

FOR IMMEDIATE RELEASE
TSX VENTURE: HTL



**HAMILTON THORNE ANNOUNCES RECORD REVENUE FOR THE QUARTER
AND YEAR ENDED DECEMBER 31, 2020**

*Revenue of \$39.7 million for the year and \$12.2 million for the 4th quarter;
Adj. EBITDA of approximately \$6.5 million for the year and a record \$2.5 million for the quarter*

BEVERLY, MA and TORONTO, Ontario – February 18, 2021 – Hamilton Thorne Ltd. (TSX-V:HTL), a leading global provider of precision instruments, consumables, software and services to the Assisted Reproductive Technologies (ART), research, and cell biology markets, today reported preliminary selected unaudited financial results for the fourth quarter and year ended December 31, 2020.

Based on preliminary unaudited results, 2020 revenues increased 12% to a record \$39.7 million with adjusted EBITDA for the year of approximately \$6.5 million, an 8% decline versus the prior year. Fourth quarter sales increased 13% to \$12.2 million, with adjusted EBITDA estimated to increase 12% to \$2.5 million. Organic growth on a constant currency basis was approximately 1% for the year and approximately 10% in the fourth quarter. Gross profit margins were approximately 51.2% for the year and 52.7% for the quarter.

David Wolf, President and Chief Executive Officer of Hamilton Thorne Ltd. commented, “Despite the headwinds from the Covid-19 pandemic we grew sales over 12% for the year to \$39.7 million and closed off 2020 with our best quarter ever. Equipment sales were up for the year, largely due to the contribution from a full year of sales of Planer products, versus 4 ½ months of sales in 2019. Consumables sales, which largely represent organic growth, were up double digits for the year. Service revenues were up slightly. Adjusted EBITDA of approximately \$6.5 million was negatively impacted by declining sales in some areas and, while we deferred some hiring, we continued to make investments in Research and Development and in sales and support resources in the US and Europe to support our long-term growth.”

Commenting on the quarter, Mr. Wolf added, “With sales of \$12.2 million and adjusted EBITDA of approximately \$2.5 million, this was a record quarter for Hamilton Thorne. We increased our gross profit margin and EBITDA margin versus the rest of the year, while continuing to invest in R&D and sales and marketing. Sales of equipment, including Planer products in both periods, were positively impacted by typical end-of-year buying, motivated in part by expiring VAT tax incentives in Europe, and were slightly down for the quarter. Consumables sales were up sharply, as we continue to gain market share, supported by some forward buying due to tax incentives. Service revenues were roughly even with last year.”

The Company generated over \$5 million of cash from operations for the year, ending the year with cash on hand of \$21.8 million, versus \$12.8 million at December 31, 2019, and \$7.5 million available under existing lines of credit to further support its acquisition program.

OUTLOOK

Mr. Wolf added, “Looking forward into 2021, we are extremely optimistic about the long-run but cautious in the short term, particularly the first half. In part due to encouraging progress with vaccines, ART clinics

are largely open and the consensus is that, on a world-wide basis, they are operating at roughly 90% of capacity. On the other hand, the Covid-19 pandemic continues to evolve and in a number of countries, including those in some of our major markets, populations are subject to renewed lockdowns and restrictions which could lead to reduced demand for consumables and renewed caution on capital equipment purchasing. Our planning for 2021 is based on the assumption that our markets will largely normalize in the second half of the year. While we will carefully watch developments, we are planning to continue to make investments in personnel, R&D programs, and systems to support our growth, with an eye to balancing top-line growth with sustained EBITDA performance in the mid-term and EBITDA expansion over the longer term. Finally, our acquisition program has an active pipeline and, with \$21.8 million in cash and \$7.5 million in line of credit availability, we are well positioned to execute on acquisition opportunities.”

Mr. Wolf continued, “I can say without reservation that I am glad to see 2020 in the rear-view mirror. This has been a challenging year at both the business and personal level for all of us. I would like to thank all of our employees who have shown remarkable resiliency and dedication to our business and our customers, and to our business partners and shareholders for the support they have shown our company.”

The financial information contained in this news release is based on management's estimates and is subject to adjustment. The Company expects to release its completed audited financial statements for the year ended December 31, 2020 in early April 2021.

All amounts are in US dollars, unless specified otherwise, and results, with the exception of adjusted EBITDA and organic sales growth measures, are expressed in accordance with the International Financial Reporting Standards ("IFRS").

About Hamilton Thorne Ltd. (www.hamiltonthorne.ltd)

Hamilton Thorne is a leading global provider of precision instruments, consumables, software and services that reduce cost, increase productivity, improve results and enable breakthroughs in Assisted Reproductive Technologies (ART), research, and cell biology markets. Hamilton Thorne markets its products and services under the Hamilton Thorne, Gynemed, Planer, and Embryotech Laboratories brands, through its growing sales force and distributors worldwide. Hamilton Thorne's customer base consists of fertility clinics, university research centers, animal breeding facilities, pharmaceutical companies, biotechnology companies, and other commercial and academic research establishments.

Neither the TSX Venture Exchange, nor its regulation services provider (as that term is defined in the policies of the exchange), accepts responsibility for the adequacy or accuracy of this release.

The Company has included earnings before interest, income taxes, depreciation, amortization, share-based compensation expense, changes in fair value of derivatives and identified acquisition costs related to completed transactions ("Adjusted EBITDA") and organic sales growth as non-IFRS measures which are used by management as measures of financial performance. See section entitled "Use of Non-IFRS Measures" and "Results of Operations" in the Company's Management Discussion and Analysis for the periods covered for further information and a reconciliation of Adjusted EBITDA to Net Income.

Certain information in this press release may contain forward-looking statements. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements unless and until required by securities laws applicable to the Company. Additional information identifying risks and uncertainties is contained in filings by the Company with the Canadian securities regulators, which filings are available at www.sedar.com.

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