



# 9M 2020 RESULTS

November 11, 2020

DiaSorin

# Disclaimer

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

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

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

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

# Financial Highlights

Data in €/mln	Q3'20	Change		9M'20	Change	
		@ current	@ CER		@ current	@ CER
<b>Revenues</b>	<b>227.9</b>	+30.3%	+34.3%	<b>610.1</b>	+16.2%	+17.2%
CLIA ex Vitamin D		+1.3%	+4.8%		+5.4%	+6.7%
Vitamin D		-16.4%	-13.3%		-29.3%	-28.6%
ELISA tests		-32.6%	-30.1%		-29.1%	-28.4%
Molecular tests		+403.7%	+415.1%		+243.1%	+243.6%
Instruments & Others		+10.6%	+13.8%		+7.0%	+8.2%
<b>EBITDA</b>	<b>104.1</b>	+49.4%	+54.2%	<b>257.7</b>	+23.4%	+24.8%
EBITDA Margin		45.7%	45.8%		42.2%	42.3%
		+583bps	+590 bps		+245 bps	+255 bps
<b>Net Result</b>	<b>67.8</b>	+58.9%		<b>162.5</b>	+28.3%	
% on revenues		29.8%			26.6%	
<b>Free Cash Flow</b>				<b>152.5</b>		
<b>Net Financial Position</b>				<b>256.1</b>		

# 9M 2020 key facts

## Immunodiagnostic Installed Base

	@ September 30, 2020
New placements of Liaison XL	+416
Overall installed base	8,603

## Business Development

- **TTP plc:** exclusive licensing and technology transfer agreement to access Puckdx™ point-of-care molecular diagnostic platform
- **MeMed:** licensing agreement to add MeMed BV™, a test for distinguishing between bacterial and viral Infections, to LIAISON tests menu
- **JV with Chinese Government:** extension of existing JV to a government partner to open a new manufacturing and research site in Shanghai

## Product Development

### Immunodiagnosics:

- **LIAISON SARS-CoV-2 S1/S2 IgG:** to identify IgG antibodies against S1 and S2 proteins of SARS-CoV-2 in human serum or plasma samples
- **LIAISON SARS-CoV-2 IgM:** to identify IgM antibodies to SARS-CoV-2 in human serum or plasma samples
- **LIAISON SARS-CoV-2 Ag:** to quantify COVID-19 viral load in symptomatic patients
- **LIAISON Testosterone xt:** for dosage of testosterone

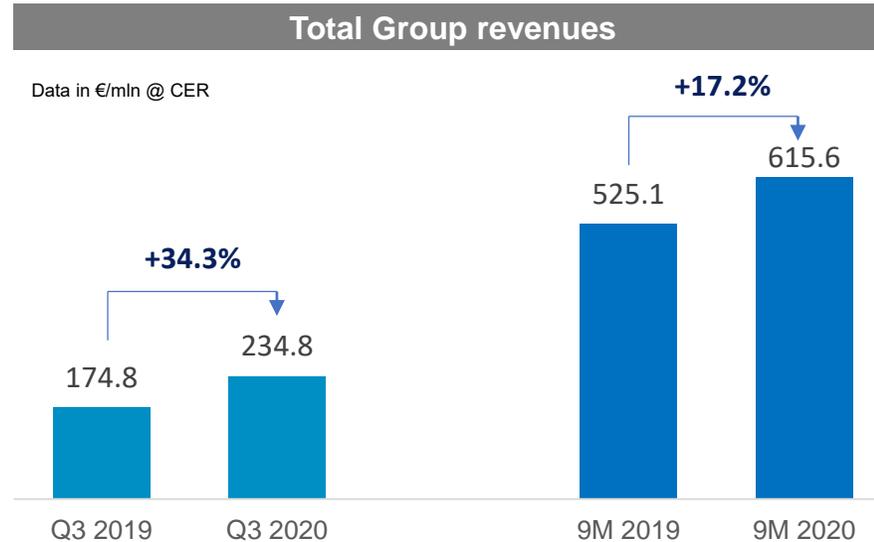


### Molecular Diagnostics:

- **Simplexa COVID-19 Direct:** to detect SARS-CoV-2 in around 1.5 hour
- **Simplexa Congenital CMV Direct:** to detect cytomegalovirus DNA in samples from newborns up to 21 days old
- **Simplexa FLU A/B & RSV Direct Gen II:** to diagnose viral infections caused by Flu A, Flu B, RSV



