



# 2021 HALF-YEAR FINANCIAL REPORT

FOR THE PERIOD ENDING JUNE 30, 2021



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This half-year financial report is for the six months ended June 30, 2021, 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 first half marked by transformation and innovation



**Valérie Lorentz-Poinsot**  
General Manager

Two major events significantly impacted our business at the start of the first half of this year:

- The ongoing COVID-19 global health crisis, which gave rise to a significant decrease in winter illnesses throughout the northern hemisphere, due to social distancing and protective measures.
- The delisting of homeopathic medicines in France on January 1, 2021, with the consequences that followed such as the decline in non-proprietary homeopathic medicine sales.

These two events combined resulted in a 25.1% decrease in Group revenues in the first half of the year.

Against this backdrop, we were obliged to implement an Employment Protection Plan according to schedule, including the closure of twelve preparation-distribution sites in the first half.

We are now providing support to 318 employees in building their future careers, or until retirement.

This restructuring program has been a real ordeal for the entire company, and it has been difficult to have to part with so many of our employees.

Despite this challenging situation, we have all shown resilience, ingenuity and agility in ultimately finding new drivers of growth.

In France, we have revised our offer and pricing policy for Non-Proprietary Homeopathic medicines. So far it has been well received and accepted by Healthcare Professionals, thanks to an extensive offer and affordable prices for all patients (less than €3<sup>1</sup>).

To make homeopathic medicines even more accessible to the public, we've developed a range of HomeoPacks in France that include information and advice in pharmacy contexts.

"83% of French people think homeopathy should be covered by private health insurance or French Social Security"<sup>2</sup>. As such, more and more insurance companies are covering homeopathy in order to meet this demand.

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<sup>1</sup> Recommended retail price for one tube or dose of a Non-Proprietary Homeopathic medicine.

<sup>2</sup> Study "La Santé de demain" conducted online with 518 respondents, representing a cross-section of the French population in terms of gender, age, socio-professional category and region – March 2021.

All of our subsidiaries have continued to market homeopathic medicines, which represent our core business area, namely:

- ARNITROSIUM®, for the treatment of painful joints
- BOCEAL® for sore throats and mouth ulcers
- COCYNTAL® for colic in infants.

We've also developed a patented range of microencapsulated and allergen-free probiotics, OSMOBIOTIC FLORA®, launched in several of the Group's operating countries.

We have also begun marketing rapid test kits for COVID-19, which enabled us to contribute our expertise, agility and commitment to public health, and to take our preventive medicine offer even further.

In cooperation with EMMAC LIFE SCIENCES, we were selected by ANSM (*Agence Nationale de Sécurité du Médicament et des produits de santé*) to take part in a French trial involving medical cannabis. This participation also positions us as a leading and legitimate player in this field.

Finally, in an effort to give as many people as possible access to homeopathy and our health products, we've opened a subsidiary in HANGZHOU, in mainland China.

We've had an eventful first half, illustrating our company's ability to adapt and evolve by continuing to innovate. We will continue to support patients who seek the most respectful treatments and care.





# HALF-YEAR ACTIVITY REPORT



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## HIGHLIGHTS IN THE FIRST HALF OF 2021

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- January 1, 2021: **delisting of homeopathic medicines** in France. This delisting has led **to the implementation of a major job protection plan (French PSE) and the overhaul of** Laboratoires BOIRON's sales policy. Non-proprietary medicine volumes fell €33,597 thousand in the first half, while the impact of price increases totalled €18,278 thousand. A number of private health insurers in France offer partial or total coverage of homeopathic medicines.
- From January 21 to June 24, 2021: in France, under the **reorganization announced in 2020**, twelve preparation and distribution sites closed their doors, resulting in the departure of 318 employees. At June 30, 2021, 221 employees had received support as part of an external redeployment plan, and 71 had joined the age-based voluntary exit scheme financed by the company. A €6,218 thousand expense was recorded in the first half of 2021, €4,810 thousand of which was provisioned in 2020, under applicable accounting standards. The impact of this reorganization on first half operating income was a net expense of €971 thousand, primarily relating to internal redeployment charges and other expenses that could not be provisioned in 2020 under applicable accounting standards.
- As part of the business reorganization in France, a national network of twenty-five **Homeopathy Development Managers**, including three supervisors, was formed in January 2021. The team's main purpose is to help pharmacists promote homeopathic medicines with confidence, by providing them with all the necessary medical and scientific information. The Homeopathy Development Manager is both an ambassador and developer of therapies for the local ecosystem.
- January 18, 2021: as part of a **publicity campaign** on social media, television and the internet, BOIRON once again asserted the unique role homeopathy plays in the daily lives of French people.
- January 26, 2021: Laboratoires BOIRON is selected as part of a **French medical cannabis trial** coordinated by ANSM (*Agence Nationale de Sécurité du Médicament et des produits de santé*). As such, it is helping structure this sector, which is expected to become a leading sector in France in the next ten years. To enable all sector players to meet and work with the supervisory authorities to offer French patients high-quality healthcare products, BOIRON joined forces with association Santé France Cannabis, with conviction and determination.
- March 11, 2021: signing of a **telework agreement** in France, an opportunity to reaffirm the company's and its management's fundamentals, and to engage in the global shift towards remote working solutions.
- March 24, 2021: launch of "**Homéo & Sport**" program. Laboratoires BOIRON backs high-level athletes from the Lyon region won over by the benefits of homeopathy, in preparation for the 2021 Olympic Games.
- April 2, 2021: renewal of Laboratoires BOIRON's **AEO certification** (Authorized Economic Operator). This certification reflects the rigor and reliability of BOIRON's compliance with customs regulations for international trade.
- April 8, 2021: BOIRON teams up with specialists to offer **rapid antigen tests** using a nasal swab.
- April 8, 2021: publication of section "**Our CSR approach**" on the BOIRON intranet, to better understand CSR matters and how they translate within the group.

- As part of its eco-design approach, BOIRON developed **toothpaste formula Homéodent®** (complete care) containing more than 95% natural ingredients<sup>3</sup>.

Our innovation strategy has resulted in a number of **product launches** since last year, generating €15 million in sales in the first half of the year, including:

- a range of “HoméoPacks” comprising the most common homeopathic medicines in pack of three multidose tubes,
- three homeopathic medicines (Bocéal®, Cocyntal® and Arnitrosium®),
- a Plant Extracts range,
- dietary supplement Mag’Nuit®, a unique formula including polyphenols,
- an innovative range of probiotics, Osmobiotic Flora®, microencapsulated and allergen-free,
- the distribution in Spain of IPRAD product line “healthcare for women”,
- the marketing of rapid antigen tests by nasal swab.

As a reminder, in the first half of 2020, operating income came to €1,496 thousand, impacted by provisions related to the reorganization plan announced in March 2020. Before taking this impact into account, it amounted to €29,187 thousand. In 2021, **operating income before impact of reorganization resulted in a loss of €10,068 thousand, down €39,255 thousand versus 2020:**

<i>(in thousands of euros)</i>	2021	2020
<b>Operating income</b>	<b>(11,039)</b>	<b>1,496</b>
Net impact of reorganization	(971)	(27,691)
<b>Operating income before impact of reorganization</b>	<b>(10,068)</b>	<b>29,187</b>
% of sales	(5.3%)	11.5%

- The gross margin fell by €58,813 thousand, impacted by the decline in sales in the first quarter due to the delisting of homeopathic medicines in France and the global health crisis.
- Operating expenses were down €17,933 thousand, including savings on preparation and distribution costs, following the delisting and reorganization (€11,484 thousand), and on promotional expenses (€2,992 thousand).
- Two sites were sold in the first half of the year, generating a total capital gain of €1,626 thousand.

