

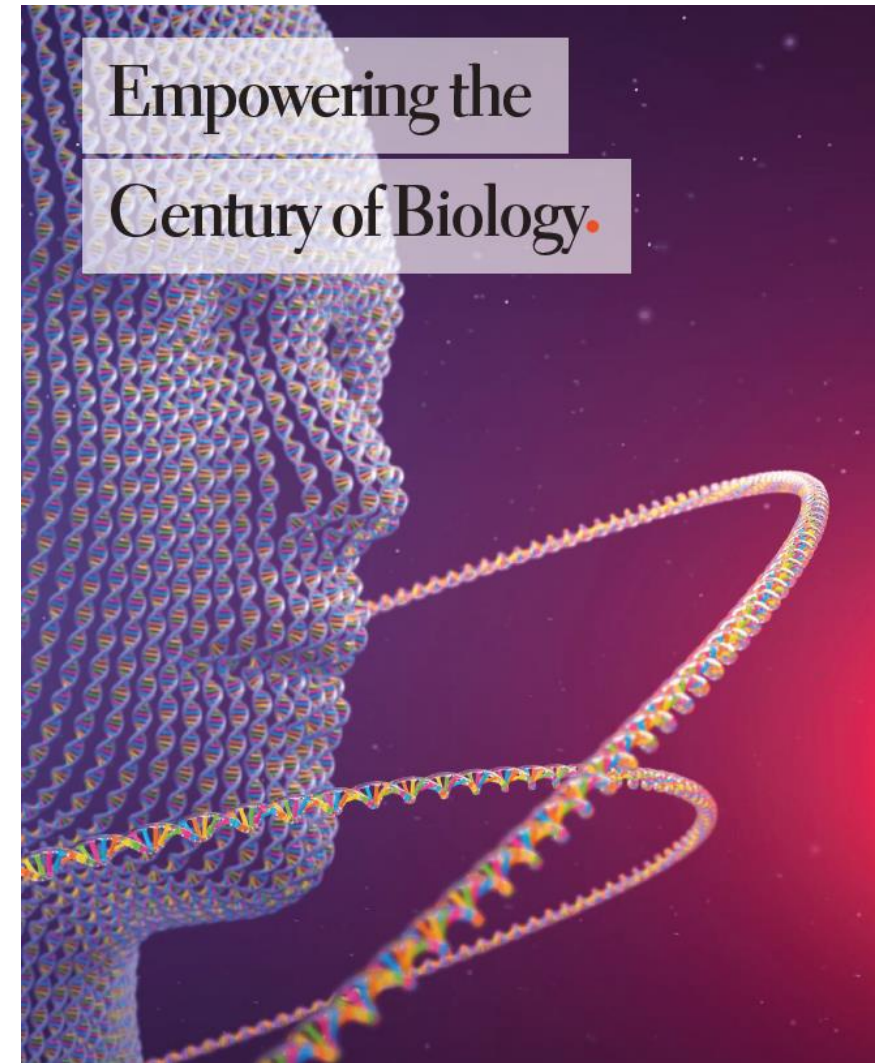
**Tecan Group**  
**Octavian Seminar 2021**

**ACHIM VON LEOPRECHTING, CEO**  
**MARTIN BRÄNDLE, SVP, CORP. COM & IR**  
**JANUARY 14, 2021**



# Introducing Tecan

- Pioneer and global leader in laboratory automation, in 2020 we celebrated our 40<sup>th</sup> anniversary
- Our solutions accelerate, automate and enhance the processes in state-of-the-art diagnostics and life sciences labs
- Adding reagents and consumables to complete automation solutions:
  - Immunoassays for specialty diagnostics
  - Functional consumables for MassSpec sample preparation
  - Reagents and consumables for Genomics NGS library preparation
- Innovative digital offering for laboratory management and services
- 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
- ~2,000 employees; global sales and service network
- 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



57% 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



43% OF GROUP SALES

CHF 637M IN REVENUE (2019)

