



2023 Full Year Results

Eurofins delivers strong margin improvement and cash generation in H2 2023 and annual results in line with its 2023 objectives. Remains confident to achieve its 2027 objectives.

27 February 2024



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Alternative Performance Measures (APMs) are defined at the end of this presentation.

- I. Highlights
- II. Financial review
- III. Innovation and Sustainability
- IV. Outlook & summary

I. Highlights



Forward momentum from H2 2023 expected to carry on into 2024



Key highlights

H2 2023 represents the first period not affected by prior year comparables and thus for the first time provides a comparison mostly free from the one-time effects of the pandemic

<i>In €m except otherwise stated</i>	H2 2022	H2 2023	+/- %	
Revenues	3,301	3,305	Reported: +0.1% Organic: +7.2%¹	Organic growth in the Core Business ¹ (+7.2%) and contributions from acquisitions more than compensated for the loss of COVID-19 revenues as well as FX headwinds
Adjusted EBITDA	684	724	+5.9%	Margin development resulted from pricing initiatives and the first effects of a number of innovation, productivity, digitalisation and automation initiatives
Adjusted EBITDA margin (%)	20.7%	21.9%	+120bps	
Free Cash Flow to the Firm before investment in owned sites	371	501	+35.2%	
Free Cash Flow to the Firm	271	400	+47.9%	Substantial increase in cash conversion ¹ supported by disciplined spending on capital expenditures related to capacity expansion
Cash conversion² (%)	44%	62%	+1,800bps	

Focus areas for 2024

Continue building on progress made in 2023

- 2024 will be the first year not affected by post-COVID network reorganisation
- Confident to continue achieving average organic growth of 6.5% p.a.
- Acceleration of start-up programme in 2023 will continue in 2024
- Pricing initiatives and initiatives focussed on innovation, productivity, digitalisation and automation
- Prudent acquisition strategy focussed on reasonably valued bolt-on deals
- Review of smaller underperforming businesses
- Measures to reduce net working capital intensity
- Conservative management of our capital structure

Financial and strategic highlights for FY 2023



Financial highlights

Eurofins delivers annual results in line with its 2023 objectives

- Total revenues of €6,515m declined year-on-year by -2.9%, impacted by the sharp decrease in revenues from COVID-19 testing and reagents
- Strong +7.1%¹ organic growth in the Core Business² in FY 2023
 - Above our mid-term organic growth objective of 6.5% p.a.
- Adjusted EBITDA of €1,364m (20.9% of revenues) in FY 2023 in the upper end of objectives
- Free Cash Flow to the Firm before investment in owned sites of €626m
 - Invested an additional €152m to own more of its strategic sites
 - Cash conversion³ increased to 38% vs 35% in 2022
- Eurofins' balance sheet remains very solid:
 - Financial leverage⁴ remains within our targeted range of 1.5-2.5x
- At the upcoming Annual General Meeting on 25 April 2024, the Board of Directors intends to propose an annual dividend of €0.50 per share, an increase of 74% vs 2018 (€0.288), the last dividend prior to the COVID-19 pandemic, equivalent to a CAGR of +11.7%

Strategic highlights

Eurofins continues to advance its long-term growth, sustainability and innovation initiatives

- **Growth**
 - 40 acquisitions closed at an average sales multiple of 1.3x, reflecting our focus on reasonably valued bolt-on deals
 - Accelerated pace of start-ups, with 50 new laboratories and 49 BCPs⁵ initiated
 - Added 77,000m² of net surface area thereof 78% owned by Eurofins
 - Further development and deployment of proprietary IT solutions
- **Sustainability**
 - Progress toward carbon neutrality by 2025 objective
 - 8% reduction in total carbon emissions⁶ vs 2022 and 28% reduction in carbon intensity⁷ vs 2019
 - Signed Serbal solar Power Purchase Agreement to significantly increase Eurofins' renewable electricity portion from 2025 onwards
 - Signed SBTi commitment letter
- **Innovation**
 - Launched many groundbreaking tests, including assays to assess anti-obesity therapy performance, AI-powered tests, etc.

¹Adjusted for public working days impact (PWD)

⁴Net debt to adjusted pro-forma EBITDA

⁷Measured in tCO₂e/revenues

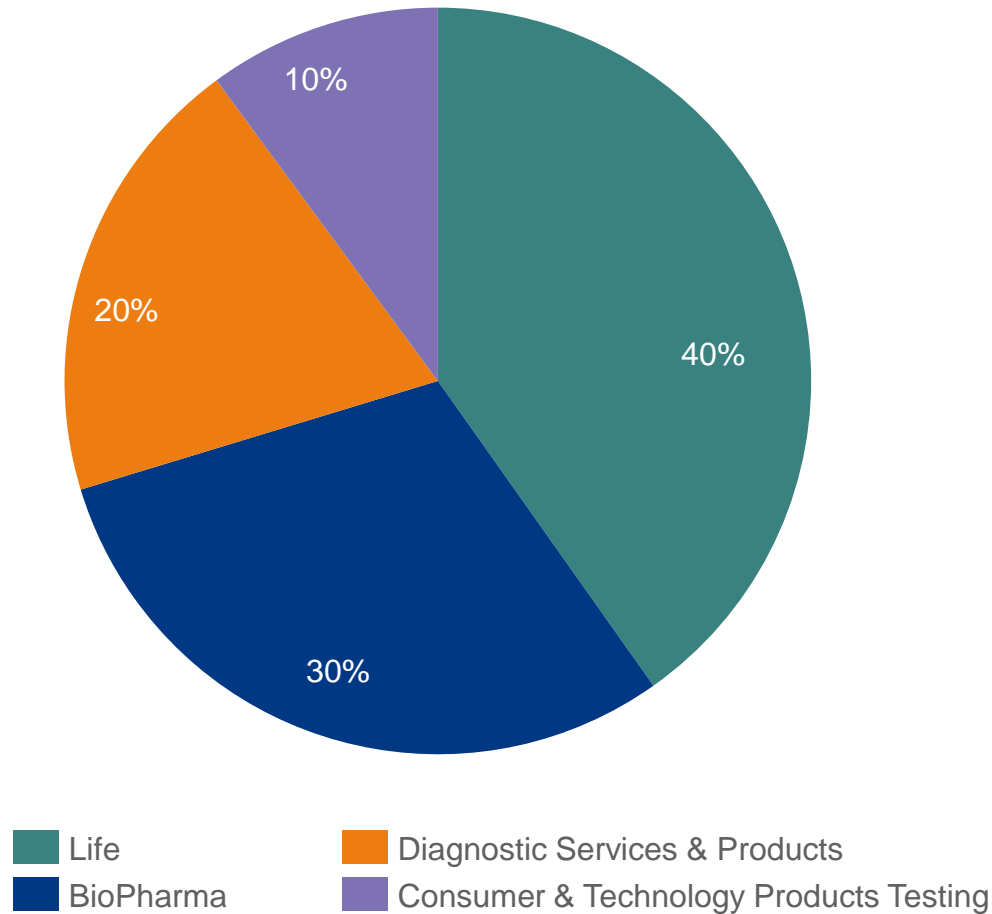
²Excluding COVID-19 clinical reagents and testing revenues

⁵Blood collection point / phlebotomy site

³Free cash flow to the firm / Reported EBITDA

⁶Measured in ktCO₂e

Revenue by area of activity in FY 2023



Activities are defined as follows:

- **Life:**
 - Food and Feed Testing
 - Agro Testing
 - Environment Testing
- **BioPharma:**
 - BioPharma Services
 - Agrosociences
 - Genomics
 - Forensic Services
- **Diagnostic Services and Products:**
 - Clinical Diagnostics Testing
 - In Vitro Diagnostics (IVD) Solutions
- **Consumer and Technology Products Testing:**
 - Consumer Product Testing
 - Advanced Material Sciences

