

REVENUES AT CONSTANT PERIMETER OF CONSOLIDATION AND EX-COVID UP 5% AT CER IN Q2. FY 2023 GUIDANCE CONFIRMED

- **REVENUES: € 576 MILLION**, -16% vs. H1 2022 (+4% AND +5% AT CER IN H1 AND Q2 2023, RESPECTIVELY, AT CONSTANT PERIMETER OF CONSOLIDATION¹ AND EXCLUDING COVID)
- **ADJUSTED² EBITDA³: € 190 MILLION**, -29% vs. H1 2022, EQUAL TO 33% OF GROUP REVENUES. THE CHANGE IS ENTIRELY DUE TO LOWER COVID SALES
- **CONFIRMED GUIDANCE FOR FISCAL YEAR 2023**

Saluggia (Italy), July 27, 2023 - The Board of Directors of DiaSorin S.p.A. (FTSE MIB: DIA), examined and approved the Half-Year Financial Report at June 30, 2023.

Amounts in million of euros	H1		change		
	2022	2023	amount	% @ current	% @ CER
Revenues	685.4	576.4	-109.0	-15.9%	-15.9%
ex-COVID Immunodiagnostics	332.6	355.1	+22.5	+6.8%	+7.0%
ex-COVID Molecular Diagnostics	99.4	97.0	-2.4	-2.4%	-3.0%
Licensed Technologies ¹	83.9	85.5	+1.6	+1.9%	+1.5%
COVID	149.8	34.7	-115.1	-76.9%	-76.6%
Revenues at constant perimeter of consolidation¹	665.7	572.3	-93.4	-14.0%	-14.0%
Revenues at constant perimeter of consolidation¹ ex-Covid	515.9	537.6	+21.7	+4.2%	+4.2%
Adjusted EBITDA³	269.1	190.0	-79.1	-29.4%	-29.4%
Adjusted ² EBITDA ³ margin	39.3%	33.0%	-634 bps		
EBITDA³	263.6	182.4	-81.2	-30.8%	-30.8%
EBITDA ³ margin	38.5%	31.6%	-682 bps		
Adjusted² EBIT	221.4	144.4	-77.0	-34.8%	
Adjusted ² EBIT margin	32.3%	25.1%	-724 bps		
EBIT	196.7	117.4	-79.3	-40.3%	
EBIT margin	28.7%	20.4%	-833 bps		
Adjusted² net profit	168.6	113.1	-55.5	-32.9%	
Adjusted ² Net profit on Revenues	24.6%	19.6%	-498 bps		
Net profit	140.8	86.9	-53.9	-38.3%	
Net profit on Revenues	20.5%	15.1%	-543 bps		

Amounts in million of euros	Q2		change		
	2022	2023	amount	% @ current	% @ CER
Net Revenues	327.8	286.8	-41.0	-12.5%	-10.8%
ex-COVID Immunodiagnostics	172.9	183.3	+10.4	+6.0%	+7.5%
ex-COVID Molecular Diagnostics	51.5	46.3	-5.2	-10.1%	-7.8%
Licensed Technologies ¹	40.7	43.7	+3.0	+7.4%	+10.1%
COVID	53.0	13.5	-39.6	-74.6%	-73.3%
Revenues at constant perimeter of consolidation¹	318.2	286.8	-31.4	-9.9%	-8.1%
Revenues at constant perimeter of consolidation¹ ex-Covid	265.1	273.3	+8.2	+3.1%	+5.0%
Adjusted EBITDA³	119.7	92.5	-27.2	-22.7%	-21.9%
Adjusted ² EBITDA ³ margin	36.5%	32.3%	-425 bps		
EBITDA³	117.0	89.7	-27.3	-23.4%	-22.5%
EBITDA ³ margin	35.7%	31.3%	-442 bps		
Adjusted² EBIT	95.6	69.6	-26.0	-27.2%	
Adjusted ² EBIT margin	29.2%	24.3%	-493 bps		
EBIT	83.0	57.1	-25.9	-31.2%	
EBIT margin	25.3%	19.9%	-538 bps		
Adjusted² net profit	72.3	54.6	-17.8	-24.6%	
Adjusted ² Net profit on Revenues	22.1%	19.0%	-307 bps		
Net profit	58.5	45.1	-13.4	-22.9%	
Net profit on Revenues	17.9%	15.7%	-216 bps		

¹ Excluding the Flow Cytometry business, divested in February 2023.

