



Eurofins provides update to key stakeholders on current and upcoming actions following communications published by Muddy Waters since 24 June 2024

11 July 2024

As has been done in previous press releases published by Eurofins on 25 June 2024, 03 July 2024 and 05 July 2024 in response to baseless reports by Muddy Waters, LLC (MW), Eurofins would like to provide clear and direct communication on subjects of greatest importance to its key stakeholders, including shareholders, bondholders, employees and customers, regarding MW earlier reports and MW's recent letter to Eurofins' CEO, Dr Gilles Martin. This approach is fully consistent with the Company's communication policies that adhere to strict rules to ensure that all investors simultaneously receive, through appropriate and accredited channels, reliable information that has been rigorously validated. This stands in contrast to the inaccurate, irrelevant, biased and/or misleading allegations made by MW in its reports, which Eurofins has thoroughly refuted in its previous press releases, and potentially also to various other baseless allegations made by MW and/or its clique of short sellers through alternative channels.

Concerning related party transactions involving Analytical Bioventures SCA (ABSCA), which is controlled by Dr Gilles Martin, Eurofins continues to access archives and information regarding older allegations and facts cited with errors by MW and plans to present investors, in due course, with further information on its real estate programme that provides confirmation of arm's length terms in transactions involving related parties, and can validate the following points complementing Eurofins' previous communication:

- As made clear in Eurofins' previous press releases, during the last 10 years, for each site expansion financed by ABSCA on an ABSCA-owned site, the lease terms for these additional properties were assessed to be at arm's length based on appraisals of comparable properties performed by independent external experts. Indeed, assessments to ensure that related party transactions are at arm's length has been a standard Eurofins practice since ABSCA started to finance buildings to be used by Eurofins companies in 2005 so Eurofins could use its resources to expand organically and through acquisitions at a time when its access to capital and credit was much more limited.
- Completely contrary to MW's false allegation that "Eurofins funded expansions while Dr. Martin increased the rent charged for the larger facilities" (p. 7 in MW report published 25 June 2024), whenever Eurofins financed site improvements on laboratory campuses rented from ABSCA subsidiaries, there was of course no increase in lease payments made by Eurofins companies to ABSCA subsidiaries in connection to these improvements.

Furthermore, as has already been discussed based on feedback from its investors as part of ongoing dialogue, it is planned to provide Eurofins the opportunity to acquire those ABSCA-owned sites that Eurofins companies wish to use long term, subject to a vote by non-related shareholders (i.e., without the participation of ABSCA and its representative directors). The timeline for this process is dependent on numerous conditions, including the significant preparation work required (i.e., appraisals by independent external experts) and Eurofins' financial development, but it is Eurofins' intention to conduct this vote at the earliest appropriate occasion. In order to proceed swiftly on this matter, while protecting the sustainability of its balance sheet within its stated financial leverage objectives with adequate headroom, Eurofins will prioritise, if required, the acquisition of ABSCA-owned sites, if so decided by a majority of its non-related shareholders, over the acquisition of new sites from third parties.

Concerning MW's allegations regarding Eurofins' cash accounting, as already communicated in its press release published on 05 July 2024, Eurofins has mandated Ernst & Young Paris, one of the leading auditors for CAC40 companies, to perform an additional independent audit of Eurofins' cash pooling arrangements and cash situation in its consolidated financial statements as at 31 December 2023, and will report on the findings when available.

Concerning corporate governance, Eurofins is contemplating increasing the proportion of independent, non-executive directors on its Board of Directors by potentially adding one or more directors with appropriate experience and seniority. Among other factors, Eurofins will consider the qualifications, recognition and work experience of potential candidates, with any appointment subject to a shareholder vote at an Annual General Meeting.

Going forward, Eurofins will continue to listen to serious requests from legitimate investors and other stakeholders but does not intend to further divert its resources to respond to irrelevant, biased and/or unfounded allegations or unreasonable requests by MW and similar actors.

Comments from the CEO, Dr Gilles Martin:

"In its latest letter dated 09 July 2024 and addressed directly to me, MW proposed that transparency is the remedy to win investor trust. As MW should know, transparency for a public company such as Eurofins requires, among other factors, adherence to clear and strict rules regarding the reliability of information published as well as the method of dissemination, to avoid potential risks arising from, among other causes, insider trading or market manipulation. Based on what we have seen so far, it seems hard to conclude that MW adheres to a similarly high level of transparency and rigour. Rather than continue making false or misleading allegations against Eurofins or inappropriate and absurd requests for information, perhaps MW should instead consider if it is being transparent with its own practices and fulfilling its regulatory requirements in all relevant jurisdictions, assuming that its intentions extend beyond simply profiteering at the expense of investors, especially passive funds and individual investors who may be less familiar with the practices of short sellers. Since MW has never initiated a dialogue with Eurofins to discuss their assessments prior to publishing their communications, which could have prevented the spread of their incorrect and misleading information, we can only surmise that MW, and parties potentially acting together with MW, does not have any intentions other than to serve their own personal financial interests by deceiving the investing public.

In contrast, Eurofins will continue to fulfil its obligation to provide clear and transparent communication through the appropriate channels and formats and after adequate verification and carefully considering the interests and suggestions of its investors and stakeholders. Therefore, going forward, we do not intend to expend further company resources to respond to MW's baseless allegations or arbitrary requests. Instead, our energy and attention are focussed not only on our strategic, operational and financial performance, but also on the aforementioned subjects of greatest importance to our key stakeholders. We look forward to discussing these topics with them in upcoming engagements, including at the time of our Half Year 2024 results publication on 24 July 2024."

Notes to Editors:

For more information, please visit www.eurofins.com or contact:

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About Eurofins – the global leader in bio-analysis

Eurofins is Testing for Life. The Eurofins Scientific SE network of independent companies believes that it is a global leader in food, environment, pharmaceutical and cosmetic product testing and in discovery pharmacology, forensics, advanced material

sciences and agrosience contract research services. It is also one of the market leaders in certain testing and laboratory services for genomics, and in the support of clinical studies, as well as in biopharma contract development and manufacturing. It also has a rapidly developing presence in highly specialised and molecular clinical diagnostic testing and in-vitro diagnostic products.

With ca. 62,000 staff across a decentralised and entrepreneurial network of more than 900 laboratories in over 1,000 companies in 62 countries, Eurofins offers a portfolio of over 200,000 analytical methods to evaluate the safety, identity, composition, authenticity, origin, traceability and purity of a wide range of products, as well as providing innovative clinical diagnostic testing services and in-vitro diagnostic products.

Eurofins companies' broad range of services are important for the health and safety of people and our planet. The ongoing investment to become fully digital and maintain the best network of state-of-the-art laboratories and equipment supports our objective to provide our customers with high-quality services, innovative solutions and accurate results in the best possible turnaround time (TAT). Eurofins companies are well positioned to support clients' increasingly stringent quality and safety standards and the increasing demands of regulatory authorities as well as the evolving requirements of healthcare practitioners around the world.

The Eurofins network has grown very strongly since its inception and its strategy is to continue expanding its technology portfolio and its geographic reach. Through R&D and acquisitions, its companies draw on the latest developments in the field of biotechnology and analytical chemistry to offer their clients unique analytical solutions.

Shares in Eurofins Scientific SE are listed on the Euronext Paris Stock Exchange (ISIN FR0014000MR3, Reuters EUFI.PA, Bloomberg ERF FP).