Diasorin S.p.A.

"Half Year 2026 Results Conference Call"

Friday, July 31, 2026, 15:00 CET

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 Half Year 2026 Results Conference Call. As a reminder, all participants are in listen-only mode and 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. Good morning, good afternoon, welcome to the second quarter conference call. As usual, I'm going to comment results at constant exchange rate, and then our CFO, Mr. Donati, is going to take you through the numbers.

Quarter 2 2026 recorded a growth of 4%, and if actually we exclude 2 outliers, China and molecular growth would have been 5%, molecular respiratory. And this is confirming the expected quarterly progression provided during the full year 2025 results in March.

If we look at the 3 technologies of Diasorin, the segments, immunodiagnostics grew 4% in Q2, 5% ex-China. Fundamentally, return to growth is supported by double-digit performance in the US. As we have discussed, during the Q1 results.

Quarter 1 was actually affected by destocking on QuantiFERON plus weather conditions in the US. So the growth of 4% globally is driven by US and it also recording a normalization in Europe and the impact of VBP in China, and we're going to talk about it later. And clearly in Q2, there are no one-off effects that has happened in Quarter 1.

If we look at molecular diagnostics, plus 1% in Quarter 2, ex-respiratory, that as we have discussed many times, has affected the

results of a lot of companies in H1. So without respiratory would be 4%. And as we're going to comment later, we have strong growth in our strategic product lines.

And then finally, LTG plus 7% in Quarter 2. And we see initial signs of recovery, especially life science. But as we have discussed, H1 was a tough comp compared to last year because of the ordering patterns. So this result is expected and has been discussed already in the Quarter 1 call.

So now let's deep dive in the technologies. And let's first cover the immunodiagnostics. As we said in Q2, plus 4%, which is actually normalizing H1 growth to plus 2%. If we look at the different geographies and we start from the US. The US performance is back to historical growth with a hospital strategy that continue to on-track…that continues to deliver new hospitals. And we confirm our expectation of reaching 600 hospitals by the end of 2026.

As said before, weather impact and TB destocking that we experienced in Q1 is behind us. And so, we have experienced a double-digit growth in TB as well in the US. By the same token, specialty tests continue to show strong momentum in the US. And it's noteworthy that hypertension, which as we have discussed, is a key product line for Diasorin. We are experiencing an acceleration of our hypertension portfolio following the recent guidelines changes that I remind everybody recommended to screen all patients suspected hypertension right away with Aldosterone and Renin, which are 2 products that we carry both in Europe and the US.

As far as LTG [ph], again, is concerned, we see double growth in the US, and we see double-digit growth in Europe as well. And so, the destocking is behind us. And for those of you who are interested, we have clearly not seen any activity by Roche so far. They presented the

assay, but we don't see them yet on the market in Europe. Notwithstanding the fact that the product got approved in Q2.

Ex-US and Europe, if we look at all the other direct business, ex-China, which means Australia, India, Brazil and Mexico, strong performance in Q2, 12% growth versus last year. If we look our export business, it actually declined 7%. Where we have been seeing Middle East clearly impacted due to the current situation, especially in Iran, where we had a very nice business. And comparing to Q2 last year, where we had over €1.5 million of revenues, this year, we registered no revenue. So we have this delta that we expect to continue to see throughout 2026.

In China, the business continues to decline roughly 25%, in line with previous quarters. We see no end to the effect of VBP and competition by local suppliers. And honestly, at this stage, we don't expect H2 to show different results. We've discussed many times, China for Diasorin is becoming a very small market, although again, it continues to decline double-digits. The only good news on China is that we expect to receive, by the end of the summer, approval of the TB assay. So starting from Q4, we will start to commercialize the LIAISON TB in China as well.

Now let's talk about molecular. I'm going to talk about the different technologies here. If we look at Q2, overall, the business has been slightly growing 1% plus 1%, notwithstanding, again, the effect of a very soft flu season.

If we go through the different franchises and we start from the LIAISON MDX, which represent approximately €100 million of annualized revenues. We look at this business in actually 3 sub-segments. We have targeted specialty, which is roughly €45 million of business annually, and this is growing very well for Diasorin. In Q2, it's up 25% versus last year, and clearly this is fueled by the launch of

all the specialty assays, as we have discussed in the previous calls. We have still, in this technology, a smaller respiratory business, which represents roughly €10 million of annualized revenues and this continues to decline minus 20% in Q2 and minus 35% in H1.

