

GLOSSARY

AGREEMENT ON PREPARATION FOR RETIREMENT (APR)

Company agreement which provides for all BOIRON France staff, a paid number of days to be taken prior to retirement, to prepare for retirement, on the basis of their seniority.

OTHER OPERATING REVENUE AND EXPENSES

This includes unusual items which are non-recurring and material, exchange gains and losses on operating transactions, the income on derivative instruments on trade transactions as well as the research tax credit and the tax credit competitiveness employment.

OTHER HEALTHCARE SOLUTIONS

These solutions are developed to treat or prevent a medical issue or maintain users' health. They generally have a therapeutic indication or allegation, as well as dosage instructions for over-the-counter use. They include medical devices (in vitro diagnostics, in particular), food supplements, cosmetics and phytotherapy.

INCOME STATEMENT BY FUNCTION

Presentation used by the Group for the consolidated income statement. Expenses are reported by function (industrial production, preparation and distribution, marketing, research, regulatory affairs, support function, other operating revenue and expenses...).

INDUSTRIAL PRODUCTION COSTS

All expenses recorded against production performed by our production sites including production, production management, quality assurance and control.

PREPARATION AND DISTRIBUTION COSTS

All expenses attributed to the distribution of products and to the preparation activity in distribution branches.

PROMOTION COSTS

All expenses attributed to product promotion (marketing, advertising and sales promotion in particular).

RESEARCH COSTS

Expenses related to research on OTC specialties and non-proprietary homeopathic medicines.

REGULATORY AFFAIRS COSTS

All expenses attributed to the regulatory affairs function, in particular, personnel expenses, fees, registration taxes and expenses.

SUPPORT FUNCTION COSTS

The costs of management and support functions not directly attributed to production or any other specific functions such as sales or R&D. Support function costs may include costs related to general management, financial, legal, IT and human resource departments.

EMPLOYEE BENEFITS

Employee benefits are provided to employees pursuant to laws applicable in the countries where the companies that employ them are located, or to agreements signed with local authorities or stakeholders. In France, BOIRON Group employee benefits include the agreement on preparation for retirement, retirement indemnities and the bonuses granted.

HOMEOPATHIC REGISTRATION (HR) AND MARKETING AUTHORIZATION (MA)

In 1992, a European Directive established the regulatory framework for the market for industrially produced homeopathic medicines:

- Homeopathic Registration (HR) sets out the rules for homeopathic medicines that meet the following criteria: the absence of any therapeutic indication, a controlled level of dilution, oral or external administration,
- Marketing Authorization (MA) concerns homeopathic specialties that claim a traditional homeopathic self-medication therapeutic indication or that cannot fulfill the three criteria provided above for Registration.

CHANGE AT CURRENT EXCHANGE RATES / CHANGE AT CONSTANT EXCHANGE RATES

"Change at current exchange rates" provides the change, in euros, of a financial indicator between two periods, which results following each period's respective exchange rate being used for the conversion of that indicator. This change therefore also takes into account the impact of changes in exchange rates on that indicator.

"Change at constant exchange rates" is estimated by the Group (especially for sales) by using the same exchange rate for the current year as for the period under comparison. This enables the elimination of any impact related to changes in exchange rates.

RETIREMENT BENEFITS

Compensation paid to an employee when they retire, governed in France by the pharmaceutical industry collective agreement.

SENIORITY AWARDS

Bonus paid to an employee at an anniversary date, aimed at rewarding their professional seniority.

NON-PROPRIETARY HOMEOPATHIC MEDICINES

They generally take the form of tubes of granules or doses of globules.

Usually there is no therapeutic indication or dosage stated on the packaging because it is the healthcare professional who determines the indication and dosage for the medicine depending on the individual patient.

OPERATING INCOME

Performance indicator used by the Group. This corresponds to income of the consolidated Group prior to taking into account:

- the cost of net long-term debt,
- other financial revenue and expenses,
- the group's share of the net income or loss of companies accounted for under the equity method,
- income from activities held for sale,
- taxes.

It includes the result of Group activities and other operating revenue and expenses.

HOMEOPATHIC SPECIALTIES

These are developed to treat or prevent a medical issue or maintain users' health. They generally have a therapeutic indication or allegation, as well as dosage instructions for over-the-counter use.

Their composition (a combination of multiple solutions, in most cases), has been developed to treat a specific problem: colds, coughs, hot flashes, etc. By referring to the leaflet or packaging, the patient can determine the cases in which they should take the medicine.

These medicines take the form of tubes, doses tablets, gels, ointments, syrups, eye drops, etc. They rather a brand name.