

ANNUAL REPORT | 2019



Our **VISION** for the **FUTURE**



Dedicated to food and animal safety.

Neogen

Investor Presentation



Dedicated to food and animal safety.



Forward looking statement

Certain portions of this presentation that do not relate to historical financial information constitute forward-looking statements. These forward-looking statements are subject to certain risks and uncertainties.

Actual future results and trends may differ materially from historical results or those expected depending on a variety of factors listed in Management's Discussion and Analysis of Financial Condition and Results of Operations in the Company's most recently filed SEC Form 10-K.

In the Beginning

1982



Herbert D. Doan
President & CEO, Retired
Dow Chemical Corporation

MICHIGAN STATE

UNIVERSITY



James L. Herbert
Founder
Chairman of Board
Neogen

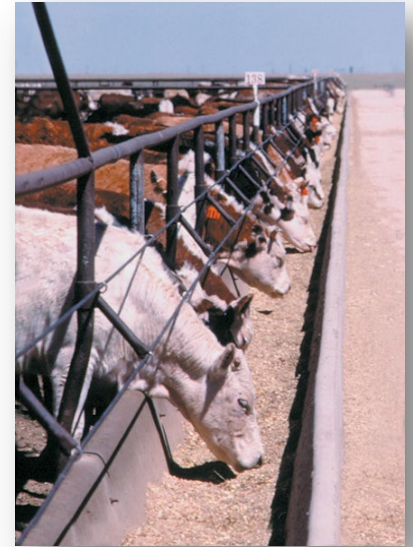
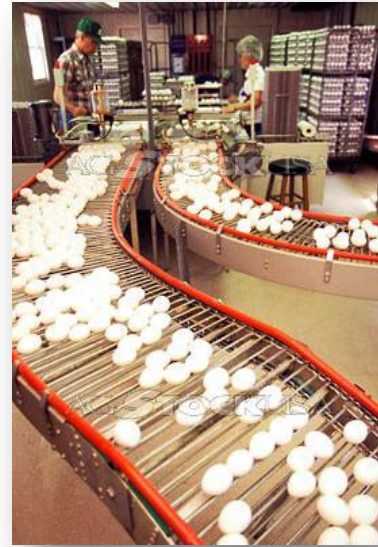


John Adent, CEO

2020: our vision for the future

Our Mission

The Mission of Neogen is to be the leading company in the development and marketing of solutions for food and animal safety.