# Managerial outlook on Q3 & 9M 2020 revenues



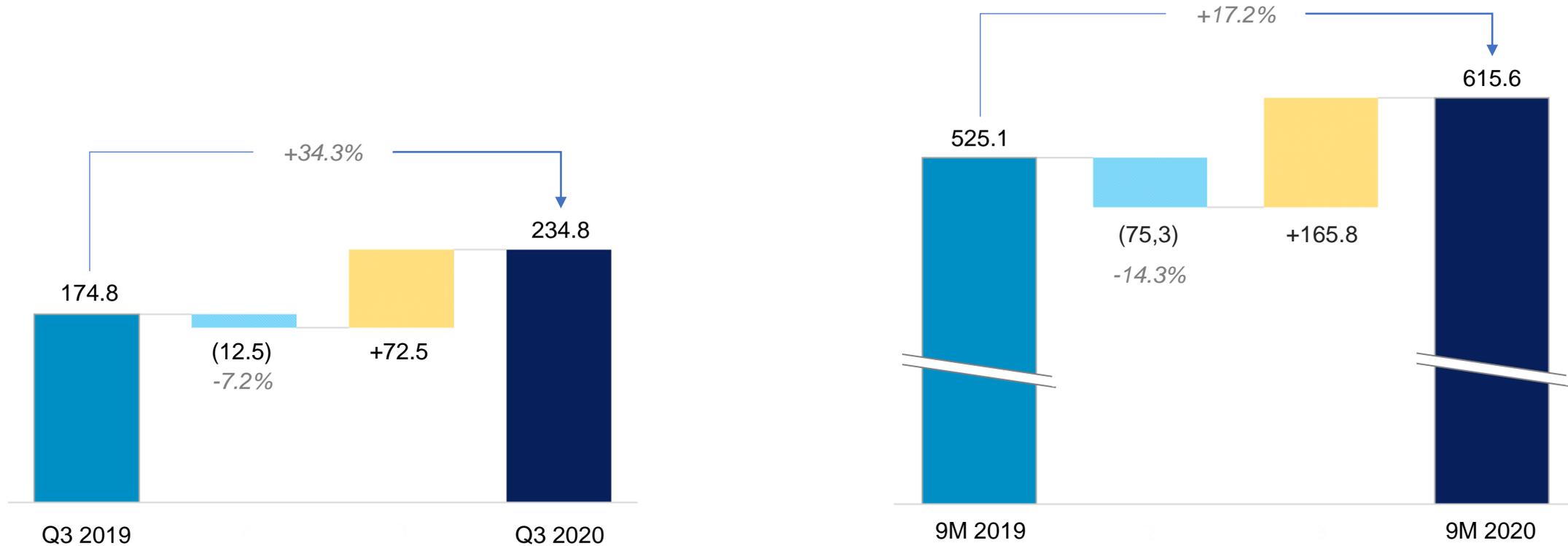
## Key Q3 factors

- **MOLECULAR TESTS**  
exceptional performance (+415.1% @ CER), mainly driven by COVID-19 tests in North America
- **BUSINESS EX-COVID**  
volumes impacted by pandemic, but recovering across all geographies (-7.2% @CER), especially in the U.S. and Europe
- **INSTRUMENTS**  
strong increase of LIAISON MDX and LIAISON XL

## 9 months business affected differently in each quarter

- **Q1'20: positive results, despite negative impact from China**, already hit by SARS-CoV-2 pandemic in February-March. First signals of **deceleration in Europe and in the U.S.** at the end of March
- **Q2'20 results** affected by 2 different dynamics
  - **BUSINESS EX-COVID:** negative in all geographies, due to volume decrease during pandemic peak phase
  - **COVID-19 TESTS:** large demand of both serology and molecular tests more than offsetting business ex-COVID negative trend
- **Q3'20 results: recovery of business ex-COVID** (negative trend from mid-to-high single-digits) and **stronger contribution of molecular COVID-19 tests**

