



2019 ANNUAL REPORT

PHARMAGEST

Technology for a more human experience

# Contents

---

- 03 Management statements
- 06 Corporate Governance
- 09 Sustainable growth
- 11 Pharmagest Group's strategy and Business Units
- 22 Corporate social responsibility
- 23 The Digital Healthcare Gateway
- 26 Shareholders and stock market
- 28 Financial highlights
- 30 International dimension



Dear shareholders,



Taking advantage of the 2019 Annual Report's publication, I wish to pay tribute to the incredible spirit of self-sacrifice demonstrated in recent months by the health professionals providing care in home settings, medical practices, nursing homes and, of course, hospitals. Present on all fronts and in all regions, they contribute to maintaining and improving the health and well-being of the population and ensuring the necessary coordination. We have all observed, whether or not we are from the healthcare sector, the vital importance of the link between private practice professionals and hospitals and also, paradoxically, its fragile nature. The barriers existing between these two essential pillars of the healthcare system are no longer sustainable and are incompatible with the very notion of a coherent care pathway. And during a major health crisis, the effects of such barriers can be dramatic.

The growing awareness of the French and European populations about public health challenges (with greater attention being paid to issues relating to health care safety, the emergence of major health challenges such as COVID-19, population ageing and the development of social insecurity) is leading to the development of new healthcare needs, both in private practice and hospital environments.

Pharmagest Group, with La Coopérative WELCOOP, is actively working to address these new needs and facilitate dialogue and coordination between healthcare providers operating in the private practice and hospital sectors so that continuing improvements in the quality of the patient care pathway becomes a reality.

## « Health data hosting services in France and informed patient consent »

Through the Digital Healthcare Gateway, we have implemented a system to ensure the equitable sharing of data as a way to reduce healthcare risks and improve the coordination of care. The scope of the ecosystems we are currently building within this platform will facilitate the smooth flow of information and time savings for the different healthcare providers in private practice and hospital environments alike. Pharmagest Group's ecosystem is designed **to ensure that the right information is shared at the right time with the right caregiver.**

Pharmagest Group is a certified hosting services provider for health data. As a French group with a European dimension, it thus has its own data centre in France and is subject to the European and French General Data Protection Regulation (GDPR) and European regulation governing health data.



Along with strict compliance with European regulation, is the additional priority of medical confidentiality. For us, this concept is the cornerstone and a guiding principle of our mission.

The information systems we develop produce and manage healthcare data. This data can be accessed only by healthcare professionals involved in the patient care pathway. This is done through a two-step authentication process using the patient's insurance card (carte Vitale) combined with their professional ID number to which is added the requirement of obtaining the patient's authorization.

Patient data can thus be shared through this platform by those healthcare professionals involved in his or her care pathway only if the patient has given his or her informed consent.

Obtaining this consent is made possible through our software which is installed on the computer equipment of more than 50,000 healthcare professionals and by more than 40% of French pharmacies.

**This is our strength. This is our guarantee for protecting the confidentiality of patient data.**

An illustration of our independence, a genuine bulwark against the risk of abandoning the control of health data of French citizens to non-European entities. This possibility, were it to become a reality, represents a serious threat for the future of our public healthcare system in France and Europe.

A handwritten signature in teal ink, appearing to read 'Thierry Chapusot', written over a horizontal line.

**Thierry CHAPUSOT**  
Chair of the Board of Directors

Ladies and Gentlemen,



In the current environment, I wish to pay a special tribute to all healthcare professionals serving on the frontline, caring for the population every day in France of course but also throughout Europe. During the lockdown period, they and their teams took significant risks to assure their public health mission.

I also have a special thought for the pharmacists. As a primary point of contact for the public within the healthcare ecosystem, they have played a vital part in the crisis management response to the COVID-19 epidemic.

In the name of Pharmagest Group, I would like to thank all the professionals for their self-sacrifice during this unprecedented crisis. Together, the Welcoop and Pharmagest Groups are continuing to develop their efforts on a day-to-day basis to provide them with the best solutions possible for the organisation of their activities.

Despite the significant impact of this exceptional epidemic on 2020, we are nevertheless proud to confirm that our 2019 targets for growth were met with an increase in revenue of 6.79% to €158.57 million. Operating Profit amounted to €40.85 million, up 5.05% from 2018. Net Profit rose 12.29% to €30.36 million, up from €27.04 million in 2018. Basic earnings per share increased 11.26% to €1.89 (€1.70 in 2018).

« I also have a special thought for the pharmacists. **As a primary point of contact for the public within the healthcare ecosystem**, they have played a vital part in the crisis management response to the COVID-19 epidemic »

Our balance sheet remains particularly strong with a gross cash position of €97.66 million, up 3.40% and consolidated shareholders' equity of €131.91 million at 31 December 2019, up from €117.05 million one year earlier.

Our investment strategy was sustained in 2019 with four acquisitions, including two majority stakes, EMBLEEMA, PHARMATHEK, ICT Group and SVEMU.

Despite the current health crisis, we are continuing to pursue this strategy of external growth in 2020. After acquiring CARE SOLUTIONS and the creation of MALTA BELGIUM announced at the start of the year, through its subsidiary MALTA INFORMATIQUE, Pharmagest Group just completed its acquisition of 57% majority stake in the start-up, PANDALAB.

The world is currently going through major health and economic crises. In our different business sectors, all health professionals serving the public through both private practices and hospitals and all healthcare companies have been subject to enormous pressure. In France, this precipitated an urgent reorganization of the healthcare offering involving the entire healthcare ecosystem within a climate of uncertainty.

During this period of turmoil, our Group's significant strengths should limit the health crisis' impact on the growth of our sales and margins:

- The strong commitment and devotion of our teams, the men and women in the service of the health and well-being of all, working alongside pharmacists and all healthcare professionals, without whom nothing would be possible,
- A business model based on recurrent revenue streams (66%), a strong gross margin (68%) and an excellent balance sheet,
- The diversity of our portfolio of health-related businesses.

Our figures for H1 2020 confirm the resilience of our business model in the face of the current crisis with growth in revenue at 30 June 2020 of 1.37%.

I would like to thank you for your loyalty and confidence.

In the meantime, stay safe.

**Dominique PAUTRAT**  
Managing Director





**TECHNOLOGICAL**  
SOLUTIONS AND  
**INNOVATION-DRIVEN**  
FOR ALL  
HEALTHCARE PROFESSIONALS  
IN BOTH  
**THE OFFICE-BASED OUTPATIENT**  
AND HOSPITAL SEGMENTS  
**IN FRANCE**  
**AND EUROPE**

# Corporate Governance



## The Board of Directors

Pharmagest Group's Board of Directors ensures the application of the principles of good governance based on a respect of ethical business practices and transparency as well as the interests of the company, its shareholders and stakeholders.

The Board's work, which brings together a range of expertise and complementary experience, is focused on strategic issues, and in particular, increasing the company's value.

The Board remains informed throughout the year of the Group's business activity and results, market trends and expectations of patients and healthcare professionals throughout Europe. It studies acquisition projects and monitors the integration of recently acquired businesses.

The Directors regularly meet with the Group's key executives. This transparent and constructive dialogue provides the basis for shared strategic vision that executive management is in consequence able to implement with confidence.

## Composition of the Board of Directors at 01/07/2020

From left to right:

**Monsieur Grégoire de ROTALIER**  
Director - Deputy Managing Director

**Ms. Emilie LECOMTE**  
Director

**Ms. Sophie MAYEUX**  
Independent Director

**Mr. Hugues MOREAUX**  
Representing La Coopérative WELCOOP - Director

**Mr. François JACQUEL**  
Director

**Ms. Marie-Louise LIGER**  
Independent Director

**Mr. Dominique PAUTRAT**  
Director - Managing Director

**Mr. Thierry CHAPUSOT**  
Chair of the Board of Directors

**Mr. Denis SUPPLISSON**  
Director - Deputy Managing Director

**Ms. Céline GRIS**  
Independent Director

**Ms. Anne LHOTE**  
Director

**Mr. Daniel ANTOINE**  
Director

## The Audit Committee

As a permanent body, the Audit Committee's main mission is to monitor the preparation of accounting and financial information and the efficacy of the Group's internal control and risk management systems. It is also responsible for overseeing the audit of the annual and consolidated financial statements by the Statutory Auditors and monitoring their independence.

The Audit Committee has three members, all appointed by the Board of Directors: Ms. Marie-Louise LIGER (Independent Director), Mr. Daniel ANTOINE (Director) and Mr. François JACQUEL (Director).

Based on the recommendations of the Middledex "Corporate Governance Code", no member of the Audit Committee exercises executive functions. This Committee is chaired by Ms. Marie-Louise LIGER based on her specific expertise in the area of accounting and finance.





## The Finance and Personnel Management Committee composition at 01/07/2020

From left to right:

**Mr. Jean-Yves SAMSON**  
Chief Administrative and Financial Officer

**Mr. Didier MATHIA**  
Director of the e-Health Solutions Division

**Mr. Grégoire de ROTALIER**  
Deputy Managing Director  
Director of the Health and Social Care  
Facilities Solutions Division

**Mr. Dominique PAUTRAT**  
Managing Director

**Mr. Denis SUPPLISSON**  
Deputy Managing Director  
Director of the Pharmacy  
Europe Solutions Division

**Mr. Damien MARINGER**  
Chief Technology and R&D Officer

**Ms. Sabrina GHARBI**  
Director of Human Resources

Pharmagest Group's Executive Management is focused on strategy and monitoring the company's operations and performance. Corporate governance is spearheaded by the Finance and Personnel Management Committee with responsibility for overall strategy. It is backed by the "Operating" Committees of the different business lines, and Steering Committees operating on a project management basis.

## The Finance and Personnel Management Committee, a Group corporate governance body

The Finance and Personnel Management Committee has 7 permanent members. It is tasked with examining the company's strategy and general policy as well as the financial impact of decisions on the company's results.

