



NASDAQ: HBIO Q4'24 Earnings Presentation

Jim Green, Chairman, President & CEO

Jennifer Cote, CFO & Treasurer

March 12, 2025

Forward-Looking Statements and Non-GAAP Financial Information

Forward-Looking Statements

This document contains forward-looking statements within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “may,” “will,” “expect,” “plan,” “anticipate,” “estimate,” “intend” and similar expressions or statements that do not relate to historical matters. Forward-looking statements include, but are not limited to, information concerning expected future financial and operational performance including revenues, gross margins, adjusted EBITDA, adjusted EBITDA margin, cash and debt position, growth and the introduction of new products, the strength of the Company’s market position and business model and anticipated macroeconomic conditions. Forward-looking statements are not guarantees of future performance and involve known and unknown uncertainties, risks, assumptions, and contingencies, many of which are outside the Company’s control. Risks and other factors that could cause the Company’s actual results to differ materially from those described its forward-looking statements include those described in the “Risk Factors” section of the Company’s most recently filed Annual Report on Form 10-K as well as in the Company’s other filings with the Securities and Exchange Commission. Forward-looking statements are based on the Company’s expectations and assumptions as of the date of this document. Except as required by law, the Company assumes no obligation to update forward-looking statements to reflect any change in expectations, even as new information becomes available.

Use of Non-GAAP Financial Information

This document includes non-GAAP financial information including one or more of adjusted operating income (loss), adjusted operating margin, adjusted net income (loss), adjusted EBITDA, adjusted EBITDA margin, diluted adjusted earnings (loss) per share, foreign exchange adjusted revenue, and net debt. 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 resulting from items that we do not believe are representative of the underlying operations of the business. Items excluded include stock-based compensation, amortization of intangibles related to acquisitions, other operating expenses, loss on equity securities, income taxes and the tax impact of the reconciling items. Management believes that this non-GAAP financial information is important in comparing current results with prior period results and is useful to investors and financial analysts in assessing the Company’s operating performance. Non-GAAP historical financial statement information included herein is accompanied by a reconciliation to the nearest corresponding GAAP measure which is included as exhibits below.

With respect to non-GAAP forward-looking measures, we provide an outlook for adjusted EBITDA margin. Many of the items that we exclude from this forward-looking measure calculation are less capable of being controlled or reliably predicted by management. These items could cause the forward-looking measures presented in our outlook statements to vary materially from our GAAP results.

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.

CEO Summary: Q4'24 Highlights

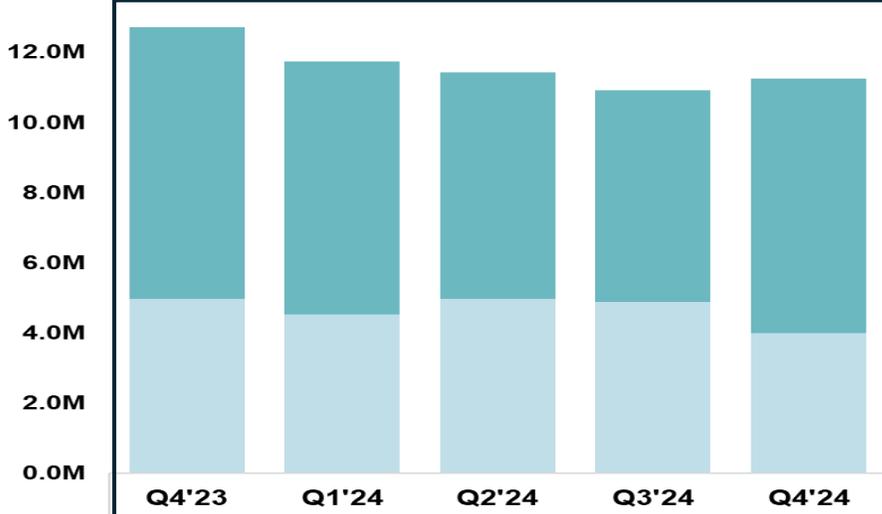
Stay the course, stay lean and remain focused on product commercialization for new revenue streams

