HALF-YEAR FINANCIAL REPORT
JUNE 30, 2020

DiaSorin S.p.A.
Via Crescentino (no building No.) - 13040 Saluggia (VC)
Tax I.D. and Vercelli Company Register n. 13144290155

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CORPORATE BODIES

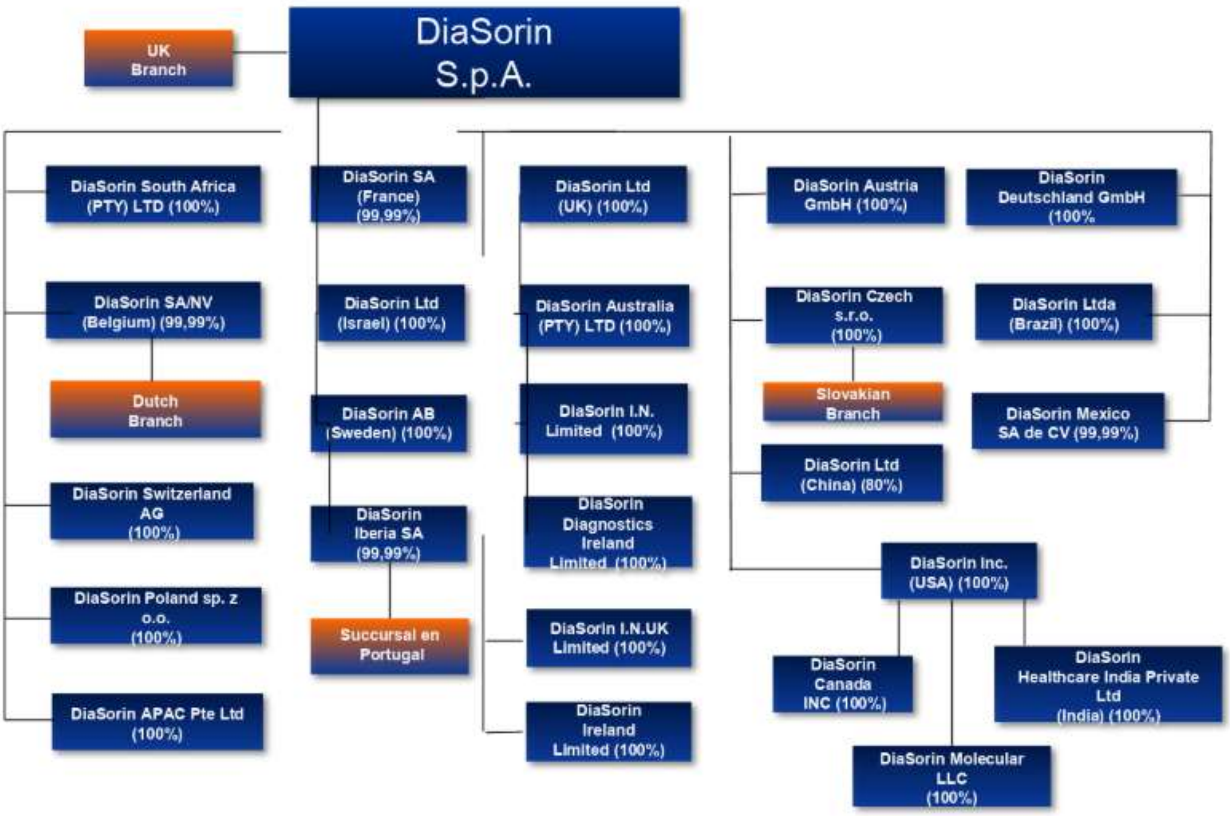
BOARD OF DIRECTORS	(appointed on April 24, 2019)
Chairman	Gustavo Denegri
Deputy Chairman	Michele Denegri
Chief Executive Officer	Carlo Rosa (1)
Directors	Giancarlo Boschetti Stefano Altara Chen Menachem Even Franco Moscetti (2) Giuseppe Alessandria (2) (3) Roberta Somati (2) Fiorella Altruda (2) Francesca Pasinelli (2) Monica Tardivo (2) Luca Melindo Tullia Todros (2) Elisa Corghi (2)
BOARD OF STATUTORY AUDITORS	
Chairman	Monica Mannino
Statutory Auditors	Ottavia Alfano Matteo Michele Sutera
Alternates	Romina Guglielmetti Cristian Tundo
INDEPENDENT AUDITORS	PricewaterhouseCoopers S.p.A.
COMMITTEES	
Control, Risks and Sustainability Committee	Franco Moscetti (Chairman) Giancarlo Boschetti Roberta Somati
Compensation and Nominating Committee	Giuseppe Alessandria (Chairman) Michele Denegri Elisa Corghi
Related-party Committee	Franco Moscetti (Chairman) Giuseppe Alessandria Roberta Somati

(1) General Manager
(2) Independent Director
(3) Lead Independent Director

THE GROUP

DiaSorin, an Italian company listed in the FTSE MIB Index, operates on an international scale. For over 50 year, the Company has been working in the field of laboratory diagnostics, developing, manufacturing and marketing diagnostic tests to give reliable and swift answers to healthcare professionals on the condition of their patients' health.

STRUCTURE OF THE GROUP AT JUNE 30, 2020



OUR BUSINESS

DiaSorin operates in the laboratory diagnostics market, providing both private and hospital microbiology laboratories with innovative solutions.

For over 50 years, the Group has been developing, manufacturing and marketing tests for the diagnosis of the patient's health disorders.

The diagnostic tests are aimed at diagnostic laboratories but the decision-making process involves doctor and patient. The test demand is generated by doctor's need to better understand patient's clinical value, health condition or to monitor the progression of certain diseases.

For this reason, DiaSorin's business is crucial to the doctor, as well as to the patient: to know the patient's health condition is the first step to make correct and useful decisions in treating unfavorable health conditions.

"To know in order to decide": through highly reliable tests every second 10 people come into contact with one of DiaSorin tests.

Technologies

DiaSorin offers highly reliable tests based on two different technologies used in many laboratories worldwide: immunodiagnostics and molecular diagnostics.

Immunodiagnostics

Technology based on the detection of antibodies to highlight the presence of diseases in a sample of human fluid.

Molecular Diagnostics

Technology that allows to diagnose a pathology by detecting specific RNA or DNA sequences (nucleic acids) in patients' biological fluids or in their abnormal cells.

Both technologies are based on automated platforms that are developed by partner companies according to DiaSorin specifications to offer automated, swift and reliable diagnostic results and connectivity with other diagnostic operators' platforms.

The diagnostics "core business" is the development of tests that can work on these platforms. In this field DiaSorin is known as "specialty" player and leading company in high routine tests.

The DiaSorin Group testing kits (reagents and consumables) encompasses different clinical areas where infectivity gained an increasingly important role.

The clinical areas where DiaSorin is recognized as a player providing extensive and completely automated diagnostic kits in the field of immunodiagnostic specialty tests are listed below:

- Infectious Diseases
- Gastrointestinal Infections
- Bone and Mineral
- Endocrinology
- Hypertension
- Oncology
- Onco-hematology
- Autoimmunity

DiaSorin focused its research and kit development designed for laboratories also in the molecular diagnostics field, especially Infectious Diseases, on different matrix, including blood, CFS samples, cutaneous and mucocutaneous swabs.

Thanks to its innovation ability and the development of infectious diseases tests, DiaSorin's molecular business offers today one of the broadest menus in terms of specialty tests, which is supported by an extensive offer of diagnostic kits, primers to detect virus, bacteria and gene sequences associated with coagulation disorders.

Testing kits

The DiaSorin diagnostic tests are biological components aimed at determining the presence of specific elements (virus, hormone, etc.) in the patient's blood sample.

These cutting-edge diagnostic products can identify the presence of the desired element even in small quantities and with a high degree of specificity in the patient's sample.

Our technological platform

Analysis of the biological sample aimed at detecting the presence of a specific element is carried out by instruments based on specific technologies.

In **immunodiagnostics**, DiaSorin offers the market proprietary-based platforms on CLIA technology, to fully automate the diagnostic procedure and providing high flexibility of use in terms of menu.

DiaSorin offers also immunodiagnostic solutions based on ELISA technology appropriate for the diagnosis of a few parameters but with high volumes (i.e. blood banks).

In **molecular diagnostics**, DiaSorin offers the market diversified proprietary platforms based on 2 nucleic acids amplification technology (PCR and qLAMP), to diagnose viral infections or liquid tumors, through the qualitative and quantitative determination of viral load or genetic mutations in patient’s biological sample.

OUR GLOBAL PRESENCE

The Group headed by DiaSorin S.p.A. is made of 26 companies and 4 branches on the 5 continents; it produces its own tests at 5 manufacturing facilities and 5 research and development facilities located around the world.

DiaSorin operates, through its direct presence, all over continental Europe, Israel, United States, Canada, Mexico, Brazil, China, India and Australia. In the rest of the world, the Group operates through an international network of over 200 independent distributors with whom the Group maintains a constant dialogue in accordance with the best interests of its end customers.

CONSOLIDATED FINANCIAL HIGHLIGHTS

Income statement *(€ thousands)*	**6/30/2020**	**6/30/2019**
Net revenues	382,287	350,257
Gross profit	264,064	243,276
EBITDA [(1)]	153,647	139,256
Operating result (EBIT)	123,639	110,196
Net profit for the period	94,723	83,987

Statement of financial position *(€ thousands)*	**6/30/2020**	**12/31/2019**
Capital invested in non-current assets	537,900	532,791
Net invested capital	696,622	675,761
Net financial position	190,391	172,862
Shareholders’ equity	887,013	848,623

Cash flow statement *(€ thousands)*	**6/30/2020**	**6/30/2019**
Net cash flow for the period	(18,834)	16,965
Free cash flow [(2)]	73,916	69,501
Capital expenditures	34,184	25,533
Number of employees	1,971	1,951

[(1)] Looking at the data on the Table, the Board of Directors defines EBITDA as the “operating result (EBIT)” before amortization of intangibles and depreciation of property, plant and equipment.
[(2)] Free cash flow is the cash flow from operating activities, counting utilizations for capital expenditures but before interest payments and acquisitions of companies and business operations

OVERVIEW OF THE GROUP'S PERFORMANCE IN THE FIRST HALF OF 2020 AND COMPARISON WITH 2019

KEY EVENTS OCCURRED IN THE FIRST HALF OF 2020

The first half of 2020 saw the spread of the COVID-19 pandemic in all geographies where the Group operates.

In different ways in the various countries, government authorities have implemented different restrictions on the movement of people, transportation, goods production and distribution and services supply. This situation has caused a global and unprecedented macroeconomic shock. At the present time, it is difficult to anticipate the evolution of the global scenario and, most likely, people will have to learn to live with SARS-CoV-2 virus until a vaccine and an effective drug treatment can be developed in order to slowly and gradually return to normal.

In this context, all national and international government authorities have acknowledged that the sector in which DiaSorin operates is strategic in providing all the necessary diagnostic tools to control and contain the rapid spread of the infection.

For these reasons, DiaSorin has not been subject to any restrictive measure and has continued its research, manufacturing and distribution activities without disruptions in all the Group sites, in compliance with the provisions intended to ensure its workers safety.

As from March, operations not requiring the physical presence of people in the companies' offices are carried out normally in home-working mode. Conversely, our sales and customer service staff have reduced their on-field activities ensuring, in any case, a continuous contact with our customers through alternative means of communication. Research, production and distribution have continued apace in all the Group site, in compliance with all the necessary measures to ensure people utmost safety and business continuity.

In this context, the Group's economic and financial results and the financial position of the first half of 2020 have showed a positive trend. This performance has been driven by DiaSorin's ability to develop diagnostic tests in response to this novel virus and monitor its spread within the population.

In March, the Group launched a molecular test on its LIAISON MDX proprietary platform, enabling sample-to-answer results within 1.5 hours compared to 6-8 hours delivered by other competitors. In April, a serological test was commercialized on LIAISON XL platform to detect the presence of neutralizing IgG antibodies in response to the infection. Lastly, in the month of June, an additional test was launched on the LIAISON XL platform to detect the presence of IgM antibodies to SARS-CoV-2 in human serum or plasma samples. The three tests are CE marked and have been approved by the U.S. Food and Drug Administration (FDA) for Emergency Use Authorization (EUA).

In light of the extreme complexity of this scenario and its constant and unpredictable evolution, the Group refrains from providing its business outlook. Nevertheless, following a solid business performance in the first half of 2020 and considering the sector in which DiaSorin operates, Management does not expect negative effects on the Group financial results.

THE FOREIGN EXCHANGE MARKET

In the first half of 2020, the average exchange rate of the euro gained value vis-à-vis the main currencies in which the Group operates compared to the first six months of 2019. The euro appreciated against the Brazilian real (+24.6%), the Mexican peso (+10.1%) and the Australian dollar (+4.8%). Conversely, the euro depreciated against the U.S. dollar (-2.5%), the Swiss franc (-5.8%). The euro was stable against the Chinese yuan (+1.1%).

