



PHARMAGEST
WELCOOP SOLUTION

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PRESS RELEASE

MONITORING COMPLIANCE: TWO ACQUISITIONS THAT OPEN THE DOOR TO THE UK MARKET

- ✓ Acquisition of a majority stake in Irish MULTIMEDS and British CAREMEDS, both specialising in developing innovative technologies to manage medication compliance.
 - MULTIMEDS has developed manual dispensing systems with a comprehensive and innovative patent-protected pill dispenser.
 - CAREMEDS has developed a secure cloud-based traceability platform to track the medication cycle using pill dispensers. These products provide pharmacists in dispensing pharmacies and elderly residential care homes with secure medication management batch traceability for prescription drugs prepared in pill dispensers.
- ✓ Two complementary ranges, with proven business models in the UK as well as in international market (UK, Germany, Portugal, Spain, Malta, etc.).
- ✓ Two acquisitions that fit seamlessly with the PHARMAGEST Group's strategy to improve compliance monitoring and keep the patient at the centre of developments.
- ✓ The PHARMAGEST Group can now offer the widest range of medication management systems on the market, in both France and Europe.

Treatment compliance: a public health issue and a strategic priority for the PHARMAGEST Group

Through these two acquisitions, the PHARMAGEST Group continues to build its technology and services infrastructure around the patient, particularly in areas designed to extend the length of time people can be cared for in their homes, as well as e-health services, both areas in which pharmacists can legitimately claim to play a front-line coordination role.

The PHARMAGEST Group's offering includes a range of solutions to help pharmacists effectively counter the main reasons for treatment regime non-compliance. The LSO compliance monitoring software is a module integrated into the pharmacy management software. Its functions include the ability to centralise, share and monitor all the pharmacies' patient health data.

Taking a holistic approach, these solutions are built into the pharmacy management software, LGPI Global Services[®], which simplifies use and increases their efficacy.

Improving patient health and care practices and reducing costs have been an integral part of the PHARMAGEST Group's forward-looking development strategy for many years by offering innovative systems aimed at working with all the links in the care chain to educate and inform patients.

External growth at a crucial time for the pharmaceutical market

The patient has become the central focus of all European health systems. This new environment represents a wide-ranging change in the organisation of our health system. For example, French Health Authorities introduced payment on a fee-per-service basis for pharmacists in 2016, enacting one of the key aspects of the reform to their system of payment.

Dose dispensing is not yet regulated in France, but it is often done in practice within the pharmacy. 2017 will be a pivotal year on this point: trials are currently under way to switch from box packaging to removable doses in a blister pack. Generic pharmaceutical companies are also working on products and dosages suitable for use in these new packaging systems.

The care homes market, which is targeted by the CAREMEDS range, is expanding rapidly: 80% of the 7,752 care homes in France do not have secure and fully traceable medication management systems in place. This is also true with most European care homes.

The potential of the emerging home healthcare market is 120 patients per pharmacy.

Against this backdrop, the acquisition of CAREMEDS and MULTIMEDS positions the PHARMAGEST Group as the first pharmacy software developer to offer a stand-out suite of solutions with:

1. Connection to the pharmacy IT system,
2. Services delivering significant added value for the pharmacist,
3. A market presence if reimbursement for certified pill dispensers is introduced.

Thierry CHAPUSOT, Chairman of the Board of Directors, PHARMAGEST Group, commented: *"these two acquisitions fit seamlessly into the Group's e-health strategy and its positioning in the treatment compliance market. They not only enable us to offer a comprehensive range of medication compliance solutions for pharmacists and care homes, but also position us as the single point of call for them."*

Specifically, *"the CAREMEDS range stands out as innovative in the PHARMAGEST Group's line-up. Already on the market in many European countries, the MULTIMEDS pill dispenser range opens many doors to us in European pharmacies. CAREMEDS' medication management and traceability software for care homes is particularly tailored to the Anglo-Saxon market and paves the way for the PHARMAGEST Group to penetrate the care home market - initially in the UK and soon after in other countries."*