<sup>3</sup> Under ISO 16 128

## CHANGE IN GROUP SALES

Sales (in thousand of euros)	1 <sup>st</sup> quarter			2 <sup>nd</sup> quarter			1 <sup>st</sup> half-year			
	2021	2020	Variation at current exchange rates 2021/2020	2021	2020	Variation at current exchange rates 2021/2020	2021	2020	Variation at current exchange rates 2021/2020	Variation at constant exchange rates 2021/2020
France	51,518	72,820	-29.3%	53,412	53,503	-0.2%	104,930	126,323	-16.9%	-16.9%
Europe (excluding France)	20,039	37,581	-46.7%	22,194	16,904	+31.3%	42,234	54,485	-22.5%	-20.8%
North America	17,657	40,272	-56.2%	17,723	21,094	-16.0%	35,380	61,365	-42.3%	-37.6%
Other countries	1,958	5,960	-67.2%	5,430	5,500	-1.3%	7,388	11,460	-35.5%	-30.2%
<b>Group total</b>	<b>91,172</b>	<b>156,633</b>	<b>-41.8%</b>	<b>98,759</b>	<b>97,000</b>	<b>+1.8%</b>	<b>189,931</b>	<b>253,633</b>	<b>-25.1%</b>	<b>-23.4%</b>

Sales (in thousand of euros)	Non-proprietary homeopathic medicines 2021	Non-proprietary homeopathic medicines 2020	Variation at current exchange rate	OTC Specialties 2021	OTC Specialties 2020	Variation at current exchange rate
<b>GROUPE BOIRON</b>	<b>93,994</b>	<b>110,055</b>	<b>- 14.6%</b>	<b>95,188</b>	<b>142,917</b>	<b>- 33.4%</b>
France*	65,559	81,372	- 19.4%	38,865	44,568	- 12.8%
Europe (excluding France)	15,672	15,608	+ 0.4%	26,493	38,850	- 31.8%
North America	11,665	11,864	- 1.7%	23,680	49,473	- 52.1%
Other countries	1,098	1,211	- 9.3%	6,150	10,026	- 38.7%

\*Mainland and overseas departments and territories

In the second quarter of 2021, sales rose 1.8%, following a 41.8% decline in the first quarter.

**2021 half-year sales** therefore amounted to €189,931 thousand, compared with €253,633 thousand in 2020, down 25.1%: non-proprietary medicines fell by 14.6%, while specialties fell by 33.4%.

At constant exchange rates<sup>4</sup>, sales for the first half of the year were down 23.4%. This decline was observed in all of the group's operating countries, in light of the global health crisis and a low level of winter pathologies, intensified by the delisting of homeopathic medicines in France.

- **In France**, sales fell €21,393 thousand (down 16.9%), following the delisting of homeopathic medicines on January 1, 2021, exacerbated by the decline in pathologies. Non-proprietary medicines fell by 19.4%. Specialties fell 12.8%, mainly in relation to Oscillococcinum®, Cocculine® and Stodal®. The decline in these products was partially offset by the launch of new products, including COVID tests.
- **In Europe (excluding France)**, sales dropped by 20.8%<sup>4</sup> mainly in winter specialties (Oscillococcinum® and Stodal®), mitigated by an increase in Camilia® sales.  
Sales were down in Italy (-19.7%), Romania (-53.2%)<sup>4</sup>, Spain (-18.6%), Bulgaria (-35.3%) and Belgium (11.3%). Conversely, sales increased in Russia (up 7.0%)<sup>4</sup> mainly in Camilia® and Homéovox®.
- **In North America**, sales fell 37.6%<sup>4</sup>. Sales decreased mainly in the United States (down 39.5%)<sup>4</sup> on Oscillococcinum®, Coryzalia®, and Stodal® due to the decline in winter illnesses and a challenging basis for comparison, in light of strong business levels in the first half of 2020.
- Sales in **"Other countries"** fell 30.2%<sup>4</sup>, mainly in Brazil (down 24.3%)<sup>4</sup> and Tunisia (down 35.6%), impacted by the health crisis.

<sup>4</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 2021 sales amounted to €194,395 thousand, €59,238 thousand lower than 2020 sales, as reported. Any changes presented at constant exchange rates are followed by a <sup>4</sup>



## GROUP FINANCIAL POSITION

<i>In thousand of euros</i>	2021	2020	Var.
Sales	189,931	253,633	- 25.1% <sup>(1)</sup>
Operating income	-11,039	1,496	N/A
Net income - group share	-9,514	-975	N/A
Cash flow <sup>(2)</sup>	-2,835	46,101	- 106.1%
Net investments	9,467	10,930	- 13.4%
Net cash position	212,131	215,757	- 1.7%

<sup>(1)</sup> - 23.4% 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** loss of €11,039 thousand and represents -5.8% of sales. It was down by €12,535 thousand compared to the first half of 2020.

As a reminder, in the first half of 2020, operating income came to €1,496 thousand, impacted by provisions made in relation to the reorganization plan announced in March 2020. Before taking this impact into account, it amounted to €29,187 thousand. In 2021, operating income before the impact of reorganization resulted in a loss of €10,068 thousand, down €39,255 thousand versus 2020:

<i>(in thousands of euros)</i>	2021	2020
Operating income	(11,039)	1,496
Net impact of reorganization	(971)	(27,691)
Operating income before impact of reorganization	(10,068)	29,187
% of sales	(5.3%)	11.5%

The **gross margin** was down €58,813 thousand (down 30.5%), impacted by the significant decline in sales (down 25.1%).

**Preparation and distribution costs** were down €11,484 thousand (-20.1%), mainly due to a reduction in payroll (closure of twelve sites as part of the reorganization launched in 2020), taxes (loss of health insurance status in France for homeopathic medicines) and transport costs (decrease in business).

**Promotion costs** were down €2,992 thousand (-4.6%) due to the cancellation or postponement of advertising campaigns, in addition to savings on seminar and training costs, now provided online.

**Research and regulatory costs** were down €282 thousand and €259 thousand respectively.

**Support function costs** decreased by €2,030 thousand (down 6.0%), mainly in France, with a decrease in payroll, taxes and duties (reform of the property and CVAE taxes) and outsourced services, partially offset by an increase in costs for IT projects.

**Other operating income and expenses** resulted in net income of €1,229 thousand, compared to a net expense of €28,003 thousand in 2020. In 2021 this 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 (presented under highlights above),

In 2020, they mainly included €27,691 thousand in net provisions relating to the reorganization carried out in France.

**Investment income** amounted to €246 thousand versus €709 thousand in 2020. This mainly comprises income from financial investments made by the BOIRON parent company.

**Financing costs** amounted to €146 thousand, stable compared to 2020, primarily consisting of interest charges on rental liabilities.

**Other financial income and expenses** resulted in a net expense of €791 thousand, compared to a net expense of €606 thousand in 2020. This item mainly comprises expenses relating to the gradual decrease of the impact of discounting employee benefit obligations, and the estimated return on external plan assets relating to the commitment to provide retirement benefits, both of which were lower than in 2020.

The group posted €2,218 thousand in **tax income** in the first half of 2021, representing 18.9% of income before tax, compared with the losses posted by most entities.

In 2020, the group recorded a tax charge of €2,422 thousand, representing 167.3% of income before tax.

**Net income, group share** resulted in a loss of €9,514 thousand, versus a loss of €975 thousand in the first half of 2020.

## 2. CONSOLIDATED CASH FLOWS

Net cash and cash equivalents amounted to €212,131 thousand in the first half of 2021, versus €234,313 thousand at December 31, 2020. It fell by €22,182 thousand in the first half of 2021, compared with an increase of €7,800 thousand in the same period in 2020.

Cash flows from **operating activities** amounted to €5,788 thousand, compared with €39,902 thousand in the first half of 2020:

Free cash flow decreased €48,936 thousand versus the first half of 2020, representing -1.5% of sales (compared to 18.2% in 2020), in line with the decrease in profitability excluding the impact of the provision for reorganization in 2020.

- Tax paid amounted to €166 thousand, down €5,517 thousand compared to 2020, with a decrease in advance payments made by the BOIRON parent company and by the US subsidiary, in line with the decrease in earnings.
- The change in working capital resulted in an inflow of €8,789 thousand, compared to an outflow of €516 thousand in the first half of 2020. This was mainly due to a significant decline in trade receivables, higher than in the first half of 2020, in line with the seasonal nature of the business, as well as a sharp decline in sales in the first half of 2021.

Cash flows from **investment activities** amounted to €9,467 thousand, down €1,463 thousand compared to the first half of 2020, including:

- the acquisition or upgrade of production equipment in Messimy,
- the group's IT projects,
- offset by the sale of the Saint-Etienne and Brest sites.

Cash flows used by **financing activities** amounted to €18,700 thousand, compared to €20,348 thousand in 2020. These primarily include dividends paid in 2021 amounting to €16,643 thousand, compared to €18,380 thousand in 2020.

## POST BALANCE SHEET EVENTS

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No post-balance sheet items have been identified with a potentially material impact on the Group's financial statements.

## OUTLOOK

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We expect to see a further decline in sales of non-proprietary medicines in the second half of the year versus 2020, following the delisting of homeopathic medicines in France.