² With reference to the indicators Adjusted Gross Margin, Adjusted EBITDA, Adjusted EBIT, and Adjusted Net Income, please refer to the table at the end of this Press Release.

³ EBITDA is defined as the "Operating Result", gross of amortization and depreciation of intangible and tangible assets. EBITDA is a measure used by the Company to monitor and evaluate the Group's operating performance and is not defined as an accounting measure in IFRS and therefore shall not be considered an alternative measure for assessing the Group's operating result performance. Since the composition of EBITDA is not regulated by the reference accounting standards, the criterion of determination applied by the Group may not be homogeneous with that adopted by other operators and/or groups and therefore may not be comparable.

COMMENTS ON ECONOMIC RESULTS

REVENUES: € 576 million, -16% (-16% at CER) vs. H1 2022. At constant perimeter of consolidation¹, the change is equal to -14% (-14% at CER); net of COVID, the change is +4% (+4% at CER) vs. H1 2022. It should be noted that Q2, on a like-for-like basis and net of the COVID business, registered an acceleration in growth, recording a 3% increase in sales (+5% at CER) compared to the same period of the previous year.

The following are the revenue trends of the different business lines:

- **Ex-COVID Immunodiagnosics:** € 355 million, +7% (+7% at CER) vs. H1 2022, driven by the increase of CLIA ex-Vitamin D sales, equal to +13% (+13% at CER), which are confirmed as an important growth driver and have largely offset the expected decrease in sales of Vitamin D and ELISA panel. Noteworthy is the excellent performance of the European and North American markets and the improved trend of the Chinese market in Q2 2023.
- **Ex-COVID Molecular Diagnostics:** € 97 million, -2% (-3% at CER) vs. H1 2022. Non-respiratory panels sales decreased by 4% (-5% at CER) mostly due to the expected loss of a major contract for cystic fibrosis testing at a leading U.S. laboratory. On the other hand, the respiratory business grew by 2% (+2% at CER).
- **Licensed Technologies:** on a like-for-like basis¹, revenues grew by 2% (+2% at CER) in H1 2023 with a positive performance equal to +7% (+10% at CER) in Q2 2023. The overall result, as a consequence of the different perimeter of consolidation¹, shows revenues of € 90 million, equal to -14% (-14% at CER) vs. H1 2022.
- **COVID:** € 35 million, in line with expectations and equal to -77% (-77% at CER) vs. H1 2022.

The following is the revenue performance by geographic area, net of the contribution of COVID products:

- **North America Direct:** € 255 million, -1% (-2% at CER) vs. H1 2022, due to the change of perimeter of consolidation¹; net of this effect, performance was positive and equal to +3% (+2% at CER).

The Immunodiagnostic business confirmed in H1 2023 the excellent performance recorded in previous periods, driven by the solid growth of CLIA tests net of Vitamin D, equal to +20% (+19% at CER), as a result of the success of the commercial strategy aimed at increasing penetration in the U.S. hospital segment, also through the expansion of the specialty test menu targeting this market. Expected negative trend in Vitamin D test sales.

The Molecular Diagnostics business recorded a decrease of 2% vs. H1 2022 (-3% at CER). The respiratory panel recorded a decrease of 2% (-2% at CER) and the non-respiratory panel of 3% (-4% at CER); the latter is a consequence of the expected loss of a major contract for cystic fibrosis testing at a leading U.S. laboratory.

The Licensed Technologies business on a like-for-like basis¹ slightly decreased vs. H1 2022; the overall result, as a consequence of the different perimeter of consolidation¹, is equal to -16% (-17% at CER).

- **Europe Direct:** € 192 million, +6% (+6% at CER), vs. H1 2022.

Good performance of the immunodiagnosics business, equal to +8% (+8% at CER); in particular, CLIA revenues net of Vitamin D sales grew by 12% (+13% at CER), led by the performance of specialty tests.