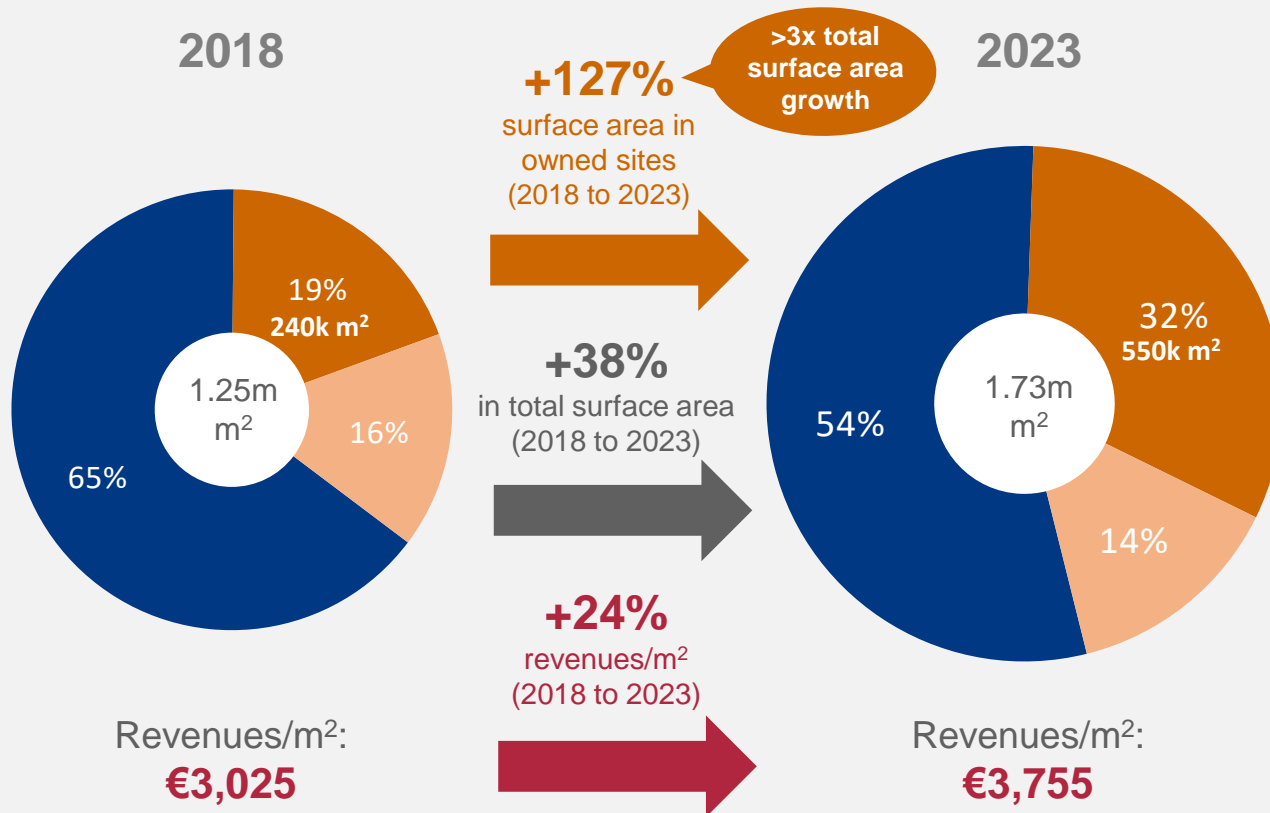
Continued increase in site ownership, creating significant long-term value



Discretionary decision to increase proportion of owned sites

Surface area (m²) by site ownership

Owned Related Party 3rd party landlords



Site ownership has high value

Site ownership is key to expanding **high-throughput laboratory campuses**:

- Unlock **economies of scale** (revenues/m² +24% between 2018 and 2023)
- **Custom-built** facilities optimised for **productivity**
- Able to make **environmentally-friendly investments** in owned sites (solar panels, insulation, etc.)
- Includes potential **for future expansions** without the need for move-related revalidation, reaccreditation or recalibration

Cost savings from site ownership:

- Estimated rent savings: **€79m¹** in 2023
- Estimated yield on rent savings: **12%** (based on the estimated net book value at end of 2023 of €670m)

Expanding proportion of owned sites in our global laboratory network



Examples of owned sites completed in 2023

Eurofins Environment Testing Spain
Castellon, Spain
5,000 m²



Eurofins BioPharma Product Testing France
Lentilly, France
2,000 m²



Eurofins Environment Testing Japan
Hamamatsu, Japan
3,000 m²



Environment Testing Denmark
Ishøj, Denmark
1,800 m²



Total net floor area of
owned sites added in 2023:

+60,000m²

Planned additions to owned sites in 2024-2025



Total net floor area of owned site
additions planned for 2024-2025:

+160,000m²

Eurofins accelerated its pace of start-up activity in 2023



Long track record

Number of start-ups initiated

Programme	Total	Per year
1 2000-2009:	25	3
2 2010-2013:	18	5
3 2014-2018:	102	20
4 2019-2021:	56	19
5 2022:	50 + 18 BCPs ¹	
2023:	50 + 49 BCPs ¹	

➤ **Total of 301 start-ups and 67 BCPs initiated since 2000**

Strategic rationale

Complements M&A strategy:

- When acquisitions are too expensive or unavailable
- High growth markets often lack reasonably-priced acquisition targets
- Right locations for national hub & spoke network

Upfront investment but attractive long-term returns:

- ~€60m of capex invested in 2023 for active start-ups established since 2019 (programmes 4 and 5)
- ~€66m of temporary EBITDA losses related to start-ups included in 2023 SDIs
- Can achieve higher returns from year 3 and beyond (no goodwill)

Contributions by start-ups in FY 2023

Organic growth contribution

+60 bps

From developing start-ups

Revenues

€629m

Contribution from all start-ups created since 2000

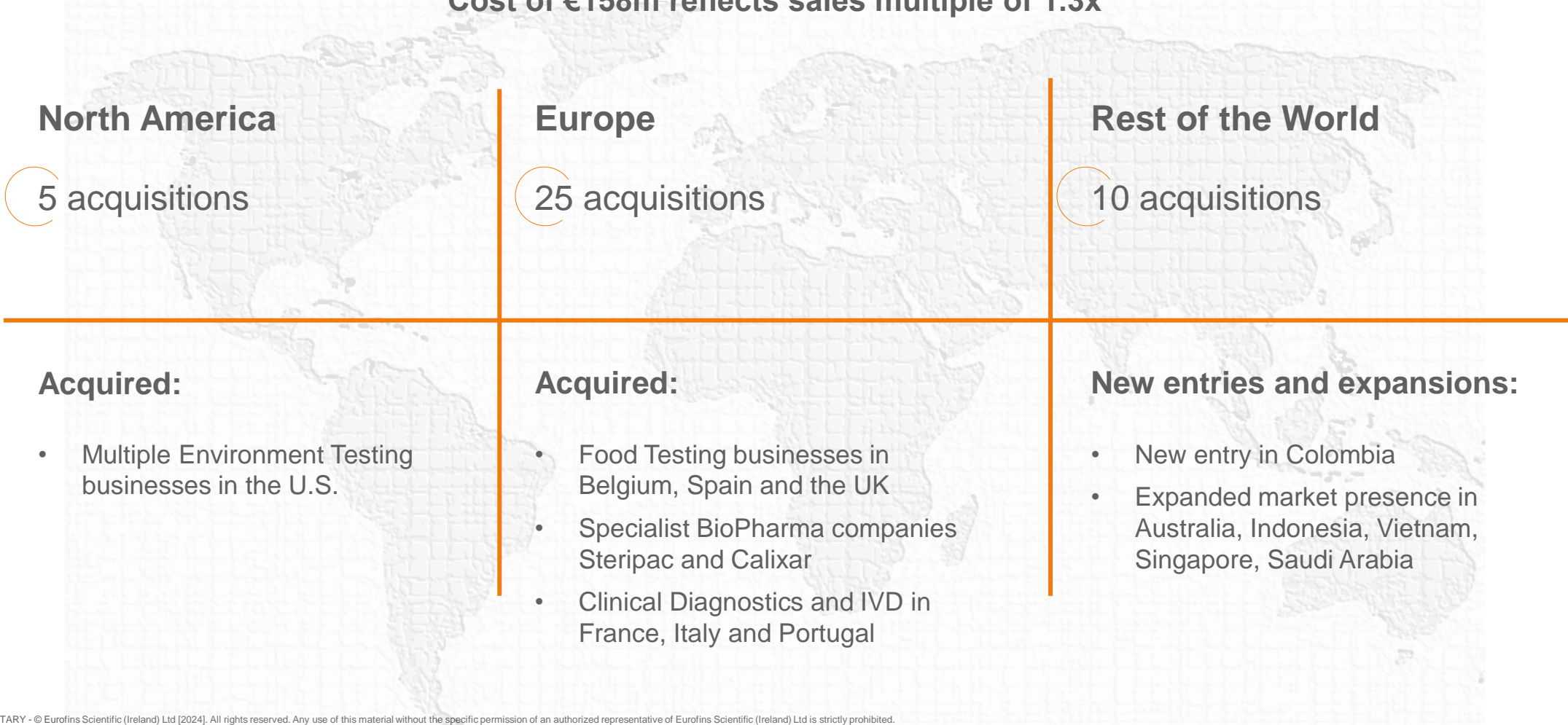
>42% ROCE

Mature start-ups created in programmes 2-4 generated >42% ROCE on revenues of €270m