Specialty sales are forecast to improve, although this will depend on the duration and extent of the health crisis.

We expect to see a significant decline in revenues over the year.

Full-year operating income will benefit from the comparison effect of the reorganization in France provisioned in 2020, as well as initial savings generated by the reorganization and continued savings on operating expenses.

It will also be boosted by the positive contribution of new product sales.

As such, we expect to post positive annual operating income, however down compared to 2020.

We continue to do our utmost to maintain access to homeopathic medicines for all patients and to promote homeopathy around the world.

## MAIN RISKS AND UNCERTAINTIES

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All of the risk factors stated in section 1.6 of the 2020 Universal Registration Document have the same position in the risk mapping in terms of impact and probability as at June 30, 2021.

## TERMS OF IMPACT AND PROBABILITY AS AT JUNE 30, 2020. RELATED PARTY TRANSACTIONS

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Transactions with related parties are set out in note 27 to the half-year condensed consolidated financial statements.





# HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDING JUNE 30, 2021

SETTLED BY THE BOARD OF DIRECTORS OF SEPTEMBER 8, 2021



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# CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Notes	2021 (6 months)	2020 (6 months)
<b>Sales</b>	21	189,931	253,633
Other sales revenue	21	0	1
Industrial production costs		(55,671)	(60,560)
Preparation and distribution costs		(45,520)	(57,004)
Promotion costs		(62,377)	(65,369)
Research costs		(1,297)	(1,579)
Regulatory affairs costs		(5,576)	(5,835)
Function supports costs		(31,758)	(33,788)
Other operating revenue	22	3,299	29,111
Other operating expenses	22	(2,070)	(57,114)
<b>Operating income</b>		<b>(11,039)</b>	<b>1,496</b>
Cash revenue <sup>(1)</sup>		246	709
Financing expenses <sup>(1)</sup>		(146)	(151)
Other financial revenue and expenses <sup>(1)</sup>		(791)	(606)
Share in net earnings (losses) of companies at equity		0	0
<b>Income before corporate income tax</b>		<b>(11,730)</b>	<b>1,448</b>
Corporate income tax	23	2,218	(2,422)
<b>Consolidated net income</b>		<b>(9,512)</b>	<b>(974)</b>
Net income - minority share		2	1
<b>Net income - group share</b>	24	<b>(9,514)</b>	<b>(975)</b>
<b>Earnings per share <sup>(2)</sup></b>	24	<b>(0.54) EUR</b>	<b>(0.06) EUR</b>

<sup>(1)</sup> Presentation of financial revenue has been simplified for the two years presented.

<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	2021 (6 months)	2020 (6 months)
<b>Consolidated net income</b>		<b>(9,512)</b>	<b>(974)</b>
<b>Other items of comprehensive income that will be reclassified subsequently to profit or loss</b>		<b>1,703</b>	<b>(3,811)</b>
Currency translation adjustments		1,659	(3,745)
Other movements		44	(66)
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>		<b>4,556</b>	<b>(332)</b>
Actuarial differences related with post-employment benefits <sup>(1)</sup>	17	4,556	(332)
<b>Other items of comprehensive income <sup>(2)</sup></b>		<b>6,259</b>	<b>(4,143)</b>
<b>Consolidated comprehensive income</b>		<b>(3,253)</b>	<b>(5,117)</b>
Comprehensive income - minority share		2	48
<b>Comprehensive income - group share</b>		<b>(3,255)</b>	<b>(5,165)</b>

<sup>(1)</sup> In 2021: +€6,143 thousand in gross actuarial differences and -€1,587 thousand in deferred taxes.

In 2020: -€464 thousand in gross actuarial differences and +€132 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	06/30/2021	12/31/2020
<b>Non-current assets</b>		<b>332,713</b>	<b>340,365</b>
Goodwill	7	89,585	89,556
Intangible fixed assets	8	31,018	30,111
Tangible fixed assets	8	165,653	174,815
Rights of use relating to leases	9	6,088	7,336
Investments	8	3,492	2,807
Other non-current assets	13	38	32
Deferred taxes assets		36,839	35,708
<b>Current assets</b>		<b>401,513</b>	<b>441,456</b>
Assets held for sale	10	4,595	1,693
Inventories and work in progress	11	87,033	85,037
Accounts receivable and other assets linked to customer accounts	12	67,176	88,920
Income tax receivables	13	7,724	8,586
Other current assets	13	22,094	22,535
Cash and cash equivalents	14	212,891	234,685
<b>TOTAL ASSETS</b>		<b>734,226</b>	<b>781,821</b>

EQUITY & LIABILITIES (in thousands of euros)	Notes	06/30/2021	12/31/2020
<b>Shareholders' equity (group share)</b>		<b>489,438</b>	<b>509,136</b>
Capital	15	17,545	17,545
Additional paid-in-capital		79,876	79,876
Retained earnings		392,017	411,715
<b>Minority interests</b>		<b>34</b>	<b>34</b>
<b>Total shareholders' equity</b>		<b>489,472</b>	<b>509,170</b>

<b>Non-current liabilities</b>		<b>88,853</b>	<b>96,106</b>
Non-current borrowings and financial debts		2,407	3,292
Non-current rental liabilities	16	4,354	5,623
Employee benefits	17	80,712	85,818
Non-current provisions	18	94	96
Other non-current liabilities	19	1,286	1,277
Deferred taxes liabilities		0	0
<b>Current liabilities</b>		<b>155,901</b>	<b>176,545</b>
Current borrowings and financial debts		1,567	1,383
Current rental liabilities	16	2,105	2,132
Current provisions	18	58,098	64,962
Accounts payable		30,237	38,201
Income tax liabilities	19	1,389	2,082
Other current liabilities	19	62,505	67,785
<b>TOTAL LIABILITIES</b>		<b>734,226</b>	<b>781,821</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)	2021 (6 months)	2020 (6 months)
<b>NET CASH FLOWS RELATED TO OPERATING ACTIVITIES</b>	<b>5,788</b>	<b>39,902</b>
Net income (group share)	(9,514)	(975)
Amortization of rights of use relating to leases	1,049	899
Amortizations and provisions (excluding current assets)	9,583	44,153
Other items (including income on asset disposals)	(1,635)	160
Cash revenue and financing expenses	(100)	(558)
Tax charge (including deferred taxes)	(2,218)	2,422
<b>Consolidated cash-flows before cash revenue, financing expenses and corporate income tax</b>	<b>(2,835)</b>	<b>46,101</b>
Corporate income tax paid / corporate income tax repayment	(166)	(5,683)
<b>Changes in working capital requirements, including:</b>	<b>8,789</b>	<b>(516)</b>
Changes in inventories and work-in-progress	(1,099)	(7,240)
Changes in accounts receivable	22,862	17,731
Changes in accounts payable	(9,170)	(3,726)
Changes in other trade receivables and operating debts	(3,804)	(7,281)
<b>NET CASH FLOWS RELATED TO INVESTMENT ACTIVITIES</b>	<b>(9,467)</b>	<b>(10,930)</b>
Acquisitions of tangible fixed assets	(5,134)	(5,906)
Acquisitions of intangible fixed assets	(5,255)	(4,755)
Disposals of tangible fixed assets	1,929	30
Disposals of intangible fixed assets	0	0
Acquisitions of investments	(1,028)	(240)
Disposals of investments	21	1
Impact of changes of scope - acquisitions	0	(60)
Impact of changes of scope - disposals	0	0
<b>NET CASH FLOWS RELATED TO FINANCING ACTIVITIES</b>	<b>(18,700)</b>	<b>(20,348)</b>
Dividends paid to parent company shareholders	(16,643)	(18,380)
Dividends paid to minority holders of consolidated companies	(1)	0
Capital increases and reductions, additional paid-in capital and reserves	(3)	0
Buyback of treasury shares (excluding the liquidity contract)	0	0
Disposals of treasury shares (excluding the liquidity contract)	0	0
Loans issues	3	22
Repayment of loans	(1,093)	(1,124)
Paid interests	(13)	(26)
Changes in leases financial liabilities	(1,063)	(966)
Interests linked to leases financial liabilities	(133)	(124)
Cash revenue	246	250
<b>CHANGE IN CASH POSITION</b>	<b>(22,379)</b>	<b>8,624</b>
Impact of exchange rate fluctuations	197	(824)
<b>Net cash position at January 1</b>	<b>234,313</b>	<b>207,957</b>
<b>Net cash position at June 30</b>	<b>212,131</b>	<b>215,757</b>

