HALF-YEAR FINANCIAL REPORT **2023**

PIONEERING DIAGNOSTICS

bioMérieux SA
French joint stock company (*société anonyme*) with share capital of €12,029,370,
registered office in Marcy l'Étoile (Rhône),
registered in Lyon under number 673 620 399

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED JUNE 30, 2023

CONTENTS

I – CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2023

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2023

CONSOLIDATED PROFIT AND LOSS STATEMENT

In millions of euros	Notes	First-half 2023	First-half 2022
REVENUES	**13**	**1,770.1**	**1,658.0**
Cost of sales		(770.9)	(720.0)
GROSS PROFIT		**999.2**	**938.0**
OTHER OPERATING INCOME AND EXPENSES	13	**20.8**	**31.5**
Selling and marketing expenses		(356.0)	(318.2)
General and administrative expenses		(146.1)	(122.1)
Research and development expenses		(226.5)	(207.3)
TOTAL OPERATING EXPENSES		**(728.6)**	**(1,188.1)**
Amortization and impairment of intangible assets related to acquisitions and acquisition fees	15	(83.6)	(17.5)
OPERATING INCOME BEFORE NON-RECURRING ITEMS		**207.8**	**595.0**
Other non-recurring income and expenses from operations	16	0.0	(42.2)
OPERATING INCOME		**207.8**	**552.8**
Cost of net debt	17.2	1.9	(25.0)
Other financial income and expenses	17.3	(1.4)	(3.5)
Income tax	18	(69.6)	(121.5)
Share in earnings (losses) of equity-accounted companies		(0.0)	(0.2)
NET INCOME OF CONSOLIDATED COMPANIES		**138.7**	**402.6**
Non-controlling interests		(22.9)	(1.7)
ATTRIBUTABLE TO OWNERS OF THE PARENT		**161.6**	**404.3**
Basic earnings per share		€1.37	€3.84
Diluted earnings per share		€1.36	€3.82

STATEMENT OF COMPREHENSIVE INCOME

In millions of euros	Notes	First-half 2023	First-half 2022
Net income of consolidated companies		**138.7**	**226.2**
Items to be reclassified to income		**(65.2)**	**219.6**
Fair value gains (losses) on hedging instruments	(a)	3.7	1.7
Tax effect		(0.8)	(0.3)
Movements in cumulative translation adjustments	(b)	(68.1)	218.2
Items not to be reclassified to income		**0.0**	**13.6**
Fair value gains (losses) on financial assets	(c)	(0.8)	(0.1)
Tax effect		0.3	(0.4)
Remeasurement of employee benefits	(d)	0.8	18.9
Tax effect		(0.2)	(4.8)
OTHER COMPREHENSIVE INCOME		**(65.2)**	**233.2**
TOTAL COMPREHENSIVE INCOME		**73.5**	**459.4**
Non-controlling interests		(24.5)	(0.4)
ATTRIBUTABLE TO OWNERS OF THE PARENT		**98.0**	**459.8**

(a) Change in the effective portion of hedging instruments.
(b) The change in translation differences in 2022 is mainly related to the depreciation of the dollar against the euro and the impact of hyperinflation.
(c) Changes in the fair value of financial instruments concern shares in non-consolidated companies for which the Group has elected to recognize changes in the fair value in other comprehensive income not to be reclassified to income (see Note 5).
(d) See Note 11.3.

CONSOLIDATED BALANCE SHEET

ASSETS

In millions of euros	Notes	June 30, 2023	Dec. 31, 2022
Goodwill	3.2	734.4	812.5
Other intangible assets	3	592.5	625.0
Property, plant and equipment	4.1	1,268.7	1,250.3
Right-of-use assets		123.3	119.6
Non-current financial assets	5	88.4	90.1
Investments in equity-accounted companies		0.8	0.9
Other non-current assets		7.6	12.9
Deferred tax assets		62.6	58.7
NON-CURRENT ASSETS		**2,878.2**	**2,969.9**
Inventories and work-in-progress		840.9	737.2
Trade receivables and assets related to contracts with customers	8	657.7	740.1
Other operating receivables		174.2	152.6
Current tax receivables		38.3	17.9
Non-operating receivables		18.7	16.3
Cash and cash equivalents		423.0	552.6
CURRENT ASSETS		**2,152.7**	**2,216.7**
ASSETS HELD FOR SALE	6	**0.0**	**0.0**
TOTAL ASSETS		**5,030.9**	**5,186.6**

SHAREHOLDERS' EQUITY AND LIABILITIES

In millions of euros		June 30, 2023	Dec. 31, 2022
Share capital	10.1	12.0	12.0
Additional paid-in capital and reserves	10.2	3,453.6	3,139.8
Attributable net income for the period		161.6	452.4
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		**3,627.3**	**3,604.2**
NON-CONTROLLING INTERESTS		**14.2**	**38.7**
TOTAL EQUITY		**3,641.5**	**3,642.9**
Long-term borrowings and debt	12	330.1	318.4
Deferred tax liabilities		33.9	53.0
Provisions	11	44.7	41.1
NON-CURRENT LIABILITIES		**408.8**	**412.5**
Short-term borrowings and debt	12	160.6	187.0
Provisions	11	45.7	42.1
Trade payables		243.5	269.4
Other operating payables		440.5	507.9
Current tax payables		40.6	49.0
Non-operating payables		49.7	75.8
CURRENT LIABILITIES		**980.7**	**1,131.1**
LIABILITIES RELATED TO ASSETS HELD FOR SALE	6	**0.0**	**0.0**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**5,030.9**	**5,186.6**

CONSOLIDATED CASH FLOW STATEMENT

In millions of euros	Notes	First-half 2023	First-half 2022
Net income of consolidated companies		**138.7**	**226.2**
- Share in (earnings) losses of equity-accounted companies		0.0	0.0
- Cost of net debt		(1.9)	2.9
- Other financial income and expenses		1.4	2.7
- Income tax expense		69.6	65.2
- Net additions to depreciation and amortization of operating items – non-current provisions		103.0	100.4
- Amortization and impairment of intangible assets related to acquisitions		83.3	16.2
EBITDA (before non-recurring items)	**12**	**394.1**	**413.6**
Other non-recurring income and expenses from operations *(excluding net additions to non-recurring provisions and capital gains or losses on disposals of non-current assets)*		0.0	0.0
Other financial income and expenses *(excluding provisions and disposals of non-current financial assets)*		(1.4)	(2.7)
Net additions to operating provisions for contingencies and losses		6.4	(10.2)
Fair value gains (losses) on financial instruments		(1.6)	(0.0)
Share-based payment		8.2	4.7
Elimination of other non-cash/non-operating income and expenses		**11.6**	**(8.1)**
Change in inventories		(114.8)	(44.0)
Change in trade receivables		64.4	(12.5)
Change in trade payables		(15.1)	(11.0)
Change in other operating working capital		(87.3)	(38.1)
Change in operating working capital requirement[a]		**(152.7)**	**(105.6)**
Other non-operating working capital		1.8	(1.9)
Change in non-current non-financial assets and liabilities		1.0	1.3
Change in working capital requirement		**(149.9)**	**(106.2)**
Income tax paid		**(109.8)**	**(145.4)**
Cost of net debt	**17.2**	**1.9**	**(2.9)**
NET CASH FROM OPERATING ACTIVITIES		**147.9**	**151.0**
Purchases of property, plant and equipment and intangible assets		(150.3)	(137.2)
Proceeds from disposals of property, plant and equipment and intangible assets		2.8	5.7
Purchases of other non-current financial assets		1.1	(3.5)
FREE CASH FLOW[b]		***1.4***	***16.0***
Purchases of non-consolidated companies and equity-accounted investments		(0.3)	(3.1)
Impact of changes in scope of consolidation		0.0	(214.2)
NET CASH USED IN INVESTING ACTIVITIES		**(146.8)**	**(352.3)**
Purchases and sales of treasury shares[c]		17.3	(111.3)
Dividends paid to owners		(100.2)	(101.2)
Cash flows from new borrowings		16.4	102.4
Cash flows from loan repayments		(39.6)	(17.6)
NET CASH USED IN FINANCING ACTIVITIES		**(106.1)**	**(127.7)**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**(105.0)**	**(329.1)**
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**528.7**	**787.3**
Impact of changes in exchange rates on net cash and cash equivalents		(23.0)	55.2
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		**400.7**	**513.3**

(a) Including additions to and reversals of current provisions.
(b) Free cash flow is defined as the sum of the cash flows related to operations and those related to capital expenditure, excluding the impact of changes in the scope of consolidation.
(c) In 2022, bioMérieux purchased €111 million in treasury shares, mainly under the current share buyback program to offset the share dilution of approximately 1% following the acquisition of Specific Diagnostics.

Comments on the changes in the Group’s consolidated net cash and cash equivalents are provided in Note 12.