40 acquisitions closed in 2023 to augment our technological capabilities and global footprint



Acquired companies generated revenues of €122m¹ in 2023
Cost of €158m reflects sales multiple of 1.3x



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¹ The businesses acquired in 2023 contributed to Eurofins' consolidated revenues for €59m in 2023. If the effective dates of these acquisitions would have been 1 January 2023, Group consolidated revenues would have been increased by an additional ca. €63m

II. Financial review



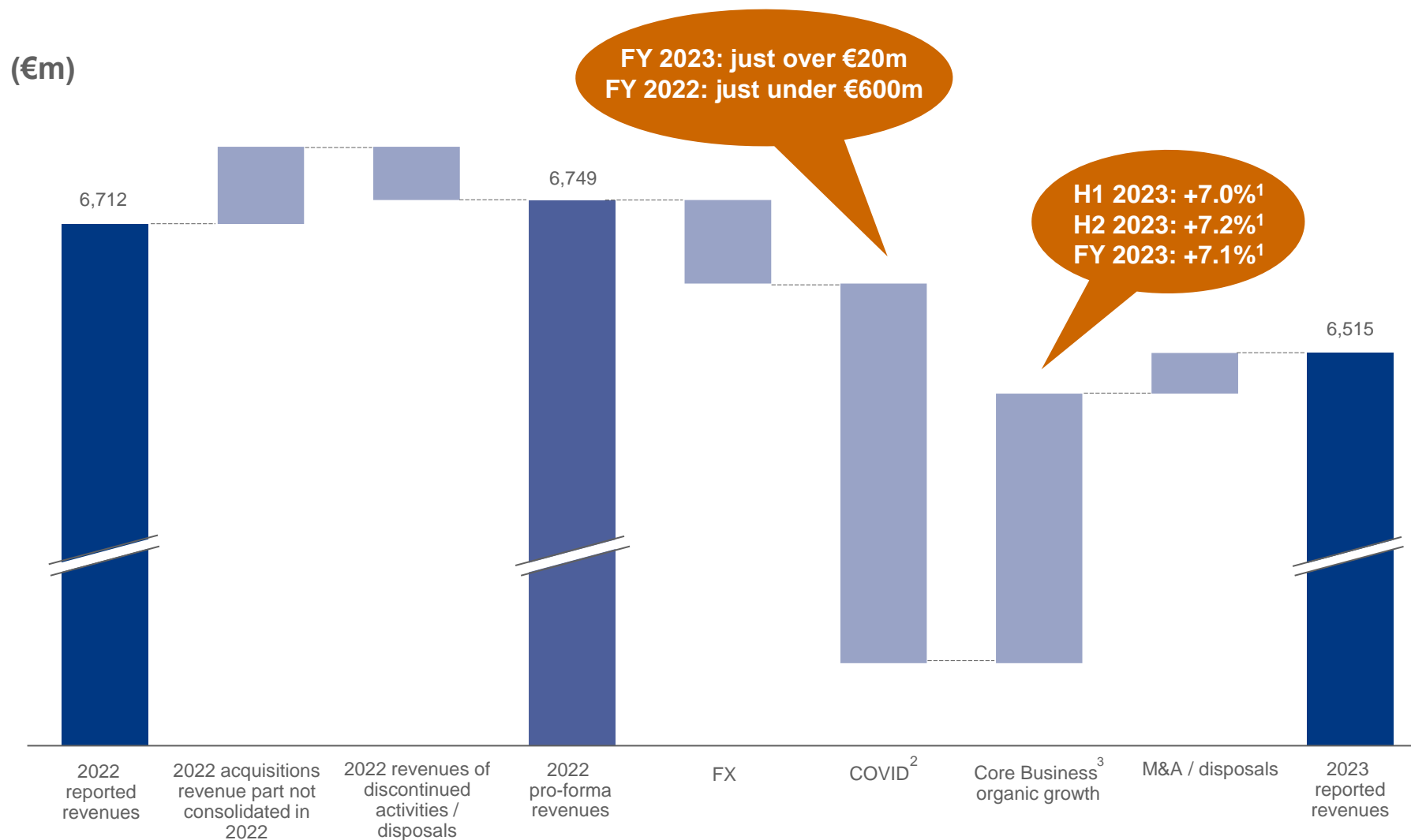
FY 2023 results in line with objectives



(€m)	Full Year 2023			Full Year 2022			+/- Δ Adjusted Results	+/- Δ Reported Results
	Adjusted Results	SDIs	Reported Results	Adjusted Results	SDIs	Reported Results		
Revenues	6,515	-	6,515	6,712	-	6,712	-3%	-3%
EBITDA	1,364	-129	1,234	1,513	-98	1,415	-10%	-13%
EBITDA Margin	20.9%	-	18.9%	22.5%	-	21.1%	-160bps	-220bps
EBITAS	842	-172	669	1,037	-126	911	-19%	-27%
Net Profit	568	-260	308	683	-77	606	-17%	-49%
Basic EPS (€)	2.71	-1.38	1.33	3.43	-0.41	3.02	-21%	-56%

- **Revenues declined y-o-y** due to sharp decrease in COVID-19-related revenues (from just under €600m in FY 2022 to just over €20m in FY 2023)
- **Strong +7.1%¹ organic growth in Core Business**
- **Adj. EBITDA impacted by headwinds** from reduced COVID-19 contribution as well as inflationary headwinds

Revenue bridge



- FX headwind of 1.9% due to appreciation of the Euro
- Sharp y-o-y decrease in COVID-19 revenues
- Consistently strong Core Business organic growth¹ (+7.1% in FY 2023)
- Modest M&A contribution of €59m to consolidated revenues due to focus on reasonably valued bolt-on acquisitions

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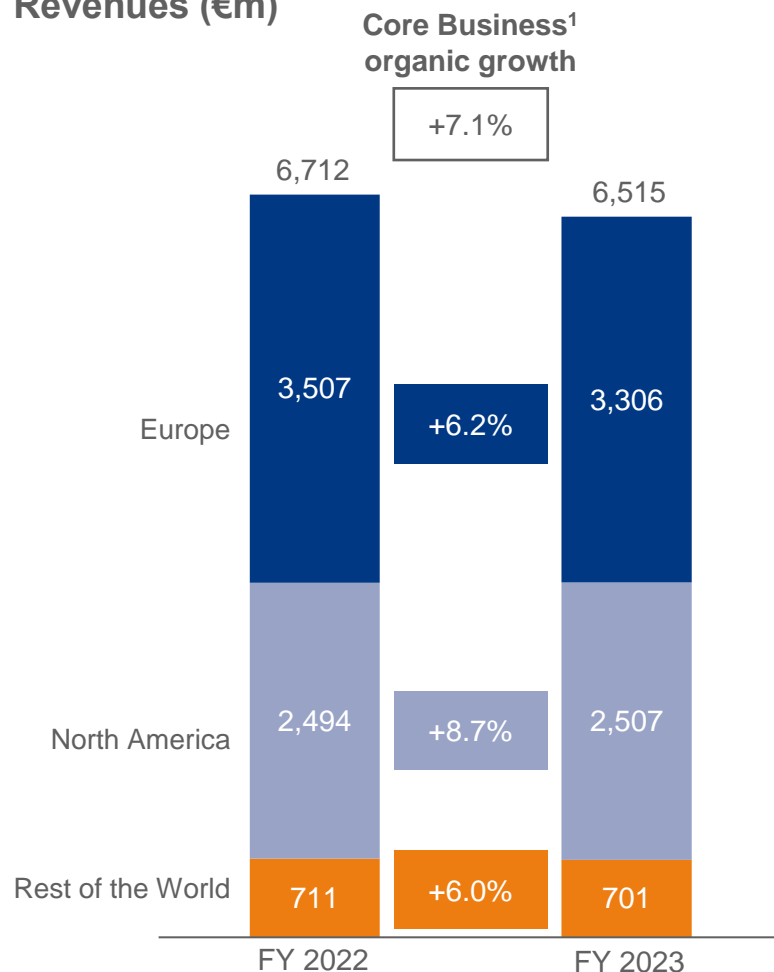
¹ Core Business (excluding COVID-19 clinical testing and reagents revenue) organic growth adjusted for public working days impact (PWD)

