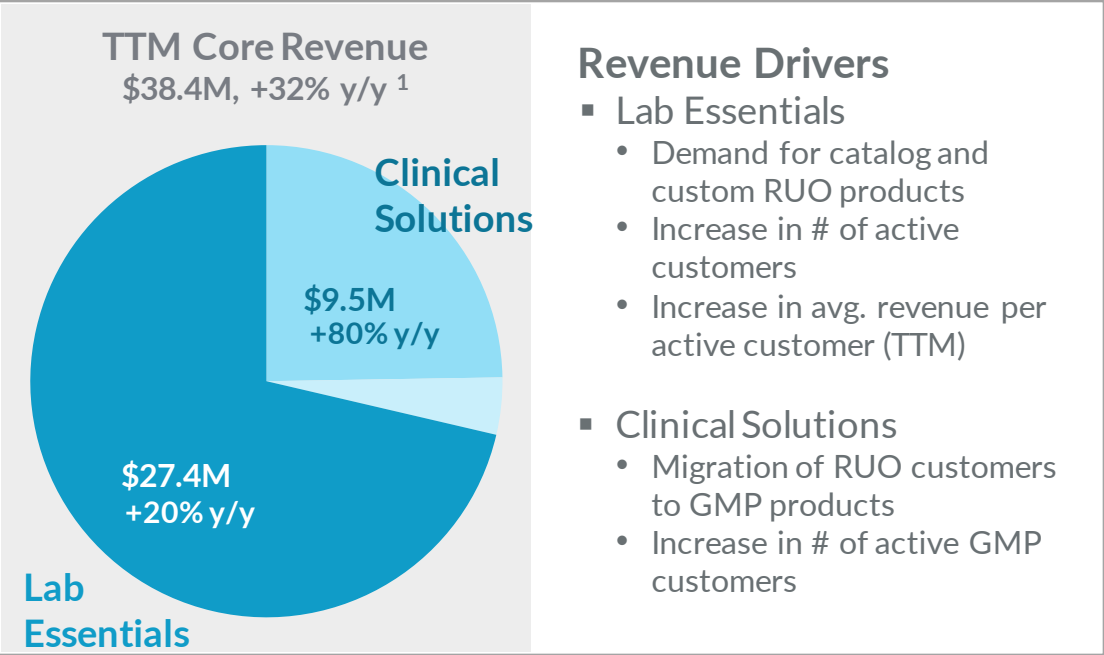
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Financial Appendix and Non-GAAP Reconciliations



Recent Financial Highlights



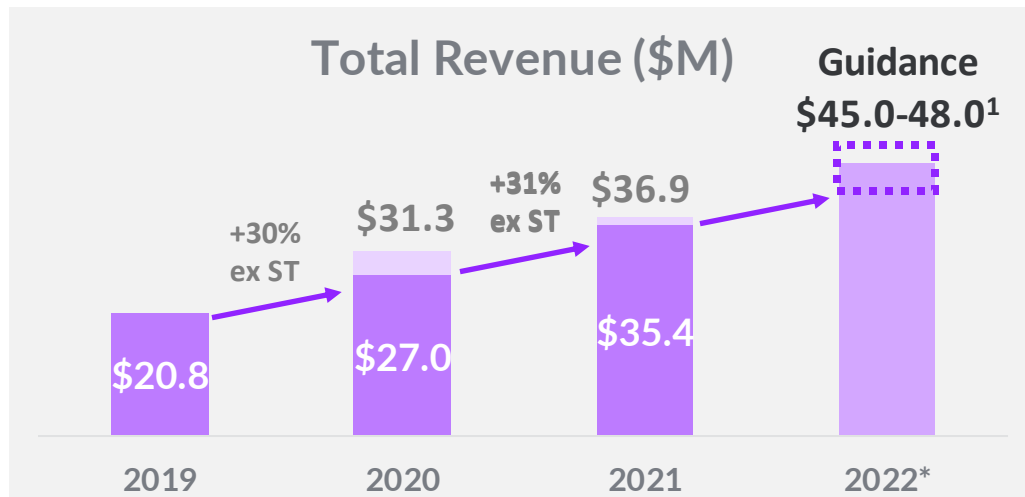
¹ Excludes Sample Transport revenue

² TTM GM excludes the one-time impact of an inventory reserve (100bp)

