



Tecan Group

Jefferies HC Conference

DR. DAVID MARTYR, CEO

NOVEMBER 14, 2018

LONDON





Introduction

Tecan's Vision Statement

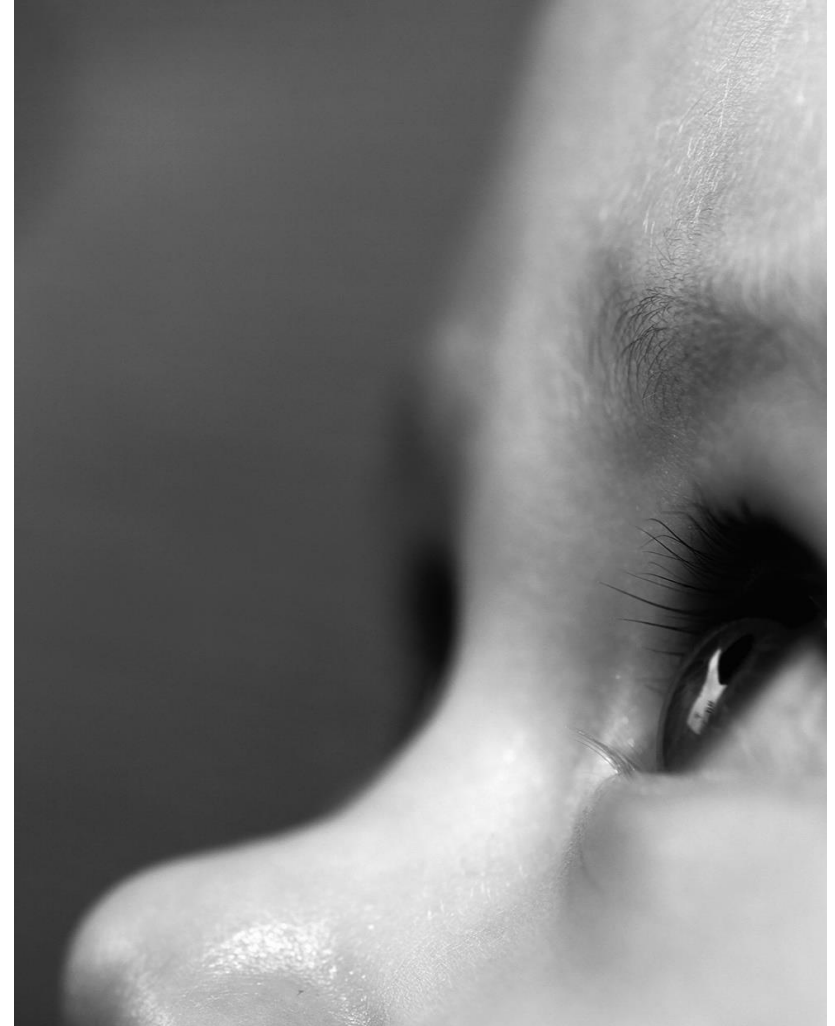
Every lab.

Every day.