³ Excluding COVID-19 clinical testing and reagents revenue

² Year-on-year change in COVID-19 testing and reagents revenues

Organic growth by Operating Segment

Revenues (€m)



Operating Segment Commentary

Europe

- BioPharma Services: sound growth despite softer demand for early-stage R&D activities (Discovery)
- Food Testing: solid gains in pricing while persisting inflation continued to challenge volumes
- Environment Testing: strong growth driven by pricing, market share gains and new regulations
- Clinical Diagnostics: strong recovery in volumes and reductions in reimbursements in France

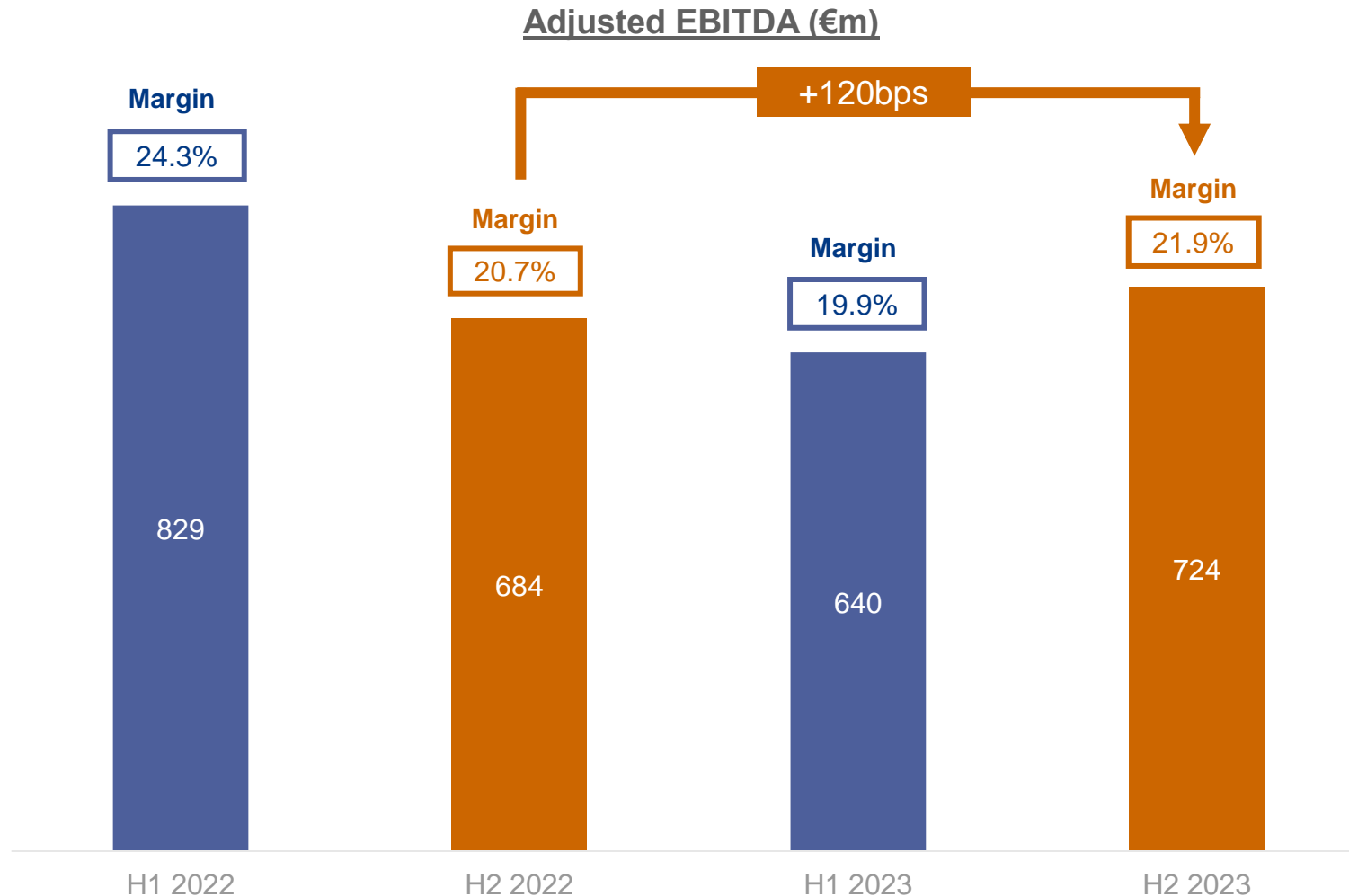
North America

- BioPharma Services: robust demand for mid-to-late-stage biologics development; stabilisation in Discovery
- Food Testing: new monthly and annual sales records in 2023
- Environment Testing: double-digit organic growth in 2023, driven by market share gains and PFAS testing

Rest of the World

- China: recovery in Consumer & Technology Products Testing and double-digit growth in Food Testing
- India: expanded market presence in BioPharma Services
- Japan: growth in Environment Testing driven by strong market dynamics for asbestos testing and emerging demand for PFAS testing

Strong margin expansion in H2 2023 expected to carry on into 2024



Drivers behind year-on-year margin expansion of +120bps in H2 2023:

- Both H2 2023 and H2 2022 had little to no revenues from COVID-19 testing and reagents
- Strong Core Business¹ organic growth of +7.2%
- Further progress with pricing initiatives
- First effects of a number of productivity, innovation, digitalisation and automation initiatives

2023 cash flow overview

	FY 2022 €m	FY 2023 €m	Δ €m	Δ%
Change in net working capital	31	-65	-96	
Income taxes paid	-296	-140	156	
Net cash provided by operating activities	1,136	1,018	-118	-10%
Net operating capex	-459	-392	67	
Free cash flow to the firm (FCFF) before investment in owned sites	677	626	-51	-8%
Investment in owned sites	-186	-152	35	
Free cash flow to the firm (FCFF)	491	474	-17	-3%
Acquisitions	-430	-158	272	
Proceeds from disposals	217	9	-208	
Lease repayments	-166	-181	-14	
FCFF after acquisitions, disposals & lease repayments	112	145	33	29%
Interest ¹ & hybrid coupons	-83	-113	-30	
FCFF after acquisitions, disposals, lease repayments, interest & hybrid coupons	29	32	3	10%
Dividend, share buy-back and issuance of share capital	-194	-241	-47	
Proceeds & repayment of borrowings	551	549	-2	
Proceeds & repayment of hybrids	-417	411	828	
Net effective currency translation	-1	-13	-12	
Net cash flow of the period	-32	738	769	

- Stable FCFF year-on-year despite lower EBITDA and higher net working capital thanks to lower taxes and capex
- Cash conversion² improved year-on-year to 38% vs 35% in 2022. Improvement was even more substantial in H2 2023 (62%) vs H2 2022 (44%)
- Fewer acquisitions due to focus on reasonably valued bolt-on deals that will provide appropriate accretion to return on capital employed

