Eurofins delivers new record level of revenues and strong margins and cash flow growth in H1 2024

24 July 2024

Financial highlights

Eurofins delivered a strong set of results in H1 2024:

- Total revenues of €3,419m represented a new record level for the first half of a fiscal year, as Eurofins has now grown to exceed its peak pandemic-driven revenue level, but without COVID-19 related revenues. The year-on-year increase was 6.5%, supported by solid organic growth[13] in the Core Business of 5.6% and a strong pace of acquisitions, but restrained by FX headwinds (-0.5%). The organic growth[13] figure is not corrected for a slightly negative working day effect as H1 2024 had 0.2 fewer working days than H1 2023. A 1–2-day positive working days impact is expected in H2 2024.
- Adjusted[1] EBITDA[3] of €757m (22.1% of revenues) was 18.3% higher than the €640m (19.9% of revenues) achieved in H1 2023. This improvement resulted from a combination of pricing attainment, volume growth, and disciplined cost management, in particular personnel expenses, consumables and building costs. All regions demonstrated improvement in profitability.
- Net Profit[7] increased year-on-year by 46% to €220m in H1 2024 vs €151m in H1 2023.
- Generation of Free Cash Flow before investment in owned sites[16] increased by 171% from €125m in H1 2023 to €341m in H1 2024, thanks to the increase in EBITDA[3], continued capex discipline for programmes related to capacity expansion, and improved net working capital[12] intensity.
- Free Cash Flow to the Firm[10] increased 276% from €74m in H1 2023 to €279m in H1 2024.
- Eurofins' balance sheet remains very solid at the end of June 2024:
    - Financial leverage (net debt[11] to last 12 months adjusted[1] pro-forma EBITDA[3]) down to 1.9x at the end of June 2024 vs 2.0x at the end of 2023 and well within its targeted range of 1.5-2.5x.
    - Having carried out an early redemption of a €448m Eurobond on 19 June 2024, one month ahead of its maturity date on 25 July 2024, Eurofins has no major financing requirements for the remainder of 2024. The next maturities are Schuldschein loans totalling €234m, maturing in July and October 2025 respectively, and €400m in hybrid capital with a first call date of 13 November 2025.

Strategic highlights

Eurofins companies continue to advance on their long-term growth, digitalisation and innovation initiatives:

- In terms of M&A, the pace of acquisitions has been strong so far this year.
    - In H1 2024, Eurofins closed 15 business combinations that generated FY 2023 pro-forma revenues of about €132m at a cost of €246m, reflecting a sales multiple of 1.9x.
    - Companies acquired in H1 2024 include Ascend Clinical, LLC, the largest independent laboratory for kidney dialysis testing in the United States, which further supports Eurofins' efforts to provide best-in-class testing care to patients in the renal and transplantation fields.
- Eurofins added 45,000 m^2 of net surface area to expand its network in the first six months of 2024. Through a combination of building projects, building purchases and acquisitions in the M&A scope, offset by a decrease in leased surfaces, Eurofins was able to increase its ownership proportion of the total net floor area of its sites to 33.1% at the end of June 2024 vs 31.7% at the end of 2023.
- The pace of start-up activity remained strong in H1 2024 as Eurofins opened 18 new start-up laboratories and nine new blood collection points (BCPs). The 319 start-ups and 76 BCPs launched since 2000 have

made material contributions to the overall organic growth of the Group, accounting for 0.9% out of the 5.6% of organic growth achieved in H1 2024.

- Eurofins companies continue to make meaningful contributions to Testing for Life:
  - Eurofins Genoma's Genome-Wide Non-Invasive Prenatal Tests (GW-NIPT) were recently acknowledged in a paper published in the journal Prenatal Diagnosis as having extremely high clinical utility.
  - Eurofins Discovery launched DiscoveryAI SAFIRE, an advanced platform for drug discovery that leverages proprietary datasets, artificial intelligence (AI) and machine learning (ML) to predict the ADMET (Absorption, Distribution, Metabolism, Excretion and Toxicity) properties of molecules.
  - Eurofins CDMO Alphora Inc. announced the completion of its expansion of active pharmaceutical ingredient (API) capacity and capabilities at its new API manufacturing facility in Mississauga, Canada. This capacity expansion will allow Eurofins CDMO Alphora to support existing and prospective partners to address expanding therapeutic indications and meet the growing demand for emerging therapies at clinical and commercial stages.

2024 to 2027 Objectives

- Eurofins does not provide guidance on future results. Depending on long-term interest rate and inflation expectations, Eurofins management sets multiyear targets (typically valid for 5 to 10 years) for its minimum hurdle rate for return on capital employed on its investments (currently 16% after 3 years) and average targets for annual organic growth over the period (currently 6.5%). Eurofins develops unique levels of depth, breadth, quality and speed of service for clients and overall efficiency and competitive advantage through focussed 5-year investment programmes to create unmatched laboratory and digital infrastructure in its chosen markets, with increasingly global coverage.
- 2024 is the second year of the 2023-2027 programme. Objectives for 2027 were shared on 1 March 2023. In addition, once a year when publishing its annual results, Eurofins management also shares objectives for the current year. Eurofins' policy is not to update these annual objectives unless very significant and unforeseen changes occur. Objectives for FY 2024, which were announced at the FY 2023 results presentation on 27 February 2024, and those for 2027, announced on 1 March 2023, thus remain unchanged.

€m	**FY 2024**	**FY 2027**
Revenues	€7.075bn – €7.175bn	Approaching €10bn
Adjusted[1] EBITDA[3]	€1.525bn – €1.575bn	Margin: 24%
FCFF before investment in owned sites[16]	€800m - €840m	Approaching €1.5bn

- The FY 2024 and FY 2027 objectives assume same average exchange rates as in FY 2023 and zero contribution from COVID-19 clinical testing and reagents. From FY 2024 to FY 2027, Eurofins targets average organic growth[13] of 6.5% p.a. and potential average revenues from acquisitions of €250m p.a. over the period consolidated at mid-year. In addition, Eurofins will remain prudent with its acquisition strategy and only acquire businesses that meet its objectives for return on capital employed.
- Similar to the achievement of an improved adjusted[1] EBITDA[3] margin in H1 2024 vs H1 2023, anticipated further improvements in adjusted[1] EBITDA[3] margin in FY 2024 and towards the FY 2027 objective are underpinned by programmes that continue to align pricing to cost inflation, as well as innovation, productivity, digitalisation and automation initiatives, and better utilisation of Eurofins' state-of-the-art laboratory network.
- Eurofins continues to conduct reviews of some of its smaller underperforming businesses.

