eurofins
Testing for Life

# Half Year Report 2024

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Publication date: 24 July 2024

## Shareholder information

**Listing**
Euronext Paris (IPO on 24 October 1997)

**Indexes**
Euronext Paris: CAC 40, EURONEXT 100, SBF 120, SBF TOP 80 EW, CAC ALL SHARES, CAC ALL-TRADABLE, CAC HEALTH CARE, CAC LARGE 60.

Euronext Amsterdam: EN EUR N100 EW, EN EUROZONE 150 EW, EN EUROPE 500, EN EUROZONE 300, EN EZ 100 ESG, EN WORLD.

Other: MSCI Europe, STOXX Europe 600, S&P Europe 350.

**Industry Group/Prime Sector**
Healthcare / Healthcare Providers

**Codes**
ISIN: FR0014000MR3

**Tickers**
Paris: Euronext ERF, Reuters EUFI.PA, Bloomberg ERF FP

**Nominal Capital (as at 30 June 2024)**
€1,929,811.83 (192,981,183 x €0.01)

**Simplified Ownership Structure**
Free Float 66.4%
Martin Family 32.7%

**H1 2024 Share Price Development**
Eurofins Scientific: -21.1%
CAC 40 Index: -0.8%
Euronext 100: 6.4%
SBF 120: -1.4%
Nasdaq Composite Index: 18.1%
S&P 500: 14.5%
Dow Jones: 3.8%

**Analyst Coverage**

| | |
|---|---|
| AlphaValue | Rishabh Gupta |
| Barclays | James Rose |
| Bernstein | Delphine Le Louet |
| Citi | Arthur Truslove |
| Deutsche Bank | Ben Wild |
| Exane | Thomas Burlton |
| Gilbert Dupont | Guillaume Cuvillier |
| Goldman Sachs | Suhasini Varanasi |
| HSBC | Rajesh Kumar |
| Jefferies | Allen Wells |
| Kepler Cheuvreux | Pablo Cuadrado |
| Morgan Stanley | Annelies Vermeulen |
| Morningstar | Jay Lee |
| ODDO BHF | Geoffroy Michalet |
| Redburn | Neil Tyler |
| Stifel | Louise Boyer Gräbeldinger |

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# Management Report

# 1 CEO Review

Though the first six months of 2024 remained clouded by geopolitical and macroeconomic uncertainties, Eurofins companies continued to deliver outstanding results in the areas that matter most to our stakeholders: operational excellence, speed and quality of service and innovation for our clients, financial performance and sustainability for our shareholders, and continued investments to create a great place to work for our leaders and staff, in a decentral, entrepreneurial, fair and inclusive meritocratic environment.

In terms of financial performance and operational excellence, in what historically has been the seasonally weakest semester of the year, Eurofins achieved solid organic growth, setting a new revenues record for a first half year and, even more impressively, achieved a reported EBITDA[3] margin of 20.9%, equivalent to a year-on-year improvement of 260bps. This increase builds upon the previously recorded year-on-year improvement achieved in H2 2023 vs H2 2022 of 90bps of reported EBITDA[3] margin. The first positive impacts of Eurofins' investment in building the best-in-class and most digital laboratory network in its field are starting to be felt now in the second year of its most recent 5-year investment programme. In H1 2024, despite being at the peak investment intensity of its digitalisation initiatives in 2024 and 2025, Eurofins was able to reduce its financial leverage (net debt[11] to last 12 months adjusted[1] pro-forma EBITDA[3]) and simultaneously make large investments in M&A, laboratories buildings, capex, start-ups, R&D and share buy-backs.

We are further encouraged by progress in our digitalisation initiatives. Development of a unique suite of IT solutions is proving successful with deployment of the newest tools in several pilot sites of our Life area of activity, with planned completion of the remaining applications by the end of 2025 for most business lines. This opens the path for groupwide deployment of these IT solutions by the end of our 5-year investment programme in 2027, though substantial benefits should already begin to be felt by 2026. Similarly, the building of a fully new state-of-the-art, more decentral, secure, and resilient IT infrastructure will have made large progress by the end of 2024 and should complete next year. Beyond their large impact on capex, these two initiatives represent very significant investments in operating expenses that should significantly decline by 2026. The conclusion of these initiatives, combined with the benefit of more modern, lean, streamlined and effective digital tools, should further contribute to improving the quality and speed of service to clients, reduce costs, and pave the way for more systematic use of automation and AI solutions across our network.

Eurofins companies remain as committed as ever to continue to deliver innovative, high-quality services and operational excellence to our clients and financial performance to our investors. Given this latest set of results and our ongoing initiatives to further improve on the productivity and digitalisation of our operations, I remain very confident in the capabilities and motivation of Eurofins teams not only to finish this year strongly and achieve our FY 2024 profitability objectives, but to sustain that momentum as we progress toward achieving our FY 2027 objectives.

Financial highlights

Eurofins delivered a strong set of results in H1 2024:

- Total revenues of €3,419m represented a new record level for the first half of a fiscal year, as Eurofins has now grown to exceed its peak pandemic-driven revenue level, but without COVID-19 related revenues. The year-on-year increase was 6.5%, supported by solid organic growth[13] in the Core Business of 5.6% and a strong pace of acquisitions, but restrained by FX headwinds (-0.5%). The organic growth[13] figure is not corrected for a slightly negative working day effect as H1 2024 had 0.2 fewer working days than H1 2023. A 1-2-day positive working days impact is expected in H2 2024.
- Adjusted[1] EBITDA[3] of €757m (22.1% of revenues) was 18.3% higher than the €640m (19.9% of revenues) achieved in H1 2023. This improvement resulted from a combination of pricing attainment, volume growth, and disciplined cost management, in particular personnel expenses, consumables and building costs. All regions demonstrated improvement in profitability.
- Net Profit[7] increased year-on-year by 46% to €220m in H1 2024 vs €151m in H1 2023.
- Generation of Free Cash Flow before investment in owned sites[16] increased by 171% from €125m in H1 2023 to €341m in H1 2024, thanks to the increase in EBITDA[3], continued capex discipline for programmes related to capacity expansion, and improved net working capital[12] intensity.
- Free Cash Flow to the Firm[10] increased 276% from €74m in H1 2023 to €279m in H1 2024.
- Eurofins' balance sheet remains very solid at the end of June 2024:
    - Financial leverage (net debt[11] to last 12 months adjusted[1] pro-forma EBITDA[3]) down to 1.9x at the end of June 2024 vs 2.0x at the end of 2023 and well within its targeted range of 1.5-2.5x.

    - Having carried out an early redemption of a €448m Eurobond on 19 June 2024, one month ahead of its maturity date on 25 July 2024, Eurofins has no major financing requirements for the remainder of 2024. The next maturities are Schuldschein loans totalling €234m, maturing in July and October 2025 respectively, and €400m in hybrid capital with a first call date of 13 November 2025.

Strategic highlights

Eurofins companies continue to advance on their long-term growth, digitalisation and innovation initiatives:

- In terms of M&A, the pace of acquisitions has been strong so far this year.
    - In H1 2024, Eurofins closed 15 business combinations that generated FY 2023 pro-forma revenues of about €132m at a cost of €246m, reflecting a sales multiple of 1.9x.
    - Companies acquired in H1 2024 include Ascend Clinical, LLC, the largest independent laboratory for kidney dialysis testing in the United States, which further supports Eurofins' efforts to provide best-in-class testing care to patients in the renal and transplantation fields.

- Eurofins added 45,000 $m^2$ of net surface area to expand its network in the first six months of 2024. Through a combination of building projects, building purchases and acquisitions in the M&A scope, offset by a decrease in leased surfaces, Eurofins was able to increase its ownership proportion of the total net floor area of its sites to 33.1% at the end of June 2024 vs 31.7% at the end of 2023.

- The pace of start-up activity remained strong in H1 2024 as Eurofins opened 18 new start-up laboratories and nine new blood collection points (BCPs). The 319 start-ups and 76 BCPs launched since 2000 have made material contributions to the overall organic growth of the Group, accounting for 0.9% out of the 5.6% of organic growth achieved in H1 2024.

- Eurofins companies continue to make meaningful contributions to Testing for Life:
    - Eurofins Genoma's Genome-Wide Non-Invasive Prenatal Tests (GW-NIPT) were recently acknowledged in a paper published in the journal Prenatal Diagnosis as having extremely high clinical utility.
    - Eurofins Discovery launched DiscoveryAI SAFIRE, an advanced platform for drug discovery that leverages proprietary datasets, artificial intelligence (AI) and machine learning (ML) to predict the ADMET (Absorption, Distribution, Metabolism, Excretion and Toxicity) properties of molecules.
    - Eurofins CDMO Alphora Inc. announced the completion of its expansion of active pharmaceutical ingredient (API) capacity and capabilities at its new API manufacturing facility in Mississauga, Canada. This capacity expansion will allow Eurofins CDMO Alphora to support existing and prospective partners to address expanding therapeutic indications and meet the growing demand for emerging therapies at clinical and commercial stages.

**2024 to 2027 Objectives**

- Eurofins does not provide guidance on future results. Depending on long-term interest rate and inflation expectations, Eurofins management sets multiyear targets (typically valid for 5 to 10 years) for its minimum hurdle rate for return on capital employed on its investments (currently 16% after 3 years) and average targets for annual organic growth over the period (currently 6.5%). Eurofins develops unique levels of depth, breadth, quality and speed of service for clients and overall efficiency and competitive advantage through focussed 5-year investment programmes to create unmatched laboratory and digital infrastructure in its chosen markets, with increasingly global coverage.

- 2024 is the second year of the 2023-2027 programme. Objectives for 2027 were shared on 1 March 2023. In addition, once a year when publishing its annual results, Eurofins management also shares objectives for the current year. Eurofins' policy is not to update these annual objectives unless very significant and unforeseen changes occur. Objectives for FY 2024, which were announced at the FY 2023 results presentation on 27 February 2024, and those for 2027, announced on 1 March 2023, thus remain unchanged.

| *€m* | **FY 2024** | **FY 2027** |
|---|---|---|
| Revenues | €7.075bn – €7.175bn | Approaching €10bn |
| Adjusted[1] EBITDA[3] | €1.525bn – €1.575bn | Margin: 24% |
| FCFF before investment in owned sites[16] | €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 clinical testing and reagents. From FY 2024 to FY 2027, Eurofins targets average organic growth[13] of 6.5% p.a. and potential average revenues from acquisitions of €250m p.a. over the period consolidated at mid-year. In addition, Eurofins will remain prudent with its acquisition strategy and only acquire businesses that meet its objectives for return on capital employed.
- Similar to the achievement of an improved adjusted[1] EBITDA[3] margin in H1 2024 vs H1 2023, anticipated further improvements in adjusted[1] EBITDA[3] margin in FY 2024 and towards the FY 2027 objective are underpinned by programmes that continue to align pricing to cost inflation, as well as innovation, productivity, digitalisation and automation initiatives, and better utilisation of Eurofins' state-of-the-art laboratory network.
- Eurofins continues to conduct reviews of some of its smaller underperforming businesses.
- In the coming year, Eurofins expects to continue its high intensity of start-up activities. Due to temporary losses related to these start-ups, Separately Disclosed Items[2] (SDI) at the EBITDA[3] level should remain at an elevated level of about €125m in FY 2024. Thereafter, as newly initiated start-ups ramp up and become profitable, the objective is that SDI[2] at the EBITDA[3] level should decline gradually towards about 0.5% of revenues in 2027.
- Capital allocation for strategically important investments remain key to Eurofins' long-term value creation strategy. Priorities for net operating capex in FY 2024 and in the mid-term will continue to include start-ups in high-growth/high-return areas, and the development and deployment of sector-leading proprietary IT solutions. Capital allocation for net operating capex is expected to be ca. €400m p.a.
- In addition, Eurofins will prioritise, if required, the stepwise acquisition of sites owned by related parties, if decided by a majority of its non-related shareholders, over the acquisition of new sites from third parties. Investment in site ownership is assumed to be around €200m p.a.
- Eurofins is fully committed to protecting the sustainability of its balance sheet within its stated financial leverage objectives with adequate headroom. It targets to maintain a financial leverage of 1.5-2.5x in the mid-term period and less than 1.5x by FY 2027.

Sincerely,

Dr Gilles Martin

CEO

Dated 24 July 2024

*Please see definitions of the financial terms discussed in section 0 "Alternative Performance Measures (APMs)".*

# 2 Financial and Operating Review

## Business Review

The following figures are extracts from the Condensed Interim Consolidated Financial Statements and should be read in conjunction with the Condensed Interim Consolidated Financial Statements and Notes for the period ended 30 June 2024.

**Table 1: Half Year 2024 Results Summary**

| | H1 2024 | | | H1 2023 | | | | |
|---|---|---|---|---|---|---|---|---|
| *In €m except otherwise stated* | **Adjusted[1] results** | Separately disclosed items[2] | Reported results | **Adjusted[1] results** | Separately disclosed items[2] | Reported results | **+/- % Adjusted results** | **+/- % Reported results** |
| Revenues | 3,419 | - | 3,419 | 3,209 | - | 3,209 | *+6.5%* | *+6.5%* |
| EBITDA[3] | 757 | -43 | 714 | 640 | -51 | 589 | *+18%* | *+21%* |
| *EBITDA[3] margin (%)* | *22.1%* | - | *20.9%* | *19.9%* | - | *18.3%* | *+220 bp* | *+260 bp* |
| EBITAS[4] | 497 | -65 | 432 | 397 | -69 | 327 | *+25%* | *+32%* |
| Net profit[7] | 320 | -100 | 220 | 261 | -110 | 151 | +23% | *+46%* |
| Basic EPS[8] (€) | 1.55 | -0.54 | 1.01 | 1.23 | -0.59 | 0.65 | +26% | *+57%* |
| Net cash provided by operating activities | | | 530 | | | 333 | | *+59%* |
| Net capex[9] | | | 252 | | | 259 | | *-3%* |
| Net operating capex | | | 190 | | | 208 | | |
| Net capex for purchase and development of owned sites | | | 62 | | | 51 | | |
| Free Cash Flow to the Firm before investment in owned sites[16] | | | 341 | | | 125 | | *+171%* |
| M&A spend | | | 246 | | | 83 | | *+195%* |
| Net debt[11] | | | 2,863 | | | 2,588 | | *+11%* |
| Leverage ratio (net debt[11]/pro-forma adjusted[1] EBITDA[3]) | | | 1.9x | | | 2.0x (end FY 2023) | | *-0.1x* |

*Note: Definitions of the alternative performance measures used can be found at the end of this section*

# Revenues

Revenues of €3,419m increased year-on-year in H1 2024 by 6.5%, supported by solid organic growth[13] in the Core Business of 5.6% as well as a strong pace of acquisitions, as Eurofins closed 15 business combinations with FY 2023 pro-forma revenues of €132m. These effects more than compensated for the complete disappearance of COVID-19 clinical testing and reagent revenues, which was small but in the order of €20m in H1 2023.

