



Investor Presentation

Jim Green, President and CEO
Mike Rossi, CFO

March 2021

Forward-Looking Statements and Non-GAAP Financial Information

Forward-Looking Statements

The information in this presentation or in oral statements of the management of the Company includes forward-looking statements within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995. You can identify these statements by our use of such words as "will," "guidance," "objectives," "optimistic," "potential," "future," "expects," "plans," "estimates," "continue," "drive," "strategy," "potential," "potentially," "growth," "long-term," "projects," "projected," "intends," "believes," "goals," "sees," "seek," "develop," "possible," "new," "emerging," "opportunity," "pursue" and similar expressions that do not relate to historical matters. Forward looking statements in this presentation or that may be made during our conference call may include, but are not limited to, statements or inferences about the Company's or management's beliefs or expectations, the Company's anticipated future revenues and earnings, the strength of the Company's market position and business model, industry outlook, the impact of the COVID-19 pandemic on the Company's business, the Company's business strategy, the positioning of the Company for growth, the market demand and opportunity for the Company's current products, or products it is developing or intends to develop, and the Company's plans, objectives and intentions that are not historical facts. These statements involve known and unknown risks, uncertainties and other factors that may cause the Company'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. Investors should note that many factors, as more fully described under the caption "Risk Factors" in our Form 10-K, including our Form 10-K for the year ended December 31, 2020 filed with the Securities and Exchange Commission and as otherwise enumerated herein or therein may cause the Company's actual results to differ materially from those in the forward-looking statements. The forward-looking statements in this presentation are qualified by these risk factors. The Company's results may also be affected by factors of which the Company is not currently aware. The Company may not update these forward-looking statements, even though its situation may change in the future, unless it has obligations under the federal securities laws to update and disclose material developments related to previously disclosed information.

Management's Use of Non-GAAP Financial Information

The information in this presentation or in oral statements of the management of the Company may include non-GAAP financial information including adjusted gross profit, adjusted operating income, adjusted net income and adjusted earnings per diluted share. We believe that this non-GAAP financial information provides investors with an enhanced understanding of the underlying operations of the business. For the periods presented, these non-GAAP financial measures have excluded certain expenses and income primarily resulting from purchase accounting or events that we do not believe are related to the underlying operations of the business such as amortization of intangibles related to acquisitions, costs related to acquisition, disposition and integration activities and stock-based compensation expense. They also exclude the tax impact of the reconciling items. This non-GAAP financial information approximates information used by our management to internally evaluate the operating results of the Company. Any non-GAAP measures included herein are accompanied by a reconciliation to the nearest corresponding GAAP measure within this presentation.

The non-GAAP financial information provided in this presentation should be considered in addition to, not as a substitute for, the financial information provided and presented in accordance with GAAP and may be different than other companies' non-GAAP financial information.

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Investment Highlights

- Known life science leader enabling research and drug discovery through pre-clinical toxicology and safety pharmacology phases
- Strong brands with blue chip customer base
- Extensive installed base with recurring customers
- Attractive end markets of academic research and pharma / CROs
- Profitable platform company, seasoned leadership with strong track record of driving shareholder value

Company Overview



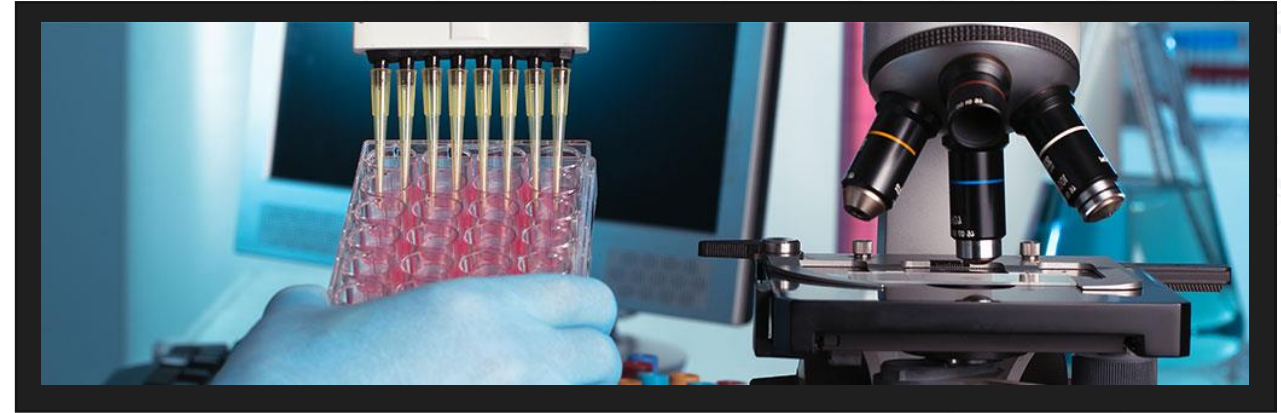
- HQ: Greater Boston, Massachusetts
- Employees: ~460