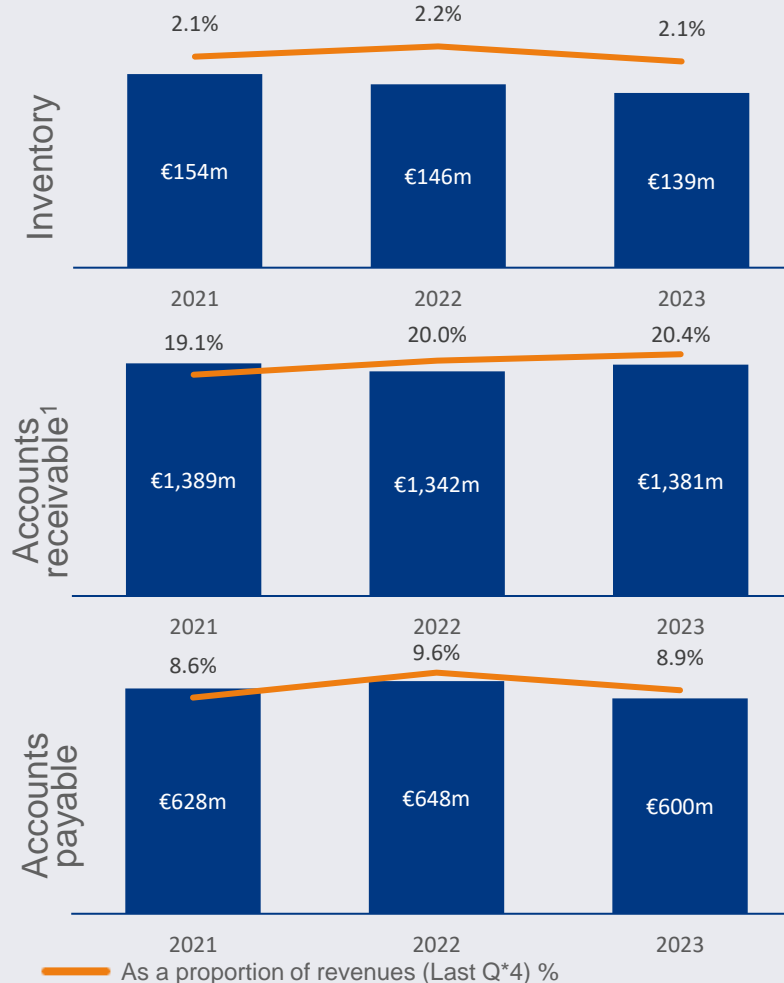
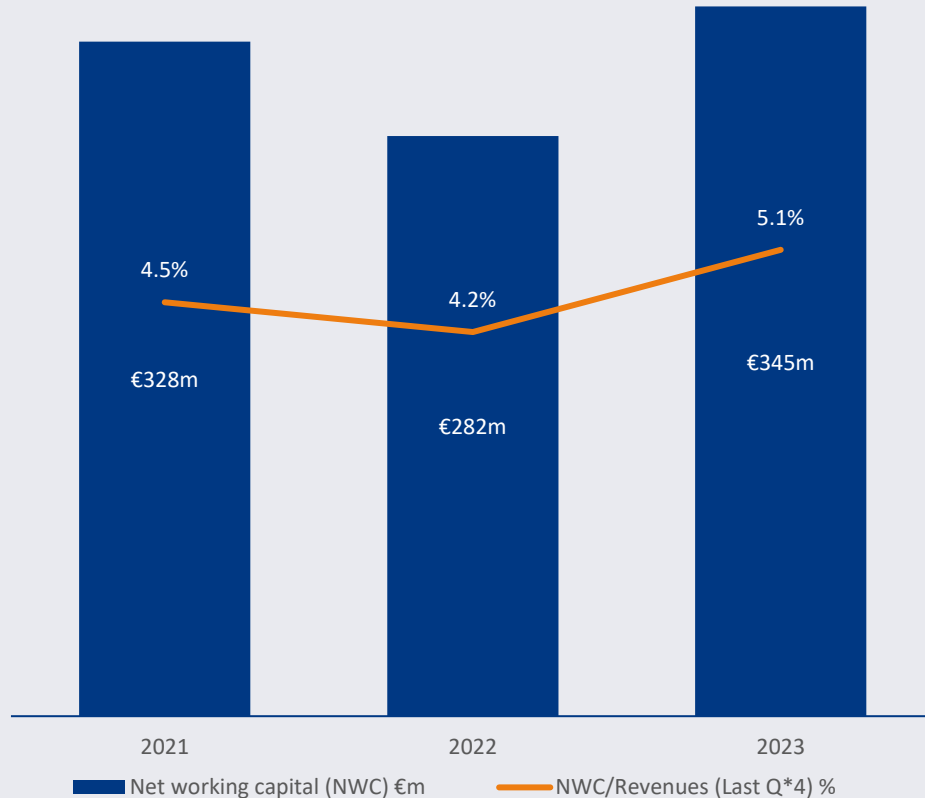
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¹ Net interest (paid and received)

² Free cash flow to the firm / Reported EBITDA

Net working capital

NWC intensity



- Net working capital intensity at 5.1% of revenues
- Stable inventory at 2.1% of revenues vs 2.2% in 2022
- Slightly higher DSOs² at 59 days vs 58 days in 2022
- Slightly lower DPOs³ at 60 days vs 61 days in 2022
- Measures to improve net working capital intensity are underway

¹Accounts receivable including contract assets

²DSOs: Days of Sales Outstanding: Trade account receivables excluding VAT, accrued sales, WIP, less Advanced payments and Deferred revenues by external sales of last three months multiplied by 90 days

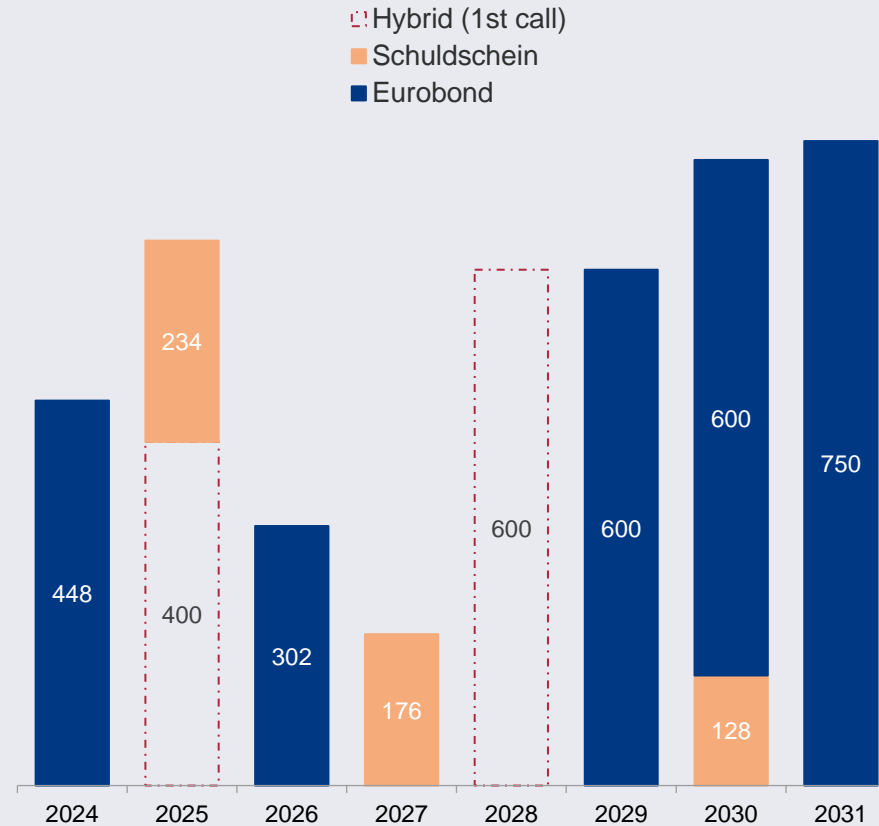
³DPOs: Days of Payables Outstanding: Trade account payables excluding VAT less prepaid expenses and deferred charges by purchases and Capex of last three months multiplied by 90 days

Strong credit profile and long maturities

Leverage¹



Debt maturity profile² (€m)

