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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended December 31, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____to _____

Commission file number 0-14902

MERIDIAN BIOSCIENCE, INC.

Incorporated under the laws of Ohio

31-0888197
(I.R.S. Employer Identification No.)

3471 River Hills Drive
Cincinnati, Ohio 45244
(513) 271-3700

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	VIVO	NASDAQ Global Select Market

Indicate by a check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding January 31, 2022
Common Stock, no par value	43,541,412

MERIDIAN BIOSCIENCE, INC. AND SUBSIDIARIES
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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides a safe harbor from civil litigation for forward-looking statements accompanied by meaningful cautionary statements. Except for historical information, this report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, which may be identified by words such as "continues", "estimates", "anticipates", "projects", "plans", "seeks", "may", "will", "expects", "intends", "believes", "signals", "should", "can" and similar expressions or the negative versions thereof and which also may be identified by their context. All statements that address operating performance or events or developments that Meridian Bioscience, Inc. ("Meridian" or "the Company") expects or anticipates will occur in the future, including, but not limited to, statements relating to per share diluted net earnings, sales, product demand, net revenues, operating margin, other guidance and the impact of COVID-19 on its business and prospects, are forward-looking statements. Such statements, whether expressed or implied, are based upon current expectations of the Company and speak only as of the date made. Specifically, Meridian's forward-looking statements are, and will be, based on management's then-current views and assumptions regarding future events and operating performance. Meridian assumes no obligation to publicly update or revise any forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized. These statements are subject to various risks, uncertainties and other factors that could cause actual results to differ materially, including, without limitation, the following:

Meridian's operating results, financial condition and continued growth depends, in part, on its ability to introduce into the marketplace enhancements of existing products or new products that incorporate technological advances, meet customer requirements and respond to products developed by Meridian's competition, its ability to effectively sell such products and its ability to successfully expand and effectively manage increased sales and marketing operations. While Meridian has introduced a number of internally developed products and acquired products, there can be no assurance that it will be successful in the future in introducing such products on a timely basis or in protecting its intellectual property, and unexpected or costly manufacturing costs associated with its introduction of new products or acquired products could cause actual results to differ from expectations. Meridian relies on proprietary, patented and licensed technologies. As such, the Company's ability to protect its intellectual property rights, as well as the potential for intellectual property litigation, would impact its results. Ongoing consolidations of reference laboratories and formation of multi-hospital alliances may cause adverse changes to pricing and distribution. Recessionary pressures on the economy and the markets in which the Company's customers operate, as well as adverse trends in buying patterns from customers, can change expected results. Costs and difficulties in complying with laws and regulations, including those administered by the United States Food and Drug Administration, can result in unanticipated expenses and delays and interruptions to the sale of new and existing products, as can the uncertainty of regulatory approvals and the regulatory process (including the FDA actions regarding the Company's LeadCare products). The international scope of Meridian's operations, including changes in the relative strength or weakness of the U.S. dollar and general economic conditions in foreign countries, can impact results and make them difficult to predict. One of Meridian's growth strategies is the acquisition of companies and product lines. There can be no assurance that additional acquisitions will be consummated or that, if consummated, will be successful and that the acquired businesses will be successfully integrated into Meridian's operations. There may be risks that acquisitions may disrupt operations and may pose potential difficulties in employee retention, and there may be additional risks with respect to Meridian's ability to recognize the benefits of acquisitions, including potential synergies and cost savings or the failure of acquisitions to achieve their plans and objectives. Meridian cannot predict the outcome of future goodwill impairment testing and the impact of possible goodwill impairments on Meridian's earnings and financial results. Meridian cannot predict the possible impact of any modification or repeal of any of the provisions of current U.S. health care legislation that might be initiated by Congress or the presidential administration, and any similar initiatives in other countries on its results of operations. Efforts to reduce the U.S. federal deficit, breaches of Meridian's information technology systems, trade wars, increased tariffs, and natural disasters and other events could have a materially adverse effect on Meridian's results of operations and net revenues. The Company can make no assurances that a material weakness in its internal control over financial reporting will not be identified in the future, which if identified and not properly corrected, could materially adversely affect its operations and result in material misstatements in its consolidated financial statements. Meridian also is subject to risks and uncertainties related to disruptions to or reductions in business operations or prospects due to pandemics, epidemics, widespread health emergencies, or outbreaks of infectious diseases such as COVID-19. In addition to the factors described in this paragraph, as well as those factors identified from time to time in the Company's filings with the Securities and Exchange Commission, Part I, Item 1A Risk Factors of the Company's most recent Annual Report on Form 10-K contains a list and description of uncertainties, risks and other matters that may affect the Company. Readers should carefully review these forward-looking statements and risk factors, and not place undue reliance on the Company's forward-looking statements.

PART I. FINANCIAL INFORMATION
Item 1. Financial Statements

MERIDIAN BIOSCIENCE, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations (Unaudited)
(dollar and share amounts in thousands, except per share data)

	Three Months Ended December 31,	
	2021	2020
NET REVENUES	$88,341	$92,917
COST OF SALES	39,182	31,369
GROSS PROFIT	49,159	61,548
OPERATING EXPENSES		
Research and development	6,194	5,651
Selling and marketing	7,741	7,021
General and administrative	14,660	11,938
Selected legal costs	281	1,227
Change in fair value of acquisition consideration	—	1,047
Total operating expenses	28,876	26,884
OPERATING INCOME	20,283	34,664
OTHER INCOME (EXPENSE)		
Interest income	1	9
Interest expense	(372)	(534)
RADx grant income	—	800
Other, net	(161)	(691)
Total other expense, net	(532)	(416)
EARNINGS BEFORE INCOME TAXES	19,751	34,248
INCOME TAX PROVISION	4,411	7,469
NET EARNINGS	$15,340	$26,779
BASIC EARNINGS PER COMMON SHARE	$ 0.35	$ 0.62
DILUTED EARNINGS PER COMMON SHARE	$ 0.35	$ 0.61
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - BASIC	43,439	43,098
EFFECT OF DILUTIVE STOCK OPTIONS AND RESTRICTED SHARE UNITS	589	681
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - DILUTED	44,028	43,779
ANTI-DILUTIVE SECURITIES:		
Common share options and restricted share units	425	258

The accompanying notes are an integral part of these condensed consolidated financial statements.

MERIDIAN BIOSCIENCE, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income (Unaudited)
(dollar amounts in thousands)

	Three Months Ended December 31,	
	2021	2020
NET EARNINGS	$15,340	$26,779
Other comprehensive (loss) income:		
Foreign currency translation adjustment	(58)	3,301
Unrealized gain on cash flow hedge	550	21
Reclassification of amortization of gain on cash flow hedge	—	(77)
Income taxes related to items of other comprehensive (loss) income	(135)	14
Other comprehensive income, net of tax	357	3,259
COMPREHENSIVE INCOME	$15,697	$30,038

The accompanying notes are an integral part of these condensed consolidated financial statements.

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MERIDIAN BIOSCIENCE, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows (Unaudited)
(dollar amounts in thousands)

	Three Months Ended December 31,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net earnings	$ 15,340	$ 26,779
Non-cash items included in net earnings:		
Depreciation of property, plant and equipment	1,700	1,508
Amortization of intangible assets	2,483	2,221
Stock-based compensation	1,903	1,241
Deferred income taxes	927	(852)
Change in fair value of acquisition consideration	—	1,047
Change in the following:		
Accounts receivable	9,424	(1,776)
Inventories	2,093	(5,941)
Prepaid expenses and other current assets	200	2,682
Accounts payable and accrued expenses	1,018	(5,826)
Income taxes payable	1,113	4,032
Other, net	(646)	6
Net cash provided by operating activities	35,555	25,121
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,708)	(2,086)
Payment of acquisition consideration holdback	—	(5,000)
Net cash used in investing activities	(1,708)	(7,086)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment on revolving credit facility	(10,000)	(10,000)
Payment of deferred financing costs	(404)	—
Proceeds from exercise of stock options	80	
Employee taxes paid upon net share settlement of restricted share units	(763)	—
Net cash used in financing activities	(11,087)	(10,000)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	198	1,644
Net Increase in Cash and Cash Equivalents	22,958	9,679
Cash and Cash Equivalents at Beginning of Period	49,771	53,514
Cash and Cash Equivalents at End of Period	$ 72,729	$ 63,193

The accompanying notes are an integral part of these condensed consolidated financial statements.

MERIDIAN BIOSCIENCE, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(dollar amounts in thousands)

ASSETS

	December 31, 2021 (Unaudited)	September 30, 2021
CURRENT ASSETS		
Cash and cash equivalents	$ 72,729	$ 49,771
Accounts receivable, less allowances of $1,293 and $1,078, respectively	44,300	53,568
Inventories, net	74,198	76,842
Prepaid expenses and other current assets	12,426	12,626
Total current assets	203,653	192,807
PROPERTY, PLANT AND EQUIPMENT, at Cost		
Land	987	989
Buildings and improvements	33,009	32,765
Machinery, equipment and furniture	79,438	78,410
Construction in progress	10,352	9,991
Subtotal	123,786	122,155
Less: accumulated depreciation and amortization	80,500	78,941
Property, plant and equipment, net	43,286	43,214
OTHER ASSETS		
Goodwill	114,713	114,668
Other intangible assets, net	81,658	84,151
Right-of-use assets, net	5,431	5,786
Deferred income taxes	8,813	8,731
Other assets	1,086	365
Total other assets	211,701	213,701
TOTAL ASSETS	$ 458,640	$ 449,722

The accompanying notes are an integral part of these condensed consolidated financial statements.

MERIDIAN BIOSCIENCE, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(dollar amounts in thousands)

LIABILITIES AND SHAREHOLDERS' EQUITY

	December 31, 2021 (Unaudited)	September 30, 2021
CURRENT LIABILITIES		
Accounts payable	$ 16,293	$ 11,701
Accrued employee compensation costs	12,029	16,853
Accrued product recall costs	4,269	5,100
Acquisition consideration	1,000	—
Current operating lease obligations	2,057	1,990
Current government grant obligations	765	638
Other accrued expenses	8,667	7,027
Income taxes payable	4,866	3,848
Total current liabilities	49,946	47,157
NON-CURRENT LIABILITIES		
Acquisition consideration	—	1,000
Post-employment benefits	2,169	2,253
Long-term operating lease obligations	3,529	3,932
Long-term debt	50,000	60,000
Government grant obligations	5,068	5,176
Long-term income taxes payable	469	469
Deferred income taxes	2,067	1,055
Other non-current liabilities	173	378
Total non-current liabilities	63,475	74,263
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY		
Preferred stock, no par value; 1,000,000 shares authorized; none issued	—	—
Common shares, no par value; 71,000,000 shares authorized, 43,514,258 and 43,361,898 shares issued and outstanding, respectively	—	—
Additional paid-in capital	148,623	147,403
Retained earnings	196,041	180,701
Accumulated other comprehensive income	555	198
Total shareholders' equity	345,219	328,302
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 458,640	$ 449,722

The accompanying notes are an integral part of these condensed consolidated financial statements.

MERIDIAN BIOSCIENCE, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Shareholders' Equity (Unaudited)
(dollar and share amounts in thousands)

	Common Shares	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balance at September 30, 2021	43,362	$ 147,403	$ 180,701	$ 198	$ 328,302
Conversion of restricted share units and exercise of stock options	152	(683)	—	—	(683)
Stock compensation expense	—	1,903	—	—	1,903
Net earnings	—	—	15,340	—	15,340
Foreign currency translation adjustment	—	—	—	(58)	(58)
Hedging activity, net of tax	—	—	—	415	415
Balance at December 31, 2021	43,514	$ 148,623	$ 196,041	$ 555	$ 345,219
Balance at September 30, 2020	43,069	$ 140,195	$ 109,294	$ (1,860)	$ 247,629
Conversion of restricted share units and exercise of stock options	55	(41)	—	—	(41)
Stock compensation expense	—	1,241	—	—	1,241
Net earnings	—	—	26,779	—	26,779
Foreign currency translation adjustment	—	—	—	3,301	3,301
Hedging activity, net of tax	—	—	—	(42)	(42)
Balance at December 31, 2020	43,124	$ 141,395	$ 136,073	$ 1,399	$ 278,867

The accompanying notes are an integral part of these condensed consolidated financial statements.