The molecular diagnostics business grew by +10% (+11% at CER), with a good performance of the DiaSorin combined COVID-Flu molecular test.

The Licensed Technologies business registered a positive performance on a like-for-like basis¹; the overall result, as a consequence of the different perimeter of consolidation¹, is equal to -18% (-18% at CER).

- **Rest of the World:** € 95 million, -2% (-1% at CER) vs. H1 2022, primarily due to the expected decline in revenues recorded in the Chinese market, albeit gradually improving during Q2 2023. Net of the business in China, the trend of the area defined "Rest of the World" is in line with the same period of the previous year. Of particular note is the positive performance of three primary markets, namely Brazil, Mexico and India, which has been partially offset by the negative result of markets in which DiaSorin operates through distributors.

ADJUSTED² GROSS PROFIT: € 379 million, -16% vs. H1 2022, mostly due to the reduction in COVID sales. This result is equal to 66% of revenues, in line with that recorded in the same period of the previous year, mainly due to initiatives implemented to contain costs as well as synergies from the Luminex integration.

ADJUSTED² EBITDA³: € 190 million, -29% vs. H1 2022, equal to 33% of revenues. The reduction in profitability vs. H1 2022 is mainly a consequence of lower COVID revenues and the resulting reduction in operating leverage.

ADJUSTED² EBIT: € 144 million, -35%; equal to 25% of revenues.

NET FINANCIAL EXPENSES: € 5 million (€ 15 million in H1 2022); the reduction from the previous year is mainly due to higher interest income earned on investments in cash management instruments.

INCOME TAXES: € 26 million, with a 23% tax rate, substantially in line with that recorded in H1 2022.

ADJUSTED² NET PROFIT: € 113 million, -33%; equal to 20% of revenues (25% in H1 2022).

COMMENTS ON FINANCIAL RESULTS

CONSOLIDATED NET FINANCIAL DEBT: -€ 861 million (-€ 907 million at December 31, 2022). The change, equal to +€ 46 million, is related to the operating cash flow generation during H1 2023 and the proceeds relating to the sale of the Flow Cytometry business, partially offset by the payment of dividends of € 58 million and the repurchase of own shares of € 23 million.

FREE CASH FLOW⁴: € 104 million at June 30, 2023 (€ 139 million at June 30, 2022). The change is substantially attributable to the decrease in EBITDA ADJUSTED commented above.

BUSINESS HIGHLIGHTS

IMMUNODIAGNOSTICS:

- Launch of the LIAISON[®] B-R-A-H-M-S MR-proADM[™] test in all countries accepting CE mark to improve patient management by providing the assessment of disease severity.
- Launch of the LIAISON[®] Legionella Urinary Ag assay in all countries accepting the CE mark to improve diagnosis of legionnaires' disease.
- Consolidation of the strategic partnership with MeMed through an agreement to distribute the MeMed BV[®] test for the Italian market on the MeMed Key[®] point-of-need platform.

MOLECULAR DIAGNOSTICS: U.S. Food and Drug Administration 510(K) clearance of the Simplexa[™] COVID-19 Flu A/B assay to detect Flu A, Flu B, and SARS-CoV-2 viruses in about an hour.

LICENSED TECHNOLOGIES: sale, in February 2023, of the assets related to the Flow Cytometry & Imaging business unit to Cytek[®] Biosciences – an operation in line with the strategic priorities communicated to the market following the acquisition of Luminex.

2023 GUIDANCE AT 2022 CONSTANT EXCHANGE RATES

DiaSorin confirms the 2023 guidance as follows:

- **TOTAL REVENUES:** *approx. -14%*
- **REVENUES AT CONSTANT PERIMETER OF CONSOLIDATION¹:** *approx. -11%*, of which:
 - Ex-COVID revenues, net of molecular respiratory business: *+4% / +6%*
 - Molecular respiratory business revenues: *approx. -20%*
 - COVID revenues: *about € 60 million (approx. -75% compared to 2022)*
- **ADJUSTED² EBITDA³ MARGIN⁵:** *approx. 34%*

Mr. Piergiorgio Pedron, the officer in charge of preparing the corporate accounting documents of DiaSorin S.p.A. declares that, pursuant to paragraph 2, Art. 154 bis of the Consolidated Law on Finance, to the best of his knowledge, the accounting information contained in this Press Release corresponds to the documental results, accounting books and records.