**Table 2: Organic Growth[13] Calculation and Revenue Reconciliation**

| | *In €m except otherwise stated* |
|---|---:|
| **H1 2023 reported revenues** | **3,209** |
| + H1 2023 acquisitions - revenue part not consolidated in H1 2023 at H1 2023 FX rates | 45 |
| - H1 2023 revenues of discontinued activities / disposals[15] | -18** |
| = H1 2023 pro-forma revenues (at H1 2023 FX rates) | 3,237 |
| + H1 2024 FX impact on H1 2023 pro-forma revenues | -15 |
| **= H1 2023 pro-forma revenues (at H1 2024 FX rates) (a)** | **3,222** |
| **H1 2024 organic scope* revenues (at H1 2024 FX rates) (b)** | **3,383** |
| **H1 2024 organic growth[13] rate (b/a-1)** | **5.0%*** ** |
| H1 2024 acquisitions - revenue part consolidated in H1 2024 at H1 2024 FX rates | 36 |
| H1 2024 revenues of discontinued activities / disposals[15] | **0** |
| **H1 2024 reported revenues** | **3,419** |

** Organic scope consists of all companies that were part of the Group as at 01/01/2024. This corresponds to the 2023 pro-forma scope*
*** Q1 2024 impacted by discontinuation[15] of the OmniGraf dual-biomarker rejection panel following revised billing guidance by MolDX in the U.S. effective 1 April 2023*
**** Not corrected for the decline in COVID-19 related clinical testing and reagent revenues and not adjusted for public working days*

**Table 3: Breakdown of Revenue by Operating Segment**

| *€m* | **H1 2024** | **As % of total** | **H1 2023** | **As % of total** | ***Y-o-Y variation %*** | ***Organic growth[13] in the Core Business**** | ***Organic growth[13] in the Core Business* adjusted for public working days*** |
|---|---:|---:|---:|---:|---:|---:|---:|
| Europe | 1,748 | 51% | 1,622 | 51% | 7.7% | 5.6% | 5.9% |
| North America | 1,311 | 38% | 1,243 | 39% | 5.5% | 4.9% | 4.9% |
| Rest of the World | 360 | 11% | 344 | 11% | 4.5% | 7.9% | 8.2% |
| **Total** | **3,419** | **100%** | **3,209** | **100%** | **6.5%** | **5.6%** | **5.8%** |

** Excluding COVID-19 related clinical testing and reagent revenues*

**Europe**

- Reported revenues increased vs H1 2023 by €125m, primarily due to solid organic growth of 5.6% in the Core Business.
- BioPharma Services in Europe experienced moderate growth in a market environment characterised by diverse developments in the first half of 2024. On the one hand, demand for BioPharma Product Testing, Bioanalytical Services, Toxicology, and Medical Devices Testing remained stable. On the other hand, Agroscience Services continues to experience tepid demand growth mirroring the subdued situation in the global seed and crop protection market and related to uncertainty regarding regulatory requirements in Europe in relation to registering new crop protection products. Meanwhile, demand from customers for Discovery Services has begun to gradually recover, though volumes still remain below peak levels. In

terms of profitability, volume growth, further implementation of pricing initiatives and ongoing cost adaptation measures including footprint optimisation have driven margin improvement.

- Following the challenging years of 2022 and 2023 due to the persisting effects of inflation on consumer food prices, Food and Feed Testing in Europe saw a recovery in growth in most countries in the first half of 2024, supported by pricing attainment as well as some volume increases driven by product development by food producers. In parallel, Eurofins continued to implement initiatives to control costs and boost efficiency, including capacity optimisation through labour force adaptations and footprint consolidation. Furthermore, Eurofins has continued to invest in innovations to improve the productivity of its laboratories. These large investments include technology, digitalisation and automation initiatives, such as fully automated sample preparation systems and the successful deployment of Eurofins' internally developed next-generation LIMS software in a number of pilot sites. These IT solutions, as well as other related bespoke standardized proprietary IT applications, should be fully deployed throughout the region by the end of 2026 to replace a vast array of costly and less-efficient legacy IT solutions.
- The Environment Testing business in Europe set new sales records to start 2024, driven by market share gains on the back of strong service and offerings across multiple countries, as well as pricing initiatives. In terms of organic growth, while continued pricing and commercial excellence initiatives were supportive, volume increases in numerous activities ranging from water testing to asbestos testing and anticipated regulation supporting increased PFAS testing have been significant contributory factors. The strong operational performance of the European Environment Testing laboratories, the acceleration of ongoing lean and automation programmes, digitalisation, and strong customer-focussed mindset have supported growth and improved profitability across the Eurofins Environment Testing network in Europe. Further improvements are still expected from the continuation of already engaged productivity programmes, including footprint rationalisation, the completion of the roll-out of next-generation LIMS to replace a diverse and costly set of legacy LIMS systems and the accelerated ramp up of automation projects.
- The Clinical Diagnostics Business in Europe continued taking measures in H1 2024 to improve its growth and profitability. The expansion of blood collection point (BCP) coverage in France continued as nine new BCPs were opened in H1 2024, adding to the 67 BCPs launched in France and Belgium during 2022 and 2023. In Spain, operational improvements have resulted in a normalisation of growth and improved profitability. Volumes of specialised testing services such as clinical genetics and NIPT grew well. In terms of operational performance, organisational changes made in 2023, including changes in leadership and network rationalisation following the end of COVID-19 testing, have helped to improve profitability, while digitalisation initiatives are supporting productivity. In terms of innovation, in a paper published in the journal Prenatal Diagnosis on a study of 71,883 unselected clinical cases of Genome-Wide Non-Invasive Prenatal Test (GW-NIPT), Eurofins Genoma demonstrated the clinical utility of its expanded NIPT in pregnancy management.

**North America**

- Reported revenues increased year-on-year by €69m, supported by steady organic growth of 4.9% in the Core Business.
- BioPharma Services revenues in North America were resilient in the first half of 2024. Promising development has been observed in Discovery Services, which showed signs of recovery from the challenging market conditions in 2022 and 2023. Demand and pipelines in BioPharma Product Testing, and Central and Bioanalytical Laboratories remained sound as clients continue to invest in promising therapies across all modalities. Profitability margins continue improving across most areas of the business, supported by cost savings and measures to optimise personnel costs. Investments in future growth opportunities continue to progress, most notably Eurofins CDMO Alphora's completion of its 3,300 square foot pilot-scale biologics development facility with a scale-up capacity of up to 200L for pre-clinical and phase I supply. In addition, a new Drug Product Analytical Laboratory will launch, increasing Eurofins CDMO Alphora's footprint three-fold. Eurofins CDMO Alphora also completed a 2,000L scale API manufacturing facility, which will commence production in the second half of 2024, with capacity already sold via supply agreements. Eurofins Discovery also continues to introduce new innovations such as DiscoveryAI Safire, an AI tool that leverages proprietary datasets launched in early 2024 as a valuable service to help pharmaceutical clients accelerate their drug discovery timeline.
- The Food and Feed Testing business in North America continued to grow strongly in H1 2024 supported by steady demand growth and market share gains driven by new start-up microbiology laboratories in Missouri and Nebraska to address the stringent turnaround time requirements of meat and produce customers. Another noteworthy development that has driven growth is Eurofins Food and Feed Testing's selection as one of three third-party testing organisations to support Amazon's requirement for certificates of authenticity from sellers of dietary supplements on Amazon's platform. In addition to volume growth and mix enhancement due to higher value-added testing, pricing attainment, rush pricing, normalising inflation and higher productivity all contributed to improving profitability.

- Eurofins Environment Testing in North America delivered strong organic growth in H1 2024. Growth was underpinned by market share gains and increased demand across all sectors of environment testing. Eurofins operates the market leading PFAS Testing Service, in terms of both processing capacity and capability, in the US. Demand for PFAS testing was buoyant across all client groups – regulators, industrials, consultancies, municipalities, federal and state governments. Growth outperformance was supported by the rollout of digitalisation initiatives including electronic chain of custody (eCOC), internal process AI, and enhancement to myEOL (Eurofins online), all of which assist process efficiency and client tracking/retrieval of data online. In terms of profitability, margin improvement was delivered through volume growth, consumable cost controls, the rollout of microextraction to reduce solvent usage and lower logistics costs, and efficiencies gained from robotics and automation initiatives. The outlook for profitable growth remains very positive as upgrades in one California laboratory and two Texas laboratories come online to extend processing capacity through H2 2024. Additionally, the in-progress construction of a new, state-of-the-art full-service environment testing laboratory in Chicago will help drive growth in the years to come.
- During the reporting period, Eurofins closed the acquisition of Ascend Clinical, LLC (“Ascend”). Operating a state-of-the-art laboratory in Sunnyvale, California and employing 170 staff, Ascend is the largest independent laboratory for kidney dialysis testing in the United States. This acquisition further reinforces the Eurofins network’s footprint in transplant testing and associated renal care, broadening its clinical client base and growing its exposure to this promising segment.

**<u>Rest of the World</u>**

- Core Business revenues were up 7.9% year-on-year on an organic basis due to strong organic growth across many countries and activities.
- After more muted business conditions in Asia due to softness in consumer spending in many regions of the world related to high inflation in 2023, demand from customers has gradually rebounded in numerous countries, in particular in China. The Food and Feed Testing, BioPharma Services and Clinical Diagnostics businesses delivered robust growth across Asia. Start-ups in China, India and Southeast Asia also contributed to growth, while Eurofins was able to win numerous nominations in its Consumer Product Testing business over its competitors due to advancements in new services and supporting customers’ supply chain movements. However, demand in the Advanced Material Sciences business remains tepid as the semiconductor and electronics industry is currently in an inventory correction cycle. On the other hand, demand from customers engaged in semiconductor equipment and battery materials has been healthy. From a profitability perspective, margins benefitted both from the aforementioned strong growth as well as network optimisation measures and targeted investment initiatives.
- In Australia, organic growth was fueled by national infrastructure projects including those being undertaken in preparation for the 2032 Olympics. Eurofins has also expanded its PFAS testing capabilities in the region into New Zealand, to complement existing offerings in Brisbane, Sydney, Melbourne and Perth.
- In Latin America, Eurofins has made continued progress regarding footprint optimisation. On the one hand, business activities in Argentina are being wound down, while on the other hand acquisitions have been concluded in Brazil and Colombia in Food and Feed Testing, further expanding the network’s footprint.
- In the Middle East, Ajal Laboratories continues to generate good growth in its core Food and Feed Testing business, in particular in the area of animal health. Eurofins is also expanding its services in the clinical diagnostics sector in Saudi Arabia.

**Table 4: Breakdown of Revenue by Area of Activity**

| *€m* | **H1 2024** | **As % of total** | **H1 2023** | **As % of total** | ***Y-o-Y variation %*** | ***Organic growth[13] in the Core Business**** |
|---|---|---|---|---|---|---|
| Life | 1,379 | 40% | 1,257 | 39% | 9.8% | 7.9% |
| BioPharma | 1,000 | 29% | 976 | 30% | 2.5% | 2.6% |
| Diagnostic Services & Products | 690 | 20% | 652 | 20% | 5.9% | 4.5% |
| Consumer & Technology Products Testing | 349 | 10% | 325 | 10% | 7.3% | 7.5% |
| **Total** | **3,419** | **100%** | **3,209** | **100%** | **6.5%** | **5.6%** |

** Excluding COVID-19 related clinical testing and reagent revenues*

**Life (consisting of Food and Feed Testing, Agro Testing and Environment Testing)**

- Food and Feed Testing in Europe saw a recovery in growth in the first half of 2024, supported by pricing attainment as well as some volume increases driven by product development by food producers.
- The Food and Feed Testing business in North America continued to grow strongly in H1 2024 driven by steady demand growth and market share gains.
- In Rest of the World, Food and Feed Testing delivered robust growth across numerous countries in Asia and the Middle East.
- The Environment Testing business in Europe set new sales records to start 2024, driven by market share gains on the back of strong service and offerings across multiple countries, as well as pricing initiatives.
- Eurofins Environment Testing in North America delivered strong organic growth in H1 2024. Growth was underpinned by market share gains and increased demand across all sectors of Environment Testing.
- Environment Testing in Rest of the World experienced organic growth in Australia, fueled by national infrastructure projects including those being undertaken in preparation for the 2032 Olympics. Eurofins has also expanded its PFAS testing capabilities in the region into New Zealand, to complement existing offerings in Brisbane, Sydney, Melbourne and Perth.

**Biopharma (consisting of BioPharma Services, Agrosciences, Genomics and Forensic Services)**

- BioPharma Services in Europe experienced moderate growth in a market environment characterised by diverse developments in the first half of 2024. Demand for BioPharma Product Testing, Bioanalytical Services, Toxicology, and Medical Devices Testing remained stable. Meanwhile, demand from customers for Discovery Services has begun to gradually recover, though volumes still remain below peak levels. Professional Scientific Services® (PSS) was able to outgrow the market by winning new clients.
- BioPharma Services revenues in North America were resilient in the first half of 2024. Promising developments were observed in Discovery Services, which showed signs of recovery from the challenging market conditions in 2022 and 2023. Demand and pipelines in BioPharma Product Testing and Central and Bioanalytical Laboratories remained sound as clients continue to invest in promising therapies across all modalities.
- BioPharma Services in Asia delivered robust growth across numerous countries.
- Agroscience Services continues to experience tepid demand growth mirroring the subdued situation in the global seed and crop protection market and thus remains a very challenged area of activity with limited improvement in sight.
- Eurofins' Genomics business line continues its post-COVID pivot towards activities related to genes, plasmids, biopharma and large-scale, high-throughput end market applied genomics solutions.

**Diagnostic Services & Products (consisting of Clinical Diagnostics Testing and In Vitro Diagnostics (IVD) Solutions)**

- The Clinical Diagnostics Business in Europe realised improvements in growth in H1 2024. The expansion of blood collection point (BCP) coverage in France continued as nine new BCPs were opened in H1 2024, adding to the 67 BCPs launched in France and Belgium during 2022 and 2023. In Spain, operational improvements have resulted in a normalisation of growth and improved profitability. Specialised testing services such as clinical genetics and NIPT have also been growing well.

- During the reporting period, Eurofins closed the acquisition of Ascend Clinical, LLC (“Ascend”). Operating a state-of-the-art laboratory in Sunnyvale, California and employing 170 staff, Ascend is the largest independent laboratory for kidney dialysis testing in the United States.

**Consumer & Technology Products Testing (consisting of Consumer Product Testing and Advanced Material Sciences)**

- After more muted business conditions in Asia due to softness in consumer spending in many regions of the world related to high inflation in 2023, demand from customers for Consumer Product Testing has gradually rebounded in numerous countries, in particular in China.
- Eurofins was able to win numerous nominations in its Consumer Product Testing business over its competitors due to advancements in new services supporting customers’ supply chain movements.
- Demand in the Advanced Material Sciences business remains tepid as the semiconductor and electronics industry is currently in an inventory correction cycle. On the other hand, demand from customers engaged in semiconductor equipment and battery materials has been healthy.

# Infrastructure Programme

As part of its strategy to lease less and own more of its strategic sites, Eurofins has added, in the first six months of 2024, a total of 37,000 m² of laboratory, office, and storage space through the delivery of building projects as well as building purchases, while decreasing its leased surfaces by 12,000 m². Through acquisitions in the M&A scope, Eurofins has added an additional surface of 20,000 m². Overall, this has resulted in a net surface increase of 45,000 m² leading to a total net floor area of 1,779,000 m². In terms of ownership, the proportion of net floor area owned by Eurofins as at 30 June 2024 reached 33.1%, a substantial increase compared to the 31.7% owned by Eurofins at the end of 2023. This growth has been supported by the following projects, among others.

To support the long-term development of BioPharma Services businesses in Asia, Eurofins Advinus began utilising a portion of its new 20,000 m² facility in Bangalore, India. The infrastructure fitout of the entire facility is set to be completed by the end of 2024, with state-of-the-art bioanalytical laboratories to be completed in 2025. The facility will enable Eurofins Advinus to offer end-to-end drug development services and solutions to its clients. The facility effectively utilises natural lighting, ventilation, spacious building circulation and attractive landscaping to provide an outstanding work environment.

In Louisville, a new two-storey 6,500 m² facility has been successfully completed for Eurofins Genomics. The site is located on 3.63 acres of land adjacent to an existing Eurofins laboratory site. The new strategic Eurofins site will employ approximately 100 personnel and will support the expansion of production capacity for oligonucleotides, in alignment with the global strategy of Eurofins Genomics. The laboratory boasts state-of-the-art lean design and accommodates specific market requirements, such as ensuring separation between research use only (RUO) and good manufacturing practice (GMP) production from start to finish. This mitigates the risk of cross contamination between sequences, which is critical for molecular diagnostics and clinical companies developing commercial assays.

In response to increasing demand for PFAS testing in drinking water, a new 650m² space dedicated to PFAS testing was opened in South Bend, Indiana. The laboratory is located within Eurofins’ existing water testing facility at the location and supports an increase in PFAS testing capacity for drinking water for Eurofins Environment Testing USA clients.

In Moss, Norway, Eurofins Food and Feed Testing Norway AS has consolidated its operations into a newly renovated 600 m² state-of-the-art microbiology laboratory employing lean design principles.