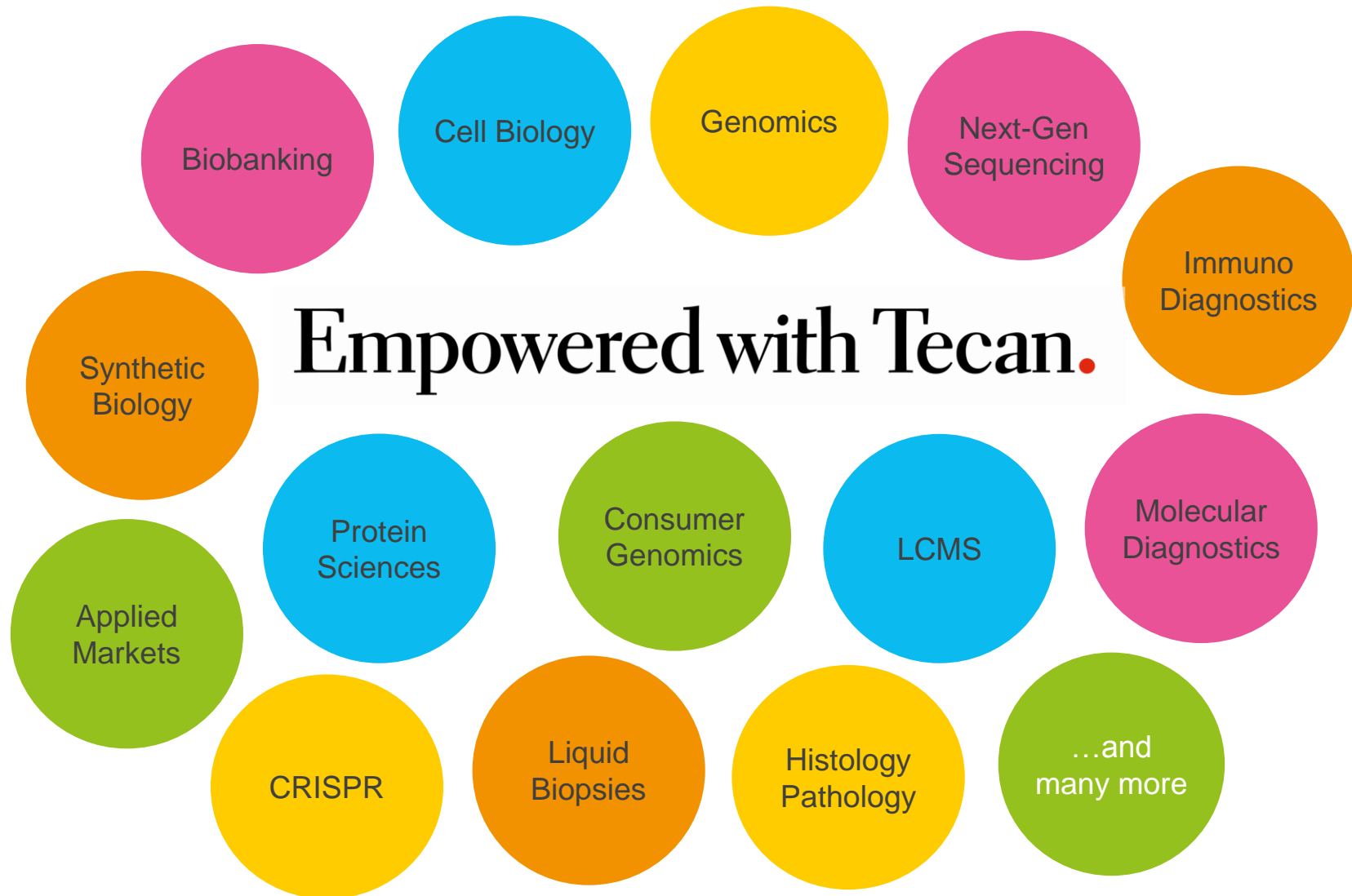
Empowered.

Our vision is to empower every laboratory, every day, around the world with Tecan technology, products and support.

We will help to shape the future of automated workflows in life sciences and clinical diagnostics through unrivaled expertise, products and customer support.



Tecan in the Center of a Dynamic Environment



Introducing Tecan

- Pioneer and global leader in laboratory automation since over 35 years
- Our solutions accelerate, automate and enhance the processes in state-of-the-art diagnostics and life sciences labs
- Offering solutions in select application areas:
 - Immunoassays for specialty diagnostics
 - Consumables for LCMS sample preparation
 - Reagents for NGS library preparation
- HQ in Switzerland, 3 manufacturing and R&D sites in Europe and 3 in the US; software competence center in Germany
- ~1,600 employees; sales and service network in 52 countries
- Listed at the SIX Swiss Exchange (TECN; TECN SW)



Tecan's Products, Business Structure and Markets

LIFE SCIENCES BUSINESS

- Focused on all end-user activities
- Products marketed under the Tecan brand through own sales & service organizations and distributors
- Instruments, reagents, consumables, customer service, spare parts



56% OF GROUP SALES

PARTNERING BUSINESS

- Focused on all OEM activities
- Products sold by partners under their own brand, partner combines instruments with own reagents/tests
- Dedicated systems, platform-based instruments, components, consumables, spare parts, service