He concluded: *"Our aim is to step up this offering in the very near term in Europe. It will also be used as part of our international growth strategy."*

John ROWLEY, Chairman and founder of CAREMEDS and MULTIMEDS, said: *"When CAREMEDS and MULTIMEDS started in 2012, the landscape could not have been more different to what it is today. Back then we were a start-up in pharmacy software and compliance packaging systems with a laser guided focus on improving outcomes for patients. Today our products are used in eight European countries, we service over 2,000 care homes in the UK through our pharmacy users and have two major new products due for release in the coming weeks."*

He added: *"The strategic deal with the PHARMAGEST Group will scale the CAREMEDS software and MULTIMEDS packaging system to a new level by leveraging the PHARMAGEST Group's impressive*

customer base of over 10,000 pharmacies and more than 1,500 care homes which currently use PHARMAGEST solutions in France, Belgium and Luxembourg.”

The PHARMAGEST Group is there for patients at every stage of the care pathway

The reminder function in the health app, MaPharmacieMobile, is for **active patients** following a long-term course of treatment. The pharmacist enters the dosage in the app, and the patients are sent alerts on their smartphone telling them the time, the medication and the dosage to take. They then confirm they have taken their medication directly in the app.

The DO-Pill SecuR™ smart pill dispenser is for **older people living independently and taking a number of different medications** for optimum treatment monitoring, while receiving the support of a healthcare professional. The pharmacist sets up the DO-Pill to make sure there are no dosage mistakes and that the doctor's prescription is followed to the letter. Outcome: treatment compliance as high as 98%.

MULTIMEDS is the medication management system for **dependent patients resident in elderly residential care homes**. The dispensing system is managed by the pharmacist, who is the expert, and administration of the medication is supervised by the care home personnel through the dedicated and secure CAREMEDS interface. The links between health professionals are maintained at all stages of the patient's care pathway, and the pharmacist - the local health professional - is positioned in the pivotal role of health coordinator.

Dominique PAUTRAT, Managing Director, PHARMAGEST Group, said: *"Compliance is a strategic priority for the PHARMAGEST Group. These two acquisitions fit perfectly with the Group's overarching investment aims over the past five years, and its focus on patients and on improving treatment compliance. We made the trail-blazing decision in 2011 to invest in DO-Pill SecuR™ (to increase the safety of medication administration), while simultaneously launching the mobile app, Ma Pharmacie Mobile® (a reminder system). Our Offidose range introduced in 2015 equips care homes and pharmacies with software to track compliance and medication, while the compliance monitoring software (LSO) launched in 2016 offers a solution to understand and manage treatment."*

He added: *"Adding a compliance monitoring system in the form of blister pack trays was the logical next step and gives us an alternative that is far more accessible than DO-Pill SecuR™, which is designed for acute and complex medicines. The CAREMEDS and MULTIMEDS acquisitions expand the PHARMAGEST Group range of products and services and increase our capability to provide the infrastructure and solutions for virtually every type of compliance problem in France and Europe, with systems that are centred on the patient, keep the pharmacist at the commands and link hospitals at home (HAD), doctors, nurses, and home-based nursing services."*

About the PHARMAGEST Group:

The PHARMAGEST Group is the French leader in pharmacy information technology, with a 43.5% share of the market and over 860 employees. The Group's strategy is based on a core business, innovation and information technology to improve health care, and on the development of two priorities: 1/ Services and technologies for healthcare professionals, with a focus on assisting pharmacies with monitoring patient compliance; and 2/ technology for improving the efficacy of healthcare systems.

To roll out that strategy, the PHARMAGEST Group has developed specialised businesses, including pharmacy IT, e-Health solutions, solutions for healthcare professionals, solutions for pharmaceutical laboratories, connected health devices and apps, and a sales financing marketplace.

These businesses are now divided into four divisions: the Solutions for Pharmacy Division – Europe, the Solutions for Sanitary and Medico-Social Establishments Division, the Solutions for e-Health Division, and the FinTech Division.

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