Zurich, March 16 2021 Full Year Results 2020

ANALYST & MEDIA CONFERENCE CALL

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Speakers Dr. Achim von Leoprechting, CEO Tania Micki, CFO



Agenda



FINANCIAL AND OPERATING HIGHLIGHTS

FINANCIAL RESULTS OUTLOOK QUESTIONS AND ANSWERS

Financial Highlights 2020

- Extraordinary demand for COVID-19 related products
- Surge in orders, with order entry up by 38.5% in LC and 33.9% in CHF; order backlog at record high
- Sales growth of +18.7% in LC and +14.8% in CHF; acceleration in H2
- Double-digit sales growth in in both business segments and almost all regions
- Total recurring revenues at 43.6% of sales
- Increase in reported EBITDA margin to 21.8% of sales; reported EBITDA up by 29.6%
- Reported net profit increased by 41.7%; EPS at CHF 8.69
- Operating cash flow more than doubled to CHF 208.3 million or over 28.5% of sales



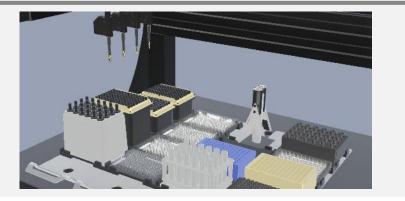
Operating Highlights 2020

- Health and safety of Tecan employees prioritized during the coronavirus pandemic
- Global manufacturing and business operations secured for undisrupted support of customers
- Responded to unprecedented shifts and surge in demand for specific product lines by securing supplies of materials and expanding production
- Tecan's automation technology to enable scaled-up COVID-19 testing globally with existing and new partnerships
 - New agreement with Thermo Fisher Scientific
- Launch of DreamPrep[™] NAP to simplify nucleic acid extraction
- Good progress in key R&D programs in both business segments to prepare for launches in 2021 and 2022

THERMO FISHER SCIENTIFIC AMPLITUDE SOLUTION



USE OF ADVANCED 3D SIMULATION IN R&D PROJECTS



Tecan at the Forefront of the Fight Against COVID-19 CONTRIBUTIONS TO THE GLOBAL EFFORTS TO CONTAIN THE PANDEMIC NOT A COINCIDENCE

FROM VACCINE DEVELOPMENT TO CLINICAL TESTING



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- Corporate strategy and core competencies provided the basis for fast and flexible response
 - Application focus on genomics (PCR to NGS)
 - Infectious disease testing is a well-established healthcare use
 - Scaling up of workflows in regulated environments is at the heart of our business
 - Available digital tools to help manage multiple systems
 - Broad local presence to support our customers
- Leveraging unique position with solutions from research to clinical diagnostics
- Supporting virus research, sequencing for variants, vaccine development, viral RNA purification, PCRbased and serology testing ...and more



Tecan at the Forefront of the Fight Against COVID-19 WE ARE PASSIONATE ABOUT SUPPORTING AND EMPOWERING LABS AND DIAGNOSTIC COMPANIES

LIFE SCIENCES BUSINESS



PARTNERING BUSINESS



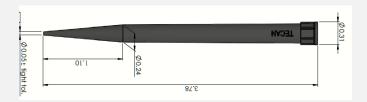
Supporting and equipping individual labs and lab chains to further scale up COVID-19 testing

Supplying in vitro diagnostic companies with instruments, components and/or disposable pipette tips

Robotic Pipette Tips: a Seemingly Simple Product FULLY AUTOMATED PRODUCTION LINES, PRECISE MOLDING, INLINE VISUAL QUALITY TESTING

- In this unprecedented time, Tecan recognized its responsibility to enable the scale-up of diagnostic testing
- Increase in global manufacturing capacity, resulting in a tripling of Tecan's worldwide pipette tip production
- In October 2020, the U.S. Government awarded a USD 32.9 million (CHF 29.8 million) contract/grant to support equipping a U.S. pipette tip manufacturing facility; start of production expected in fall 2021

High Precision



For performance accuracy, injection molding of automation pipette tips requires:

- minimal warping
- clean and smooth surfaces and edges

Defined Airflow



Airflow in the pipette tips is critical for aspiration step:

- property range of filter is close to production variance
- precisely defined filter position