This press release is available to the public at the registered office of the Company and is also published on the Company's website (www.diasoringroup.com) under the section "Investors - Financial Corner - Press Releases" and on the centralized storage system named eMarket STORAGE at www.emarketstorage.com.

H1 2023 results will be presented to the financial community during a conference call on Thursday, July 27, 2023, at 3:00 P.M. CEST. To participate in the conference call, dial the following numbers:

- From Italy + 39 02 8020911
- From UK +44 1212 818004

¹ Free Cash Flow equals net cash flow generated from operating activities including uses for investment and before payment of interest and acquisitions of companies and businesses.
² Ratio of Adjusted EBITDA to Revenues.



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• From USA +1 718 7058796

Presentation slides will be made available under the section “Investors - Financial Corner - Presentations” on the Company’s website (www.diasoringroup.com) and on the centralized storage system named eMarket STORAGE at www.emarketstorage.com prior to the beginning of the conference call.

Annex: Financial statements not subject to audit by the Group’s Independent Auditors.

ANNEXES

CONSOLIDATED INCOME STATEMENT

(Amounts in million of euros)	H1		Change	
	2022	2023	amount	%
Net Revenues	685.4	576.4	-109.0	-15.9%
Cost of sales	(235.9)	(197.7)	+38.2	-16.2%
Gross profit	449.5	378.7	-70.9	-15.8%
	65.6%	65.7%	+11 bps	
Sales and marketing expenses	(141.9)	(141.9)	-0.1	+0.0%
Research and development costs	(46.3)	(46.4)	-0.1	+0.1%
General and administrative expenses	(56.8)	(61.4)	-4.6	+8.2%
Total operating expenses	(244.9)	(249.7)	-4.8	+1.9%
	35.7%	43.3%	+759 bps	
Other operating income (expense)	(7.9)	(11.6)	-3.7	+46.1%
<i>non recurring amount</i>	(4.2)	(8.4)	-4.2	+101.2%
EBIT	196.7	117.4	-79.3	-40.3%
	28.7%	20.4%	-833 bps	
Net financial income (expense)	(14.9)	(4.6)	+10.3	-69.2%
Profit before taxes	181.8	112.8	-69.0	-37.9%
Income taxes	(41.0)	(25.9)	+15.0	-36.7%
Net result	140.8	86.9	-53.9	-38.3%
EBITDA³	263.6	182.4	-81.2	-30.8%
	38.5%	31.6%	-682 bps	

(Amounts in million of euros)	Q2		Change	
	2022	2023	amount	%
Net Revenues	327.8	286.8	-41.1	-12.5%
Cost of sales	(113.1)	(100.0)	+13.1	-11.6%
Gross profit	214.7	186.7	-28.0	-13.0%
	65.5%	65.1%	-38 bps	
Sales and marketing expenses	(73.4)	(69.3)	+4.0	-5.5%
Research and development costs	(23.9)	(23.0)	+0.9	-3.6%
General and administrative expenses	(29.0)	(32.6)	-3.6	+12.6%
Total operating expenses	(126.2)	(125.0)	+1.3	-1.0%
	38.5%	43.6%	+508 bps	
Other operating income (expense)	(5.4)	(4.6)	+0.8	-15.0%
<i>non recurring amount</i>	(2.9)	(3.5)	-0.5	+18.1%
EBIT	83.0	57.1	-25.9	-31.2%
	25.3%	19.9%	-541 bps	
Net financial income (expense)	(7.5)	1.5	+9.0	n.o.
Profit before taxes	75.6	58.6	-16.9	-22.4%
Income taxes	(17.1)	(13.5)	+3.6	-20.9%
Net result	58.5	45.1	-13.4	-22.9%
EBITDA³	117.0	89.7	-27.3	-23.4%
	35.7%	31.3%	-442 bps	