We Are A Food Safety Company

From Inside the Farm Gate
Intervention Products



Vet Instruments

To Food on the Plate
Diagnostic Products

Toxins, Allergens & Drug Residues



Life Sciences



Bacterial & Sanitation



Animal Care

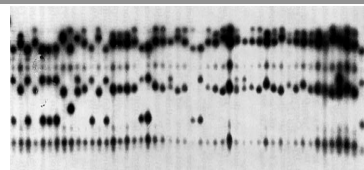


Dehydrated Culture Media



Rodenticides, Pesticides, Cleaners & Disinfectants

Genomics



Products & Markets: Overview

Food Safety Revenues FY 2019 - \$213,474,000

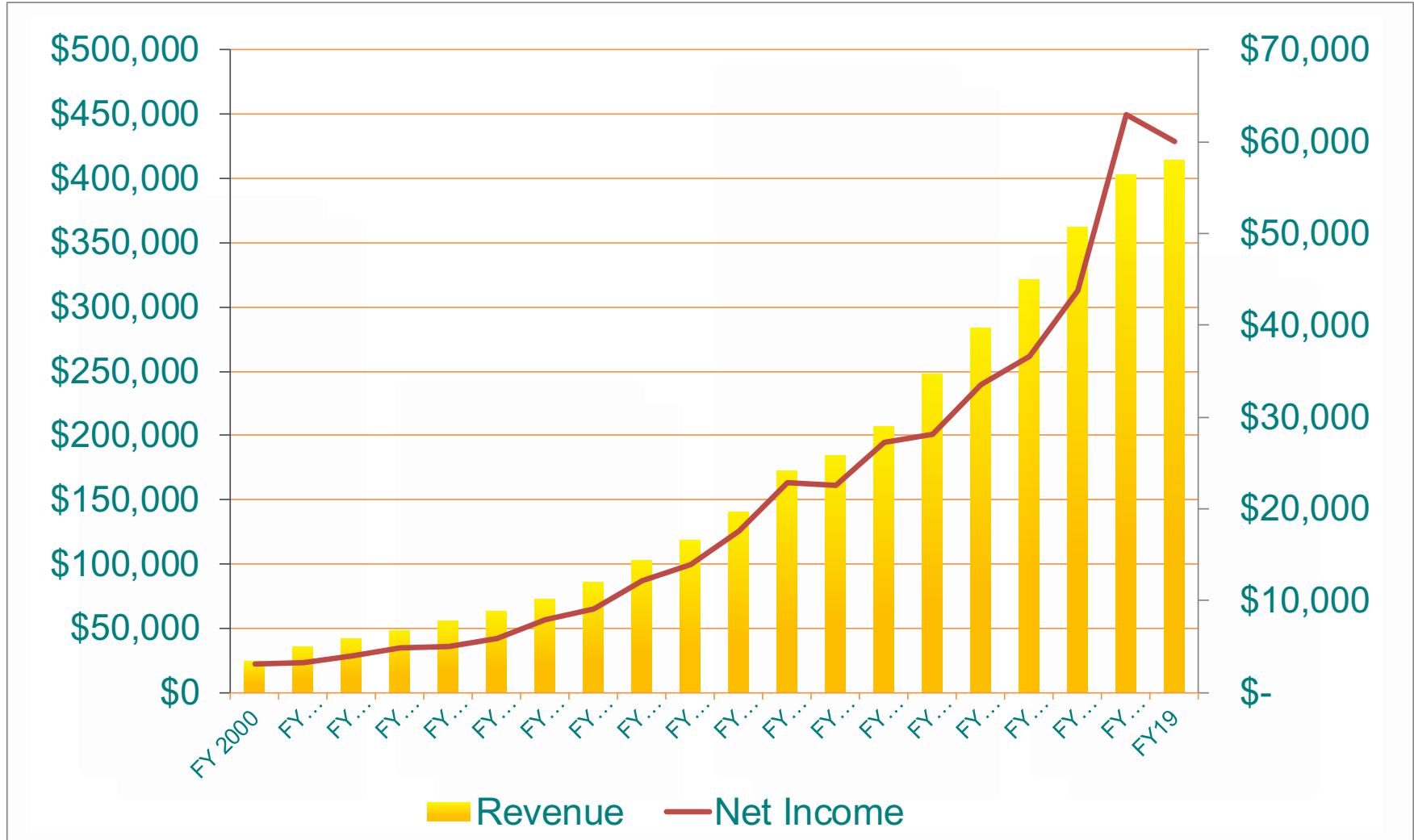
Diagnostic tests for food and feed producers and processors.



Animal Safety Revenues FY 2019 - \$200,712,000

Veterinary instruments, animal care products, cleaners and disinfectants, insecticides, rodenticides, diagnostic tests for drug detection in livestock and racing animals, vaccines, and genomics analysis.

Revenue / Net Income



Neogen's Revenue Growth Rate since 2000 is 17%

Animal Safety Products

Veterinary
Instruments
Rodenticides
Insecticides
Cleaners and
Disinfectants

Pharmaceuticals
Diagnostic Tests
Vaccines



Neogen niche access

\$2+ Billion

Niche market growth rate

3-5%

Neogen market share

12%

Food Safety Products

Tests for:

Pathogens

Toxins

Allergens

Drug Residues

Spoilage Organisms

Sanitation

Culture Media



Neogen niche access

\$2+ Billion

Niche market growth rate

6-8%

Neogen market share

12%

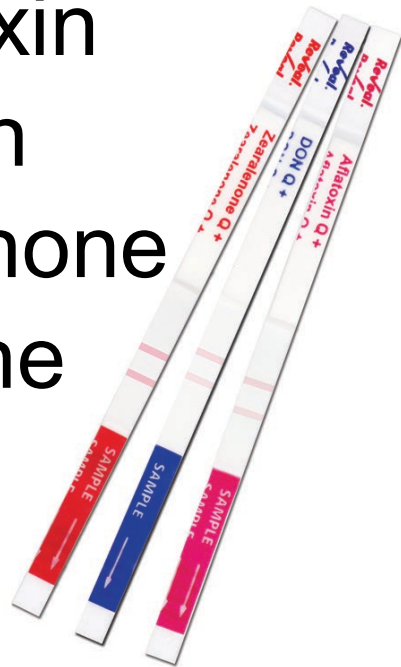
Pathogen Detection

- Detect deadly organisms that could be in animal feed or human food such as *Salmonella*, *E. coli*, *Listeria* and *Campylobacter*



