



# H1 2020 RESULTS

July 30, 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	Q2'20	Change		H1'20	Change	
		@ current	@ CER		@ current	@ CER
<b>Revenues</b>	<b>207.7</b>	+15.7%	+15.4%	<b>382.3</b>	+9.1%	+8.7%
CLIA ex Vitamin D		+11.7%	+12.0%		+7.4%	+7.6%
Vitamin D		-56.7%	-56.6%		-35.2%	-35.7%
ELISA tests		-44.0%	-43.7%		-27.4%	-27.5%
Molecular tests		+286.2%	+279.7%		+162.9%	+158.0%
Instruments & Others		+17.9%	+18.2%		+5.2%	+5.3%
<b>EBITDA</b>	<b>89.2</b>	+24.3%	+18.7%	<b>153.6</b>	+10.3%	+10.1%
EBITDA Margin		42.9%	42.6%		40.2%	40.2%
		+298 bps	+262 bps		+43 bps	+49 bps
<b>Net Result</b>	<b>57.0</b>	+30.8%		<b>94.7</b>	+12.8%	
% on revenues		27.4%			24.8%	
<b>Free Cash Flow</b>				<b>73.9</b>		
<b>Net Financial Position</b>				<b>190.4</b>		

# H1 2020 key facts

## Immunodiagnostic Installed Base

	@ June 30, 2020
New placements (net)	+241
Overall installed base	8,530

## Business Development

Exclusive licensing and technology transfer agreement with TTP plc to get access to Puckdx™ platform to automate diagnostic assays. The agreement follows DiaSorin's strategy to make its molecular tests available on a point-of-care (POC) platform



## Product Development

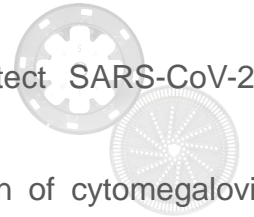
### Immunodiagnosics:

- **LIAISON SARS-CoV-2 S1/S2 IgG test** for the identification of antibodies against S1 and S2 proteins of SARS-CoV-2
- **LIAISON SARS-CoV-2 IgM test** for the identification of specific IgM antibodies to SARS-CoV-2 in human serum or plasma samples



### Molecular Diagnostics:

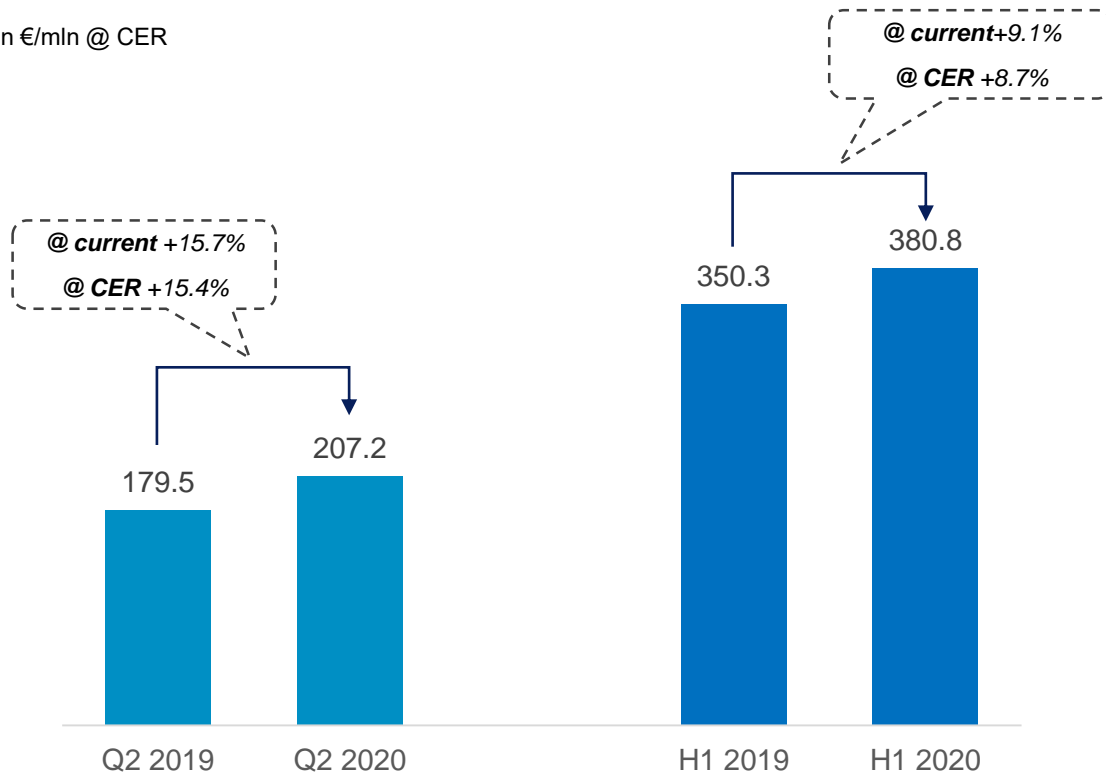
- **Simplexa COVID-19 Direct test**, designed to detect SARS-CoV-2 in around 1.5 hour
- **Simplexa Congenital CMV Direct test** for detection of cytomegalovirus DNA in samples from babies up to 21 days old
- **Simplexa FLU A/B & RSV Direct Gen II test** to run with COVID-19 Direct test to distinguish viral infections caused by Flu A, Flu B, RSV and SARS-CoV-2