Finally roughly €40 million of ASR. ASR are those reagents that we use for…that customer use to develop LDTs in the US. And this business is very…it really depends on the ordering pattern. In Q2, was relatively flat. We expect it to be flat or low middle digit…single-digit growth by year-end. Again, ordering pattern here is really determining how this business is performing on a quarterly basis.

Now, let's move to multiplexing. Q2, plus 7%. This clearly, multiplexing for us means the Verigene 1 legacy product and the LIAISON PLEX. The growth of the business so far is heavily reliant on respiratory panel, as you can imagine, because we have…we got approval of the blood panel recently and we just launched them, and we really got approval of the GI panel in the last few weeks.

So the plus 7% takes into account, clearly a very negative impact on the flu season, although the rest of the product line is growing nicely and compensating the decline of flu. We have roughly 150 customers when it comes to PLEX. The Flex adoption continues to be very well received from the market, with the vast majority of our clients choosing Flex. So just to give you an indication, only a third of our placements today are with the fixed, whereas the rest is primarily with Flex.

By customer type, 90% hospitals and 10% commercial labs. So we have initiated to develop the business around private labs, then and we migrated very rapidly into the hospital systems in the US that took longer to close, but we expect to represent the bulk of placements moving forward.

So we are very happy about the way that this product line, the PLEX, is received on the market. And we expect, by the way, to launch this product with now the full panel in Europe starting from Q1 of 2027.

When it comes to the LIAISON NES, we literally just started the commercialization of this product line through our distributors. I am not going to provide numbers because those would not be of any significance. It is noteworthy that we have received also a 510(k) approval for our second assay, the Group A Strep. So now we have the full panel, and we are going to give better resolution in the Q3 and in the Q4 calls, when also we are going to have a better understanding of the seasonal impact of flu in 2026.

Last but not least, the LTG. The LTG, as we discussed many times in 2025, was heavily skewed toward H1, and then we had a light H2. And again, this has to do with ordering pattern. Q2 was surprisingly very good, better than we expected. We grew 7%, and fundamentally we see a recovery in life science and biopharma business. And so, we are confident that we are going to deliver by year-end, mid possibly to high single-digit growth on this business.

At this point, I am going to leave the microphone to our CFO, who's going to take you through the numbers. Thank you.

ALBERTO DONATI: Thank you, Carlo and good morning and good afternoon, everybody. Thank you again for joining Diasorin H1 2026 earning calls. Thank you also for the continuous interest that you're constantly showing in our company.

In the next few minutes, I'm going to walk you through the financial performance of the first half of the year, specifically with particular focus on the second quarter, and we'll then turn the line to the operator for the usual Q&A session.

As we navigate through the results, you will see that H1 confirms the improvements we anticipated. Revenues came in flat at a constant exchange rate for the first half, while Q2 specifically delivered the return to growth at 4% at constant exchange rate, demonstrating the normalization…the progressive normalization of some of the extraordinary factors that impacted in Q1. As a result, we remain confident in achieving the full-year guidance for 2026.

Now starting from revenues, H1 came in at €602 million, which was again flat at constant exchange rate compared to H1 2025, while at current exchange rates, revenue declined 3%, reflecting a total FOREX headwind of €20 million for the first 6 months of the year.

The picture, however, is improving as the year progresses, because in Q2 2026, revenue grew 4% at constant exchange rate and 3% at current exchange rates, with a much smaller FOREX headwind of just €3 million in the quarter, which is a significant step up from Q1 when the FOREX drag alone was around €17 million.

This revenue improvement in Q2 reflects both the feeding of the extraordinary items that penalized Q1. Carlo mentioned them before, the exceptional weather events in North America, the destocking of certain large private customers in North America as well, and a more favorable base for currency translation.

Moving to profitability, H1 adjusted gross profit came in at €390 million, which was minus 1% at constant exchange rates compared to H1 2025 and minus 4% at current exchange rates with a FOREX headwind of €12 million.

The adjusted gross margin remained broadly stable at 65%, both constant and current exchange rates, slightly down from 66% of 2025. And this gross margin resilience reflects a disciplined cost management, which was partially offset by, on one side, the tariffs

impact, approximately €3 million in both Q1 and Q2 of 2026, and the VBP pricing in China, where the continued average selling price erosion is flowing directly to the gross margin line.

The Q2 2026 adjusted gross profit was confirmed as 65% of revenues, and this is aligned with the same quarter of the previous year, notwithstanding the impact of the tariffs, which only marginally impacted Q2 of 2025, while at around 100 basis points impact in our Q2 2026 margin.