2022 Outlook

2022 Revenue Guidance

- **\$45-48 million**
 - >30% growth y/y at the mid-point excluding Sample Transport



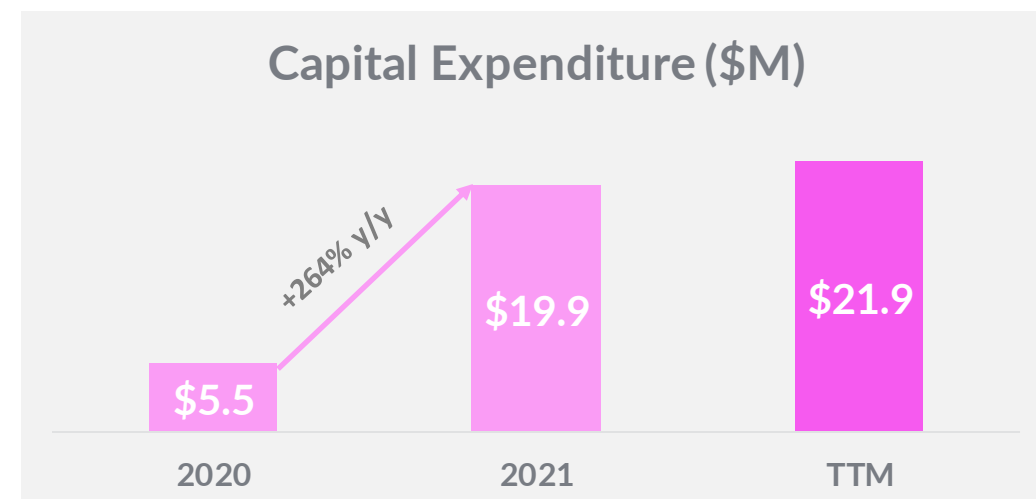
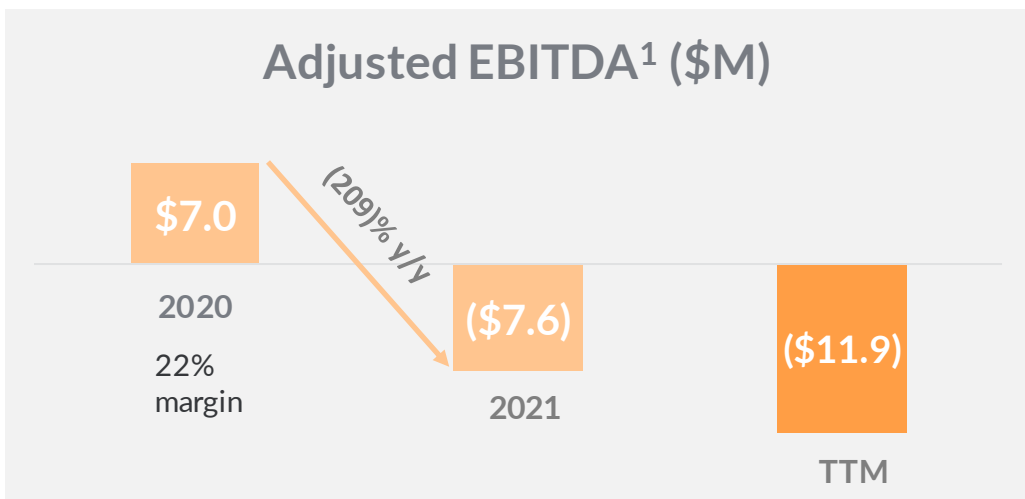
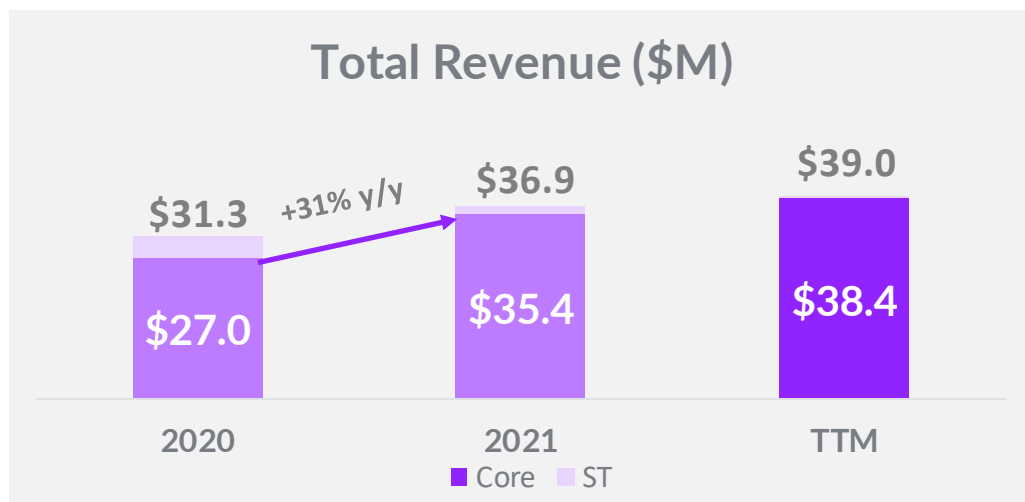
2022 Investment Priorities

