



FY 2019 RESULTS

March 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.

Highlights

| FY'2019 | | | |
|-------------------------------|-------------------------|-----------------|------------------|
| | VALUE IN €/mln | @ curr | @ CER |
| REVENUES | 706.3 | +5.5% | +3.8% |
| CLIA EX VIT D | | +10.9% | +9.7% |
| VIT D | | +0.5% | -2.4% |
| ELISA TESTS | | -1.3% | -2.8% |
| MOLECULAR TESTS | | +12.6% | +7.3% |
| INSTRUMENTS & OTHER REVENUES | | -6.5% | -7.2% |
| EBITDA | 276.8 | +8.4% | +6.3% (*) |
| EBITDA MARGIN | | 39.2% | 39.1% (*) |
| | | +104 bps | +95 bps |
| NET RESULT | 175.7 | +11.1% | |
| % ON REVENUES | | 24.9% | |
| FREE CASH FLOW | 180.1 | | |
| NET FINANCIAL POSITION | 172.9 (**) | | |
| ORDINARY DIVIDEND | € 0.95 per share | | |

PLACEMENTS

| | FY 2019 | @DEC 31, 2019 |
|---|-------------|---------------|
|  | +515 | 4,516 |
|  | -75 | 3,773 |
| TOTAL | +440 | 8,289 |

(*) +7.6%, net of exchange rate effect and Q4'19 one-off costs; 39.6% EBITDA margin

(**) Negative impact from IFRS 16 adoption (€/mln 29.3)

Business and Product development Highlights

IMMUNODIAGNOSTICS



NEW PANEL LAUNCH: ANAEMIA

Completion of the anemia panel, with launch of **Vitamin B12** and **Folate** tests



LIAISON XS COMMERCIAL PRESENTATION

Commercial launch of the **new CLIA analyzer**



GASTRO-INTESTINAL INFECTIOUS DISEASES PANEL EXPANSION

Launch of **Elastase-1** test



CALPROTECTIN

Launch of **Calprotectin** test on **stool samples**, as an aid to differentiate between IBD and IBS



INFECTIOUS DISEASES: ZIKA

Launch of **ZIKA Capture IgM II test for Zika virus infection** detection



QUANTIFERON-TB GOLD PLUS, IN PARTNERSHIP WITH QIAGEN

Launch of **LIAISON QuantiFERON-TB Gold Plus** for the detection of **Latent Tuberculosis infection** on blood samples



COLLABORATION WITH BECKMAN COULTER: LAUNCH OF HCV

Launch of **HCV** test, following the partnership for the registration of Heps and Retrovirus tests in the US (11 CLIA tests)

COLLABORATION EXTENSION ON LYME DISEASE TEST WITH QIAGEN

Extension of QuantiFERON collaboration to develop an ultra-sensitive diagnostic test aimed at identifying **Lyme disease**

MOLECULAR DIAGNOSTICS



INFECTIOUS DISEASES KIT: VZV

Launch of **VZV** test for the detection of **varicella-zoster virus** from both cutaneous and mucocutaneous swab specimens



INFECTIOUS DISEASES KIT: VZV

Launch of **VZV** test for the detection of **varicella-zoster virus** from cerebrospinal fluid



INFECTIOUS DISEASES KIT: BORDETELLA

Launch of **Simplexa Bordetella Direct** test to provide qualitative detection/differentiation of both **Bordetella pertussis** and **Bordetella parapertussis** in human nasopharyngeal swabs



CANDIDA AURIS

Launch of a new primer pair for **Candida auris**, a quickly emerging drug-resistant yeast that spreads in health facilities.

