

ROBO Global

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Tecan is disrupting the life science and diagnostics market, says ROBO Global

Analysts at ROBO Global said they were bullish on the long-term growth outlook for Tecan Group Ltd (OTCMKTS:TCHBF), an automated lab instruments and solutions provider.

Zurich, Switzerland-based Tecan is behind the groundbreaking NuQuant technology which can reduce the time to analyze a DNA sample from several hours down to just six minutes.

"This is only one example of the company's list of innovations that have disrupted its field in the past year," wrote ROBO Global research director Jeremie Capron and senior research analyst Nina Deka in a recent report.

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ROBO Global created the ROBO Global Robotics & Automation Index, the world's first benchmark index to track companies that focus on robotics, automation and artificial intelligence.

As a technology leader in lab process automation, Tecan is a member of both the ROBO Global Robotics & Automation Index, and the new ROBO Global Healthcare Technology & Innovation Index.

Tecan stock was trading 13.8% up at \$261.40 on Monday.

Driving genome sequencing

"Tecan provides the chassis, nuts, and bolts that enable genomic research and drug discovery — two of the fastest growing trends in healthcare," wrote the analysts.

Specifically, Tecan provides the automation instruments and reagents (the substances used in the chemical analysis of the genes) to analyze specimens, develop new genome tests, and create new analysis procedures.

"With 30 years of experience in diagnostic research and commercialization, as well as extensive regulatory heavy lifting, Tecan helps its clients transition successful scientific discoveries into commercialized, FDA approved products," wrote the analysts.

Lonza AG (OTCMKTS:LZAGY), one of the largest manufacturers of biologics products, used Tecan's Freedom EVO platform to develop an endotoxin test, then partnered with Tecan to develop and manufacture a fully automated robotic solution for endotoxin detection.

Bullish investment case

"Tecan's strong value proposition and favorable market dynamics make for a compelling investment story," wrote the analysts.

Price: 47.98

Market Cap: \$2.67 billion

1 Year Share Price Graph



November 2019 April 2020 October 2020

Share Information

Code: ROBO

Listing: NYSE

| | | |
|----------------|-------------|------------|
| 52 week | High | Low |
| | 51.13 | 28.6 |

Sector: Medical technology & services

Website: www.roboglobal.com

Company Synopsis:

ROBO Global is an index, advisory, and research company wholly focused on helping investors capture the unique opportunities of fast-growing robotics, artificial intelligence, and healthcare technology companies around the world. In 2013, we launched the ROBO Global® Robotics and Automation Index Series.

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The analysts noted that instruments and reagents are a "highly competitive business," but the ability to help a client design, manufacture and commercialize their discovery is a "strong differentiator for Tecan."

"We believe clients will continue to seek partnerships with vendors that can not only help them develop new technologies, but market them as well," wrote the analysts.

The analysts noted that the strategy also benefits Tecan's average customer lifespan, enabling them to "land and expand" within one client, and continue to generate revenue through these partnerships during the entire life cycle of the clients' new products.

Tecan has a strong cash position to invest in mergers and acquisitions, according to ROBO Global.

"The company will continue to evaluate inorganic growth targets, ranging from small bolt-ons to larger transformational acquisition opportunities," wrote the analysts.

The ROBO Global Robotics & Automation Index ETF (NYSEARCA:ROBO) was down a little at \$39.3 in midday trade Monday.

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