

PRESS RELEASE

- **Stable Q3 2019 sales: €35.28 million**
- **Growth in nine-month sales: + 4.25 %**
- **Growth and profitability outlook confirmed for 2019**

€m - IFRS 15	2019	2018	Change
Q1	38.15	34.59	+ 10.29 %
Q2	38.73	37.56	+ 3.10 %
Q3 (unaudited)	35.28	35.43	- 0.43 %
9 month YTD	112.16	107.58	+ 4.25 %

- Pharmagest Group's reported steady revenue in Q3 2019 at €35.28 million compared to €35.43 million in Q3 2018 and €35.08 million pro forma (excluding the disposals of CPI and INTECUM) or +0.57%.
- For the first nine months, revenue reached €112.16 million, up 4.25% from the same period in 2018.

Like-for-like (i.e. excluding the acquisition of Macrosoft Group in Italy and the sale of businesses of the CPI subsidiaries - SME software reseller - and INTECUM - designing, developing and installing automated warehouses for pharmacies, nine-month revenue grew 3.04% in relation to the first nine months of 2018.

- All businesses of the e-Health Solutions Division registered gains, bolstering its role as a growth driver for Pharmagest Group.

Operating highlights at 30 September 2019

- Stable sales in Q3 2019 of the **Pharmacy - Europe Solutions Division** (-0.62% / Q3 2018 and +0.68% proforma excluding the disposals of CPI and INTECUM) is explained by an unfavourable cycle effect on configuration renewals in Q3. This was however offset by positive momentum from new offerings of the Pharmacy France Business Unit (notably OFFITAG, OFFITELECONSULT) and the SOPHIA software suite (the Italian equivalent of LGPI Global Services®). For the first nine months of 2019, sales of this Division grew 3.16% in relation to last year to €86.17 million. This Division accounts for 76.83% of Group revenue.
- Q3 2019 and YTD nine-month sales of the **Health and Social Care Facilities Solutions Division** registered declines of respectively 21% (-€1.1 million) and 5.76% (-€0.8 million), reflecting principally the base effect from the sale of GHT licenses in 2018. Excluding the Hospital BU (AXIGATE), the ALFs (MALTA INFORMATIQUE) and Home-Based Nursing Services (DICSIT INFORMATIQUE) sales grew 5.95% to €3.35 million in Q3 2019 and 15.5% year-to-date for the first nine months to €10.75 million. This Division accounts for 11.72% of Group revenue.
- **The e-Health Solutions Divisions'** continued to show excellent performances with growth in sales in Q3 2019 of 39.14% to €3.83 million and 32.31% for the first nine months to €11.68 million. In particular, for the first nine months of 2019, the e-Laboratories and e-Connect Business Units registered very strong growth in sales of 26.23% and 26.49% compared to the same period in 2018. This Division, a key growth driver of the Group, now represents 10.42% of total revenue (up from 8.21% at 30.09.2018).
- After getting off to a difficult start for the year, **the Fintech Division** registered renewed growth in Q3 2019 of 2.51% with sales of €0.38 million. With this performance signalling the reversal of the trend of the first half, this Division registered sales for the nine-month period ending 30 September 2019 of €1.15 million, down 9.20% from one year earlier. This Division accounted for 1.02% of Group revenue.

Significant events since 30 September

- **On 4 October 2019, Pharmagest Group and the Marseille Public University Hospital (AP-HM) announced the launch of the first healthcare gateway between private practice and the hospital.** Dismantling silos existing within the hospital, this gateway facilitates the flow of healthcare information between hospitals, healthcare establishments and healthcare professionals. In so doing, it provides a gateway between 4 hospital facilities of the Marseille AP-HM (France's 3rd largest teaching hospital) and 3,794 doctors, 757 pharmacies, 211 ALFs, 26 home-based nursing programmes and 7 Hospital-at-Home programmes of the Bouches-du-Rhône department. This represents a major innovation for achieving the goal of improving quality across the entire care pathway from the patient's home to residential health and social care facilities, providing guarantees in terms of reliability and security. Launched in the Provence-Alpes-Côte d'Azur region, this digital platform is destined to be deployed on a larger scale across the entire territory and will be integrated within the SMR (Shared Medical Record) of the French national health insurance fund (*Caisse Nationale de l'Assurance Maladie*).

- **Pharmagest Group, through its subsidiary MALTA INFORMATIQUE, acquired a majority stake (70%) in ICT Group.** The leader in its market, through its flagship product *ICT Chorus*, ICT Group equips health centres grouping multi-professional teams and private practitioners. This acquisition has enabled MALTA INFORMATIQUE to expand into a new specialty which is highly complementary with its current activities. By combining their forces, PHARMAGEST, MALTA INFORMATIQUE and ICT Group become the only player able to propose a comprehensive offering to all health professionals whether private practitioners, professionals grouped within structures or hospitals...
- **PHARMAGEST ITALIA, a new market entrant, has completed its acquisition of a majority stake (80%) in SVEMU,** an independent software vendor known for its innovative pharmacy management solutions. Through this acquisition, PHARMAGEST ITALIA will rapidly bolster its regional coverage while completing the technological and technical building blocks that were missing from PHARMAGEST ITALIA's Sophia software suite (the Italian equivalent of LGPI Global Services®).
- **Pharmagest Group was recently included in the Gaïa Index and won the top prize for its ESG (Environment, Social and Governance) performance underpinning its strategy.** Pharmagest Group fully understands that people are its most important asset in building a global "patient-centred" ecosystem capable of addressing the healthcare challenges. For that reason, as a "*Corporate Citizen in the Service of Health and Well-Being*", Pharmagest Group is supported by a corporate culture in which every employee plays a decisive role in improving health. This commitment is exemplified by its ambitious CSR approach that was recently recognized by an ETHIFINANCE award.

Outlook

Pharmagest Group anticipates a significant increase in its revenue over Q4 2019, and confirms a high level of growth and annual profitability.

Despite this, the Group will remain on the lookout for new external growth opportunities to strengthen its market positions in Europe.

Financial calendar

- Publication of FY 2019 annual sales: 6 February 2020 (after the close of trading).

About PHARMAGEST Group:

Pharmagest Group is the French pharmacy information technology leader, with a market share of more than 44% 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 the area of patient medication compliance; and 2/ technologies for improving the efficacy of healthcare systems.

This strategy is executed through specialised business lines developed by Pharmagest Group: : pharmacy IT, e-Health solutions, solutions for health and social care facilities (for ALFs, Home-Based Nursing Services, Hospital-at-Home programmes, senior care service centres, multi-professional and paramedical healthcare providers and hospitals), apps and connected health devices,...

These businesses are divided into four Divisions: Pharmacy - Europe Solutions, Health and Social Care Facilities Solutions, e-Health Solutions and FinTech.

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Indices: CAC® SMALL and CAC® All-Tradable par inclusion
The Group is included in the Gaïa-Index 2019 comprised of socially responsible mid caps.
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CONTACTS

Analyst and Investor Relations:

Chief Administrative and Financial Officer: Jean-Yves SAMSON

Tel. +33 (0)3 83 15 90 67 - jean-yves.samson@lacooperativewelcoop.com

Media Relations:

FIN'EXTENSO - Isabelle APRILE

Tel. +33 (0)1 39 97 61 22 - i.aprile@finextenso.fr