- Ticker: HBIO (NASDAQ)
- Market Cap: ~\$250M
- 2020 Revenue: \$102M
- 2020 Operating Income: \$0.2M, 0.2% of revenue
- 2020 Adjusted Op Inc*: \$14.0M, 13.7% of revenue



- Strong brands
- Blue chip recurring customers
- Gold standard in pre-clinical testing



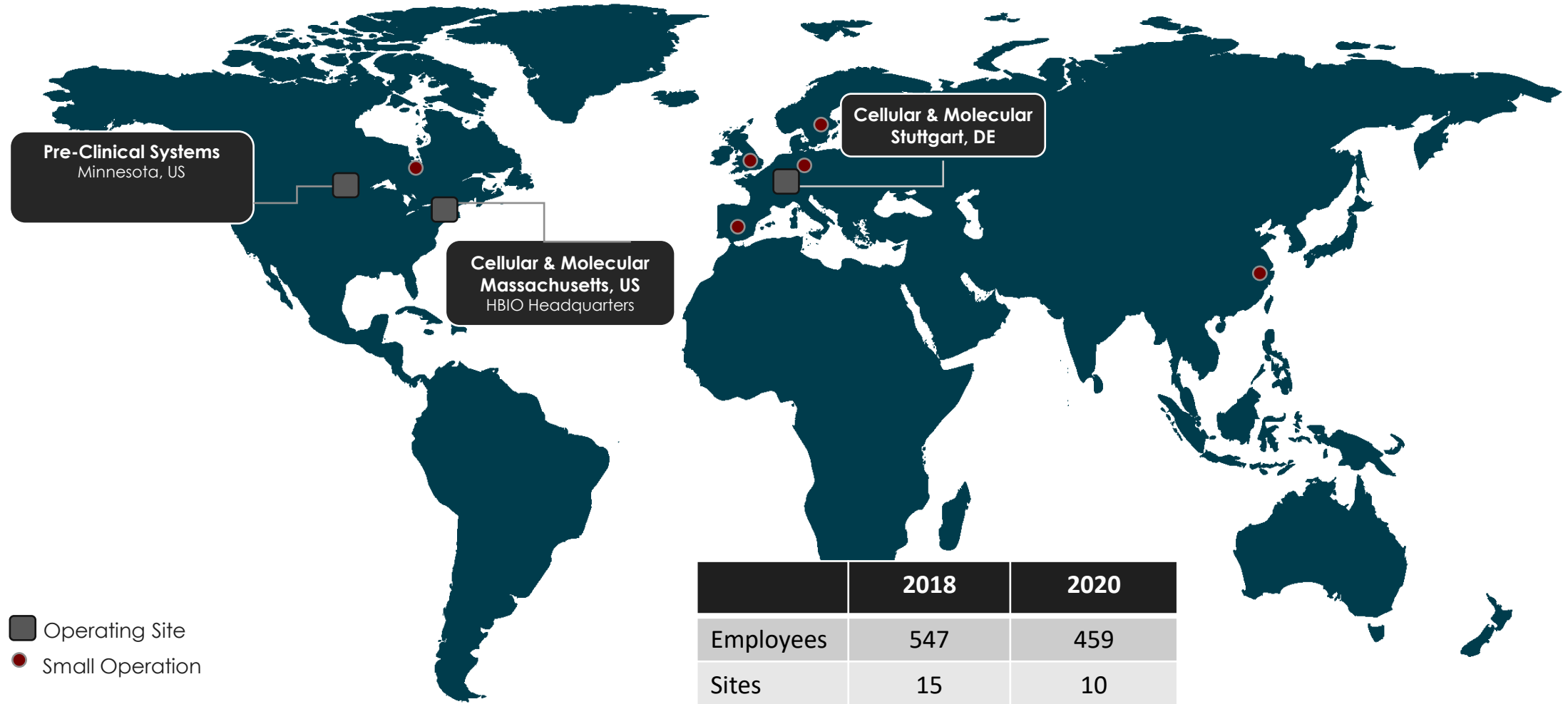
**Non-GAAP measurement – see appendix for reconciliation to GAAP results*

