

INFORMATION MEETING

March 12, 2020

Paris



Your health deserves the greatest respect

LEGEND



: Sustainable development objectives

REORGANISATION PROJECT

On March 11, 2020, Laboratoires Boiron announced a major reorganisation project in France.

- For the past two years, virulent, unjustified and repeated attacks against homeopathy in France
- Brutal decision of the Ministry of Solidarity and Health to delist homeopathic medicines as of January 1, 2021
- We have announced the following reorganisation project :
 - The closure of the Montrichard production site near Tours,
 - The closure of 12 preparation-distribution establishments out of the 27 we have in France : Avignon, Belfort, Brest, Grenoble, Limoges, Niort, Paris-Bois d'Arcy, Paris-Ivry, Pau, Rouen, Strasbourg and Toulon,
 - The resizing of the production and preparation-distribution teams on the retained sites,
 - The reorganisation of the sales teams.

REORGANISATION PROJECT

- This plan would result in the elimination of 646 positions and the creation of 134 positions.
- We will do our utmost to limit the social impact of this reorganization project while respecting our social heritage.
- This planned organisation should make it possible to preserve our quality of service to healthcare professionals and patients.

HIGHLIGHTS 2019

ATTACKS AGAINST HOMEOPATHIC MEDICINES IN FRANCE

- Announcement by the government in July 2019 of the gradual phasing out of reimbursement of homeopathic medicines (15% in 2020 and then 0% in 2021).
- Unprecedented mobilization – Over 1,300,000 signatures for MonHoméoMonChoix petition.
- Filing of two appeals with the Council of State by BOIRON and LEHNING

22 PRODUCT LAUNCHES

2 new products



China

France

Geographic deployments
(Brazil, Italy, Tunisia, United-States, Colombia...)



GOVERNANCE

- Valérie Lorentz-Poinsot takes office as General Manager of the Group

INTERNATIONAL

- Opening of a handling pharmacy in Bogota, Colombia
- Business reorganization in Belgium – Disposal of assets and employees' transfer of UNDA

MAJOR DECLINE OF THE OPERATING INCOME

- Gross margin decrease by €40M
- Savings on operational expenses by €15M
- €14M of negative impacts from non-recurring elements

SUSTAINABLE DEVELOPMENT



Reinforcement of actions in favor of eco-design and well-being at work

Creation of a cross-functional working group about CSR

KEY FIGURES



*Source: IQVIA Cumul Annuel Mobile in value at the end of December 2019





Your health deserves the greatest respect





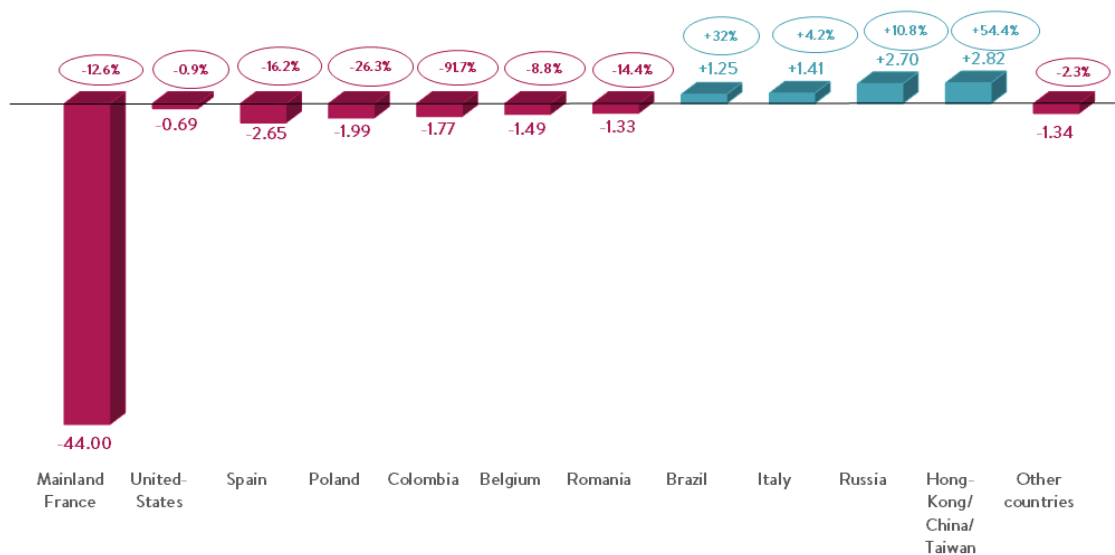
CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2019

HISTORIC DECLINE IN SALES IN 2019

		2016	2017	2018	2019	Variation 2019/2018	
						in M€	in %
	Non-proprietary homeopathic medicines - France*	249.82	250.22	233.30	204.49	-28.81	-12.3%
	OTC specialties - France*	119.94	127.15	124.22	107.77	-16.45	-13.2%
	Non-proprietary homeopathic medicines - International	63.54	60.38	53.94	57.38	+3.44	+6.4%
	OTC specialties - International	179.73	178.40	191.36	185.98	-5.38	-2.8%
	Other	1.45	1.39	1.39	1.50	+0.11	
GROUP TOTAL		614.49	617.54	604.21	557.12	-47.09	-7.8%

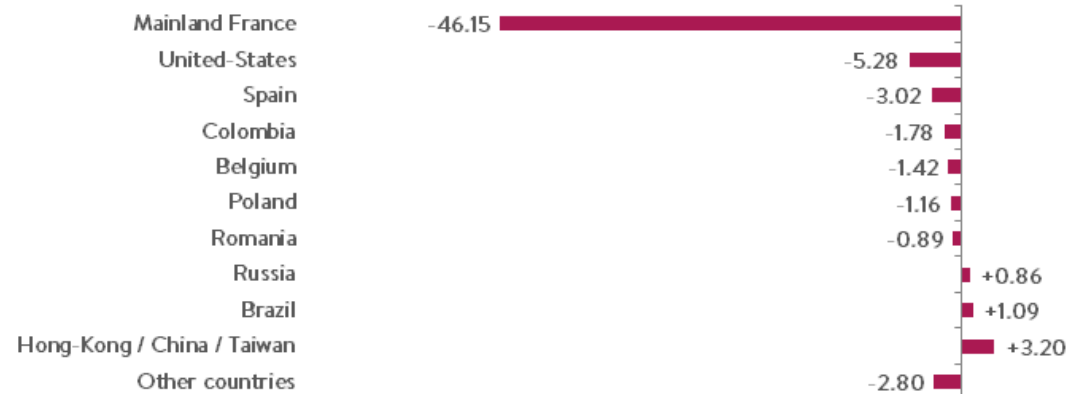
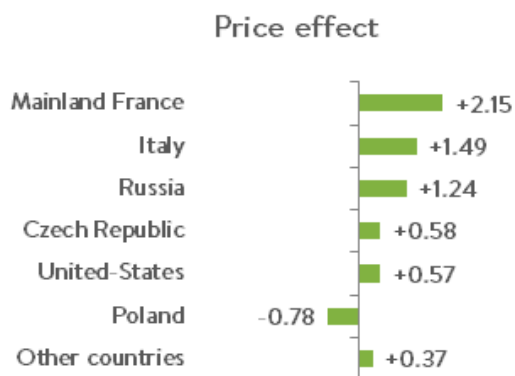
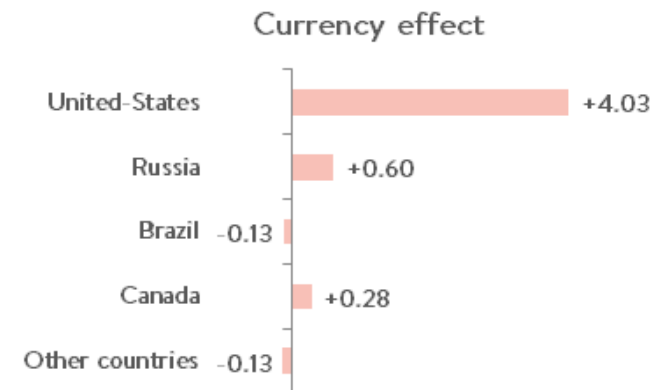
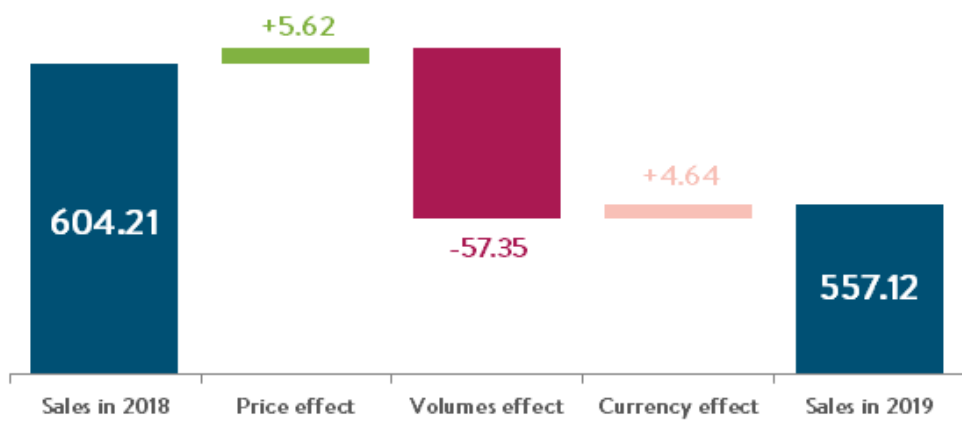
* Mainland France and French Overseas Departments and Territories