Purity

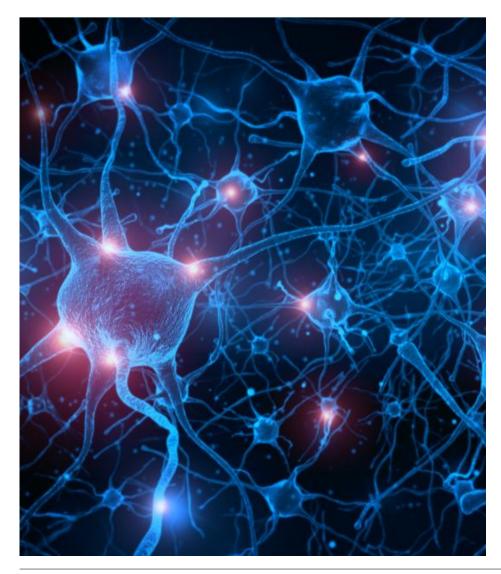
	Tecan Pure		
Application examples	Genomics research Forensics Molecular diagnostics		
Tecan Standard quality Human DNA free PCR inhibitor free RNase/DNase free	✓		

Molecular Diagnostics requires high purity:

 tested to ensure tips are free from human DNA, PCR inhibitors, RNase and DNase







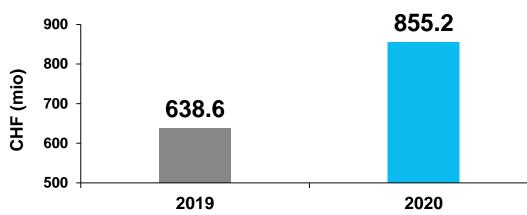
FINANCIAL AND OPERATING HIGHLIGHTS

FINANCIAL RESULTS

OUTLOOK QUESTIONS AND ANSWERS



2020 Order Entry and Sales Performance

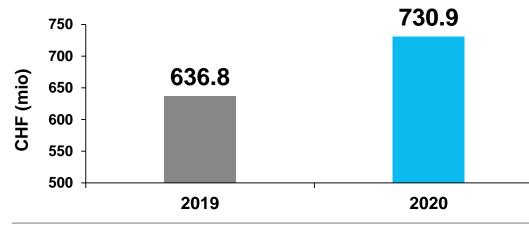


ORDER ENTRY FY 2020

ORDER ENTRY 2020 VS. 2019

- +33.9% in CHF and +38.5% in LC
- Orders surged for product lines supporting the global fight against COVID-19 (instruments and consumables)
- Significantly exceeded the sales realized (book-to-bill ratio 1.17)
- H2 2020: +46.7% in CHF and +51.8% in LC
- Order backlog reached a record level as at 31 Dec. 2020