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

In millions of euros	Attributable to owners of the parent										Non-controlling interests
	Share capital	Additional paid-in capital and consolidated reserves[a]	Cumulative translation adjustments	Changes in fair value[b]	Actuarial gains and losses[c]	Treasury shares	Share-based payment	Total additional paid-in capital and reserves	Net income	**Total**	**Total**
EQUITY AT DECEMBER 31, 2021[i]	**12.0**	**2,531.8 [h]**	**17.7 [j]**	**(3.4)**	**(58.6)**	**(10.3)**	**21.5**	**2,499.0**	**601.1**	**3,112.1 [h]**	**51.4**
Total comprehensive income for the period			216.8	0.9	14.1			231.8	228.0	**459.8**	**(0.4)**
Appropriation of prior-period net income		601.1						601.1	(601.1)	**0.0**	
Dividends paid[d]		(101.2)						(101.2)		**(101.2)**	
Treasury shares		(9.7)				(142.0)		(151.7)		**(151.7)**	
Share subscription plans		0.0						0.0		**0.0**	
Changes in ownership interests[f]		6.0						6.0		**6.0**	**(6.0)**
Other changes[g]		38.6		0.0			(6.9)	31.7		**31.7**	
Capital increase[k]	0.1	107.4						107.6		**107.6**	
EQUITY AT JUNE 30, 2022	**12.2**	**3,173.9 [h]**	**234.5 [j]**	**(2.5)**	**(44.5)**	**(152.3)**	**19.3**	**3,228.8**	**228.0**	**3,469.0 [h]**	**44.9**

(a) Including €171.0 million in additional paid-in capital at June 30, 2022 versus €63.7 million at December 31, 2021.
(b) Including changes in the fair value of Accellix, Labtech and GNEH shares and hedging instruments.
(c) Actuarial gains and losses on employee benefit obligations arising since the application of IAS 19R.
(d) Dividend per share: €0.85 in 2022 versus €0.62 in 2021. 1,762,038 shares did not qualify for dividends at June 30, 2022 compared with 95,843 at December 31, 2021.
(e) The fair value of benefits related to free share grants is recognized over the vesting period.
(f) Changes in ownership interests corresponded to the new breakdown between interests attributable to owners of the parent and non-controlling interests following the 3.2% increase in the Group's interest in Hybiome.
(g) In first-half 2022, these changes corresponded to a reclassification following free share grants, the impact of the disposal of the interest in Specific Diagnostics and the change in the debt relative to the put option on Hybiome minority interests following the increase in the Group's interest.
(h) Of which bioMérieux SA distributable reserves, including net income for the period of €1,292 million.
(i) Equity at December 31, 2020 has been restated to account for the elimination of the internal margin on inventories recognized retrospectively for €11.1 million at January 1, 2021.
(j) See Note 10.2, Cumulative translation adjustments.
(k) Increase in bioMérieux SA's capital following the issuance of 1,288,901 new shares for the acquisition of Specific Diagnostics (see Note 1.1.1).

	Attributable to owners of the parent										Non-controlling interests
In millions of euros	Share capital	Additional paid-in capital and consolidated reserves[(a)]	Cumulative translation adjustments	Changes in fair value[(b)]	Actuarial gains and losses[(c)]	Treasury shares	Share-based payment	Total additional paid-in capital and reserves	Net income	**Total**	**Total**
EQUITY AT DECEMBER 31, 2022	**12.0**	**3,062.2** [(f)]	**143.0** [(g)]	**(6.4)**	**(42.0)**	**(36.0)**	**19.0**	**3,139.8**	**452.4**	**3,604.2** [(f)]	**38.7**
Total comprehensive income for the period			(66.6)	2.3	0.6			(63.6)	161.6	**98.0**	**(24.5)**
Appropriation of prior-period net income		452.4						452.4	(452.4)	**0.0**	
Dividends paid[(d)]		(100.2)						(100.2)		**(100.2)**	
Treasury shares		2.2				15.1		17.3		**17.3**	
Share-based payment[(e)]							8.2	8.2		**8.2**	
Other changes		(0.2)					0.0	(0.2)		**(0.2)**	
EQUITY AT JUNE 30, 2023	**12.0**	**3,416.3** [(f)]	**76.4** [(g)]	**(4.0)**	**(41.4)**	**(20.9)**	**27.2**	**3,453.7**	**161.6**	**3,627.3** [(f)]	**14.2**

(a) Including €74.0 million in additional paid-in capital at June 30, 2023 versus €74.0 million at December 31, 2022.
(b) Including changes in the fair value of Cathay Innovation, GNEH, Accellix and Labtech shares and hedging instruments.
(c) Actuarial gains and losses on employee benefit obligations arising since the application of IAS 19R.
(d) Dividend per share: €0.85 in 2023 versus €0.85 in 2022. 237,138 shares did not qualify for dividends at June 30, 2023 compared with 415,074 at December 31, 2022.
(e) The fair value of benefits related to free share grants is recognized over the vesting period.
(h) Of which bioMérieux SA distributable reserves, including net income for the period of €1,080 million.
(g) See Note 10.2, Cumulative translation adjustments.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2023

bioMérieux is a leading international diagnostics group that specializes in the field of *in vitro* diagnostics for clinical and industrial applications. The Group designs, develops, manufactures and markets diagnostic systems (reagents, instruments and services). bioMérieux is present in more than 160 countries through its locations in 45 countries and a large network of distributors.

The parent company, bioMérieux, is a French joint stock company (*société anonyme*), whose registered office is located in Marcy l'Etoile (69280) and whose shares are listed on Compartment A of Euronext Paris.

By decision of the Board of Directors on June 13, 2023, with effect from July 1, 2023, bioMérieux has changed its corporate governance structure and separated the roles of Chairman and Chief Executive Officer. Alexandre Mérieux is now Chairman of the Board of Directors, and Pierre Boulud is Chief Executive Officer.

The condensed interim consolidated financial statements were approved for issue by the Board of Directors on August 31, 2023. They are presented in millions of euros. They have been subject to a review by the Statutory Auditors.

The risk factors applicable to the bioMérieux Group are described in section 2 of the 2022 Universal Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) on March 22, 2023.

1. SIGNIFICANT EVENTS AND CHANGES IN THE SCOPE OF CONSOLIDATION FOR THE HALF-YEAR

1.1 SIGNIFICANT EVENTS OF THE FIRST HALF

1.1.1 MyShare worldwide employee share ownership plan

In May 2023, bioMérieux employees were offered the opportunity to acquire existing bioMérieux shares at preferential conditions (discount and matching contribution). The launch of MyShare, the employee share ownership plan, was designed to more effectively involve employees in the performance of the Group.

Approved by the Board of Directors on December 14, 2022, the share ownership plan was available to all eligible employees residing in countries that authorize such operations.

5,632 employees took part in the operation, subscribing for almost 300,000 shares.

MyShare generated personnel costs of approximately €10 million, recognized in general and administrative expenses.

1.2 CHANGES IN THE SCOPE OF CONSOLIDATION

There were no acquisitions or disposals during the first half of 2023. Other changes in the scope of consolidation concern the following transactions:

- Creation of bioMérieux Kazakhstan Limited Liability on June 6, 2023. This subsidiary is wholly owned by the Group.
- Liquidation of Quercus Scientific NV, which was wholly owned by the Group.

1.2.1 Comparable information on changes in scope of consolidation

As bioMérieux did not carry out any external growth transactions during the first half of 2023, no comparable information is presented in the profit and loss statement.

Where applicable, any impacts of changes in the scope of consolidation are shown on a separate line of the cash flow statement and tables showing any year-on-year changes in the explanatory notes.

1.3 SUMMARY OF SIGNIFICANT EVENTS IN 2022

The significant events of 2022 were as follows:

- Acquisition of Specific Diagnostics on May 18, 2022 for $407.0 million paid up with a combination of cash and shares. This subsidiary has been wholly owned by the Group since the date of its acquisition.

- Creation of Aurobac Therapeutics SAS, in partnership with Boehringer Ingelheim and Evotec SE. The amount of non-consolidated securities was €2.5 million at December 31, 2022.

- Acquisition of a non-controlling interest in Proxim Diagnostics. bioMérieux held a 19.9% stake totaling €16.9 million at December 31, 2022.

- Signature of a strategic investment agreement with Accunome. bioMérieux holds approximately 11% of the share capital of Accunome totaling €13.6 million.

The significant events of 2022 did not have a material impact on the financial statements for the first half of 2023, except for the acquisition of Specific Diagnostics. The loss generated by Specific Diagnostics amounted to €21.9 million in first-half 2023, versus €3.0 million in first-half 2022.

At June 30, 2023, the purchase price allocation for Specific Diagnostics had been completed. The final allocation of goodwill did not lead to a change in provisional goodwill.

2. SIGNIFICANT ACCOUNTING PRINCIPLES

2.1 STANDARDS, AMENDMENTS AND INTERPRETATIONS

The condensed interim consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), including all standards, amendments and interpretations adopted by the European Commission at June 30, 2023. These standards, amendments and interpretations can be consulted on the European Commission's website.

The condensed interim consolidated financial statements were prepared and are presented in accordance with IAS 34 "Interim Financial Reporting". Accordingly, the notes to the financial statements are presented in condensed format.

Information provided in the notes only relates to material items, transactions and events whose disclosure provides for a better understanding of changes in the bioMérieux Group's financial position and performance.

The accounting principles and calculation methods used to prepare the interim consolidated financial statements at June 30, 2023 and June 30, 2022 are identical to those used to prepare the consolidated financial statements at December 31, 2022 and described in detail in the Universal Registration Document filed with the AMF on March 22, 2023, with the exception of the standards, amendments and interpretations that came into force in 2023. In some cases, these rules have been adapted to the specific nature of interim financial statements, in accordance with IAS 34.

The new standards, amendments and interpretations adopted by the European Commission and effective from January 1, 2023 are presented below:

- Amendment to IAS 1 “Disclosure of Accounting Policies” and updated IFRS Practice Statement 2 “Making Materiality Judgements”, adopted by the European Union in March 2022;
- Amendment to IAS 8 “Definition of an Accounting Estimate”, adopted by the European Union in March 2022;
- Amendment to IAS 12 “Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction”, adopted by the European Union in August 2022.

These amendments did not impact the Group’s consolidated financial statements at June 30, 2023.

The amendment to IAS 12 “Income Taxes: International Tax Reform – Pillar Two Model Rules”, was adopted by the IASB in May 2023 and will come into force in 2023. At June 30, 2023, however, the amendment had not been adopted by the European Union. The Pillar Two Model Rules are scheduled for transposition in France during the second half of 2023. The Pillar Two amendment introduces a mandatory temporary exception relating to the recognition of “top-up tax” impacts on current and deferred taxes. The impact of Pillar Two on the Group’s consolidated financial statements is currently being analyzed. The Group does not expect the application of Pillar Two to have a material impact on current and deferred taxes recognized in the consolidated financial statements, based on the information available (only three countries have a tax rate below 15%: Switzerland, Dubai and Hungary).