FRANCE IN TURMOIL



	2019	2018	Var. at current exchange rate 2019/2018	Var. at constant exchange rate 2019/2018
France	313.40	358.56	-12.6%	-12.6%
Europe (excluding France)	132.98	135.90	-2.1%	-2.5%
North America	87.67	88.40	-0.8%	-5.7%
Other countries	23.07	21.35	+8.0%	+8.6%
Group total	557.12	604.21	-7.8%	-8.6%

A DECREASE RELATED TO VOLUMES

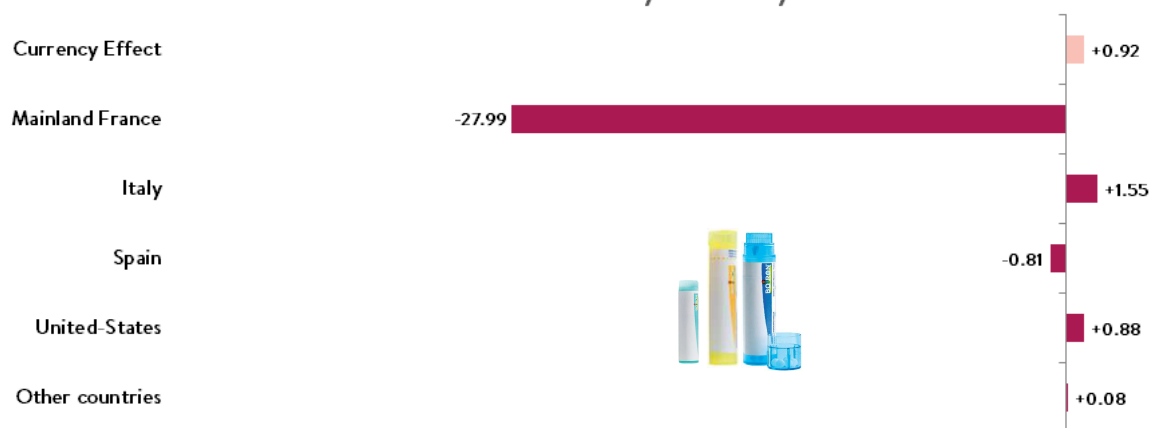


DECLINE OF NON-PROPRIETARY HOMEOPATHIC MEDICINES AND OTC SPECIALTIES IN FRANCE

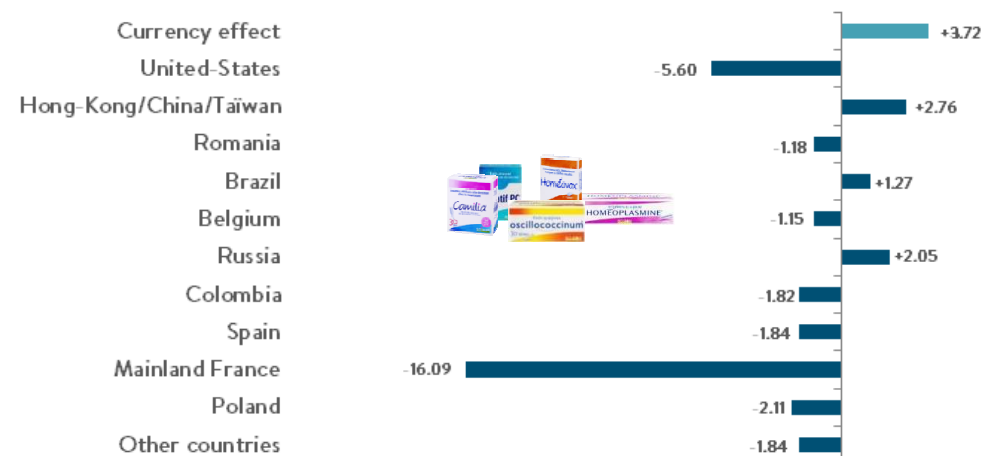
	2019	2018	Variation in M€	Variation in %
Non-proprietary homeopathic medicines	261.87	287.24	-25.37	-8.8%
OTC specialties	293.75	315.58	-21.83	-6.9%
Other	1.50	1.39	+0.11	+8.0%
TOTAL	557.12	604.21	-47.09	-7.8%



Non-proprietary homeopathic medicines main variations by country



OTC specialties main variations by country



PRODUCTS MAIN TRENDS

Main products increase



United-States and Mainland France



Russia, Italy, Brazil and United-States



Italy and United-States



Brazil



Russia



Hong-Kong, China
Taiwan and United-States

Main products decrease



Mainland France and Spain



Mainland France, United-States
and Russia



Mainland France and Poland



Mainland France



Mainland France and Italy



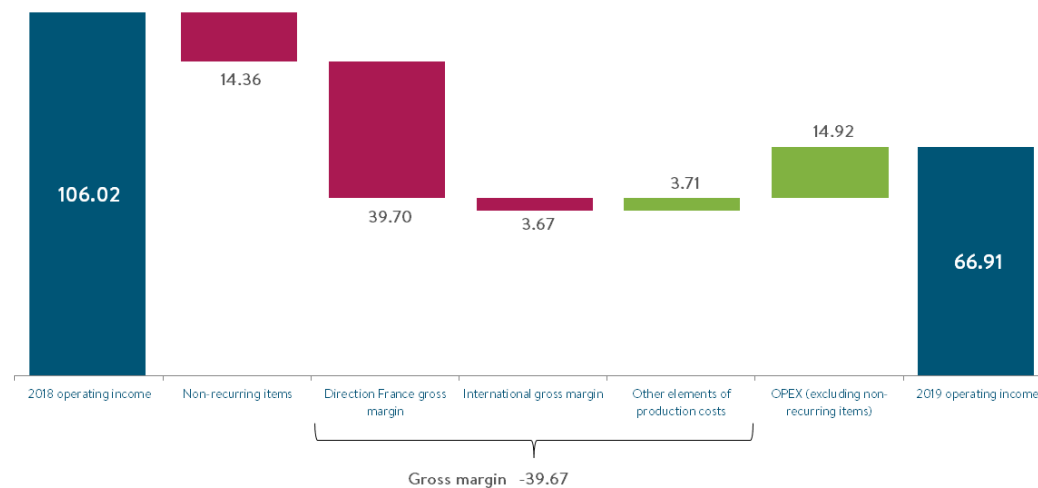
Mainland France



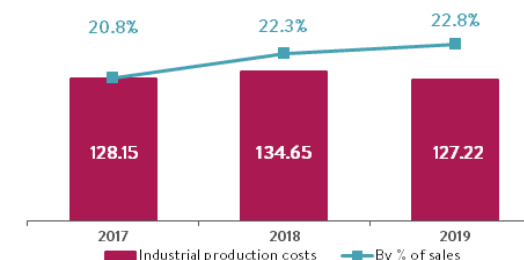
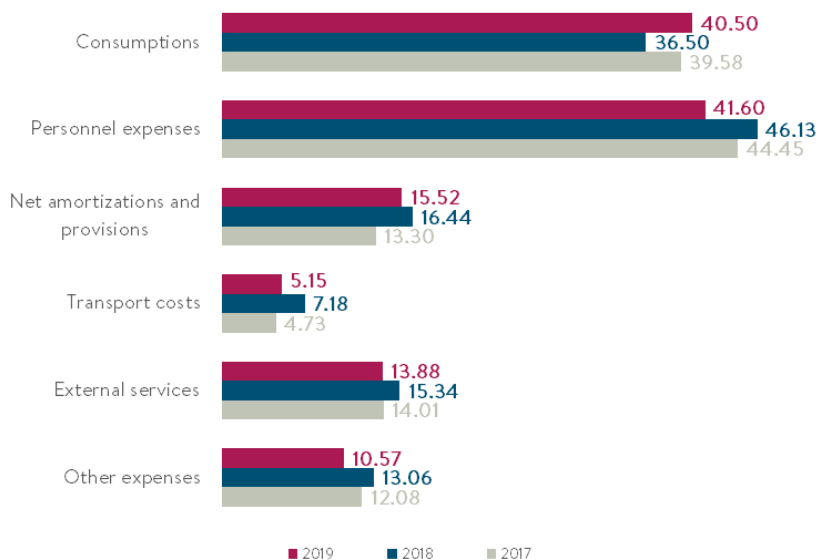
Mainland France and Poland

