



# HALF-YEAR FINANCIAL REPORT

FOR THE PERIOD ENDING JUNE 30, 2022



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This half-year financial report is for the six months ended June 30, 2022, and was prepared in line with the Articles L451-1-2 III of the French Monetary and Financial Code and 222-4 and seq. of the AMF Regulations.

It was published in line with the Article 221-3 of the AMF Regulations. It is available on the Company's website: [www.boironfinance.com](http://www.boironfinance.com) (<http://www.boironfinance.fr/en/Shareholders-and-investors-area/Financial-information/Regulated-information/Annual-and-half-year-reports>).

## A FEW WORDS FROM VALÉRIE LORENTZ-POINSOT

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### A very dynamic first half, powered by a strong growth drive

Because patients the world over are seeking completely safe forms of treatment, we are continuing our determined, ambitious efforts to offer them safe healthcare solutions, leveraging our unique scientific expertise, which is resolutely focused on the medicine of the future.

In the wake of three major crises - the delisting of our homeopathic medicines in France on 1 January 2021, the distressing social crisis that ensued and which ended on 31 December 2021 with the closure of our Montrichard production site, and, on top of all that, a global COVID-19 health crisis - **our company has managed to reorganise itself while continuing to innovate and has restored a strong and very positive dynamic.**



We achieved very good results in the first half of 2022, when **Group sales increased by 35.2% to reach 256.8 million euros at end-June.** The Group's international growth has been particularly strong, with a 47.6% increase in sales. While the ongoing global health crisis and especially the geopolitical context encourage us to remain cautious, we are confident that this trend will continue. The solid first-half results are clearly the outcome of not only our reorganisation but also, and more importantly, of a targeted innovation strategy.

We are the world leader in homeopathy and determined to maintain our leadership.

**Every year, our R&D department achieves the publication of new findings; we are developing new homeopathic medicines and obtaining new marketing authorisations,** as can be seen by the launch last March of our latest proprietary medicinal product: **Varésol®**, a medicine prescribed to treat chicken pox symptoms.

**We have also continued to market other health solutions, which are as useful and safe as ever,** to meet demand from patients and health professionals for natural treatments: our probiotics, our food supplements and our range of dermocosmetics made from organically-grown Calendula. **Natural solutions that are still as safe as ever for people and the environment.**

Since our company's foundation 90 years ago, **all of our efforts to develop homeopathy** and, more recently, our other healthcare products, **have been focused on helping to improve the service rendered to public health.** To this same end, we decided to launch the development of rapid tests. We began, nearly two years ago, by distributing COVID-19 rapid-diagnosis tests (nasopharyngeal tests for professional use and self-tests), which represent revenue of 32 million euros over this first half-year. We intend to leverage this success to continue bringing out new tests, which will be perfectly in keeping with the Group's public health mission.

In early 2022, we also acquired a majority share in the Lyon-based start-up **ABBI** (an acronym for authenticity, beauty, wellbeing and individuality), which is **specialised in manufacturing individualised, bespoke cosmetics with the help of artificial intelligence**.

This equity investment is the outcome of a meeting of minds and shared common values with our company, which has always placed the individual at the centre of its concerns.

ABBI bespoke creams are made by hand from natural ingredients; they do not contain any controversial or criticised products, and they are customised because each skin is unique.

Tomorrow it will be possible to make them in all of our pharmaceutical laboratories.

We aim to market these cosmetic skincare products throughout France initially, both online and over the counter in pharmacies. At a later stage, we aim to expand onto the international market.

The new products launched since 2020 represented 47 million euros in the 1st half of 2022, as against 15 million euros in the 1st half of 2021, i.e. already over 18% of sales in the first half. We intend to continue this trend and are preparing reliable, safe products based on medical cannabis for the years ahead.

This renewed growth is also **the result of the work of a fine team, endowed with resilience and a strong fighting spirit!** Committed women and men who have played an active part in the company's reorganisation while at the same time continuing to innovate in every field.

**On 15 September next, the team will be proud to celebrate our company's 90th year in existence: 90 years dedicated to serving each patient and each health professional all over the world, 90 years of bold ideas for innovations in pharmaceuticals, science, medicine and society, along with the challenges met and so many others yet to be addressed!**

The public health system is grappling with a mounting number of challenges and, with each day that passes, the healthcare systems will be increasingly reliant on all of the available forces.

We will therefore continue to ensure that every patient in the world has access to homeopathy and to all of our other healthcare solutions - all natural, useful and effective - in order to help build tomorrow's health.

This responsibility is an incredible motivational driver.

**Valérie Lorentz-Poinsot**  
General Manager



Plant strain: Pulsatilla

# HALF-YEAR ACTIVITY REPORT



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## HIGHLIGHTS IN THE FIRST HALF OF 2022

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### In terms of business activities:

- In order to develop its business, in February 2022 Laboratoires BOIRON purchased a **70% majority stake in ABBI**, a start-up specializing in customized cosmetics thanks to artificial intelligence. The amount of the acquisition was €1.75 million, plus earn-outs depending on ABBI's performance, in 2023. On June 30, 2025, Laboratoires BOIRON will purchase the remaining 30% for an amount also depending on ABBI's performance. These amounts will be financed by Group equity.
- The **war in Ukraine** that broke out in February 2022 is of concern to all of our teams and affects Laboratoires BOIRON's Ukrainian distributor. The Group has therefore set up a crisis committee to manage the social and economic impacts of the situation on its business. Sales generated in Ukraine and Russia in 2021 accounted for less than 4% of Group sales. Laboratoires BOIRON is keeping a close eye on the situation, in order to take the necessary actions for organizing its operations. In Russia, investments have been frozen, advertising campaigns and clinical trials stopped, and new product launches have been cancelled. The BOIRON subsidiary nevertheless continues to operate, as the medicines concerned may be essential for certain vulnerable groups, such as pregnant women and children. The Group's employees also took action by hosting Ukrainian refugees and donating basic necessities, food, toothpaste, syrups and lozenges.
- On June 29, 2022, **Laboratoires BOIRON and VERFORA announced the beginning of a distribution partnership in Switzerland**. From October 1, 2022, BOIRON medicines will be marketed by the country's number one non-prescription drug seller. BOIRON will be able to benefit from VERFORA's broad market coverage, in particular in the German-speaking part of Switzerland, and VERFORA from BOIRON's extensive expertise in its field. Furthermore, the fact that a sole supplier can offer a wide range of products provides added value to pharmacies and patients.
- After the launch of online sales of the Dermoplasmine® discovery kit in early February 2022, the **Group e-commerce plan** is continuing with a second test, starting July: direct sales to the French public of Arnicrème® by BOIRON. This new distribution channel will help Laboratories BOIRON serve and understand its consumers better, more accurately meet their needs and offer them the chance to discover and purchase products either in pharmacies or online.
- Following closure in 2021, **the Limoges and Pau distribution sites were sold in the first half of 2022**, generating a capital gain of €1,365 thousand.

- The Laboratoires BOIRON innovation strategy has resulted in a number of product launches since 2020, generating €47 million in sales in the first half of the year. The following products were launched in the first half of 2022:
  - **Varésol®**, homeopathic medicine for the symptoms of chickenpox,
  - **The ABBI® customized cosmetics range** developed through Artificial Intelligence, as part of the acquisition mentioned above.

#### In terms of corporate social responsibility:

- Amid rising inflation and declining purchasing power, company agreements on general wage increases, profit-sharing, performance ratios and the financing of social innovations have been renegotiated for a three-year period. These agreements, signed unanimously by the employee representative bodies, seek to **maintain balance between the company's economic and social development**.
- In early January 2022, a **new training platform called "Camp'Us"** was launched. This e-learning platform lets Group employees complete training modules at any time, in line with their needs.
- At the beginning of May, a **health and fitness program was launched at the Messimy site (Rhône)**. It encourages employees to integrate physical activity and exercise into their work life, combining walks for all levels and abilities, weights and relaxation areas, while giving employees the chance to explore the natural environment surrounding the Messimy site from another perspective.
- As part of the **"Homeopathy & Sport"** program, a whole series of events was held in the first half of the year in the regions to promote homeopathy through exercise and health (*Course des Demains, Marseillaise des femmes, Act'Rose, etc.*).
- On June 9, 2022, **Laboratoires BOIRON celebrated 90 years...** The anniversary will be celebrated on September 15 with all the Group's employees. 90 years on... the Laboratoires Boiron adventure continues with the same passion, audacity and drive to produce effective, useful and safe healthcare solutions for more personal, respectful and sustainable medicine.
- On June 28, 2022, Laboratoires BOIRON signed an agreement with CVE to **fit the Messimy site out with photovoltaic parking lot shades**, aiming to cover 13% of the site's annual energy use with green energy by 2024.

#### First half financial performance:

- As a reminder, the Group posted an operating loss of €11,039 thousand in the first half of 2021. In the first half of 2022, it posted operating income of €19,994 thousand, up €31,033 thousand, due to a significant increase in business.
- In the first half of 2022, Laboratoires BOIRON bought back 150,000 shares for a total of €6,079 thousand, under the share buyback program approved by the General Meeting of May 27, 2021. These shares will be delivered to the shareholders of ABBI, if they opt to receive a portion of the price in shares.

## CHANGE IN GROUPE SALES

Sales (in thousand of euros)	1 <sup>st</sup> quarter			2 <sup>nd</sup> quarter			1 <sup>st</sup> half-year			
	2022	2021	Variation at current exchange rates 2022/2021	2022	2021	Variation at current exchange rates 2022/2021	2022	2021	Variation at current exchange rates 2022/2021	Variation at constant exchange rates 2022/2021
France	77,055	51,518	+49.6%	54,283	53,412	+1.6%	131,338	104,930	+25.2%	+25.2%
Europe (excluding France)	34,476	20,039	+72.0%	26,228	22,194	+18.2%	60,704	42,234	+43.7%	+42.7%
North America	28,944	17,657	+63.9%	23,282	17,723	+31.4%	52,227	35,380	+47.6%	+34.3%
Other countries	5,305	1,958	+170.9%	7,189	5,430	+32.4%	12,494	7,388	+69.1%	+56.8%
<b>Group total</b>	<b>145,780</b>	<b>91,172</b>	<b>+59.9%</b>	<b>110,982</b>	<b>98,759</b>	<b>+12.4%</b>	<b>256,762</b>	<b>189,931</b>	<b>+35.2%</b>	<b>+32.0%</b>

Sales (in thousand of euros)	Non-proprietary homeopathic			Homeopathic Specialties			Other health products <sup>(1)</sup>		
	2022	2021	Variation at current exchange rates 2022/2021	2022	2021	Variation at current exchange rates 2022/2021	2022	2021	Variation at current exchange rates 2022/2021
<b>GROUPE BOIRON</b>	<b>88,876</b>	<b>93,994</b>	<b>- 5.4%</b>	<b>121,916</b>	<b>80,113</b>	<b>+ 52.2%</b>	<b>45,970</b>	<b>15,825</b>	<b>+ 190.5%</b>
France <sup>(2)</sup>	58,063	65,559	- 11.4%	41,665	30,243	+ 37.8%	31,610	9,128	+ 246.3%
Europe (excluding France)	16,395	15,672	+ 4.6%	34,273	21,492	+ 59.5%	10,035	5,070	+ 97.9%
North America	13,242	11,665	+ 13.5%	37,783	22,645	+ 66.8%	1,201	1,070	+ 12.2%
Other countries	1,176	1,098	+ 7.1%	8,195	5,733	+ 42.9%	3,124	557	+ 460.9%

(1) "Other health products" include the non-homeopathic products (medical devices, nutritional supplements, cosmetics, phytotherapy) that were previously listed in the "OTC specialty" section.

(2) Mainland and overseas departments and territories.

In the second quarter of 2022, sales increased 12.4%, following a 59.9% increase in the first quarter.

The Group's first-half sales amounted to €256,762 thousand in 2022, up 35.2% from €189,931 thousand in 2021: homeopathic specialties increased 52.2%, other health products by 190.5%, while non-proprietary homeopathic medicines fell 5.4%.

This increase is the result of a rise in volumes (+33.8%) and the positive currency impact (+3.2%), partially offset by an unfavorable price effect (-1.8%) of COVID tests, with prices for other products rising overall.