# Managerial outlook on Q2 & H1 2020 revenues

## Total Group revenues

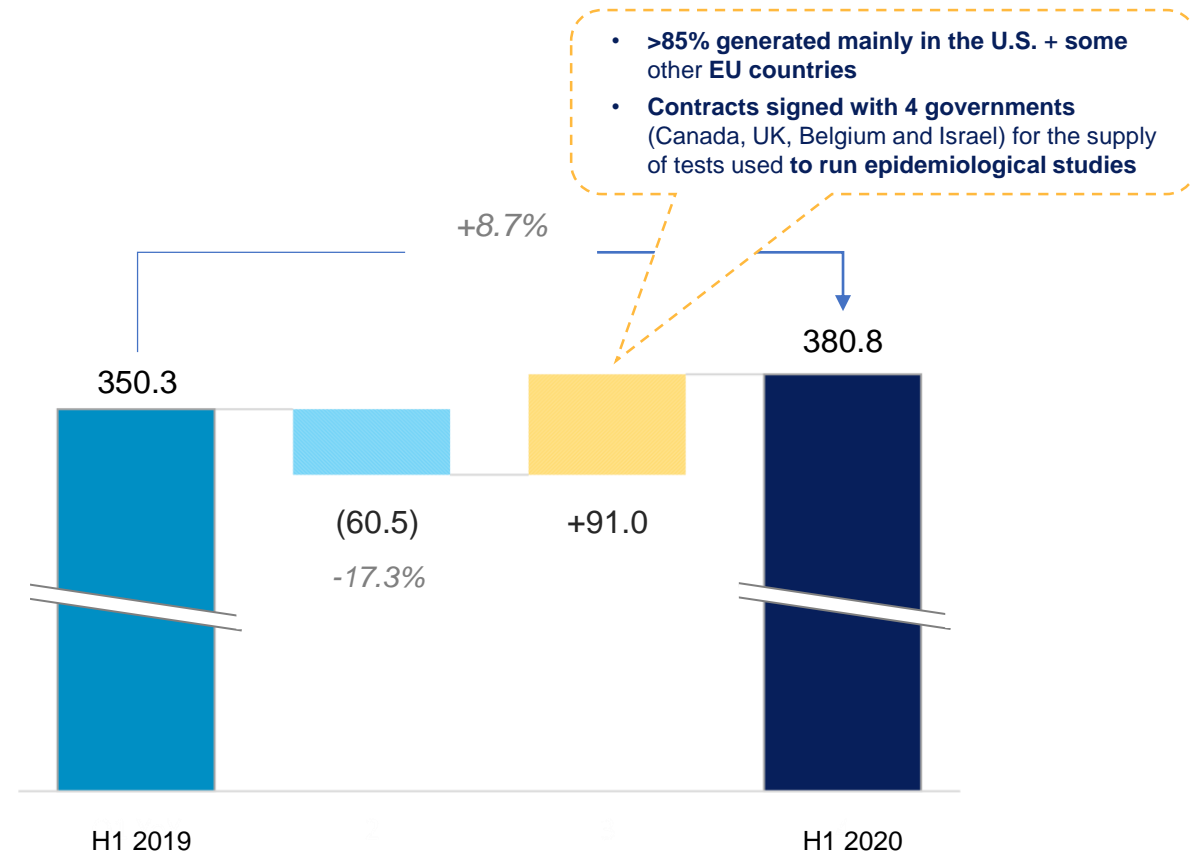
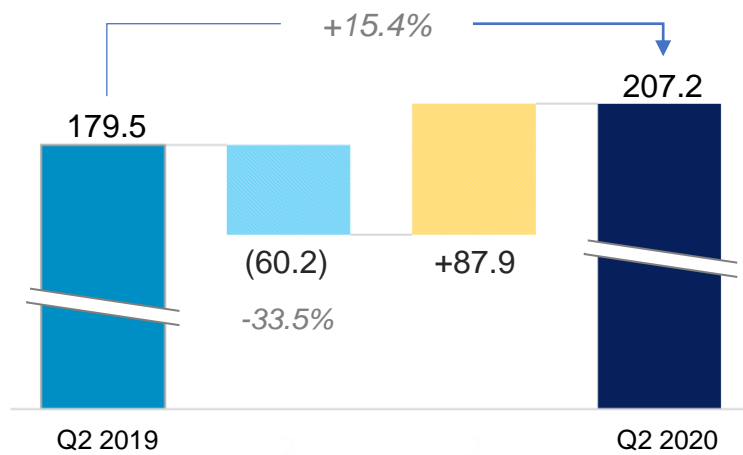
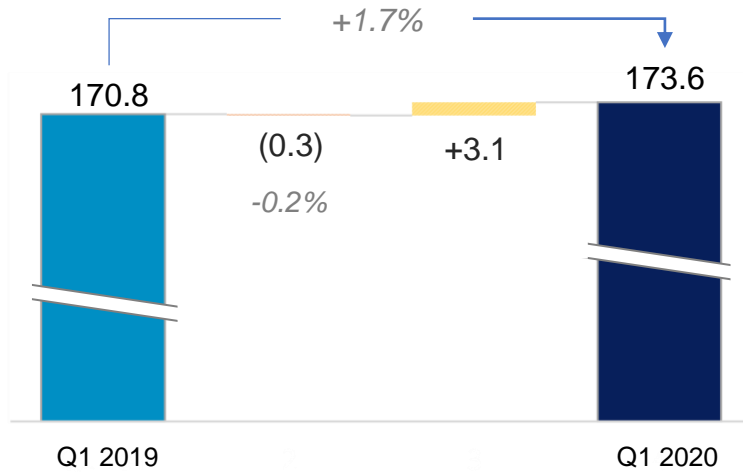
Data in €/mln @ CER



## Key impacting factors

- **Volume reduction driven by widespread lockdown measures** to contain COVID-19 pandemic
- **Growth in CLIA ex Vitamin D and molecular diagnostic sales** driven by COVID-19 tests
- **Molecular diagnostic tests**, net of COVID-19 test contribution, **increased by 7.6% @ CER** vs. H1 2019
- **Positive contribution of instruments sales** driven by the strong increase of the LIAISON MDX and LIAISON XL installed base (mainly in the U.S.)

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



▨ Change in business ex-COVID  
▨ COVID-19 tests contribution

Data in €/mln @ CER

# Q2 & H1 2020 revenue growth by technology

## Total Group revenues

		Q2'20 vs. Q2'19	H1'20 vs. H1'19
CLIA	CLIA ex Vitamin D tests	@ <i>curr</i> +11.7%	+7.4%
		@ <i>CER</i> +12.0%	+7.6%
	Vitamin D test (CLIA)	@ <i>curr</i> -56.7%	-35.2%
		@ <i>CER</i> -56.6%	-35.7%
ELISA tests	@ <i>curr</i>	-44.0%	-27.4%
	@ <i>CER</i>	-43.7%	-27.5%
Molecular Diagnostic tests	@ <i>curr</i>	+286.2%	+162.9%
	@ <i>CER</i>	+279.7%	+158.0%
Instruments & Other Revenues	@ <i>curr</i>	+17.9%	+5.2%
	@ <i>CER</i>	+18.2%	+5.3%

## Key impacting factors

- **Volume decrease in routine testing** driven by COVID-19, both in CLIA and ELISA
- **Molecular diagnostic tests growth** principally driven by **COVID-19 testing**
- **Positive contribution of instruments sales** driven by the strong increase of the LIAISON MDX and LIAISON XL installed base in the U.S.