Natural Toxins

- Aflatoxin
- DON
- Fumonisin
- Ochratoxin
- T-2 Toxin
- Zearalenone
- Histamine



Allergen Testing Solutions

- Almond, Casein, Cashew, Coconut, Crustacea, Egg, Gliadin, Gluten, Hazelnut, Mustard, Peanut, Pecan, Sesame, Soy, Total Milk, Tree Nuts, Walnuts

Reveal 3-D for Food Allergens



Drug Residue Tests

- Milk antibiotics
- Food animals
- Competitive animals



Spoilage Organism Detection

For Food and Nutraceuticals

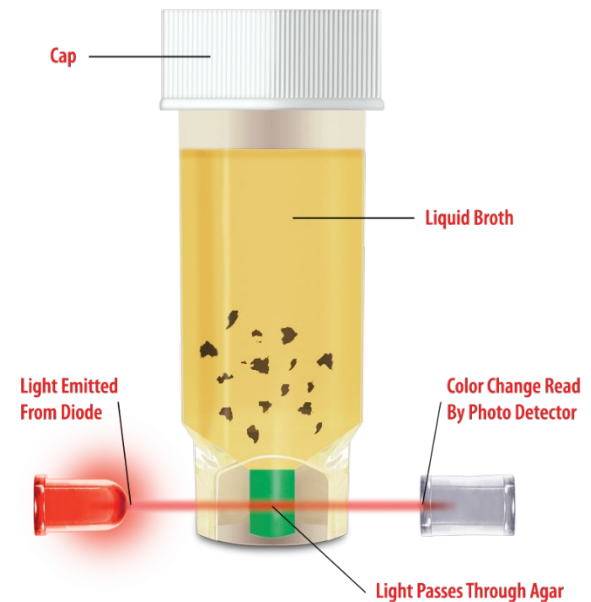
solaris[®]



BioLumix



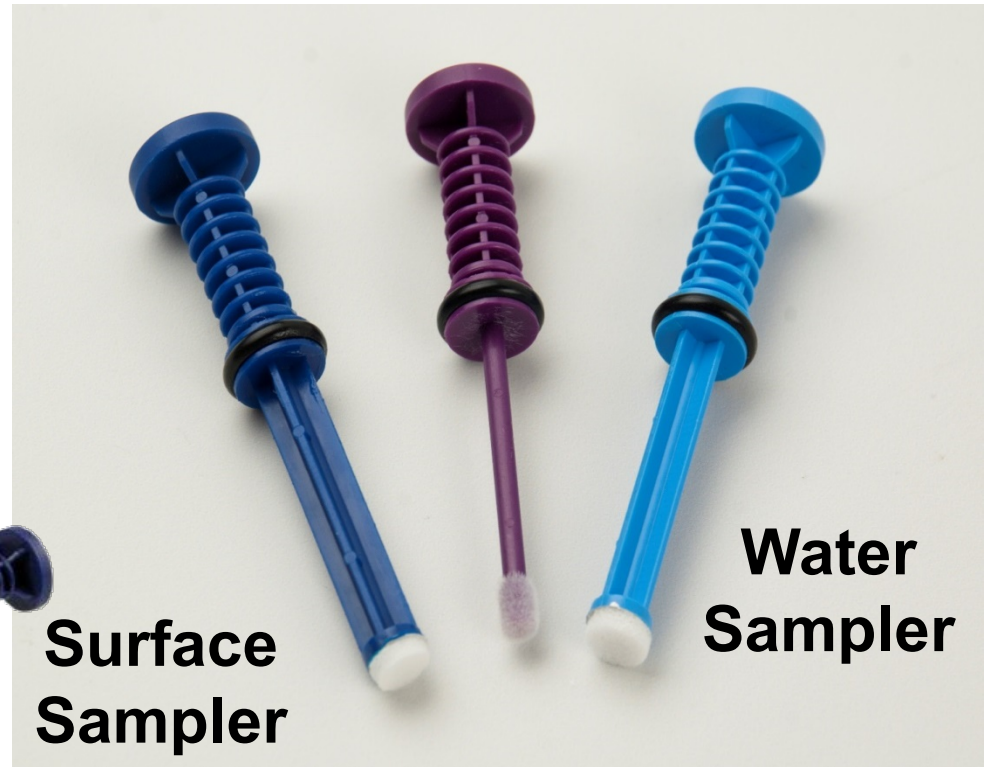
Hours not Days	Testing Times		
	Typical Sample Bioburden Level	Conventional Method	Soleris Method
Total Viable Count	100,000	48 hours	6-8 hours
Coliform	100	24 hours	9-10 hours
<i>E coli</i>	10	24 hours	7-10 hours
Yeast and Mold	10	5 days	40-48 hours
Lactics	100	3-5 days	30-35 hours