44% OF GROUP SALES

CHF 548M IN REVENUE

LIFE SCIENCE
RESEARCH

DIAGNOSTICS

APPLIED
MARKETS

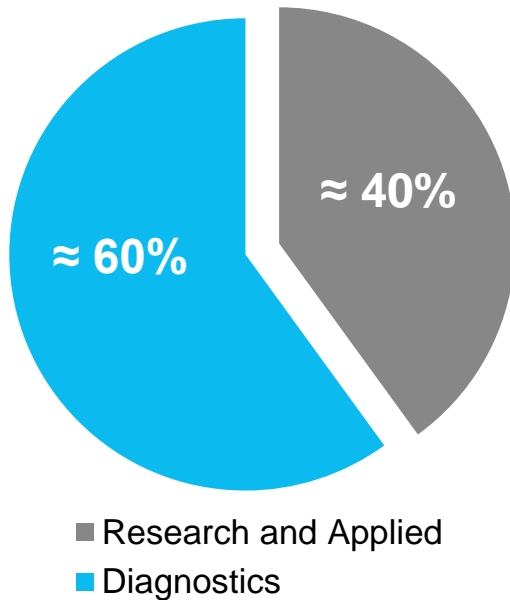
Fiscal year 2017



Revenue Profile Provides a Solid Basis

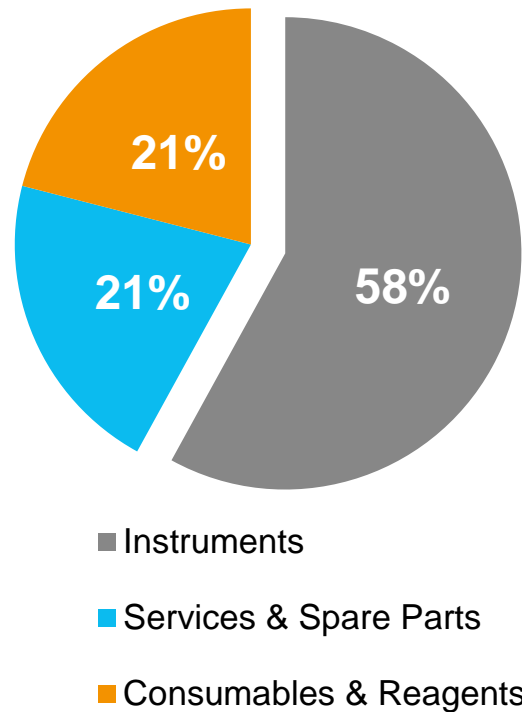
STRONG DRIVERS IN DIAGNOSTICS

Customer Segments



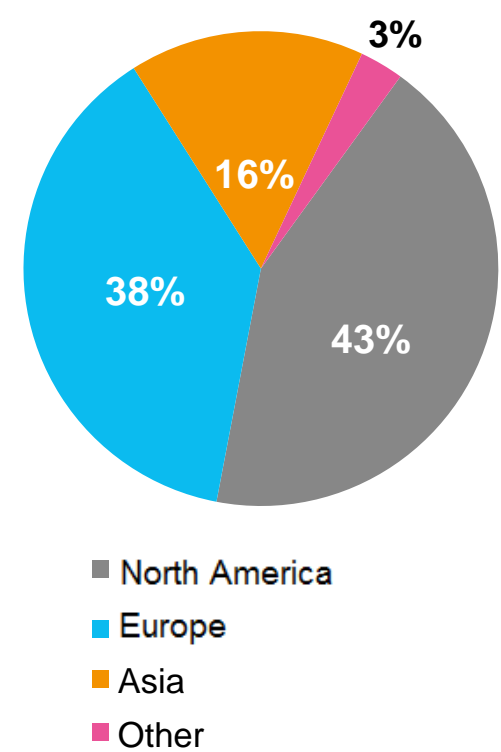
ACQUISITIONS ADDING NEW SOURCES OF RECURRING REVENUES

Products



GROWING DIRECT PRESENCE IN EMERGING MARKETS

Geographies



Fiscal year 2017

A close-up photograph of several glass Erlenmeyer flasks arranged on a laboratory tray. The flasks contain a bright red liquid. The focus is sharp on the flasks in the foreground, while those in the background are blurred. The lighting is bright, creating highlights on the glass surfaces.

