



Q1 2020 RESULTS

May 13, 2020

DiaSorin

Disclaimer

These statements are related, among others, to the intent, belief or current expectations of the customer base, estimates regarding future growth in the different business lines and the global business, market share, financial results and other aspects of the activities and situation relating to the Company.

Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those expressed in or implied by these forward-looking statements as a result of various factors, many of which are beyond the ability of DiaSorin S.p.A. to control or estimate precisely.

The Company does not undertake to update or otherwise revise any forecasts or objectives presented herein, except in compliance with the disclosure obligations applicable to companies whose shares are listed on a stock exchange.

Piergiorgio Pedron, the Officer Responsible for the preparation of corporate financial reports of DiaSorin S.p.A., in accordance with the second subsection of art. 154-bis, part IV, title III, second paragraph, section V-bis, of Legislative Decree February 24, 1998, no. 58, declares that, to the best of his knowledge, the financial information included in the present document corresponds to book of accounts and book-keeping entries of the Company.

Highlights

Q1 2020			
	Value in €/mln	@ curr	@ CER
REVENUES	174.6	+2.3%	+1.7%
CLIA EX VIT D		+2.8%	+2.8%
VIT D		-12.7%	-13.8%
ELISA TESTS		-9.2%	-9.8%
MOLECULAR TESTS		+51.4%	+47.9%
INSTRUMENTS & OTHER REVENUES		-6.6%	-6.6%
EBITDA	64.5	-4.5%	-3.7%
<i>EBITDA MARGIN</i>		<i>36.9%</i>	<i>37.5%</i>
		<i>-262 bps</i>	<i>-209 bps</i>
NET RESULT	37.7	-6.6%	
<i>% ON REVENUES</i>		<i>21.6%</i>	
FREE CASH FLOW	39.8		
NET FINANCIAL POSITION	215.5		

LIAISON CLIA PLACEMENTS

	Q1 2020	@ MAR 31, 2020
Installed base	+94	8,383

PRODUCT DEVELOPMENT

Simplexa™ COVID-19 Direct kit

- Fast test designed to detect SARS-CoV-2 in ca. 1.5 hours
- CE mark + FDA EUA and BARDA funding

SARS-CoV-2 S1/S2 IgG test

- Test identifying antibodies against S1 and S2 proteins of SARS-CoV-2
- CE mark (as test to detect neutralizing antibodies)+ FDA EUA and BARDA funding

Molecular diagnostics
 Immunodiagnostics

Q1 2020 revenue growth

Q1'20 vs. Q1'19

Total Group revenues	@ curr	+2.3%
	@ CER	+1.7%

Key impacting factors:

- **Positive trend of molecular tests** also driven by the launch of Simplexa Covid-19 test and flu
- **Growth of all CLIA tests, net of Vitamin D**, despite slowdown resulting from the Covid-19 spread mainly in China, Italy and US
- **Expected slowdown in Vitamin D volumes** (mainly US, strongly driven by the pandemic), paired with an increase in price pressure
- **Expected slowdown on ELISA and Instruments sales**

Q1'20 vs. Q1'19

CLIA	CLIA ex Vitamin D tests	@ curr	+2.8%
		@ CER	+2.8%
	Vitamin D test (CLIA)	@ curr	-12.7%
		@ CER	-13.8%
	ELISA tests	@ curr	-9.2%
		@ CER	-9.8%
	Molecular Diagnostic tests	@ curr	+51.4%
		@ CER	+47.9%
	Instruments & Other Revenues	@ curr	-6.6%
		@ CER	-6.6%

Q1'20 vs. Q1'19 (*)

Deep dive on Covid-19 impact on geographies

EUROPE & AFRICA +9.0%

Italy	+0.5%
Germany	+20.0%
France	-2.0%
Export	-2.6%

USA & CANADA +10.3%

USA	+9.9%
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ASIA PACIFIC -33.1%

