

Pharmagest Group – 2020 third-quarter revenue: up 25.70% to €44.34m

- **Strong recovery in business since June:**
 - **Like-for-like (excluding recent acquisitions), Q3 2020 revenue grew 11.65% to €39.39m.**
- **9 months revenue: €122.27 million (+9.02%). Like-for-like, €114 million (+1.98%).**
- **Significant contributions from the latest acquisitions (MALTA BELGIUM, ICT, SVEMU, I-MEDS, PANDALAB, ASCA INFORMATIQUE) in Q3 2020:**
 - **Positive impact of 14.05% with €4.95 million, including €3.10 million for ASCA INFORMATIQUE (integrated on 1 July 2020).**
- **2020 outlook: Group targets for annual growth and profitability maintained.**

€m - IFRS 15	2020	2019	Change
Q1	39.00	38.15	+ 2.23 %
Q2	38.93	38.73	+ 0.52 %
Q3 (unaudited)	44.34	35.28	+ 25.70 %
9 month YTD	122.27	112.16	+ 9.02 %

For the 2020 third quarter, Pharmagest Group reported strong growth in unaudited consolidated revenue of 25.70% from Q3 2019 to €44.34 million. Like-for-like (excluding acquisitions: MALTA BELGIUM, ICT, SVEMU, I-MEDS, PANDALAB, ASCA INFORMATIQUE), revenue grew 11.65% to €39.39 million.

For the first nine months, revenue was up 9.02% in relation to the same period in 2019 to €122.27 million. Like-for-like, revenue grew 1.98% to €114 million.

The strength of its business recovery plan and the high level of mobilisation on the part support and sales teams enabled the Group to meet the rebound in demand since June and maintain the sustained pace of pharmacy installations (postponed during the confinement of March). With several offerings particularly adapted to the specific challenges linked to the crisis (PACK COMMUNICANT, OFFITELECONSULT, PHARMAPROTECT...), the Group registered a strong order intake in Q3 for these solutions.

Operating highlights by Division at 30 September 2020

- Revenue of the **Pharmacy - Europe Solutions Division** grew 23.88% (€33.49 million) in Q3 2020 and 4.67% (€90.20 million) at 30 September 2020.

As expected, the Pharmacy France Business Unit benefited from the rescheduling in Q3 of RentPharm deliveries initially planned for Q2 (finance leases) plus the positive impact from the acquisition of ASCA INFORMATIQUE that was integrated on 1 July.

The Pharmacy Italy Business Unit continued to develop its business by focusing on wholesalers-distributors while consolidating its business with pharmacies through the integration of SVEMU: +7.11% in the first nine months of 2020.

Confronted with a major crisis caused by the epidemic, the situation in Belgium remains particularly complicated with the Pharmacy Belux Business Unit's revenue down 23.61% in the first nine months of 2020.

This Division accounts for 73.77% of Group revenue.

- The **Solutions for Health and Social Care Facilities Division** registered particularly strong growth: +62.86% (€6.56 million) in Q3 2020 and +44.92% (€19.06 million) for the first nine months.

Acquisitions of the last 12 months (MALTA BELGIUM, ICT, PANDALAB) contributed significantly to growth in revenue: +40.35% in Q3 2020. Like-for-like, revenue also registered robust gains with organic growth of 22.50%, driven by innovative solutions specifically developed by the Division's different markets.

This Division contributed 15.58% to Group revenue, confirming the potential of its activities as Group growth drivers.

- The **e-Health Solutions Division's** revenue remained stable in Q3 at €3.81 million (-0.50%) and gaining marginally (+1.51%) over the first nine months to reach €11.86 million at 30 September 2020.

This Division was adversely affected notably by the tepid recovery in business both by the Digital Range for pharmaceutical companies and the e-Connect Business Unit (unsold inventories of Distributors during the lockdown period).

This Division accounts for 9.70% of Group revenue.

- Revenue of the **Fintech Division** grew 24.92% to €0.47 million. For the first nine months, the Division's revenue held its ground (+0.65%) at €1.16 million, recovering from the decrease in H1 2020

This Division accounts for 0.95% of Group revenue.