# Focus: impact of COVID-19 pandemic at top line level



Change in business ex-COVID    COVID-19 tests contribution

Data in €/mln @ CER

# Q3 & 9M 2020 revenue growth by technology

## Total Group revenues

		Q3'20 vs. Q3'19	9M'20 vs. 9M'19	
CLIA	CLIA ex Vitamin D tests	<i>reported</i>	+1.3%	+5.4%
		@ CER	+4.8%	+6.7%
	Vitamin D test (CLIA)	<i>reported</i>	-16.4%	-29.3%
		@ CER	-13.3%	-28.6%
ELISA tests		<i>reported</i>	-32.6%	-29.1%
		@ CER	-30.1%	-28.4%
Molecular Diagnostic tests		<i>reported</i>	+403.7%	+243.1%
		@ CER	+415.1%	+243.6%
Instruments & Other Revenues		<i>reported</i>	+10.6%	+7.0%
		@ CER	+13.8%	+8.2%

## Key impacting factors

- **Ex-COVID testing volume decrease more than offset by COVID-19 tests' growth**
- Q3 ex-COVID volumes improving compared to Q2 from: -33.5% to -7.2%
- ELISA reduction mainly driven by COVID and Siemens ELISA conversion
- **Molecular diagnostic tests growth driven by COVID-19 testing** especially in North America
- **Positive contribution of instruments sales** driven by strong increase of LIAISON MDX and LIAISON XL installed base.

# Q3 & 9M 2020 revenue trend by geography

## Deep dive on COVID-19 impact on geographies

### EUROPE & AFRICA

- All countries recording positive top line trend in Q3, mainly thanks to the contribution of COVID-19 testing
- Ex-COVID testing volume improved in Q3

### USA & CANADA

- SARS-CoV-2 tests' positive contribution, both for immunodiagnosics and molecular diagnostics products
- Ex-COVID testing volume improvement mainly driven by Latent Tuberculosis and Stool panel

### ASIA PACIFIC

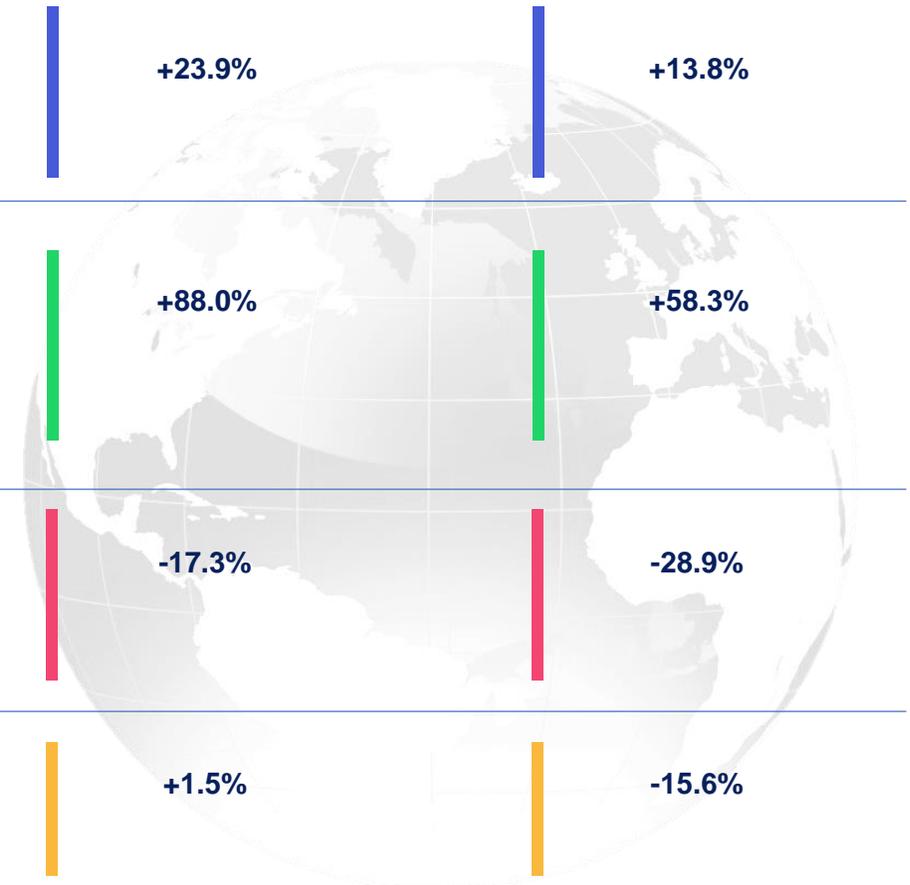
- Strong impact of pandemic, with a recovering trend in Q3 in all the countries
- Business recovery slowed down by unavailability of SARS-CoV-2 tests in China

### LATIN AMERICA

- Positive trend in Q3 as a result of COVID testing and recovery in ex-COVID business