OUR OPERATING INCOME DOWN BY €39M

	2019	2018	Variation 2019 / 2018		2017
			in M€	in %	
Sales	557.12	604.21	-47.09	-7.8%	617.54
Industrial production costs	-127.22	-134.65	+7.43	-5.5%	-128.15
Gross margin	429.90	469.56	-39.66	-8.4%	489.39
Preparation and distribution costs	-119.80	-128.48	+8.68	-6.8%	-130.49
Promotion costs	-153.46	-155.62	+2.16	-1.4%	-149.92
Research costs	-3.13	-3.83	+0.70	-18.3%	-3.59
Regulatory affairs costs	-11.15	-11.23	+0.08	-0.7%	-9.79
Support function costs	-69.43	-76.78	+7.35	-9.6%	-78.03
Other	-6.02	12.40	-18.42		7.41
Operating income	66.91	106.02	-39.11	-36.9%	124.98
% of sales	12.0%	17.5%			20.2%



INDUSTRIAL PRODUCTION COSTS: -5.5%



- Increase in **consumptions**: unfavorable basis of comparison related to changes in inventories in 2018. Excluding changes in inventories, consumptions are declining.
- Decline in **personnel expenses** in France: decrease in staff (69 people), in social security contributions (removal of the French “CICE”) and provisions for profit sharing
- Decrease in **net amortizations and provisions**:
 - End of amortization of production and purchasing X3 (ERP) modules in France
 - Decline in provisions for returned goods (decrease of the activity in the United-States)
 - New amortizations: production equipments on Messimy and Montévrain sites
- Savings on **transport costs** (decrease in shipped volumes and air shipments to the United-States)
- Decline in **external services**: repair and maintenance costs on Sainte-Foy-Lès-Lyon and Messimy sites and elimination of external storage with the setting up of the logistics platform in Les Olmes
- Decrease in **other expenses** related to the decline in sales.



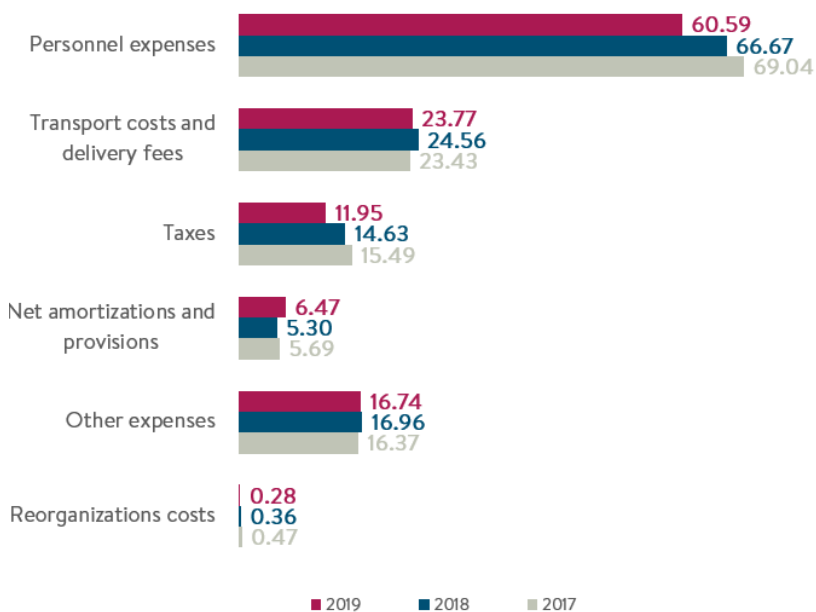
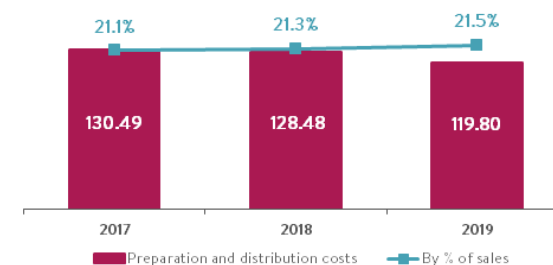
Highly-qualified growers - Plants certified GMO free

Actions to protect biodiversity

Direct distribution and preferred eco-friendly materials

Conventional sorting and waste recovery

PREPARATION AND DISTRIBUTION COSTS: -6.8%

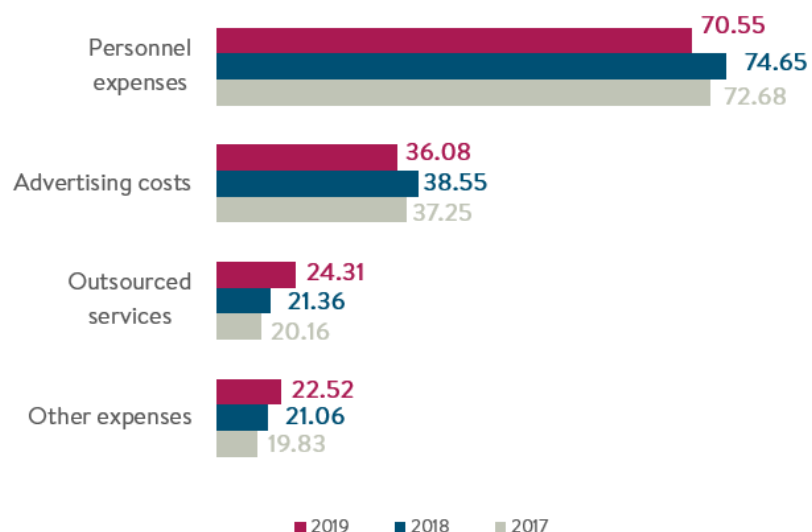
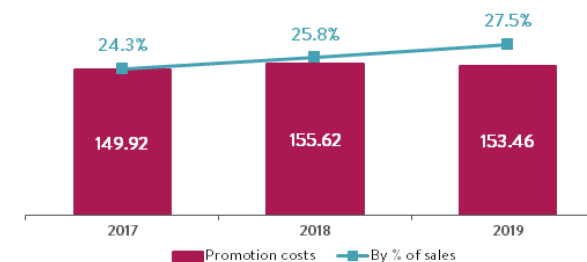


- Decline in **personnel expenses** mainly in France:
 - Retirement not replaced (restructuring and decrease of the sites activity): staff reduction of 65 people
 - Decrease in security social contributions (removal of the French “CICE”) and provisions for profit sharing
- Savings on **transport costs** and **taxes** related to the decrease of the activity
- Increase in **net amortizations and provisions** (new logistics platform in Les Olmes)



Optimisation of delivery and transport flows

PROMOTION COSTS: -1.4%



○ Decrease in **personnel expenses**:

- Reduction of sales force bonuses especially in France, in Belgium and Spain
- Staff reduction in Italy (10 people), in Spain (15 people) and in Belgium (5 people)
- In France, decline in security social contributions (removal of the French “CICE”) and provisions for profit sharing

○ Decline in **advertising costs**:

- In France, savings on advertisements and promotional material especially for Oscilloccinum® and Sédatif PC® offset by an increase for Coryzalia®
- In Poland, no TV advertising for Stodal®
- In Spain, decrease in press advertising and promotional materials especially for Oscilloccinum® and Stodal®
- On the contrary, increase in advertising costs in Russia especially for Homéovox®, Camilia® and Stodal®

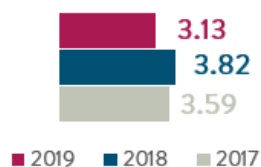
- Increase in **outsourced services** in France for the mobilization campaign MonHoméoMonChoix, the White Paper «What place for homeopathy in the care offer? » and the events « Santé Vous Libre » realized with actors from the homeopathy sector.



100% of hybrid vehicles in France

RESEARCH AND REGULATORY AFFAIRS COSTS

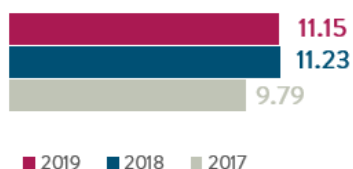
RESEARCH



- Stable staffing levels and continued activities with our partners in the areas of airway infection, central nervous system, supportive care in oncology and trauma.



