

H1 2018 Net Profit: +13.3 %

(€m)	H1 2018	H1 2017*	Change
Revenue	72.15	63.27	+14.0%
Operating Profit	17.37	16.29	+6.6%
Net Profit	12.15	10.72	+13.3%
Net profit attributable to equity holders of the Parent	11.41	10.23	+11.5%
Basic Earnings per Share (in €)	0.76	0.68	+11.6%

* *pro forma IFRS 15*

On 21 September 2018, PHARMAGEST INTERACTIVE's Board of Directors, chaired by Thierry CHAPUSOT, reviewed and adopted the financial statements for the six-month period ended 30 June 2018. These interim consolidated financial statements were subject to a limited review by the Statutory Auditors.

➤ **Earnings growth at 30 June 2018**

Pharmagest Group delivered excellent performances in the 2018 first half. All four Divisions contributed to the Group's overall development. In particular, earnings were significantly strengthened by recently integrated companies, confirming the relevance of these acquisitions based on the "Patient-Centred" approach the Group has been pursuing for more than five years.

Pharmagest Group's revenue grew 14% to €72.15 million from H1 2017.

The Group's Operating Profit rose 6.6% to €17.37 million at 30 June 2018.

Operating Profit for the Pharmacy - Europe Solutions Division amounted to €12.19 million (+2.71%). This moderate first half growth is attributable to one-off acquisition-related expenses.

Operating Profit for the Health and Social Care Facilities Solutions Division was €3.55 million, up 27.3%.

The e-Health Solutions and Fintech Divisions had Operating Profit of €1.62 million, remaining flat in relation to 2017 and linked to the launch of new products (Noviacare, CareLib and Medication Adherence solutions) to be rolled out in the 2019 first quarter.

Net Profit on that basis amounted to €12.15 million (+13.3%) and Net Profit Attributable to Equity Holders of the Parent **to €11.41 million (+11.5%).**

At 30 June 2018, **Basic Earnings per Share amounted to €0.76,** up from €0.68 one year earlier.

➤ **Like-for-like (excluding acquisitions: CAREMEDS, MULTIMEDS, AXIGATE and PHARMAGEST ITALIA)**

Like-for-like, the Group recorded revenue of €67.03 million, up 6%, and Operating Profit of €16.38 million, with a marginal gain of 0.7%. This moderate growth reflects non-reoccurring expenses and the recruitment of sales staff that are expected to contribute in the 2018 second half.

➤ **Consolidated balance sheet highlights**

At 30 June 2018, Pharmagest Group's net cash position had increased to €95.78 million, compared to €69.63 million at 30 June 2017.

Equity attributable to the Parent at 30 June 2018 amounted to €98 million.

➤ **H1 2018 operating highlights**

- **The Pharmacy - Europe Solutions Division** delivered excellent performances in H1 2018 (revenue: €56.26 million). Equipment sales to pharmacies by the Pharmacy France Business Line have continued to gain momentum (driven by the success of new products and reinforced commercial efforts). The Pharmacy Belgium-Luxembourg Business Line has also shown sustained growth driven by the continued rollout of its SABCO Ultimate[®] solution to pharmacies and parapharmacies of the MULTIPHARMA and COOP networks. Finally, with the integration of PHARMAGEST ITALIA on 01/04/2018, the Pharmacy Italy Business Line has made a significant contribution (+€2.3 million in revenue);
- **The Health and Social Care Facilities Solutions Division** was significantly bolstered by the integration of AXIGATE, a French Hospital Information Systems leader. This Division continues to offer good visibility for growth in recurrent revenue, up 22.5% in H1 2018;
- All the **e-Health Solutions Division's** businesses (Digital Communications to Pharmacies, Remote Monitoring, Medication Observance, Vulnerable Persons) have contributed to the Division's overall growth with revenue at 30 June 2018 of €6.15 million (+16.94%). First-half operating highlights included the reorganisation of the commercial team and preparations for the launch of innovative solutions for vulnerable persons and remote monitoring;
- **The Fintech Division** registered excellent performances in the first half. At the end of H1 2018, this Division registered structural growth of nearly 40% in business volume.

➤ **Significant subsequent events**

- Conclusion of a partnership with the Korian Group to co-create an innovative multi-service offering care and support for vulnerable persons both at home and in assisted living facilities for the elderly (EHPAD). Partnerships of this type offer significant growth prospects for Pharmagest Group based on its offering of innovative technologies for providers of senior housing, highlighting its strategy to support quality of life in aging for customers and, more generally, the innovative telecare and multi-services sector for seniors.
- eNephro, the home telemonitoring solution for chronic kidney disease patients developed since 2013 by its subsidiary DIATELIC, has qualified for the French ETAPES programme (experimental telemedicine solutions for improving health care pathways) and will be eligible for reimbursement by the French health insurance for its monitoring modules for patients in certain dialysis units (UAD / autonomous dialysis units), (UDM - medical supervised dialysis) and for post-transplantation monitoring. In

conjunction with this development, the Group has announced a partnership with the Nancy Regional and University Hospital (CHRU) focusing on this innovative technological solution.

➤ **H2 2018 outlook**

Confident in the outlook for sustained business growth, Pharmagest Group is expecting an improvement in operating profit in light of the non-recurring nature of expenses incurred in the first half, contributions expected from marketing and commercial investments in H1 and the growing percentage of sales from international operations.

Based on the deployment of its currently unique "patient-centred" platform and dedicated global ecosystem offering, Pharmagest Group confirms its position as a key contributor to the transformation of the healthcare market.

Henceforth, the Group has chosen to open up this platform and develop a genuine portfolio of collaborative partnerships, along the lines of the agreements recently concluded with the Korian group and the Nancy Regional and University Hospital. By pursuing this path, Pharmagest Group's goal is to build market share in Europe and ensure profitable sales and returns on investments.

Financial calendar:

- Participation in the "Quality of Life in Aging" event organised by the Society of French Financial Analysts (SFAF): 6 November 2018.
- Publication of Q3 2018 revenue: 14 November 2018.
- Publication of FY 2018 annual revenue: 14 February 2019.

About PHARMAGEST Group:

Pharmagest Group is the French pharmacy information technology leader, with a market share of more than 42% and more than 1,000 employees. The Group's strategy is based on a core business of improving healthcare through information technology innovation and developing two priority areas: 1/ Services and technologies for healthcare professionals, with a focus on assisting pharmacies in patient medication compliance; and 2/ technologies for improving the efficacy of healthcare systems.

To roll out this strategy, Pharmagest Group has developed specialised businesses, including pharmacy IT, e-Health solutions, solutions for healthcare professionals, solutions for pharmaceutical laboratories, connected health devices and apps, and a sales financing marketplace.

These businesses are grouped within four divisions: Solutions for Pharmacy Division – Europe; Solutions for Health and Social Care Facilities; Solutions for e-Health; and FinTech.

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