

## 2020 HALF-YEAR RESULTS

**EBITDA reaches 20.3 M€**  
**Strengthening of financial resources**  
**Continuation of momentum expected during second half of the year**

Paris, October 15, 2020 – 5:35 pm

Eurobio Scientific (FR0013240934, ALERS, PEA-PME eligible), a leading French group in *in vitro* medical diagnostics and life-sciences, today presents its 2020 mid-year results.

**Eurobio Scientific's first-half results reflect the success of the Group's commitment to the fight against the COVID-19 epidemic while maintaining progress in traditional activities. Profitability allows the Group to finance both its organic and external growths, and to invest in the development of new diagnostic products. In view of orders recorded by mid-October, particularly for export, Eurobio Scientific anticipates further exceptional growth in its turnover and results in the second half of 2020.**

in K€	June 30, 2020	June 30, 2019	Variation
Sales of <i>in vitro</i> diagnostics products	62,086	29,440	+111%
Other revenues and grants	377	185	
<b>Total revenues</b>	<b>62,463</b>	<b>29,625</b>	<b>+111%</b>
Cost of Goods Sold	(32,168)	(18,256)	+76%
<b>Gross margin</b>	<b>30,295</b>	<b>11,369</b>	<b>+166%</b>
R&D expenses	(918)	(568)	+62%
Sales and marketing expenses	(7,581)	(5,704)	+33%
G&A expenses	(3,392)	(2,781)	+22%
<b>Operating result</b>	<b>18,404</b>	<b>2,316</b>	<b>+695%</b>
<b>EBITDA</b>	<b>20,284</b>	<b>4,082</b>	<b>+397%</b>
Financial result	(208)	(159)	
Extraordinary result	-	(19)	
Amortization of goodwill	(1,420)	(1,419)	
Tax	(1,406)	(369)	
Deferred tax asset	10,316		
<b>Net result</b>	<b>25,685</b>	<b>351</b>	
<b>Result excl. amort. of goodwill and deferred tax asset</b>	<b>16,789</b>	<b>1,770</b>	<b>+849%</b>
	<b>June 30, 2020</b>	<b>Dec 31, 2019</b>	
<b>Cash (including cash equivalents)</b>	<b>16,313</b>	<b>7,619</b>	
<b>Financial debt *</b>	<b>27,544</b>	<b>15,104</b>	
<b>Shareholders equity</b>	<b>60,572</b>	<b>35,249</b>	

\* excluding equipment leases (€3.8 M at 06/30/20 vs €4.2 M at 12/31/19)

“With a global health crisis of this magnitude, the capacity for growth that we structured over the past two years has been tested faster than expected. The test proved conclusive, both from a scientific and commercial point of view - Eurobio Scientific having established itself as an important player in the fight against the COVID epidemic - and from a financial point of view, with our results progressing in line with the spectacular growth in activity. » Comments Denis Fortier, deputy CEO of Eurobio Scientific.

## An important player in the fight against the COVID-19 epidemic

In line with its mission to provide all healthcare stakeholders with diagnostic tools to fight diseases, Eurobio Scientific mobilized in the 1st half of the year to find, supply, produce and deliver diagnostic tests for COVID-19. Thus, despite major constraints linked to containment in France, the Group has demonstrated its reactivity and capacity to adapt by rapidly bringing PCR and serology tests to the market, both third-party and proprietary tests, to become a major player in the fight against the epidemic. At the same time, Eurobio Scientific has succeeded in maintaining growth in its traditional activities.

Half-year 2020 revenue, up 111% to € 62.1 million, is made up for half (€ 31.0 million) of sales of COVID-19-related diagnostic tests and automates. Traditional activities grew by 6% to € 31.2 million, including 2% at constant scope (excluding the subsidiary in the United Kingdom acquired in July 2019), despite a sharp decline during the months of confinement in April and May. In its non-COVID-19 activities, the Group maintains a fairly stable distribution between its 3 divisions: Diseases (53%), Transplantation (38%) and Products for Life-Science Research (9%).

## A multiplier effect on the result

The strong mobilization of all Group's departments and the experience in the fight against prior local epidemics enabled Eurobio Scientific to react quickly and meet the demand from laboratories for COVID-19 tests while preserving the Group's criteria for lead time, quality and profitability.

The gross margin rate thus increased (48.7% against 38.6% last year), in line with the increase in sales of proprietary products, including the COVID-19 range.