REGULATORY AFFAIRS

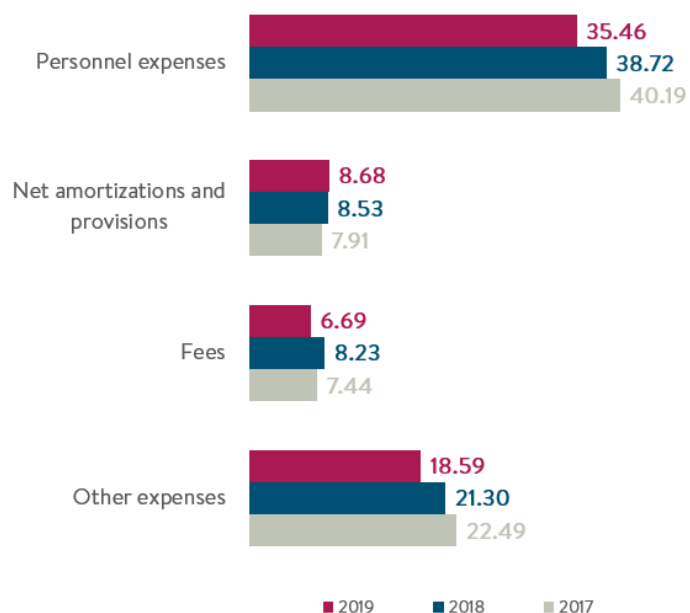
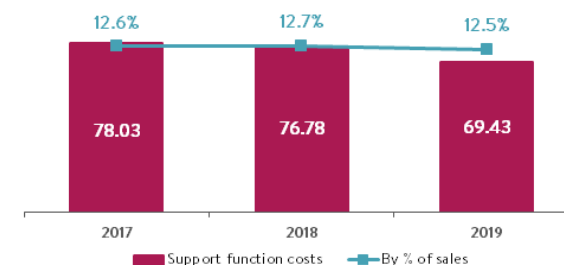


- Stable costs level. 118 people are working within the Regulatory affairs department for our corporate goal:
 - « Homeopathy Everywhere and for Everyone »
- Europe in the middle of homeopathic medicines registration (transposition of the European Directive): France, Italy, Spain, Belgium...



Activites with laboratories authorised by the National Consultative Ethics Committee

SUPPORT FUNCTION COSTS: -9.6%



- Decline in **personnel expenses** in France: social security contributions (removal of the French “CICE”), provisions for profit sharing and evolution of the General Management
- Savings on **fees** due to 2018 base effects for France, Belgium and the United-States
- Decrease in **other expenses**:
 - Savings on the General Management and support teams travel expenses.
 - Decrease in rental expenses (IFRS 16 standard impact) offset by an increase in amortizations.



Decrease in paper consumptions
Mugs have replaced plastic cups

OTHER OPERATING REVENUE AND EXPENSES

	2019	2018	Variation	2017
Other operating revenue and expenses	-6.02	12.40	-18.42	7.41
UNDA disposal impacts	-5.88		-5.88	
Reorganization in Belgium (SPRL)	-0.90		-0.90	
Depreciation of brands, patents and equipments Alkantis	-2.07		-2.07	
Capital-gain on the sale of the former headquarter of the american subsidiary	1.14		+1.14	
Capital-gain on the sale of Levallois-Perret site		6.21	-6.21	
Tax credit for competitiveness and employment (CICE)		2.77	-2.77	3.41
Capital-gain on the sale of Lyon 8ème site				3.29
Other	1.69	3.42	-1.73	0.71

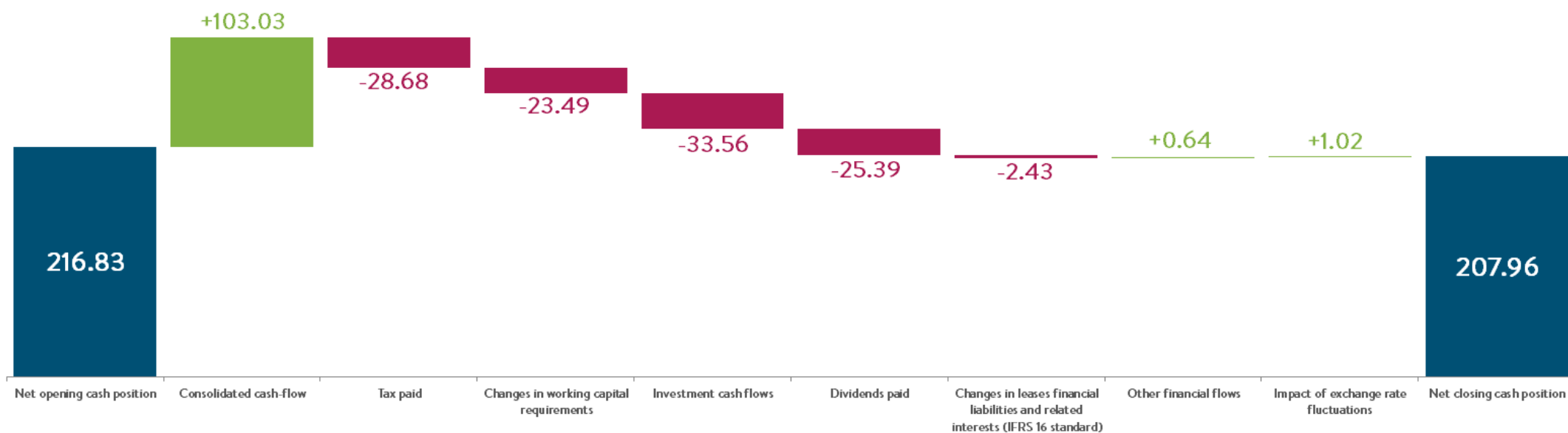
- Removal of the tax credit for competitiveness and employment (French “CICE”), offset by a decrease in social security contributions in all operating activities
- Sale of the former headquarter of the american subsidiary in July 2019
- Assets impairments and provisions on UNDA in Belgium
- Provision for risks in connection with the business restructuring in Belgium (BOIRON) – relocation planned in 2021
- Assets depreciations (brands, patents and equipments) related to ALKANTIS medical device bought in 2017

NET INCOME

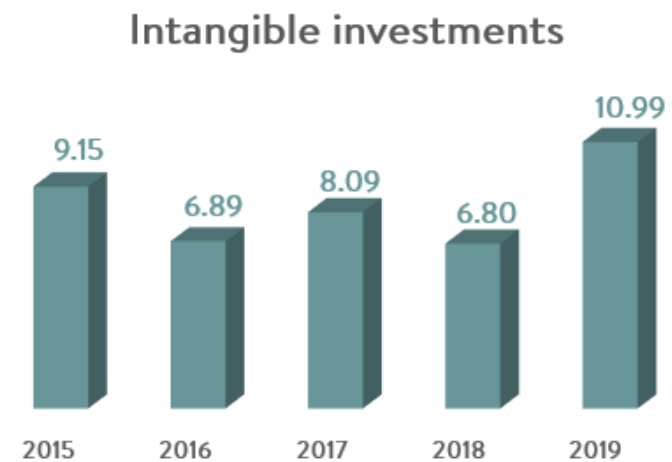
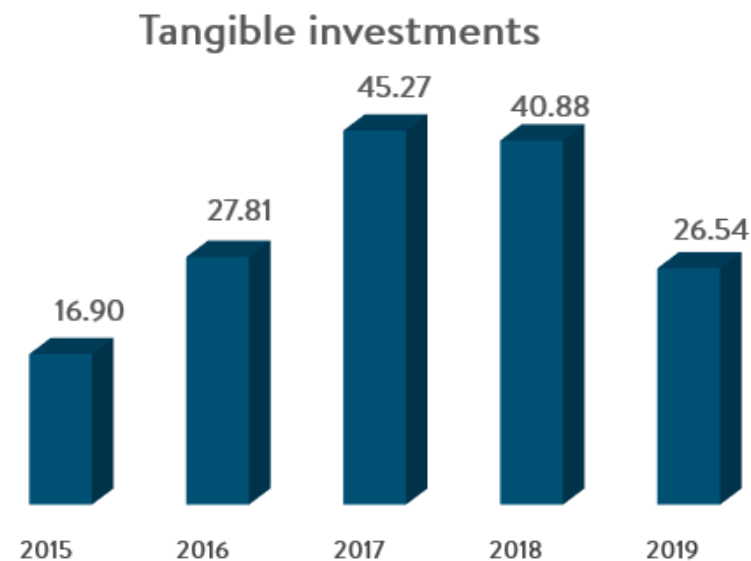
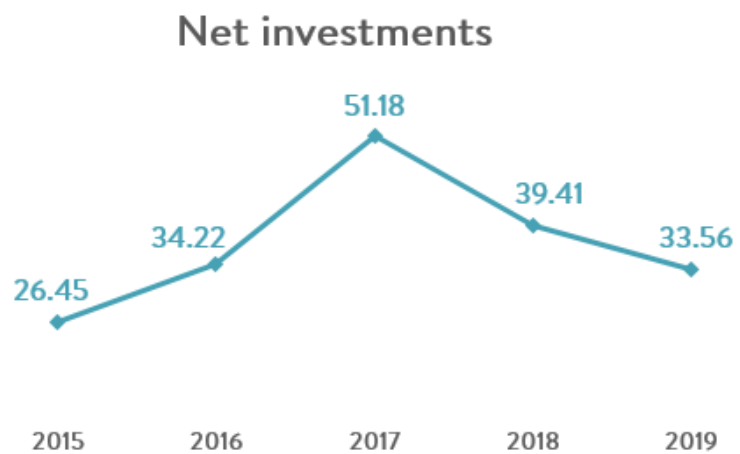
	2019	2018	Variation	2017
Operating income	66.91	106.02	-39.11	124.98
<i>% of sales</i>	12.0%	17.5%		20.2%
Financing expenses and cash revenue	0.37	0.39	-0.02	-0.03
Other financial revenue and expenses	-2.90	-2.41	-0.49	-1.82
Corporate income tax	-23.80	-46.54	+22.74	-44.93
Minority interests	0.05	0.00	+0.05	0.04
Net income - group share	40.63	57.46	-16.83	78.24
<i>% of sales</i>	7.3%	9.5%		12.7%