The exchange rate of the euro at June 30, 2020 appreciated vis-à vis the main currencies in which the Group operates compared to December 31, 2019, except for the U.S. dollar (-0.3%) and the Swiss franc (-1.9%). It should be noted the performance of the euro against the Brazilian real (+35.3%), the Mexican peso (+22.3%) and the British pound (+7.2%).

The table below provides the average and end-of-period exchange rates of the main currencies used by the Group (source: Banca d'Italia) for the periods under comparison.

Currency	Average exchange rates		Exchange rates at		
	1st half 2020	1st half 2019	6/30/2020	6/30/2019	12/31/2019
U.S. dollar	1.1020	1.1298	1.1198	1.1380	1.1234
Brazilian real	5.4104	4.3417	6.1118	4.3511	4.5157
British pound	0.8746	0.8736	0.9124	0.8966	0.8508
Swedish kronor	10.6599	10.5181	10.4948	10.5633	10.4468
Swiss franc	1.0642	1.1295	1.0651	1.1105	1.0854
Czech koruna	26.3333	25.6845	26.7400	25.4470	25.4080
Canadian dollar	1.5033	1.5069	1.5324	1.4893	1.4598
Mexican peso	23.8430	21.6543	25.9470	21.8201	21.2202
Israeli shekel	3.8641	4.0898	3.8821	4.0607	3.8845
Chinese yuan	7.7509	7.6678	7.9219	7.8185	7.8205
Australian dollar	1.6775	1.6003	1.6344	1.6244	1.5995
South African rand	18.3112	16.0434	19.4425	16.1218	15.7773
Norwegian krone	10.7324	9.7304	10.9120	9.6938	9.8638
Polish zloty	4.4120	4.2920	4.4560	4.2496	4.2568
Indian rupee	81.7046	79.1240	84.6235	78.5240	80.1870
Singapore dollar	1.5411	1.5356	1.5648	1.5395	1.5111

OPERATING PERFORMANCE OF THE DIASORIN GROUP IN THE FIRST HALF OF 2020

In the first half of 2020, the DiaSorin Group **revenues** were **€ 382,287 thousand** (€ 350,257 thousand in the first half of 2019), up 9.1% compared to the first half of 2019 (+8.7% at CER). The growth differential between the comparable and current exchange rates led to a positive impact of ca. € 1.5 million on revenues, mainly due to the revaluation of the U.S. dollar, only partially offset by negative effects on the Brazilian real, Australian dollar and Mexican peso.

The first half of 2020 recorded a positive trend in CLIA products that, net of Vitamin D, increased by 7.4% (+7.6% at CER), whilst Vitamin D sales decreased by 35.2% (-35.7% at CER): the drop in sales was the net result of lockdown measures.

Revenues from molecular tests increased by 158% at CER compared to the first half of 2019, mainly driven by the U.S. performance.

Revenues from Elisa technology decreased by 27.4% (27.5% at CER), whilst instrument sales and other revenues were up 5.2% (+5.3% at CER).

More generally, revenues from molecular and serological COVID products were € 92,244 thousand, whilst sales of other products decreased by € 60,214 thousand, or -17.2 % compared to the previous year.

The **gross profit** of the period was a **€ 264,064 thousand**, up 8.5% compared to € 243,276 thousand in the first half of 2019, equal to 69.1% of revenues (69.5% in 2019).

In the first half of 2020, **EBITDA** amounted to **€ 153,647 thousand** (€ 139,256 thousand in 2019), up 10.3% or € 14,391 thousand compared to the previous year. EBITDA incidence to revenues increased to 40.2% in 2020 from 39.8% in 2019. The impact of changes in currency rates was not material compared to the first half of 2019.

In the first half of 2020, **EBIT** amounted to **€ 123,639 thousand** (€ 110,196 thousand in the first half of 2019), equal to 32.3% of revenues and up 12.2 percentage points compared to the first half 2019.

Net financial expenses were **€ 1,391 thousand** as against net financial expenses of € 1,119 thousand in the first half of 2019.

Income taxes amounted to **€ 27,525 thousand** (€ 25,090 thousand in 2019), with a tax rate of 22.5%, in line with 2019.

The **net profit** of the period was **€ 94,723 thousand,** up € 10,737 thousand or 12.8% compared to the first six months of 2019, with an incidence on turnover of 24.8% (24.0% in the first half of 2019).

REVIEW OF THE GROUP'S OPERATING PERFORMANCE AND FINANCIAL POSITION

FOREWORD

The accounting standards applied to prepare this Half-Year Consolidated Financial Report are consistent with those used for the Annual Consolidated Financial Statements at December 31, 2019 except as otherwise stated in the Notes to the Condensed Half-Year Consolidated Financial Statements – paragraph "New accounting standards".

OPERATING PERFORMANCE IN THE FIRST HALF 2020 AND COMPARISON WITH 2019

(€ thousands)	**6/30/2020**	**% of revenues**	**6/30/2019**	**% of revenues**
Sales and service revenues	382,287	100.0%	350,257	100.0%
Cost of sales	(118,223)	30.9%	(106,981)	30.5%
Gross profit	**264,064**	**69.1%**	**243,276**	**69.5%**
Sales and marketing expenses	(70,869)	18.5%	(70,422)	20.1%
Research and development costs	(25,507)	6.7%	(23,303)	6.7%
General and administrative expenses	(34,797)	9.1%	(34,335)	9.8%
Total operating expenses	**(131,173)**	**34.3%**	**(128,060)**	**36.6%**
Other operating income (expense)	(9,252)	2.4%	(5,020)	1.4%
Non-recurring amount	*(3.395)*	*0.9%*	*(949)*	*0.3%*
EBIT	**123,639**	**32.3%**	**110,196**	**31.5%**
Net financial income (expense)	(1,391)	0.4%	(1,119)	0.3%
Profit before taxes	**122,248**	**32.0%**	**109,077**	**31.1%**
Income taxes	(27,525)	7.2%	(25,090)	7.2%
Net profit	**94,723**	**24.8%**	**83,987**	**24.0%**
EBITDA (1)	**153,647**	**40.2%**	**139,256**	**39.8%**

(1) The Board of Directors defines EBITDA as the "Operating Result", gross of amortization and depreciation of intangible and tangible assets. EBITDA is a measure used by the Company to monitor and evaluate the Group's operating performance and is not defined as an accounting measure in IFRS and therefore shall not be considered an alternative measure for assessing the Group's operating result performance. Since the composition of EBITDA is not regulated by the reference accounting standards, the criterion of determination applied by the Group may not be homogeneous with that adopted by other operators and/or groups and therefore it may not be comparable.

NET REVENUES

In the first half of 2020, the DiaSorin Group generated revenues for € 382,287 thousand (€ 350,257 thousand in the first half of 2019) driven, in part, by the contribution of SARS-CoV-2 molecular diagnostic and immunodiagnostic tests. Over 85% of the SARS-CoV-2 revenues have been generated in the Americas (especially in the U.S.) and in certain European countries.

A breakdown of revenues by geographic region of destination is provided in the following paragraph. It should be noted that the great diversity in the performance of revenues by geography was mainly attributable to: (i) the virulence and timing of the COVID-19 spread, (ii) different measures adopted by government authorities to handle the emergency and, finally (iii) availability of COVID molecular test. In fact, due to the initial limitations on production volumes attributable to the restrictions in the supply chain (currently in the recovery phase) and to the location of the pre-existing installed base, the molecular test had not been distributed homogeneously in all the Countries where the Group operates. Finally, it should be noted that ex-COVID tests performance followed a trend which reflected the speed and scope of the virus; after an initial peak during which volumes dropped by 60%-50%, sales trend gradually improved even though it has not yet reached the pre-COVID-19 levels. This widespread phenomenon evolves and varies according to the measures adopted in the different Countries and their effectiveness to contain the pandemic.

Breakdown of revenues by geographic region

(€ thousands)	1st half 2020	1st half 2019	% Change at current exchange rates	% Change at constant exchange rates
Europe and Africa	179,146	164,319	9.0%	9.0%
USA and Canada	148,006	101,235	46.2%	42.7%
Asia Pacific	41,560	64,660	-35.7%	-34.9%
Latin America	13,575	20,043	-32.3%	-24.3%
Total	**382,287**	**350,257**	**9.1%**	**8.7%**

Europe and Africa

Europe and Africa sales region generated sales for € 179,146 thousand, up 9.0 percentage points (+9.0% at CER) compared to the same period of 2019. It should be noted that almost all the main countries concerned showed an increase in sales of the period.

The most significant changes of the period are as follows:

i) Revenues were up by 13.8 percentage points in Italy, on the back of CLIA sales;
ii) Revenues increased by 9.1% in the German market and by 33.7% in Spain, respectively, driven mainly by the upward trend of Tuberculosis and COVID tests;

iii) Downward trend in the French market, down by 5.0%, due to the decrease in routine test volumes following the spread of the Coronavirus pandemic. The decrease was partly offset by sales of COVID tests;
iv) Revenues from distributors network were down by 15.8% (-16.4% at CER), due to the decrease in routine test volumes following the spread of Coronavirus pandemic.

USA and Canada

In the first half of 2020, the region generated revenues for € 148,006 thousand, up 46.2% (+42.7% at CER) compared to the first half of 2019 (€ 101,235 thousand).

Immunodiagnostic sales were up 8.8% (+6.3% at CER), driven by sales of COVID serological tests, only partially offset by a drop in Vitamin D and routine tests sales. Upward trend in Latent Tuberculosis and Stool testing panels.

Sales of molecular tests were up 129.8% (+124.2% at CER), largely driven by the commercialization of COVID test starting from March 2020, and increased sales of Flu tests.

Asia Pacific

Total revenues recorded in the first half of 2020 amounted to € 41,560 thousand, down 35.7% (-34.9% at CER) compared to the first half of 2019.

The change (at CER) is the net result of:

i) Downward trend in sales generated in the Chinese market, declining by 48.7%; it should be noted that COVID tests developed by the Group had not been available in the country during the first half of 2020;
ii) Decrease of 8.9% in sales generated in the Australian market.

Latin America

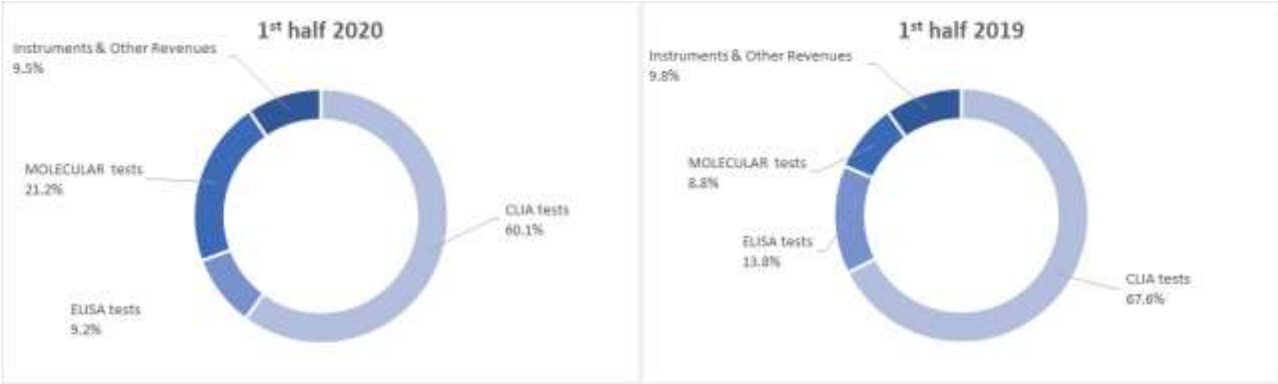
In the first half of 2020, the Latin American sales region recorded revenues € 13.575 thousand, down 32.3 percentage points (-24.3% at CER) as against € 20,043 thousand in the same period of 2019.

The change was due to the decrease in volumes of routine tests, following the spread of Coronavirus pandemic, broken down by country as follows (at CER):

i) sales down 18.7 percentage points in the Brazilian market;
ii) sales down 17.6% in the Mexican market.

Breakdown of revenues by technology and installed base

(€ thousands)	**1st half 2020**	**1st half 2019**
CLIA tests	60.1%	67.6%
ELISA tests	9.2%	13.8%
MOLECULAR tests	21.2%	8.8%
Instrument sales & other revenues	9.5%	9.8%
Total	**100.0%**	**100.0%**



Revenues by technologies were impacted by the pandemic and, specifically, by the strong growth in molecular sales. In the first six months of 2020, CLIA sales accounted for 60.1% of total Group revenues, down compared to the first half of 2019 (equal to 67.6%). The percentage of total revenues represented by molecular sales increased to 21.2% in the first half of 2020 from 8.8% in the first half of 2019, reflecting the introduction of the COVID test in March 2020. The percentage of revenues contributed by ELISA tests decreased to 9.2% in the first half of 2020 from 13.8% in the first half of 2019, whilst the percentage of revenues contributed by instrument sales and other revenues decreased to 9.5% in 2020 from 9.8% in 2019.

