

CARLO ROSA:

Hello, good afternoon to everybody. Thank you Michele by the way for the introduction. I will spend the next 15 minutes or so to talk about the plan, and where I think the company sits today, and then I will leave few of my colleagues to discuss about different areas of the company.

So I wanted to start from discussing why do we need a plan, the last plan was actually presented in 2021, so what's different between 2 years ago? I think the world is completely different. Let's start to remind our self that we are at the end of the pandemia, which has been certainly of very high impact for the world, but also for diagnostic companies. And so, I believe that today we do have better clarity vis-à-vis what happened after pandemia and what diagnostic has played and will play, moving forward in a post-pandemic world.

But then there are 3 elements, that to me are extremely relevant and should be discussed and each company playing in this field of diagnostic should really consider. First one is certainly through that the macroeconomic environment has profoundly changed, so we enter into an inflationary world and companies like Diasorin that are operating worldwide have to deal with rising costs and certainly since we need to maintain the profitability, allowing us to continue to invest in innovation. We need to take care of increasing cost, which means that we certainly need to become more efficient.

Second thing has to do with China. You remember that since 2019 we have always indicated that China was going to change, and in 2020 when COVID came, we believe there has been an acceleration of the change in China, and more than anything, we believe that this acceleration has created the need of companies to react to it and invest more in China, so as you will see, and as Michele said before, we have localized our manufacturing in China by the same token we have tried to decrease our exposure to China, because we still believe that the

future in China is going to be volatile and we have increased our opportunity in the US which we consider a more stable market.

The last consideration I believe has to do with increased cost pressure on the healthcare system across the globe. We were commenting on this in 2019, then in the last 3 years COVID came, and all governments throughout the globe spent hundreds of billions of dollars trying to fight the pandemic. But then in 2024, we're going to find ourselves exactly where we were in 2019, and so there is a need to help the healthcare system to survive, providing not only better products, but product also that have an impact...an economic impact on the way the healthcare is delivered to citizens. And so, they need, again, is to develop products that have a clinical need, but also improve the economics on the hospital, which is called value-based care.

Now we are talking about the Diasorin 3.0. So, what's the difference? Why 3.0? We had a Diasorin in 2019, which was a standalone immunoassay company, €700 million in revenues, certainly with a clear position in immunodiagnostic. Then, we decided to get ourselves into 2 different segments: the molecular diagnostic and life science. And this is why we decided in 2021 to buy Luminex, and today, we find ourselves with a company that is dramatically different from what the company was in 2019. We have 3 likes, not one. We have the traditional legacy of immunodiagnostic, which certainly continues with its own strategy.

We now have critical mass in molecular diagnostic, where we have platform for targeted diagnostic, for multiplexing, and with LIAISON NES for the decentralization, and then we have the Luminex business that, as you know, is a B2B business, is going to be commented afterward by Angelo Rago, who is the President of Luminex, and allows Diasorin really to do business with some of the best companies that are operating in this space. So, I would say that the Diasorin 3.0 is

a much well-rounded company than what Diasorin was when he was just immunodiagnostic.

So what did we do in Luminex? We spent 2 years, a little over 2 years, integrating the company, and we did many, many things. And in fact, I need to thank all the thousands of people that have been working on this integration and have been really helping us out to take 2 companies and make one.

So, what did we achieve in the last 3 years? Well, first, we have a new leadership in place. The company is led by Angelo Rago with an executive team with years of experience in the field. So, now, we are very well set to deliver the strategic plans and objective that we are sent to Luminex.

Second thing, which is very, very relevant, you know, we bought the company, there was a warning letter and this has been resolved. And this has been resolved because Diasorin came in and our philosophy is quality first, and we were able to take that and bring it to the company, change the way the company operates. And today, I'm proud to say that closing the warning letter means that the way the company operates is the Diasorin way of operating companies.