Significant events after 30 September 2020

- **Deployment of e-Health in the French Grand Est Region**

Driven by the development of the Digital Healthcare Platform, Pharmagest Group announced the implementation of a new experiment, the "Interoperability Hub" in the Grand-Est Region in partnership with the PULSY public interest group (GIP) and the Nancy Regional and University Hospital (CHRU).

The technological solutions developed through this programme are destined to facilitate the flow of information among the different business line information systems of healthcare professionals in the private practice sector, healthcare establishments and regional coordinators in advance of its regional deployment.

This initiative strengthens Pharmagest Group's position as an innovative industrial stakeholder in the service of health, capable of structuring and delivering technological solutions that are essential for the healthcare offering and its coordination across the office-based private practice and hospital pathways, as described in the French government healthcare plan ("*Ma santé 2022*").

- **Pharmagest Group actively contributes to the initiative of its parent company La Coopérative WELCOOP to distribute masks at cost ("*Masques à Prix Coûtant*").**

The 4th of October marked the end of the initiative to distribute masks and personal protection equipment for healthcare professionals by Santé Publique France, the French National Public Health Agency.

To support and aid healthcare professionals during this transition, La Coopérative WELCOOP, Pharmagest Group's parent company, implemented an initiative of unprecedented scale for distributing several million IIR EN 14683:2019 type 3-ply surgical masks at cost to French pharmacies destined for all health care professionals within France.

This initiative, in which the pharmacist was given the central role, was supported by all La Coopérative WELCOOP's subsidiaries that by joining forces were able to purchase millions of masks to be sold in pharmacies at cost.

The success of this initiative was managed and ensured by Pharmagest Group's subsidiary, PANDALAB, specialised in secure and instant messaging solutions for healthcare professionals.

2020 outlook

After the very robust recovery in commercial activity in June, continuing growth momentum has set the stage for a strong rebound in revenue in the 2020 second half. In the current context, the Group is expecting to maintain the pace of growth reached at the end of September.

The Group furthermore intends to accelerate the deployment of new solutions to support all activities of the healthcare universe: pharmacies, senior homes, home-based nursing services, hospital-at-home programmes and also office-based private practitioners.

Finally, with a solid gross cash position, the Group is particularly well-positioned to pursue market opportunities that may arise in order to meet the challenges of tomorrow.

Based on its experience from the first lockdown period and in line with the Government's goal of maintaining the level of the country's economic activity, Pharmagest Group is expecting a limited impact from this new lockdown period. Based on the conditions of this second lockdown, the Group is not expecting any delays or postponements in orders.

Pharmagest Group thus remains confident that it will meet its annual targets for both revenue and earnings.

Financial calendar:

- Publication of FY 2020 annual sales: 4 February 2021 (after the close of trading).

About Pharmagest Group:

With more than 1,100 employees and “Citizens in the Service of Health and Well-Being”, Pharmagest Group is the leading provider of IT solutions for the healthcare sector in Europe through innovative solutions and services for healthcare professionals guaranteeing the efficiency of the healthcare system and improving the patient care pathway.

As a key contributor to the quality of healthcare and coordination between office-based private practice and hospitals, Pharmagest Group is present in France, Italy, Belgium, Luxembourg and the United Kingdom where it is developing the leading healthcare platform and a single ecosystem for France and Europe bringing the best of technology to the service of people.



Listed on Euronext Paris™ - Compartment B

Indices: CAC® SMALL and CAC® All-Tradable par inclusion

Eligible for the Long-Only Deferred Settlement Service (SRD)

ISIN: FR 0012882389 – Reuters: PHA.PA – Bloomberg: - PMGI FP



PHARMAGEST shares are eligible for French tax-advantaged PEA-PME equity savings accounts

The Group is included in the **Gaïa-Index 2019** comprised of socially responsible mid-caps and was recently included in the “**European Rising Tech**” label recognising the top-performing SMEs listed on the Euronext markets of Amsterdam, Brussels, Lisbon and Paris.

For all the latest news go to www.pharmagest.com

Follow Pharmagest on Twitter: [@Pharmagest](https://twitter.com/Pharmagest), [LinkedIn](https://www.linkedin.com/company/pharmagest) and [Facebook](https://www.facebook.com/Pharmagest)

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