Lastly, as to the installed base trend, in the first six months of 2020 net placements amounted to 241 instruments, for an overall total of 8,530 units installed. LIAISON XL new placements were 282.

OPERATING PERFORMANCE

The gross profit was € 264,064 thousand, up 8.5% as against a gross profit of € 243,276 thousand in the first half of 2019; the ratio of gross profit to revenues was 69.1%, compared to 69.5% in the same period of 2019. The change was primarily the result of a different mix (geography and product) in the periods under comparison.

Operating expenses amounted to € 131,174 thousand, up 2.4 percentage points compared to the first half of 2019: their ratio to total revenues equal to 34.3% versus 36.6% in the first half of 2019, as a result of the operating leverage generated by the increase in revenues.

Sales and marketing expenses were € 70,869 thousand, in line with 2019 (€ 70,422 thousand). This item consists mainly of costs related to the sale force and costs incurred to launch new products, as well as costs of the technical support provided to customers. The ratio to total revenues decreased to 18.5% from 20.1% in the first half of 2019.

Research and development costs of € 25,507 thousand increased by € 2,204 or 9.5%; their ratio to total revenues was equal to 6.7%, in line with the first half of 2019.

General and administrative expenses totaled € 34,797 thousand: their ratio to total revenues equal to 9.1 percentage points (9.8% in the first half of 2019).

Other operating expenses amounted to € 9,252 thousand (€ 5,020 thousand in the first half of 2019). The change compared to 2019 was due to a loss of € 3,395 thousand to discontinue the South African facility's activities and to legal and administrative costs connected to outstanding disputes amounting to € 500 thousand.

In the first six months of 2020, EBITDA amounted to € 153,647 thousand (€ 139,256 thousand in 2019) up 10.3% or € 14,391 thousand compared to the first half of 2019, with an incidence to revenues of 40.2% in 2020 from 39.8% in 2019. The result, in addition to the comments on the gross profit, was positively impacted by the higher operating leverage. When excluding the exchange rates impact, EBITDA grew by 10.1% in absolute value compared to 2019, equal to 40.2 percentage points of revenues.

In the first six months of 2020, EBIT amounted to € 123,639 thousand (€ 110,196 thousand in the first half of 2019), equal to 32.3% of revenues and up 0.9% compared to the same period of 2019.

FINANCIAL INCOME AND EXPENSE

In the first half of 2020, net financial expense amounted to € 1,391 thousand, as against € 1,119 thousand in the first half of 2019.

Interest expense and other charges decreased to € 1,850 thousand (€ 2,188 thousand in the first half of 2019).

Net exchange rate differences on other financial balances, which were negative by € 420 thousand (positive by € 158 thousand in 2019), mainly referred to the impact of exchange rates fluctuation on subsidiaries' financial balances denominated in foreign currencies.

PROFIT BEFORE TAXES AND NET PROFIT

The first half of 2020 ended with a result before taxes of € 122,248 thousand, up 12.1% compared to € 109,077 thousand in the first half of 2019, equal to 32.0% of revenues (31.1% in 2019). Income taxes were € 27,525 thousand, as against income taxes of € 25,090 thousand in 2019. The tax rate was 22.5%, basically in line with 2019 tax rate.

Lastly, the net profit for the first six months of 2020 was € 94,723 thousand, up 12.8% versus € 83,987 thousand in 2019, with an incidence on revenues of 24.8%, up compared to the first half of 2019 (equal to 24.0%) as a result of the combined factors commented above.

STATEMENT OF FINANCIAL POSITION OF THE GROUP AT JUNE 30, 2020

A condensed statement of financial position of the Group at June 30, 2020 is shown below:

(€ thousands)	**6/30/2020**	**12/31/2019**
Goodwill and intangible assets	372,166	370,279
Property, plant and equipment	126,366	128,385
Other non-current assets	39,368	34,127
Net working capital	230,076	210,954
Other non-current liabilities	(71,354)	(67,984)
Net invested capital	**696,622**	**675,761**
Net financial position	**190,391**	**172,862**
Shareholders' equity	**887,013**	**848,623**

Non-current assets increased to € 537,900 thousand at June 30, 2020, compared to December 31, 2019 (€ 532,791 thousand) as a result of an increase in deferred-tax assets and a reduction of the item property, plant and equipment due to depreciation being higher than the increase in the assets of the period.

Other non-current liabilities were € 71,354 thousand, an increase of € 3,370 thousand compared to December 31, 2019 and include employees' benefits and provisions for risks and charges.

A breakdown of the net working capital is provided below:

(€ thousands)	**6/30/2020**	**12/31/2019**
Trade receivables	158,242	132,513
Inventories	195,283	171,127
Trade payables	(61,880)	(55,733)
Other current assets/liabilities (1)	(61,569)	(36,953)
Net working capital	**230,076**	**210,954**

(1) Other current assets/liabilities are defined as the algebraic sum of receivables and payables other than financial and commercial items

Net working capital increased by € 19,122 thousand. The increase in trade receivables, equal to € 25,729 thousand, compared to December 31, 2019, is due to the increase in revenues of the first half of 2020.

The increase of € 24,156 thousand in inventories compared to December 31, 2019 is due to higher manufacturing volumes to support COVID-19- related sales and the implementation of a safety stock in the first quarter of 2020 to ensure business continuity along with the increase in inventories of “Ex COVID” finished products. Trade payables increased by € 6,147 thousand, as a result of higher purchase volumes to meet increased product needs during the pandemic.

At June 30, 2020, the **net consolidated financial position** was **positive by € 190,391 thousand**.

Additional details are provided in the consolidated statement of cash flow.

A condensed consolidated net financial position schedule is shown below:

(€ thousands)	**6/30/2020**	**12/31/2019**
Cash and cash equivalents	138,718	157,552
Liquid assets (a)	**138,718**	**157,552**
Other current financial assets (b)	**78,642**	**44,588**
Current bank debt	(8)	(8)
IFRS16 current financial liabilities	(4,030)	(4,804)
Current financial liabilities (c)	**(4,038)**	**(4,812)**
Net current financial assets (d)=(a)+(b)+(c)	**213,322**	**197,328**
IFRS16 non-current financial liabilities	(22,931)	(24,466)
Non-current financial liabilities (e)	**(22,931)**	**(24,466)**
Net financial position (f)=(d)+(e)	**190,391**	**172,862**

At June 30, 2020, **shareholders’ equity** of **€ 887,013 thousand** (€ 848,623 thousand at December 31, 2019) included 1,173,112 treasury shares, equal to 2.09% of the share capital, valued at € 84,747 thousand.

ANALYSIS OF CONSOLIDATED CASH FLOWS

A complete statement of cash flows is provided in the financial statement schedules. A review of the main statement items and of the changes that occurred compared with the corresponding period in 2019, is provided below.

CONSOLIDATED CASH FLOWS

(€ thousands)	**6/30/2020**	**6/30/2019**
Cash and cash equivalents at beginning of period	**157,552**	**73,103**
Net cash from operating activities	105,421	92,721
Cash used for investing activities	(31,435)	(24,323)
Cash used from/(for) financing activities	(59,313)	(26,594)
Acquisitions of subsidiaries and business operations	-	(4,415)
Change in net cash before investments in financial assets	***14,673***	***37,389***
Investments in financial assets	(33,507)	(20,424)
Change in net cash	***(18,834)***	***16,965***
Cash and cash equivalents at end of period	**138,718**	**90,068**

At June 30, 2020, available **liquid assets** held by the Group stood at **€ 138,718 thousand,** a decrease of € 18,834 thousand compared to December 31, 2019.

In the first half of 2020, the cash flow from operating activities increased to € 105,421 thousand from € 92,721 thousand in the first half of 2019. Tax payment decreased to € 5,019 thousand in 2020 from € 20,612 thousand in 2019, due to the one-off effect of government measures regarding the deferral of the Group's Parent Company's and the U.S. subsidiary's income tax payments. It should be noted that the amounts due shall be paid as from July 2020.

Investing activities absorbed cash for € 31,435 thousand, as against € 24,323 thousand in the first half of 2019. Specifically:

- development costs of € 7,478 thousand were capitalized in the first half of 2020, as against development costs of € 8,270 thousand in 2019;
- purchase of licensing and technology transfer agreement with TTP, for an amount equal to € 6,166 thousand;
- Capital expenditures for medical equipment of € 13,373 thousand (€ 8,679 thousand in the first half of 2019).

The **free cash flow** was **€ 73,916 thousand** (€ 69,501 thousand in the first half of 2019).

The net cash from financing activities amounted to € 59,313 thousand, as against € 26,594 thousand in the first half of 2019. Dividend distribution amounted to € 51,991 thousand (€ 49,165 thousand in the first half of 2019), the exercise of stock options, net of the purchase of treasury shares, amounted to € 2,908 thousand (€ 3,365 in the first half of 2019), and € 2,509 thousand for lease payments following the application of the new IFRS 16 accounting standards (€ 3,091 thousand in the first half of 2019).

In the first six months of 2020, investments in financial assets include term deposits exceeding three months opened by the US subsidiary for an amount of € 33,507 thousand.

According to the ESMA Communication n. 32-63-972 of 20 May 2020, the Group assessed the recommendations of the Authority on the implications of the COVID-19 outbreak and found no significant adverse effect on the business performance.

Specifically, no material deterioration of trade receivables was found in relation to the Group's economic and financial performance.

Equally, with respect to the financial position stability of the Group's consolidated companies, no significant adverse effect was found in the geographic areas where the Group operates, as detailed in the introduction to the Report on Operations.

OTHER INFORMATION

The Group had 1,971 employees at June 30, 2020 (1,939 employees at December 31, 2019).

ENTRIES RESULTING FROM NON-RECURRING, ATYPICAL AND/OR UNUSUAL TRANSACTION

As required by Consob Communication No. DEM/6064296 of July 28, 2006, the Company declares that, in the first six months of 2020, the Group did not execute atypical and/or unusual transactions, as defined in the abovementioned Communication, according to which atypical and/or unusual transactions are transactions that, because of their significance/material amount, type of counterpart, subject of the transaction, method of determining the transfer price and timing of the event (proximity to the end of a reporting period), could create doubts with regard to: the fairness/completeness of the financial statement disclosures, the existence of a conflict of interest, the safety of the corporate assets and the protection of minority shareholders.

The Group did not execute non-recurring transactions in the first six months of 2020.

TRANSACTIONS WITH RELATED PARTIES

In the normal course of business, DiaSorin S.p.A. engages on a regular basis in commercial and financial transactions with its subsidiaries, which are also Group companies. These transactions, which are executed on standard market terms, consist of the supply of goods and services, including administrative, information technology, employee management, technical support and consulting services, which produce receivables and payables at the end of the year, and financing and cash management transactions, which produce income and expenses.

The impact of these transactions on the single items of the statement of financial position, the income statement and the cash flow is summarized in the condensed half-year consolidated financial statements.

The "Procedure for Related-Party Transactions" for 2020 can be consulted on the company's website (www.diasoringroup.com).

SIGNIFICANT EVENTS OCCURRED AFTER JUNE 30, 2020 AND BUSINESS OUTLOOK

On July 16, 2020, the Council of State in its judicial capacity suspended the effects of the sentence, with which the Regional Administrative Court of Lombardy -TAR- on 8 June had cancelled the agreement signed between DiaSorin and Policlinico San Matteo of Pavia on the validation of serological and molecular tests for Covid-19 infections.

On July 22, 2020, the Public Prosecutor's Office at the Court of Pavia in response to a complaint and related formal notice submitted on April 15, 2020 by an Italian- Chinese competitor concerning the agreement, carried out additional investigation on, among others, the Company's sites of Saluggia and Gerenzano. Investigating bodies' inspections are still ongoing.

Due to the unpredictability of the pandemic evolution and availability, timing and effectiveness of vaccines and proper drug treatments, the Company has not provided its business outlook for the coming months. Nevertheless, considering the performance of the first six months of 2020 and the sector in which DiaSorin operates, the Company does not expect a deterioration of the economic and financial performance.

