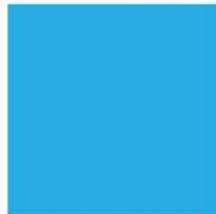
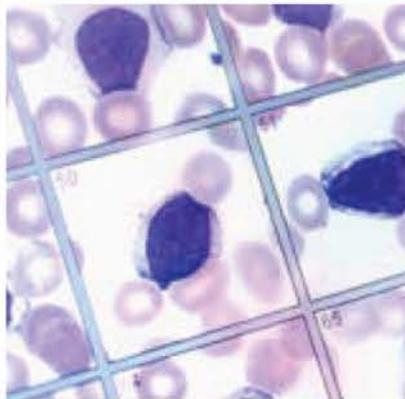


# CellaVision AB

## AGM 2017



Zlatko Rihter  
CEO & President CellaVision

5/5/2017



# Agenda

CellaVision in short

2016 and Q1 2017 Summary

CellaVision's growth strategy: Long term and short term

Board & Management team



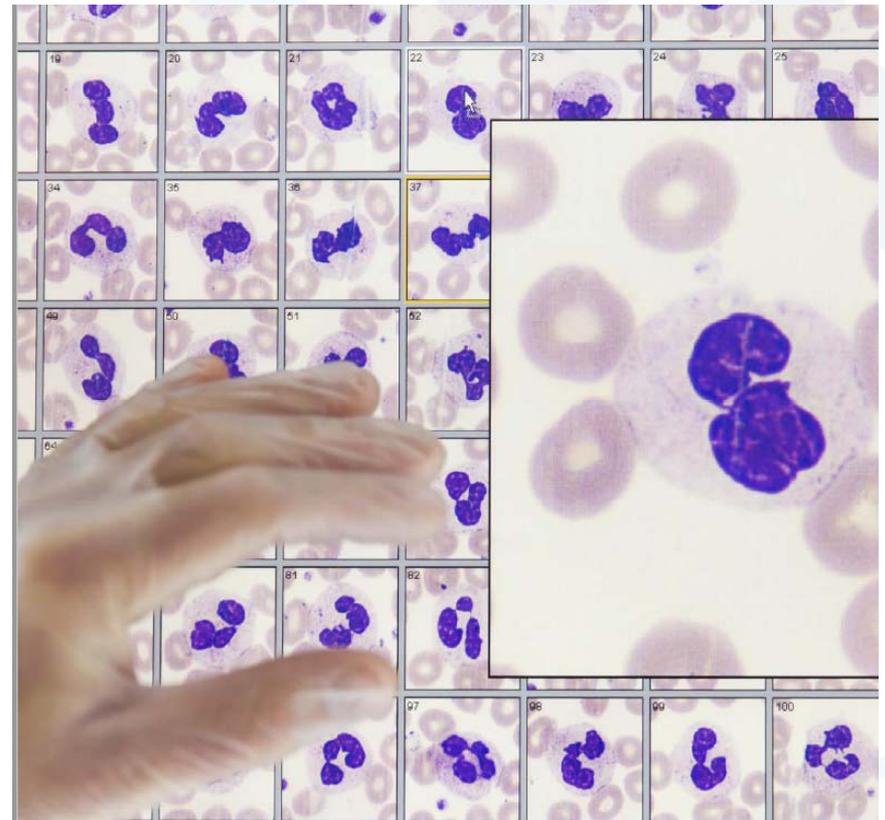
# Agenda

CellaVision in short

# Creating value in healthcare

Our vision is to be a leader in global digitalization and automation of blood analyses for both the human and veterinary segments.

Our method contributes to improved patient diagnostics, streamlining and reduced healthcare costs.



# World leading supplier *of digital solutions for blood and body fluids analysis*

Blood sample



4 Billion samples

Cell counters



Slide maker



15%



Manual microscopy



Approximately

**83%**

of the hematology laboratories world wide use a manual microscopy

600 million samples



Digital microscopy

*"CellaVision is creating a new global standard for microscopy in the field of hematology"*



CellaVision's penetration is approximately

**16%**

in the field of microscopy.

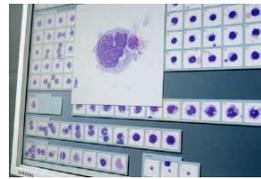
# Market drivers and benefits of digital microscopy

## Demography



- Ageing population.
- Increased prosperity.
- Increasing number of blood samples.

## Demand for efficiency



- Labor shortage of biomedical scientists.
- Reduced health care spending.

## Consolidation & Standardization



- Consolidation of laboratories.
- Focus on standardization and efficiency.

