



# J.P. Morgan Healthcare Conference

January 15, 2025

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## Non-GAAP Financial Information

This presentation includes Core Revenue Growth, Adjusted EBITDA Margin, Adjusted Net Income, Net Debt and Free Cash Flow, which are non-GAAP financial measures. These non-GAAP financial measures are presented for informational purposes only and should not be regarded as a replacement for corresponding GAAP measures. In regards to the forward-looking non-GAAP financial measures included in this presentation, we are not able to reconcile such metrics to the closest corresponding GAAP measures without unreasonable efforts because we are unable to predict the ultimate outcome of certain significant items.

# Our Purpose

We're fueling a brighter future for global food security.

# Our Vision

We envision a world where everyone has access to a food supply that is safe, sufficient and sustainable.

**Global food security is a lofty goal.**

But it's one we're uniquely positioned to support. For over 40 years we've made it our mission to help keep our food supply safe.

To further human and animal well-being. To champion sustainable practices that affect our land, our water, our world. Every decision made on a farm, in a lab, at a processing plant, affects food security.

**And we'll be leading every step of the way.**

# Global Leader in Food Security



## Food Safety

*Helping to Protect the Food Supply*

- Food safety products that reach all segments of the food, beverage and feed industries
- Solutions include rapid quantification of detected organisms, sanitation verification tools and innovative pathogen tests
- Data platform with the opportunity to leverage AI to drive aggregation and predictive analytics



## Animal Safety

*Supporting Wellbeing*

- Develop solutions for animal protein, animal performance and companion animal segments
- Offer portfolio of biosecurity products to help prevent the spread of disease, as well as veterinary instruments and supplies to enhance animal care
- Genetic testing and related data capabilities to optimize herd selection and companion animal care

**Product offerings across Neogen's Food Safety and Animal Safety platforms help solve global food security challenges**

# Leading Portfolio of Consumables

Indicator Testing and Culture Media	Bacterial and General Sanitation	Allergens and Natural Toxins	Animal Safety Products	Genomics
<p><b>Rapid Indicator Solutions</b></p> 	<p><b>Pathogen Detection</b></p> 	<p><b>Allergen Testing</b></p> 	<p><b>Veterinary Instruments, Animal Care</b></p> 	<p><b>Production Animal</b></p> 
<p><b>Culture Media and Sample Handling</b></p> 	<p><b>Hygiene Monitoring</b></p> 	<p><b>Natural Toxin Testing</b></p> 	<p><b>Biosecurity</b></p> 	<p><b>Companion Animal</b></p> 
<ul style="list-style-type: none"> <li>• Easy-to-use, rapid indication of presence of organisms in a sample</li> <li>• Complementary products for accurate sample collection and incubation</li> </ul>	<ul style="list-style-type: none"> <li>• Rapid microbiological detection of pathogens in food processing and other facilities</li> <li>• Surface test for rapid detection of organic matter</li> </ul>	<ul style="list-style-type: none"> <li>• Rapid detection of allergens in food processing lines</li> <li>• Rapid detection of mycotoxins, primarily in harvested crops</li> </ul>	<ul style="list-style-type: none"> <li>• Animal health delivery systems, as well as veterinary instruments, pharmaceuticals &amp; biologics</li> <li>• Products intended to reduce spread of disease from humans, insects &amp; rodents</li> </ul>	<ul style="list-style-type: none"> <li>• Genetic testing to optimize herd selection and performance</li> <li>• Identification of breed(s), diseases and traits for veterinarians, breeders &amp; pet owners</li> </ul>

# Well-Positioned to Address Global Food Security Challenges

## Serving Large and Growing Markets...

Est. Market Size

Est. LT Growth Rate



6-8%

FOOD SAFETY



4-6%

ANIMAL SAFETY

● Served Addressable Market (SAM)

## ...with Attractive Long-Term Fundamentals...

### Significant Tailwinds

- Increasing prevalence of food allergies
- Rising incomes & food standards in emerging markets
- Consumer demand for more organic, less processed food with fewer antibiotics increases need for pathogen detection and biosecurity solutions
- Increasing traceability requirements
- Increasing outbreaks of foodborne illness and rising regulatory interest leading to focus on more robust testing across the supply chain