Bacterial & General Sanitation



**Access
Sampler**



**Surface
Sampler**

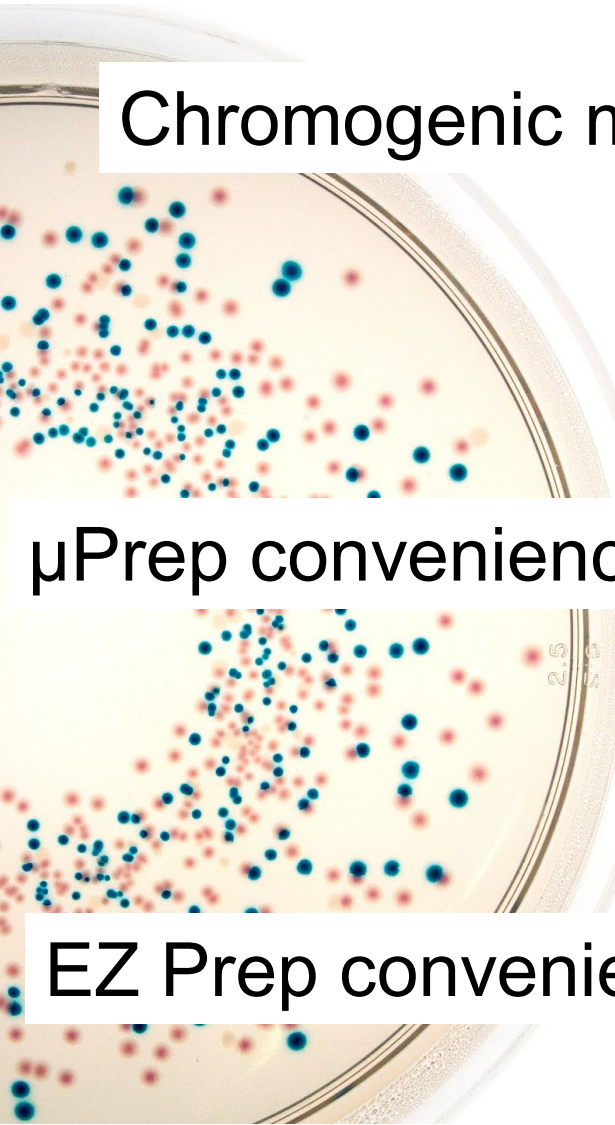
**Water
Sampler**

AccuPoint[®]
Advanced HC

- The ONLY system in the world with an AOAC approval
- Measures ATP to instantly verify sanitation system effectiveness
- Uniquely designed samplers provide consistent results
- Easy-to-implement RFID system