- Increase current capacity and bring **new manufacturing facility online by year end**
- Build out commercial and marketing teams and capabilities to **drive demand in advance of opening our new facility**
- Develop new products and enhance process engineering

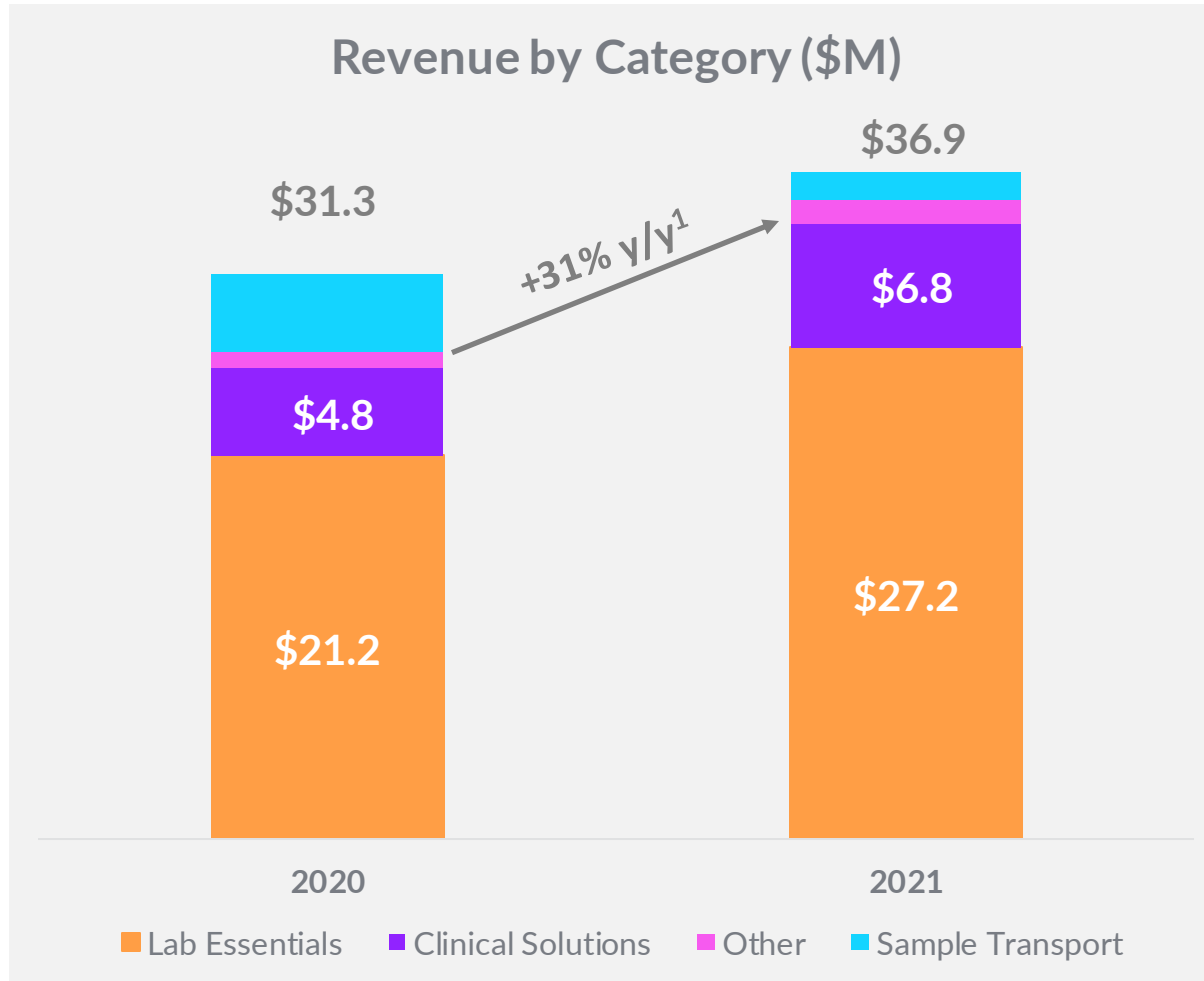
¹2022 revenue guidance as of May 11, 2022, is \$45-48 million; mid-point of \$46.5 million is approximately 31% growth as compared to 2021 revenue excluding Sample Transport revenue in 2021, or \$35.4 million