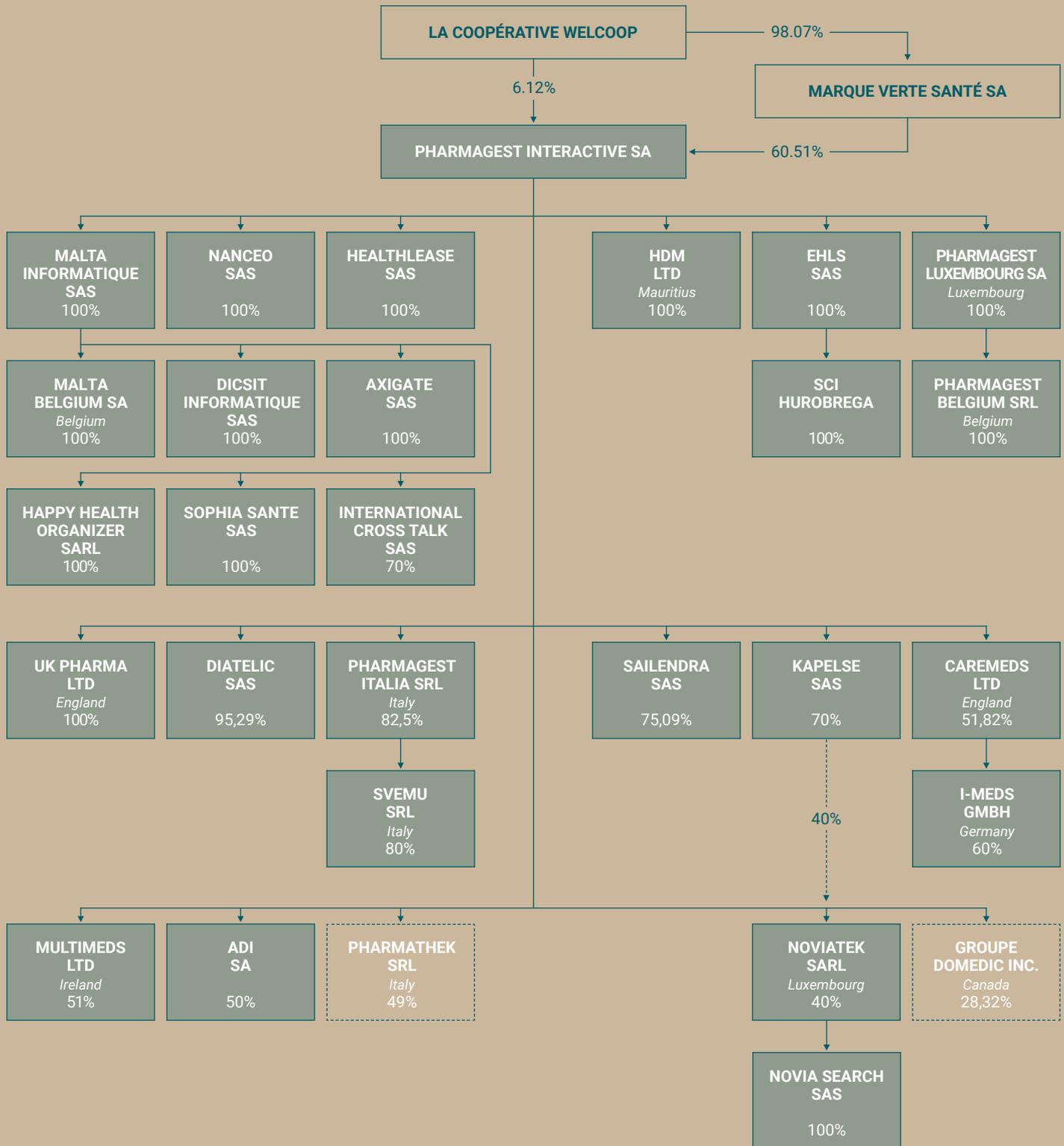
## Other Committees

Each of Pharmagest Group's "operating" activities (namely the Pharmacy - Europe, e-Health, Health and Social Care Facilities business lines as well as R&D) has its own Committee. Each of these Committees is responsible for implementing Group strategy and, in particular, the decisions made regarding their respective business lines.

This mission is supported by a cross-corporate working method with a representative from each participating departments contributing on a project-by-project basis, from design to the industrialization phases, within the framework of the different Steering Committees. The project leaders report to the Finance and Personnel Management Committee.

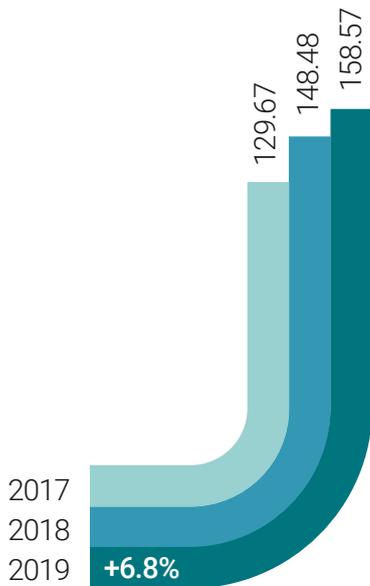


Pharmagest Group organisation chart as of 31/12/2019

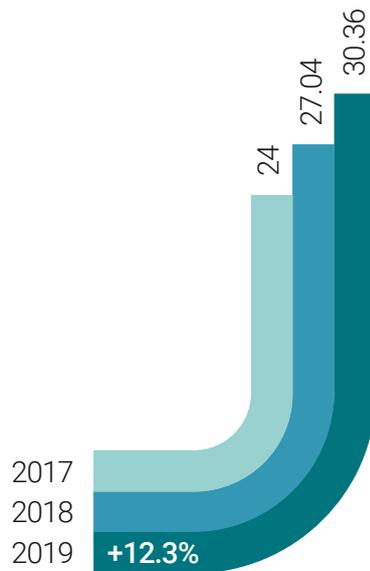


White background: Parent companies;  
 Blue background: Fully consolidated subsidiaries;  
 White background with dotted lines: Equity-accounted subsidiaries.

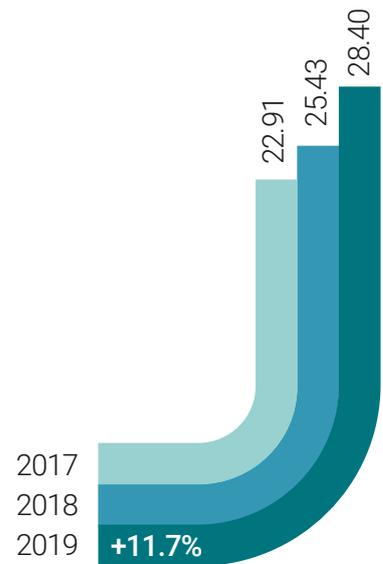
# Sustainable growth



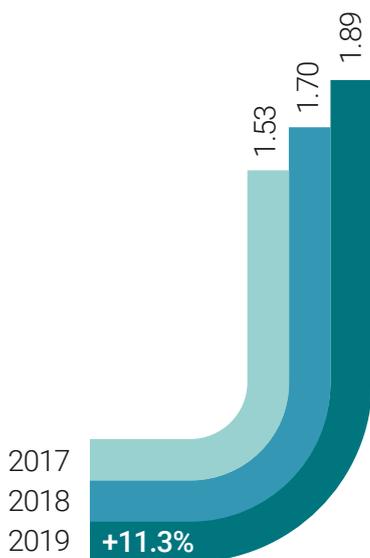
Growth in annual revenue since 2017 (€m)



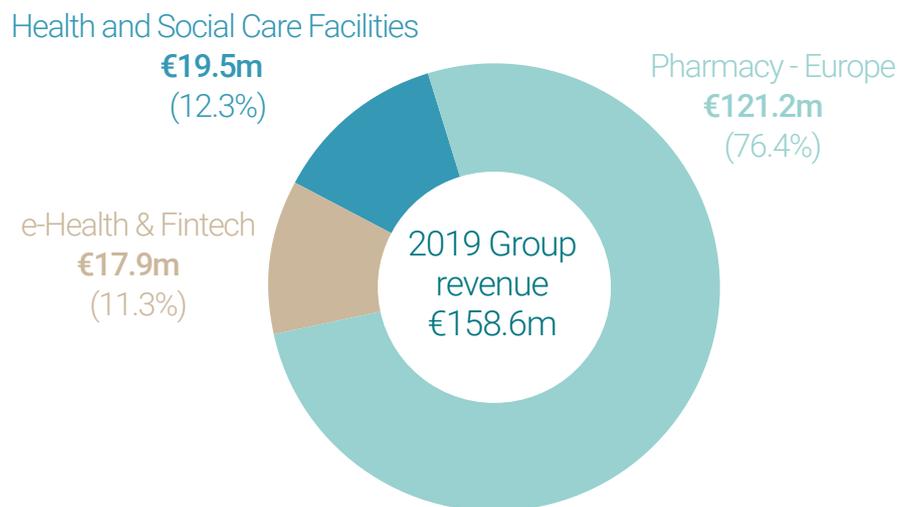
Growth in net profit since 2017 (€m)



Growth in net profit attributable to equity holders of the Parent since 2017 (€m)



Growth in basic net earnings per share since 2017 (€)



Breakdown of revenue at 31/12/2019 (€ million - as % of total Group revenue)