# Q2 & H1 2020 revenue trend by geography

## Deep dive on COVID-19 impact on geographies

### EUROPE & AFRICA

- Volume increase due to COVID-19 testing in many EU countries, fostered also by contracts signed with Governments (i.e. UK, Belgium and Israel)
- Routine testing volume improvement in the last part of Q2'20

### USA & CANADA

- Positive contribution of SARS-CoV-2 related tests sales. It is worth mentioning the contract signed with the Canadian Government for epidemiology study on the population
- Negative trend of routine immunodiagnostic tests and Vitamin D
- Good trend of Latent Tuberculosis and Stool panel

### ASIA PACIFIC

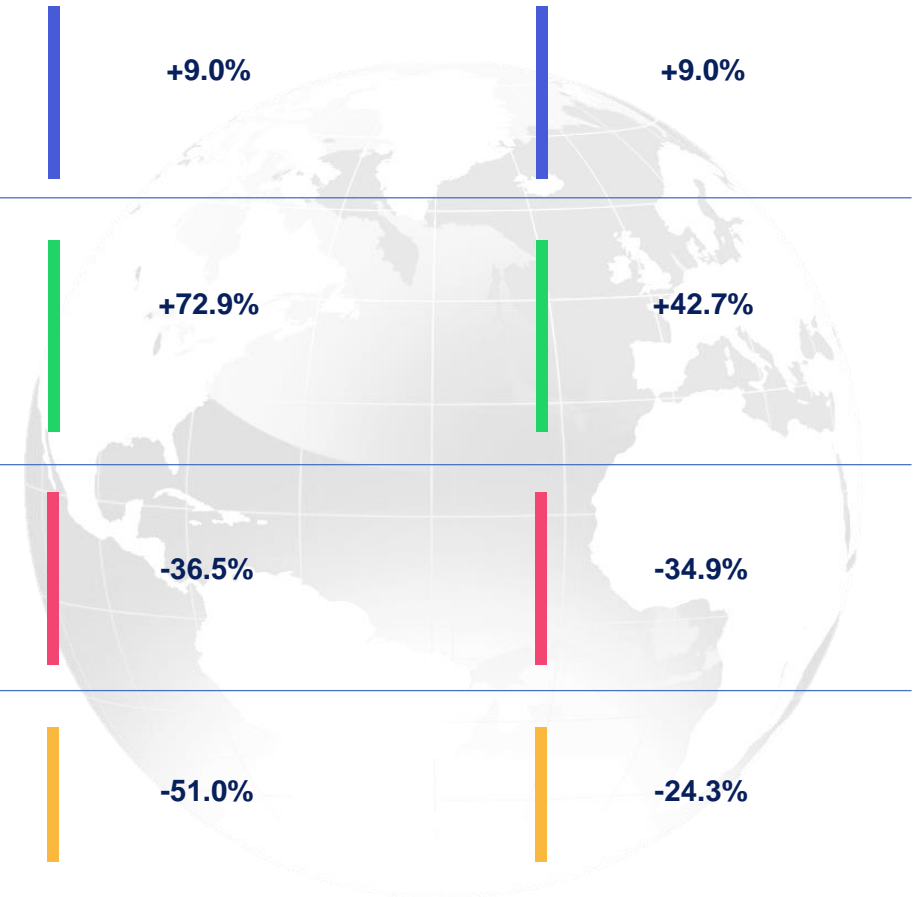
- Strong impact of the pandemic due to its early start in the region
- No counterbalance offered by SARS-CoV-2 related tests in China due to their unavailability in the area

### LATIN AMERICA

- Q2'20 strongly hit by the pandemic following a Q1'20 unaffected by the spread of COVID-19
- Sales of COVID-19 testing in the last part of Q2'20