At constant exchange rates<sup>1</sup>, sales for the first half of the year were up 32.0%<sup>2</sup>. This growth was spread broadly across all countries, driven by a favorable basis for comparison in 2021 with very low winter specialty sales, a sharp rise in pathologies, and sales of COVID tests in the first half of 2022.

- **In France**, sales increased by €26,408 thousand (up 25.2%). Homeopathic specialties increased by €11,422 thousand (up 37.8%), particularly in winter specialties, Cocculine®, Homéoplasmine®, Sporténine® and thanks to the 2022 launch of Varésol®. Other health products increased by €22,482 thousand, mainly due to COVID tests. Conversely, sales of non-proprietary homeopathic medicines fell 11.4%, impacted by the delisting of homeopathy from French health insurance on January 1, 2021.
- **In the "Europe excluding France" region**, sales were up €18,030 thousand<sup>2</sup> (+42.7%<sup>2</sup>) across all countries. Homeopathic specialties increased by 57.6%<sup>2</sup>, other health products by 98.1%<sup>2</sup> and non-proprietary homeopathic medicines by 4.3%<sup>2</sup>.

<sup>1</sup> The change in sales at constant exchange rates consists of applying to the current year the exchange rates used for the comparative period, in order to neutralize the effects of exchange rate fluctuations. At constant exchange rates, first half 2022 sales amounted to €250,689 thousand, €60,758 thousand higher than 2021 sales, as reported. Any changes presented at constant exchange rates are followed by a <sup>2</sup>



This increase was due to an increase in illnesses in 2022 and a favorable basis for comparison on winter products (Oscillococcinum® and Stodal® in particular), in Romania (+205%<sup>2</sup>), Russia (+52.1%<sup>2</sup>), further accentuated by an increase in Camilia®, Portugal (+139.9%), Bulgaria (+96.5%), Italy (+11.5%), Belgium (+25.3%) and Slovakia (+160.0%).

- **In North America, sales increased** €12,122 thousand<sup>2</sup> (+34.3%<sup>2</sup>), mainly in homeopathic specialties (+51.8%<sup>2</sup>).
  - Sales in the United States were up 33.5%<sup>2</sup>, mainly in the winter range (in particular Oscillococcinum®) thanks to a favorable basis for comparison (very low demand in 2021) and a high incidence of illnesses in 2022. Other products were mostly up.
  - Sales in Canada rose 39.4%<sup>2</sup>, primarily in the winter range, and Stodal® in particular.
  
- **In the “Other countries” region, sales were up** €4,197 thousand<sup>2</sup> (+56.8%<sup>2</sup>), mainly in other health products (+436.7%<sup>2</sup>) and homeopathic specialties (+29.9%<sup>2</sup>).
  - The increase in sales in Brazil (+69.1%<sup>2</sup>) was driven by sales of COVID tests and the rise in winter illnesses, resulting in an increase in winter specialty sales.
  - Many other countries recorded a positive recovery in sales, such as Hong Kong and China (+183.4%<sup>2</sup>) and Morocco (+67.9%<sup>2</sup>).

## GRUPE FINANCIAL POSITION

<i>In thousand of euros</i>	2022	2021	Var.
Sales	256,762	189,931	+35.2% <sup>(1)</sup>
Operating income	19,994	-11,039	N/A
Net income - Group share	12,524	-9,514	N/A
Cash flow <sup>(2)</sup>	21,293	-2,835	N/A
Net investments	11,424	9,467	+20.7%
Net cash position	242,831	212,131	+14.5%

<sup>(1)</sup> +32.0% at constant exchange rates.

<sup>(2)</sup> Before cash revenue, financing expenses and corporate income tax.

### 1. GROUP INCOME STATEMENT

The Group posted an **operating income** of €19,994 thousand and represents 7.8% of sales. It was up by €31,033 thousand compared to the first half of 2021.

As a reminder, the Group recorded a first half 2021 operating loss of €11,039 thousand, primarily impacted by the significant decline in business.

**Gross margin** was up €38,133 thousand (+28.4%), impacted by the increase in sales (up 35.2%). Gross margin rate was down 3.6 points, mainly due to the increase in the share of COVID tests in sales.

**Preparation and distribution costs** fell by €3,360 thousand (-7.4%), mainly due to the decrease in payroll (full impact of the gradual closure of twelve sites in the first half of 2021, as part of the reorganization plan in France), partially offset by an increase in transport costs (increase in business) in all countries and profit-sharing in France.

**Promotion costs** were up by €9,220 thousand (+14.8%), mainly due to an increase in staff costs (including profit-sharing) in France and the United States, as well as the resumption of advertising campaigns, business travel and in-person seminars and training.

**Research and development costs** increased by €1,422 thousand due to the grouping of a Research and Development, Scientific and Medical Affairs department in France. **Regulatory Affairs costs** decreased by €1,254 thousand, with a team having been transferred to this department.

**Support function costs** rose by €2,760 thousand (+8.7%), mainly relating to staff costs (including profit-sharing) in France and the United States. Note the recognition of ABBI's expenses, integrated in the first half of 2022.

**Other operating revenues and expenses** resulted in net income of €2,917 thousand, compared to €1,229 thousand in 2021. In 2022 this included:

- €1,365 thousand in capital gains generated by the sale of two sites in France (Limoges and Pau),
- a €511 thousand net reversal of the provision for reorganization in France, in particular in relation to the return to work of certain employees before the end of their benefit entitlement.

In 2021, these mainly included:

- €1,626 thousand in capital gains generated by the sale of two sites in France (Saint-Etienne and Brest),
- €971 thousand in costs relating to the reorganization in France

**Investment income** amounted to €530 thousand, versus €246 thousand in 2021. This mainly comprises income from financial investments made by the BOIRON parent company.

**Financing costs** amounted to €144 thousand, stable compared to 2021, primarily consisting of interest charges on rental liabilities.

**Other financial income and expenses** resulted in a net expense of €3,277 thousand, compared to a net expense of €791 thousand in 2021. They primarily comprise:

- foreign exchange gains and losses on financial transactions, strongly impacted by the depreciation of the Russian Rouble when the dividend payment was made in February 2022 (-€1,457 thousand),
- expenses relating to the gradual decrease of the impact of discounting employee benefit obligations, net of the estimated return on external plan assets relating to the commitment to provide retirement benefits (-€152 thousand).

The Group posted a €4,710 thousand **tax charge** in the first half of 2022, representing 27.5% of income before tax. In 2021, it posted €2,218 thousand in tax income, representing 18.9% of income before tax, compared with the losses posted by most entities.

**Net income, Group share** resulted in profit of €12,524 thousand, versus a loss of €9,514 thousand in the first half of 2021.

## 2. IMPACTS OF THE ABBI INTEGRATION

The BOIRON Group took control of ABBI on February 28, 2022, a start-up specializing in personalized cosmetics thanks to Artificial Intelligence, located in Sainte-Foy-lès-Lyon:

- Acquisition of 70% of the share capital, including a fixed portion of €1,750 thousand paid at the time of purchase and financed through equity (presented in the cash flow statement) and earn-outs payable in the event of performance targets being met at December 31, 2022 and December 31, 2023, estimated at €6,784 thousand at June 30, 2022.
- Reciprocal purchase and sale commitment for 30% of the share capital, to be completed on June 30, 2025, the price of which shall be determined based on objectives to be achieved by December 31, 2024. Given that minority shareholders will retain their rights and benefits relating to the shares held, buyback commitments have been recognized under financial liabilities by applying the formula for calculating the price on the purchase date, with a corresponding entry in reserves. At June 30, 2022, borrowings relating to this commitment amounted to €6,295 thousand.

As such, total financial liabilities relating to the various earn-outs amounted to €13,079 thousand as of June 30, 2022. The various earn-outs in place, including one relating to the purchase of the 30%, may be settled in BOIRON shares, as decided by the transferors, up to a maximum of 150,000 shares.

The impact of the acquisition on the Group's main line items (revenues, operating income, and net cash, in particular) was not material as of June 30, 2022.

For simplification purposes, ABBI was consolidated from January 1, 2022.

### 3. CONSOLIDATED CASH FLOWS

Net cash and cash equivalents amounted to €242,831 thousand in the first half of 2022, versus €234,082 thousand at December 31, 2021. It increased by €8,749 thousand in the first half of 2022, compared with a decrease of €22,182 thousand in the same period in 2021.

Cash flows from **operating activities** amounted to €41,160 thousand, compared with €5,788 thousand in the first half of 2021:

- Free cash flow increased by €24,128 thousand compared with the first half of 2021, and represented 8.3% of sales compared with -1.5% in 2021. €10,663 thousand was disbursed in 2022 as part of the reorganization. Adjusted for this impact, free cash flow would increase by €34,791 thousand, in line with the increase in profitability.
- Tax paid amounted to €4,163 thousand, up €3,997 thousand compared to 2021, with an increase in advance payments made by the BOIRON parent company in line with the increase in profit.
- The decline in working capital had a positive impact on cash flow of €24,030 thousand (the decrease in the first half of 2021 amounted to €8,789 thousand). The main factors include an increase in inventories (higher than in the first half of 2021), mainly in France, a decrease in trade receivables due to the seasonal nature of the business, and a decrease in trade payables (lower than in the first half of 2021), particularly relating to the purchase of COVID tests.

Cash flows from **investment activities** resulted in a net outflow of €11,424 thousand, up €1,957 thousand compared to the first half of 2021, including:

- the acquisition or upgrade of production equipment in Messimy,
- the Group's IT projects,
- the purchase of ABBI (discussed in the section above "Impact of the ABBI integration"),
- offset by the sale of the Limoges and Pau sites.

**Cash flows from financing activities** resulted in a net outflow of €25,534 thousand, compared to €18,700 thousand in 2021. These primarily include:

- dividends paid in 2022 amounting to €16,502 thousand, compared to €16,643 thousand in 2021.
- the purchase of 150,000 BOIRON shares outside the liquidity contract for €6,079 thousand, in connection with the ABBI acquisition (discussed in the section "Impact of the ABBI integration"). No share purchase outside the liquidity contract was carried out in 2021.

## **POST-BALANCE SHEET EVENTS**

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Strasbourg site as well as Montrichard production site were sold in July 2022.

No other post-closing event which might have a material impact on the Group's financial statements has been identified.

## **OUTLOOK**

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Amid high inflation and pressure on certain energy and raw material supplies, we are doing everything we can to ensure our medicines and entire product range remain available.

We are also keeping a close eye on how the global health crisis evolves, and continue to take appropriate measures where necessary.

For the full year, we expect to see an increase in revenues in all of the Group's regions versus 2021, as well as a significant increase in profitability.

We continue to put all our energy and determination into ensuring that every patient in the world can take advantage of homeopathy and our other healthcare solutions, thereby supporting a more humane, efficient and sustainable healthcare system..

## **MAIN RISKS AND UNCERTAINTIES**

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The risk factors shown in paragraph 1.4 of the 2021 Universal Registration Document was updated to factor in the war in Ukraine.

No new risks were identified as of 30 June 2022.

## **RELATED PARTY TRANSACTIONS**

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Transactions with related parties are set out in note 28 to the half-year condensed consolidated financial statements





Plant strain: Passionflower (*passiflora caerulea*)

# HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDING JUNE 30, 2022

SETTLED BY THE BOARD OF DIRECTORS OF SEPTEMBER 7, 2022



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## CONSOLIDATED FINANCIAL STATEMENTS

### CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Notes	2022 (6 months)	2021 (6 months)
<b>Sales</b>	22	256,762	189,931
Other sales revenue	22	0	0
Costs of goods sold		(84,369)	(55,671)
Preparation and distribution costs		(42,160)	(45,520)
Promotion costs		(71,597)	(62,377)
Research and Development costs		(2,719)	(1,297)
Regulatory affairs costs		(4,322)	(5,576)
Function supports costs		(34,518)	(31,758)
Other operating revenue	23	3,627	3,299
Other operating expenses	23	(710)	(2,070)
<b>Operating income</b>		<b>19,994</b>	<b>(11,039)</b>
Cash revenue		530	246
Financing expenses		(144)	(146)
Other financial revenue and expenses		(3,277)	(791)
Share in net earnings (losses) of companies at equity		0	0
<b>Income before corporate income tax</b>		<b>17,103</b>	<b>(11,730)</b>
Corporate income tax	24	(4,710)	2,218
<b>Consolidated net income</b>		<b>12,393</b>	<b>(9,512)</b>
Net income - minority share		(131)	2
<b>Net income - group share</b>	25	<b>12,524</b>	<b>(9,514)</b>
<b>Earnings per share <sup>(1)</sup> (in euros)</b>	25	<b>0.72</b>	<b>(0.54)</b>

<sup>(2)</sup> In the absence of a dilutive instrument, the average earnings per share are the same as the average diluted earnings per share.



## STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	Notes	2022 (6 months)	2021 (6 months)
<b>Consolidated net income</b>		12,393	(9,512)
<b>Other items of comprehensive income that will be reclassified subsequently to profit or loss</b>		9,532	1,703
Currency translation adjustments		9,692	1,659
Other movements		(160)	44
Changes in the fair value of financial instruments		0	0
<b>Other items of comprehensive income that will not be reclassified subsequently to profit or loss</b>		7,635	4,556
Actuarial differences related with post-employment benefits <sup>(1)</sup>	17	7,635	4,556
<b>Other items of comprehensive income <sup>(2)</sup></b>		17,167	6,259
<b>Consolidated comprehensive income</b>		29,560	(3,253)
Comprehensive income - minority share		(41)	2
<b>Comprehensive income - group share</b>		29,601	(3,255)

<sup>(1)</sup> In 2022: +€10,294 thousand in gross actuarial differences and -€2,659 thousand in deferred taxes.

In 2021: +€6,143 thousand in gross actuarial differences and -€1,587 thousand in deferred taxes.

<sup>(2)</sup> There are no tax impact in the other items of comprehensive income other than those mentioned in <sup>(1)</sup>.

## CONSOLIDATED BALANCE SHEET

ASSETS (in thousands of euros)	Notes	06/30/2022	12/31/2021
<b>Non-current assets</b>		<b>322,914</b>	<b>318,336</b>
Goodwill	7	98,054	89,635
Intangible fixed assets	8	32,407	30,993
Tangible fixed assets	8	158,195	162,793
Rights of use relating to leases	9	7,703	8,607
Investments		5,847	4,373
Other non-current assets	13	38	41
Deferred taxes assets		20,670	21,894
<b>Current assets</b>		<b>447,719</b>	<b>452,364</b>
Assets held for sale	10	2,047	2,384
Inventories and work in progress	11	95,824	85,556
Accounts receivable and other assets linked to customer accounts	12	79,584	97,340
Income tax receivables	13	2,020	2,783
Other current assets	13	24,161	29,797
Cash and cash equivalents	14	244,083	234,504
<b>TOTAL ASSETS</b>		<b>770,633</b>	<b>770,700</b>

EQUITY & LIABILITIES (in thousands of euros)	Notes	06/30/2022	12/31/2021
<b>Shareholders' equity (group share)</b>		<b>532,734</b>	<b>531,735</b>
Capital	15	17,545	17,545
Additional paid-in-capital		79,876	79,876
Retained earnings		435,313	434,314
<b>Minority interests</b>		<b>(9)</b>	<b>36</b>
<b>Total shareholders' equity</b>		<b>532,725</b>	<b>531,771</b>
<b>Non-current liabilities</b>		<b>83,709</b>	<b>80,691</b>
Non-current borrowings and financial debts	16	15,023	2,347
Non-current rental liabilities	17	5,692	5,372
Employee benefits	18	61,545	71,557
Non-current provisions	19	146	143
Other non-current liabilities	20	1,294	1,272
Deferred taxes liabilities		9	0
<b>Current liabilities</b>		<b>154,199</b>	<b>158,238</b>
Current borrowings and financial debts	16	2,260	1,311
Current rental liabilities	17	2,295	3,576
Current provisions	19	39,113	49,884
Accounts payable		44,084	44,180
Income tax liabilities	20	1,787	1,328
Other current liabilities	20	64,660	57,959
<b>TOTAL LIABILITIES</b>		<b>770,633</b>	<b>770,700</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)	2022 (6 months)	2021 (6 months)
<b>NET CASH FLOWS RELATED TO OPERATING ACTIVITIES</b>	<b>41 160</b>	<b>5 788</b>
Net income (group share)	12 524	(9 514)
Amortization of rights of use relating to leases	2 126	1 049
Amortizations and provisions (excluding current assets)	3 795	9 583
Other items (including income on asset disposals)	(1 476)	(1 635)
Cash revenue and financing expenses	(386)	(100)
Tax charge (including deferred taxes)	4 710	(2 218)
<b>Consolidated cash-flows before cash revenue, financing expenses and corporate income tax</b>	<b>21 293</b>	<b>(2 835)</b>
Corporate income tax paid / corporate income tax repayment	(4 163)	(166)
<b>Changes in working capital requirements, including:</b>	<b>24 030</b>	<b>8 789</b>
Changes in inventories and work-in-progress	(6 635)	(1 099)
Changes in accounts receivable	23 114	22 862
Changes in accounts payable	(5 852)	(9 170)
Changes in other trade receivables and operating debts	13 403	(3 804)
<b>NET CASH FLOWS RELATED TO INVESTMENT ACTIVITIES</b>	<b>(11 424)</b>	<b>(9 467)</b>
Acquisitions of tangible fixed assets	(6 059)	(5 134)
Acquisitions of intangible fixed assets	(4 507)	(5 255)
Disposals of tangible fixed assets	2 460	1 929
Disposals of intangible fixed assets	0	0
Acquisitions of investments	(1 785)	(1 028)
Disposals of investments	173	21
Impact of changes of scope - acquisitions	(1 706)	0
Impact of changes of scope - disposals	0	0
<b>NET CASH FLOWS RELATED TO FINANCING ACTIVITIES</b>	<b>(25 534)</b>	<b>(18 700)</b>
Dividends paid to parent company shareholders	(16 502)	(16 643)
Dividends paid to minority holders of consolidated companies	0	(1)
Capital increases and reductions, additional paid-in capital and reserves	(250)	(3)
Buyback of treasury shares (excluding the liquidity contract)	(6 079)	0
Disposals of treasury shares (excluding the liquidity contract)	0	0
Loans issues	4	3
Repayment of loans	(882)	(1 093)
Paid interests	(15)	(13)
Changes in leases financial liabilities	(2 178)	(1 063)
Interests linked to leases financial liabilities	(129)	(133)
Cash revenue	497	246
<b>CHANGE IN CASH POSITION</b>	<b>4 202</b>	<b>(22 379)</b>
Impact of exchange rate fluctuations	4 547	197
<b>Net cash position at January 1</b>	<b>234 082</b>	<b>234 313</b>
<b>Net cash position at June 30</b>	<b>242 831</b>	<b>212 131</b>

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT JUNE 30, 2021

Before allocation of net income (in thousand of euros)	Number of shares (1)	Capital	Share premium	Treasury shares	Consolidated reserves (2)	Actuarial differences related with post- employment benefits	Currency translation adjustments	Shareholder's equity group share	Minority interest	Shareholder's equity totals
<b>12/31/2020</b>	<b>17,513,671</b>	<b>17,546</b>	<b>79,876</b>	<b>(1,224)</b>	<b>451,958</b>	<b>(19,414)</b>	<b>(19,606)</b>	<b>509,136</b>	<b>34</b>	<b>509,170</b>
Buyback and disposals of treasury shares	4,893	(1)		182	19			200		200
Cancellation of treasury shares								0		0
Dividends paid					(16,643)			(16,643)	(2)	(16,645)
<b>Transactions with shareholders</b>	<b>4,893</b>	<b>(1)</b>	<b>0</b>	<b>182</b>	<b>(16,624)</b>	<b>0</b>	<b>0</b>	<b>(16,443)</b>	<b>(2)</b>	<b>(16,445)</b>
Net income					(9,514)			(9,514)	2	(9,512)
Other comprehensive income					44	4,556	1,659	6,259		6,259
<b>Comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(9,470)</b>	<b>4,556</b>	<b>1,659</b>	<b>(3,255)</b>	<b>2</b>	<b>(3,253)</b>
<b>06/30/2021</b>	<b>17,518,564</b>	<b>17,545</b>	<b>79,876</b>	<b>(1,042)</b>	<b>425,864</b>	<b>(14,858)</b>	<b>(17,947)</b>	<b>489,438</b>	<b>34</b>	<b>489,472</b>

(1) Number of shares after elimination of treasury shares.

(2) Including €380,001 thousand of retained earnings and carryovers and €2,201 thousand of legal reserves in the social accounts of the BOIRON parent company as of June 30, 2021.

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT JUNE 30, 2022

Before allocation of net income (in thousand of euros)	Number of shares (1)	Capital	Share premium	Treasury shares	Consolidated reserves (2)	Actuarial differences related with post- employment benefits	Currency translation adjustments	Shareholder's equity group share	Minority interest	Shareholder's equity totals
<b>12/31/2021</b>	<b>17,511,691</b>	<b>17,545</b>	<b>79,876</b>	<b>(1,290)</b>	<b>465,721</b>	<b>(13,396)</b>	<b>(16,721)</b>	<b>531,735</b>	<b>36</b>	<b>531,771</b>
Buyback and disposals of treasury shares	(143,554)			(5,880)	75			(5,805)		(5,805)
Cancellation of treasury shares								0		0
Dividends paid					(16,502)			(16,502)	(4)	(16,506)
<b>Transactions with shareholders</b>	<b>(143,554)</b>	<b>0</b>	<b>0</b>	<b>(5,880)</b>	<b>(16,427)</b>	<b>0</b>	<b>0</b>	<b>(22,307)</b>	<b>(4)</b>	<b>(22,311)</b>
Net income					12,524			12,524	(131)	12,393
Other comprehensive income					(250)	7,635	9,692	17,077	90	17,167
<b>Comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,274</b>	<b>7,635</b>	<b>9,692</b>	<b>29,601</b>	<b>(41)</b>	<b>29,560</b>
ABBI's purchase commitment <sup>(3)</sup>					(6,295)			(6,295)		(6,295)
<b>Other equity items</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(6,295)</b>	<b>0</b>	<b>0</b>	<b>(6,295)</b>	<b>0</b>	<b>(6,295)</b>
<b>06/30/2022</b>	<b>17,368,137</b>	<b>17,545</b>	<b>79,876</b>	<b>(7,170)</b>	<b>455,273</b>	<b>(5,761)</b>	<b>(7,029)</b>	<b>532,734</b>	<b>(9)</b>	<b>532,725</b>

(1) Number of shares after elimination of treasury shares.

(2) Including €401,635 thousand of retained earnings and carryovers and €2,201 thousand of legal reserves in the social accounts of the BOIRON parent company as of June 30, 2022.

(3) see note 1 from consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Those notes are an integral part of the condensed consolidated financial statements for the half-year ended June 30, 2022, were settled by the Board of Directors on September 7, 2022.

## Presentation of the company

BOIRON, the Group parent company, is a French public limited company. Its main business activity is manufacturing and selling homeopathic medicines.

Its headquarters is located at 2, avenue de l'Ouest Lyonnais, 69510, Messimy, France.

At June 30, 2022, BOIRON parent company and its subsidiaries had 2,794 employees (actual workforce) in France and abroad, compared to 2,769 at December 31, 2021. The workforce at the end of June 2022 does not include the 332 people impacted by the reorganization in France and supported by BOIRON as part of external reclassification leave or age-based measures (at the end of 2021, it represented 392 people).

BOIRON stock is listed on Euronext Paris.

## 1 HIGHLIGHTS IN THE FIRST HALF OF 2022

### 1.1 Scope changes

The BOIRON Group took control of ABBI on February 28, 2022, a start-up specializing in personalized cosmetics thanks to Artificial Intelligence, located in Sainte-Foy-lès-Lyon:

The terms of the takeover are detailed below:

- Acquisition of 70% of the share capital, including a fixed portion of €1,750 thousand paid at the time of purchase and financed through equity (see note 14) and earn-outs payable in the event of performance targets being met at December 31, 2022 and December 31, 2023, estimated at €6,784 thousand.
- Reciprocal purchase and sale commitment for 30% of the share capital, to be completed on June 30, 2025, the price of which shall be determined based on objectives to be achieved by December 31, 2024. Given that minority shareholders will retain their rights and benefits relating to the shares held, buyback commitments have been recognized under financial liabilities by applying the formula for calculating the price on the purchase date, with a corresponding entry in reserves. Subsequent changes in the debt will be recognized in the income statement. Borrowings amounted to €6,295 thousand at June 30, 2022.

