



# Quidel Investor Presentation

*June 21, 2021*

# Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws that involve material risks, assumptions and uncertainties. Many possible events or factors could affect our future results and performance, such that our actual results and performance may differ materially from those that may be described or implied in the forward-looking statements. As such, no forward-looking statement can be guaranteed. Differences in actual results and performance may arise as a result of a number of factors including, without limitation: the impact and duration of the COVID-19 global pandemic; competition from other providers of diagnostic products; our ability to accurately forecast demand for our products and products in development, including in new market segments; our ability to develop new technologies, products and markets and to commercialize new products; our reliance on sales of our COVID-19 and influenza diagnostic tests; our reliance on a limited number of key distributors; quantity of our product in our distributors' inventory or distribution channels; changes in the buying patterns of our distributors; the financial soundness of our customers and suppliers; lower than anticipated market penetration of our products; third-party reimbursement policies and potential cost constraints; our ability to meet demand for our products; interruptions, delays or shortages in the supply of raw materials, components and other products and services; failures in our information technology and storage systems; our exposure to data corruption, cyber-based attacks, security breaches and privacy violations; international risks, including but not limited to, economic, political and regulatory risks; continuing worldwide political and social uncertainty; our development, acquisition and protection of proprietary technology rights; intellectual property risks, including but not limited to, infringement litigation; the loss of Emergency Use Authorizations for our COVID-19 products and failures or delays in receipt of reviews or regulatory approvals, clearances or authorizations for new products or related to currently-marketed products by the U.S. Food and Drug Administration (the "FDA") or other regulatory authorities or loss of any previously received regulatory approvals, clearances or authorizations or other adverse actions by regulatory authorities; our contracts with government entities involve future funding, compliance and possible sanctions risks; product defects; changes in government policies and regulations and compliance risks related thereto; our ability to manage our growth strategy and successfully identify, acquire and integrate potential acquisition targets or technologies and our ability to obtain financing; our acquisition of Alere's Triage® business presents certain risks to our business and operations; the level of our deferred payment obligations; our exposure to claims and litigation that could result in significant expenses and could ultimately result in an unfavorable outcome for us, including the ongoing litigation between us and Beckman Coulter, Inc.; we may need to raise additional funds to finance our future capital or operating needs; our debt, deferred and contingent payment obligations; competition for and loss of management and key personnel; business risks not covered by insurance; changes in tax rates and exposure to additional tax liabilities or assessments; and provisions in our charter documents and Delaware law that might delay or impede stockholder actions with respect to business combinations or similar transactions. Forward-looking statements typically are identified by the use of terms such as "may," "will," "should," "might," "expect," "anticipate," "estimate," "plan," "intend," "goal," "project," "strategy," "future," and similar words, although some forward-looking statements are expressed differently.

Forward-looking statements in this presentation include, among others, statements concerning our outlook for the business, including, among others, projections about our revenue, indebtedness, product demand, new and expansion product developments and market opportunities, including pricing, growth of our non-COVID portfolio, OTC opportunities, manufacturing, regulatory and commercial activities; our strategic initiatives, goals, focus and objectives, including company transformation; our merger and acquisition ("M&A") strategy. The risks described in reports and registration statements that we file with the Securities and Exchange Commission from time to time, should be carefully considered, including those discussed in Item 1A, "Risk Factors" and elsewhere in our Annual Report on Form 10 K for the year ended December 31, 2020 and in our subsequent Quarterly Reports on Form 10 Q. You are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis only as of the date of this presentation. Except as required by law, we undertake no obligation to publicly release any revision or update of these forward-looking statements, whether as a result of new information, future events or otherwise.

- **Projections:** The revenue, market and other projections and estimates in this presentation are based on numerous variables and assumptions, which are inherently uncertain, including factors related to the impact of the COVID-19 pandemic, general economic and competitive conditions and the ability to successfully develop and launch new products to meet anticipated market demands. Accordingly, actual results could differ materially from those set forth in the projected or estimated numbers. Inclusion of such projected and estimated numbers in this presentation should not be regarded as a representation that such results will be achieved. See "Forward-Looking Statements" above.

Quidel is a diagnostics company with multiple revenue opportunities.  
Favorable healthcare trends are expected to drive sustained growth at attractive margins.

Quidel develops, manufactures, and sells diagnostic solutions across a broad continuum.

Our primary markets have been the physician office labs (POLs), hospitals, labs and urgent care centers.