REVENUES BY GEOGRAPHY

Amounts in millions of euros	H1		Change		
	2022	2023	amount	%	
				@ current	@ CER
North America Direct	257.1	255.0	-2.0	-0.8%	-1.7%
% on total revenues	37.5%	44.2%			
Europe Direct	181.5	191.9	+10.4	+5.7%	+6.0%
% on total revenues	26.5%	33.4%			
Rest of the World	97.1	94.8	-2.3	-2.4%	-0.8%
% on total revenues	14.2%	16.4%			
COVID	149.8	34.7	-115.1	-76.9%	-76.6%
% on total revenues	21.8%	6.0%			
Total	685.4	576.4	-109.0	-15.9%	-15.9%

Amounts in millions of euros	Q2		Change		
	2022	2023	amount	%	
				@ current	@ CER
North America Direct	131.9	128.1	-3.8	-2.9%	-0.7%
% on total revenues	40.2%	44.7%			
Europe Direct	92.6	95.6	+3.0	+3.2%	+3.5%
% on total revenues	28.2%	33.3%			
Rest of the World	50.3	49.6	-0.7	-1.4%	+2.5%
% on total revenues	15.4%	17.3%			
COVID	53.0	13.5	-39.6	-74.6%	-73.3%
% on total revenues	16.2%	4.7%			
Total	327.8	286.8	-41.0	-12.5%	-10.8%

REVENUES BY TECHNOLOGY

% of revenues contributed	H1		Change
	2022	2023	
Immunodiagnosics ex-COVID	48.6%	61.7%	+1,309 bps
Molecular Diagnostics ex-COVID	14.5%	16.8%	+233 bps
Licensed Technologies	15.1%	15.5%	+42 bps
COVID	21.8%	6.0%	-1,583 bps

% of revenues contributed	Q2		Change
	2022	2023	
Immunodiagnosics ex-COVID	52.7%	63.9%	+1,118 bps
Molecular Diagnostics ex-COVID	15.7%	16.2%	+53 bps
Licensed Technologies	15.4%	15.2%	-14 bps
COVID	16.2%	4.7%	-1,148 bps

CONSOLIDATED BALANCE SHEET

<i>(Amounts in million of euros)</i>	12/31/2022	06/30/2023	Change
Goodwill and intangibles assets	1,995.1	1,956.4	-38.7
Property, plant and equipment	268.4	262.4	-6.1
Other non-current assets	38.2	38.3	+0.1
Net working capital	434.0	392.9	-41.1
Other non-current liabilities	(309.4)	(293.3)	+16.0
Net Invested Capital	2,426.4	2,356.5	-69.9
Net Financial Debt	(906.6)	(860.9)	+45.8
Total shareholders' equity	1,519.8	1,495.7	-24.1

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(Amounts in million of euros)</i>	H1	
	2022	2023
Cash and cash equivalents at the beginning of the period	403.0	241.8
Cash provided by operating activities	180.1	145.6
Cash used in investing activities	(51.9)	69.3
Cash provided by the sale of Flow Cytometry business	-	38.4
Cash provided/(used) in financing activities	(148.8)	(238.9)
Net change in cash and cash equivalents before investments in financial assets	(20.6)	14.5
Net change in cash and cash equivalents	(20.6)	14.5
Cash and cash equivalents at the end of the period	382.4	256.3

<i>(Amounts in million of euros)</i>	Q2	
	2022	2023
Cash and cash equivalents at the beginning of the period	521.5	372.6
Cash provided by operating activities	45.7	104.4
Cash used in investing activities	(28.9)	87.0
Cash provided by the sale of Flow Cytometry business	-	(0.8)
Cash provided/(used) in financing activities	(155.9)	(306.9)
Net change in cash and cash equivalents before investments in financial assets	(139.0)	(116.3)
Net change in cash and cash equivalents	(139.0)	(116.3)
Cash and cash equivalents at the end of the period	382.4	256.3

OVERVIEW OF THE GROUP'S OPERATING PERFORMANCE AND FINANCIAL POSITION

This press release presents and comments on certain financial indicators that are not identified in the IFRS. These indicators, which are described below, are used to comment on the Group's business performance, in compliance with the requirements of Consob communication of 28 July 2006 (DEM 6064293), as subsequently amended and supplemented (Consob communication 0092543 of 3 December 2015, which incorporates the ESMA Guidelines ESMA/2015/1415).