Operating expenses, particularly for marketing and sales, increased significantly to support the doubling of activity, but in much lower proportions than the sales increase, resulting in an EBITDA multiplied by nearly 5, to € 20.3 million against € 4.1 million in the 1st half of 2019.

The increase in R&D spending over the first half (+ 62% to € 0.9 million) reflects the responsiveness of the development teams to bring to the market new tests tailored to the demand of laboratories and health authorities, with consequently an extension of the range of proprietary products.

Financial charges remain under control (€ 0.2 million), in a context of increased debt to finance growth. Tax loss carryforwards have a double effect, both on the tax for the period (€ 1.4 million) and on the activated deferred tax asset (+ € 10.3 million) which anticipates their impact over the next two years. Goodwill amortization was stable at € 1.4 million.

The net result stands at + € 25.7 million as of June 30, 2020, compared to + € 0.35 million last year. Excluding goodwill amortization and the deferred tax asset, net income was € 16.8 million compared to € 1.8 million at June 30, 2019.

## Strengthened financial resources

Eurobio Scientific's return to profitability during the past two years has enabled the company to benefit from the confidence of its financial partners and to form a banking consortium for a loan on much more attractive terms than in the past. A financing of 7.6 million euros was thus put in place in February 2020. It enabled a restructuring of the company's debt by terminating the old expensive mezzanine financings, bonds and warrants, by repaying all seller's loans which were still outstanding, and by reimbursing all short-term treasury financings.

At June 30, 2020, total amount of cash was € 16.3 million and financial debt was € 27.5 million, i.e. a net financial debt of € 11.2 million, compared to € 7.5 million at December 31, 2019. With shareholders' equity at € 60.6 million, Gearing at June 30, 2020 stood at 0.18, compared to 0.21 at December 31, 2019.

These increased financial resources notably enabled Eurobio Scientific to acquire in July 2020 the diagnostics company TECOmedical AG, present in Switzerland, Germany, Austria and Benelux.

At the same time, in order to finance the significant increase in its working capital requirement, the company put in place, for a limited one-year period, an additional loan guaranteed by the French State (PGE) of € 10 million in April 2020.

## Continuation of momentum expected during second half of the year

The Group is working to maintain a minimum growth in its historical activities, in a healthcare environment where laboratories, public and private, devote a large part of their resources to the fight against the COVID-19 epidemic.

On the epidemic front, Eurobio Scientific is today a significant French player in the fight against COVID-19, offering one of the most comprehensive line of tests that covers all detection methods and adapts to all workloads and types of clients. With an increasing volume of tests and a sales forecast for every month of the semester, Eurobio Scientific anticipates higher COVID-19 sales for the second part of the year, an increase reinforced by new export opportunities, especially in the Europe - Maghreb - Middle East areas.

This strong growth will enable the Group to accelerate the deployment of its strategy, by expanding its geographic presence, by investing in the development of new products, either on its own or in partnership, and by seizing potential opportunities for external growth.

## Availability of the half-year financial report

The 2020 Half-Year Financial Report is made available to the public and will be filed with Euronext tomorrow (16/10/20). It can be viewed on the company's website (<https://www.eurobio-scientific.com>).

## Next financial meeting

2020 Sales: January 25, 2021

---

### 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 148 employees and three production units based in the Paris region, in Germany and in the United States, and several affiliates based in Dorking UK, Sissach Switzerland, Bünde Germany and Utrecht in The Netherlands.

For more information, please visit : [www.eurobio-scientific.com](http://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

#### Group Eurobio Scientific

Denis Fortier, General Manager  
Hervé Duchesne de Lamotte, General Manager  
Tel. +33(0) 1 69 79 64 80

#### Calyptus

Mathieu Calleux / Gregory Bosson  
Investors relations  
Tel. +33(1) 53 65 68 68  
[eurobio-scientific@calyptus.net](mailto:eurobio-scientific@calyptus.net)

### Disclaimer

*This press release contains non-factual elements, including, but not limited to, certain statements regarding future results and other future events. These statements are based on the current vision and assumptions of the management of the Company. They incorporate known and unknown risks and uncertainties that could result in significant differences in results, profitability and expected events. In addition, Eurobio Scientific, its shareholders and its affiliates, directors, officers, counsels and employees have not verified the accuracy of, and make no representations or warranties about, statistical information or forecast information contained within this news release and that originates or is derived from third party sources or industry publications; these statistical data and forecast information are only used in this press release for information purposes. Finally, this press release may be drafted in French and in English. In the event of differences between the two texts, the French version will prevail.*