- Recognition in 2018 of a provision of €9.3M for the tax audit, that was reversed up to €1.3M following the answer from the French tax authority at the end of 2019.
- The corporate income tax rate goes back to a normative level of 37% in 2019.

€208M OF CASH FLOWS AT THE END OF 2019

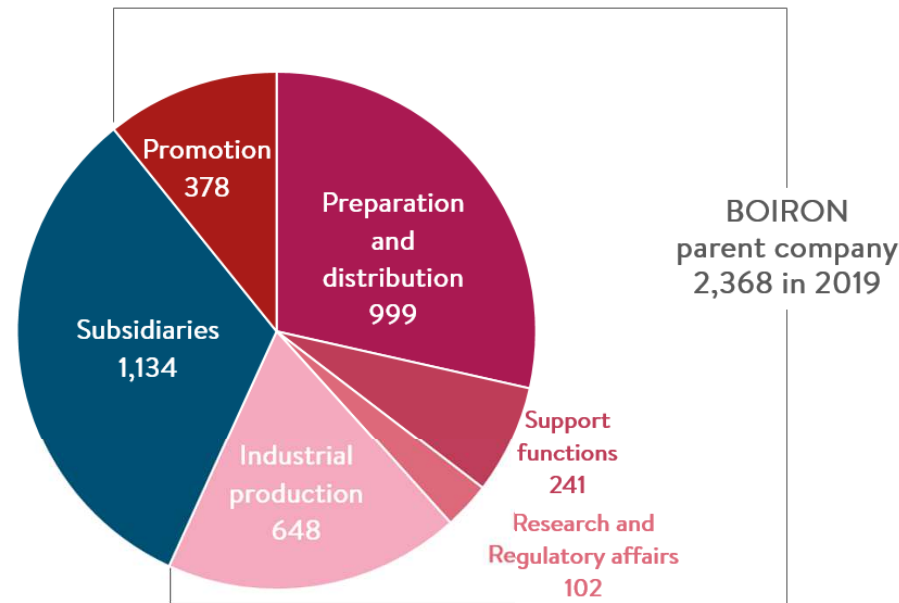


MULTI-YEAR INVESTMENTS

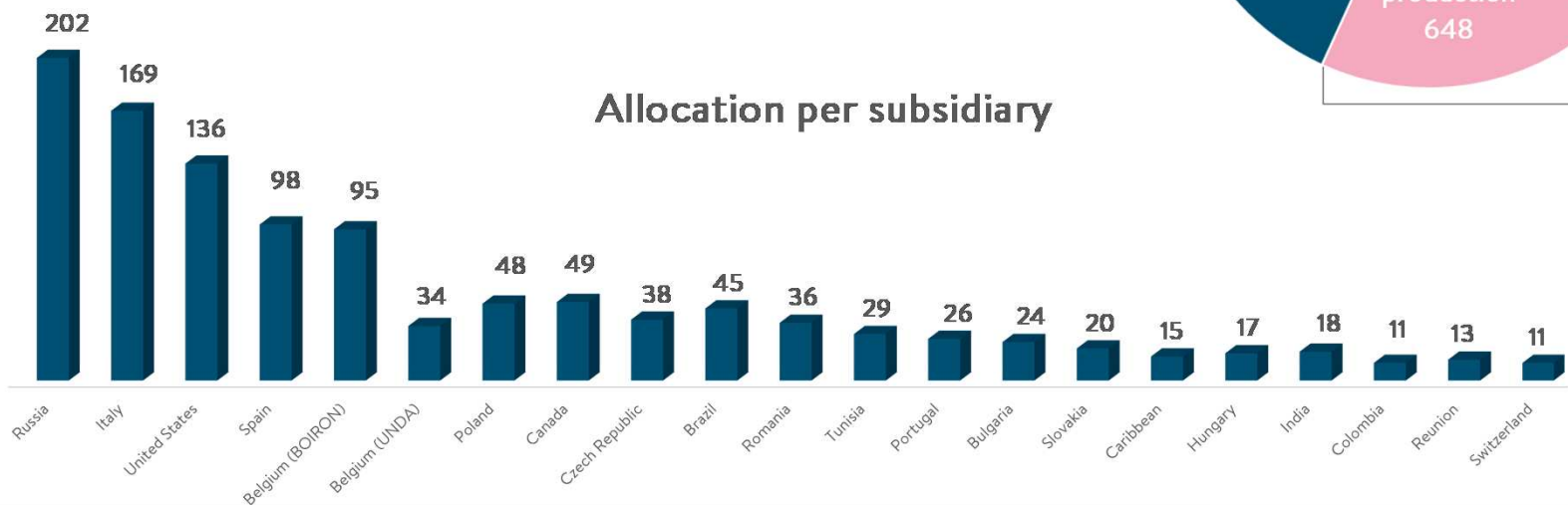


ACTUAL WORKFORCE

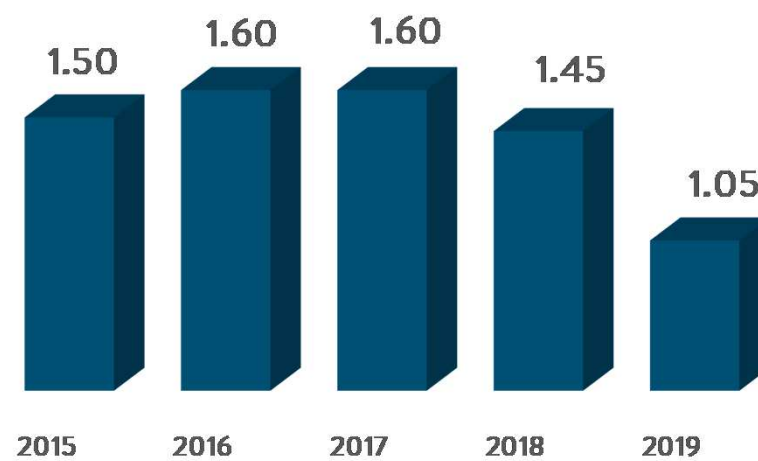
	2019	2018
Industrial production	679	762
Preparation and distribution	1,187	1,252
Promotion	1,086	1,116
Research	12	13
Regulatory affairs	118	94
Support functions	421	435
GROUP TOTAL	3,502	3,672