In Tamworth, UK, a large 5,000 m² laboratory and office facility has just been completed following a 2-year long renovation. The facility will house Eurofins Forensic Services’ operations, which were previously located on a smaller, leased site. The Tamworth laboratory will be capable of state-of-the-art DNA recovery, drug analysis and elemental analysis to complement projects performed by other Eurofins Forensic Services teams in Warrington and Feltham. In addition, the facility provides office space for teams of expert reporters and commercial functions for Workplace Drug Testing. The strategic site also contains conferencing facilities and warehouse space and provides ample space for potential future expansion.

For the remainder of 2024 and for 2025, Eurofins is planning to add 99,000 m² of laboratory and operational space through building projects, acquisitions, new leases and consolidation of sites, as well as completing the renovation of 21,000 m² of its current sites to bring them to the highest standard.

# Financial Review

Reported EBITDA[3] improved by 21% year-on-year to €714m in H1 2024. In terms of Reported EBITDA[3] as a proportion of revenues, the margin improved year-on-year by 260bps from 18.3% to 20.9%.

**Table 5: Breakdown of Reported EBITDA[3] by Operating Segment**

| *€m* | **H1 2024** | **Rep. EBITDA[3] margin %** | **H1 2023** | **Rep. EBITDA[3] margin %** | ***Y-o-Y variation %*** |
|---|---|---|---|---|---|
| Europe | 292 | 16.7% | 217 | 13.4% | *+34%* |
| North America | 356 | 27.1% | 313 | 25.2% | *+14%* |
| Rest of the World | 84 | 23.4% | 66 | 19.3% | *+27%* |
| Other* | -18 | | -8 | | |
| **Total** | **714** | **20.9%** | **589** | **18.3%** | ***+21%*** |

** Other corresponds to Group service functions*

In Europe, reported EBITDA[3] margins improved substantially by 330bps vs H1 2023 to 16.7% of revenues mainly due to pricing attainment, volume growth and cost management actions which together enabled a year-on-year decrease in personnel expenses by ca. 150bps, while costs of purchased materials and services decreased by ca. 180bps year-on-year, especially in the categories of consumables and building costs. Margin improvement was particularly strong in the DACH region, but also in France, which remains slightly accretive to European margins. Margins also expanded year-on-year in North America by 190bps, reaching 27.1% of its revenues in the period, driven by volume growth and productivity measures which resulted in year-on-year decreases in personnel expenses by ca. 130bps and purchased materials and services (comprised especially of consumables) by ca. 60bps. The greatest increase in margins occurred in Rest of the World, which saw H1 2024 reported EBITDA[3] margins step up by 410bps vs the prior-year period to 23.4% of revenues, thanks to equal contributions from volume growth, price increases and productivity measures.

Adjusted[1] EBITDA[3] was €757m in H1 2024, representing an adjusted[1] EBITDA[3] margin of 22.1% and a margin improvement of 220bps vs H1 2023. The substantial improvement was achieved in part from the readjustment of the Eurofins organisation to the post-pandemic situation initiated in 2023 as well as through pricing adaptations and cost efficiency initiatives, in particular related to personnel expenses, consumables and building costs.

**Table 6: Separately Disclosed Items[2]**

| *In €m except otherwise stated* | **H1 2024** | **H1 2023** |
|---|---|---|
| One-off costs from integrations, reorganisations and discontinued operations, and other non-recurring income and costs | -18 | -12 |
| Temporary losses and other costs related to network expansion, start-ups and new acquisitions in significant restructuring | -25 | -39 |
| EBITDA[3] impact | -43 | -51 |

Separately Disclosed Items[2] (SDI) at the EBITDA[3] level decreased year-on-year to €43m (equivalent to 6% of reported EBITDA[3]) and comprised:

- One-off costs from integrations, reorganisations and discontinued operations, and other non-recurring income and costs of €18m that are linked to ongoing integrations and reorganisations, especially in Germany and France.
- Temporary losses and other costs related to network expansion, start-ups and new acquisitions in significant restructuring totalled €25m. The reduction in this figure was due to improved profitability year-on-year in many start-up activities, most notably in the In Vitro Diagnostic (IVD) and Genomics businesses that are pivoting to new markets and activities post-COVID-19. Conversely, start-up losses related to Clinical Diagnostics continued, including the ongoing impact on Transplant Genomics Inc. in the U.S. related to a billing article concerning Medicare reimbursement which became effective on 31 March 2023.

Depreciation and amortisation (D&A), including expenses related to IFRS 16, increased by 8% year-on-year to €282m. As a percentage of revenues, D&A stood at 8.2% of Group revenues in H1 2024, the same ratio as in H1 2023.

Net finance costs amounted to €69m in H1 2024, a sizable increase compared to €42m in H1 2023. On the one hand, financial income increased to €14.9m in H1 2024 vs €5.5m in H1 2023 thanks to higher average excess cash (€740m in H1 2024 vs €517m in H1 2023) bearing higher average interest rates, progress in cash centralisation through cash pooling and a shift to banking partners offering better remuneration of positive balances. On the other hand, the increase in finance costs was driven by higher interest expenses for bonds, in particular from the €600m of senior unsecured Eurobonds issued in August 2023 and due in September 2030 that bears an annual fixed rate coupon of 4.75%, but also a net foreign exchange loss of €7.1m related to the appreciation of USD, partially offset by the depreciation of JPY vs EUR (H1 2023: net foreign exchange gain of €11.4m). Overall, Eurofins' average interest rate on its financial borrowings in H1 2024 was approximately 3.5%.

The income tax expense increased from €69m in H1 2023 to €81m in H1 2024, a year-on-year increase of 18%. However, this increase was below the 37% increase in profit before income taxes (€220m in H1 2023 vs €301m in H1 2024) due to the decrease in the tax rate from 31.4% in H1 2023 to 27.0% in H1 2024.

Reported net profit[7] stood at €220m (6.4% of revenues and 46% higher than €151m in H1 2023), resulting in a total reported basic EPS[8] of €1.01. Adjusted[1] net profit[7] stood at €320m compared to €261m in H1 2023, resulting in total adjusted[1] basic EPS[8] of €1.55 in H1 2024.

# Cash Flow & Financing

**Table 7: Cash Flows Reconciliation**

| *€m* | **H1 2024 reported** | **H1 2023 reported** | ***Y-o-Y variation*** | ***Y-o-Y variation %*** |
|---|---|---|---|---|
| Net cash provided by operating activities | 530 | 333 | *+197* | *+59%* |
| Net capex[9] (i) | -252 | -259 | *+7* | *+3%* |
| Net operating capex (includes LHI) | -190 | -208 | *+18* | *+9%* |
| Net capex for purchase and development of owned sites | -62 | -51 | *-11* | *-22%* |
| Free Cash Flow to the Firm before investment in owned sites[16] | 341 | 125 | *+215* | *+171%* |
| Free Cash Flow to the Firm[10] | 279 | 74 | *+205* | *+276%* |
| Acquisitions spend and other investments (ii) | -246 | -83 | *-163* | |
| Proceeds from disposals of subsidiaries, net (iii) | 0 | 8 | *-8* | |
| Other (iv) | 14 | 5 | *+8* | |
| Net cash provided by investing activities (i) + (ii) + (iii) + (iv) | -484 | -329 | *-155* | *-47%* |
| Net cash provided by financing activities | -588 | 205 | *-793* | |
| **Net increase / (decrease) in Cash and cash equivalents and bank overdrafts** | -540 | 198 | *--739* | |
| **Cash and cash equivalents at end of period and bank overdrafts** | 681 | 682 | *-1* | *-0%* |

Net cash provided by operating activities increased in H1 2024 to €530m vs €333m in H1 2023. Net working capital[12] stood at 6.3% of the Group's revenues at the end of June 2024, a decrease of 50bps vs 6.8% at the end of June 2023 (calculated as a percentage of last quarter revenues times four). The year-on-year improvement resulted from a decrease in Days of Sales Outstanding (59 in H1 2024 vs 60 in H1 2023) and an increase in Days of Payables Outstanding (58 in H1 2024 vs 56 in H1 2023).

Cash generation more than adequately financed net capex[9] of €252m in H1 2024 vs €259m in H1 2023. After considering these investments, Free Cash Flow to the Firm[10] (FCFF) was €279m in H1 2024 vs €74m in H1 2023. Cash conversion (FCFF[10] / Reported EBITDA[3]) improved strongly from 13% in H1 2023 to 39% in H1 2024.

Net capex[9] included investments as part of Eurofins' programmes to own its laboratory sites, which totalled €62m in H1 2024 vs €51m in H1 2023. Excluding these investments, FCFF before investment in owned sites[16] was €341m in the reporting period, a substantial improvement vs €125m in the prior year period.

During the first six months of 2024, the Group completed 15 business combinations including 9 acquisitions of legal entities and 6 acquisitions of assets. Net cash outflow on acquisitions completed during the period and in previous years (in case of payment of deferred considerations) amounted to €246m.

As part of its share buy-back programme, Eurofins allocated €47.7m to repurchase 910,000 of its own shares in H1 2024 at an average price of €52.40, representing 0.47% of its share capital. Note that the cash flow impact in H1 2024 of €30m also includes inflows received from the exercise of stock options and outflows related to the liquidity contract but excludes the settlement of share repurchases performed in the final days of June 2024.

The combination of FCFF[10] as well as the aforementioned acquisitions and share buy-backs resulted in a net debt[11] figure of €2,863m at the end of June 2024. The corresponding leverage (net debt[11]/last 12 months proforma adjusted[1] EBITDA[3]) was 1.9x, an improvement of 0.1x vs the end of December 2023, and within Eurofins' 1.5x-2.5x target range. Furthermore, having carried out an early redemption of a €448m Eurobond on 19 June 2024, one month ahead of its maturity date on 25 July 2024, Eurofins has no major financing requirements for the remainder of 2024. The next maturities are Schuldschein loans totalling €234m maturing in July and October 2025 respectively, and €400m in hybrid capital with a first call date of 13 November 2025. Eurofins also possesses a solid overall liquidity position, which includes a cash position of €681m as at 30 June 2024 as well as access to over €1bn of committed, undrawn mid-term (3-5 years) bilateral bank credit lines.

# Start-up Programme

In the first half of 2024, the Group opened 18 new start-up laboratories and 9 new start-up blood collection points (BCPs). In total, the 319 start-ups and 76 BCPs launched since 2000 have made material contributions to the overall organic growth of the Group, accounting for 0.9% out of the 5.6% organic growth achieved in the Core Business in H1 2024. The adjusted[1] EBITDA[3] margin of start-ups initiated between 2000-2018 are almost in line with the Group's margin, while the total margin of start-ups initiated since 2019 remains dilutive to the Group's margin.

Of the 319 start-ups and 76 BCPs the Group has launched since 2000, 58% are located in Europe, 15% in North America and 28% in the Rest of the World, with a significant number in high growth regions in Asia. By area of activity, 36% are in Life (consisting of Food and Feed Testing, Agro Testing and Environment Testing), 18% are in BioPharma (consisting of BioPharma Services, Agrosciences, Genomics and Forensic Services), 37% in Clinical Diagnostics Services and Products (consisting of Clinical Diagnostics Testing and In Vitro Diagnostics (IVD) Solutions) and 8% in Consumer & Technology Products Testing (consisting of Consumer Product Testing and Advanced Material Sciences).

# Acquisitions

During the first six months of 2024, the Group completed 15 business combinations, made up of 9 acquisitions of legal entities and 6 acquisitions of assets. These companies/activities have been fully consolidated from the date the Group took control over these entities. For the year ended 31 December 2023, these entities generated revenues of about €132m.

# Post-Closing Events

Since 1 July 2024, Eurofins has completed 4 small business combinations, one in Europe, one in North America and two in Rest of the World. The total annual revenues of these acquisitions amounted to over €14m in 2023 for an aggregate acquisition price of ca. €22m. These acquisitions employ more than 200 employees.

On 16 July 2024, a new stock option plan (1,530,729 options) and a new Restricted Stock Unit (RSU) plan (106,962 RSUs) were granted, representing ca. 0.85% of the number of shares issued as of 30 June 2024.

# Related Party Transactions

Related party transactions are disclosed in note 2.12 to the Unaudited Condensed Interim Consolidated Financial Statements for the period ended 30 June 2024.

There have been no material changes in the related party transactions described in the 2023 Annual Report.

# Risks and Uncertainties

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance over the remaining six months of the financial year, or future periods, and which could cause actual results to differ materially from expected and historical results. Other than the higher uncertainty brought geopolitical and macroeconomic uncertainties, and the potential economic crisis that may follow, the directors do not consider that the principal risks and uncertainties have changed materially for Eurofins since the publication of the Annual Report for the year ended 31 December 2023, but would like to elaborate on the following subjects:

**Negative publicity**

Eurofins recognises that its size has increased its public visibility and may lead to more negative attention from the media as well as actors with ulterior motives, including short sellers. This could result in the dissemination of rumours, false allegations, and misleading reports that attack the Company's business practices, ethics and integrity as well as the credibility of its management. If such allegations are not effectively addressed, Eurofins' reputation could be temporarily or permanently damaged. Under such circumstances, the Company may also need to dedicate significant resources to defend against and manage the fallout from such negative publicity.

**Energy and power**

While some European countries previously relied heavily on natural gas from Russia, the geopolitical situation is prompting a rapid shift towards diversification of energy sources. This transition may still lead to increased and/or volatile energy costs and supply chain challenges.

European countries have become highly reliant on natural gas as part of their energy transition and significant volumes of gas are purchased from Russia.

Countries switching from Russian gas, to say, U.S. gas, are likely to experience a rise in energy costs, if only due to relative proximities. As a consequence of these increases, companies in those geographies could be exposed to significant shifts in values, increased business interruption and contingent business interruption risks, and supply chain problems.

Updated information about financial risks is disclosed in note 2.10 to the Unaudited Condensed Interim Consolidated Financial Statements for the period ended 30 June 2024.

A detailed description of other major risks and uncertainties identified by Eurofins in its main business activities, and how the Group seeks to mitigate these risks, can be found on pages 144 to 162 of the 2023 Annual Report which is available at https://www.eurofins.com/investors/reports-and-presentations/.

Dated 22 July 2024

# Alternative Performance Measures (APMs)

1 Adjusted results – reflect the ongoing performance of the mature[14] and recurring activities excluding "separately disclosed items" [2].

2 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[5], impairment of goodwill, amortisation of acquired intangible assets and negative goodwill, gains/losses on disposal of businesses 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.

3 EBITDA – Earnings before interest, taxes, depreciation and amortisation, share-based payment charge and acquisition-related expenses, net[5] and gain and loss on disposal of subsidiaries, net.

4 EBITAS – EBITDA less depreciation and amortisation.

5 Share-based payment charge and acquisition-related expenses, net – Share-based payment charge, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, and transaction costs related to acquisitions as well as income from reversal of such costs and from unused amounts due for business acquisitions.

6 EBIT – EBITAS less Share-based payment charge, acquisition-related expenses, net[5] and gain and loss on disposal of subsidiaries, net.

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

8 Basic EPS – basic earnings per share attributable to owners of the Company.

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

10 Free Cash Flow to the Firm – Net cash provided by operating activities, less Net capex[9].

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

12 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.

13 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 operations.

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.

14 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.

15 Discontinued activities / divestments: 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 2023 and to Note 2.3 and Note 2.6 of the Interim Condensed Consolidated Financial Statements for the period ended 30 June 2024.

16 FCFF before investment in owned sites: FCFF[10] less Net capex[9] spent on purchase of land, buildings and investments to purchase, build or modernise owned sites/buildings (excludes laboratory equipment and IT).

# Corporate Governance

# 1 Corporate Governance (update)

Eurofins Scientific SE (hereinafter referred to as "Eurofins" or the "Company") has its registered office located in Luxembourg and its shares are listed in France on the regulated market of Euronext. Together with its direct and indirect controlled subsidiaries and affiliates, Eurofins Scientific SE is the parent company of the Eurofins Group (the "Group"). Eurofins falls under the supervision of the Commission de Surveillance du Secteur Financier (the "CSSF") in accordance with the law of 11 January 2008 on transparency requirements for issuers of securities, as amended (the "Transparency Law") and is also supervised by the Autorité des Marchés Financiers ("AMF") for the purpose of the Market Abuse Regulation (EU) No 596/2014 on insider dealing and market manipulation that came into effect on 3 July 2016 (the "Market Abuse Regulation").