- In the coming year, Eurofins expects to continue its high intensity of start-up activities. Due to temporary losses related to these start-ups, Separately Disclosed Items[2] (SDI) at the EBITDA[3] level should remain at an elevated level of about €125m in FY 2024. Thereafter, as newly initiated start-ups ramp up and become profitable, the objective is that SDI[2] at the EBITDA[3] level should decline gradually towards about 0.5% of revenues in 2027.
- Capital allocation for strategically important investments remain key to Eurofins' long-term value creation strategy. Priorities for net operating capex in FY 2024 and in the mid-term will continue to include start-ups in high-growth/high-return areas, and the development and deployment of sector-leading proprietary IT solutions. Capital allocation for net operating capex is expected to be ca. €400m p.a.
- In addition, Eurofins will prioritise, if required, the stepwise acquisition of sites owned by related parties, if decided by a majority of its non-related shareholders, over the acquisition of new sites from third parties. Investment in site ownership is assumed to be around €200m p.a.
- Eurofins is fully committed to protecting the sustainability of its balance sheet within its stated financial leverage objectives with adequate headroom. It targets to maintain a financial leverage of 1.5-2.5x in the mid-term period and less than 1.5x by FY 2027.

Comments from the CEO, Dr Gilles Martin:

"Though the first six months of 2024 remained clouded by geopolitical and macroeconomic uncertainties, Eurofins companies continued to deliver outstanding results in the areas that matter most to our stakeholders: operational excellence, speed and quality of service and innovation for our clients, financial performance and sustainability for our shareholders, and continued investments to create a great place to work for our leaders and staff in a decentral entrepreneurial, fair and inclusive meritocratic environment.

"In terms of financial performance and operational excellence, in what historically has been the seasonally weakest semester of the year, Eurofins achieved solid organic growth, setting a new revenues record for a first half year and, even more impressively, achieved a reported EBITDA[3] margin of 20.9%, equivalent to a year-on-year improvement of 260bps. This increase builds upon the previously recorded year-on-year improvement achieved in H2 2023 vs H2 2022 of 90bps of reported EBITDA[3] margin. The first positive impacts of Eurofins' investment in building the best-in-class and most digital laboratory network in its field are starting to be felt now in the second year of its most recent 5-year investment programme. In H1 2024, despite being at the peak investment intensity of its digitalisation initiatives in 2024 and 2025, Eurofins was able to reduce its financial leverage (net debt[11] to last 12 months adjusted[1] pro-forma EBITDA[3]) and simultaneously make large investments in M&A, laboratories buildings, capex, start-ups, R&D and share buy-backs.

"We are further encouraged by progress in our digitalisation initiatives. Development of a unique suite of IT solutions is proving successful with deployment of the newest tools in several pilot sites of our Life area of activity, with planned completion of the remaining applications by the end of 2025 for most business lines. This opens the path for groupwide deployment of these IT solutions by the end of our 5-year investment programme in 2027, though substantial benefits should already begin to be felt by 2026. Similarly, the building of a fully new state-of-the-art, more decentral, secure, and resilient IT infrastructure will have made large progress by the end of 2024 and should complete next year. Beyond their large impact on capex, these two initiatives represent very significant investments in operating expenses that should significantly decline by 2026. The conclusion of these initiatives, combined with the benefit of more modern, lean, streamlined and effective digital tools, should further contribute to improving the quality and speed of service to clients, reduce costs, and pave the way for more systematic use of automation and AI solutions across our network.

"Eurofins companies remain as committed as ever to continue to deliver innovative, high-quality services and operational excellence to our clients and financial performance to our investors. Given this latest set of results and our ongoing initiatives to further improve on the productivity and digitalisation of our operations, I remain very confident in the capabilities and motivation of Eurofins teams, not only to finish this year strongly and achieve our FY 2024 profitability objectives, but to sustain that momentum as we progress toward achieving our FY 2027 objectives."

Conference Call

Eurofins will hold a conference call with analysts and investors today at 15:00 CEST to discuss the results and the performance of Eurofins, as well as its outlook, and will be followed by a questions and answers (Q&A) session.

Click here to Join Call >>
From any device, click the link above to join the conference call.

The following figures are extracts from the Condensed Interim Consolidated Financial Statements and should be read in conjunction with the Condensed Interim Consolidated Financial Statements and Notes for the period ended 30 June 2024. The Half Year Report 2024 can be found on Eurofins' website at the following link: https://www.eurofins.com/investors/reports-and-presentations/

Table 1: Half Year 2024 Results Summary

	H1 2024			H1 2023			*+/- % Adjusted results*	*+/- % Reported results*
In €m except otherwise stated	**Adjusted[1] results**	Separately disclosed items[2]	Reported results	**Adjusted[1] results**	Separately disclosed items[2]	Reported results		
Revenues	3,419	-	3,419	3,209	-	3,209	*+6.5%*	*+6.5%*
EBITDA[3]	757	-43	714	640	-51	589	*+18%*	*+21%*
EBITDA[3] margin (%)	*22.1%*	-	*20.9%*	*19.9%*	-	*18.3%*	*+220 bp*	*+260 bp*
EBITAS[4]	497	-65	432	397	-69	327	*+25%*	*+32%*
Net profit[7]	320	-100	220	261	-110	151	*+23%*	*+46%*
Basic EPS[8] (€)	1.55	-0.54	1.01	1.23	-0.59	0.65	*+26%*	*+57%*
Net cash provided by operating activities			530			333		*+59%*
Net capex[9]			252			259		*-3%*
Net operating capex			190			208		
Net capex for purchase and development of owned sites			62			51		
Free Cash Flow to the Firm before investment in owned sites[16]			341			125		*+171%*
M&A spend			246			83		*+195%*
Net debt[11]			2,863			2,588		*+11%*
Leverage ratio (net debt[11]/pro-forma adjusted[1] EBITDA[3])			1.9x			2.0x (end FY 2023)		-0.1x

Note: Definitions of the alternative performance measures used can be found at the end of this press release

Revenues of €3,419m increased year-on-year in H1 2024 by 6.5%, supported by solid organic growth[13] in the Core Business of 5.6% as well as a strong pace of acquisitions, as Eurofins closed 15 business combinations with FY 2023 pro-forma revenues of €132m. These effects more than compensated for the complete disappearance of COVID-19 clinical testing and reagent revenues, which was small but in the order of €20m in H1 2023.

