

FY 2020 RESULTS

March 11, 2021

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	FY'20	Change	
		@ current	@ CER
Revenues	881.3	+24.8%	+27.0%
CLIA ex Vitamin D		+8.9%	+11.0%
Vitamin D		-27.4%	-25.9%
ELISA tests		-30.4%	-29.2%
Molecular tests		+307.3%	+313.4%
Instruments & Others		+8.0%	+10.0%
EBITDA	385.3	+39.2%	+41.7%
<i>EBITDA Margin</i>		43.7%	43.7%
		+452 bps	+455 bps
Net Result	248.3	+41.3%	
<i>% on revenues</i>		28.2%	
Free Cash Flow	232.2		
Net Financial Position	305.3		

FY 2020 key facts

Immunodiagnostic Installed Base

	@ December 31, 2020
New placements of Liaison XL	+598
Overall installed base	8,775

Business Development

- **TTP:** exclusive licensing agreement for the development of a flexible and cost-effective molecular diagnostic platform for Point-of-Care (POC).
- **MeMed:** strategic partnership to make the MeMed BV™ - a pioneering test for distinguishing between bacterial and viral Infections - available on LIAISON XL
- **JV with Chinese Government:** extension of existing JV to Shanghai Baoshan District Government to open the Group's first manufacturing and research plant in China, which will enable DiaSorin to emerge as a high-quality China-based diagnostic manufacturer and get access to new market opportunities reserved for local manufacturing companies only.

Product Development

Immunodiagnosics

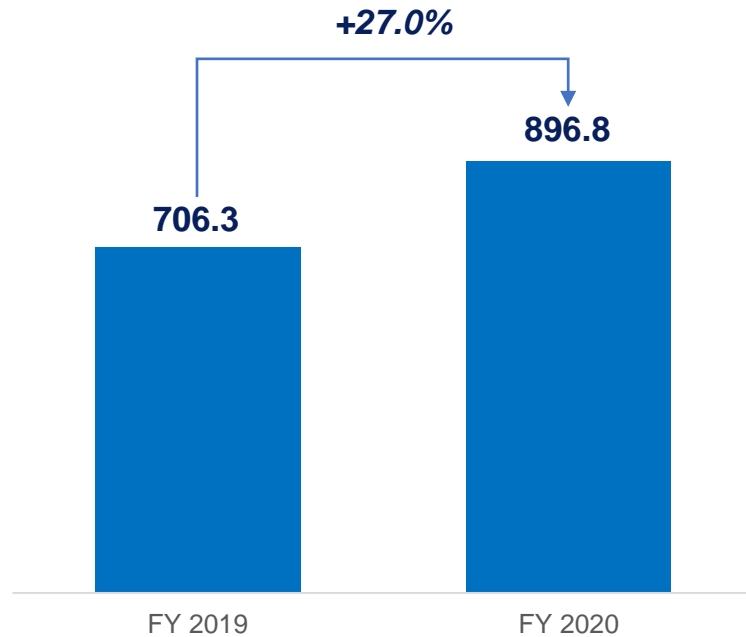
- **LIAISON SARS-CoV-2 S1/S2 IgG:** for the detection of IgG antibodies against SARS-CoV-2 (*CE marked and approved for Emergency Use Authorization in the U.S.*)
- **LIAISON SARS-CoV-2 IgM:** for the detection of IgM antibodies against SARS-CoV-2 (*CE marked and approved for Emergency Use Authorization in the U.S.*)
- **LIAISON SARS-CoV-2 TrimericS IgG:** a quantitative test for the determination of IgG antibodies, developed using the full length SARS-CoV-2 Spike protein in its Trimeric form (*CE marked*).
- **LIAISON SARS-CoV-2 Ag:** for the identification and quantitative detection of SARS-CoV-2 viral load through nasal and nasopharyngeal swabs (*CE marked*).
- **LIAISON Testosterone xt:** for dosage of testosterone (*CE marked*).
- **6 tests for Hepatitis B (Anti-HBs, Anti-HBc, Anti-HBe, HBeAg, HBcIgM, and HBsAg) and 1 test for HIV** approved by the FDA, completing the whole Hepatitis and Retrovirus offer in the U.S.
- **2 tests (LIAISON Lyme IgG and LIAISON Lyme IgM)** approved in the U.S. for the identification of IgG and IgM antibodies against *Borrelia burgdorferi* (Lyme disease)

Molecular Diagnostics

- **Simplexa COVID-19 Direct:** for SARS-CoV-2 detection from nasal and nasopharyngeal swabs (*CE marked and approved for Emergency Use Authorization in the U.S.*) and from saliva specimens (*CE marked*)
- **Simplexa FLU A/B & RSV Direct Gen II:** for the detection of Flu A, B and RSV strains, allowing differential diagnosis of these infections and SARS-CoV-2 (*CE marked and approved for Emergency Use Authorization in the U.S.*)
- **Simplexa Congenital CMV Direct:** the only test available on the market to detect Cytomegalovirus DNA directly in both saliva and urine specimens from newborns up to 21 day old (*CE marked*).