The standards, amendments and interpretations adopted by the IASB that will enter into force for fiscal years beginning on or after January 1, 2024 and that are pending adoption by the EU, are as follows:

- Amendment to IAS 1 “Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants”;
- Amendment to IFRS 7 “Financial Instruments: Disclosures: Supplier Finance Arrangements”;
- Amendment to IFRS 16 “Leases: Lease Liability in a Sale and Leaseback”.

The Group does not expect these amendments to have a material impact on its consolidated financial statements.

There are no standards, amendments and interpretations published by the IASB, with mandatory application for the fiscal years opened on January 1, 2023, but not yet approved at the European level (and for which early application is not possible on a European level), that would have had a material impact on the consolidated financial statements (see section on the Pillar Two amendment above).

The financial statements of consolidated Group companies that are prepared in accordance with local accounting principles are restated to comply with the principles used for the consolidated financial statements.

2.2 HYPERINFLATION

In Argentina and Turkey, the cumulative inflation rate over the last three years is higher than 100% according to a combination of indices used to measure inflation in these countries. As a result, bioMérieux has treated Argentina and Turkey as hyperinflationary economies and has applied the provisions of IAS 29 since January 1, 2022. The impact of these restatements is not material at Group level.

No other subsidiary became hyperinflationary in the first half of 2023.

2.3 JUDGMENTS AND ESTIMATES

The rules regarding estimates and judgments are not materially different from those used at June 30, 2022 and December 31, 2022 (see Note 2.4 to the consolidated financial statements at December 31, 2022). These rules were applied in particular for the measurement and impairment of intangible and financial assets and deferred taxes, and for the measurement of post-employment benefit obligations. The amendment to IAS 8 had no impact on the interim consolidated financial statements at June 30, 2023.

The indirect effects of the geopolitical situation in Ukraine have increased uncertainties but have not significantly impacted the Group in the first half of 2023.

There have been no significant changes to the impact of climate change on the financial statements, compared with the information given in Note 2.4 to the consolidated financial statements at December 31, 2022.

Risks related to climate change effects, in relation to those currently assessed, as well as the Group's commitments in terms of carbon neutrality and the reduction of greenhouse gas emissions did not have a significant impact on the financial statements.

2.4 PRESENTATION OF THE PROFIT AND LOSS STATEMENT

Since the first half of 2022, the Group has decided to present all amortization and impairment of intangible assets related to acquisitions on a consistent basis, as well as acquisition-related costs, on a separate line of the profit and loss statement within operating income before non-recurring items.

The Group uses contributive operating income before non-recurring items as a key financial performance indicator for financial reporting purposes (see Note 24 for details on the alternative performance indicators).

The definition of other non-recurring income and expenses from operations is the same as that applied in previous years (see Note 24.1 to the consolidated financial statements at December 31, 2022).

2.5 SEASONALITY OF OPERATIONS

Given the importance of its respiratory panel, BioFire sales are significantly influenced by changes in the timing and intensity of respiratory disease and seasonal influenza epidemics.

The sensitivity of the Group's other businesses to seasonal fluctuations is not material. Revenues and contributive operating income before non-recurring items tend to be slightly higher in the second half of the year.

3. CHANGES IN INTANGIBLE ASSETS AND AMORTIZATION

3.1 ACCOUNTING PRINCIPLES

3.1.1 Impairment tests on non-current assets

For each year-end closing, the Group systematically performs impairment tests on goodwill and on other intangible assets with indefinite useful lives, as described in Note 4.2 to the consolidated financial statements at December 31, 2022. Similarly, other intangible assets and property, plant and equipment with finite useful lives are tested for impairment whenever there is an indication that they may be impaired, in accordance with the methods described in the aforementioned note.

For the interim financial statements, impairment tests are only carried out for material assets or groups of assets where there is an indication that they may be impaired at the reporting date. The financial statements for the first half of 2023 reflect the results of these analyses. No indications of impairment were identified, with the exception of the CLIA cash-generating unit, for which a goodwill impairment loss of €63.0 million was recognized in first-half 2023.

At December 31, 2022, the analysis did not lead to the identification of any assets under lease to be tested independently from a cash-generating unit.

3.1.2 Changes in goodwill

In millions of euros	**Net value**
DECEMBER 31, 2021	**669.5**
Translation adjustments	7.6
Changes in scope of consolidation[a]	164.4
Impairment[b]	(29.0)
DECEMBER 31, 2022	**812.5**
Translation adjustments	(15.1)
Changes in scope of consolidation	0.0
Impairment[b]	(63.0)
JUNE 30, 2023	**734.4**

(a) Related to the acquisition of Specific Diagnostics.
(b) Related to the impairment loss on the CLIA CGU.

The goodwill related to Specific Diagnostics, deemed provisional at December 31, 2022, is now final. The final valuation of this goodwill did not result in any change in value.

The impairment test carried out on the CLIA cash-generating unit (CGU), in accordance with the rules set out in Note 3.1.1, led to the recognition of an additional impairment loss of €63.0 million in first-half 2023.

As a result, a cumulative impairment loss of €90.1 million was recognized on the CLIA CGU goodwill, bringing its net book value to €31.1 million at June 30, 2023.

3.2 CHANGES IN OTHER INTANGIBLE ASSETS AND AMORTIZATION

Other intangible assets mainly comprise patents and technologies.

Gross value

In millions of euros	Patents Technologies	Software	Other	Total
DECEMBER 31, 2021	**724.8**	**227.9**	**32.7**	**985.3**
Translation adjustments	24.2	3.6	0.7	28.5
Acquisitions/Increases	0.2	13.1	4.7	18.0
Changes in scope of consolidation	245.1	0.0	0.0	245.2
Disposals/Decreases	(0.1)	(4.8)	0.0	(4.9)
Reclassifications	0.0	7.2	(6.5)	0.7
Hyperinflation	0.0	2.5	0.6	3.1
DECEMBER 31, 2022	**994.2**	**249.5**	**32.1**	**1,275.8**
Translation adjustments	(19.6)	(1.4)	(0.4)	(21.4)
Acquisitions/Increases	3.4	4.9	4.2	12.5
Changes in scope of consolidation	0.0	0.0	0.0	0.0
Disposals/Decreases	0.0	(2.2)	(0.0)	(2.2)
Reclassifications	0.0	3.4	(3.9)	(0.5)
Hyperinflation	0.0	0.8	0.3	1.1
JUNE 30, 2023	**978.1**	**254.9**	**32.3**	**1,265.4**

Amortization and impairment

In millions of euros	Patents Technologies	Software	Other	Total
DECEMBER 31, 2021	**375.3**	**191.4**	**7.1**	**573.9**
Translation adjustments	12.8	3.0	0.2	15.9
Additions	43.0	18.1	1.7	62.8
Changes in scope of consolidation	0.0	0.0	0.0	0.0
Reversals/Disposals	(0.1)	(4.2)	0.0	(4.3)
Reclassifications	0.0	0.0	0.0	0.0
Hyperinflation	0.0	1.9	0.6	2.6
DECEMBER 31, 2022	**431.0**	**210.2**	**9.6**	**650.8**
Translation adjustments	(7.0)	(1.0)	(0.1)	(8.1)
Additions	22.5	7.9	0.8	31.2
Changes in scope of consolidation	0.0	0.0	0.0	0.0
Reversals/Disposals	0.0	(2.2)	(0.0)	(2.2)
Reclassifications	0.0	0.0	(0.0)	0.0
Hyperinflation	0.0	0.7	0.3	1.0
JUNE 30, 2023	**446.4**	**215.7**	**10.6**	**672.8**

Net value

In millions of euros	Patents Technologies	Software	Other	Total
DECEMBER 31, 2021	**349.5**	**36.5**	**25.5**	**411.5**
DECEMBER 31, 2022	**563.2**	**39.3**	**22.5**	**625.0**
JUNE 30, 2023	**531.7**	**39.3**	**21.7**	**592.6**

Reclassifications mainly corresponds to assets under construction put into service during the period.

At June 30, 2023, no indications of impairment were identified.

4. CHANGES IN PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND DEPRECIATION

4.1 CHANGES IN PROPERTY, PLANT AND EQUIPMENT

GROSS VALUE *In millions of euros*	Land	Buildings	Machinery and equipment	Capitalized instruments	Other	Assets in progress	**Total**
DECEMBER 31, 2021	**54.5**	**742.7**	**626.4**	**455.2**	**203.4**	**157.1**	**2,239.3**
Translation adjustments	1.5	23.1	20.8	2.6	5.9	0.2	**54.1**
Acquisitions/Increases	0.5	23.3	45.2	64.4	10.2	128.6	**272.2**
Disposals/Decreases	(0.0)	(25.9)	(28.5)	(41.2)	(17.6)		**(113.1)**
Reclassifications		59.4	17.7	0.4	4.7	(58.8)	**23.4**
Hyperinflation		0.2	0.1	11.8	0.6	0.0	**12.7**
DECEMBER 31, 2022	**56.5**	**823.4**	**682.2**	**493.2**	**207.3**	**227.1**	**2,489.8**
Translation adjustments	(0.7)	(10.4)	(9.0)	(2.5)	(2.5)	(5.1)	**(30.3)**
Acquisitions/Increases	0.2	7.1	22.7	36.6	2.4	47.2	**116.3**
Disposals/Decreases		(1.8)	(1.7)	(13.0)	(1.5)		**(18.0)**
Reclassifications		8.7	39.8	0.2	2.6	(50.8)	**0.5**
Hyperinflation		0.1	0.0	3.7	0.2	0.0	**4.1**
JUNE 30, 2023	**56.0**	**827.1**	**734.0**	**518.3**	**208.5**	**218.3**	**2,562.3**