Table 2: Organic Growth[13] Calculation and Revenue Reconciliation

	In €m except otherwise stated
H1 2023 reported revenues	**3,209**
+ H1 2023 acquisitions - revenue part not consolidated in H1 2023 at H1 2023 FX rates	45
- H1 2023 revenues of discontinued activities / disposals[15]	-18**
= H1 2023 pro-forma revenues (at H1 2023 FX rates)	3,237
+ H1 2024 FX impact on H1 2023 pro-forma revenues	-15
= H1 2023 pro-forma revenues (at H1 2024 FX rates) (a)	**3,222**
H1 2024 organic scope* revenues (at H1 2024 FX rates) (b)	**3,383**
H1 2024 organic growth[13] rate (b/a-1)	**5.0%*** **
H1 2024 acquisitions - revenue part consolidated in H1 2024 at H1 2024 FX rates	36
H1 2024 revenues of discontinued activities / disposals[15]	0
H1 2024 reported revenues	**3,419**

** Organic scope consists of all companies that were part of the Group as at 01/01/2024. This corresponds to the 2023 pro-forma scope*
*** Q1 2024 impacted by discontinuation[15] of the OmniGraf dual-biomarker rejection panel following revised billing guidance by MolDX in the U.S. effective 1 April 2023*
**** Not corrected for the decline in COVID-19 related clinical testing and reagent revenues and not adjusted for public working days*

Table 3: Breakdown of Revenue by Operating Segment

€m	**H1 2024**	**As % of total**	**H1 2023**	**As % of total**	***Y-o-Y variation %***	***Organic growth[13] in the Core Business****
Europe	1,748	51%	1,622	51%	*7.7%*	*5.6%*
North America	1,311	38%	1,243	39%	*5.5%*	*4.9%*
Rest of the World	360	11%	344	11%	*4.5%*	*7.9%*
Total	**3,419**	**100%**	**3,209**	**100%**	***6.5%***	***5.6%***

** Excluding COVID-19 related clinical testing and reagent revenues*

Europe

- Reported revenues increased vs H1 2023 by €125m, primarily due to solid organic growth of 5.6% in the Core Business.
- BioPharma Services in Europe experienced moderate growth in a market environment characterised by diverse developments in the first half of 2024. On the one hand, demand for BioPharma Product Testing, Bioanalytical Services, Toxicology, and Medical Devices Testing remained stable. On the other hand, Agroscience Services continues to experience tepid demand growth mirroring the subdued situation in the global seed and crop protection market and related to uncertainty regarding regulatory requirements in Europe in relation to registering new crop protection products. Meanwhile, demand from customers for Discovery Services has begun to gradually recover, though volumes still remain below peak levels. In terms of profitability, volume growth, further implementation of pricing initiatives and ongoing cost adaptation measures including footprint optimisation have driven margin improvement.
- Following the challenging years of 2022 and 2023 due to the persisting effects of inflation on consumer food prices, Food and Feed Testing in Europe saw a recovery in growth in most countries in the first half of 2024, supported by pricing attainment as well as some volume increases driven by product development by food producers. In parallel, Eurofins continued to implement initiatives to control costs

and boost efficiency, including capacity optimisation through labour force adaptations and footprint consolidation. Furthermore, Eurofins has continued to invest in innovations to improve the productivity of its laboratories. These large investments include technology, digitalisation and automation initiatives, such as fully automated sample preparation systems and the successful deployment of Eurofins' internally developed next-generation LIMS software in a number of pilot sites. These IT solutions, as well as other related bespoke standardized proprietary IT applications, should be fully deployed throughout the region by the end of 2026 to replace a vast array of costly and less-efficient legacy IT solutions.

- The Environment Testing business in Europe set new sales records to start 2024, driven by market share gains on the back of strong service and offerings across multiple countries, as well as pricing initiatives. In terms of organic growth, while continued pricing and commercial excellence initiatives were supportive, volume increases in numerous activities ranging from water testing to asbestos testing and anticipated regulation supporting increased PFAS testing have been significant contributory factors. The strong operational performance of the European Environment Testing laboratories, the acceleration of ongoing lean and automation programmes, digitalisation, and strong customer-focussed mindset have supported growth and improved profitability across the Eurofins Environment Testing network in Europe. Further improvements are still expected from the continuation of already engaged productivity programmes, including footprint rationalisation, the completion of the roll-out of next-generation LIMS to replace a diverse and costly set of legacy LIMS systems and the accelerated ramp up of automation projects.
- The Clinical Diagnostics Business in Europe continued taking measures in H1 2024 to improve its growth and profitability. The expansion of blood collection point (BCP) coverage in France continued as nine new BCPs were opened in H1 2024, adding to the 67 BCPs launched in France and Belgium during 2022 and 2023. In Spain, operational improvements have resulted in a normalisation of growth and improved profitability. Volumes of specialised testing services such as clinical genetics and NIPT grew well. In terms of operational performance, organisational changes made in 2023, including changes in leadership and network rationalisation following the end of COVID-19 testing, have helped to improve profitability, while digitalisation initiatives are supporting productivity. In terms of innovation, in a paper published in the journal Prenatal Diagnosis on a study of 71,883 unselected clinical cases of Genome-Wide Non-Invasive Prenatal Test (GW-NIPT), Eurofins Genoma demonstrated the clinical utility of its expanded NIPT in pregnancy management.

North America

- Reported revenues increased year-on-year by €69m, supported by steady organic growth of 4.9% in the Core Business.
- BioPharma Services revenues in North America were resilient in the first half of 2024. Promising development has been observed in Discovery Services, which showed signs of recovery from the challenging market conditions in 2022 and 2023. Demand and pipelines in BioPharma Product Testing, and Central and Bioanalytical Laboratories remained sound as clients continue to invest in promising therapies across all modalities. Profitability margins continue improving across most areas of the business, supported by cost savings and measures to optimise personnel costs. Investments in future growth opportunities continue to progress, most notably Eurofins CDMO Alphora's completion of its 3,300 square foot pilot-scale biologics development facility with a scale-up capacity of up to 200L for pre-clinical and phase I supply. In addition, a new Drug Product Analytical Laboratory will launch, increasing Eurofins CDMO Alphora's footprint three-fold. Eurofins CDMO Alphora also completed a 2,000L scale API manufacturing facility, which will commence production in the second half of 2024, with capacity already sold via supply agreements. Eurofins Discovery also continues to introduce new innovations such as DiscoveryAI Safire, an AI tool that leverages proprietary datasets launched in early 2024 as a valuable service to help pharmaceutical clients accelerate their drug discovery timeline.
- The Food and Feed Testing business in North America continued to grow strongly in H1 2024 supported by steady demand growth and market share gains driven by new start-up microbiology laboratories in Missouri and Nebraska to address the stringent turnaround time requirements of meat and produce customers. Another noteworthy development that has driven growth is Eurofins Food and Feed Testing's

selection as one of three third-party testing organisations to support Amazon's requirement for certificates of authenticity from sellers of dietary supplements on Amazon's platform. In addition to volume growth and mix enhancement due to higher value-added testing, pricing attainment, rush pricing, normalising inflation and higher productivity all contributed to improving profitability.