China	-61.1%
Australia	+5.5%
Export	-10.2%

LATIN AMERICA +5.8%

Brazil	+18.7%
Mexico	+2.4%
Export	-5.4%

- 2 opposite dynamics in the period:
 1. **Routine tests volume slowdown** in areas affected by Covid-19 earlier on
 2. **Increase in molecular Covid-19 tests' sales and tests' stock piling** by some existing customers

- **CLIA routine tests sales decrease** due to pandemic spread (especially Vitamin D)
- Growth driven by **strong increase of molecular diagnostic business**, also due to Covid-19 molecular test sales and flu

- **Strong slowdown in the area, primarily due to China**, where Covid-19 infection emerged since January 2020

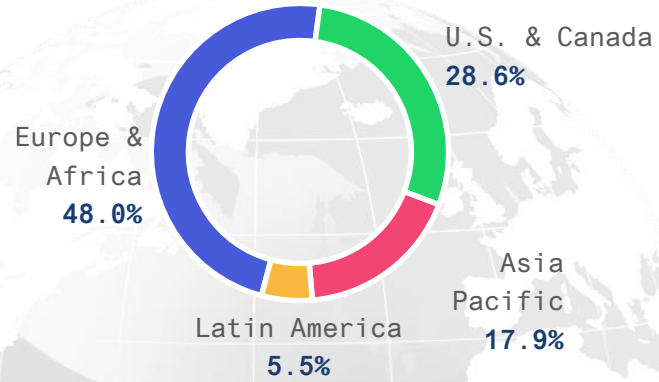
- **No impact from Covid-19 pandemic** recorded on sales in the region

(*) Managerial outlook on reported data; Change *QoQ* @ CER

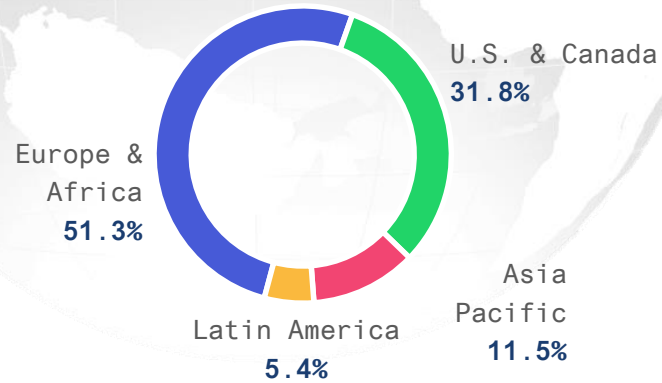
Q1 2020 revenues breakdown @ current exchange rate