Strategy and Growth Drivers

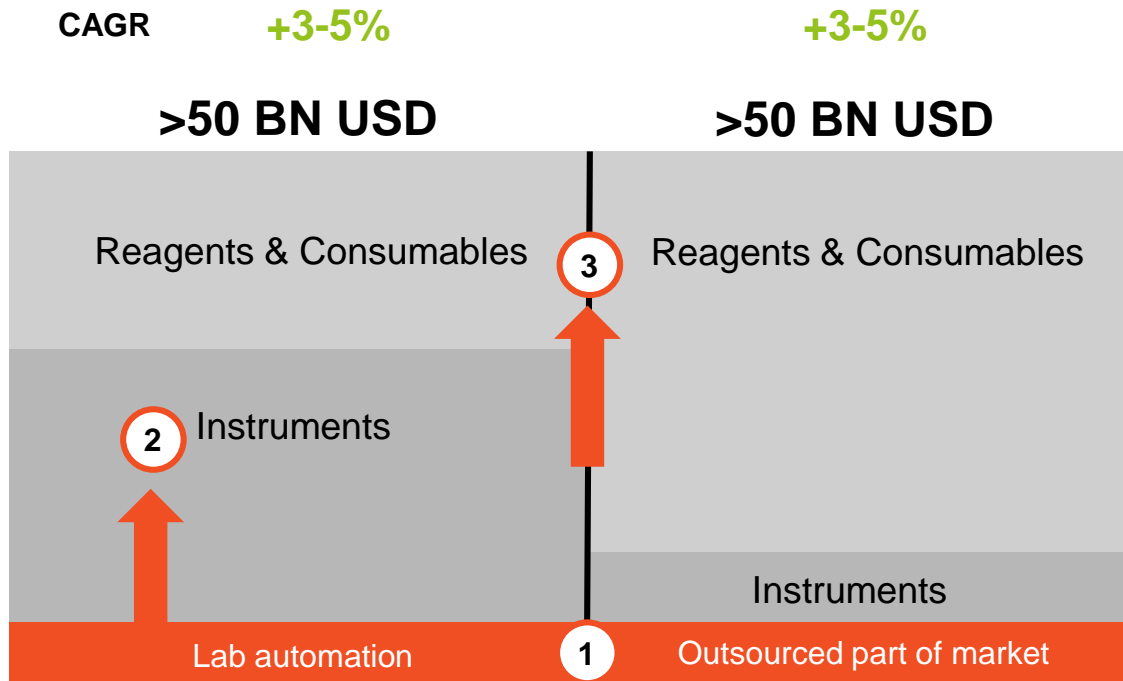


Basis for Corporate Strategy: Market Structure

LIFE SCIENCE RESEARCH

IN-VITRO DIAGNOSTICS

STRATEGIC PILLARS



- 1 Scale & capability
- 2 Build additional pillars and complete portfolio
- 3 Offer solutions in selected areas

LIFE SCIENCE RESEARCH

IN-VITRO DIAGNOSTICS



New Platforms in Two Main Instrument Segments

STRONG MARKET UPTAKE AND ORDER MOMENTUM

FLUENT® NEXT GENERATION LIQUID HANDLING PLATFORM FAMILY

Setting new standards for simplicity, productivity and confidence



- Built around the application-specific needs for various life science workflows
- Launch of Fluent® Gx platform variant for regulated markets in Q2 2018
- More capacity, increased speed, superior precision, throughput and walkaway time

SPARK®* NEXT GENERATION READER PLATFORM

Greater flexibility, increased speed and productivity



- Industry leading sensitivity and speed
- Integrated microscopy for automated live cell imaging and confluence measurement
- Engineered in a modular, upgradeable fashion
- Unique suite of technology and software for entirely new assay possibilities

* For research use only in USA

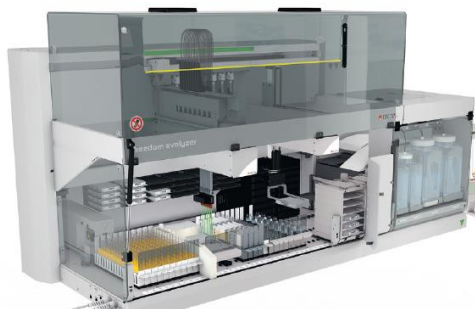


Growing Solutions Offering in Select Applications

LEVERAGING TECAN'S GLOBAL PRESENCE AND CUSTOMER BASE

IMMUNOASSAYS FOR SPECIALTY DIAGNOSTICS

Building on Tecan's long tradition in immunoassay processing with open platforms



- Offering wide range of tests for specialty diagnostics through acquired IBL International
- Increasing need for an integrated instrument and reagent offering
 - About 120 assays adapted to Tecan automation
- Direct distribution initiated in various countries