Eurofins' corporate governance practices are governed by Luxembourg laws and its articles of association (the "Articles").

Eurofins makes efforts to orient its corporate governance towards the general principles of corporate governance set forth in the Ten Principles of Corporate Governance of the Luxembourg Stock Exchange (available at https://www.bourse.lu/corporate-governance) (the "Ten Principles"). To the extent applicable, Eurofins also complies with the provisions of the Law of 24 May 2011 on the exercise of certain rights of shareholders at general meetings of listed companies, which was amended by the Law of 1 August 2019 implementing EU Directive 2017/828 as regards the encouragement of long term shareholder engagement (hereinafter defined as the "Law of 2011").

The following section sets out a short update of the Corporate Governance Statements for the period ended on 30 June 2024. The Company's Corporate Governance Charter can be found in its 2023 Annual Report together with a more comprehensive description of its Corporate Governance Statements, as well as on its website under https://www.eurofins.com/about-us/corporate-sustainability/governance/.

# 2 Corporate Governance changes for the six months ended 30 June 2024

The following significant changes to Eurofins' corporate governance occurred during the first half year of 2024.

**Board of Directors**

On 25 April 2024, the Annual General Meeting (AGM) of Eurofins' shareholders approved the renewal of the following mandates in the Company's Board of Directors: Mr Gilles Martin and Ms Valérie Hanote as executive directors for four years, Mr Yves-Loïc Martin as non-executive director for three years, Mr Pascal Rakovsky as independent non-executive director for three years, Ms Patrizia Luchetta and Ms Evie Roos as independent non-executive directors for two years as well as the appointment of Ms Erica Monfardini as a new independent non-executive director for one year. Hence the size of Eurofins' Board of Directors remains unchanged with eight members, including five independent Non-Executive Directors, one Non-Executive Director and two Executive Directors.

Subsequently, the composition of the Company's Board committees was amended as follows (effective 25 April 2024):

Audit and Risk Committee

Ms Erica MONFARDINI;
Ms Patrizia LUCHETTA; and
Mr Pascal RAKOVSKY (Chairperson).

Nomination and Remuneration Committee:

Ms Erica MONFARDINI;
Mr Ivo RAUH; and
Ms Evie ROOS (Chairperson).

Sustainability and Corporate Governance Committee:

Mr Pascal RAKOVSKY;
Mr Ivo RAUH;
Ms Evie ROOS; and
Ms Patrizia LUCHETTA (Chairperson).

Eurofins' internal Committee Charters stipulate that all members of the Board Committees shall be independent and Non-Executive Directors. Eurofins Scientific follows the independence criteria defined in the Ten Principles of Corporate Governance of the Luxembourg Stock Exchange to assess the independence of its non-executive directors.

**Shares and shareholders**

**Share capital**

As of 30 June 2024, the Company's share capital amounts to €1,929,811.83, divided into 192,981,183 ordinary shares of €0.01 of nominal value each, all of the same category.

As of 30 June 2024, the Martin family, through direct shareholdings and indirectly through their shareholding in Analytical Bioventures SCA, which is controlled by Dr Gilles Martin, holds 32.7% of the shares and controls 66.2% of the voting rights in Eurofins.

The free float represents 66.4% of the shares and 33.8% of the voting rights of Eurofins.

Treasury shares represent 0.8% of the shares and no voting rights.

**Authorised and non-issued capital**

The Annual General Meeting of Eurofins' shareholders held on 25 April 2024 approved the renewal for five years of the authorised capital up to €3,500,000, representing a maximum number of 350,000,000 shares with a nominal value of €0.01 each.

The different shares and voting rights held by the shareholders of Eurofins are detailed as follows:

| Shareholders and voting rights as of 30 June 2024 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **SHAREHOLDERS** | **SHARES** | **SHARES %** | **VOTING RIGHTS (attached to shares)** | **VOTING RIGHTS (attached to Beneficiary Units Class A)** | **VOTING RIGHTS (attached to Beneficiary Units Class B)** | **VOTING RIGHTS (attached to Beneficiary Units Class C)** | **TOTAL VOTING RIGHTS** | **TOTAL VOTING RIGHTS %** |
| Dr Gilles Martin | 10 | 0.0% | 10 | 10 | 0 | 0 | 20 | 0.0% |
| Dr Yves-Loïc Martin (1) | 145,460 | 0.1% | 145,460 | 0 | 0 | 0 | 145,460 | 0.0% |
| Valérie Hanote | 10 | 0.0% | 10 | 10 | 0 | 0 | 20 | 0.0% |
| Analytical Bioventures SCA (2) | 63,000,000 | 32.6% | 63,000,000 | 63,000,000 | 63,000,000 | 63,000,000 | 252,000,000 | 66.1% |
| **Martin Family (subtotal)** | **63,145,480** | **32.7%** | **63,145,480** | **63,000,020** | **63,000,000** | **63,000,000** | **252,145,500** | **66.2%** |
| Treasury shares | 1,611,717 | 0.8% | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Free Float | 128,223,986 | 66.4% | 128,223,986 | 715,267 | 0 | 0 | 128,939,253 | 33.8% |
| **Total** | **192,981,183** | **100.0%** | **191,369,466** | **63,715,287** | **63,000,000** | **63,000,000** | **381,084,753** | **100.0%** |

(1) Held through his private company Deeperly since 2022

(2) Private company incorporated in Luxembourg and controlled by Dr Gilles Martin

Eurofins has not been formally notified of any shareholder, other than Analytical Bioventures SCA (ABSCA), with an interest in excess of 5% of the voting rights as of 30 June 2024.

**Share Buy-Back Programme**

With regard notably to article 11 (1)(i) of the Takeover Law, the Annual General Meeting of shareholders held on 25 April 2019 granted the Board of Directors a new share buy-back authorisation whereby the Board of Directors is authorised to purchase Eurofins shares on the stock exchange within a period of five (5) years from the date of the Annual General Meeting of shareholders held on 25 April 2019 (the “April 2019 AGM”). The maximum number of shares that may be purchased and/or cancelled is limited to 10% of the total number of shares issued on the date of the latest meeting of the Board of Directors deciding the implementation of the new buy-back programme. The minimum buying price shall be equal to the nominal value of one share and the maximum buying price should not exceed 110% of the share price traded on Euronext Paris. It should be noted that the Annual General Meeting of shareholders held on 25 April 2024 renewed the share buy-back authorisation whereby the Board of Directors is authorised to purchase Eurofins shares on the stock exchange within a period of five (5) years from the date of the Extraordinary General Meeting of shareholders held on 25 April 2024 (the “April 2024 AGM”).

The Company joined the CAC 40 index of Euronext Paris in September 2021 and decided, under the 2019 Buy-Back Programme as approved by the April 2019 AGM and by the April 2024 AGM and as further approved by the Board of Directors on 20 October 2021, to enter into a regulated liquidity contract with a provider of financial services effective on 1st November 2021 with annual tacit renewal as from 1st January 2022 in order to further enhance the liquidity of its stock. In the frame of this liquidity contract under the supervision of the French Autorité des Marchés Financiers, transactions have been executed in the first six months of 2024 during which a total number of 1,167,194 shares were purchased at an average price of €56.41 per share and 1,102,885 shares were sold at an average price of €56.88 per share. As of 30 June 2024, the Company owned 190,524 of its own shares under this liquidity contract.

In addition, the Company announced on 20 October 2023 its intention to buy-back some of its own shares for a maximum amount representing up to 2% of its share capital, over a maximum period of twenty-four months until 24 October 2025, subject to the renewal of the authorisation of such share repurchase programme by the AGM of the Company to be held in April 2024; this authorisation was renewed by the Company’s AGM held on 25 April 2024. The Company may at any time interrupt this programme in view of market conditions and/or the evolution of its investment strategy. The shares to be purchased under this programme will be primarily used to hedge the Company’s Long-Term Incentive plans but may also be cancelled or used to partially finance acquisitions.

The Company mandated an independent provider of financial services to execute the first tranche of this programme for a maximum amount representing up to 1,000,000 shares or 0.52% of its share capital. Between 25

October 2023 and 18 June 2024, 690,000 shares were repurchased at an average price of €53.63, representing 0.36% of the current share capital.

An additional tranche of this programme commenced on 20 June 2024 and will end on 24 July 2024 for a maximum amount representing up to 1,200,000 shares or 0.64% of its share capital. Between 20 June 2024 and 28 June 2024, 330,000 shares were repurchased at an average price of €47.88, representing 0.17% of the current share capital.

During H1 2024, 52,850 shares were used and delivered to the benefit of holders of Restricted Stock Units (RSUs) vesting in January 2024 and June 2024 and 265,600 shares were used and delivered to the benefit of holders of Stock Options in the first six months of 2024.

As of 30 June 2024, the Company owned 1,421,193 shares under its share buyback programme.

In aggregate as of 30 June 2024, the Company owned a total of 1,611,717 of its own shares for a total value of €75.0m (share price: €46.55) and a net book value of €86.4m, representing a nominal value of €16,117.17 and 0.84% of the Company's share capital.

# 3 Statement of Persons Responsible for the Half Year Report

The Board of Directors confirms that, to the best of its knowledge, the half year interim condensed consolidated financial statements for the six months ended 30 June 2024 prepared in accordance with IAS 34 Interim Financial Reporting as endorsed in the European Union give a true and fair view of the assets, liabilities, financial position and profit or loss of Eurofins Scientific SE and its consolidated subsidiaries taken as a whole, including an indication of the important events that have occurred during the first six months of the financial year and their impact on the half year interim condensed consolidated financial statements for the six months ended 30 June 2024, together with a description of the principal risks and uncertainties that they face for the remaining six months of the financial year, and the major related parties transactions.

On behalf of the Board of Directors

Dr Gilles MARTIN
Chairman of the Board of Directors and CEO

Dated 22 July 2024

# Half Year Financial Statements

## 1 Unaudited Interim Condensed Consolidated Financial Statements for the period ended 30 June 2024

### Interim Condensed Consolidated Income Statement

For the six months ended 30 June

| *In € millions* | Note | 2024 Adjusted results[1] | 2024 Separately disclosed items[1] | 2024 Reported results | 2023 Adjusted results[1] | 2023 Separately disclosed items[1] | 2023 Reported results |
|---|---|---|---|---|---|---|---|
| **Revenues** | 2.1, 2.2 | **3,418.7** | **-** | **3,418.7** | **3,209.5** | **-** | **3,209.5** |
| Operating costs, net | | -2,662.1 | -42.8 | -2,704.9 | -2,569.9 | -50.8 | -2,620.8 |
| EBITDA[1] | | 756.7 | -42.8 | 713.8 | 639.6 | -50.8 | 588.7 |
| Depreciation and amortisation | | -259.5 | -22.0 | -281.6 | -243.0 | -18.6 | -261.6 |
| EBITAS[1] | | 497.2 | -64.9 | 432.3 | 396.5 | -69.5 | 327.1 |
| Share-based payment charge and acquisition-related expenses, net[1] | 2.3 | - | -63.1 | -63.1 | - | -65.5 | -65.5 |
| Gain and loss on disposal of subsidiaries, net | 2.6 | - | -0.1 | -0.1 | - | - | - |
| EBIT[1] | | 497.2 | -128.1 | 369.1 | 396.5 | -135.0 | 261.6 |
| Finance income | 2.4 | 1.4 | 13.5 | 14.9 | 13.1 | 3.8 | 16.9 |
| Finance costs | 2.4 | -76.8 | -6.8 | -83.6 | -55.6 | -3.6 | -59.2 |
| Share of profit of associates | | 0.5 | - | 0.5 | 0.2 | - | 0.2 |
| Profit before income taxes | | 422.3 | -121.4 | 300.9 | 354.3 | -134.8 | 219.5 |
| Income tax expense | 2.5 | -102.4 | 21.0 | -81.4 | -93.3 | 24.5 | -68.9 |
| **Net profit for the period** | | **319.9** | **-100.4** | **219.5** | **261.0** | **-110.3** | **150.6** |
| **Attributable to:** | | | | | | | |
| Owners of the Company and hybrid capital investors | | 320.6 | -99.9 | 220.7 | 261.8 | -110.3 | 151.5 |
| Non-controlling interests | | -0.7 | -0.5 | -1.2 | -0.8 | - | -0.9 |
| Basic earnings per share (€) | | | | | | | |
| Total | | 1.66 | -0.52 | 1.14 | 1.36 | -0.57 | 0.79 |
| Attributable to owners of the Company | | 1.55 | -0.54 | 1.01 | 1.23 | -0.59 | 0.65 |
| Attributable to hybrid capital investors | | 0.11 | 0.02 | 0.13 | 0.12 | 0.02 | 0.14 |
| Diluted earnings per share (€) | | | | | | | |
| Total | | 1.64 | -0.51 | 1.13 | 1.32 | -0.56 | 0.76 |
| Attributable to owners of the Company | | 1.53 | -0.53 | 1.00 | 1.20 | -0.57 | 0.63 |
| Attributable to hybrid capital investors | | 0.11 | 0.02 | 0.13 | 0.12 | 0.02 | 0.14 |
| *In millions* | | | | | | | |
| Basic weighted average shares outstanding | | | | 193.0 | | | 192.9 |
| Diluted average shares outstanding | | | | 195.2 | | | 198.2 |

[1] Alternative Performance Measures (APM) are defined in Note 1.2.

## Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June

*In € millions*

| | Note | 2024 | 2023 |
|---|---|---|---|
| **Net profit for the period** | | **219.5** | **150.6** |
| Items that are or may be reclassified subsequently to profit or loss: | | | |
| Foreign operations - foreign currency translation gains/losses | 2.10 | 64.2 | -61.8 |
| Net investments - revaluation | 2.10 | 28.3 | -41.5 |
| Cash flow hedges - effective portion | | -0.4 | 0.9 |
| Cash flow hedges - reclassified to profit or loss | | - | - |
| Related tax | | - | - |
| **Total** | | **92.1** | **-102.3** |
| Items that will not be reclassified to profit or loss: | | | |
| Remeasurement of defined benefit liability | 2.10 | 1.9 | -0.3 |
| Fair value through consolidated other comprehensive income (FVTOCI) | 2.10 | 3.5 | -1.9 |
| Related tax | | -0.8 | 0.3 |
| **Total** | | **4.6** | **-2.0** |
| **Other comprehensive (loss)/income for the period** | | **96.6** | **-104.3** |
| **Total comprehensive (loss)/income for the period** | | **316.2** | **46.3** |
| **Attributable to:** | | | |
| Owners of the Company and hybrid capital investors | | 317.5 | 49.4 |
| Non-controlling interests | | -1.3 | -3.1 |