BY GEOGRAPHY

Q1 '19

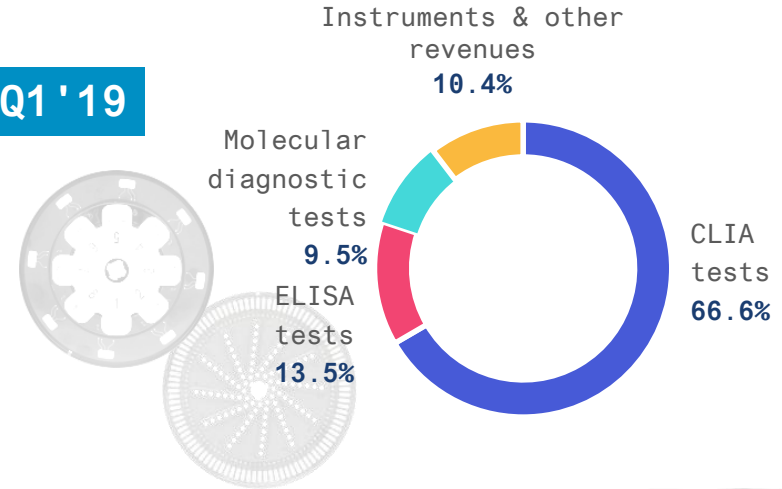


Q1 '20

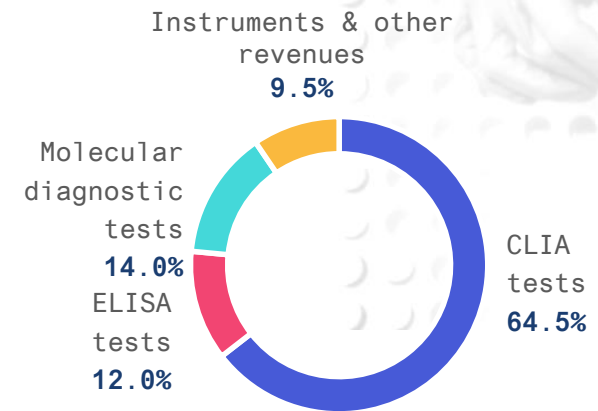


BY TECHNOLOGY

Q1 '19



Q1 '20



Q1 2020 profitability profile

(€/m1n)	Q1'19	Q1'20	Change %
GROSS PROFIT	118.6	120.7	+1.7%
EBITDA	67.5	64.5	-4.5%
@ CER			-3.7%
EBITDA MARGIN	39.6%	36.9%	-262 bps
@CER		37.5%	-209 bps
EBITDA ADJUSTED ⁽¹⁾	67.5	67.8	+0.4%
EBITDA MARGIN ADJ. ⁽¹⁾	39.6%	38.8%	-71 bps
@CER		39.5%	-5 bps
EBIT	53.0	49.4	-6.7%
NET PROFIT	40.4	37.7	-6.6%

