

CellaVision AB

Annual General Meeting; May 4th 2018

Zlatko Rihter

President and Chief Executive Officer

CELLAVISION



Agenda

CellaVision in short

Summarizing 2017 & First Quarter 2018 Highlights

Financials

Summary & Financial Calendar



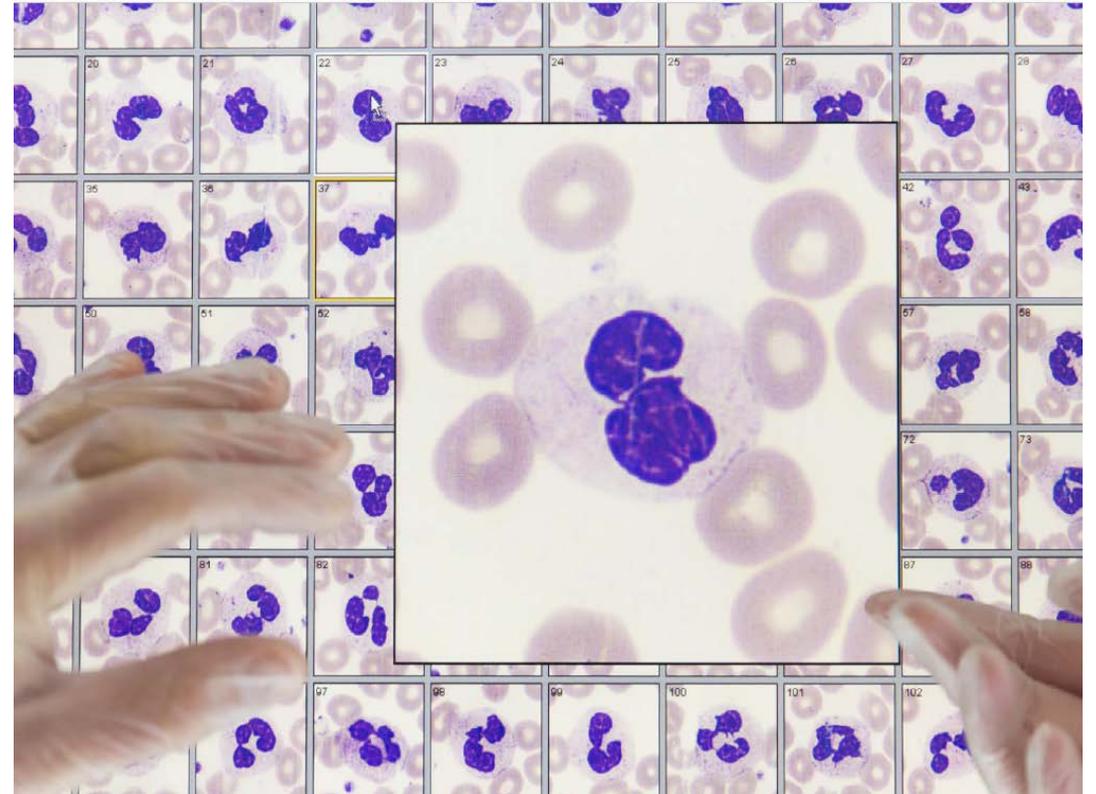
Agenda

CellaVision in short

Creating value in healthcare

