



Tecan Group Jefferies London Healthcare Conference

DR. ACHIM VON LEOPRECHTING, CEO
20 NOVEMBER 2019





Empowering the Century of Biology.



Tecan is Benefitting from Multiple Megatrends

5 key trends...



Population growth
and the aging population



High levels of investment in healthcare and
life science Research in emerging markets



Development of targeted Pharmaceuticals
and use of companion Diagnostics



Explosion of biological knowledge is
leveraged into applied markets



Genetic Testing directly
for consumers

...fuel need for lab automation



Increasing test volumes



Increasing needs

- Productivity
- Reproducibility and standardization
- Precision
- Robustness of processes
- Regulatory compliance



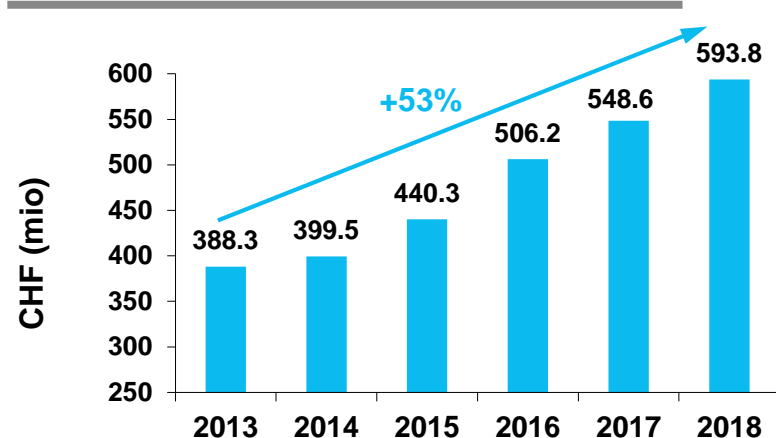
Increasing Laboratory Automation



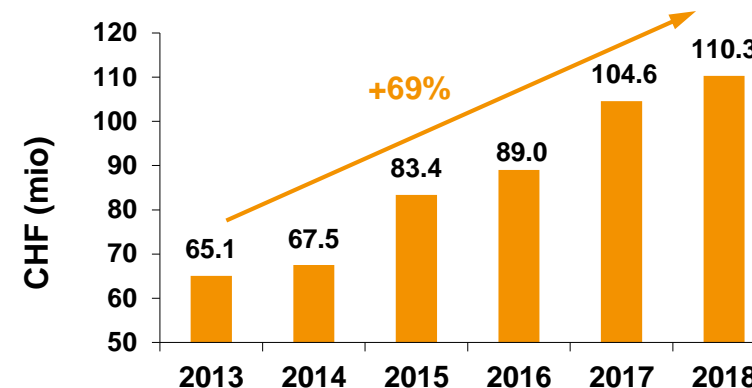
Megatrends Translating into Growth Opportunities

SUCCESSFUL FINANCIAL PERFORMANCE IN RECENT Years

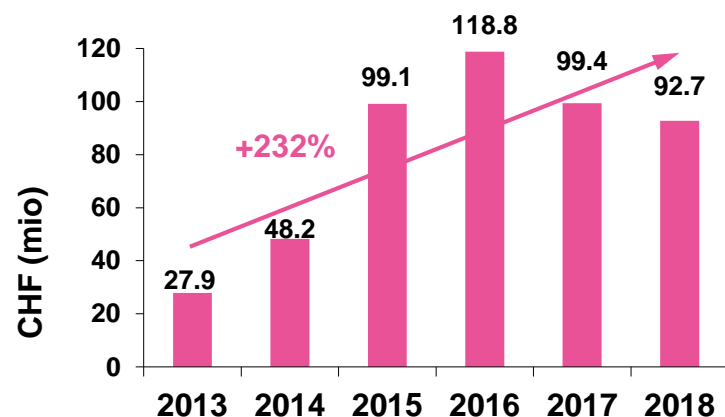
SALES DEVELOPMENT



OPERATING PROFIT (EBITDA)

