

2023 ANNUAL RESULTS

Growth in Core Business and strategic deployment

- Core business¹ revenues up 39% to €130m
 - proprietary products account for 30% of revenues
 - 38% of revenues generated outside France
- Resilient results within a strategic transformation phase
- Free cash flow of €26.4m
- Net financial debt reduced to €5.5m, with €89m cash position

Paris, April 10, 2024 - 5.40pm - Eurobio Scientific (FR0013240934, ALERS), a leading French group in *in vitro* medical diagnostics and life sciences, today announced its consolidated annual results for 2023, prepared under French GAAP and approved by the company's Board of Directors at its meeting on 09 April 2024.²

Eurobio Scientific's annual results for 2023 reflect both the end of the COVID business, partly offset by strong growth in the core business, and the strategic transformation underway, notably with the integration of GenDx over a full year.

in €m	2023 consolidated	2022 consolidated	Change
Revenues	130.0	152.6	-17%
R&D subsidies and research tax credit	0.6	0.3	-
Total revenues	130.6	152.9	-15%
Cost of goods sold	(68.8)	(81.7)	-16%
Operating gross margin	61.9	71.2	-13%
Impact of sale of inventory value allocated to PPA	(4.4)		
Gross margin³	57.5	71.2	-19%
R&D expenses	(5.9)	(3.5)	+70%
Marketing and sales expenses	(19.2)	(19.6)	-2%
G&A expenses	(14.3)	(11.4)	+25%
Adjusted EBITDA⁴	27.3	40.5	-33%
Amortisation of intangible assets from PPA	(4.5)	(3.0)	+53%
Amortisation of goodwill	(3.4)	(3.0)	+15%
Operating result	10.1	30.8	
Adjusted operating result⁵	22.5	36.8	-39%
Financial result	(1.7)	(0.5)	-
Extraordinary result	(1.4)	(0.7)	-
Taxes	(2.2)	(4.7)	-
Net result	4.8	24.9	-81%
Cash	89.0	85.9	
Financial debt excluding leasing	94.5	108.0	
Shareholders' equity	175.0	172.7	

¹ Excluding COVID revenues.

² The auditing procedures of the financial statements by the statutory auditors are still in progress.

³ Included in 2023 the value of inventory (€4.4m) allocated to the PPA related to the GenDx acquisition and sold since then – non recurring

⁴ Adjusted for the value of inventory (€4.4m) allocated to the PPA related to the GenDx acquisition and sold since then – non recurring

⁵ Adjusted (i) for the value of inventory allocated to PPA, (ii) the amortisation of intangible assets allocated to PPA and (iii) goodwill amortisation

39% growth in core business and increase in the share of proprietary products

Eurobio Scientific recorded revenues of €130.0m in 2023, entirely linked to its core business, with the COVID activities now integrated into the multiplex respiratory panels, and in particular the flue syndrome respiratory panels. These represented total sales of around €6m for the year.

Excluding perimeter effects linked to acquisitions and non-recurring items, proforma growth in the core business was 12%.

The integration of GenDx over a full year led to a sharp increase in the share of proprietary products to 30% of 2023 revenues, compared with 18% in 2022.

Another effect of the integration of GenDx combined with the other acquisitions, the most recent of which are BMD (Belgium, 2022) and DID (Italy, 2023), is that the share of international revenues has risen from 25% of core business in 2022 to 38% in 2023.

The gross operating margin, before the non-recurring effect of the sale of GenDx inventories allocated as part of the PPA (purchase price allocation), rose to 47.6% in 2023, compared to 46.7% in 2022.

Resilient results against a background of increased R&D and inflation

The integration of GenDx's development activities has created a leading-edge team in molecular biology and bioinformatics, resulting in a 70% increase in R&D expenditure to €5.9m. Marketing and selling expenses remained stable (-2%) at €19.2m, while general and administrative expenses rose by 25%, mainly due to the integration of GenDx and BMD on a full-year basis and of DID from July 3, 2023.

As a result, EBITDA adjusted for the effects of the inventories allocated to PPA came to €27.3m (21% of revenues), down 33% compared with 2022, which still included a very significant proportion of COVID business.

Operating profit adjusted for the effects of the PPA and goodwill amortization came to €22.5m, down 39% on the previous year.

With financial debt linked to the loans used to finance external growth, and cash remunerated at an interest rate lower than the debt rate, financial income was negative at €1.7m.

Exceptional items totalled €1.4m, mainly as a result of write-downs on GenDx balance sheet items.

Net profit for 2023 was therefore €4.8m.

Free cash flow of €26.4m

With an €18.4m cash flow from operations, combined with an €8.4m reduction in working capital mainly due to the end of the COVID business, Eurobio Scientific generated an operating cash flow of €26.8m in 2023 (€43.1m in 2022).

Cash flow from investment activities included -€2.2m from net acquisitions of fixed assets, and -€4.5m from the inclusion of DID in the scope of consolidation. These flows were largely offset by the repayment of guarantee deposits of €6.3m made in connection with foreign exchange transactions. As a result, with a net cash outflow of -€0.3m linked to investments, free cash flow amounted to €26.4m.

At the end of December 2023, Eurobio Scientific had an €89m cash position and a financial debt (excluding finance leases) of €94.5m, leading to a net financial debt of €5.5m, compared with €22m a year earlier.

Continued strategic deployment

With a good resilience of its results despite the end of the COVID business and a background of integration of strategic acquisitions, Eurobio Scientific is continuing to deploy its three strategic priorities: development of proprietary products, internationalization, and opening up of new markets. Their aim is to enable the Group to continue its development, with both growth in sales and increase in margins.

Next financial meeting

Annual General Meeting: June 13, 2024

About Eurobio Scientific

Eurobio Scientific is a key player in the field of specialty in vitro diagnostics. It is involved from research to manufacturing and commercialization of diagnostic tests in the fields of transplantation, immunology and infectious diseases, and sells instruments and products for research laboratories, including biotechnology and pharmaceutical companies. Through many partnerships and a strong presence in hospitals, Eurobio Scientific has established its own distribution network and a portfolio of proprietary products in the molecular biology field. The Group has approximately 290 employees and four production units based in the Paris region, in Germany, in the Netherlands and in the United States, and several affiliates based in Dorking UK, Sissach Switzerland, Bünde Germany, Antwerp Belgium, Utrecht in The Netherlands and Milan in Italy.

Eurobio Scientific's reference shareholder is the EurobioNext holding company which brings together its two directors, Jean-Michel Carle and Denis Fortier, alongside the "Pépites et Territoires" by AXA & NextStage AM investment program, managed by NextStage AM.

For more information, please visit: www.eurobio-scientific.com

The company is publicly listed on the Euronext Growth market in Paris
Euronext Growth BPI Innovation, PEA-PME 150 and Next Biotech indices, Euronext European Rising Tech label.
Symbol: ALERS - ISIN Code: FR0013240934 - Reuters: ALERS.PA - Bloomberg: ALERS:FP

Contacts

Groupe Eurobio Scientific

Denis Fortier, Chairman and CEO
Olivier Bosc, Deputy CEO / CFO
Tel. +33(0) 1 69 79 64 80

Calyptus

Mathieu Calleux
Investors Relations
Tel. +33(1) 53 65 68 68 - eurobio-scientific@calyptus.net