LIFE SCIENCE  
RESEARCH

DIAGNOSTICS

APPLIED  
MARKETS

Fiscal year 2019



# 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...



# 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, PCR-based and serology testing ...and more



# Tecan at the Forefront of the Fight Against COVID-19

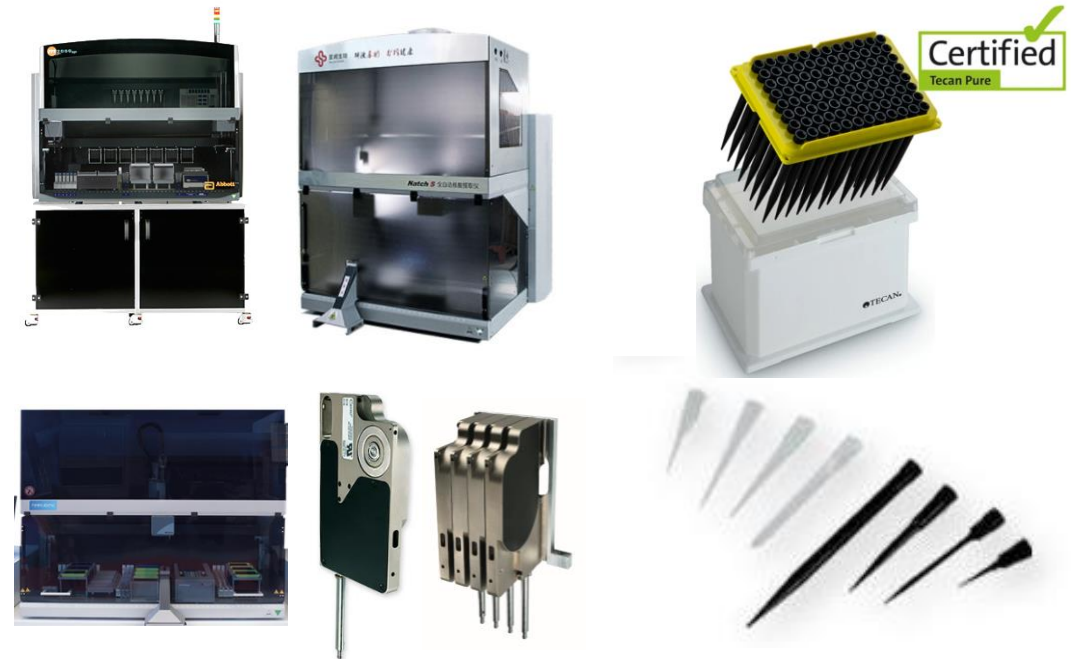
WE ARE PASSIONATE ABOUT SUPPORTING AND EMPOWERING LABS AND DIAGNOSTIC COMPANIES

## LIFE SCIENCES BUSINESS



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

## PARTNERING BUSINESS



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



# Agreement with Thermo Fisher Scientific

LEVERAGING TECAN'S AUTOMATION TECHNOLOGY TO ENABLE SCALED-UP COVID-19 TESTING GLOBALLY

- Thermo Fisher Scientific is introducing a new highly automated, real-time PCR solution
- The Thermo Fisher Scientific Amplitude Solution is a molecular diagnostic testing system designed to analyze up to 6,000 samples in a single day
- It leverages Thermo Fishers's Applied Biosystems QuantStudio 7 PCR instruments
- It includes instruments of the Tecan Fluent Laboratory Workstation family and the Introspect software
- Perfect example for interplay between Tecan's Life Sciences and Partnering Business to the benefit of the customer

## THERMO FISHER SCIENTIFIC AMPLITUDE SOLUTION



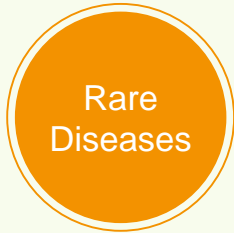
# Tecan Competencies Empowering the Century of Biology

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

## HEALTHCARE USE

### Better...

- understand
- diagnose
- and treat



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





# 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



Population sequencing programs and 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