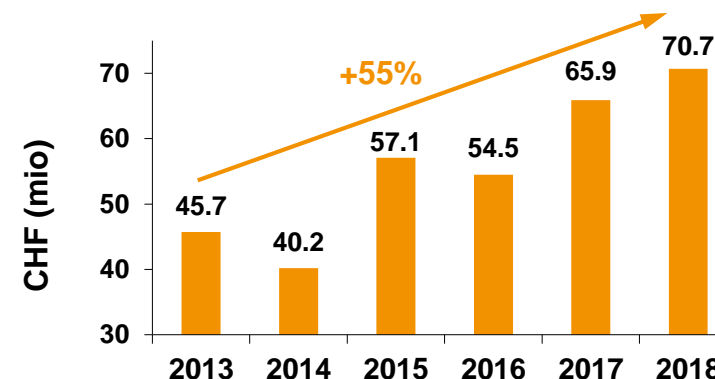


OPERATING CASH FLOW



All figures are as reported,
non-adjusted

NET PROFIT



Tecan Competencies Empowering the Century of Biology

FROM DISCOVERY OF NOVEL MEDICATIONS ALL THE WAY TO BETTER DIAGNOSIS OF DISEASES

HEALTHCARE USE

Better...

- understand
- diagnose
- and treat

Cancer

Infectious
Diseases

Hereditary
Diseases

Rare
Diseases

and also
applies to
other
markets

Metabolic
Diseases

AND MANY MORE

APPLICATIONS

- Genomics
- Protein analysis
- Cell & tissue analysis

DETECTION & ASSAY TECHNOLOGIES

- Sequencing
- PCR
- Mass Spectrometry
- Immunoassays
- Imaging
- Advanced Staining

TECAN'S ENABLING COMPETENCIES

- Applications and Workflows
- Robotics and Automation
- Software and Informatics
- Detection and Imaging
- Precision Handling of Liquids
- Reagents and Consumables

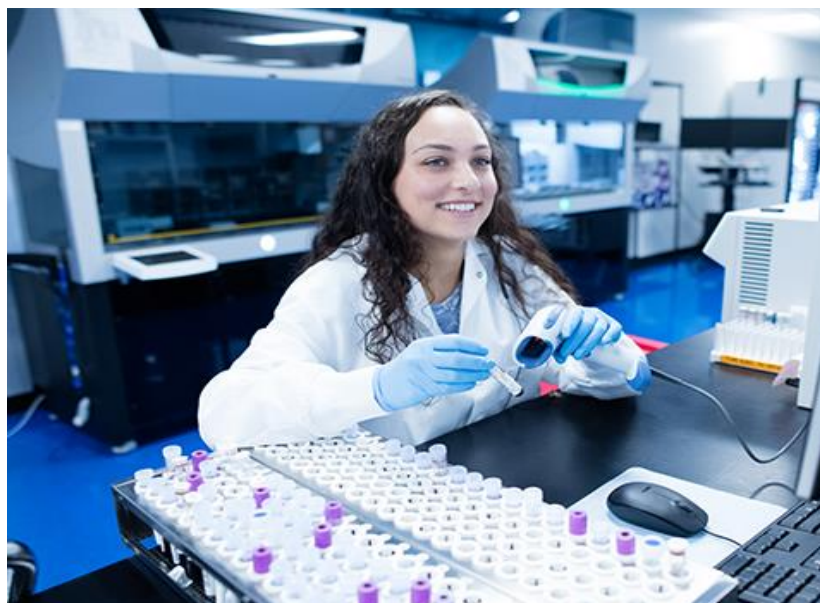
All built on a robust foundation of:

- Product Development and Systems Integration Expertise
- Quality Management System
- Regulatory Expertise
- Efficient Operations



Empowering Genetic Testing

EXAMPLE: AMBRY GENETICS - GENETIC TESTING FOR HEREDITARY DISEASES



© Ambry Genetics; <https://www.ambrygen.com/about/our-story>

IMPACT OF TECAN AUTOMATION ON AMBRY'S PRODUCTIVITY*:

First wave of automation (2012-2015)

- 9h of FTE time savings per day with 25x-100x more samples prepared per person
- 3x increased capacity and 12x faster processing for tubes to plates/racks transfer

Next wave of automation with Tecan's Fluent platform: Ambry SuperLab

- Critical turn-around time (TAT) consistent with 4x increase in sample volume
- 63% increase in productivity per headcount per day (2018 vs. 2017)

Additional benefits

- Real-time sample tracking and traceability
- Increased accuracy, reduced errors, maintaining sample integrity, assay miniaturization
- Complete audit trails for regulators and to enable faster troubleshooting

Ressources:

Tecan Capital Markets Day, p.34ff: <https://www.tecan.com/investor-overview>

The Blog: <https://www.tecan.com/blog/ambry-genetics-builds-a-superlab-to-automate-ngs-of-clinical-samples>

Tecan Journal: <https://www.tecan.com/tecan-journal/taking-a-fluent-approach-to-genetic-screening>

Ambry Genetics: www.ambrygen.com

*Joy Rae-Radecki Crandall , Director of Assay Automation, Ambry Genetics, a Konica Minolta Company, Tecan Capital Markets Day, June 6, 2019



Tecan's Vision Statement

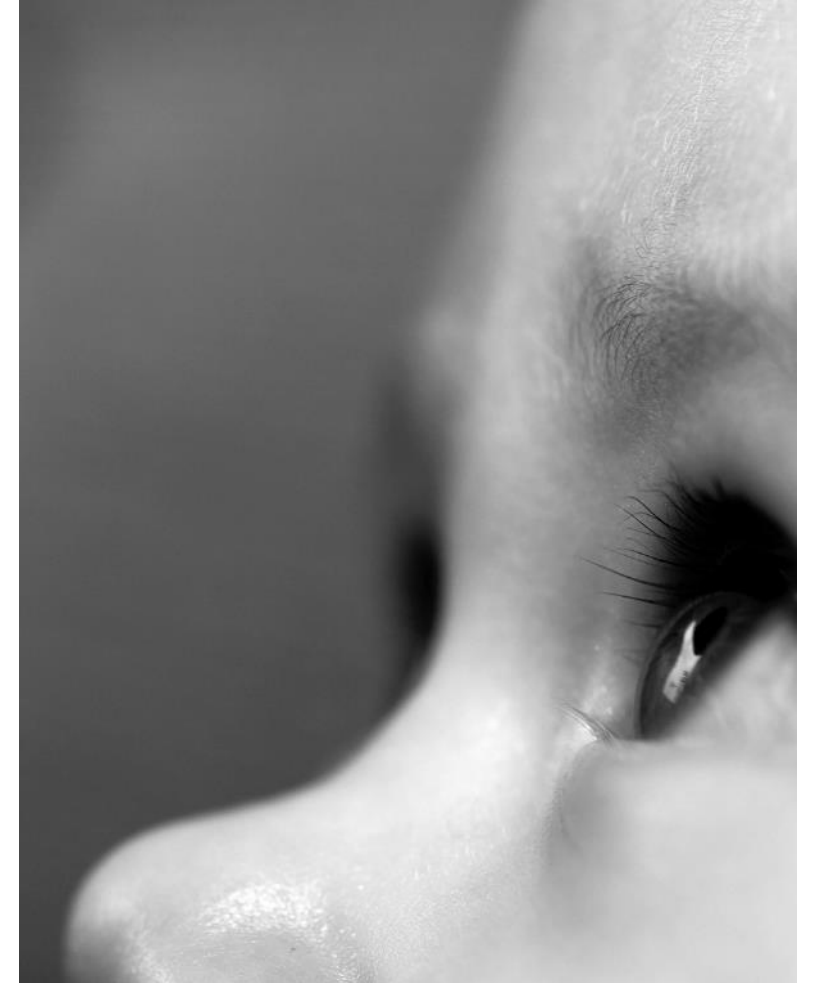
Every lab.

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.



Introducing Tecan

- Pioneer and global leader in laboratory automation since almost 40 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 4 in the US, 1 manufacturing site in Asia; software competence center in Germany
- ~1,800 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