DEPRECIATION AND IMPAIRMENT *In millions of euros*	Land	Buildings	Machinery and equipment	Capitalized instruments	Other	Assets in progress	**Total**
DECEMBER 31, 2021	**2.9**	**359.3**	**374.3**	**264.3**	**137.6**		**1,138.5**
Translation adjustments	0.0	8.2	10.7	1.9	3.5		**24.3**
Additions	0.3	39.7	46.2	50.4	20.2		**156.9**
Disposals/Decreases	(0.0)	(16.7)	(28.6)	(38.1)	(17.4)		**(100.8)**
Reclassifications		11.9	0.3	0.0	(0.0)		**12.2**
Hyperinflation		0.2	0.1	7.6	0.5		**8.4**
DECEMBER 31, 2022	**3.2**	**402.7**	**403.1**	**286.1**	**144.4**		**1,239.5**
Translation adjustments	(0.1)	(3.6)	(3.7)	(1.0)	(1.5)		**(9.9)**
Additions	0.1	20.7	23.4	24.1	9.3		**77.6**
Disposals/Decreases		(1.8)	(1.8)	(11.3)	(1.5)		**(16.4)**
Reclassifications					(0.0)		**(0.0)**
Hyperinflation		0.1	0.0	2.5	0.2		**2.8**
JUNE 30, 2023	**3.3**	**418.0**	**421.1**	**300.4**	**150.9**		**1,293.7**

NET VALUE *In millions of euros*	Land	Buildings	Machinery and equipment	Capitalized instruments	Other	Assets in progress	**Total**
DECEMBER 31, 2021	**51.6**	**383.4**	**252.1**	**190.9**	**65.8**	**157.1**	**1,100.8**
DECEMBER 31, 2022	**53.3**	**420.7**	**279.2**	**207.2**	**62.9**	**227.1**	**1,250.3**
JUNE 30, 2023	**52.7**	**409.1**	**313.0**	**218.0**	**57.7**	**218.3**	**1,268.7**

Assets in progress mainly concern new buildings and capital expenditure on production and automation tools in the United States.

Part of the new campus in Suzhou was put in service during the period for approximately €27.7 million.

The analysis of indications of impairment as described in Note 3.1.1 did not give rise to any changes in impairment in the first half of 2023.

4.2 Right-of-use assets

4.2.1 Accounting principles

The accounting principles for leases are described in Note 6.2 to the consolidated financial statements at December 31, 2022.

The analysis did not identify any indications of impairment at June 30, 2023 on right-of-use assets.

4.2.2 Change

GROSS VALUE *In millions of euros*	Land	Buildings	Machinery and equipment	Other	TOTAL
DECEMBER 31, 2021	**25.5**	**146.5**	**31.7**	**4.6**	**208.2**
Translation adjustments	1.4	1.8	0.5	0.0	**3.7**
Acquisitions/Increases	0.0	13.0	10.0	0.1	**23.1**
Disposals/Decreases	(0.6)	(11.1)	(7.7)	(0.0)	**(19.4)**
Reclassifications		(6.2)		0.0	**(6.2)**
DECEMBER 31, 2022	**26.3**	**148.7**	**34.6**	**4.7**	**214.2**
Translation adjustments	(0.4)	(1.8)	(0.5)	(0.0)	**(2.7)**
Changes in scope of consolidation					
Acquisitions/Increases		13.0	10.8	(0.1)	**23.7**
Disposals/Decreases		(8.1)	(7.0)	(0.0)	**(15.0)**
Reclassifications		(0.1)			**(0.1)**
JUNE 30, 2023	**25.9**	**151.8**	**37.9**	**4.6**	**220.1**

DEPRECIATION *In millions of euros*	Land	Buildings	Machinery and equipment	Other	TOTAL
DECEMBER 31, 2021	**3.5**	**60.1**	**16.6**	**4.0**	**84.3**
Translation adjustments	0.2	0.8	0.3	0.0	**1.3**
Additions	0.5	18.7	9.5	0.2	**28.9**
Disposals/Decreases	(0.6)	(9.3)	(6.8)	(0.0)	**(16.7)**
Reclassifications		(3.0)			**(3.0)**
DECEMBER 31, 2022	**3.7**	**67.2**	**19.5**	**4.2**	**94.6**
Translation adjustments	(0.1)	(0.9)	(0.3)	(0.0)	**(1.3)**
Changes in scope of consolidation					
Additions	0.3	9.4	4.7	0.1	**14.5**
Disposals/Decreases		(5.0)	(6.0)	(0.0)	**(11.0)**
Reclassifications		(0.0)			**(0.0)**
JUNE 30, 2023	**3.8**	**70.8**	**18.0**	**4.2**	**96.8**

NET VALUE *In millions of euros*	Land	Buildings	Machinery and equipment	Other	TOTAL
DECEMBER 31, 2021	**22.0**	**86.4**	**15.1**	**0.6**	**124.0**
DECEMBER 31, 2022	**22.6**	**81.4**	**15.0**	**0.5**	**119.6**
JUNE 30, 2023	**22.0**	**81.0**	**19.9**	**0.4**	**123.3**

The increases are primarily linked to new leases. The decreases are primarily linked to leases having reached the end of their terms.

The table below shows assets held by the Group under finance leases (as lessor):

NET VALUE *In millions of euros*	Land	Buildings	Machinery and equipment	Other	**TOTAL**
DECEMBER 31, 2021	**2.7**	**32.3**			**35.0**
DECEMBER 31, 2022	**2.7**	**26.3**			**29.0**
JUNE 30, 2023	**2.7**	**25.1**			**27.8**

5. CHANGES IN NON-CURRENT FINANCIAL ASSETS

In millions of euros	Acquisition value	Changes in fair value	Fair value
DECEMBER 31, 2021	**65.9**	**(4.8)**	**61.1**
Translation adjustments	1.2	0.0	1.2
Acquisitions/Increases	52.0	0.0	52.0
Disposals/Decreases	(24.0)	0.0	(23.9)
Changes in fair value recognized in other comprehensive income		(0.3)	(0.3)
DECEMBER 31, 2022	**95.1**	**(5.1)**	**90.1**
Translation adjustments	(1.6)	(0.0)	(1.7)
Acquisitions/Increases	2.8	0.0	2.8
Disposals/Decreases	(2.0)	0.0	(2.0)
Changes in fair value recognized in other comprehensive income		(0.8)	(0.8)
JUNE 30, 2023	**94.3**	**(5.9)**	**88.4**

Acquisitions and disposals over the period were not material. Acquisitions in the first half of 2023 mainly concern the acquisition of a €2 million non-controlling stake in Supernova Innovation 3, the third seed fund launched by Supernova Invest, a management company specialized in Deeptech investments.

The change in fair value recorded in other comprehensive income mainly concerns Cathay Innovation, GNEH (Geneuro holding company) and Labtech securities.

The summary table below shows the change in fair value of shares in non-consolidated companies at June 30, 2023 compared to December 31, 2022.

In millions of euros	Dec. 31, 2022 Fair value	Of which changes in fair value through other comprehensive income	Of which changes in fair value reclassified to reserves	June 30, 2023 Fair value	Of which changes in fair value through other comprehensive income	Of which changes in fair value reclassified to reserves
Proxim	16.9			16.6		
Accunome	13.6			12.7		
Qvella	7.0			7.0		
Cathay Innovation	7.5	2.5		6.6	(0.9)	
Accellix	6.5	0.8		6.4		
Pertinence Invest	4.0			4.0		
InDevR	3.1			3.1		
Aurobac Therapeutics SAS	2.5			2.5		
Weezion	2.0			2.0		
Supernova Innovation 3	0.0			2.0		
Labtech/LBT Innovations	0.4	(0.3)		0.2	(0.2)	
GNEH	0.0	(3.3)		0.2	0.2	
Specific Diagnostics	0.0		28.3	0.0		
Other securities	6.9	0.0	0.0	6.8		0.0
TOTAL	**70.3**	**(0.3)**	**28.3**	**69.9**	**(0.8)**	**0.0**

The value of the assets was reviewed at June 30, 2023.

6. ASSETS AND LIABILITIES HELD FOR SALE

There were no assets or liabilities held for sale at June 30, 2023 or December 31, 2022.

7. INVENTORIES

The Group did not experience significant low production or idle capacity over the manufacturing period of the inventories recognized at June 30, 2023 or 2022. The economic impact of the crisis in Ukraine (shortage of raw materials and an increase in their costs) did not generate significant risks in terms of obsolescence, rotation or net realizable value of inventories in the first half of 2023 or 2022.

In millions of euros	June 30, 2023	Dec. 31, 2022
Raw materials	356.6	326.0
Work-in-progress	96.3	89.8
Finished products and goods held for resale	429.3	364.3
GROSS VALUE	**882.2**	**780.1**
Raw materials	(19.1)	(19.9)
Work-in-progress	(3.4)	(3.6)
Finished products and goods held for resale	(18.9)	(19.3)
PROVISIONS FOR IMPAIRMENT	**(41.3)**	**(42.8)**
Raw materials	337.5	306.1
Work-in-progress	92.9	86.2
Finished products and goods held for resale	410.4	344.9
NET VALUE	**840.9**	**737.2**

8. TRADE RECEIVABLES AND ASSETS RELATED TO CONTRACTS WITH CUSTOMERS

In millions of euros	June 30, 2023	Dec. 31, 2022
Gross trade receivables	706.7	787.8
Impairment	(49.1)	(47.7)
NET VALUE	**657.7**	**740.1**

There are no other assets related to contracts with customers.

Trade receivables include the current portion of finance lease receivables.

RECEIVABLES AND ASSETS RELATED TO CONTRACTS WITH CUSTOMERS	Dec. 31, 2022	Changes in scope of consolidation	Changes in gross value	Changes in provisions	Change in method	Currency impact	June 30, 2023
Long-term finance lease receivables	12.9		(5.2)			(0.2)	7.6
NON-CURRENT ASSETS	**12.9**		**(5.2)**	**0.0**	**0.0**	**(0.2)**	**7.6**
Finance lease receivables	6.1		(2.2)	(0.3)	0.0	(0.1)	3.5
Trade receivables	734.0	0.0	(65.6)	(1.6)	0.0	(12.5)	654.2
Other assets related to contracts with customers	0.0						0.0
CURRENT ASSETS	**740.1**	**0.0**	**(67.8)**	**(2.0)**	**0.0**	**(12.6)**	**657.7**

The analysis carried out did not result in any changes to the trade receivable impairment model, nor to the way it is implemented (allowance rates, etc.) in the first half of 2023 or 2022.

9. LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS

Liabilities related to contracts with customers mainly correspond to advances received and maintenance services invoiced in advance on service contracts. These contracts have a term of one year. The associated revenues are recognized in income in the period that the service is rendered, in practice over the 12 months following their invoicing. No material adjustments were made to any liabilities related to contracts with customers during the first half of 2023.

LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS	Notes	Dec. 31, 2022	Changes in scope of consolidation	Changes in gross value	Changes in provisions	Reclassifications	Changes in translation adjustments	June 30, 2023
Provisions for long-term guarantees	15	1.0	0.0		0.0	0.0	0.0	0.9
NON-CURRENT LIABILITIES		**1.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.9**
Provisions for short-term guarantees	15	6.3			0.1	0.0	(0.2)	6.1
Advances received on trade receivables	17	22.1		(7.2)		0.0	(1.3)	13.6
Accrued credit notes	17	12.3		(0.2)		0.1	0.0	12.1
Prepaid income	17	88.5	0.0	7.0		(9.6)	(1.8)	84.1
CURRENT LIABILITIES		**129.2**	**0.0**	**(0.5)**	**0.1**	**(9.5)**	**(3.3)**	**115.9**

10. SHAREHOLDERS’ EQUITY AND EARNINGS PER SHARE

10.1 SHARE CAPITAL

The Company's share capital amounted to €12,029,370 at June 30, 2023 and was divided into 118,361,220 shares with a total of 190,952,238 voting rights of which 72,591,018 shares with double voting rights. Following a decision taken by the Annual General Meeting of March 19, 2001, the Company’s bylaws no longer refer to a par value for its shares. No rights or securities with a dilutive impact on capital were outstanding at June 30, 2023.

Treasury shares held under the liquidity agreement

At June 30, 2023, the parent company held 55,000 treasury shares (versus 44,028 at June 30, 2022) in connection with a liquidity agreement entered into with a third party for market-making purposes. In the first six months of the year, the Company purchased 420,576 of its own shares and sold 419,047 shares in connection with the liquidity agreement.

Other treasury shares

During the first half of 2023, the Company purchased 120,000 shares and 299,465 shares vested under the MyShare employee share ownership subscription plan (see Note 1.1.1). At June 30, 2023, the Company held 182,138 treasury shares.

The liability recorded for the first half of the year in respect of employee free share payment plans totaled €8.2 million, excluding the expenses related to employers’ contributions, versus €4.7 million in the first half of 2022, corresponding to the accrued portion of the estimated liability recognized over the vesting period. This impact does not include the MyShare employee share ownership subscription plan.

The MyShare plan generated personnel costs of approximately €10 million in the first-half financial statements (see note 1.1.1).

10.2 CUMULATIVE TRANSLATION ADJUSTMENTS

In millions of euros	June 30, 2023	Dec. 31, 2022
Dollar[(a)]	133.3	188.2
Latin America	(16.1)	(20.7)
Europe – Middle East – Africa	(42.0)	(40.2)
Other countries	(1.3)	18.0
TOTAL	**73.8**	**145.3**

(a) U.S. and Hong Kong dollars.

Cumulative translation adjustments include the impact of hyperinflation for €10.3 million (see Note 2.2).

10.3 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net income attributable to owners of the parent by the weighted average number of shares outstanding during the period (excluding shares intended for allocation under free share grants and treasury shares held for market-making purposes and other share buyback programs).

Diluted earnings per share is calculated based on the same number of shares as for basic earnings plus the weighted average number of potential shares to be issued that would have a dilutive effect on net income (118,613,459 at June 30, 2023 versus 118,348,560 at June 30, 2022).

11. PROVISIONS – CONTINGENT ASSETS AND LIABILITIES

11.1 ACCOUNTING PRINCIPLES

11.1.1 Provisions

The recognition and measurement criteria for provisions are identical to those used at December 31, 2022 (see Note 15.1 to the consolidated financial statements at December 31, 2022).

Additions to and reversals of provisions are recognized in full based on the situation at June 30, 2023.

11.1.2 Post-employment benefits

In accordance with the amended IAS 19, the general principles applied are as follows:

Post-employment benefit obligations are presented in the balance sheet for their total amount less the fair value of plan assets. The calculations of the benefit obligation and the fair value of plan assets are identical to the method used at December 31, 2022 (see Note 15.3 to the consolidated financial statements at December 31, 2022).

In accordance with the provisions of IAS 34, post-employment benefits were not calculated in full at June 30, 2023 or June 30, 2022.

Changes in net obligations were estimated as follows:

- Interest cost and service cost were estimated by extrapolating the total benefit obligation as calculated at December 31, 2022.
- The discount rates were updated at June 30, 2023, and the impact of their change was assessed at that date.
- The impact of the pension reform in France, as set out in the law of April 15, 2023, which will raise the legal retirement age for employees covered by the “general plan” (*régime général*) from 62 to 64, is recognized in commitments at June 30, 2023, with no material impact on the financial statements.
- The analysis carried out as of June 30, 2023 did not result in any changes to the other actuarial assumptions related to the total benefit obligation (including the salary increase and turnover rates) compared to December 31, 2022.

- Other actuarial gains and losses related to experience adjustments were not recalculated due to their non-material impact during previous years and to the fact that no material changes are expected in the current financial year.

- Benefits provided were determined on the basis of departures announced during the period.

- Benefits paid for retired employees during the first half were recognized in full during the period.

- The Group updated the fair value of the plan assets at June 30, 2023. The expected return on plan assets was determined based on the discount rate used to measure post-employment benefit obligations.

Changes in the total net benefit obligation are set out in Note 11.3.

11.2 CHANGES IN PROVISIONS

In millions of euros	Retirement and other benefits	Guarantees given	Restructuring	Claims and litigation	Other provisions	Total
DECEMBER 31, 2021	**52.3**	**8.8**	**5.6**	**7.3**	**40.0**	**114.1**
Additions	1.7	12.0	5.3	1.3	6.1	26.4
Reversals (utilizations)	(5.0)	(11.8)	(4.2)	(6.8)	(5.3)	(33.0)
Reversals (surplus)	(0.4)	(1.9)	0.0	(2.2)	(5.9)	(10.3)
Net additions (reversals)	(3.6)	(1.7)	1.0	(7.7)	(5.1)	(17.0)
Actuarial (gains) losses	(21.3)	0.0	0.0	0.0	0.0	(21.3)
Changes in scope of consolidation	0.0	0.0	0.0	3.8	3.0	6.8
Other changes	0.1	0.0	0.0	0.0	(0.0)	0.0
Translation adjustments	(0.3)	0.2	0.3	0.2	0.2	0.6
DECEMBER 31, 2022	**27.2**	**7.3**	**7.0**	**3.6**	**38.2**	**83.2**
Additions	5.3	4.7	0.8	0.5	20.1	31.3
Reversals (utilizations)	(3.7)	(4.0)	(1.7)	(0.9)	(12.2)	(22.6)
Reversals (surplus)	(0.6)	(0.6)	0.0	(0.4)	(0.8)	(2.4)
Net additions (reversals)	1.0	0.0	(0.9)	(0.8)	7.0	6.4
Actuarial (gains) losses	(0.8)	0.0	0.0	0.0	0.0	(0.8)
Other changes	0.0	0.0	0.0	0.2	(0.2)	0.0
Translation adjustments	(0.3)	(0.3)	(0.1)	0.0	2.4	1.7
JUNE 30, 2023	**27.0**	**7.0**	**5.9 (a)**	**3.0 (b)**	**47.4 (b)**	**90.4**

(a) These mainly correspond to strategic reorganizations in the United States.
(b) See Note 11.5.

Total provisions in the amount of €90.4 million include current provisions for €45.7 million at June 30, 2023, versus €42.1 million at December 31, 2022.

Net additions to provisions in the first half of 2023 represented €6.4 million in recurring items.

11.3 CHANGES IN POST-EMPLOYMENT BENEFITS AND OTHER EMPLOYEE BENEFIT OBLIGATIONS

The net obligation at June 30, 2023 amounted to €27.0 million, comprising mainly the provision for post-employment benefits (€13.5 million) and the provision for long-service awards (€13.5 million).

Changes in the post-employment obligation can be summarized as follows:

In millions of euros	Present value of obligation	Fair value of plan assets [(a)]	Provisions for pensions	Post-employment health insurance	Total provisions for post-employment benefits
DECEMBER 31, 2022	**59.6**	**(48.2)**	**11.4**	**1.2**	**12.6**
Current service cost	1.1		1.1	0.0	1.1
Interest cost	1.0	(0.9)	0.1	0.0	0.2
Retirements	(1.9)	1.7	(0.2)	(0.1)	(0.2)
Plan liquidation	0.0	0.0	0.0		0.0
Contributions	0.0	0.8	0.8		0.8
Impact on operating income	**0.2**	**1.7**	**1.9**	(0.0)	**1.9**
Actuarial gains and losses (other comprehensive income)	**(0.5)**	**(0.3)**	**(0.8)**	0.0	**(0.8)**
Other movements (incl. currency impact)	0.0	(0.1)	**(0.1)**	(0.0)	**(0.1)**
JUNE 30, 2023	**59.4**	**(47.0)**	**12.4**	**1.1**	**13.5**

(a) Plan assets or scheduled payments.

The discount rate for obligations in respect of eurozone countries is between 3.8% and 3.9% at June 30, 2023, depending on the duration of the plans, in line with the rates at December 31, 2022. The residual obligations in the United States are not material.

11.4 PROVISIONS FOR TAX DISPUTES AND LITIGATION

As disclosed in Notes 15.4.1 and 15.4.2 to the consolidated financial statements at December 31, 2022, the Group is involved in various tax disputes and litigation. As disclosed in Note 15.4.2 to the consolidated financial statements at December 31, 2022, provisions for tax disputes are presented together with current taxes payable, in accordance with IFRIC 23.