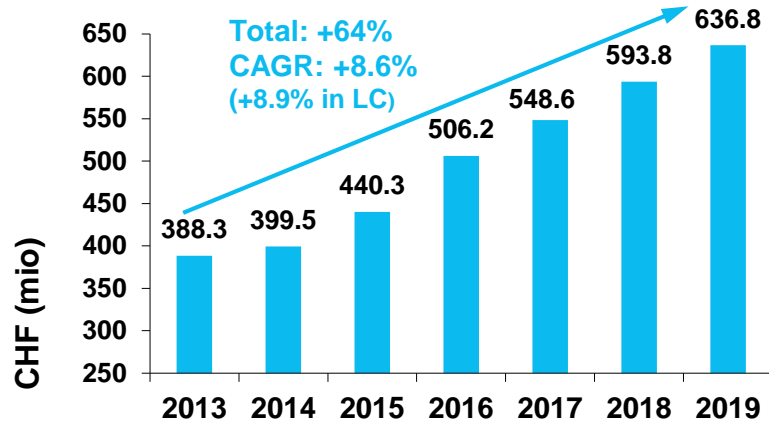
**Increasing Laboratory Automation**



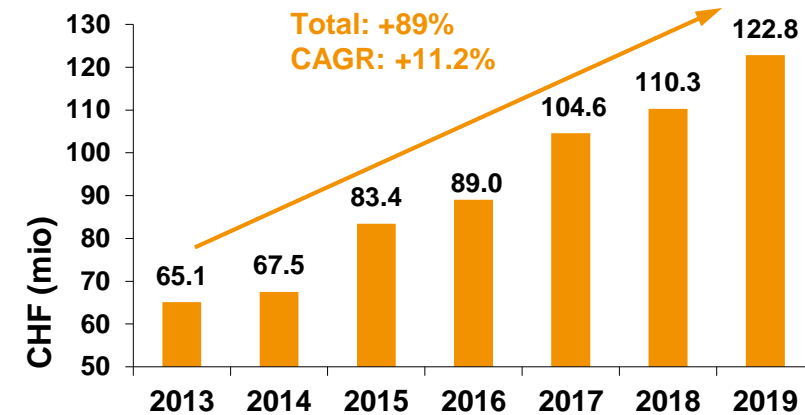
# Megatrends Translating into Growth Opportunities