Neogen Culture Media

Chromogenic media



μPrep convenience media



μPREP™

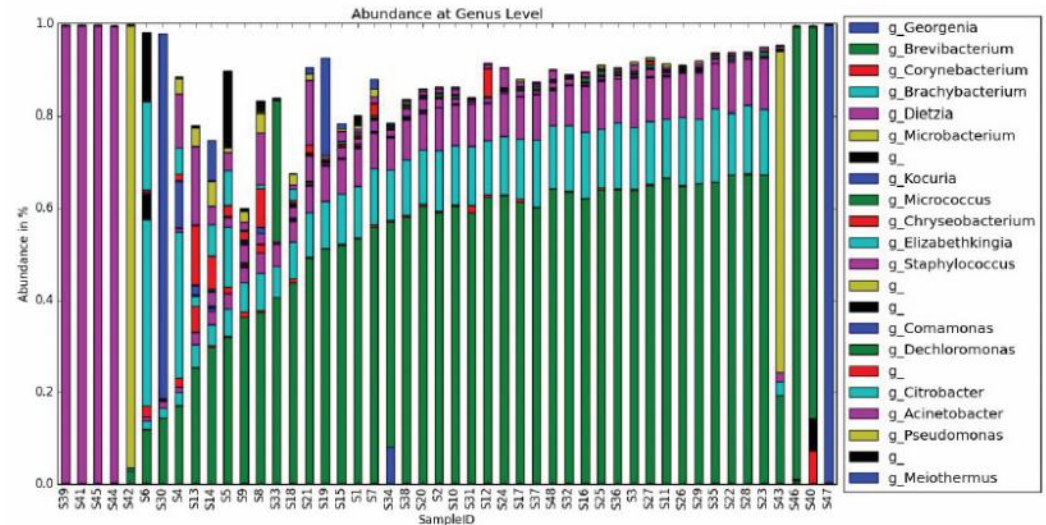


EZ Prep convenience media pouches

EZPrep™

Genomics Services

- Ran over 4 Million samples in FY 2019
- Breeding optimization
- Detecting microorganisms in a production environment
- Labs in Australia, Brazil, Scotland, Lincoln (Nebraska) AND now Canada



Products & Markets

- Our customers include the world's top food and animal producers and processors.
- Over four hundred products
- Thousands of SKUs



Smithfield



P&G

Sara Lee

Nestlé



ConAgra Foods



Strategy for Growth

- **Expanding Market Share**
- **Internally Developed Products**
- **Synergistic Acquisitions**
- **Expanding International Growth**

Competitive Advantage



Dedicated Sales and Marketing team fosters a 'relationship' business



Market Oriented Approach



Widest Product Array in the Industry



Superior Service and Support

Internally Developed Products

- *Listeria* Right Now
- Rapid *Listeria* test for Environmental Monitoring



- **Results in 1 hour**
- **No enrichment**



Internally Developed Products

Raptor[®] Integrated Analysis Platform



Synergistic Acquisitions

- 40 acquisitions since 2000

The logo for colitag features the word "colitag" in a bold, sans-serif font. The "col" is in blue and the "itag" is in a teal color. A blue teardrop shape is positioned below the letter "i".The logo for CENTRUS features the word "CENTRUS" in a bold, black, sans-serif font. Above the text is a red arc that curves over the letters. Below the text, it says "A NEOGEN® COMPANY".The logo for Beta star features the word "Beta" in blue and "star" in orange. To the right of the text is a stylized orange flame or drop shape. Below "star" is the word "BETASTAR" in a smaller font.The logo for Hacco features the word "Hacco" in a bold, black, sans-serif font. A red arc is positioned above the "H". Below the text, it says "A NEOGEN® COMPANY".The logo for ADGEN features the word "ADGEN" in a bold, blue, sans-serif font. Below the text, it says "A SUBSIDIARY OF NEOGEN® CORPORATION".The logo for Vero Mara features the words "Vero" and "Mara" in a blue, sans-serif font. A blue, wavy line is positioned between the two words.The logo for Ag-Tek features the words "Ag-Tek" in a bold, black, sans-serif font. A registered trademark symbol (®) is to the right of "Tek".The logo for SyrVet features a red circle with white diagonal stripes. Below the circle is the word "SyrVet" in a black, sans-serif font.The logo for acumedia features the word "acumedia" in a green, sans-serif font. Below the text, it says "A Subsidiary of Neogen® Corporation". To the right of the text is a green, curved shape.The logo for PRIMA TECH features the words "PRIMA" and "TECH" in a blue, sans-serif font. The text is arranged in a circular pattern around a central blue circle.The logo for International Diagnostic Systems features a green globe icon. To the right of the globe is the text "International Diagnostic Systems" in a green, sans-serif font. Below the text, it says "A Neogen® Company".The logo for GENESEEEK features a green DNA double helix icon. To the right of the icon is the word "GENESEEEK" in a bold, black, sans-serif font. Below the text, it says "a Neogen® Company".The logo for Igenity features a yellow DNA double helix icon. To the right of the icon is the word "Igenity" in a bold, black, sans-serif font. Below the text, it says "a Neogen® Company".The logo for PRESERVE INTERNATIONAL features a stylized "PI" icon. To the right of the icon is the word "PRESERVE" in a bold, black, sans-serif font. Below the text, it says "INTERNATIONAL".The logo for NEOGEN features a green DNA double helix icon. To the right of the icon is the word "NEOGEN" in a bold, green, sans-serif font.

