

INFORMATION MEETING ON HALF-YEAR RESULTS


September 8, 2022

Webcast



Votre santé mérite le plus grand respect

SUMMARY

- 
1. Highlights
 2. Financial results
 3. Extra-financial strategy
 4. Outlook



PART 1 : HIGHLIGHTS

BOIRON LABORATORIES





Our mission :

Help make medicine more humane, respectful, and sustainable.

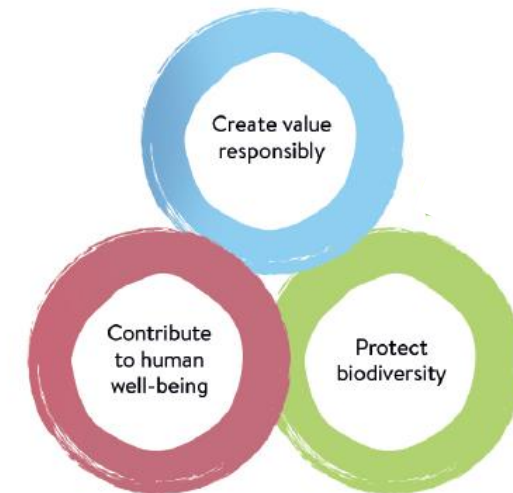
Our goal:

Ensure every patient around the world has access to homeopathy (our core business) and other treatment solutions that are just as safe, effective, and useful.

Our 4 strategic priorities:

-  Boost the credibility of Homeopathy and encourage a preference for BOIRON
-  Increase our sales in France and abroad
-  Expand our ability to innovate
-  Complete acquisitions

Our 3 CSR pillars:



2022 NEW PRODUCT

ABBI joined BOIRON Group in February :



Our pediatric range expanded with the launch of Varésol® in March :



ABBI it's not just like a pretty surname. It's also an acronym that carries strong values

Authenticité

Beauté

Bien-être

Individualité



ABBI impact on half-year consolidated financial statements :

- €1,750 thousand paid at the time of purchase.
- Various earn-outs in financial liabilities : €6,784 thousand corresponding to the acquisition of 70% and €6,295 thousand for 30% of the share capital, to be completed on 2025.
- Goodwill was calculated using the partial goodwill method, corresponding to the acquisition of 70% : €8,324 thousand.
- Impact was not material on income.

E-COMMERCE (FRANCE)

E-commerce at BOIRON is part of our mission to make our effective, respectful and safe health solutions accessible to everyone.

Initiated last September, the BOIRON e-commerce Group website project is now live :

February 2022



July 2022



90 YEARS OF LABORATOIRES BOIRON

On June 9, 2022, Laboratoires BOIRON celebrated 90 years...

The anniversary will be celebrated on September 15 with all the Group's employees.

90 years on... the Laboratoires Boiron adventure continues with the same passion, audacity and drive to produce effective, useful and safe healthcare solutions for more personal, respectful and sustainable medicine.



OTHER HIGHLIGHTS

- The war in Ukraine that broke out in February 2022 is of concern to all of our teams and affects Laboratoires BOIRON's Ukrainian distributor. The Group has therefore set up a crisis committee to manage the social and economic impacts of the situation on its business.
Sales generated in Ukraine and Russia in 2021 accounted for less than 4% of Group sales. Laboratoires BOIRON is keeping a close eye on the situation, in order to take the necessary actions for organizing its operations. Investments have been frozen, advertising campaigns and clinical trials stopped, and new product launches have been cancelled.
- On June 29, 2022, Laboratoires BOIRON and VERFORA announced the beginning of a distribution partnership in Switzerland. From October 1, 2022, BOIRON medicines will be marketed by the country's number one non-prescription drug seller. BOIRON and VERFORA are convinced that this partnership will ensure the best use of the respective strengths of the two companies.
- Following closure in 2021, the Limoges and Pau distribution sites were sold in the first half of 2022, generating a capital gain of €1,365 thousand.

POST-BALANCE SHEET EVENTS

- The Strasbourg site as well as Montrichard production site were sold in July 2022.



PART 2 : FINANCIAL RESULTS

SALES EVOLUTION BY GEOGRAPHICAL AREA

YTD data in million of euros as of June 30	2022	2021	Var. at current exchange rate	Var. at constant exchange rate
France	131.34	104.93	+25.2%	+25.2%
Europe (excluding France)	60.70	42.23	+43.7%	+42.7%
North America	52.23	35.38	+47.6%	+34.3%
Other countries	12.49	7.39	+69.1%	+56.8%
GROUP TOTAL	256.76	189.93	+35.2%	+32.0%



- Total sales increased 35.2%. This increase breaks down more or less evenly between existing homeopathic specialties and new products.
- Regarding new products launched in 2020 (homeopathic medicines and other healthcare products), sales amounted to approximately 47 million euros in the first half, compared to 15 million euros in the first half of 2021.
- This strong growth in all regions is the result of the Group's proven resilience, founded on the strength of its brands, innovation strategy, commitment of its teams and flexibility of its industrial equipment.