55% 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



45% OF GROUP SALES

CHF 594M IN REVENUE

LIFE SCIENCE
RESEARCH

DIAGNOSTICS

APPLIED
MARKETS

Fiscal year 2018

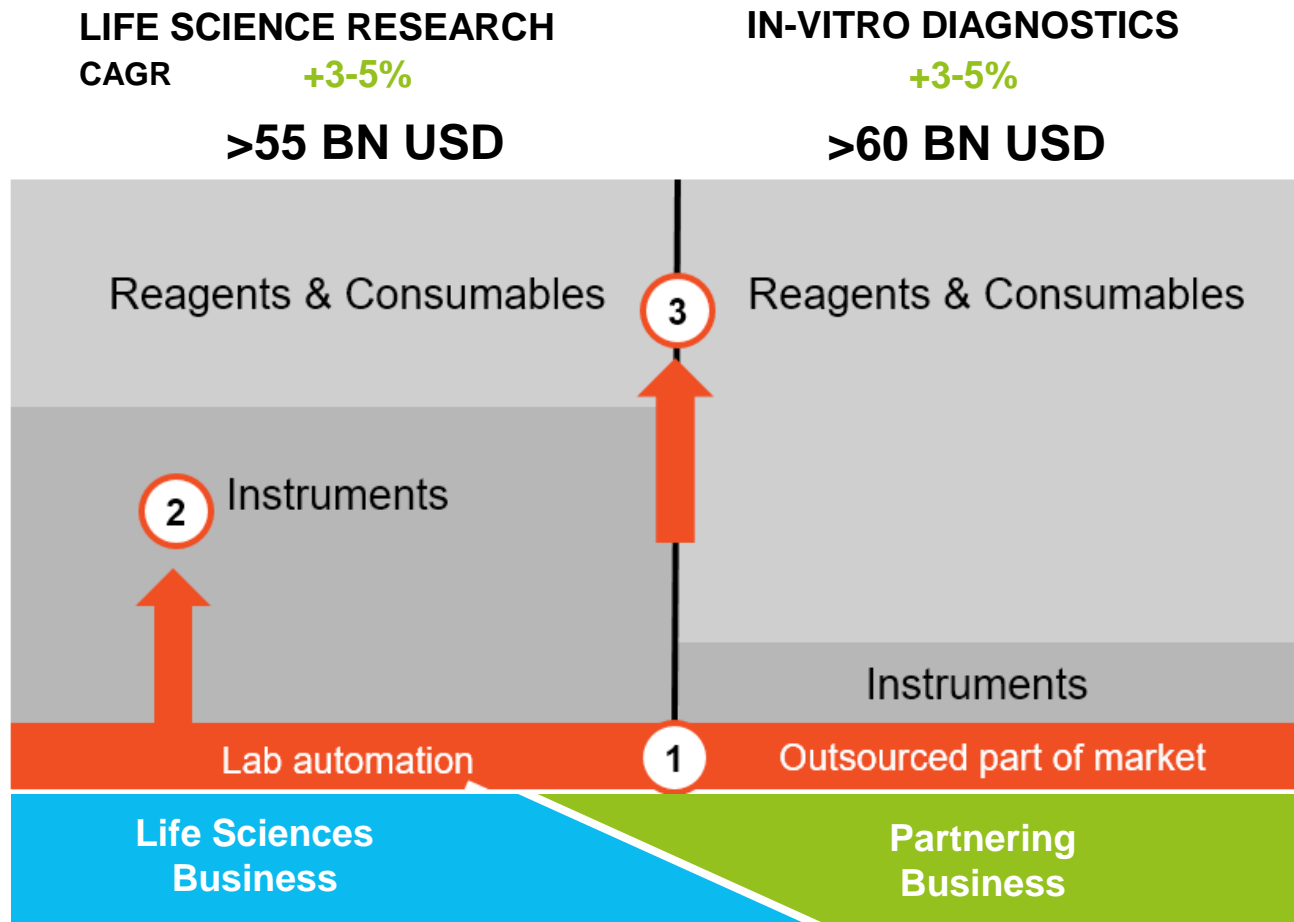


Growth Drivers & Product Launches



Continuing to Deploy Successful Corporate Strategy

FOCUSING ON HIGHER GROWTH AREAS AND REGIONS – COMPLEMENTED BY M&A



STRATEGIC PILLARS

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

COMBINATION OF ORGANIC GROWTH AND M&A

- In all pillars, a combination of organic growth and M&A will continue to play a role
- Special focus for M&A on pillar 3: Reagents & Consumables

Transition from Research to Diagnostics

TECAN HAS A UNIQUE POSITION TO BRIDGE FROM RESEARCH TO DIAGNOSTICS SETTINGS

LIFE SCIENCE RESEARCH



LAB DEVELOPED TESTS (LDT)



IN-VITRO DIAGNOSTICS

Life Sciences
Business

Partnering
Business

Empowered with Tecan.

Covering individual steps of a
specific workflow

Sample-to-Result Solution

EXAMPLES

- Next-Generation Sequencing (NGS)
- Mass Spectrometry
- Liquid Biopsies / Circulating Tumor Cells (Oncology / NIPT / Infectious Diseases)
- Tissue Pathology (IHC, ISH, NGS, MS)
- Ultra-Sensitive Biomarker Detection and many more...