As such, total financial liabilities relating to the various earn-outs amounted to €13,079 thousand as of June 30, 2022 (see note 16).

The various earn-outs in place, including one relating to the purchase of the 30%, may be settled in BOIRON shares, as decided by the transferors, up to a maximum of 150,000 shares. As the share-based payment option is not under BOIRON's control, the earn-outs were recognized in full as financial liabilities. At June 30, 2022, the derivative component was not accounted for as it was not material.

The impact of discounting liabilities in relation to earn-outs and purchase commitments is not material.

The analysis did not give rise to a revaluation of identifiable assets and liabilities at the purchase date, with the exception of deferred tax assets (€150,000) on tax loss carryforwards. According to revised IFRS 3, the BOIRON Group will be able to modify the valuation of these identifiable assets and liabilities within twelve months from the acquisition date.

Goodwill calculated using the partial goodwill method relating to the 70% purchased amounted to €8,324 thousand (see note 7) at June 30, 2022 (provisional purchase price allocation).

The costs relating to this purchase were recognized under expenses.

The impact of the acquisition on the Group's main line items (revenues, operating income, and net cash, in particular) was not material as of June 30, 2022.

For simplification purposes, ABBI was consolidated from January 1, 2022.

## 1.2 Other events

- The war in Ukraine that broke out in February 2022 is of concern to all of our teams and affects Laboratoires BOIRON's Ukrainian distributor. The Group has therefore set up a crisis committee to manage the social and economic impacts of the situation on its business. Sales generated in Ukraine and Russia in 2021 accounted for less than 4% of Group sales. Laboratoires BOIRON is keeping a close eye on the situation, in order to take the necessary actions for organizing its operations. In Russia, investments have been frozen, advertising campaigns and clinical trials stopped, and new product launches have been cancelled. The BOIRON subsidiary nevertheless continues to operate, as the medicines concerned may be essential for certain vulnerable groups, such as pregnant women and children.
- Following closure in 2021, the Limoges and Pau distribution sites were sold in the first half of 2022, generating a capital gain of €1,365 thousand (see note 23).
- In the first half of 2022, Laboratoires BOIRON bought back 150,000 shares for a total of €6,079 thousand, under the share buyback program approved by the General Meeting of May 27, 2021 (see note 15). These shares will be delivered to the shareholders of ABBI, if they opt to receive a portion of the price in shares (see note 1.1).
- As a reminder, the Group posted an operating loss of €11,039 thousand in the first half of 2021. In the first half of 2022, it posted operating income of €19,994 thousand, up €31,033 thousand, due to a significant increase in business.

## 2 VALUATION METHODS AND CONSOLIDATION PRINCIPLES

The consolidated financial statements are stated in thousands of euros unless otherwise indicated and were prepared in line with the standards and interpretations published by the International Accounting Standards Board (IASB) and adopted by the European Union.

This framework, available on the European Commission's website, comprises:

- international accounting standards (IAS and IFRS),
- interpretations from the Standing Interpretations Committee (SIC) and from the International Financial Reporting Interpretations Committee (IFRIC).

The half-year consolidated financial statements were prepared pursuant to IAS 34 "Interim Financial Reporting". Pursuant to this standard, the half-year consolidated financial statements are presented including the condensed notes; notes are only provided for significant transactions or rules adapted to the specificities of interim accounts. They should be read together with the Group's annual financial statements as of December 31, 2021, as presented in the Universal Registration Document filed with the French Securities and Exchange Commission (AMF) on April 14, 2022 under number D.22-0294 and available on the company's website: <https://www.boironfinance.fr/informations-financieres/donnees-annuelles>

## 2.1 New IFRS standards, amendments and interpretations

The standards, amendments and interpretations which took effect on January 1, 2022 are as follows:

- amendments to IFRS 3 – Reference to conceptual framework,
- amendments to IAS 37 – Onerous contracts – contract fulfillment costs,
- amendment to IAS 16 – Property, plant and equipment – proceeds before intended use,
- annual standards improvement cycle – 2018-2020 (amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41),

These amendments does not have an impact on the Group’s financial statements as of June 30, 2022.

The BOIRON Group chose not to perform early application of the standards, amendments and interpretations adopted or to be adopted by the European Union for which early application in 2022 would have been possible and which come into effect as from January 1, 2023. This mainly concerns:

- amendments to IAS 1 - Classification of Liabilities as Current or Non-current, published by the IASB in January and July 2020,
- amendments to IAS 1 – Disclosures of accounting policies, published by IASB in February 2021, and adopted by the European Union in March 2022,
- amendments to IAS 8 – Definition of accounting estimates, published by IASB in February 2021, and adopted by the European Union in March 2022,
- amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction.

The BOIRON Group does not expect these amendments to have a material impact on its financial statements.

There are no standards, amendments or interpretations published by the IASB with mandatory application for fiscal years starting on or after January 1, 2022 that have not yet been approved at the European level, that would have a material impact on the financial statements for the year.

## 2.2 Specific accounting principles to half-year closing

Principle assumptions and judgements applied are described in note 2 of annual financial statements of December 31, 2021. There is no material change in using estimate and assumptions during the first half-year 2022.

In some cases, these rules were adapted to the specificities of the half-year closing.

Amid rising inflation and supply chain pressures, the BOIRON Group is doing everything it can to ensure its medicines and entire product range remain available. The Group is also keeping a close eye on how the global health crisis evolves, and continues to take appropriate measures where necessary. This did not have any impact on our accounting principles or main line items at June 30, 2022.

### 2.2.1 Corporate income tax

The corporate income tax expense for the half-year was calculated individually for each company: average rate estimated for this year was applied to income before tax of the period.

As previous years, research tax credit (French “CIR”) is booked in other operating income.

### **2.2.2 Profit-sharing and employee profit-sharing**

Profit-sharing expenses were calculated prorata temporis on the basis of the estimated annual amount.

### **2.2.3 Post-employment benefits**

In accordance with the provisions of IAS 34 standard, retirement and related liabilities were not subject to a complete recalculation at June 30, 2022, as at June 30, 2021. The changes in the net value of benefits were estimated as follows:

- The financial cost and the cost of services rendered were estimated for December 31, 2022 based on an extrapolation of the total benefit calculated for December 31, 2021.
- The impact of the increase in the discount rate (3.3% as of June 30, 2022, versus 1.2% as of December 31, 2021 – see note 18) was calculated from the sensitivity tests performed in previous years.
- The impact of the rise in the salary increase rate (2.5% as of June 30, 2022, versus 1.5% as of December 31, 2021 – see note 18) related to the inflation was calculated from the sensitivity tests performed in previous years.
- The other actuarial assumptions associated with the global benefit amount (staff turnover rate...) are generally updated at year-end. None of the factors were identified as having a material impact at June 30, 2022.
- Other actuarial differences related to experience were not recalculated due to the immaterial impact observed in prior years and the absence of significant variances expected this year.
- Contributions to the external funds and benefits paid to employees who retired in the first half-year period were taken into account.
- The fair value of the plan assets for retirement plans was discounted to present value as at June 30, 2022: the difference between the return recognised under income, calculated on the basis of the discount rate used to calculate the commitment, and the actual return, was recognised as an actuarial differences (see note 18).
- No plan change or termination occurred during the first half-year.

### **2.2.4 Customer contract assets and liabilities**

There are no customer contract assets other than accounts receivable. There are, in fact, no assets related to the incremental costs of obtaining a contract and to the costs of fulfilling a contract.

Customer contract liabilities relate to:

- amounts due to customers as compensation for services rendered,
- deferred revenue, which is immaterial, with the aim of recording sales in the fiscal year in question.

As a reminder, the Group derives the majority of its sales from the sale of homeopathic products.

Operating revenues are recognized after completion (on delivery of the products). No sales are recognized in advance. The rules for recognizing operating revenues do not rely on estimates.

### **2.2.5 Impairment of current assets**

Rules applied by the BOIRON Group for inventories and accounts receivable impairment are described in the 2021 Universal Registration Document in note 2.7.2 and 2.7.3.

In 2022, as in 2021, analysis performed on actual and expected losses did not result in a modification of either the impairment processes used or conditions under which tests are conducted, in the context of the macroeconomic crisis. As a result, customer risk is still considered as low and there was no increase in unpaid receivables.



## 2.2.6 Impairment test of non-current assets

The process for carrying out impairment tests as at December 31, 2021 is described in the 2020 Universal Registration Document in note 2.5.

For the purposes of the half-year financial statements, impairment tests were only carried out on assets or groups of assets with respect to which there were indications of impairment during the last six months.

The impairment test carried out as of June 30, 2022 on the CGU Russia did not give rise to the recognition of any impairment losses or impairment risks (see note 7).

## 3 SCOPE OF CONSOLIDATION

The following companies of the BOIRON Group are fully consolidated, classified by date of creation or date of entry into the Group:

Country	Company name	Changes in consolidation scope		% interests at		% control at	
		Type of change	Date	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Belgium	UNDA			99.98%	99.98%	99.98%	99.98%
Italy	LABORATOIRES BOIRON			99.91%	99.91%	99.97%	99.97%
USA	BOIRON USA <sup>(1)</sup>			100.00%	100.00%	100.00%	100.00%
USA	BOIRON			100.00%	100.00%	100.00%	100.00%
Spain	BOIRON SOCIEDAD IBERICA DE HOMEOPATIA			99.99%	99.99%	100.00%	100.00%
Canada	BOIRON CANADA			100.00%	100.00%	100.00%	100.00%
France (Martinique)	BOIRON CARAIBES			99.04%	99.04%	99.04%	99.04%
Czech Republic	BOIRON CZ			100.00%	100.00%	100.00%	100.00%
Slovakia	BOIRON SK			100.00%	100.00%	100.00%	100.00%
Poland	BOIRON SP			100.00%	100.00%	100.00%	100.00%
Romania	BOIRON RO			100.00%	100.00%	100.00%	100.00%
Tunisia	BOIRON TN			99.90%	99.90%	100.00%	100.00%
Hungary	BOIRON HUNGARIA			100.00%	100.00%	100.00%	100.00%
Russia	BOIRON			100.00%	100.00%	100.00%	100.00%
Brazil	BOIRON MEDICAMENTOS HOMEOPATICOS			99.99%	99.99%	100.00%	100.00%
France	LES EDITIONS SIMILIA <sup>(2)</sup>			97.52%	97.52%	97.54%	97.54%
Switzerland	BOIRON			100.00%	100.00%	100.00%	100.00%
France (La Réunion)	BOIRON			100.00%	100.00%	100.00%	100.00%
Bulgaria	BOIRON BG			100.00%	100.00%	100.00%	100.00%
Portugal	BOIRON			100.00%	100.00%	100.00%	100.00%
Belgium	BOIRON			100.00%	100.00%	100.00%	100.00%
India	BOIRON LABORATORIES			99.99%	99.99%	99.99%	99.99%
Colombia	BOIRON S.A.S.			100.00%	100.00%	100.00%	100.00%
Hong-Kong	BOIRON ASIA LIMITED			100.00%	100.00%	100.00%	100.00%
China	BOIRON (HANGZHOU) TRADING, Co., Ltd. <sup>(3)</sup>			100.00%	100.00%	100.00%	100.00%
France	ABBI <sup>(4)</sup>	Acquisition	02/28/2022	70.00%	0.00%	70.00%	0.00%

<sup>(1)</sup> Holding company.

<sup>(2)</sup> Company whose main activity is publishing.

<sup>(3)</sup> Wholly-owned by BOIRON ASIA LIMITED.

<sup>(4)</sup> Acquisition of a 70% majority stake in ABBI on February 28, 2022.

On February 28, 2022 Laboratoires BOIRON acquired a 70% majority stake in ABBI, a start-up specializing in personalized cosmetics, thanks to Artificial Intelligence. As of June 30, 2025 Laboratoires BOIRON will acquire the remaining 30%. The impacts of ABBI's entry into the Group's scope of consolidation are mentioned in note 1.