## Patient value



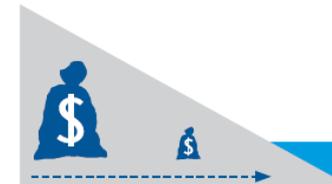
- Patients are diagnosed faster.
- Treatment is initiated quicker.
- Digital cell images can be stored and patient monitored during treatment.
- Remote expert assistance.

## Higher quality



- Security and traceability in the test results.
- Cells on a screen are optimal for knowledge sharing.
- CellaVision classifies cells automatically.

## Cost efficiency



- Freeing up resources.
- Enables lab chain collaboration through connectivity
- Saves up to 50% of manual time.
- Improved staff ergonomics.

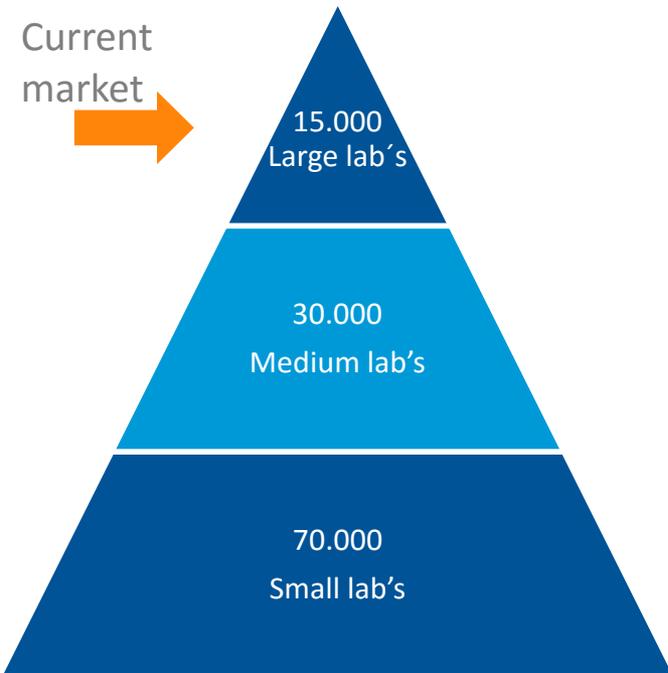


# Human lab segment

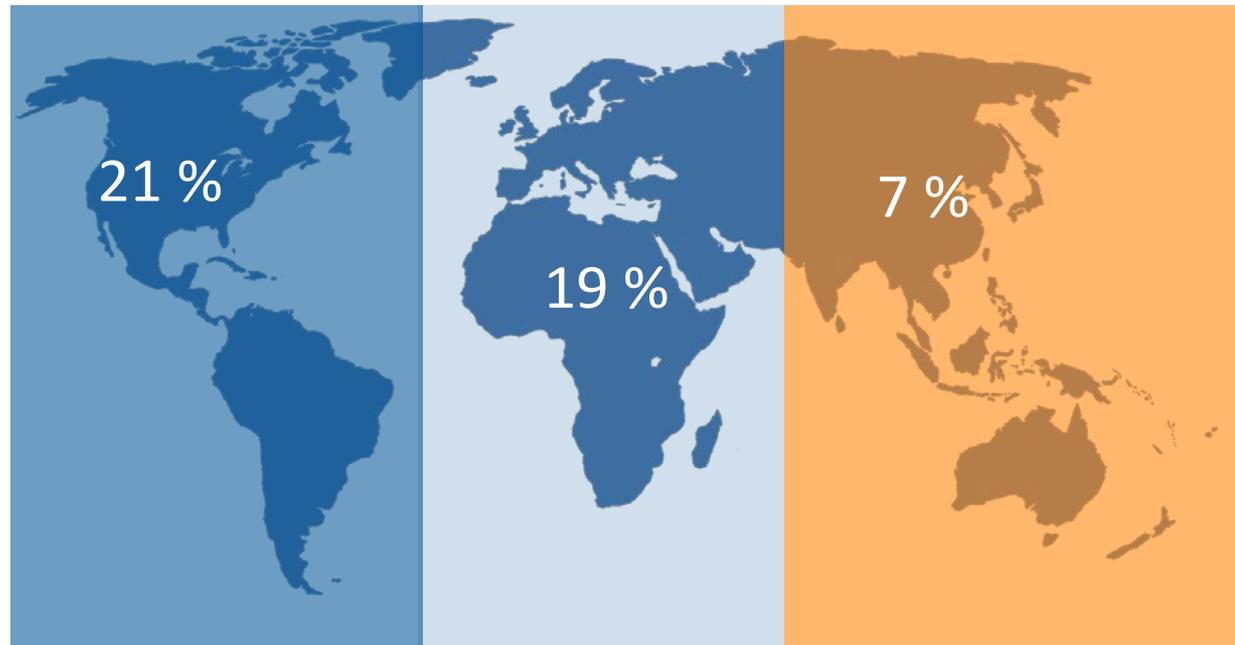
*CellaVision's market*

## Target Market

Current market



## Global penetration (16%)

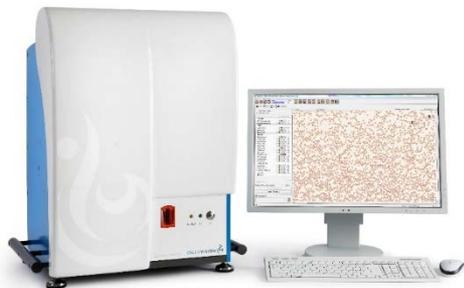


Market value SEK 1 billion year

New technology platform under development

Emerging replacement market

# CellaVision product offer



Software for blood analysis:

- **WBC**  
CellaVision<sup>®</sup> Peripheral Blood Application



- **RBC**  
CellaVision<sup>®</sup> Advanced RBC Application



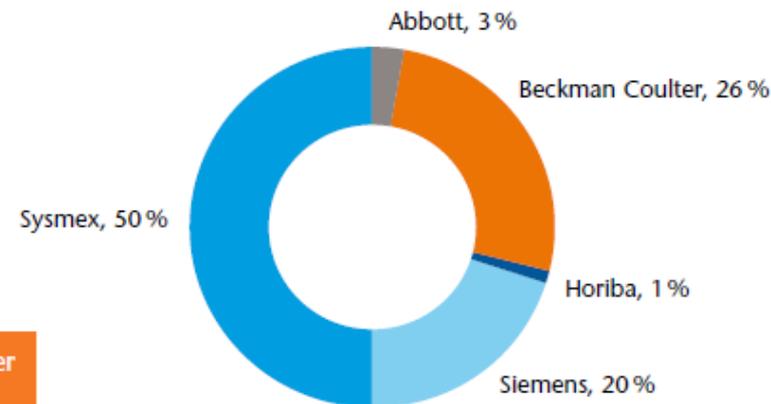
- **Body Fluids**  
CellaVision<sup>®</sup> Body Fluid Application

Software for flexible work flow:

- **Eco-system**  
CellaVision<sup>®</sup> Server and Remote Review software
- **Competence development**  
CellaVision<sup>®</sup> Proficiency Software

# Commercial operations through an indirect business model

- CellaVision's indirect model is based upon global distribution partners that offer a complete product range for hematology labs. The distributors takes responsibility for installations and after sales service.