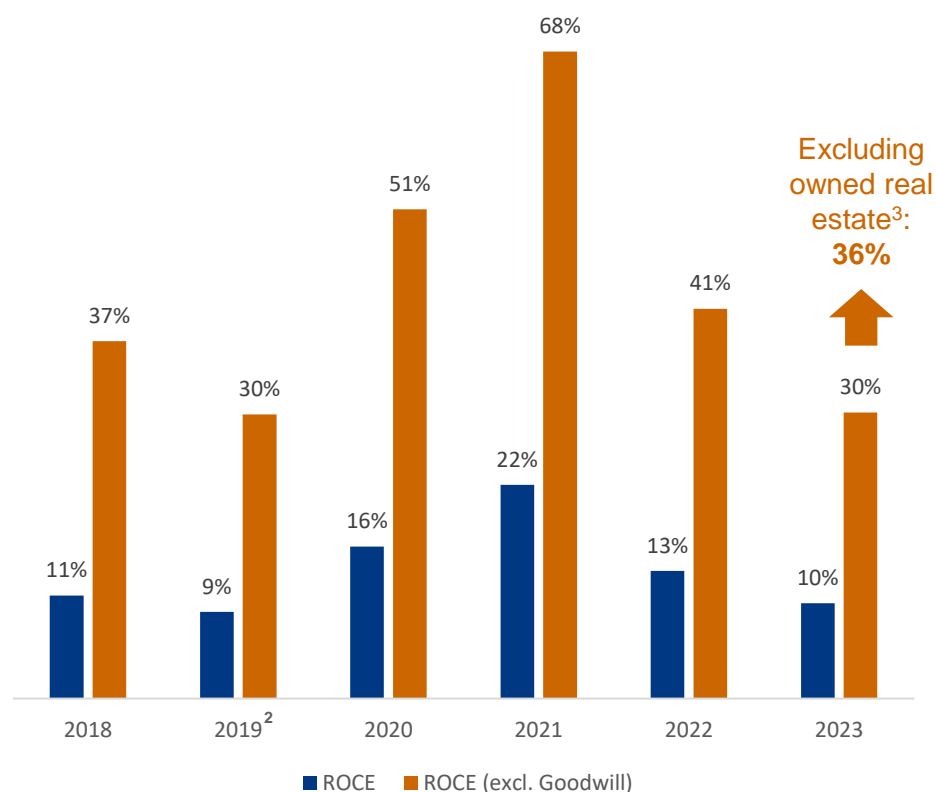


Key Highlights

- Net debt decreased from €3,245m at the end of FY 2019 to €2,705m at the end of FY 2023
- Strong cash position of €1.2bn at the end of 2023 or €773m adjusted for the upcoming repayment of the outstanding €448m senior Eurobonds due in July 2024
- 91% of borrowings at fixed rates
- Stable financial leverage of 2.0x¹, well within our 1.5-2.5x target range
- Deleveraging in upcoming years to be supported by increased EBITDA and constant level of net operating capex of ca. €400m p.a. and constant level of investment in owned sites of ca. €200m p.a.

Return on Capital Employed (ROCE)

ROCE & ROCE excluding Goodwill¹



- ROCE development affected by the following factors in 2023:
 - Lower EBITAS due to decline in accretive COVID-19 testing and inflationary headwinds
 - Increase in Capital Employed related to higher net capex to support strategic initiatives for accelerating growth, including:
 - Start-ups (€60m in 2023 for programmes 4 & 5)
 - IT (€108m in 2023)
 - Owned sites (€152m in 2023 and €660m during 2018-2023)
- In 2022, the hurdle rate was raised from 12% ROCE (pre-tax) by Year 3 to 16% for assessing both M&A and organic opportunities
- 30% ROCE excluding goodwill in 2023 despite end of COVID-19 contribution, cost inflation and consequences of the war in Ukraine
- 36% ROCE excluding goodwill and owned real estate in 2023 (assuming rental savings of €79m and net book value of owned real estate of >€650m)

III. Innovation and Sustainability

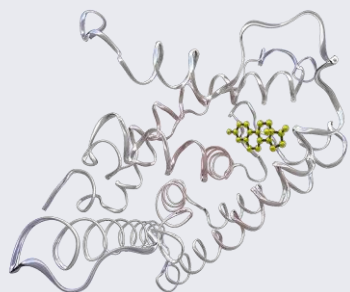


We continue to lead our field in terms of innovation

Some 2023 examples



obesityLITE Panel



Eurofins Discovery LeadHunter™ Services launched the obesityLITE panel, a one-of-a-kind set of 25 assays for testing anti-obesity therapies against multiple targets in one convenient screen

ExPeCT™ CAR-T



Eurofins Viracor launched ExPeCT™ CAR-T to monitor and optimise CAR-T therapy for patients with pre-B cell acute lymphoblastic leukemia and B cell lymphomas

Peekaboo™ Click



peekaboo 
Early Gender DNA Test

DNA Diagnostics Center (DDC) launched Peekaboo™ Click, an exceptionally accurate (99.5%) test utilising virtually pain-free blood collection at-home that enables expecting parents to discover their baby's gender very early in pregnancy

DiscoveryAI™



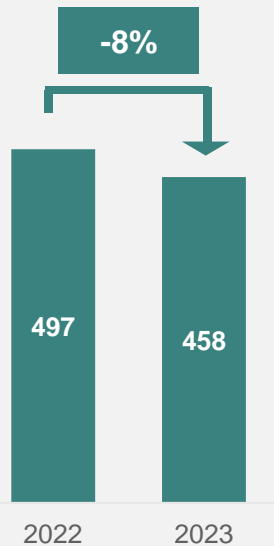
DiscoveryAI™

Eurofins Discovery launched DiscoveryAI™, superior Machine Learning models trained with high-quality proprietary datasets to reduce drug-to-market time by over 20%

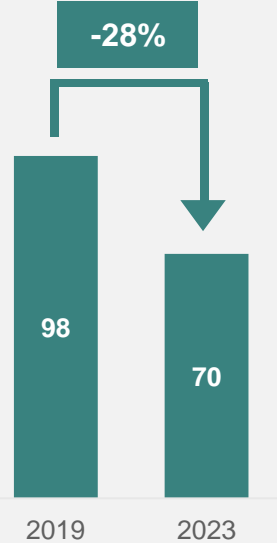
Further progress in all dimensions of ESG

Environmental

Carbon emissions
(ktCO₂e)
(market-based)



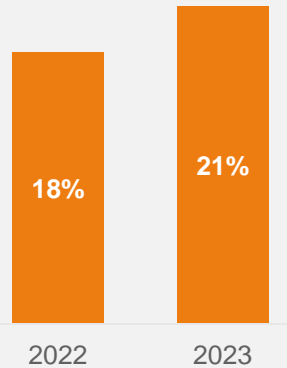
Carbon intensity by
revenue (tCO₂e/€m)
(market-based)



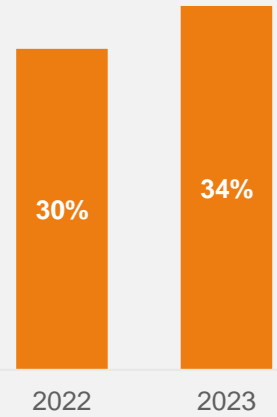
- Signed Serbal solar **Power Purchase Agreement** to significantly increase Eurofins' renewable electricity portion from 2025 onwards
- Signed **SBTi commitment letter**

Social

Female
representation
amongst GOC and
Regional Business
Line leaders



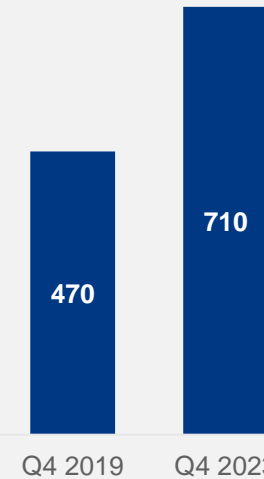
Female
representation
amongst National
Business Line and
BU¹ leaders



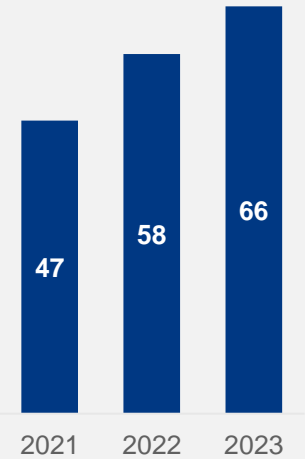
- Named a **Leader in Diversity** by the Financial Times and Statista for the third year in a row