CORONA VIRUS (COVID-19)

Studies completed to support the launch **by end of March 2020** of a rapid response test for the current **novel Coronavirus (COVID-19)**

OTHERS

CLOSURE OF THE GROUP MANUFACTURING FACILITY IN SOUTH AFRICA

Ongoing streamlining of the Group's industrial and manufacturing process

Exclusive licensing agreement for a molecular diagnostic POC technology with TTP

Development of a molecular Point-of-Care platform, providing diagnostic results to clients in less than 15 minutes, to support the growing decentralization process in the diagnostic market and in line with the DiaSorin Group's strategy.

Availability on the platform of the first test expected in the US by 2023.

FY 2019 revenue growth

Total Group revenues

FY'19 vs. FY'18
 @ curr +5.5%
 @ CER +3.8%

-  All CLIA tests, net of Vitamin D
 - Molecular diagnostic tests
 - FOREX: ~ +€/mln 12.0
-  Vitamin D volumes slowdown (mainly US) and price pressure
 - ELISA and Instruments sales

FY'19 vs. FY'18

| CLIA | CLIA ex Vitamin D tests | @ curr +10.9% |
|------|---|---------------|
| | | @ CER +9.7% |
| | Vitamin D test (CLIA) | @ curr +0.5% |
| | | @ CER -2.4% |
| | ELISA tests | @ curr -1.3% |
| | | @ CER -2.8% |
| | Molecular Diagnostic tests | @ curr +12.6% |
| | | @ CER +7.3% |
| | Instruments & Other Revenues | @ curr -6.5% |
| | | @ CER -7.2% |

FY'19 vs. FY'18

EUROPE & AFRICA

+4.9%

| | | |
|----------------|--------|---|
| Italy | +16.3% | Upward trend of CLIA panel, particularly LTB, PCT and GI |
| Germany | +3.7% | Upward trend of ID, Heps and GI, partly offset by lower ELISA sales |
| France | -3.0% | Introduction of new national policies limiting public reimbursement of some specialty tests |
| Export | -21.4% | Non-renewal and seasonality of some tenders and lower instruments sales |

USA & CANADA

+3.8%

| | | |
|------------|-------|--|
| USA | +5.3% | CLIA ex Vit D and molecular tests growth (respectively +14.5% and +8.6%), partly offset by Vit D downward trend. Molecular business, ex flu, grew +26.4% |
|------------|-------|--|