- Market support offices in USA, Canada, the Nordic countries, France, DACH, UAE covering Middle East, China, South Korea, Japan and Australia.
- Manufacturing outsourced to Kitron AB, Sweden.
- More than 90 CellaVision employees world wide and HQ in Lund; Sweden



\* Installed base of large labs cell counters

CellaVisions Indirect business model





# Agenda

2016 and Q1 2017: Summary & High-lights

# 2016: High-lights

## Financial high-lights:

- Net sales of 265 MSEK (239): +11% compared to 2015
- Operating profit of 74,2 (65,5): +12% compared to 2015
- Currency exchange effects: 2%
- Human market growth: 27%
- Total cash flow for the year: 25,8 MSEK (including dividend pay out of 35,8 MSEK)
- No veterinary lab orders during 2016

## Business high-lights:

- Established market support in new four markets: Middle East (Dubai), France, Korea and Oceania
- Launches
  - The new ecosystem: CellaVision Remote Review<sup>®</sup> Software that enables collaboration between different labs
  - Vet 3.1 Software to complete veterinary lab offering
- Signed two new distributors: Semacare and Horiba
- Signed first Veterinary lab distribution contract: Semacare

# 2016: High-lights

## **2016: Regions development: Sales and operational high-lights**

### **Americas (+2% in total and +25% in human market only):**

- Strong sales development in USA and Canada in Human segment
- Major Vet order form 2015 installed and fully operational at Antech/VCA during the year

### **APAC (+70%):**

- Major commercial breakthrough in China
- Established market support organizations in Korea and Oceania

### **EMEA (+4%):**

- Weaker development in EMEA but accelerated activities through geographical expansion
- Established market support organizations in Middle East (Dubai) and France