Managerial outlook on FY 2020 revenues

Total Group revenues (data in €/mIn @CER)



Quarterly evolution of the business

Q1

Positive results, despite:

- **BUSINESS EX-COVID**: first signals of deceleration in some European Countries and negative impact in China due to COVID-19 pandemic
- **COVID-19 TESTS**: initial but negligible contribution from molecular tests (launched on March, 20)

Q2

Results affected by 2 different dynamics:

- **BUSINESS EX-COVID**: negative in all geographies, due to volume decrease during pandemic peak phase (-33.5% @CER)
- **COVID-19 TESTS**: large demand of both serology and molecular tests more than offsetting business ex-COVID negative trend

Q3

Revenues growth due to:

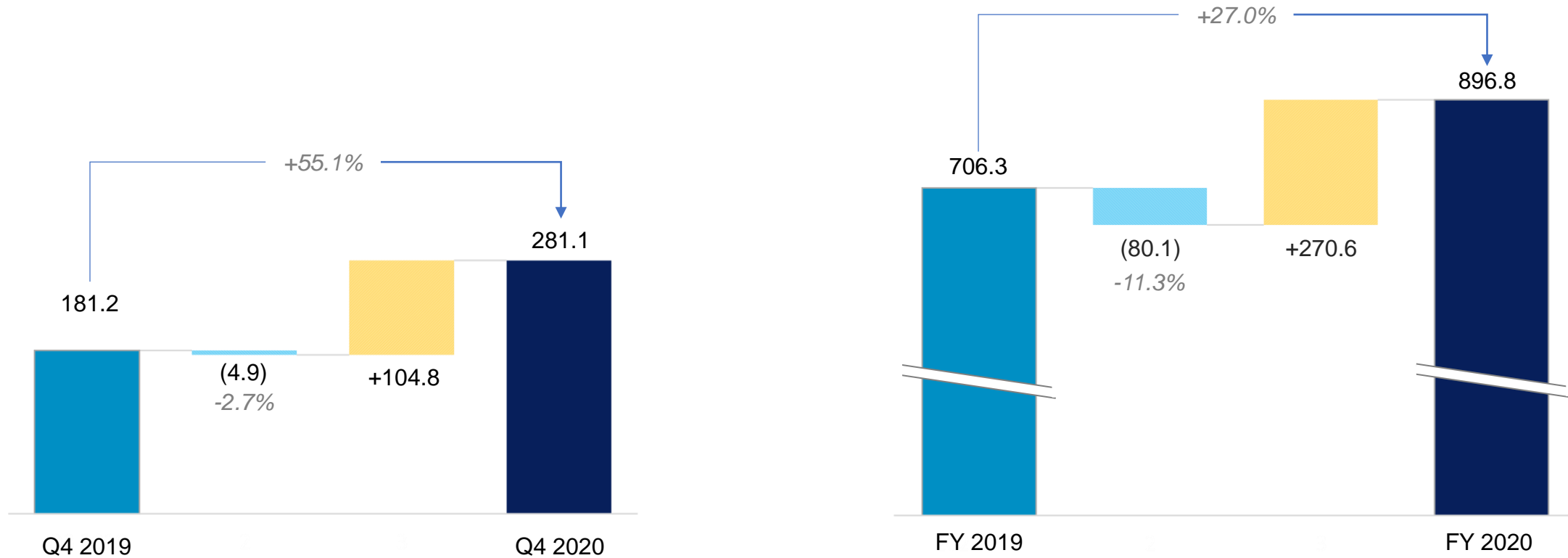
- **BUSINESS EX-COVID**: still negative, but progressively recovering (-7.2% @CER)
- **COVID-19 TESTS**: strong contribution from molecular business, following progressive increasing manufacturing capacity

Q4

Revenues acceleration driven by:

- **BUSINESS EX-COVID**: almost in line with Q4'19 (-2.7% @CER), with growth in CLIA business, net of Vitamin D, molecular business ex-COVID and instruments
- **COVID-19 TESTS**: strong demand for molecular tests, as a consequence of high-demand and increased manufacturing capacity

