



Tecan Group Acquisition of Paramit

ANALYST & MEDIA CONFERENCE CALL

JUNE 24, 2021



The background features a view of Earth from space, with a network of white nodes and blue lines overlaid on the planet's surface, suggesting a global network or data flow. The network is denser at the top and bottom edges of the frame.

Speakers

Dr. Achim von Leoprechting, CEO

Tania Micki, CFO



Acquisition of Paramit Corporation

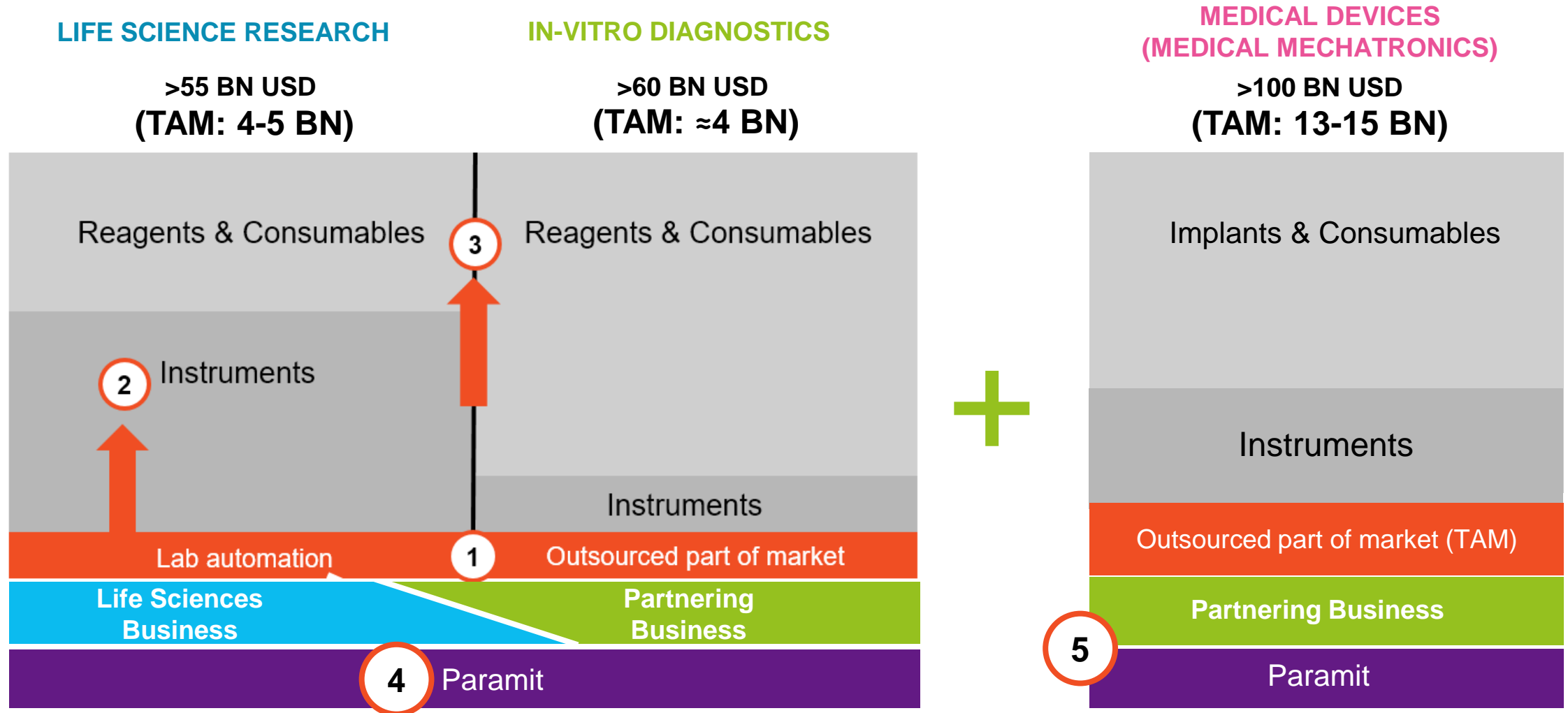
TECAN TO EXPAND COMMERCIAL REACH, CAPABILITIES AND GEOGRAPHIC FOOTPRINT

- Paramit Corporation, a leading OEM developer and manufacturer of medical devices and life sciences instruments
- Adds complementary expertise, broadens design, development and manufacturing capabilities
- Expansion into the attractive and fast-growing medical device market segment, close to Tecan's own core competencies
- Significantly strengthens geographic footprint in the US, the largest life sciences and healthcare market in the world
- Adds significant engineering as well as cost-competitive manufacturing capabilities, both in US and in the APAC region
- Total consideration of USD 1.0 billion (CHF 920 million)
- In full year 2021, Paramit is expected to generate around USD 280m in sales (CHF 257m) and around USD 50m EBITDA (CHF 46m), before acquisition-related costs