11.5 OTHER PROVISIONS

Manovra Sanità

This law passed in August 2015 requires healthcare providers in Italy to cover 40% of the difference between the health budget of each province and the actual expenditure incurred. In April 2023, an implementing decree was published for the period 2015 to 2018, allowing private companies to pay 48% of the sums due before the end of July 2023, subject to receiving all calls for funds from the regions. Meanwhile, the consequences of this decree will be reflected in the consolidated financial statements in the second half of 2023.

In accordance with market practice, a provision for contingencies has been in place since 2016 and has been updated over the years, through to June 30, 2023.

Other provisions for contingencies and losses

These concern the risks associated with the discontinuation of certain products, and the risks associated with equipment maintenance. These provisions were updated at June 30, 2023.

11.6 CONTINGENT ASSETS AND LIABILITIES

Diagnostic tests for Lyme disease

As stated in Note 15.5 to the consolidated financial statements at December 31, 2022, on October 14, 2016, bioMérieux, like other laboratories, was summoned before the *Tribunal de Grande Instance de Paris* to obtain compensation for anxiety allegedly "generated by the unreliability of the serodiagnostic tests" for Lyme disease. The civil proceeding, initiated by 45 plaintiffs, increased to 93 following the joinder of two identical new summonses. In December 2021, the Paris court dismissed all opposing claims. bioMérieux has been notified that the decision of the Paris court is being appealed by 30 plaintiffs.

At this stage of the proceedings, it is impossible to reliably estimate the risk facing the Group.

12. NET DEBT – NET CASH AND CASH EQUIVALENTS

12.1 CONSOLIDATED CASH FLOW STATEMENT

The consolidated cash flow statement is broadly presented in accordance with recommendation no. 2013-03 of the French accounting standard-setter (*Autorité des normes comptables* – ANC), issued on November 7, 2013.

It lists separately:

- cash flows from operating activities;
- cash flows from investing activities;
- cash flows from financing activities.

Cash flows from investing activities include the amount of net cash of companies acquired or sold on the date of their first-time consolidation or their derecognition, as well as amounts due to suppliers of non-current assets and amounts receivable on disposals of non-current assets.

Net cash and cash equivalents correspond to the Group's net debit and credit cash positions.

The consolidated cash flow statement shows the Group's EBITDA. EBITDA is not defined under IFRS and may be calculated differently by other companies. EBITDA as presented by bioMérieux is equal to the sum of operating income before non-recurring items and net additions to operating depreciation and amortization.

In millions of euros	First-half 2023	First-half 2022
Additive method		
• Net income	138.7	226.2
• Amortization and impairment of intangible assets related to acquisitions	83.3	16.2
• Cost of net debt	(1.9)	2.9
• Other financial income and expenses	1.4	2.7
• Income tax expense	69.6	65.2
• Share in (earnings) losses of equity-accounted companies	0.0	0.0
• Net additions to depreciation and amortization of operating items – non-current	103.0	100.4
EBITDA (before non-recurring items)	**394.1**	**413.6**
Simplified additive method		
• Operating income before non-recurring items	207.8	297.1
• Depreciation and amortization of operating items	103.0	100.4
• Amortization and impairment of intangible assets related to acquisitions	83.3	16.2
EBITDA (before non-recurring items)	**394.1**	**413.6**

Free cash flow is a key indicator for the Group. It is defined as cash flow from operating activities plus cash flow from investing activities, excluding net cash and cash equivalents from acquisitions and disposals of subsidiaries.

12.2 COMMENTS ON THE CASH FLOW STATEMENT

Net cash from operating activities

EBITDA came to €394.1 million in first-half 2023, or 22.3% of revenues, down 4.7% from the €413.6 million reported for the same period one year earlier. This decrease reflects the decline in operating income before non-recurring items.

Income tax paid represented €109.8 million (versus €145.4 million in first-half 2022).

During the first half of 2023, operating working capital requirement decreased by €152.7 million, primarily a result of the following items:

- inventories rose by €114.8 million in the first half of 2023;
- trade receivables fell by €64.4 million, mainly in the United States due to an exceptionally high level of activity in the fourth quarter of 2022;
- trade payables came down €15.1 million, in line with the seasonality of the activity;
- other working capital requirement items increased by €87.3 million, mainly due to the payment of 2022 annual variable compensation.

During the first half of 2023, net cash from operating activities amounted to €147.9 million, down 2.1% compared to the €151.0 million recorded during the previous period.

Net cash used in investing activities

Capital expenditure on property, plant and equipment and intangible assets represented around 8.5% of revenues, i.e., €150.3 million in the first half of 2023, versus €137.2 million in the same prior-year period.

Increases in right-of-use assets are not shown within investing cash flows, in accordance with IFRS 16.

Accordingly, free cash flow amounted to €1.4 million in the first half of 2023 versus €16.0 million in the first half of 2022.

Net cash used in financing activities

In the first half of 2023, the Group made a dividend payment of €100.2 million to bioMérieux SA shareholders, compared with €101.2 million in 2022.

Financing flows relating to loan repayments mainly concern commercial paper.

12.3 CHANGES IN BORROWINGS

At June 30, 2023, the Group's net debt stood at €67.8 million, mainly comprising the bond issue described below and IFRS 16 lease liabilities (€103.2 million).

In June 2020, bioMérieux had issued a new private placement bond of €200 million, comprising €145 million repayable in 2027 with an annual coupon of 1.5% and €55 million repayable in 2030 with an annual coupon of 1.9%.

The bond issue is shown on the balance sheet at amortized cost calculated using the effective interest rate method, in the amount of €199.6 million.

At June 30, 2023, bioMérieux SA also had an undrawn syndicated credit facility of €600 million. This syndicated facility replaced the previous one in March 2023. It matures in March 2028 (5 years), with options to extend the facility for two additional years.

12.4 MATURITY OF NET DEBT

The maturity schedule presents net debt or net cash. This non-GAAP measure corresponds to the sum of cash and cash equivalents with a maturity of less than three months, less committed debt and bank overdrafts and other uncommitted borrowings.

The maturity schedule below refers to balance sheet amounts.

In millions of euros	Dec. 31, 2022	Increase	Decrease	Changes in the cash flow statement	Other movements[c]	Translation adjustments	June 30, 2023
NON-CURRENT BORROWINGS (A)							
Borrowings – non-current portion	25.1	8.9		8.9	0.0	(1.9)	32.2
Lease liabilities – non-current portion	93.7			0.0	5.8	(1.2)	98.4
Bonds	199.7	0.0		0.0			199.7
TOTAL NON-CURRENT BORROWINGS	**318.5**	**9.0**	**0.0**	**9.0**	**5.8**	**(3.0)**	**330.2**
CURRENT BORROWINGS (B)							
Borrowings – due within 1 year	106.9	7.4	(4.6)	2.8	0.1	(6.1)	103.7
Lease liabilities – current portion	26.2		(14.9)	(14.9)	13.8	(0.5)	24.6
Commercial paper	30.0		(20.0)	(20.0)			10.0
TOTAL CURRENT BORROWINGS	**163.1**	**7.4**	**(39.6)**	**(32.1)**	**13.9**	**(6.6)**	**138.3**
TOTAL BORROWINGS (B)	**481.6**	**16.4**	**(39.6)**	**(23.1)**	**19.7**	**(9.7)**	**468.5**
NET CASH AND CASH EQUIVALENTS							
Cash	401.6		(64.8)	(64.8)		(16.6)	320.2
Cash investments	149.5		(48.1)	(48.1)		(0.0)	101.3
Current accounts	1.5	0.0		0.0		0.0	1.5
Cash and cash equivalents	552.6	0.0	(112.9)	(112.9)	0.0	(16.6)	423.0
Bank overdrafts[a]	(23.9)	7.9		7.9		(6.4) (b)	(22.4)
NET CASH AND CASH EQUIVALENTS (A)	**528.7**	**7.9**	**(112.9)**	**(105.0)**	**0.0**	**(23.0)**	**400.7**
(NET DEBT) NET CASH (B) – (A)	**(47.1)**	**8.5**	**73.4**	**82.0**	**19.7**	**13.3**	**67.8**

(a) Cash and bank overdrafts are repayable on demand, within the meaning of IAS 7.
(b) This amount includes cash pool-related effects.
(c) Other changes are related to new leases not presented in financing flows in accordance with the standard.

At June 30, 2023, non-current borrowings mainly comprised the bond issue contracted in 2020 for €199.6 million and lease liabilities (see Note 12.5 below).

The portion of borrowings due within one year mainly includes:

- the loan taken out by bioMérieux Shanghai, corresponding to a €53 million revolving credit facility;
- the debt related to the put option on the Hybiome non-controlling interest for €40 million;
- the portion of lease liabilities due within one year (see Note 12.5 below);
- marketable securities for €10 million.

At the reporting date, the Group had met all of its scheduled payments.

No loan agreements that would be effective in the second half of 2023 were entered into before June 30, 2023.

Only repayments of loans are presented in the consolidated cash flow statement.

12.5 IMPACT OF LEASE LIABILITIES ON BORROWINGS AND DEBT

In millions of euros	June 30, 2023	Dec. 31, 2022
Lease liabilities	**122.9**	**119.9**
Of which leases with purchase options	*20.2*	*22.2*
Due beyond 5 years	**44.0**	**42.1**
Of which leases with purchase options	*1.0*	*2.9*
Due in 1 to 5 years	**54.4**	**51.6**
Of which leases with purchase options	*15.4*	*15.4*
Due within 1 year	**24.6**	**26.2**
Of which leases with purchase options	*3.9*	*3.9*

12.6 DEBT COVENANTS

In the event of a change in the effective control of the Company, holders of the Euro PP notes are entitled to request the redemption of their bonds.