Q3'20 vs. Q3'19

9M'20 vs. 9M'19



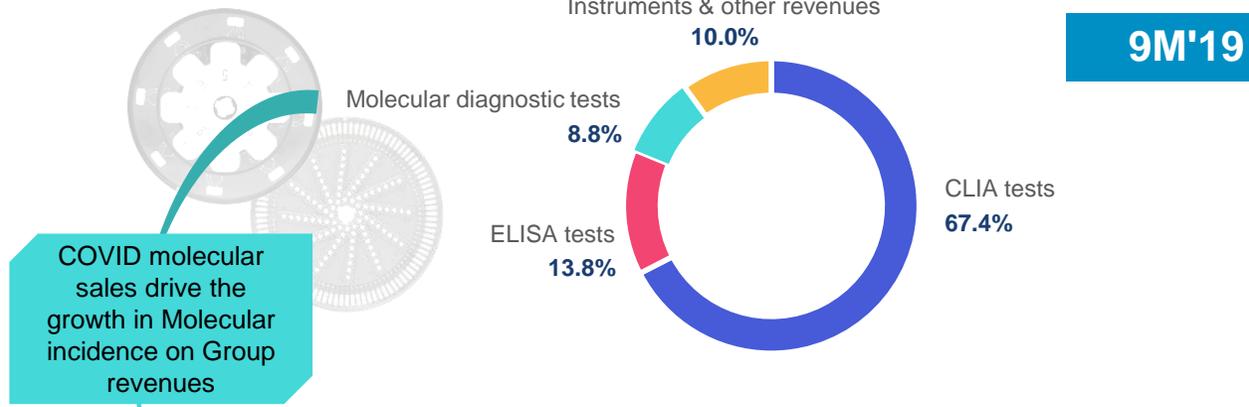
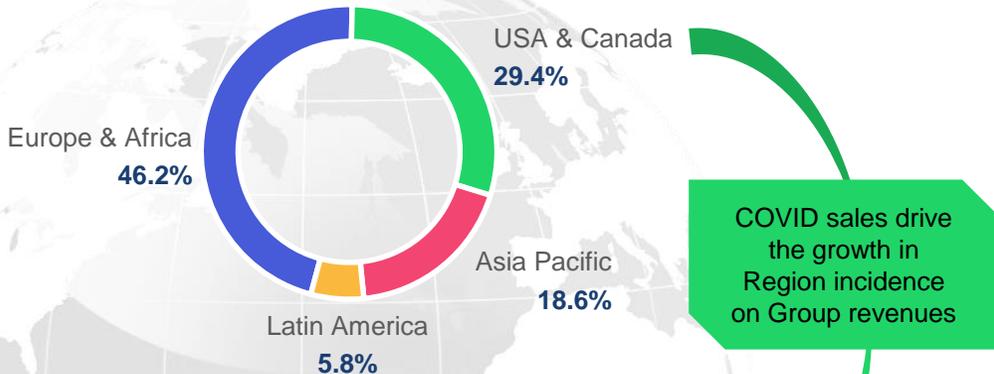
# 9M 2020 revenues breakdown @ current exchange rate