New markets allow democratization of testing: pharmacies, retail, at-home and other alternate sites.\*

We grow by introducing products to the market that address the following attributes:



Improved Accuracy



Lower Cost



Faster Turn Around Time



Easier to Use

- More Efficient Workflow
- Better Data Handling

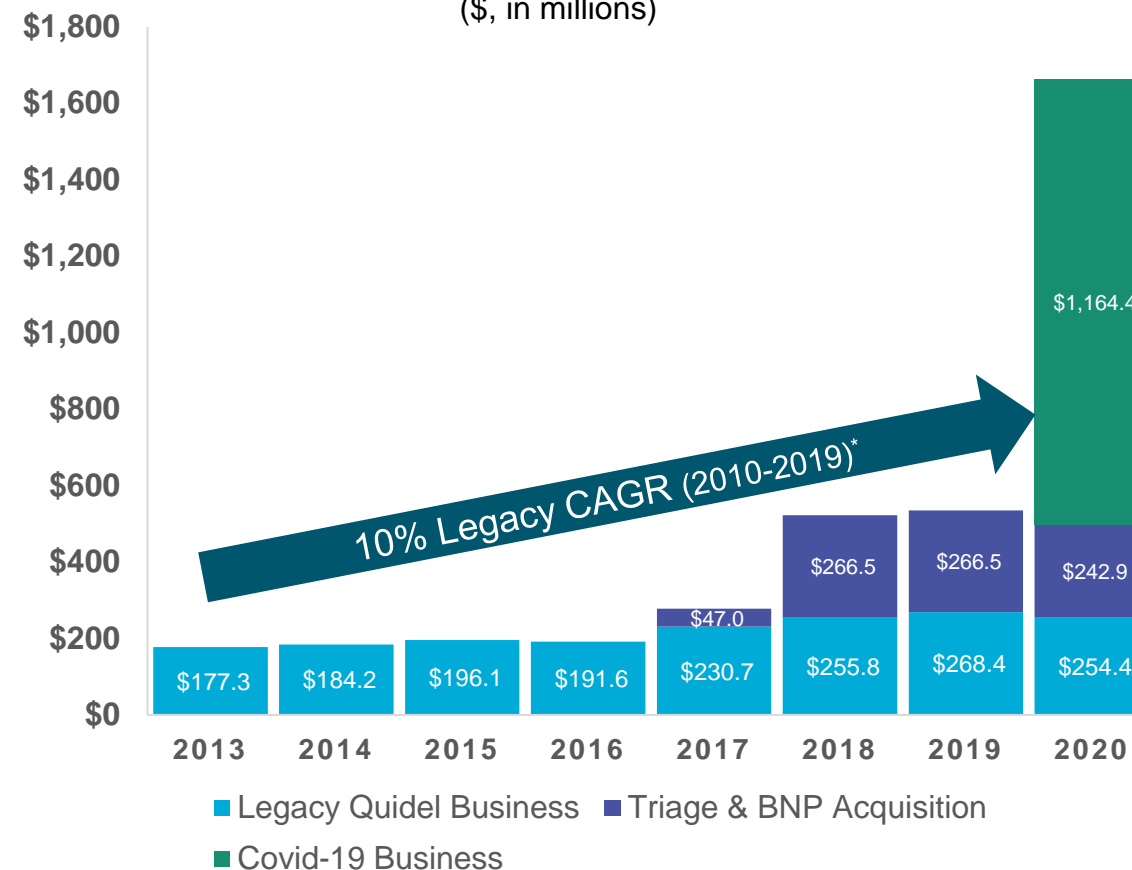
\* This is expected to evolve dramatically over time to provide far greater access to testing for common or routine conditions

Pre-COVID, Quidel was committed to delivering strong performance by investing in growth and innovation.

2009 - Present			
Acquired Triage and BNP Businesses from Alere	Submitted over 30 510(k) packages to the FDA	Over 25 FDA clearances and expanded product claims, 4 CLIA waiver designations	
Launched Sofia 2 platform, 3 FDA-cleared assays	Launched Solana instrumented MDx platform	Launched Sofia platform and 4 FDA-cleared assays	
Launched 2 first generation MDx systems (AmpliVue & Lyra)	Launched Virena wireless system	Acquired DHI (\$45 million annual direct business)	
Acquired BioHelix (proprietary HDA technology)	Acquired Immutopics direct bone health business	Acquired RPS POC direct Eye Care businesses	Acquired ViroMed, CellPro direct Virology businesses
1989 - 2009			
Launched QuickVue Influenza A/B rapid diagnostic assay		First company to receive CLIA waiver for Flu, Strep and H. pylori tests	
1979 - 1989			
Company founded		Primarily a provider of Strep A and Pregnancy rapid diagnostics	

## REVENUES

(\$, in millions)



During the pandemic, Quidel fully leveraged competencies across the organization to quickly develop and scale several key COVID-19 testing solutions.