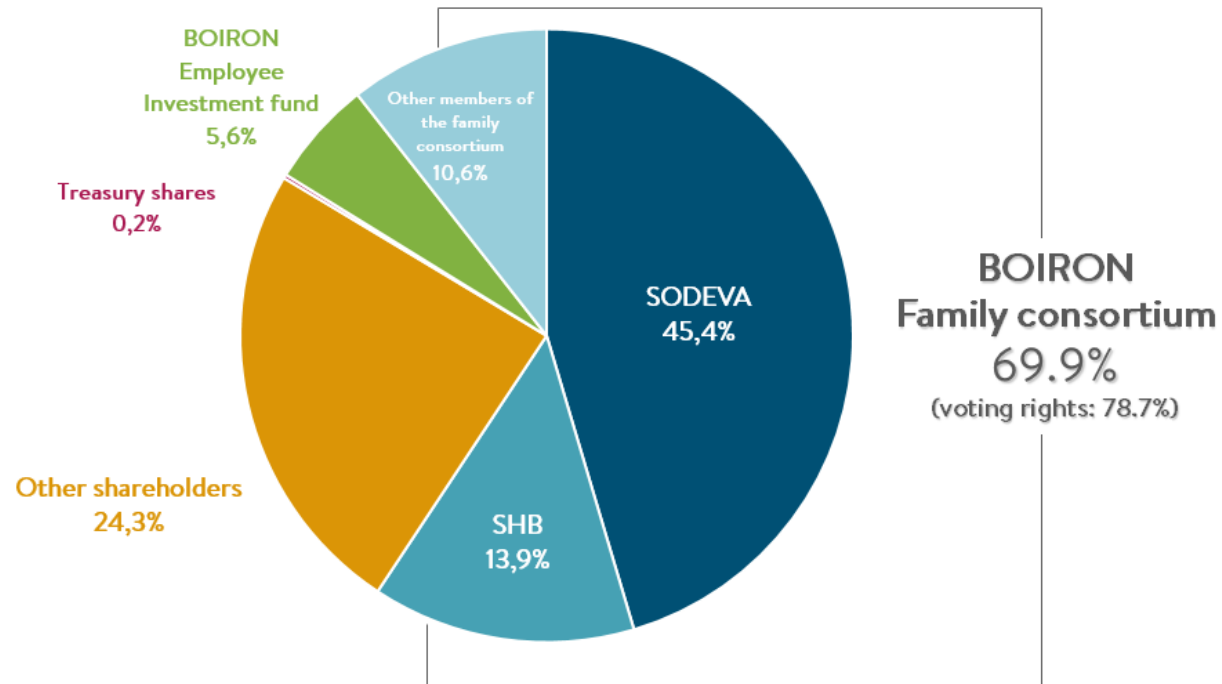
Allocation per subsidiary



EVOLUTION OF DIVIDEND PER SHARE (IN EUROS)



A FAMILY LABORATORY



All voting rights are expressed excluding treasury shares

Voting rights held by SODEVA: 51.3%
 Voting rights held by SHB: 15.7%
 Voting rights held by other members of the BOIRON family consortium: 11.8%

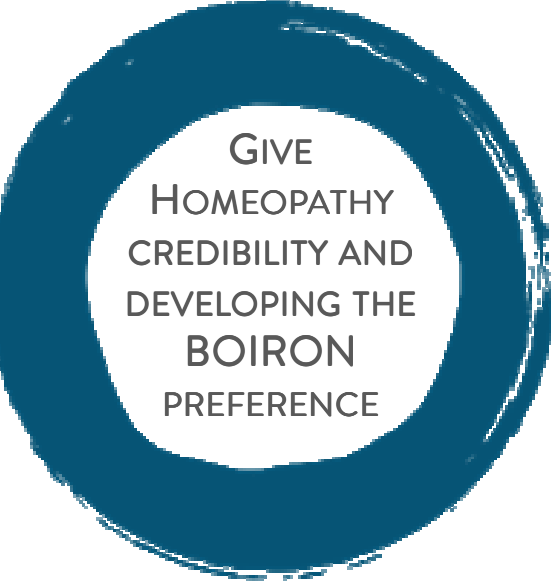


Employees are shareholders via our Employee Investment Fund



OUR PERSPECTIVES

OUR ISSUES



GIVE
HOMEOPATHY
CREDIBILITY AND
DEVELOPING THE
BOIRON
PREFERENCE



MAKE IT
THROUGH IN
FRANCE



DEVELOPING
OUR
INTERNATIONAL
SALES



DEVELOPING
OUR
CAPACITY TO
INNOVATE

GIVE HOMEOPATHY CREDIBILITY AND DEVELOPING THE BOIRON PREFERENCE

Creation of a Medical and Scientific Department

And a new corporate identity



MAKE IT THROUGH IN FRANCE

Expansion of our product range from the beginning of 2020



Creation of a Marketing France Division and non-proprietary homeopathic medicines and OTC specialties have been united under the same division: Marketing Group Division.

DEVELOPING OUR INTERNATIONAL SALES

Drivers for growth



AMERICA

ASIA



Opening of handling pharmacies that directly deal with the public



2018: BRAZIL



2019: COLOMBIA

DEVELOPING OUR CAPACITY TO INNOVATE

Examples of some projects launched in 2019...

- LAUNCHING OF NEW PRODUCTS
 - ECO-DESIGN
 - SOCIAL INNOVATION
 - PATIENTS' ACCESS TO OUR MEDICINES

ALWAYS MORE RESPONSIBLE IN 2020

- Always act more actively to protect our planet and meet Sustainable Development Goals
- Finalize our CSR criterion and reaffirm our main issues
- Sensitize every employee of the Group, citizens of the world



OUR NEXT MEETING

April 23rd, 2020

Publication of the sales and the quarterly financial
information on March 31st, 2020

Person responsible for financial information

Valérie Lorentz-Poinsot

Contact for financial information

Fabrice Rey

Investors relations: +33(0)4.78.45.63.43

E-mail : boironfinances@boiron.fr

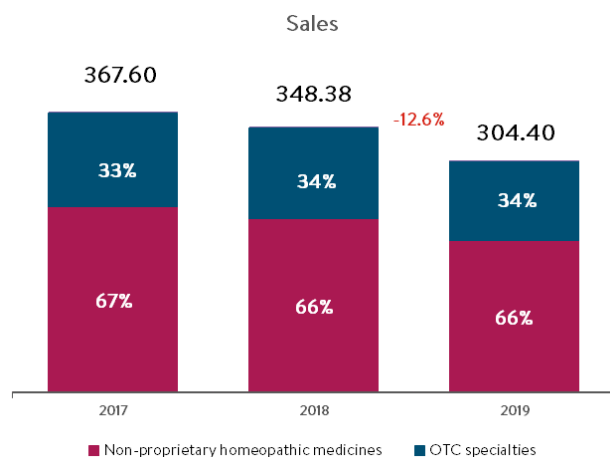
Code ISIN: FR0000061129 (BOI)

Bloomberg: BOI FP – Reuters : BOIR.PA



REVIEW OF THE GROUP'S MAIN SUBSIDIARIES

BOIRON PARENT COMPANY – MAINLAND FRANCE



In Mainland France, unwarranted and discriminatory attacks against homeopathy:

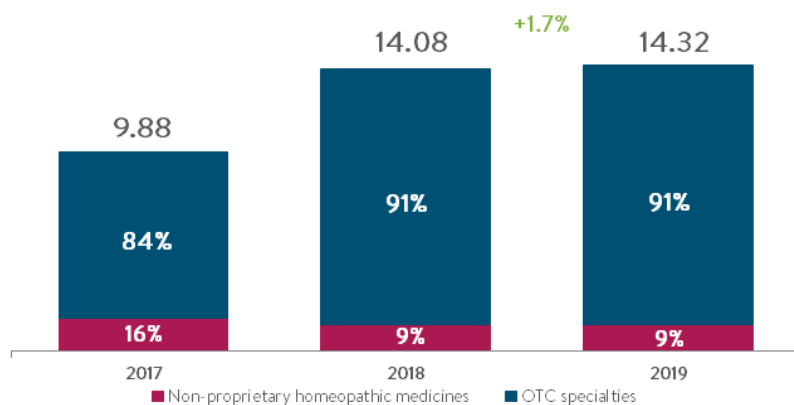
- Decrease in **non-proprietary homeopathic medicines** (-€27.99M).
- Decrease in **OTC specialties** (-€16.09M), mainly on **Oscillococcinum®**, **Sédatif PC®**, **Stodal®** and **Coryzalia®**.
- Launch of **Arnigel®** in roll-on format (+€1.14M).

- Decline in **production costs**: personnel expenses, air shipments to the United-States and external services.
- Decrease in **preparation and distribution costs** (€10.22M): staff reduction offset by the setting up of the logistics platform in Les Olmes.
- Decrease in **promotion costs** (€2.00M): advertisement reduction for OTC specialties offset by the mobilization campaign MonHoméoMonChoix.
- Savings on **support function costs**: fees (€1.13M) and social security contributions reduction.
- Unfavorable basis effect related to the Levallois-Perret site sale (€6.21M) in 2018.