CONSOLIDATED INCOME STATEMENT

(€ thousands)	**Notes**	**6/30/2020**	***Amount with related parties***	**6/30/2019**	***Amount with related parties***
Sales and service revenues	(1)	382,287	-	350,257	
Cost of sales	(2)	(118,223)		(106,981)	
Gross profit		**264,064**	**-**	**243,276**	
Sales and marketing expenses	(3)	(70,869)		(70,422)	
Research and development costs	(4)	(25,507)		(23,303)	
General and administrative expenses	(5)	(34,797)	(3,045)	(34,335)	(2,402)
Other operating income (expenses)	(6)	(9,252)		(5,020)	
non-recurring amount		*(3,395)*		*(949)*	
EBIT		**123,639**		**110,196**	
Net financial income/ (expense)	(7)	(1,391)		(1,119)	
Profit before taxes		**122,248**		**109,077**	
Income taxes	(8)	(27,525)		(25,090)	
Net profit for the period		**94,723**		**83,987**	
Broken down as follows:					
- amount attributable to Parent Company's shareholders		94,723		83,987	
- amount attributable to minority interests		-		-	
Earnings per share (basic)	(9)	**1.73**		**1.54**	
Earnings per share (diluted)	(9)	**1.72**		**1.53**	

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(€ thousands)	**6/30/2020**	**6/30/2019**
Net profit for the period (A)	**94,723**	**83,987**
Other comprehensive gains/(losses) that will not be reclassified subsequently to gain/(loss) of the period:		
Gains/(losses) on remeasurement of defined benefit plans	(4)	(147)
Total other comprehensive gains/(losses) that will not be reclassified subsequently to gain/(loss) of the period (B1)	**(4)**	**(147)**
Other comprehensive gains/(losses) that will be reclassified subsequently to gain/loss of the period:		
Gains/(losses) from translation of financial statements of foreign branches	(3,623)	2,624
Gains/(losses) on fair value measurement of receivables	0	(6)
Total other comprehensive gains/(losses) that will be reclassified subsequently to gain/(loss) of the period (B2)	**(3,623)**	**2,618**
TOTAL OTHER COMPREHENSIVE GAINS/(LOSSES), NET OF TAX (B1) +(B2) =(B)	**(3,627)**	**2,471**
TOTAL COMPREHENSIVE GAINS/(LOSSES) (A)+(B)	**91,096**	**86,458**
Including:		
-amount attributable to Parent Company's shareholders	91,096	86,458
-amount attributable to minority interests	-	-

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ thousands)	**Notes**	**6/30/2020**	***Amount with related parties***	**12/31/2019**	***Amount with related parties***
ASSETS					
Non-current assets					
Property, plant and equipment	(10)	126,366		128,385	
Goodwill	(11)	164,315		164,681	
Other intangibles	(11)	207,851		205,598	
Equity investments	(12)	26		27	
Deferred-tax assets	(13)	37,386		31,647	
Other non-current assets	(14)	1,956		2,453	
Total non-current assets		*537,900*		*532,791*	
Current assets					
Inventories	(15)	195,283		171,127	
Trade receivables	(16)	158,242		132,513	
Other current assets	(17)	24,961		24,981	
Other current financial assets	(18)	78,642		44,588	
Cash and cash equivalents	(18)	138,718		157,552	
Total current assets		*595,846*		*530,761*	
TOTAL ASSETS		**1,133,746**		**1,063,552**	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

(€ thousands)	Notes	6/30/2020	*Amount with related parties*	12/31/2019	*Amount with related parties*
LIABILITIES AND SHAREHOLDERS' EQUITY					
Shareholders' equity					
Share capital	(19)	55,948		55,948	
Treasury shares	(19)	(84,747)		(81,849)	
Additional paid-in capital	(19)	18,155		18,155	
Statutory reserve	(19)	11,190		11,190	
Other reserves and retained earnings	(19)	791,744		669,444	
Net profit for the period attributable to shareholders of the Parent Company		94,723		175,735	
Equity attributable to shareholders of the Parent Company		*887,013*		*848,623*	
Total Shareholders' equity		**887,013**		**848,623**	
Non-current liabilities					
Non-current financial liabilities	(20)	22,931		24,466	
Provisions for employee benefits	(21)	37,852		36,263	
Deferred-tax liabilities	(13)	7,502		7,135	
Other non-current liabilities	(22)	26,000		24,586	
Total non-current liabilities		*94,285*		*92,450*	
Current liabilities					
Trade payables	(23)	61,880		55,733	
Other payables	(24)	47,251	498	51,134	658
Current tax liabilities	(25)	39,279		10,800	
Current financial liabilities	(20)	4,038		4,812	
Total current liabilities		*152,448*		*122,479*	
Total liabilities		**246,733**		**214,929**	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**1,133,746**		**1,063,552**	

CONSOLIDATED STATEMENT OF CASH FLOWS

	6/30/2020	*Amount with related parties*	6/30/2019	*Amount with related parties*
Cash flow from operating activities				
Net profit for the period	94,723		83,987	
Adjustment for:				
- Income taxes	27,525		25,090	
- Depreciation and amortization	30,008		29,060	
- Financial expense/ (income)	1,391		1,119	
- Additions to/ (Utilizations of) provisions for risk	3,613		(2,045)	
- (Gains)/Losses on sales of non-current assets	63		145	
- Additions to/ (Reversals of) provisions for employee severance indemnities	1,129		577	
- Stock option reserve	2,234		1,838	
- Currency translation reserve on operating activities	1,174		(1,069)	
- Change in other non-current-assets/liabilities	3,515		(6,454)	
Cash flow from operating activities before changes in working capital	**165,375**	**-**	**132,248**	**-**
(Increase)/Decrease in current receivables	(28,719)	-	(4,473)	-
(Increase)/Decrease in inventories	(29,417)		(7,269)	
Increase/(Decrease) in trade payables	6,467	-	(5,298)	-
Increase)/Decrease in other current items	(3,336)	160	(772)	371
Cash from operating activities	**110,370**	**-**	**114,436**	**-**
Income taxes paid	(5,019)		(20,612)	
(Paid)/ collected interests	70		(1,103)	
Net cash from operating activities	**105,421**	**-**	**92,721**	**-**
Investments in intangibles	(14,474)		(8,907)	
Investments in property, plant and equipment	(19,710)		(16,626)	
Divestments of property, plant and equipment	2,748		1,210	
Cash used in regular investing activities	**(31,435)**	**-**	**(24,323)**	**-**
Acquisitions of subsidiaries and business operations	-		(4,415)	
Cash used in investing activities	**(31,435)**	**-**	**(28,738)**	**-**
(Redemptions)/Collections of loans and other liabilities	(3,146)		18,555	
(Issuance)/Repayments of term deposit	(33,507)		(20,424)	
(Purchase)/Sale of treasury shares	(2,908)		3,365	
Dividends distribution	(51,991)		(49,165)	
Cash used in financing activities	**(91,552)**	**-**	**(47,669)**	**-**
Foreign exchange translation differences	(1,267)		651	
Change in net cash and cash equivalents	**(18,834)**	**-**	**16,965**	**-**
Cash and cash equivalents at beginning of period	**157,552**		**73,103**	
Cash and cash equivalents at end of period	**138,718**	**-**	**90,068**	**-**

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

(€ thousands)	Share capital	Treasury shares	Additional paid-in capital	Statutory reserve	Currency translation reserve	Stock option reserve	Reserve for treasury shares	Other reserves and retained earnings	Profit/(loss) of the period	Group interest in shareholders' equity	Minority interest in shareholders' equity	Total interest in shareholders' equity
Shareholders' equity at 12/31/2018	**55,948**	**(87,784)**	**18,155**	**11,190**	**13,472**	**3,847**	**87,784**	**443,993**	**158,128**	**704,733**	**2**	**704,735**
Appropriation of previous year's profit	-	-	-	-	-	-	-	158,128	(158,128)	-	-	-
Dividend distribution	-	-	-	-	-	-	-	(49,231)	-	**(49,231)**	-	**(49,231)**
Stock options and other changes	-	-	-	-	-	1,217	-	621	-	**1,838**	-	**1,838**
Sale/(Purchase) of treasury shares	-	2,391	-	-	-	-	(2,391)	3,365	-	**3,365**	-	**3,365**
Profit for the period	-	-	-	-	-	-	-	-	*83,987*	***83,987***	-	***83,987***
Other changes in the comprehensive income statement	-	-	-	-	*2,624*	-	-	*(153)*	-	***2,471***	-	***2,471***
Comprehensive profit for the period	-	-	-	-	2,624	-	-	(153)	83,987	**86,458**	-	**86,458**
Shareholders' equity at 6/30/2019	**55,948**	**(85,393)**	**18,155**	**11,190**	**16,096**	**5,064**	**85,393**	**556,723**	**83,987**	**747,163**	**2**	**747,165**
Shareholders' equity at 12/31/2019	**55,948**	**(81,849)**	**18,155**	**11,190**	**21,613**	**7,366**	**81,849**	**558,616**	**175,735**	**848,623**	**-**	**848,623**
Appropriation of previous year's profit	-	-	-	-	-	-	-	175,735	(175,735)	-	-	-
Dividend distribution	-	-	-	-	-	-	-	(52,053)	-	**(52,053)**		**(52,053)**
Stock options and other changes	-	-	-	-	-	2,234	-	21	-	**2,255**	-	**2,255**
Sale/(Purchase) of treasury shares	-	(2,898)	-	-	-	-	2,898	(2,908)	-	**(2,908)**	-	**(2,908)**
Profit for the period	-	-	-	-	-	-	-	-	*94,723*	***94,723***	-	*94,723*
Other changes in the comprehensive income statement	-	-	-	-	*(3,623)*	-	-	*(4)*	-	***(3,627)***	-	*(3,627)*
Comprehensive profit for the period	-	-	-	-	(3,623)	-	-	(4)	94,723	**91,096**	-	**91,096**
Shareholders' equity at 6/30/2020	**55,948**	**(84,747)**	**18,155**	**11,190**	**17,990**	**9,600**	**84,747**	**679,407**	**94,723**	**887,013**	**-**	**887,013**

NOTES TO THE CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

GENERAL INFORMATION AND SCOPE OF CONSOLIDATION

General information

The DiaSorin Group is specialized in the development, manufacturing and distribution of immunodiagnostics and molecular diagnostics tests.

The Group's Parent Company, DiaSorin S.p.A., is in Via Crescentino (no building No.), Saluggia (VC).

Principles for the preparation of the condensed half-year consolidated financial statements

The accounting standards applied to prepare this Half-Year Consolidated Financial Report are consistent with those used for the Annual Consolidated Financial Statements at December 31, 2019 except as otherwise stated in the Notes to the Condensed Half-Year Consolidated Financial Statements – paragraph "New accounting standards".

These condensed half-year consolidated financial statements were prepared in compliance with the International Financial Reporting Standards ("IFRSs"), as issued by the International Accounting Standards Board ("IASB") and adopted by the European Union. The designation IFRSs also includes the International Accounting Standards ("IASs") that are still in effect and all of the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

This half-year report was prepared in accordance with the requirements of the relevant international accounting standard (IAS 34 - Interim Financial Reporting).

These notes provide information in summary form, in order to avoid duplicating information published previously, as required by IAS 34. Specifically, these notes discuss only those components of the income statement and balance sheet the composition or change in amount of which require comment (due to the amount involved or the type of transaction or because an unusual transaction is involved) in order to understand the Group's operating performance, financial performance and financial position.

Consequently, these condensed half-year consolidated financial statements do not provide all of the disclosure required in the annual financial statements and should be read in conjunction with the annual financial statements prepared for the year ended December 31, 2019.

When preparing interim financial statements, management is required to develop estimates and assumptions that affect the amounts shown for revenues, expenses, assets and liabilities in the financial statements and the disclosures provided with regard to contingent assets and liabilities on the date of the interim financial statements. If such estimates and assumptions, which were based on management's best projections, should differ from actual events, they will be modified appropriately when the relevant events produce the abovementioned differences.

As a rule, certain valuation processes, particularly the more complex processes such as determining whether the value of non-current assets has been impaired, are carried out fully only in connection with the preparation of the annual financial statements, when all the necessary information is available, except when there are impairment indicators that require an immediate evaluation of any impairment losses that may have occurred.

The process of preparing the condensed half-year consolidated financial statements included developing the actuarial valuation required to compute the provisions for employees' benefits and value the stock option plan.

The income tax liability is recognized using the best estimate of the weighted average tax rate projected for the entire year referable to the companies included in the scope of consolidation.

In this consolidated half-year report, all amounts are denominated in euros and rounded to thousands of euros, unless otherwise stated.

Financial statement presentation formats

The financial statements are presented in accordance with the following formats:

- in the income statement, costs are broken down by function. This income statement format, also known as a “cost of sales” income statement, is more representative of the Group’s business than a presentation with expenses broken down by nature because it is consistent with internal reporting and business management methods and with international practice in the diagnostic industry;
- in the statement of financial position, current and non-current assets liabilities are shown separately;
- the statement of cash flows is presented in accordance with the indirect method.

Scope of consolidation

These condensed half-year consolidated financial statements include the financial statements of DiaSorin S.p.A., the Group’s Parent Company, and those of its subsidiaries.

Subsidiaries are those companies over which the Group exercises control pursuant to IFRS 10, or when the Group (i) exercises its power over the subsidiary, (ii) is exposed, or has right to variable returns from its involvement with the subsidiary and (iii) has the ability to affect those returns through its power over the subsidiary.

Subsidiaries are consolidated line by line from the date the Group obtains control until the moment when control ceases to exist.

The Group has neither subsidiaries with significant minority interest, nor unconsolidated structured entities and it is not subject to significant restrictions concerning interest in subsidiaries.

