

Eurofins Core Business¹ delivers strong organic revenue growth in Q1 2022, in line with its recently upgraded organic growth² objective of 6.5% p.a.

21 April 2022

- Q1 2022 revenues of €1,760m, +9.1% vs. Q1 2021, despite a significant decrease in COVID related revenues
- Q1 2022 total revenue organic growth² of +1.1% vs. Q1 2021, impacted by the reduction in COVID related revenues (over €300m in Q1 2022 vs. €400m in Q1 2021)
- The Core Business (excluding COVID-19 related clinical testing and reagent revenues) delivered revenue organic growth of +6.5% vs. Q1 2021 in line with recently upgraded growth plans announced on 22 February 2022
 - Performance delivered despite disruptions from the Omicron wave in terms of lockdown restrictions and employee absence, in a number of geographies during this period but supported by slight working day advantage vs. 2021
 - Eurofins Viracor and Cornell University signed an exclusive agreement to commercialise novel assays to detect organ and tissue damage in transplant and COVID-19 patients
 - Eurofins Genomics will conduct genotyping for up to 5 million participants of Our Future Health, the UK's largest ever health research programme
 - Eurofins Megalab will provide clinical analyses, genomic and pathological studies for the DIPCAN study in Spain, which aims to develop more personalised oncological treatment through the integration of clinical, genomic and radiological image data
- COVID-19 related clinical testing activities and reagents sales were still very intense in January and February in response to Omicron, with reduced volumes since then, in-line with relaxation of national testing requirements
 - Despite significant slowdown in March, the FY 2022 COVID revenue objective of €300m, announced on 22 February 2022 was already exceeded in Q1, hence the full year COVID revenues objective is revised upwards to €400m. This is only a €100m (33%) increase given decisions made by governments in many countries where the Covid crisis is considered to be over
 - Should a new significant wave or another more pathogenic variant arise, for instance in the Fall season, or medically prescribed COVID or multi-pathogen testing continue at significant levels, we might need to upgrade this objective further
- In line with their plans to accelerate growth, Eurofins businesses continue to invest significantly for the long term, organically and inorganically
 - Further expansion in the BioPharma laboratory network worldwide
 - Amongst a total of 16 acquisitions, completed strategic acquisitions to expand our presence in Asia, with Genetic Lab Co in Japan, Genetic Testing Service in Vietnam, and in BioPharma services with Inpac Medizintechnik in Germany
- Direct Russia & Ukraine revenues for Eurofins companies were under €3m in 2021

Outlook

Following the significant upgrade in objectives for long-term organic growth rates announced at the FY 2021 results presentation on last 22nd February 2022, the financial objectives of the Group, including M&A, are revised upwards due to the 33% upwards revision of Covid revenues objective for FY 2022 from €300m to €400m as follows:

€m	FY 2022	FY 2023	FY 2024
Revenues	6,325 (was 6,225) (incl. €400m COVID revenues (was €300m))	6,550 (zero COVID revenues)	7,250 (zero COVID revenues)
Adjusted ³ EBITDA ⁵	1,525 (was 1,500)	1,575	1,725
FCFF before investment in owned sites ¹¹	865 (was 850)	900	950

All objectives are set at average 2021 currency exchange rates, assuming 6.5% organic growth per year on the Core Business and including potential revenues from acquisitions of €250m in each of 2022, 2023 and 2024 consolidated at mid-year.

Comments from the CEO, Dr Gilles Martin:

“The 2022 financial year has started well and in spite of significant Omicron-related staff absenteeism in Q1, growth was in-line with our recently upgraded long-term annual organic growth targets of 6.5% p.a. Despite current global challenges, the outlook of our business remains strong, our markets’ potential undiminished, and our ambitious, mid-term growth plans unchanged. Given the scale and breadth of opportunities, we plan to continue to invest significantly in IT and in organic developments, and M&A, especially in BioPharma, clinical genetics and Asia.”