- Eurofins Environment Testing in North America delivered strong organic growth in H1 2024. Growth was underpinned by market share gains and increased demand across all sectors of environment testing. Eurofins operates the market leading PFAS Testing Service, in terms of both processing capacity and capability, in the US. Demand for PFAS testing was buoyant across all client groups – regulators, industrials, consultancies, municipalities, federal and state governments. Growth outperformance was supported by the rollout of digitalisation initiatives including electronic chain of custody (eCOC), internal process AI, and enhancement to myEOL (Eurofins online), all of which assist process efficiency and client tracking/retrieval of data online. In terms of profitability, margin improvement was delivered through volume growth, consumable cost controls, the rollout of microextraction to reduce solvent usage and lower logistics costs, and efficiencies gained from robotics and automation initiatives. The outlook for profitable growth remains very positive as upgrades in one California laboratory and two Texas laboratories come online to extend processing capacity through H2 2024. Additionally, the in-progress construction of a new, state-of-the-art full-service environment testing laboratory in Chicago will help drive growth in the years to come.
- During the reporting period, Eurofins closed the acquisition of Ascend Clinical, LLC ("Ascend"). Operating a state-of-the-art laboratory in Sunnyvale, California and employing 170 staff, Ascend is the largest independent laboratory for kidney dialysis testing in the United States. This acquisition further reinforces the Eurofins network's footprint in transplant testing and associated renal care, broadening its clinical client base and growing its exposure to this promising segment.

<u>Rest of the World</u>

- Core Business revenues were up 7.9% year-on-year on an organic basis due to strong organic growth across many countries and activities.
- After more muted business conditions in Asia due to softness in consumer spending in many regions of the world related to high inflation in 2023, demand from customers has gradually rebounded in numerous countries, in particular in China. The Food and Feed Testing, BioPharma Services and Clinical Diagnostics businesses delivered robust growth across Asia. Start-ups in China, India and Southeast Asia also contributed to growth, while Eurofins was able to win numerous nominations in its Consumer Product Testing business over its competitors due to advancements in new services and supporting customers' supply chain movements. However, demand in the Advanced Material Sciences business remains tepid as the semiconductor and electronics industry is currently in an inventory correction cycle. On the other hand, demand from customers engaged in semiconductor equipment and battery materials has been healthy. From a profitability perspective, margins benefitted both from the aforementioned strong growth as well as network optimisation measures and targeted investment initiatives.
- In Australia, organic growth was fueled by national infrastructure projects including those being undertaken in preparation for the 2032 Olympics. Eurofins has also expanded its PFAS testing capabilities in the region into New Zealand, to complement existing offerings in Brisbane, Sydney, Melbourne and Perth.
- In Latin America, Eurofins has made continued progress regarding footprint optimisation. On the one hand, business activities in Argentina are being wound down, while on the other hand acquisitions have been concluded in Brazil and Colombia in Food and Feed Testing, further expanding the network's footprint.
- In the Middle East, Ajal Laboratories continues to generate good growth in its core Food and Feed Testing business, in particular in the area of animal health. Eurofins is also expanding its services in the clinical diagnostics sector in Saudi Arabia.

Table 4: Breakdown of Revenue by Area of Activity

€m	H1 2024	As % of total	H1 2023	As % of total	*Y-o-Y variation %*	*Organic growth[13] in the Core Business**
Life	1,379	40%	1,257	39%	*9.8%*	*7.9%*
BioPharma	1,000	29%	976	30%	*2.5%*	*2.6%*
Diagnostic Services & Products	690	20%	652	20%	*5.9%*	*4.5%*
Consumer & Technology Products Testing	349	10%	325	10%	*7.3%*	*7.5%*
Total	**3,419**	**100%**	**3,209**	**100%**	***6.5%***	***5.6%***

** Excluding COVID-19 related clinical testing and reagent revenues*

Life (consisting of Food and Feed Testing, Agro Testing and Environment Testing)

- Food and Feed Testing in Europe saw a recovery in growth in the first half of 2024, supported by pricing attainment as well as some volume increases driven by product development by food producers.
- The Food and Feed Testing business in North America continued to grow strongly in H1 2024 driven by steady demand growth and market share gains.
- In Rest of the World, Food and Feed Testing delivered robust growth across numerous countries in Asia and the Middle East.
- The Environment Testing business in Europe set new sales records to start 2024, driven by market share gains on the back of strong service and offerings across multiple countries, as well as pricing initiatives.
- Eurofins Environment Testing in North America delivered strong organic growth in H1 2024. Growth was underpinned by market share gains and increased demand across all sectors of Environment Testing.
- Environment Testing in Rest of the World experienced organic growth in Australia, fueled by national infrastructure projects including those being undertaken in preparation for the 2032 Olympics. Eurofins has also expanded its PFAS testing capabilities in the region into New Zealand, to complement existing offerings in Brisbane, Sydney, Melbourne and Perth.

Biopharma (consisting of BioPharma Services, Agrosciences, Genomics and Forensic Services)

- BioPharma Services in Europe experienced moderate growth in a market environment characterised by diverse developments in the first half of 2024. Demand for BioPharma Product Testing, Bioanalytical Services, Toxicology, and Medical Devices Testing remained stable. Meanwhile, demand from customers for Discovery Services has begun to gradually recover, though volumes still remain below peak levels. Professional Scientific Services® (PSS) was able to outgrow the market by winning new clients.
- BioPharma Services revenues in North America were resilient in the first half of 2024. Promising developments were observed in Discovery Services, which showed signs of recovery from the challenging market conditions in 2022 and 2023. Demand and pipelines in BioPharma Product Testing and Central and Bioanalytical Laboratories remained sound as clients continue to invest in promising therapies across all modalities.
- BioPharma Services in Asia delivered robust growth across numerous countries.
- Agroscience Services continues to experience tepid demand growth mirroring the subdued situation in the global seed and crop protection market and thus remains a very challenged area of activity with limited improvement in sight.
- Eurofins' Genomics business line continues its post-COVID pivot towards activities related to genes, plasmids, biopharma and large-scale, high-throughput end market applied genomics solutions.