Acquisition Significantly Expands Total Addressable Market

ADDING A 4TH AND 5TH STRATEGIC GROWTH VECTOR



Adjacent OEM Offerings for Components and Instrumentation

CLOSE TO TECAN'S OWN CORE COMPETENCIES: ≈75% OF SALES BASED ON ROBOTICS AND LIQUID HANDLING

LIFE SCIENCE RESEARCH

>55 BN USD
(TAM: 4-5 BN)

IN-VITRO DIAGNOSTICS

>60 BN USD
(TAM: ≈4 BN)

MEDICAL DEVICES (MEDICAL MECHATRONICS)

>100 BN USD
(TAM: 13-15 BN)

TECAN.

OEM Offering	<ul style="list-style-type: none"> • Robotic components (e.g. pumps) • Platform-based automation systems • Dedicated automation systems 	
Key Applications	<ul style="list-style-type: none"> • NGS, cell biology, biopharma manufacturing, flow cytometry (...) 	<ul style="list-style-type: none"> • MDx, transfusion medicine, tissue pathology, immunoassays, NIPT (...)

paramit
promises delivered

OEM Offering	<ul style="list-style-type: none"> • Components, modules and systems, based on robotic, micro fluidics and optical technologies 	
Key Applications	<ul style="list-style-type: none"> • NGS, other genomics, biomarker detection, cell biology, EM (...) 	<ul style="list-style-type: none"> • MDx, digital pathology

<ul style="list-style-type: none"> • Components, modules and systems, based on robotic, micro fluidics, optical, laser and radio frequency technologies
<ul style="list-style-type: none"> • Surgical robotics, cardiovascular controllers, reconstructive surgery, laser treatments, hemodialysis (...)



Combined Entity with Leading OEM Offering

SIGNIFICANTLY ENHANCES VALUE PROPOSITION – FULLY COMPLEMENTARY OEM PORTFOLIO

- With **Tecan Cavro** (OEM components) and **Tecan Synergence** (full systems), **Tecan** is offering a broad range of products and services, mainly in the IVD market segment and to a lesser extent in life science research
- **Paramit** to add new capabilities and technologies, especially around custom design/development and custom manufacturing; **Tecan** to add R&D capabilities in software development and workflow expertise
- **Paramit** to also extend Tecan's offering for life science research and expand it into medical mechatronics
- Significant potential to cross-leverage products and services and expand regionally

	Parts	Components Modules	Product design	Product development	Assembly + Testing	PLC, Consumables, Spares	Technical Field Service
LIFE SCIENCE RESEARCH	✓	↗	↗ ↗	↗ ↗	↗	↗	✓
IN-VITRO DIAGNOSTICS	✓	↗	↗ ↗	↗ ↗	↗	✓	✓
MEDICAL MECHATRONICS	✓	↗	↗	✓	✓	✓	↗