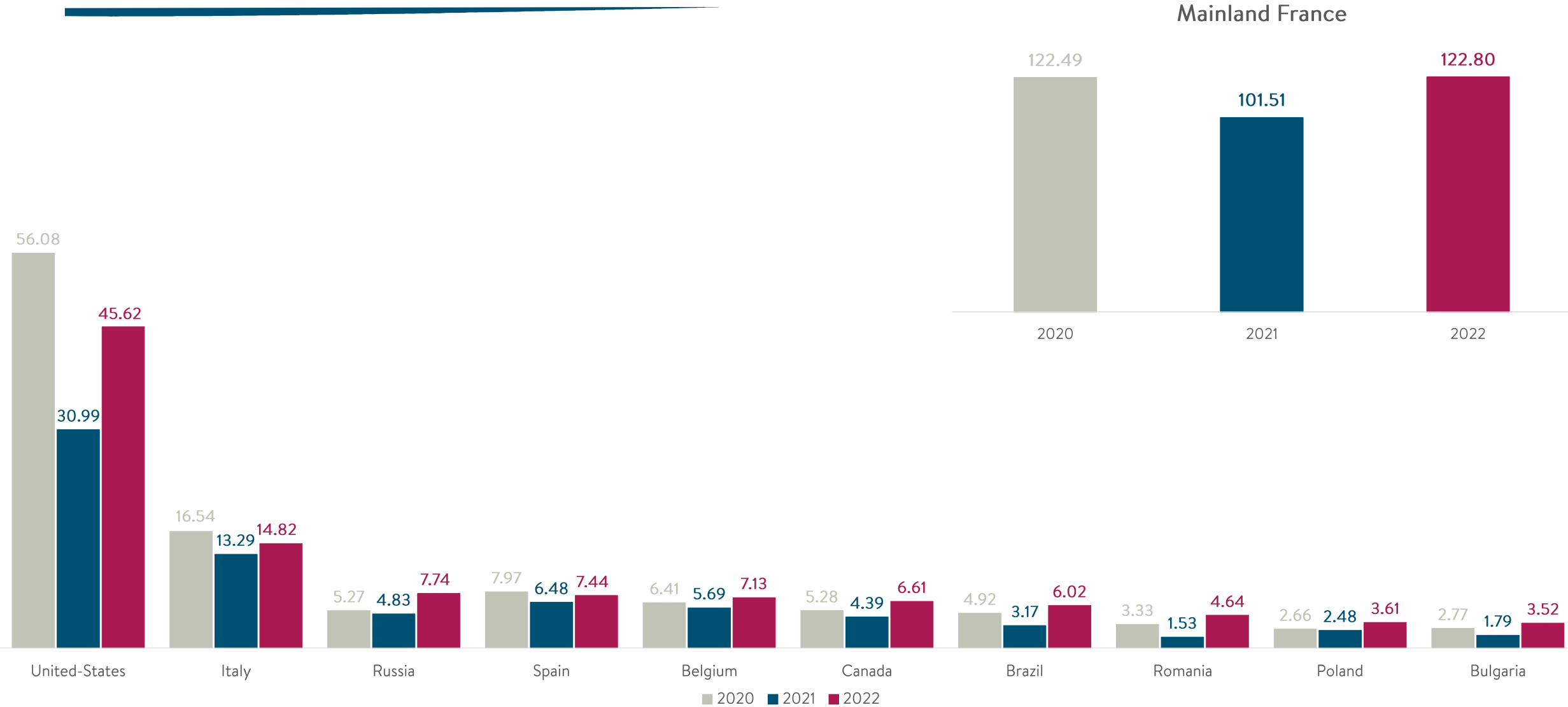
QUATERLY SALES EVOLUTION

<i>In thousands of euros</i>	1 st quarter			2 nd quarter		
	2022	2021	Var.	2022	2021	Var.
France	77,055	51,518	+49.6%	54,283	53,412	+1.6%
Europe (excluding France)	34,476	20,039	+72.0%	26,228	22,194	+18.2%
North America	28,944	17,657	+63.9%	23,282	17,723	+31.4%
Other countries	5,305	1,958	+171.0%	7,189	5,430	+32.4%
Group total	145,780	91,172	+59.9%	110,982	98,759	+12.4%

<i>In thousands of euros</i>	1 st quarter			2 nd quarter		
	2022	2021	Var.	2022	2021	Var.
Non-proprietary homeopathic medicines	45,516	46,352	-1.8%	43,360	47,642	-9.0%
Homeopathic specialties	67,100	39,430	+70.2%	54,816	40,683	+34.7%
Other health products*	33,164	5,390	+515.3%	12,806	10,434	+22.7%
Group total	145,780	91,172	+59.9%	110,982	98,759	+12.4%

* “Other health products” include non-homeopathic products (medical devices, dietary supplements, cosmetics, phytotherapy), which were presented under “specialties” until 2021.

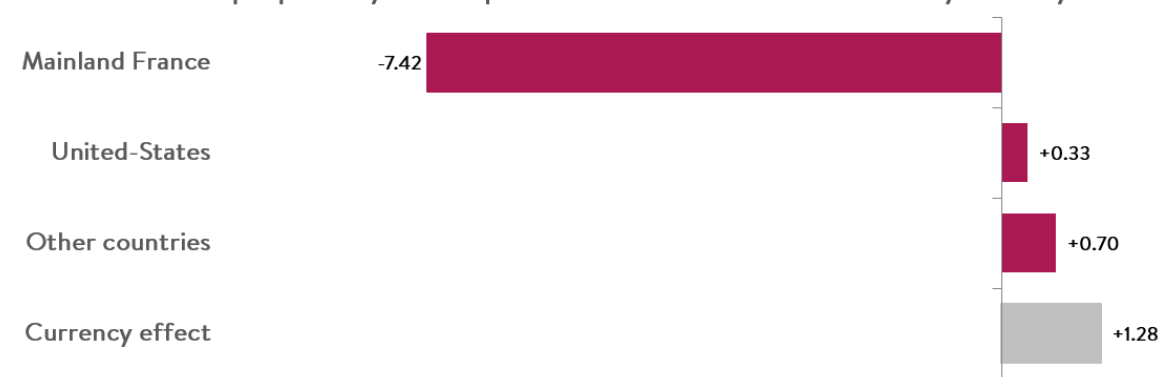
SALES EVOLUTION BY COUNTRIES



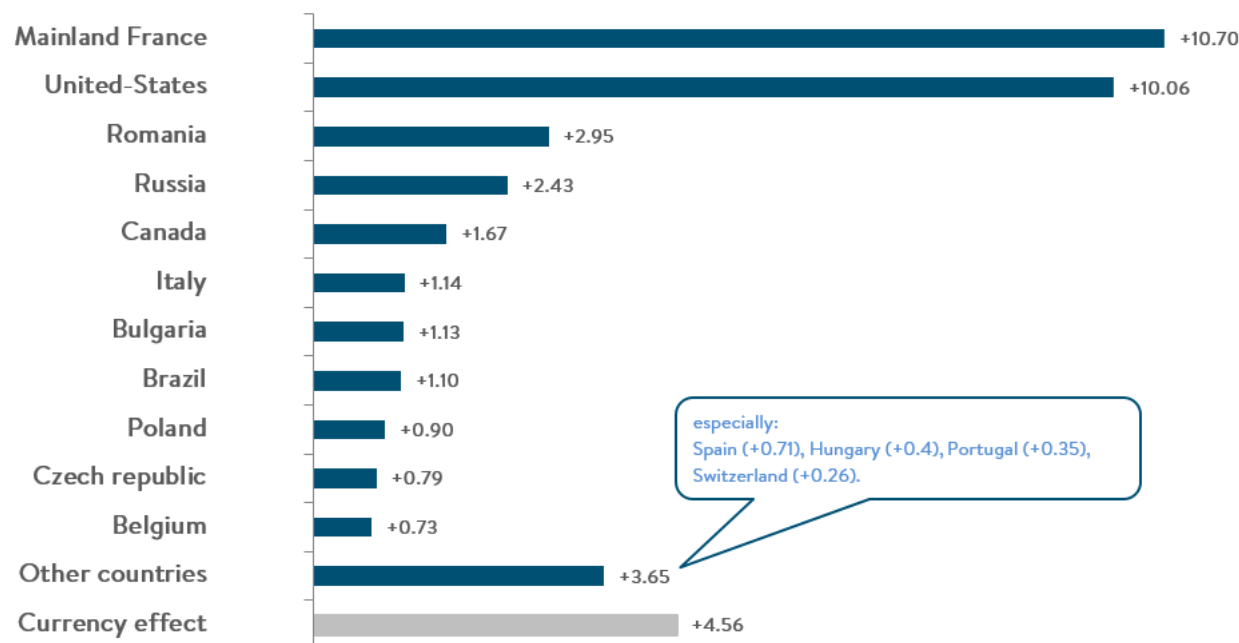
SALES EVOLUTION BY PRODUCT CATEGORY

YTD data as of June 30	2022	2021	Variation in M€	Variation in %
Non-proprietary homeopathic medicines	88.88	93.99	-5.11	-5.4%
Homeopathic specialties	121.92	80.11	+41.81	+52.2%
Other health products	45.97	15.83	+30.14	+190.4%
TOTAL	256.76	189.93	+66.83	+35.2%

