

2022 ANNUAL RESULTS

Very strong performance and strengthening of the Core Business

- Core Business¹ revenues up 15% to €93.5M (+53% since 2019)
 - Increase in the share of proprietary products at 18% of revenues
 - International sales at 25% of revenues
- After two exceptional years, decline in COVID business at 27% of revenues in the second half, in line with expectations
- Margins maintained at high levels with EBITDA at €40.5M or 26.5% of revenues
- Excellent cash generation capacity at €43M
- Robust financial position with €22M of net debt, of which €86M of cash

Paris, April 5, 2023 - 5:40 pm - Eurobio Scientific (FR0013240934, ALERS, PEA-PME eligible), a leading French group in *in vitro* specialty medical diagnostics and life sciences, today announced its consolidated annual results for 2022, established according to French accounting standards and approved by the company's board of directors which met on April 4, 2023².

Eurobio Scientific's 2022 annual results reflect the expected decline in the COVID business, the structuring of the teams in a context of accelerated growth in the core business and exceptional expenses related to acquisitions and their financing.

Strategic progress made during the COVID period should continue as a result of the increase in the share of proprietary products and the implementation of synergies within the Group, in a favorable market environment.

in €M	2022 consolidated	2021 consolidated	Change
Revenues	152.6	184.7	-17%
Operating subsidies and other revenues	0.3	0.6	-
Total revenues	152.9	185.3	-18%
Cost of goods sold	(81.7)	(82.5)	-1%
Gross margin	71.2	102.8	-31%
R&D expenses	(3.5)	(3.4)	+3%
Marketing and sales expenses	(19.6)	(17.1)	+15%
G&A expenses	(11.4)	(7.4)	+54%
EBITDA	40.5	77.9	-48%
Operating result ³	36.8	74.9	-51%
Financial result	(0.5)	0.1	-
Extraordinary result	(0.7)	1.1	-
Goodwill amortization	(5.9)	(4.8)	-
Taxes	(4.7)	(10.8)	-
Net result	24.9	60.5	-59%
Net result excl. goodwill amortization	30.8	65.3	-53%
Cash	85.9	102.4	
Financial debt excluding leasing	108.0	10.7	
Shareholders equity	172.7	160.6	

1 Business excluding COVID

2 Audit procedures on the accounts are still being carried out by the statutory auditors.

3 Before goodwill amortization

Significant growth in core business and anticipated decline in COVID activities

Eurobio Scientific recorded revenues amounting €152.6 million in 2022, split between the core business, excluding COVID, for €93.5 million and exceptional activities related to COVID for €59.1 million.

The core business recorded a significant growth of 15%, benefiting from the initial effects of the acquisitions of BMD (Belgium) and GenDx (Netherlands). On a like-for-like basis, growth reached +5%. The share of proprietary products in the core business increased at 18% of sales, compared to 14% in 2021.

In 2022, the COVID business represented only 39% of consolidated sales (compared to 56% in 2021), in a market undergoing a sharp drop in sales prices and volumes. During the second half, the share of COVID activities fell to 27% of sales.

Gross margin reached 46.7% of sales compared to 55.5% in 2021. This decrease is mainly linked to the decline of the COVID activity and to exceptional depreciations made on COVID products inventory in the context of the end of the pandemic. Excluding these exceptional depreciations, gross margin reached 50% of sales.

Structuring staff to develop the activity in new markets

Research and Development efforts are continuing, notably through the purchase of new fixed-asset equipment (for more than €0.7 million in France) and stable expenses. Marketing and sales expenses increased by €2.5 million, mainly due to an increase in payroll costs linked to the structuring and development of the activity in new markets, as well as the increase in the consolidation scope. G&A expenses rose by €4.0 million, directly related to bank fees related to new loans and to costs related to the M&A activity, which was particularly important in 2022. At December 31, 2022, operating expenses therefore increased by €6.6 million and EBITDA reached €40.5 million compared to €77.9 million at December 31, 2021. Operating profit reached €36.8 million.

With financial expenses under control, the financial result was negative at €-0.5 million, mainly due to the loan to finance M&A activities.

The exceptional result is negative at €-0.7 million, mainly due to provisions for litigation and the costs of closing the Chilly-Mazarin site.

Excluding amortization of goodwill for €6 million, net result amounted to €30.8 million at December 31, 2022.

€43m of cash generated by operations

With a reduction in working capital of €8.8 million due to the decline in the COVID business and an improvement in customer payment recovery, Eurobio Scientific generated €43.1 million of cash from operations in 2022 (€65.9 million in 2021).

As a result of the acquisitions completed in 2022, net cash flow from investments was €-141.8 million and net cash flow from financing activities was €82.3 million due to the new loan.

As a result, Eurobio Scientific showed a cash position of €86 million at December 31, 2022, for a financial debt of €108 million, i.e. a net financial debt of €22 million, leaving its investment capacity intact for the coming years.

Accelerated strategic deployment

While the COVID business is rapidly declining, Eurobio Scientific has emerged from this exceptional period considerably strengthened, with key milestones achieved in all its strategic areas.

In the core business, excluding COVID :

- revenues increased by 58% in 3 years, representing an annual growth rate of 16.5%;
- the share of international sales reached 25%;
- the share of proprietary products reached 18%;
- new market segments have been opened up, both through acquisitions and strengthened R&D.

As a result of completed acquisitions that brought many synergies, both commercial and technological, these trends should continue in the years to come.

Next financial meeting

Annual shareholders' meeting : June 12, 2023 at 9am

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 and Utrecht in The Netherlands.

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

Group Eurobio Scientific

Denis Fortier, General Manager
Anne-Sophie Herelle, 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