Financial Overview

TTM = Trailing Twelve Months Ended March 31, 2022



2021 Revenue Highlights

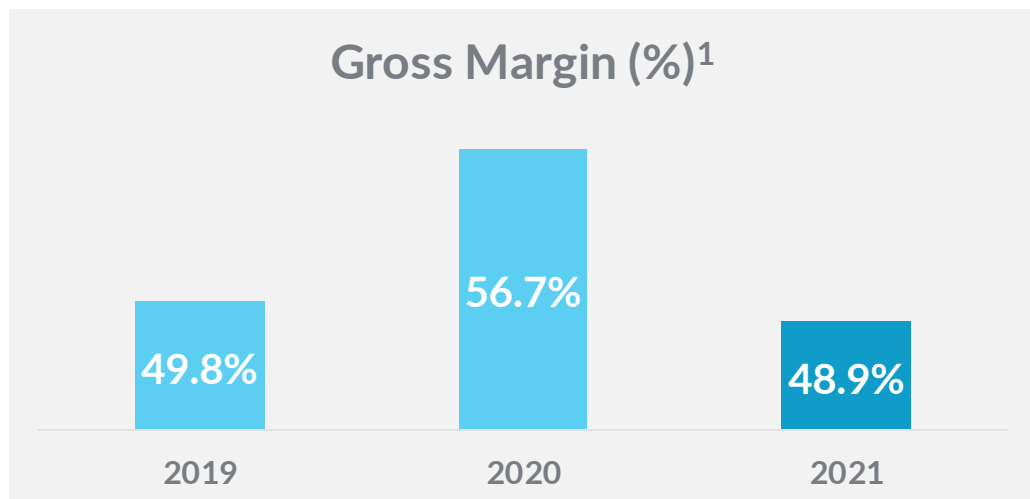
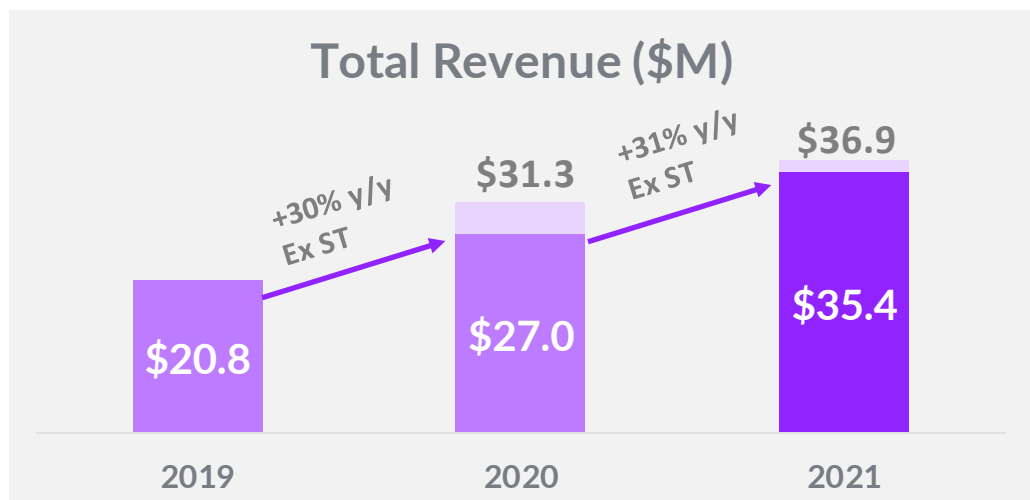