ASIA PACIFIC

+3.3%

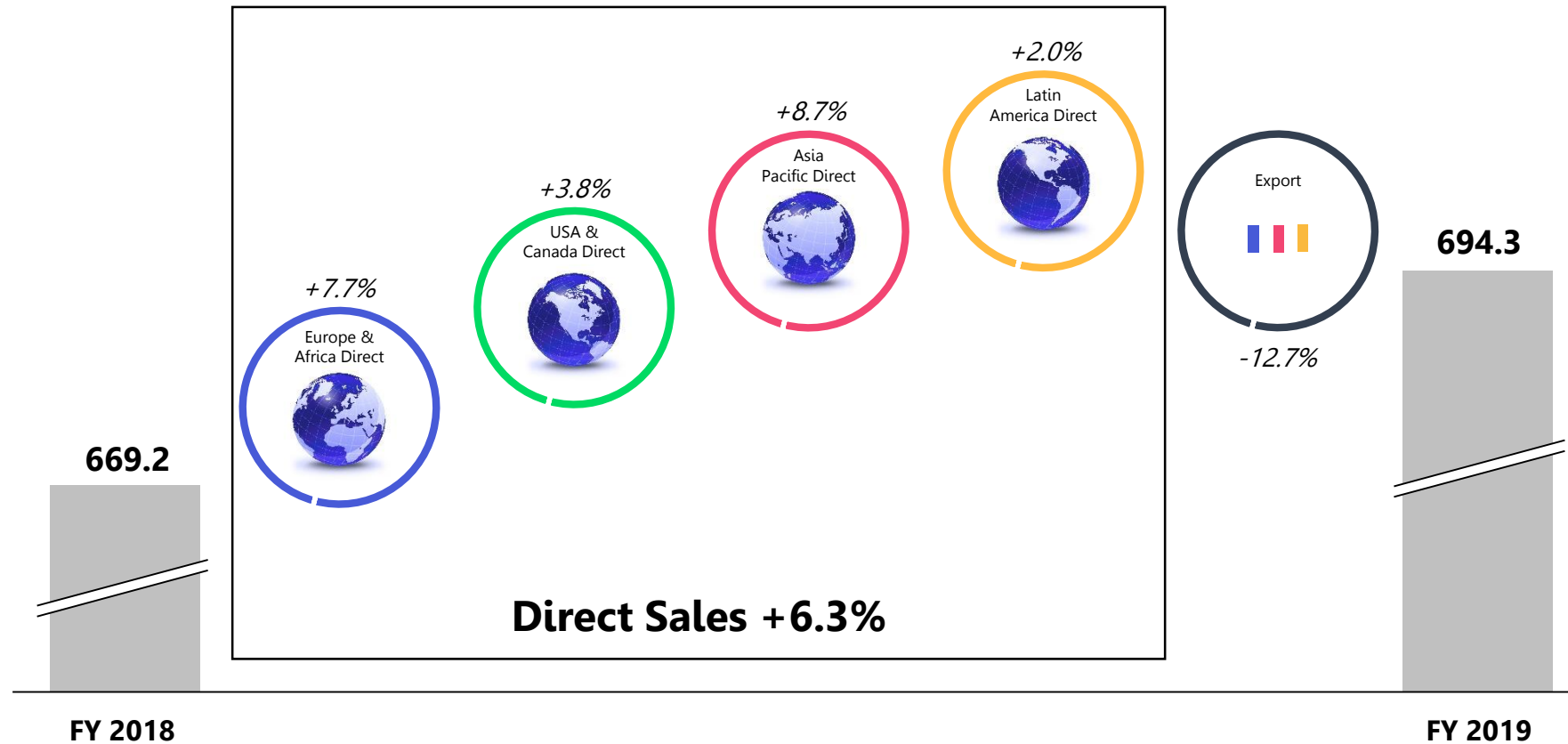
| | | |
|------------------|-------|---|
| China | +9.0% | CLIA tests (+10.1%), primarily Hepatitis, ID and Thyroid tests. |
| Australia | +7.6% | Upward trend of CLIA sales (ID, GI and Heps), molecular tests and instruments |
| Export | -7.1% | Non-renewal of some tenders and lower instruments sales |

LATIN AMERICA

-3.4%

| | | |
|---------------|--------|---|
| Brazil | -1.0% | Downward trend mainly due to Vit D, ToRCH, and Murex ELISA business |
| Mexico | +8.9% | Upward trend of CLIA sales (mainly ID, Heps and Autoimmunity) |
| Export | -12.0% | Decline in instruments sales and seasonality of some orders |

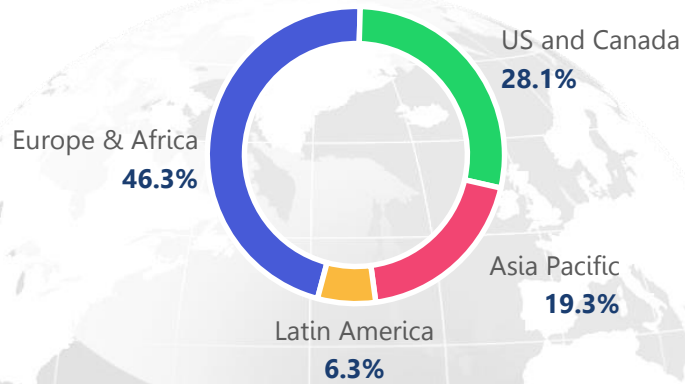
FY revenues growth managerial outlook @ 2018 CER