Partner of Choice to the IVD Industry

40+ ACTIVE INSTRUMENT ACCOUNTS, MULTIPLE DEVELOPMENTS IN PROGRESS

IN REGULAR SUPPLY PHASE

35+ different instruments supplied

- From leading diagnostics companies, segment specialists to emerging players

Examples:



m2000sp for
Abbott Molecular



Procleix Xpress
for Grifols



Natch S for Sansure



Qwalys® 3 for Diagast



BD PrepStain™ Slide
Processor for BD



Autrax for Liferiver

INSTRUMENTS RAMPING UP



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



Dako Omnis for
Agilent Technologies



PS-10 for Sysmex
Corporation



QUANTA Lyser® 3000
for Inova Diagnostics



Amplidiag® Easy for
Mobidiag

UNDER DEVELOPMENT

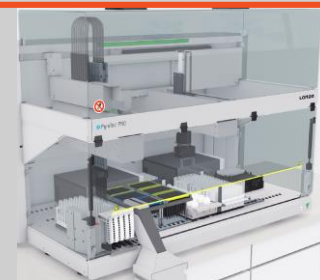
5+ projects under
development

- From smaller to large
potential

Examples:



Integrated analyzer using MALDI mass
spectrometry for The Binding Site



Fully automated, plate-based robotic solution for
endotoxin detection for Lonza

INSTRUMENT PIPELINE

25+ concrete concepts in
discussions

- Richest project funnel to date;
Asia contribution significant
- Majority of opportunities in
molecular, genomic and other
fast growing applications
- Applications and technologies
moving into the clinical space
increasingly represented
- Customers looking to Tecan to
optimize their total cost of
ownership of integrated systems

New Products: Launch of NGS DreamPrep™

COMBINES UNIQUE FEATURES OF THE FLUENT PLATFORM WITH REAGENTS FROM TECAN GENOMICS (NUGEN)



UNPRECEDENTED SPEED AND ACCURACY FOR AUTOMATED LIBRARY PREPARATION AND QUANTIFICATION

- **Two library preps in a day**
DNA-seq libraries, normalized and ready to sequence, in less than 4 hours
- **Library QC in less than 6 min with no sample loss**
Measure 96 samples simultaneously with the Infinite® F Nano+ plate reader
- **Full walk-away solution**
Hands-off for DNA & minimal manual interaction for RNA-seq
- **User friendly interface**
Intuitive touchscreen operation, designed to reduce operator training
- **Single contact point for everything**
Automation, reagents, consumables, application support, troubleshooting, service

New Products: Launch of Spark[®] Cyto

THE FIRST LIVE CELL PLATE READER WITH REAL TIME IMAGE CYTOMETRY

UNIQUE FEATURES

- **More cells analyzed, faster**
One image of the whole-well in a 96 and 384-well plate (patent pending)
- **Healthy, living cells in a controlled environment**
Full environmental control with CO₂, O₂, temperature and humidity cassette (patented)
- **More parameters analyzed**
Combine standard read modes with cell imaging
- **More immediate feedback about the assay**
The instrument analyses cells in real time i.e. at the same time as it's acquiring images or data
- **Never miss a critical event**
Automatic execution of kinetic experiments, e.g. add a compound, based on data received while imaging to understand the dynamic behaviour of cells