MERIDIAN BIOSCIENCE, INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
Dollars in Thousands, Except Per Share Amounts
(Unaudited)

1. Nature of Business

Meridian Bioscience, Inc. ("Meridian" or "the Company") was formed in 1976 and functions as a fully-integrated life science company with principal businesses in: (i) the development, manufacture, sale and distribution of diagnostic testing systems and kits, primarily for certain gastrointestinal and respiratory infectious diseases, and elevated blood lead levels; and (ii) the manufacture and distribution of bulk antigens, antibodies, immunoassay blocking reagents, various Polymerase Chain Reaction ("PCR") master mixes, and bioresearch reagents used by other diagnostic manufacturers and researchers.

Our reportable segments are Diagnostics and Life Science. The Diagnostics segment consists of: (i) manufacturing operations for infectious disease products in Cincinnati, Ohio; Quebec City, Canada; and Modi'in, Israel; (ii) manufacturing operations for blood chemistry products in Billerica, Massachusetts; and (iii) the sale and distribution of diagnostics products domestically and abroad. This segment's products are used by hospitals, reference labs and physician offices to detect infectious diseases and elevated lead levels in blood.

The Life Science segment consists of: (i) manufacturing operations in Memphis, Tennessee; Boca Raton, Florida; London, England; and Luckenwalde, Germany; and (ii) the sale and distribution of bulk antigens, antibodies, PCR/qPCR reagents, nucleotides, and bioresearch reagents domestically and abroad, including a sales and business development facility, with outsourced distribution capabilities, in Beijing, China to pursue revenue opportunities in Asia. This segment's products are used by manufacturers and researchers in a variety of applications (e.g., in vitro medical device manufacturing, microRNA detection, next-generation sequencing, plant genotyping, and mutation detection, among others).

2. Basis of Presentation

The Condensed Consolidated Financial Statements are unaudited and are prepared in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP") for interim financial information, and the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. In the opinion of Management, the Condensed Consolidated Financial Statements include all normal adjustments and disclosures necessary to present fairly the Company's consolidated financial position as of December 31, 2021, and the results of its operations, cash flows, and shareholders' equity for the three months ended December 31, 2021 and 2020. These Condensed Consolidated Financial Statements should be read in conjunction with the audited consolidated financial statements and footnotes thereto included in the Company's fiscal 2021 Annual Report on Form 10-K, filed with the SEC on November 23, 2021.

It should be noted that the terms revenue and/or revenues are utilized throughout these notes to the Condensed Consolidated Financial Statements to indicate net revenue and/or net revenues.

The consolidated results of operations for interim periods are not necessarily indicative of the results to be expected for the year. The preparation of these Condensed Consolidated Financial Statements in conformity with GAAP requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the Condensed Consolidated Financial Statements and the reported amounts of revenues and expenses during the period. Included within these estimates are those related to the ongoing impacts of the COVID-19 pandemic, which has had both positive and negative effects on our business; positive effects on our Life Science segment and negative effects on our Diagnostics segment. Actual results could differ from the estimates made by management.

3. Significant Accounting Policies

A summary of the Company's significant accounting policies is included in Note 1 to the audited consolidated financial statements of the Company's fiscal 2021 Annual Report on Form 10-K, filed with the SEC on November 23, 2021, and should be referred to for a description of the Company's significant accounting policies.

(a) Recent Accounting Pronouncements –

Pronouncements Adopted

On October 1, 2021, the Company adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* ("ASU 2019-12"), which clarified and simplified accounting for income taxes by eliminating certain exceptions for intraperiod tax allocation principles, the methodology for calculating income tax rates in an interim period, and recognition of deferred taxes for outside basis differences in an investment, among other updates. Adoption of ASU 2019-12 did not have a material impact on the Condensed Consolidated Financial Statements.

Pronouncements Issued but Not Yet Adopted as of December 31, 2021

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* , to provide temporary optional guidance relating to reference rate reform, particularly as it relates to easing the potential burden resulting from the expected discontinuation of the London Interbank Offered Rate ("LIBOR"). The guidance provides practical expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met, which may be applied through December 31, 2022. The Company continues to evaluate the impacts of this guidance but does not expect its application to have a material impact on the Condensed Consolidated Financial Statements.

No other new accounting pronouncements recently adopted or issued had or are expected to have a material impact on the Condensed Consolidated Financial Statements.

(b) Reclassifications –

Certain reclassifications have been made to the prior year Condensed Consolidated Financial Statements to conform to the current year presentation. Such reclassifications had no impact on net earnings or shareholders' equity.

4. Revenue Recognition

Revenue Disaggregation

The following tables present our net revenues disaggregated by major geographic region, major product platform and disease state (Diagnostics segment only):

Net Revenues by Reportable Segment & Geographic Region

	Three Months Ended December 31,		
	2021	2020	Inc (Dec)
Diagnostics-			
Americas	$ 26,613	$ 23,551	13%
EMEA	6,093	6,020	1%
ROW	498	750	(34)%
Total Diagnostics	33,204	30,321	10%
Life Science-			
Americas	8,137	18,755	(57)%
EMEA	28,648	32,311	(11)%
ROW	18,352	11,530	59%
Total Life Science	55,137	62,596	(12)%
Consolidated	$ 88,341	$ 92,917	(5)%

Net Revenues by Product Platform/Type

	Three Months Ended December 31,		
	2021	2020	Inc (Dec)
Diagnostics-			
Molecular assays	$ 4,752	$ 4,590	4%
Non-molecular assays	28,452	25,731	11%
Total Diagnostics	$ 33,204	$ 30,321	10%
Life Science-			
Molecular reagents	$ 31,488	$ 46,029	(32)%
Immunological reagents	23,649	16,567	43%
Total Life Science	$ 55,137	$ 62,596	(12)%

Net Revenues by Disease State (Diagnostics segment only)

	Three Months Ended December 31,		
	2021	2020	Inc (Dec)
Diagnostics-			
Gastrointestinal assays	$ 21,619	$ 15,452	40%
Respiratory illness assays	6,380	4,806	33%
Blood chemistry assays	78	4,394	(98)%
Other	5,127	5,669	(10)%
Total Diagnostics	$ 33,204	$ 30,321	10%

Royalty Income

Royalty income received from a third party related to sales of *H. pylori* products, totaled approximately $1,040 and $860 in the three months ended December 31, 2021 and 2020, respectively. Such revenue is included as part of Non-molecular assays and Other within the Net Revenues by Product Platform/Type and Net Revenues by Disease State tables, respectively, above.

Reagent Rental Arrangements

Revenue allocated to the lease elements of Reagent Rental arrangements totaled approximately $ 995 and $ 880 in the three months ended December 31 , 2021 and 2020 , respectively. Such revenue is included as part of net revenues in our Condensed Consolidated Statements of Operations.

5. Fair Value Measurements

To limit exposure to volatility in the LIBOR interest rate, the Company has entered into interest rate swap agreements, which effectively convert the variable interest rate on the outstanding revolving credit facility discussed in Note 12 to a fixed rate. The fair values of the interest rate swap agreements were determined by reference to a third-party valuation, which is considered a Level 2 input within the fair value hierarchy of valuation techniques, and totaled a $347 asset and a $203 liability, as of December 31, 2021 and September 30, 2021, respectively.

As indicated in Note 6, we acquired the BreathTek business on July 31, 2021. The fair values of inventories acquired were valued using Level 2 inputs, which included data points that were observable, such as established values of comparable assets and historical sales information (market approach). Identifiable intangible assets, specifically the acquired customer relationships, were valued using Level 3 inputs, which are unobservable by nature, and included internal estimates of future cash flows and attrition rates (income approach). Significant increases (decreases) in any of those unobservable inputs, as of the date of the acquisition, in isolation would result in a significantly lower (higher) fair value measurement.

6. Business Combinations

On July 31 , 2021 (“the BreathTek acquisition date”), we acquired the BreathTek business, a urea breath test for the detection of *H. pylori* , from Otsuka America Pharmaceutical, Inc. Cash consideration totaled $19,585, subject to a $1,000 holdback, which is recorded in acquisition consideration on the Condensed Consolidated Balance Sheets, to secure the selling party’s performance of certain post-closing obligations that is payable 15 months following the BreathTek acquisition date. As part of the acquisition, we acquired BreathTek inventories and assumed the customer relationships to supply the BreathTek product in North America. The acquired inventories and customer relationships were valued on July 31, 2021 on a preliminary basis, at $9,855 and $9,730, respectively, with the useful life of the customer relationships estimated at five years . There have been no material purchase price adjustments to the preliminary inventories and customer relationships values through December 31, 2021. The Company’s consolidated results for the three-month period ended December 31, 2021 include $5,611 of net revenues from sales of BreathTek products, which contributed approximately $1,600 of net earnings. These results, which are reported as part of the Diagnostics segment, include amortization expense related to the customer relationships recorded in the purchase price allocation totaling $486.

The following table provides the unaudited consolidated pro forma results for the periods presented as if the BreathTek business had been acquired as of the beginning of fiscal 2021:

Three Months Ended December 31,	2021	2020
Net revenues	$88,341	$97,824
Net earnings	15,340	28,014

7. Lead Testing Matters

On September 1, 2021, the Company’s wholly owned subsidiary Magellan announced the expansion of a Class I voluntary recall of its LeadCare test kits for the detection of lead in blood, which it had initiated in May 2021. Customers generally run controls when they receive a new lot of product and reported to us that the control results were outside of specified ranges. As a result of the identified issue, impacted test kit lots could potentially underestimate blood lead levels when processing patient blood samples. Although it was initially believed that the root cause of the issue related to the plastic containers used for the treatment reagent, additional studies have indicated that the root cause relates to the third-party-sourced cardboard trays that hold the containers used for the treatment reagent. The Company continues to work closely with the FDA in its execution of the recall activities, which include notifications to customers and distributors, and providing instructions for the return of impacted test kits. The evaluation of the recall, the related notification process and correction of the identified supplier issue is ongoing. Of the approximate $5,100 estimated and accrued as of September 30, 2021 to cover the estimated costs of the recall, approximately $4,300 remains accrued and is reflected in the Condensed Consolidated Balance Sheet as of December 31, 2021. Anticipated recall-related costs, which primarily include product replacement and/or refund costs, mailing/shipping costs, attorneys’ fees, and other miscellaneous costs are estimated based upon the most recent information available. Information utilized in the accrual estimation process includes observable inputs such as customer on-hand inventory data, product sales data, average sales price, and product inventory turns, among other things. Available information is subject to change as the recall period extends, and such changes will be recorded in the period known. There have been no material changes in estimates related to the LeadCare recall reserve during the three months ended December 31, 2021.