SALES FY 2020



SALES FY 2020 VS. FY 2019

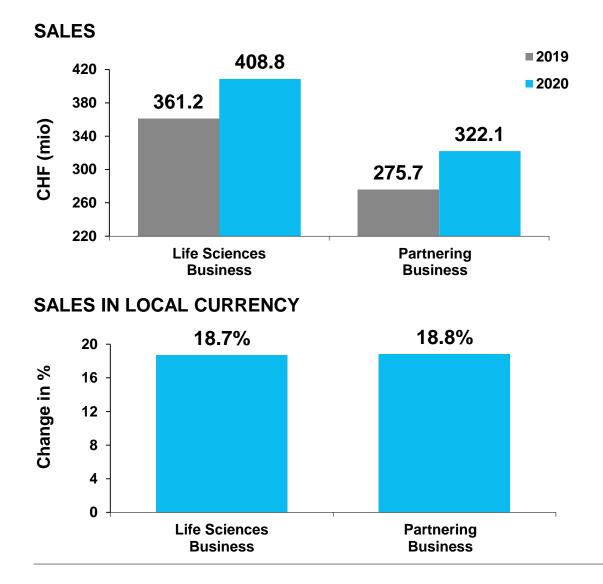
• +14.8% in CHF, +18.7% in LC

SALES H2 2020 VS. H2 2019

• +23.5% in CHF, +27.8% in LC



2020 Segment Sales



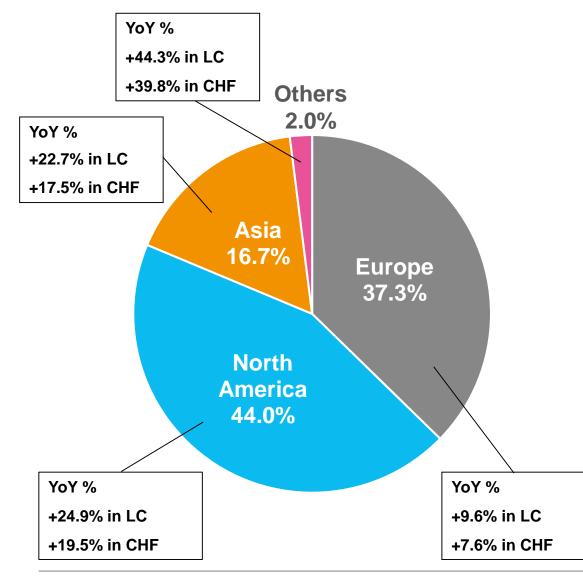
LIFE SCIENCES BUSINESS:

- **<u>FY</u>** Sales +13.2% in CHF and +18.7% in LC
 - Strong demand for products supporting the COVID-19 response (automation workstations and pipette tips)
 - Other parts experienced slowdown (detection instruments, NGS reagents, LCMS sample prep consumables)
 - Order backlog growing at high double-digit rate
- H2 Sales +20.4% in CHF and +26.2% in LC

PARTNERING BUSINESS:

- **<u>FY</u>** Sales up by 16.8% and 18.8% in LC
 - High demand for automation platforms, OEM components and pipette tips to support COVID-19 testing
 - Sales to customers exposed to other areas of routine diagnostics were adversely impacted
 - Order entry increased at substantially higher rate vs. sales
- H2 Sales +27.9% in CHF and 30.0% in LC

FY 2020 Regional Sales Development



EUROPE

- Growth driven by Life Sciences Business with instruments and consumables for PCR-based COVID-19 testing
- Sales of Partnering Business suffered from lower volumes in routine diagnostic testing

NORTH AMERICA

- Both business segments delivering double-digit growth rates in LC
- Sales in H2 up by +43.3% in LC, reflecting a surge in demand for COVID-19 related products

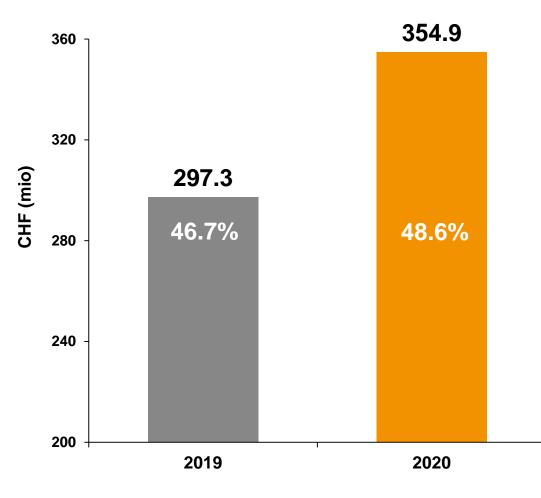
ASIA

- Driven by double-digit growth rates in both business segments
- China outpaced overall growth in Asia region; sales in China exceeded CHF 80 million



FY 2020 Gross Profit

GROSS PROFIT (% = % OF SALES)



GROSS PROFIT INCREASED TO CHF 354.9

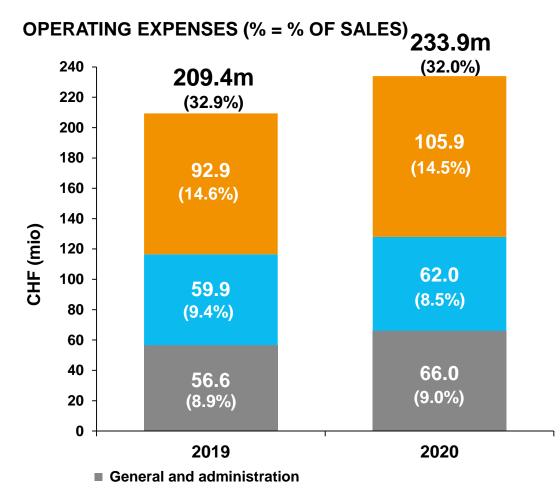
• CHF 57.6m or 19.4% above 2019

GROSS PROFIT MARGIN UP BY 190 BPS

Main effects contributing:

- (+) Product mix, despite a higher consumable contribution
- (+) Price
- (-) Underabsorption of service organization due to closed facilities and restricted access to labs
- (-) Higher freight and logistics cost mainly due to less capacity available
- (-) Exchange rate impact

FY 2020 Cost Structure



Research and development

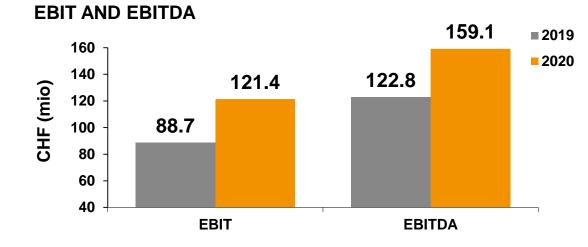
Sales and marketing

OPERATING EXPENSES GREW LESS THAN SALES

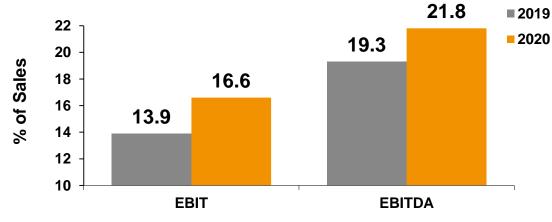
- Total operating expenses down by 90 bps, driven by economies of scale
- Sales & Marketing increased slightly less than sales despite continued investments in market units
- R&D increased less than sales
 - · Continued investments in innovation
 - More newly capitalized R&D
 - More gross R&D (CHF 78.5m or 10.7% of sales), including funding for new customer-specific OEM projects
- · G&A increased about in line with sales



FY 2020 Reported EBIT and EBITDA



EBIT AND EBITDA MARGIN



EBITDA GREW TO CHF 159.1M

- CHF 36.3m or 29.6% above 2019
 - (+) Improved gross profit margin (+190 bps)
 - (+) More development costs were capitalized
 - (+) Adjustment of Swiss pension plan resulting in a one-time reduction of past service costs
- (-) Exchange rate impact

EBIT REACHED CHF 121.4M

• 32.7m or 36.9% above 2019

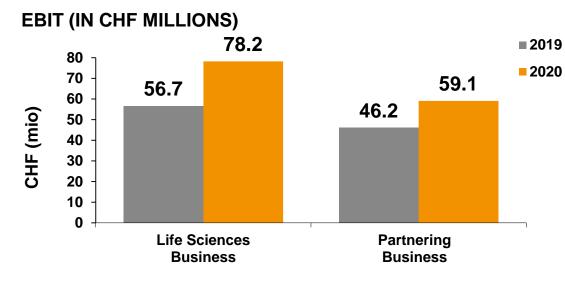
REPORTED EBITDA MARGIN GREW TO 21.8%

• Improvement of 250 bps (22.5% of sales at constant FX)

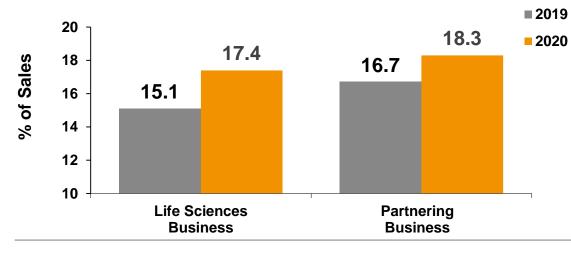
EBIT MARGIN INCREASED TO 16.6%



FY 2020 Segment Profitability



EBIT MARGIN (% = % OF SALES)



LIFE SCIENCES BUSINESS:

- EBIT margin increased to 17.4%
- Factors contributing include:
 - (+) Volume effect
 - (+) Margin contribution from consumables business
 - (+) Lower net R&D expenses (higher capitalization)