## Interim Condensed Consolidated Balance Sheet

| *In € millions* | Note | **30 June 2024** | **31 December 2023** |
|---|---|---|---|
| Property, plant and equipment | 2.6 | 2,440.4 | 2,297.4 |
| Goodwill | 2.7 | 4,718.4 | 4,551.4 |
| Other intangible assets | 2.7 | 832.0 | 796.0 |
| Investments in associates | | 5.2 | 5.3 |
| Non-current financial assets | 2.10 | 79.6 | 78.3 |
| Deferred tax assets | 2.5 | 108.3 | 93.8 |
| **Total non-current assets** | | **8,183.9** | **7,822.2** |
| Inventories | | 142.4 | 139.0 |
| Trade receivables | 2.10 | 1,083.9 | 1,072.8 |
| Contract assets | 2.2 | 332.7 | 307.7 |
| Prepaid expenses and other current assets | | 252.2 | 203.1 |
| Current income tax assets | | 117.2 | 118.3 |
| Derivative financial instruments assets | 2.10 | 3.8 | 4.3 |
| Cash and cash equivalents | 2.8, 2.10 | 681.2 | 1,221.2 |
| **Total current assets** | | **2,613.3** | **3,066.4** |
| **Total assets** | | **10,797.2** | **10,888.6** |
| Share capital | 2.9 | 1.9 | 1.9 |
| Treasury shares | 2.9 | -86.4 | -54.9 |
| Hybrid capital | 2.9 | 1,000.0 | 1,000.0 |
| Other reserves | 2.9 | 1,600.8 | 1,600.9 |
| Retained earnings | | 2,498.2 | 2,393.8 |
| Currency translation reserve | 2.10 | 228.4 | 135.8 |
| Total attributable to owners of the Company | | 5,242.9 | 5,077.5 |
| Non-controlling interests | | 54.0 | 59.9 |
| **Total shareholders' equity** | | **5,296.9** | **5,137.4** |
| Borrowings | 2.8, 2.10 | 3,373.5 | 3,325.6 |
| Deferred tax liabilities | 2.5 | 117.0 | 110.0 |
| Amounts due for business acquisitions | 2.10 | 82.2 | 106.8 |
| Employee benefit obligations | 2.10 | 64.6 | 66.2 |
| Provisions | | 21.2 | 20.9 |
| **Total non-current liabilities** | | **3,658.4** | **3,629.5** |
| Borrowings | 2.8, 2.10 | 170.6 | 601.1 |
| Interest due on borrowings and earnings due on hybrid capital | 2.10 | 112.4 | 59.2 |
| Trade accounts payable | 2.10 | 588.8 | 600.2 |
| Contract liabilities | 2.2 | 174.7 | 192.8 |
| Current income tax liabilities | | 22.1 | 26.7 |
| Amounts due for business acquisitions | 2.10 | 61.5 | 35.5 |
| Provisions | | 26.5 | 21.4 |
| Other current liabilities | 2.10 | 685.4 | 584.8 |
| **Total current liabilities** | | **1,841.9** | **2,121.7** |
| **Total liabilities and shareholders' equity** | | **10,797.2** | **10,888.6** |

## Interim Condensed Consolidated Cash Flow Statement

For the six months ended 30 June

| *In € millions* | Note | 2024 | 2023 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| **Profit before income taxes** | | **300.9** | **219.5** |
| Depreciation and amortisation | | 281.6 | 261.6 |
| Share-based payment charge and acquisition-related expenses, net | 2.3 | 63.1 | 65.5 |
| Gain and loss on disposal of subsidiaries, net | | 0.1 | - |
| Finance income and costs, net | 2.4 | 67.8 | 42.7 |
| Share of profit from associates | | -0.5 | -0.2 |
| Transactions costs and income related to acquisitions | | -4.1 | -3.4 |
| Changes in provisions and employee benefit obligations | | -0.9 | -11.2 |
| Other non-cash effects | | -1.3 | 1.3 |
| Change in net working capital[1] | | -77.7 | -154.3 |
| **Cash generated from operations** | | **628.8** | **421.6** |
| Income taxes paid | 2.5 | -98.5 | -88.5 |
| **Net cash provided by operating activities** | | **530.3** | **333.1** |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | | -217.5 | -228.0 |
| Purchase, capitalisation of intangible assets | | -35.9 | -34.7 |
| Proceeds from sale of property, plant and equipment | | 1.9 | 3.8 |
| Net capex[1] | | -251.5 | -258.9 |
| Free Cash Flow to the Firm[1] | | 278.8 | 74.2 |
| Acquisitions of subsidiaries, net | 2.6 | -246.5 | -83.4 |
| Proceeds from disposals of subsidiaries, net | 2.6 | 0.5 | 8.3 |
| Acquisition of investments, financial assets and derivative financial instruments, net | | -1.2 | -0.1 |
| Interest received | | 14.8 | 5.5 |
| **Net cash used in investing activities** | | **-483.9** | **-328.6** |
| **Cash flows from financing activities** | | | |
| Proceeds from issuance of share capital | 2.9 | - | 8.0 |
| Purchase of treasury shares, net of gains | 2.9 | -29.6 | -36.8 |
| Proceeds from issuance of hybrid capital | 2.9 | - | 593.9 |
| Repayment of hybrid capital | 2.9 | - | -182.7 |
| Proceeds from borrowings | 2.8 | 30.4 | 17.0 |
| Repayment of borrowings | 2.8 | -463.9 | -81.3 |
| Repayment of lease liabilities | 2.8 | -93.1 | -84.8 |
| Dividends paid to shareholders and non-controlling interests | 2.9 | -1.3 | -0.7 |
| Earnings paid to hybrid capital investors | 2.9 | - | -8.9 |
| Interests and premium paid | | -30.6 | -18.7 |
| **Net cash (used in)/ provided by financing activities** | | **-588.1** | **204.9** |
| Net effect of currency translation on cash and cash equivalents and bank overdrafts | | 1.2 | -11.1 |
| **Net increase in cash and cash equivalents and bank overdrafts** | | **-540.4** | **198.4** |
| Cash and cash equivalents and bank overdrafts at beginning of period | | 1,220.9 | 483.2 |
| **Cash and cash equivalents and bank overdrafts at end of period** | | **680.6** | **681.6** |

[1] APMs defined in Note 1.2

## Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June

| | | Attributable to owners of the Company | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| *In € millions* | Note | Share capital | Treasury shares | Other reserves | Currency translation reserve | Hybrid capital | Retained earnings | Non-controlling interests | Total equity |
| **Balance at 1 January 2024** | | **1.9** | **-54.9** | **1,600.9** | **135.8** | **1,000.0** | **2,393.8** | **59.9** | **5,137.4** |
| Other comprehensive income/(loss) | 2.10 | - | - | - | 92.6 | - | 4.2 | -0.1 | 96.6 |
| Net profit for the period | | - | - | - | - | - | 220.7 | -1.2 | 219.5 |
| **Total comprehensive income** | | **-** | **-** | **-** | **92.6** | **-** | **224.9** | **-1.3** | **316.2** |
| Hyper-inflation | | - | - | - | - | - | 1.8 | - | 1.8 |
| Share-based payment effects | | - | - | - | - | - | 10.1 | - | 10.1 |
| Tax credit relating to share-based payment charge | | - | - | - | - | - | -2.8 | - | -2.8 |
| Issuance of share capital | 2.9 | - | - | -0.1 | - | - | 0.1 | 0.1 | 0.1 |
| Treasury shares | 2.9 | - | -31.5 | - | - | - | -9.4 | - | -41.0 |
| Dividends to be distributed | 2.9 | - | - | - | - | - | -96.5 | -1.3 | -97.7 |
| Distribution on hybrid capital | 2.9 | - | - | - | - | - | -26.6 | - | -26.6 |
| Deferred taxes on distribution on hybrid capital | | - | - | - | - | - | 1.7 | - | 1.7 |
| Non-controlling interests | | - | - | - | - | - | 1.2 | -3.4 | -2.2 |
| **Balance at 30 June 2024** | | **1.9** | **-86.4** | **1,600.8** | **228.4** | **1,000.0** | **2,498.2** | **54.0** | **5,296.9** |
| | | | | | | | | | |
| **Balance at 1 January 2023** | | **1.9** | **-14.2** | **1,592.9** | **285.7** | **582.7** | **2,333.0** | **68.9** | **4,851.0** |
| Other comprehensive income/(loss) | 2.10 | - | - | - | -101.1 | - | -1.0 | -2.2 | -104.3 |
| Net profit for the period | | - | - | - | - | - | 151.5 | -0.9 | 150.6 |
| **Total comprehensive income** | | **-** | **-** | **-** | **-101.1** | **-** | **150.5** | **-3.1** | **46.3** |
| Share-based payment effects | | - | - | - | - | - | 11.1 | - | 11.1 |
| Tax credit relating to share-based payment charge | | - | - | - | - | - | -2.4 | - | -2.4 |
| Issuance of share capital | 2.9 | - | - | 8.0 | - | - | - | - | 8.0 |
| Treasury shares | 2.9 | - | -33.4 | - | - | - | -3.4 | - | -36.8 |
| Issuance of hybrid capital | 2.9 | - | - | - | - | 600.0 | -6.1 | - | 593.9 |
| Repayment of hybrid capital | 2.9 | - | - | - | - | -182.7 | - | - | -182.7 |
| Dividends distributed | 2.9 | - | - | - | - | - | -192.7 | -0.7 | -193.4 |
| Distribution on hybrid capital | 2.9 | - | - | - | - | - | -26.8 | - | -26.8 |
| Deferred taxes on distribution on hybrid capital | | - | - | - | - | - | - | - | - |
| Non-controlling interests | | - | - | - | - | - | -2.8 | 2.4 | -0.4 |
| **Balance at 30 June 2023** | | **1.9** | **-47.6** | **1,600.9** | **184.7** | **1,000.0** | **2,260.3** | **67.5** | **5,067.7** |

# Notes to the Interim Condensed Consolidated Financial Statements

Eurofins Scientific, through its subsidiaries (hereafter referred to as “Eurofins” or “the Group”) is Testing for Life. Eurofins is a global leader in food, environment, pharmaceutical and cosmetic product testing, and in discovery pharmacology, forensics, advanced material sciences and agroscience 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 Organisations. The Group also has a rapidly developing presence in highly specialised and molecular clinical diagnostic testing and in-vitro diagnostic (IVD) products.

With ca. 62,000 staff across a decentralised and entrepreneurial network of ca. 900 laboratories in 62 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.

Eurofins Scientific SE (The “Company”) is legally and commercially registered in the Grand Duchy of Luxembourg under the number B 167 775.

The Company’s shares are traded on Euronext Paris stock exchange under the ISIN code FR0014000MR3 (ticker ERF) and the Company has joined the CAC 40 index on 17 September 2021. The Company’s headoffice is located at 23, Val Fleuri, L-1526 Luxembourg, Grand Duchy of Luxembourg.

The Group is included as a subsidiary in the consolidated financial statements of Analytical Bioventures S.C.A., located at 23 Val Fleuri, L-1526 Luxembourg, Grand Duchy of Luxembourg.

These interim condensed consolidated financial statements have been authorised for issuance by the Board of Directors on 22 July 2024.

## 1. Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with IAS 34 *Interim Financial Reporting* as endorsed in the European Union. The Group has prepared the interim condensed financial statements on the basis that it will continue to operate as a going concern. The Group considers that there are no material uncertainties that may cast significant doubt over this assumption. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s consolidated financial statements and accompanying notes for the year ended 31 December 2023. All majority-owned subsidiaries of the Company are included in the interim condensed consolidated financial statements and intercompany transactions have been eliminated in consolidation. The interim condensed financial statements are presented in Euros. Due to rounding, amounts may not add up to totals provided.

### 1.1. New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statement for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have a significant impact on the interim condensed consolidated financial statements of the Group:

- Lease Liability in a Sale and Leaseback – Amendment to IFRS 16
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7
- Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendment to IAS 1.

IFRS 18 – Presentation and Disclosure in Financial Statements. IFRS 18 was issued in April 2024 and applies to an annual reporting period beginning on or after 1 January 2027.

### 1.2. Alternative performance measures

Eurofins provides various alternative performance measures (APM) in its interim condensed consolidated financial statements. These measures exclude certain items because of the nature of these items and the impact they have on the analysis of the underlying business performance and trends. Management believes that presenting these APMs enhances investors' understanding of the Group's core operating results and future prospects, consistent with internal reporting used by management to measure and forecast the Group's performance. This information should be considered in addition to, but not in lieu of, the Group's operating results as reported in accordance with IFRS. These APMs are described in further detail in Notes 1.20 and 1.21 of the Group's consolidated financial statements as of and for the year ended 31 December 2023.

**APMs used in the Interim Condensed Consolidated Income Statement**

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.

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

**APMs used in the Interim Condensed Consolidated Cash Flow Statement**

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.

**APMs used in the Notes**

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.

## 2. Notes to the interim condensed consolidated financial statements

### 2.1. Segment information

Eurofins has three reportable segments: Europe, North America and Rest of the World. Europe is the combination of three reporting segments: France, DACH countries (Germany, Austria and Switzerland) and Other European Countries (OEC). Other European Countries include Benelux, Nordic Region, UK and Ireland, Southern Europe and Central & Eastern Europe. North America corresponds to the U.S. and Canada. As Eurofins still generates modest revenues in Asia and Middle East, South America, Australia and New Zealand, those 3 regions that represent future growth are followed internally in a single segment "Rest of the World".

The key segmental performance measures are the EBITDA and EBITAS, which Management believes are the most relevant measure to evaluate the financial performance of the reportable segments. The following tables present revenue and a measure of profit (or loss) for the Group's operating segments for the six months ended 30 June 2024 and 2023 respectively.

| | Six months ended 30 June 2024 | | | | |
|---|---|---|---|---|---|
| *In € millions* | Europe | North America | Rest of the World | Group service functions[1] | Total |
| Revenues | 1,747.5 | 1,311.4 | 359.8 | - | 3,418.7 |
| *Intersegment revenues[2]* | *28.0* | *17.2* | *15.9* | - | *61.1* |
| Operating costs, net | -1,455.6 | -955.5 | -275.7 | -18.0 | -2,704.9 |
| **EBITDA** | **291.9** | **355.8** | **84.1** | **-18.0** | **713.8** |
| Depreciation and amortisation | -124.2 | -90.2 | -37.3 | -29.9 | -281.6 |
| **EBITAS** | **167.7** | **265.7** | **46.8** | **-47.9** | **432.3** |
| Share-based payment charge and acquisition-related expenses, net | -17.3 | -39.0 | -5.0 | -1.8 | -63.1 |
| Gain and loss on disposal of subsidiaries, net | - | - | - | -0.1 | -0.1 |
| **EBIT** | **150.3** | **226.6** | **41.9** | **-49.7** | **369.1** |
| Finance income | 0.6 | - | 0.5 | 13.7 | 14.9 |
| Finance costs | -12.8 | -8.7 | -3.9 | -58.2 | -83.6 |
| Share of profit of associates | 0.2 | - | - | 0.3 | 0.5 |
| Profit/(loss) before income taxes | **138.4** | **217.9** | **38.4** | **-93.9** | **300.9** |
| Income tax expense | -20.9 | -17.7 | -7.4 | -35.3 | -81.4 |
| **Net Profit/(loss) for the period** | **117.5** | **200.2** | **31.0** | **-129.2** | **219.5** |
| Total assets[3] | 4,540.2 | 4,255.7 | 1,229.6 | 771.7 | 10,797.2 |
| Cash and cash equivalents | 101.8 | 15.0 | 100.7 | 463.7 | 681.2 |
| Net capex[3] | -87.7 | -100.5 | -31.2 | -32.1 | -251.5 |

| | Six months ended 30 June 2023 | | | | |
|---|---|---|---|---|---|
| *In € millions* | Europe | North America | Rest of the World | Group service functions[1] | Total |
| Revenues | 1,622.2 | 1,242.8 | 344.4 | - | 3,209.5 |
| *Intersegment revenues[2]* | *23.8* | *18.0* | *10.0* | *0.1* | *51.8* |
| Operating costs, net | -1,405.1 | -929.5 | -278.1 | -8.0 | -2,620.8 |
| **EBITDA** | **217.1** | **313.3** | **66.3** | **-8.0** | **588.7** |
| Depreciation and amortisation | -115.0 | -82.5 | -35.8 | -28.3 | -261.6 |
| **EBITAS** | **102.1** | **230.8** | **30.5** | **-36.3** | **327.1** |
| Share-based payment charge and acquisition-related expenses, net | -24.2 | -33.2 | -6.8 | -1.4 | -65.5 |
| Gain and loss on disposal of subsidiaries, net | - | - | - | - | - |
| **EBIT** | **77.9** | **197.6** | **23.7** | **-37.7** | **261.6** |
| Finance income | 0.4 | 0.4 | 0.5 | 15.7 | 16.9 |
| Finance costs | -8.8 | -7.7 | -6.2 | -36.5 | -59.2 |
| Share of profit of associates | 0.1 | - | - | 0.2 | 0.2 |
| Profit/(loss) before income taxes | 69.6 | 190.3 | 17.9 | -58.3 | 219.5 |
| Income tax expense | -11.4 | -15.2 | -8.2 | -34.1 | -68.9 |
| **Net Profit/(loss) for the period** | **58.3** | **175.1** | **9.7** | **-92.4** | **150.6** |
| Total assets[3 4] | 4,440.3 | 3,873.9 | 1,244.6 | 1,329.7 | 10,888.6 |
| Cash and cash equivalents[4] | 103.1 | 9.4 | 95.6 | 1,013.1 | 1,221.2 |
| Net capex[3] | -82.8 | -112.9 | -30.5 | -32.6 | -258.9 |

[1] Corresponds to Group Services Functions (GSF) for Income Statement informations and Group holding companies' transactions for the other captions.
[2] Intersegment revenues are limited between segments and made at arm's length, but intrasegment revenues are more significant within each segment under Eurofins hub and spoke model.
[3] Total assets and Net capex are shown in the geographical area in which the assets are located.