The syndicated credit facility and the private placement subscribed in June 2020 are subject to a single covenant: “net debt to operating income before non-recurring items and amortization of acquisition costs” calculated before the impact of applying IFRS 16. At June 30, 2023, the Group complied with this covenant, which may not exceed 3.5.

In March 2023, bioMérieux SA renegotiated its syndicated credit facility, taking the amount to €600 million. The facility is repayable in full at its term in 2028.

Other term borrowings at June 30, 2023 mainly include commercial paper, short-term local financing, cash-settled share plans, and leases liabilities. None of these borrowings are subject to covenants.

12.7 INTEREST RATES

Before hedging, 65% of the Group’s borrowings are at fixed rates (€302.8 million), with the remainder at floating rates (€165.7 million).

The Group’s fixed-rate debt comprises:

- lease liabilities (€103.1 million) at a rate that mostly corresponds to the incremental borrowing rate (see Note 20.1);
- the private placement issued in June 2020 for €199.6 million.

Floating-rate borrowings are essentially based on the currency’s interest rate plus a margin.

12.8 LOAN GUARANTEES

None of the Group’s assets have been pledged as collateral to a bank.

bioMérieux may be required to issue a first call guarantee to banks granting external funding facilities to subsidiaries.

The Group’s hedging agreements are presented in Note 20.1.

13. REVENUES

Revenues are recognized in accordance with IFRS 15 “Revenue from Contracts with Customers”.

The revenue recognition criteria are identical to those used at December 31, 2022 (see Note 3.1 to the consolidated financial statements at December 31, 2022).

The table below presents the breakdown of revenues based on the different revenue categories, in accordance with IFRS 15.

In millions of euros	**First-half 2023**	**First-half 2022**
Sales of equipment	140.6	126.1
Sales of reagents	1,455.5	1,366.2
Sales of services	121.3	107.7
Equipment rentals[(a)]	27.4	31.3
Other revenues	25.3	26.6
Revenues	**1,770.1**	**1,658.0**

(a) Equipment rentals includes rent and the share of revenues from the sale of reagents that is reclassified as rent.

A breakdown by geographic area is provided in Note 19.3 on segment information. A breakdown by technology and application is provided in Note 19.4.

The analysis of IFRS 15 did not result in the identification of other revenue breakdown criteria.

14. OTHER OPERATING INCOME AND EXPENSES

The other income related to customer contracts mainly corresponds to license fees received.

Research subsidies are relatively stable and amounted to €1.4 million compared to €0.9 million at the end of June 2022.

In millions of euros	**First-half 2023**	**First-half 2022**
Net royalties received	1.6	1.9
Research tax credits	14.0	13.4
Research grants	1.4	0.9
Other	3.9	15.3
TOTAL	**20.8**	**31.5**

Other income mainly includes rent in Durham, United States for €2.8 million. As a reminder, other income in 2022 mainly included €9.2 million in capital gains on the sale of a building in the United States, €3.1 million in rental income in Durham, United States, and a €2.9 million reversal of provisions in Italy.

In accordance with IAS 20, bioMérieux presents research tax credits as a subsidy within other operating income, as in previous financial reporting periods.

15. AMORTIZATION AND IMPAIRMENT OF INTANGIBLE ASSETS RELATED TO ACQUISITIONS AND ACQUISITION FEES

In order to improve the understanding of the profit and loss statement, amortization and impairment of intangible assets related to acquisitions and acquisition fees have been presented on a separate line of operating income since 2022 (see Note 2.4).

In millions of euros	First-half 2023	First-half 2022
Amortization of intangible assets	20.3	16.2
Impairment of intangible assets	63.0	0.0
Acquisition costs	0.0	8.7
Other	0.2	0.0
TOTAL	**83.6**	**24.9**

As of June 30, 2023, amortization and impairment of intangible assets related to acquisitions and acquisition fees amounted to €83.6 million compared to €24.9 million in 2022.

In 2023, they mainly comprise:

- the €63.0 million impairment loss recognized on the CLIA CGU;
- amortization of assets valued as part of the purchase price allocation for acquisitions, notably those of BioFire (€8.8 million) and Specific Diagnostics (€4.9 million).

As a reminder, in 2022, amortization and impairment of intangible assets related to acquisitions and acquisition fees included the costs associated with the acquisition of Specific Diagnostics for €8.7 million, as well as the amortization of assets valued as part of the purchase price allocation of BioFire for €8.7 million.

16. OTHER NON-RECURRING INCOME AND EXPENSES FROM OPERATIONS

16.1 ACCOUNTING PRINCIPLES

The other non-recurring income and expenses from operations for the period (such as restructuring costs) were recognized in full at June 30, 2023. The recognition criteria are identical to those used at December 31, 2022 (see Note 24.1 to the consolidated financial statements at December 31, 2022).

16.2 CHANGES IN OTHER NON-RECURRING INCOME AND EXPENSES FROM OPERATIONS

No material transactions were recorded in other non-recurring income and expenses from operations in the first half of 2023, as in the first half of 2022.

17. NET FINANCIAL EXPENSE

17.1 ACCOUNTING PRINCIPLES

Financial income and expenses are shown on two separate lines:

- "Cost of net debt", which includes interest expense, fees and foreign exchange gains and losses arising on borrowings, as well as income generated by cash and cash equivalents.
- "Other financial income and expenses", which includes interest income on instruments sold under lease, the impact of disposals and writedowns of investments in non-consolidated companies, late payment interest charged to customers, discounting gains and losses, exchange rate gains and losses related to hyperinflation, and the ineffective portion of currency hedges on commercial transactions.

17.2 COST OF NET DEBT

In millions of euros	First-half 2023	First-half 2022
Finance costs	(0.7)	(3.7)
Currency hedging derivatives	6.7	5.4
Foreign exchange gains (losses)	(2.6)	(3.4)
Interest expense on lease liabilities	(1.5)	(1.2)
TOTAL COST OF DEBT	**1.9**	**(2.9)**

Finance costs mainly include interest expense on the bond issue and investments, as well as capital gains on the disposal of negotiable debt securities.

17.3 OTHER FINANCIAL INCOME AND EXPENSES

In millions of euros	First-half 2023	First-half 2022
Interest income on leasing receivables	0.6	0.6
Currency hedging derivatives[a]	(1.6)	(4.8)
Other	(0.4)	1.5
TOTAL OTHER FINANCIAL INCOME AND EXPENSES	**(1.4)**	**(2.7)**

(a) Corresponds to the impact of premiums/discounts on forward sales and to the effect of the time value of currency options, which the Group has elected not to treat as hedging costs.

Currency hedging derivatives mainly correspond to the ineffective portion on commercial transactions.

18. INCOME TAX

18.1 ACCOUNTING PRINCIPLES

The income tax expense for the first half is calculated individually for each entity by applying the estimated average tax rate for the financial year to the pre-tax income for the period. The tax expense for the Group's largest entities, bioMérieux SA, bioMérieux Inc. and BioFire Diagnostics, is calculated in greater detail, resulting in an income tax expense approximating the estimated average annual tax rate.

Research tax credits are presented in other operating income in the profit and loss statement and in other operating receivables in the balance sheet.

The CVAE corporate value-added tax (*Cotisation sur la Valeur Ajoutée des Entreprises*) is presented in operating income before non-recurring items.

The CIR research tax credit (*Crédit Impôt Recherche*) is estimated based on the underlying expenses incurred.

Deferred taxes are recognized taking into account statutory changes in tax rates, particularly in France.

18.2 CHANGES IN INCOME TAX

	First-half 2023		First-half 2022	
In millions of euros	Tax	Rate	Tax	Rate
Theoretical tax at standard French tax rate	**53.8**	**25.8%**	**75.3**	**25.8%**
• Impact of income tax at reduced tax rates and foreign tax rates	5.2	2.5%	(5.4)	-1.9%
• Impact of FDII in the United States	(4.8)	-2.3%	(7.2)	-2.5%
• Impact of permanent differences	14.7	7.0%	4.7	1.6%
• Impact of dividend distribution and tax on dividend payouts	4.1	2.0%	0.8	0.3%
• Deferred tax assets not recognized on tax loss carryforwards	1.0	0.5%	1.2	0.4%
• Impact of research tax credits presented in operating income	(3.4)	-1.6%	(3.2)	-1.1%
• Tax credits (other than research tax credits)	(0.9)	-0.4%	(0.8)	-0.3%
• Utilization of previously unrecognized tax assets	(0.1)	0.0%	(0.2)	-0.1%
EFFECTIVE INCOME TAX EXPENSE	**69.6**	**33.4%**	**65.2**	**22.4%**

At June 30, 2023, the effective tax rate stood at 33.4% of pre-tax income, compared to 22.4% at June 30, 2022.

The increase in the tax rate between the two periods is mainly due to the negative effect of the impairment loss recognized on the CLIA CGU, which had an impact of approximately +8 percentage points on the Group's effective tax rate. Restated for this non-recurring effect, the Group's effective tax rate was 25.6% in 2023.

In first-half 2023, the Group's effective tax rate continued to benefit from the Foreign-Derived Intangible Income (FDII) deduction in the United States, which represented a tax saving of €4.8 million at June 30, 2023 versus €7.2 million at June 30, 2022.

19. INFORMATION BY GEOGRAPHIC AREA, TECHNOLOGY AND APPLICATION

19.1 ACCOUNTING PRINCIPLES

Pursuant to IFRS 8 “Operating Segments”, the Group has identified two operating segments within *in vitro* diagnostics.

In accordance with IFRS 8, information on revenues and assets broken down by geographic area is disclosed in Note 19.3, which has been prepared using the same accounting principles as those applied to prepare the annual consolidated financial statements.