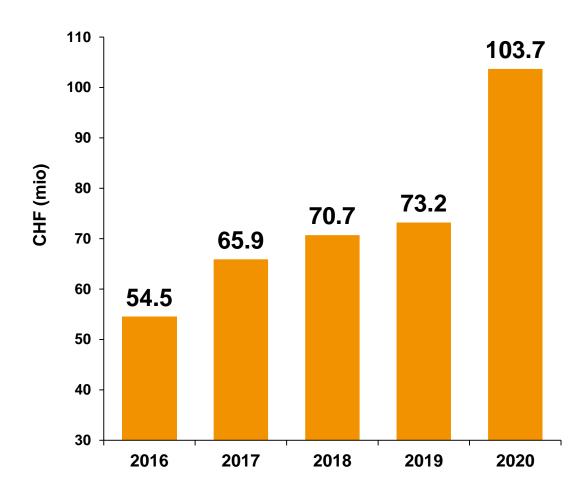
PARTNERING BUSINESS:

- EBIT margin reached 18.3%
- Factors contributing include:
 - (+) Volume effect
 - (+) Product mix



FY 2020 Net Profit

NET PROFIT



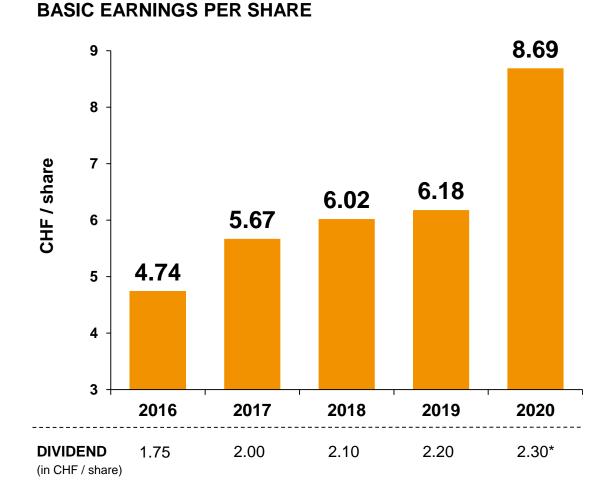
NET PROFIT GREW MORE THAN EBIT

• CHF 30.5m or 41.7% above 2019

NET PROFIT MARGIN INCREASED TO 14.2%

- Main factor contributing:
 - (+) EBIT up by CHF 32.7m
 - (+) Improved financial result
 - (-) Tax rate of 12.3% (2019: 11.6%)

FY 2020 Basic Earnings per Share



EARNINGS PER SHARE INCREASED TO CHF 8.69

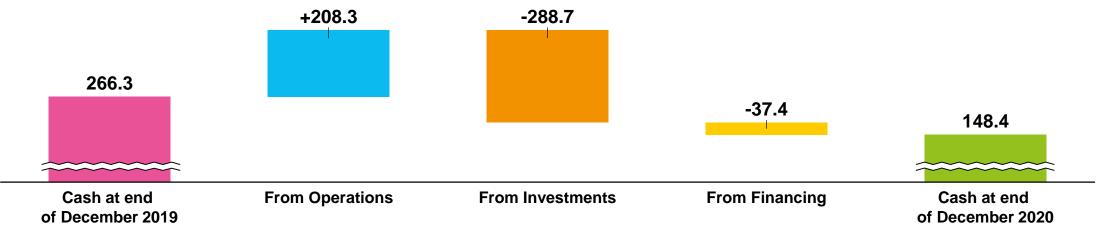
NUMBER OF SHARES OUTSTANDING: 12.0M (2019: 11.9M)

INCREASE IN THE DIVIDEND FROM CHF 2.20 TO CHF 2.30 PER SHARE TO BE PROPOSED TO ANNUAL GENERAL MEETING

* To be proposed to the shareholders at the Company's Annual General Meeting on April 13, 2021



FY 2020 Cash Flow



CASH FLOW FROM OPERATIONS OF CHF 208.3M (2019: CHF 98.8M)

- Cash conversion of 28.5 % of sales (2019: 15.5%)
- Days Sales Outstanding down to 42 days (2019: 45 days)
- Includes CHF 37.7m for amortization & depreciation (2019: CHF 34.1m), thereof CHF 10.9m from IFRS 16, CHF 4.7m for PPA and CHF 11.1m from capitalized development costs (2019: CHF 8.6m)

INVESTMENTS OF CHF 288.7M (2019: CHF 99.1M), INCLUDING

- CHF -15.3m on capitalized development costs (2019: CHF -12.4m)
- CHF +17.9m from U.S. Government contract award (grant)
- CHF -23.7m on PPE (2019: CHF -9.3m)
- CHF -270.0m investments in time deposits (2019: CHF -50.0m), +4.6m sale of financial assets (Andrew Alliance)