**Responded quickly to the pandemic: received 8 EUAs for COVID-19 diagnostics across multiple technologies:**

PCR, rapid antigen, and isothermal SARS assays for professional use

QuickVue OTC, Sofia SARS received serial testing and asymptomatic EUA

**Total Revenues in 2020 grew by approximately \$1.1B to \$1.6B; +210% growth versus last year:**

Sofia SARS revenues were \$1.0B

Lyra SARS-2-CoV-2 revenues were \$0.2B

Minimal QuickVue and Solana SARS revenues in 2020

Core Revenues down ~7%

**Operating Margin in 2020 at 64%, compared to 17% in 2019**

**Sofia installed base grew to 70,000 total instrument placements through Q1 2021; Solana at 1,500 placements**

**Focused Production Capacity Ramp: increasing capacity 10X**

Going forward, Quidel emerges better positioned for long-term growth.

### **Launching Disruptive New Platforms**

- QuickVue® launched in OTC / Retail, with potential to bring more POC tests into new market
- Sofia® Q near-term launch for professional segment POC and, longer-term, for At-Home / Retail
- Savanna® MDx w/RVP4 launch for moderately complex and small hospital labs and molecular mini-panels

### **Entering New Markets with New Assays**

- Sofia® 2 SARS Serology test, Strep98, suite of gastrointestinal assays
- Savanna® RVP11 and more Savanna® assays
- Triage® POC HS-Troponin, PIGF assays in the U.S.

### **Operationally, a Stronger Company**

- Increased customer base and Brand Strength for molecular and rapid antigen testing products
- Increased MFG capacity by year-end will permit entry to higher-volume segments & additional ex-U.S. markets
- Strong cash position expands ability to fund M&A, partnerships and collaborations

# Our Strategic Objectives



## Leverage Assets Fully:

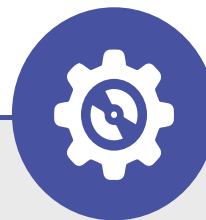
Sofia® installed base (70k+)