[4] Total assets and Cash and cash equivalents for 2023 are as of 31 December 2023.

### 2.2. Revenues

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

| | Six months ended 30 June | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *In € millions* | Europe | | North America | | Rest of the World | | Total | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| **Major service lines** | | | | | | | | |
| Sample-based business | 1,495.7 | 1,381.1 | 1,042.4 | 972.9 | 318.4 | 303.4 | 2,856.5 | 2,657.4 |
| Study-based business | 126.0 | 127.3 | 109.1 | 108.7 | 23.8 | 24.9 | 258.9 | 260.9 |
| FTE-based business | 96.5 | 87.8 | 116.9 | 121.7 | 17.0 | 14.3 | 230.4 | 223.8 |
| Product-based business | 29.3 | 25.9 | 42.9 | 39.6 | 0.6 | 1.8 | 72.9 | 67.3 |
| **Total** | **1,747.5** | **1,622.2** | **1,311.4** | **1,242.8** | **359.8** | **344.4** | **3,418.7** | **3,209.5** |
| **Timing of revenue recognition** | | | | | | | | |
| Revenue recognised at a point in time | 566.0 | 531.1 | 396.7 | 387.1 | 48.4 | 45.0 | 1,011.1 | 963.2 |
| Revenue recognised over time | 1,181.6 | 1,091.2 | 914.6 | 855.7 | 311.4 | 299.4 | 2,407.6 | 2,246.3 |
| **Total** | **1,747.5** | **1,622.2** | **1,311.4** | **1,242.8** | **359.8** | **344.4** | **3,418.7** | **3,209.5** |

The Group's contract balances are as follows:

| *In € millions* | 30 June 2024 | 31 December 2023 |
|---|---|---|
| Accrued sales | 151.8 | 139.9 |
| Amounts due by customers for analysis in progress | 180.8 | 167.8 |
| Contract assets | 332.7 | 307.7 |
| Advance payments received | -45.5 | -65.2 |
| Deferred revenues | -129.2 | -127.6 |
| Contract liabilities | -174.7 | -192.8 |
| **Net Balance Sheet position** | **158.0** | **114.9** |
| % of total revenues (last 12 months) due by customers for analysis in progress, net of deferred revenues | 0.8% | 0.6% |

### 2.3. Separately disclosed items

Separately Disclosed Items (SDI) at the EBITDA level decreased to €42.8m, with one-off costs of €17.8m linked to ongoing integrations and reorganisations, especially in Germany and France.

Temporary losses from start-ups and acquisitions in restructuring amounted to €25.0m (€38.6m in H1 2023). The reduction in this figure was due to improved profitability year-on-year in many start-up activities, most notably in the In Vitro Diagnostic (IVD) and Genomics businesses that are pivoting to new markets and activities post-COVID-19. Conversely, start-up losses related to Clinical Diagnostics continued, including the ongoing impact on Transplant Genomics Inc. in the U.S. related to a billing article concerning Medicare reimbursement which became effective on 31 March 2023.

| | Six months ended 30 June | |
|---|---|---|
| *In € millions* | 2024 | 2023 |
| One-off costs from integrations, reorganisations and discontinued operations, and other non-recurring income and costs | 17.8 | 12.3 |
| Temporary losses and other costs related to network expansion, start-ups and new acquisitions in significant restructuring | 25.0 | 38.6 |
| EBITDA impact | 42.8 | 50.8 |

The detail of share-based payment charges and acquisition-related expenses, net included within the APMs is as follows:

| | | Six months ended 30 June | |
|---|---|---|---|
| *In € millions* | Note | 2024 | 2023 |
| Share-based payment charge | | -10.1 | -11.1 |
| Amortisation of acquired intangible assets | 2.7 | -47.6 | -49.1 |
| Impairment of acquired intangible assets | 2.7 | -3.6 | -17.8 |
| Transactions costs related to acquisitions | | -4.1 | -3.4 |
| Reversal of amounts due for business acquisitions not paid | | 2.2 | 15.9 |
| Acquisition-related expenses, net | | -53.0 | -54.4 |
| **Total** | | **-63.1** | **-65.5** |

The impairment of acquired intangible assets and reversal of unused amounts due for business acquisitions were primarily related to Transplant Genomics Inc in 2023. In April 2023, Transplant Genomics Inc. in the U.S. has been significantly impacted by the termination of the OmniGraf dual-biomarker rejection panel following revised billing guidance by MolDX in the U.S. effective 1 April 2023 (sales of €14.6m in H1 2023, €14.3m in Q1 2023), none in 2024).

During the first six months of 2024, COVID-related activities (human clinical testing and sale of reagents) of the Group generated no revenues. This compares to revenues of less than €20m in the first six months of 2023.

### 2.4. Finance income and costs

| | Six months ended 30 June | |
|---|---|---|
| *In € millions* | **2024** | **2023** |
| Other financial income | 14.9 | 5.5 |
| Net foreign exchange gain | - | 11.4 |
| **Finance income** | **14.9** | **16.9** |

Other financial income relates to interests on short term deposits.

| | | Six months ended 30 June | |
|---|---|---|---|
| *In € millions* | **Note** | **2024** | **2023** |
| Interest expense on: | | | |
| Borrowings | | -10.3 | -8.1 |
| Bonds | 2.8 | -39.5 | -25.5 |
| Schuldschein loan | | -7.8 | -6.5 |
| Lease liabilities | | -15.0 | -14.9 |
| Net foreign exchange loss | | -7.1 | - |
| Unwind of discount on amounts due for business acquisitions | | -1.1 | -1.7 |
| Unwind of discount on issuance costs | | -2.6 | -2.3 |
| Derivative financial instruments on interest rate hedging, net | | -0.2 | -0.2 |
| **Finance costs** | | **-83.6** | **-59.2** |
| **Total Finance income and costs, net[1]** | | **-68.8** | **-42.3** |

[1] In Cash flows from operating activities, “Finance income and costs, net” exclude operating foreign exchange gains & losses (€-1.0m in 2024 and €+0.4m in 2023).

Net foreign exchange gain or loss is mainly related to cash pooling in non-Euro currencies owned by Eurofins Finance Luxembourg S.à r.l., the Group’s treasury entity which manages cash centralization for Group companies. The 2024 net foreign exchange loss is non-cash, unrealised variation and due to the appreciation by 3.0% of USD, partially offset by the depreciation by 9.7% of JPY versus EUR in 2024 (Balance Sheet end of period rates).

### 2.5. Income taxes

Income tax expense amounted to €81.4m for the six months ended 30 June 2024 compared to €68.9m for the six months ended 30 June 2023 due to the increase of profit before taxes.

**Pillar Two corporate income tax legislation**

As of December 2023, the government of the Grand Duchy of Luxembourg, where the Company is incorporated, has enacted the Pillar Two corporate income tax legislation as per “European Union Directive on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union” which aims to ensure an effective tax rate of at least 15 per cent for in-scope multinationals. Several jurisdictions in which the Group operates have enacted or substantially enacted similar legislation. The Group’s assessment has considered the safe harbour rules established by the Organization for Economic Cooperations and Development (OECD) released guidance.

As of 30 June 2024, the Group’s assessment is that many Eurofins jurisdictions should benefit from the transitional CbCR Safe Harbor and a top-up tax has been recorded in Ireland (€3.3m), where the current domestic corporate tax rate is below 15 per cent. The impact of the E.U. global minimum tax is assessed to be limited on both the Group’s effective tax rate and the income tax expense in the first half of the financial year 2024.

The Group is continuously assessing the impact of the Pillar Two corporate income tax legislation.

**Tax Losses Carried Forward**

In the first half of 2024, the Group activated tax losses of €47m following a reorganization of its U.S. based operations with a deferred tax assets income recognised for €10m.

### 2.6. Business combinations

**Acquisitions**

During the first six months of 2024, the Group completed 15 business combinations made of 9 acquisitions of legal entities and 6 acquisitions of assets. These companies/activities have been fully consolidated from the date the Group took control over these entities. Prior to their acquisition, these entities generated revenues of about €132.2m for the year ended 31 December 2023 and employed approximately 550 employees.

| Company | ISO code | Subsidiary of: | % of interest by the Group | Date of entry |
|---|---|---|---|---|
| Med4muc GmbH[1] | DE | St. Marien Krankenhaus Lampertheim GmbH | 100% | 02/24 |
| Lab4More GmbH[1] | DE | St. Marien Krankenhaus Lampertheim GmbH | 100% | 02/24 |
| Bavaria Health Services GmbH[1] | DE | St. Marien Krankenhaus Lampertheim GmbH | 100% | 02/24 |
| MUC Research GmbH[1] | DE | St. Marien Krankenhaus Lampertheim GmbH | 100% | 02/24 |
| IMMUMED GmbH Gesellschaft für angewandte Immunologie[1] | DE | St. Marien Krankenhaus Lampertheim GmbH | 100% | 02/24 |
| Umweltmykologie GmbH | DE | Eurofins NDSC Umweltanalytik GmbH | 100% | 02/24 |
| Salamon & Seaber Limited | UK | Eurofins Food Testing UK Holding Limited | 100% | 03/24 |
| Eurofins Ascend Clinical, LLC | US | Eurofins Clinical Testing US Holdings, Inc. | 100% | 03/24 |
| Shanghai Accu-Mea Tech Co., Ltd. | CN | Eurofins BioPharma Product Testing LUX Holding S.à r.l. | 100% | 03/24 |
| Eastern Analytical, Inc. | US | Eurofins Environment Testing Northeast, LLC | 100% | 05/24 |
| IAF-Radioökologie GmbH | DE | Eurofins NDSC Umweltanalytik GmbH | 100% | 06/24 |
| Absolute Resource Associates, LLC | US | Eurofins Environment Testing Northeast, LLC | 100% | 06/24 |
| REDI Srl | IT | Eurofins Food & Feed Testing Italia Holding Srl | 100% | 06/24 |

[1] All part of Lab4more group

As the Group carries out multiple acquisitions each year, in accordance with paragraph B67 of IFRS 3, the Group is only disclosing individually acquisitions above an acquisition price threshold of €35m.

The businesses acquired contributed to Eurofins' consolidated revenues for €35.7m and to consolidated net profit for €0.8m from their acquisition date to 30 June 2024. Their contribution to Adjusted EBITDA for the same period amounted to €7.6m. If these businesses had been acquired as of 1 January 2024, the Group's consolidated revenues would have been increased by an additional €28.3m, and consolidated net profit by €0.5m. The Adjusted EBITDA would also have been increased by an additional €4.0m.

In February 2024, Eurofins acquired Lab4more group in Germany, specialised in Clinical Diagnostics and which employs ca. 130 staff.

In March 2024, Eurofins acquired Ascend Clinical, LLC ("Ascend"), the largest independent laboratory for kidney dialysis testing in the United States. The Company is located in Sunnyvale, California, and employs ca. 170 staff.

| Part consolidated in H1 2024<br>*In € millions* | Total acquisitions | Ascend | Lab4more |
|---|---|---|---|
| Revenues | 35.7 | 16.9 | 9.2 |
| Adjusted EBITDA | 7.6 | 3.8 | 2.3 |
| Net Profit | 0.8 | -0.1 | 1.0 |

| Part non-consolidated in H1 2024<br>*In € millions* | Total acquisitions | Ascend | Lab4more |
|---|---|---|---|
| Revenues | 28.3 | 18.2 | 2.0 |
| Adjusted EBITDA | 4.0 | 3.0 | -0.1 |
| Net Profit | 0.5 | 0.3 | -0.2 |

The aggregate fair value of assets and liabilities and the non-controlling interests acquired is disclosed in table below. For some acquisitions, due to timing constraints, the allocation of the aggregate purchase consideration is provisional as of 30 June 2024.

| *In € millions* | Six months ended 30 June | | | |
| --- | --- | --- | --- | --- |
| | 2024 | | | 2023 |
| | | Of which | | |
| | **Fair value** | *Ascend* | *Lab4more* | **Fair value** |
| Purchase price, cash consideration | 255.4 | *152.9* | *41.5* | 66.4 |
| Purchase price, contingent consideration | 10.0 | - | *5.0* | 9.5 |
| **Net purchase consideration** | 265.5 | *152.9* | *46.5* | **75.9** |
| Property, plant and equipment | 83.9 | *65.9* | *4.5* | 16.6 |
| Intangible assets | 72.4 | *55.9* | *8.5* | 10.1 |
| Other non-current assets | 2.4 | *0.3* | - | 0.2 |
| Trade accounts receivable | 18.9 | *12.7* | *3.6* | 4.8 |
| Other current assets | 19.5 | *10.6* | *1.4* | 5.4 |
| Cash and cash equivalents | 18.8 | *12.7* | *2.2* | 5.7 |
| Borrowings | -28.8 | *-23.8* | *-3.1* | -9.8 |
| Other current liabilities | -31.0 | *-23.1* | *-1.8* | -9.4 |
| Other non current liabilities | -3.7 | *-0.1* | *-2.6* | -2.7 |
| **Identifiable net assets acquired** | **152.5** | ***110.9*** | ***12.7*** | **20.8** |
| Goodwill | 113.0 | *42.0* | *33.8* | 55.1 |
| **Net purchase consideration** | **265.5** | ***152.9*** | ***46.5*** | **75.9** |
| | | | | |
| Reconcilation to Cash Flow Statement: | | | | |
| Cash and cash equivalents | -18.8 | *-12.7* | *-2.2* | -5.7 |
| Purchase price, contingent consideration of the period - unpaid | -10.0 | - | *-5.0* | -9.5 |
| Purchase price, contingent consideration – paid | 7.6 | - | - | 22.5 |
| Non-Controlling interests | 2.2 | - | - | 0.3 |
| **Net cash outflow on acquisitions** | **246.4** | ***140.2*** | ***39.3*** | **83.4** |

The net cash outflow on acquisitions concerns both acquisitions completed in 2024 and in previous years (in case of payment of deferred considerations). During the first six months of 2024, the Group paid an aggregate amount due to former shareholders of previously acquired companies of €7.6m.

In 2024, the Group acquired buildings and real estate assets in conjunction with the acquisitions for an amount of €8.3m, included in property, plant and equipment, located in various geographies such as United States (Atlanta & Concord). The Group acquired right-of-use assets of operating leases for an amount of €28.6m in H1 2024 (Sunnyvale). The intangible assets include amounts recognized for the fair value of acquired brands, technology and customer-based assets for an amount of €72.4m included in intangible assets.

The potential undiscounted amounts of all future payments that the Group could be required to make under these arrangements are estimated between €4m and €14m, depending on changes in financial performance of acquired companies.

These amounts have been recorded in “Amounts due for business acquisitions” within non-current liabilities on the balance sheet, with corresponding recognition from equity attributable to owners of the Company.

The goodwill is attributable to the workforce of the acquired business and the synergies expected to arise after acquisition.

The part of goodwill and other intangible assets related to acquisitions completed in 2024 that is tax deductible represents an amount of €123m.

**Discontinued activities / divestments**

In June 2023, the Group divested a small Biopharma Services entity in France for a price of €8.5m with no consolidated net gain or loss. The revenues consolidated in H1 2023 amounted to €1.9m. The Group discontinued some small businesses in Europe and Rest of the world with revenues in H1 2023 amounted to €1.3m.