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT JUNE 30, 2020

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>12/31/2019</b>	<b>17,509,250</b>	<b>17,545</b>	<b>79,876</b>	<b>(1,215)</b>	<b>444,038</b>	<b>(22,702)</b>	<b>(12,067)</b>	<b>505,475</b>	<b>(14)</b>	<b>505,461</b>
Buyback and disposals of treasury shares	(796)			18	(10)			8		8
Cancellation of treasury shares								0		0
Dividends paid					(18,380)			(18,380)	(2)	(18,382)
<b>Transactions with shareholders</b>	<b>(796)</b>	<b>0</b>	<b>0</b>	<b>18</b>	<b>(18,390)</b>	<b>0</b>	<b>0</b>	<b>(18,372)</b>	<b>(2)</b>	<b>(18,374)</b>
Net income					(975)			(975)	1	(974)
Other comprehensive income					(113)	(332)	(3,745)	(4,190)	47	(4,143)
<b>Comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,088)</b>	<b>(332)</b>	<b>(3,745)</b>	<b>(5,165)</b>	<b>48</b>	<b>(5,117)</b>
<b>06/30/2020</b>	<b>17,508,454</b>	<b>17,545</b>	<b>79,876</b>	<b>(1,197)</b>	<b>424,560</b>	<b>(23,034)</b>	<b>(15,812)</b>	<b>481,938</b>	<b>32</b>	<b>481,970</b>

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

(2) Including €387,498 thousand of retained earnings and carryovers and €2,201 thousand of legal reserves in the social accounts of the BOIRON parent company at June 30, 2020.

## 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.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Those notes are an integral part of the condensed consolidated financial statements for the half-year ended June 30, 2021, were settled by the Board of Directors on September 8, 2021.

## 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.

On June 30, 2021, BOIRON parent company and its subsidiaries had 3,227 employees (actual workforce), in France and abroad, compared to 3,344 on December 31, 2020.

BOIRON stock is listed on Euronext Paris.

## 1. HIGHLIGHTS IN THE FIRST HALF OF 2021

- January 1, 2021: delisting of homeopathic medicines in France. This delisting has led to the implementation of a major job protection plan (French PSE) and the overhaul of Laboratoires BOIRON's sales policy. Non-proprietary medicine volumes fell €33,597 thousand in the first half, while the impact of price increases totalled €18,278 thousand. A number of private health insurers in France offer partial or total coverage of homeopathic medicines.
- From January 21 to June 24, 2021: in France, under the reorganization plan announced in 2020, twelve preparation and distribution sites closed their doors, resulting in the departure of 318 employees. At June 30, 2021, 221 employees had received support as part of an external redeployment plan, and 71 had joined the age-based voluntary exit scheme financed by the company. A €6,218 thousand expense was recorded in the first half of 2021, €4,810 thousand of which was provisioned in 2020, under applicable accounting standards. The impact of this reorganization on first half operating income was a net expense of €971 thousand (see note 22), primarily relating to internal redeployment charges and other expenses that could not be provisioned in 2020 under applicable accounting standards.
- As a reminder, in the first half of 2020, operating income came to €1,496 thousand, impacted by provisions related to the reorganization plan announced in March 2020. Before taking this impact into account, it amounted to €29,187 thousand. In 2021, operating income before impact of reorganization resulted in a loss of €10,068 thousand, down €39,255 thousand versus 2020:

(in thousands of euros)	2021	2020
Operating income	(11,039)	1,496
Net impact of reorganization	(971)	(27,691)
Operating income before impact of reorganization	(10,068)	29,187
% of sales	(5.3%)	11.5%

- The gross margin fell by €58,813 thousand, impacted by the decline in sales in the first quarter due to the delisting of homeopathic medicines in France and the global health crisis.
- Operating expenses were down €17,933 thousand, including savings on preparation and distribution costs, following the delisting and reorganization (€11,484 thousand), and on promotional expenses (€2,992 thousand).
- Two sites were sold in the first half of the year, generating a total capital gain of €1,626 thousand.

- Despite the impact of the health crisis on our sales and profitability, business continuity has been assured and the group's financial structure remains balanced overall. The use of short-time working was not material and the group did not request the deferral or deferment of any debts. In addition, there was no material changes in customers' terms of payment.

## 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, 2020, as presented in the Universal Registration Document filed with the French Securities and Exchange Commission (AMF) on April 8, 2021 under number D.21-0277 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, 2021 are as follows:

- amendments to IFRS 7, IFRS 9, IAS 39, IFRS 4 and IFRS 16, published in January 2021: Interest rate benchmark reform - phase 2,
- amendments to IFRS 17 / IFRS 4 – insurance contracts: temporary exemption from the application of IFRS 9.

These amendments does not have an impact on the financial statements as of June 30, 2021.

There are no standards, amendments and interpretations adopted by the IASB, for which BOIRON group could have decided to apply in advance as of June 30, 2021 accordingly with the adoption process of the European Union.

Standards, amendments and interpretations adopted by the IASB that will go into effect as of January 1, 2021, and for which the adoption process of the European Union is ongoing:

- Standards that will go into effect as of January 1, 2022:
  - Annual Standards Improvement Process - 2018-2020 cycle (amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 published by the IASB in May 2020),
  - amendments to IFRS 3 – reference to the conceptual framework, published by the IASB in May 2020,
  - amendments to IAS 37 – onerous contracts – cost of fulfilling a contract, published by the IASB in May 2020,
  - amendments to IAS 16 – property, plant and equipment – proceeds before intended use, published by the IASB in May 2020,
- Standards that will go into effect as of January 1, 2023:
  - amendments to IAS 1 – classification of liabilities as current and non-current, published by the IASB in January and July 2020,

- amendments to IAS 1 – disclosure of accounting policies, published by the IASB in February 2021,
- amendments to IAS 8 – definition of accounting estimates, published by the IASB in February 2021.

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

The amendments to IFRS 16 published by the IASB in March 2021 about COVID-19-related rent concessions beyond 30 June 2021 that go into effect as of April 1, 2021, cannot be applied in advance as of June 30, 2021 because the European Union adoption process is still ongoing. There were no rent concessions in the first half-year 2021 for BOIRON group, these amendments would have had no impact.

After the late publication of the April 2021 IFRS IC decision about attributing benefit to periods of service, BOIRON group did not analyze the potential impact on its first half-year financial statements. The analysis will be performed for December 31, 2021 financial statements.

There are no standards, amendments and interpretations published by the IASB, for which the application is mandatory as of January 1, 2021 and yet not approved by the European Union that would have a material impact on the financial statements.

## 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, 2020. There is no material change in using estimate and assumptions during the first half-year 2021.

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

### 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, 2021, as at June 30, 2020. 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, 2021 based on an extrapolation of the total benefit calculated for December 31, 2020.
- The impact of the increase in the discount rate (1.1% as of June 30, 2021, versus 0.6% as of December 31, 2020) was calculated from the sensitivity tests performed in previous years and also took into account the increase in the post-employment benefits average duration after the departures related to the reorganization plan in France.
- The other actuarial assumptions associated with the global benefit amount (annual salary revaluation rate, staff turnover rate...) are generally updated at year-end. None of the factors were identified as having a material impact at June 30, 2021.

- 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 are 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, 2021: 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 in the amount of - €311 thousand.
- 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 2020 Universal Registration Document in note 2.7.2 and 2.7.3.

In 2021, as in 2020, 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 health 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, 2020 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, or for which there were indications of impairment at the last closing.

The decline in profitability in the first half-year is an indication of impairment. It is due to delisting of homeopathic medicines, much lower level of winter pathology and the decrease in medical appointments as well as in pharmacy visits related to the health crisis situation. An impairment test was performed on June 30, 2021 on the CGU France, on the basis of updated actuarial forecasts and parameters (discount rate of 9.7% as of June 30, 2021, same as 2020; perpetual growth rate of 1.5% as at June 30, 2021, same as 2020). It did not give rise to the recognition of any impairment losses (see note 7).

In addition, the group has not identified any reasonably possible change in the scenarios that could give rise to the recognition of any impairment loss.

Impairment tests were carried out without taking into account IFRS 16 impacts, as indicated in the 2020 Universal Registration Document in note 2.5.