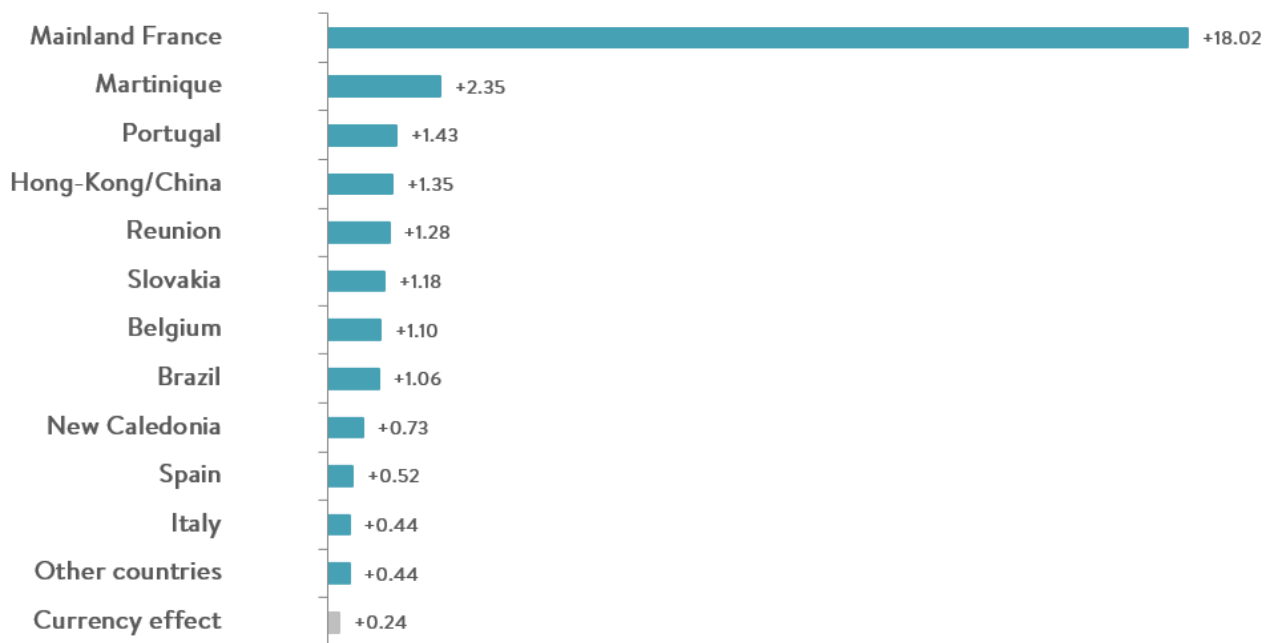
Non-proprietary homeopathic medicines main variations by country



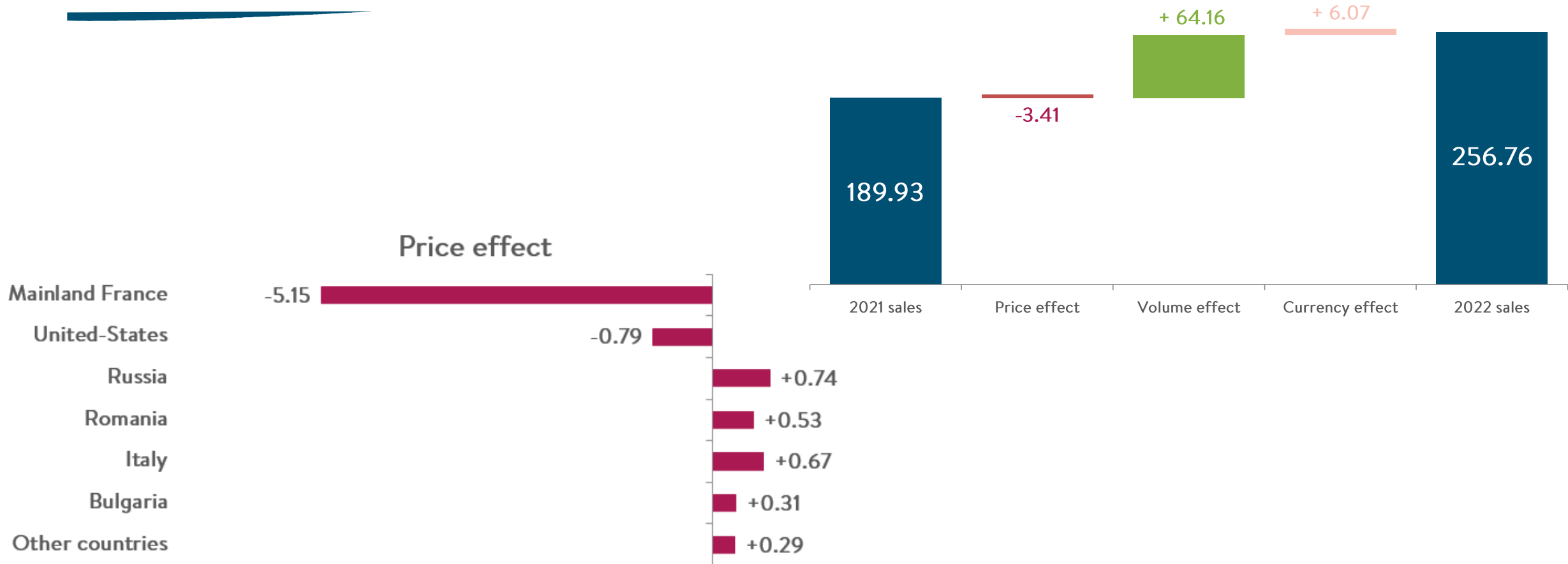
Homeopathic specialties main variations by country