As previously disclosed, o n April 17, 2018 , the Company’s wholly owned subsidiary Magellan received a subpoena from the U.S. Department of Justice (“DOJ”) regarding its LeadCare product line. The subpoena outlined documents to be produced, and the Company is cooperating with the DOJ in this matter. The Company maintains rigorous policies and procedures to promote compliance with applicable regulatory agencies and requirements, and is working with the DOJ to promptly respond to the subpoena, including responding to additional information requests that have followed receipt of the subpoena in April 2018. The Company has executed tolling agreements to extend the statute of limitations. In March and April 2021, DOJ issued two subpoenas calling for witnesses to testify before a federal grand jury related to this matter. The March 2021 subpoena was issued to a former employee of Magellan, and the April 2021 subpoena was issued to a current employee of Magellan. In September and October 2021, DOJ issued additional subpoenas to individuals seeking testimony and documents in connection with its ongoing investigation. It is the Company’s understanding that multiple witnesses have testified before the federal grand jury and the DOJ’s activity before the federal grand jury is ongoing. The Company cannot predict when the investigation will be resolved, the outcome of the investigation, or its potential impact on the Company. Approximately $281 and $1,227 of expense for attorneys’ fees related to this matter is included within the Condensed Consolidated Statements of Operations for the three months ended December 31, 2021 and 2020, respectively.

8. Cash and Cash Equivalents

Cash and cash equivalents include the following:

	December 31, 2021	September 30, 2021
Institutional money market funds	$ 1,020	$ 1,020
Cash on hand, unrestricted	71,709	48,751
Total	$ 72,729	$ 49,771

Cash equivalents, institutional money market funds, are classified within Level 1 of the fair value hierarchy. Financial instruments classified as Level 1 are based on quoted market prices in active markets. The Company does not adjust the quoted market price for such financial instruments.

9. Inventories, Net

Inventories, net, are comprised of the following:

	December 31, 2021	September 30, 2021
Raw materials	$ 15,104	$ 14,843
Work-in-process	21,479	25,072
Finished goods - instruments	2,699	2,260
Finished goods - kits and reagents	34,916	34,667
Total	$ 74,198	$ 76,842

10. Goodwill and Other Intangible Assets, Net

Goodwill is not amortized but is subject to an annual impairment test. Goodwill has been assigned to reporting units within the reportable segments. The Company assesses the carrying value of goodwill annually, or more often if events or changes in circumstances indicate there may be impairment. Impairment testing is performed at a reporting unit level. During the three months ended December 31, 2021, goodwill increased $45, reflecting: (i) a $4 increase from the currency translation adjustment on goodwill in the Diagnostics segment; and (ii) a $41 increase from the currency translation adjustment on goodwill in the Life Science segment. During the three months ended December 31, 2021, the Company did not observe any triggering events or substantive changes in circumstances requiring the need for an interim impairment assessment.

A summary of other intangible assets, net, subject to amortization is as follows:

	December 31, 2021		September 30, 2021	
	Gross Carrying Value	Accumulated Amortization	Gross Carrying Value	Accumulated Amortization
Manufacturing technologies, core products and cell lines	$ 62,421	$ 23,592	$ 62,416	$ 22,633
Trade names, licenses and patents	18,495	9,806	18,489	9,492
Customer lists, customer relationships and supply agreements	54,954	20,887	54,941	19,649
Non-compete agreements	110	37	110	31
Total	$ 135,980	$ 54,322	$ 135,956	$ 51,805

The aggregate amortization expense for these other intangible assets was $2,483 and $2,221 for the three months ended December 31, 2021 and 2020 , respectively. The estimated aggregate amortization expense for these other intangible assets for each of the fiscal years through fiscal 2027 is as follows: remainder of fiscal 2022 – $7,455, fiscal 2023 – $9,925, fiscal 2024 – $9,920, fiscal 2025 – $9,915, fiscal 2026 – $8,920, and fiscal 2027 – $6,645.

11. Leasing Arrangements

The Company is party to several operating leases, the majority of which are related to office, warehouse and manufacturing space. The related operating lease assets and obligations are reflected within right-of-use assets, net, current operating lease obligations, and long-term operating lease obligations on the Condensed Consolidated Balance Sheets. Lease expense for these leases is recognized on a straight-line basis over the lease term, with variable lease payments recognized in the period those payments are incurred.

The lease costs for these operating leases reflected in our Condensed Consolidated Statements of Operations, as well as the right-of-use assets, net, obtained during these periods in exchange for operating lease liabilities, are as follows:

Three Months Ended December 31,	2021	2020
Lease costs within cost of sales	$225	$158
Lease costs within operating expenses	388	374
Right-of-use assets, net , obtained in exchange for operating lease liabilities	218	80

In addition, the Company periodically enters into other short-term operating leases, generally with an initial term of twelve months or less. These leases are not recorded on the Condensed Consolidated Balance Sheets and the related lease expense is immaterial for the three months ended December 31, 2021 and 2020.

The Company often has options to renew lease terms, with the exercise of lease renewal options generally at the Company's sole discretion. In addition, certain lease arrangements may be terminated prior to their original expiration date at our discretion. We evaluate renewal and termination options at the lease commencement date to determine if we are reasonably certain to exercise the option on the basis of economic factors. The discount rate implicit within our leases is generally not determinable and, therefore, the Company uses its incremental borrowing rate as the basis for its discount rate.

The weighted average remaining lease term for our operating leases and the weighted average discount rate used to measure our operating leases were as follows:

	December 31, 2021	September 30, 2021
Weighted average remaining lease term	3.3 years	3.6 years
Average discount rate	3.2%	3.2%

Maturities of lease liabilities by fiscal year for the Company's operating leases were as follows as of December 31, 2021:

2022 (represents remainder of fiscal year)	$1,687
2023	1,690
2024	1,218
2025	908
2026	316
Thereafter	62
Total lease payments	5,881
Less amount of lease payments representing interest	(295)
Total present value of lease payments	$5,586

Supplemental cash flow information related to the Company's operating leases is as follows:

Three Months Ended December 31,	2021	2020
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$627	$494

12. Bank Credit Arrangements

The Company maintains a revolving credit facility with a commercial bank, which on October 25, 2021, was amended primarily to: (i) increase the borrowing capacity from $150,000 to $200,000; (ii) extend the term from May 24, 2024 to October 25, 2026; and (iii) modify the financial covenants to more closely align with the Company's size and strategic plans. Other provisions of the credit facility remain unchanged. Outstanding principal amounts bear interest at a fluctuating rate tied to, at the Company's option, either the federal funds rate or LIBOR, resulting in an effective interest rate of 2.22% and 2.54% on the revolving credit facility during the three months ended December 31, 2021 and 2020, respectively. In light of the interest being determined on a variable rate basis, the fair value of the borrowings under the revolving credit facility at both December 31, 2021 and September 30, 2021, approximates the current carrying value reflected in the Condensed Consolidated Balance Sheets of $50,000 and $60,000, respectively, which is consistent with a level 2 fair value measurement.

The revolving credit facility is collateralized by the business assets of the Company's U.S. subsidiaries and requires compliance with financial covenants that limit the amount of debt obligations and require a minimum level of coverage of fixed charges, as defined in the revolving credit facility agreement. As of December 31, 2021, the Company was in compliance with all covenants.

13. Contingent Obligations and Non-Current Liabilities

In connection with the acquisition of Exalenz Bioscience Ltd. ("Exalenz") in fiscal 2020, the Company assumed several Israeli government grant obligations. The repayment of the grants, along with interest incurred at varying stated fixed rates based on LIBOR at the time each grant was received, is not dictated by an established repayment schedule. Rather, the grants and related interest are required to be repaid using 3% of the net revenues generated from the sales of BreathID products, with the timing of repayment contingent upon the level and timing of such revenues. In addition, the grants have no collateral or financial covenant provisions generally associated with traditional borrowing instruments. T hese obligation amounts total $5,833 and $5,814 as of December 31, 2021 and September 30, 2021, respectively, bearing interest at rates ranging from 0.58% to 2.02%.

The grant obligations are reflected in the Condensed Consolidated Balance Sheets as follows:

	December 31, 2021	September 30, 2021
Current liabilities	$ 765	$ 638
Non-current liabilities	$ 5,068	$ 5,176

Additionally, the Company has provided certain post-employment benefits to its former Chief Executive Officer, and these obligations total $1,639 and $1,676 at December 31, 2021 and September 30, 2021, respectively. In addition, the Company is required by the governments of certain foreign countries in which we operate to maintain a level of accruals for potential future severance indemnity. These accruals total $707 and $754 at December 31, 2021 and September 30, 202 1 , respectively.

14. National Institutes of Health Contracts

In December 2020, the Company entered into a sub-award grant contract with the University of Massachusetts Medical School as part of the National Institutes of Health Rapid Acceleration of Diagnostics ("RADx") initiative to support the Company's research and development of its diagnostic test for the SARS-CoV-2 antigen. During fiscal 2021, the Company received $1,000 under the grant contract for reimbursement of eligible research and development expenditures, $800 of which was received during the three months ended December 31, 2020 and is included within other income (expense) in the Condensed Consolidated Statement of Operations for that period.

Effective February 1, 2021, the Company entered into a second grant contract under the RADx initiative, the purpose of which is to support the Company's manufacturing production scale-up and expansion to meet the demand for COVID-19 testing. The contract is a twelve-month service contract, with payment of up to $5,500 being made based on the Company achieving key milestones related to increasing its capacity to produce COVID-19 tests. As of December 31, 2021: (i) $1,500 has been received related to this contract and is reflected as a reduction in the cost of equipment within construction in progress on the Condensed Consolidated Balance Sheet; and (ii) the Company was in the process of finalizing an amendment to the grant, which among other things, would increase the grant by $ 2,500 to a total of $ 8,000 and extend the term by 12 months (see Note 17 for discussion of subsequent amendment to the grant).

15. Reportable Segment and Major Customers Information

The Company's reportable segments maintain separate financial information for which results of operations are evaluated on a regular basis by the Company's chief operating decision maker in deciding how to allocate resources and in assessing performance.

The Company records the direct costs of business operations to the reportable segments, including allocations for certain corporate-wide costs such as treasury management, human resources and technology, among others. Corporate provides certain executive management and administrative services to each reportable segment. These services primarily include executive oversight by non-segment-specific executives, including the Board of Directors, along with certain other corporate-wide support functions such as insurance, legal and business development. The Company generally does not allocate these types of corporate expenses to the reportable segments.

Reportable segment and corporate information for the interim periods is as follows:

	Diagnostics	Life Science	Corporate [1]	Eliminations [2]	Total
Three Months Ended December 31, 2021					
Net revenues -					
Third-party	$ 33,204	$ 55,137	$ —	$ —	$ 88,341
Inter-segment	34	55	—	(89)	—
Operating (loss) income	(2,612)	26,517	(3,637)	15	20,283
Goodwill (December 31, 2021)	94,908	19,805	—	—	114,713
Other intangible assets, net (December 31, 2021)	81,656	2	—	—	81,658
Total assets (December 31, 2021)	352,318	106,339	—	(17)	458,640
Three Months Ended December 31, 2020					
Net revenues -					
Third-party	$ 30,321	$ 62,596	$ —	$ —	$ 92,917
Inter-segment	69	18	—	(87)	—
Operating (loss) income	(1,182)	39,797	(3,963)	12	34,664
Goodwill (September 30, 2021)	94,904	19,764	—	—	114,668
Other intangible assets, net (September 30, 2021)	84,149	2	—	—	84,151
Total assets (September 30, 2021)	339,208	110,536	—	(22)	449,722

(1) Includes selected legal costs of $281 and $1,227 in the three months ended December 31, 2021 and 2020, respectively.
(2) Eliminations consist of inter-segment transactions.

A reconciliation of reportable segment operating (loss) income to consolidated earnings before income taxes for the three months ended December 31, 2021 and 2020, is as follows:

Three Months Ended December 31,	2021	2020
Operating (loss) income:		
Diagnostics segment	$ (2,612)	$ (1,182)
Life Science segment	26,517	39,797
Eliminations	15	12
Total operating income	23,920	38,627
Corporate expenses	(3,637)	(3,963)
Interest income	1	9
Interest expense	(372)	(534)
RADx initiative grant income	—	800
Other, net	(161)	(691)
Consolidated earnings before income taxes	$19,751	$34,248

Transactions between reportable segments are accounted for at established intercompany prices for internal and management purposes, with all intercompany amounts eliminated in consolidation.