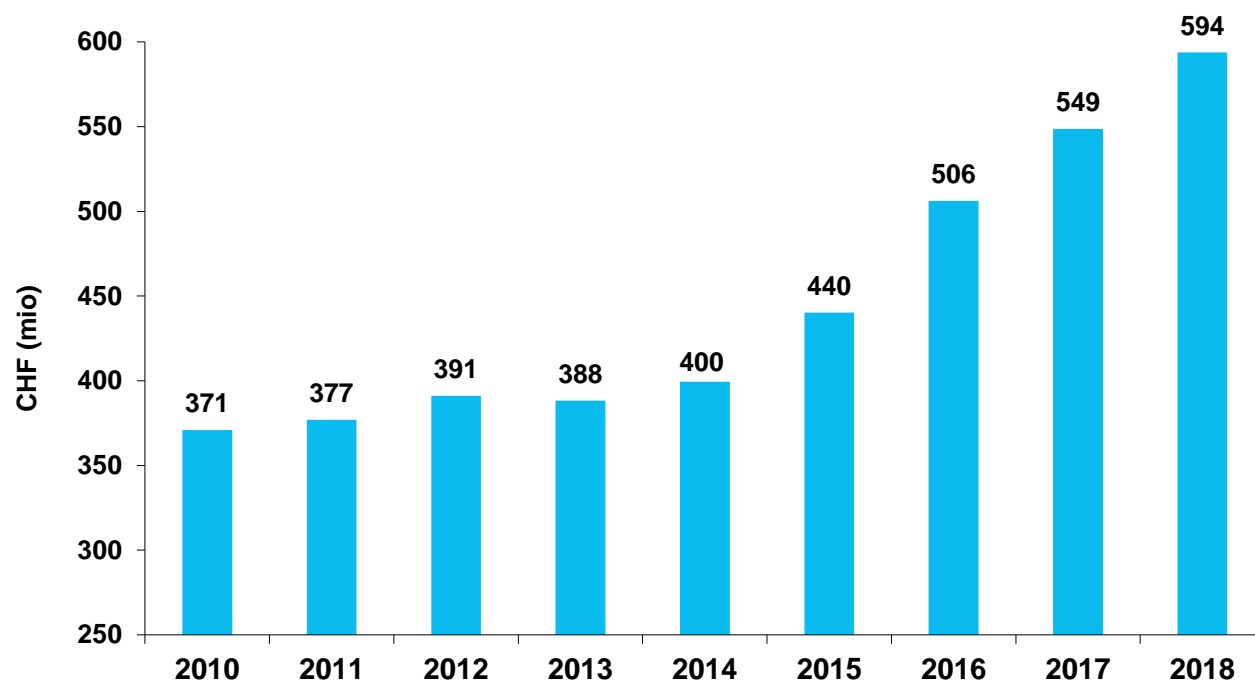
Financials and Outlook



Delivering Accelerated Growth

REFINED STRATEGY AND ITS DEPLOYMENT PAYING OFF

SALES DEVELOPMENT



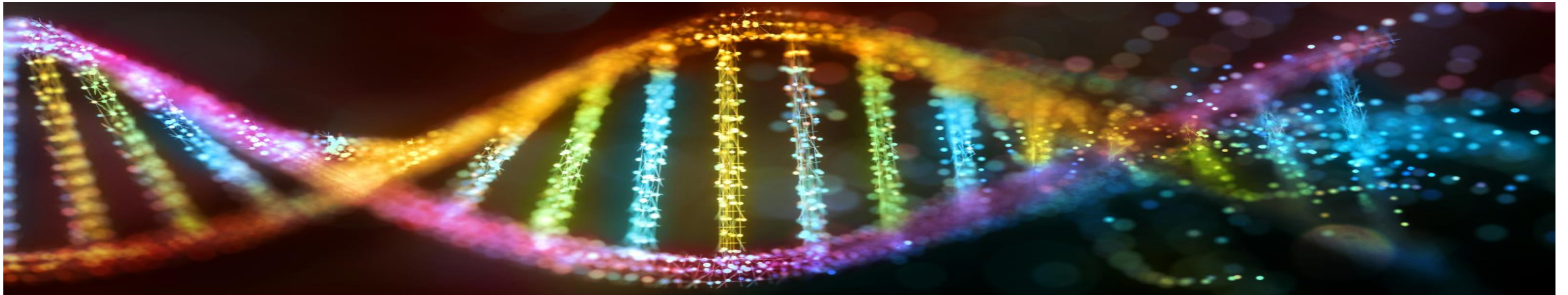
- Sales up by more than 50% since 2013
- Around two thirds of the increase derived from organic growth
- Major new instrument platform launches in both business segments
- Regional expansion, especially in China
- Expanding addressable market and recurring revenues through targeted acquisitions
- Offering complete solutions for select application areas



