

MAINTAINING HIGH LEVEL RESULTS IN 2021

- Total turnover of €184.7m
- Growth in non-COVID activities (+14%)
- Strong EBITDA at €78m
- Increased cash generation at €66m (€55m in 2020)
- Cash position at €102m and decrease in financial debt (€11m)
- Acceleration of strategic deployment focused on proprietary products, international development, and new market segments

Paris, April 6, 2022 – 7h30

Eurobio Scientific (FR0013240934, ALERS), a leading French group in specialty in vitro medical diagnostics, presents today its 2021 consolidated annual results, established according to French accounting standards and approved by the company's board of directors which met on April 5, 2022.¹

In 2021, Eurobio Scientific maintained a high level of turnover and results, combining a strong activity related to the diagnosis of COVID in a context of strong reduction in sales prices, and a continuous increase in non-COVID activities. The Group succeeded in preserving its margins thanks to the increase in the share of proprietary products, which represent 25% of turnover in 2021. Eurobio Scientific ended the year with €102.4 million in cash and €10.7 million of financial debt. These significant resources will support organic growth, in particular through the intensification of R&D, international development and external growth in the years to come.

In million euros	2021 consolidated	2020 consolidated	Change
Revenues	184.7	188.5	-2%
Operating subsidies and other revenues	0.6	0.7	-
Total revenues	185.3	189.2	-2%
Cost of goods sold	(82.5)	(78.5)	+5%
Gross margin	102.8	110.7	-7%
R&D expenses	(3.4)	(2.2)	+55%
Marketing and sales expenses	(19.0)	(18.2)	+4%
G&A expenses	(7.4)	(6.2)	+19%
EBITDA	77.9	88.2	-12%
Operating result	72.9	84.0	-13%
Financial result	0.1	(0.4)	-
Extraordinary result	1.1	-	-
Goodwill amortization	(2.8)	(2.8)	-
Taxes	(10.8)	(7.4)	-
Net result	60.5	73.5	-18%
Cash	102.4	65.6	
Financial debt excluding leasing	10.7	24.9	
Shareholders equity	160.6	107.1	

¹ Audit procedures on the consolidated accounts are still being carried out by the statutory auditors.

A year 2021 driven again by the health crisis

Eurobio Scientific recorded revenue of €184.7 million in 2021, close to the level established in 2020. This figure reflects:

- A still high level of sales related to the diagnosis of COVID (€102.6 million, or 56% of sales), despite prices declining significantly compared to the previous year. The activity remained mainly focused on products with higher added value, namely PCR tests for public and private laboratories, the Group's historical customers. The share of proprietary products was maintained through to a reinforced R&D capability, full control of regulatory affairs and a new high-capacity manufacturing tool. This is how 5 new proprietary tests were put on the market in 2021.
- Continued growth in traditional activities, excluding COVID (€81.5 million, i.e. 44% of sales). Eurobio Scientific benefited in particular from increased visibility linked to the new dimension acquired by the Group over the past 2 years, and from the increase in the number of installed instruments, a driver of growth.

Eurobio Scientific also entered into new distribution partnerships aimed at making high-impact innovative products available for healthcare professionals and patients in France.

Last, the development of international sales continued during the financial year, supported by the Group's foreign subsidiaries TECOmedical (Switzerland, Germany) and Pathway Diagnostics (United Kingdom), as well as by the conquest of new customers, in particular in the Middle-East.

In 2021, these sales figures were supplemented by payments received from historical partners in the therapeutic context for a total of €0.5 million, mainly related to the transition into clinical phase of a molecule jointly developed with AbbVie (formerly Allergan).

Maintaining a high level of results

With the increase in volumes sold, the impact of the reduction in COVID diagnostic tests prices was contained, and the gross margin level was maintained in 2021 at 56%, a historically high level, compared to 59% in 2020. As a result, the gross margin stands at €102.8 million, compared to €110.7 million in 2020.

Operating expenses reflect this high level of activity in terms of volume, continued structuring of the organization and increase in production and logistics capacities. They remain under control, with an increase of 12%, to €29.8 million, including a significant increase of 54% in R&D expenditure (€3.4 million) in line with the strategy.