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



Change in business ex-COVID COVID-19 tests contribution

Data in €/mln @ CER

FY 2020 revenue growth by geography and technology

BY GEOGRAPHY

FY'20 vs.
FY'19

EUROPE & AFRICA

- All countries recording positive top line trend in H2, mainly thanks to the contribution of molecular COVID-19 testing
- Ex-COVID testing volume improved in H2 despite lockdown measures

+20.5%

USA & CANADA

- SARS-CoV-2 tests' positive contribution
- Ex-COVID testing volume improvement in H2 mainly driven by Latent Tuberculosis and Gastrointestinal panel tests

+77.0%

ASIA PACIFIC

- Strong impact of pandemic, with a recovering trend recorded in H2 in all the countries
- Business recovery slowed down by commercial unavailability of SARS-CoV-2 tests in China

-23.7%

LATIN AMERICA

- Positive trend in H2 as a result of COVID testing and recovery in ex-COVID business partially offsetting the negative trend of H1

-7.5%

BY TECHNOLOGY

FY'20 vs.
FY'19

CLIA

CLIA EX VITAMIN D TESTS

reported
@ CER

+8.9%
+11.0%

VITAMIN D TEST (CLIA)

reported
@ CER

-27.4%
-25.9%

ELISA TESTS

reported
@ CER

-30.4%
-29.2%

MOLECULAR DIAGNOSTIC TESTS

reported
@ CER

+307.3%
+313.4%

INSTRUMENTS & OTHER REVENUES

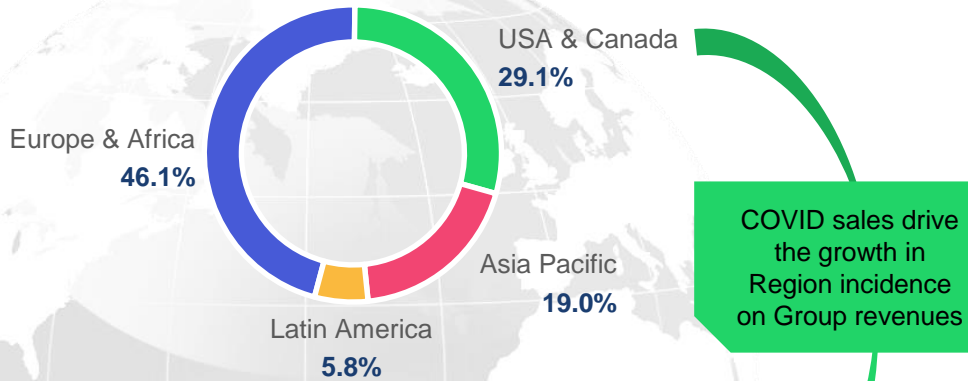
reported
@ CER

+8.0%
+10.0%

FY 2020 revenues breakdown @ current exchange rate

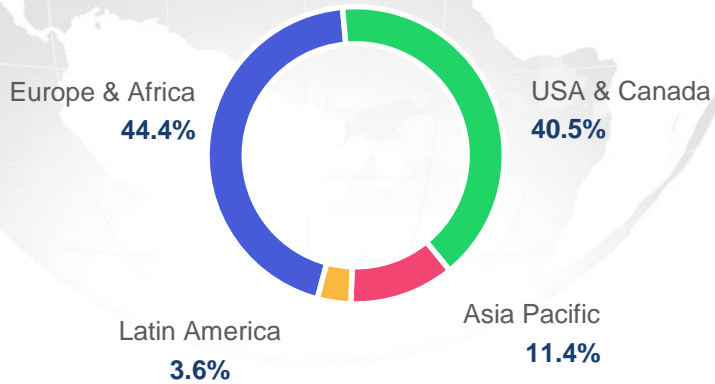
BY GEOGRAPHY

FY'19



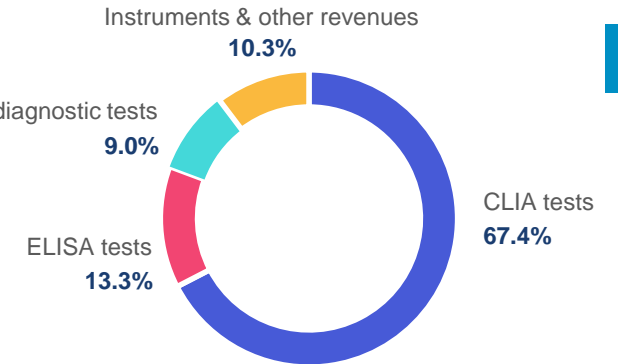
COVID sales drive the growth in Region incidence on Group revenues