### 2.7. Goodwill and Intangible Assets

The Group performs its annual impairment test over goodwill in the fourth quarter of the fiscal year and when circumstances indicate that the carrying value may be impaired. The Group’s impairment test for goodwill is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the Group’s consolidated financial statements for the year ended 31 December 2023.

The Group also considers the relationship between its market capitalization and its book value, among other factors, when reviewing for indicators of impairment.

The reconciliation of the carrying amount of goodwill and intangible assets at the beginning and end of the reporting period is presented below:

| *In € millions* | Six months ended 30 June 2024 Goodwill | Six months ended 30 June 2024 Other intangible assets | Six months ended 30 June 2023 Goodwill | Six months ended 30 June 2023 Other intangible assets |
|---|---|---|---|---|
| Gross Value | 4,564.4 | 1,966.0 | 4,537.1 | 1,918.2 |
| Accumulated amortisation / Impairment | -13.0 | -1,170.1 | -13.0 | -999.2 |
| **Beginning Balance** | **4,551.4** | **796.0** | **4,524.1** | **919.0** |
| Acquisition through business combinations | 113.0 | 72.4 | 55.1 | 10.1 |
| Additions | - | 35.9 | - | 35.0 |
| Disposals | - | -0.2 | -7.3 | -1.1 |
| Change due to purchase price adjustment | - | - | -0.9 | - |
| Change through Equity | 1.2 | - | - | - |
| Depreciation | - | -31.9 | - | -30.7 |
| Impairment of acquired intangible assets | - | -3.6 | - | -17.8 |
| Amortisation of acquired intangible assets | - | -47.6 | - | -49.1 |
| Translation differences | 52.8 | 10.9 | -51.3 | -12.1 |
| **Ending Balance** | **4,718.4** | **832.0** | **4,519.7** | **853.3** |

Based on the analysis of the business performance as of and for the six months ended 30 June 2024, the Group has not identified any goodwill impairment triggers and therefore no goodwill impairment has been recorded for the six months ended 30 June 2024.

The Group also reviews its intangible assets for impairment whenever triggering events or changes in circumstances indicate that the carrying value may not be recoverable (see Note 2.3).

### 2.8. Borrowings, Net Cash position and Net Debt

Set out below is an overview of the Group's cash position and Net debt:

| *In € millions* | **30 June 2024** | **31 December 2023** |
|---|---|---|
| Short term deposits | 57.7 | 472.1 |
| Cash in hand | 623.5 | 749.1 |
| Cash and cash equivalents | 681.2 | 1,221.2 |
| Bank overdrafts | -0.7 | -0.2 |
| **Cash and cash equivalents less bank overdrafts** | **680.6** | **1,220.9** |

In June 2024, such short-term deposits were used to repay the Eurobond 2024 for €447.8m.

| *In € millions* | **30 June 2024** | **31 December 2023** |
|---|---|---|
| Total Borrowings | 3,544.1 | 3,926.7 |
| Cash and cash equivalents | -681.2 | -1,221.2 |
| **Net debt** | **2,862.8** | **2,705.5** |

Variation of borrowings
*In € millions*

| 2024 | Bonds | Schuld -schein Loan | Com-mercial Paper | Bank Credit Lines | Bank Borro-wings | Lease Liabili-ties | Issu-ance Costs | Bank over-drafts | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Balance as of 1 January** | **2,700.0** | **536.5** | **-** | **-** | **137.2** | **578.9** | **-26.1** | **0.2** | **3,926.7** |
| **Cash impact** | | | | | | | | | |
| Increase of borrowings | - | - | - | - | 30.4 | - | - | - | 30.4 |
| Repayment of borrowings | -447.8 | - | - | - | -16.2 | - | - | - | -463.9 |
| Repayment of lease liabilities[1] | - | - | - | - | - | -78.1 | - | - | -78.1 |
| Change in bank overdrafts | - | - | - | - | - | - | - | 0.4 | 0.4 |
| **Non-cash impact** | | | | | | | | | |
| Lease subscriptions | - | - | - | - | - | 94.1 | - | - | 94.1 |
| Exit of lease liabilities | - | - | - | - | - | -12.6 | - | - | -12.6 |
| Amortisation of bond costs | - | - | - | - | - | - | 2.6 | - | 2.6 |
| Business combinations | - | - | - | - | 1.8 | 27.0 | - | - | 28.8 |
| Translation differences and other | - | - | - | - | 12.4 | 3.3 | - | - | 15.7 |
| **Balance as of 30 June** | **2,252.2** | **536.5** | **-** | **-** | **165.6** | **612.6** | **-23.5** | **0.7** | **3,544.1** |

| 2023 | Bonds | Schuld-schein Loan | Com-mercial Paper | Bank Credit Lines | Bank Borro-wings | Lease Liabili-ties | Issu-ance Costs | Bank over-drafts | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Balance as of 1 January** | **2,100.0** | **536.5** | **75.0** | **-** | **109.9** | **527.6** | **-26.8** | **3.4** | **3,325.6** |
| Cash impact | | | | | | | | | |
| Increase of borrowings | - | - | - | - | 17.0 | - | - | - | **17.0** |
| Repayment of borrowings | - | - | -75.0 | - | -6.3 | - | - | - | **-81.3** |
| Repayment of lease liabilities[1] | - | - | - | - | - | -69.9 | - | - | **-69.9** |
| **Change in bank overdrafts** | - | - | - | - | - | - | - | 1.4 | **1.4** |
| **Non-cash impact** | | | | | | | | | |
| Lease subscriptions | - | - | - | - | - | 82.8 | - | - | **82.8** |
| Exit of lease liabilities | - | - | - | - | - | -5.1 | - | - | **-5.1** |
| Amortisation of bond costs | - | - | - | - | - | - | 2.3 | - | **2.3** |
| Business combinations | - | - | - | - | 0.4 | 9.4 | - | - | **9.8** |
| Translation differences and other | - | - | - | - | -1.3 | -6.6 | - | - | **-7.9** |
| **Balance as of 30 June** | **2,100.0** | **536.5** | **-** | **-** | **119.6** | **538.3** | **-24.6** | **4.8** | **3,274.7** |

*[1] Repayment of lease liabilities excl. interest paid*

The split of the borrowings between current (less than 12 months) and non-current (more than 12 months) is as follows:

| *In € millions* | 30 June 2024 | | | 31 December 2023 | | |
|---|---|---|---|---|---|---|
| | Current | Non-Current | Total | Current | Non-Current | Total |
| Bonds | - | 2,252.2 | 2,252.2 | 447.8 | 2,252.2 | 2,700.0 |
| Schuldschein loan | - | 536.5 | 536.5 | - | 536.5 | 536.5 |
| Commercial paper | - | - | - | - | - | - |
| Bank borrowings | 27.0 | 138.7 | 165.6 | 15.1 | 122.0 | 137.2 |
| Lease liabilities | 147.4 | 465.2 | 612.6 | 142.7 | 436.1 | 578.9 |
| Issuance costs | -4.4 | -19.1 | -23.5 | -4.8 | -21.3 | -26.1 |
| Bank overdrafts | 0.7 | - | 0.7 | 0.2 | - | 0.2 |
| **Total borrowings** | **170.6** | **3,373.5** | **3,544.1** | **601.1** | **3,325.6** | **3,926.7** |

## Eurobonds

| *In € millions* | 30 June 2024 | 31 December 2023 | Nominal value upon issuance | Nominal interest rate | Issue date | Maturity |
|---|---|---|---|---|---|---|
| Eurobond 2024 | - | 447.8 | 650.0 | 2.125% | July 2017 | July 2024 |
| Eurobond 2026 | 302.2 | 302.2 | 600.0 | 3.75% | May 2020 | July 2026 |
| Eurobond 2029 | 600.0 | 600.0 | 600.0 | 4.0% | June 2022 | July 2029 |
| Eurobond 2030 | 600.0 | 600.0 | 600.0 | 4.75% | August 2023 | September 2030 |
| Eurobond 2031 | 750.0 | 750.0 | 750.0 | 0.875% | May 2021 | May 2031 |
| **Total** | **2,252.2** | **2,700.0** | | | | |

In June 2024, the Group repaid the €447.8m senior unsecured Eurobond 2024 (ISIN: XS1651444140) one month ahead of its maturity date on 25 July 2024.

In August 2023, the Group raised €600m of senior unsecured Eurobonds. The bonds have a 7-year maturity (due on 6 September 2030) and bear an annual fixed rate coupon of 4.75%. The Bonds are listed on the regulated market of the Luxembourg stock exchange (ISIN XS2676883114). The proceeds of those bonds were used to fund Eurofins' general corporate purposes.

**Schuldschein loan**

The remaining Schuldschein loan 2018 amounts to €186.5m at the end of June 2024.

In October 2020, the Company issued a new €350m Schuldschein loan ("Certificate of Indebtedness") offering a blended interest rate of 1.78% with an average maturity of 7.8 years. This Schuldschein loan is structured in tranches of 5, 7 and 10 years, with both fixed and floating interest rates, with more than 85% of the transaction on the 7 and 10-year tenors.

**Commercial paper**

In September 2017, Eurofins set up a Negotiable European Commercial Paper program ("NEU CP") on the French capital market. This program is used to issue short term notes with a minimum size of €0.2m and a maturity of less than one year. The maximum amount of commercial paper available is €750m as of 30 June 2024 (same as of 30 June 2023).

No notes were outstanding as of 30 June 2024 (€0m as of 31 December 2023).

**Bilateral credit lines**

As of 30 June 2024 and 2023, Eurofins had not used any of its bilateral credit lines. As of 30 June 2024, Eurofins had access to over €1bn committed mid-term (3 to 5 years) bilateral bank credit lines (same as of 31 December 2023), not maturing before June 2025.

### 2.9. Shareholders' equity and potentially dilutive instruments

**Share capital and other reserves**

A total of 0 and 238,800 shares were issued during the six months ended 30 June 2024 and 2023, respectively. As of 30 June 2024 and 31 December 2023, 192,981,183 ordinary shares with a par value of €0.01 were outstanding, respectively. All issued shares are fully paid up.

**Stock options**

Stock options are granted to certain directors, managers and employees. Movements in the number of stock options outstanding are as follows:

| | Six months ended 30 June | | | |
|---|---|---|---|---|
| | 2024 | | 2023 | |
| **Stock options** | **Number of shares** | **Weighted average exercise price** | **Number of shares** | **Weighted average exercise price** |
| **1 January** | **6,883,296** | **53** | **7,208,393** | **52** |
| Granted | - | - | - | - |
| Exercised | -265,600 | 38 | -233,660 | 33 |
| Expired or lost | -179,835 | 70 | -302,898 | 65 |
| **Outstanding as of 30 June** | **6,437,861** | **53** | **6,671,835** | **52** |
| *Exercisable as of 30 June* | *2,891,947* | *38* | *2,303,697* | *37* |

**Restricted stock units**

Restricted stock units are granted to eligible managers and employees. Movements in the number of restricted stock units outstanding are as follows:

| | Six months ended 30 June | |
|---|---|---|
| **Restricted stock units** | **2024** | **2023** |
| **1 January** | **386,698** | **442,713** |
| Granted | - | - |
| Vested | -52,850 | -45,780 |
| Expired or lost | -22,602 | -10,554 |
| **Outstanding as of 30 June** | **311,246** | **386,379** |

**2018 BSA Leaders warrants**

In June 2018, Eurofins issued 124,460 capital-providing securities in the form of stock purchase warrants. Following the ten-for-one stock split completed in November 2020, the 2018 BSA Leaders warrant holders have the right to subscribe for ten shares of the Company for each 2018 BSA Leaders Warrant at a fixed exercise price of €529.65 between 1 June 2022 and 31 May 2026. The original subscription price was set at €34.36 per warrant. Movements in the number of 2018 BSA Leaders Warrants outstanding are as follows:

| | Six months ended 30 June | |
|---|---|---|
| **2018 BSA Leaders' Warrants** | **2024** | **2023** |
| **1 January** | **101,563** | **102,077** |
| Exercised | - | -514 |

| | | |
|---|---|---|
| Expired or lost | - | - |
| **Outstanding as of 30 June** | **101,563** | **101,563** |
| *Exercisable as of 30 June* | *101,563* | *101,563* |

**Beneficiary units**

Beneficiary units are allocated under certain conditions to holders of fully paid-up shares as provided in the Company's articles of association, at a price of €0.01 per unit. Upon subscription, beneficiary units from each category of Class A, Class B and Class C confer their holders with one voting right per unit but no rights to dividends.

Movements in the number of beneficiary units issued are as follows:

| | Six months ended 30 June 2024 | | | |
|---|---|---|---|---|
| **Beneficiary units** | **Class A** | **Class B** | **Class C** | **Total** |
| **1 January 2024** | **63,753,336** | **63,000,000** | **63,000,000** | **189,753,336** |
| Beneficiary units subscribed | - | - | - | - |
| Beneficiary units cancelled | -38,049 | - | - | -38,049 |
| **Issued as of 30 June 2024** | **63,715,287** | **63,000,000** | **63,000,000** | **189,715,287** |

| | Six months ended 30 June 2023 | | | |
|---|---|---|---|---|
| **Beneficiary units** | **Class A** | **Class B** | **Class C** | **Total** |
| **1 January 2023** | **63,800,498** | **63,000,000** | **63,000,000** | **189,800,498** |
| Beneficiary units subscribed | - | - | - | - |
| Beneficiary units cancelled | -42,937 | - | - | -42,937 |
| **Issued as of 30 June 2023** | **63,757,561** | **63,000,000** | **63,000,000** | **189,757,561** |

**Voting rights**

Voting rights attached to shares are proportional to the capital quota they represent i.e., each share gives the right to one vote. In addition, class A, class B and class C beneficiary units ("parts bénéficiaires de catégorie A, B et C") carrying an extra voting right each, can be allocated to fully paid-up shares fulfilling conditions as specified in previous paragraphs about class A, class B and class C beneficiary units.

As at 30 June 2024, a total amount of 189,715,287 class A, class B and class C beneficiary units has been issued and the total number of voting rights amounts to 381,084,753.

**Partial and optional acquisition price payments in Eurofins shares**

As of 30 June 2024 and 31 December 2023, the overall number of Eurofins shares potentially deliverable was nil.

**Own shares**

Plan 1 « Liquidity » contract

On 1 November 2021, the Company entered into an agreement with Kepler Cheuvreux in order to enhance the liquidity of its shares. This agreement was renewed for one-year periods thereafter. An amount of cash of €15m has been allocated to a liquidity account by the Company to fund this program. As of 30 June 2024, the Company held 190,524 of its own shares under this liquidity contract (0.10% of the total number of shares at that date) representing an amount of €10.1m (126,215 shares for an amount of €7.1m as of 31 December 2023).

Plan 2 Share Repurchase Plan

As per the authorisation granted by the Company's Annual General Meeting of shareholders held on 25 April 2019 (the "April 2019 AGM"), the first Share Repurchase Plan, which allowed for the acquisition of a maximum amount representing up to 2% of the Company's share capital, was approved by the Board of Directors on 30 September 2022 for a maximum period of twelve months expiring on 30 September 2023. On 3 October 2022, the Company mandated an independent provider of financial services to buy-back some of its own shares and a total of 1m shares was bought in 2023 under this first Share Repurchase Plan.

On 20 October 2023, the Board of Directors decided to initiate a second Share Repurchase Plan which allows for the acquisition of a maximum amount representing up to 2% of the Company's share capital for a maximum period of twenty-four months expiring on 24 October 2025, subject to the renewal of the authorisation of such share repurchase program by the Annual General Meeting (AGM) of the Company to be held in April 2024; this authorisation was renewed by the Company's Annual ordinary General Meeting of shareholders held on 25 April 2024 (the "April 2024 AGM"). The Company may at any time interrupt this program in view of market conditions and/or evolution of its investment strategy.

On 24 October 2023, the Company mandated another independent provider of financial services to buy back some of its own shares under the second Share Repurchase Plan. A total of 110k shares was bought under this second mandate in 2023.

The purchased shares under these programmes will be primarily used to hedge the Company's Long-Term Incentive plans but may also be cancelled, used to partially finance acquisitions or for other purposes approved by the Board of Directors and within the authorisation of the April 2019 AGM or the April 2024 AGM.