Strong Presence in North America and Asia

COMBINED ENTITY TO BENEFIT FROM COMPLEMENTARY GEOGRAPHIC FOOTPRINT



vPoke® - Proprietary Computer-Directed Assembly

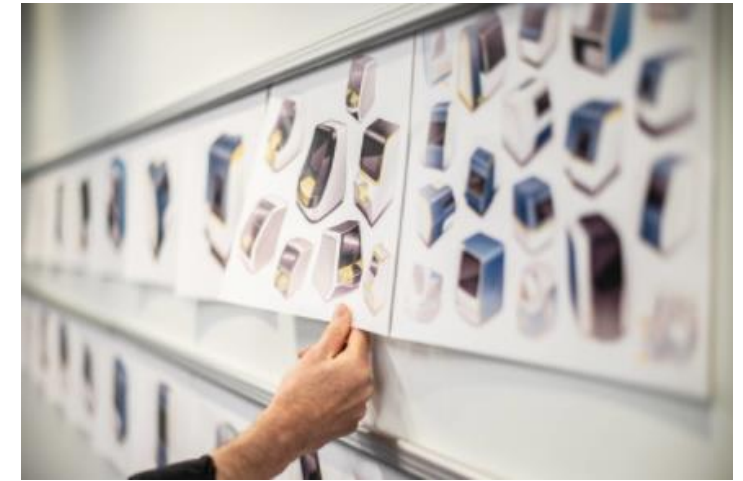
PROVIDES A SUBSTANTIALLY HIGHER LEVEL OF CONTROL AND VALIDATION FOR MECHANICAL ASSEMBLIES

- Ideal for low volume / high mix manufacturing environments
- Ensures each unit is built identically using the same sequences, tolerances, and parts – regardless of the operator
- Delivers very flexible production planning and reduces the potential for errors (“zero-defect manufacturing”)
- Precisely repeatable sequences are scalable for volume and product complexity, especially in highly regulated markets
- Control and validation of each assembly element (every input into every process sequence)
- Permanent build record created throughout the entire assembly process for a rich device history record (DHR)
- Customers recognize Paramit for highest-quality manufacturing



Compelling Financial Profile

- Acquisition will be immediately and significantly accretive to earnings per share (EPS) upon closing
- In full year 2021, Paramit is expected to generate around USD 280m in sales (CHF 257m) and around USD 50m EBITDA (CHF 46m), before acquisition-related cost
- Transformation of Tecan into a >CHF 1 billion revenue and >CHF 200 million EBITDA company
- Acquisition will provide the Group with critical mass and scale, further enhancing its already strong operating cash flows
- Strengthened financial profile will fuel future growth, both organic and through additional acquisitions
- Substantial commercial and cost synergies to be achieved through a range of opportunities (e.g. supply chain, internalization of supplies)



Transaction Summary

- Total purchase consideration of USD 1.0 billion (CHF 920 million)
- Transaction to be funded through a mix of available cash, the issuance of new shares and a bond offering
- Preserving financial flexibility for potential additional M&A transactions
- Leveraging strong balance sheet, also benefitting from favorable exchange rate USD/CHF
- Obtained committed bridge financing with respect to the purchase price
- Closing of transaction expected in the coming months (subject to the satisfaction of customary closing conditions)
- Financing after closing:

AVAILABLE CASH

- **≈1/3 of funding**
- **Net liquidity as of December 31, 2020: CHF 467.7 million**
- **Continued strong operating cash flows in 2021**
- **Keeping sufficient cash on hand**

DEBT FINANCING

- **≈1/3 of funding**
- **Straight bond offering**
- **Coupon to be defined at placement**
- **Leverage after the transaction expected to be at around 1.0x net debt/EBITDA**

EQUITY FINANCING

- **≈1/3 of funding**
- **New shares from existing authorized share capital**
- **Corresponding to less than 10% of total share capital**
- **Shares to be placed in an accelerated bookbuilding**



Acquisition of Paramit – Scaling Innovation to the Clinic

- Paramit, a leading OEM supplier with notable list of blue-chip customers across life science research and medical devices
- Adding complementary expertise, broadening design, development and manufacturing capabilities
- Significantly expanding total addressable market
- Benefitting from complementary geographic footprint
- Financially compelling transaction
- Setting the basis for future growth
- Both companies share many aspects of Tecan's corporate culture
 - Passionately living customer-focused culture
 - Clear commitment to values Ambition, Trust and Highest Standards, with focus on quality management in regulated markets
 - Driven by purpose to contribute to the quality of life of humankind by scaling innovation from life science research to the clinic



Q&A.



Tecan – Who we are

Tecan (www.tecan.com) is a leading global provider of laboratory instruments and solutions in biopharmaceuticals, forensics and clinical diagnostics. The company specializes in the development, production and distribution of automated workflow solutions for laboratories in the life sciences sector. Its clients include pharmaceutical and biotechnology companies, university research departments, forensic and diagnostic laboratories. As an original equipment manufacturer (OEM), Tecan is also a leader in developing and manufacturing OEM instruments and components that are then distributed by partner companies. Founded in Switzerland in 1980, the company has manufacturing, research and development sites in both Europe and North America and maintains a sales and service network in 52 countries.

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