Other health products main variations by country



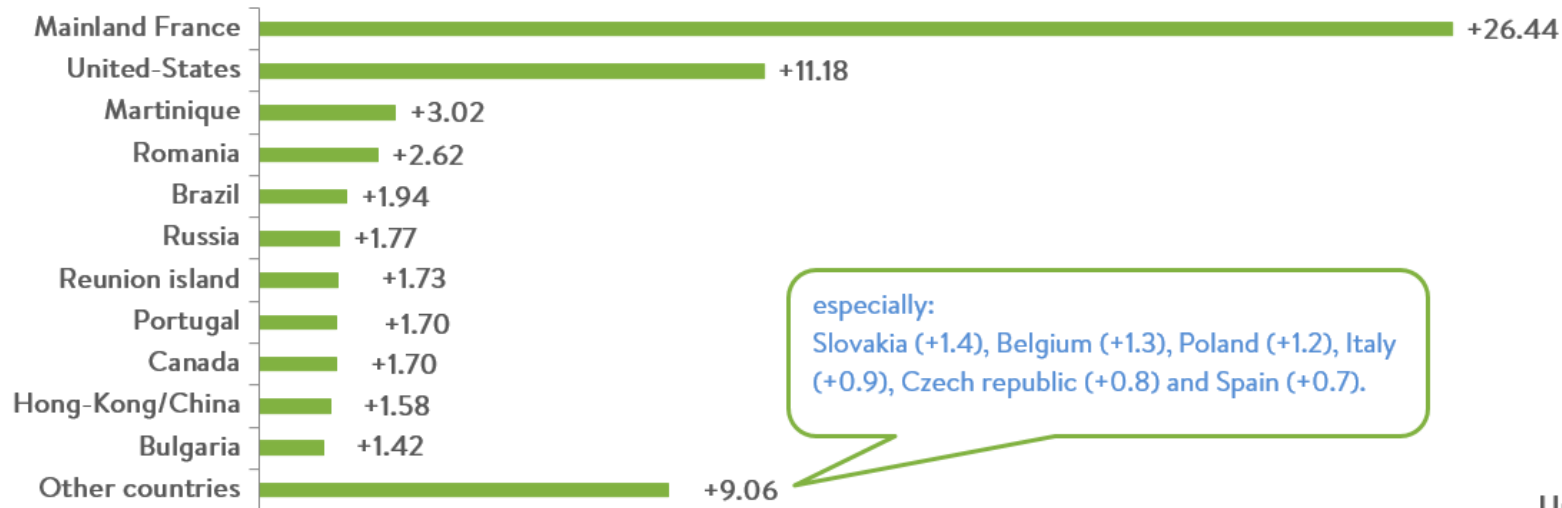
PRICE EFFECT



- Unfavorable price effect of Mainland France is composed of -€7.7 M of COVID tests, offset by increase in prices of non-proprietary homeopathic medicines and other specialties +€2.6M.

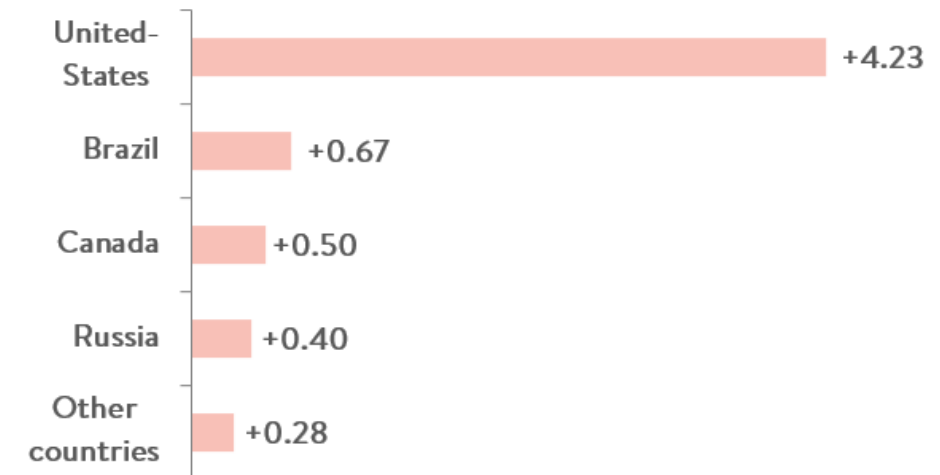
VOLUME AND CURRENCY EFFECTS

Volume effect (increase in all countries)

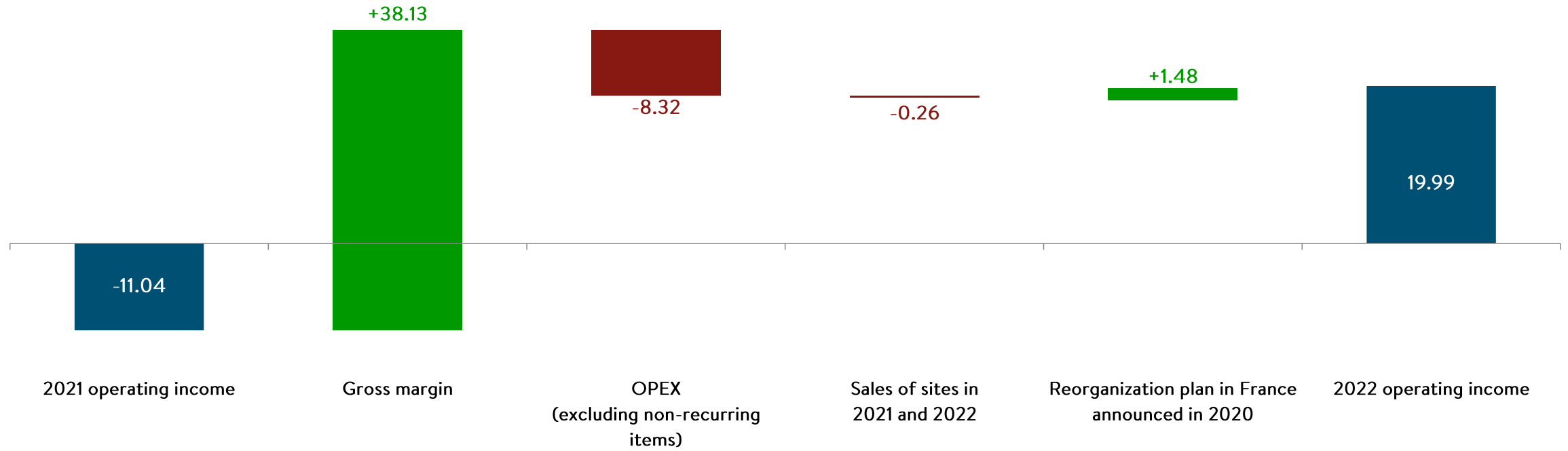


- Total sales were up in all countries, sales of homeopathic specialties and other health products to offset decrease in sales of non-proprietary homeopathic medicines in France.

Currency effect



OPERATING INCOME : +€31.03M



- The increase in activity led to an improvement in gross margin of €38.13M
- Operating expenses increase by €8.3M, mainly due to the increase of promotion costs
- Finally, operating income for the half-year increase by €31M to reach €19.99M