SAMPLE PREPARATION SOLUTIONS FOR MASS SPECTROMETRY

Leveraging Tecan's leading position in mass spectrometry sample prep automation



- Expanding MS sample prep offering through acquired SPEware (now Tecan SP)
- Offering smart consumables and dedicated instruments under new Resolvex™ brand
- Preparing for commercialization beyond North American market
- European launch initiated in H2 2017

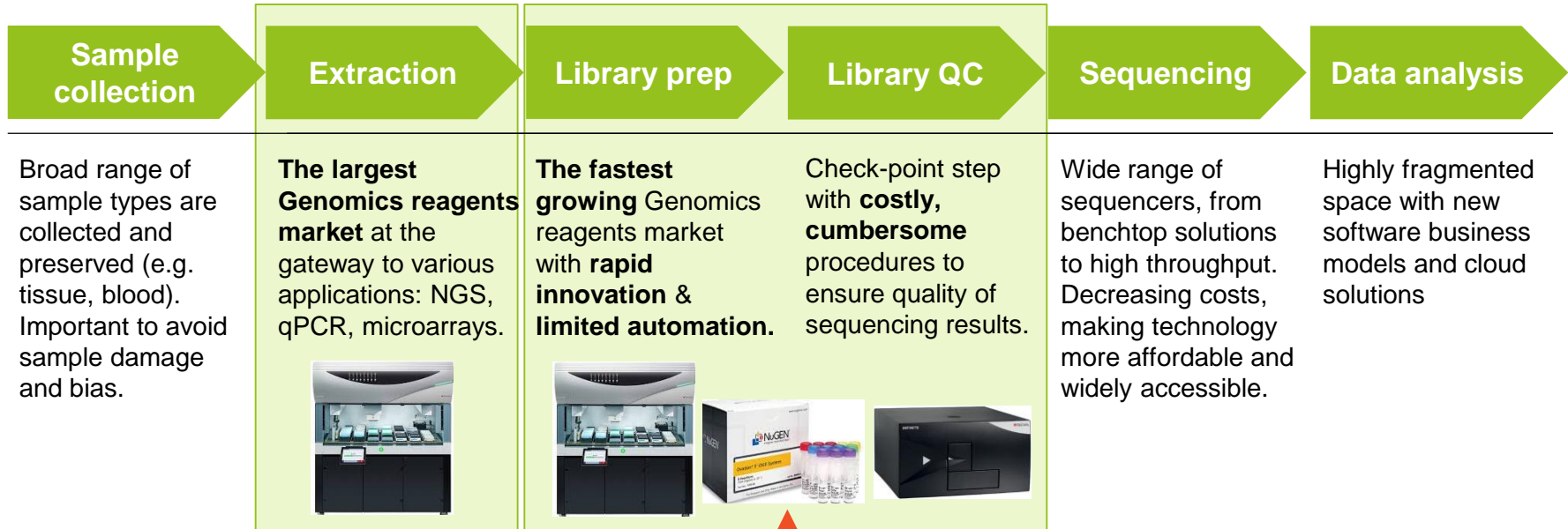
Accelerating Broad Genomics Strategy with Acquisition of NuGEN Technologies

- Tecan further expanding dedicated solution offering in new market segment of NGS reagents
- US-based NuGEN is a leading provider of innovative NGS kits and sample prep reagents, serving the fastest growing field within genomics
- Consideration of USD 54.5m (CHF 54.0m); less than 4x FY 2018e sales of NuGEN
- NuGEN's sales anticipated to triple by 2023
- Total contribution of more than CHF 75m expected from broad genomics strategy by 2023, incl. NuGEN and new workstations already under development
- Transaction expected to become accretive for 2022
- Transaction successfully completed on August 31, 2018



NGS Workflows are Composed of Multiple Steps

THEY REPRESENT ABOUT HALF OF THE OVERALL USD 12BN GENOMICS MARKET



COMPLETE SOLUTIONS FOR NGS LIBRARY PREP

- 1 Combine leading automation, existing and under development, with innovative NGS reagents into dedicated solutions for NGS library preparation incl. QC
- 2 Overlapping customer base; cross-leverage commercial capabilities and ensure complete application and automation support
- 3 Leverage Tecan's geographic reach and market position in genomics automation to sell NuGEN's products globally with expanding sales capabilities in key regions