For information, context and sanctions in Russia related to the war in Ukraine did not lead to the loss of control of our BOIRON subsidiary in Russia.

The year end is December 31 for all companies except BOIRON LABORATORIES in India, which closes its company accounts on March 31. It performs an intermediate closing on June 30 as well as on December 31 that is subject to a contractual audit for use in the annual consolidated financial statements.

Given that their impact within the Group is considered non-significant, the non-consolidated controlled companies are recognized in investments.

## 4 CURRENCY TRANSLATION METHOD

The following table sets out the euro translation rates against the currencies used for consolidation for the main companies in foreign currencies:

Conversion rate	Average rate 2022 (6 months)	Average rate 2021 (6 months)	Closing rate 06/30/2022	Closing rate 06/30/2021	Closing rate 12/31/2021
Czech Koruna	24.636	25.855	24.739	25.488	24.858
US Dollar	1.094	1.206	1.039	1.188	1.133
Canadian Dollar	1.391	1.504	1.343	1.472	1.439
Hungarian Forint	374.712	357.854	397.040	351.680	369.190
New Romanian Leu	4.946	4.901	4.946	4.928	4.949
Brazilian Real	5.558	6.492	5.423	5.905	6.310
Russian Rouble	84.994	89.605	57.613	86.773	85.300
Polish Zloty	4.633	4.537	4.690	4.520	4.597

Currency translation adjustments of €9,692 thousand recognized in other comprehensive income are mainly related to the change in the Russian Rouble and the American Dollar in the first half-year 2022.

## 5 SEASONALITY

The activity of the Group can be seasonal due to the level of pathology and to the extent of the wintry specialties range. Generally, the annual results depend on the activity realized on the second half-year of the fiscal year. Consequently, results of the first half-year are not representative of results that could be expected for the whole year. This seasonality has an impact on balance sheet structure at June 30, 2022.

## 6 SEGMENT REPORTING

The geographical reporting segments were not modified in 2022 first half-year.

The table below shows the data as of June 30, 2022:

DATA RELATING TO THE INCOME STATEMENT	France	Europe (excluding France)	North America	Other countries	Eliminations (1)	2022 (6 months)
External sales	140,173	56,674	52,227	7,688		256,762
Inter-sector sales	57,310	3,645		968	(61,923)	0
<b>TOTAL SALES</b>	<b>197,483</b>	<b>60,319</b>	<b>52,227</b>	<b>8,656</b>	<b>(61,923)</b>	<b>256,762</b>
<b>OPERATING INCOME</b>	<b>19,265</b>	<b>2,226</b>	<b>(179)</b>	<b>749</b>	<b>(2,067)</b>	<b>19,994</b>
<i>of which net allowances to amortizations, depreciations and impairment on fixed assets</i>	<i>(12,613)</i>	<i>(340)</i>	<i>(454)</i>	<i>(67)</i>		<i>(13,474)</i>
<i>of which net allowances to amortizations of right-of-use related to leases</i>	<i>(1,215)</i>	<i>(802)</i>	<i>(30)</i>	<i>(79)</i>		<i>(2,126)</i>
<i>of which net changes in impairment of assets, provisions and employee benefits</i>	<i>11,379</i>	<i>117</i>	<i>(408)</i>	<i>(149)</i>		<i>10,939</i>
Cash revenue and financing expenses	266	211	(61)	(30)		386
Corporate income tax	(4,147)	(766)	30	(361)	534	(4,710)
<b>NET INCOME (GROUP SHARE)</b>	<b>12,267</b>	<b>1,672</b>	<b>(208)</b>	<b>326</b>	<b>(1,533)</b>	<b>12,524</b>
DATA RELATING TO THE BALANCE SHEET	France	Europe (excluding France)	North America	Other countries	Eliminations (1)	06/30/2022
Balance sheet total	759,251	104,589	115,034	14,950	(223,191)	770,633
Goodwill	93,640	2,825	1,589			98,054
Net tangible fixed assets and intangible fixed assets	172,495	4,996	12,627	484		190,602
Right-of-use related to leases	3,790	3,462	84	367		7,703
Deferred taxes assets	16,041	2,083	2,488	58		20,670
Working Capital Requirements	47,624	31,654	42,794	5,577	(35,837)	91,812
DATA RELATING TO THE CASH FLOW STATEMENT	France	Europe (excluding France)	North America	Other countries	Eliminations (1)	2022 (6 months)
Acquisitions of intangible and tangible fixed assets	9,915	451	166	34		10,566
Changes in leases financial liabilities	(1,215)	(852)	(30)	(81)		(2,178)

(1) Of which eliminations of inter-sector flows and internal results.

The table below shows the date as of June 30, 2021:

DATA RELATING TO THE INCOME STATEMENT	France	Europe (excluding France)	North America	Other countries	Eliminations (1)	2021 (6 months)
External sales	110,813	40,299	35,380	3,439		189,931
Inter-sector sales	26,862	1,108		802	(28,772)	0
<b>TOTAL SALES</b>	<b>137,675</b>	<b>41,407</b>	<b>35,380</b>	<b>4,241</b>	<b>(28,772)</b>	<b>189,931</b>
<b>OPERATING INCOME</b>	<b>(7,366)</b>	<b>(5,309)</b>	<b>(1,359)</b>	<b>137</b>	<b>2,858</b>	<b>(11,039)</b>
of which net allowances to amortizations, depreciations and impairment on fixed assets	(14,028)	(357)	(445)	(63)		(14,893)
of which net allowances to amortizations of right-of-use related to leases	(113)	(830)	(27)	(79)		(1,049)
of which net changes in impairment of assets, provisions and employee benefits	3,929	505	1,326	33		5,793
Cash revenue and financing expenses	266	(61)	(78)	(28)		99
Corporate income tax	2,044	738	396	(222)	(738)	2,218
<b>NET INCOME (GROUP SHARE)</b>	<b>(5,845)</b>	<b>(4,632)</b>	<b>(1,040)</b>	<b>(117)</b>	<b>2,120</b>	<b>(9,514)</b>

DATA RELATING TO THE BALANCE SHEET	France	Europe (excluding France)	North America	Other countries	Eliminations (1)	06/30/2021
Balance sheet total	731,911	89,887	99,178	9,672	(196,422)	734,226
Goodwill	85,316	2,825	1,444			89,585
Net tangible fixed assets and intangible fixed assets	179,749	4,677	11,745	500		196,671
Right-of-use related to leases	423	5,011	129	525		6,088
Deferred taxes assets	30,732	2,892	3,148	67		36,839
Working Capital Requirements	44,070	29,954	41,403	4,784	(34,725)	85,486

DATA RELATING TO THE CASH FLOW STATEMENT	France	Europe (excluding France)	North America	Other countries	Eliminations (1)	2021 (6 months)
Acquisitions of intangible and tangible fixed assets	9,972	307	52	58		10,389
Changes in leases financial liabilities	(116)	(849)	(27)	(71)		(1,063)

(1) Of which eliminations of inter-sector flows and internal results.

The consolidated sales broken down by the sales destination, as published in the regulated quarterly information, is as follows for 2022 and 2021 first half-year:

Sales data	06/30/2022	12/31/2021
France	131,338	104,930
Europe (excluding France)	60,704	42,234
North America	52,227	35,380
Other countries	12,494	7,388
<b>GROUP TOTAL</b>	<b>256,762</b>	<b>189,931</b>

The breakdown of sales by line of products appears in note 22.

The structure of the Group customers is atomized. No customer represents more than 10% of the Group sales on the periods shown.

## 7 GOODWILL

Goodwill	12/31/2021	Increases / (Decreases)	Currency translation adjustments	06/30/2022
BOIRON parent company (1)	84,653			84,653
ABBI	0	8,324		8,324
LES EDITIONS SIMILIA	663			663
<b>Total "France" (2)</b>	<b>85,316</b>	<b>8,324</b>	<b>0</b>	<b>93,640</b>
Italy	2,242			2,242
Spain	583			583
Switzerland	55			55
<b>Total "Europe (excluding France)"</b>	<b>2,880</b>	<b>0</b>	<b>0</b>	<b>2,880</b>
Canada	222		(6)	216
USA	1,272		101	1,373
<b>Total "North America"</b>	<b>1,494</b>	<b>0</b>	<b>95</b>	<b>1,589</b>
<b>Total "Other countries"</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL GROSS GOODWILL</b>	<b>89,690</b>	<b>8,324</b>	<b>95</b>	<b>98,109</b>
Switzerland impairment	(55)			(55)
<b>TOTAL NET GOODWILL</b>	<b>89,635</b>	<b>8,324</b>	<b>95</b>	<b>98,054</b>

(1) BOIRON parent company goodwill comes from DOLISOS (€70,657 thousand), LHF (€7,561 thousand), SIBOURG (€1,442 thousand), DSA (€1,381 thousand), HERBAXT (€1,785 thousand) and Laboratoire FERRIER (€1,827 thousand).

(2) As goodwill from the various acquisitions made in France had become inseparable, impairment tests are carried out in France.

The increase in goodwill in the first half of 2022 corresponds to the acquisition of 70% of ABBI's shares (see note 1). Goodwill presented at June 30, 2022 was calculated using the partial goodwill method. According to revised IFRS 3, the BOIRON Group will be able to modify the valuation of these identifiable assets and liabilities within twelve months from the acquisition date.

The war in Ukraine, which broke out the end of February 2022 and affecting our Russian subsidiary, is an indication of impairment. As such, an impairment test was carried out on the Russian CGU on June 30, 2022, based on updated forecasts. The work carried out did not result in the recognition of any impairment.

The Group performed tests to assess the sensitivity of the results obtained to a variation considered as conceivable (plus or minus 0.5 point) in the discount rate, the perpetual growth rate and the operating income rate. The Group has not identified any reasonably possible change in the key assumptions that could result in the recognition of any impairment losses.

## 8 INTANGIBLE AND TANGIBLE FIXED ASSETS

In the 2022 first half-year, purchases of intangible fixed assets are €4,507 thousand and mainly concern Group's IT projects.

Acquisitions of tangible fixed assets are €6,059 thousand and mainly concern production equipment on the site of Messimy.

Amortizations and depreciations net of reversals of intangible and tangible fixed assets amounted to €13,474 thousand.

For information, the Group's net intangible fixed assets include those of ABBI at January 1, 2022 for €918 thousand.

No intangible fixed assets or tangible fixed assets were pledged or offered as collateral for a guarantee or surety.

## 9 RIGHT-OF-USE RELATED TO LEASES

Rights of use relating to leases	12/31/2021	Increases		Decreases	Currency translation adjustments and other movements	06/30/2022
		Acquisitions	Amortization			
Gross rights of use relating to real estate leases	14,399	46		(182)	532	14,795
Amortization of rights of use relating to real estate leases	(9,298)		(952)	125	(473)	(10,598)
<b>TOTAL RIGHTS OF USE RELATING TO REAL ESTATE LEASES</b>	<b>5,101</b>	<b>46</b>	<b>(952)</b>	<b>(57)</b>	<b>59</b>	<b>4,197</b>
Gross rights of use relating to vehicle leases	9,421	1,173		(1,173)	0	9,421
Amortization of rights of use relating to vehicle leases	(5,915)		(1,173)	1,173	0	(5,915)
<b>TOTAL RIGHTS OF USE RELATING TO VEHICLE LEASES</b>	<b>3,506</b>	<b>1,173</b>	<b>(1,173)</b>	<b>0</b>	<b>0</b>	<b>3,506</b>
<b>TOTAL RIGHTS OF USE RELATING TO LEASES</b>	<b>8,607</b>	<b>1,219</b>	<b>(2,125)</b>	<b>(57)</b>	<b>59</b>	<b>7,703</b>

## 10 ASSETS AND LIABILITIES HELD FOR SALE

Assets and liabilities held for sale amounted to €2,047 thousand at the end of June 2022. They include:

- two sites (closed and put up for sale in the first half of 2021) and the Montrichard production site (closed and put up for sale in December 2021) as part of the reorganization in France, for a net book value of €374 thousand,
- two buildings in Belgium (€1,519 thousand) already in this category in 2021. these assets, which were recorded under this line item at the end of 2018, were maintained at June 30, 2022, with an agreement signed in 2021,
- the head office of the Spanish subsidiary (€154 thousand) since the subsidiary's move into its new (rented) premises in 2021. The sale agreement is currently being finalized and the sale is expected to take place in the second half of 2022.