Established Global  
Infrastructure

Broader R&D Expertise

Expanded Mfg. Capacity

Brand Strength and Mind Share



## Launch and Scale Flagship Products:

QuickVue®

Sofia® Q

Savanna®

hsTroponin on Triage®

Drive additional products into  
professional, retail and at-home



## Deploy Capital Wisely:

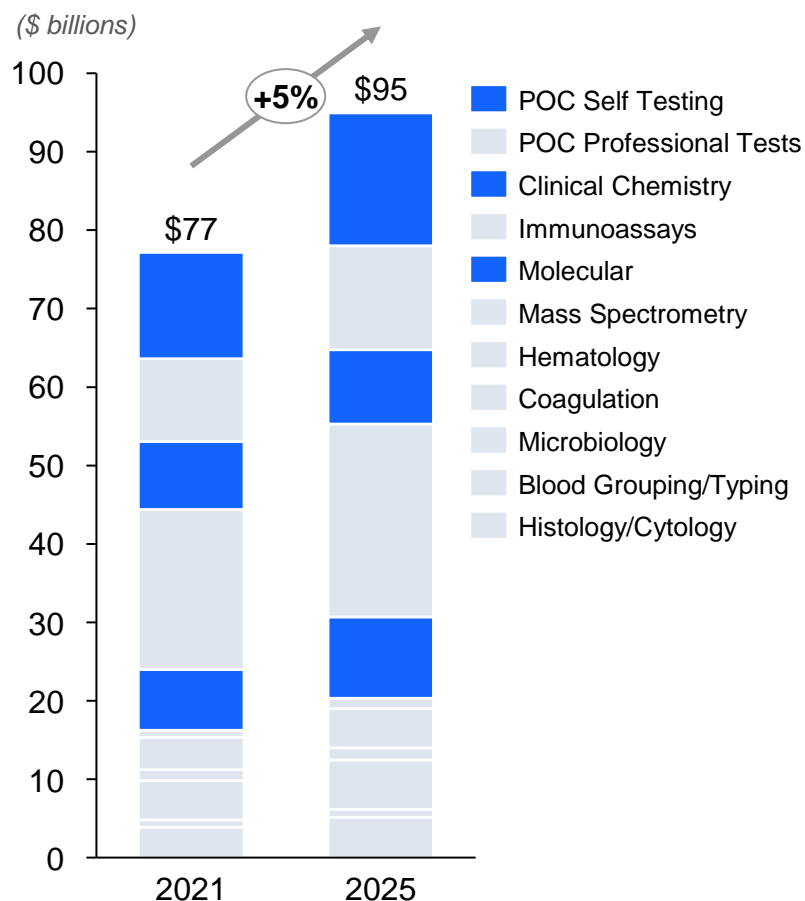
Strengthen Supply Chain

Meaningfully increase  
production

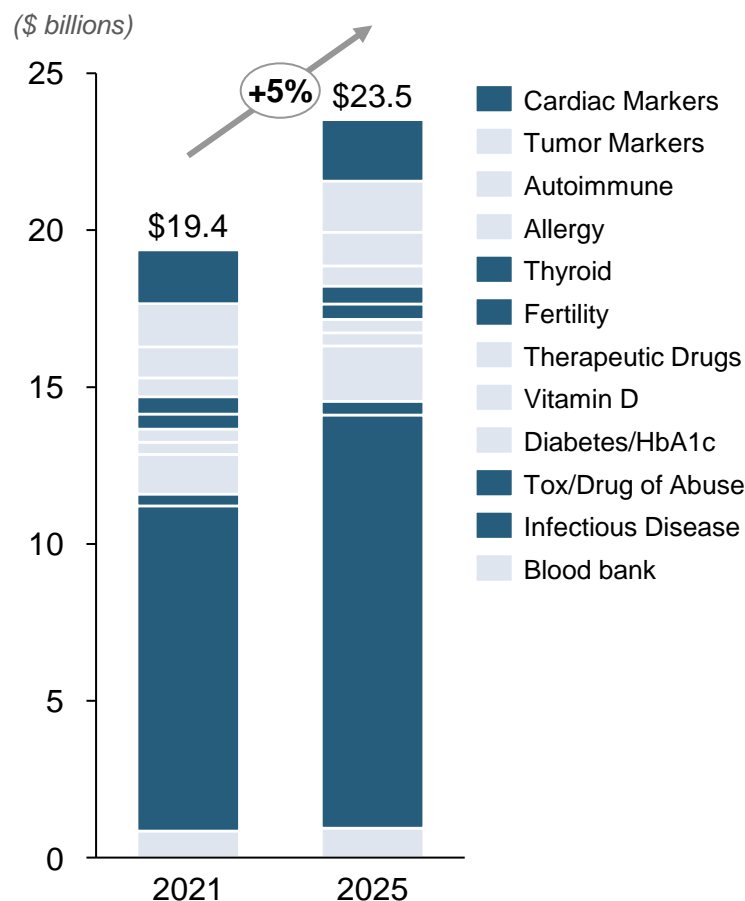
Opportunistic M&A

Quidel products address growing market opportunities, with sizeable opportunities within POC immunoassay and molecular diagnostics segments.