### 3. SCOPE OF CONSOLIDATION

The following companies of 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	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Belgium	UNDA <sup>(1)</sup>			99.98%	99.98%	99.98%	99.98%
Italy	LABORATOIRES BOIRON			99.91%	99.91%	99.97%	99.97%
USA	BOIRON USA <sup>(2)</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>(3)</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%

<sup>(1)</sup> In 2020, direct and indirect ownership via BOIRON parent company and BOIRON BELGIUM. In 2021, the subsidiary is held directly by BOIRON parent company, after liquidation of BOIRON BELGIUM at the end of 2020, following a simplification of the ownership of companies in Belgium.

<sup>(2)</sup> Holding company.

<sup>(3)</sup> Company whose main activity is publishing.

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:

	Average rate 2021 (6 months)	Average rate 2020 (6 months)	Closing rate 06/30/2021	Closing rate 06/30/2020	Closing rate 12/31/2020
Czech Koruna	25.855	26.342	25.488	26.740	26.242
US Dollar	1.206	1.101	1.188	1.120	1.227
Canadian Dollar	1.504	1.503	1.472	1.532	1.563
Hungarian Forint	357.854	345.395	351.680	356.580	363.890
New Romanian Leu	4.901	4.817	4.928	4.840	4.868
Brazilian Real	6.492	5.417	5.905	6.112	6.374
Russian Rouble	89.605	76.683	86.773	79.630	91.467
Polish Zloty	4.537	4.414	4.520	4.456	4.560

Currency translation adjustments of €1,659 thousand recognized in other comprehensive income are mainly related to the change in the American Dollar, the Russian Rouble and the Brazilian Real in the first half-year 2021.



## 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.

In addition, the first half of 2021 was adversely impacted by:

- the delisting of homeopathic medicines in France on January 1, 2021,
- as a result of the health crisis, a sharp decline in winter illnesses, as well as the decrease in visits to doctors and pharmacies,
- the challenging basis for comparison, relating to the significant increase in sales in the first half of 2020.

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, 2021.

## 6. SEGMENT REPORTING

The geographical reporting segments were not modified in 2021 first half-year.

The table below shows the data 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 social 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 table below shows the data as of June 30, 2020:

DATA RELATING TO THE INCOME STATEMENT	France	Europe (excluding France)	North America	Other countries	Eliminations (1)	2020 (6 months)
External sales	136,425	50,604	61,365	5,239		253,633
Inter-sector sales	60,491	1,429	1	823	(62,744)	0
<b>TOTAL SALES</b>	<b>196,916</b>	<b>52,033</b>	<b>61,366</b>	<b>6,062</b>	<b>(62,744)</b>	<b>253,633</b>
<b>OPERATING INCOME</b>	<b>(312)</b>	<b>269</b>	<b>3,637</b>	<b>1,475</b>	<b>(3,573)</b>	<b>1,496</b>
<i>of which net allowances to amortizations, depreciations and impairment on fixed assets</i>	<i>(14,316)</i>	<i>(516)</i>	<i>(407)</i>	<i>(72)</i>		<i>(15,311)</i>
<i>of which net allowances to amortizations of right-of-use related to leases</i>	<i>(113)</i>	<i>(713)</i>		<i>(73)</i>		<i>(899)</i>
<i>of which net changes in impairment of assets, provisions and social benefits</i>	<i>(28,215)</i>	<i>1,525</i>	<i>(365)</i>	<i>(59)</i>		<i>(27,114)</i>
Cash revenue and financing expenses	631	(41)		(32)		558
Corporate income tax	91	(2,141)	(873)	(514)	1,015	(2,422)
<b>NET INCOME (GROUP SHARE)</b>	<b>(183)</b>	<b>(1,913)</b>	<b>2,761</b>	<b>918</b>	<b>(2,558)</b>	<b>(975)</b>

DATA RELATING TO THE BALANCE SHEET	France	Europe (excluding France)	North America	Other countries	Eliminations (1)	06/30/2020
Balance sheet total	757,759	93,820	105,241	11,660	(210,790)	757,690
Goodwill	85,316	2,825	1,512			89,653
Net tangible fixed assets and intangible fixed assets	192,736	4,974	12,560	544		210,814
Right-of-use related to leases	879	3,948		608		5,435
Deferred taxes assets	28,446	2,909	2,149	33		33,537
Working Capital Requirements	59,666	29,140	18,205	3,440	(30,952)	79,499

DATA RELATING TO THE CASH FLOW STATEMENT	France	Europe (excluding France)	North America	Other countries	Eliminations (1)	2020 (6 months)
Acquisitions of intangible and tangible fixed assets	10,090	237	305	29		10,661
Changes in leases financial liabilities	(114)	(794)		(58)		(966)

(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 2021 and 2020 first half-year:

	2021	2020
France	104,930	126,323
Europe (excluding France)	42,234	54,485
North America	35,380	61,365
Other countries	7,388	11,460
<b>TOTAL SALES</b>	<b>189,931</b>	<b>253,633</b>

The breakdown of sales by line of products appears in note 21.

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

## 7. GOODWILL

	12/31/2020	Increases / (Decreases)	Currency translation adjustments	06/30/2021
BOIRON parent company <sup>(1)</sup>	84,653			84,653
LES EDITIONS SIMILIA	663			663
<b>Total "France" <sup>(2)</sup></b>	<b>85,316</b>	<b>0</b>	<b>0</b>	<b>85,316</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	229		(5)	224
USA	1,186		34	1,220
<b>Total "North America"</b>	<b>1,415</b>	<b>0</b>	<b>29</b>	<b>1,444</b>
<b>Total "Other countries"</b>	<b>0</b>			<b>0</b>
<b>TOTAL GROSS GOODWILL</b>	<b>89,611</b>	<b>0</b>	<b>29</b>	<b>89,640</b>
Switzerland impairment	(55)			(55)
<b>TOTAL NET GOODWILL</b>	<b>89,556</b>	<b>0</b>	<b>29</b>	<b>89,585</b>

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

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

There was no acquisition generating new goodwill during 2021 first half-year.

As set out in note 2.2.6, the decline in profitability in 2021 first half-year is an indication of impairment: it is due to the delisting of homeopathic medicines in France, as a result of the health crisis, a sharp decline in winter illnesses, as well as the decrease in visits to doctors and pharmacies. The impairment test performed on June 30, 2021 on the CGU France did not give rise to the recognition of any impairment losses or any risk of 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, TANGIBLE FIXED ASSETS AND INVESTMENTS

In the 2021 first half-year, purchases of intangible fixed assets are €5,255 thousand and mainly concern group's IT projects.

Acquisitions of tangible fixed assets are €5,134 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 €14,893 thousand. The reorganization plan initiated in 2020 (see note 1) gave rise to the recognition of additional impairment losses on fixtures and fittings related to the sites closed down in the 2021 first half-year, in the amount of €295 thousand, recorded under other operating expenses (see note 22).

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

Financial fixed assets increased €685 thousand in the 2021 first half-year, mainly relating to calls for contributions under FCPI (French Innovation Investment Fund) investments, totalling €449 thousand.

## 9. RIGHT-OF-USE RELATED TO LEASES

	12/31/2020	Increases		Decreases	Currency translation adjustments and other movements	06/30/2021
		Acquisitions	Amortization			
Gross rights of use relating to leases	16,412	7	0	(1,038)	80	15,461
Amortization of rights of use relating to leases contracts	(9,076)	0	(1,049)	808	(56)	(9,373)
<b>TOTAL RIGHTS OF USE RELATING TO LEASES</b>	<b>7,336</b>	<b>7</b>	<b>(1,049)</b>	<b>(230)</b>	<b>24</b>	<b>6,088</b>

## 10. ASSETS AND LIABILITIES HELD FOR SALE

Assets and liabilities held for sale amounted to €4,595 thousand at the end of June 2021. They include:

- eleven sites closed down in the 2021 first half-year as part of the reorganization in France and put up for sale (€2,923 thousand). The twelfth site concerned by this reorganization was sold in June 2021 (see note 22),
- two buildings in Belgium (€1,519 thousand) were presented under this category in 2020. These assets, which were classed as being held for sale at the end of 2018, are maintained as of June 30, 2021 because a purchase proposal having been obtained in June 2021,
- the Spanish subsidiary's former headquarters and related assets (€ 154 thousand) after moving in their new office (under lease) in June 2021. The sale agreement is currently being finalized and the sale is expected to take place in the 2022 first half-year at the latest.

The Saint-Etienne site, which has been presented under this category since June 30, 2020 and for which the net book value was €174 thousand, was sold at the end of March 2021. It led to a capital gain of €761 thousand (see note 22).