For information, the Limoges and Pau sites, which have been presented under this category since December 31, 2021 and for which the net book value was €337 thousand, were sold in the 2022 first half-year. It led to a total capital gain of €1,365 thousand (see note 23).

## 11 INVENTORIES AND WORK IN PROGRESS

Inventories and work in progress	12/31/2021	Change	Impairment for the period	Reversal for the period	Currency translation adjustments and other movements	06/30/2022
Raw materials and supplies	13,560	623			18	14,201
Semi-finished goods and finished goods	68,369	2,184			2,898	73,451
Goods	8,417	3,953			1,106	13,476
<b>TOTAL GROSS INVENTORIES</b>	<b>90,346</b>	<b>6,760</b>	<b>0</b>	<b>0</b>	<b>4,022</b>	<b>101,128</b>
<b>TOTAL IMPAIRMENT OF INVENTORIES</b>	<b>(4,790)</b>	<b>0</b>	<b>(4,584)</b>	<b>4,460</b>	<b>(390)</b>	<b>(5,304)</b>
<b>TOTAL NET INVENTORIES</b>	<b>85,556</b>	<b>6,760</b>	<b>(4,584)</b>	<b>4,460</b>	<b>3,632</b>	<b>95,824</b>

As of June 30, 2022 and December 31, 2021, no inventory has been pledged to guarantee liabilities.

## 12 ACCOUNTS RECEIVABLES AND OTHER ASSETS RELATED TO CUSTOMER CONTRACTS

Accounts receivable and other assets linked to customer accounts	12/31/2021	Change	Impairment for the period	Reversals for the period (unused impairment)	Reversals for the period (used impairment)	Currency translation adjustments and other movements	06/30/2022
Gross accounts receivable denominated in euros	58,269	(12,548)				2,283	48,004
Gross accounts receivable denominated in other currencies	40,254	(10,617)				3,118	32,755
<b>TOTAL GROSS ACCOUNTS RECEIVABLE</b>	<b>98,523</b>	<b>(23,165)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,401</b>	<b>80,759</b>
Impairment of accounts receivable denominated in euros	(936)		(22)	255	6	(16)	(713)
Impairment of accounts receivable denominated in other currencies	(247)		(310)	122		(27)	(462)
<b>TOTAL IMPAIRMENT OF ACCOUNTS RECEIVABLE</b>	<b>(1,183)</b>	<b>0</b>	<b>(332)</b>	<b>377</b>	<b>6</b>	<b>(43)</b>	<b>(1,175)</b>
Net accounts receivable denominated in euros	57,333	(12,548)	(22)	255	6	2,267	47,291
Net accounts receivable denominated in other currencies	40,007	(10,617)	(310)	122		3,091	32,293
<b>TOTAL NET ACCOUNTS RECEIVABLE</b>	<b>97,340</b>	<b>(23,165)</b>	<b>(332)</b>	<b>377</b>	<b>6</b>	<b>5,358</b>	<b>79,584</b>

No outstanding receivables had been sold as at June 30, 2022 and December 31, 2021.

As indicated in note 2.3.4, there are no assets related to customer contracts other than accounts receivable.

For information, the Group's net accounts receivables denominated in euros include those of ABBI at January 1, 2022 for €2,267 thousand (see column « other movements »). They were paid in the 2022 first half-year.

Accounts receivables denominated in currencies mainly concern the United-States, Romania, Russia, Brazil, Poland and Canada.

There was no major change in the customer structure.

Accounts receivable as of June 30, 2022 rose compared to June 30, 2021 (€67,176 thousand) related to the increase in sales in 2022.

The decrease as compared to December 31, 2021 might be explained by the seasonality of the activity (see note 5).

Depreciations on accounts receivable are recognized accordingly with principles detailed in note 2.7.3.1 in 2021 Universal Registration Document. As noted in note 2.3 above, the context of macroeconomic crisis did not lead the BOIRON Group to modify its impairment processes as in 2021.

Customer risk is considered as low, since the net cost of doubtful accounts is low. Credit risk is addressed in note 21.

### 13 INCOME TAX RECEIVABLE AND OTHER CURRENT AND NON-CURRENT ASSETS

Other current assets	12/31/2021	Change	Changes in impairment of other current assets	Currency translation adjustments and other movements	06/30/2022
<b>INCOME TAX RECEIVABLES (non-financial assets)</b>	2,783	(1,074)		311	2,020
<b>Non-financial assets</b>	12,729	683	0	496	13,908
State and local government, excluding income tax	9,117	(907)		402	8,612
Staff	213	666		6	885
Accrued expenses	3,399	924		88	4,411
<b>Financial assets valued at cost</b>	17,183	(7,475)	0	660	10,368
Other debtors	17,183	(7,475)		660	10,368
Assets linked to customer contracts	0	0	0	0	0
Derivative instruments	0				0
<b>Other gross current assets (excluding income tax receivables)</b>	29,912	(6,792)	0	1,156	24,276
Impairment of other current assets	(115)		0	0	(115)
<b>TOTAL OTHER NET CURRENT ASSETS</b>	29,797	(6,792)	0	1,156	24,161
<b>Other non-current assets</b>	12/31/2021	Change	Changes in impairment of other non-current assets	Currency translation adjustments and other movements	06/30/2022
<b>INCOME TAX RECEIVABLES (non-financial assets)</b>	0	0		0	0
<b>Non-financial assets</b>	41	(3)	0	0	38
Staff	41	(3)			38
<b>Other gross non-current assets (excluding income tax receivables)</b>	41	(3)	0	0	38
Impairment of other non-current assets	0		0	0	0
<b>TOTAL OTHER NET NON-CURRENT ASSETS</b>	41	(3)	0	0	38

The decrease in net other current assets as compared to December 31, 2021 is mainly due to the settlement in the 2022 first half-year of advance payments done at the end of 2021 to COVID tests suppliers.

## 14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents	06/30/2022			12/31/2021		
	Euros	Foreign currencies (euro equivalent)	Total	Euros	Foreign currencies (euro equivalent)	Total
Cash equivalents	141,675	3,242	144,917	103,003	387	103,390
Cash	82,380	16,786	99,166	120,269	10,845	131,114
<b>TOTAL</b>	<b>224,055</b>	<b>20,028</b>	<b>244,083</b>	<b>223,272</b>	<b>11,232</b>	<b>234,504</b>

Cash equivalents primarily comprise euro money market funds or similar investments (certificates on deposits and future deposits...) which meet IAS 7 standard criteria (see note 2.7.3.2 of 2021 Universal Registration Document).

Fair value changes were not material at the closing date.

No investments instruments had been provided as guarantees or subjected to restrictions as of the end of the period.

The amount of non-available cash and cash equivalents amounted to €13,863 thousand and concerns cash at the Russian subsidiary. Russia's current foreign exchange controls and legal restrictions (Presidential Decree No. 254 of May 4, 2022) make the Russian subsidiary's cash surplus unavailable for general use by the parent company ("restricted cash").

To date, the subsidiary has honored the payment of its debts, both to the BOIRON parent company and to third parties outside the Group.

The reconciliation between the cash position on the consolidated balance sheet and the net cash position on the statement of consolidated cash flows is as follows:

CASH FLOWS STATEMENT		06/30/2022	12/31/2021
Cash and cash equivalents	Consolidated balance sheet	244,083	234,504
Net impairment of cash equivalents	Consolidated balance sheet	(200)	(100)
Unrealized gain on cash equivalents	Consolidated balance sheet	34	
Cash liabilities* (included in current borrowings and financial debts)	Consolidated balance sheet	1,418	522
<b>Net cash position</b>	<b>Statement of consolidated cash flows</b>	<b>242,831</b>	<b>234,082</b>

\* Banking facilities essentially.

The increase in net cash position in the 2022 first half-year is mainly due to the increase in profitability impacting cash flows from operating activities, offset by the outflows of tangible and intangible fixed assets purchases, payment of the fixed price for ABBI's acquisition, dividends paid to shareholders and buybacks of treasury shares (outside the liquidity contract).

The impact of ABBI's acquisition on the net cash position as of June 30, 2022 is -€1,706 thousand (-€1,750 thousand as payment of the fixed price, offset by ABBI's cash at January 1, 2022, i.e. +€44 thousand).

The costs incurred in the 2022 first half-year related to the reorganization in France amount to approximately €10,663 thousand, impacting cash flows from operating activities.

## 15 SHAREHOLDERS' EQUITY

As of June 30, 2022, the share capital is comprised of 17,545,408 fully paid-up shares of €1 each.

There are no preference shares.

BOIRON parent company is not subjected to any external regulatory or contractual constraints on its capital. For monitoring purposes, the company includes the same elements in its shareholders' equity as those integrated into the consolidated shareholders' equity.

### 15.1 Treasury shares

The capital is comprised as follows (number of shares):

Capital	06/30/2022	12/31/2021
Total number of shares	17,545,408	17,545,408
Treasury shares	(177,271)	(33,717)
Number of shares excluding treasury shares	17,368,137	17,511,691

Shares registered to the same person for three years or more have double voting rights at shareholders' meetings. There are no share warrants in circulation and the company has not introduced any employee stock option plans or dilutive instruments.

Treasury shares are valued at the historical cost, their value is directly booked in consolidated shareholders' equity.

As of June 2022, the treasury shares portfolio amounted to €7,170 thousand and is composed of:

- €1,091 thousand correspond to 27,271 treasury shares held via the liquidity contract with NATIXIS,
- €6,079 thousand correspond to 150,000 treasury shares, acquired in 2022, held outside the liquidity contract (see note 1.2).

Acquisitions made during the fiscal year totalled €8,174 thousand, €6,079 thousand of which outside the liquidity contract. Disposals during the fiscal year totalled €2,295 thousand (in historical acquisition cost), all via the liquidity contract.

The unrealized gain on the portfolio was €78 thousand (on the basis of the average price in June 2022).

### 15.2 Dividend per share

Dividend per share in euro	
2020 dividend paid in 2021	0.95
2021 dividend paid in 2022	0.95



## 16 CURRENT AND NON-CURRENT BORROWINGS AND FINANCIAL DEBTS

Borrowings and financial debts	12/31/2021	Increases	Decreases	Earn-outs (ABBI's acquisition)	Currency translation adjustments and	06/30/2022
<b>Total Treasury liabilities</b>	522	894	(2)	0	4	1,418
Financial borrowings	34		(23)		528	539
Profit-sharing reserve	3,102	4	(859)			2,247
Other financial debts	0			13,079		13,079
<b>Total Borrowings and financial debts</b>	3,136	4	(882)	13,079	528	15,865
<b>TOTAL BORROWINGS AND FINANCIAL DEBTS</b>	3,658	898	(884)	13,079	532	17,283
<i>Included non-current</i>	2,347	4	(93)	13,079	(314)	15,023
<i>Included current</i>	1,311	894	(791)		846	2,260

Other financial debts (€13,079 thousand) correspond to the earn-outs that might be due by BOIRON parent company, according to the estimates made at the time of the acquisition, in connection with ABBI's acquisition (see note 1).

The other movements of financial borrowings (€528 thousand) concern ABBI's borrowings at January 1, 2022.