## SUCCESSFUL FINANCIAL PERFORMANCE IN RECENT YEARS

### SALES DEVELOPMENT

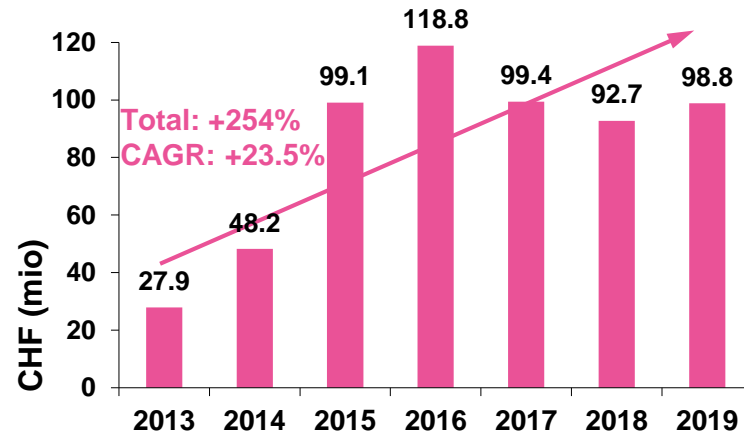


### OPERATING PROFIT (EBITDA)

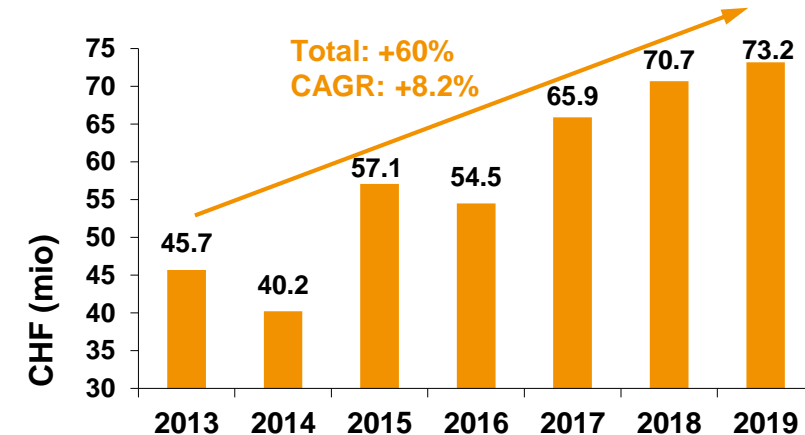


All figures are as reported, non-adjusted for e.g. acquisition-related costs

### OPERATING CASH FLOW



### NET PROFIT



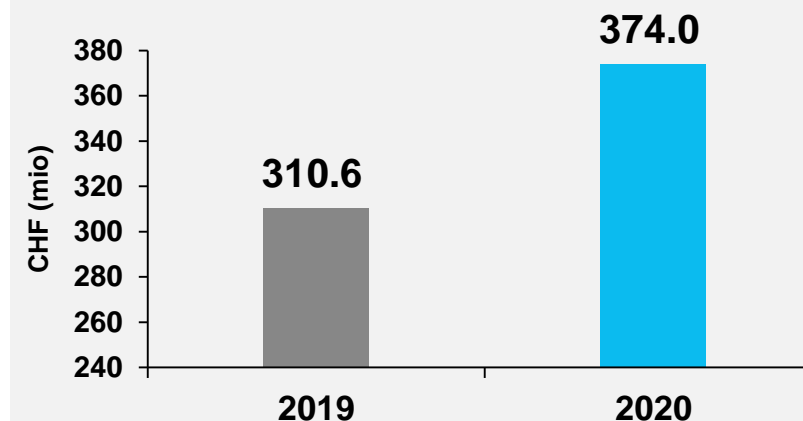
# Financial Highlights

## STRONG FINANCIAL PERFORMANCE IN H1

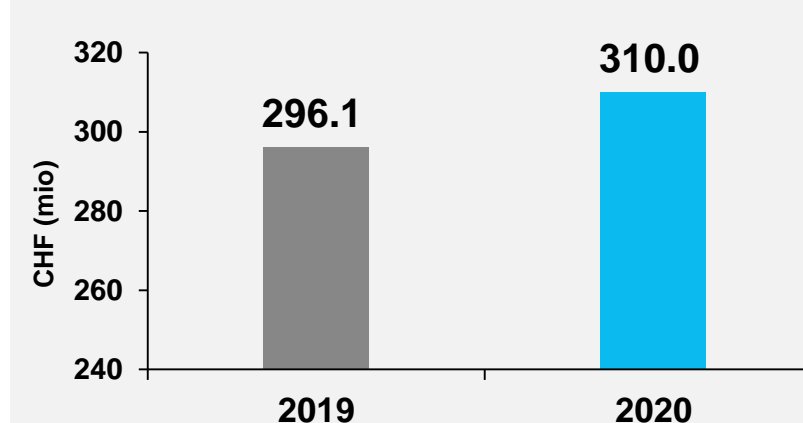
- Surge in orders, with order entry up by 24.3% in LC and 20.4% in CHF
- Order backlog at record high
- Strong sales growth of +8.0% in LC and +4.7% in CHF; pronounced headwinds and tailwinds from the coronavirus pandemic
- Both business segments contributing to growth; product lines supporting the global fight against COVID-19 with substantial increase in demand
- Total recurring revenues at 47% of sales (+13.9% in LC)
- Reported EBITDA margin at 19.4% of sales
- Reported net profit up by 42%
- Strong operating cash flow of CHF 83 million; 27% of sales
- Forecast for the full year of 2020 once again raised on December 1<sup>st</sup>, 2020 based on continued extraordinary demand for COVID-19 related products:
  - Sales growth in the low to mid-teens percentage range in LC
  - Reported EBITDA margin above 20.5% of sales