# An innovation-driven company

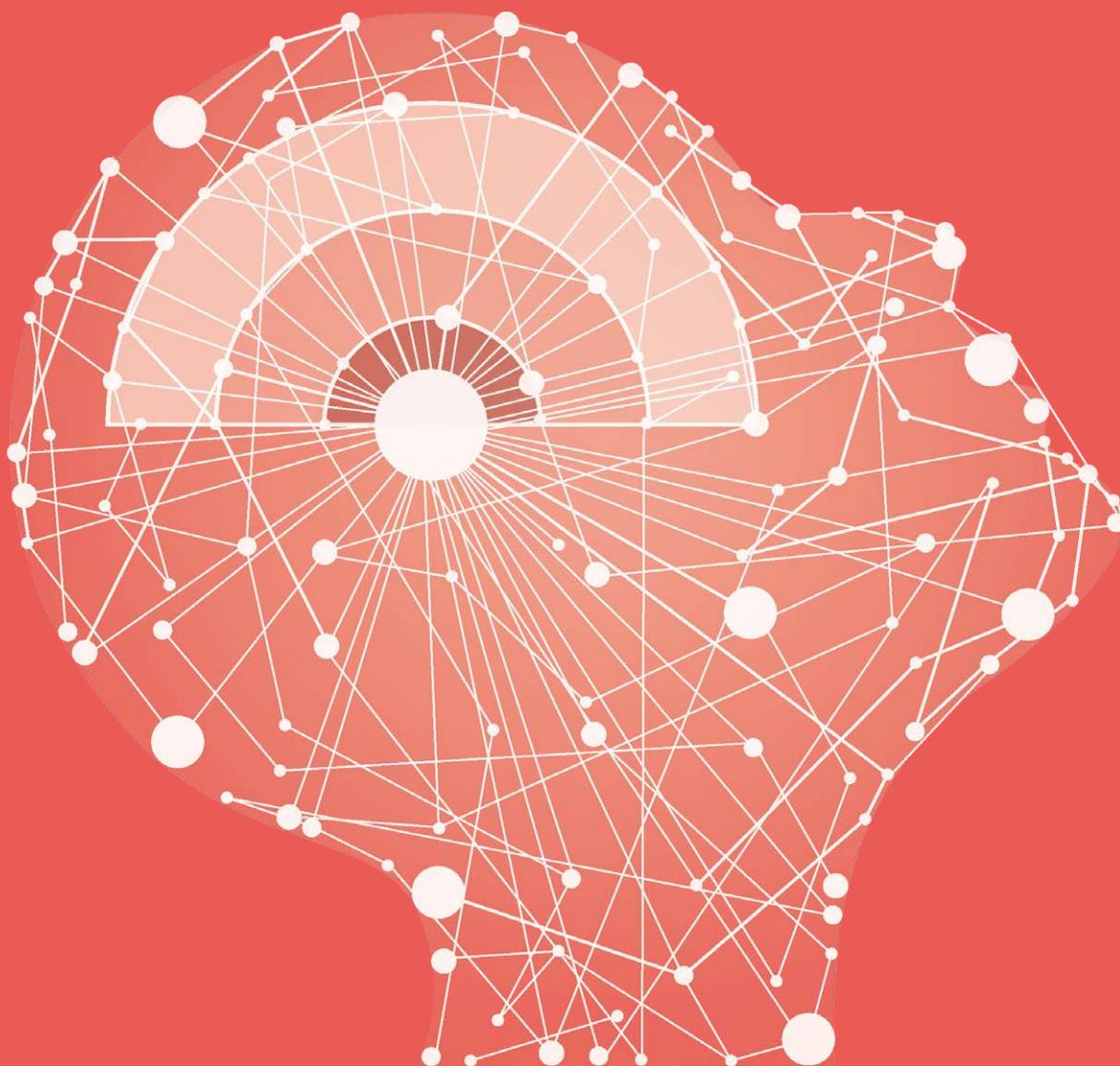
---

Pharmagest Group's is a forward-thinking company developing IT Solutions for Health based on innovation. By investing and acquiring a unique and comprehensive range of expertise, it is ideally positioned to meet the growing demand to achieve increasing efficiencies in the healthcare systems in France and Europe while continuing to guarantee the quality of patient care at the heart of these systems.

Pharmagest Group's R&D strategy aims to design innovative software and satellite solutions, to offer new products, to maintain and upgrade existing solutions, and to meet internal development needs.

Pharmagest Group's R&D leverages synergies between PHARMAGEST INTERACTIVE and its different subsidiaries.

To support its strategy of integrating new know-how and countries, adapt to changes in its environment and unforeseen developments and focus its efforts on the beneficiaries of its solutions, **Pharmagest Group has adopted an agile European, multi-health sector organisation, capable of being replicated, homogeneous and scalable.**



# Our strategy

---

« Technology for a more Human experience »

Pharmagest Group's new baseline



After initially focusing on pharmacists and pharmacy management solutions, Pharmagest Group expanded the scope of its business model by adopting a "patient-centred" approach while continuing to strengthen its historical customer base.

Convinced that, in the future, health professionals will become increasingly interconnected and coordinated around the patient, Pharmagest Group has been gradually expanding its expertise to cover all advanced information technologies in health and related sectors.

Pharmagest Group is committed to developing its different business areas on a day-to-day basis in order to offer new services and solutions for the patient and to guarantee healthcare system efficiencies by extracting the maximum value of technology to help people.

Through this patient-centred innovation strategy, Pharmagest Group is developing a position as a key contributor to the market transformation for pharmacists, healthcare professionals, the pharmaceutical industry, private payers and public authorities.



# Our Business Units



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.

These businesses are organised into different Divisions in turn comprised of Business Units and supported by all corporate functions required for the operation of a major IT company.

## 1. Pharmacy - Europe Solutions Division

- Pharmacy France Business Unit
- Belgium and Luxembourg Pharmacy Business Unit
- Pharmacy Italy Business Unit

## 2. e-Health Solutions Division

- The Digital Communications Business Unit
- The Telemedicine Business Unit
- The Prevention Business Unit
- The e-Connect Business Unit

## 3. Health and Social Care Facilities Solutions Division

- Nursing Home Business Unit
- Hospital-at-Home Business Unit
- Hospitals and Territorial Hospital Groups Business Unit
- Multi-healthcare professionals and private practitioners Business Unit

## 4. Fintech Division



### Membership of a Pharmacists' Cooperative

PHARMAGEST INTERACTIVE is a majority-held member company of a pharmacists' cooperative (La Coopérative WELCOOP). Reflecting this unique characteristic, the Group's customers may also be shareholders in this same Group. These close ties with the pharmacy profession ensure Pharmagest Group an excellent understanding of the pharmacist's ecosystem in particular and the healthcare sector in general. This helps it anticipate changes to the healthcare system and develop the necessary tools to support its customers and their patients.

# Pharmacy - Europe Solutions Division

Pharmagest Group is a European expert in information technology solutions for pharmacies, with more than 10,000 customers, and the French market leader. Since 2007, it has also been operating in Belgium and Luxembourg, and since March 2018, in Italy.

This Division has three Business Units covering France, Belgium-Luxembourg and Italy respectively.

## Pharmacy France Business Unit

Pharmagest Group clearly identified a need for pharmacies to increase their sales and provide better advice to customers. In France, in response to the growing trend of self-medication and the increasing reliance on new Information and Communication Technologies (ICT), Pharmagest Group developed a new version of its pharmacy software management suite (**LGPI Global Services®**) and has introduced innovative solutions adapted to developments of its market.



# €121.19m

in 2019  
or 76.40% of  
Pharmagest Group revenue



Denis SUPPLISSON, Deputy Managing Director  
Director of the Pharmacy - Europe Solutions Division



### OffiLocker® facilitates the process for depositing and retrieving patients' products

Taking into account the new digital uses for pharmacists and patients, OffiLocker® proposes an innovative service based on this new generation consignment solution. OffiLocker® allows patients and healthcare professionals to retrieve selected products ordered outside of pharmacy business hours, round-the-clock. This offers a significant time savings for patients and healthcare professionals alike while increasing the availability of the pharmacist.

## OffiTéléconsult®: facilitating patient communications with doctors when at the pharmacy or at home

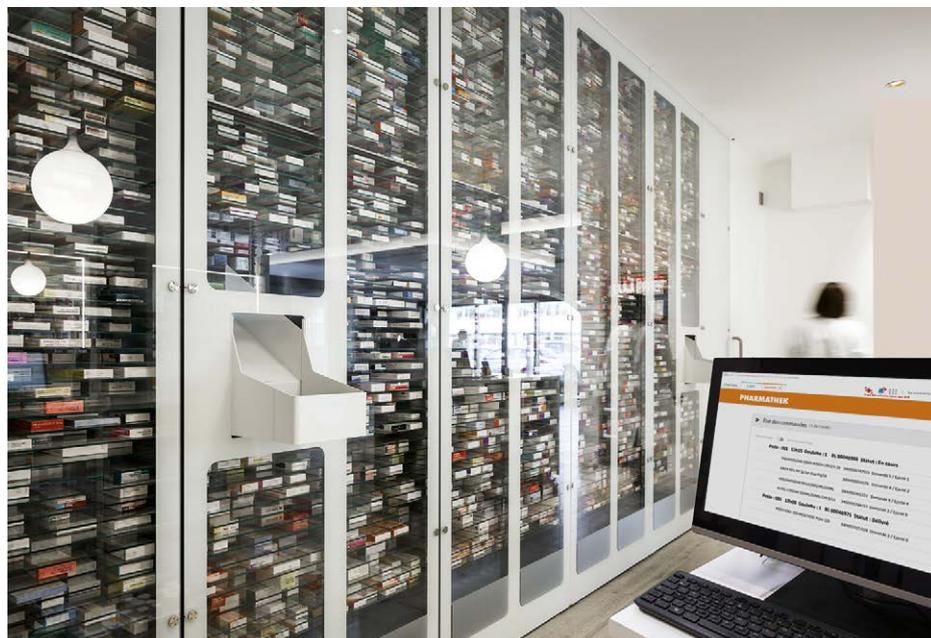
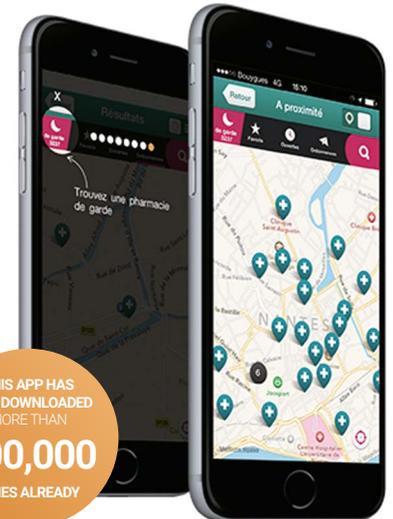
A comprehensive solution combining IT equipment, a teleconsultation application, connected objects and a communications kit, OffiTéléconsult® optimises the patient care process by connecting to a network of more than 500 doctors throughout France. Patients can remotely consult directly from the pharmacy, and in this way benefit from the pharmacist's assistance, or from their smart phone. By proposing a medical teleconsultation service, the pharmacist confirms its critical role as a frontline provider in the healthcare ecosystem reinforcing patient loyalty by means of new services.