Recent Acquisitions

- **University of Queensland - Animal Genomics Laboratory** (September, 2017) – Australia-based genomics lab, now Neogen Australasia.
- **Clarus Labs, Inc.** (August, 2018) – Water Microbiology Testing Technology that includes the patented Colitag™ water test, which detects dangerous coliform bacteria.
- **Livestock Genetic Services** (September, 2018) - Virginia-based company that specializes in genetic evaluations and data management for cattle breeding organizations
- **Delta Genomics** (January, 2019) – Edmonton based animal genomics laboratory

Neogen Canada
Edmonton Alberta



Neogen Europe
Ayr, Scotland
Heywood, England
Rochdale, England



Neogen Latinoamerica
Mexico City, Mexico



Neogen China
Shanghai, China
Beijing, China



Neogen India
Cochin, India



Neogen do Brasil
Sao Paulo, Brazil
Deoxi Biotecnologia
Araçatuba, Brazil
Rogama
Pindamonhangaba, Brazil



Neogen Australasia
Gatton, Australia

Corporate Headquarters
Food Safety Division,
Lansing, MI

Animal Safety Division
Lexington, KY

Hacco, Inc.
Randolph, WI

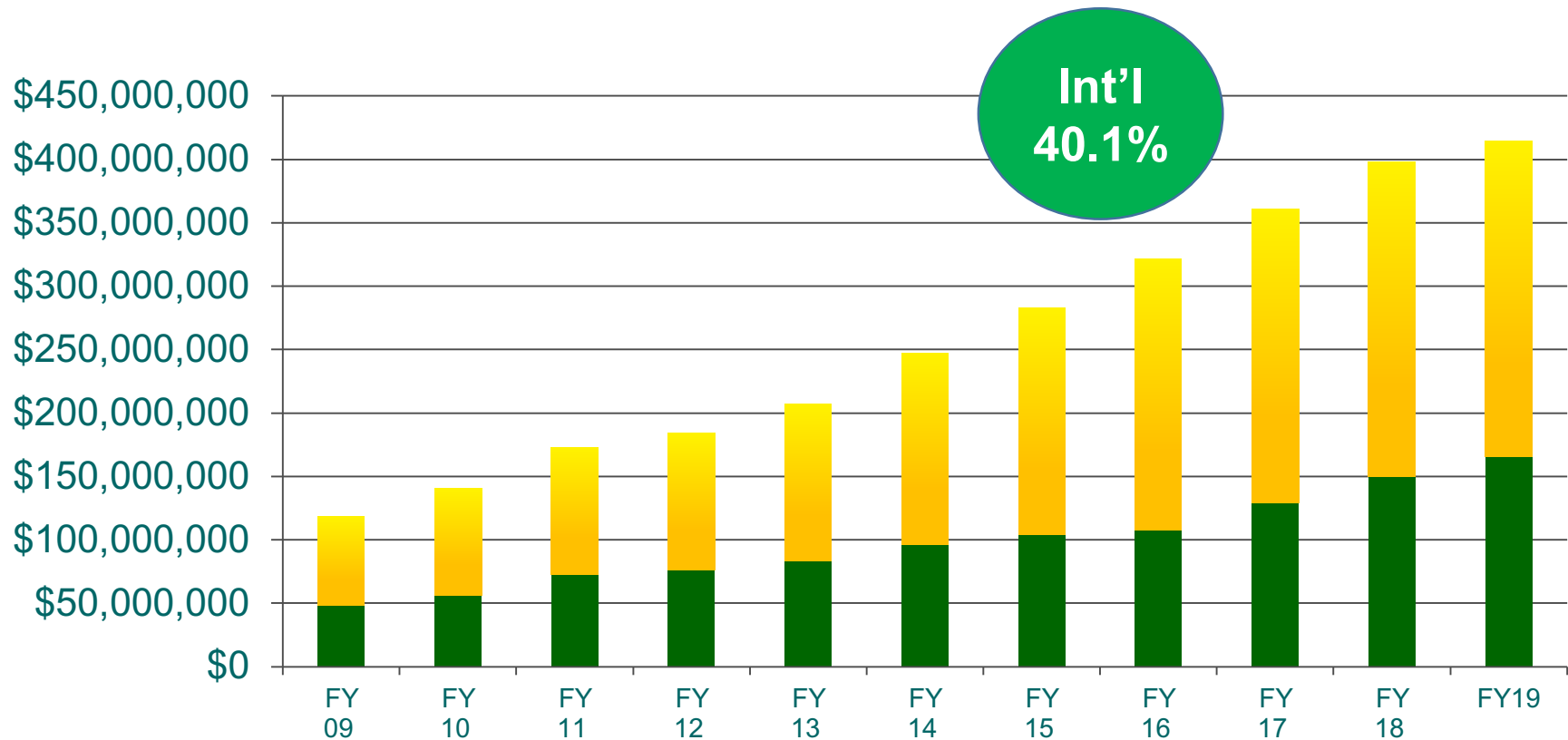
GeneSeek
Lincoln, NE

Prima Tech
Kenansville, NC

Chem-Tech
Pleasantville, IA

Preserve International
Memphis, TN
Turlock, CA

International Sales / Domestic



- **Sales in 146 Countries**
- **Direct-to-Market in the UK, Germany, France, Netherlands, Mexico, Brazil, India and China**
- **Changing Regulatory Environment**

Key Facts

Symbol	NEOG (Nasdaq)
Corporate Headquarters	Lansing, MI