No change occurred in the scope of consolidation compared to December 31, 2019.

A list of direct and indirect investments in subsidiaries at June 30, 2020 and December 31, 2019 is provided below:

Company	Country	At June 30, 2020		At December 31, 2019	
		% held by the Group	% minority interest	% held by the Group	% minority interest
Direct interest					
DiaSorin S.A/N.V.	Belgium	100%	-	100%	-
DiaSorin Ltda	Brazil	100%	-	100%	-
DiaSorin S.A.	France	100%	-	100%	-
DiaSorin Iberia S.A.	Spain	100%	-	100%	-
DiaSorin Ltd	U.K.	100%	-	100%	-
DiaSorin Inc.	U.S.	100%	-	100%	-
DiaSorin Mexico S.A de C.V.	Mexico	100%	-	100%	-
DiaSorin Deutschland GmbH	Germany	100%	-	100%	-
DiaSorin AB	Sweden	100%	-	100%	-
DiaSorin Ltd	Israel	100%	-	100%	-
DiaSorin Austria GmbH	Austria	100%	-	100%	-
DiaSorin Czech s.r.o.	Czech Republic	100%	-	100%	-
DiaSorin Diagnostics Ireland Limited	Ireland	100%	-	100%	-
DiaSorin Ireland Limited	Ireland	100%	-	100%	-
DiaSorin I.N.UK Limited	Ireland	100%	-	100%	-
DiaSorin I.N. Limited	Ireland	100%	-	100%	-
DiaSorin South Africa (PTY) Ltd	South Africa	100%	-	100%	-
DiaSorin Australia (Pty) Ltd	Australia	100%	-	100%	-
DiaSorin Ltd	China	80%	20%	80%	20%
DiaSorin Switzerland AG	Switzerland	100%	-	100%	-
DiaSorin Poland sp. z o.o.	Poland	100%	-	100%	-
DiaSorin APAC Pte Ltd	Singapore	100%	-	-	-
Indirect interest					
DiaSorin Canada Inc	Canada	100%	-	100%	-
DiaSorin Healthcare India Private Limited	India	100%	-	100%	-
DiaSorin Molecular LLC	U.S.	100%	-	100%	-

A complete list of the investee companies containing information about head office locations and the Group’s ownership percentage is provided in Annex I.

New accounting standards

Below are the international accounting standards, interpretations and amendments to existing accounting standards and interpretations or specific provisions contained in the standards and interpretations approved by IASB:

Description	Endorsed at the date of this document	Date of effect envisaged by the standard
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (issued on January 23, 2020)	No	Financial years as from 1 January 2022
Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets; Annual Improvements 2018-2020 (issued on May 14, 2020)	No	Financial years as from 1 January 2022
Amendment to IFRS 16 Leases COVID 19-Related Rent Concessions (issued on May 28, 2020)	No	Financial years as from 1 June 2020
Amendments to IFRS 4 Insurance Contracts – deferral of IFRS19 (issued on June 25, 2020)	No	Financial years as from 1 January 2021
IFRS 17 Insurance Contracts	No	Financial years as from 1 January 2023
Interest rate Benchmark Reform – Amendments to IFRS 9, IAS 39 and IFRS 7 (issued on September 26, 2019)	Yes	Financial years as from 1 January 2020
Amendments to IAS 1 and IAS 8: Definition of Material (issued on October 31, 2018)	Yes	Financial years as from 1 January 2020
Amendments to References to the Conceptual Framework in IFRS Standards (issued on March 29, 2018)	Yes	Financial years as from 1 January 2020
Amendments to IFRS 3: Definition of a Business (issued on October 22, 2018)	Yes	Financial years as from 1 January 2020

DiaSorin did not adopt early application of other accounting standards, interpretations and related amendments the adoption of which would be mandatory for periods beginning after 1 January 2020.

An assessment is being carried out to analyze the potential effects of introducing these amendments in the consolidated financial statements.

New accounting standards adopted by the Group

This note presents the impact of the adoption of the accounting standards "*Interest rate Benchmark Reform - Amendments to IFRS 9, IAS 39 and IFRS 7, Amendments to IAS 1 and IAS 8* and *Amendments to the Conceptual Framework"* on the consolidated financial statements and describes the new accounting standards that are being applied as of January 1, 2020, to the extent that they differ from those applied in the previous periods.

Other amendments which came into force as of January 1, 2020 had no material impact on the Consolidated Financial Statements at June 30, 2020.

Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest rate benchmark reform

The amendments provide support in hedge accounting applied to hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is directly affected if the reform gives rise to uncertainties about the timing and/or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instruments.

The amendments had no significant impact on the consolidated financial statements of the Group.

Amendments to IAS 1 and IAS 8 – Definition of Material

In October 2018, the IASB issued amendments to IAS 1 - Presentation of Financial Statements and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, to align the definition of "material" across the standards and to clarify certain aspects of the definition. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about specific reporting entity.

Amendments to the definition of material had no significant impact on the consolidated financial statements of the Group.

Amendments to the Conceptual Framework

The Conceptual Framework is not a Standard and its concepts cannot override any Standard or any requirement in a Standard. The purpose of the Conceptual Framework is to assist the IASB in the development of Standards, to assist preparers of financial statements in developing accounting policies for transactions or events not covered by existing standards and to assist all parties to understand and interpret the Standards.
Amendments to the Conceptual Framework will not change the accounting Standards currently in force, but will include new concepts and changes, such as:

- restoring the concept of prudence as part of neutrality;
- revising the definition of assets and liabilities;
- removing the probability threshold for recognition;
- adding guidance on the derecognition.

These amendments, in force as of 1 January 2020, had no material impact on the consolidated financial statements of the Group.

Amendments to IFRS 3 – Definition of business

In October 2018, the IASB issued amendments to the definition of business in *IFRS 3 - Definition of a Business* to support entities when determining whether a set of activities and assets is considered a business.

The amendments clarify the definition of business to support entities when determining whether they have acquired a business or a group of assets. The amendments:

a. clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
b. remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs;
c. add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;
d. narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs; and
e. add an optional concentration tests that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

Such amendments had no impact on the consolidated financial statements of the Group as at June 30, 2020, as they apply prospectively to transactions or other events occurring on the date of first-time adoption or later.

Other information

The table below shows the exchange rates used to translate amounts reported by companies that operate outside the euro zone:

Currency	Average exchange rates		Exchange rates at		
	1st half 2020	1st half 2019	6/30/2020	6/30/2019	12/31/2019
U.S. dollar	1.1020	1.1298	1.1198	1.1380	1.1234
Brazilian real	5.4104	4.3417	6.1118	4.3511	4.5157
British pound	0.8746	0.8736	0.9124	0.8966	0.8508
Swedish kronor	10.6599	10.5181	10.4948	10.5633	10.4468
Swiss franc	1.0642	1.1295	1.0651	1.1105	1.0854
Czech koruna	26.3333	25.6845	26.7400	25.4470	25.4080
Canadian dollar	1.5033	1.5069	1.5324	1.4893	1.4598
Mexican peso	23.8430	21.6543	25.9470	21.8201	21.2202
Israeli shekel	3.8641	4.0898	3.8821	4.0607	3.8845
Chinese yuan	7.7509	7.6678	7.9219	7.8185	7.8205
Australian dollar	1.6775	1.6003	1.6344	1.6244	1.5995
South African rand	18.3112	16.0434	19.4425	16.1218	15.7773
Norwegian kroner	10.7324	9.7304	10.9120	9.6938	9.8638
Polish zloty	4.4120	4.2920	4.4560	4.2496	4.2568
Indian rupee	81.7046	79.1240	84.6235	78.5240	80.1870
Singapore dollar	1.5411	1.5356	1.5648	1.5395	1.5111

ANALYSIS OF FINANCIAL RISKS

The financial risks to which the Group is exposed include market risks and, to a lesser extent, credit risk and liquidity risk.

The table below lists material assets and liabilities in accordance with the requirements of IFRS 9:

		6/30/2020				12/31/2019			
(€ thousands)	Notes	Carrying value	Assets at amortized cost	Assets at fair value	Assets at fair value with changes in Comprehensive Income Statement	Carrying value	Assets at amortized cost	Assets at fair value	Assets at fair value with changes in Comprehensive Income Statement
Trade receivables	(16)	158,242	145,118	-	13,124	132,513	119,588	-	12,925
Other current financial assets	(18)	78,188	78,188	-	-	44,539	44,539	-	-
Financial derivatives	(18)	454	-	454	-	49		49	-
Cash and cash equivalents	(18)	138,718	138,718	-	-	157,552	157,552	-	-
Total current financial assets		***375,602***	***362,024***	***454***	***13,124***	***334,653***	***321,678***	***49***	***12,925***
Total financial assets		**375,602**	**362,024**	**454**	**13,124**	**334,653**	**321,678**	**49**	**12,925**

		6/30/2020		12/31/2019	
(€ thousands)	Notes	Carrying value	Liabilities at amortized cost	Carrying value	Liabilities at amortized cost
Financial lease liabilities (IFRS 16)	(20)	22,931	22,931	24,466	24,466
Total non-current financial liabilities		***22,931***	***22,931***	***24,466***	***24,466***
Trade payables	(23)	61,880	61,880	55,733	55,733
Current borrowings from banks	(20)	8	8	8	8
Financial lease liabilities (IFRS 16)	(20)	4,030	4,030	4,804	4,804
Total current financial liabilities		***65,918***	***65,918***	***60,545***	***60,545***
Total financial liabilities		**88,849**	**88,849**	**85,011**	**85,011**

Risks related to fluctuations in foreign exchange and interest rates

The Group is exposed to market risk deriving from currency and interest rate fluctuations as it operates in an international framework in which transactions are made in different currencies and interest rates.

The Group is exposed to the interest rate risk in connection with variable-rate financial liabilities. As of June 30, 2020, borrowings totaled € 26,969 thousand, of which € 26,961 for lease liabilities. Assuming a fluctuation of 2 percentage points in interest rates on medium and long-term borrowings, the resulting impact on the financial expense recognized in the income statement would not be material. Equally, a change in the incremental borrowing rate following the impact of COVID 19 pandemic would not lead to material changes in financial expense recognized in the income statement.

The same analysis was performed for the receivables assigned without recourse to the factoring company, for an amount equal to € 20,618 thousand in the first half of 2020. This computation was made because the factoring company charges a variable fee tied in part to the Euribor. An increase of 2 percentage points would result in an increase in financial expense of €0.2 million.

Some Group subsidiaries are located in countries that are not members of the European Monetary Union. Since the Group's reporting currency is the euro, the income statements of these companies are translated into euros at the average exchange rate for the year. Consequently, even if revenues and margins were to remain equal when stated in the local currency, fluctuations in exchange rates could have an impact on the euro amount of revenues, expenses and operating results due to the translation into the consolidation currency. A 5% change in the exchange rates of all of the currencies used by the Group would have an impact on the income statement of about €1.4 million.

The euro amount attributed to assets and liabilities of consolidated companies that use reporting currencies different from the euro could vary as a result of changes in exchange rates. As required by the accounting standards adopted by DiaSorin, these changes are recognized directly in equity by posting them to the currency translation reserve. A 5% change in all foreign exchange rates would have an impact of about €23 million on the currency translation reserve.

With regard to the above, the classification of financial assets and liabilities measured at fair value in the statement of financial position, according to the fair value hierarchy, concerned derivative financial instruments at 30 June 2020 classified at level 2 and registered in other current financial liabilities.

Credit risk

The Group's receivables present a low level of risk both due to the sector in which DiaSorin operates where end customers are, to a large extent, public institutions and due to the high financial soundness of its main private customers. Considering the Group's economic and financial performance, the economic scenario caused by the COVID-19 pandemic had no a material impact on the Group's trade receivables and therefore, it was not necessary to adjust the determination of the recoverability of receivables recognized in the balance sheet, according to the *"Expected Credit Loss"* model defined by the IFRS 9 standard.

At June 30, 2020, past-due trade receivables were equal to about 41% of revenues. These receivables were held mainly by the Group's Parent Company and by the Brazilian, Spanish and French subsidiaries. These past-due receivables were covered by an allowance for doubtful accounts amounting to € 8,713 thousand. In addition, in order to bridge the gap between contractual payment terms and actual collection times, the Group assigns its receivables to factors without recourse for receivables owed by Italian public entities.

A breakdown of trade receivables and provision for doubtful accounts at June 30, 2020 is as follows:

(€ thousands)

Type	**Expiring**	**0 - 90**	**91 - 180**	**181 - 360**	**Over 360**	**Total due**	**Total receivables from third-party**
Trade receivables	125,794	27,289	3,758	2,001	8,113	41,161	166,955
Expected loss rate	***0%***	***3%***	***6%***	***42%***	***84%***	***21%***	***n.a***
Provision for doubtful account	(16)	(845)	(219)	(841)	(6,791)	(8,697)	(8,713)
Net value	**125,778**	**26,444**	**3,539**	**1,159**	**1,322**	**32,464**	**158,242**

Liquidity risk

A prudent cash management strategy includes maintaining sufficient cash or readily available assets and credit lines, to meet immediate liquidity needs. Cash flows, funding requirements and liquidity levels are monitored centrally to ensure promptly and effectively the availability of financial resources and invest appropriately any excess liquidity.