Governance

Bitsight Security
Rating²



Net Promoter Score
(NPS)[®]



- Bitsight score improvement reflects our ongoing commitment to robust cyber security practices
- NPS[®] improvement reaffirms our unwavering commitment to customer focus

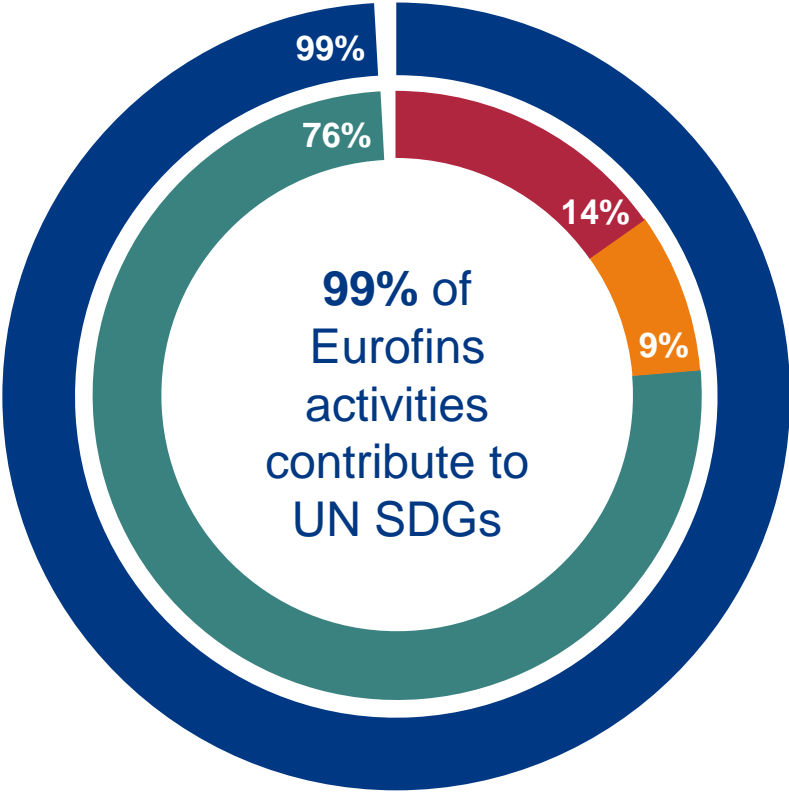
¹ Business Unit

² Bitsight Security Rating is a powerful tool used by security and risk leaders to assess, monitor, prioritize, and communicate cyber risk

Almost all Eurofins activities contribute to United Nations Sustainable Development Goals (UN SDGs)



Share of Eurofins revenues by Sustainability Level



Sustainability level	Definition ¹	Examples of Eurofins activities
Level 3 76%	TIC services not eligible under EU Taxonomy and not supporting Taxonomy goals – but contributing to UN Sustainable Development Goals	<ul style="list-style-type: none">Other major Eurofins areas of activities
Level 2 9%	TIC services not included the EU Taxonomy but contributing to one or several of the six EU taxonomy Environmental Objectives and/or the according “do no significant harm (DNSH)” criteria. This includes activities that are considered Taxonomy-eligible but not aligned	<ul style="list-style-type: none">Agro TestingAgroscience ServicesEnvironment Testing (rest)
Level 1 14%	TIC services which are Taxonomy eligible and aligned according to the delegated act 2020/852 of the taxonomy and the related delegated regulation 2023/2486	<ul style="list-style-type: none">Soil TestingWater TestingAsbestos Testing

¹ Complies with EU regulations as well as with the guidance from the TIC Council

IV. Outlook and summary



Eurofins remains committed to its prudent capital allocation strategy centred on growth investments¹



Cash flow generation (2019-2023)

	2019-2022		2023	
		% of sales		% of sales
Sales	€23.4bn		€6.5bn	
Net cash provided by operating activities	€4.5bn	19.4%	€1.0bn	15.6%
Net cash provided by operating activities excluding SDIs	€4.9bn	20.8%	€1.1bn	17.6%
Repayments of lease liabilities	- €613m	-2.6%	- €181m	-2.8%
Interest and hybrid coupons	- €516m	-2.2%	- €113m	-1.7%
Proceeds from disposals	+ €260m	1.1%	+ €9m	0.1%
Maintenance capex	- €586	-2.5%	- €163m	-2.5%
Distributable cash flow	€3,413m	14.6%	€699m	10.7%
Separately disclosed items (SDIs)	- €319m	-1.4%	- €129m	-2.0%
Expansion capex	- €800m	-3.4%	- €229m	-3.5%
Capex on owned sites	- €444m	-1.9%	- €152m	-2.3%
Acquisitions	- €1,309m	-5.6%	- €158m	-2.4%
Cash flow after investments²	€542m	2.3%	€32m	0.5%

Total invested
€4.3bn

Investment allocation (2019-2023)

Maintenance capex	<ul style="list-style-type: none"> Assume 2.5% of sales
SDIs	<ul style="list-style-type: none"> One-off costs from integrations, reorganisations, discontinued operations, etc. of €48m in 2023 at EBITDA level Temporary losses from start-ups, network expansions, etc. of €81m in 2023 at EBITDA level includes the initiation of 50 start-up laboratories and 49 BCPs
Expansion capex	<ul style="list-style-type: none"> Leasehold improvements, start-ups, equipment & machinery, bespoke proprietary IT solutions ~€60m of capex invested in 2023 for active start-ups established since 2019 (programmes 4 and 5)
Capex on owned sites	<ul style="list-style-type: none"> Owned net floor area increased from 240k m² at the end 2018 to 550k m² at the end of 2023
Acquisitions	<ul style="list-style-type: none"> 2019-2022: 149 companies; sales multiple of 1.7x 2023: 40 companies acquired; sales multiple of 1.3x Remaining prudent in 2024, just like in 2023, staying focussed on reasonably valued bolt-on deals that will provide appropriate accretion to return on capital employed

¹ Growth investments refers to SDIs, expansion capex, capex on owned sites and acquisitions

² FCFF after acquisitions, disposals, lease repayments, interest & hybrid coupons

H2 2019 and H2 2023 comparison

<i>In €m except otherwise stated</i>	H2 2019 ⁵	H2 2023	Δ
Revenues	2,395	3,305	+38%
Reported EBITDA	462	646	+40%
<i>Reported EBITDA margin (%)</i>	19.3%	19.5%	+20bps
Free cash flow to the firm	248	400	+61%
<i>Cash conversion¹ (%)</i>	54%	62%	+800bps
Leverage ²	3.2x	2.0x	-1.2x
Total surface area ³ (m ²)	1,350,000	1,734,000	+28%
<i>Thereof owned sites³</i>	270,000	550,000	+104%
FTE ⁴	43,320	56,767	+31%
Revenues/FTE ⁴	€105k	€115k	+9%

Eurofins finalised adjustments and reorganisation following the pandemic, the unexpected war in Ukraine and inflation of 2022 and 2023, and is now ready to resume its historic results and cash flow growth from a much larger scale and integrated hub and spoke laboratory network