Since launched in September 2018, 100,000 teleconsultations were performed, including 20,000 reimbursed by the French national health insurance fund (CNAM).



## Ma Pharmacie Mobile® provides a means for maintaining the relationship with patients after they have left the pharmacy

A free and secure app, MaPharmacieMobile® helps patients locate the nearest open pharmacy, find the business hours of any pharmacy, send a photo subscription to their pharmacist, receive reminder notices for taking medication and information about the dosage or request advice from their pharmacist.



## SINTESI: an automation solution capable of meeting all requirements

After Pharmagest Group acquired a stake in PHARMATHEK's capital, the Pharmacy France Business Unit's portfolio was strengthened by the addition of pharmacy automation solutions. Through this partnership, Pharmagest Group is now able to offer its customers the SINTESI robot addressing the needs of medium and large pharmacies and the SELLEN robot for small pharmacies. The SINTESI robot frees up time for pharmacy staff, optimises inventory management, and adapts to the technical and aesthetic needs of each pharmacy. Through its integration with LGPI Global Services®, the SINTESI robot offers high added value.

Development teams in France, Belgium and Luxembourg work closely together on adapting the satellite solutions developed by the Pharmagest Group in order to offer pharmacists comprehensive offers in their respective markets.

At the same time, the Pharmacy Belgium-Luxembourg and Italy Business Units sell products and solutions addressing their respective markets.

## Belgium and Luxembourg Pharmacy Business Unit

### In Belgium

Teams of PHARMAGEST BELGIUM (formally SABCO SERVICES) are constantly adapting their product line-up to address market transformations, new legislative requirements for the pharmaceutical sector and the growing needs of Belgian pharmacists.



In 2019, the main software developments in Belgium were the deployment of OffiTag and the FMD module.

OffiTag is an innovative and simple pharmacy labelling solution. Through its e-paper technology, pharmacy labels can be updated in real-time.

The integration of the FMD Module (Falsified Medicines Directive) into the ULTIMATE application ensures compliance with European regulation governing the traceability of drugs from their manufacture to their sale to the patient.

### In Luxembourg

PHARMAGEST LUXEMBOURG (formally SABCO) and PHARMAGEST INTERACTIVE teams combined their efforts around a new "Patient-Centred" European healthcare platform.

This platform based on the latest web and IA technologies will offer pharmacists tools enabling them to provide even more services to their patients while optimising the management of their pharmacies.

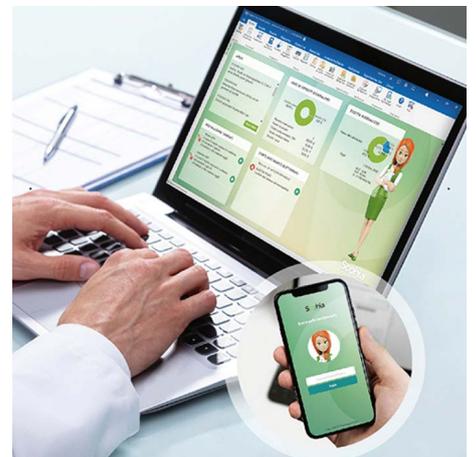
As part of this project, PHARMAGEST LUXEMBOURG and PHARMAGEST INTERACTIVE teams are actively cooperating with Luxembourg pharmacies-partners to propose a solution fully adapted to the current and future requirements of the pharmacist's business.



## Pharmacy Italy Business Unit

The PHARMAGEST ITALIA offering has been enhanced following the acquisition of a majority stake in SVEMU INFORMATICA FARMACEUTICA: its **EasyPharma**® application proposes very comprehensive functionalities and services integrating tested and high performance technology, perfectly adapted to both the configuration of the Italian market and developments in the Italian healthcare sector.

This comprehensive solution reinforces the technological and technical building blocks of PHARMAGEST ITALIA's **SOPHIA** software suite (the Italian equivalent of **LGPI Global Services**®).



SOPHIA (the Italian equivalent of LGPI Global Services®) of PHARMAGEST ITALIA

In addition, the teams of PHARMAGEST ITALIA and PHARMAGEST INTERACTIVE cooperate to adapt the solutions developed from the expertise of the Pharmacy France Business Unit: OffiCentral®, OffiTag, OffiTouch®, OffiCash®...

PHARMAGEST ITALIA's range of software solutions for distributors and pharmacies is supplemented by the development of innovative solutions and patient therapy adherence (Multimed), communication systems (Pharmaweb, TsGatePro) and e-commerce solutions.



# e-Health Solutions Division

## New businesses to meet emerging healthcare needs

Pharmagest Group's growth strategy focuses on improving patient health and treatment delivery and, in this way, reducing healthcare costs.

The e-Health Solutions Division designs and delivers new services and systems and calculates the savings generated for the national health insurance system.

€16.12m

in 2019  
or 10.17 % of  
Pharmagest Group revenue

150,000

patients monitored  
in 2019



Didier MATHIA  
Director of the e-Health Solutions Division

## The Digital Communications Business Unit

This Business Unit covers all solutions designed to help the pharmacist in providing advice to patients, and notably, training and information for pharmacy teams, supervising the delivery of advice, the promotion of products in the pharmacy, and proposing in-home care solutions for the pharmacy's patient.

## The Telemedicine Business Unit

The Telemedicine Business Unit offers powerful AI-based patient telecare and medication compliance solutions.

The expert systems developed by Pharmagest Group generate automatic alerts and sophisticated diagnostic aids for use by healthcare professionals as part of the therapeutic monitoring of patients.

The **eNephro**<sup>®</sup> solution is designed to enhance care of chronic renal failure patients at all stages of the illness by using Artificial Intelligence, improve patient health and quality of life and reduce the cost of care (hospitalisations and unscheduled consultations).



The **PEP Pilot** is a web-based application which simplifies the management and sharing of Patient Education Programs (PEPs) by facilitating coordination with the healthcare structures on the frontline for treatment (coordinating and validating their PEP pathways), productivity and traceability (financing based on a fixed rate and/or per intervention).

## The Prevention Business Unit

The Prevention Business Unit proposes solutions with a focus on prevention with the goal of providing long-term assistance to seniors and vulnerable persons.

### The CARELIB® offering

The development of the **CARELIB®** solution was initiated in 2015 with the support of the Grand Est Region as part of a programme designed to help seniors remain in their home ("*36 mois de plus à domicile*").

The **CARELIB® Domicile** homecare solution is based on personalized monitoring and improved coordination between the different care providers at home by maintaining the ties between the family and caregivers through a social networking platform. This programme which was selected and equipped the entire Résidences Vertes of Pulnoy (senior housing facilities) is destined to be extended throughout France.

The **CARELIB® EHPAD** offering for nursing homes is derived from the CARELIB® Domicile homecare solution. CARELIB® EHPAD assists caregivers by optimizing their interventions and enhancing the security of the ALF residents. The CARELIB® EHPAD solution has been deployed at the three major operators in the health and social care sector including the Korian Group.

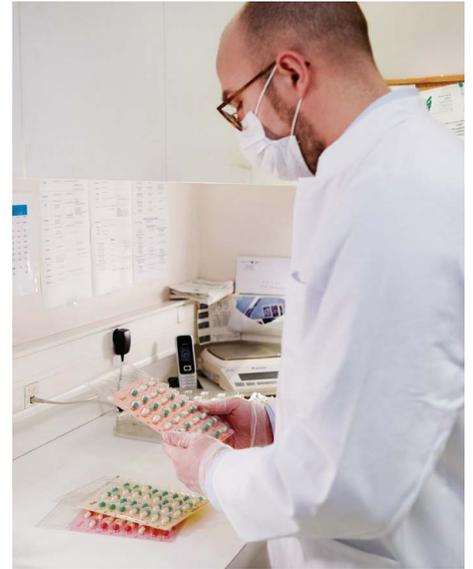


CARELIB



### The NOVIACARE® solution

This benevolent and reassuring telecare box which helps seniors remain in their home was named product of the year in 2018 at the Hong Kong International Fair and presented at the Global Stage for Innovation (CES) in Las Vegas in 2018 and 2019. NOVIACARE® is an approved product at more than 300 pharmacies in France to date.



## The e-Connect Business Unit

The e-Connect Business Unit designs, develops, produces, installs and operates innovative e-Health solutions to, on the one hand, reliable in-home patient monitoring and, on the other hand, optimise care pathways.

Our subsidiary KAPELSE continued to invest in R&D in 2019 to develop improved monitoring of patient capabilities, in addition to telehealth solutions and services designed to combat isolation and delay the loss of autonomy. The integration of the NOVIACARE® offering has completed the initial in-home care offering through CARELIB® Domicile and CARELIB® EHPAD, by proposing a range of solutions adapted to people being monitored.