## 17 CURRENT AND NON-CURRENT LEASES FINANCIAL LIABILITIES

Rental liabilities	12/31/2021	Increases	Decreases	Currency translation adjustments and other movements	06/30/2022
Non-current rental liabilities relating to real estate leases	3,691	32	0	(486)	3,237
Current rental liabilities relating to real estate leases	1,751	14	(1,005)	484	1,244
<b>TOTAL CURRENT AND NON-CURRENT RENTAL LIABILITIES RELATING TO REAL ESTATE</b>	5,442	46	(1,005)	(2)	4,481
Non-current rental liabilities relating to vehicle leases	1,681	774	0	0	2,455
Current rental liabilities relating to vehicle leases	1,825	399	(1,173)	0	1,051
<b>TOTAL CURRENT AND NON-CURRENT RENTAL LIABILITIES RELATING TO VEHICLE LEASES</b>	3,506	1,173	(1,173)	0	3,506
<b>TOTAL CURRENT AND NON-CURRENT RENTAL LIABILITIES</b>	8,948	1,219	(2,178)	(2)	7,987

## 18 NON-CURRENT EMPLOYEE BENEFITS

### 18.1 Group quantified data

Employee benefits	Company Name	Country	12/31/2021	Impact on operating income	Impact on financial income	Impact on other comprehensive income Actuarial differences <sup>(1)</sup>	Currency translation adjustments and other movements	06/30/2022
Retirement Indemnities	BOIRON parent company	France	13,000	(333)	75	(2,965)		9,777
Retirement Indemnities	BOIRON CARAIBES	France	378	14				392
Retirement Indemnities	BOIRON (La Réunion)	France	69					69
Agreement on Preparation for Retirement	BOIRON parent company	France	51,577	698	308	(7,329)		45,254
Retirement commitments	BOIRON SP	Poland	1					1
<b>Total post-employment benefits (defined contribution plans)</b>			65,025	379	383	(10,294)	0	55,493
Long-service bonuses	BOIRON parent company	France	5,933	(446)				5,487
Long-service bonuses	BOIRON CARAIBES	France	46	2				48
Bonuses granted	BOIRON SOCIEDAD IBERICA	Spain	347	(16)				331
Bonuses granted	BOIRON INDE	India	22				1	23
Bonuses granted	BOIRON	Belgium	148	5				153
Early retirement	UNDA	Belgium	36	(26)				10
<b>Total other long-term benefits</b>			6,532	(481)	0	0	1	6,052
<b>TOTAL EMPLOYEE BENEFITS RECORDED UNDER NON-CURRENT LIABILITIES</b>			71,557	(102)	383	(10,294)	1	61,545

<sup>(1)</sup> including -€18,531 thousand related to the increase in the discount rate (3.3% as of June 30, 2022 versus 1.2% as of December 31, 2021), +€7,694 thousand related to the rise in the salary increase rate (2.5% as of June 30, 2022 versus 1.5% as of December 31, 2021) and +€543 thousand related to the discounting of the fair value of the outsourced Retirement Indemnities fund of BOIRON parent company (see note 2.2.3).

The change in non-current employee benefits during the 2021 first half-year was as follows:

Employee benefits	12/31/2020	Impact on operating income		Impact on financial income	Impact on other comprehensive income		06/30/2021
					Actuarial differences <sup>(1)</sup>	Currency translation adjustments and other movements	
Total post-employment benefits (defined contribution plans)	78,705	934	231		(6,142)	0	73,728
Total other long-term benefits	7,113	(129)	0		0	0	6,984
<b>TOTAL EMPLOYEE BENEFITS RECORDED UNDER NON-CURRENT LIABILITIES</b>	<b>85,818</b>	<b>805</b>	<b>231</b>		<b>(6,142)</b>	<b>0</b>	<b>80,712</b>

<sup>(1)</sup> including -€5,831 thousand related to the increase in the discount rate (1.1% as of June 30, 2021 versus 0.6% as of December 31, 2020) and -€311 thousand related to the discounting of the fair value of the outsourced Retirement Indemnities fund of BOIRON parent company.

The impact on operating income in the 2021 first half-year included reversals of provisions for employee benefits of €394 thousand related to employees who joined the reorganization plan in 2021.

## 18.2 Post-employment benefits of BOIRON parent company

Retirement Indemnities BOIRON parent company	12/31/2021	Impact on operating income			Impact on financial income	Impact on other comprehensive income	06/30/2022
		Cost of services	Payments	Plan changes			
Actual value of liabilities	32,972	1,167	(1,590)		190	(3,508)	29,231
Investments value	(19,972)		90		(115)	543	(19,454)
Retirement indemnity provision - BOIRON parent company	13,000	1,167	(1,500)	0	75	(2,965)	9,777
Agreement on Preparation for Retirement provision (discounted value of commitment) - BOIRON parent company	51,577	1,520	(822)		308	(7,329)	45,254

<sup>(1)</sup> including -€18,531 thousand related to the increase in the discount rate (3.3% as of June 30, 2022 versus 1.2% as of December 31, 2021), +€7,694 thousand related to the rise in the salary increase rate (2.5% as of June 30, 2022 versus 1.5% as of December 31, 2021) and +€543 thousand related to the discounting of the fair value of the outsourced Retirement Indemnities fund of BOIRON parent company (see note 2.2.3).

The change in post-employment benefits defined of BOIRON parent company during the 2021 first half-year was as follows:

Retirement Indemnities BOIRON parent company	12/31/2020	Impact on operating income				Impact on financial income	Impact on other comprehensive income	06/30/2021
		Cost of services	Payments	Plan changes	Reorganization <sup>(1)</sup>			
Retirement indemnity provision - BOIRON parent company	22,216	1,199	0	0	(61)	64	(2,804)	20,614
Agreement on Preparation for Retirement provision (discounted value of commitment) - BOIRON parent company	56,108	1,639	(1,552)	0	(293)	167	(3,338)	52,731

<sup>(1)</sup> A portion of the funds (€35 thousand) has been allocated to the reimbursement of indemnities to be paid as part of the reorganization.

<sup>(2)</sup> including -€5,831 thousand related to the increase in the discount rate (1.1% as of June 30, 2021 versus 0.6% as of December 31, 2020) and -€311 thousand related to the discounting of the fair value of the outsourced Retirement Indemnities fund of BOIRON parent company.

## 19 CURRENT AND NON-CURRENT PROVISIONS

Current provisions	12/31/2021	Increases	Decreases (unused)	Decreases (used)	Currency translation adjustments and other movements	06/30/2022
Provisions for returned goods	3,825	1,848	(154)	(1,407)	133	4,245
Provisions for contingencies and lawsuits	1,732	198	(48)	(35)	8	1,855
Provisions for reorganizations	44,031		(480)	(10,829)		32,722
Other provisions for other expenses	296			(5)		291
<b>TOTAL CURRENT PROVISIONS</b>	<b>49,884</b>	<b>2,046</b>	<b>(682)</b>	<b>(12,276)</b>	<b>141</b>	<b>39,113</b>

Non-current provisions	12/31/2021	Increases	Decreases (unused)	Decreases (used)	Currency translation adjustments and other movements	06/30/2022
Provisions for contingencies and lawsuits	143				3	146
<b>TOTAL NON-CURRENT PROVISIONS</b>	<b>143</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>146</b>

The provisions for reorganizations amounted to €32,722 thousand as of June 30, 2022 and mainly concern BOIRON parent company (€32,099 thousand) as part of the reorganization started in 2020. The changes in the first half of 2022 are:

- €10,663 thousand in used reversals of provision to cover costs incurred in 2022,
- €480 thousand in unused reversals of provision (especially related to the return to employment of some people before the end of their benefit entitlement).

As the Group is not in a position to reliably estimate the rate of disbursements, the provision remains classified as “current”. As such, no discounting impact has been taken into account.

The reorganization net impact on the operating income is set out in note 23.

The change in current and non-current provisions for the 2021 first half-year was as follows:

Current provisions	12/31/2020	Increases	Decreases (unused)	Decreases (used)	Currency translation adjustments and other movements	06/30/2021
Provisions for returned goods	4,772	1,306	(1,075)	(1,440)	64	3,627
Provisions for contingencies and lawsuits	1,517	808	(364)	(230)	(2)	1,729
Provisions for reorganizations	58,673	1,590	(1,936)	(5,585)		52,742
Other provisions for other expenses	0					0
<b>TOTAL CURRENT PROVISIONS</b>	<b>64,962</b>	<b>3,704</b>	<b>(3,375)</b>	<b>(7,255)</b>	<b>62</b>	<b>58,098</b>

Non-current provisions	12/31/2020	Increases	Decreases (unused)	Decreases (used)	Currency translation adjustments and other movements	06/30/2021
Provisions for contingencies and lawsuits	94					94
Autres provisions pour autres charges	2				(2)	0
<b>TOTAL NON-CURRENT PROVISIONS</b>	<b>96</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2)</b>	<b>94</b>

As of June 30, 2021 the provision for reorganization in France amounted to €51,633 thousand and the main changes were:

- €1,590 thousand in additional allocations, mainly relating to new people joining the reorganization plan in 2021,
- €6,704 thousand in reversals of provisions, €4,810 thousand of which was used to cover costs incurred in 2021 and €1,894 thousand of unused provision reversals (revaluation of the regional renewal contribution, in particular).

Other contingent assets and liabilities are mentioned in note 27.

## 20 INCOME TAX PAYABLE AND OTHER CURRENT AND NON-CURRENT LIABILITIES

Other liabilities	06/30/2022		12/31/2021	
	Current	Non-current	Current	Non-current
<b>INCOME TAX PAYABLES (non-financial liabilities)</b>	<b>1,787</b>	<b>0</b>	<b>1,328</b>	<b>0</b>
<b>Non-financial liabilities</b>	<b>54,894</b>	<b>1,235</b>	<b>45,461</b>	<b>1,213</b>
State and local government, excluding income tax	5,638		4,372	
Personnel and social security organizations	48,848	1,235	40,916	1,213
Deferred revenue	408		173	
<b>Financial liabilities valued at cost</b>	<b>9,502</b>	<b>59</b>	<b>12,464</b>	<b>59</b>
Fixed assets suppliers	2,223		4,043	
Credit customer accounts	6,918		7,611	
Other creditors	361	59	810	59
Derivative instruments	264	0	34	0
<b>TOTAL OTHER LIABILITIES</b>	<b>64,660</b>	<b>1,294</b>	<b>57,959</b>	<b>1,272</b>

Other non-current liabilities mainly correspond to the debt related to the Italian TFR.

Deferred income from customer contracts was not material.

## 21 FINANCIAL INSTRUMENTS AND RISKS

Neither the nature nor maturity of the Group's financial assets and liabilities changed materially compared to December 31, 2021.

As of December 31, 2021, the only financial instruments valued at fair value are investments and derivative instruments (see notes 13 and 20), corresponding to level 2 of the hierarchy defined in the standard IFRS 13 (see note 2.10 of 2021 Universal Registration Document). The Group did not find any adjustments related to counter party risks (non-payment risk of an asset) or credit risks (non-payment risk of a liability).

There are only risk-hedging financial instruments to limit the exchange exposure.

On December 31, 2021 and on June 30, 2022, the current derivative instruments of change only correspond to hedges of fair value and no cash flows. Consequently, changes in value related to derivative instruments were totally recognized in consolidated net income. There is no change on other comprehensive income booked in 2021 and 2022.

Outstanding futures options and forward transactions and the fair value of those instruments were not material at June 30, 2022.

As part of the ABBI acquisition, earn-outs may be settled in BOIRON shares, as preferred by the transferors, up to a maximum of 150,000 shares. As this option is not under BOIRON's control, this constitutes a passive derivative instrument (see note 1).

As of June 30, 2022 all accounts receivables of our Russian subsidiary are covered by credit insurance. This situation is being monitored at Group level.

In addition, the context of macroeconomic crisis did not significantly change the Group's exposure to market, credit and liquidity risks compared to December 31, 2021 (note 23 to the consolidated statements in the 2021 Universal Registration Document).

The Days Sales Outstanding (DSO) of the BOIRON Group is 55 days, versus 59 days as of December 31, 2021. As a reminder, the DSO was 55 days at the end of June 2021.

As of June 30, 2022 the amount of accounts receivables due and not impaired amounted to €16,041 thousand, namely 19.9% of accounts receivables (versus €12,817 thousand, namely 13.0% of accounts receivables as of December 31, 2021), a portion of these receivables are covered by a credit insurance policy. This increase is essentially due to payment delays in the United-States, Tunisia and Romania, all are monitored and controlled by the Group.

Accounts receivables less than one month past due represent 26.8% of this amount. The balance is due within one year.

There was no major change in the structure of the accounts receivables ageing balance during the 2022 first half-year (see note 2.2).

The risks identified in countries in economic difficulty have not changed materially.

As of June 30, 2022 or as of December 31, 2021, there was no offsetting agreements or accounts receivable restructuring agreements.

As of June 30, 2022 the Group posted sales of €1,564 thousand via the Pharmacie Centrale de Tunisie, the country's sole importer of medications. Due to the healthcare system funding crisis which has affected Tunisia since late 2016, BOIRON has suffered delays in the payment of accounts receivable and longer payment times. Note that all accounts receivable are covered by credit insurers and that no losses were recognized on the 2022 first half-year.