CASH FLOW FROM FINANCING ACTIVITIES INCLUDES DIVIDEND PAYMENTS OF CHF 26.2M

NET LIQUIDITY² INCREASED TO CHF 467.7M (JUNE 30, 2020: CHF 354.0M, DEC 31, 2019: 312.4M)

¹ Includes translation differences of CHF 1.2m ² Net Liquidity = cash and cash equivalents plus short-term time deposits minus bank liabilities and loans



FY 2020 Key Figures

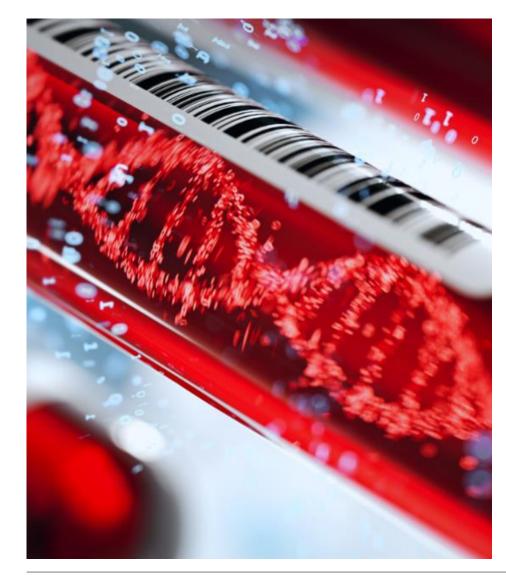
	2019	2020	Δ IN %
Order Entry (in CHF mio)	638.6	855.2	+33.9%
Sales (in CHF mio)	636.8	730.9	+14.8%
Sales in local currencies (in CHF mio)	615.7	730.9	+18.7%
Gross Profit (in CHF mio)	297.3	354.9	+19.4%
in % of sales	46.7%	48.6%	
R&D (in CHF mio)	59.9	62.0	+3.7%
in % of sales	9.4%	8.5%	
EBIT (in CHF mio)	88.7	121.4	+36.9%
in % of sales	13.9%	16.6%	
EBITDA (in CHF mio)	122.8	159.1	+29.6%
In % of sales	19.3%	21.8%	
Net profit (in CHF mio)	73.2	103.7	+41.7%
in % of sales	11.5%	14.2%	
EPS (in CHF)	6.18	8.69	+40.6%
Return on net assets (RONA)	26%	47%	
Net liquidity ^{(1) (2)} (in CHF mio)	312.4	467.7	+49.7%
Equity ⁽²⁾ (in CHF mio)	659.1	733.7	+11.3%
Cash Flow (operating) (in CHF mio)	98.8	208.3	+110.9%

(1) Net Liquidity = cash and cash equivalents plus short-term time deposits minus bank liabilities and loans

(2) As of Dec. 31



Agenda



FINANCIAL AND OPERATING HIGHLIGHTS FINANCIAL RESULTS OUTLOOK QUESTIONS AND ANSWERS

 $\mathbf{P}^{21} = \mathbf{P}^{11} = \mathbf{P}$

Life Sciences Business: Products Already Launched in 2021 NEW SOLUTIONS FOCUSED ON APPLICATION-SPECIFIC NEEDS – ADDITIONAL LAUNCHES ANTICIPATED

FLUENT MIX AND PIERCE WORKSTATION



- End-to-end automation for whole blood pipetting in clinical environments
- Reliable mixing and piercing for consistent blood sampling
- Collaboration with QIAGEN to optimize sample preparation for latent tuberculosis (TB) testing with the QuantiFERON-TB Gold Plus assay

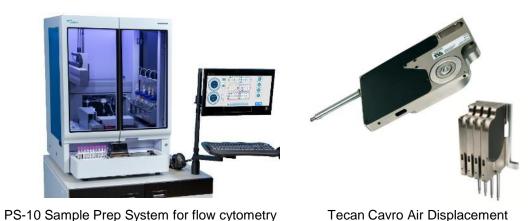
THE FRIDA READER MODULE FOR FLUENT



- Expanding Tecan's cutting-edge portfolio of workflow automation solutions for genomics applications
- Highly innovative UV-based quantification and purity measurements of nucleic acids in a hanging drop
- Eliminating nucleic acid sample loss; ideal for low volume, high value samples