## Q2'20 vs. Q2'19

## H1'20 vs. H1'19





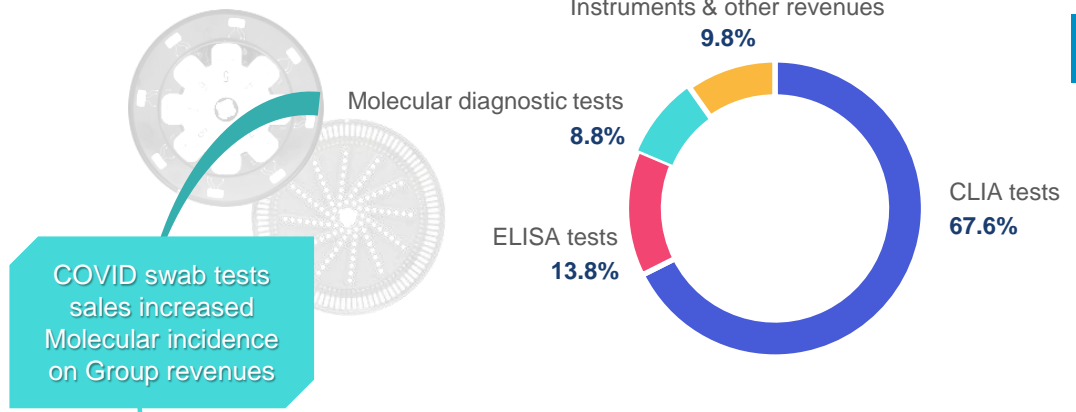
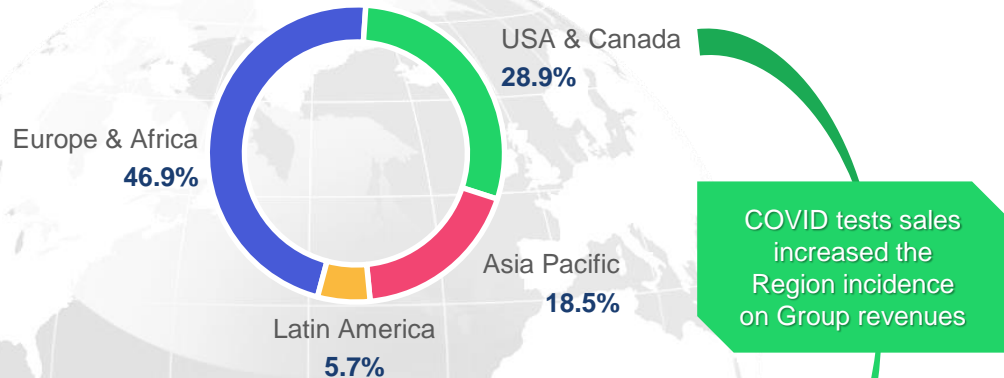
# H1 2020 revenues breakdown @ current exchange rate