### Food Supply Chain at Nexus of Major Trends

Climate Change      Traceability  
New Crops & Pathogens      Know the Grower

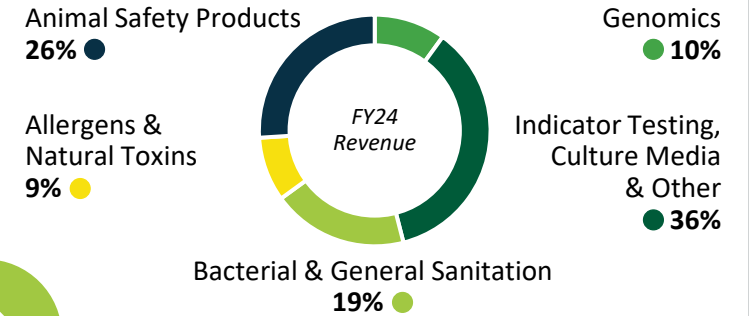
Globalization

Water Scarcity      Sustainability      Digital Evolution

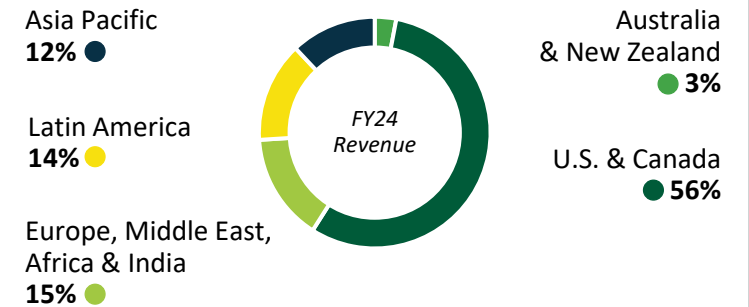


## ...Addressed by a Comprehensive Offering of Global Solutions

### Product Categories



### Geographic Mix



**Significant opportunity to achieve long-term success in this attractive, high-growth category**



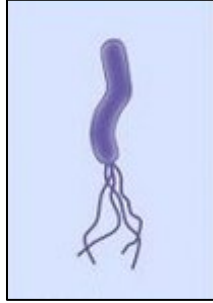
## **food safety /**

The conditions and practices that preserve the quality of food to prevent contamination and food-borne illnesses

# Causes of Foodborne Illness and Spoilage

## Bacteria

The best-known cause of foodborne illness – and the one that we deal with most often (e.g., *Salmonella* and *Listeria*). Bacteria can also be responsible for food spoilage.



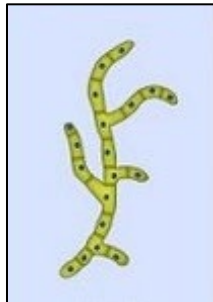
## Viruses

Highly transmissible and most common cause of gastrointestinal illness, frequently responsible for large outbreaks (e.g., Norovirus), but very difficult to detect.



## Fungi

Not a common cause of cases of food poisoning, particularly in developed countries, but can be extremely dangerous when present (e.g., *A. flavus*, a mycotoxin producer) – mycotoxins are extremely carcinogenic. Fungi are also, a common cause of food spoilage



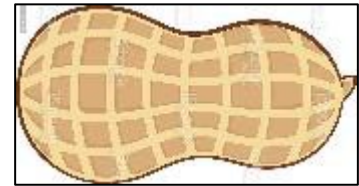
## Toxins

Chemicals produced by microorganisms that can cause food poisoning, with certain toxins also being carcinogens. These toxins are often heat stable, making them difficult to destroy by cooking.



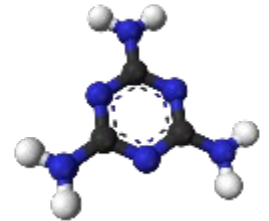
## Allergens

Allergens are specific proteins that induce immune reactions in susceptible individuals (e.g., peanuts).



## Residues

Chemicals that may be present in food, due to inadvertent contamination or adulteration (e.g., melamine present in infant formula or antibiotics in meat).



## Prions

Very rare, these are composed of misfolded, infectious proteins that have the ability to replicate and cause fatal neurodegenerative diseases (e.g., Mad Cow Disease and CJD).





# Why We Test: Primary Impacts



## Consumer Safety

*Prevent illness and fatalities due to consumption of contaminated food & beverage products*



## Industry and Regulatory Requirements

*Customer specifications and standards  
Regulations – local and export*



## Quality

*Reduced spoilage losses  
Food that looks, smells and tastes appealing to consumers*

# Neogen Solutions for Mitigating Food Safety Risk

*Comprehensive portfolio and diagnostic insights designed to address risk and support compliance*

- The conditions and practices that preserve the quality of food to **prevent contamination and foodborne illnesses**
- **Never-ending food safety threats** to the value chain, including consumers
- **Continuous risk assessment** approach required at each facility and application

## WHAT WE TEST: TWO PRIMARY APPLICATIONS



### Environmental Monitoring

Verifies cleanliness of production environment to ensure effective sanitation and management of potential contaminants

**Solutions:** Hygiene monitoring / ATP, indicator testing, pathogen testing, allergen detection



### Food Ingredient & Product Testing

Detects potential contaminants, pathogens or deviations from product specifications