Partner of Choice to the IVD Industry

30+ ACTIVE INSTRUMENT ACCOUNTS, MULTIPLE DEVELOPMENTS IN PROGRESS

IN REGULAR SUPPLY PHASE

INSTRUMENTS RAMPING UP

UNDER DEVELOPMENT

INSTRUMENT PIPELINE

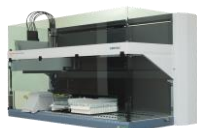
35+ different instruments supplied

- From leading diagnostics companies, segment specialists to emerging players

Examples:



m2000sp for
Abbott Molecular



Procleix Xpress for
Grifols



ORTHO VISION® Analyzer and ORTHO VISION®
Max Analyzer for Ortho Clinical Diagnostics



Natch S for
Sansure



Qwalys® 3 for
Diagast



Dako Omnis for
Agilent Technologies



Sgx Clarity™ for
Singulex



BD PrepStain™ Slide
Processor for BD



Autrax for
Liferiver



QUANTA Lyser® 3000
for Inova Diagnostics



Amplidiag® Easy for
Mobidiag

5+ projects under
development

- From smaller to large potential

Examples:



New nucleic acid extraction platform in
MDx for DiaSorin



New sample preparation platform in flow
cytometry for Sysmex Corporation

25+ concrete concepts
in discussions

- New technologies transitioning into IVD
- Richest project funnel to date; Asia contribution significant
- Majority in MDx and other fast growing applications
- Leveraging broad portfolio of modular platforms, consumables plus company-wide application & service expertise



Financials and Outlook



Financial Highlights H1 2018

- Strong sales growth +8.4% and +6.9% LC*; almost exclusively organic
- Double-digit sales growth of +16.1% in LC in Partnering Business
- Total recurring revenues at 45% of sales
- Operating profit with significant increase: EBIT +26%, EBITDA +16%
- Net profit also growing at a double-digit percentage rate (+12%)

* LC = local currencies



New Fluent® Gx



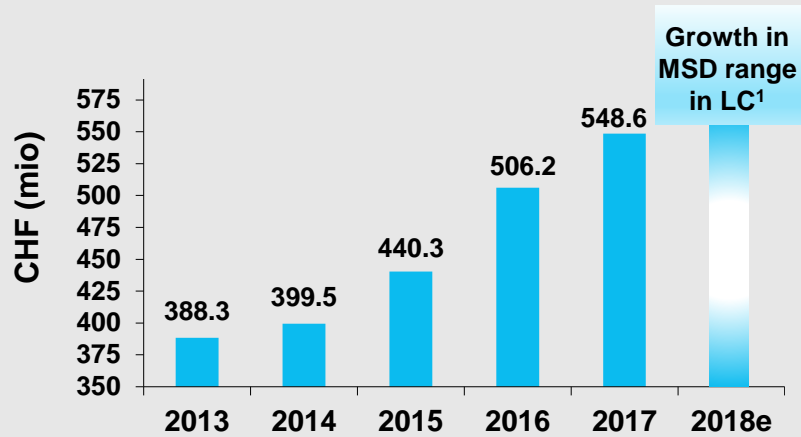
Resolvex™ A200 and consumables for
LCMS sample prep



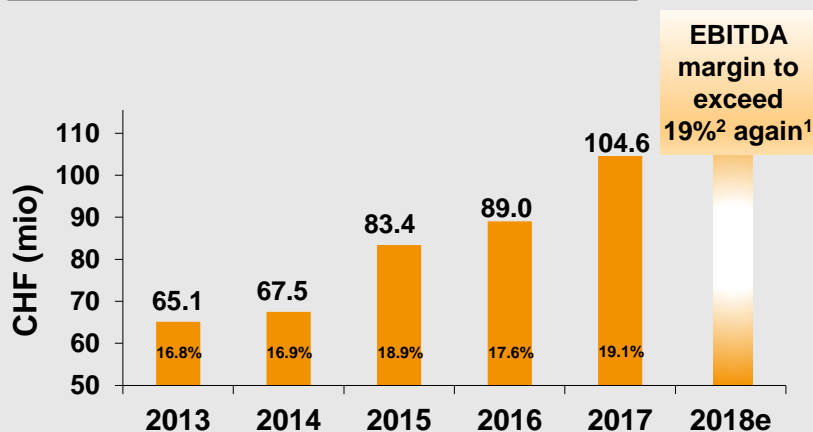
Cavro® Omni Flex, basis for OEM instruments