2024 and 2027 Objectives

(€m)	FY 2024	<u>Mid-term objectives</u>	FY 2027
Revenues	€7.075bn – €7.175bn	+6.5% organic growth p.a. €250m revenues added from M&A p.a.	Approaching €10bn
Adj. EBITDA	€1.525bn – €1.575bn	Continued growth investments in: Ownership of strategic sites Start-up programme Bespoke proprietary IT solutions	Margin: 24%
FCFF before investment in owned sites	€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 testing and reagents. From FY 2024 to FY 2027, Eurofins targets average organic growth of 6.5% p.a. and potential average revenues from acquisitions of €250m p.a. over the period consolidated at mid-year. As in 2023, Eurofins will remain prudent with its acquisition strategy and only acquire businesses that meet its objectives for return on capital employed
- Similar to how the improvement in adjusted EBITDA margin was achieved in H2 2023 vs H2 2022, the anticipated further improvements in adjusted EBITDA margin in FY 2024 and towards the FY 2027 objective are underpinned by programmes that continue to align pricing to cost inflation and include innovation, productivity, digitalisation and automation initiatives as well as better utilisation of its state-of-the-art laboratory network
- In 2024, Eurofins will also review some of its smaller underperforming businesses
- In the coming year, Eurofins expects to continue its high intensity of start-up activities, in particular in the areas of In Vitro Diagnostics, Genomics and Clinical Diagnostics Testing. Additionally, due to an unexpected billing article concerning Medicare reimbursement for kidney transplant biomarker testing, Eurofins Transplant Genomics plans to conduct clinical trials to expand data on the medical benefits and applicability scope of its tests. Due to temporary losses related to these start-ups, Separately Disclosed Items (SDI) at the EBITDA level should remain at an elevated level of about €125m in FY 2024. Thereafter, as newly initiated start-ups ramp up and become profitable, SDI at the EBITDA level should decline gradually towards about 0.5% of revenues in 2027
- Capital allocation priorities in FY 2024 and in the mid-term will continue to include site ownership of high-throughput campuses to complete Eurofins' global hub and spoke network, start-ups in high growth/high return areas, development and deployment of sector-leading proprietary IT solutions, and acquisitions. Investments in these areas are key to our long-term value creation strategy. To 2027, investment in owned sites is assumed to be around €200m p.a., while net operating capex is expected to be ca. €400m p.a. (total net capex of €600m p.a.)
- Eurofins targets to maintain a financial leverage of 1.5-2.5x throughout the period and less than 1.5x by FY 2027

FY 2023 successfully concluded

Financial achievements

- Strong +7.1%¹ organic growth in the Core Business² in FY 2023
 - Above our mid-term organic growth objective of 6.5% p.a.
- Adjusted EBITDA margin of 20.9% of revenues in FY 2023 with a 120bps improvement in H2 2023 vs H2 2022
- Cash conversion⁶ improved substantially in H2 2023 (62%) vs H2 2022 (44%)
- Eurofins' balance sheet remains very solid:
 - Financial leverage³ remains within our targeted range of 1.5-2.5x

Strategic achievements

- Finalised network realignment to post-pandemic situation
- 40 acquisitions closed and 50 start-ups initiated
- Added 77,000m² of net surface area thereof 78% owned by Eurofins
- Further development and deployment of proprietary IT solutions
- Sustainability: 8% reduction in total carbon emissions⁴ vs 2022 and 28% reduction in carbon intensity⁵ vs 2019

Looking ahead to 2024 and towards 2027 objectives

2024: further build on programmes initiated in 2023 and before

- Achieve average organic growth of 6.5% p.a.
- Continue to improve adjusted EBITDA margin and free cash flow to the firm
- Acceleration of start-up programme in 2023 will continue in 2024
- Accelerate digitalisation, productivity improvement and alignment of pricing to cost inflation
- Disciplined spending on capital expenditures and acquisitions, focussing on investments that will provide appropriate accretion to return on capital employed
- Review of smaller underperforming businesses
- Measures to improve net working capital intensity
- Conservative management of our capital structure

Eurofins remains very confident in its ability to continue expanding its market and technological leadership, as well as its financial results and cash flow, towards its 2027 objectives

Continue to build our competitive advantages with the densest and most efficient laboratory network across key Testing for Life business lines

¹Adjusted for public working days impact (PWD)

⁴ Measured in ktCO₂e

² Excluding COVID-19 clinical reagents and testing revenues

⁵ Measured in tCO₂e/revenues

³Net debt to adjusted pro-forma EBITDA

⁶Free cash flow to the firm / Reported EBITDA



Q&A



Appendix

Continued investments in strategic initiatives in 2023



(€m)	2018	2019	2020	2021	2022	2023
Leasehold improvements (LHI) & others	95	55	71	117	146	70
% of revenues	2.5%	1.2%	1.3%	1.7%	2.2%	1.1%
Machinery & laboratory equipment	139	137	132	166	198	214
% of revenues	3.7%	3.0%	2.4%	2.5%	2.9%	3.3%
IT	64	64	64	88	115	108
% of revenues	1.7%	1.4%	1.2%	1.3%	1.7%	1.7%
Net capex excluding investments in owned sites	297	256	267	370	459	392
% of revenues	7.9%	5.6%	4.9%	5.5%	6.8%	6.0%
Real estate investments in owned sites	64	63	83	112	186	152
% of revenues	1.7%	1.4%	1.5%	1.7%	2.8%	2.3%
Total Net capex	361	319	350	482	645	544
% of revenues	9.6%	7.0%	6.4%	7.2%	9.6%	8.3%

Strategic investment initiatives for long-term value creation

Owned sites to complete hub and spoke network

- Ownership of strategic sites in high growth markets and regions with space to expand without moving
- Discretionary capital allocation of €660m since 2018. Cash could have mostly been distributed as dividends if sites were leased

Start-ups

- Capex of ~€60m in active start-ups (programmes 4 and 5), including 50 new start-ups and 49 BCPs¹ initiated in 2023

IT

- Further development & deployment of own LIMS and bespoke software suites by business line
- Ramp-up of AI, Automation and Cyber-security

Site ownership has attractive financial fundamentals



<u>Benefits</u>	<u>Examples</u>
1 Savings	<ul style="list-style-type: none">• Estimated rent savings of €79m¹ in FY 2023 from owned sites• Estimated yield on rent savings from owned sites of 12% (based on the estimated net book value at end of 2023 of €670m)• Lower operating costs from investment in renewables, energy efficiency, higher productivity, etc.
2 Risk reduction	<ul style="list-style-type: none">• Reduces risk of rent increases (2018 to 2023: +15%²/m²) with potentially more savings to come given increase in inflation during lease plus higher increases at lease renewal if owner takes advantage of LHI investments by Eurofins• Loss of significant investments in LHI if Eurofins were forced to relocate• Avoid required revalidation and reaccreditation when moving is necessary
3 Future optionality	<ul style="list-style-type: none">• Book value of owned sites (estimated gross: €885m, estimated net: €670m) on the balance sheet well below current estimated market value of €1-2bn³• Potential future expansions and extensions of owned sites is easier and more cost-effective because campuses have land & building rights reserved• Staying on site enables use of fully depreciated fit-out investments for many more years after end of depreciation period

¹ Based on average third party annualized rent per m² in 2023 of €144/m² times 550,000m² in owned surface area in 2023

³ Based on current estimated cost to build new laboratories of typically €2,000-4,000/m²

² Based on third party annualized rent per m²

Definitions / Alternative Performance Measures (APMs)



APMs used in this presentation

Adjusted results – reflect the ongoing performance of the mature and recurring activities excluding “separately disclosed items”.

Separately disclosed items (SDI) – 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;
- acquisition-related expenses, net – impairment of goodwill, amortisation/impairment of acquired intangible assets, negative goodwill, transaction costs related to acquisitions as well as income from reversal of such costs and from unused amounts due for business acquisitions;
- gain and loss on disposal of subsidiaries, net;
- 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.

EBITDA – Earnings before interest, taxes, depreciation and amortisation, share-based payment charge, acquisition-related expenses, net and gain and loss on disposal of subsidiaries, net.

EBITAS – EBITDA less depreciation and amortisation.

Acquisition-related expenses, net – impairment of goodwill, amortisation/impairment 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.

EBIT – EBITAS less share-based payment charge, acquisition-related expenses, net and gain and loss on disposal of subsidiaries, net.

Net Profit – Net profit for owners of the Company and hybrid capital investors before non-controlling interests.

Basic EPS – Basic EPS attributable to owners of the Company and hybrid capital investors.

Net capex – Purchase, capitalisation of intangible assets, purchase of property, plant and equipment less capex trade payables change of the period and proceeds from disposals of such assets.

Free Cash Flow to the Firm – Net cash provided by operating activities, less Net capex.

Free Cash Flow to the Firm before investment in owned sites – Free Cash Flow to the Firm less Net capex spent on purchase of land, buildings and investments to purchase, build or modernise owned sites/buildings (excludes laboratory equipment and IT).

Net debt – Current and non-current borrowings, less Cash and cash equivalents.

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.

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 activities / disposals. 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.