**Solutions:** Indicator testing, pathogen testing, allergen detection

*Dual application use confirms multi-point testing results and helps to quickly identify root cause of issue.*

# Where We Test: Comprehensive Plan

*Food safety testing spans across the value chain, with multiple methods of detection*

## Raw Materials

- *Ensures that incoming raw materials meet the quality requirements of the manufacturer*
- *Validates absence of pathogens, therefore preventing them from being introduced into the production process*

## In-Process Samples

- *Ensures that manufacturing process is working as intended (e.g., to ensure that a heat-processing step has reduced a microbial population to an acceptable level)*
- *May be conducted as part of a Hazard Analysis and Critical Control Point (HACCP) plan*

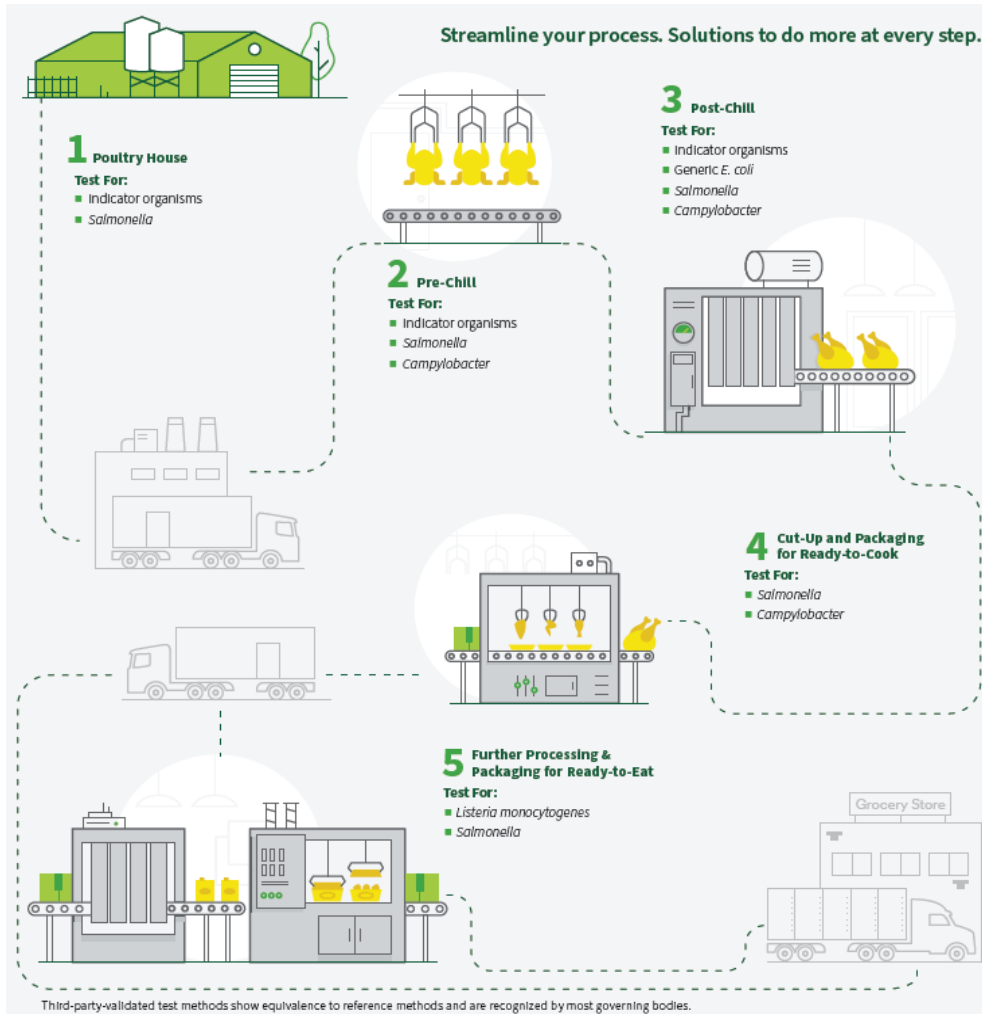
## Environment

- *Testing of machinery and the physical environment in a production facility, such as drains and air ducts*
- *Ensures that the production facility does not contain contaminants*
- *Especially important late in the production process after critical steps, such as cooking, have already taken place*

## Finished Product

- *Last check to ensure final product is safe for consumption*
- *Ensures all food safety protocols in the manufacturing process were sufficient*
- *Typically legislated or a supply requirement for distribution*
- *This step has limitations due to sample size of testing*