Moving to the adjusted operating expenses for H1, they amounted to €241 million at constant exchange rate, representing 40% of revenues. Now, if we exclude the commercial investment related to the NES launch in North America, OPEX growth versus prior year is fundamentally entirely attributable to the inflationary impacts, including the annual salary increases. And this is again, a reflection of the disciplined cost management across the organization.

H1 2026 adjusted EBIT came in at €149 million, 10% reduction at constant exchange rate, 12% reduction at current exchange rate with a FOREX headwind of around €4 million. The EBIT margin was 25% at current exchange rate and 24% at constant rates.

The net financial expenses, again adjusted, were approximately €7 million in H1 compared to €1 million in the prior year period. Now, this increase was mainly driven by lower interest income, which was a reflection of both lower market interest rate and lower average cash balances, as well as, higher financing costs related to the credit facilities of the group. And this increase in borrowing and the reduction in the cash balances were primarily attributable to the ongoing share buyback program.

Moving to the EBITDA, H1 2026, EBITDA closed at €194 million, down 7% at constant exchange rate and 10% at current exchange rate,

reflecting a negative FOREX impact of around €5 million. EBITDA margin was 32% at both constant and current exchange rates, as confirmed by our guidance as well. And the year-on-year decline primarily reflects the impact of the VBP in China and the planned commercial investment to support the NES launch…the LIAISON NES launch in North America.

Notably, the EBITDA margin improved from 31% in Q1 to 33% in Q2, benefiting from stronger revenue performance, and so also demonstrating the operating leverage potential of the business. And as I was mentioning before, this trend is fully consistent with our expectation for the year and supports our confidence in achieving the full year EBITDA margin guidance of 32% to 33%.

Turning to our balance sheet, and as well as the cash flow performance. We delivered a solid result despite the challenging revenue environment that affected us in Q1. Our net financial position showed the net debt of €844 million at the end of Q2 compared to €580 million in December 2025. This is a €265 million movement that reflects, on one side, the good operating cash generation.

The free cash flow in H1 was €58 million, compared to €83 million in H1 2025, primarily due to the planned buildup of inventory to support the LIAISON NES launch. And this was more than offset on the other side by €233 million in share buyback cash outflow under the program that the Shareholders Meeting approved back in January and the payment of dividends for €65 million. Looking ahead, we expect for H2 cash generation to improve again in the second half of the year, supported by the stronger earnings performance and a gradual normalization of inventory levels as the NES rollout progresses.

Now, going back for a second to the share buyback. As of today, the company has purchased around 3.6 million shares, representing

approximately 6.5% of the share capital for a total of €236 million and this is around 95% of the total program.

Now, in light of the H1 results that I just mentioned and that came in line with our expectation, we are confirming our full-year guidance at constant exchange rates with a revenue growth 5% to 6% and an EBITDA…adjusted EBITDA margin 32% to 33%.

I'll now hand 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." Please pick up the receiver when asking questions. We kindly ask to limit yourself to 2 questions only in interest of time. It will be "*", "1" for questions.

First question is from Aisyah Noor, Morgan Stanley.

AISYAH NOOR: Hi. Good afternoon, Carlo and Alberto. Thank you for taking my question. My first one is on your molecular guidance for the full year, which I can see you have reiterated at low double-digit growth for the full year. This, after the first half results of including a weak flu season, will still imply that you need to deliver something like 27% organic growth in the second half. And I imagine you are going to fully load that for the flu season and NES in the fourth quarter. So would love to know what you're seeing in the market today with respect to the adoption of NES, and what gives you still the confidence to deliver this very strong number in the fourth quarter?

And then my second question is maybe for Alberto on the tariff number for the quarter. Did you book any tariff refunds that could have helped the EBITDA in this quarter? Is it fully done or is there more to come? Thank you.

CARLO ROSA: Aisyah, I will take the first one. Yes, you're right. Mathematically, it's 20 some percent. You need to take into consideration, though, a couple of elements. The first one is that we take into account a normalized flu season, right? And we know the last year flu season was particularly weak, so there is an effect of normalization in volume that will work on our current install base. The second and more important element is that we are developing a base of LIAISON PLEX, which we didn't have last year and clearly are not contributing too much to the revenue right now, because we are off-season, so the volumes are very low. And the same reason with NES. Last year, we had no NES whatsoever. We started commercialization. We expect to place a certain number of systems, don't ask me how many, but a number of systems that will generate revenues in Q3 and especially Q4, where we expect the season to start, that clearly, we didn't have last year. So don't be fooled necessarily by the percentage. And I think it makes more sense to look at the dollar amount that is necessary, which is, I believe, you do the calculation based on last year, very reasonable. Okay.