Net revenues generated by the Company's three major Diagnostics segment product families – gastrointestinal, respiratory illnesses and blood chemistry – accounted for 32% and 27% of consolidated net revenues during the three months ended December 31, 2021 and 2020, respectively.

Three individual Diagnostics and two Life Science segment customers, including their affiliates, comprising 10% or more of reportable segment net revenues were as follows:

Three Months Ended December 31,	2021	2020
Diagnostics		
Customer A	10%	12%
Customer B	11%	10%
Customer C	11%	11%
Life Science		
Customer D	14%	19%
Customer E	23%	2%

In addition, the two Life Science segment customers, including their affiliates, identified above accounted for greater than 10% of consolidated net revenues as follows:

Three Months Ended December 31,	2021	2020
Life Science		
Customer D	9%	13%
Customer E	14%	2%

No individual Diagnostics segment customer accounted for greater than 10% of consolidated net revenues during the three months ended December 31, 2021 or 2020.

During the three months ended December 31, 2021 and 2020, the Life Science segment's ten largest customers, including their affiliates, accounted for approximately 67% and 55%, respectively, of Life Science segment net revenues, and 42% and 37%, respectively, of consolidated net revenues.

No Diagnostics or Life Science segment customer accounted for greater than 10% of consolidated accounts receivable as of December 31, 2021, while one Diagnostics segment customer (Customer B above) and one Life Science segment customer (Customer D above) accounted for approximately 12% and 10%, respectively, of consolidated accounts receivable as of September 30, 2021.

16. Income Taxes

The effective rate for income taxes was approximately 22% for each of the three months ended December 31, 2021 and 2020.

17. Subsequent Event

On January 25, 2022, the Company entered into an amended grant contract under the RADx initiative. The purpose of this grant is to support the Company's manufacturing production scale-up and expansion to meet the demand for COVID-19 testing, as well as the Company's Revogene respiratory assay. The amended contract is a twelve-month service contract through January 2023, with payment of up to an additional $2,500 being made based on the Company achieving key milestones related to increasing its capacity to produce COVID-19 tests and the Revogene respiratory assay, bringing the total possible payment under the grant to $8,000.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Refer to "Forward-Looking Statements" following the Table of Contents in front of this Form 10-Q. In the discussion that follows, all dollar amounts are in thousands (both tables and text), except per share data.

The purpose of Management's Discussion and Analysis is to provide an understanding of the financial condition, changes in financial condition and results of operations of Meridian Bioscience, Inc. ("Meridian", the "Company", "We"). This discussion should be read in conjunction with the Condensed Consolidated Financial Statements and notes. It should be noted that the terms revenue and/or revenues are utilized throughout the Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") to indicate net revenue and/or net revenues. In addition, throughout the MD&A, we refer to certain product tradenames and trademarks, which are protected under applicable intellectual property laws and are our property. Solely for convenience, these tradenames and trademarks are referred to without the ® or ™ symbols, but such references are not intended to indicate in any way that we will not assert, to the fullest extent of the law, our rights to these tradenames and trademar ks.

Reportable Segments

Our reportable segments are Diagnostics and Life Science. The Diagnostics segment consists of manufacturing operations for infectious disease products in Cincinnati, Ohio; Quebec City, Canada; and Modi'in, Israel; and manufacturing operations for blood chemistry products in Billerica, Massachusetts. These diagnostic test products are sold and distributed in the countries comprising North and Latin America (the "Americas"); Europe, Middle East and Africa ("EMEA"); and other countries outside of the Americas and EMEA (rest of the world, or "ROW"). The Life Science segment consists of manufacturing operations in Memphis, Tennessee; Boca Raton, Florida; London, England; and Luckenwalde, Germany, and the sale and distribution of bulk antigens, antibodies, immunoassay blocking reagents, various Polymerase Chain Reaction ("PCR") master mixes, and bioresearch reagents domestically and abroad, including a sales and business development facility, with outsourced distribution capabilities, in Beijing, China to further pursue growing revenue opportunities in Asia.

Recent Developments

Impact of COVID-19 Pandemic

Starting in the latter half of fiscal 2020 and continuing to the date of this filing, the COVID-19 pandemic has had both positive and negative effects on our business.

Our Life Science segment's products have been well positioned to respond to in vitro device ("IVD") manufacturers' increased demand for reagents used in the manufacture of molecular, rapid antigen and serology tests. Consequently, our Life Science segment has consistently delivered significantly higher levels of net revenues and operating income than those achieved prior to the COVID-19 pandemic, with the to date peak in such levels occurring during the third quarter of fiscal 2020 and the first quarter of fiscal 2021, respectively.

Our Diagnostics segment, on the other hand, has generally been negatively impacted by health systems' increased focus on COVID-19 testing over traditional infectious disease testing. The impacts of the COVID-19 pandemic are most dramatically evident in the 34% year-over-year decline in revenues from respiratory illness assays in fiscal 2021, following flat year-over-year revenue levels experienced in fiscal 2020. Reflecting what we believe to be the start of a return to pre-pandemic activity levels, during the first quarter of fiscal 2022, revenues from respiratory illness assays were 33% higher than the first quarter of fiscal 2021 and 18% lower than the pre-pandemic first quarter of fiscal 2020, a marked improvement over the aforementioned 34% decline in fiscal 2021.

Despite these recent COVID-19 pandemic related trends, due to the many uncertainties surrounding the COVID-19 pandemic, we can provide no assurances with respect to our views of the longevity or severity of the positive or negative impacts to our consolidated financial condition of the ongoing COVID-19 pandemic.

Employee Safety

While our employee base in the U.S. has returned to working on-site at our facilities, we have implemented a hybrid work-from-home program for certain personnel, and we continue to utilize a work-from-home process as needed on a site-by-site basis outside the U.S. for those employees whose on-site presence has been deemed to be non-essential. We also continue to utilize enhanced cleaning and sanitizing procedures and provide additional personal hygiene supplies at all our sites. We have implemented policies for employees to adhere to Centers for Disease Control and Prevention ("CDC") guidelines on social distancing, and similar guidelines by authorities outside the U.S. To date, we have been able to manufacture and distribute products globally, and all our sites have continued to operate with little, if any, impact on shipments to customers to date. As the COVID-19 pandemic continues, along with continuing governmental restrictions which vary by locale and jurisdiction, there is an increased risk of employee absenteeism, which could materially impact our operations at one or more sites. To date, the steps we have taken, including our work-from-home processes, have not materially impacted the Company's financial reporting systems, internal controls over financial reporting or disclosure controls.

Supply Chains

Supply chains supporting our products have generally remained intact, providing access to sufficient inventory of the key materials needed for manufacturing. While we have experienced extended lead times for certain select raw materials, delays and allocations for raw materials have to date been limited and have not had a material impact on our results of operations. From time to time, we identify alternative suppliers to address the risk of a current supplier's inability to deliver materials in volumes sufficient to meet our manufacturing needs; or we may choose to purchase certain materials in bulk volumes where we have supply chain scarcity concerns. It remains possible that we may experience some sort of interruption to our supply chains, and such an interruption could materially affect our ability to timely manufacture and distribute our products and unfavorably impact our results of operations.

We are also starting to experience input cost inflation, including materials and labor. Pricing actions and supply chain productivity initiatives have mitigated and are expected to continue to mitigate some of these inflationary pressures, but we may not be successful in fully offsetting these incremental costs, which could have an impact on the Company's consolidated results of operations and cash flows during 2022 and beyond.

Product Development and Clinical Trials

Our Diagnostics segment's new product development programs are continuing to progress at a slower pace than normal, due in part to the prevalence of certain infectious diseases having been lower than normal during the COVID-19 pandemic. These matters continue to impact our timing for filing applications for product clearances with the U.S. Food and Drug Administration ("FDA"), as well as related timing of FDA clearances of such filings. Additionally, the ongoing COVID-19 pandemic has slowed and could continue to slow down our efforts to expand our product portfolio through acquisitions and/or distribution opportunities, impacting the speed with which we are able to bring additional products to market.

Product Demand

Our Life Science segment manufactures, markets and sells a number of molecular and immunological reagents to IVD customers, including those who are making both molecular and immunoassay COVID-19 tests. Since late in the second quarter of fiscal 2020, we have generally experienced unprecedented demand for certain of our molecular reagents (e.g., ribonucleic acid ("RNA") master mixes and nucleotides), including a resurgence in such demand during our fiscal 2021 fourth quarter and throughout the first quarter of fiscal 2022. While we expect a continuation of this trend, this expectation will certainly be impacted by infection rates and the responses to such levels of infection varying by country based on their individual COVID-19 case statistics, infection rates and vaccine programs.

Our Diagnostics segment manufactures, markets and sells a number of molecular, immunoassay, blood chemistry and urea breath tests for various infectious diseases and blood-lead levels. Sales volumes for a number of these assays have been adversely affected by the COVID-19 pandemic over the past two years, as such assays are often used in non-critical care settings; however, we have seen indications of a return to more normal pre-pandemic levels. The COVID-19 pandemic also has depressed instrument orders and placements for our BreathID, Curian and Revogene platforms. Order activity for our Revogene platform was affected by the delay in obtaining emergency use authorization ("EUA") for our SARS-CoV-2 assay, as customers took a "wait and see" approach throughout our entire EUA application process. We received the EUA on November 9, 2021 but have not yet begun to ship product, as our SARS-CoV-2 assay is currently being enhanced to detect the recently prevalent Omicron variant of the COVID-19 infection. We anticipate completing the validation of these changes during the second quarter of fiscal 2022, with shipment of product to commence thereafter upon clearance by the FDA. Despite the situation encountered with our EUA application for the SARS-CoV-2 assay and the delay in shipment due to the Omicron variant related enhancements, we have proceeded with the process of increasing our capacity to produce these tests, as well as other tests on the Revogene platform, at our facilities in Quebec and Cincinnati. Specifically, we have added a second production line at our Quebec manufacturing facility and are installing two additional production lines in a leased facility near our corporate headquarters in Cincinnati. With approximately $11,700 expended on these expansion efforts through December 31, 2021, we expect them to be completed during calendar 2022 at a total cost of approximately $21,300, which is expected to be partially offset by the monies received under the National Institutes of Health Rapid Acceleration of Diagnostics ("RADx") initiative grant entered into on February 1, 2021, and as amended on January 25, 2022, $1,500 of which had been received as of December 31, 2021 (see Note 14, *"National Institutes of Health Contracts"* and Note 17, *"Subsequent Event"* of the Condensed Consolidated Financial Statements for further discussion).

Critical Accounting Estimates

For the three months ended December 31, 2021, there were no significant changes to our critical accounting estimates, as outlined in our Annual Report on Form 10-K as of and for the year ended September 30, 2021, filed with the SEC on November 23, 2021.

Lead Testing Matters

On September 1, 2021, the Company's wholly owned subsidiary Magellan announced the expansion of the Class I voluntary recall of its LeadCare test kits for the detection of lead in blood, which it had initiated in May 2021 after identifying an ongoing issue with the testing controls included in certain manufactured lots of its LeadCare test kits. As a result of the identified issue, impacted test kit lots could potentially underestimate blood lead levels when processing patient blood samples. Although it was initially believed that the root cause of the issue related to the plastic containers used for the treatment reagent, additional studies have indicated that the root cause relates to the third-party-sourced cardboard trays that hold the containers used for the treatment reagent. The Company continues to work closely with the FDA in its execution of the recall activities, which include Magellan notifying customers and distributors affected by the recall and providing instructions for the return of impacted test kits. The evaluation of the recall, the related notification process and correction of the identified supplier issue is ongoing. Of the approximate $5,100 estimated and accrued as of September 30, 2021 to cover the estimated costs of the recall, approximately $4,300 remains accrued and is reflected in the Condensed Consolidated Balance Sheet as of December 31, 2021. Anticipated recall-related costs primarily include product replacement and/or refund costs, mailing/shipping costs, attorneys' fees and other miscellaneous costs.