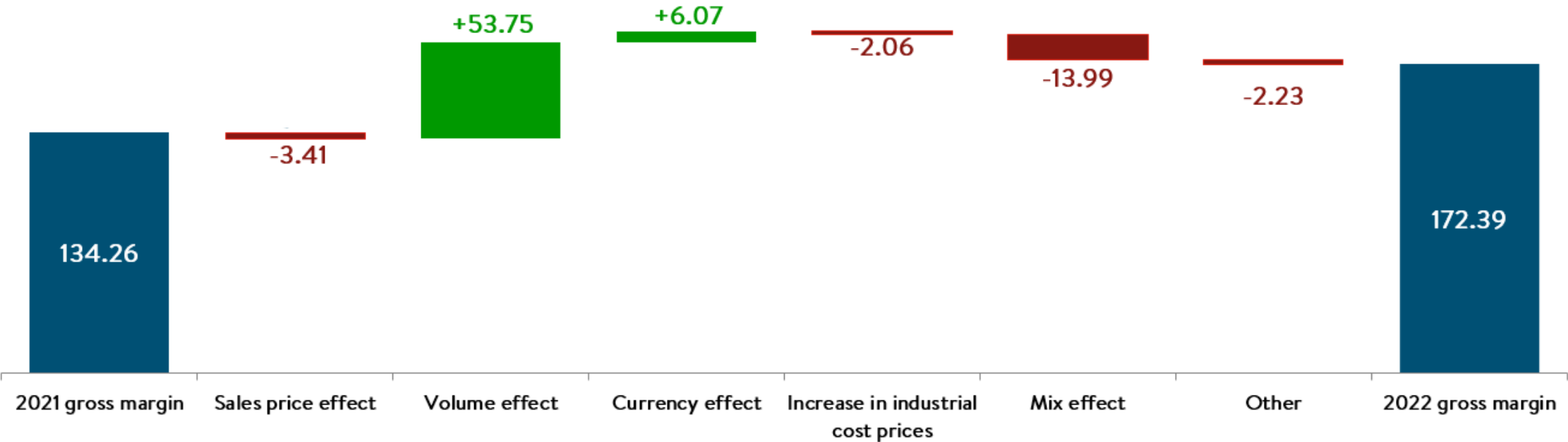
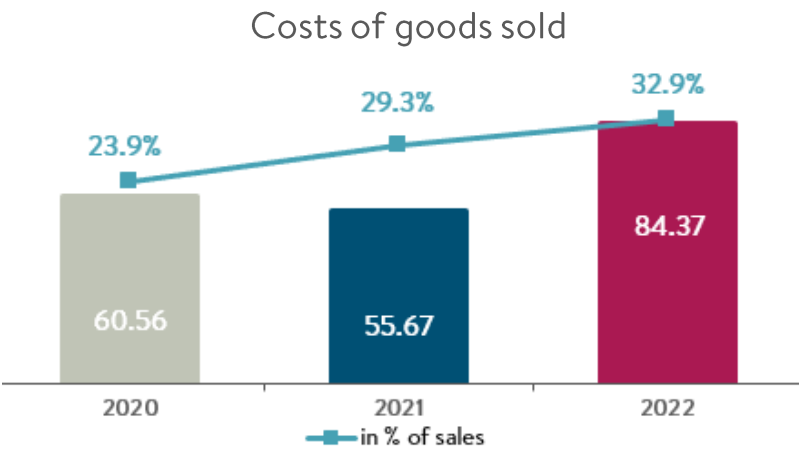
OPERATING INCOME BY ACTIVITY

YTD data in million of euros as of June 30	2022	2021	Variation 2022 / 2021		2020
Sales	256.76	189.93	+66.83	+35.2%	253.63
Costs of goods sold	-84.37	-55.67	-28.70	+51.6%	-60.56
Gross margin	172.39	134.26	+38.13	+28.4%	193.07
Preparation and distribution costs	-42.16	-45.52	+3.36	-7.4%	-57.00
Promotion costs	-71.60	-62.38	-9.22	+14.8%	-65.37
Research and development costs	-2.72	-1.30	-1.42	+109.2%	-1.58
Regulatory affairs costs	-4.32	-5.58	+1.26	-22.6%	-5.83
Support function costs	-34.52	-31.76	-2.76	+8.7%	-33.79
Other	2.92	1.24	+1.68	+135.5%	-28.00
Operating income	19.99	-11.04	+31.03	N/A	1.50
% of sales	7.8%	-5.8%			0.6%

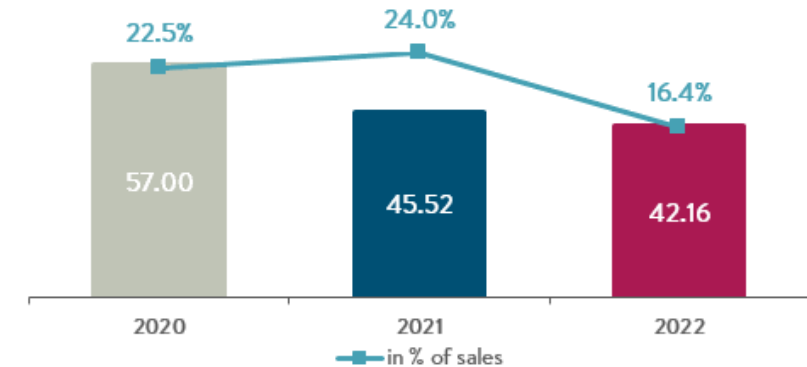
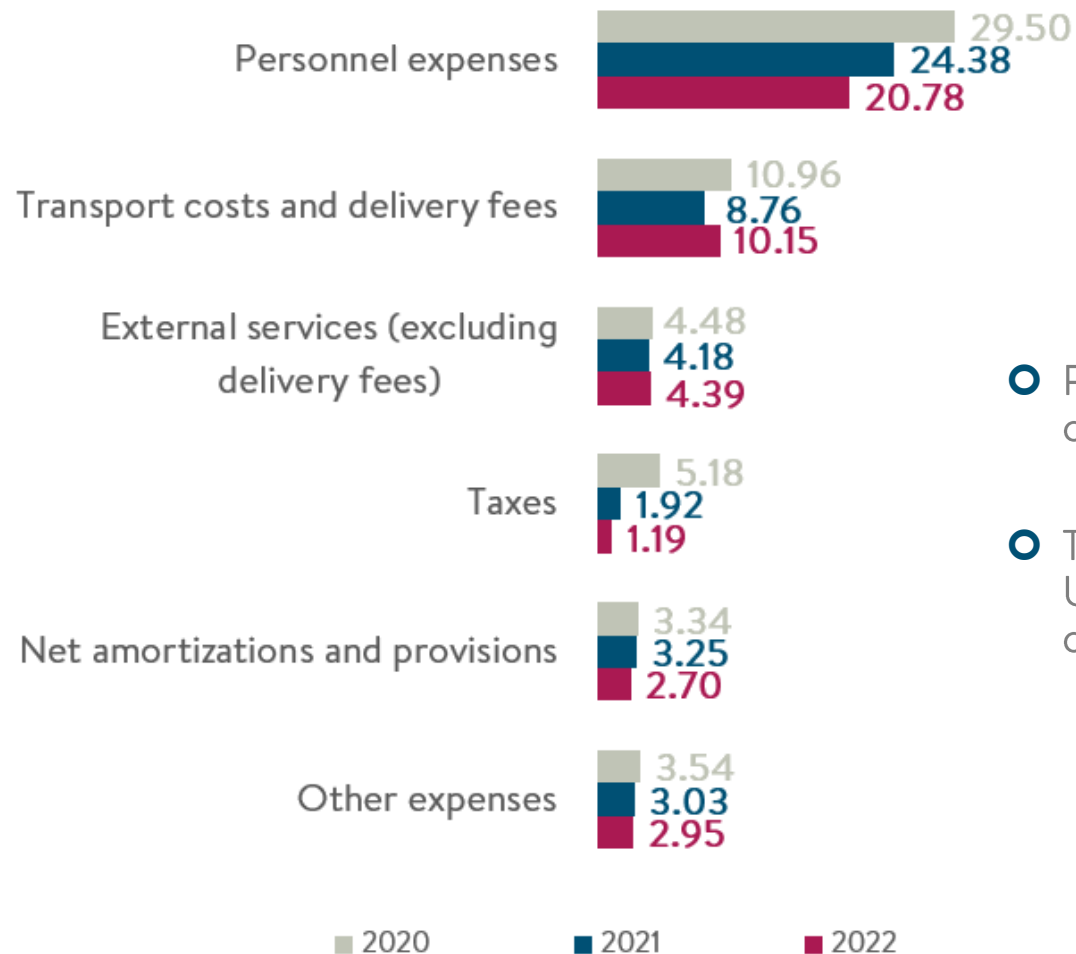
GROSS MARGIN EVOLUTION : +€38.13M

The business growth took the form of a €38,133 thousand increase in the gross margin in France, the United States and the rest of the world.