Key Highlights

- **Total** revenue up 18% y/y
- Total revenue of \$35.4 million, **excluding** Sample Transport, up 31% y/y
- **Lab Essentials** revenue up 28% y/y
- **Clinical Solutions** revenue up 41% y/y

¹Excludes Sample Transport revenue

2021 Financial Overview



Key Highlights

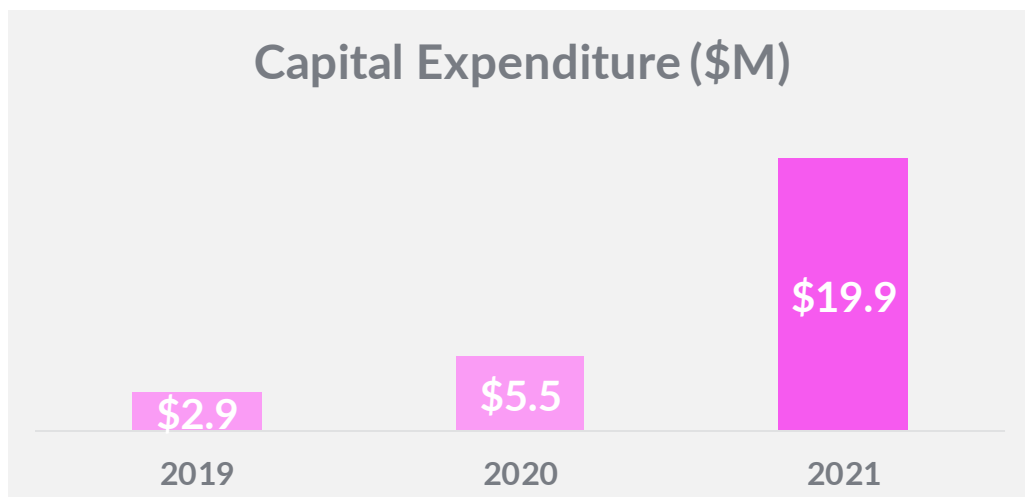
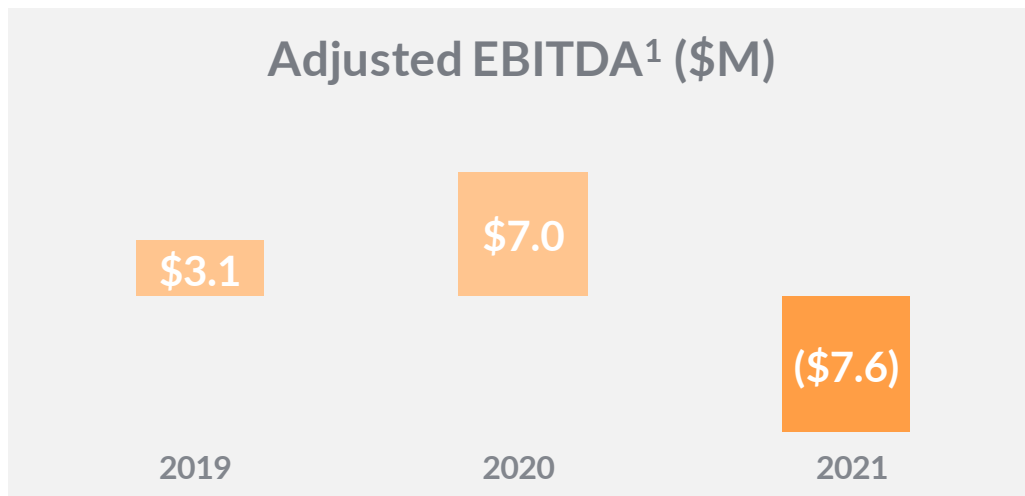
- 2021 Revenue of \$35.4 million, **excluding Sample Transport**, up 31% y/y driven by 28% y/y growth in Lab Essentials and 41% y/y growth in Clinical Lab Solutions
- Gross Margins** down in 2021 compared to 2020 at 48.9% of Revenue¹ due to expected investments in manufacturing capacity and capabilities to support long-term growth