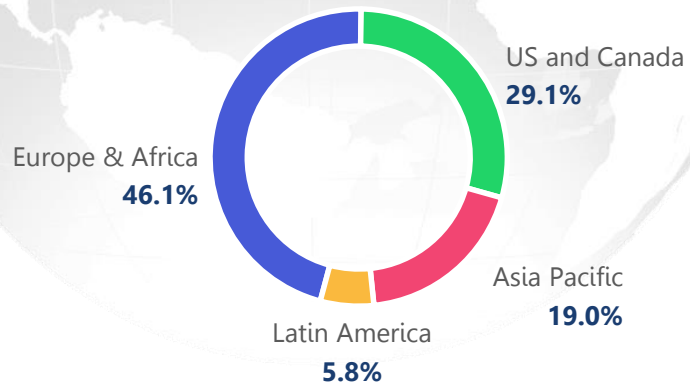
FY 2019 revenues breakdown @ current exchange rate

BY GEOGRAPHY

FY' 18

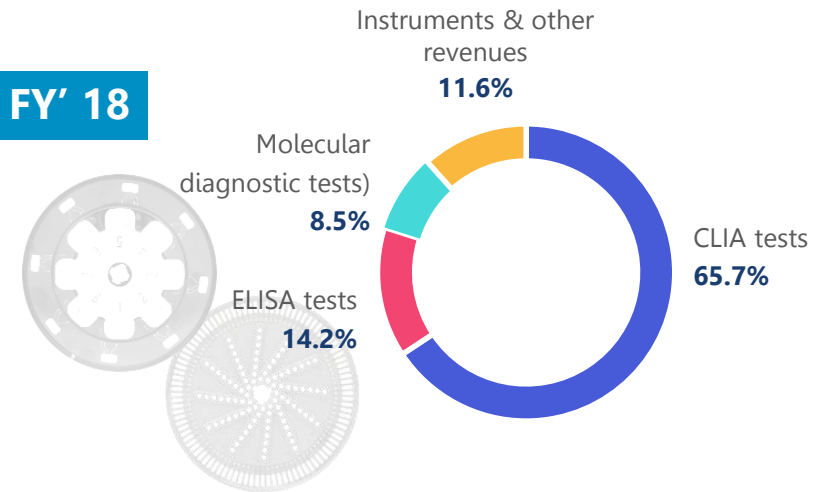


FY' 19

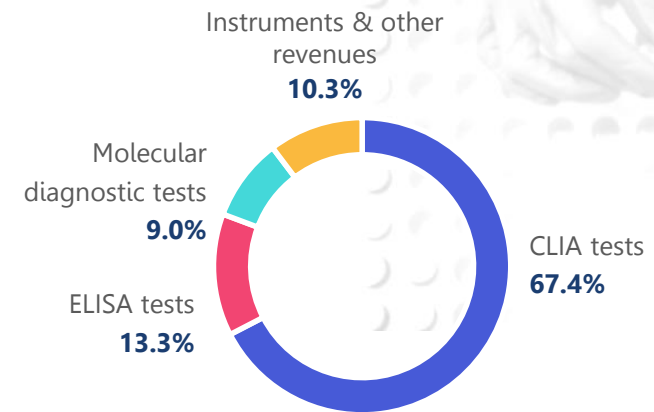


BY TECHNOLOGY

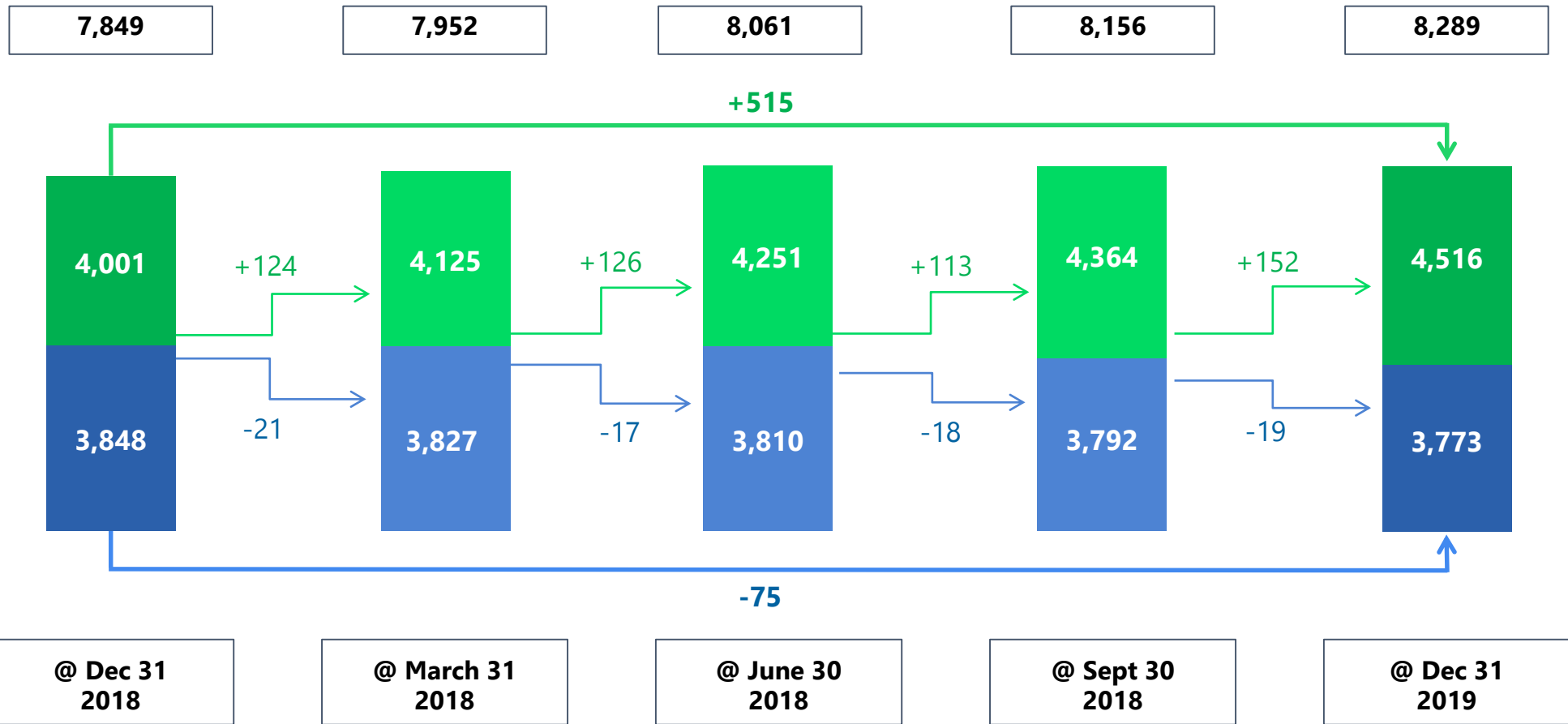
FY' 18



FY' 19



Installed base expansion



FY 2019 profitability profile

FY'19 EBITDA upward as result of:

- Increase in Gross Profit due to an increase of specialty sales, favorable geographic and channel mix, and manufacturing efficiencies
- Net of the exchange rate effect and some one-off costs in Q4'19, among which those relating to the manufacturing facility closure in South Africa, EBITDA increased by 7.6% at CER, equal to 39.6% of Group revenues.

| | FY'18 | FY'19 | Change % |
|-----------------------|--------------|--------------|-----------------|
| EBITDA (€/MLN) | 255.4 | 276.8 | <i>+8.4%</i> |
| <i>@ CER</i> | | | <i>+6.3%</i> |
| EBITDA MARGIN | 38.2% | 39.2% | <i>+104 bps</i> |
| <i>@ CER</i> | | <i>39.1%</i> | <i>+95 bps</i> |