Diagnostic Services & Products (consisting of Clinical Diagnostics Testing and In Vitro Diagnostics (IVD) Solutions)

- The Clinical Diagnostics Business in Europe realised improvements in growth in H1 2024. The expansion of blood collection point (BCP) coverage in France continued as nine new BCPs were opened in H1 2024, adding to the 67 BCPs launched in France and Belgium during 2022 and 2023. In Spain, operational improvements have resulted in a normalisation of growth and improved profitability. Specialised testing services such as clinical genetics and NIPT have also been growing well.
- During the reporting period, Eurofins closed the acquisition of Ascend Clinical, LLC ("Ascend"). Operating a state-of-the-art laboratory in Sunnyvale, California and employing 170 staff, Ascend is the largest independent laboratory for kidney dialysis testing in the United States.

Consumer & Technology Products Testing (consisting of Consumer Product Testing and Advanced Material Sciences)

- After more muted business conditions in Asia due to softness in consumer spending in many regions of the world related to high inflation in 2023, demand from customers for Consumer Product Testing has gradually rebounded in numerous countries, in particular in China.
- Eurofins was able to win numerous nominations in its Consumer Product Testing business over its competitors due to advancements in new services supporting customers' supply chain movements.
- Demand in the Advanced Material Sciences business remains tepid as the semiconductor and electronics industry is currently in an inventory correction cycle. On the other hand, demand from customers engaged in semiconductor equipment and battery materials has been healthy.

Infrastructure Programme

As part of its strategy to lease less and own more of its strategic sites, Eurofins has added, in the first six months of 2024, a total of 37,000 m² of laboratory, office, and storage space through the delivery of building projects as well as building purchases, while decreasing its leased surfaces by 12,000 m². Through acquisitions in the M&A scope, Eurofins has added an additional surface of 20,000 m². Overall, this has resulted in a net surface increase of 45,000 m² leading to a total net floor area of 1,779,000 m². In terms of ownership, the proportion of net floor area owned by Eurofins as at 30 June 2024 reached 33.1%, a substantial increase compared to the 31.7% owned by Eurofins at the end of 2023. This growth has been supported by the following projects, among others.

To support the long-term development of BioPharma Services businesses in Asia, Eurofins Advinus began utilising a portion of its new 20,000 m² facility in Bangalore, India. The infrastructure fitout of the entire facility is set to be completed by the end of 2024, with state-of-the-art bioanalytical laboratories to be completed in 2025. The facility will enable Eurofins Advinus to offer end-to-end drug development services and solutions to its clients. The facility effectively utilises natural lighting, ventilation, spacious building circulation and attractive landscaping to provide an outstanding work environment.

In Louisville, a new two-storey 6,500 m² facility has been successfully completed for Eurofins Genomics. The site is located on 3.63 acres of land adjacent to an existing Eurofins laboratory site. The new strategic Eurofins site will employ approximately 100 personnel and will support the expansion of production capacity for oligonucleotides, in alignment with the global strategy of Eurofins Genomics. The laboratory boasts state-of-the-art lean design and accommodates specific market requirements, such as ensuring separation between research use only (RUO) and good manufacturing practice (GMP) production from start to finish. This mitigates the risk of cross contamination between sequences, which is critical for molecular diagnostics and clinical companies developing commercial assays.

In response to increasing demand for PFAS testing in drinking water, a new 650m² space dedicated to PFAS testing was opened in South Bend, Indiana. The laboratory is located within Eurofins' existing water testing facility at the location and supports an increase in PFAS testing capacity for drinking water for Eurofins Environment Testing USA clients.

In Moss, Norway, Eurofins Food and Feed Testing Norway AS has consolidated its operations into a newly renovated 600 m² state-of-the-art microbiology laboratory employing lean design principles.

In Tamworth, UK, a large 5,000 m² laboratory and office facility has just been completed following a 2-year long renovation. The facility will house Eurofins Forensic Services' operations, which were previously located on a smaller, leased site. The Tamworth laboratory will be capable of state-of-the-art DNA recovery, drug analysis and elemental analysis to complement projects performed by other Eurofins Forensic Services teams in Warrington and Feltham. In addition, the facility provides office space for teams of expert reporters and commercial functions for Workplace Drug Testing. The strategic site also contains conferencing facilities and warehouse space and provides ample space for potential future expansion.

For the remainder of 2024 and for 2025, Eurofins is planning to add 99,000 m² of laboratory and operational space through building projects, acquisitions, new leases and consolidation of sites, as well as completing the renovation of 21,000 m² of its current sites to bring them to the highest standard.

Financial Review

Reported EBITDA[3] improved by 21% year-on-year to €714m in H1 2024. In terms of Reported EBITDA[3] as a proportion of revenues, the margin improved year-on-year by 260bps from 18.3% to 20.9%.

Table 5: Breakdown of Reported EBITDA[3] by Operating Segment

€m	**H1 2024**	**Rep. EBITDA[3] margin %**	**H1 2023**	**Rep. EBITDA[3] margin %**	***Y-o-Y variation %***
Europe	292	16.7%	217	13.4%	*+34%*
North America	356	27.1%	313	25.2%	*+14%*
Rest of the World	84	23.4%	66	19.3%	*+27%*
Other*	-18		-8		
Total	**714**	**20.9%**	**589**	**18.3%**	***+21%***

*Other corresponds to Group service functions

In Europe, reported EBITDA[3] margins improved substantially by 330bps vs H1 2023 to 16.7% of revenues mainly due to pricing attainment, volume growth and cost management actions which together enabled a year-on-year decrease in personnel expenses by ca. 150bps, while costs of purchased materials and services decreased by ca. 180bps year-on-year, especially in the categories of consumables and building costs. Margin improvement was particularly strong in the DACH region, but also in France, which remains slightly accretive to European margins. Margins also expanded year-on-year in North America by 190bps, reaching 27.1% of its revenues in the period, driven by volume growth and productivity measures which resulted in year-on-year decreases in personnel expenses by ca. 130bps and purchased materials and services (comprised especially of consumables) by ca. 60bps. The greatest increase in margins occurred in Rest of the World, which saw H1 2024 reported EBITDA[3] margins step up by 410bps vs the prior-year period to 23.4% of revenues, thanks to equal contributions from volume growth, price increases and productivity measures.