## BY GEOGRAPHY

## BY TECHNOLOGY

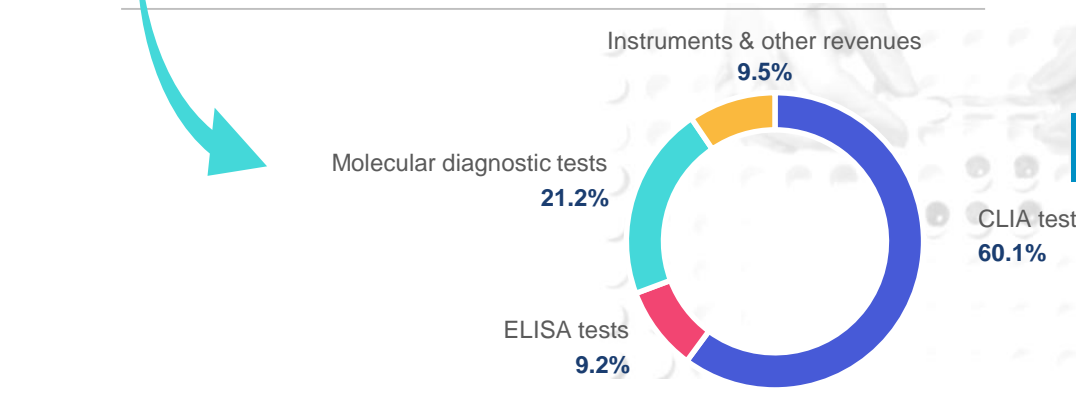
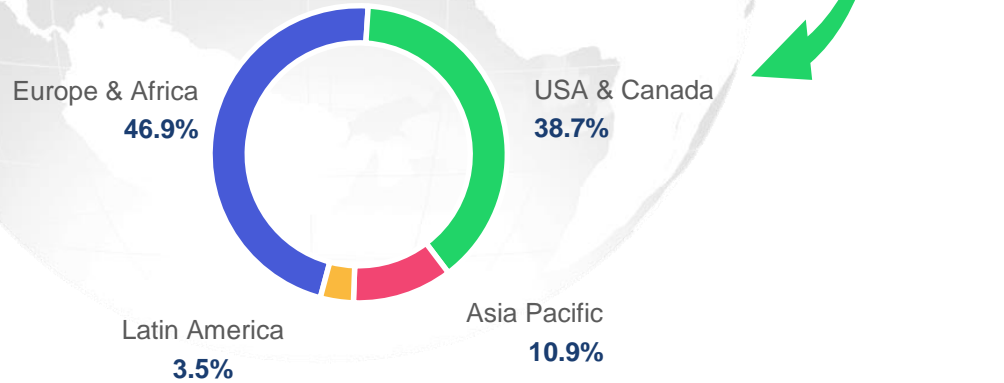
H1'19

H1'19



H1'20

H1'20



# Q2'20 & H1'20 profitability profile

DATA IN €/MLN	Q2'19	Q2'20	Change %	H1'19	H1'20	Change %
<b>GROSS PROFIT</b>	124.7	143.4	+15.0%	243.3	264.1	+8.5%
<b>EBITDA</b>	71.7	89.2	+24.3%	139.3	153.6	+10.3%
@ CER			+18.7%			+10.1%
<b>EBITDA MARGIN</b>	40.0%	42.9%	+298 bps	39.8%	40.2%	+43 bps
@CER		42.6%	+262 bps		40.2%	+49 bps
<b>EBIT</b>	57.2	74.2	+29.7%	110.2	123.6	+12.2%
<b>NET PROFIT</b>	43.6	57.0	+30.8%	84.0	94.7	+10.3%

H1'20 and Q2'20 increase in EBITDA margin mainly driven by higher operating leverage

# Company Guidance

Given the ongoing uncertainty and unpredictability of the COVID-19 pandemic impact on H2'20, DiaSorin has deemed it appropriate to confirm the decision made during the publication of its Q1'20 results and refrain from providing its business outlook for full year 2020.

Nevertheless, following a solid business performance in H1'20 and considering the industry in which DiaSorin operates, Management does not expect a negative impact on the Group financial results in H2'20.

DiaSorin will provide an update to the Market, should the economic situation permit greater visibility on business outlook.