Slight decrease in profitability (69.1% of revenues in Q1'20 vs. 69.5% in Q1'19) due to different product & geography sales' mix and to higher distribution costs, following the negative impact of Coronavirus on transport logistics

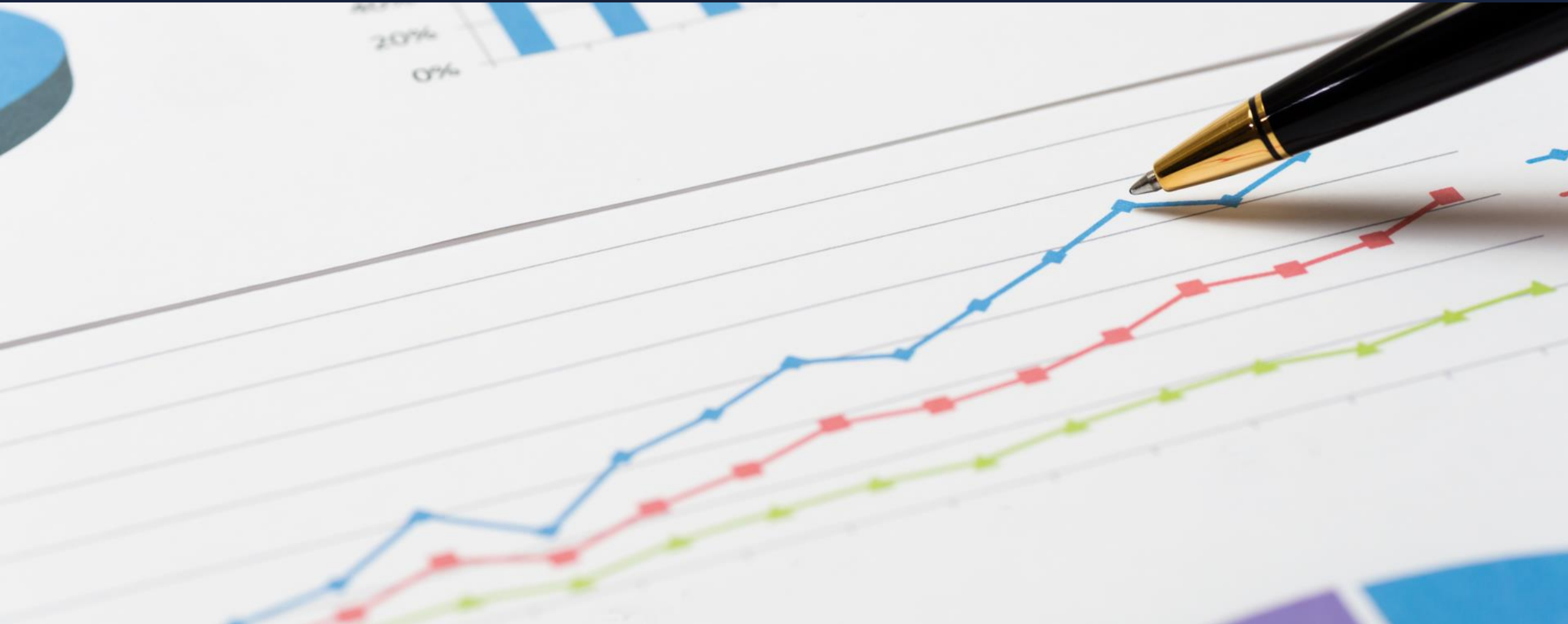
EBITDA declined as result of a € 3.3 mln one-off cost related to the South African facility; net of this cost, EBITDA would have been € 67.8 mln, with a margin of 38.8% (39.5% @ CER)