Adjusted[1] EBITDA[3] was €757m in H1 2024, representing an adjusted[1] EBITDA[3] margin of 22.1% and a margin improvement of 220bps vs H1 2023. The substantial improvement was achieved in part from the readjustment of the Eurofins organisation to the post-pandemic situation initiated in 2023 as well as through pricing adaptations and cost efficiency initiatives, in particular related to personnel expenses, consumables and building costs.

Table 6: Separately Disclosed Items[2]

In €m except otherwise stated	H1 2024	H1 2023
One-off costs from integrations, reorganisations and discontinued operations, and other non-recurring income and costs	-18	-12
Temporary losses and other costs related to network expansion, start-ups and new acquisitions in significant restructuring	-25	-39
EBITDA[3] impact	-43	-51

Separately Disclosed Items[2] (SDI) at the EBITDA[3] level decreased year-on-year to €43m (equivalent to 6% of reported EBITDA[3]) and comprised:

- One-off costs from integrations, reorganisations and discontinued operations, and other non-recurring income and costs of €18m that are linked to ongoing integrations and reorganisations, especially in Germany and France.
- Temporary losses and other costs related to network expansion, start-ups and new acquisitions in significant restructuring totalled €25m. The reduction in this figure was due to improved profitability year-on-year in many start-up activities, most notably in the In Vitro Diagnostic (IVD) and Genomics businesses that are pivoting to new markets and activities post-COVID-19. Conversely, start-up losses related to Clinical Diagnostics continued, including the ongoing impact on Transplant Genomics Inc. in the U.S. related to a billing article concerning Medicare reimbursement which became effective on 31 March 2023.

Depreciation and amortisation (D&A), including expenses related to IFRS 16, increased by 8% year-on-year to €282m. As a percentage of revenues, D&A stood at 8.2% of Group revenues in H1 2024, the same ratio as in H1 2023.

Net finance costs amounted to €69m in H1 2024, a sizable increase compared to €42m in H1 2023. On the one hand, financial income increased to €14.9m in H1 2024 vs €5.5m in H1 2023 thanks to higher average excess cash (€740m in H1 2024 vs €517m in H1 2023) bearing higher average interest rates, progress in cash centralisation through cash pooling and a shift to banking partners offering better remuneration of positive balances. On the other hand, the increase in finance costs was driven by higher interest expenses for bonds, in particular from the €600m of senior unsecured Eurobonds issued in August 2023 and due in September 2030 that bears an annual fixed rate coupon of 4.75%, but also a net foreign exchange loss of €7.1m related to the appreciation of USD, partially offset by the depreciation of JPY vs EUR (H1 2023: net foreign exchange gain of €11.4m). Overall, Eurofins' average interest rate on its financial borrowings in H1 2024 was approximately 3.5%.

The income tax expense increased from €69m in H1 2023 to €81m in H1 2024, a year-on-year increase of 18%. However, this increase was below the 37% increase in profit before income taxes (€220m in H1 2023 vs €301m in H1 2024) due to the decrease in the tax rate from 31.4% in H1 2023 to 27.0% in H1 2024.

Reported net profit[7] stood at €220m (6.4% of revenues and 46% higher than €151m in H1 2023), resulting in a total reported basic EPS[8] of €1.01. Adjusted[1] net profit[7] stood at €320m compared to €261m in H1 2023, resulting in total adjusted[1] basic EPS[8] of €1.55 in H1 2024.

Cash Flow & Financing

Table 7: Cash Flows Reconciliation

€m	**H1 2024 reported**	**H1 2023 reported**	***Y-o-Y variation***	***Y-o-Y variation %***
Net cash provided by operating activities	530	333	*+197*	*+59%*
Net capex[9] (i)	-252	-259	*+7*	*+3%*
Net operating capex (includes LHI)	-190	-208	*+18*	*+9%*
Net capex for purchase and development of owned sites	-62	-51	*-11*	*-22%*
Free Cash Flow to the Firm before investment in owned sites[16]	341	125	*+215*	*+171%*
Free Cash Flow to the Firm[10]	279	74	*+205*	*+276%*
Acquisitions spend and other investments (ii)	-246	-83	*-163*	
Proceeds from disposals of subsidiaries, net (iii)	0	8	*-8*	
Other (iv)	14	5	*+8*	
Net cash provided by investing activities (i) + (ii) + (iii) + (iv)	-484	-329	*-155*	*-47%*
Net cash provided by financing activities	-588	205	*-793*	
Net increase / (decrease) in Cash and cash equivalents and bank overdrafts	-540	198	*-739*	
Cash and cash equivalents at end of period and bank overdrafts	681	682	*-1*	*0%*

Net cash provided by operating activities increased in H1 2024 to €530m vs €333m in H1 2023. Net working capital[12] stood at 6.3% of the Group's revenues at the end of June 2024, a decrease of 50bps vs 6.8% at the end of June 2023 (calculated as a percentage of last quarter revenues times four). The year-on-year improvement resulted from a decrease in Days of Sales Outstanding (59 in H1 2024 vs 60 in H1 2023) and an increase in Days of Payables Outstanding (58 in H1 2024 vs 56 in H1 2023).

Cash generation more than adequately financed net capex[9] of €252m in H1 2024 vs €259m in H1 2023. After considering these investments, Free Cash Flow to the Firm[10] (FCFF) was €279m in H1 2024 vs €74m in H1 2023. Cash conversion (FCFF[10] / Reported EBITDA[3]) improved strongly from 13% in H1 2023 to 39% in H1 2024.

Net capex[9] included investments as part of Eurofins' programmes to own its laboratory sites, which totalled €62m in H1 2024 vs €51m in H1 2023. Excluding these investments, FCFF before investment in owned sites[16] was €341m in the reporting period, a substantial improvement vs €125m in the prior year period.

During the first six months of 2024, the Group completed 15 business combinations including 9 acquisitions of legal entities and 6 acquisitions of assets. Net cash outflow on acquisitions completed during the period and in previous years (in case of payment of deferred considerations) amounted to €246m.

As part of its share buy-back programme, Eurofins allocated €47.7m to repurchase 910,000 of its own shares in H1 2024 at an average price of €52.40, representing 0.47% of its share capital. Note that the cash flow impact in H1 2024 of €30m also includes inflows received from the exercise of stock options and outflows related to the liquidity contract but excludes the settlement of share repurchases performed in the final days of June 2024.