Strategic Action Plan Update

Strategic Action Plan Announced September 2019

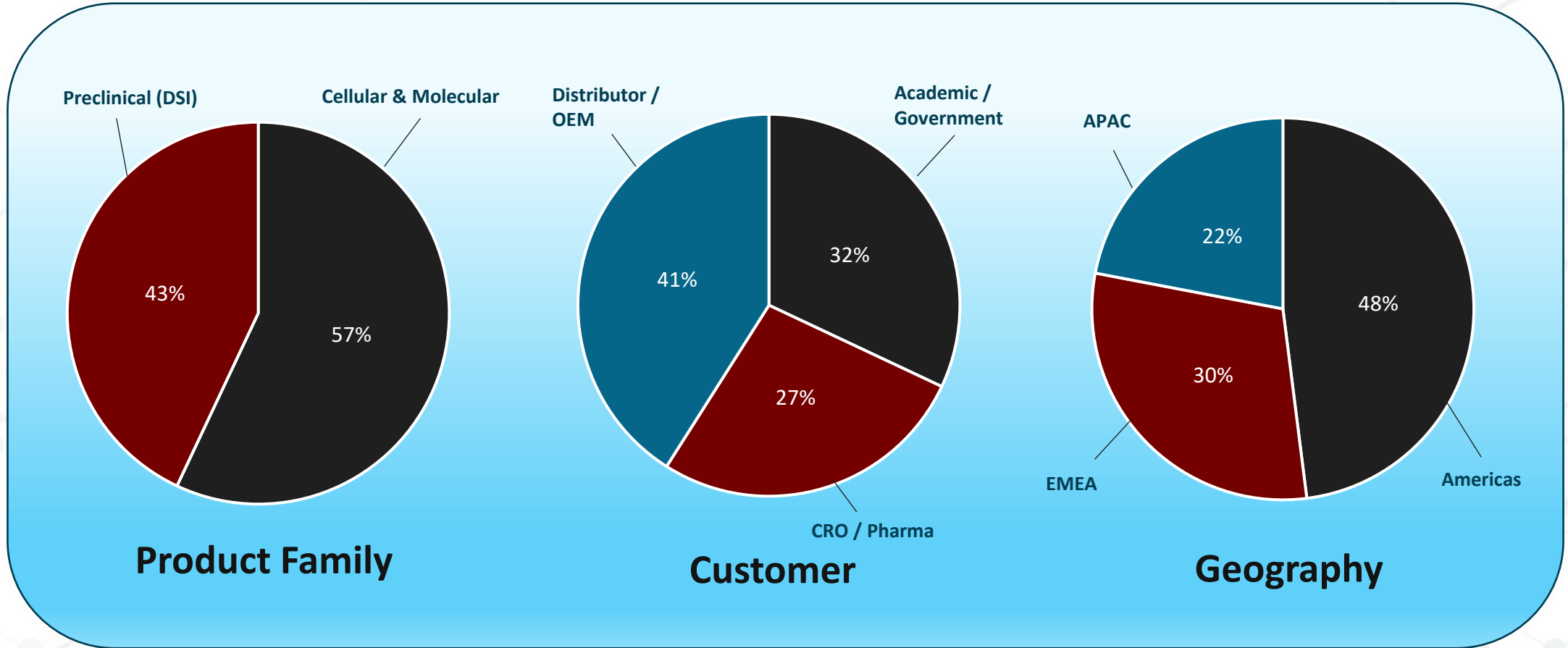
Strategic Actions	Status
Stabilize business and complete leadership team	Complete
Refinance debt and reduce interest expense	Complete
Improve margins through consolidations, reduced COGS and operating expenses	Complete: Restructuring since FY19 delivered approx. \$7M annualized savings
Optimize manufacturing and supply chain	On track: 4 site consolidations complete, one minor German site consolidation remains this year
Reenergize and refocus sales operations	Complete: Sales team alignment to customer segments with improved territory coverage
Rationalize product portfolio and pricing	Complete: Minor ongoing tuning based on customer market demand and pricing power
Optimize and expand sales coverage for growth	Complete: Built experienced team along direct quota bearing with separate distribution structure