On tariffs.

ALBERTO DONATI: Absolutely. Thank you, Aisyah. I'll take the one on tariffs. So as you correctly recalled, we did initiate a refund action through the CDP's established refund mechanism for the IEEPA tariffs. And we did receive in Q2 parts of the refunds that we submitted in the order of magnitude of around €2.5 million. And you can appreciate that in the decrease of other operating expenses, net of non-recurring items. So if you look at our income statement, this is answering to your question, where you can see the impact of the partial refund that we got so far.

AISYAH NOOR: Perfect. Thank you very much.

OPERATOR: Next question is from David Westenberg, Piper Sandler.

DAVID WESTENBERG: Hi. Thank you for taking my question. So I want to stick with the Q2 guide and acceleration there. Q2 was obviously much better than Q1. Are you seeing strength in Q3 so far? And as we look in H2, you know how confident are you on the easier flu comps than the normal flu season? I guess, you kind of just already got into that. But I'd love to get that in a little bit more product launch. How are you thinking about overall in the business momentum as you exited the second half? And then you know just continue with that. The guide also includes some operating leverage. Do you feel like if you got this revenue hit, that you would get that operating leverage? And I just have one more.

CARLO ROSA: Okay. Let me try to answer. Clearly, I need to…I cannot provide you a specific answer. But if you look at the 3 components of the business, right? And you look at Q2 and expectations for Q3 and Q4. I believe that we have discussed molecular already. When it comes to the assumptions we make on respiratory testing volume, which is normalized versus last year, which was a weak season. So I am not going to comment on that.

The second element is immunodiagnostics. Immunodiagnostics, the problem we had was an unexpected Q1, which I believe surprised everybody, I have to say, including ourselves. And that was an outlier our…in the US, our immuno business has traditionally been growing double-digit. The destocking on TB was very heavy. So the underlying business was still very strong. But we had that effect plus, I have to say, a weather effect. Don't forget, we have a significant business with some of the big commercial lab, and that is particularly subject to these events. Q2, there is…we are going back to normal. The QuantiFERON volume continue to increase in the US, primarily

driven by the fact that there is more adoption of TB, especially in association with certain drugs. And certainly, some work that QIAGEN is doing on converting to blood testing the skin testing.

We expect that in Q3 and Q4, these elements will continue. So we expect that we continue to see growth of our overall franchise for immuno as we have seen in Q2. There is clearly a question mark which affected for immuno Q2, which has been the Middle East, where so far, as said, we have seen just in the quarter, an effect of €1.5 million just with Iran. We did not project any revenues moving forward. But clearly normalization of the Middle East would add more to what we have seen in the quarter.

Last but not least, is LTG. Again, tough comparison, as we have said from the beginning, because H1 last year was very high and we were actually expected H1 in 2026 to be below last year. But surprisingly, as a combination, not only of order patterns, but certain projects that some of the partners developed, Q2 was very strong. And we see recovery in life science, and we see to the quarter of last year, more instruments now being moved down the channel, which was a good surprise. So when it comes to H2, the LTG is going to be a good contributor to the growth of the company. We expect to be…the LTG to grow in the mid-double-digit. So this explains why, clearly, we are positive on the year-end guidance.

You asked how does Q3 look like? In 4 weeks, you cannot tell much. I remind you that Q3 started 4 weeks ago. Thank you.

DAVID WESTENBERG: Thank you. You answered probably 4 of my next questions. So apologize. The next one is not going to be as good here. So what are you seeing in terms of mix between, say, syndromic panels and single tests in the US, and trends for like next year and the year out. What direction you see that, and are you seeing any changes in reimbursement difficulties on syndromic panels? I asked that because

you obviously have that PLEX option that is beneficial. And thank you very much. That was great color on that last question. Thank you.

CARLO ROSA: David, listen. For the sake of time, I really cannot take this question, because we need to focus on Q2 and year-end, and this would take hours to discuss what is going to happen next year. So you need to be a little bit more patient, and we're going to give color to this in our Q4. Thank you.

OPERATOR: Next question is from Anchal Verma, JP Morgan.