As previously disclosed, on April 17, 2018, the Company's wholly owned subsidiary Magellan received a subpoena from the U.S. Department of Justice ("DOJ") regarding its LeadCare product line. The subpoena outlined documents to be produced, and the Company is cooperating with the DOJ in this matter. The Company maintains rigorous policies and procedures to promote compliance with applicable regulatory agencies and requirements and is working with the DOJ to promptly respond to the subpoena, including responding to additional information requests that have followed receipt of the subpoena in April 2018. The Company has executed tolling agreements to extend the statute of limitations. In March and April 2021, DOJ issued two subpoenas calling for witnesses to testify before a federal grand jury related to this matter. The March 2021 subpoena was issued to a former employee of Magellan, and the April 2021 subpoena was issued to a current employee of Magellan. In September and October 2021, DOJ issued additional subpoenas to individuals seeking testimony and documents in connection with its ongoing investigation. It is the Company's understanding that multiple witnesses have testified before the federal grand jury and the DOJ's activity before the federal grand jury is ongoing. The Company cannot predict when the investigation will be resolved, the outcome of the investigation, or its potential impact on the Company. Approximately $281 and $1,227 of expense for attorneys' fees related to this matter is included within the Condensed Consolidated Statements of Operations for the three months ended December 31, 2021 and 2020, respectively.

Having issued a Warning Letter to Magellan on October 23, 2017 related to the Billerica location's manufacturing of LeadCare testing systems for venous blood samples (the "Warning Letter"), on August 3, 2021, the FDA sent Magellan a close-out letter for the Warning Letter. The FDA's close-out letter notified Magellan that the FDA has completed an evaluation of Magellan's corrective actions in response to the FDA's Warning Letter, and based on the FDA's evaluation, Magellan has addressed the issues identified in the Warning Letter. The FDA's close-out letter also stated that future FDA inspections of Magellan and regulatory activities will further assess the adequacy and sustainability of Magellan's corrections. For a more detailed discussion of this matter, see the "Lead Testing Matters" section beginning on page 29 of the Company's fiscal 2021 Annual Report on Form 10-K, filed with the SEC on November 23, 2021.

RESULTS OF OPERATIONS

Three Months Ended December 31, 2021

Net earnings for first quarter of fiscal 2022 decreased 43% to $15,340, or $0.35 per diluted share, from net earnings for the first quarter of fiscal 2021 of $26,779, or $0.61 per diluted share. The level of net earnings in the first quarter of fiscal 2022 resulted primarily from the decrease in net revenues and operating income in our Life Science segment, when compared to the record demand for the reagents utilized in COVID-19 related tests during the first quarter of fiscal 2021. As a significant number of our Life Science segment customers use our molecular reagents in multiple tests, including non-COVID-19 related tests, it has become increasingly difficult to accurately estimate the portion of molecular reagent sales related specifically to COVID-19. As a result, we are no longer reporting the portion of Life Science segment net revenues related to COVID-19. Such net revenues were identified and reported throughout fiscal 2021 and totaled approximately $43,000 and $111,900 in the first quarter and full year of fiscal 2021, respectively.

Consolidated net revenues for the first quarter of fiscal 2022 totaled $88,341, a decrease of 5% compared to the first quarter of fiscal 2021.

Notwithstanding the impact of the LeadCare recall, net revenues from the Diagnostics segment for the first quarter of fiscal 2022 increased 10% compared to the first quarter of fiscal 2021, comprised of a 4% increase in molecular assay products and an 11% increase in non-molecular assay products. The first quarter of fiscal 2022 represents the third consecutive quarter our Diagnostics segment has shown positive revenue growth versus the same quarter in the prior fiscal year. Our Diagnostics segment generated a $2,600 operating loss for the first quarter of fiscal 2022, compared to a $1,200 operating loss in the first quarter of fiscal 2021, reflecting the decrease in gross profit margins and increase in operating expenses described in the respective sections below.

With a 32% decrease in net revenues from molecular reagent products, and a 43% increase in net revenues from immunological reagent products, net revenues for our Life Science segment decreased 12% during the first quarter of fiscal 2022 compared to the first quarter of fiscal 2021, the period in which the Life Science segment experienced near unprecedented demand from diagnostic test manufacturers for use in COVID-19 related tests. Our Life Science segment generated $26,500 of operating income for the first quarter of fiscal 2022, a decline of $13,300 from the first quarter of fiscal 2021, primarily resulting from the decrease in net revenues and gross profit margins described in the respective sections below.

REVENUE OVERVIEW

Below are analyses of the Company's net revenues, provided for each of the following:

- By Reportable Segment & Geographic Region
- By Product Platform/Type

Revenue Overview- By Reportable Segment & Geographic Region

Revenues for the Diagnostics segment, in the normal course of business, may be affected from quarter to quarter by buying patterns of major distributors, seasonality and severity of seasonal diseases and outbreaks (including the COVID-19 pandemic), and foreign currency exchange rates. Revenues for the Life Science segment, in the normal course of business, may be affected from quarter to quarter by buying patterns of major IVD manufacturing customers, severity of disease outbreaks (including the COVID-19 pandemic), and foreign currency exchange rates.

See the "Revenue Disaggregation" section of Note 4, *"Revenue Recognition"* of the Condensed Consolidated Financial Statements for detailed revenue disaggregation information.

Following is a discussion of the net revenues generated by these product platforms/types and/or disease states:

Diagnostics Segment Products

The Diagnostics segment's overall 10% growth in net revenues during the first quarter of fiscal 2022 compared to the first quarter of fiscal 2021, primarily results from the combined effects of the following:

- Volume growth in the gastrointestinal products benefitting from sales of the BreathTek product, acquired on July 31, 2021 (approximately $5,600 of net revenues from BreathTek in the first quarter of fiscal 2022);
- Volume growth in sales of respiratory illness products, comprised of tests for Group A Strep, Mycoplasma pneumonia, Influenza, and Pertussis, among others, reflecting an increase in the testing for these illnesses compared to the first quarter of fiscal 2021, despite the ongoing COVID-19 pandemic; and
- Volume declines from sales of blood chemistry products due to the ongoing LeadCare product recall, which commenced in May 2021 ($4,316 decrease in net revenues compared to the first quarter of fiscal 2021).

Life Science Segment Products

Despite continuing to achieve net revenues levels that are significantly higher than pre-pandemic levels, the Life Science segment's 12% decline in net revenues during the first quarter of fiscal 2022 primarily results from a year-over-year quarterly comparison to the record levels of demand achieved during the first quarter of fiscal 2021. As previously noted, it was during the first quarter of fiscal 2021 that our Life Science segment experienced near unprecedented demand for its products by diagnostic test manufacturers for use in COVID-19 related tests.

Significant Customers

Revenue concentrations related to certain customers within our Diagnostics and Life Science segments are set forth in Note 15, *"Reportable Segments and Major Concentration Data"* of the Condensed Consolidated Financial Statements.

Gross Profit

	Three Months Ended December 31,		
	2021	2020	Change
Gross Profit	$49,159	$61,548	(20)%
Gross Profit Margin	56%	66%	-10 points

Overall gross profit margins during the first quarter of fiscal 2022 have been unfavorably impacted by a decline in net revenues contributions from our Life Science segment's molecular reagent products, which are some of our highest margin products. During the first quarter of fiscal 2022, approximately 36% of consolidated net revenues related to sales of molecular reagent products, compared to approximately 50% during the first quarter of fiscal 2021, when the Life Science segment experienced the to date peak in net revenues from sales of molecular reagent products.

Additionally, overall gross profit margins in the first quarter of fiscal 2022 have been unfavorably impacted in our Diagnostics segment by the previously discussed LeadCare product recall (see "Lead Testing Matters" above) and production capacity ramp-up costs at our Cincinnati and Quebec Revogene manufacturing facilities.

Operating Expenses – Segment Detail and Corporate

	Research & Development	Selling & Marketing	General & Administrative	Other	Total Operating Expenses
Fiscal 2021 First Quarter:					
Diagnostics	$ 5,070	$ 5,728	$ 5,748	$1,047	$ 17,593
Life Science	581	1,293	3,454	—	5,328
Corporate	—	—	2,736	1,227	3,963
Total 2021 First Quarter Expenses	$ 5,651	$ 7,021	$ 11,938	$2,274	$ 26,884
Fiscal 2022 First Quarter:					
Diagnostics	$ 5,556	$ 6,009	$ 7,143	$ —	$ 18,708
Life Science	638	1,732	4,161	—	6,531
Corporate	—	—	3,356	281	3,637
Total 2022 First Quarter Expenses	$ 6,194	$ 7,741	$ 14,660	$ 281	$ 28,876

Compared to the prior year period, operating expenses increased $1,992 to $28,876 in the first quarter of fiscal 2022. Major components of this increase were as follows:

- Increased Research & Development costs, reflecting increased clinical trial spending and product development costs within our Diagnostics segment;
- Increased Selling & Marketing costs in both the Diagnostics and Life Science segments, primarily reflecting the effects of filling certain open positions and the easing of certain travel and meeting restrictions imposed during the prior year in connection with the COVID-19 pandemic; and
- Increased General & Administrative costs, primarily reflecting the combined effects of additional investment in incentive compensation, the timing of certain outside services costs and increased commercial insurance costs for Directors & Officers and Property & Casualty coverages.

Offsetting these increases were: (i) a $1,047 year-over-year decrease in expense within our Diagnostics segment, resulting from the adjustment to the fair value of acquisition consideration in the fiscal 2021 first quarter; and (ii) lower spending on selected legal costs.

Operating Income

Compared to the prior year period, operating income decreased 41% to $20,283 in the first quarter of fiscal 2022, as a result of the factors discussed above.

Income Taxes

The effective rate for income taxes was approximately 22% for both the first quarter of fiscal 2022 and fiscal 2021.

Impact of Inflation

To the extent feasible, we have consistently followed the practice of reviewing our prices to consider the impacts of inflation on salaries and fringe benefits for employees and the cost of purchased materials and services. Inflation and changing prices did not have a material adverse impact on our gross margin, revenues or operating income in the first quarter of fiscal 2022 or fiscal 2021.

Liquidity and Capital Resources

Liquidity

Our cash flow and financing requirements are determined by analyses of operating and capital spending budgets and debt service. We have historically maintained a credit facility to augment working capital requirements and to respond quickly to acquisition opportunities.

We have an investment policy that guides the holdings of our investment portfolio, which presently consists of bank savings accounts and institutional money market mutual funds. Our objectives in managing the investment portfolio are to: (i) preserve capital; (ii) provide sufficient liquidity to meet working capital requirements and fund strategic objectives such as acquisitions; and (iii) capture a market rate of return commensurate with market conditions and our policy's investment eligibility criteria. As we look forward, we will continue to manage the holdings of our investment portfolio with preservation of capital being the primary objective.

We intend to continue to fund our working capital requirements from current cash flows from operating activities and cash on hand, and such sources are anticipated to be adequate to fund working capital requirements, capital expenditures and debt service during the next twelve months. However, if needed, we also have an additional source of liquidity through the amount remaining available on our $200,000 bank revolving credit facility, which totaled $150,000 as of December 31, 2021. Our liquidity needs may change if overall economic conditions worsen and/or liquidity and credit within the financial markets tightens for an extended period, and such conditions impact the collectability of our customer accounts receivable, impact credit terms with our vendors, or disrupt the supply of raw materials and services.