Financial Highlights H1 2019

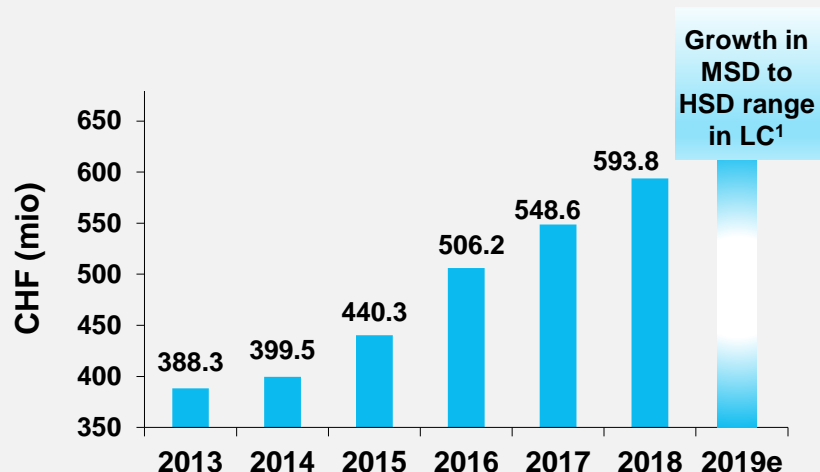
- Strong sales growth of +8.3% and +8.4% in LC, driven by double-digit growth in the Life Sciences Business
- North America and Asia (especially China) posting particularly strong growth
- Organic growth of +6.3% in LC with significant demand in instrument business
- Total recurring revenues at 44% of sales
- Order entry again exceeded sales; order backlog increased with double-digit rate
- Reported EBITDA margin below prior year, including all acquisition-related costs and one-time effects
- Adjusted EBITDA margin at similar level when calculated on comparable basis

LC = local currencies

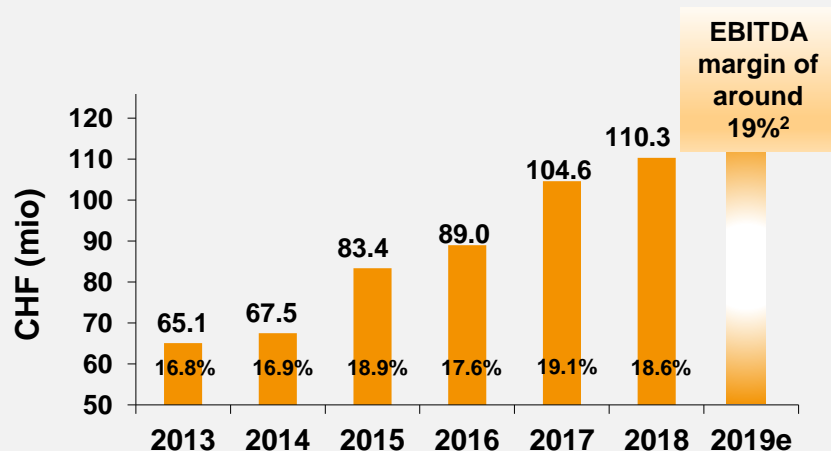


Confirming Financial Outlook for 2019

SALES DEVELOPMENT



REPORTED EBITDA AND MARGIN



¹ In local currencies (=LC); ² Based on average FX rates of: 1.14 EUR/CHF and 0.99 USD/CHF

SALES OUTLOOK

- Forecast for growth in local currencies in the mid- to high single-digit percentage range
- Recently closed acquisition of supplier expected to add sales in a low- to mid single-digit million Swiss franc amount
- Potential additional acquisitions not taken into account

REPORTED EBITDA MARGIN OUTLOOK

- Integration costs and short term lower margins associated with the NuGEN acquisition will impact reported EBITDA margins (high single-digit million CHF amount expected)
- However, positive recurring impact of IFRS 16 to largely offset costs related to the NuGEN acquisition and CEO transition
- Reported EBITDA margin expected to expand to around 19% of sales



Empowering the Century of Biology.





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.

Australia +61 39 647 4100 **Austria** +43 62 46 89 330 **Belgium** +32 15 42 13 19 **China** +86 21 220 63 206 **France** +33 4 72 76 04 80 **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 **Nordic** +46 8 750 39 40 **Singapore** +65 644 41 886 **Spain** +34 93 595 25 31
Switzerland +41 44 922 89 22 **UK** +44 118 9300 300 **USA** +1 919 361 5200 **Other countries** +41 44 922 81 11

Tecan Group Ltd. makes every effort to include accurate and up-to-date information, however, it is possible that omissions or errors might have occurred. Tecan Group Ltd. cannot, therefore, make any representations or warranties, expressed or implied, as to the accuracy or completeness of the information provided. Changes can be made at any time without notice. All mentioned trademarks are protected by law. For technical details and detailed procedures of the specifications provided please contact your Tecan representative. This may contain reference to applications and products which are not available in all markets. Please check with your local sales representative.

© Tecan Trading AG, Switzerland, all rights reserved.

www.tecan.com