Income Statement Components (\$ in millions except percentages)	Q4 2024	Q4 2023
Revenue	24.6	28.2
Gross Margin	14.0	16.3
% of Revenue	57.1%	58.0%
Operating Income	0.0	0.3
% of Revenue	0.0%	1.0%
Adjusted Operating Income*	2.5	3.3
% of Revenue	10.1%	11.6%
Adjusted EBITDA*	3.0	3.6
% of Revenue	12.2%	13.0%

* Non-GAAP measure, see Appendix for reconciliation to GAAP financial measures

Quarterly Product Revenue by Region

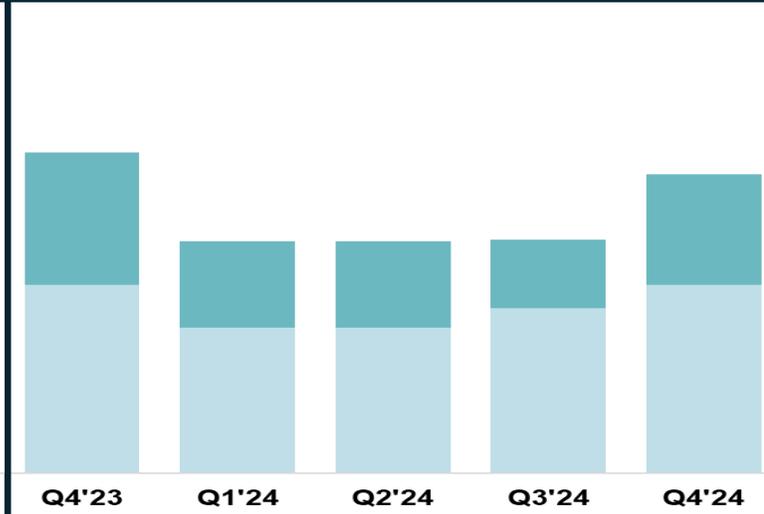
14.0M Q4 Preliminary; Unaudited



Americas

US stabilizing sequentially despite NIH funding noise from new admin policies

- **Overall:** Q4 3.1% sequential growth, down 11.5% YoY as reported
- **Pre-clinical:** Sequential and YoY growth with return to more normal purchasing
- **CMT:** Sequential & YoY decreases due to weakness with US academic customers

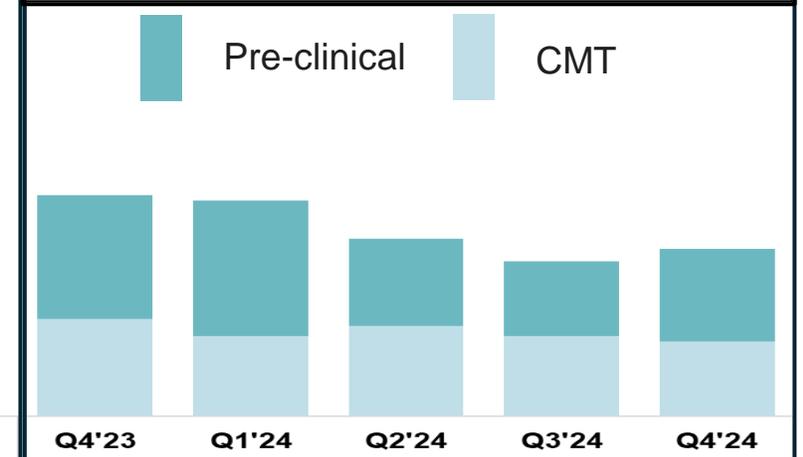


EMEA

EMEA showing signs of recovery, supported by NPI

- **Overall:** Q4 28.3% sequential growth, 6.8% down YoY as reported
- **Pre-clinical:** Sequential and YoY growth in most products, though continued lower Behavior Sales
- **CMT:** Sequential and YoY growth in cell-based testing with strong MeshMEA™ Organoid shipments

Fx Adjustment (in \$M)	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24
CMT	\$ 13.10	\$ 10.88	\$ 11.70	\$ 11.81	\$ 11.52
Pre-Clinical	\$ 15.06	\$ 13.49	\$ 11.43	\$ 10.09	\$ 13.06
Currency*		\$ 0.14	\$ (0.03)	\$ 0.07	\$ (0.02)
Total	\$ 28.15	\$ 24.51	\$ 23.10	\$ 21.97	\$ 24.56