BOIRON PARENT COMPANY - EXPORT

Sales - Export
(excluding sales to subsidiaries)

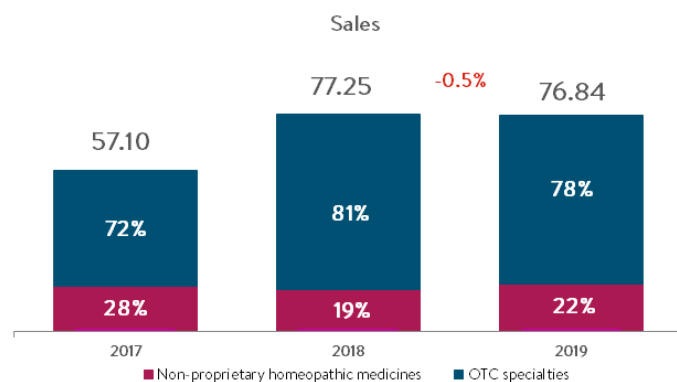


Export:

- Sales development on Hong-Kong, China and Taiwan (+€2.82M) on **Calendula cream, Homéoplasmine®** and **Cicaderma®**.
- Mitigated by the decrease in sales in Colombia (-€1.82M) mainly on **Oscillococcinum®**.



UNITED-STATES

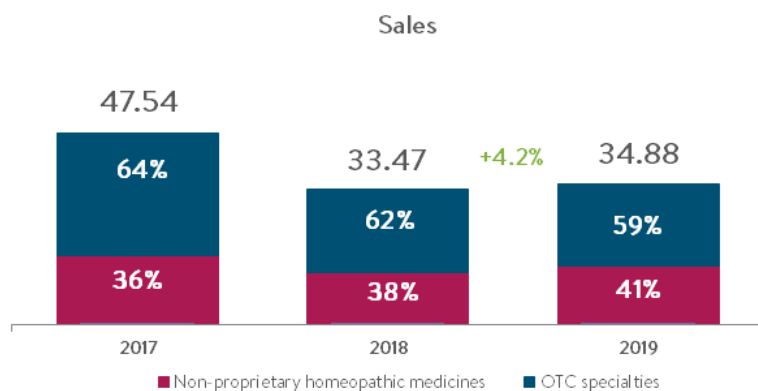


- Stable activity thanks to an exchange rate positive impact of dollar (+€4.03M). At constant exchange rate, decrease in activity by -5.7%. Sales remain well above the 2017 level.
- Decline particularly observed on **Oscillococcinum®** (-€6.68M) unfavorable base effect related to the exceptional activity in 2018.
- Increase in **Arnica gels and creams** sales (+€2.63M).

- Increase in **distribution costs** (€1.18M) related to storage costs and distribution outsourcing.
- Increase in **promotion costs** (€0.98M) especially in advertising costs (€0.59M).
- Sale of the former headquarter of the subsidiary (€1.14M).



ITALY

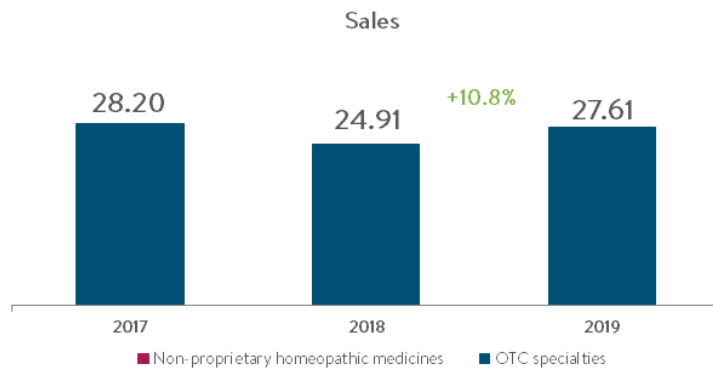


- Increase in **non-proprietary homeopathic medicines** (+€1.55M).
- Decline in **Calendula cream** (-€1.43M).
- Launches of **Camilia**® 30 unidoses, **Arnigel**® 45 grams and **Euphrasia**® 10 unidoses.
- Favorable price effect (+€1.49M) due to a price increase as of January 1, 2019 and a more favorable channel mix.

- Savings on **promotion costs** (€0.75M): retirements not replaced and decline in advertising costs (€0.25M).



RUSSIA

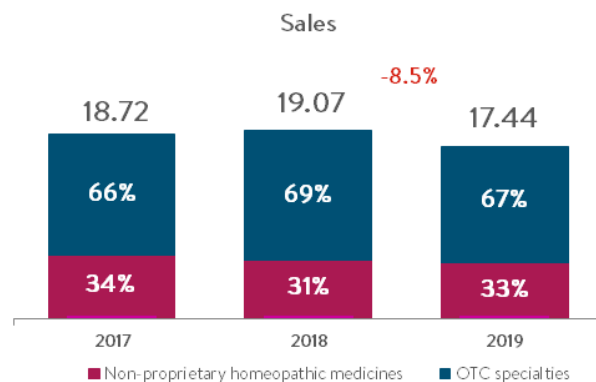


- Positive impact of the exchange rate (+€0.60M). At constant exchange rate, increase in activity by +8.4%.
- Sales increase in **Camilia®** (+€2.64M), **Homéovox®** (+€0.87M) and **Stodal®** (+€0.73M) thanks to media campaign.
- Decrease in **Oscilloccinum®** (-€2.52M): lack of television advertising and facing a high inventory level at dealers.

- Rise in **promotion costs** (€0.73M at constant exchange rate) especially in advertising costs (€0.38M), promotional events, public relations and dealer actions costs (€0.61M).
- Savings on **research costs** (€0.38M at constant exchange rate).
- Increase in **support function costs** (€0.69M at constant exchange rate) related to IT support expenses.



BELGIUM (BOIRON + UNDA)

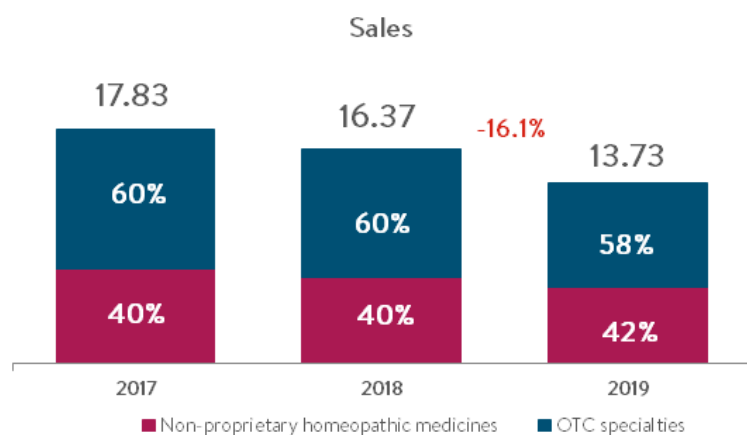


- Slight decrease in non-proprietary homeopathic medicines (-€0.23M).
- Decline in OTC specialties (-€1.36M) mainly on Oscillococcinum® (-€0.64M) et HoméoptiC® (-€0.11M).
- Increase in Arnica gels and creams (+€0.18M) especially after the launch of Arnigel® 120gr.



- Decrease in **distribution costs** (€0.40M) related to personnel expenses decline.
- Savings on **promotion costs** (€0.50M) following sales staff decrease offset by fees rise for merchandising outsourcing and the increase in sponsoring costs and public relations (€0.20M).
- Reduction in **support functions expenses** (€0.50M): favorable base effect related to legal fees on the dispute Ce.M.O.N. / UNDA.
- Assets impairments and provisions related to the sale of UNDA's business and assets at the end of 2019 (€5.88M):
 - €2.00M of financial compensation that will be paid in 2020 for the debts and the risk taken by the buyer,
 - €1.74M of impairment losses net of disposals of other tangible assets and inventories,
 - €0.35M of provision for reorganization,
 - €1.02M of provision for fees related to representation and promotion services to be provided free of charge by BOIRON SPRL to the buyer,
 - €0.89M of capital-loss on the sale of the land and buildings in 2019.