The gross margin rate decreased by 3.6 points, mainly impacted by changes in the product mix due to significant increase in COVID test sales.

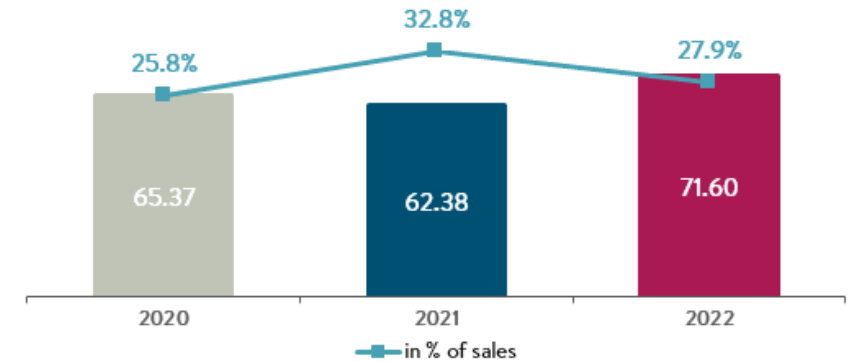
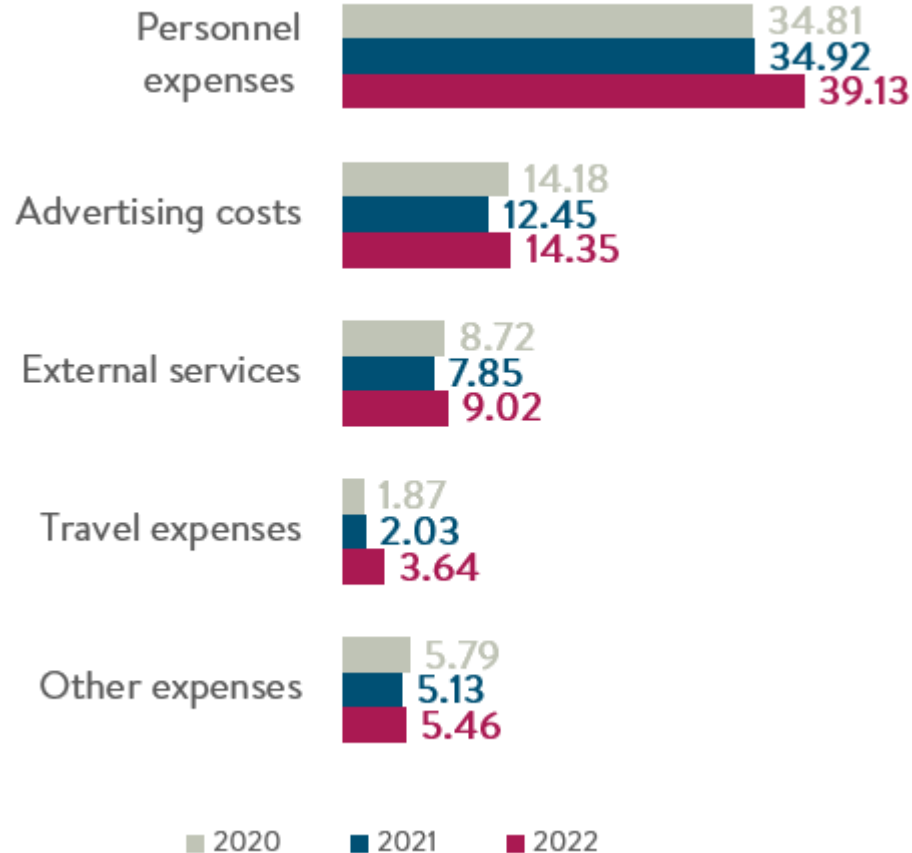


PREPARATION AND DISTRIBUTION COSTS : -€3.36M



- Personnel expenses decreased again over the half-year in line with the closure of twelve sites in 2021 between January and June.
- The increase in transport costs is mainly due to shipments made to the United States and Canada impacted by the increase in business in these countries.

PROMOTION COSTS : +€9.22M

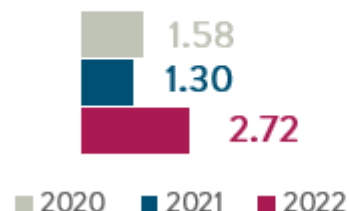


- The increase in personnel costs is due to a combined increase in the workforce and fixed and variable compensation elements.
- Advertising costs increased by €1.9M following the resumption of advertising campaigns which had been canceled the previous year given the absence of winter pathologies in the first half.
- Travel expenses increased by €1.6M following a less strict confinement which allowed a resumption of business travel and inperson seminars.

