

## **H1 2020 Results**

- **A resilient business model:**
  - ✓ **Revenue: +1.4% to €77.93m.**
  - ✓ **Operating Profit: +8.4% to €20.73m.**
- **Group market positions bolstered by significant acquisitions in H1.**
- **Employees actively engaged in supporting healthcare professionals during the crisis.**
- **Outlook:**
  - ✓ **Meeting the challenges of tomorrow more than ever offering promising market opportunities for the Group.**
  - ✓ **Strong recovery in business since early June.**
  - ✓ **Group targets for H2 maintained, particularly for earnings.**

€m	H1 2020	H1 2019	Change
Revenue	77.93	76.88	+1.4%
<b>Operating Profit</b>	<b>20.73</b>	<b>18.65</b>	<b>+8.4%</b>
Net Profit from Continuing Operations	13.50	13.18	* +2.3%
Net Profit	13.50	14.59	* -7.5%

\* Pharmagest Group was impacted by a one-off deterioration in Net Profit from Continuing Operations with growth of 2.3% to €13.50m resulting from the fair value adjustment of very low risk financial investments over the medium-term plus the base effect linked to the sales of 100% of the shares of the subsidiary INTECUM to PHARMATHEK. **After eliminating the impact of these exceptional events, Net Profit from Continuing Operations and Net Profit were in line with the performance of Operating Profit with growth of 9.2%.**

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### ➤ **Results at 30 June 2020**

Within the context of a health crisis of unprecedented dimensions, Pharmagest Group registered **growth in Revenue at 30 June 2020 of 1.4% to €77.93m** in relation to the 2019 first half, boosted by its most recent acquisitions: SVEMU in Italy, I-MEDS in Germany, MALTA BELGIUM in Belgium, ICT and PANDALAB in France. At constant structure, Revenue contracted 2.48%.

**Operating Profit of the Group grew 8.4% to €20.73m at 30 June 2020**, confirming the resilience of its business model and the management efficiencies implemented by the Group during the crisis.

- **Operating Profit for the Pharmacy - Europe Solutions Division amounted to €13.29m (+2.8%)**. The strong rebound in orders of the Pharmacy France Business Unit beginning in June partially offset the slower start-up of operations by the Pharmacy Belux and Italy Business Units, two countries remaining severely impacted by the health crisis.
- **Operating Profit of the Health and Social Care Facilities Solutions Division was €4.33m**, with strong growth of 25.5%. Boosted by the integration of MALTA BELGIUM and PANDALAB, this Division also benefited from innovative development projects linked to other Group Divisions within the framework of the Digital Healthcare Platform.
- **Operating Profit of the e-Health Solutions and Fintech Divisions amounted to €3.12m**, up 37.4%, on the strength of a positive product mix (recurrent e-Connect business and Telemedicine projects). These Divisions are continuing to invest in R&D to support their international ambitions (notably for NOVIACARE).

**Net Profit on that basis amounted to €13.50m (-7.5%)** and Net Profit Attributable to Equity Holders of the Parent **to €12.63m (-7.8%)**. At 30 June 2020, **Basic Earnings per Share amounted to €0.84**, up from €0.91 one year earlier (-8%).

➤ **Consolidated balance sheet highlights**

At 30 June 2020, Pharmagest Group's gross cash position increased to €97.59m, compared to €104.86m at 30 June 2019.

Equity attributable to the equity holders of the Parent at 30 June 2020 amounted to €126m.

➤ **H1 2020 operating highlights**

- **Creation of MALTA BELGIUM**. The Health and Social Care Facilities (HSCF) Solutions Division is continuing to develop in Europe by acquiring the activities for developing software solutions for nursing homes and specialised establishments of the Belgian company, CARE SOLUTIONS. This acquisition provides access to more than 630 nursing homes in Belgium out of the country's total of 1,540 retirement homes. In conjunction with the acquisition of CARE SOLUTIONS' activities, MALTA INFORMATIQUE signed a strategic partnership with **Colisée Group, Europe's fourth-largest provider** of solutions for elderly care and well-being.
- **Acquisition of a majority stake in PANDALAB**. The HSCF Solutions Division has in this way strengthened its offering to provide a better coordination of the patient care pathway by means of this multi-functional platform integrating secure, confidential and instantaneous messaging capabilities between healthcare professionals. This solution is also promising in terms of its potential for strong synergies with all the Pharmagest Group businesses and contributing to a significant advance in the Group's strategy to build a unique ecosystem in France and Europe and the deployment of its Digital Healthcare Platform.