The situation is being monitored at the Group level.

Losses on bad debts, net of accruals and reversal on depreciations for bad debts amounted to €41 thousand, 0.02% of consolidated sales, versus €222 thousand in 2021 (0.12% of consolidated sales).

The BOIRON Group did not observe any material failures on the 2022 first half-year, as in 2021 and did not expect any material failures in the upcoming months. The liquidity risk remains low despite the macroeconomic crisis. The BOIRON Group financial structure is balanced and its debt, excluding rental liabilities, is marginal.

## 22 OPERATING REVENUE

Operating revenue	2022 (6 months)	%	2021 (6 months)	%
Non-proprietary homeopathic medicines	88,876	34.6	93,994	49.5
Homeopathic specialties	121,916	47.5	80,113	42.2
Other health products <sup>(1)</sup>	45,970	17.9	15,825	8.3
<b>TOTAL SALES</b>	<b>256,762</b>	<b>100.0</b>	<b>189,931</b>	<b>100.0</b>

<sup>(1)</sup> "Other health products" include non-homeopathic products (medical devices, dietary supplements, cosmetics, phytotherapy), which were presented under "specialties" until 2021.

Revenue recognition rules are the same according to the different products line (see note 2.11.1 of 2020 Universal Registration Document).

The product lines presented in this breakdown of sales do not constitute operating segments.

The breakdown of sales by geographical area is given in note 6 on segment information.

## 23 OTHER OPERATING REVENUE AND EXPENSES

Other operating revenue and expenses	2022 (6 months)	2021 (6 months)
Foreign exchange gains and losses on operating transactions	1,028	218
Gains and losses on derivative instruments (related to operating hedges)	(633)	(230)
Tax credits (including research tax credits)	500	500
Reorganization in France - net costs (excluding employee benefits)	511	(1,365)
Reorganization in France - reversals of provisions for the employee benefits		394
Other net changes in assets depreciations	4	(128)
Income on asset disposals	1,331	1,609
Others	176	231
<b>TOTAL</b>	<b>2,917</b>	<b>1,229</b>
<i>Including other operating revenue</i>	<i>3,627</i>	<i>3,299</i>
<i>Including other operating expenses</i>	<i>(710)</i>	<i>(2,070)</i>

As of June 30, 2022 other operating expenses and revenue include:

- €511 thousand in net income relating to the reorganization launched by BOIRON parent company in 2020, mainly related to unused provision reversals (especially due to the return to employment of some people before the end of their benefit entitlement, see note 19).

For information, €10,663 thousand were disbursed in the 2022 first half-year, fully provisioned.

- €1,331 thousand in income on asset disposals mainly generated by the sale of Limoges site (€682 thousand) and Pau site (€683 thousand).

As of June 30, 2021 other operating expenses and revenue included:

- €971 thousand in net expenses relating to the reorganization launched by BOIRON parent company in 2020:
  - €1,365 thousand in net costs (excluding employee benefits). For information, €6,218 thousand were disbursed in the first half of 2021, €4,810 thousand of which were provisioned in 2020, pursuant to applicable accounting standards.
  - €394 thousand in provision reversals for employee benefits obligations provisioned in the past.
- €1,609 thousand in income on asset disposals mainly generated by the sale of Brest site (€865 thousand) and Saint-Etienne site (€761 thousand).

## 24 INCOME TAX

Income tax	2022 (6 months)	2021 (6 months)
Current taxes payable	(5,697)	(389)
Deferred taxes	987	2,607
<b>TOTAL</b>	<b>(4,710)</b>	<b>2,218</b>
<b>Effective rate</b>	<b>27.5%</b>	<b>18.9%</b>

The difference between the recognized tax charge and the tax that would have been recognized at the nominal rate break down as follows:

Income tax	2022 (6 months)	%	2021 (6 months)	%
Theoretical tax	(4,418)	25.8	3,332	28.4
Impact of subsidiaries tax rates	131	(0.8)	(491)	(4.2)
Impact of reduced tax rates in France	8	(0.0)	(400)	(3.4)
Permanent differences	(281)	1.6	307	2.6
Fiscal loss or gain without recognition of income tax	2	(0.0)	(486)	(4.1)
Tax credits, deferred income tax adjustment and other	(152)	0.9	(44)	(0.4)
<b>TOTAL INCOME TAX</b>	<b>(4,710)</b>	<b>27.5</b>	<b>2,218</b>	<b>18.9</b>

The Group's theoretical tax rate is calculated on the basis of the rate applicable in France in 2022, namely 25.83%.

## 25 EARNINGS PER SHARE (EXCLUDING TREASURY SHARES)

Earnings per share	2022 (6 months)	2021 (6 months)
Net earnings (in thousand of euros)	12,524	(9,514)
Average number of shares for the fiscal year	17,403,358	17,513,835
<b>EARNINGS PER SHARE (in euros)</b>	<b>0.72</b>	<b>(0.54)</b>

In the absence of dilutive instruments, the average earnings per share is the same as the average diluted earnings per share.

## 26 OFF-BALANCE SHEET LIABILITIES

BOIRON Group has no off-balance sheet liabilities related to acquisitions and disposals of subsidiaries (share repurchase agreements, etc.).

Off-balance sheet liabilities relating to isolated asset acquisitions include the acquisition of the ALKANTIS company's trademarks and patents. This self-financed acquisition in 2017 amounted to €2,495 thousand. The contract also provides for the payment of an earn-out in favor of the seller. No amounts were recognized for these earn out payments, as the recognition criteria had not yet been met. For information, assets (trademarks, patents and manufacturing equipment) were fully depreciated in 2019 in the amount of €2,069 thousand.

As part of ABBI's acquisition, as of June 30, 2022, BOIRON has not activated the liability warranties included in the transfer contract.

Liabilities related to the acquisition of tangible assets are not material as of June 30, 2022.

Off-balance sheet liabilities related to Group operating activities did not change significantly during the 2022 first half-year.

## 27 CONTINGENT ASSETS AND LIABILITIES

### 27.1 Dispute in Canada

BOIRON Canada was the subject of two consumer lawsuits, on March 16, 2012 in Ontario and April 13, 2012 in Quebec, aiming to launch class actions.

In Quebec, the Montreal Superior Court refused the request in its judgement handed down on January 19, 2015. The Quebec Appeals Court overruled this judgement on October 26, 2016 and authorized the start of class action proceedings. Our Canadian subsidiary appealed the judgement of the Appeals Court before the Supreme Court of Canada.

The Supreme Court rejected our appeal in May 2017. Substantive proceedings are under way before the Superior Court of Quebec.

In Ontario, proceedings have not evolved since the suit was filed by the plaintiff.

At this stage, BOIRON Group is unable to assess the risk in relation to these matters. As such, the principles set out in note 2.9.4 of 2021 Universal Registration Document did not result in the recognition of a provision as of June 30, 2022. No significant change was recorded in 2022.

### 27.2 Dispute in France

We are involved in a commercial dispute with the company from which we acquired the trademarks and patents for a sterile cooling compress medical device called “Alkantis Ice Stérile”.

The application of the principles set out in note 2.9.4 of 2021 Universal Registration Document did not result in the recognition of a provision as of June 30, 2022. No significant change was recorded in 2022.

There are no other governmental, judicial or arbitration proceedings, including all proceedings of which the company is aware, or which are pending or threatened, which may have or have had a material impact upon the financial position or profitability of the company or the Group in the past six months.

## 28 RELATED PARTIES

There was no significant change in managers' compensation conditions compared to the fiscal year 2021 (see note 35.2 of notes to the consolidated financial statements at December 31, 2021).

## 29 SUBSEQUENT EVENTS

Strasbourg site as well as Montrichard production site were sold in July 2022.

No other post-closing event which might have a material impact on the Group's financial statements has been identified.



# STATUTORY AUDITORS' REVIEW REPORT ON THE 2022 HALF-YEAR FINANCIAL INFORMATION

Period from January 1 to June 30, 2022

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*This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

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Lyon Trade and Companies Register 351 497 649*

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Immeuble Higashi  
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*SAS with share capital of €2,188,160  
Nanterre Trade and Companies Register 572 028 041*

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code ("code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of BOIRON, for the period from January 1st to June 30, 2022
- the verification of the information presented in the half-yearly management report.

These condensed consolidated interim financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

## Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

## Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Lyon, September 7, 2022

The Statutory Auditors  
French original signed by

**MAZARS**

**DELOITTE & ASSOCIÉS**

Emmanuel CHARNAVEL

Séverine HERVET

Vanessa GIRARDET

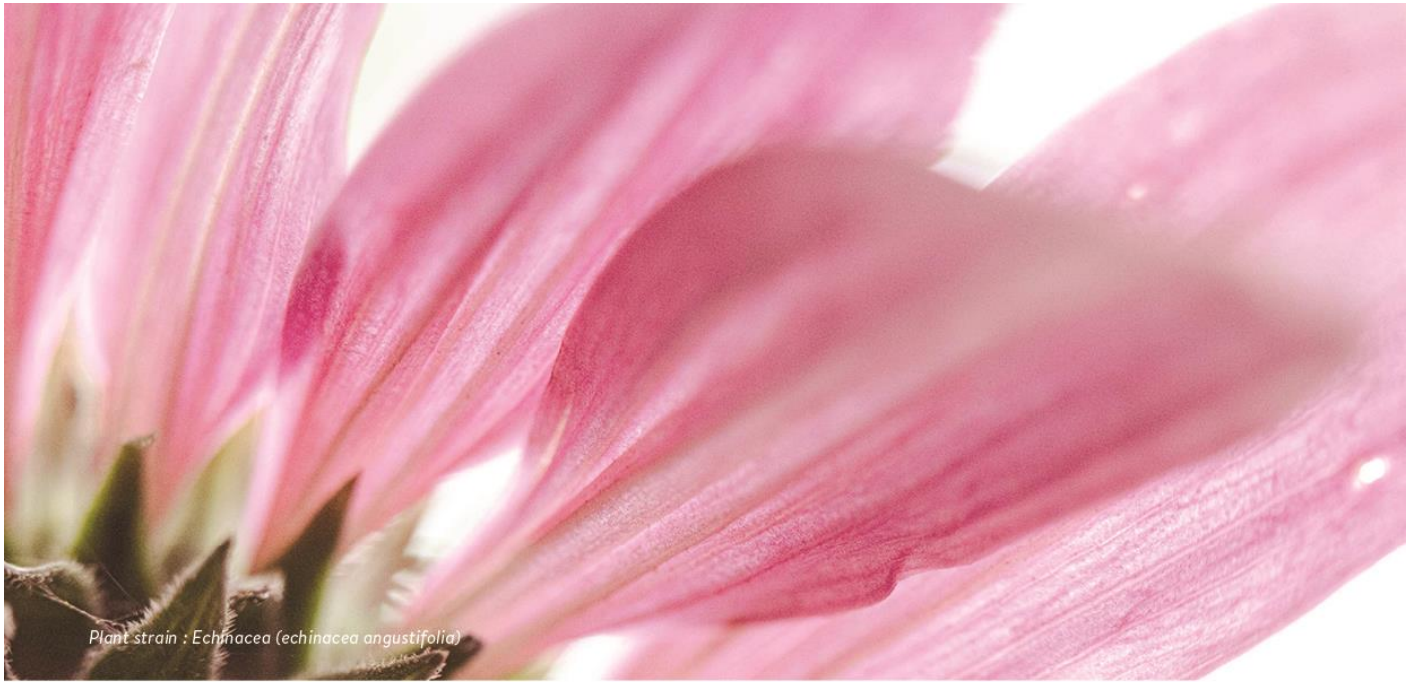
## **DECLARATION BY THE PERSON RESPONSIBLE**

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I declare that to the best of my knowledge, the condensed half-year financial statements, have been prepared according to the applicable accounting standards and provide a fair view of the businesses, financial position and income of all entities in the company's scope of consolidation, and the half-year report provides a true and fair view of the highlights of the first six months, their impact on the financial statements, the main related party transactions as well as a description of the main risks and main uncertainties for the remaining six months of the fiscal year.

Messimy  
September 7, 2022

Valérie Lorentz-Poinsot  
**General Manager**



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