Management believes that the funds and credit lines currently available, when combined with the resources generated by operating and financing activities, will enable the Group to meet the obligations resulting from its capital investment programs, working capital requirements and the need to repay its indebtedness upon maturity.

Bank loans were € 8 thousand at June 30, 2020, fully due within one year.

Financial lease liabilities, which were recognized following the adoption of IFRS 16, amounted to € 26,961 thousand at June 30, 2020, of which € 4,030 due within one year and € 22,931 thousand due over the year.

Cash and cash equivalent were € 138,718 thousand at June 30, 2020.

SEGMENT INFORMATION

In accordance with IFRS 8, the Company designated the geographic regions where it operates as its operating segments.

The Group's organization and internal management structure and its reporting system are segmented as follows: Italy and U.K. Branch, Europe (Germany, France, Belgium and the Netherlands, Spain and Portugal, Ireland, Austria, Great Britain, Scandinavia, Czech Republic, Slovakia, Switzerland and Poland), North America (United States and Canada) and Rest of the World (Brazil, Mexico, Israel, China, Australia, India, Singapore and South Africa).

The Group is characterized by an organization of its commercial structure by geographic regions, which was adopted to accommodate the Group's geographic expansion and strategic initiatives. The logic of this new organization reflects the destination of the Group's sales, dividing the sales areas into four regions: Europe and Africa, North America, Latin America, Asia Pacific and China.

As a result, the communication of the financial data of the DiaSorin Group to the financial markets and the investing public is being changed to show revenue data aligned with its organization by regions.

The schedules that follow show the Group's operating and financial data broken down by geographic region identifying, as required by IFRS 8 paragraph 5:

a. Activities generating revenues and expenses (including revenues and expenses relating to transactions with other components of the same entity);
b. Operating results that are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
c. Discrete financial information about assets, liabilities, revenues and expenses.

No unallocated common costs are shown in the abovementioned schedules and hence each segment is equipped with comprehensive independent organizations (sales, technical support and accounting) fully capable of exercising its function. Moreover, the Italy segment invoices each quarter to the other segments the activities costs that are incurred centrally by the Corporate division to support Group's companies.

Eliminations refer primarily to inter-segment margins that are eliminated at consolidation. Specifically, the elimination of the margin earned by the Italy segment through the sale of equipment to other segments is carried out both at the result and investment levels. The margin generated by products sold by the manufacturing locations to the commercial branches but not yet sold to outsiders is eliminated only at the result level.

Segment assets include all operating items (non-current assets, receivables and inventory) but not tax-related items (deferred-tax assets) and financial assets, which are shown at the Group level.

The same approach was used for segment liabilities, which include operating items (mainly trade payables and amounts owed to employees) but do not include financial and tax liabilities or shareholders' equity, which are shown at the Group level.

	ITALY		EUROPE		NORTH AMERICA		REST OF THE WORLD		ELIMINATIONS		CONSOLIDATED	
(€ thousands)	**1st half 2020**	**1st half 2019**	**1st half 2020**	**1st half 2019**	**1st half 2020**	**1st half 2019**	**1st half 2020**	**1st half 2019**	**1st half 2020**	**1st half 2019**	**1st half 2020**	**1st half 2019**
INCOME STATEMENT												
Revenues from customers	83,610	83,904	107,972	98,436	153,144	108,031	37,561	59,886	-	-	382,287	350,257
Inter-segment revenues	154,823	111,961	6,734	8,485	41,033	32,879	759	193	(203,349)	(153,518)	-	-
Total revenues (1)	**238,433**	**195,865**	**114,706**	**106,921**	**194,177**	**140,910**	**38,320**	**60,079**	**(203,349)**	**(153,518)**	**382,287**	**350,257**
Segment EBIT	**74,032**	**41,450**	**15,260**	**12,124**	**66,739**	**52,694**	**(5,083)**	**4,430**	**(27,309)**	**(502)**	**123,639**	**110,196**
Unallocated common costs											-	-
Operating margin											**123,639**	**110,196**
Other net income/(expense)											-	-
Financial income/(expense)											(1,391)	(1,119)
Result before taxes											**122,248**	**109,077**
Income taxes											(27,525)	(25,090)
Net result											**94,723**	**83,987**
OTHER INFORMATION												
Investments in intangibles	10,341	5,371	10	7	3,974	3,210	149	319	-	-	14,474	8,907
Invest. in prop.plant.equip.	7,540	7,328	5,884	6,196	6,812	3,711	1,582	2,131	(1,108)	(1,161)	20,710	18,205
Total investments	**17,881**	**12,699**	**5,894**	**6,203**	**10,786**	**6,921**	**1,731**	**2,450**	**(1,108)**	**(1,161)**	**35,184**	**27,112**
Amortization in intangibles	(4,850)	(4,088)	(2,959)	(3,159)	(6,516)	(6,108)	(411)	(397)	2,094	2,095	(12,642)	(11,657)
Depreciation of prop.plant.equip.	(6,639)	(6,297)	(4,599)	(4,414)	(5,006)	(4,996)	(2,104)	(2,925)	982	1,229	(17,366)	(17,403)
Total amortization and depreciation	**(11,489)**	**(10,385)**	**(7,558)**	**(7,573)**	**(11,522)**	**(11,104)**	**(2,515)**	**(3,322)**	**3,076**	**3,324**	**(30,008)**	**(29,060)**

	ITALY		EUROPE		NORTH AMERICA		REST OF THE WORLD		ELIMINATIONS		CONSOLIDATED	
	6/30/2020	**12/31/2019**	**6/30/2020**	**12/31/2019**	**6/30/2020**	**12/31/2019**	**6/30/2020**	**12/31/2019**	**6/30/2020**	**12/31/2019**	**6/30/2020**	**12/31/2019**
STATEMENT OF FINANCIAL POSITION												
Segment assets	455,980	401,346	169,563	170,804	417,564	358,537	52,019	64,007	(216,151)	(164,955)	878,974	829,738
Unallocated assets											254,772	233,814
Total assets	**455,980**	**401,346**	**169,563**	**170,804**	**417,564**	**358,537**	**52,019**	**64,007**	**(216,151)**	**(164,955)**	**1,133,746**	**1,063,552**
Segment liabilities	109,178	112,092	78,488	73,058	76,076	40,808	35,182	39,837	(125,939)	(98,078)	172,984	167,716
Unallocated liabilities											73,749	47,213
Shareholders’ equity											887,013	848,623
Total liabilities and shareholders’ equity	**109,178**	**112,092**	**78,488**	**73,058**	**76,076**	**40,808**	**35,182**	**39,837**	**(125,939)**	**(98,078)**	**1,133,746**	**1,063,552**

DESCRIPTION AND MAIN CHANGES

Consolidated income statement

1. Net revenues

In the first six months of 2020, net revenues, which are generated mainly through the sale of diagnostic kits, were € 382,287 thousand (€ 350,257 thousand in the same period of 2019), up 9.1% compared to the first half of 2019 (+8.7% at CER). A breakdown of revenues by geographic region is provided below:

(€ thousands)	**1st half 2020**	**1st half 2019**	**% Change at current exchange rates**	**% Change at constant exchange rates**
Europe and Africa	179,146	164,319	9.0%	9.0%
USA and Canada	148,006	101,235	46.2%	42.7%
Asia Pacific	41,560	64,660	-35.7%	-34.9%
Latin America	13,575	20,043	-32.3%	-24.3%
Total	**382,287**	**350,257**	**9.1%**	**8.7%**

Revenues, net of COVID kits sales, decreased by 17.3% at CER compared to the first half of 2019.

More details are provided in the Report on Operations of these half-year condensed financial statements.

2. Cost of sales

Cost of sales amounted to € 118,223 thousand, as against € 106,981 thousand in the first half of 2019. The item includes € 7,323 thousand in royalty expense (€ 7,229 thousand in the same period of 2019), costs incurred to distribute products to end customers of € 5,710 thousand (€ 5,330 thousand in the first half of 2019) and the depreciation of medical equipment held by customers, which amounted to € 8,000 thousand (€ 8,424 thousand in 2019).

3. Sales and marketing expenses

Sales and marketing expenses were € 70,869 thousand, as against € 70,422 thousand in the first half of 2019. This item consists mainly of marketing costs incurred to promote and distribute DiaSorin products, costs attributable to the direct and indirect sales force and the cost of the technical support offered together with the Group-owned equipment provided to customers under gratuitous loan contracts.

4. Research and development costs

In the first half of 2020, the research and development costs amounted to € 25,507 thousand (€ 23,303 thousand in the same period of 2019 and include all of the research and development outlays that were not capitalized equal to € 13,757 thousand (€ 12,891 thousand in the same period of 2019), costs incurred to register the products offered for sale and meet quality requirements totaling € 7,933 thousand (€ 7,561 thousand in the first half of 2019) and the amortization of capitalized development costs equal to € 3,817 thousand (€ 2,851 thousand in the first half of 2019).). In the first six months of 2020, the Group capitalized new development costs of € 7,478 thousand, as against € 8,270 thousand in the first half of 2019.

5. General and administrative expenses

General and administrative expenses, which include expenses incurred for corporate management activities, Group administration, finance and control, information technology, corporate organization and insurance, amounted to € 34,797 thousand in the first half of 2020, as against € 34,335 thousand in the same period of 2019.

6. Other operating income (expense)

The table that follows provides a breakdown of other operating income and expense:

(€ thousands)	**1st half 2020**	**1st half 2019**
Trade-related foreign exchange gains/losses	(550)	170
Tax liabilities	(320)	(387)
Accruals to doubtful debts and provisions for risks and charges	(3,076)	(504)
Out-of-period items and other operating income (expense)	(1,910)	(3,350)
Non-recurring expenses	(3,395)	(949)
Other operating income (expense)	**(9,252)**	**(5,020)**

The item includes income and expenses from operations that cannot be allocated to specific functional areas (such as gains and losses on asset sales, government grants, insurance settlements, reversals of unused provisions, additions to provisions for risks, incidental taxes and fees, contingent income and charges). The item also includes € 695 thousand in Group costs to purchase medical and diagnostic devices to protect employees from Covid-19 infection, along with € 500 thousand in provisions for legal disputes and risks, along with administrative and legal costs for outstanding legal disputes.

In the first half of 2020, the U.S. subsidiaries received € 533 thousand from the Biomedical Advanced Research and Development Authority (BARDA) - the Federal Agency of the U.S. Department for Health - to develop a molecular test for the qualitative detection of SARS-CoV-2 and make the LIAISON® SARSCoV-2 S1/S2 IgG test available in the U.S.

In 2020, non-recurring expenses of € 3,395 thousand include a financial loss from the closure of the South African manufacturing facility.

7. Financial expense/ (income)

The table below provides a breakdown of financial income and expense:

(€ thousands)	**1st half 2020**	**1st half 2019**
Factoring transactions fees	(189)	(247)
Interest and other financial expenses	(1,635)	(1,890)
including: interest expense on leases	*(637)*	*(668)*
Interest on pension funds	(216)	(297)
Interest and other financial income	1,069	1,158
Foreign exchange differences and financial instruments	(419)	157
Net financial income (expense)	**(1,391)**	**(1,119)**

In the first half of 2020, net financial expense amounted to € 1,391 thousand versus net financial income of € 1,119 thousand in the first half of 2019.

Interest expense and other charges were € 1,850 thousand, down from € 2,188 thousand in the first half of 2019.

Net exchange rate differences on other financial balances, which were positive by € 420 thousand (positive by € 158 thousand in 2019) mainly referred to the impact of exchange-rate fluctuations on subsidiaries’ financial balances denominated in foreign currencies.

8. Income taxes

Income taxes recognized in the income statement amounted to € 27,525 thousand in the first half of 2020 (€ 25,090 thousand in the same period of 2019). The tax rate was 22.5% versus 23% in the first half of 2019.

9. Earnings per share

Basic earnings per share amounted to € 1.73 in the first half of 2020 and to € 1.54 in the same period of 2019; diluted earnings per share amounted to € 1.72 in the first half of 2020, as against € 1.53 in the first half of 2019. Basic earnings per shares were computed by dividing the net profit attributable to the shareholders by the weighted average number of shares outstanding during the year (54,785,650 at June 30, 2020 and 54,672,483 at June 30, 2019).

The dilutive effect of stock option plans granted by DiaSorin S.p.A and determined by excluding tranches assigned to a price higher than the average price of the ordinary shares in 2020 is not material.