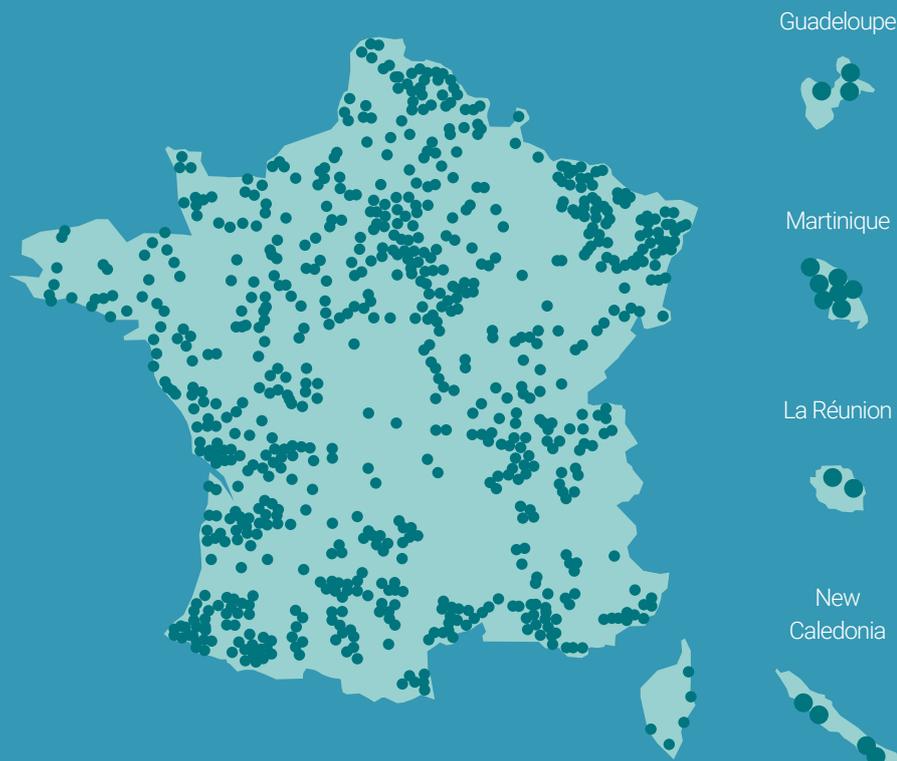
# Health and Social Care Facilities Solutions Division

Backed by MALTA INFORMATIQUE and with more than 160 employees, the Division covers software application for Hospitals, Hospital-at-Home programmes, In-Home Nursing Care (SSIAD), Nursing Homes (EHPAD), health centres grouping multi-professional teams and office-based private practitioners, representing an installed base of approximately 3,000 establishments in France and the French Overseas Departments and Territories.



**Grégoire de ROTALIER**, Deputy Managing Director  
Director of the Health and Social Care Facilities  
Solutions Division

## Senior Assisted Living Facilities (ALFs) equipped by MALTA INFORMATIQUE in France and French Overseas Departments



Guadeloupe



Martinique



La Réunion



New Caledonia



Since 2018, the Health and Social Care Facilities Solutions Division has been working on PATHWAY, a new care management project to permit:

- the transfer of the files of residents in care between the different structures (elderly residential homes, Hospital-at-Home programs, In-Home Nursing Care);
- the management of pathways within larger health ecosystems such as regional hospital groups or multi-activity groups in the healthcare and social care universe.



## The Nursing Home Business Unit

**MALTA INFORMATIQUE is specialised in developing and providing applications for elderly residential care homes, day care and sheltered housing facilities for persons with disabilities (ALFs for the elderly and persons with disabilities).**

In 2019, MALTA INFORMATIQUE launched TITAN TÉLÉCONSULTATION, a solution for conducting medical teleconsultations at Nursing Homes with medical professionals working in both outpatient office-based environments or hospitals.

MALTA INFORMATIQUE continues to innovate with its software solutions TITAN WEB PHARMA and TITAN WEB MEDECIN, a **100% secure paperless** medication cycle with prescriptions signed by the doctor's HPC converted to electronic form.

€19.51m

in 2019  
or 12.30 % of  
Pharmagest Group revenue

160  
employees

3,000

establishments equipped  
throughout France and French Overseas  
Departments and Territories

150

establishments equipped  
with the most recently introduced  
teleconsultation offering

350

EMR installations  
at Nursing Homes



With its subsidiaries DICSIT INFORMATIQUE, AXIGATE and ICT, this Division operates across a number of sectors including hospitals at home, home-based nursing services, hospitals and health centres and facilities housing multiple disciplines.

### The In-Home Nursing Services and Hospital-at-Home Business Unit

DICSIT INFORMATIQUE, a MALTA INFORMATIQUE subsidiary, is a market leader for Hospital-at-Home solutions, In-Home Nursing Care and Services for Local Information and Coordination Centres.

In 2019, DICSIT INFORMATIQUE continued to roll out its new MOBISOINS V2 solution (complete care pathway traceability) for patients and private practitioners as well as its portal designed for healthcare professionals.

The business application suite (ANTHADINE or MICROSOINS) combined with the mobility (MOBISOINS) tool and connected to the portal (PORTAIL PS) provide a solution covering the entire prescription cycle from the commencement of treatment to monitoring the patient at home.

### Hospitals and Territorial Hospital Groups Business Unit

AXIGATE, a MALTA INFORMATIQUE subsidiary, develops information system solutions for healthcare establishments. The AXIGATE solution is able to manage the entire patient care pathway: medical consultation, ER, hospitalisation, operating room, intensive care units.

In 2019, the Division launched REFLEX®, the new Mobile-Web-Based Electronic Medical Records (EMR) solution. Developed as a responsive technology, REFLEX® offers all the functions of an EMR for tablets and smartphones using any operating system (iOS, Android, etc.) while ensuring mobility and continuing access to EMR within the Territorial Hospital Group.

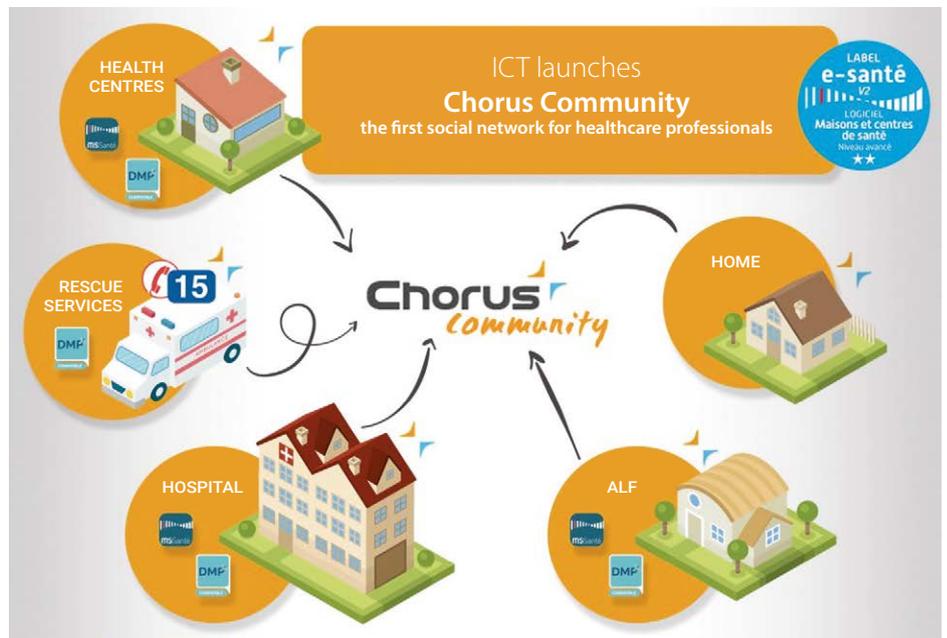
In 2019, the Division also developed WELCOME® (an integration, interoperability and browsing platform for Territorial Hospital Groups) and LOOKUP® (integrating big data technologies within EMR).



### The multi-professional healthcare and private practice Business Unit

After MALTA INFORMATIQUE acquired a majority stake in October 2019, all the pre-existing solutions of ICT Group's entities were integrated into Pharmagest Group's catalogue. This included notably, CHORUS®, the leading online patient management solution for all primary healthcare providers operating independently in private practices or within group structures housing healthcare professionals representing different disciplines.

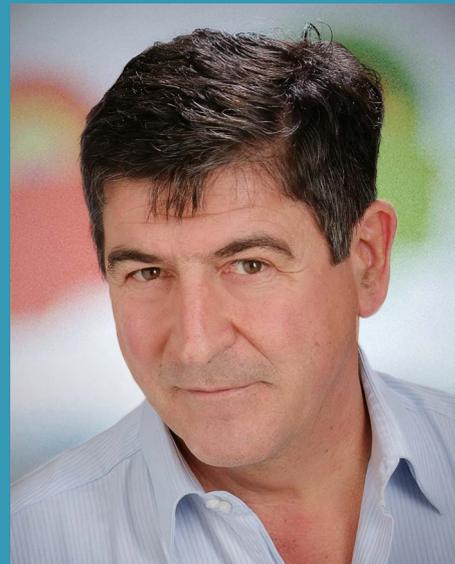
In 2019, ICT Group launched Chorus Community, the leading social network platform for healthcare professionals. This platform improves coordination of the patient care pathway by creating a space for the care teams, health centres grouping multiple professionals and territorial health professional communities, making it possible to directly share, invite other professionals, regardless of their business line applications, and integrate the patient data within his or her healthcare project.



# Fintech Division

€1.74m

in 2019  
or 1.10% of  
Pharmagest Group revenue



Michel CONSTANT, Fintech Division Director

**NANCEO** is a provider of equipment lease financing solutions in the services sector.

**NANCEO** created **Leasa by Nanceo**<sup>®</sup>, an online gateway operating like a hub. The major strength of this hub consists of the simplification for exchanges between partners and lessors:

- A single financing request;
- A single contract template regardless of the lessor supplier;
- Simplified invoicing;
- Highly efficient contract management.

## Business model

The tools developed by NANCEO are agile and adaptable to the specific needs of each partner and propose custom-design solutions.