Results remain at a historically high level, with an EBITDA at €77.9 million (€88.2 million in 2020) and an operating profit at €72.9 million (€84.0 million in 2020).

The financial result is slightly positive (+€0.1 million vs -€0.4 million in 2020) and notably includes capital gains on securities, and currency exchange losses linked to the valuation of assets in dollars, lower than what was accrued at the end of the previous financial year.

In view of the 2021 results, the Group has used all of the carryforward losses that were generated within its tax consolidation group, and has not activated any additional carryforward losses. Corporation tax amounted to €10.8 million, compared to €7.4 million in 2020.

After taking into account €2.8 million in goodwill amortization, net income for 2021 amounted to €60.5 million, compared to €73.5 million in 2020.

Strong cash generation at €65.9m (€54.9m in 2020)

With a high level of results and a controlled working capital requirement, Eurobio Scientific operations generated a cash flow of €65.9 million in 2021, i.e. €11 million more than in 2020.

The total amount of cash amounted to €102.4 million as of December 31, 2021 and shareholder equity to €160.5 million. Financial debt fell sharply to €10.7 million, mainly with the full repayment of the €10 million government guaranteed loan taken out in 2020. It includes bank loans for €8.9 million (including €6.3 million in the medium term) and €1.7 million of remaining bonds.

Perspectives: a new dimension

Eurobio Scientific now has very significant financial resources to continue to deploy its strategy, focused on increasing the share of proprietary products, pursuing international expansion, and opening up new market segments.

This strategy has already been initiated with the intensification of R&D which will be amplified to maintain strong product innovation, mainly in molecular biology, in the field of infectious diseases but also in other pathologies. It also involves the development of new synergies with its European subsidiaries TECOmedical and Pathway Diagnostics, beyond what was already done in the COVID segment since 2020. These R&D and/or international developments could be accelerated through acquisitions or targeted stakes, in line with the Group's three strategic areas. This is illustrated by the stake taken at the end of 2021 in Usense Healthcare, a start-up specializing in point of care medical diagnostics based on urinary analysis and artificial intelligence.

At the same time, to support its strategy the Group continues to develop its distribution portfolio selectively. Eurobio Scientific has thus renewed its non-exclusive partnership with the Korean group Seegene, at least until 2023, and signed distribution partnerships in new areas. The Group became the exclusive distributor in France of HIV self-tests from US-based Orasure, which allows it to strengthen its presence with pharmacy networks. Eurobio Scientific also entered into partnerships with the Alcor and BenQ laboratories, and is studying new distribution agreements in the field of "Point of Care" proximity tests, or connected biology based on artificial intelligence.

In addition to this strategic deployment, the entry into Eurobio Scientific's capital of investment funds managed by NextStage AM as part of its "Pépites et Territoires" program should take place before the end of the second quarter of 2022.

On the basis of the new dimension acquired during 2020 and reinforced in 2021, Eurobio Scientific has all the assets to continue to meet, in France and internationally, the needs of laboratories, by deploying an offer mixing its own innovative products and those of its partners. These strengths will also enable the Group to enter new markets, in terms of both customers and technologies, and to develop its presence in new territories.

Next financial meeting

Shareholders annual general meeting: June 13, 2022

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About Eurobio Scientific

Eurobio Scientific is a key player in the field of specialty in vitro diagnostics. It is involved from research to manufacturing and commercialization of diagnostic tests in the fields of transplantation, immunology and infectious diseases, and sells instruments and products for research laboratories, including biotechnology and pharmaceutical companies. Through many partnerships and a strong presence in hospitals, Eurobio Scientific has established its own distribution network and a portfolio of proprietary products in the molecular biology field. The Group has approximately 164 employees and three production units based in the Paris region, in Germany and in the United States, and several affiliates based in Dorking UK, Sissach Switzerland, Bünde Germany and Utrecht in The Netherlands.

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

The company is publicly listed on the Euronext Growth market in Paris

Euronext Growth BPI Innovation, PEA-PME 150 and Next Biotech indices, Euronext European Rising Tech label.

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