LC = local currencies

### ORDER ENTRY H1 2020



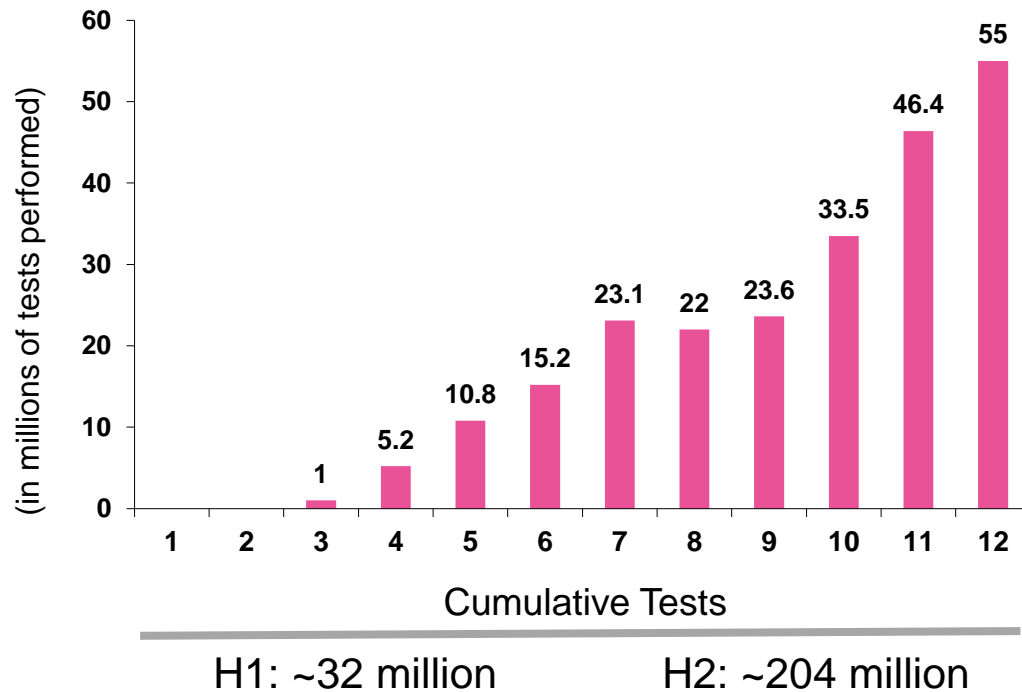
### SALES H1 2020



# 2021 Still Impacted by COVID-19

## HOW LONG AND HOW MUCH THOUGH?

### PCR-BASED COVID-19 TESTING IN THE US (2020)



Source: The COVID Tracking Project, UBS Estimate

### FACTORS IMPACTING 2021 PERFORMANCE

- 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 serology testing and T cell assays to determine immunity status
- Role of low-plex / multiplex testing for flu and SARS CoV-2
- Rebound and recovery of research activities and routine diagnostic testing



# Tecan is Well-Positioned for 2021 and Beyond

## STRATEGIC ORIENTATION AND PRIORITIES

### FOCUS ON CORE APPLICATIONS

- Focus especially on genomics, protein analysis, cell & tissue analysis
- Increasingly offering complete solutions with selected reagents and consumables

### FOCUS ON THE EMPLOYEES

- Focus on global talent and leadership development
- Diversity and inclusion is the core of the Tecan culture

### FOCUS ON THE CUSTOMERS

- Tecan's customer promise is "Always There For You"
- Comprehensive customer satisfaction program as key component

### FOCUS ON EFFICIENCY AND SCALABILITY

- Focus on standardized processes and continuous improvement
- Defined processes, methods and tools: The Tecan Way!

### FOCUS ON SUSTAINABLE DEVELOPMENT

- Sustainability deeply embedded in Tecan's corporate culture
- Contributing directly to the SDGs defined by the United Nations



#### Understand and fight disease

Accelerate discovery of disease mechanisms and development of novel treatments



#### Further impact

Drive translation of research insights into compliant clinical solutions at scale



#### Broaden access

Provide labs globally with efficient and effective diagnostic solutions



Then and now:

40 years of human discovery.



# Contact and Events



## NEXT EVENTS 2021

March 16: Full Year Results

April 13: Annual Shareholder Meeting

## CONTACT

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