NANCEO's offering covers the full scope of vendor financing ranging from simple partnership solutions to exclusive partnerships and the creation of captive financing solutions. These three models provide additional earnings streams for Pharmagest Group's partners.

In 2019, the Fintech Division has continued to roll out its application reserved for NANCEO certified partners offering mobile capabilities for its **Leasa by Nanceo**<sup>®</sup> financing platform. Available on Android and iOS (telephones and tablets), this application revolutionizes exchanges between lessors, sellers and end-customers. Where previously long and fastidious procedures were required, this application makes it possible to obtain immediate financing approval, without the hassle of excessive formalities.

## The equipment leasing markets

**Leasa by Nanceo**<sup>®</sup> addresses all companies selling products through lease arrangements, i.e. involving the payment of periodic instalments. In this way, NANCEO provides financing for all types of equipment. Today, focused mainly on the sectors of medical, office, computer, telephony, security, and printing equipment or developing and selling software applications, NANCEO's services are constantly being expanded into new areas: energy savings, imaging, electronic document management systems (DMS), etc.



The "multi-lessor" approach (assignment to different lessors) increases its ability to rapidly accept requests, promotes independence in relation to lessors and develops its resiliency "to vendor financing" i.e. the withdrawal from the market or disappearance of one or more lessors.

# Corporate social responsibility

## Achieving global performance

In keeping with its strategy and business activities, Pharmagest Group is built upon on the core values of a strong corporate culture:

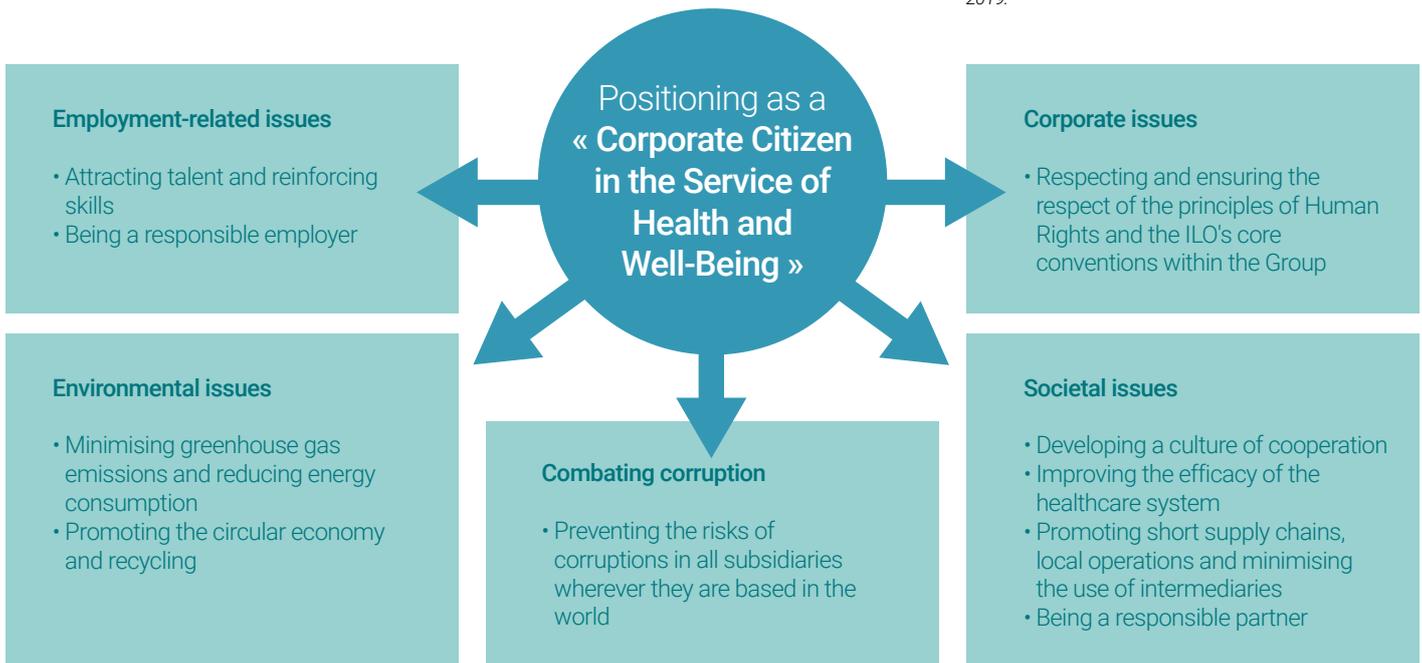
- **Humanity**, the most valuable asset: Pharmagest Group's corporate culture leverages the strengths of each employee as a **"Citizen in the Service of Health and Well-Being"**. Conscious of the importance of the expertise and contribution of each employee to the success of its strategy, each employee is encouraged to find his or her place within an environment and inspiring, respectful and benevolent environment;
- **Health**, a noble ambition: the Group unlocks the potential of innovation to offer patients and health professionals the best possible coordination of the healthcare pathway and maximize efficiencies for technical and IT resources and the entire healthcare ecosystem.

The impacts of Pharmagest Group's main activities on the environment and climate change are limited. However, protecting the environment constitutes a civic duty which is naturally integrated in Pharmagest Group's culture as a "Corporate Citizen in the Service of Health and Well-Being". The Group's mission is to develop healthy products and solutions with lifecycles minimising their carbon footprint.

The integration of the principles of sustainable development in Pharmagest Group's activities must therefore contribute to the sustainability of its business, encourage innovation and in this way, the effective execution of its strategy.



## Our non-financial priorities



## The Group is included in the GAIA Index

In October 2019, Pharmagest Group was awarded the top prize within its category of the GAIA 2019 Rating for its ESG (Environment, Social and Governance) performance based on the measurement of 153 criteria. Pharmagest Group has been included in the GAIA index that consists of 70 SMEs and intermediate-sized companies offering excellent guarantees for the management of their ESG risks.



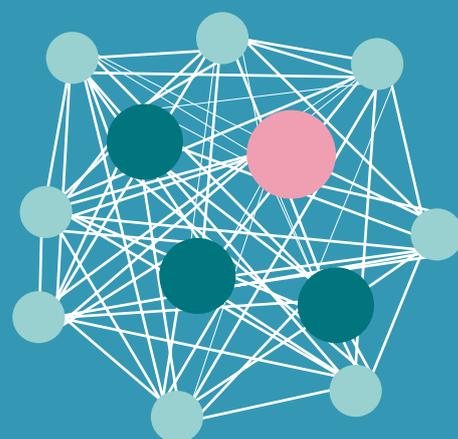
Dominique PAUTRAT at the award ceremony for the GAIA Rating 2019 top prize Palais Brongniart in Paris - October 2019.

# Completing the care pathway across the office-based private practice and hospital segments: the Digital Healthcare Gateway

After several years of development, Pharmagest Group's healthcare platform initiated in 2019 has advanced to the commercial phase.

Under its new name, the Digital Healthcare Gateway represents a major innovation in services connecting professionals at the level of patient data, while improving the quality of patient care from their homes to residential health and social care facilities.

The Digital Healthcare Gateway was launched on 4 October 2019 with the Marseille Public University Hospital (AP-HM), the third largest teaching hospital in France with 1 million consultations per year, 128,000 hospitalizations, 240,000 emergency visits and 14,500 medical personnel.



## An accelerating shift towards technology and e-health

At a time when the exchange of patient data between healthcare professionals has become a central issue of the healthcare system, where outpatient treatment solutions have become a priority, where the French healthcare system strategy (*"Ma santé 2022"*) is committed to building a network around the patient, this gateway represents a genuine progress for improving public service, a revolution in the health sector and a major technological shift towards technology and e-health supported by the expertise of health software developers: PHARMAGEST INTERACTIVE and its subsidiaries MALTA INFORMATIQUE, AXIGATE, DICSIT INFORMATIQUE, and its partner CEGEDIM.

## Rethinking the care pathway between office-based private practices and the hospital

The Digital Healthcare Gateway makes it possible to completely rethink the care pathway between office-based private practices and the hospital. It connects professionals at every level of patient data, simplifies and improves the delivery of patient care from their homes to residential health and social care facilities and provides guarantee in terms of security.

Medications delivered outside the hospital, the emergency visit liaison file, the hospital check out form, medical imaging reports, consultation reports, export of the medical summary are among the different items shared through this platform.

## A secure approach

Access to digital documents as well as the Electronic Medical Record (EMR) are all secured through SSL certificates protecting access to servers through authentication and a data encryption measures.

Health professionals are able to obtain the informed consent of patients based on their digital signature using devices developed by our subsidiary KAPELSE. Data processing complies with the European General Data Protection Regulation (GDPR).

# L'AP-HM concrétise le parcours de santé Ville-Hôpital

Lancement de la passerelle Ville-Hôpital



**Thierry CHAPUSOT**  
Président de La Coopérative Welcoop  
d'administration du groupe Pharmagest  
(Pharmagest Interactive, Malta Informatique, Dicist Informatique)

La Coopérative Welcoop équipe les professionnels de santé, à la Ville et à l'Hôpital. Partenaire de l'AP-HM, nous apportons dans la collecte, la qualification, la mise à jour et l'échange des informations de santé, nous nous sommes inscrits dans notre ADN, apportant la technologie, au service de l'humain et du parcours patient.

Pharmagest Group is the European leader in terms of technological capacity for the inter-professional exchange of health data

### A unique market position providing solid prospects for future growth

This project, originating from the Provence-Alpes-Côte d'Azur (PACA) region, with the support of Alain MILON, Chairman of the PACA region hospital association (*Fédération Hospitalière PACA*), Senator of the Vaucluse, Chairman of the Commission on Social Affairs, is able to be deployed across the entire territory. It is also destined to supply data and accelerate the deployment of Electronic Medical Records.