Stock Price (8/16/2019) 52-Week Range	\$ 70.50 \$50.60 - \$97.38
Shares Outstanding	52,281,700
Market Capitalization	\$3.68 billion
Average Daily Volume (last 50 trading days)	238,794
Debt	\$0
Insider Ownership	2%
Institutional Ownership	92%
Full-time Employee Positions	1700
Fiscal Year	May 31
Accounting Firm	BDO USA, LLP

Selected P&L Data

	FY19	FY18	Q4FY19	Q4FY18
(in millions except EPS)			(5/31/19)	(5/31/18)
Revenues	\$414.2	\$397.9	\$109.7	\$108.1
Net Income	\$ 60.2	\$ 63.2	\$ 15.8	\$ 17.5
EPS	\$ 1.15	\$ 1.21	\$.30	\$.33
Gross Margin	46.3%	46.8%	46.0%	44.9%
Operating Income	16.4%	17.6%	17.1%	18.4%

Balance Sheet

(In thousands)	5/31/19	5/31/18
Assets		
Current assets	\$ 449,529	\$ 375,789
Other assets	<u>246,211</u>	<u>242,220</u>
Total assets	\$ 695,740	\$ 618,009
Liabilities & Stockholders' Equity		
Current liabilities	\$ 38,251	\$ 38,688
Long-term debt	0	0
Other long-term liabilities	19,590	19,146
Equity	<u>637,899</u>	<u>560,175</u>
Total liabilities & stockholders' equity	\$ 695,740	\$ 618,009

Financial Milestones

Revenues

- Increases in year-over-year quarterly comparisons for 109 of the past 114 quarters
- Last ten years – 10% CAGR

Net Income

- Profitable in each of the past 102 quarters
- 15 % growth for the past ten years

Investment Opportunity

- **Sustained Growth**
- **Consistent Business Execution**
- **Experienced Management Team**
- **Expanding Worldwide Markets**

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