Consolidated statement of financial position

10. Property, plant and equipment

The table below shows the changes that occurred in this account as of June 30, 2020:

(€ thousands)	At December 31, 2019	Additions	Depreciations	Divestments	Translation differences	Reclassifications and other charges	At June 30, 2020
Land	2,366	-	-	-	1	-	2,367
Buildings	8,545	438	379	-	7	1,571	10,182
Plant and machinery	13,539	351	1,795	6	(42)	1,112	13,159
Manufacturing and distribution equipment	48,540	14,129	10,717	2,835	(862)	1,142	49,397
Other assets	12,464	424	1,592	15	(438)	576	11,419
Construction in progress and advances	14,301	4,368	-	7	(38)	(4,769)	13,855
IFRS 16 right of use	28,630	1,000	2,882	87	(674)	-	25,987
Total property, plant and equipment	**128,385**	**20,710**	**17,365**	**2,950**	**(2,046)**	**(368)**	**126,366**

At June 30, 2020, rights of use refer to buildings for € 21,860 thousand (€ 24,205 thousand at December 31, 2019), and other assets, specifically vehicles for € 4,127 thousand (€ 4,425 thousand at December 31, 2019).

Additions to manufacturing and distribution equipment include purchases of medical equipment amounting to € 13,373 thousand as against € 8,679 thousand in the first half of 2019. Depreciation for the period was € 7,989 thousand, as against € 8,424 in the same period of 2019.

11. Goodwill and other intangible assets

A breakdown of intangible assets as of June 30, 2020 is as follows:

(€ thousands)	At December 31, 2019	Additions	Amortizations	Translation differences	Divestments and other charges	At June 30, 2020
Goodwill	164,681	-	-	(366)	-	164,315
Development costs	76,687	7,478	3,817	154	-	80,502
Concessions, licenses and trademarks	67,332	6,903	4,311	(224)	420	70,120
Customer relationships	*57,235*	-	*3,993*	*190*	-	*53,432*
Industrial patents and intellectual property rights	3,023	11	445	(87)	-	2,502
Advances and other intangibles	1,321	82	76	(32)	-	1,295
Total intangible assets	**370,279**	**14,474**	**12,642**	**(365)**	**420**	**372,166**

Goodwill amounted to € 164,315 thousand at June 30, 2020. The decrease versus December 31, 2019 was due to the translation difference related to the goodwill allocated to DiaSorin Brazil, DiaSorin North America and DiaSorin Italia, for an amount equal to € 366 thousand.

The company Management assessed the impacts of COVID-19 pandemic on business, specifically as regards certain countries where the Group is present with its operation, namely: China, Brazil, Italy, and United States.

In completing such assessment, the company Management has not identified any impairment indicators and therefore no impairment test has been carried out for intangible assets with an indefinite useful life.

Potential impacts of the COVID-19 pandemic on intangible assets in smaller countries are not material. The company Management will update its assessments through an impairment test that will be fully developed during the preparation of the annual financial statements at December 31, 2020.

12. Equity investments

Unconsolidated equity investments amounted to € 26 thousand at June 30, 2020 compared to € 27 thousand at December 31, 2019.

13. Deferred-tax assets and deferred-tax liabilities

Deferred-tax assets were € 37,386 thousand (€ 31,647 thousand at December 31, 2019). They relate to consolidated companies that have deferred-tax assets in excess of deferred-tax liabilities and to consolidation adjustments. Deferred-tax liabilities, which amounted to € 7,502 thousand (€ 7,135 thousand at December 31, 2019) relate to consolidated companies that have deferred-tax liabilities in excess of deferred-tax assets.

Deferred-tax assets were recognized in the financial statements when their future use was deemed to be probable. The same approach was used to recognize the benefit provided by the use of tax loss carry forwards, most of which, under current laws, can be brought forward indefinitely.

Based on the multi-year plans prepared by the Group's management, the Group is expected to generate sufficient taxable income in future years to allow for the full recovery of the abovementioned amounts.

An analysis of deferred-tax assets, net of offsettable deferred-tax liabilities, is provided below:

(€ thousands)	**6/30/2020**	**12/31/2019**
Deferred-tax assets	37,386	31,647
Deferred-tax liabilities	(7,502)	(7,135)
Total net deferred-tax assets	**29,884**	**24,512**

14. Other non-current assets

Other non-current assets were € 1,956 thousand at June 30, 2020 (€ 2,453 thousand at December 31, 2019). They consist mainly of receivables from the Group Parent's Company, Belgian, Brazilian, U.S. and Chinese subsidiaries due beyond 12 months.

15. Inventories

A breakdown of inventories, which amounted to € 195,283 thousand, is provided below:

(€ thousands)	6/30/2020			12/31/2019		
	Gross amount	Provisions for write-downs	Net amount	Gross amount	Provisions for write-downs	Net amount
Raw materials and supplies	69,767	(2,875)	66,892	52,437	(2,672)	49,765
Semi-finished goods	51,013	(2,413)	48,600	52,274	(2,370)	49,904
Finished goods	84,978	(5,187)	79,791	73,863	(2,405)	71,458
Total	**205,758**	**(10,475)**	**195,283**	**178,574**	**(7,447)**	**171,127**

The increase of € 24,156 thousand in ending inventories compared to December 31, 2019, is due to the increase in manufacturing volumes to support sales of COVID-19 products and the implementation, in the first quarter of 2020, of a "safety stock" to ensure business continuity along with the increase in inventories of "Ex COVID" finished products.

As to inventory stocks and their recoverability, the Company Management has not identified any impairment losses or material effects deriving from the health emergency impacts on the Group business.

The table below shows the changes that occurred in the provisions for inventory write-downs:

(€ thousands)	6/30/2020	12/31/2019
Opening balance	**7,447**	**6,549**
Additions for the period	3,948	1,941
Utilizations/Reversals for the period	(726)	(1,133)
Translation differences and other changes	(194)	90
Ending balance	**10,475**	**7,447**

16. Trade receivables

Trade receivables were € 158,242 thousand at June 30, 2020 (€ 132,513 thousand at December 31, 2019). The increase compared to December 31, 2019 was due to the upward trend revenues of the period.

The table that follows shows the changes that occurred in the allowance for doubtful accounts, which amounted to € 8,713 thousand compared to December 31, 2019:

(€ thousands)	6/30/2020	12/31/2019
Opening balance	**8,620**	**8,882**
Additions for the period	1,146	255
Utilizations/Reversals for the period	(127)	(496)
Translation differences and other changes	(926)	(21)
Ending balance	**8,713**	**8,620**

In order to bridge the gap between contractual payment terms and actual collection times, the Group uses factoring transactions to assign its receivables without recourse. In the first six months of 2020, the receivables assigned by the Group's Parent Company amounted to € 20,618 in the first half of 2020 (€ 23,942 thousand in the same period of 2019).

The Company did not identify any material deterioration of trade receivables resulting from the impacts of the COVID-19 health emergency on business operations.

17. Other current assets

Other current assets amounted to € 24,961 thousand (€ 24,981 thousand at December 31, 2019) and include tax credits amounting to € 14,342 thousand (€ 14,339 thousand at December 31, 2019), accrued income and prepaid expenses for insurance, interest and contributions equal to € 10,619 thousand (€ 10,642 thousand at December 31, 2019).

18. Cash and cash equivalents and current financial assets

Cash and cash equivalents amounted to € 138,718 thousand at June 30, 2020 (€ 157,552 thousand at December 31, 2019). They consist of balances in banks accounts and short-term bank deposits. More detailed information is provided in the Statement of Cash Flows above.

Current financial assets amounted to € 78,642 thousand at June 30, 2020 and include term deposits exceeding three months opened by DiaSorin Inc. (USD 87,554 million).

19. Shareholders' equity

Share capital

At June 30, 2020, the fully paid-in share capital consisted of 55,948,257 million common shares, par value of 1 euro each. No changes occurred compared with December 31, 2019.

Treasury shares

At June 30, 2020, the amount of treasury shares was 1,173,112 (2.09% of the share capital) totaling € 84,747 thousand. At December 31, 2019, treasury shares amounted to 1,157,601 (2.07% of the share capital) totaling € 81,849 thousand. The increase € 2,898 compared to December 31, 2019, was due to the net effect resulting from the purchase of treasury shares (equal to € 3,006) and from the exercise of some options (equal to €108).

Additional paid-in capital

This reserve amounted to €18,155 thousand at June 30, 2020 and no changes occurred compared to December 31, 2019.

Statutory reserve

This reserve amounted to €11,190 thousand at June 30, 2020 and no changes occurred compared to December 31, 2019.

Other reserves and retained earnings

A breakdown of other reserves and retained earnings is as follows:

(€ thousands)	**6/30/2020**	**12/31/2019**	**Change**
Currency translation reserve	17,990	21,613	(3,623)
Reserve for treasury shares	84,747	81,849	2,898
Stock option reserve	9,600	7,366	2,234
Gains/losses on remeasurement of defined benefit plans	(10,413)	(10,409)	(4)
Retained earnings	692,451	571,656	120,795
IFRS transition reserve	(2,973)	(2,973)	-
Other reserves	342	342	-
Total Other reserves and retained earnings	**791,744**	**669,444**	**122,300**

Currency translation reserve

The currency translation reserve amounting to € 17,990 thousand (€ 21,613 thousand at December 31, 2019) includes the exchange differences arising from the translation of equity of consolidated subsidiaries, whose financial statements are denominated in foreign currencies, at the exchange rate in effect at the end of the year. This reserve decreased by € 3,623 thousand, due mainly to fluctuations in the exchange rates of the Brazilian real, Mexican peso, South African rand and the US dollar vis-à-vis the euro.

Reserve for treasury shares

At June 30, 2020, the reserve for treasury shares amounted to € 84,747 thousand (€ 81,849 thousand at December 31, 2019). This reserve was established pursuant to law (Article 2357-*ter* of the Italian Civil Code). The change in the reserve (equal to € 2,898) referred to the purchase of treasury shares for the Stock Option Plans for an amount of € 3,006 thousand.

Stock option reserve

The balance in the stock option reserve, which amounted to € 9,600 thousand (€ 7,366 thousand at December 31, 2019) refers to the stock option plans in effect at June 30, 2020. The increase in the reserve that occurred at June 30, 2020 was due to the recognition of the overall cost of the stock option Plans (€ 2,255 thousand) that was posted and recognized in the income statement as a labor costs included in general and administrative expenses, while the decrease of € 21 thousand was the net result of the abovementioned options exercised.

Gains/(losses) on remeasurement of defined benefit plans

This item, which was negative by € 10,413 thousand at June 30, 2020 (€ 10,409 thousand at December 31, 2019) includes net losses of the period related to the actuarial assessment of the Group's defined-benefit plans amounting to € 4 thousand, net of tax effect.

Retained earnings

Retained earnings amounted to € 692,451 thousand (€ 571,653 thousand at December 31, 2019). The change, equal to € 120,795 thousand, compared to December 31, 2019, was due to the:

- appropriation of the consolidated net profit earned by the Group in 2020, amounting to € 175,735 thousand;
- dividend distribution to the shareholders, amounting to € 52,053 thousand, as resolved by the ordinary Shareholders' Meeting on June 10, 2020 (equal to € 0.95 per share)
- positive change of € 2,898 thousand relating to the net purchase of treasury shares (equal to € 3,006 thousand).

IFRS transition reserve

The IFRS transition reserve was established on January 1, 2005, upon first-time adoption of the IFRSs as an offset to the adjustments recognized to make the financial statements prepared in accordance with Italian accounting principles consistent with IFRS requirements, net of the applicable tax effect (as required by and in accordance with IFRS 1). This reserve has not changed since it was first established.

Other reserves

This item includes the consolidation reserve equal to € 342 thousand.

20. Financial liabilities

Financial liabilities (current and non-current) amounted to a total of € 26,969 thousand at June 30, 2020 (€ 29,278 thousand at December 31, 2019). A breakdown is as follows (amounts in thousands):

Lender	Current portion	Non-current portion	Due beyond 5 years	Total
Short-term bank borrowings	€	8	-	8
IFRS 16 leases payables	€	4,030	22,931	26,961
Total owed to financial institutions		**4,038**	**22,931**	**26,969**

At June 30, 2020, financial liabilities include lease liabilities amounting to € 26,961 thousand, of which € 4,030 thousand due within the next twelve months and € 22,931 thousand due beyond the year.

21. Provisions for employee severance indemnities and other employee benefits

The balance in this account reflects all of the Group pension plan obligations, other post-employment benefits and benefits payable to employees when certain requirements are met. Group companies provide post-employment benefits to their employees by contributing to external funds and by funding defined- contribution and/or defined-benefit plans.

The manner in which these benefits are provided varies depending on the applicable statutory, tax-related and economic conditions in the countries where Group companies operate. As a rule, benefits are based on each employee's level of compensation and years of service.

Defined-contribution plans

Certain Group companies pay contributions to private funds or insurance companies pursuant to a statutory or contractual obligation or on a voluntary basis. With the payment of these contributions, the companies in question absolve all of their obligations. The liability for contributions payable is included under other current liabilities. The cost attributable to each year, which accrues based on the services provided by employees, is recognized as a labor cost of the relevant organizational unit.