### Connecting health care professionals and establishments

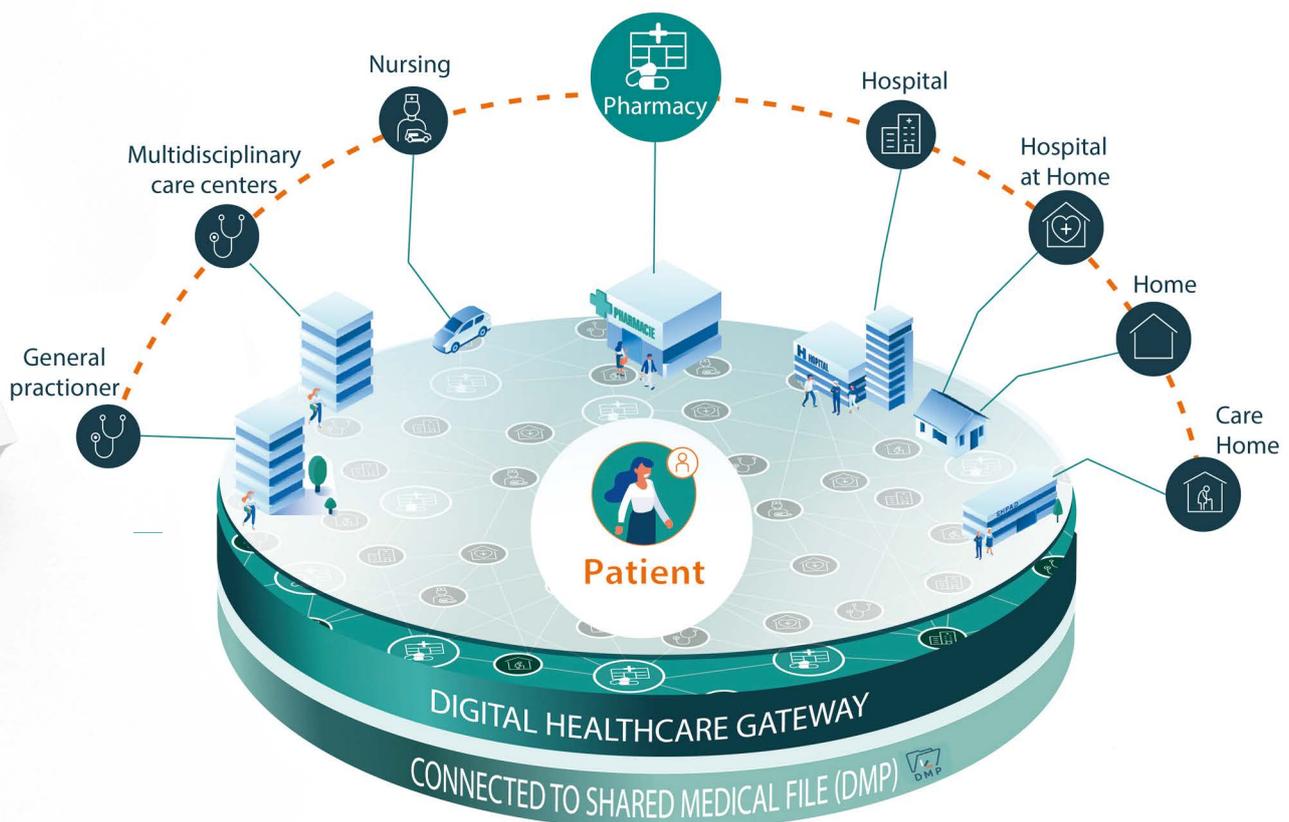
Many years of development within PHARMAGEST INTERACTIVE combined with the expertise of La Coopérative WELCOOP and the Marseille Public University Hospital (AP-HM) were behind the creation of this innovative digital solution today connecting healthcare professionals and healthcare establishments of the Bouches-du-Rhône region, or: 3,784 doctors, 757 pharmacists, 211 senior homes, 26 in-home nursing care programs and 7 hospital-at-home programmes.

This platform is adaptable for use by other healthcare professionals such as nurses, physical therapists, biology labs or imaging centres through our agreement with CEGEDIM.

### The pharmacist: a healthcare coordinator

The Digital Healthcare Gateway will allow the local pharmacist make the prescriptions of its patients available to hospitals. In addition, the pharmacist will be informed when patients enter and leave the hospital. This innovation will help pharmacist fully exercise their role as a coordinator of health care and highlight the value of their professional expertise.

This service innovation reflects policies for improving quality across the entire patient care pathway, a common priority **of interest to all European countries.**



# A sustainable performance generating shareholder value

On 27 March 2020, the Board of Directors proposed at the Combined Annual General Meeting of 29 June 2020 the payment of a gross dividend of €0.90 per share for fiscal 2019, an increase of 6 % from the previous year.

**€0.90**

Dividend per share for fiscal 2019, up 6%

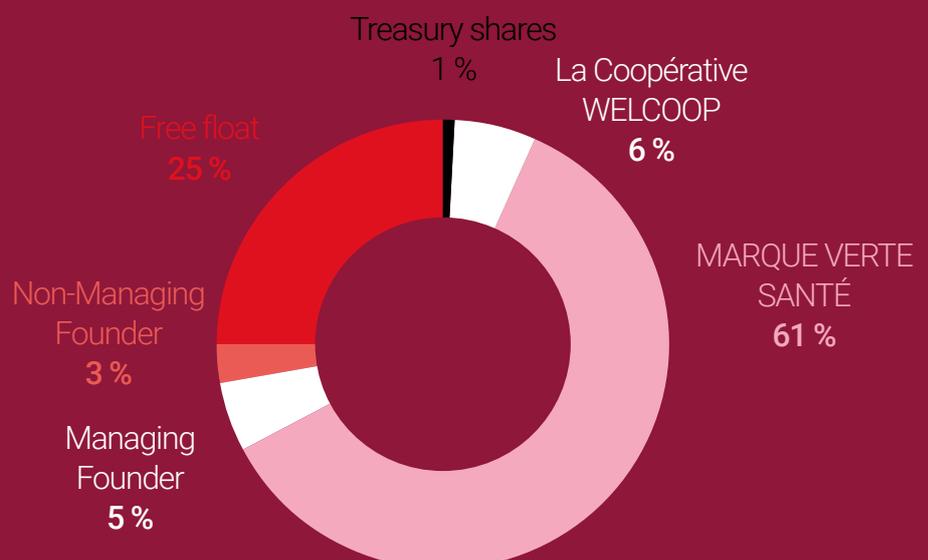
The dividend payment date is **3 July 2020**



Individual shareholders: supporting a group which combines economic performance with building the healthcare system of tomorrow

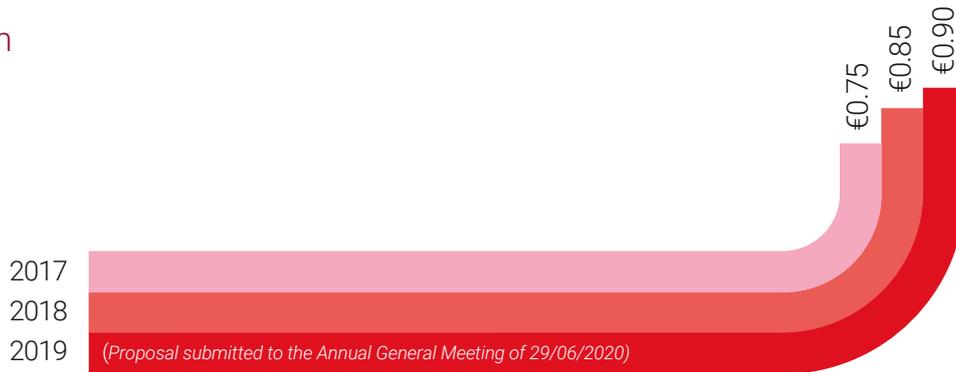
Being a shareholder of Pharmagest Group means supporting a dynamic business model driving innovations and anticipating developments in Healthcare.

It also means participating in the development of a major contributor to the transformation of the Health ecosystem in Europe.

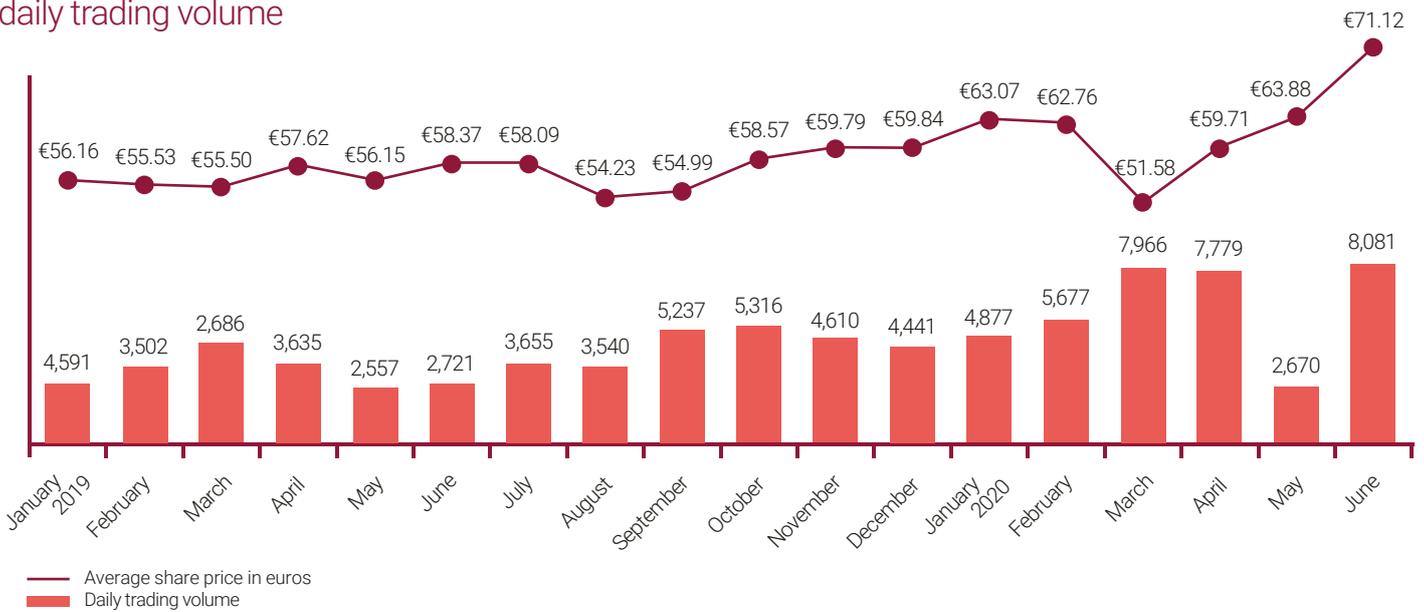


Breakdown of share capital at 31/12/2019

## Dividend growth



## Share price and average daily trading volume



## Website and shareholder publications



The Pharmagest Group website has a **dedicated space for individual shareholders and institutional investors** in the FINANCE section.

Share price in real-time, results, financial reporting schedule, press releases, special investor publications, shareholders' letters, annual report and registration document, videos... The [www.pharmagest.com](http://www.pharmagest.com) website provides a way to stay connected to Group news and developments.



# Financial highlights

Consolidated balance sheet (IFRS 15) at 31 December 2019 and 2018

Statement of Financial Position - Assets - In € thousands	31/12/2019	31/12/2018
<b>Non-current assets</b>		
Intangible assets	29,964	24,182
Goodwill	49,790	46,005
Property, plant and equipment	19,491	8,511
Non-current financial assets	50,723	34,857
Equity-accounted investments	7,763	730
Deferred tax assets	2,795	2,777
<b>Total non-current assets</b>	<b>160,527</b>	<b>117,062</b>
<b>Current assets</b>		
Inventory and work-in-progress	4,441	5,108
Trade receivables	34,565	31,962
Other receivables	7,959	8,382
Current financial assets	29,242	28,725
Cash and cash equivalents	21,366	32,569
<b>Total current assets</b>	<b>97,573</b>	<b>106,746</b>
<b>TOTAL</b>	<b>258,100</b>	<b>223,808</b>

Statement of Financial Position - Equity and Liabilities - In € thousands	31/12/2019	31/12/2018
<b>Shareholders' equity</b>		
Share capital	3,035	3,035
Consolidated reserves	96,175	85,380
Profit for the year	28,403	25,432
<b>Equity attributable to equity holders of the parent</b>	<b>127,613</b>	<b>113,847</b>
Reserves attributable to non-controlling interests	2,341	1,599
Net income attributable to non-controlling interests	1,958	1,606
<b>Non-controlling interests</b>	<b>4,299</b>	<b>3,204</b>
<b>Total shareholders' equity (consolidated group)</b>	<b>131,911</b>	<b>117,051</b>
<b>Non-current liabilities</b>		
Non-current provisions	4,577	4,070
Long-term financial liabilities	47,480	36,948
Deferred tax liabilities	635	538
Other long-term financial liabilities	1,347	524
<b>Total non-current liabilities</b>	<b>54,040</b>	<b>42,079</b>
<b>Current liabilities</b>		
Short-term provisions	338	75
Current portion of long-term debt	9,996	6,240
Trade payables	13,363	11,909
Current taxes	867	594
Other current borrowings	47,585	45,860
<b>Total current liabilities</b>	<b>72,149</b>	<b>64,678</b>
<b>TOTAL</b>	<b>258,100</b>	<b>223,808</b>

## Consolidated profit and loss statement (IFRS 15) at 31 December 2019 and 2018

Income statement - In € thousands	31/12/2019	31/12/2018
Revenue	158,569	148,480
Other revenue from ordinary activities	0	0
<b>Operating income subtotal</b>	<b>158,569</b>	<b>148,480</b>
Cost of sales	-29,921	-26,676
Staff costs	-56,309	-52,980
Purchases and external costs	-20,401	-21,608
Taxes other than on income	-2,983	-3,081
Allowances for depreciation and amortisation	-7,444	-5,235
Allowances for provisions	-654	-218
Other income and expenses	-8	203
<b>Operating expenses subtotal</b>	<b>-117,719</b>	<b>-109,595</b>
<b>Current operating income</b>	<b>40,849</b>	<b>38,886</b>
Other operating income	0	0
Other operating expenses	0	0
<b>Operating profit</b>	<b>40,849</b>	<b>38,886</b>
Income from cash and cash equivalents	1,934	1,147
Interest and similar expenses	-414	-294
<b>Cost of net financial debt</b>	<b>1,520</b>	<b>853</b>
Other financial income and expenses	-27	153
Income tax expense	-13,307	-12,722
Negative goodwill	0	30
Share of profits and losses of equity-accounted investments	-63	-162
<b>Profit/(loss) from continuing operations</b>	<b>28,972</b>	<b>27,038</b>
<b>Profit/(loss) from discontinued operations</b>	<b>1,389</b>	<b>0</b>
<b>Net profit/(loss) of the period</b>	<b>30,361</b>	<b>27,038</b>
<b>Attributable to equity holders of the parent</b>	<b>28,403</b>	<b>25,432</b>
<b>Attributable to non-controlling shareholders</b>	<b>1,958</b>	<b>1,606</b>
Basic earnings per share attributable to equity holders of the parent	1.89	1.70
Diluted earnings per share attributable to equity holders of the parent	1.87	1.68

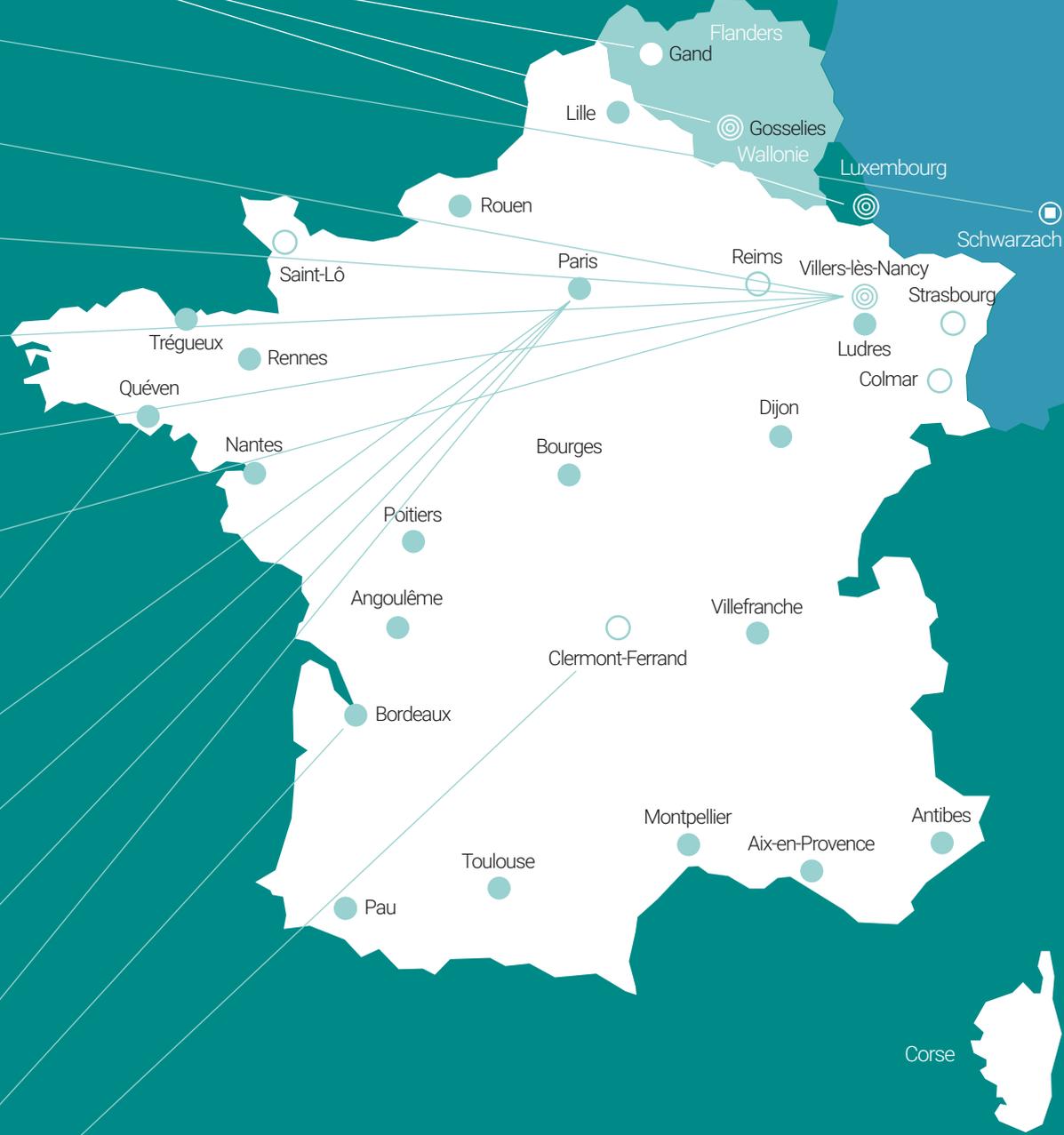


### 2019 Universal Registration Document

Detailed information on the 2019 financial statements can be found in the Universal Registration Document online at [www.pharmagest.com](http://www.pharmagest.com), Finance/Regulated Information

# Pharmagest Group: international dimension





- ⊙ Registered office
- Commercial agency
- Branch office
- Geographical network



# PHARMAGEST

Technology for a more human experience

5, allée de Saint Cloud  
54600 Villers-lès-Nancy

Tel. : +33 (0)8 20 90 81 00  
Fax : +33 (0)3 83 15 98 05

[www.pharmagest.com](http://www.pharmagest.com)