SPAIN



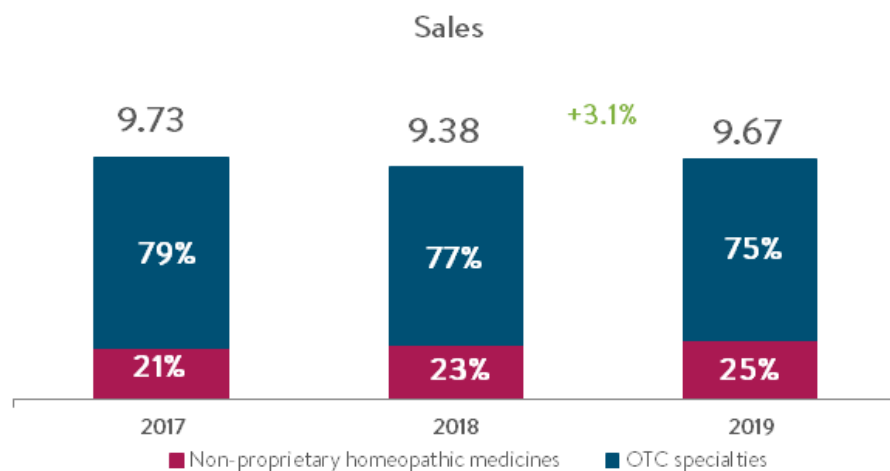
- Decrease in **promotion expenses** (€1.34M): sales force premiums, staff and promotion fees. Decrease in **advertising costs** (€0.31M) especially press advertising and promotional materials on Oscillococcinum® and Stodal®.
- Savings on other operating expenses, especially on **support functions** (€0.21M): staff and costs reduction policy.
- €0.83M in connection with a reorganization.

In Spain, the government has been implementing a policy against homeopathy since november 2018:

- Decrease in **non-proprietary homeopathic medicines** (-€0.81M).
- Decline in OTC specialties (-€1.83M) mainly on **Oscillococcinum®**, **Stodal®** and **Sédatif PC®**.
- Only **Magnésium 300+** continues to grow (+€0.12M).



CANADA

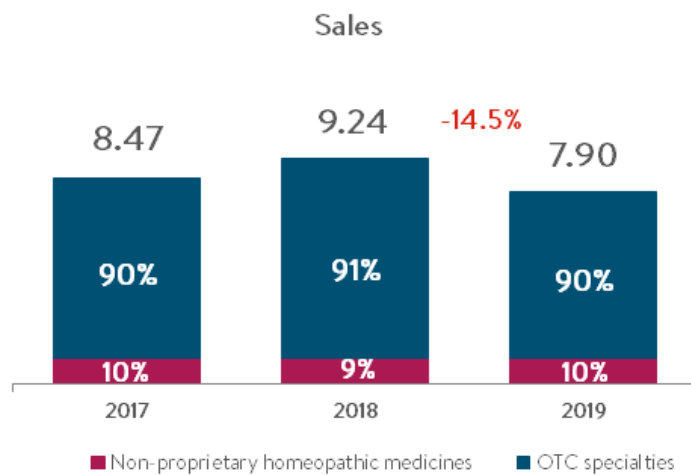


- Increase in non-proprietary homeopathic medicines (+€0.21M).
- Stable OTC specialties level (+€0.08M): increase in **Camilia®**, **Stodal®**, **Arnica gels and creams** offset by a reduction in **Oscillococcinum®**.
- Positive impact of the exchange rate (+€0.28M), at constant exchange rate increase in activity by 0.1%.

- Decrease in **promotion expenses** (€0.23M): advertising costs reduction on the whole product range.
- Stable other operating expenses level in 2019.



ROMANIA

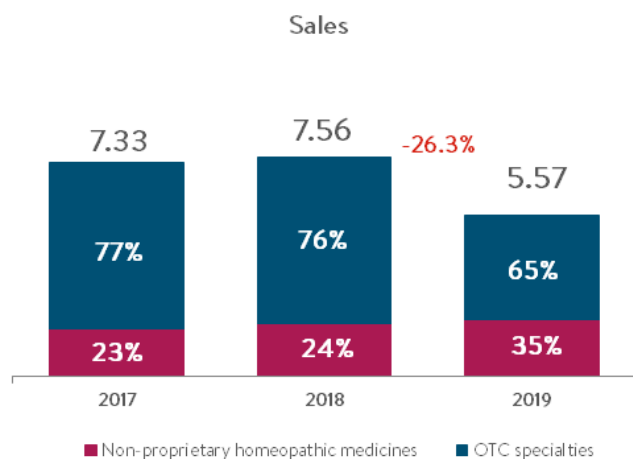


- Stable operating expenses level in 2019.

- Decrease in OTC specialties (-€1.32M): **Oscillococcinum®** (-€0.50M), **Sédatif PC®** (-€0.28M) and **Stodal®** (-€0.17M).
- Negative impact of the exchange rate (-€0.16M), at constant exchange rate decrease in activity by 12.8%.



POLAND



- Increase in **non-proprietary homeopathic medicines** (+€0.16M).
- Sharp decline in OTC specialties (-€2.14M): **Stodal®** (-€0.73M) **Oscillococcinum®** (-€0.49M) and **Camilia®** (-€0.43M).
- It is related to a volume decrease (-€1.16M) because of a sell-out decline and a low wholesaler restocking in 2019 and a unfavorable price effect (-€0.78M) linked to the increase in commercial conditions.

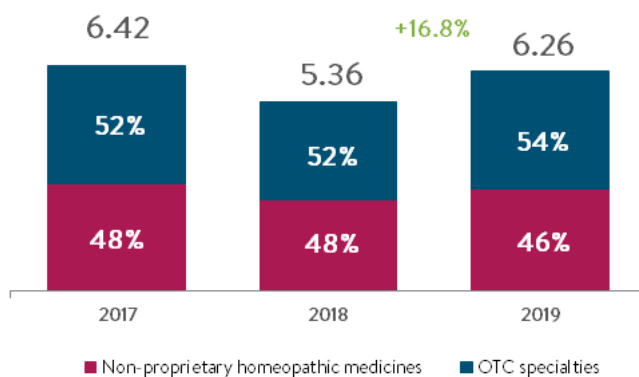
- Decrease in **promotion expenses** (€0.25M): lack of TV advertising on Stodal® and the favorable basis of comparison related to the advertisement for the launch of Arnigel® and Arnicrème® in 2018 (€0.33M).
- Increase in **regulatory affairs costs** (€0.15M): regulation change for non-proprietary homeopathic medicines.
- Stable other operating expenses level in 2019.



Launch

CZECH REPUBLIC

Sales

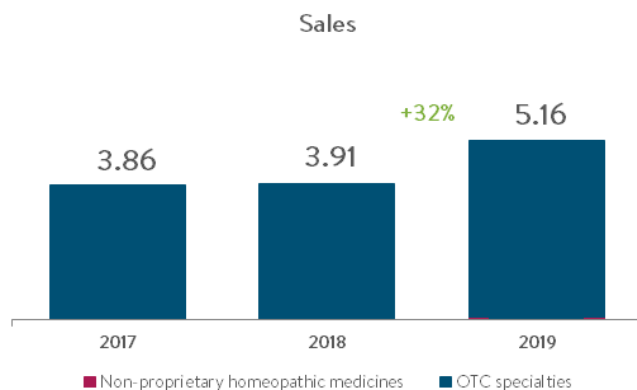


- Increase in non-proprietary homeopathic medicines (+€0.32M).
- Increase in OTC specialties (+€0.58M): Oscillococcinum® (+€0.45M), Camilia® (+€0.10M) and Stodal® (+€0.03M).

- Stable operating expenses level in 2019.



BRAZIL

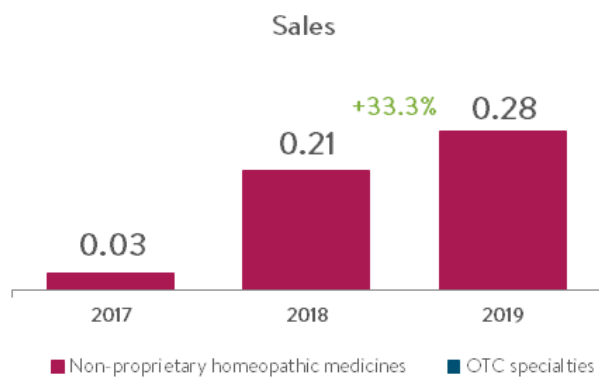


- Increase in OTC specialties (+€1.15M): **Oscillococcinum**[®] (+€0.32M), **Coryzalia**[®] (+€0.18M), **Stodal**[®] (+€0.16M) and **Sédatif PC**[®] (+€0.10M).
- Positive impact of the end of the 3rd quarter launches (+€0.56M).
- The handling pharmacy total sales are €0.21M.
- Negative impact of the exchange rate (-€0.13M), at constant exchange rate increase in activity by 35.2%.

- Increase in **distribution costs** (€0.22M), **promotion costs** (€0.33M) and **support functions** (€0.09M) related to the opening of the pharmacy in october 2018 at São Paulo.



INDIA



- Non-proprietary homeopathic medicines continues to grow (+€0.07M)
- Operating expenses in 2019: €0.81M

COLOMBIA

- Creation of a subsidiary in Bogota at the end of 2018
- Opening of a handling pharmacy at the end of 2019
- The subsidiary currently has 11 employees
- Operating expenses in 2019: €0.47M