APAC

APAC poor visibility but looks to be stabilizing sequentially

- **Overall:** Q4 8.4% sequential growth 24.1% down YoY as reported
- **Pre-clinical:** Sequential growth and YoY decreases from destocking
- **CMT:** Modest erosion sequentially and YoY

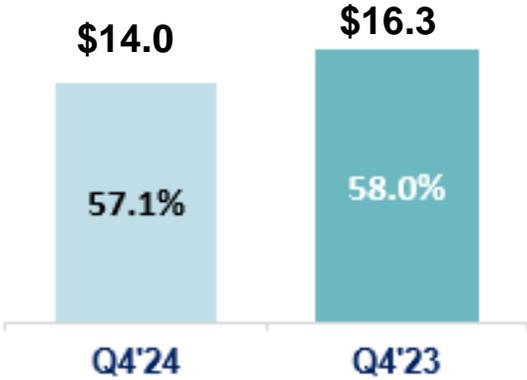
Q4'24 Financial Metrics (GAAP except where noted)

\$ Million except per share data

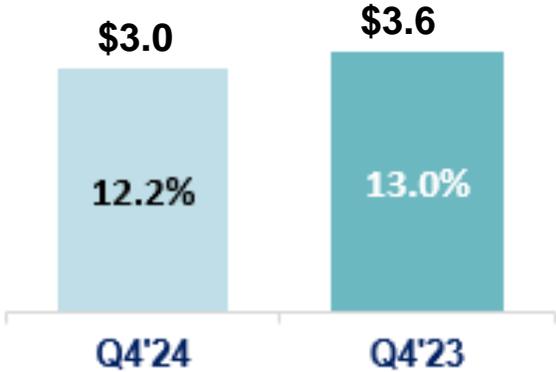
REVENUE



GROSS MARGIN



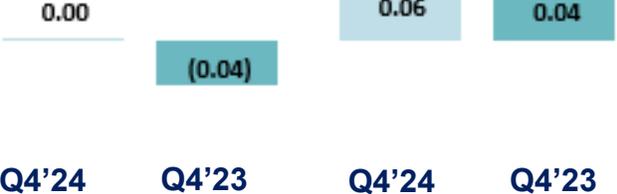
ADJUSTED EBITDA*



EARNINGS (LOSS) PER SHARE

GAAP

Adjusted*



CASH FLOW FROM OPERATIONS



NET DEBT*



* Non-GAAP measure, reconciliations to GAAP financial measures are available in the appendix

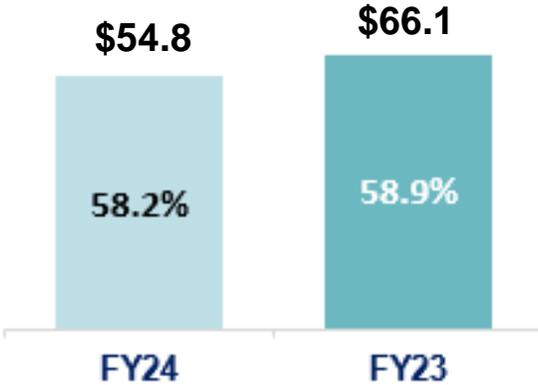
FY24 Financial Metrics (GAAP except where noted)