Defined-benefit plans

The Group's pension plans that qualify as defined-benefit plans include the provisions for employee severance indemnities in Italy, the Alecta system in Sweden and the U-Kasse pension plan and Direct Covenant system in Germany.

The liability owed under these plans is recognized at its actuarial value using the projected unit credit method; actuarial gains and losses resulting from the determination of these liabilities are credited or charged to equity in the statement of comprehensive income in the period in which they arise.

Other benefits

The Group also provides its employees with additional long-term benefits, which are paid when employees reach a predetermined length of service. In these cases, the value of the liability recognized in the financial statements reflects the probability that these benefits will be paid and the length of time for which they will be paid. The liability owed under this plan is recognized at its actuarial value using the projected unit credit method. Actuarial gains and losses resulting from the determination of these items are recognized in the income statement.

The table that follows lists the Group's main employee benefit plans that are currently in effect:

(€ thousands)	6/30/2020	12/31/2019	Change
Employee benefits *provided in:*			
- Italy	5,646	4,743	903
- Germany	28,224	27,939	285
- Sweden	2,707	2,698	9
- other countries	1,275	883	392
Total employee benefits	**37,852**	**36,263**	**1,589**
Broken down as follows:			
- Defined-benefit plans			
provision for employee severance indemnities	*3,945*	*3,042*	*903*
other defined-benefit plans	*30,931*	*30,637*	*294*
	34,876	33,679	1,197
- Other long-term benefits	2,976	2,584	392
Total employee benefits	**37,852**	**36,263**	**1,589**

The table below shows the main changes that occurred in the Group's employee benefit plans compared to December 31, 2019 (amounts in € thousands):

(€ thousands)	Defined-benefit plans	Other benefits	Total employee benefits
Balance at 12/31/2019	**33,679**	**2,584**	**36,263**
Interest cost	219	(2)	217
Actuarial losses/(gains) recognized in income statement	-	70	70
Current service cost	876	183	1,059
Benefits paid	(472)	(70)	(541)
Translation differences and other changes	575	211	786
Balance at 6/30/2020	**34,876**	**2,976**	**37,852**

22. Other non-current liabilities

Other non-current liabilities of € 26,000 thousand at June 30, 2020 (€ 24,586 thousand at December 31, 2019) include provisions for risks and charges established in connection with pending or contingent legal disputes, and provision for customer indemnities.

The table below lists the various provisions for risks and charges:

(€ thousands)	**6/30/2020**	**12/31/2019**
Opening balance	**12,512**	**13,894**
Additions for the period	1,980	3,252
Utilizations/Reversals for the period	(2,608)	(4,418)
Translation differences and other changes	(296)	(216)
Ending balance	**11,588**	**12,512**

23. Trade payables

At June 30, 2020, trade payables were € 61,880 thousand (€ 55,733 thousand at December 31, 2019) and include amounts owed to external suppliers for the purchase of goods and services. The item increased by € 6,147 thousand, as a result of increased purchase volumes to meet higher product needs during the outbreak of the pandemic. There are no amounts due after one year.

24. Other current liabilities

Other current liabilities of € 47,251 thousand at June 30, 2020 (€ 51,134 thousand at December 31, 2019) consist mainly of amounts owed to employees for additional monthly payments to be paid (€ 30,004 thousand as against € 34.666 thousand at December 31, 2019), contributions payable to social security and health benefit institutions (€ 2,327 thousand as against € 4,232 thousand at December 31, 2019) and accruals and deferred charges (€ 3,168 thousand as against € 2,263 thousand at December 31, 2019).

25. Income taxes payable

The balance of € 39,279 thousand at June 30, 2020 (€ 10,800 thousand at December 31, 2019) represents the income tax liability for the profit earned in the period, net of estimated payments made, and amounts owed for other indirect taxes and fees.

26. Commitments and contingent liabilities

Significant commitments and contractual obligations

Significant contractual obligations include the agreements executed by DiaSorin S.p.A., the Group's Parent Company, and Stratec in connection with the development and production of new chemiluminescent diagnostic system LIAISON XL and LIAISON XS. The supply contract signed by DiaSorin and Stratec calls for the latter to manufacture and supply exclusively to DiaSorin the analyzers. The Group has agreed to purchase a minimum number of systems. However, the projected commitment is deemed to be significantly lower than the normal level of capital investment that would be required for current or future equipment production. As a result, net invested capital is not expected to undergo significant structural changes in the future as a result of this commitment.

Contingent liabilities

The DiaSorin Group operates globally. As a result, it is exposed to the risks that arise from the complex laws and regulations that apply to its commercial and manufacturing activities.

The Group believes that, overall, the amounts set aside for pending legal disputes in the corresponding provision for risks are adequate.

As regards provisions for risks and charges, despite the lack of implementing decrees to Law n. 125 of 08/06/2015 extending the pay-back mechanism to medical devices, the Company carried out allocations to hedge the underlying risks.

27. Related-party transactions

In the normal course of business, DiaSorin S.p.A. engages on a regular basis in commercial and financial transactions with its subsidiaries, which are also Group companies. These transactions, which are executed on standard market terms, consist of the supply of goods and services, including administrative, information technology, personnel management, technical support and consulting services, which produce receivables and payables at the end of the year, and financing and cash management transactions, which produce income and expenses.

These transactions are eliminated in the consolidation process and, consequently, are not discussed in this section of the Report.

The incidence of related-party transactions on the single items of the balance sheet, income statement and cash flows is not material.

The total amount owed to directors and strategic executives recognized in the income statement was €3,045 thousand (€ 2,402 thousand in the first half of 2019).

The compensation payable to senior managers and eligible employees (key management) is consistent with standard market terms for compensation offered to employees with a similar status.

28. Significant events occurred after June 30, 2020 and business outlook

On July 16, 2020, the Council of State in its judicial capacity suspended the effects of the sentence, with which the Regional Administrative Court of Lombardy -TAR- on 8 June had cancelled the agreement signed between DiaSorin and Policlinico San Matteo of Pavia on the validation of serological and molecular tests for Covid-19 infections.

On July 22, 2020, the Public Prosecutor's Office at the Court of Pavia in response to a complaint and related formal notice submitted on April 15, 2020 by an Italian- Chinese competitor concerning the agreement, carried out additional investigation on, among others, the Company's sites of Saluggia and Gerenzano. Investigating bodies' inspections are still ongoing.

Due to the unpredictability of the pandemic evolution and availability, timing and effectiveness of vaccines and proper drug treatments, the Company has not provided its business outlook for the coming months. Nevertheless, considering the performance of the first six months of 2020 and the sector in which DiaSorin operates, the Company does not expect a deterioration of the economic and financial performance.

29. Entries resulting from atypical and/or unusual transactions

As required by Consob Communication No. DEM/6064296 of July 28, 2006, the Company declares that, in the first six months of 2020, the Group did not execute atypical and/or unusual transactions, as defined in the abovementioned Communication, according to which atypical and/or unusual transactions are transactions that, because of their significance/material amount, type of counterpart, subject of the transaction, method of determining the transfer price and timing of the event (proximity to the end of a reporting period), could create doubts with regard to: the fairness/completeness of the financial statement disclosures, the existence of a conflict of interest, the safety of the corporate assets and the protection of minority shareholders.

ANNEX I: THE COMPANIES OF THE DIASORIN GROUP AT JUNE 30, 2020

	Head office location	Currency	Share capital (*)	Par value per share or partnership interest	% interest held directly	Number of shares or partnership interests held
Equity investments consolidated line by line						
DiaSorin S.A/N.V.	Bruxelles (Belgium)	**EUR**	1,674,000	6,696	99.99%	249
DiaSorin Ltda	Sao Paolo (Brazil)	**BRL**	65,547,409	1	99.99%	65,547,408
DiaSorin S.A.	Antony (France)	**EUR**	960,000	15,3	99.99%	62,492
DiaSorin Iberia S.A.	Madrid (Spain)	**EUR**	1,453,687	6,01	99.99%	241,877
DiaSorin Ltd	Blewbury (United Kingdom)	**GBP**	500	1	100.00%	500
DiaSorin Inc.	Stillwater (United States)	**USD**	1	0,01	100.00%	100
DiaSorin Canada Inc	Mississauga (Canada)	**CAD**	200,000	N/A	-	100 Class A common shares
DiaSorin Molecular LLC	Cypress (United States)	**USD**	100,000	100,000	-	1
DiaSorin Mexico S.A de C.V.	Mexico City (Mexico)	**MXP**	63,768,473	1	99.99%	49,999
DiaSorin Deutschland GmbH	Dietzenbach (Germany)	**EUR**	275,000	275,000	100.00%	1
DiaSorin AB	Solna (Sweden)	**SEK**	5,000,000	100	100.00%	50,000
DiaSorin Ltd	Rosh Haayin (Israel)	**ILS**	100	1	100.00%	100
DiaSorin Austria GmbH	Wien (Austria)	**EUR**	35,000	35,000	100.00%	1
DiaSorin Czech s.r.o.	Prague (Czech Republic)	**CZK**	200,000	200,000	100.00%	1
DiaSorin Diagnostics Ireland Limited	Dublin (Ireland)	**EUR**	3,923	0,01	100.00%	392,282
DiaSorin Ireland Limited	Dublin (Ireland)	**EUR**	163,202	1,20	100.00%	136,002
DiaSorin I.N.UK Limited	Dublin (Ireland)	**EUR**	7,826,072	0,01	100.00%	782,607,110
DiaSorin I.N. Limited	Dublin (Ireland)	**EUR**	1	0,01	100.00%	100
DiaSorin South Africa (PTY) Ltd	Johannesburg (South Africa)	**ZAR**	101	1	100.00%	101
DiaSorin Australia (Pty) Ltd	Sydney (Australia)	**AUD**	3,300,000	33,000	100.00%	100
DiaSorin Ltd	Shanghai (China)	**RMB**	1,211,417	1	80.00%	96,000
DiaSorin Switzerland AG	Risch (Switzerland)	**CHF**	100,000	100	100.00%	1,000
DiaSorin Poland sp. z o.o.	Warsaw (Poland)	**PLN**	550,000	50	100.00%	11,000
DiaSorin Healthcare India Private Limited	Mumbai (India)	**INR**	365,552,320	10	0.01%	36,555,232
DiaSorin APAC Pte. Ltd.	Singapore (Singapore)	**EUR**	1	N/A	100.00%	1

(*) Amounts stated in local currency

CERTIFICATION OF THE CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81-*TER* OF CONSOB REGULATION NO. 11971 OF MAY 14, 1999, AS AMENDED

We, the undersigned, Carlo Rosa, in my capacity as Chief Executive Officer, and Piergiorgio Pedron, in my capacity as Corporate Accounting Document Officer of DiaSorin S.p.A,

attest that,

insofar as the provisions of Article 154-*bis*, Sections 3 and 4, of Legislative Decree No. 58 of February 24, 1998 are concerned, the administrative and accounting procedures applied during the first half of 2020 to prepare the condensed semiannual consolidated financial statement were:

a) adequate in light of the Company's characteristics; and

b) were applied effectively.

Moreover, we attest that the condensed half-year consolidated financial statements:

a) were prepared in accordance with the applicable international accounting principles, as adopted by the European Union pursuant to Regulation (CE) No. 1606/2002 of the European Parliament and Council dated July 19, 2002;

b) correspond to the Company's books of accounts and bookkeeping entries;

c) are suitable for the purpose of providing a truthful and fair representation of the statement of financial position, operating performance and cash flow of the issuer and of the companies included in the scope of consolidation.

To the best of our knowledge, the interim Report on Operations provides a reliable analysis of significant events that occurred during the first half of the year and of their impact on the condensed half-year financial statements, together with a description of the main risks and uncertainties for the remaining six months of the year.

The interim Report on Operations also provides a reliable analysis of information concerning transactions with related parties.

Saluggia, July 30, 2020

Signed:

Carlo Rosa	Piergiorgio Pedron
Chief Executive Officer	Corporate Accounting Document Officer

REVIEW REPORT ON CONDENSED HALF YEAR COSOLIDATED FINANCIAL STATEMENTS

To the shareholders of DiaSorin SpA

Foreword

We have reviewed the accompanying condensed half year consolidated financial statements of DiaSorin SpA and its subsidiaries ("the DiaSorin Group") as of 30 June 2020, comprising the consolidated statement of financial position, consolidated income statement, consolidated comprehensive income statement, statement of changes in consolidated shareholders' equity, consolidated statement of cashflow and related notes. The directors of DiaSorin SpA are responsible for the preparation of the condensed half year consolidated financial statements in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these condensed half year consolidated financial statements based on our review.

Scope of Review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of condensed half year consolidated financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed half year consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed half year consolidated financial statements of DiaSorin Group as of 30 June 2020 are not prepared, in all material respects, in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, 3 August 2020

PricewaterhouseCoopers SpA

Stefano Pavesi
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers