

Diasorin S.p.A.

"First Quarter 2026 Results Conference Call"

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MODERATORS: CARLO ROSA, CHIEF EXECUTIVE OFFICER
ALBERTO DONATI, CHIEF FINANCIAL OFFICER

OPERATOR: Good afternoon. This is the Chorus Call conference operator. Welcome and thank you for joining the Diasorin First Quarter 2026 Results Conference Call. As a reminder, all participants are in listen-only mode. After the presentation, there will be an opportunity to ask questions. Should anyone need assistance during the conference call, they may signal an operator by pressing "*" and "0" on their telephone.

At this time, I would like to turn the conference over to Mr. Carlo Rosa, CEO of Diasorin. Please go ahead, sir.

CARLO ROSA: Thank you, operator. Ladies and gentlemen, good afternoon and welcome to the Q1 conference call. As usual, I will give some color to the financial results, and then I will let our CFO, Alberto Donati, to take you through the numbers.

I'm going to make my comments at constant exchange rate. In quarter 2 2026, as anticipated during our full year result call, the quarter registered a slightly negative performance, minus 3% and mainly as a result of the following factors. First one, as reported by all our competitors, the softness of the flu season with declining volume by roughly 25%. And this clearly has affected the performance of our molecular diagnostics platforms, since a good chunk of business today, especially multiplexing, is related to products in the respiratory area.

And as far as LTG, if we did comment before a tough comparison with the same period of last year. But in this case, we expect that by...in the second half of the year, the trend will revert. And then, last but not least, the QuantiFERON-TB performance that in the US has been driven by the reduction of immigration-related testing, which specifically for us resulted into a one-off event of destocking of some of the large commercial labs in the US that where typically this testing happens.

Now, I will now deep dive into the 3 business lines. The immuno grew 1% compared to last year. Molecular diagnostics declined 12%, and LTG declined 7%. So now let's go one-by-one. When it comes to immuno, as said, it grew 1% over last year. If we exclude China, the growth was 2%. North America was growing 1%, and the rest of the world, including Europe, 2%. China declined...continues to decline 22% as the effect of VBP broadens and now also is hitting the performance of the company in Shanghai and Beijing that until last quarter was not actually affected by VBP.

When it comes to QuantiFERON, the performance on QuantiFERON globally was weaker than the previous quarters. The QuantiFERON franchise grew globally 6%. And this is due to a one-off destocking event of the QuantiFERON product in some large commercial labs, and this has been driven by a decline in demand for TB testing, which is required for immigration for the visa issuance.

We expect this to recover already starting from quarter 2, because I said this is related to the fact that some of the large labs have canceled orders in Q1, because they are to bring their inventory level back to where is needed. We continue to see stable double-digit growth in US and in Europe outside the commercial labs, and this has been driven by the launch of the new high-throughput version of the LIAISON QuantiFERON-TB Gold Plus 2 test, which has been recently FDA cleared. As QIAGEN reported, we see no changes in pricing or competition. So QuantiFERON continues to grow double-digits in hospital market, continues to grow double-digits in Europe and we saw again this slowdown in the commercial lab in the US.

Net of this impact. Sorry, let me just add a couple of things. We also experienced in January and February, but with a recovery in March of general softness of US testing volume, as reported by some of the commercial labs due to the severe weather conditions in the US, as

said, which affected some testing volumes at the states. And we saw recovery of this started from March and in April.

The third element, when it comes to immunodiagnostics, is that we continue to see the normalization of testing volume in Europe, as we have been anticipated in previous calls. Net of these impacts, our immuno-based business continues to grow steadily and perform strongly, as discussed before.

The US hospital strategy continues to be on track, and we are now approaching close to 750 hospitals by midyear. And by year-end, we should get to the mark of the 600 hospitals, which actually was part of our 2023-2027 plan. And we are 1 year ahead of expectations for this strategy. Again, it's working very well.

And the second element of this is that our specialty testing, which clearly goes into this installed base of systems in hospitals in the US, continues to grow. And there's a strong momentum in areas like gastroenterology and other, and some of the infectious disease specialty areas.

If we look outside US and Europe, as said before, the only geography where we are experiencing slowdown is China. China continues to decline again in the quarter, 22%. And what we saw is that on top of the VBP that is hitting the industry. Now, we see that some of the provinces and cities that supposedly were not supposed to be hit by VBP now, as a combination of price policies driven by competition and/or the fact that hospitals do apply the VBP policy anyway. We see that the price erosion continues to be very strong in China. Again, this, I believe, has been reported by everybody that operates in this sector.

When it comes to our direct business, ex-US and ex-China, so we are talking about Australia, India, Mexico, and Brazil, we continue to see

mid-to-high single-digit growth. These markets continue to perform very well for the company.

Last but not least, our export business is displaying results in line with expectation, with clearly the exception of the Middle East region that has been impacted by the current war. And we estimated that the effect in the quarter is close to €1 million.

Now let's move to the molecular diagnostic. The molecular diagnostic total franchise declined 12%. And as said before, this is fundamentally driven by the very weak respiratory season. As we have discussed previously, I will comment the different segments, the different platforms, the LIAISON MDX franchise, and then I will talk about our multiplexing franchise and make a few comments about the LIAISON NES.

So let's talk about the LIAISON MDX franchise, which annually represents roughly €100 million of revenues. The franchise declined 7%, but as we have discussed, there are different trends in this product line. We have the respiratory, which is declining 40%. Again, it's all volume-driven. We have the targeted specialty, which is growing 41%. And this has to do with the fact that we continue to benefit on the uniqueness of our product offering. Today, the targeted specialty represents roughly €45 million, so is almost half of this franchise.

And then we have the ASR. ASR is for us a relevant business. It represents 40% of this basket. It's...these are reagents that we provide to hospitals and commercial labs to develop their LDT. It is highly affected by ordering patterns, and because clearly hospitals do buy these reagents in bulk. And in Q1 the business declined 10% versus last year, but we expect that this will normalize and get annualized to a small growth starting from Q2 this year.

Then let's move to molecular multiplexing franchise, which is approximately, again, €100 million annual [ph] revenues. In Q1, it's flat and it is flat notwithstanding the fact that there is a good portion of this business, which is respiratory, which clearly is very negative, but it's counterbalanced by the fact that we are growing the PLEX customer base.

And so, we have additional business and additional respiratory business, although it's again, from a volume perspective, is not where it's supposed to be due to the weak season. And then we have launched the blood and the new panels, which clearly are not seasonal, and they contribute to the net growth. So if we look at the performance of this segment, which again, strategic, is PLEX based, is flat. But the truth of the matter there is a strong growth, which is compensating the decline of the respiratory component of this business.

When it comes to customer split, which is an information I believe we have been starting to provide to the market by now, 90% of the customer type are hospitals and 10% are commercial labs. Clearly, we expect this to shift even more toward hospitals, which is the fundamental market for this technology. When it comes to the contribution, though, to the total revenues, 30% of the contribution comes from commercial labs and 70% comes from hospital labs.

And this has to do with the fact that, as we have press released, we have signed up and now installed our LIAISON PLEX in some of the major large commercial labs in the US. We expect the GI panel clearance within days, so I hope that we'll be able to provide some good updates, good news during our Analyst Day, which is going to happen on the 20th.

Now, I am going to give some qualitative comments about the LIAISON NES, because it has been just launched on April 1st. We have both distributors, Thermo Fisher and McKesson, now operating

in the US with the LIAISON NES. Because of the way this business works, there is...in the next few months we expect to install systems, and then these systems clearly going to generate reagent revenues during the flu season. So starting from late Q3 and beginning of Q4. We're going to give way more color during the meeting on the 20th, but I am happy to report that the launch has been so far very successful.

Now, last remark on LTG. As you all know, the LTG business for Diasorin is a B2B business. It's always related to bulk orders that are coming from our diagnostic clients as well as the life science clients, because of the way of the ordering pattern in 2025 versus 2026. We expect that H1 is going to be lighter than last year. And we expect H2 to show strong growth compared to last year.

And overall, we confirm our expectation that LTG will deliver low-to-mid single-digit growth in 2026. One element that I would like to comment on is that we see an improvement of the life science sector, I think as reported by some of our clients in their comments of Q1. Whereas the diagnostic business has always been traditionally very strong and clearly more predictable.

I'll now comment on the Investor Day. So everybody is invited to attend to our Investor Day, which is going to happen on May 20th. We're going to host our Capital Market Day at our innovation hub in Milan, where we're going to unveil our 2027-2030 Strategic Plan. This event clearly will offer a unique opportunity to experience our innovation percent, including live demonstration of all our platforms, which will be led by either R&D or our marketing team. And then the session will then continue with a comprehensive presentation of the new plan. And I warmly invite everybody to join us either in person or connected through the web.

Now, I'm turning the microphone to Alberto, who is going to take you through the numbers. Thank you, Alberto.

ALBERTO DONATI: Thank you, Carlo. Good morning and good afternoon, everybody and thank you again for joining the Diasorin Q1 2026 earnings call. And also for the continuous interest that you're all showing in our company. In the next few minutes, I'm going to walk you through the financial performance of the first quarter of the year. And then I will turn the line to the operator for the usual Q&A session. As we navigate through these results, you'll see that while we face some expected headwinds this quarter, we also remain confident that we're going to be achieving our full year guidance.

So Let me start from the revenues. Q1 2026 total revenues came in at €287 million, which is down 3% at constant exchange rates compared to Q1 2025, which is in line with the trend and guidance we shared in the previous conference call, and as Carlo just outlined. At current exchange rates, revenue declined 8% reflecting a significant Forex headwind of around €17 million. As a reminder, Q1 2025 benefited from an extraordinarily strong US dollar with an average of around 1.05 compared to an approximately 1.17 in Q1 2026, which is a difference of more than 10 cents. So overall, Q1 2026 was particularly impacted by the exchange rates. So given a very tough year-on-year comparison.

Moving to profitability, Q1 2026 adjusted gross profit came in at €186 million, down 5% at constant exchange rates compared to Q1 2025. At current exchange rates, the decline was 9% with a headwind of €10 million due to the Forex...to the exchange rate. The adjusted gross margin remained, however, quite stable at around 65% at both constant and current exchange rates, slightly down from the 66% of 2025. And this is primarily due to the negative impact of the tariffs in Q1 2026, which as you all know, were not yet present in Q1 2025. And this is also despite the unfavorable leverage of fixed cost, which is also

demonstrating the continuous capability of the company to deliver a diligent and rigorous cost management measures in order to maintain profitability.

The Q1 2026 adjusted operating expenses were €119 million that are substantially flat compared to 2025, with a ratio of revenues of 41% vis-à-vis a 39% of last year. This increase at constant exchange rate is around 4% as a result of a normal increase of expenses and most notably the commercial investment for the launch of the LIAISON NES platform, which we commented during the last call and accounts for north of €10 million for the full year.

Q1 2026 adjusted EBIT came at €67 million, which is down 17% at constant exchange rate, while at current exchange rate, the decline was 20% because of a Forex headwind of €3 million. The margin...the EBIT margin, was 24% at current exchange rates and 23% at constant exchange rates.

The adjusted interest expenses at €2 million are compared to an income of €1 million in 2025, and this is a difference of €3 million, mainly because of the lower yield on our cash balance, which is coming from not only the reduction of interest rates, but most importantly to the lower cash balance due to the share buyback. Year-to-date adjusted net result came in at €49 million, which is 17% of revenues and decreased by €16 million or 25% compared to the previous year.

Now, let me move to the EBITDA. Q1 2026 adjusted EBITDA totaled €90 million, which is around 31% at both constant and current exchange rates. And this decrease compared to last year reflects some of the headwinds that were previously mentioned, namely the VBP tariffs as well as the decision of investing for the success of the NES commercial launch, but most importantly and significantly, the

unfavorable operating leverage due to the lower revenues in the quarter.

Turning to the balance sheet and the cash flow performance, we delivered a solid result despite the challenging revenue and macro environment. Our net financial position showed net debt of €711 million at the end of Q1 compared to €580 million at the end of 2025. This is a variance of €131 million that primarily reflects, on one side, the good operating cash generation, and the free cash flow came in for Q1 at €32 million. But on the other hand, this was more than offset by €154 million for the cash outflow to support our share buyback program that is as, you know, aimed at the shareholder remuneration.

And as a reminder, within the authorization approved by the Shareholder Meeting on January 27th, and the Board of Directors approved the launch of a share buyback program for shareholder remunerations for a total cash outflow not exceeding €250 million. As of today, the company purchased over 3 million shares, completing roughly likely above 80% of the total program.

Now, in light of the Q1 results, we are confirming our full year 2026 guidance at constant exchange rates for 2025. We continue to expect revenues to grow between approximately 5% and 6% with adjusted EBITDA margin in the range of 32% to 33%. Please note that as we mentioned already last...during the last call, this guidance does not account for further potential negative impacts from the prolonged military conflict in the Middle East, which could further impact the group. Specifically, it excludes the possibly indirect effect of extended logistical and distribution difficulties, and most importantly, the potential future inflationary effect on material cost on one side and supply chain on the other, which were not significant in Q1.

Now before turning to the operator, allow me a quick update on tariffs, because as you all know, the US government adopted an exceptional

tariff framework in 2025, while in 2026...in early 2026, the legal landscape shifted significantly. On one side, the US court ruled the termination of the APA [ph] duties and also a nationwide order for customs to refund eligible amounts, while at the same time, the administration introduced also, you all know a temporary 10% global tariffs under the Section 122. As a result, Diasorin initiated a refund actions through the newly established mechanism, so we are now closely monitoring the situation, and we expect to have updates from customs within the next 90 days at the latest.

I will now hand it over to the operator for the Q&A session.

Q&A

OPERATOR: Thank you. This is the Chorus Call Conference operator. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press "*" and "1" on their touchtone telephone. To remove yourself from the question queue, please press "*" and "2." We kindly ask to use handsets when asking questions. Anyone who has a question may press "*" and "1" at this time.

The first question comes from Aisyah Noor with Morgan Stanley. Please go ahead.

AISYAH NOOR: Hi. Good evening, Carlo and Alberto. Thank you for taking my question. My first one is on QuantiFERON, which you mentioned on the call was growing 6% globally. From my understanding, is QIAGEN last week reported a 5% decline in their QuantiFERON franchise. So what is explaining this difference? And could you quantify the impact of the destocking effect for QuantiFERON in the quarter for you?

My second question is on the diagnostics market outlook. So we heard from bioMérieux a few weeks ago that the instrument sales

development in the market has been weaker than expected due to cost pressures in IVD. Just wondering if you are seeing a similar dynamic, and if you could remind us what the kind of split in sales or what was the development of instrument sales versus consumables for you? Thank you.

CARLO ROSA:

Okay, Aisyah, I'll take the call...I'll take the question. On the QuantiFERON, unfortunately, what...you cannot really compare our revenues to the QIAGEN revenues for 2 reasons. First one is that they have...they report CLIA, and they report ELISA. And so, when they see...so the overall franchise. And so, when they show a decline, and I think they've been talking about the effect of tenders in the Middle East, they clearly refer more to the ELISA technology. And therefore and this has been really impacting the overall franchise, whereas we only see the pure CLIA effect, and so we don't suffer from that.

Typically, if you remember, our QuantiFERON franchise was growing 15%. And so, now this slowdown, as we discussed is primarily driven by commercial lab segment in the US and destocking. North America has been soft in that sense, so has been declining, QuantiFERON minus 3% as a combination of that effect. So I cannot give you the destocking value, but I give you enough data that you can do the math yourself. My observation is that, starting from the beginning of Q2, which is what we experienced so far, we see that there is a normalization in QuantiFERON volume. So this has been, again some of the large labs that are actually doing all this visa testing, that had a lot of inventory that they decided to consume so they stop ordering for almost a quarter. And now they started again.

When it comes to the instrument sale comment of bioMérieux, and again, I believe...I don't know, I believe you are referring to the Spotfire, correct? Is it the Spotfire?

AISYAH NOOR: No, I think the comment was on broader instrument appetite for instrument CAPEX in the diagnostics market overall. So this would also be relevant for the immunodiagnostics business.

CARLO ROSA: Look, I would say that the vast majority of our business today is on reagent rental, both in...certainly across all the European countries. In the US, there was...after COVID, I believe we went back to the normal course of business. And so, I would say that 80% of our placement today are all on reagent rentals. So the sales really make a small portion of our revenues. So on the LIAISON NES granted, we...I have 4 weeks under my belt and so not enough experience. But we actually had surveyed the market pretty well, the POL market, which is where this system goes. And what it was very clear to us is that if during COVID, and I would say until 2023, 2024, there was availability...cash availability by these customers to buy the systems. Today is 90% reagent rental, because for a very simple reason, the customers cannot predict the revenues that they're going to be generating because it's seasonal.

So think about this season, right? For these customers in POLs, testing for respiratory is actually a revenue line for them, and they don't feel comfortable about projecting the revenue line because they are dependent as we are on the season. And they, I think, revert back to what was the typical model in this space pre-COVID, which has always been a reagent rental.

AISYAH NOOR: Okay. Thank you so much.

OPERATOR: The next question comes from Odysseas Manesiotis with BNP Paribas. Please go ahead.

ODYSSEAS MANESIOTIS: Hi. Thank you for taking my questions. Firstly, on the cost lines. I mean considering sales seem to have come a touch below by

EBITDA seems a bit above. Could you give us a bit of color on how the different cost lines move, and why you stopped disclosing them?

And secondly, on the...yes, on the NES interest so far, Carlo, I understand you don't have a lot of weeks under your belt to get a good feel of the interest so far. But from the few clients that you might have gotten a feeling, what are the few points of differentiation of the platform that have appreciated the most so far?

CARLO ROSA: Okay, I will take the second question, and I will leave to Alberto the first one. I think that he has just one clarifying question to you to be able to answer. So second...so you're asking about NES, and why we think NES is different. I hope you're going to be in Milan next week, but I will...no actually in 2 weeks, but I will show you why NES is different. And NES is a very simple platform. It is really like Lavazza coffee machine to be chauvinist, and you just put inside the cartridge, you push a button, you get the result.

If you look at the Spotfire, for example, there is a hands-on...it's been a very successful platform, by the way, but there is hands-on time, hands-on that, I mean, customers have to do it. The POL space, again, 4 weeks under my belt, but it's a very unsophisticated space. And I believe that the advantage that we have today compared to some of the legacy systems, but is a good example or even more recent systems is that we are really hands free.

Let me remind you that this system was designed originally for Walgreen when we started this. It was a Walgreen system for pharmacies. And I believe that today, what customers experience is 2 things versus at 8. Pretty much, it takes 17 minutes versus 40, 38 versus the other competition that provide results in similar time frame. It's simplicity, okay, but I hope you're going to be in Milan and next week, and I'll show it to you. Alberto.

ALBERTO DONATI: Odysseas, good afternoon. Allow me just to clarify whether you were asking for the split of the cost line, so the OPEX split and/or did I misunderstand your question?

ODYSSEAS MANESIOTIS: Yes, I was looking for a feeling of how the cost lines moved in the quarter. And yes, a feeling of whether there were substantial decreases in any of them to justify the stronger margins and our expectations?

ALBERTO DONATI: Okay. So let me start from the cost line. As I mentioned before, the growth in our operating expenses was 4% compared to previous year. Now, this is the combination of fundamentally 2 things. On one side, the salary increase that as we discussed and commented in the past, and Diasorin it is done in July every year. So in Q1, we had an impact roughly a third of the increase...of the overall increase is simply given the salary increase, the carryover effect of the salary increase that we had in Q3 of the previous year.

The second element, as I mentioned before, in terms of OPEX is the investment for NES launch, which again, \$10 million...north of \$10 million for the full year. We started very early with investments since the beginning of the year. We hired the team, almost the full team since the beginning, so that contributed around 1/3rd of the increase and then 1/3rd is purely driven by the normal increase of expenses...inflation increase of expenses that we usually have.

From a gross margin standpoint, as I said, we have a gross margin that is substantially flat and similar to previous year. We closed 2025 adjusted gross profit at 66%, while we closed Q1 this year, 65%. The 1% difference is fundamentally driven by the tariffs, while at the same time, we were able with strong cost management to offset the negative operating leverage. So from a gross margin standpoint, in Q1, we were substantially in line with our expectation.

ODYSSEAS MANESIOTIS: Thank you. And are you going to continue not disclosing the lines going forward? And could you give me a feeling of whether anything changes on the R&D side for you?

ALBERTO DONATI: So in terms of disclosure of data, we're going to be consistent with what we have disclosed so far. So you're going to receive the same level of information and data that we've been providing.

From an R&D standpoint...

CARLO ROSA: From an R&D standpoint, let me just make a comment. We have been investing a lot in our platforms in the last 3 years. There has been a surge in R&D spending, which has been very significant and clinical spending because we've been taking to the market 3 platforms. So what you have to expect, and I think what you will start to see from second half is that there is going to be a normalization of R&D expenses, which doesn't mean that we are not going to be developing products because you will see during our Investor Day next week, what we commit to, in terms of new product development, but certainly not to the intensity level, which was necessary to develop 3 platforms in the last 3 years. So again, normalization starting from H2.

ODYSSEAS MANESIOTIS: Very clear. Thanks for the color.

OPERATOR: The next question comes from Kavya Deshpande with UBS. Please go ahead.

KAVYA DESHPANDE: Good evening, Carlo and Alberto. Thanks for taking my questions. My first one is just around the reiteration of guidance. So it implies slightly faster revenue growth than previously over the rest of the year. If I'm not wrong, it still looks like it's implying flat margin over the next 3 quarters versus last year? Alberto, you were very clear on the pressures you faced on margins in Q1. But I guess something underlying feels like it was better, whether it was cost controls or the

benefit of the German factory closure. I was wondering whether you could elaborate on those tailwinds and whether you expect them to continue over the rest of the year?

And then Carlo, just on your expectations for China, given everything that's going on there, on the last call, I think you said you were expecting a €5 million decline there. Is that also...is that expectation also reiterated as part of your guidance? Thank you.

CARLO ROSA:

Let me take China first, Kavya, and then I'll let Alberto discuss about the rest. Look, I am...you need to concede that we have been very clear about China a while ago when everybody else was a little bit ginger about it. And I'm telling you the situation is not improving. And it's not improving as a combination of a couple of things. A), we all thought and hoped that the VBP would actually stay within certain provinces. And we all thought that we would be sheltered in some very large markets in China.

I'm telling you it's not happening. And it's not happening as a consequence of 2 things. A), some of these hospital administrators do implement VBP anyway. Second, you know and I know when you have companies...very large companies leaving on the table hundreds of millions of dollars in price, as some of the very large players have reported, the market become nasty. And nasty means that, in order to preserve the business that everybody has, then, we kill ourselves with pricing that, in my opinion, doesn't make sense.

So I believe we're very fortunate with the fact that, if it's not €5 million, it's going to be €7 million. Okay? But it's a relatively small damage. I believe that, when it comes to the whole industry, there is going to be another level of pain that will surface in this market moving forward. Is a combination of 3 things. The market becoming again very aggressive, VBP being extended. And last but not least, I believe I'm starting to see Chinese players that now are moving not

only out of clinical chemistry, hematology and immunoassays, but they're also getting a more specialty segment.

KAVYA DESHPANDE: Understood. Thank you.

ALBERTO DONATI: Thank you, Carlo. So going back to your first questions related to gross margin and what is our expectation. So allow me to start from the end, and then I'll walk you through some of the elements. Fundamentally, yes, we do expect our gross margin to be stable and then the EBITDA to improve, so that we go back within the guidance range of 32% to 33% as the effect of the operating leverage.

So let me now further clarify. We do have positive and negative elements affecting our gross margin. On the side of the negative elements, of course, we are going to have...and we are going to foresee a negative and unfavorable mix coming from the growth of the molecular franchise that, as we know and we discussed in the past, is dilutive in terms of margin for our group. So the growth of the revenues in that franchise is going to be slightly dilutive for our gross margin, as well as Carlo already mentioned, a further deterioration on China.

Now we plan to offset those, thanks to, you mentioned it as well, Germany...the closure of the Germany, so the optimization of our industrial footprint. The fact also that in the second half we're going to have a lower impact on tariffs compared to what we had in the second half of last year, and simply the positive effect of the operating leverage.

KAVYA DESHPANDE: Thank you. And if I could just clarify on the German factory closure, I think Luigi [ph] had previously said you expected a €6 million to €8 million benefit. Is that still the expectation?

ALBERTO DONATI: Yes, indeed.

KAVYA DESHPANDE: Thank you.

OPERATOR: The next question comes from Jan Koch with Deutsche Bank. Please go ahead.

JAN KOCH: Good evening. Thanks for taking my questions. You mentioned in your press release that you expect several headwinds to ease from Q2 onwards. What gives you confidence that this actually happens?

Then secondly, on QuantiFERON, I am sorry if I missed that, but how much of your QuantiFERON revenue is exposed to immigration testing in the US and in the Middle East region?

And then finally, on the phasing of your sales growth this year, do you think that you can already be in line with the full year guidance range in Q2?

ALBERTO DONATI: So, I'll start from the guidance. So when we disclosed the guidance last month, we already showed the progression. And so, we show the progression quarter-over-quarter, and you can see that while we were expecting for Q1 to be slightly negative, we also expect Q2 to be slightly positive. We're going to be within guidance by the end of the year. Thanks to the contribution of the second half. So by the time we close H1, we're not going to be yet within the 5% to 6% growth.

CARLO ROSA: I think the question is different. Look, I understand what...so you're saying, so what you're asking, what are the headwinds that you're not going to have? I think primarily 2. One is an assumption that I think everybody is making that we're going to have a normal flu season in Q4, right? Second element is to do with the LTG. As explained last year, if I remember correctly, LTG grew 15% in H1. It declined 14% in H2, and eventually the growth was around 1%. We expect that overall by year-end the business will grow low-single-digit to mid-

single-digit. It really depends how life science will perform. So...but growth anyway. Q1 we...I think we closed with minus 7%, again which is all to do with the ordering pattern. So this is going really to carry an effect on the H2 performance versus H1. Let me also remind you that the LTG...the fact that LTG carries more weight in H2, is really contributing also to the growth of the margins because it's a very profitable business for us. So it will contribute to an improvement all of the mix.

Next. Sorry, did you have another question?

JAN KOCH: Yes, on QuantiFERON and exposure to immigration testing?

CARLO ROSA: Look, as you know...as you very well know, QuantiFERON is a QIAGEN business, and so I cannot really comment too much on QuantiFERON. I know that Thierry had a QuantiFERON day yesterday, and unfortunately, I didn't have time to listen to it. And so, I don't know what he discussed about integration, whether he quantified, but I really invite you to actually refer to what QIAGEN discussed yesterday.

JAN KOCH: Got it. And then one follow-up, if I may, on the commercial investments for the NES launch. And how much of the planned €10 million investments were already booked in Q1?

CARLO ROSA: Less than 2.

JAN KOCH: Okay.

CARLO ROSA: Within 2.

OPERATOR: The next question comes from Anna Ractliffe with Bank of America. Please go ahead.

ANNA RACTLIFFE: Hi. Thank you for taking the question. I wanted to ask about the reiterated guidance in the context of the slightly softer quarter. Do you still see a pathway to the high end or should we be thinking more about the low end for this year? And then also appreciate you aren't including Middle East impact in your guidance, but if you could help us directionally with the exposures. I think last quarter you said every month the price of oil is above \$100, that's a €5 million impact. Is that still the right way to think about it, and do you have any levers to offset that impact? Thanks again for taking the questions.

CARLO ROSA: Anna, look, believe me, I'm not in a position now to say high end, low end. I'm saying that we feel as comfortable that we're going to hit the range, and I believe that let's see what happens in Q2, and then we may comment differently about which side of the range we're going to be.

Related to your second question about the effect of oil, I think Alberto is going to shed some light.

ALBERTO DONATI: Thank you, Carlo. Yes, indeed. So as we mentioned before and during the last call. During the last call, Carlo already mentioned that there are...we've estimated at least €5 million of potential increase between the supply chain cost and also a further potential increase on materials that we have not quantified coming from the increase in material cost due to the increase in plastics. Now, this is not included in our €5 million annualized. Absolutely, this is not included in our guidance because it was not material, not significant in Q1, and we cannot make an estimation of what it could be the impact within 2026 yet.

ANNA RACTLIFFE: Just one clarification, there was no impact in Q1, correct?

ALBERTO DONATI: Yes.

OPERATOR: The next question comes from Natalia Webster with RBC. Please go ahead.

NATALIA WEBSTER: Hi there. Thanks for taking my questions. I have 3, please. The first is on the Immuno business. Just following up on Immuno US growth. Appreciate the numbers around QuantiFERON, but are you able to provide the level of impact that you saw from the adverse weather in Q1, and then what the underlying US growth looked like excluding both of these effects? I'm interested to hear on what you're expecting for both QuantiFERON growth and underlying US growth for the remainder of the year?

And my second question is on Immuno growth in Europe. You previously talked to normalization in volumes and specifically mentioned that German testing volumes fell to around 1% in 2025. Has this stabilized in Q1 or do you see further downside risk here?

And then thirdly, just following up on that last question on the Middle East impact. Appreciate you say that the impacts weren't material in Q1, but are there certain mitigation measures that won't necessarily continue going forward? And are you able to just help us a bit around the potential exposure if you're not able to offset these in the longer term? Thank you.

CARLO ROSA: Let me start from the last. We know for sure that our business in Iran most likely is going to suffer from this situation, right? Roughly Iran did represent for us €3 million to €4 million, and so far, clearly, we're not able to ship anything to the country, nor we know what is going to happen at the end of this, because we had a distributor there and honestly, we don't know where the distributor is these days. So that is an element. The rest of the region we assume that the problem today is more to do with the logistics. Actually, we know it's logistics because Dubai was our port of entry for many of these countries, and with slowdowns, distributors have been working with the inventory that they had. So depending on how long this will continue, clearly, it's going to get to a point where they're going to run out of inventory and

then that is going to be a problem. So today, I don't know, it can be temporary or you can have an effect...an effect moving forward.

When it comes to the volume, look, today, what we see...when we say normalization in Europe it means that we continue to experience quarter-to-quarter growth which sits as low as 0.5%, as high as 2%. Clearly, again, you need to...it's a bit difficult on a monthly basis, and this is why I'm saying...we are saying, it's around one, one and a half. But really compares to last year where you were around 6%, right in certain quarters. So this is why I'm saying we believe that we go fundamentally reading these numbers, we are back to pre-COVID time, where the European market was growing to these levels. And I don't know...didn't pay attention, I don't know if any of our competitors gave any indication about volume.

US. growth, let me make it simple for you. If you strip out the 2 effects, which is the destocking plus the weather effect. And the weather effect again did hit some of the states because others were no problem. But unfortunately, some of the state like the East Coast, we have very large customers. I would say that if I look at March, March pretty much normalized. And therefore, if you strip out QuantiFERON and you strip out the weather effect, the rest of the business has been delivering in line with what we have seen in the previous quarters.

NATALIA WEBSTER: Thank you. And just on the QuantiFERON growth going forwards, are you expecting this to improve into Q2 and H2?

CARLO ROSA: Listen, I said before, don't shoot the messenger. I believe you should be talking to and listening to QIAGEN and just following their indication about what they expect QuantiFERON to be. Again, the only thing you need to be cautious is that they have an ELISA component to it, which clearly is sold in a certain environment, whereas we only have CLIA. And our business is fundamentally US and Europe, whereas their business is global, because in many

geographies they sell ELISA. So when you talk to them, you...I think you need to ask from them more color on the geographies in case you're interested.

NATALIA WEBSTER: Okay. Thank you.

OPERATOR: The last question comes from Philip Omnou with JP Morgan. Please go ahead.

PHILIP OMNOU: Hi, guys. Thank you for taking my questions. Just one more technical one. The D&A charge in Q1 are a bit lower, at least versus what we expected. And I know you guys have spoke to higher D&A given the launch of NES. So can you give us a bit more color on what we should expect as a runway going forward from here?

And then second question, just on QuantiFERON again. And I know you guys don't want to talk too much given it's a QIAGEN business, but it would help us understand if there's anything baked into the full year guidance through sort of incoming competition in the LIAISON TB testing area?

CARLO ROSA: I'll take the second one. We honestly...we are eagerly waiting to see what Roche is going to say, I think, in their diagnostic day. But to be honest with you, I don't expect any material competition in 2026. So our guidance does not take into effect any effect from the launch of Roche products in Europe by the way looks like that they have been talking about Europe. But I think it is a matter of hours, and then they are going to unveil the strategy.

First question...

ALBERTO DONATI: Thank you.

CARLO ROSA: And you take care of it.

ALBERTO DONATI: Yes, I will do it. Thank you, Carlo. So from a D&A perspective, we can confirm the expectation of growth in the second half. Just please, you mentioned 2 components, the launch of the new products, which for us is in 2 components, the NES and the PLEX. Why do I mention both? Because on one side, NES was officially launched on the 1st of April, so you don't see the full impact and the full effect in the first quarter and second, because we do have also the expectation for the GI panel to be registered and launched in a matter of weeks and days.

And so, we will also start depreciation amortization of those panels. This is from an intangible standpoint. And then from a tangible standpoint, again, given the fact that the NES has just been launched, the installation of instruments is going to happen in the coming weeks and months. And so, we do expect that with the success of the platform, you're going to see also an increase of depreciation amortization related to the instruments that we will be placing reagent rental.

PHILIP OMNOU: Okay. Thank you that's it clear.

OPERATOR: Mr. Rosa, gentlemen, there are no more questions registered at this time.

CARLO ROSA: Thank you, operator. Take care.