¹ 2020 Gross Margin excludes \$1.5 million in transaction related expenses and 2021 excludes the impact of a \$0.4 million net reserve related to excess Sample Transport inventory

2021 Financial Overview

Key Highlights

- **Adjusted EBITDA** margins dropped significantly 2021 vs. 2020 due to lower gross margins and investments in commercial, R&D, executive team plus new public company costs
- **Capital Expenditures** rose >3-fold 2021 vs. 2020 due to substantial investments in new GMP manufacturing facility, manufacturing capacity / efficiency, and a new R&D laboratory



¹ Adjusted EBITDA equals GAAP EBITDA plus stock-based compensation and certain non-recurring expenses to EBITDA

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 December 31,		For the Twelve Months Ended December 31,	
	2021	2020	2021	2020
Net (loss) income – as reported	\$ (3,647)	\$ 577	\$ (9,803)	\$ 3,570
Add back:				
Interest income (expense), net	(36)	13	(589)	87
Provision for (benefit from) income taxes	(1,194)	234	(2,834)	1,156
Depreciation expense	496	285	1,735	897
Amortization of intangible assets	287	286	1,148	1,147
EBITDA	\$ (4,022)	\$ 1,369	\$ (9,165)	\$ 6,683
Other and one-time expenses:				
Stock-based compensation expense	624	269	1,551	300
Adjusted EBITDA	\$ (3,398)	\$ 1,638	\$ (7,614)	\$ 6,983

	For the Three Months Ended December 31,		For the Twelve Months Ended December 31,	
	2021	2020	2021	2020
Cash provided by (used in) operating activities	\$ (3,082)	\$ 2,434	\$ (9,069)	\$ 2,505
Purchase of property, plant and equipment	(7,412)	(3,497)	(19,877)	(5,466)
Free Cash Flow	\$ (10,494)	\$ (1,063)	\$ (28,946)	\$ (2,961)

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 March 31,	
	2022	2021
Net loss – as reported	\$ (5,497)	\$ (655)
Add back:		
Interest (expense) income, net	(13)	7
Benefit from income taxes	(359)	(165)
Depreciation expense	464	365
Amortization of intangible assets	287	287
EBITDA	\$ (5,092)	\$ (175)
Other and one-time expenses:		
Stock-based compensation expense	787	183
Adjusted EBITDA	\$ (4,305)	\$ 8

	For the Three Months Ended March 31,	
	2022	2021
Cash (used in) provided by operating activities	\$ (5,201)	\$ 2,401
Purchase of property, plant and equipment	(5,917)	(3,884)
Free Cash Flow	\$ (11,118)	\$ (1,483)