## BY GEOGRAPHY

## BY TECHNOLOGY

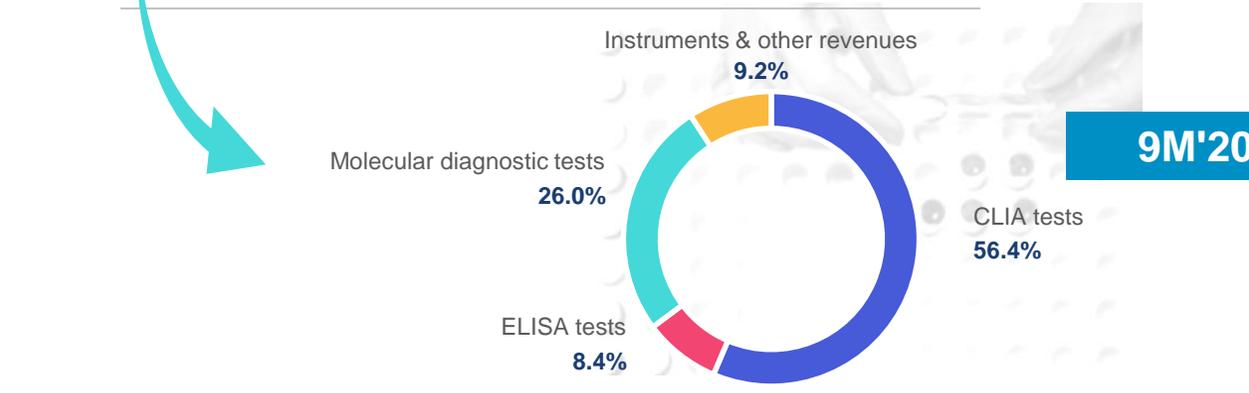
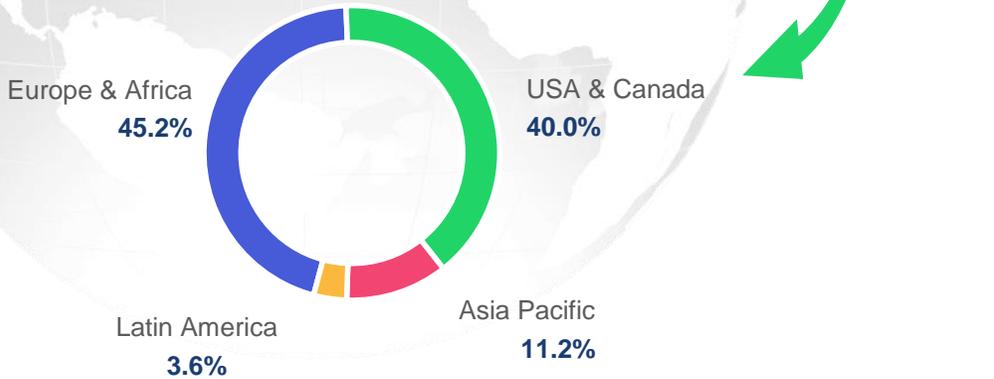
9M'19

9M'19



9M'20

9M'20



COVID sales drive the growth in Region incidence on Group revenues

COVID molecular sales drive the growth in Molecular incidence on Group revenues

# Q3'20 & 9M'20 profitability profile

DATA IN €/MLN	Q3'19	Q3'20	Change %	9M'19	9M'20	Change %
<b>GROSS PROFIT</b>	119.8	155.7	<b>+29.9%</b>	363.1	419.7	<b>+15.6%</b>
<b>EBITDA</b>	69.7	104.1	<b>+49.4%</b>	208.9	257.7	<b>+23.4%</b>
@ CER			+54.2%			+24.8%
<b>EBITDA MARGIN</b>	39.9%	45.7%	<b>+583 bps</b>	39.8%	42.2%	<b>+245 bps</b>
@CER		45.8%	+590 bps		42.3%	+255 bps
<b>EBIT</b>	55.4	89.8	<b>+62.0%</b>	165.6	213.5	<b>+28.9%</b>
<b>NET PROFIT</b>	42.7	67.8	<b>+58.9%</b>	126.7	162.5	<b>+28.3%</b>

9M'20 and Q3'20 increase in EBITDA and EBITDA *margin* mainly driven by

- **Higher operating leverage** due to the strong increase in revenues and muted operating expense
- **Higher absorption of fixed costs** as a consequence of the higher volumes of molecular diagnostics tests produced

# Company Guidance

**Despite the uncertainty** caused by new lockdown measures applied in most of the countries where the Group operates, **DiaSorin expects the following for FY 2020:**

- **REVENUES:** growth ~25% @2019 CER vs. FY'19
- **EBITDA Margin:** ~43% @2019 CER vs. FY'19