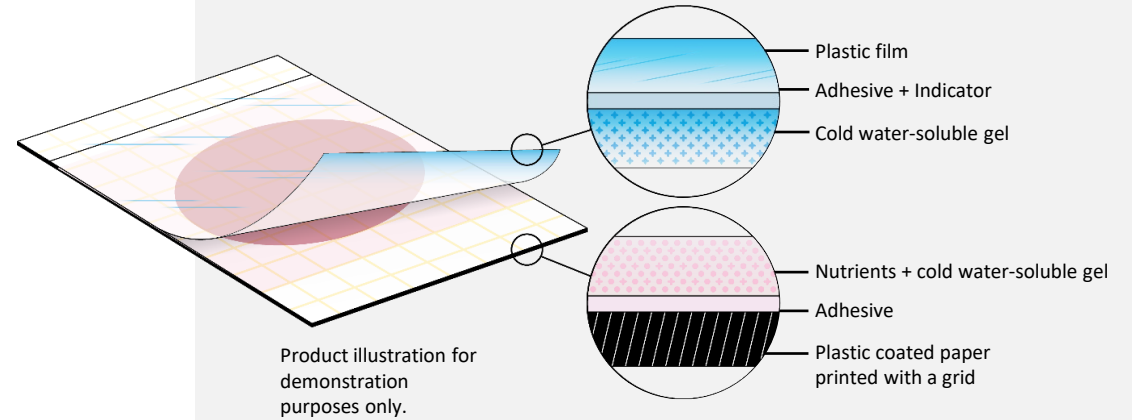
# Where We Test – Example: Holistic Monitoring and Testing in Poultry



- 1 Poultry House:** Indicator organism and pathogen detection to enumerate contamination load.
- 2 Pre-Chill:** Indicator organism and pathogen detection on raw carcasses to enumerate bacteria and set a baseline to show reduction in contamination throughout processing.
- 3 Post-Chill:** Final intervention step to reduce pathogens on carcasses before processing
- 4 Ready-to-Cook:** Testing to verify that final product complies with regulations & customers' specifications for quality and safety
- 5 Ready-to-Eat:** Final product testing is completed to verify regulation compliance.

# How We Test – Example:

## Neogen® Petrifilm® Plates



### A more sustainable solution for:

<p><b>The Customer:</b></p> <p>Enhance productivity by <b>48%</b> on average</p>	<p>Count up to <b>900</b> plates per hour with reader</p>	<p>Data in up to <b>1/2</b> the time*</p>	<p>Up to <b>85%</b> less space than agar*</p>
<p><b>The Environment:</b></p> <p><b>76%</b> Less energy</p>	<p><b>79%</b> Less water</p>	<p><b>75%</b> Less CHG emissions</p>	<p><b>66%</b> Less waste</p>

\*Results compared to traditional agar plates.



# Driving Growth Across the Global Food Security Chain

## Leveraging Core Capabilities

- Foundational diagnostics capabilities and expertise
  - Petrifilm
  - Microbiology
  - Immunoassays
- Food safety end market, as well as attractive adjacencies

## Regional Expansion

- Local execution of growth strategies by enhanced regional leaderships
  - USAC/LATAM strength
  - EMEA/APAC under-penetration

## Innovation

- Refocused teams, expanded capabilities
- Multi-generation product roadmaps
- Initiatives across Food Safety, Animal Safety, Genomics



# Significant Integration Progress

## Manufacturing Transition

Indicator Testing

Sample Collection

Pathogen Detection

Hygiene Monitoring

## Services Transition

Back-Office Services

Distribution

ERP System

## Current Status

New Petrifilm facility complete, initial shipment of equipment received

Relocation of equipment complete, expect normal production in Q3 FY25

Fully integrated

Fully integrated

Fully integrated

Fully integrated

ERP implementation complete

## Post-Integration Expectations

MSD-HSD annual core revenue growth <sup>(1)</sup>

30%+ Adjusted EBITDA margin

~100% Free Cash Flow Conversion <sup>(2)</sup>

Net Leverage target < 2.0x <sup>(3)</sup>

Significant integration progress providing a path to a compelling post-integration financial profile

(1) Year-over-year revenue growth excluding the impact of foreign exchange and acquisitions & divestitures

(2) Net cash from operating activities, less capital expenditures, as a percentage of Adjusted Net Income

(3) Gross debt minus cash and equivalents, divided by LTM Adjusted EBITDA

# Investment Highlights

- Clear leader in attractive Food Safety end market with long-term, secular tailwinds, including increasing regulatory interest
- Portfolio of over 95% consumable products, cost of which is insignificant relative to potential costs resulting from inadequate testing
- Opportunity to leverage technological expertise, scale and enhanced regional leadership to deliver on focused initiatives and extend the Company's demonstrated track record of strong historical growth
- Significant portion of integration of transformational business is complete, providing a path to a compelling level of consistent growth, high profitability and strong free cash flow generation
- Actions underway to improve profitability and further focus the business on food safety