# Financial schemes

# Income Statement

(Amounts in million of euros)	Q2		Change		H1		Change	
	2019	2020	amount	%	2019	2020	amount	%
<b>Net Revenues</b>	<b>179.5</b>	<b>207.7</b>	<b>+28.2</b>	<b>+15.7%</b>	<b>350.3</b>	<b>382.3</b>	<b>+32.0</b>	<b>+9.1%</b>
Cost of sales	(54.8)	(64.3)	-9.4	+17.2%	(107.0)	(118.2)	-11.2	+10.5%
<b>Gross profit</b>	<b>124.7</b>	<b>143.4</b>	<b>+18.8</b>	<b>+15.0%</b>	<b>243.3</b>	<b>264.1</b>	<b>+20.8</b>	<b>+8.5%</b>
	69.4%	69.1%	-0.4%		69.5%	69.1%	-0.4%	
Sales and marketing expenses	(35.9)	(34.5)	+1.4	-3.8%	(70.4)	(70.9)	-0.4	+0.6%
Research and development costs	(11.6)	(13.1)	-1.4	+12.4%	(23.3)	(25.5)	-2.2	+9.5%
General and administrative expenses	(17.2)	(17.9)	-0.8	+4.5%	(34.3)	(34.8)	-0.5	+1.3%
<b>Total operating expenses</b>	<b>(64.7)</b>	<b>(65.6)</b>	<b>-0.9</b>	<b>+1.3%</b>	<b>(128.1)</b>	<b>(131.2)</b>	<b>-3.1</b>	<b>+2.4%</b>
	36.0%	31.6%	-4.5%		36.6%	34.3%	-2.2%	
Other operating income (expense)	(2.7)	(3.6)	-0.9	+32.6%	(5.0)	(9.3)	-4.2	+84.3%
<i>non recurring amount</i>	(0.3)	0.1	+0.4	<i>n.m.</i>	(0.9)	(3.4)	-2.4	<i>n.m.</i>
<b>EBIT</b>	<b>57.2</b>	<b>74.2</b>	<b>+17.0</b>	<b>+29.7%</b>	<b>110.2</b>	<b>123.6</b>	<b>+13.4</b>	<b>+12.2%</b>
	31.9%	35.7%	+3.9%		31.5%	32.3%	+0.9%	
Net financial income (expense)	(0.8)	(1.0)	-0.3	+36.0%	(1.1)	(1.4)	-0.3	+24.2%
<b>Profit before taxes</b>	<b>56.5</b>	<b>73.2</b>	<b>+16.7</b>	<b>+29.6%</b>	<b>109.1</b>	<b>122.2</b>	<b>+13.2</b>	<b>+12.1%</b>
Income taxes	(12.9)	(16.2)	-3.3	+25.7%	(25.1)	(27.5)	-2.4	+9.7%
<b>Net result</b>	<b>43.6</b>	<b>57.0</b>	<b>+13.4</b>	<b>+30.8%</b>	<b>84.0</b>	<b>94.7</b>	<b>+10.7</b>	<b>+12.8%</b>
<b>EBITDA</b>	<b>71.7</b>	<b>89.2</b>	<b>+17.4</b>	<b>+24.3%</b>	<b>139.3</b>	<b>153.6</b>	<b>+14.4</b>	<b>+10.3%</b>
	40.0%	42.9%	+3.0%		39.8%	40.2%	+0.4%	

# Balance Sheet

<i>(Amounts in million of euros)</i>	<b>12/31/2019</b>	<b>06/30/2020</b>	<b>Change</b>
Goodwill and intangibles assets	370.3	372.2	+1.9
Property, plant and equipment	128.4	126.4	-2.0
Net working capital	211.0	230.1	+19.1
Other non-current assets (liabilities)	(33.9)	(32.0)	+2.3
<b>Net Invested Capital</b>	<b>675.8</b>	<b>696.6</b>	<b>+20.9</b>
<b>Net Financial Position</b>	<b>172.9</b>	<b>190.4</b>	<b>+17.5</b>
<b>Total shareholders' equity</b>	<b>848.6</b>	<b>887.0</b>	<b>+38.4</b>

# Cash flow statement

<i>(Amounts in million of euros)</i>	Q2		H1	
	2019	2020	2019	2020
<b>Cash and cash equivalents at the beginning of the period</b>	<b>70.1</b>	<b>181.1</b>	<b>73.1</b>	<b>157.6</b>
Cash provided by operating activities	44.7	49.6	92.7	105.4
Cash used in investing activities	(11.5)	(15.5)	(24.3)	(31.4)
Cash provided/(used) in financing activities	(16.6)	(58.6)	(26.6)	(59.3)
Acquisitions of companies and business operations	(3.4)	-	(4.4)	-
<b>Net change in cash and cash equivalents before investments in financial assets</b>	<b>13.3</b>	<b>(24.5)</b>	<b>37.4</b>	<b>14.7</b>
<b>Divestment/(Investment) in financial assets</b>	<b>6.7</b>	<b>(17.8)</b>	<b>(20.4)</b>	<b>(33.5)</b>
<b>Net change in cash and cash equivalents</b>	<b>20.0</b>	<b>(42.4)</b>	<b>17.0</b>	<b>(18.8)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>90.1</b>	<b>138.7</b>	<b>90.1</b>	<b>138.7</b>

# DiaSorin