RESEARCH AND DEVELOPMENT COSTS: +€1.42M

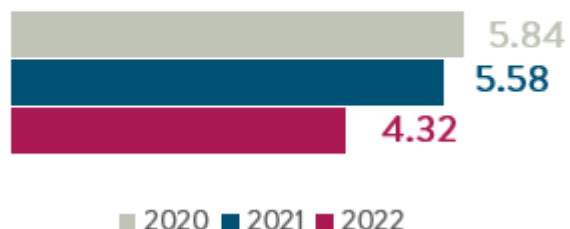
REGULATORY AFFAIRS COSTS: -€1.26M

RESEARCH AND DEVELOPMENT



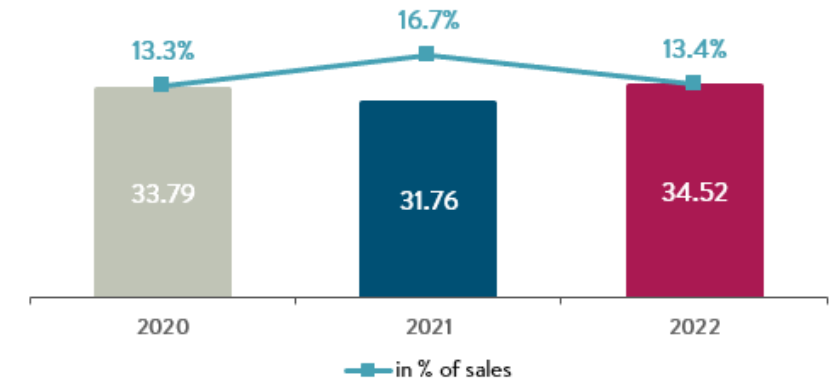
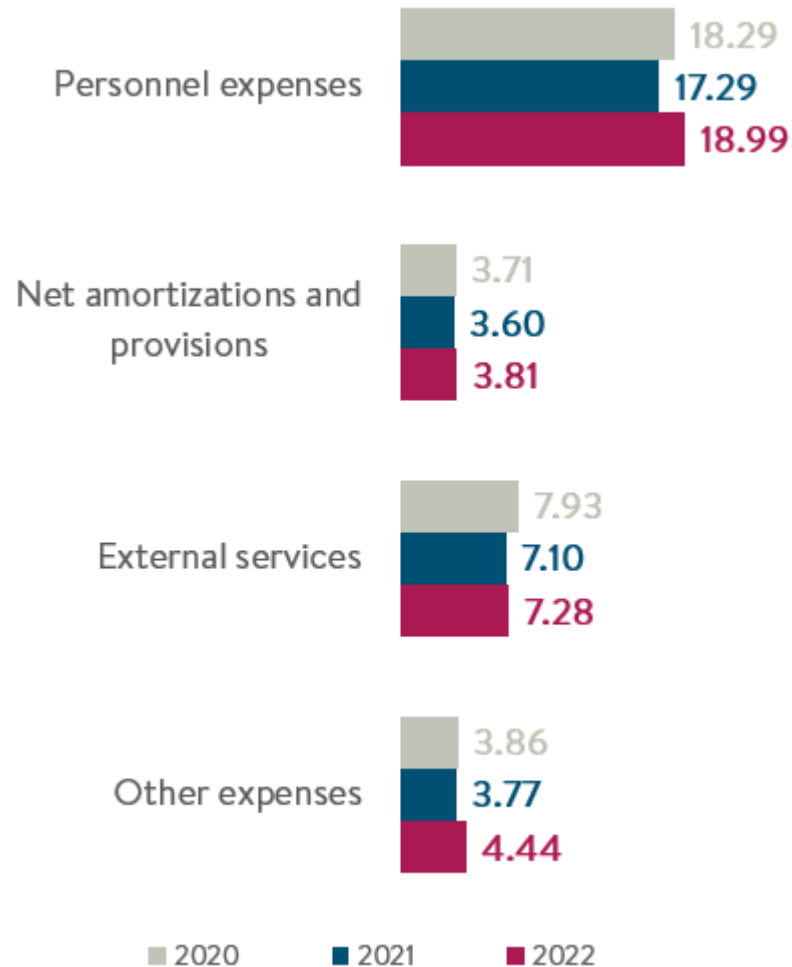
- Following an internal reorganization, 36 people from regulatory affairs joined the research and development teams. Most of the costs of this activity are now personnel costs.
- Fees paid for research projects have also increased by approximately €300 thousand.

REGULATORY AFFAIRS



- The decrease in the cost of regulatory affairs is mainly due to the transfer of 36 people to the research and development teams.

SUPPORT FUNCTION COSTS : +€2.76M



- The costs of support functions are increasing due to the increase in remuneration and travel expenses.

OTHER OPERATING REVENUE AND EXPENSES: +€1.69M

YTD data in million of euros as of June 30	2022	2021	Variation 2022 / 2021	2020
Other operating revenue and expenses	2.92	1.23	+1.69	-28.00
Reorganization in France - net costs (excluding social benefits)	0.51	-1.37	+1.88	-55.43
Reorganization in France - reversal of provisions for social benefits		0.39	-0.39	27.74
Capital-gain on the sale of sites in France	1.37	1.63	-0.27	
Foreing exchange gains and losses	0.40	-0.01	+0.41	-0.69
Other	0.64	0.59	+0.06	0.38

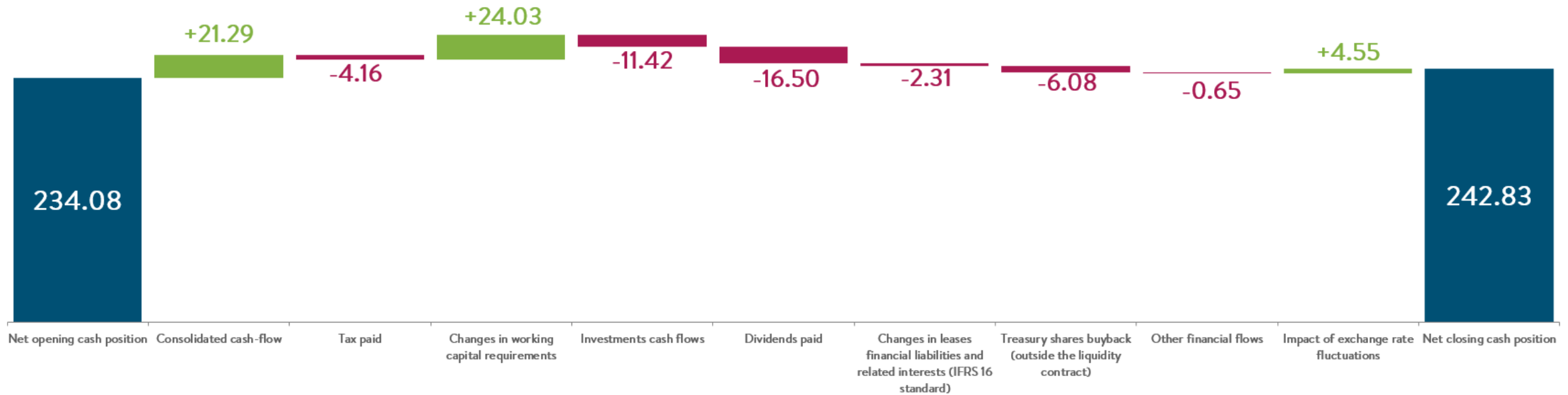
- The sale of the Limoges and Pau sites, closed in 2021, generated a capital gain of €1.4M compared to €1.6M last year for the sale of the Saint-Etienne and Brest sites.

NET INCOME: +€22.03M

YTD data in million of euros as of June 30	2022	2021	Variation 2022 / 2021	2020
Operating income	19.99	-11.04	+31.03	1.50
% of sales	7.8%	-5.8%		0.6%
Financing expenses and cash revenue	0.39	0.10	+0.29	0.56
Other financial revenue and expenses	-3.28	-0.79	-2.49	-0.61
Corporate income tax	-4.71	2.22	-6.93	-2.42
Minority interests	0.13	0.00	+0.13	-0.01
Net income - Group share	12.52	-9.51	+22.03	-0.98
% of sales	4.9%	- 5.0%		-0.4%

- The deterioration in other financial revenue and expenses is mainly due to the dividend payment was made in February by Boiron Russia, in a situation of strong depreciation of the Russian rouble.
- The tax charge represents 27.5% of income before tax.

CASH FLOWS



- The increase in cash flow reflects the increase in profitability but remains impacted by €10.7M in reorganization disbursements.
- The decrease in WCR is mainly due to the decrease in trade receivables due to the seasonal nature of the business.
- A buyback of 150,000 shares has been undertaken the share buyback program.