The combination of FCFF[10] as well as the aforementioned acquisitions and share buy-backs resulted in a net debt[11] figure of €2,863m at the end of June 2024. The corresponding leverage (net debt[11]/last 12 months proforma adjusted[1] EBITDA[3]) was 1.9x, an improvement of 0.1x vs the end of December 2023, and within Eurofins' 1.5x-2.5x target range. Furthermore, having carried out an early redemption of a €448m Eurobond on 19 June 2024, one month ahead of its maturity date on 25 July 2024, Eurofins has no major financing requirements for the remainder of 2024. The next maturities are Schuldschein loans totalling €234m maturing in July and October 2025 respectively, and €400m in hybrid capital with a first call date of 13 November 2025. Eurofins also possesses a solid overall liquidity position, which includes a cash position of €681m as at 30 June 2024 as well as access to over €1bn of committed, undrawn mid-term (3-5 years) bilateral bank credit lines.

Start-up Programme

In the first half of 2024, the Group opened 18 new start-up laboratories and 9 new start-up blood collection points (BCPs). In total, the 319 start-ups and 76 BCPs launched since 2000 have made material contributions to the overall organic growth of the Group, accounting for 0.9% out of the 5.6% organic growth achieved in the Core Business in H1 2024. The adjusted[1] EBITDA[3] margin of start-ups initiated between 2000-2018 are almost in line with the Group's margin, while the total margin of start-ups initiated since 2019 remains dilutive to the Group's margin.

Of the 319 start-ups and 76 BCPs the Group has launched since 2000, 58% are located in Europe, 15% in North America and 28% in the Rest of the World, with a significant number in high growth regions in Asia. By area of activity, 36% are in Life (consisting of Food and Feed Testing, Agro Testing and Environment Testing), 18% are in BioPharma (consisting of BioPharma Services, Agrosciences, Genomics and Forensic Services), 37% in Clinical Diagnostics Services and Products (consisting of Clinical Diagnostics Testing and In Vitro Diagnostics (IVD) Solutions) and 8% in Consumer & Technology Products Testing (consisting of Consumer Product Testing and Advanced Material Sciences).

Acquisitions

During the first six months of 2024, the Group completed 15 business combinations, made up of 9 acquisitions of legal entities and 6 acquisitions of assets. These companies/activities have been fully consolidated from the date the Group took control over these entities. For the year ended 31 December 2023, these entities generated revenues of about €132m.

Post-Closing Events

Since 1 July 2024, Eurofins has completed 4 small business combinations, one in Europe, one in North America and two in Rest of the World. The total annual revenues of these acquisitions amounted to over €14m in 2023 for an aggregate acquisition price of ca. €22m. These acquisitions employ more than 200 employees.

On 16 July 2024, a new stock option plan (1,530,729 options) and a new Restricted Stock Unit (RSU) plan (106,962 RSUs) were granted, representing ca. 0.85% of the number of shares issued as of 30 June 2024.

Summary financial statements:

Table 8: Summarised Income Statement

	H1 2024	**H1 2023**
In €m except otherwise stated	Reported Results	Reported Results
Revenues	3,419	3,209
Operating costs, net	-2,705	-2,621
EBITDA[3]	714	589
EBITDA[3] Margin	20.9%	18.3%
Depreciation and amortisation	-282	-262
EBITAS[4]	432	327
Share-based payment charge and acquisition-related expenses, net[5]	-63	-66
Gain/(loss) on disposal	-	-
EBIT[6]	369	262
Finance income	15	17
Finance costs	-84	-59
Share of profit of associates	1	0
Profit before income taxes	301	220
Income tax expense	-81	-69
Net profit[7] for the period	220	151
Attributable to:		
Owners of the Company and hybrid capital investors	221	152
Non-controlling interests	-1	-1
Earnings per share (basic) in EUR		
- Total	1.14	0.79
- Attributable to owners of the Company[8]	1.01	0.65
- Attributable to hybrid capital investors	0.13	0.14
Earnings per share (diluted) in EUR		
- Total	1.13	0.76
- Attributable to owners of the Company	1.00	0.63
- Attributable to hybrid capital investors	0.13	0.14
Basic weighted average shares outstanding - in millions	193.0	192.9
Diluted weighted average shares outstanding - in millions	195.2	198.2

Table 9: Summarised Balance Sheet

	30 June 2024	31 December 2023
In €m except otherwise stated	Reported Results	Reported Results
Property, plant and equipment	2,440	2,297
Goodwill	4,718	4,551
Other intangible assets	832	796
Investments in associates	5	5
Non-current financial assets	80	78
Deferred tax assets	108	94
Total non-current assets	**8,184**	**7,822**
Inventories	142	139
Trade receivables	1,084	1,073
Contract assets	333	308
Prepaid expenses and other current assets	252	203
Current income tax assets	117	118
Derivative financial instruments assets	4	4
Cash and cash equivalents	681	1,221
Total current assets	**2,613**	**3,066**
Total assets	**10,797**	**10,889**
Share capital	2	2
Treasury shares	-86	-55
Hybrid capital	1,000	1,000
Other reserves	1,601	1,601
Retained earnings	2,498	2,394
Currency translation reserve	228	136
Total attributable to owners of the Company	5,243	5,078
Non-controlling interests	54	60
Total shareholders' equity	**5,297**	**5,137**
Borrowings	3,373	3,326
Deferred tax liabilities	117	110
Amounts due for business acquisitions	82	107
Employee benefit obligations	65	66
Provisions	21	21
Total non-current liabilities	**3,658**	**3,630**
Borrowings	171	601
Interest due on borrowings and earnings due on hybrid capital	112	59
Trade accounts payable	589	600
Contract liabilities	175	193
Current income tax liabilities	22	27
Amounts due for business acquisitions	62	36
Provisions	26	21
Other current liabilities	685	585
Total current liabilities	**1,842**	**2,122**
Total liabilities and shareholders' equity	**10,797**	**10,889**