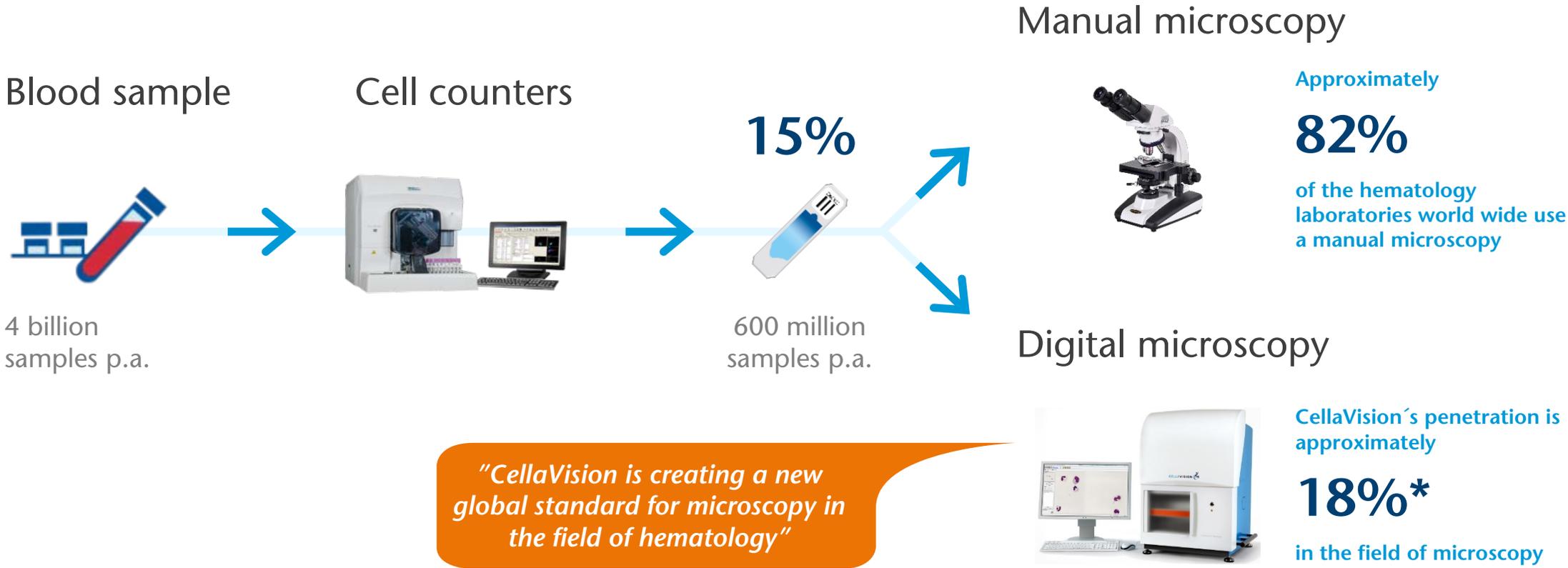
Our vision is to be a leader in global digitalization and automation of blood analyses for both the human and veterinary segments.

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





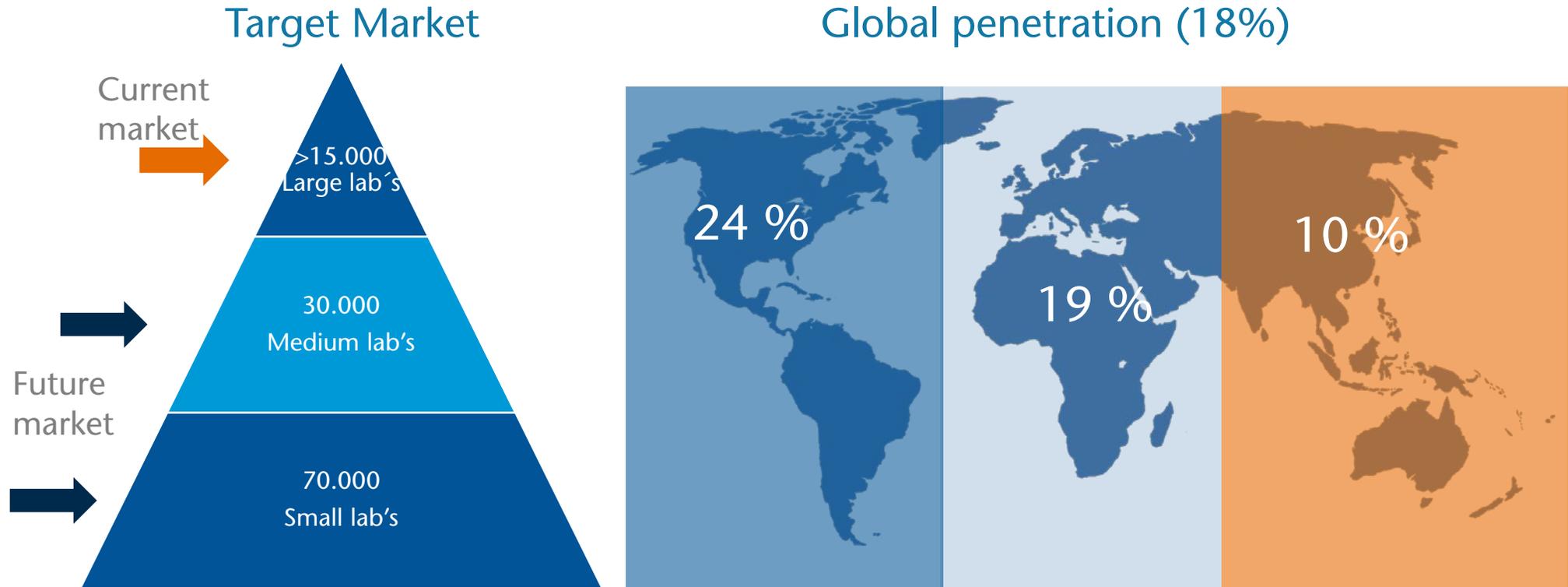
World Leading Supplier of Digital Solutions for Blood and Body Fluids Analysis