A STRONG BALANCE SHEET

ASSETS (in thousands of euros)	06/30/2022	12/31/2021
Non-current assets	322,914	318,336
Goodwill	98,054	89,635
Intangible fixed assets	32,407	30,993
Tangible fixed assets	158,195	162,793
Rights of use relating to leases	7,703	8,607
Investments	5,847	4,373
Other non-current assets	38	41
Deferred taxes assets	20,670	21,894
Current assets	447,719	452,364
Assets held for sale	2,047	2,384
Inventories and work in progress	95,824	85,556
Accounts receivable and other assets linked to customer accounts	79,584	97,340
Income tax receivables	2,020	2,783
Other current assets	24,161	29,797
Cash and cash equivalents	244,083	234,504
TOTAL ASSETS	770,633	770,700

A STRONG BALANCE SHEET

EQUITY & LIABILITIES (in thousands of euros)	06/30/2022	12/31/2021
Shareholders' equity (group share)	532,734	531,735
Capital	17,545	17,545
Additional paid-in-capital	79,876	79,876
Retained earnings	435,313	434,314
Minority interests	(9)	36
Total shareholders' equity	532,725	531,771
Non-current liabilities	83,709	80,691
Non-current borrowings and financial debts	15,023	2,347
Non-current rental liabilities	5,692	5,372
Employee benefits	61,545	71,557
Non-current provisions	146	143
Other non-current liabilities	1,294	1,272
Deferred taxes liabilities	9	0
Current liabilities	154,199	158,238
Current borrowings and financial debts	2,260	1,311
Current rental liabilities	2,295	3,576
Current provisions	39,113	49,884
Accounts payable	44,084	44,180
Income tax liabilities	1,787	1,328
Other current liabilities	64,660	57,959
TOTAL LIABILITIES	770,633	770,700

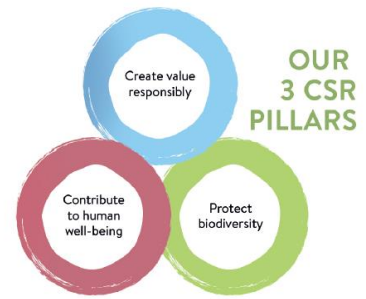


PART 3 : EXTRA-FINANCIAL STRATEGY

HIGHLIGHTS IN THE FIRST HALF

- In early January 2022, a new training platform called “Camp’Us” was launched. This e-learning platform lets Group employees complete training modules at any time, in line with their needs.
- Amid rising inflation and declining purchasing power, company agreements on general wage increases, profit-sharing, performance ratios and the financing of social innovations have been renegotiated for a three-year period. These agreements, signed unanimously by the employee representative bodies, seek to maintain balance between the company’s economic and social development.
- At the beginning of May, a health and fitness program was launched at the Messimy site (Rhône). It encourages employees to integrate physical activity and exercise into their work life, combining walks for all levels and abilities, weights and relaxation areas, while giving employees the chance to explore the natural environment surrounding the Messimy site from another perspective.
- As part of the “Homeopathy & Sport” program, a whole series of events was held in the first half of the year in the regions to promote homeopathy through exercise and health (Course des Demains, Marseillaise des femmes, Act’Rose, etc.).
- Le 28 juin 2022, les Laboratoires BOIRON ont signé un accord avec l’entreprise CVE pour équiper le site de Messimy d’ombrières de parking photovoltaïques, avec pour objectif de couvrir, dès 2024, 13% de la consommation annuelle du site en énergie verte.
- Coming soon: an environment week at the end of September to raise awareness among Group employees about BOIRON’s environmental commitments.

CREATE VALUE RESPONSIBLY



Indicators:

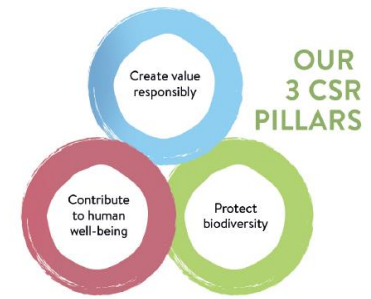
- Nearly **30,000** quality checks each year
- EcoVadis Silver Medal: inclusion in the top **25%** of companies evaluated
- **52nd** position in the ranking of the most responsible companies (Le Point / Statista - 2021)
- **83%** of the Group's employees received a profit-sharing scheme
- **€354 thousand** of sponsorship and donations



And actions :

- Dissemination of an awareness campaign on eco-gestures in companies. .
- Creation of CSR committees in subsidiaries (Italy in 2021).
- Implementation of CSR training in September for Group employees (e-learning + workshop).
- More and more corporate bodies are being made aware: audit committee, CSEC's work, directors of sites...
- Recalculation of profit-sharing, inflation premium....

CONTRIBUTE TO HUMAN WELL-BEING



Indicators:

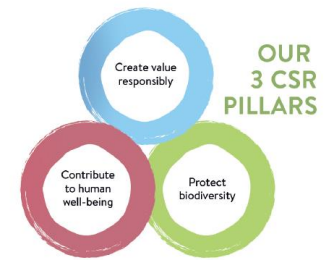
- **97%** permanent contracts
- **17** and a half years of seniority on average
- **90%** of employees trained
- **42%** of women in the extended Management Committee
- **32** innovative company agreements
- Employees associated with the company's performance: performance ratio, profit-sharing and profit-sharing
- A "friendliness" service created **40** years ago in France

And actions :

- Breakfasts with Valérie Lorentz-Poinsot.
- The health and fitness program.
- Signing of a telework agreement.
- New training platform called « Camp'us ».
- Events proposed to employees at lunchtime:
 - Initiation to sophrology, Pilate.
 - Warm-up sessions
 - Initiation to eyes yoga...
- Intranet section « #Prendre soin de nous ».
- Delivery of vegetable baskets every Thursday.



PRESERVING BIODIVERSITY



Indicators:

- **90%** of BOIRON parent company suppliers are located in France
- **85%** of the waste is recycled or energetically recovered
- **70%** of the plant strains come from Europe, mainly from France
- A **100%** hybrid car fleet
- **2** LCAs (Life Cycle Assessments) carried out and **72%** of specialites display the triman logo
- No drug release into water

And actions :

- Eco-pasturing.
- The beehives.
- Nesting boxes– Event « Avifaune ».
- Donation of short-term products to associations
- Donation of equipment to schools, nurseries, municipal swimming pools, ...
- Installation of parking shades.



OURS GOALS

From September
26 to 30, 2022



RAISE AWARENESS WITH
AN ENVIRONMENT WEEK

2nd half
2022



CARRYING OUT THE
SCOPE 3 CARBON
FOOTPRINT

ongoing



CONTINUE PROGRESS
IN TERMS OF
SUSTAINABLE MOBILITY



PART 4 : OUTLOOK

2022 OUTLOOK

- Amid high inflation and pressure on certain energy and raw material supplies, we are doing everything we can to ensure our medicines and entire product range remain available.
- We are also keeping a close eye on how the global health crisis evolves, and continue to take appropriate measures where necessary.
- For the full year, we expect to see an increase in revenues in all of the Group's regions versus 2021, as well as a significant increase in profitability.



QUESTIONS/ANSWERS