FY'20



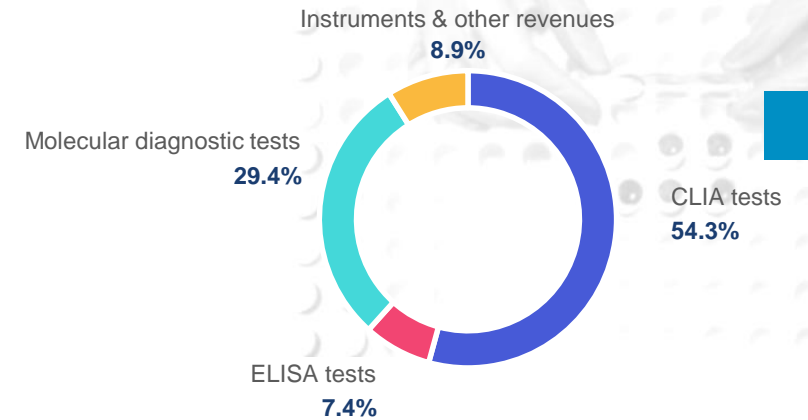
BY TECHNOLOGY

FY'19



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

FY'20



FY'20 profitability profile

DATA IN €/MLN	FY'19	FY'20	Change %
GROSS PROFIT	488.7	602.9	+23.4%
EBITDA	276.8	385.3	+39.2%
@ CER			+41.7%
EBITDA MARGIN	39.2%	43.7%	+452 bps
@CER		43.7%	+455 bps
EBIT	217.9	324.2	+48.8%
NET PROFIT	175.7	248.3	+41.3%

FY'20 increase in EBITDA and *EBITDA margin* mainly driven by:

- **Strong operating leverage** due to the increase in revenues and lower OPEX/Revenues ratio
- **Higher absorption of fixed costs** as a consequence of strong growth in molecular diagnostic volumes

Company Guidance

H1'21 GUIDANCE: management expects, at constant exchange rates and perimeter compared to H1'20, the following:

- **REVENUES:** growth of *approximately 40%*
- **EBITDA MARGIN:** equal to *approximately 45%*

Given the uncertainty of the macroeconomic and health context expected in the forthcoming months, DiaSorin is unable to provide a guidance for the full year.

The Company constantly monitors the main economic and financial indicators and reserves the right to provide updates to the market when there is greater visibility on business evolution.



Financial schemes

Income Statement

<i>(Amounts in million of euros)</i>	FY		Change	
	2019	2020	amount	%
Net Revenues	706.3	881.3	+175.0	+24.8%
Cost of sales	(217.6)	(278.4)	-60.8	+27.9%
Gross profit	488.7	602.9	+114.2	+23.4%
	69.2%	68.4%	-0.8%	
Sales and marketing expenses	(142.8)	(144.1)	-1.3	+0.9%
Research and development costs	(47.9)	(50.8)	-2.9	+5.9%
General and administrative expenses	(69.6)	(72.1)	-2.5	+3.6%
Total operating expenses	(260.3)	(266.9)	-6.7	+2.6%
	36.9%	30.3%	-6.6%	
Other operating income (expense)	(10.5)	(11.7)	-1.2	+11.3%
EBIT	217.9	324.2	+106.4	+48.8%
	30.8%	36.8%	+5.9%	
Net financial income (expense)	(1.6)	(2.9)	-1.3	+81.2%
Profit before taxes	216.3	321.4	+105.1	+48.6%
Income taxes	(40.6)	(73.1)	-32.5	+80.2%
Net result	175.7	248.3	+72.6	+41.3%
EBITDA	276.8	385.3	+108.4	+39.2%
	39.2%	43.7%	+4.5%	

Balance Sheet

<i>(Amounts in million of euros)</i>	12/31/2019	12/31/2020	Change
Goodwill and intangibles assets	370.3	356.7	-13.5
Property, plant and equipment	128.4	140.5	+12.1
Net working capital	211.0	217.9	+7.0
Other non-current assets / (liabilities)	(33.9)	(64.2)	-30.3
Net Invested Capital	675.7	651.0	-24.7
Net Financial Position	172.9	305.3	+132.5
Total shareholders' equity	848.6	956.3	+107.7

Cash flow statement

<i>(Amounts in million of euros)</i>	FY	
	2019	2020
Cash and cash equivalents at the beginning of the period	73.1	157.6
Cash provided by operating activities	232.7	304.6
Cash used in investing activities	(52.2)	(73.0)
Cash provided/(used) in financing activities	(68.4)	(90.0)
Acquisitions of companies and business operations	(6.9)	-
Net change in cash and cash equivalents before investments in financial assets	105.1	141.5
Divestment/(Investment) in financial assets	(20.7)	40.8
Net change in cash and cash equivalents	84.4	182.3
Cash and cash equivalents at the end of the period	157.6	339.9

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