# Financial development 2017-Q1

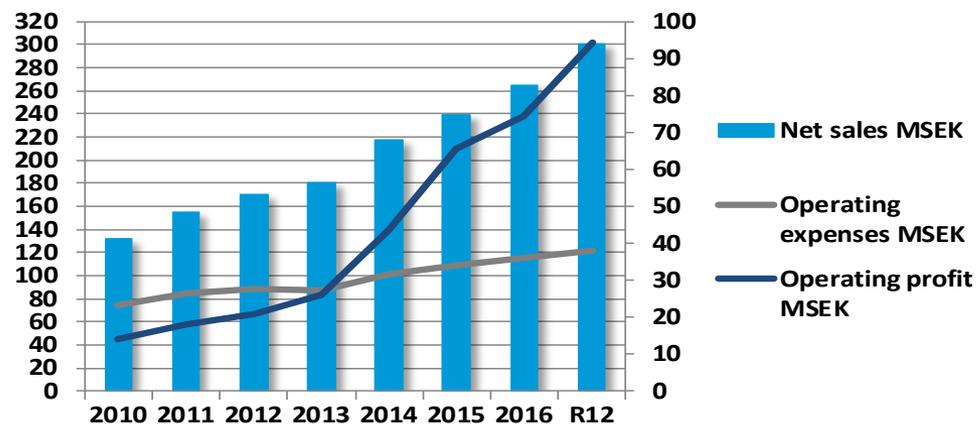
(MSEK)	Q1 16	Q2 16	Q3 16	Q4 16	Q1 17
Net sales	58,3	65,7	68,3	72,8	93,1
Growth	12%	28%	-8%	18%	60%
Gross margin	70%	72%	70%	73%	73%
Operating expenses/sales	46%	43%	42%	43%	36%
Operating profit	13,9	19,1	19,5	21,6	34,3
Operating margin	24%	29%	29%	30%	37%

- Net sales of 93,1 MSEK (58,3) +60% compared to Q1 2016.
- No currency effect
- Gross margin 73,0% (70,2).
- Operating expenses under control
- Strong operating profit of 34,3 MSEK (13,9) and strong operating margin of 36,9% (23,9)
- Proposed dividend 1,50 SEK (1,50)

# Financial overview

(MSEK)	2012	2013	2014	2015	2016	2017 *
Net sales	170	180	217	239	265	300
Growth	10%	6%	21%	10%	11%	22%
Gross margin	65%	63%	67%	73%	71%	72%
Operating expenses/sales	53%	48%	47%	46%	43%	41%
Operating profit	21,0	26,0	42,8	65,5	74,2	94,5
Operating margin	12%	14%	20%	27%	28%	32%

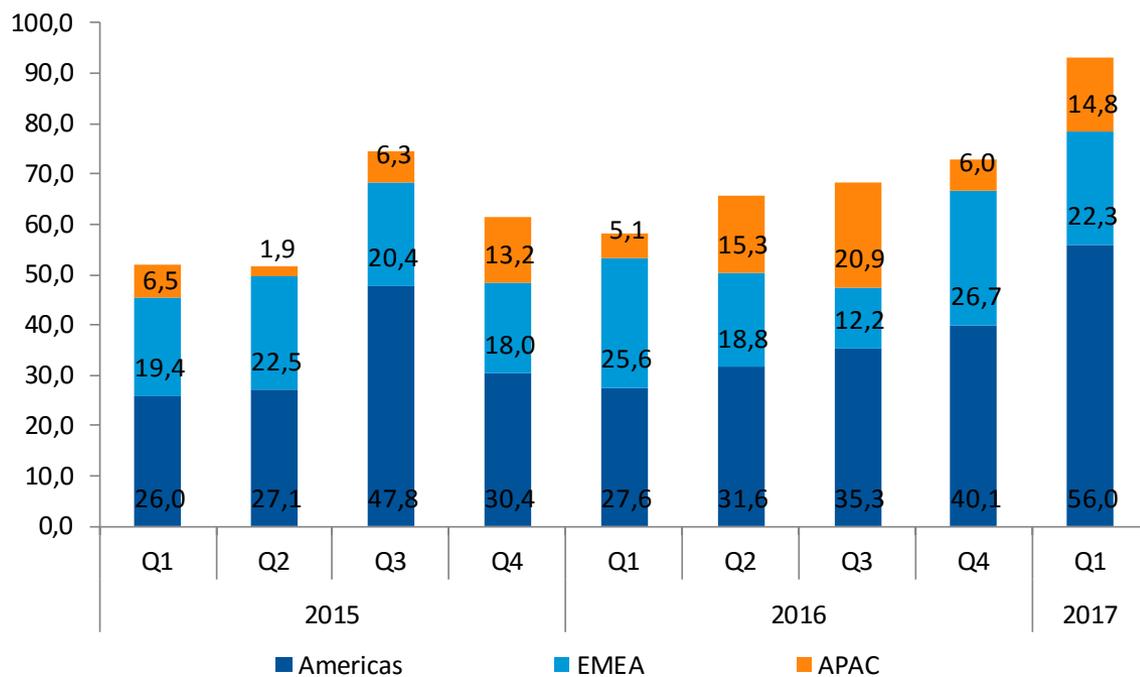
- Financial targets:
  - 15% sales growth
  - 20% operating margin
- Share price: SEK 161,00\*\*
- Num. Shares: 23,85 million
- Market Cap: 3,8 BSEK



