EQUASENS
Technology for a more human experience

Villers-lès-Nancy, 27 September 2024 - 6:00 p.m. (CET)

PRESS RELEASE

2024 half-year results

- **Group results impacted by weaker economic conditions and continuing investment efforts in H1:**
    - **Revenue: €108.0m, -4.1%**
    - **Current Operating Income: €20.9m, -24.1%**
    - **Net Profit attributable to the Group: €17.2m, -21.8%**

- **Though with a profit margin that continues to be very positive:**
    - **Ratio of Current Operating Income (COI) to Sales: 19.3% on a reported basis and 20.0% like-for-like**

H1 RESULTS (€M)	**2023 reported basis**	**2024 reported basis**	**Change / Reported basis**		**External growth**	**Change / Like-for-like basis**	
Revenue	112.6	108.0	-4.6	-4.1%	-3.7	-8.3	-7.4%
Current operating income (COI)	**27.5**	**20.9**	**-6.6**	**-24.1%**	**0.0**	**-6.7**	**-24.3%**
Net Profit	22.9	18.1	-4.8	-21.0%	0.0	-4.8	-21.1%
Net Profit attributable to the Group	22.0	17.2	-4.8	-21.8%			

The financial statements for the six-month period ended 30 June 2024 were reviewed and adopted by EQUASENS' Board of Directors, chaired by Thierry Chapusot, on 27 September 2024. These interim consolidated financial statements were subject to a limited review by the Statutory Auditors.

Results at 30 June 2024

H1 Current Operating Income / Division	**2023 reported basis**	**2024 reported basis**	**Change / Reported basis**		**External growth**	**Change / Like-for-like basis**	
Pharmagest	18.4	14.1	-4.3	-23.5%	-0.1	-4.4	-24.0%
Axigate Link	4.6	4.4	-0.2	-4.9%		-0.2	-4.9%
e-Connect	3.6	2.5	-1.1	-29.9%		-1.1	-29.9%
Medical Solutions	1.3	0.0	-1.3	-100.0%	0.1	-1.2	-92.5%
Fintech	-0.4	-0.1	0.3	69.3%		0.3	-69.3%
Current Operating Income	**27.5**	**20.9**	**-6.6**	**-24.1%**	**0.0**	**-6.7**	**-24.3%**

- **PHARMAGEST division**: a contraction in earnings reflecting lower sales and reinforced teams in Europe (COI/Sales: 17.2%)
  The decline in the Division's operating income is mainly attributable to a reduction in sales in France in the configuration and hardware segment. In a persistently challenging economic environment, the Division continued to focus its commercial strategy on acquiring new customers and regularly rolling out new software and hardware solutions.
  Despite this, recurring revenues were bolstered by the combined contribution of new SaaS offerings and contract indexation.
  To accelerate the deployment of solutions in Europe, the R&D and sales teams continued to be strengthened.

- **AXIGATE LINK division**: the profit margin remains high (COI/Sales: 28.6%)

  Strategic investments to support the roll-out of SaaS solutions such as TitanLink for Nursing Homes in Europe, and the extension of homecare services, have temporarily weighed on the Division's results.

- **E-CONNECT division:** current operating income declined in response to lower sales (COI/Sales: 45.4%)

  As previously reported, H1 2023 sales and earnings were boosted by the announced discontinuation of sales of Application Reader Terminals.
  The downturn in business in the first half of 2024 thus reflected the corresponding decline in sales. Despite this unfavourable environment, the Division demonstrated its ability to adapt by maintaining a healthy profit margin based on tight cost controls.

- **MEDICAL SOLUTIONS division:** a year of transition between the Ségur digital healthcare investment programme and a new software solution (COI/Sales: -)

  Preparations for the Division's future involving the development of a new software platform and optimising the sales organisation led to significant investments which, in conjunction with lower sales following the end of the Ségur programme roll-out, weighed on the Division's results. Recurring revenues rose 13.7%, resulting in a gross margin of 72.8%.

- **FINTECH division:** efforts to stabilise the business paid off in H1, with an improvement in earnings of €0.3m (COI/Sales: -)

Consolidated balance sheet highlights

- Cash flow after interest and tax maintained a positive trend at €20.8m.
- Financial investments, through acquisitions as well as capital expenditures, in particular for the EQUASENS private healthcare cloud, continued, with more than €16.0m committed in H1.
- The net financial surplus at 30/06/2024 of €87.9m takes into account a change in presentation of IFRS 16 lease liabilities and put options for minority shareholders of €10.8m (recognised under other liabilities versus financial liabilities previously).

2024 outlook

- The Group maintains its forecast for a return to revenue growth starting in the second half of 2024, and an acceleration in 2025 driven by current investments and an economic climate that looks set to improve, particularly for pharmacies in France.
- The Group will continue to invest in R&D, infrastructure and sales forces in France and Europe in the second half of 2024. And while this will have a temporary impact on profitability in 2024, it should generate a return on investment from 2025 onwards.
- With a strategy focused on patients and interoperability, the Group is ideally positioned to seize opportunities for external growth in France and Europe.

Financial calendar:

- 1 October 2024: Presentation of H1 2024 results
- 7 November 2024: Publication of Q3 2024 revenue
- 6 February 2025: Publication of f Q4/FY 2024 revenue

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