Partnering Business: Production Ramp Up and New Launches PARTNER OF CHOICE TO THE IN-VITRO DIAGNOSTICS INDUSTRY

RAMP UP FOR PRODUCTS ALREADY IN SUPPLY PHASE



PS-10 Sample Prep System for flow cytometry applications for Sysmex Corporation

Tecan Cavro Air Displacement Pipettor (ADP)

- Rebound and recovery expected for routine diagnostic testing, e.g. in transfusion medicine or cancer diagnostics
- Improved market situation for recent launches in non-COVID-19 application areas
- Various new instruments incorporating Cavro ADP; substantial demand, also for near-patient testing systems

NEW LAUNCHES IN THE NEXT 12 MONTHS



Integrated analyzer using MALDI mass spectrometry for The Binding Site



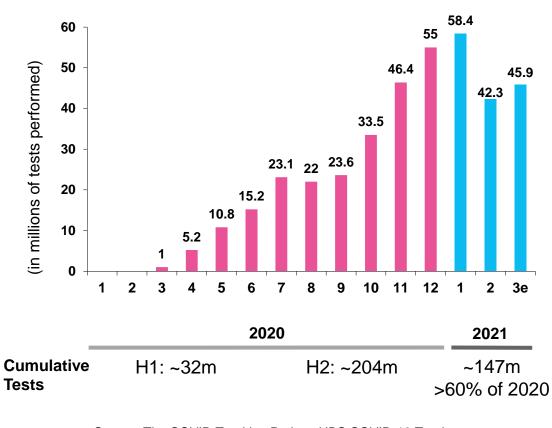
New Tecan Synergence OEM systems

- A series of new instrument launches expected in 2021/2022
- Projects cover Tecan's focus application areas including molecular diagnostics and protein analysis
- Sales potential of individual projects ranging from singledigit to clear double-digit million amounts in Swiss francs per year



2021 Still Impacted by COVID-19

PCR-BASED COVID-19 TESTING IN THE US



FACTORS IMPACTING COVID-19 TESTING IN 2021

- Duration and magnitude of elevated levels of PCR-based testing for acute COVID-19 infections
 - Impact on continued build out of test infrastructure in different regions
 - Impact on usage of consumables
- Shift from acute testing to broad community testing to reopen schools and businesses
- Role of PCR tests for confirmation of positive antigen tests and symptomatic negative cases
- Role of sequencing for variant surveillance
- Role of serology testing and T cell assays to determine immunity status
- Role of low-plex / multiplex testing for flu and SARS CoV-2

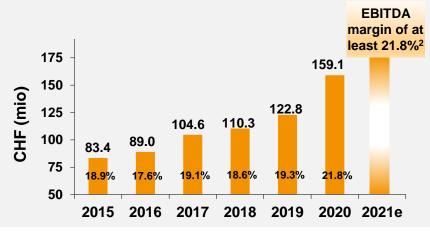
Source: The COVID Tracking Project, UBS COVID-19 Tracker



Financial Outlook for 2021

Growth in MSD to 800 mid-teens 730.9 range in 700 LC¹ 636.8 CHF (mio) 593.8 600 548.6 506.2 500 440.3 400 300 2017 2018 2019 2020 2021e 2015 2016 **REPORTED EBITDA AND MARGIN**

SALES DEVELOPMENT



¹ In local currencies (=LC); ² Based on average FX rates of: 1.08 EUR/CHF and 0.90 USD/CHF

OUTLOOK 2021

- Based on high order backlog and continued elevated demand, very strong business performance expected for H1
- Demand trends for COVID-19-related products are subject to greater uncertainty in H2
- Some recovery and more positive environment expected for areas negatively affected by the pandemic in 2020
- Assumes that supply chains remain undisrupted and all production sites stay fully operational

SALES

• Forecasting growth in local currencies in the mid single-digit to mid-teens percentage range