As of December 31, 2021, our cash and cash equivalents balance was $72,729 or $22,958 higher than at September 30, 2021. This increase primarily results from generating $35,555 of cash flow from operations, an increase of 42% over the first quarter of fiscal 2021, and the use of cash to pay down $10,000 on the revolving credit facility.

Considering these factors, our balance of cash and cash equivalents on hand exceeded our total debt (defined as bank debt, government grant obligations and obligations related to acquisitions) by approximately $16,000 at December 31, 2021.

Capital Resources

As described in Note 12, *"Bank Credit Arrangements"* of the Condensed Consolidated Financial Statements, the Company maintains a $200,000 revolving credit facility, which is secured by substantially all of our U.S. assets and includes certain restrictive financial covenants. The Company also maintains a shelf registration statement on file with the SEC.

During fiscal 2022 our capital expenditures are estimated to total approximately $15,000, comprised of approximately $12,000 and $3,000 in the Diagnostics and Life Science segments, respectively. Included within the Diagnostics segment capital expenditures estimate is approximately $10,400 related to completion of the manufacturing capacity scale-up and automation initiatives for Revogene assay production. Such expenditures may be funded with cash and cash equivalents on hand, operating cash flows, and/or availability under the $200,000 revolving credit facility discussed above. In addition, a portion of the Diagnostics segment expansion may be funded by the remaining amounts to be received under the previously noted RADx grant entered into on February 1, 2021, and as amended on January 25, 2022 (see Note 14, *"National Institutes of Health Contracts"* and Note 17, *"Subsequent Event"* of the Condensed Consolidated Financial Statements for further discussion).

License Agreements

The Company has entered into various license agreements that require payment of royalties based on a specified percentage of sales of related products. During the first quarter of fiscal 2022, royalty expense totaled approximately $800, with 35% and 65% of such expense relating to our Diagnostics and Life Science segments, respectively. This compares to a total of approximately $450 of royalty expense in the first quarter of fiscal 2021, with 70% and 30% relating to our Diagnostics and Life Science segments, respectively. The Company expects that payments under these agreements will amount to approximately $3,000 in fiscal 2022, a decrease from the $5,200 in fiscal 2021.

Off-Balance Sheet Arrangements

We utilize foreign currency exchange forward contracts to limit exposure to volatility in foreign currency gains and losses related to financial assets denominated in other than the holding subsidiary's functional currency. These contracts are generally settled within a 30-day time frame and are not formally designated or accounted for as accounting hedges. We also utilize interest rate swap agreements to limit exposure to volatility in the LIBOR interest rate in connection with the revolving credit facility. The interest rate swap agreements are designated and accounted for as accounting hedges (see Note 5, *"Fair Value Measurements"* of the Condensed Consolidated Financial Statements). Aside from these instruments, we do not utilize special-purpose financing vehicles or have any material undisclosed off-balance sheet arrangements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As of December 31, 2021, there were no material changes to the information provided under Item 7A, "Quantitative and Qualitative Disclosures About Market Risk" in the Company's Form 10-K for the year ended September 30, 2021, filed with the SEC on November 23, 2021.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of the Company's management, including the Chief Executive Officer and Principal Accounting Officer, we have evaluated the effectiveness of the Company's disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of December 31, 2021. Based on this evaluation, our Chief Executive Officer and Principal Accounting Officer have concluded that the Company's disclosure controls and procedures were effective as of the period covered by this report.

Control systems, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that control objectives are met. Because of inherent limitations in all control systems, no evaluation of controls can provide assurance that all control issues and instances of fraud, if any, within a company will be detected. Additionally, controls can be circumvented by individuals, by collusion of two or more people or by management override. Over time, controls can become inadequate because of changes in conditions or the degree of compliance may deteriorate. Further, the design of any system of controls is based in part upon assumptions about the likelihood of future events. There can be no assurance that any design will succeed in achieving its stated goals under all future conditions. Because of the inherent limitations in any cost-effective control system, misstatements due to errors or fraud may occur and not be detected.

Changes in Internal Control over Financial Reporting

In the ordinary course of business, we routinely enhance our information systems by either upgrading current systems or implementing new ones. There were no changes in our internal control over financial reporting (as that term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information with respect to legal proceedings can be found in Note 7, *"Lead Testing Matters"* of the Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q and is incorporated herein by reference.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, careful consideration should be given to the factors discussed in Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the year ended September 30, 2021, filed with the SEC on November 23, 2021, as may be supplemented by our Quarterly Reports on Form 10-Q, any or all of which could materially affect our business, financial condition or future results. The risks described therein are not the only risks facing us. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial, also may adversely affect our business, financial condition and/or operating results. There have been no material changes with respect to the risk factors disclosed in our Annual Report on Form 10-K for the year ended September 30, 2021, filed with the SEC on November 23, 2021, as may be supplemented by our Quarterly Reports on Form 10-Q.

ITEM 6. EXHIBITS

The following exhibits are being filed or furnished as a part of this Quarterly Report on Form 10-Q:

10.1* +	Chief Executive Officer Cash-Based Incentive Compensation Plan for Fiscal Year 2022
10.2* +	Executive Vice President Cash-Based Incentive Compensation Plan for Fiscal Year 2022
10.3* +	Form of Performance-Based Restricted Share Unit Award Agreement
10.4	Amended and Restated Credit Agreement, dated as of October 25, 2021, by and among Meridian Bioscience, Inc., as Borrower, the Guarantors party thereto, the Lenders party thereto, PNC Bank, National Association, as administrative agent, PNC Capital Markets LLC, as joint lead arranger and sole bookrunner, and Fifth Third Bank, National Association, as joint lead arranger and syndication agent (Incorporated by reference to Meridian's Form 8-K filed with the SEC on October 29, 2021)
31.1	Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rule 13a-14(a)/15d-14(a)
31.2	Certification of Principal Accounting Officer Pursuant to Securities Exchange Act Rule 13a-14(a)/15d-14(a)
32	Certification of Chief Executive Officer and Principal Accounting Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Instance Extension Schema
101.CAL	Inline XBRL Instance Extension Calculation Linkbase
101.DEF	Inline XBRL Instance Extension Definition Linkbase
101.LAB	Inline XBRL Instance Extension Label Linkbase
101.PRE	Inline XBRL Instance Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Management Compensatory Contracts

\+ Certain portions of these exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The omitted information is not material and would likely cause competitive harm to the Registrant if publicly disclosed. The Registrant hereby agrees to furnish a copy of any omitted schedule or other portion to the SEC upon request.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MERIDIAN BIOSCIENCE, INC.

Date: February 4, 2022

By: /s/ Julie Smith
Julie Smith
Senior Vice President and Controller
(Principal Accounting Officer)

CASH-BASED INCENTIVE COMPENSATION PLAN
FISCAL YEAR 2022
CHIEF EXECUTIVE OFFICER
LEVEL 9
CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [***]

I. PURPOSE

The purpose of this cash-based incentive compensation plan (the "Plan") is to define a mechanism for stimulating and rewarding the achievement of business goals by eligible employees, as proposed by the Compensation Committee of the Board of Directors of the Company (the "Board") and agreed by the Board.

II. SCOPE

This Plan is for the Chief Executive Officer of Meridian Bioscience, Inc. and its subsidiaries (the "Company").

III. ELIGIBILITY REQUIREMENTS

Eligibility for participation in this Plan is limited to an elected officer of the Company in the chief executive officer position as determined in the sole discretion of the Compensation Committee of the Board (the "Executive" or "Participant").

1. An Executive hired after October 1, 2021 are eligible for a pro-rated bonus based on the number of days employed during the fiscal year. Employees hired after July 1, 2022 will not be eligible for Bonus until Fiscal Year 2023.
2. An Executive who terminates after September 30, 2022 but prior to the date the bonus is paid are eligible for his or her bonus, including any "business accelerators" noted in Section IV below, except in the case where the Executive is terminated for Cause as defined in the Meridian Bioscience, Inc. 2021 Stock Incentive Plan.
3. The Executive's base compensation as of September 30, 2022 will be used for purposes of calculating bonus payout, unless Section VII.4 is applicable in which case the Executive's base compensation at the time of termination of employment shall be used for purposes of calculating bonus payout.
4. The Company expects that any payments earned under this Plan will be paid by December 15, 2022.
5. The Plan is subject to the Company's Compensation Recoupment Policy adopted by the Board of Directors on December 9, 2020.
6. The Plan is subject to the terms of any applicable Change in Control Agreement executed with a terminating Executive.

IV. PERFORMANCE TARGETS AND PAYOUT PERCENTAGES

The Plan consists of three components, with a weighting factor assigned to each: Consolidated Net Revenues (30% weighting), Consolidated Operating Income (30% weighting), and Individual

Performance (40% weighting). The Plan is designed to payout **95%** of base salary at target, which is revenue of [***] million and adjusted operating income of [***] million. The Plan also includes "business accelerators" that are aimed at rewarding performance for revenue achievement and growth above our financial guidance and internal operating plan. Such "business accelerators" are effective at revenues ranging from [***] million to [***] million. The Compensation Committee shall be responsible for determining if the targets have been met and may not increase compensation payable under this Plan in excess of the amounts provided herein. Subsequent to the Compensation Committee's determination that targets have been met, each Participant shall receive a cash lump sum payment of the bonus, less required payroll withholdings. In no event shall payment be made later than two and one-half (2 ½) months following the Company's fiscal year end; *provided, however,* the Participant may make the deferral election described in Section VI.

See Appendices I and II for payout percentages at various levels of revenues, adjusted (non-GAAP) operating income and individual performance as well as "business accelerators" for achievement of revenues starting at [***] million.

V. NON-GAAP MEASUREMENT

Non-GAAP items shall consist of items disclosed in the Company's Non-GAAP Financial Measures disclosures in the fiscal 2022 Form 10-K. Upon the proposal of the Compensation Committee, the Board may in its discretion consider non-GAAP items, which may include restructuring and extraordinary charges, in the calculation of Operating Income.

In the event of an acquisition during the Plan year, to the extent not already captured in the non-GAAP disclosures noted above, the Board, upon the proposal of the Compensation Committee, may in its discretion consider restructuring, purchase accounting and extraordinary charges associated with such acquisitions as disclosed in the Company's Form 10-K to be considered in the calculation of Operating Income.

Additionally, the Compensation Committee will determine the treatment of revenue and/or operating income or operating losses from acquired companies in the calculation (acquired during the fiscal year). For example, the Compensation Committee may exclude the revenue and/or operating income or loss of the acquired company from the calculation or the Compensation Committee may approve new revenue and operating income targets developed by management reflecting the impact of the acquisition.

The Compensation Committee shall evaluate certain events, in its discretion, for determination of treatment in the bonus calculation. Examples include the impact of tax legislation and the impact of implementing new accounting standards.

VI. DEFERRAL OF BONUS PAYMENT

Executives may elect to defer payment of bonus to no later than January 15, 2023. Such election must be made in writing prior to March 31, 2022.

VII. GENERAL PROVISIONS

1. Payments will be made in a cash lump sum payment, less required payroll withholdings, and will be paid on or about December 15, 2022.

2. For U.S. Participants, appropriate withholdings will be deducted from the bonus award, including income taxes, FICA, and 401k plan contributions. Appropriate withholdings will also be made for international employees based on local requirements.

3. A Participant's rights and interests under the Plan may not be assigned, pledged or transferred.

4. A Participant who leaves during the plan year due to death, long-term disability, retirement, or as the result of a reduction in force, are eligible for a pro-rated payout of his or her target bonus (i.e., 50% of base salary) upon termination of employment. Retirement shall be defined as termination of employment at age 55 or older with greater than 10 years of service.