Conference Call

Eurofins will hold a conference call with analysts and investors today at 15:00 CET 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 >>](#)

No need to dial in. From any device, click the link above to join the conference call. Alternatively, you may dial-in to the conference call via telephone using one of the numbers below:

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Q1 2022 Organic Growth Calculation and Revenue Reconciliation

	<i>In €m except otherwise stated</i>
Q1 2021 reported revenues	1,614
+ 2021 acquisitions - revenue part not consolidated in Q1 2021 at Q1 2021 FX rates	63
- Q1 2021 revenues of discontinued activities / disposals ¹⁰	0
= Q1 2021 pro-forma revenues (at Q1 2021 FX rates)	1,676
+ Q1 2022 FX impact on Q1 2021 pro-forma revenues	47
= Q1 2021 pro-forma revenues (at Q1 2022 FX rates) (a)	1,723
Q1 2022 organic scope* revenues (at Q1 2022 FX rates) (b)	1,742
Q1 2022 organic growth rate (b/a-1)	1.1%
Q1 2022 acquisitions - revenue part consolidated in Q1 2022 at Q1 2022 FX rates	18
Q1 2022 revenues of discontinued activities / disposals ¹⁰	0
Q1 2022 reported revenues	1,760

* Organic scope consists of all companies that were part of the Group as at 01/01/2022. This corresponds to the 2021 pro-forma scope.

Geographical Revenue Breakdown

€m	Q1 2022	As % of total	Q1 2021	As % of total	Growth %
Europe	1,000	57%	1,000	62%	0.0%
North America	584	33%	490	30%	19.0%
Rest of the World	176	10%	123	8%	43.3%
Total	1,760	100%	1,614	100%	9.1%

Growth in Europe was significantly impacted by the reduction in COVID related revenues in Q1 2022 vs. Q1 2021. Europe generated 57% of Group revenues in Q1 2022.

North America delivered strong growth across all business lines in Q1 2022, it now represents 33% of Group revenues.

Rest of the World delivered very robust growth in Q1 2022. The proportion of revenues generated in Rest of the World continues to increase in line with our objective to significantly expand our presence in Asia over the coming years.

- ¹ Core Business excludes COVID-19 related clinical testing and reagents revenues
- ² 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 operations¹⁰.
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.
- ³ Adjusted results – reflect the ongoing performance of the mature⁹ and recurring activities excluding "separately disclosed items"⁴.
- ⁴ 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, impairment of goodwill, amortisation of acquired intangible assets and negative goodwill, loss/gain on disposal 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.
- ⁵ EBITDA – Earnings before interest, taxes, depreciation and amortisation, share-based payment charge⁶, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, loss/gain on disposal and transaction costs related to acquisitions as well as income from reversal of such costs and from unused amounts due for business acquisitions.
- ⁶ Share-based payment charge and acquisition-related expenses, net – Share-based payment charge, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, loss/gain on disposal and transaction costs related to acquisitions as well as income from reversal of such costs and from unused amounts due for business acquisitions.
- ⁷ Net capex – Purchase of intangible assets, property, plant and equipment, less proceeds from disposals of such assets.
- ⁸ Free Cash Flow to the Firm - Net cash provided by operating activities, less Net capex.
- ⁹ 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.
- ¹⁰ Discontinued activities / disposals: 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 2021.
- ¹¹ FCFF before investment in owned sites: FCFF less Net capex 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:

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About Eurofins – the global leader in bio-analysis

Eurofins is Testing for Life. Eurofins is the global leader in food, environment, pharmaceutical and cosmetic product testing, and in discovery pharmacology, forensics, advanced material sciences and agrosience Contract Research services. Eurofins is also a market leader in certain testing and laboratory services for genomics, and in the support of clinical studies, as well as in BioPharma Contract Development and Manufacturing. The Group also has a rapidly developing presence in highly specialised and molecular clinical diagnostic testing and in-vitro diagnostic products.

With 58,000 staff across a decentralised and entrepreneurial network of 900 laboratories in 54 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.

The Group's objective is to provide its customers with high-quality services, innovative solutions and accurate results on time. Eurofins is ideally positioned to support its clients' increasingly stringent quality and safety standards and the increasing demands of regulatory authorities as well as the requirements of healthcare practitioners around the world.

In 2020 and 2021, Eurofins reacted quickly to meet the global challenge of COVID-19, by creating the capacity to help over 20 million patients monthly who may have been impacted by the pandemic with our testing products and our services and directly supporting healthcare professionals working on the front line to fight the virus. The Group has established widespread PCR

testing capabilities and has carried out over 40 million tests in its own laboratories, is supporting the development of a number of vaccines and has established its SAFER@WORK™ testing, monitoring and consulting programmes to help ensure safer environments, travel and events during COVID-19.

Eurofins 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, the Group draws on the latest developments in the field of biotechnology and analytical chemistry to offer its clients unique analytical solutions.

Shares in Eurofins Scientific 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.