Company Guidance



Company Guidance

FY'20 AT CER(*), COMPARED TO 2019

REVENUES

**GROWTH APPROXIMATELY
+5.0%**

EBITDA MARGIN

BETWEEN +38% AND +39%

GUIDANCE DOES NOT INCORPORATE POTENTIAL NEGATIVE EFFECTS DERIVING FROM THE RECENT
CORONAVIRUS EPIDEMIC (COVID-19)

(*) 2019 €/US\$ AVG. EXCHANGE RATE = 1.12

Financial schemes



Income Statement

| <i>Data in € million</i> | FY | | Change | |
|-------------------------------------|----------------|----------------|--------------|---------------|
| | 2018 | 2019 | amount | % |
| Net Revenues | 669.2 | 706.3 | +37.1 | +5.5% |
| Cost of sales | (213.4) | (217.6) | -4.2 | +2.0% |
| Gross profit | 455.8 | 488.7 | +32.9 | +7.2% |
| <i>Gross Margin</i> | 68.1% | 69.2% | +1.1% | |
| Sales and marketing expenses | (133.1) | (142.8) | -9.7 | +7.3% |
| Research and development costs | (45.1) | (47.9) | -2.9 | +6.4% |
| General and administrative expenses | (67.2) | (69.6) | -2.4 | +3.5% |
| Total operating expenses | (245.4) | (260.3) | -14.9 | +6.1% |
| <i>% on sales</i> | 36.7% | 36.9% | +0.2% | |
| Other operating income (expense) | (5.9) | (10.5) | -4.6 | +79.0% |
| EBIT | 204.5 | 217.9 | +13.3 | +6.5% |
| <i>EBIT margin</i> | 30.6% | 30.8% | +0.3% | |
| Net financial income (expense) | (0.2) | (1.6) | -1.4 | <i>n.m.</i> |
| Profit before taxes | 204.4 | 216.3 | +11.9 | +5.8% |
| Income taxes | (46.2) | (40.6) | +5.7 | -12.3% |
| Net result | 158.1 | 175.7 | +17.6 | +11.1% |
| EBITDA | 255.4 | 276.8 | +21.5 | +8.4% |
| <i>EBITDA margin</i> | 38.2% | 39.2% | +1.0% | |

Balance Sheet

| <i>Data in € million</i> | 12/31/18 | 12/31/19 | Change |
|-----------------------------------|-----------------|-----------------|---------------|
| Goodwill and intangibles assets | 373.1 | 370.3 | -2.8 |
| Property, plant and equipment | 95.0 | 128.4 | +33.4 |
| Other non-current assets | 23.0 | 34.1 | +11.1 |
| Net working capital | 201.0 | 211.0 | +9.9 |
| Other non-current liabilities | (62.7) | (68.0) | -5.3 |
| Net Invested Capital | 629.4 | 675.8 | +46.3 |
| Net Financial Position | 75.3 | 172.9 | +97.6 |
| Total shareholders' equity | 704.7 | 848.6 | +143.9 |

Cash flow statement

| <i>(Amounts in million of euros)</i> | FY | |
|---|---------------|---------------|
| | 2018 | 2019 |
| Cash and cash equivalents at the beginning of the period | 159.3 | 73.1 |
| Cash provided by operating activities | 209.9 | 232.7 |
| Cash used in investing activities | (49.4) | (52.2) |
| Cash provided/(used) in financing activities | (215.2) | (68.4) |
| Acquisitions of companies and business operations | (22.0) | (6.9) |
| Net change in cash and cash equivalents before investments in financial assets | (76.8) | 105.1 |
| Divestment/(Investment) in financial assets | (9.4) | (20.7) |
| Net change in cash and cash equivalents | (86.2) | 84.4 |
| Cash and cash equivalents at the end of the period | 73.1 | 157.6 |

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