Global Footprint



	2018	2020
Employees	547	459
Sites	15	10

Global Platform with a Balanced Portfolio



Full Year 2020 Revenues - Revenues by customer include estimation for small % of revenues

Key Customer Segments

Reenergized and refocused our sales organization to focus around key customer segments



Academic Research

- Research labs primarily government & grant funded
- Scientific Research & Teaching
- Early discovery of new drug molecules and compounds for therapies and vaccines



Contract Research Organizations

- Pre-clinical studies to determine safety and efficacy of new pharmaceuticals
- Pharmaceutical companies are outsourcing significant pre-clinical activities to CRO



Biopharma, Pharmaceutical

- Perform early discovery and then transition from discovery through pre-clinical and then human clinical trials and on to commercialization
- Often leverage discoveries from Academics & Bio-techs

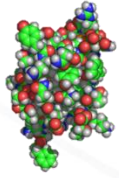


Distribution OEMs

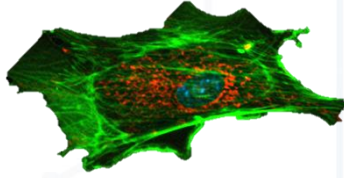
- Leverage large distributor relationships to expand access / sales coverage
- Blue chip medical device and services companies that utilizes our products within their products or services

Subset of blue-chip recurring customers

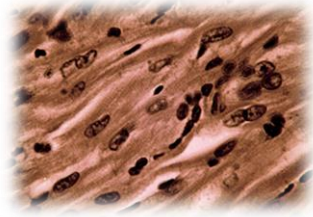
Solutions Serving Biopharma Ecosystem



Molecules



Cells



Tissues



Organs



Preclinical



Clinical

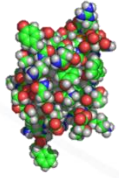
Cellular & Molecular Technologies: Discovery

- Molecular Analysis (Amino Acids)
- Cellular Electrophysiology
- Gene Therapy (CRISPR/Cas-9)
- Cellular & Molecular Biology

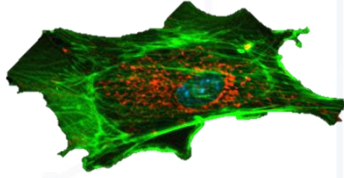
Pre-Clinical Systems: Tox & Safety Pharmacology

- Physiological Monitoring & Telemetry
- Inhalation & Respiratory
- Behavioral Research

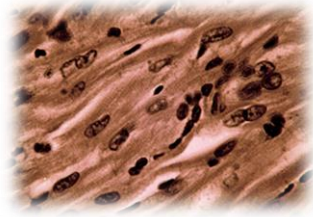
Example – Electroporation Solutions



Molecules



Cells



Tissues



Organs



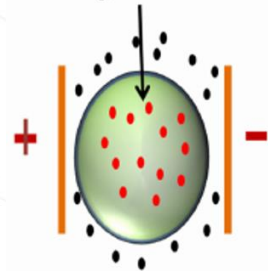
Preclinical



Clinical



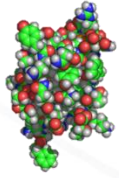
Drug/biomolecules



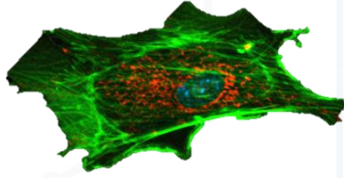
Electroporation of Cells:

- Opening Cells for easy transfer of CRISPR constructs or Drugs

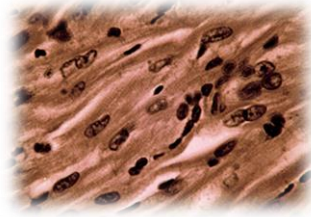
Example – Inhalation/Respiration Solutions