## 11. INVENTORIES AND WORK-IN-PROGRESS

Inventories and work in progress	12/31/2020	Change	Impairment for the period	Reversal for the period	Currency translation adjustments and other movements	06/30/2021
Raw materials and supplies	14,436	3			11	14,450
Semi-finished goods and finished goods	71,011	(1,323)			904	70,592
Goods	3,081	3,035			4	6,120
<b>TOTAL GROSS INVENTORIES</b>	<b>88,528</b>	<b>1,715</b>	<b>0</b>	<b>0</b>	<b>919</b>	<b>91,162</b>
<b>TOTAL IMPAIRMENT OF INVENTORIES</b>	<b>(3,491)</b>		<b>(3,983)</b>	<b>3,366</b>	<b>(21)</b>	<b>(4,129)</b>
<b>TOTAL NET INVENTORIES</b>	<b>85,037</b>	<b>1,715</b>	<b>(3,983)</b>	<b>3,366</b>	<b>898</b>	<b>87,033</b>

As of June 30, 2021 and December 31, 2020, no inventory has been pledged to guarantee liabilities.

The analysis performed did not give rise to any risk of impairment (obsolescence) related to the health crisis.

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

Accounts receivable and other assets linked to customer accounts	12/31/2020	Change	Impairment for the period	Reversals for the period (unused impairment)	Reversals for the period (used impairment)	Currency translation adjustments and other movements	06/30/2021
Gross accounts receivable denominated in euros	58,470	(16,244)					42,226
Gross accounts receivable denominated in other currencies	31,883	(6,907)				1,133	26,109
<b>TOTAL GROSS ACCOUNTS RECEIVABLE</b>	<b>90,353</b>	<b>(23,151)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,133</b>	<b>68,335</b>
Impairment of accounts receivable denominated in euros	(1,102)		(43)	234	73		(838)
Impairment of accounts receivable denominated in other currencies	(331)		(85)	102	8	(15)	(321)
<b>TOTAL IMPAIRMENT OF ACCOUNTS RECEIVABLE</b>	<b>(1,433)</b>	<b>0</b>	<b>(128)</b>	<b>336</b>	<b>81</b>	<b>(15)</b>	<b>(1,159)</b>
Net accounts receivable denominated in euros	57,368	(16,244)	(43)	234	73		41,388
Net accounts receivable denominated in other currencies	31,552	(6,907)	(85)	102	8	1,118	25,788
<b>TOTAL NET ACCOUNTS RECEIVABLE</b>	<b>88,920</b>	<b>(23,151)</b>	<b>(128)</b>	<b>336</b>	<b>81</b>	<b>1,118</b>	<b>67,176</b>

No outstanding receivables had been sold as at June 30, 2021 and December 31, 2020.

As indicated in note 2.2.4, there are no assets related to customer contracts other than accounts receivable.

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

There was no major change in the customer structure.

Accounts receivable as of June 30, 2021 decreased compared to June 30, 2020 (€83,409 thousand). This evolution is due to additional payment term that were granted to customer in France in the 2020 first half-year following the health crisis COVID-19 (see note 20).

The decrease as compared to December 31, 2020 might be explained by the seasonality of the activity (see note 5).

Depreciations on accounts receivable are recognized among the principles detailed in note 2.7.3.1 in 2020 Universal Registration Document. As noted in note 2.2 above, the health crisis did not lead the BOIRON group to modify its impairment processes, as in 2020.

Customer risk is considered as low, since the “net cost” of doubtful accounts is low. Credit risk is addressed in note 20 “Financial instruments and risks”.

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

Other current assets	12/31/2020	Change	Changes in impairment of other current assets	Currency translation adjustments and other movements	06/30/2021
<b>INCOME TAX RECEIVABLES (non-financial assets)</b>	<b>8,586</b>	<b>(928)</b>		<b>66</b>	<b>7,724</b>
Non-financial assets	13,835	(1,199)	0	49	12,685
State and local government, excluding income tax	10,373	(3,303)		8	7,078
Staff	329	724		2	1,055
Accrued expenses	3,133	1,380		39	4,552
Financial assets valued at cost	8,832	665	0	27	9,524
Other debtors	8,832	665		27	9,524
Assets linked to customer contracts	0	0	0	0	0
Derivative instruments	139	(139)			0
<b>Other gross current assets (excluding income tax receivables)</b>	<b>22,806</b>	<b>(673)</b>	<b>0</b>	<b>76</b>	<b>22,209</b>
<b>Impairment of other current assets</b>	<b>(271)</b>		<b>0</b>	<b>156</b>	<b>(115)</b>
<b>TOTAL OTHER NET CURRENT ASSETS</b>	<b>22,535</b>	<b>(673)</b>	<b>0</b>	<b>232</b>	<b>22,094</b>

  

Other non-current assets	12/31/2020	Change	Changes in impairment of other non-current assets	Currency translation adjustments and other movements	06/30/2021
<b>INCOME TAX RECEIVABLES (non-financial assets)</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>
Non-financial assets	32	6	0	0	38
Staff	32	6			38
<b>Other gross non-current assets (excluding income tax receivables)</b>	<b>32</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>38</b>
<b>Impairment of other non-current assets</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL OTHER NET NON-CURRENT ASSETS</b>	<b>32</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>38</b>



## 14.CASH AND CASH EQUIVALENTS

Cash and cash equivalents	06/30/2021			12/31/2020		
	Euros	Foreign currencies (euro equivalent)	Total	Euros	Foreign currencies (euro equivalent)	Total
Cash equivalents	1,721	947	2,668	3,149	2,582	5,731
Cash	203,898	6,325	210,223	225,180	3,774	228,954
<b>TOTAL</b>	<b>205,619</b>	<b>7,272</b>	<b>212,891</b>	<b>228,329</b>	<b>6,356</b>	<b>234,685</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 2020 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 for the group (example: exchange controls) is not material.

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		06/30/2021	12/31/2020
Cash and cash equivalents	Consolidated balance sheet	212,891	234,685
Cash liabilities* (included in current borrowings and financial debts)	Consolidated balance sheet	760	372
<b>Net cash position</b>	<b>Statement of consolidated cash flows</b>	<b>212,131</b>	<b>234,313</b>

\* Banking facilities essentially.

The decrease in net cash position in the first half-year is mainly due to the decrease in profitability recorded in cash flows from operating activities, the outflows of tangible and intangible fixed assets purchases and dividends paid to shareholders.

The costs incurred in the first half of 2021 related to the reorganization in France amount to approximately €6.2 million, impacting cash flows from operating activities.

## 15.SHAREHOLDERS' EQUITY

As of June 30, 2021, 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	06/30/2021	12/31/2020
Total number of shares	17,545,408	17,545,408
Treasury shares	(26,844)	(31,737)
<b>Number of shares excluding treasury shares</b>	<b>17,518,564</b>	<b>17,513,671</b>

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 30, 2021, 26,844 shares are held through the liquidity agreement contracted with NATIXIS. The treasury shares portfolio amounted to €1,042 thousand.

Acquisitions made during the fiscal year totaled €2,175 thousand, all via the liquidity agreement. Disposals during the fiscal year totaled €2,357 thousand (in historical acquisition cost), the whole amount via the liquidity contract.

The unrealized gain on the portfolio was €17 thousand (on the basis of the average price in June 2021).

## 15.2 Dividend per share

Dividend per share in euro	
2019 dividend paid in 2020	1.05
2020 dividend paid in 2021	0.95

As mentioned in note 1, the health crisis did not have any material impact on the financial structure of the BOIRON group, as in 2020.

## 16. CURRENT AND NON-CURRENT LEASES FINANCIAL LIABILITIES

Rental liabilities	12/31/2020	Increases	Decreases	Currency translation adjustments and other movements	06/30/2021
Non-current leases financial liabilities	5,623	0	(155)	(1,114)	4,354
Current leases financial liabilities	2,132	7	(1,173)	1,139	2,105
<b>TOTAL OF CURRENT AND NON-CURRENT LEASES FINANCIAL LIABILITIES</b>	<b>7,755</b>	<b>7</b>	<b>(1,328)</b>	<b>25</b>	<b>6,459</b>

As indicated in note 1, the BOIRON group did not benefit in the first half-year 2021 from either rent concessions or deferrals on rents restated as rental obligations, as in 2020.