Table 10: Summarised Cash Flow Statement

	H1 2024	H1 2023
In €m except otherwise stated	Reported	Reported
Cash flows from operating activities		
Profit before income taxes	301	220
Depreciation and amortisation	282	262
Share-based payment charge and acquisition-related expenses, net	63	66
Gain/(loss) on disposal of subsidiaries, net	-	-
Finance income and costs, net	68	43
Share of profit from associates	-1	0
Transactions costs and income related to acquisitions	-4	-3
Changes in provisions and employee benefit obligations	-1	-11
Other non-cash effects	-1	1
Change in net working capital[12]	-78	-154
Cash generated from operations	**629**	**422**
Income taxes paid	-98	-88
Net cash provided by operating activities	**530**	**333**
Cash flows from investing activities		
Purchase of property, plant and equipment	-218	-228
Purchase, capitalisation of intangible assets	-36	-35
Proceeds from sale of property, plant and equipment	2	4
Net capex[9]	-252	-259
Free cash Flow to the Firm[10]	279	74
Acquisitions of subsidiaries, net	-246	-83
Proceeds from disposals of subsidiaries, net	0	8
Acquisitions of investments, financial assets and derivative financial instruments, net	-1	0
Interest received	15	5
Net cash used in investing activities	**-484**	**-329**
Cash flows from financing activities		
Proceeds from issuance of share capital	-	8
Purchase of treasury shares, net of gains	-30	-37
Proceeds from issuance of hybrid capital	-	594
Repayment of hybrid capital	-	-183
Proceeds from borrowings	30	17
Repayment of borrowings	-464	-81
Repayment of lease liabilities	-93	-85
Dividends paid to shareholders and non-controlling interests	-1	-1
Earnings paid to hybrid capital investors	-	-9
Interests and premium paid	-31	-19
Net cash provided by financing activities	**-588**	**205**
Net effect of currency translation on cash and cash equivalents and bank overdrafts	1	-11
Net increase in cash and cash equivalents and bank overdrafts	**-540**	**198**
Cash and cash equivalents and bank overdrafts at beginning of period	1,221	483
Cash and cash equivalents and bank overdrafts at end of period	**681**	**682**

1 Adjusted results – reflect the ongoing performance of the mature[14] and recurring activities excluding "separately disclosed items"[2].
2 Separately disclosed items – include one-off costs from integration and reorganisation, discontinued operations, other non-recurring income and costs, temporary losses and other costs related to network expansion, start-ups and new acquisitions undergoing significant restructuring, share-based payment charge[5], impairment of goodwill, amortisation of acquired intangible assets and negative goodwill, gains/losses on disposal of businesses and transaction costs related to acquisitions as well as income from reversal of such costs and from unused amounts due for business acquisitions, net finance costs related to borrowing and investing excess cash and one-off financial effects (net of finance income), net finance costs related to hybrid capital and the related tax effects.
3 EBITDA – Earnings before interest, taxes, depreciation and amortisation, share-based payment charge and acquisition-related expenses, net[5] and gain and loss on disposal of subsidiaries, net.
4 EBITAS – EBITDA less depreciation and amortisation.
5 Share-based payment charge and acquisition-related expenses, net – Share-based payment charge, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, and transaction costs related to acquisitions as well as income from reversal of such costs and from unused amounts due for business acquisitions.
6 EBIT – EBITAS less Share-based payment charge, acquisition-related expenses, net[5] and gain and loss on disposal of subsidiaries, net.
7 Net Profit – Net profit for owners of the Company and hybrid capital investors before non-controlling interests.
8 Basic EPS – basic earnings per share attributable to owners of the Company.
9 Net capex – Purchase, capitalisation of intangible assets, property, plant and equipment less capex trade payables change of the period and proceeds from disposals of such assets.
10 Free Cash Flow to the Firm – Net cash provided by operating activities, less Net capex[9].
11 Net debt – Current and non-current borrowings, less cash and cash equivalents.
12 Net working capital – Inventories, trade receivables and contract assets, prepaid expenses and other current assets less trade accounts payable, contract liabilities and other current liabilities excluding accrued interest receivable and payable.
13 Organic growth for a given period (Q1, Q2, Q3, Half Year, Nine Months or Full Year) – non-IFRS measure calculating the growth in revenues during that period between 2 successive years for the same scope of businesses using the same exchange rates (of year Y) but excluding discontinued operations.
For the purpose of organic growth calculation for year Y, the relevant scope used is the scope of businesses that have been consolidated in the Group's income statement of the previous financial year (Y-1). Revenue contribution from companies acquired in the course of Y-1 but not consolidated for the full year are adjusted as if they had been consolidated as of 1st January Y-1. All revenues from businesses acquired since 1st January Y are excluded from the calculation.
14 Mature scope: excludes start-ups and acquisitions in significant restructuring. A business will generally be considered mature when: i) The Group's systems, structure and processes have been deployed; ii) It has been audited, accredited and qualified and used by the relevant regulatory bodies and the targeted client base; iii) It no longer requires above-average annual capital expenditures, exceptional restructuring or abnormally large costs with respect to current revenues for deploying new Group IT systems. The list of entities classified as mature is reviewed at the beginning of each year and is relevant for the whole year.
15 Discontinued activities / divestments: discontinued operations are a component of the Group's Core Business or product lines that have been disposed of, or liquidated; or a specific business unit or a branch of a business unit that has been shut down or terminated, and is reported separately from continued operations. For more information, please refer to Note 2.26 of the Consolidated Financial Statements for the year ended 31 December 2023 and to Note 2.3 and Note 2.6 of the Interim Condensed Consolidated Financial Statements for the period ended 30 June 2024.
16 FCFF before investment in owned sites: FCFF[10] less Net capex[9] spent on purchase of land, buildings and investments to purchase, build or modernise owned sites/buildings (excludes laboratory equipment and IT).

Notes to Editors:

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

Investor Relations
Eurofins Scientific SE
Phone: +32 2 766 1620
E-mail: ir@sc.eurofinseu.com

About Eurofins – the global leader in bio-analysis

Eurofins is Testing for Life. The Eurofins Scientific S.E. 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 agroscience 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 S.E. are listed on the Euronext Paris Stock Exchange (ISIN FR0014000MR3, Reuters EUFI.PA, Bloomberg ERF FP).

Until it has been lawfully made public widely by Eurofins through approved distribution channels, this document contains inside information for the purpose of Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as amended.

Important disclaimer:

This press release contains forward-looking statements and estimates that involve risks and uncertainties. The forward-looking statements and estimates contained herein represent the judgment of Eurofins Scientific's management as of the date of this release. These forward-looking statements are not guarantees for future performance, and the forward-looking events discussed in this release may not occur. Eurofins Scientific disclaims any intent or obligation to update any of these forward-looking statements and estimates. All statements and estimates are made based on the information available to the Company's management as of the date of publication, but no guarantees can be made as to their completeness or validity.