Molecules



Cells



Tissues



Organs



Preclinical



Clinical

Inhalation Solutions:

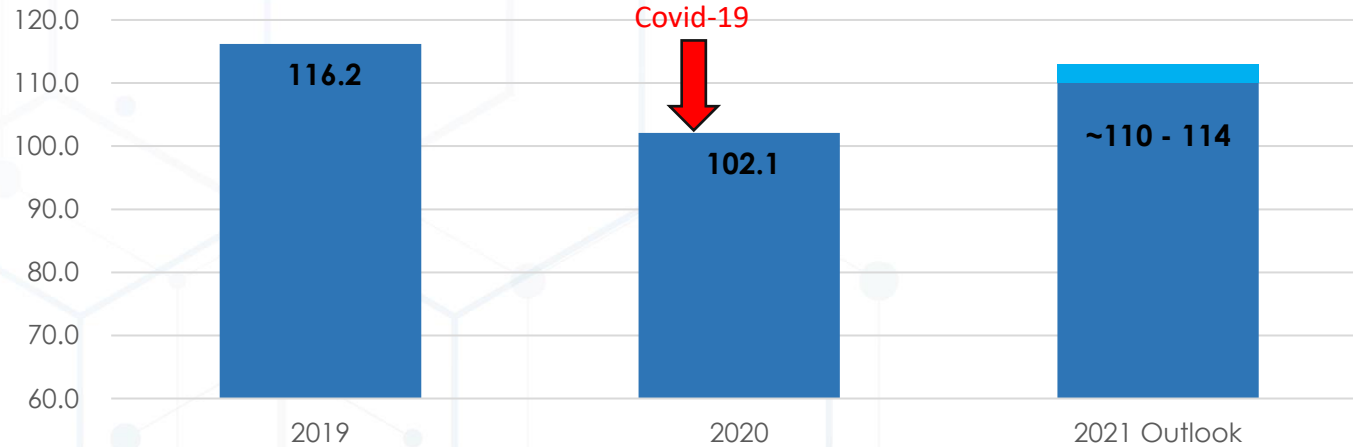
- Analysis Software
- Controller
- Inhalation Chambers

F	TV	MV	AV	Gr	IA	IA
128.4	0.2456	31.54	11.33	349.8	8.593e-05	0.003624
117.4	0.2553	29.87	11.98	347.7	8.877e-05	0.003713
119.1	0.2436	29.03	12.22	347.7	471e-05	0.003798
109	0.3101	34.46	12.54	34	0.001097	0.003907
116.4	0.2989	34.81	12.64	346.7	0.0001036	0.004011
116.3	0.2897	33.69	13.13	347	0.0001005	0.004111
121.6	0.138	24.07	13.32	347.1	6.871e-05	0.00418

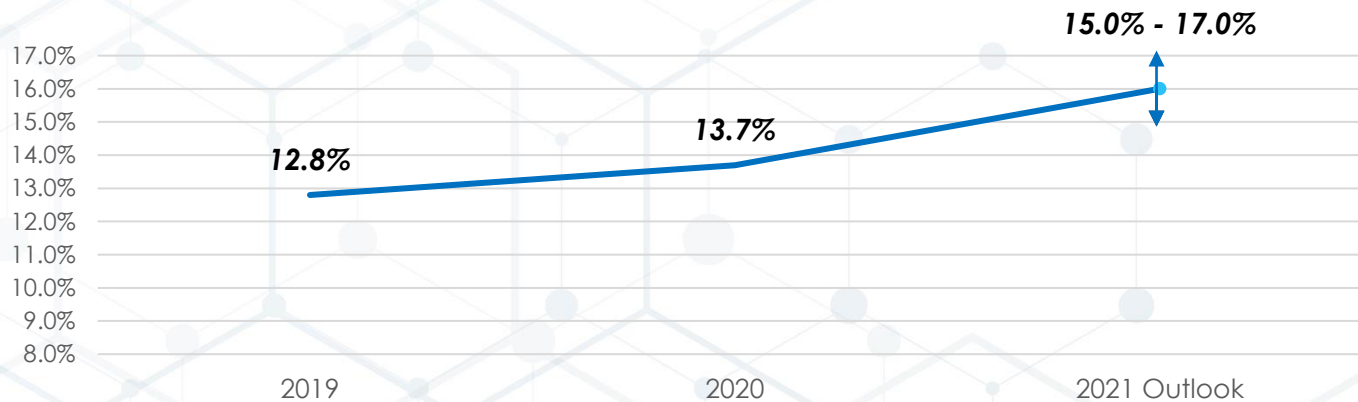


Financial Trends & Outlook

Revenue (in millions)