EBIT declined almost entirely as a result of one-off costs

Net Income declined almost entirely as a result of one-off costs

(1) managerial outlook: net of one-off cost recorded in the period, related to South African facility

Company Guidance



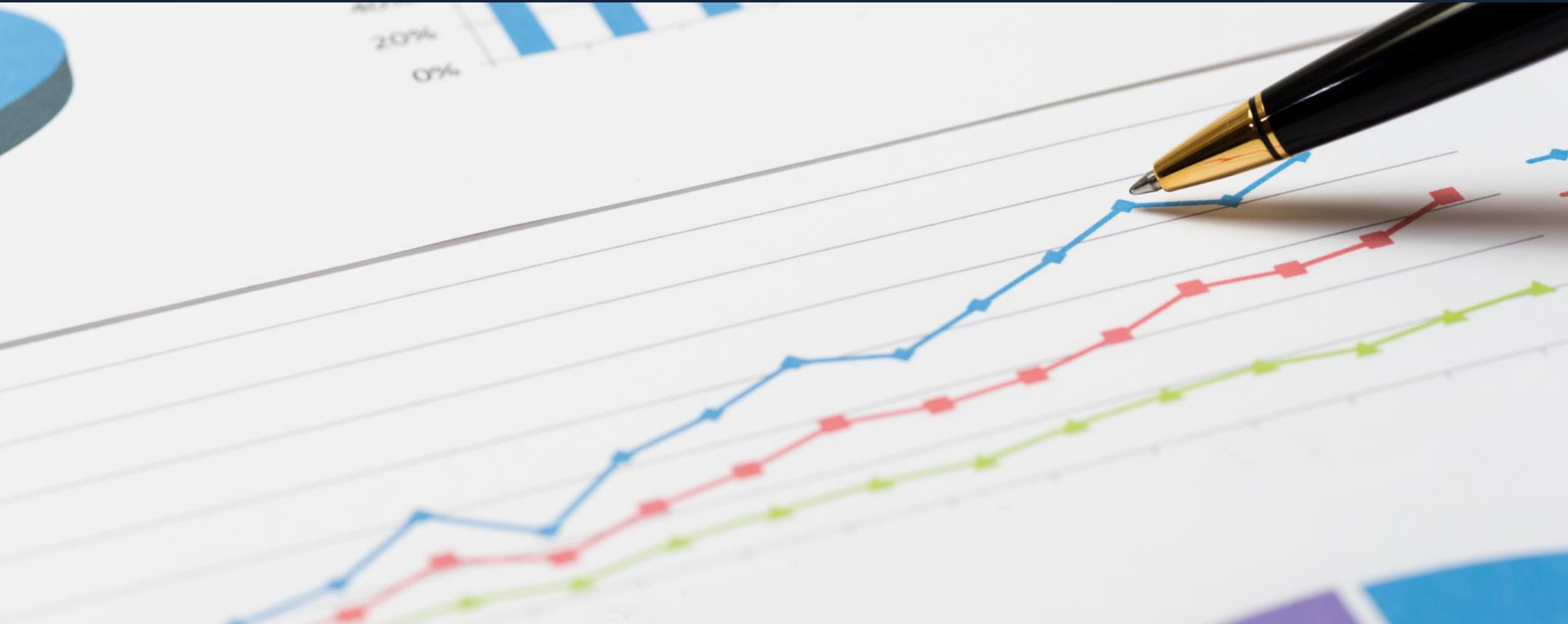
Company Guidance

Company's business outlook released on March 11, 2020 did not reflect the impacts deriving from COVID-19 and therefore cannot remain unchanged.

Given the significant deterioration of the macroeconomic scenario and the related market uncertainties caused by the global spread of the pandemic, the high uncertainty on the length and the impact on the Company's results for the current year, DiaSorin believes appropriate to withdraw its 2020 guidance.

The Company will provide updates in this regard to the market as greater visibility into the foreseeable evolution of the business increases.

Financial schemes



Income Statement

(Amounts in million of euros)	Q1		Change	
	2019	2020	amount	%
Net Revenues	170.8	174.6	+3.9	+2.3%
Cost of sales	(52.1)	(54.0)	-1.8	+3.5%
Gross profit	118.6	120.7	+2.0	+1.7%
	69.5%	69.1%	-0.4%	
Sales and marketing expenses	(34.5)	(36.4)	-1.8	+5.2%
Research and development costs	(11.7)	(12.4)	-0.8	+6.5%
General and administrative expenses	(17.2)	(16.8)	+0.3	-1.8%
Total operating expenses	(63.4)	(65.6)	-2.2	+3.5%
	37.1%	37.6%	+0.5%	
Other operating income (expense)	(2.3)	(5.6)	-3.3	<i>n.m.</i>
EBIT	53.0	49.4	-3.6	-6.7%
	31.0%	28.3%	-2.7%	
Net financial income (expense)	(0.4)	(0.4)	+0.0	-0.6%
Profit before taxes	52.6	49.0	-3.6	-6.7%
Income taxes	(12.2)	(11.3)	+0.9	-7.2%
Net result	40.4	37.7	-2.7	-6.6%
EBITDA	67.5	64.5	-3.0	-4.5%
	39.6%	36.9%	-2.6%	

Balance Sheet

<i>(Amounts in million of euros)</i>	12/31/2019	03/31/2020	Change
Goodwill and intangibles assets	370.3	377.4	+7.1
Property, plant and equipment	128.4	125.8	-2.6
Other non-current assets	34.1	35.5	+1.4
Net working capital	211.0	211.4	+0.4
Other non-current liabilities	(68.0)	(71.1)	-3.1
Net Invested Capital	675.8	679.0	+3.3
Net Financial Position	172.9	215.5	+42.6
Total shareholders' equity	848.6	894.6	+45.9

Cash flow statement

<i>(Amounts in million of euros)</i>	Q1	
	2019	2020
Cash and cash equivalents at the beginning of the period	73.1	157.6
Cash provided by operating activities	48.0	55.8
Cash used in investing activities	(12.9)	(16.0)
Cash provided/(used) in financing activities	(10.0)	(0.7)
Acquisitions of companies and business operations	(1.0)	-
Net change in cash and cash equivalents before investments in financial assets	24.1	39.2
Divestment/(Investment) in financial assets	(27.1)	(15.7)
Net change in cash and cash equivalents	(3.0)	23.5
Cash and cash equivalents at the end of the period	70.1	181.1

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