REPORTED EBITDA MARGIN

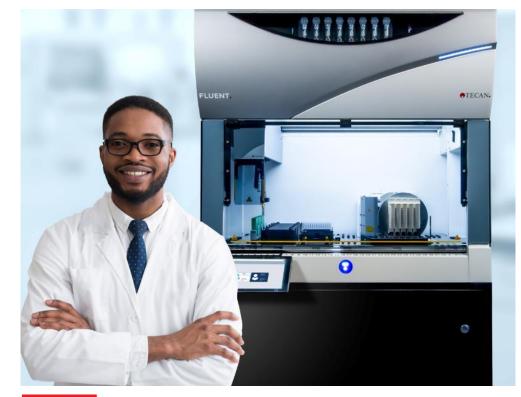
- Reported EBITDA margin expected at least at the 2020 level of 21.8% of sales
- Expectation based on revised forecasts for average FX rates, factoring in a negative currency impact



Tecan is Well-Positioned for 2021 and Beyond

STRENGTHENED POSITION AND BASIS FOR POST-PANDEMIC GROWTH

- Tecan was well prepared to quickly re-focus capabilities on the fight against COVID-19
- Year 2020 also illustrated resilience of business and confirmed the strategic priorities
- Significant opportunity to build on experience and learnings and apply it to other health challenges like cancer, metabolic diseases and other infectious diseases
- Important product launches in both business segments in 2021 and 2022; focus on core applications
- Modular systems offering for complete solutions with selected reagents, consumables and software
- Strong focus on employees, on talent and leadership development and on diversity and inclusion
- Sustainability deeply embedded in corporate culture; continue to drive activities in different ESG areas



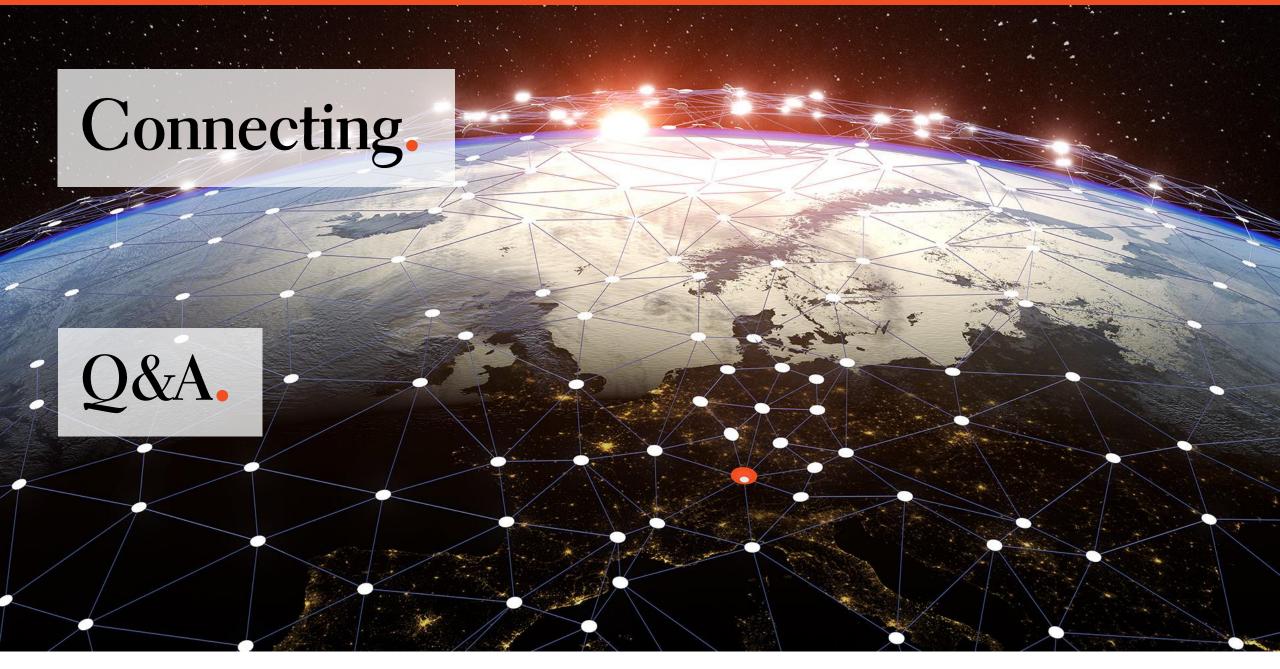


Climate neutral Company ClimatePartner.com/14988-2102-1001



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Contact and Events



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NEXT EVENTS 2021

April 13: Annual Shareholder Meeting

August 18: Half Year Results 2021



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

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