*) end of 2017

Human lab segment

CellaVision's market



Overall hematology market value of SEK >30 billion (CAGR of 4-5%) of which digital imaging market value SEK >1 billion year

New technology platform to address mid- and small hematology lab segment under development

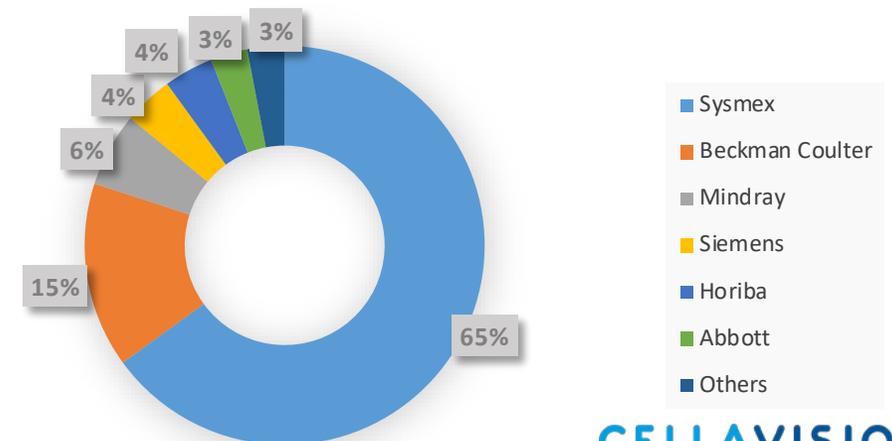
Emerging replacement market in EMEA and Americas

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
- CellaVision's partners cover almost 100% of large labs
- Market support offices in 13 markets and presence in 25 countries; USA, Canada, Brazil, Mexico, the Nordic countries, France, DACH, UK/Ireland, Middle East, China, South Korea, Japan and Oceania
- Manufacturing outsourced to Kitron AB, Sweden
- HQ in Sweden (Lund), >100 employees world wide



Large laboratories hematology market



CellaVision – The strategic agenda





Agenda

Summarizing 2017 & 2018 Q1 Highlights

First quarter 2018 highlights

Q1 2018 Total organic growth -20% (excluding Fx -17%)

Americas (-27%):

- Q1 2017 had extraordinary high sales
- Stable sales development in USA and Canada but quarterly volatile due to distributors local inventory situation
- Market support function expansion into “Spanish speaking” parts of Latin America initiated; based in Mexico

APAC (-18%):

- Continuous strong sales development in China and Japan. China is the number 2 country in sales revenue after USA
- High level of local market activities; utilize reference centers and morphology training to increase knowledge for digital imaging
- Market support function expansion into India initiated

EMEA (+10%):

- The newly established market support functions in UK, DACH and France are fully operational
- Market support function expansion into Iberia initiated

First quarter 2018 highlights

Global distribution contract signed with Mindray

- Mindray with base in China is a leading Hematology provider in primarily the APAC region; present both in APAC and EMEA
- Mindray is present both in the large and small/medium hematology lab segment

Expansion of distribution contract with Beckman Coulter

- Contract amendment also covering global small/medium hematology lab segment

Innovation investments versus net sales ratio has been increased to 17% in 2017 (16)

- Mid- and small hematology labs segment (100,000 laboratories) technology platform project is progressing
 - CellaVision's overall objective, to replace all traditional microscopes by digital solutions will come closer by launching the new technology platform. Target launch time for markets accepting CE mark is during 2018
 - CellaVision will offer complete and integrated solutions for lab chains covering both central- and satellite labs needs
- Increased investment into innovation capabilities by accelerating hiring of engineers in Lund

CellaVision portfolio will be extended to cover all labs

Hardware

Applications

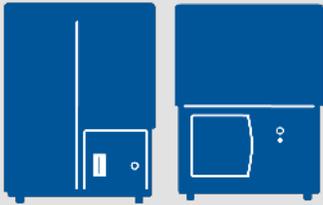
Connectivity

Proficiency

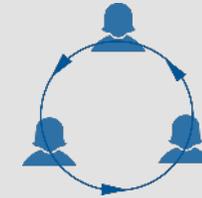
Large lab segment

CellaVision®
DM1200

CellaVision®
DM9600



CellaVision®
Peripheral Blood Application



CellaVision®
Remote Review Software



CellaVision®
Proficiency Software

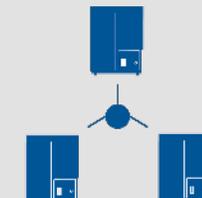
Sysmex
DI-60



Integration



CellaVision®
Advanced RBC
Application **



CellaVision®
Server Software



CellaVision®
CellAtlas

Small- and medium lab segment

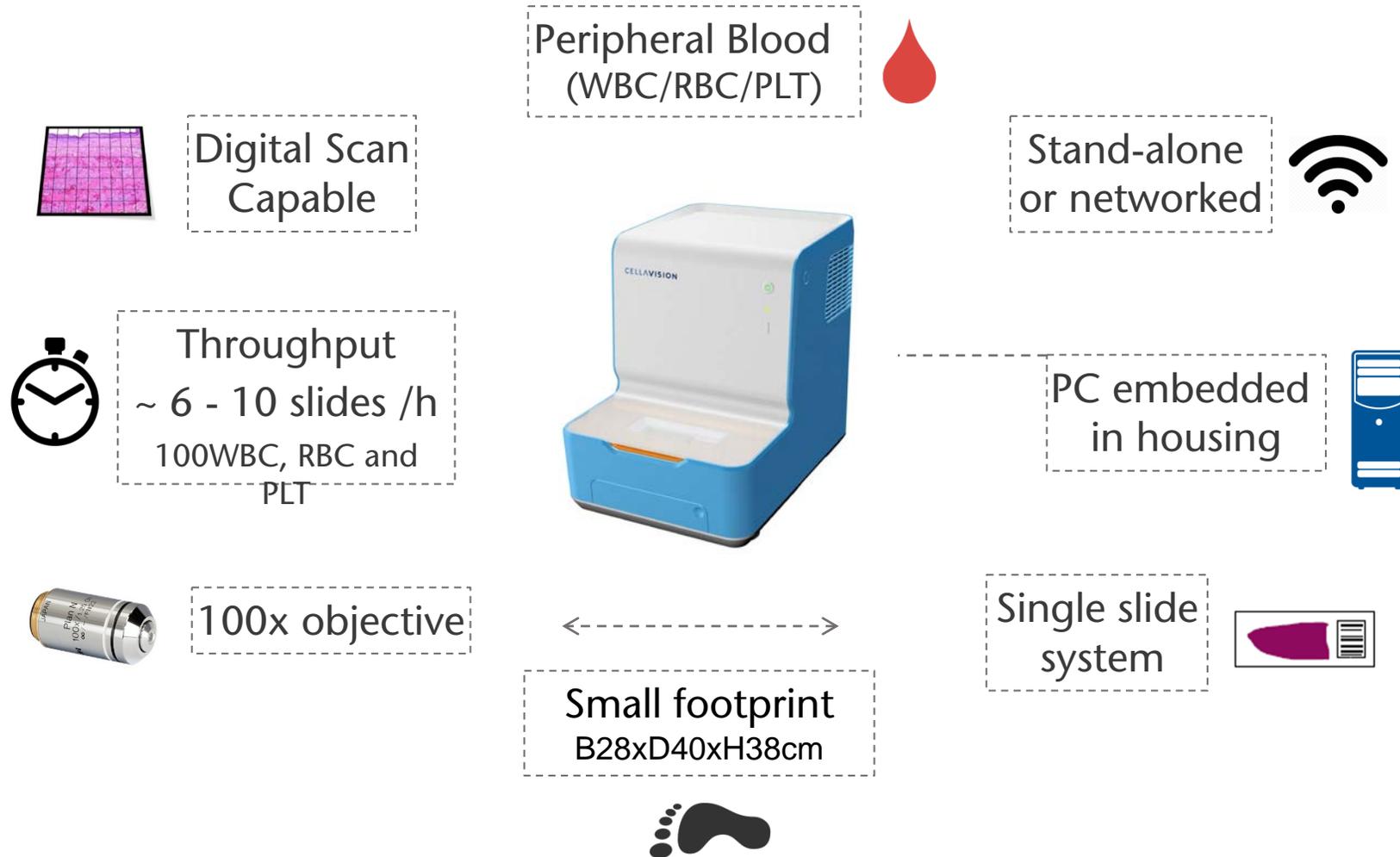
CellaVision®
DC-1*



CellaVision®
Body Fluid Application**

** Launch end of 2018 (CE-mark); ** Not available on DC-1 (Human and vet variants will be available for all platforms)*

Small and medium sized labs: DC-1 – High Level Spec





Agenda

Financials

Financial development 2018-Q1

(MSEK)	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18
Net sales	93,1	78,7	61,3	76,1	77,6
Growth	60%	20%	-10%	5%	-17%
Gross margin	73%	72%	70%	73%	74%
Operating expenses/sales	36%	41%	53%	44%	45%
Operating profit	34,3	24,6	10,2	21,7	23,2
Operating margin	37%	31%	17%	29%	30%

Key insights

- Net sales of 77,6 MSEK (93,1) -17% compared to Q1 2017
- Gross margin 74,4% (73,0)
- Operating expenses under control.
- Operating profit 23,2 MSEK (34,3) and operating margin 29,9% (36,9)

Financial overview

(MSEK)	2012	2013	2014	2015	2016	2017*
Net sales	170	180	217	239	265	293
Growth	10%	6%	21%	10%	11%	-2%
Gross margin	65%	63%	67%	73%	71%	73%
Operating expenses/sales	53%	48%	47%	46%	43%	45%
Operating profit	21,0	26,0	42,8	65,5	74,2	79,7
Operating margin	12%	14%	20%	27%	28%	27%

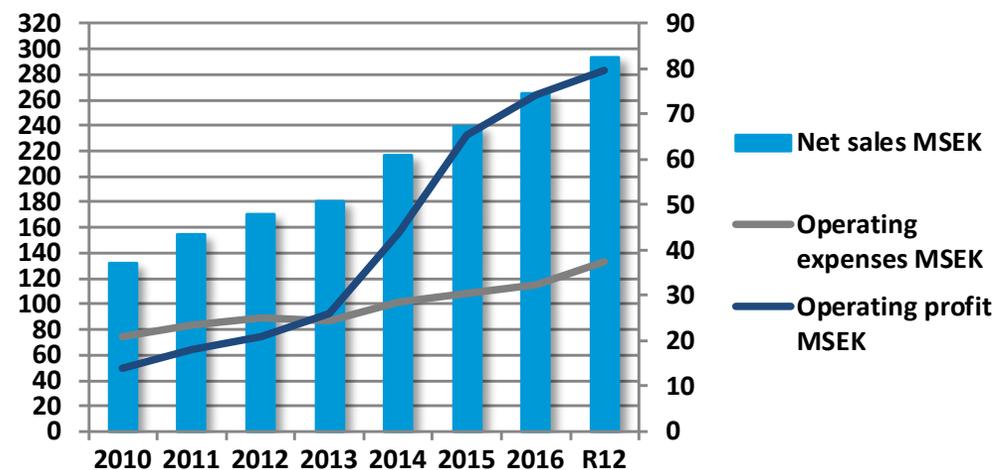
Financial targets (over economic life cycle):

- 15% sales growth
- 20% operating margin

Share price: SEK 163,00**

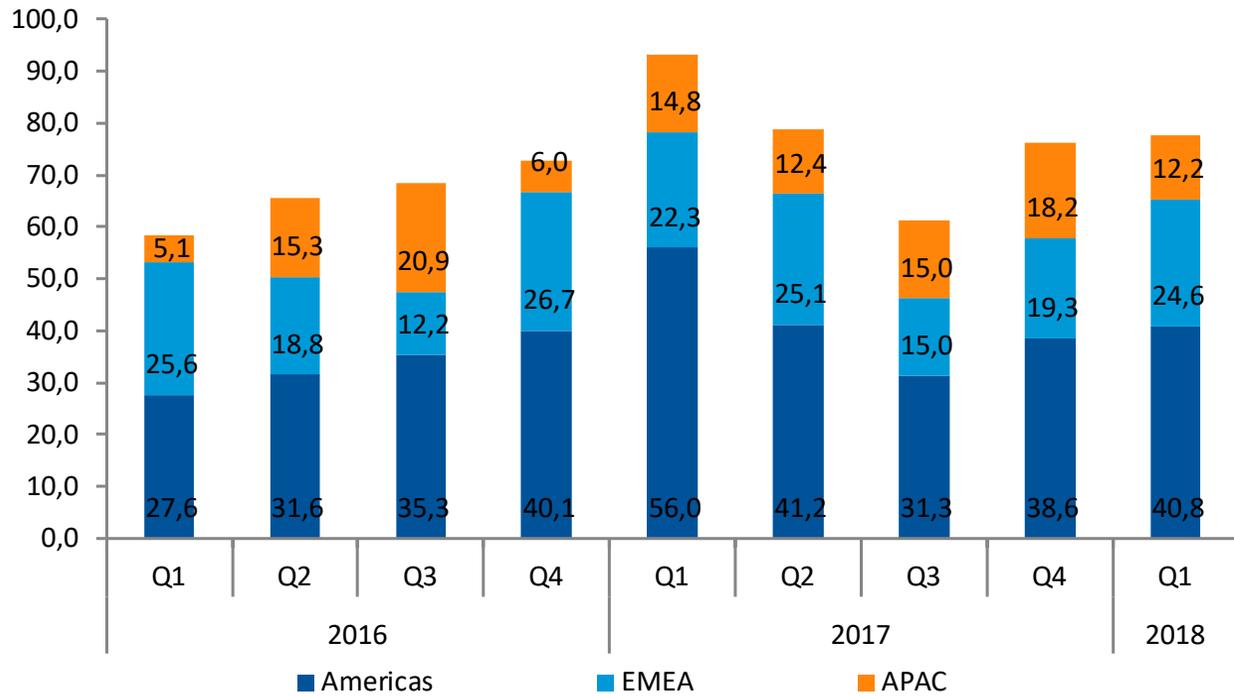
Num. Shares: 23,85 million

Market Cap: 3,9 BSEK

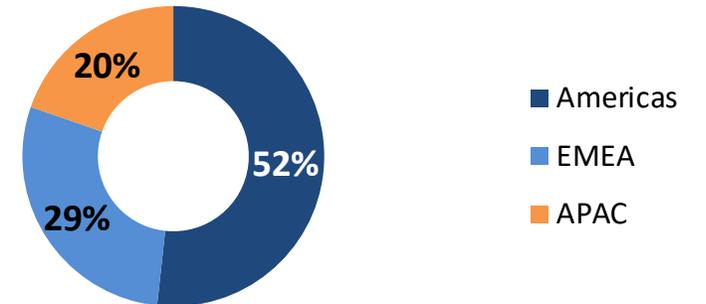


* Rolling 12 months; ** 2018-04-30

Sales per quarter and by region



Rolling 12 months





Agenda

Leadership Team & Financial Calendar

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 Johansson
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

2018 Financial calendar



Interim report Jan-June, July 17
Interim report Jan-Oct, October 23
Year-end bulletin, February 7 2019