\$ Million except per share data

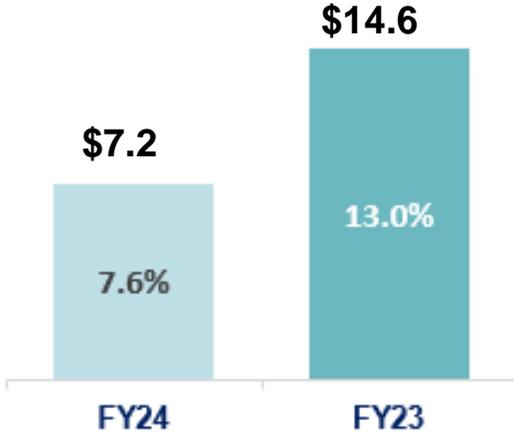
REVENUE



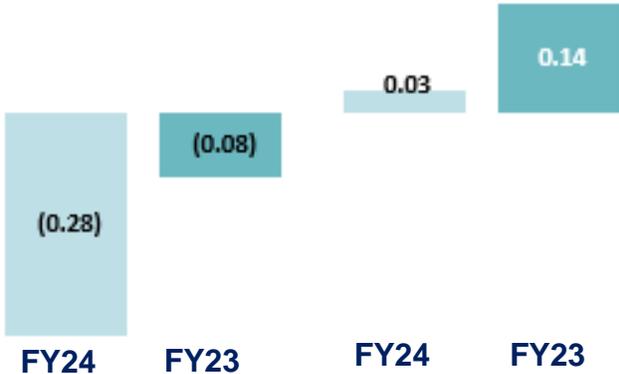
GROSS MARGIN



ADJUSTED EBITDA*



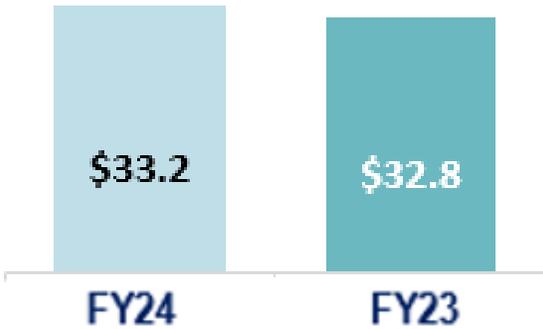
EARNINGS (LOSS) PER SHARE



CASH FLOW FROM OPERATIONS



NET DEBT*



* Non-GAAP measure, reconciliations to GAAP financial measures are available in the appendix

New Product Introductions: Focused on Commercialization

Extending our Fisher and VWR distribution sales to North America and on plan to expand offerings to include MEA Systems

STRENGTHEN THE BASE: DELIVER > MARKET GROWTH



PRECLINICAL



CMT

- Ponemah™ Enterprise Data Acquisition/Analysis GLP platform
- Introduced SoHo™ shared housing implantable telemetry system to extend leadership in wireless telemetry
- Introduced VivaMARS™ high-volume GLP behavioral system
- Well established cellular/molecular/inhalation-respiration technologies for research/discovery
- Recurring revenue streams from consumables and services

~79% of FY24 Rev

EXPAND TO HIGH GROWTH: BIO-PRODUCTION



CMT

- BTX® electroporation/electrofusion system
- Supports latest applications in cell and gene editing, cell and gene therapy (CGT)
- Introduced BTX for bioproduction
- Introduced Amino Acid Analysis for bioproduction

~14% of FY24 Rev

EXPAND TO HIGH GROWTH: IN-VITRO ORGANOID APPS



CMT - ORGANOIDS

- Introduced breakthrough MeshMEA™ organoid platform
- Leverages leadership position in advanced electrophysiology
- Adapts our leading MEA technology to emerging organoid applications in neuro and cardiac safety toxicology

~7% of FY24 Rev

New Product Introductions: Supports Long Term Growth Targets

Growth Category	Product Line	2024 Achievements	2025 Goals
Base	<ul style="list-style-type: none"> • SoHo™ (Shared Housing) NextGen Implantable Telemetry • VivaMARS™ Neuro-Behavioral System 	<ul style="list-style-type: none"> • First shipments for temperature and activity • Working with Labcorp to tune the system and integrate into their operating facility 	<ul style="list-style-type: none"> • Expanding endpoints including cardiac and neuro • Showcasing March Society of Toxicology • Customer excitement and growing demand • Extend Labcorp adoption to additional sites • Expect adoption by second large CRO customer
Electroporation & Bridge to Bioproduction	<ul style="list-style-type: none"> • BTX™ Electroporation System • Amino Acid Analysis (AAA) System 	<ul style="list-style-type: none"> • 1st large customer is a Top 5 Pharma company using BTX bioproduction reached ~\$1M in consumables • First production shipments of cGMP system 	<ul style="list-style-type: none"> • First cGMP compliant high-volume vaccines designed for companion animals, same customer now launching a similar second high-volume project • For human use, a long time Top 10 pharma customer is in early adoption for new generation therapy • For human use, Large Biotech adopting for Car-T therapy • We're currently prototyping our NextGen BTX Platform • Expand adoption of AAA for bioprocessing QC
MeshMEA™ / Organoid	<ul style="list-style-type: none"> • MEA Systems • 3D & Mesh Sensors (consumables) 	<p>Active Beta Sites Operational</p> <ul style="list-style-type: none"> • Academics: UT, Michigan for Neuro • CRO: Synaxis for Neuro Safety/Tox • Leading BioPharma: Neuro & Cardiac <p>Early Adopters: Placed 10 systems including Mayo Clinic and Stanford</p>	<ul style="list-style-type: none"> • Expanded adoption by leading academic sites and US, UK & European government labs, including NIH • Adapting system to potentially high consumable industrial applications • Growing pipeline of Biotech and big Pharma opportunities