ANCHAL VERMA: Hi, good afternoon. Thank you for taking my 2 questions. The first one is actually just a follow-up on Aisyah's tariff question. Could you share how much of the tariff refunds will be left for H2, and how can we expect that to, expect all that to come to Q3, or will it be split between Q3 and Q4? And also, could you share your FX guidance for the full year for 2026?

And then the second question is just around, if we can get a bit more color around your NES placements. I'm pretty sure you might not be able to give us the exact number, but just directionally, how the placements have been going.

CARLO ROSA: Anchal, hi, this is Carlo. Welcome back first. Let me start from the NES question. I'm not going to give you numbers. It's too early. And I think that some of you have been…I saw that some of the analysts have been talking to our distributors and customers, and I believe there were some very good reports came about the system and the technology. But the jury's out, it's too early. Whatever number I give you should not be exciting to you, because I believe we just…we need to normalize it over the next 2 to 3 months. Typically, placements in this business happen right before the season. So I believe that, again, you need to be patient. Clearly, I'm fully biased about the technology. I believe this system is a beautiful system. As you can imagine, I

believe that compared to what is out there, is very handy when it comes to these physician office labs that are not at all ready to handle difficult technologies. But again, be a little bit more patient, and we'll talk about it in Q3 and Q4.

ALBERTO DONATI: Thank you, Carlo. Take the other 2. So regarding the tariff refund, let's start from what was the impact and what we paid in total, which was around $9 million in full.

Now, regarding the refunds, 2.5, as mentioned, is what we received so far, but unfortunately, we do not have visibility of the timing of the remaining part of the refund. So we do not have an expectation in terms of when we're going to receive any of the remaining part. It could be in H2, it could be in 2027. Unfortunately, when submitting, we don't have confirmation of the approval nor the timing for the refund.

Going to the second question related to the full year FOREX guidance. So on one side, we're not going to take a position in terms of forecasting the FOREX. It's not our job. But what I can tell you is that if the exchange rate should remain at around 115, 116, with euro to US dollar, our full year impact should be in the range of around €25 million. As a reminder, we had around €20 million so far. Last year, second part of the year, the average was very similar. So should exchange rate remain similar to the level of the last few weeks, we will have a minimal impact in the second half of the year.

ANCHAL VERMA: Perfect. Thanks a lot, Carlo and Alberto.

OPERATOR: Next question is from Anna Ratcliffe, Bank of America.

ANNA RATCLIFFE: Hi. Thank you so much for taking the questions. I wanted to follow-up on QuantiFERON, which was obviously really strong in Q2. Was any of that catch-up from the slowdown in Q1 at all, or it is all

underlying momentum? And could there be upside to the mid-single-digit guidance if that continues? And then I also wanted to quickly clarify on LTG. I see in the slide deck you guys have low-single-digit growth as the guide for the full year, but all of the commentary seems to be pointing to the possibility of mid-to-high-single-digit. So maybe just wanted to confirm what the LTG guidance is for this year. Thank you so much for taking the questions.

CARLO ROSA: Okay, I'll take the question. Yes, we believe that LTG can give us a positive surprise again. We were not expecting Q2 to be so strong, and actually, it was. Again, as said, we see that the funnel of instrument placement is going back to where it was prior to the last year defunding and all the consequences that had, especially in the US. So yes, I believe that it could really help us out in the second half better than expectation, but let's see. Keep in mind, it's a B2B business, so we reflect what our distributors being the very large life science companies, are going to tell us in Q3 and Q4. I honestly recommend that you listen to what they say in order to understand the performance of this business.

When it comes to QuantiFERON, no, it was not a catch-up. As said, very specifically, the event we incurred in Q1 was destocking by a couple of very large private labs, which are the ones that typically provide QuantiFERON testing for Visa. And since they saw that demand for QuantiFERON testing was declining starting from Q4, they destocked, so they didn't buy for one quarter, and that affected our revenues just for a quarter. Now they start again with a regular pattern. And again, QuantiFERON, keep in mind, if you're trying to read our number, our revenues, and try to correlate to the QIAGEN revenues, I'm warning you, it's not possible, because we only deal with CLIA. The chemiluminescence, which does represent a portion of the total revenues of QIAGEN, because they have a lot of ELISA revenues, which are not in the US and not in Europe, that follow a completely

different dynamic. Again, so don't take our commentary on QuantiFERON to try to read the QIAGEN QuantiFERON numbers.

OPERATOR: Next question is from Charles Pitman-King, Barclays.