Adj. Operating Margin *



Revenue Trends

- 2020: Academic lab closures due to Covid-19 offset by strong Pre-Clinical sales to CRO/Pharma
- Q4'20: at pre-Covid levels on strength of sales effectiveness, with Pre-Clinical up 19% yoy
- 2021 Outlook: 8-to-12% growth on strong CRO/Pharma growth, Academic labs recovering. Portfolio management prunes ~\$5M from 2019 baseline.

Adjusted Operating Income

- 2020: cost actions, product mix improvements delivers higher margins despite Covid impact
- Cost out from turnaround/lean ~\$7M annualized
- 2021 Outlook: mid-to-upper teens on gross margin expansion on volume, mix with reinvestment in sales, marketing, R&D

*Non-GAAP measurement – see appendix for reconciliation to GAAP results

2021 Outlook

Sales, marketing effectiveness, academic lab recoveries delivers strong organic growth, profit improvement with investments for long-term value creation

- Revenue growth: expect 8-to-12% versus 2020 on a reported basis
 - Pre-Clinical tailwinds and overall sales execution on track to provide sustainable growth foundation
 - Academic labs expected to continue recovery throughout the year
 - Portfolio rationalization prunes low-quality revenue approx. \$1M FY19 baseline, approx. \$4M from FY20
- Adjusted operating margins: expect mid-to-upper teens
 - Gross margin expansion on increased volume and improved mix
 - Reinvestment in sales, marketing, R&D in support of long-term profitable growth

Thank You



Appendix

Non-GAAP Reconciliation

(In thousands)

	Year Ended	
	December 31, 2020	December 31, 2019
GAAP operating income	\$ 221	\$ 377
Stock-based compensation expense	3,647	3,030
Severance, restructuring and transformation costs	4,166	3,943
Acquired assets amortization and impairments	5,920	7,503
Adjusted operating income	\$ 13,954	\$ 14,853
GAAP operating margin	0.2%	0.3%
Adjusted operating margin	13.7%	12.8%

Evolution of Harvard Bioscience

Company transitioned to a targeted portfolio of specialized products aligned to customer segments

1950s: Invented the precision syringe pump for drug infusion

1980s: First micro-processor controlled infusion pump

1983: BTX First commercial electroporation system, CRISPR related Gene Editing

2014: DSI Physiotel HD First implantable device for 'chronic' glucose monitoring

July 2019: Announced new CEO and CFO

April 2020: Optimized sales organization along customer segments

Strategic Inflection

1901: Founded by Dr. William T. Porter as Harvard Apparatus

1967: The BioChrom First fully automated clinical amino acid analyzer using HPLC technology

1989: DSI Physiotel First implantable telemetry device for rodent blood pressure monitoring

2000: IPO and NASDAQ listed

2010: DSI Physiotel First implantable cardio-pulmonary for safety pharmacology & toxicology

January 2018: Acquired Data Sciences International and divested Denville Distribution Business

Sept. 2019: Announced Strategic Action Plan

Experienced Leadership Team

James Green

Chairman, President & CEO



Joined as CEO July 2019

Years of Experience 30+

Michael Rossi

Chief Financial Officer



Joined July 2019

Years of Experience 20+

Ken Olson

COO, Global Operations & Engineering



Joined October 2019

Years of Experience 30+

- Precision Engineering and Manufacturing & Supply Chain

Ryan Wallace

SVP Global Direct Sales



Joined January 2020

Years of Experience 15+

- Focusing on global direct sales to CROs, Pharmaceutical and large Academic customer accounts

Don Stewart

VP Global Distributor Sales



Joined February 2020

Years of Experience 20+

- Focusing on global distributor sales to Academic Research Customers

Jacques Coumans PhD

Chief Marketing Officer



Joined September 2020

Years of Experience 35+

- Focusing on New Product Introductions, portfolio management, branding, digital marketing