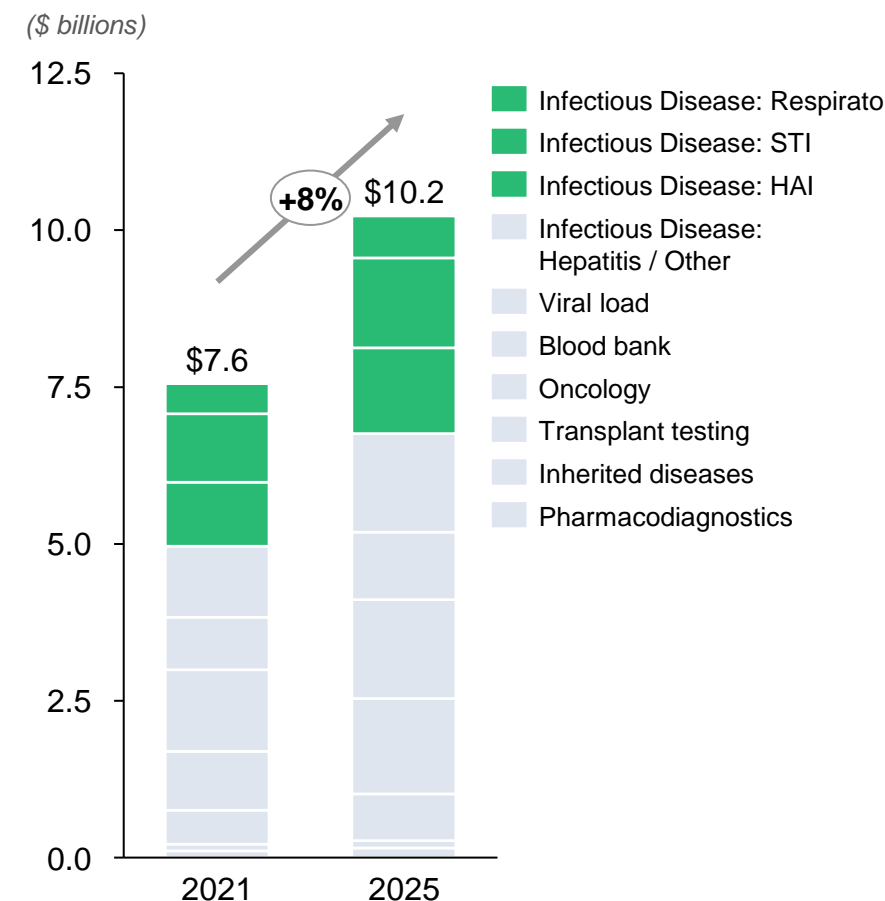
### Global IVD Sales



### Global Immunoassay Sales (w/o Covid)

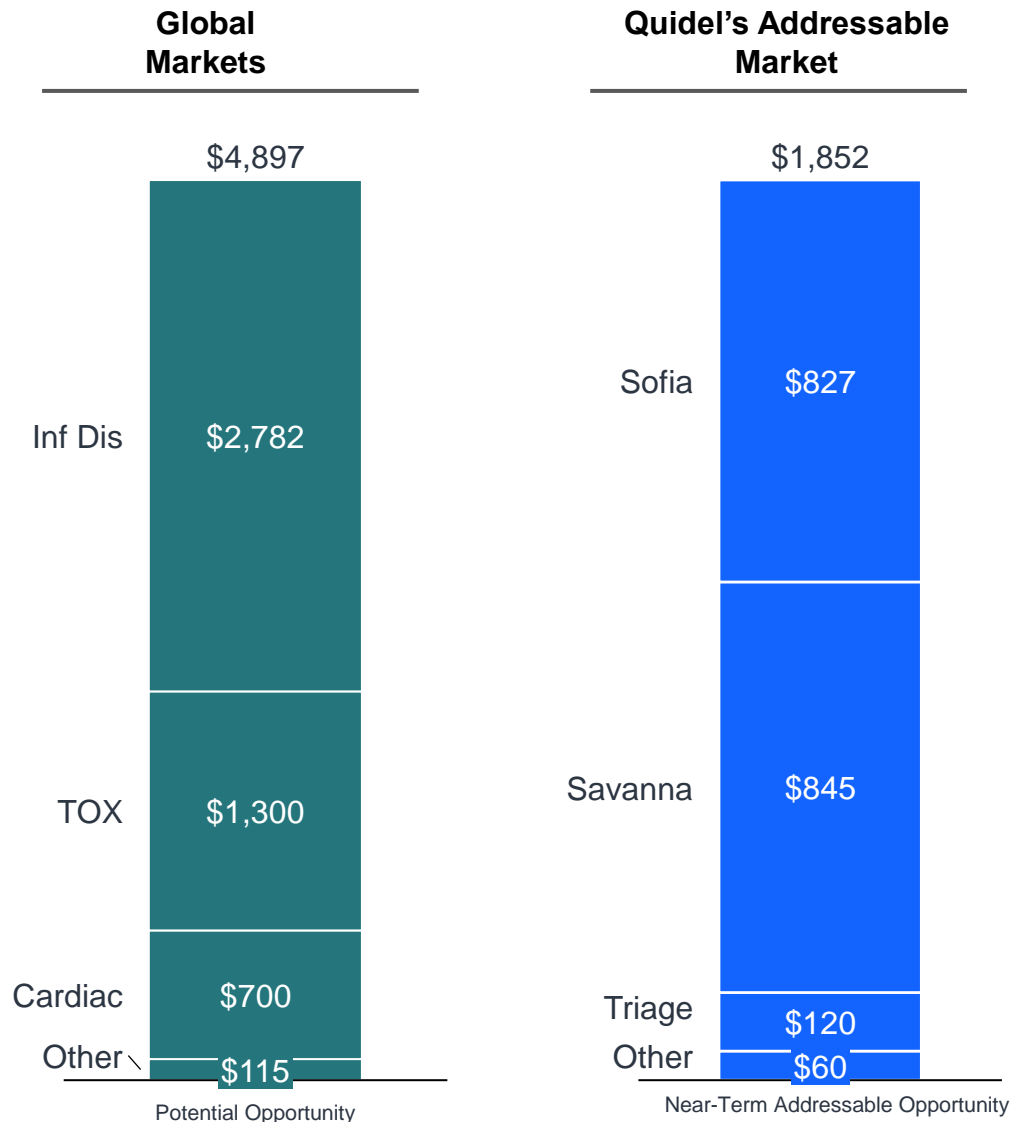


### Global Molecular Sales (w/o Covid)





Post-COVID-19, we are targeting a near-term opportunity of \$1.8B.



### Quidel's near-term opportunities (in development or recently launched)

Platform	Product	Geography	Market Size (in millions)	Estimated Addressable
Sofia	Strep 98	US	\$170-250	100%
	Vitamin D	Europe	\$100	10%
	Tier-2 Lyme	US + EU	\$110	100%
	C. Difficile	US + EU + APAC	\$350	40%
	Other GI	US + EU + APAC	\$500	20%
	Legionella	US + EU	\$35	100%
	Strep Pneu.	US + EU	\$45	100%
	RVP 4	US	\$200	100%
Savanna	GI Panel	Global	\$160	85%
	STI Panel	Global	\$690	50%
	RVP	Global	\$300	80%
	Pharyngitis	US	\$65	40%
	Vaginitis	Global	\$140	70%
Triage	TriageTrue	Europe	\$300	20%
	Tox	US	\$150	20%
	PLGF	Global	\$85	35%
Other	TBI	Global	\$30	100%
	TSI	Global	\$30	100%

Moving forward, Quidel's diagnostic portfolio will drive further growth.