CHARLES PITMAN-KING: Hi. Thank you very much for taking my question. Charles Pitman-King from Barclays. 2, if I may. Firstly, I was wondering if you could just provide us some of your insights into the pricing strategy for NES versus others on the market. And just given the placements are likely to be strong, given the innovation advantage, and these are given away, that aren't paid for up front, but paid for through reagents. I'm just thinking about at what point in the ramp-up of the respiratory season you'll have suitable insight into whether or not your pricing strategy is suitable for delivering the expected economics, and how we'll think about the earnings impact?

And then just secondly, in terms of the results in 1H, you delivered quite a good beat on sales and marketing expenses versus consensus. I'm just wondering, is there any phasing within that related to market expectations around the NES costs that are actually going to be delivered in the second half, or is there any one-offs that we need to take into account? Thank you very much.

CARLO ROSA: I'm going to call the first question. Look, it's unreasonable to ask us about our pricing policy, because that's competitive information. And so, I'm not going to comment on that. I have to tell you though one thing that today, the reimbursement in the U.S. when it comes to the targeted, which means 4 assays. And I'm not actually commenting on the multiplexing, but on the 4 targeted or respiratory, the reimbursement falls at around $140 and the denial rate is very small. So this allows companies actually to price in this space, the respiratory panel in the proper way. So, the only comment I can make is that I see no pricing pressure so far in for the NES in this segment.

On the second question, Alberto...

ALBERTO DONATI: Absolutely, Charles. And just allow me to make sure that I get your question correctly. You are looking at the H1 results. Your question is related to the fact that they were better than your expectation and you want to know if there is any one-off or phasing effect and what's the expectation in the second half. Did I understand correctly?

CHARLES PITMAN-KING: Versus consensus, yes. So, sales and marketing consensus seemed to come in…came in lower than expected. Just wondering if there's any one-offs we need to take into account or if this is phasing or you guys are just performing better on the sales cost.

ALBERTO DONATI: So, I think that there are 3 elements. And so, I'll refer to the EBITDA margin in Q2 closing at 33% as a function of 3 effects. One is the good operating leverage that we have compared to Q1. The second one is also a favourable mix. As Carlo was mentioning before, the LTG had a growth of 7%, which is supporting our gross margin and eventually also the EBITDA. And as a third element, also the tariffs offset, because in…for one side, our gross margin suffered one point because of over €3 million of tariffs impact in the quarter. On the other side, we had around €2 million of refund that supported us to partially offset that impact.

In terms of phasing for the second half, we already explained during the guidance that there are several elements, the operating leverage, the mix of, for example, the FTG growing double digit as well as the normalization of all the costs that will be absorbed after the launch of the products. So, this is absolutely aligned with the comments that we made in the previous call related to the guidance for the full year.

CHARLES PITMAN-KING: Okay, thank you.

OPERATOR: Next question is from Odysseas Manesiotis BNP Paribas.

ODYSSEAS MANESIOTIS: Hi. Thank you for taking my questions. Firstly, could you remind us of your LIAISON PLEX sales portion of U.S. outpatient versus inpatient, and if we should expect an impact from the MolDX expansion, from the potential MolDX expansion to all Medicare contractors?

Secondly, on the QuantiFERON China opportunity, I mean considering the TB burden is quite substantial from a share of cases, should we view this as a source of good acceleration for you into next year for that franchise, or will penetration move slower than what we've seen in the West? And a very quick third one: understanding that Q2 is the least popular quarter for syndromic testing, but can I confirm that you had no or low placements for LIAISON PLEX, given the number is the same as Q1? Thank you.

CARLO ROSA: Let me start on the last. We didn't comment on placements for Q2. So, I don't know how you came up with the fact that we had no placements.

ODYSSEAS MANESIOTIS: That's just the customer number, which is the same. Apologies.

CARLO ROSA: No, I'm sorry. Yes, I'm sorry if I guided you guys to a wrong number. We have placements clearly in Q2 and not only replacements, but also with activation of blood into existing respiratory accounts. If I move to the QuantiFERON for China, the problem of China is that there is a ton of local competition. And that has…yes, there are 26 local ELISA suppliers, and I believe 1 chemiluminescent assay, which is similar to what we have at least on paper, so that has really been driving the price to a very low level.