5. Nothing in the Plan shall confer upon any Participant the right to continue in the employment of the Company or affect the right of the Company to terminate the employment of any Participant.

6. It is intended that payments under the Plan qualify as short-term deferrals exempt from the requirements of Section 409A of the Code.

7. A Participant with an individual performance rating of "Not Achieved" will not be eligible for payout, unless an exception for payment is approved by the Compensation Committee.

APPENDIX I

CASH-BASED INCENTIVE COMPENSATION PLAN
FISCAL YEAR 2022

[***]

APPENDIX II

CASH-BASED INCENTIVE COMPENSATION PLAN
FISCAL YEAR 2022

[***]

CASH-BASED INCENTIVE COMPENSATION PLAN
FISCAL YEAR 2022
OFFICERS
LEVEL 8

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [***]

I. PURPOSE

The purpose of this cash-based incentive compensation plan (the "Plan") is to define a mechanism for stimulating and rewarding the achievement of business goals by eligible employees, as proposed by the Compensation Committee of the Board of Directors of the Company (the "Board") and agreed by the Board.

II. SCOPE

This Plan includes certain executives as designated by the CEO of Meridian Bioscience, Inc. and its subsidiaries (the "Company").

III. ELIGIBILITY REQUIREMENTS

Eligibility for participation in this Plan is limited to elected officers of the Company who are in an executive vice president position as determined in the sole discretion of the Compensation Committee of the Board (the Executives" or "Participants").

1. Executives hired after October 1, 2021 are eligible for a pro-rated bonus based on the number of days employed during the fiscal year. Employees hired after July 1, 2022 will not be eligible for Bonus until Fiscal Year 2022.
2. Executives who terminate after September 30, 2022 but prior to the date the bonus is paid are eligible for his or her bonus, including any "business accelerators" noted in Section IV below, except in the case where the Executive is terminated for Cause as defined in the Meridian Bioscience, Inc. 2022 Stock Incentive Plan.
3. The Executive's base compensation as of September 30, 2022 will be used for purposes of calculating bonus payout, unless Section VII.4 is applicable in which case the Executive's base compensation at the time of termination of employment shall be used for purposes of calculating bonus payout.
4. The Company expects that any payments earned under this Plan will be paid by December 15, 2022.
5. The Plan is subject to the Company's Compensation Recoupment Policy adopted by the Board of Directors on December 9, 2020.
6. The Plan is subject to the terms of any applicable Change in Control Agreement executed with a terminating Executive.

IV. PERFORMANCE TARGETS AND PAYOUT PERCENTAGES

The Plan consists of three components, with a weighting factor assigned to each: Consolidated Net Revenues (30% weighting), Consolidated Operating Income (30% weighting), and Individual Performance (40% weighting). The Plan is designed to payout **55%** of base salary at target, which is revenue of [***] million and adjusted operating income of [***] million. The Plan also includes "business accelerators" that are aimed at rewarding performance for revenue achievement and growth above our financial guidance and internal operating plan. Such "business accelerators" are effective at revenues ranging from [***] million to [***] million. Notwithstanding the foregoing, for a participant to earn "business accelerators"

related to consolidated revenue achievement at or above [***] million, the following criteria must be met: (1) the participant's business unit achievement must be at least 100% of it [***] million next revenue plan, (2) the individual must earn a performance rating of 3 or higher, and (3) the compensation committee must approve the payout amount. The Compensation Committee shall be responsible for determining if the targets have been met and may not increase compensation payable under this Plan in excess of the amounts provided herein. Subsequent to the Compensation Committee's determination that targets have been met, each Participant shall receive a cash lump sum payment of the bonus, less required payroll withholdings. In no event shall payment be made later than two and one-half (2 ½) months following the Company's fiscal year end; *provided, however,* the Participant may make the deferral election described in Section VI.

See Appendices I and II for payout percentages at various levels of revenues, adjusted (non-GAAP) operating income and individual performance as well as "business accelerators" for achievement of revenues starting at [***] million.

V. NON-GAAP MEASUREMENT

Non-GAAP items shall consist of items disclosed in the Company's Non-GAAP Financial Measures disclosures in the fiscal 2022 Form 10-K. Upon the proposal of the Compensation Committee, the Board may in its discretion consider non-GAAP items, which may include restructuring and extraordinary charges, in the calculation of Operating Income.

In the event of an acquisition during the Plan year, to the extent not already captured in the non-GAAP disclosures noted above, the Board, upon the proposal of the Compensation Committee, may in its discretion consider restructuring, purchase accounting and extraordinary charges associated with such acquisitions as disclosed in the Company's Form 10-K to be considered in the calculation of Operating Income.

Additionally, the Compensation Committee will determine the treatment of revenue and/or operating income or operating losses from acquired companies in the calculation (acquired during the fiscal year). For example, the Compensation Committee may exclude the revenue and/or operating income or loss of the acquired company from the calculation or the Compensation Committee may approve new revenue and operating income targets developed by management reflecting the impact of the acquisition.

The Compensation Committee shall evaluate certain events, in its discretion, for determination of treatment in the bonus calculation. Examples include the impact of tax legislation and the impact of implementing new accounting standards.

VI. DEFERRAL OF BONUS PAYMENT

Executives may elect to defer payment of bonus to no later than January 15, 2023. Such election must be made in writing prior to March 31, 2022.

VII. GENERAL PROVISIONS

1. Payments will be made in a cash lump sum payment, less required payroll withholdings, and will be paid on or about December 15, 2022.
2. For U.S. Participants, appropriate withholdings will be deducted from the bonus award, including income taxes, FICA, and 401k plan contributions. Appropriate withholdings will also be made for international employees based on local requirements.
3. A Participant's rights and interests under the Plan may not be assigned, pledged or transferred.

4. Participants who leave during the plan year due to death, long-term disability, retirement, or as the result of a reduction in force, are eligible for a pro-rated payout of his or her target bonus (i.e., 50% of base salary) upon termination of employment. Retirement shall be defined as termination of employment at age 55 or older with greater than 10 years of service.

5. Nothing in the Plan shall confer upon any Participant the right to continue in the employment of the Company or affect the right of the Company to terminate the employment of any Participant.

6. It is intended that payments under the Plan qualify as short-term deferrals exempt from the requirements of Section 409A of the Code.

7. Participants with an individual performance rating of "Not Achieved" will not be eligible for payout, unless an exception for payment is approved by the Compensation Committee.

APPENDIX I

CASH-BASED INCENTIVE COMPENSATION PLAN
FISCAL YEAR 2022

[***]

APPENDIX II

CASH-BASED INCENTIVE COMPENSATION PLAN
FISCAL YEAR 2022

[***]

Exhibit 10.3

MERIDIAN BIOSCIENCE, INC.
2021 OMNIBUS AWARD PLAN

FISCAL YEAR 2022 PERFORMANCE SHARE UNIT AWARD AGREEMENT

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [***]

Summary of Performance Share Unit Award Grant

MERIDIAN BIOSCIENCE, INC. (the "**Company**"), pursuant to the 2021 Omnibus Award Plan, as amended from time to time (the "**Plan**") hereby irrevocably grants you (the "**Participant**"), effective November 4, 2021 (the "**Grant Date**"), a Performance Share Unit Award (the "**Award**") of forfeitable performance share units of the Company ("**PSUs**"), each PSU representing the right to receive one share of the Company's common stock, no par value per share ("**Common Stock**"), subject to the restrictions, terms and conditions herein.

Name of Grantee:	_____
Target Number of PSUs:	_____
Grant Date:	November 4, 2021
Vesting Date:	See Section 3(e)

WHEREAS, the Participant has been selected as a participant in the performance share unit program of the Company covering the Company's 2024 fiscal year; and

WHEREAS the Compensation Committee (the "**Committee**") of the Board of Directors of the Company (the "**Board**") has determined that it would be in the best interests of the Company and its shareholders to grant the award provided for herein to the Participant, on the terms and conditions described in this Performance Share Unit Award Agreement (including Appendix A, the "**Agreement**").

NOW, THEREFORE, for and in consideration of the promises and the covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, for themselves, and their permitted successors and assigns, hereby agree as follows:

1. **Terms and Conditions.**

(a) Award. Subject to the other terms and conditions contained in this Agreement and in the Plan, the Company hereby grants to the Participant as of the Grant Date the Award of PSUs described herein. The number of PSUs to which the Participant may be entitled, based on achievement of the Performance Criteria and the business unit to which the Participant is assigned, are set forth on Appendix A. The actual number of PSUs that are earned, if any, pursuant to the terms and conditions of the Award will be determined by the Committee (the "**Total Award**") and shall be computed in accordance with the terms and conditions of this Agreement and Appendix A.

(b) Performance Period. Subject to the other terms and conditions contained in this Agreement, the performance period for the Award shall commence on October 1, 2023 and shall terminate on September 30, 2024 (the "**Performance Period**"). The extent to which the Award shall be earned at the end of the Performance Period shall be based upon: (i) the Company's Diagnostics and Life Science business units' Revenues during the Performance Period; and (ii) the Company's Consolidated Adjusted Operating Income, before stock-based compensation expense, during the Performance Period (the "**Performance Criteria**"). Award payout percentages are set forth on Appendix A.

(c) Settlement. The Company shall settle the Award by causing one share of Common Stock for each PSU in the Total Award that is outstanding (and not previously forfeited) as of the Payout Date to be registered in the name of the Participant and held in book-entry form on the Payout Date.

2. **Forfeiture of PSUs.**

(a) Termination of Employment Generally. Except as otherwise determined by the Company in its sole discretion or as otherwise provided in this Agreement, all PSUs shall be forfeited without consideration to the Participant upon the Participant's termination of employment with the Company or its Affiliates for any reason (and the Participant shall forfeit any rights to receive shares of Common Stock or cash in respect of the Award).

(b) Termination due to Death, Disability or Retirement. In the event the Participant's employment with the Company is terminated due to death, Disability or Retirement, the Participant shall be entitled to receive a prorated portion of the Award determined in accordance with Section 3.

(c) Brokerage Account Requirement. The Participant hereby acknowledges that in order for the PSUs to vest, Participant must, prior to the first Vesting Date: (i) accept the PSUs online or by telephone in accordance with the procedures established by the Company and Merrill Lynch; and (ii) open a Merrill Lynch brokerage account through the system maintained on behalf of the Company. If the Participant has not completed both of the tasks prior to the Vesting Date, the PSUs shall be forfeited as of such date.

(d) Clawback. In addition, in 2020 the Board adopted a compensation recoupment or "clawback" policy (the "**Clawback Policy**") applicable to all Company officers subject to Section 16 of the Exchange Act. The PSUs are subject to the Clawback Policy.

3. **Performance Determinations.**

(a) If the Participant is employed with the Company or its Affiliates at the completion of the Performance Period, then following completion of the Performance Period the Company will determine the amount of the Total Award payable to the Participant based on Appendix A.

(b) If the Participant's employment with the Company or its Affiliates has terminated prior to the end of the Performance Period due to death or Disability, then as soon as administratively feasible (in the Committee's sole discretion) following such termination the Company will determine the Total Award payable to Participant. The Total Award shall be calculated based on the Target Number of PSUs identified on Appendix A.

(c) If at any time after the one-year anniversary of the date of this Agreement the Participant's employment with the Company or its Affiliates has terminated prior to the end of the Performance Period due to Participant's Retirement, then as soon as administratively feasible (in the Committee's sole discretion) following the Performance Period the Company will determine the Total Award payable to Participant. The Total Award shall be calculated based on the actual number of PSUs as earned and certified based on the Company's achievement of the Performance Criteria during the Performance Period and the business unit assigned to the Participant, as described on Appendix A multiplied by a fraction, the numerator of which is the total number of complete months worked by the Participant from November 1, 2021 to the date of termination of employment, and the denominator of which is thirty-five (35), the total number of months from the date of this Agreement and the end of the Performance Period.