- **Acquisition of ASCA INFORMATIQUE.** By this operation, Pharmagest Group and ASCA INFORMATIQUE become the French leaders in digital labelling for pharmacies. The innovation of solutions proposed by ASCA INFORMATIQUE, its regional network, the technical expertise of its teams and its knowledge of the pharmacist complete the offering and strengthen the strategy for the digital transformation of the pharmacy sector of the Pharmagest Group.
- **AXIGATE was selected by RESAH (*Réseau des Acheteurs Hospitaliers*), the French hospital purchasing network, to address the needs of regional hospital groups in monitoring patient pathways.** As a French leader in the Hospital Information Systems (HIS) sector, AXIGATE provides an innovative solution for Electronic Medical Records addressing multi-establishment information needs and covering the inter-and intra-hospital patient pathway. AXIGATE's information system addresses the needs of all healthcare stakeholders: hospitals, regional hospital groups, senior homes, hospital-at-home programmes and home-based nursing services but also private practice physicians.
- **MALTA INFORMATIQUE acquires the shares of the minority shareholders of ICT Group, increasing its stake to 100%.** This acquisition will accelerate the integration of this subsidiary within the organisation of the HSCF Solutions Division and facilitate the development of synergies throughout Pharmagest Group.
- **Pharmagest Group R&D teams rank number one in France and 59 worldwide in the Hash Code 2020 programming competition.** This programming competition organised by Google proposes a common engineering problem to be solved by developers throughout the world at the same time. Pharmagest's teams demonstrated their IT skills and also their creativity and ability to solve problems together as a team by finding a solution in just four hours. These results confirm the CodinGame 2019 ranking in Forbes France at January 2020 where Pharmagest Group was number two in the top 10 of the French companies for the quality of its IT talent.
- **Pharmagest Group is included in the new Euronext European Rising Tech label** recognising the best-performing and emblematic growth SMEs listed on the Euronext markets in Amsterdam, Brussels, Lisbon and Paris. The Euronext committee identified and recognised in this way PHARMAGEST's solid economic and stock market performances.

➤ **Significant events occurring after 30 June 2020**

AXIGATE announces the signature of agreement with 3 new hospitals:

- **The Armor Regional Hospital Network:** after laying the foundations for a territorial information system in November 2019, and launching the pilot service in January 2020, the Armor Regional Hospital Network rolled out the AXIGATE EMR system at the territory's different establishments. Its functional scope will be extended in the coming months with the deployment of the medication pathway, the programme for medicalization of information systems, the obstetric file and emergency services.
- **The Gisors and Andelys Hospital Centres of the Eure-Seine Regional Hospital Network:** the Gisors hospital (464 hospital beds) and the Saint Jacques hospital in Andelys (230 beds for medium and long-term stays) of the Eure-Seine Regional Hospital Network selected the AXIGATE EMR to equip a total of 7 hospitals of the department around the support structure of Evreux.

- **Arles Hospital Centre:** AXIGATE was selected by the Arles hospital (650 hospital beds) for the digitization of its care processes. This initiative, which follows that of the Marseille Public University Hospital (AP-HM) and the Aubagne Hospital Centre, is part of the process for implementing a regional EMR system within the Hôpitaux de Provence Regional Hospital Network.

## ➤ **H2 2020 outlook**

After the very robust recovery in commercial activity in June, continuing growth momentum has set the stage for a strong rebound in revenue in the 2020 second half. On that basis, the Group is confident in the outlook for growth and profitability for the second half.

In addition, Pharmagest Group's gross cash position ensures it has the resources to pursue market opportunities that may arise in order to meet the challenges of tomorrow.

In the same way, the Group intends to accelerate the deployment of new solutions to support all activities of the healthcare universe: pharmacies, senior homes, home-based nursing services, hospital-at-home programmes and also office-based private practitioners.

Finally, driven by the development of the Digital Healthcare Platform, Pharmagest Group has announced the implementation of a new experiment, the "Interoperability Hub" in the Grand Est Region in partnership with the PULSY public interest group (GIP) and the Nancy Regional and University Hospital (CHRU). The technological solutions developed through this programme are destined to facilitate the flow of information among the different business line information systems of healthcare professionals in the private practice sector, healthcare establishments and regional coordinators in advance of its regional deployment. A specific announcement will be issued upon the signature of this new cooperative project in the coming days.

This initiative strengthens Pharmagest Group's position as an innovative industrial stakeholder in the service of health, capable of structuring and delivering technological solutions that are essential for the healthcare offering and its coordination across the office-based private practice and hospital pathways, as described in the French government healthcare plan ("*Ma santé 2022*").

## **Financial calendar**

- Participation in the MidCap Event in Paris on 19 and 20 October 2020.
- Publication of Q3 2020 sales: 18 November 2020 (after the close of trading)
- Publication of FY 2020 annual sales: 4 February 2021 (after the close of trading).

## **About Pharmagest Group:**

*With more than 1,100 employees and "Citizens in the Service of Health and Well-Being", Pharmagest Group is the leading provider of IT solutions for the healthcare sector in Europe through innovative solutions and services for healthcare professionals guaranteeing the efficiency of the healthcare system and improving the patient care pathway.*

*As a key contributor to the quality of healthcare and coordination between office-based private practice and hospitals, Pharmagest Group is present in France, Italy, Belgium, Luxembourg and the United Kingdom where it is developing the leading healthcare platform and a single ecosystem for France and Europe bringing the best of technology to the service of people.*

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**PHARMAGEST shares are eligible for French tax-advantaged PEA-PME equity savings accounts**

The Group is included in the **Gaïa-Index 2019** comprised of socially responsible mid-caps and was recently included in the **“European Rising Tech”** label recognising the top-performing SMEs listed on the Euronext markets of Amsterdam, Brussels, Lisbon and Paris.

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**CONTACTS**

**Analyst and Investor Relations:**

Chief Administrative and Financial Officer : Jean-Yves SAMSON

Tel. +33 (0)3 83 15 90 67 – [jean-yves.samson@lacooperativewelcoop.com](mailto:jean-yves.samson@lacooperativewelcoop.com)

**Media Relations:**

FIN'EXTENSO – Isabelle APRILE

Tel. +33 (0)1 39 97 61 22 - [i.aprile@finextenso.fr](mailto:i.aprile@finextenso.fr)