So, China today is fundamentally becoming a very cheap market. So, yes, we are going to have revenues in China, but don't expect China to really move the needle significantly compared to what actually we

have been doing in Europe and in the U.S. I believe that together with QIAGEN, there are other secondary markets today that are served with ELISA that we decided that we will not start to go after these markets with LIAISON now, especially with the new kit, which is providing higher throughput. So, that is the next wave of expansion that we see of QuantiFERON. Remind me the first question?

ALBERTO DONATI: PLEX outpatients, inpatients.

CARLO ROSA: Okay. Here is a very interesting discussion here because I think, as we said a few times, our initial placements were in private labs, right? And by definition in private labs it's all outpatients. In the hospital market, where we operate right now, I would like to say that it really varies quite a lot, depending on whether these hospitals are actually…also have a business where they serve physicians and requests, so they are coming from the outside.

But in general, we have seen more prevalence of inpatient, so I would say 60%, 70% inpatient versus the outpatient. But again, it's very difficult because today, hospital systems…few hospital systems are also developing a business model where they start to offer services competing locally with the private labs. So, the business in the U.S., since also in the U.S. money is running out; I believe that you see now hospitals developing a very nice laboratory business.

ODYSSEAS MANESIOTIS: Thank you for the detail, Carlo. Just to clarify the second part of the first question, I also wanted to get a feeling of whether the expansion of MolDX is going to be an issue for your outpatient sales for LIAISON PLEX, given that was a bit of a burden, 6, 7 years back.

CARLO ROSA: Sorry. What is exactly MolDX? What are you referring to?

ODYSSEAS MANESIOTIS: In my understanding, it's stricter reimbursement requirements for outpatients for using multiplex molecular testing on the outpatient

front. But it has not yet been expanded yet, but I understand that's not on top yet.

CARLO ROSA: No. But look, don't forget that our overall strategy is mini panels. So, we really believe that highly complex multiplexing panels are not going to be reimbursed any longer, unless for some very specific…for some very specific patients.

Today, I believe that every customer we talk to, they say that when it comes to reimbursement, they count on $142, which is what is paid with a very minimum denial rate for these small panels and this is why we believe that the concept of mini panels not only makes sense clinically, but is also following the fact that the reimbursement system is starting to become way more careful with the abuse of the highly complex multiplexing panel.

So that this has been…if you remember the…our theory since the beginning everything that now is proving right to the point that competition now is moving to fixed mini-panels. Roche is doing that and you saw also BioMerieux is using actually the SpotFire with smaller panels. And what's unique about Diasorin is that we don't impose mini panels. We give them the ability to design any mini panel they want to and as you have seen in our presentation of the LTP for the GI is a wonderful example where you can have eight mini panels that really covers all the different applications, whereas if you take a Cepheid for example, it's just offering 1 panel of 11 targets.

ODYSSEAS MANESIOTIS: Thank you for the extra colour, Carlo. Really appreciate it.

OPERATOR: Next question is from Jan Koch, Deutsche Bank.

JAN KOCH: Hi, Carlo. Hi, Alberto. Thanks for taking my 2 questions. My first one is on LTG. In the press release, you mentioned that growth was driven by a different timing of orders and the partial recovery in the

life science segment. Could you try to separate these 2 effects and quantify them?

And then secondly, on PLEX, how is the launch of the GI panel progressing? And have you already benefited from the current outbreak in the US. And one clarification, if I may. On the 150 PLEX customers that you mentioned during the call again, you provide the same number on the Q4 call actually, are you going to provide an updated number going forward?

CARLO ROSA: So, I'll cover the first 2 and then Alberto is going to cover the last. I cannot give you any split simply because I'm providing information of all my partners when it comes to the LTG. The only comment I can make, as said, is that what we did not expect is to see a fast recovery on the instruments. But again, to read this business, I strongly recommend you to listen to what our partners are saying because eventually, it's a B2B. But it's actually a recovery in my opinion faster certainly than what we expected. Again, keep in mind that last year, our H2 was very weak because of ordering patterns.

So, on top of the recovery, we believe that there is a favorable comparison H2 to H2 last year. When it comes to GI, just launched, again I believe GI is a wonderful application for mini panels, eight different mini panels I'm aware of, if I look at the funnel of opportunities really expanded by a significant number, the funnel that we have access to but in terms of customers, I believe that so far, we validated 2 accounts. So, in the numbers that you see in Q2, there is no effect of GI yet, it's been very much recently approved. So, on the third question…

ALBERTO DONATI: Absolutely. So, I'll try to explain a little bit. During…just a few weeks ago, during the last call, Carlo did mention that we had approximately 150 customers. We are all now over 150. And what we are now, Carlos also referring to the several installations and

activations of the customers, where in the last quarter the focus was also on add-on modules, instruments into existing customers for the launch of the new panels, namely the blood and now just recently also the GI. So, we are increasing not just the number of customers, but most importantly, also the number of installations and adding on the panels to the customer base.