Organic Outlook for 2018 Confirmed

SALES DEVELOPMENT¹



OPERATING PROFIT (EBITDA)¹



¹ Excluding NuGEN ² Based on average FX rates of: 1.15 EUR/CHF and 0.96 USD/CHF

ORGANIC OUTLOOK¹ FOR 2018

- Confirming organic outlook for 2018 given in March
- Organic sales growth in the mid-single-digit percentage range in LC expected
- After significant margin increase in 2017, a further year of EBITDA margin of more than 19% of sales expected
- Including integration costs in a low single-digit million CHF amount for already completed acquisitions

CONSOLIDATION IMPACT 2018 FROM NUGEN

- Additional sales in a low single-digit million CHF amount expected
- Impact of initial integration costs and moderate loss from operations expected to lower communicated EBITDA margin outlook by around 50 to 75 bps

Q&A



IR IPAD APP

News, financial reports,
presentations,
videos and more



NEXT EVENTS 2019

March 11: Full Year Results 2018

April 16: Annual Shareholder Meeting

CONTACT

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H1 2018 Key Figures

	2017	2018	Δ IN %
Order Entry (in CHF mio)	290.1	298.1	+2.8%
Sales (in CHF mio)	252.2	273.5	+8.4%
Sales in local currencies (in CHF mio)	255.9	273.5	+6.9%
Gross Profit (in CHF mio)	120.2	128.5	+6.9%
in % of sales	47.7%	47.0%	
R&D (in CHF mio)	23.5	22.0	-6.3%
in % of sales	9.3%	8.1%	
EBIT (in CHF mio)	29.9	37.8	+26.3%
in % of sales	11.9%	13.8%	
EBITDA (in CHF mio)	41.6	48.1	+15.5%
In % of sales	16.5%	17.6%	
Net profit (in CHF mio)	26.0	29.2	+12.1%
in % of sales	10.3%	10.7%	
EPS (in CHF)	2.25	2.49	+10.7%
Return on net assets (RONA)	22%	28%	
Net liquidity ^{(1) (2)} (in CHF mio)	290.7	284.1	-2.3%
Equity (in CHF mio)	504.2	572.0	+13.4%
Cash Flow (operating) (in CHF mio)	31.7	38.4	+21.0%

(1) Net Liquidity = cash and cash equivalents minus bank liabilities and loans

(2) 2017 figure as of Dec. 31, 2017

FY 2017 Key Figures

	2016	2017	Δ IN %
Order Entry (in CHF mio)	503.2	564.1	+12.1%
Sales (in CHF mio)	506.2	548.4	+8.3%
Sales in local currencies (in CHF mio)	507.8	548.4	+8.0%
Gross Profit (in CHF mio)	239.4	265.6	+11.0%
in % of sales	47.3%	48.4%	
R&D (in CHF mio)	47.1	51.1	+8.4%
in % of sales	9.3%	9.3%	
EBIT (in CHF mio)	68.1	80.5	+18.1%
in % of sales	13.5%	14.7%	
EBITDA (in CHF mio)	89.0	105.3	+18.3%
In % of sales	17.6%	19.2%	
Net profit (in CHF mio)	54.5	66.5	+22.0%
in % of sales	10.8%	12.1%	
EPS (in CHF)	4.74	5.73	20.9%
Return on net assets (RONA)	28%	31%	
Net liquidity December 31 ⁽¹⁾ (in CHF mio)	242.3	290.7	+20.0%
Equity (in CHF mio)	487.1	550.3	+13.0%
Cash Flow (operating) (in CHF mio)	118.8	99.4	-16.3%

(1) Net Liquidity = cash and cash equivalents minus bank liabilities and loans



Empowered
with
Tecan.



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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Germany +49 79 51 94 170 **Italy** +39 02 92 44 790 **Japan** +81 44 556 73 11 **Netherlands** +31 18 34 48 17 4 **Singapore** +65 644 41 886 **Spain** +34 935 95 2531
Sweden +46 8 750 39 40 **Switzerland** +41 44 922 89 22 **UK** +44 118 9300 300 **USA** +1 919 361 5200 **Other countries** +43 62 46 89 33

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