(d) If, in connection with a Change in Control, the successor company, or a parent of the successor company, in the Change in Control does not agree to assume, replace, or substitute the PSUs granted hereunder (as of the consummation of such Change in Control) with PSUs on substantially identical terms, as determined by the Committee, then as of immediately prior to such Change in Control, the Company will determine the Total Award, without proration, calculated based on the higher of: (i) the Company's actual performance to date with respect to the Performance Criteria or (ii) the Target Award. The date of the consummation of the Change in Control shall be the Vesting Date for purposes of this Section 3(d).

(e) Payment of awards shall be made on a date not later than thirty (30) days following the completion of the Performance Period and the Company's filing with the Securities and Exchange Commission of its Annual Report on Form 10-K for the fiscal year ended September 30, 2024 (the "**Vesting Date**"). On the Vesting Date, the Participant shall be entered as the stockholder of record for the number of PSUs covered by the Award which the Committee determines, in writing, have been earned and certified pursuant to Appendix A, and which have vested pursuant to the terms and conditions of this Agreement.

(f) If the Participant is a "specified employee" within the meaning of Section 409A of the Code on the date of the Participant's separation from service and the Participant's PSUs are subject to Section 409A of the Code, then payment pursuant to Section 3(c) shall be made on the first day of the seventh month following the Participant's separation from service, or, if earlier, the date of the Participant's death.

(g) The Committee may, in its sole discretion, modify the Performance Criteria, including the entirety of Appendix A, in whole or in part, as the Committee deems appropriate and equitable to reflect a change in the business (including, without limitation, the Company's acquisition of another business or company), operations, corporate structure or capital structure of the Company or its Subsidiaries, the manner in which it conducts its business, or other events or circumstances.

(h) Except as may be otherwise provided in this Agreement, at no time prior to such Vesting Date shall the Participant be deemed for any purpose to be the owner of shares of Common Stock in connection with an Award and the Participant shall have no right prior to applicable Vesting Dates to vote Shares in respect of the Award. The Participant will not have any rights of a shareholder of the Company with respect to the PSUs until the delivery of the underlying Shares. The obligations of the Company under this Agreement will be merely that of an unfunded and unsecured promise of the Company to deliver Shares in the future, and the rights of the Participant will be no greater than that of an unsecured general creditor. No assets of the Company will be held or set aside as security for the obligations of the Company under this Agreement.

(i) All determinations with respect to the Award or this Agreement by the Company or Committee, including, without limitation, determinations of the Total Award, and timing of settlements, shall be within the Company's absolute discretion and shall be final, binding and conclusive on the Participant.

4. **Voting and Other Rights; Incorporation by Reference.**

(a) Voting and Other Rights. The Participant will not have any rights of a shareholder of the Company with respect to the PSUs until the delivery of the underlying Shares. The Participant shall possess no dividend equivalent payment rights with respect to the PSUs.

(b) Incorporation by Reference. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. In the event that any provision of this Agreement is inconsistent with the terms of the Plan, the terms of this Agreement shall control. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein, have the right to determine any questions which arise in connection with the grant of the Award. The number and kind of Shares deliverable pursuant to the Award are subject to adjustment as provided in Section 12 of the Plan.

5. **Compliance with Legal Requirements.** The granting and delivery of the Award, and any other obligations of the Company under this Agreement, shall be subject to all applicable federal, state, local, and foreign laws, rules, and regulations and to such approvals by any regulatory or governmental agency as may be required.

6. **Transferability.** The PSUs granted hereunder may not be assigned, alienated, pledged, attached, sold, or otherwise transferred or encumbered by the Participant other than as may be permitted by the Plan and any such purported assignment, alienation, pledge, attachment, sale, transfer, or encumbrance shall be void and unenforceable against the Company or any Affiliate.

7. **Miscellaneous.**

(a) Waiver. Any right of the Company contained in this Agreement may be waived in writing by the Committee. No waiver of any right hereunder by any party shall operate as a waiver of any other right, or as a waiver of the same right with respect to any subsequent occasion for its exercise, or as a waiver of any right to damages. No waiver by any party of any breach of this Agreement shall be held to constitute a waiver of any other breach or a waiver of the continuation of the same breach.

(b) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(c) No Right to Employment; Continuous Employment. Nothing contained in this Agreement shall be construed as giving the Participant any right to be retained, in any position, as an employee, consultant, or director of the Company or its Affiliates or shall interfere with or restrict in any way the right of the Company or its Affiliates, which are hereby expressly reserved, to remove, terminate or discharge the Participant with or without cause at any time for any reason whatsoever. Although over the course of employment terms and conditions of employment may change, the at-will term of employment of the Participant will not change. Unless otherwise specified by the Plan, for purposes of this Agreement, the continuous employment of the Participant with the Company shall not be deemed to have been interrupted, and the Participant shall not be deemed to have ceased to be an employee of the Company, by reason of the transfer of Participant's employment among the Company or a leave of absence approved by the Committee

(d) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company, its successors and assigns, the Participant and the beneficiaries, executors, administrators, heirs and successors of the Participant.

(e) Relation to Other Benefits. Any economic or other benefit to the Participant under this Agreement or the Plan shall not be considered in determining any benefits to which the Participant may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company.

(f) Taxes and Withholding. To the extent that the Company is required to withhold any federal, state, local, foreign or other tax in connection with the PSUs thereon pursuant to this Agreement, it shall be a condition to earning the award that the Participant make arrangements satisfactory to the Company for payment of such taxes required to be withheld. With respect to payments under Section 3 herein, the Committee may, in its sole discretion, require the Participant to satisfy such required withholding obligation by surrendering to the Company a portion of the Shares earned by the Participant hereunder, and the Shares so surrendered by the Participant shall be credited against any such withholding obligation at the Fair Market Value of such Shares on the date of surrender. Further, the Committee may accelerate the payment of a portion of the Shares earned by the Participant hereunder to pay the Federal Insurance Contributions Act (FICA) tax under Sections 3101, 3121(a) and 3121(v)(2) of the Code and the corresponding income tax withholding related to the FICA amount.

(g) Amendments. Subject to the terms of the Plan, the Committee may modify this Agreement upon written notice to the Participant. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, no amendment of the Plan or this Agreement shall adversely affect the rights of the Participant under this Agreement without the Participant's consent unless the Committee determines, in good faith, that such amendment is required for the Agreement to either be exempt from the application of, or comply with, the requirements of Section 409A of the Code, or as otherwise may be provided in the Plan.

(h) Section 409A of the Code. It is intended that the PSUs shall be exempt from the application of, or comply with, the requirements of Section 409A of the Code. The terms of this Agreement shall be construed, administered, and governed in a manner that effects such intent, and the Committee shall not take any action that would be inconsistent with such intent. Without limiting the foregoing, the PSUs shall not be deferred, accelerated, extended, paid out, settled, adjusted, substituted, exchanged or modified in a manner that would cause the award to fail to satisfy the conditions of an applicable exception from the requirements of Section 409A of the Code or otherwise would subject the Participant to the additional tax imposed under Section 409A of the Code.

(i) Entire Agreement. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto; provided, however, the Participant understands that the Participant may have an existing agreement(s) with the Company, through prior awards, acquisition of a prior employer or otherwise, that may include restrictive covenants, and acknowledges that the covenants in the agreements that provide the Company with the greatest protection enforceable under applicable law shall control, and that the parties do not intend to create any ambiguity or conflict that would release the Participant from the obligations the Participant has assumed under the restrictive covenants in any of these agreements. No change, modification or waiver of any provision of this Agreement shall be valid unless the same be in writing and signed by the parties hereto, except for any changes permitted without consent of the Participant under the Plan.

(j) Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Ohio without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Ohio. Each of the Company and the Participant submits to the exclusive jurisdiction (both personal and subject matter) of (i) the United States District Court for the Southern District of Ohio sitting in Cincinnati, Ohio and its appellate courts, and (ii) any court of the State of Ohio sitting in Cincinnati, Ohio and its appellate courts, for the purposes of all legal actions and proceedings arising out of or related to this Agreement. Each of the Company and the Participant waives, to the fullest extent permitted by law, (i) any objection which it may now or later have to the laying of venue of any legal action or proceeding arising out of or relating to this Agreement brought in any court of the State of Ohio sitting in Cincinnati, Ohio or the United States District Court for the Southern District of Ohio sitting in Cincinnati, Ohio, including, without limitation, a motion to dismiss on the grounds of *forum non conveniens* or lack of subject matter jurisdiction; and (ii) any claim that any action or proceeding brought in any such court has been brought in an inconvenient forum.

(k) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction and shall not constitute a part of this Agreement.

(l) Language. If the Participant receives this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

(m) No Advice Regarding Award. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan or the acquisition or sale of the underlying securities. The Participant is hereby advised to consult with the Participant's personal tax, legal or financial advisors regarding the decision to participate in the Plan before taking any action related to the Plan.

(n) Electronic Delivery. The Participant hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered under the Plan. The Participant understands that, unless earlier revoked by the Participant by giving written notice to the Secretary of the Company, this consent shall be effective for the duration of the Agreement. The Participant also understands that he or she shall have the right at any time to request that the Company deliver written copies of any and all materials referred to above at no charge. The Participant hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. The Participant consents and agrees that any such procedures and delivery may be effected by a third party engaged by the Company to provide administrative services related to the Plan.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed on its behalf by its duly authorized officer and the Participant has also executed this Agreement, as of the date first set forth above.

MERIDIAN BIOSCIENCE, INC.

By: _____

Name: Bryan Baldasare
Title: Chief Financial Officer

You must accept the award online or by telephone in accordance with the procedures established by the Company and the Plan administrator. By accepting your award in accordance with these procedures, you acknowledge that a copy of the Plan, Plan Summary and Prospectus, and the Company's most recent Annual Report and Proxy Statement (the "**Prospectus Information**") either have been received by you or are available for viewing on the Company's intranet site or internet site at www.meridianbioscience.com, and consent to receiving this Prospectus Information electronically, or, in the alternative, agree to contact Julie Smith at (513) 272-5230 to request a paper copy of the Prospectus Information at no charge. You also represent that you are familiar with the terms and provisions of the Prospectus Information and hereby accept the award on the terms and conditions set forth herein and in the Plan. These terms and conditions constitute a legal contract that will bind both you and the Company as soon as you accept the award as described above.

Appendix A
Calculation of PSU's Earned

Participant Name:
Business Unit (Corporate, LS or Dx):
Target Number of PSUs:

[***]

Exhibit 31.1

Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rule 13a-14(a)

I, Jack Kenny, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Meridian Bioscience, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 4, 2022

/s/ Jack Kenny
Jack Kenny
Chief Executive Officer

Exhibit 31.2

Certification of Principal Accounting Officer Pursuant to Securities Exchange Act Rule 13a-14(a)

I, Julie Smith, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Meridian Bioscience, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 4, 2022

/s/ Julie Smith
Julie Smith
Senior Vice President and Controller
(Principal Accounting Officer)

Exhibit 32

Meridian Bioscience, Inc.

Certification of Chief Executive Officer and Principal Accounting Officer

Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to

Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the filing with the Securities and Exchange Commission of the Quarterly Report of Meridian Bioscience, Inc. (the "Company") on Form 10-Q for the period ended December 31, 2021 (the "Report"), the undersigned officers of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of their knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Jack Kenny
Jack Kenny
Chief Executive Officer
February 4, 2022

/s/ Julie Smith
Julie Smith
Senior Vice President and Controller
(Principal Accounting Officer)