Outlook

Q1 2025 Outlook

Considering the uncertainty around NIH funding and academic research purchasing along with normal Q4 to Q1 seasonality, we expect:

- Revenues ranging from \$19M to \$21M
- Gross Margin ranging from 56-58%



Reconciliation to GAAP P&L

HARVARD BIOSCIENCE, INC.
Reconciliation of GAAP to Non-GAAP Financial Measures (unaudited)
(in thousands, except per share data and percentages)

	Three Months Ended		Year Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
GAAP operating income (loss)	\$ 11	\$ 282	\$ (6,211)	\$ 1,894
Stock-based compensation	961	1,382	4,340	5,000
Acquired asset amortization	1,257	1,387	5,255	5,525
Other operating expenses (1)	217	71	1,611	71
Other adjustments	42	136	299	585
Adjusted operating income	\$ 2,488	\$ 3,258	\$ 5,294	\$ 13,075
Operating margin	0.0%	1.0%	(6.6%)	1.7%
Adjusted operating margin	10.1%	11.6%	5.6%	11.7%

GAAP net income (loss) (2)	\$ 18	\$ (1,818)	\$ (12,405)	\$ (3,415)
Stock-based compensation	961	1,382	4,340	5,000
Acquired asset amortization	1,257	1,387	5,255	5,525
Other operating expenses (1)	217	71	1,611	71
Other adjustments	42	136	299	182
Loss on equity securities	-	258	1,593	632
Income taxes	191	315	568	(1,604)
Adjusted net income	2,686	1,731	1,261	6,391
Depreciation & amortization	503	393	1,902	1,476
Interest and other expense, net (2)	(579)	1,126	3,861	4,221
Adjusted income taxes (3)	381	400	172	2,463
Adjusted EBITDA	\$ 2,991	\$ 3,650	\$ 7,196	\$ 14,551
Adjusted EBITDA margin	12.2%	13.0%	7.6%	13.0%

Diluted earnings (loss) per share (GAAP)	\$ 0.00	\$ (0.04)	\$ (0.28)	\$ (0.08)
Diluted adjusted earnings per share	\$ 0.06	\$ 0.04	\$ 0.03	\$ 0.14
Weighted-average common shares:				
Diluted GAAP	43,659	42,710	43,538	42,420
Diluted Adjusted	44,454	44,819	44,391	44,361

	December 31,	
	2024	2023
Debt, including unamortized deferred financing costs	\$ 36,956	\$ 36,563
Unamortized deferred financing costs	394	560
Cash and cash equivalents	(4,108)	(4,283)
Net debt	\$ 33,242	\$ 32,840

(1) Other operating expenses for the three months ended December 31, 2024 includes \$0.2 million of restructuring-related charges. Other operating expenses for the twelve months ended December 31, 2024 includes a \$0.5 million commission fee paid in connection with the receipt of employee retention credits, a loss of \$0.3 million related to an unclaimed property audit, and \$0.8 million of restructuring-related charges.

(2) GAAP net income for the three months ended December 31, 2024, includes the correction of an immaterial error associated with recording a loss on pension settlement in the unaudited interim financial statements for the three months ended September 30, 2024. The correction overstates GAAP net income by \$0.9 million, income taxes by \$0.3 million, and interest and other expense, net by \$1.2 million for the three months ended December 31, 2024. There is no impact on GAAP operating income, adjusted operating income, adjusted EBITDA or diluted adjusted earnings per share for the three months ended December 31, 2024. There is also no impact to the information presented above for the year ended December 31, 2024.

(3) Adjusted income taxes includes the tax effect of adjusting for the reconciling items using the tax rates in the jurisdictions in which the reconciling items arise.

The logo features a white, stylized crescent shape on the left side, resembling a partial circle or a protective shield. To its right, the text "HBio" is written in a bold, white, sans-serif font. The background is a dark teal color with a complex, low-poly geometric pattern of various shades of blue and green, creating a textured, crystalline effect.

HBio