



September 9, 2020

## 2020 HALF-YEAR RESULTS

(Data have been the subject to a limited review by the statutory auditors)

The Board of Directors, at its meeting of September 9, 2020, made up the half-year statutory and consolidated financial statements.

<i>in thousands of euros</i>	2019	2020	Variation
Sales <sup>(1)</sup>	256,718	253,633	-1.2% <sup>(2)</sup>
Operating income	5,994	1,496	-75.0%
Net income - group share	-0,393	-0,975	-148.1%
Cash flow <sup>(3)</sup>	22,529	46,101	+104.6%
Net investments	20,887	10,930	-47.7%
Net cash position	177,667	215,757 <sup>(4)</sup>	+21.4%

<sup>(1)</sup>The main information on the variation of the half-year sales were the subject of a financial statement on July 16, 2020 (<https://www.boironfinance.fr/en/releases/sales>).

<sup>(2)</sup> - 1.1% at constant exchange rate.

<sup>(3)</sup> Before cash revenue, financing expenses and corporate income tax.

<sup>(4)</sup> Cash will primarily be impacted by the total cost of the plan in 2021.

### Sales growth

Over the first half, sales were down 1.2%, as a result of two contrasting developments:

- A 16.5% decline in business in France in non-proprietary medicines (down 21.0%) and specialties (down 6.6%)
- International sales growth of 20.8%, mainly in North America

### Profitability trends

Operating income in the first half of 2020 amounted to €1,496 thousand, down €4,498 thousand versus 2019.

It was significantly impacted by the recognition of estimated costs for the proposed reorganisation of our activities in France. Announced on 11 March 2020, this plan will include:

- the shutdown of the Montrichard site near Tours,
- the closure of 12 of the 27 preparation-distribution sites we operate in France: Avignon, Belfort, Brest, Grenoble, Limoges, Niort, Paris-Bois d'Arcy, Paris-Ivry, Pau, Rouen, Strasbourg and Toulon,
- rescaling of the production and preparation-distribution teams at the continued sites,
- reorganisation of the sales teams.

This will result in the elimination of 646 positions and the creation of 134.

Based on the information currently available, the cost of this plan is estimated at €59,000 thousand, €55,432 of which was covered by a provision at 30 June 2020 pursuant to applicable accounting standards. These estimates may change as a result of negotiations currently underway, set to continue until 14 October.

At the same time, we recorded a €27,741 write-back on provisions in light of the reduction in social security commitments generated by the reorganisation.

<i>in thousands of euros</i>	<b>2020</b>
<b>Operating income</b>	<b>1,496</b>
Provision for the reorganisation plan	55,432
Provision write-back in respect of the reduction in social security commitments	-27,741
<b>Operating income before impact of reorganisation</b>	<b>29,187</b>
<i>% of revenue</i>	<i>11,5%</i>

Operating income before taking the impact of the reorganisation plan into account amounted to €29,187, up €23,193 compared to 2019, following:

- the €19,046 reduction in operating expenses, due to the savings made during the year and the slowdown in promotional activities as a result of the Covid health crisis,
- a positive comparison effect relating to the reorganisation of our activities in Belgium in 2019, amounting to €4,785.

## Outlook

Global business levels looking forward will depend on how the global health and economic situation progresses.

In France, it will also depend on the position the *Conseil d'Etat* takes on our appeals and the government's final decision regarding the preservation of the reimbursement of homeopathy.

As such, we still expect to see a decrease in sales and earnings in 2020.

We are determined to continue our efforts to maintain the reimbursement of homeopathic medicines, reflecting the demand of the millions of patients who use them.

Laboratoires BOIRON

The half-year accounts were subjected to a limited review by statutory auditors. The half-year report including information on activities and results of the first half-year and the 2019 outlook was published in line with the provisions of Article 221-3 of the French Financial Market Authority. It is available on the company's website (<https://www.boironfinance.fr/en/financial-information/half-year-reports>).

Additional information on the half-year results can be found in the slides presented at the information meeting of Thursday September 10, 2020 and available on the company's website (<https://www.boironfinance.fr/en/financial-information/half-year-reports>).

*Our next update:*

October 22, 2020, at market close, publication of quarterly sales and financial information as of September 30, 2020.

Person responsible for financial information: Valérie Lorentz-Poinsot.

Contact for financial information: Fabrice Rey.

Investor relations: +33 (0) 4.78.45.63.43 - e-mail: [boironfinances@boiron.fr](mailto:boironfinances@boiron.fr)

ISIN Code: FR0000061129 (BOI) - Bloomberg: BOI FP - Reuters: BOIR.PA

The group's financial information and the glossary are online at: [www.boironfinance.com](http://www.boironfinance.com)