## 17. NON-CURRENT EMPLOYEE BENEFITS

### 17.1 Group quantified data

Employee benefits	Company Name	Country	12/31/2020	Impact on operating income	Impact on other comprehensive income			06/30/2021
					Impact on financial income	Actuarial differences <sup>(1)</sup>	Currency translation adjustments and other movements	
Retirement Indemnities	BOIRON parent company	France	22,216	1,138	64	(2,804)		20,614
Retirement Indemnities	BOIRON CARAIBES	France	302	2				304
Retirement Indemnities	BOIRON (La Réunion)	France	78					78
Agreement on Preparation for Retirement	BOIRON parent company	France	56,108	(206)	167	(3,338)		52,731
Retirement commitments	BOIRON SP	Poland	1					1
<b>Total post-employment benefits(defined contribution plans)</b>			<b>78,705</b>	<b>934</b>	<b>231</b>	<b>(6,142)</b>	<b>0</b>	<b>73,728</b>
Long-service bonuses	BOIRON parent company	France	6,403	(90)				6,313
Long-service bonuses	BOIRON CARAIBES	France	35	2				37
Bonuses granted	BOIRON SOCIEDAD IBERICA DE HOMEOPATIA	Spain	401	(4)				397
Bonuses granted	BOIRON INDE	India	14	1				15
Bonuses granted	BOIRON	Belgium	139	4				143
Early retirement	UNDA	Belgium	121	(42)				79
<b>Total other long-term benefits</b>			<b>7,113</b>	<b>(129)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,984</b>
<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).

including -€311 thousand related to the discounting of the fair value of the outsourced Retirement Indemnities fund of BOIRON parent company (see note 2.2.3).

€394 thousand for provision reversal related to employees who joined the reorganization plan in 2021 (see note 1):

- €293 thousand for Agreement on Preparation for Retirement,
- €61 thousand for Retirement Indemnities,
- €40 thousand for long-service bonuses.

The reorganization impact on the operating income 2021 is set out in note 22.

The change in non-current employee benefits during the 2020 first half-year was as follows:

	12/31/2019	Impact on operating income	Impact on financial income	Impact on other comprehensive income		06/30/2020
				Actuarial differences <sup>(1)</sup>	Currency translation adjustments and other movements	
<b>Total post-employment benefits (defined contribution plans)</b>	<b>99,860</b>	<b>(25,025)</b>	<b>451</b>	<b>464</b>	<b>0</b>	<b>75,750</b>
<b>Total other long-term benefits</b>	<b>8,569</b>	<b>(1,581)</b>	<b>0</b>	<b>0</b>	<b>(1)</b>	<b>6,987</b>
<b>TOTAL EMPLOYEE BENEFITS RECORDED UNDER NON-CURRENT LIABILITIES</b>	<b>108,429</b>	<b>(26,606)</b>	<b>451</b>	<b>464</b>	<b>(1)</b>	<b>82,737</b>

<sup>(1)</sup> €464 thousand related to the discounting of the fair value of the outsourced Retirement Indemnities fund of BOIRON parent company (0.9 %, the same as the discount rate as of December 31, 2019).

The impact on operating income in the 2020 first half-year included reversals of provisions for employee benefits of €27,741 thousand related to employees affected by the reorganization in France.

## 17.2 Post-employment benefits of BOIRON parent company

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 (1)	Interest cost net of estimated return on investment	Actuarial differences (2)	
Actual value of liabilities	42,620	1,199	(2,148)		(95)	122	(2,493)	39,205
Investments value	(20,404)		2,148		35	(58)	(311)	(18,591)
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)		(293)	167	(3,338)	52,731

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

(2) 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).

including -€311 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 2020 first half-year was as follows:

Retirement Indemnities BOIRON parent company	12/31/2019	Impact on operating income				Impact on financial income	Impact on other comprehensive income	06/30/2020
		Cost of services	Payments	Plan changes	Reorganization	Interest cost net of estimated return on investment	Actuarial differences (1)	
Retirement indemnity provision - BOIRON parent company	28,671	1,500	0	0	(11,577)	132	464	19,190
Agreement on Preparation for Retirement provision (discounted value of commitment) - BOIRON parent company	71,040	1,918	(2,324)	0	(14,544)	319	0	56,409

(1) The discount rate as of June 30, 2020 is 0.9 %, the same as the discount rate as of December 31, 2019.

## 18. CURRENT AND NON-CURRENT PROVISIONS

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>

The “Provisions for reorganizations” line item mainly includes provisions for the reorganization plan launched in France in 2020. It amounted to €51,633 thousand at June 30, 2021. This item changed in the 2021 first half-year as follows:

- €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),

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 22.

The change in current and non-current provisions for the 2020 first half-year was as follows:

Current provisions	12/31/2019	Increases	Decreases (unused)	Decreases (used)	Currency translation adjustments and other movements	06/30/2020
Provisions for returned goods	4,638	2,475		(2,182)	(13)	4,918
Provisions for contingencies and lawsuits	9,870	329	(179)	(36)	(16)	9,968
Provisions for reorganizations	1,880	55,067		(568)	898	57,277
Other provisions for other expenses	0					0
<b>TOTAL CURRENT PROVISIONS</b>	<b>16,388</b>	<b>57,871</b>	<b>(179)</b>	<b>(2,786)</b>	<b>869</b>	<b>72,163</b>

Non-current provisions	12/31/2019	Increases	Decreases (unused)	Decreases (used)	Currency translation adjustments and other movements	06/30/2020
Provisions for contingencies and lawsuits	0	94				94
Provisions for reorganizations	898				(898)	0
<b>TOTAL NON-CURRENT PROVISIONS</b>	<b>898</b>	<b>94</b>	<b>0</b>	<b>0</b>	<b>(898)</b>	<b>94</b>

As of June 30, 2020, a provision of €54,947 thousand relating to the reorganization plan in France had been recognized. The provision breakdown was as follows:

- €45,014 thousand related to compensation measures for job cuts,
- €5,033 thousand of regional revitalisation contributions,
- €4,900 thousand for external support measures.

Other contingent assets and liabilities are mentioned in note 26.

## 19. INCOME TAX PAYABLE AND OTHER CURRENT AND NON-CURRENT LIABILITIES

Other liabilities	06/30/2021		12/31/2020	
	Current	Non-current	Current	Non-current
Other liabilities of corporate income tax	1,389		2,082	
<b>INCOME TAX PAYABLES (non-financial liabilities)</b>	<b>1,389</b>	<b>0</b>	<b>2,082</b>	<b>0</b>
<b>Non-financial liabilities</b>	<b>50,491</b>	<b>1,227</b>	<b>53,014</b>	<b>1,218</b>
State and local government, excluding income tax	4,813	10	4,680	10
Personnel and social security organizations	45,502	1,217	48,207	1,208
Deferred revenue	176		127	
<b>Financial liabilities valued at cost</b>	<b>11,838</b>	<b>59</b>	<b>14,771</b>	<b>59</b>
Fixed assets suppliers	3,151		3,605	
Credit customer accounts	6,353		10,553	
Other creditors	2,334	59	613	59
Derivative instruments	176	0	0	0
<b>TOTAL OTHER LIABILITIES EXCLUDING CORPORATE INCOME TAX</b>	<b>62,505</b>	<b>1,286</b>	<b>67,785</b>	<b>1,277</b>

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

Deferred income from customer contracts was not material.

As the BOIRON group financial structure is very stable, neither liabilities payment staggering nor deferral has been asked on the 2021 first half-year, as in 2020 (see note 1).

## 20. FINANCIAL INSTRUMENTS AND RISKS

Neither the nature nor maturity of the group's financial assets and liabilities changed materially compared to December 31, 2020.

As of December 31, 2020, the only financial instruments valued at fair value are marketable securities (see note 8) and derivative instruments (see notes 13 and 19), corresponding to level 2 of the hierarchy defined in the standard IFRS 13 (see note 2.10 of 2020 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, 2020 and on June 30, 2021, 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 2020 and 2021.

Outstanding futures options and forward transactions and the fair value of those instruments were not material at June 30, 2021.

Fair value investments are described in note 8.

The group's exposure to market, credit and liquidity risks did not change significantly from December 31, 2020 (see note 23 to the consolidated statements in the 2020 Universal Registration Document), despite the reorganization in France and the health crisis.

The Days Sales Outstanding (DSO) of the BOIRON group is 55 days, same as December 31, 2020. As a reminder, the DSO was 74 days as of June 30, 2020 due to additional payment terms that were granted to customers in France in 2020 following the health crisis (COVID-19).

As of June 30, 2021 the amount of accounts receivables due and not impaired amounted to €9,198 thousand, namely 13.5% of accounts receivables (versus €9,616 thousand, namely 10.6% of accounts receivables as of December 31, 2020). Accounts receivables less than one month past due represent 41% 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 2021 first half-year (see note 2.2).