Under both Share Repurchase Plans, as of 30 June 2024, the Company held 0.74% of its own shares (0.4% of the total number of shares as of 31 December 2023) representing 1,421,193 shares for an amount of €76.3m (829,643 shares for an amount of €47.8m as of 31 December 2023).

**Hybrid capital**

| **2024**<br>*In € millions* | **30 June 2024** | **Hybrid issuance** | **Hybrid purchased** | **31 December 2023** |
|---|---|---|---|---|
| Hybrid capital with a first call date on 13 November 2025 | 400.0 | - | - | 400.0 |
| Hybrid capital with a first call date on 24 July 2028 | 600.0 | - | - | 600.0 |
| **Outstanding as of end of period** | **1,000.0** | **-** | **-** | **1,000.0** |

| **2023**<br>*In € millions* | **30 June 2023** | **Hybrid issuance** | **Hybrid purchased** | **31 December 2022** |
|---|---|---|---|---|
| Hybrid capital with a first call date on 29 April 2023 | - | - | -182.7 | 182.7 |
| Hybrid capital with a first call date on 13 November 2025 | 400.0 | - | - | 400.0 |
| Hybrid capital with a first call date on 24 July 2028 | 600.0 | 600.0 | - | - |
| **Outstanding as of end of period** | **1,000.0** | **600.0** | **-182.7** | **582.7** |

In January 2023, Eurofins raised a €600m hybrid capital. This instrument has a perpetual maturity but is callable at par by Eurofins in July 2028. This hybrid capital bears a fixed annual coupon of 6.75% until the first call date; then a floating coupon of Euribor3m + 4,241bps until January 2033; then a floating coupon of Euribor3m +5,241bps. The instrument is listed on the regulated market of the Luxembourg stock exchange (ISIN XS2579480307).

This issuance enables the Group to return to its targeted capital structure that includes an adequate level of hybrid capital of €1bn to support its targeted range for financial leverage of 1.5-2.5x. The instrument proceeds are available for general corporate purposes.

The impact of the hybrid capital earnings distribution on the Statement of Changes in Equity and on the Consolidated Cash Flow Statement is broken down in the table below:

| | **Six Months Ended 30 June** | | | |
|---|---|---|---|---|
| | Statement of Changes in Equity[1] | | Cash Flow Statement[2] | |
| *In € millions* | **2024** | **2023** | **2024** | **2023** |
| Earnings on hybrid capital callable in April 2023 | - | 2.9 | - | 8.9 |
| Earnings on hybrid capital callable in November 2025 | 6.5 | 6.5 | - | - |
| Earnings on hybrid capital callable in July 2028 | 20.1 | 17.4 | - | - |
| **Total earnings on hybrid capital** | **26.6** | **26.8** | **-** | **8.9** |

[1] Used also for the calculation of Earnings per share
[2] Earnings paid

**Dividends**

In April 2024, the General Assembly approved the dividends to shareholders of €0.5 per ordinary share for a total gross amount of €96.5m (€1 per ordinary share for a total amount of €192.7m in the previous year). The dividends payable are recorded in “Other current liabilities” on the balance sheet as of 30 June 2024, and were paid in July 2024.

### 2.10.Financial risk management

There are a number of potential risks and uncertainties which could have a material impact on the Group’s performance over the remaining six months of the financial year and could cause actual results to differ materially from expected and historical results. Management does not consider that the principal risks and uncertainties have changed materially since the publication of the Group’s consolidated financial statements as of and for the year ended 31 December 2023 as described in the risk section of the half year management report, including the potential risks which could arise from the conflict in Ukraine and in Israel.

Direct Russia & Ukraine revenues for Eurofins companies were less than €0.6m for H1 2024 and €0.6m for full year 2023. Direct revenues generated by Eurofins companies in Israel were close to €6.4m for H1 2024 and just over €13m for full year 2023.

**Financial risk factors**

The Group’s activities expose it to a variety of financial risks such as currency risks, interest rate risks, credit risks and liquidity risks. The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required. Additional disclosures can be found in the “Risks and uncertainties” section of the management report as of and for the six months ended 30 June 2024. They should be read in conjunction with the Group’s annual management report as of and for the year ended 31 December 2023.

There have not been any significant changes to the risk management approach or to risk management policies since 31 December 2023.

**Climate change-related risks**

The Group regularly evaluates relevant climate-related reporting requirements and risks as evidenced in the section "Risk factors report 2023" (Section 5.5.6). As of 30 June 2024, the Group does not believe that the impact of climate related matters has materially changed since its year end reporting.

**Fair value of financial assets and liabilities**

The Group classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

1. Level 1 – Quoted (unadjusted) prices in active markets for identical assets or liabilities;
2. Level 2 – Observable inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e., such as prices) or indirectly (i.e., derived from prices);
3. Level 3 – Inputs for the assets or liabilities that are not based on observable market data.

The carrying and fair values of the financial assets and liabilities as of 30 June 2024 are as follows:

| | As of 30 June 2024 | | | | |
|---|---|---|---|---|---|
| *In € millions* | **Carrying amount** | **Fair value** | **Level 1** | **Level 2** | **Level 3** |
| **Financial assets** | | | | | |
| Financial assets carried at FVTOCI | 23.4 | 23.4 | 23.4 | - | - |
| Financial assets carried at FVTPL | - | - | - | - | - |
| Derivative financial instruments | 3.8 | 3.8 | - | 3.8 | - |
| **Financial assets carried at fair value** | **27.2** | **27.2** | **23.4** | **3.8** | **-** |
| Cash and cash equivalents | 681.2 | - | - | - | - |
| Receivables - current | 1,533.9 | - | - | - | - |
| Receivables - non-current | 56.1 | - | - | - | - |
| **Financial assets carried at (amortised) costs** | **2,271.2** | **-** | **-** | **-** | **-** |
| **Total financial assets** | **2,298.5** | **27.2** | **23.4** | **3.8** | **-** |
| | | | | | |
| **Financial liabilities** | | | | | |
| Contingent consideration | 143.8 | - | - | - | 143.8 |
| **Financial liabilities carried at FVTPL** | **143.8** | **-** | **-** | **-** | **143.8** |
| Derivative financial instruments | - | - | - | - | - |
| **Financial liabilities carried at fair value** | **143.8** | **-** | **-** | **-** | **143.8** |
| Payables and contract liabilities | 763.4 | - | - | - | - |
| Interest and earnings accruals | 112.4 | - | - | - | - |
| Bonds | 2,252.2 | 2,072.8 | 2,072.8 | - | - |
| Other borrowings | 1,291.8 | - | - | - | - |
| Other current liabilities | 685.4 | - | - | - | - |
| **Financial liabilities carried at (amortised) costs** | **5,105.2** | **2,072.8** | **2,072.8** | **-** | **-** |
| **Total financial liabilities** | **5,249.0** | **2,072.8** | **2,072.8** | **-** | **143.8** |

| | As of 31 December 2023 | | | | |
|---|---|---|---|---|---|
| *In € millions* | **Carrying amount** | **Fair value** | **Level 1** | **Level 2** | **Level 3** |
| **Financial assets** | | | | | |
| Financial assets carried at FVTOCI | 19.0 | 19.0 | 19.0 | - | - |
| Financial assets carried at FVTPL | - | - | - | - | - |
| Derivative financial instruments | 4.3 | 4.3 | - | 4.3 | - |
| **Financial assets carried at fair value** | **23.7** | **23.7** | **19.3** | **4.3** | - |
| Cash and cash equivalents | 1,221.2 | - | - | - | - |
| Receivables - current | 1,498.7 | - | - | - | - |
| Receivables - non-current | 59.0 | - | - | - | - |
| **Financial assets carried at (amortised) costs** | **2,778.9** | **-** | - | - | - |
| **Total financial assets** | **2,802.5** | **23.7** | **19.3** | **4.3** | - |
| | | | | | |
| **Financial liabilities** | | | | | |
| Contingent consideration | 142.3 | - | - | - | 142.3 |
| **Financial liabilities carried at FVTPL** | **142.3** | **-** | **-** | **-** | **142.3** |
| Derivative financial instruments | - | - | - | - | - |
| **Financial liabilities carried at fair value** | **142.3** | **-** | **-** | **-** | **142.3** |
| Payables and contract liabilities | 793.0 | - | - | - | - |
| Interest and earnings accruals | 59.2 | - | - | - | - |
| Bonds | 2,700.0 | 2,602.8 | 2,602.8 | - | - |
| Other borrowings | 1,226.7 | - | - | - | - |
| Other current liabilities | 584.8 | - | - | - | - |
| **Financial liabilities carried at (amortised) costs** | **5,363.7** | **2,602.8** | **2,602.8** | **-** | **-** |
| **Total financial liabilities** | **5,506.0** | **2,602.8** | **2,602.8** | **-** | **142.3** |

The change in FVTOCI corresponds to a positive amount of €3.5m over the six-month period ended 30 June 2024 (Statement of Comprehensive Income).

Contingent consideration for acquisitions are level 3 financial instruments and has been revalued as of and for the six months ended 30 June 2024 for a reduced amount of €0.8m. The accounting policy for these financial instruments is defined in Note 1.3 of the Group's consolidated financial statements for the year ended 31 December 2023.

There were no changes in the Group's valuation process, valuation techniques and types of inputs used in the fair value measurements during the period.

There were no transfers between levels during the six-month period ended 30 June 2024.

With the exception of borrowings, the Group considers the carrying value of the financial instruments to approximate their fair value.

**Ratings**

Since July 2020, Eurofins has held a public long-term issuer credit rating by Moody's Investor Services ("Moody's"). The Group's investment grade rating is Baa3 with a stable outlook. Moody's confirmed the Baa3 rating in March 2024.

In May 2021, Eurofins received its second credit rating by Fitch Ratings which assigned an investment grade credit rating of BBB- with a stable outlook. Fitch Ratings confirmed the BBB- rating and the stable outlook in May 2023 and again in July 2024.

**Currency risk**

Foreign exchange exposure also arises as a result of inter-company loans and deposits. When the lending company enters into such arrangements, the financing is generally provided in the functional currency of the subsidiary entity. When such loans would be considered to be part of the net investment in the subsidiary, net investment hedging would be applied. Translation exposure of foreign-currency equity invested in consolidated entities is generally not hedged. The currency translation reserve amounts to €228.4m as of 30 June 2024 (€135.8m as of 31 December 2023). Net current-period change, before tax, of the currency translation reserve of €92.6m is mainly due to the development of the USD versus the Euro and relates to foreign operations for €64.2m and net investment re-evaluation for €28.3m.

**Post-employment benefits**

The remeasurement of defined benefit liability, net of tax in Other Comprehensive Income and Employee benefit obligations corresponds to an amount of €-1.4m over the six-month period ended 30 June 2024 due to the increase of the discount rates (€-0.2m over the six-month period ended 30 June 2023).

### 2.11. Contingencies

**Contingent liabilities over borrowings**

The following liabilities and borrowings are subject to covenants or are collateralized by Group assets:

| *In € millions* | **30 June 2024** | **31 December 2023** |
|---|---|---|
| Bank borrowings secured over buildings and other assets | 143.9 | 92.2 |
| Finance leases secured over buildings and other assets[1] | 36.2 | 41.2 |
| Bank borrowings secured by covenants and assets | 0.3 | 2.6 |
| **Total borrowings and leases secured** | **180.4** | **136.0** |
| Bank borrowing secured by covenants | - | - |
| Bank borrowing guaranteed by the direct parent of the borrower | - | - |
| **Total** | **180.4** | **136.0** |

[1] Finance lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

All of the above amounts are included in the Group's interim condensed consolidated balance sheet.

**Contingencies**

The Group has contingent liabilities in respect of commercial and tax claims arising in the ordinary course of business in connection with the services they provide. The majority of commercial claims is covered by business-specific insurance.

An on-going litigation that could cause significant financial or reputational damage for Eurofins continues in the context of the detection of biological contaminants in dairy products in Europe. The Group's responsibility has not been proven and the damages that are claimed have been neither established nor measured. Please also refer to the risk factors on page 144 of the 2023 Management Report for further information.

For tax claims, when the Group estimates that the risk is not likely, no provision is booked. There are a limited number of pending claims, qualified as contingent liability by third-party legal advisors and the Company.

The Group has entered into legal proceedings against the former shareholders of Eurofins Genoma Group Srl in Italy for breach of non-compete and other contractual clauses. The Group has an outstanding contingent consideration arrangement for this former acquisition, for which €27.5m has been accrued in "Amounts due from business acquisitions" within non-current liabilities on the Consolidated Balance Sheet as of 30 June 2024 and 31 December 2023. The final amount payable is subject to the legal proceedings.

Risk factors are described in section 5 of the 2023 Management report.

Based on the information available to date, the Group considers that the outcome of these disputes and legal claims currently in process is unlikely to have a significant adverse impact on the Consolidated Financial Statements other than those already provided for.

### 2.12. Related-party transactions

As of 30 June 2024, the Martin family, through direct shareholdings and indirectly through their shareholding in Analytical Bioventures SCA, which is controlled by Dr. Gilles Martin, holds 32.7% of the shares and controls 66.2% of the voting rights in Eurofins Scientific SE.

Transactions with affiliates or with companies owning shares in Eurofins Group such as Analytical Bioventures S.C.A. or with companies such as International Assets Finance S.à r.l., in which some members of the Company's Board of Directors have significant influence, are mainly related to lease agreements on laboratories/sites used by Eurofins and are disclosed as follows:

| | Six months ended 30 June | |
|---|---|---|
| *In € millions* | **2024** | **2023** |
| **Condensed Consolidated Income Statement** | | |
| Support management services, provided to the related party | - | 0.1 |
| Interest expenses to related party | 3.9 | 4.4 |
| Depreciation of right of use | 15.4 | 14.3 |
| | | |
| **Condensed Consolidated Balance Sheet** | **30 June 2024** | **31 December 2023** |
| Receivables expected from related party[1] | 12.9 | 12.9 |
| Payables owed to related party | 0.6 | 0.3 |
| Right of use from related party | 138.8 | 126.5 |
| Lease liabilities to related party | 159.5 | 145.6 |
| | | |
| Dividends payable/paid to related party | 31.5 | 63.0 |
| Beneficiary units subscribed by related party | - | - |
| | | |
| **Off Balance Sheet Commitments** | | |
| Bank guarantees to related party | - | - |

[1] Receivables expected from related party relate to lease deposits.

### 2.13. Post-closing events

**Business Combinations**

Since 1 July 2024, Eurofins has completed 4 small business combinations, one in Europe, one in North America and two in Rest of the World.

The total annual revenues of these acquisitions amounted to over €14m in 2023 for an aggregate acquisition price of ca. €22m. These acquisitions employ more than 200 employees.

**Other**

On 16 July 2024, a new stock option plan (1,530,729 options) and a new Restricted Stock Unit (RSU) plan (106,962 RSUs) were granted, representing ca. 0.85% of the number of shares issued as of 30 June 2024.

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**REPORT OF THE *REVISEUR D'ENTREPRISES AGREE***

**Report on Review of Interim Financial Information**

***Introduction***

We have reviewed the accompanying interim condensed consolidated financial statements of Eurofins Scientifics S.E. comprising the interim condensed consolidated balance sheet as at June 30, 2024, and the related interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated cash flow statement for the six months period then ended, and a summary of significant accounting policies and other explanatory notes ("the interim financial information"). The Board of Directors is responsible for the preparation and fair presentation of this interim financial information in accordance with International Accounting Standard IAS 34 on Interim Financial Statements, as adopted in the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

***Scope of Review***

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the company as at June 30, 2024 and of the results of its operations for the six months period then ended in accordance with the International Accounting Standard IAS 34 on Interim Financial Statements as adopted in the European Union.

For Deloitte Audit, *Cabinet de révision agréé*

David Osville, *Réviseur d'entreprises agréé*
Partner

July 24, 2024

Société à responsabilité limitée au capital de 35.000 €

RCS Luxembourg B 67.895

Autorisation d'établissement 10022179

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