JAN KOCH: Got it. Thank you.

OPERATOR: Next question is from Natalia Webster, RBC.

NATALIA WEBSTER: Hi there. Thanks for taking my questions. My first 2 are on PLEX. Just a follow-up there with the blood and GI contribution going forward. What sort of mix between respiratory versus non-respiratory do you see as reasonable going forwards?

And then my second question also on PLEX is around the implementation time lines. You've previously talked to longer time lines at 6 to 12 months. Is that still the case? Or are there things you can do to help accelerate these?

And then just finally, if I could follow up on margins. You previously talked to 2026 guidance, excluding additional inflationary pressures. Are you able to comment at all on what you're baking in there, particularly with that sort of €8 million to €10 million you were guiding towards at the CMD? Thank you.

ALBERTO DONATI: Thank you, Natalia. So, I'll try to answer to the question, starting from PLEX versus…respiratory versus non-respiratory and the related needs. Please keep in mind that while the respiratory is the first, it's not only the first panel that we launched, but it's also the most prevalent in the overall syndromic market in the U.S. So, naturally, the respiratory panels will be prevalent and the most relevant in our revenues going forward at least for 2026. GI was just recently

launched. We saw a very positive pickup of quotes, a very active funnel. But as of today, we're not providing the exact split of our forecast between respiratory and non-respiratory. As I said, just please keep in mind that respiratory still is over 70% of the overall syndromic market in the U.S. So, although we have a very strong GI strategy with the mini-panels, we still believe that respiratory constitutes more than half and majority of our revenues at least for 2026.

Going into the second question related to the activations, I can confirm that the time to activate customers has not changed dramatically compared to when Carlo first discussed it. This is a function of several factors. One is the fact that customers need to do validation as it happens not only in molecular diagnostics, but also immunodiagnostics and many other platform, but the difficulty here is the fact that we are offering a product with the PLEX and our mini-panels, that is in a way very unique, and that requires longer time for the IT departments of our hospitals to adapt and to integrate our mini panels into their system.

So, on one side, the number of customers that are activating and picking up the PLEX is increasing. On the other side, there is still…there are still complexities in the validation and activation that are behind the 6, 12 months activation time line that Carlo mentioned, and we can confirm. Last but not least, you asked about the inflationary effect, if I recall correctly, related to the conflict in the Middle East. Am I understanding…am I recalling correctly, Natalia?

NATALIA WEBSTER: Yes, that's right. I think previously you mentioned an €8 million to €10 million impact. Just curious to what you're seeing at the moment and what you're expecting within the guidance?

ALBERTO DONATI: Yes. So, we took out the disclaimer and from the guidance simply because as of this year, and we are already at the end of July, we believe that we have had so far minimal impact, inflationary impact as

we've been able to absorb. We expect for the second half also that we can be able to absorb the impact. The €8 million to €10 million is an annualized overall impact coming from both, not only the cost of the fuel, the jet fuel, for example, so that's linked to distribution, but also the cost of raw materials linked to plastics. This is confirmed as an overall assessment, but since we have not had a material impact to date, we've not reiterated that as an impact for 2026. We will see how the conflict progresses and what the impact could be for 2027.

NATALIA WEBSTER: Thank you.

OPERATOR: Next question is from Kavya Deshpande, UBS.

KAVYA DESHPANDE: Good afternoon, Carlo and Alberto. Thanks for taking my questions. I've actually just got 2 on the new high throughput version of the QuantiFERON test. What does the gross margin look like on that product compared to your regular throughput LIAISON QuantiFERON test? And also what proportion of your customer base can eventually be converted to the high throughput version in your view? Thank you.

CARLO ROSA: Hey, Kavya. The conversion is going to be 100%. We actually started already, and I believe we converted anything between 30% to 35% of the base. So, the idea is that by year-end, we're going to have it pretty much done across all technologies. The margin structure is exactly the same as the previous one.

KAVYA DESHPANDE: Got it. Thank you very much.

OPERATOR: We have no more questions registered at this time.

CARLO ROSA: Thank you, operator. Bye-bye.

ALBERTO DONATI: Bye.