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

As of June 30, 2021 or as of December 31, 2020, there was no offsetting agreements or accounts receivable restructuring agreements.

As of June 30, 2021, the group achieved sales of €1,466 thousand to 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 2021 first half-year.

The situation is being monitored at the group level.

Losses on bad debts, net of amortizations and reversal on depreciations for bad debts amounted to €222 thousand, 0.12% of consolidated sales, compared to -€163 thousand in 2020 (-0.06% of consolidated sales).

BOIRON group did not observe any material failures on 2021 first half-year, as in 2020 and did not expect any material failures in the upcoming months. The liquidity risk remains low despite the health crisis, as in 2020. The BOIRON group financial structure is balanced and its debt, excluding rental liabilities, is marginal.

## 21. OPERATING REVENUE

Operating revenue	2021 (6 months)	%	2020 (6 months)	%
Non-proprietary homeopathic medicines	93,994	49.5	110,055	43.4
OTC Specialties	95,188	50.1	142,917	56.3
Other <sup>(1)</sup>	749	0.4	661	0.3
<b>TOTAL SALES</b>	<b>189,931</b>	<b>100.0</b>	<b>253,633</b>	<b>100.0</b>
<b>Other operating revenue (fees)</b>	<b>0</b>		<b>1</b>	

<sup>(1)</sup>The "Other" heading in net sales includes sales of books as well as invoicing for services (training).

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.

The health crisis did not lead to postpone the recognition of the revenue on the 2021 first half-year, in the absence of any customer risk known when revenue was booked, as in 2020.

## 22. OTHER OPERATING REVENUE AND EXPENSES

Other operating revenue and expenses	2021 (6 months)	2020 (6 months)
Foreign exchange gains and losses on operating transactions	218	(1,443)
Gains and losses on derivative instruments (related to operating hedges)	(230)	749
Tax credits (including research tax credits)	500	502
Reorganization in France - net costs (excluding employee benefits)	(1,365)	(55,432)
Reorganization in France - reversals of provisions for the employee benefits	394	27,741
Other net changes in assets depreciations	(128)	24
Income on asset disposals	1,609	(159)
Others	231	15
<b>TOTAL OTHER OPERATING REVENUE AND EXPENSES</b>	<b>1,229</b>	<b>(28,003)</b>
<i>Including other operating revenue</i>	<i>3,299</i>	<i>29,111</i>
<i>Including other operating expenses</i>	<i>(2,070)</i>	<i>(57,114)</i>

In 2021, other operating revenue and expenses include:

- €971 thousand in net expenses relating to the reorganization launched by BOIRON parent company in 2020 (see note 1):
  - €1,365 thousand in net costs (excluding employee benefits), of which:
    - o €1,590 thousand in additional allocations relating to new people joining the reorganization plan in 2021 (see note 18),
    - o €1,408 thousand in costs not provisioned in 2020, in accordance with IAS 37 (premiums for closing a site and internal support measures in particular),
    - o €295 thousand in net accelerated depreciation in relation to buildings and fixtures of sites closed in 2021 (see note 8),



- o €1,894 thousand in reversals of unused provisions relating to the regional renewal contribution and the calculation of compensation for employees deemed unfit for work (see note 18),  
The provision recognized at the end of 2020 has been reversed in the amount of €4,810 thousand, in light of costs actually incurred in the 2021 first half-year.
- €394 thousand in provision reversals for employee benefits obligations provisioned in the past (see note 17).
- €1,626 thousand in capital gains generated by the sale of the Brest (€865 thousand) and Saint-Etienne (€761 thousand) sites.

In 2020, other operating revenue and expenses included a net impact of €27,691 thousand for the reorganization in France:

- €55,432 thousand in expenses:
  - €54,947 thousand as part of support measures that could be implemented to enable employees affected by this reorganization to find the most appropriate solutions,
  - €353 thousand in accelerated depreciation of buildings, fixtures and fittings related to the sites to be closed down in 2021,
  - €132 thousand in support fees for the implementation of this reorganization.
- A €27,741 thousand reversal of provisions in respect of the reduction in employee benefit obligations provisioned in the past.

## 23. INCOME TAX

Income tax	2021 (6 months)	2020 (6 months)
Current taxes payable	(389)	(2,507)
Deferred taxes	2,607	85
<b>TOTAL INCOME TAX</b>	<b>2,218</b>	<b>(2,422)</b>
<b>Effective rate</b>	<b>18.9%</b>	<b>167.3%</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	2021 (6 months)	%	2020 (6 months)	%
Theoretical tax	3,332	28.4	(464)	32.0
Impact of subsidiaries tax rates	(491)	(4.2)	(8)	0.6
Impact of reduced tax rates in France	(400)	(3.4)	354	(24.4)
Permanent differences	307	2.6	(455)	31.4
Fiscal loss or gain without recognition of income tax	(486)	(4.1)	(198)	13.7
Tax credits, deferred income tax adjustment and other	(44)	(0.4)	(1,651)	114.0
<b>TOTAL INCOME TAX</b>	<b>2,218</b>	<b>18.9</b>	<b>(2,422)</b>	<b>167.3</b>

The group's theoretical tax rate is calculated on the basis of the rate applicable in France in 2021, namely 28.41%.

The tax rate used for the evaluation of the deferred taxes (on temporary differences and adjustments) in France as of June 30, 2021 is 25.83% in relation to the anticipation of the gradual rate decrease for 2022.

As a reminder, tax credits, deferred income tax adjustment and other items included in 2020 €1,093 thousand in deferred taxes assets written off and €469 thousand in liabilities for tax uncertainties in Spain following the tax audit of the subsidiary.

## 24. EARNINGS PER SHARE (EXCLUDING TREASURY SHARES)

	2021 (6 months)	2020 (6 months)
Net earnings (in thousand of euros)	(9,514)	(975)
Average number of shares for the fiscal year	17,513,835	17,506,290
<b>EARNINGS PER SHARE (in €)</b>	<b>(0.54)</b>	<b>(0.06)</b>

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

## 25. OFF-BALANCE SHEET LIABILITIES

BOIRON group has no off-balance sheet liabilities related to acquisitions and disposals of subsidiaries (agreements to repurchase shares...).

The off-balance sheet liabilities related to asset acquisitions are related to the acquisition of the ALKANTIS patents and brands. This equity-financed acquisition in 2017 cost €2,495 thousand. The contract also provides for the payment of an earn-out in favor of the seller:

- 10% of sales net of discounts exceeding €10 million recorded in 2022 on this product, paid in 2023, with an earn-out cap of €2 million,
- 10% of sales net of discounts exceeding €20 million recorded in 2027 on this product, paid in 2028, with an earn-out cap of €4 million.

No amounts were recognized for these earn-out payments, as the recognition criteria had not yet been met. Assets (trademarks, patents and manufacturing equipment) were fully written down in 2019 in the amount of €2,069 thousand.

Liabilities related to the acquisition of tangible assets are not material as of June 30, 2021.

Off-balance sheet liabilities related to group operating activities did not change significantly during the 2021 first half-year.

## 26. CONTINGENT ASSETS AND LIABILITIES

### 26.1 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 2020 Universal Registration Document did not result in the recognition of a provision as of June 30, 2021. No significant change was recorded in 2021.

## 26.2 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 2020 Universal Registration Document did not result in the recognition of a provision as of June 30, 2021. No significant change was recorded in 2021.

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.

## 27. RELATED PARTIES

There was no significant change in managers’ compensation conditions compared to the fiscal year 2020 (see note 35.2 of notes to the consolidated financial statements at December 31, 2020).

## 28. SUBSEQUENT EVENTS

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 2021 HALF-YEAR FINANCIAL INFORMATION

Period from January 1 to June 30, 2021

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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.*

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 1 to June 30, 2021,
- the verification of the information presented in the half-yearly management report.

Due to the global crisis related to the COVID-19 pandemic, the condensed half-yearly consolidated financial statements of this period have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of our procedures.

These condensed half-yearly consolidated financial statements are the responsibility of your General Meeting. Our role is to express a conclusion on these financial statements based on our review.

## 1. 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.

## 2. 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.

The Statutory Auditors  
*French original signed by*

**DELOITTE & ASSOCIÉS**

**MAZARS**

Vanessa NICOUD-GIRARDET

Nicolas DUSSON

Séverine HERVET

## 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 8, 2021

Valérie Lorentz-Poinsot  
**General Manager**



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