The third element is that we've invested significant amount of money into changing the manufacturing of procedures of the company. And so, it's not a matter of spending \$30 million, which certainly was, it is a significant amount of money, but is to change the mentality, is to hire people and talent in manufacturing. And in the video that I think you're seeing, you see before what was manufacturing of the LIAISON PLEX when we bought the company, which was very manual, it was a prototype manufacturing line to what it is today, \$30 million later in Chicago, everything is fully automated. And this certainly guarantees that it is a product that is sustainable, is a product that can be launched, and is a product of quality.

Then clearly, we achieve many other different things. And, yes, certainly cost synergies and programs to increase profitability, which are very relevant for a company, but they are a by-product of change of mentality, which was the real result that we achieved in Luminex in the last 2 years.

Now, let's go back to one of the main elements. We said, you know, the health or the healthcare systems is not the greatest, and this is certainly true across the globe, and this is the result of secular trends, aging population, and cost of technologies. So, more than anything, more than what happened before, today a company that wants to play seriously in this sector, you have to ask yourself, how can I help? And you need to implement products that do help hospital to save money, and provide better treatments. And this is what Diasorin is doing, and I'm listing here some of the products that are already on the market that will come to the market soon. And you're going to hear from Diasorin all the time the same mantra, right? You're going to be providing better care at a cheaper cost.

Second thing has to do with China. China has always been an opportunity, and I believe will continue to be an opportunity, but to be able to build on that opportunity, you need to change the way you operate in China, and there are 2 things that you will see, Chen will discuss. There is price pressure on one side and there is pressure on manufacturing and localization. It's called VBP, so Value-Based Procurement on one side, which is forcing everybody, local or foreign companies to do better at the cheaper cost. The other one is localization, Order 551.

It's fundamentally forcing all companies to move manufacturing of instruments and technology from outside China into China. You cannot choose either you do this or you leave China, and we made the decision, fortunately, prior to COVID, to move some of our

manufacturing to integration products to China by 2027, and the manufacturing that is on excel, our platform to China as well.

So, when it comes to Order 551, we will be actually able to claim local manufacturing, and so we're going to be able to participate to the market, but I call this punch one. Punch one means that we are going to be reactive to what China is asking companies to do, but then there is a punch two where you need to be proactive. Proactive means that you need to bet that the Chinese healthcare system is going to move away from the traditional mass screening with basic diagnostic procedures into something more evolved. I think today when we look at China, we all say that there are roughly 500 million to 600 million Chinese that have access to the healthcare system is roughly the size of the European market. And so, we believe that in that market, again, for secular trends, specialties are going to develop. And we decided that we're going to focus on 2 very distinct clinical areas. Gastro specialties is one, where we are very well-known and we have no outside China that we want to import.

Second one is TB, tuberculosis is a problem in China now we are going to do a size and proportion, and as you know, we are working with Qiagen our partner to develop the Chinese market. So, remember, punch one, let's be Chinese and localize our manufacturing. Punch two, let's become a specialty in China and build on a specialist company as the Diasorin is outside China.

But then what did we really do in the last 3 years? We became an American company. What does it mean we became an American company? It means that after Luminex, not only 60% of our employees are Americans, 50% of our revenues are Americans, but we also...we decided to develop a set of products that fit very well the US market.

And again, I go back to what I discussed before. Everybody knows about this product, MeMed, which has been launched already last year and we are building the opportunity in the US market. LymeDetec, which is an opportunity for the US market because Lyme is a disease that is extremely relevant in the US. And again, gastro, the LIAISON PLEX and the LIAISON NES. We have a slew of products and systems that do fit the US market and we are investing in the U.S. market to continue to make it stronger and bigger, as we have done in the last 3 years.

So, last but not least, what do we have today? We have a full portfolio of platforms, we have a full pipeline, and we have the organization in place. So, I would say that what you're going to see in this plan is focus on execution. We have all the assets, we have the people, and now we need to deliver the results.

And now, I'm going to leave the podium to Chen Even, who is going to take you through our immunoassay strategy. Chen?