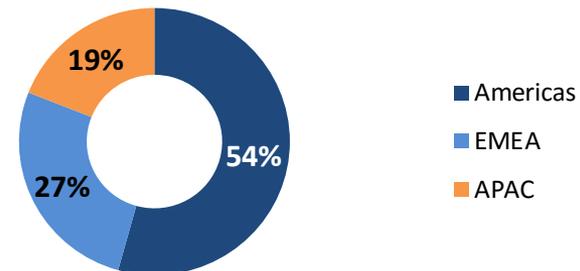
\* Rolling 12 months

\*\* 2017-05-04

# Sales per quarter and by market



Rolling 12 months





# Agenda

CellaVision's growth strategy:  
Long term and short term

# CellaVision – The strategic agenda



# CellaVision's long term growth strategy

## 1. Geographic expansion



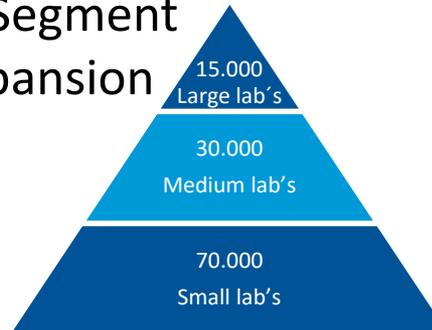
### Penetration focus in mature markets

- Drive increased penetration in existing markets on account level.

### Digital morphology awareness focus in emerging markets

- Geographic expansion into new markets with high attractiveness

## 2. Segment expansion



### Actively search for segments where CellaVision can add value

- Continue to develop understanding of customer needs in current core segment; large hematology labs
- Address mid- and small human lab segment by new future technology platform
- Address veterinary large lab segment
- Explore new segments outside hematology where CellaVision's technology could be applicable

## 3. Innovation



### Investing into the future

- Strengthening the product portfolio to existing customers.
- Product development in close collaboration with partners and end users.
- Exploring opportunities in new customer segments where digitalization can add value

# CellaVision's long term growth strategy

## 4. Developed partnerships



### Collaboration focus

- Focus on enhanced collaboration and better support to existing partners.
- Identification of new future partners.
- Utilize CellaVision Academy to improve knowledge among distributors and end customers

## 5. Streamlined supply chain



### Efficient & streamlined supply chain

- Continuously improve supply chain by streamlining the process
- Focus on cost efficiency with active COGS agenda
- Develop partnerships for both 3PM and 3PL to secure best in class collaboration partners



# Agenda

Board & Management team

# Management and Board

## Management



Zlatko Rihter  
CEO



Magnus Blixt  
CFO



Mattias Lundin  
VP Global Sales



Maria Morin  
VP HR &  
Corporate Communications



Peter Wilson  
VP Global Marketing



Magnus Johnsson  
VP Quality



Adam Morell  
VP Innovation  
& Engineering



Jeppe Brandstrup  
VP Business Development



Magnus Lindeberg  
VP Supply & Sourcing

## Board



Sören Mellstig  
Chairman of the board



Anna Malm Bernsten



Christer Fåhraeus



Roger Johanson



Torbjörn Kronander



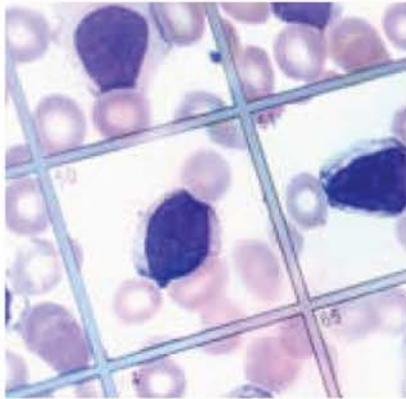
Niklas Prager



Åsa Hedin

# CellaVision AB

## AGM 2017



5/5/2017