# Financial schemes

# Income Statement

(Amounts in million of euros)	Q3		Change		9M		Change	
	2019	2020	amount	%	2019	2020	amount	%
<b>Net Revenues</b>	<b>174.8</b>	<b>227.9</b>	<b>+53.0</b>	<b>+30.3%</b>	<b>525.1</b>	<b>610.1</b>	<b>+85.0</b>	<b>+16.2%</b>
Cost of sales	(55.0)	(72.2)	-17.2	+31.2%	(162.0)	(190.4)	-28.4	+17.5%
<b>Gross profit</b>	<b>119.8</b>	<b>155.7</b>	<b>+35.8</b>	<b>+29.9%</b>	<b>363.1</b>	<b>419.7</b>	<b>+56.6</b>	<b>+15.6%</b>
	68.5%	68.3%	-0.2%		69.1%	68.8%	-0.4%	
Sales and marketing expenses	(35.4)	(34.1)	+1.3	-3.6%	(105.8)	(105.0)	+0.8	-0.8%
Research and development costs	(11.1)	(12.5)	-1.3	+12.1%	(34.4)	(38.0)	-3.5	+10.3%
General and administrative expenses	(17.3)	(17.5)	-0.2	+0.9%	(51.7)	(52.3)	-0.6	+1.2%
<b>Total operating expenses</b>	<b>(63.9)</b>	<b>(64.1)</b>	<b>-0.2</b>	<b>+0.4%</b>	<b>(191.9)</b>	<b>(195.3)</b>	<b>-3.4</b>	<b>+1.7%</b>
	36.5%	28.1%	-8.4%		36.5%	32.0%	-4.5%	
Other operating income (expense)	(0.6)	(1.8)	-1.2	<i>n.m.</i>	(5.6)	(11.0)	-5.4	+97.6%
<i>non recurring amount</i>	(0.2)	(0.1)	+0.1	-40.0%	(1.2)	(3.5)	-2.4	<i>n.m.</i>
<b>EBIT</b>	<b>55.4</b>	<b>89.8</b>	<b>+34.4</b>	<b>+62.0%</b>	<b>165.6</b>	<b>213.5</b>	<b>+47.8</b>	<b>+28.9%</b>
	31.7%	39.4%	+7.7%		31.5%	35.0%	+3.4%	
Net financial income (expense)	0.0	(1.0)	-1.0	<i>n.m.</i>	(1.1)	(2.4)	-1.3	<i>n.m.</i>
<b>Profit before taxes</b>	<b>55.4</b>	<b>88.8</b>	<b>+33.4</b>	<b>+60.3%</b>	<b>164.5</b>	<b>211.1</b>	<b>+46.6</b>	<b>+28.3%</b>
Income taxes	(12.7)	(21.0)	-8.3	+64.9%	(37.8)	(48.6)	-10.7	+28.3%
<b>Net result</b>	<b>42.7</b>	<b>67.8</b>	<b>+25.1</b>	<b>+58.9%</b>	<b>126.7</b>	<b>162.5</b>	<b>+35.9</b>	<b>+28.3%</b>
<b>EBITDA</b>	<b>69.7</b>	<b>104.1</b>	<b>+34.4</b>	<b>+49.4%</b>	<b>208.9</b>	<b>257.7</b>	<b>+48.8</b>	<b>+23.4%</b>
	39.9%	45.7%	+5.8%		39.8%	42.2%	+2.5%	

# Balance Sheet

<i>(Amounts in million of euros)</i>	<b>12/31/2019</b>	<b>09/30/2020</b>	<b>Change</b>
Goodwill and intangibles assets	370.3	361.0	-9.2
Property, plant and equipment	128.4	129.6	+1.2
Net working capital	211.0	218.3	+7.3
Other non-current assets / (liabilities)	(33.9)	(59.3)	-25.4
<b>Net Invested Capital</b>	<b>675.7</b>	<b>649.6</b>	<b>-26.1</b>
<b>Net Financial Position</b>	<b>172.9</b>	<b>256.1</b>	<b>+83.2</b>
<b>Total shareholders' equity</b>	<b>848.6</b>	<b>905.7</b>	<b>+57.1</b>

# Cash flow statement

<i>(Amounts in million of euros)</i>	Q3		9M	
	2019	2020	2019	2020
<b>Cash and cash equivalents at the beginning of the period</b>	<b>90.1</b>	<b>138.7</b>	<b>73.1</b>	<b>157.6</b>
Cash provided by operating activities	81.8	93.9	171.1	199.3
Cash used in investing activities	(10.2)	(15.7)	(34.6)	(47.1)
Cash provided/(used) in financing activities	(24.4)	(9.6)	(47.6)	(68.9)
Acquisitions of companies and business operations	-	-	(4.4)	-
<b>Net change in cash and cash equivalents before investments in financial assets</b>	<b>47.1</b>	<b>68.6</b>	<b>84.5</b>	<b>83.3</b>
<b>Divestment/(Investment) in financial assets</b>	<b>4.0</b>	<b>76.2</b>	<b>(16.4)</b>	<b>42.7</b>
<b>Net change in cash and cash equivalents</b>	<b>51.1</b>	<b>144.8</b>	<b>68.1</b>	<b>126.0</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>141.2</b>	<b>283.6</b>	<b>141.2</b>	<b>283.6</b>

# DiaSorin