### Short-term

- Exited Q1 21 with Sofia install base @ 70,000 creating a larger customer base for respiratory menu
- Expand Sofia menu, Gastrointestinal, Strep98, others
- Launch Sofia Q in professional POC setting

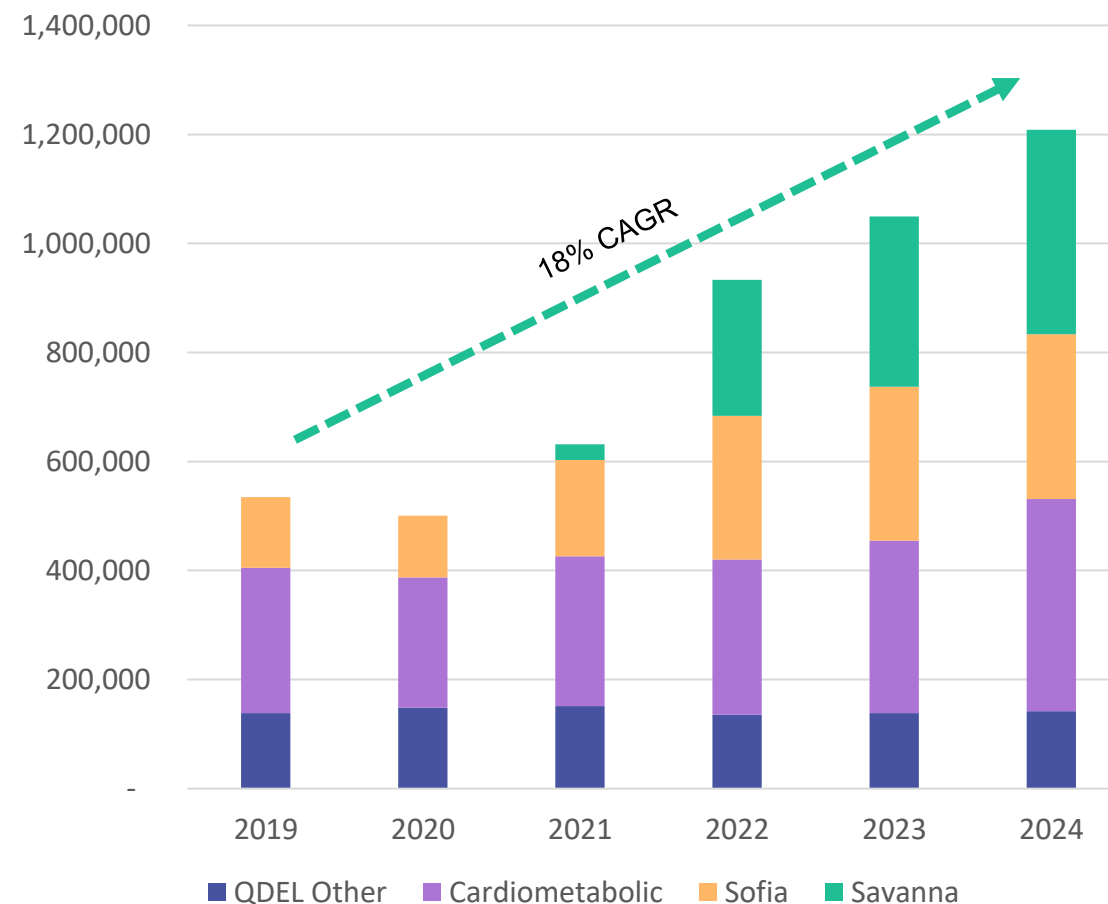
### Medium-term

- Savanna launch 2H21 with respiratory panel
- hsTnI clinical trials in 2021
- Launch Sofia Q into at-home market

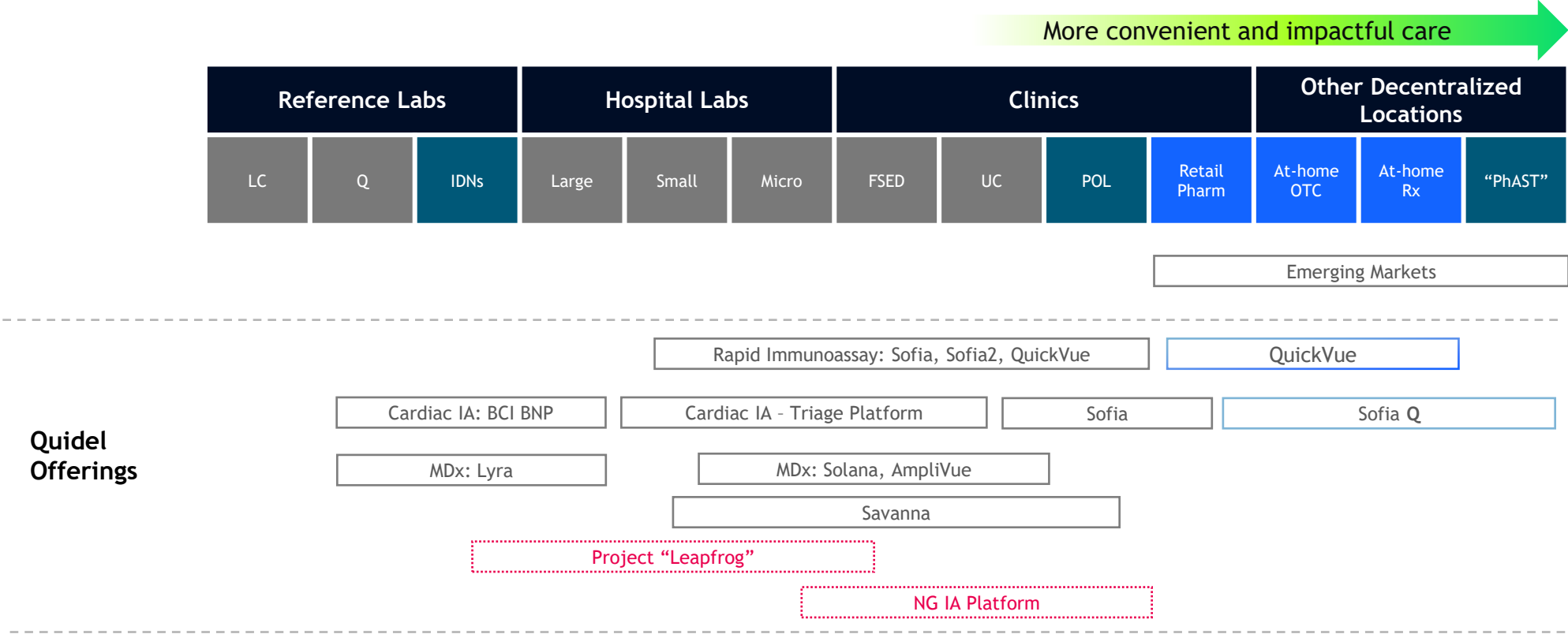
### Long-term

- Savanna menu expansion
- US Launch for hsTnI
- Drive Sofia assay portfolio into at-home market

Quidel Core Non-COVID Business Growth Trend



Over the next 5 years we expect to maintain our position within existing market segments while using disruptive technologies to grow into new ones.



Legend: ■ New business opportunities ■ Telemedicine opportunities  
□ In development

Disruptive technologies: QuickVue At Home and Sofia Q provide opportunities for Quidel to further democratize POC testing beyond traditional segments, including Direct to Consumer and Retail.

- Visually read lateral flow does not require a device to interpret results
- Results are provided in 10 minutes or less
- Price point targeted to enable increased frequency of testing



- A small diagnostic device able to read a standard Sofia® Fluorescent Immunoassay Cartridge
- Images of the cassette are captured on the Sofia® Q device and transmitted via Bluetooth to a mobile device
- The result is then interpreted using a proprietary AI software model that is downloaded to a mobile device.



# Disruptive technologies: Savanna<sup>®</sup> MDx – Quidel's next flagship product.



## 1 Proven robust technologies

- Magnetic bead based nucleic acid isolation
- 4 color PCR multiplexing for up to 12 analytes/run

## 2 Fast turnaround time

- Fast data readout by unique light fiber optics
- qPCR with 45 cycles in < 12min

## 3 Simplicity and ease-of-use

- Direct swab and liquid sample compatibility
- Reagents stable at room temperature

## 4 Instrument modularity

- Main bay drives up to 3 auxiliary bays
- Auxiliary bays added vertically or horizontally

## 5 Assay versatility

- Qualitative/ quantitative assays compatible
- Combined pathogen/ AST testing in one assay run

## 6 Assay development strategy

- Develop critical mass of assays near launch time
- Scalable assay manufacturing concept

# Our Capital Structure

Debt Type	Initial Date	Initial Amount	Balance at 04/30/2021
Convertible Bond Debt	December 2014	\$172.5 million	\$0
Term Loan Debt	October 2017	\$245 million	\$0
Revolver Debt	October 2017	\$10 million	\$0
Deferred & Contingent Consideration (Abbott)	October 2017	\$280 million	\$88 million (\$48 million due April 2022) (\$40 million due April 2023)

- \$750M in Cash as of 04/30/21
- De-levered from >\$700M debt to \$88M in just over 3 years
- Consummated sale-leaseback transaction for \$146.6 million in January 2018
- Repurchased >96% of convertible bonds prior to maturing (weighted avg price of \$61.43 per share)
- Utilized cash flow from operations to reduce loan debt and contingent consideration
- Strong balance sheet – positioned for future investment opportunities

# M&A can further enable our growth strategy.

*We have three criteria against which we are constantly evaluating opportunities*



## Strategic Fit

### Leverages existing assets

- R&D capabilities
- Existing sales call points and distribution partners
- Sofia installed base

### Platform for future growth

- New/adj market segments
- Product portfolio extends
- Production capacity

### Secures global supply chain



## Financial Fit

### Accelerate top-line growth

### Margins

- ~65% product GM
- ~35% EBITDA

### ROIC

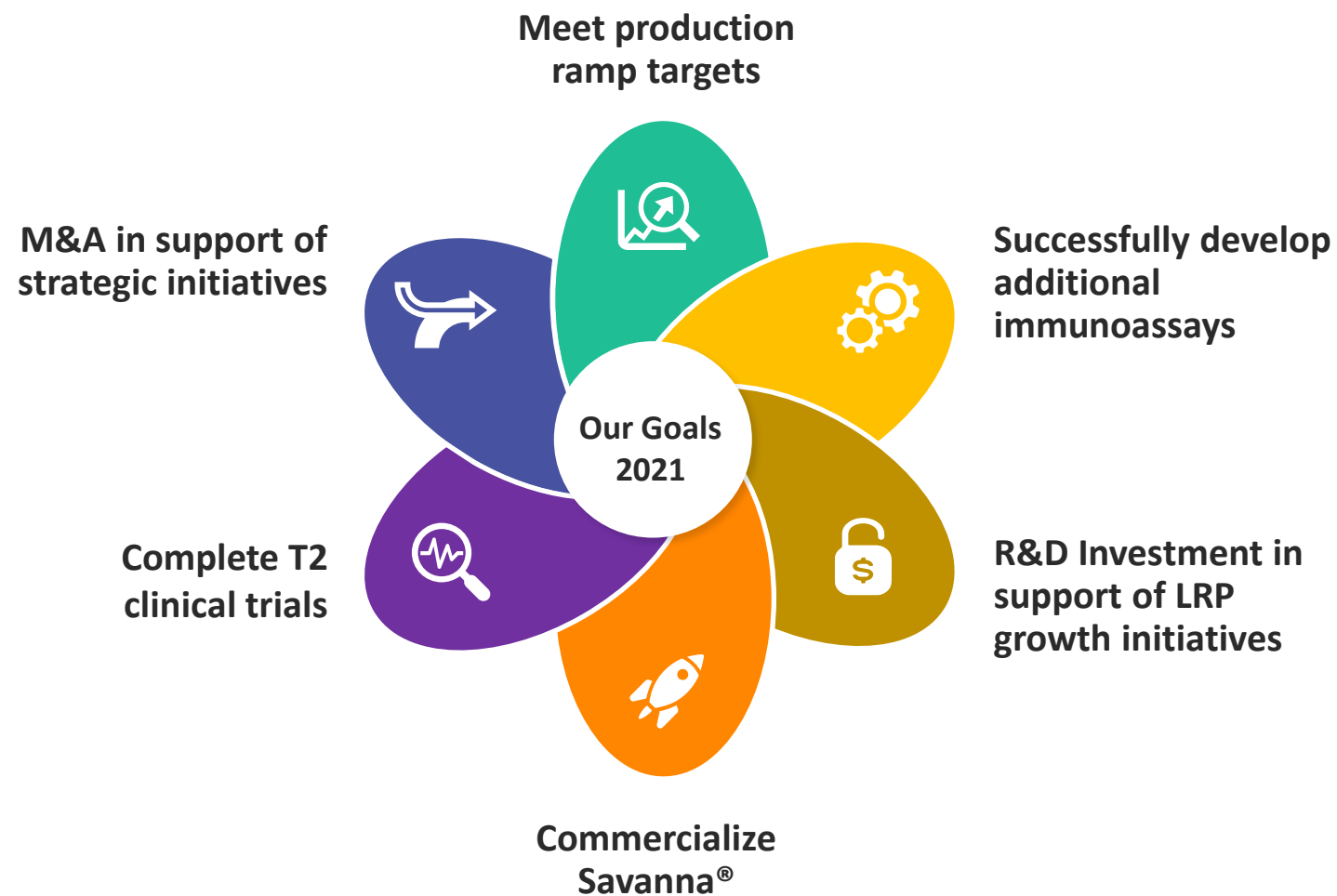


## Ability to Execute

### Integration assessment

### Confidence in achieving synergies

# Our Goals for 2021







QUIDEL®