The alternative performance indicators listed below should be used to supplement the information required by IFRS to help readers of the press release gain a more comprehensive understanding of the Group's economic, financial and operating position, by excluding the result of one-off elements for the Luminex acquisition and integration from the amortization deriving from the *Purchase Price Allocation* and the financial expenses related to the financing of the transaction, including their tax impact.

It should be noted that the calculation of these *adjusted* indicators could differ from those used by other companies.

H1 2022 ADJUSTED INDICATORS

<i>(amounts in million of Euro)</i>	Gross Margin	EBITDA	EBIT	Net Profit
IFRS Financial Statements Measures	449.5	263.6	196.7	140.8
<i>% on Revenues</i>	65.6%	38.5%	28.7%	20.5%
Adjustments				
Reversal of the effects of the <i>Fair value</i> measurement of the initial Luminex inventory	1.6	1.6	1.6	1.6
"One-off" costs related to the integration and restructuring of Luminex, and to the divestment of the Flow Cytometry business	-	3.9	3.9	3.9
Depreciation of Luminex intangibles identified in the <i>Purchase Price Allocation</i>	-	-	19.2	19.2
Financial charges relating to debt instruments and to the convertible bond issued to finance the acquisition of Luminex net of hedging effects	-	-	-	11.2
Total adjustments before tax effect	1.6	5.5	24.7	35.9
Fiscal effect on adjustments	-	-	-	(8.1)
Total Adjustments	1.6	5.5	24.7	27.8
Adjusted Measures	451.2	269.1	221.4	168.6

H1 2023 ADJUSTED INDICATORS

<i>(amounts in million of Euro)</i>	Gross Margin	EBITDA	EBIT	Net Profit
IFRS Financial Statements Measures	378.7	182.4	117.4	86.9
<i>% on Revenues</i>	65.7%	31.6%	20.4%	15.1%
Adjustments				
"One-off" costs related to the integration and restructuring of Luminex, and to the divestment of the Flow Cytometry business	-	3.3	3.3	3.3
Depreciation of Luminex intangibles identified in the <i>Purchase Price Allocation</i>	-	-	19.4	19.4
Financial charges relating to debt instruments and to the convertible bond issued to finance the acquisition of Luminex net of hedging effects	-	-	-	7.0
Charges from the divestment of the Flow Cytometry business	-	4.3	4.3	4.3
Total adjustments before tax effect	-	7.6	27.0	34.1
Fiscal effect on adjustments	-	-	-	(7.8)
Total Adjustments	-	7.6	27.0	26.2
Adjusted Measures	378.7	190.0	144.4	113.1

OPERATING PERFORMANCE IN H1 2023 AND COMPARISON WITH H1 2022

<i>(amounts in million of Euro)</i>	6/30/2023	% on Revenues	6/30/2022	% on Revenues
Net Revenues	576.4	100.0%	685.4	100.0%
Cost of Sales	(197.7)	34.3%	(235.9)	34.4%
Gross Profit	378.7	65.7%	449.5	65.6%
Adjusted² Gross Profit	378.7	65.7%	451.2	65.8%
Sales and marketing expenses	(141.9)	24.6%	(141.9)	20.7%
Research and development expenses	(46.4)	8.0%	(46.3)	6.8%
General and administrative expenses	(61.4)	10.7%	(56.8)	8.3%
Total operating expenses	(249.7)	43.3%	(244.9)	35.7%
Other operating income (expense)	(11.6)	2.0%	(7.9)	1.2%
EBIT	117.4	20.4%	196.7	28.7%
Adjusted² EBIT	144.4	25.1%	221.4	32.3%
Net financial income (expense)	(4.6)	0.8%	(14.9)	2.2%
Profit before taxes	112.8	19.6%	181.8	26.5%
Income taxes	(25.9)	4.5%	(41.0)	6.0%
Net Profit	86.9	15.1%	140.8	20.5%
Adjusted² Net Profit	113.1	19.6%	168.6	24.6%
EBITDA³	182.4	31.6%	263.6	38.5%
Adjusted² EBITDA³	190.0	33.0%	269.1	39.3%

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