19.2 INFORMATION BY BUSINESS SEGMENT

First-half 2023

In millions of euros	Clinical applications	Industrial applications	Other	Group
Revenues	**1,483.9**	**286.1**	**0.0**	**1,770.1**
Gross profit	**843.3**	**155.3**	**0.5**	**999.1**
Other operating income and expenses	(674.1)	(117.0)	(0.3)	(791.3)
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**169.3**	**38.4**	**0.2**	**207.8**
as % of revenues	*11%*	*13%*		

First-half 2022[(a)]

In millions of euros	Clinical applications	Industrial applications	Other	Group
Revenues	**1,391.7**	**266.3**	**0.1**	**1,658.0**
Gross profit	**809.8**	**132.8**	**(4.5)**	**938.0**
Other operating income and expenses	(545.3)	(105.5)	10.0	(640.9)
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**264.4**	**27.2**	**5.5**	**297.1**
as % of revenues	*19%*	*10%*		

(a) The comparative data at June 30, 2022 has been restated to reflect internal organization changes.

19.3 INFORMATION BY GEOGRAPHIC AREA

The information by geographic area shown in the tables below has been prepared in accordance with the accounting principles used to prepare the consolidated financial statements.

First-half 2023

In millions of euros	Americas	EMEA	Aspac	Corporate	Group
Revenues	**883.7**	**573.3** [a]	**315.7**	**(2.6)**	**1,770.1**
Cost of sales	(285.8)	(267.5)	(163.0)	(54.6)	(770.9)
Gross profit	**597.9**	**305.8**	**152.6**	**(57.2)**	**999.1**
as a % of revenues	*0.7*	*0.5*	*0.5*		
Other operating income and expenses	(174.7)	(98.0)	(51.1)	(467.6)	(791.3)
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**423.2**	**207.8**	**101.6**	**(524.8)**	**207.8**
as a % of revenues	*48%*	*36%*	*32%*		

(a) Of which France revenues: €112.8 million.

First-half 2022[a]

In millions of euros	Americas	EMEA	Aspac	Corporate	Group
Revenues	**830.9**	**535.4** [b]	**288.9**	**2.7**	**1,658.0**
Cost of sales	(260.5)	(236.0)	(136.0)	(87.6)	(720.0)
Gross profit	**570.5**	**299.5**	**152.9**	**(84.9)**	**938.0**
as a % of revenues	*0.7*	*0.6*	*0.5*		
Other operating income and expenses	(152.1)	(88.4)	(47.0)	(353.4)	(640.9)
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**418.4**	**211.1**	**105.9**	**(438.3)**	**297.1**
as a % of revenues	*50%*	*39%*	*37%*		

(a) The comparative data at June 30, 2022 has been restated to reflect internal organization changes.
(b) Of which France revenues: €111.0 million.

JUNE 30, 2023

In millions of euros	Americas	EMEA[a]	Aspac	Corporate	Group
Non-current assets					
Goodwill	442.1	249.9	42.4		734.4
Other intangible assets	16.6	21.5	1.1	553.3	592.5
Property, plant and equipment	610.5	395.6	37.2	225.4	1,268.7
Right-of-use assets	60.7	52.7	9.8		123.3
Working capital requirement					
Inventories and work-in-progress	488.8	266.6	85.5		840.9
Trade receivables and assets related to contracts with customers	281.0	291.7	85.0		657.7
Trade payables	(71.8)	(40.4)	(131.3)		(243.5)

(a) Of which non-current assets in France: €411.0 million.

DECEMBER 31, 2022

In millions of euros	Americas	EMEA[(a)]	Aspac	Corporate	Group
Non-current assets					
Goodwill	450.3	253.1	109.2		812.5
Other intangible assets	14.3	23.3	1.6	585.8	625.0
Property, plant and equipment	621.1	389.3	64.4	175.6	1,250.3
Right-of-use assets	52.8	54.3	12.4		119.6
Working capital requirement					
Inventories and work-in-progress	417.9	239.4	79.9		737.2
Trade receivables and assets related to contracts with customers	354.8	290.0	95.3		740.1
Trade payables	(78.0)	(55.8)	(135.6)		(269.4)

(a) Of which non-current assets in France: €411.0 million.

Regional data include commercial activities, corresponding mainly to revenues in each of the above geographic areas, the related cost of sales, and the operating expenses necessary for these commercial activities. Regional data also include costs eligible for inclusion in the calculation of the cost price (e.g., project costs) of production sites located in those areas.

Corporate data mainly include the research and development costs incurred by the Clinic and Industry units, as well as the costs incurred by the Group's corporate functions.

The revenues from research and development partnership agreements for companion tests are presented as unit revenues under Corporate.

19.4 INFORMATION BY TECHNOLOGY AND APPLICATION

The table below provides a breakdown of revenues by technology:

In millions of euros	First-half 2023	First-half 2022
Clinical applications	**1,483.9**	**1,391.7**
Molecular biology	665.2	623.3
Microbiology	609.2	542.1
Immunoassays	187.2	198.5
Other ranges	22.3	27.8
Industrial applications	**286.1**	**266.3**
TOTAL	**1,770.1**	**1,658.0**

20. EXCHANGE RATE AND MARKET RISK MANAGEMENT

Exchange rate, credit and interest rate risks are respectively described in Notes 28.1, 28.2 and 28.4 to the consolidated financial statements at December 31, 2022.

20.1 HEDGING INSTRUMENTS

Currency hedges in effect at June 30, 2023, set up under the currency hedging policy described in Note 28.1.1 to the consolidated financial statements at December 31, 2022, are the following:

Currency hedges at June 30, 2023 *In millions of euros*	**Expiration date**		**Market value 2023(a)**
	<1 year	**1-5 years**	
Hedges of existing commercial transactions			
- currency forward contracts	331.8	0.0	0.4
- options	0.0	0.0	0.0
TOTAL	**331.8**	**0.0**	**0.4**
Hedges of future commercial transactions			
- currency forward contracts	238.3	0.0	5.9
- options	2.9	0.0	0.1
TOTAL	**241.2**	**0.0**	**6.0**
Derivatives not qualifying as hedges	0.0	0.0	0.0
TOTAL	**0.0**	**0.0**	**0.0**

(a) Difference between the hedging rate at June 30, 2023 and the market rate at June 30, 2023, including premiums paid/received.

All of the currency forward purchases and sales and options outstanding at June 30, 2023 had maturities of less than 12 months.

The analysis carried out at June 30, 2023 did not result in any changes to the qualification of the currency derivatives as hedges.

The table below summarizes hedging instruments held by the Group, and their changes in fair value:

In millions of euros	**Type of hedge**	**Notional amount of the hedge at the period-end**	**Fair value of the hedging instrument at the period-end**		**Balance sheet item in which the hedged instrument is included**	**Change in the fair value of the hedging instrument over the period**	
			assets	liabilities		recognized in income	recognized in other comprehensive income
FAIR VALUE HEDGES							
EUR interest rate risk							
Debt in EUR	interest rate swaps	-	-	-			
Debt in EUR	interest rate options	-	-	-			
Exchange rate risk						4.2	3.7
Trade receivables in foreign currencies	forward sales	331.8	0.4	-			
Trade payables in foreign currencies	forward purchases	-	-	-			
Trade receivables in foreign currencies	options	-	-	-			
Financial receivables in foreign currencies	forward sales	101.3	0.7	-			
Borrowings in foreign currencies	forward purchases	273.1	0.4	-			
CASH FLOW HEDGES							
EUR interest rate risk							
Debt in EUR	interest rate swaps	-	-	-			
USD interest rate risk							
Loan in US$	cross currency swaps	-	-	-			
Exchange rate risk							
Future commercial sales in foreign currencies	forward sales	238.3	5.9	-			
Future commercial purchases in foreign currencies	forward purchases	-	-	-			
Future commercial sales in foreign currencies	options	2.9	0.1	-			

The Group does not hold any instruments that fall under the category of net investment hedges.

20.2 LIQUIDITY RISK

Financial liabilities due in less than one year and in more than one year are classified in the balance sheet as current and non-current liabilities, respectively.

The Group is not exposed to liquidity risk on its current financial assets and liabilities since its total current financial assets far exceed its total current financial liabilities.

Accordingly, only the maturity schedule concerning net debt is presented (see Note 12.4).

The table below shows the projected cash flows from the new private placement (divided into two tranches), the property lease agreement and contractual interest payments at June 30, 2023:

In millions of euros	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
7-year Euro PP	(2.2)	(151.5)	0.0
10-year Euro PP	(1.0)	(5.2)	(56.0)
CBI (including VAT)	(5.5)	(19.7)	(1.2)

In addition, at June 30, 2023, bioMérieux SA also had an undrawn syndicated credit facility of €600 million. This syndicated facility replaced the previous one in March 2023. It matures in March 2028 (5 years), with options to extend the facility for two additional years.

20.3 FINANCIAL INSTRUMENTS: FINANCIAL ASSETS AND LIABILITIES

The table below shows a breakdown by category of financial assets and liabilities (excluding accrued payable and receivable payroll and other taxes), as prescribed by IFRS 9 (see Note 27.1 to the consolidated financial statements at December 31, 2022), and provides a comparison between their book value and fair value:

	June 30, 2023						
In millions of euros	Assets at fair value through income (excl. derivatives)	Shares in non-consolidated companies – Changes in fair value through other comprehensive income	Receivables, payables and borrowings at amortized cost	Derivative instruments	Book value	Fair value	Level
Financial assets							
Shares in non-consolidated companies		2.3			2.3	2.3	1 - 2 - 3
Other non-current financial assets			86.1		86.1	86.1	-
Other non-current assets			7.6		7.6	7.6	
Derivative instruments (positive fair value)				9.5	9.5	9.5	2
Trade receivables			657.7		657.7	657.7	-
Other receivables			33.7		33.7	33.7	-
Cash and cash investments	423.0				423.0	423.0	1
TOTAL FINANCIAL ASSETS	**423.0**	**2.3**	**785.1**	**9.5**	**1,219.9**	**1,219.9**	
Financial liabilities							
Bonds[a]			199.7		199.7	199.7	1
Other financing facilities			138.3		138.3	138.3	2
Derivative instruments (negative fair value)				2.5	2.5	2.5	2
Borrowings – current portion			160.6		160.6	160.6	2
Trade payables			243.5		243.5	243.5	-
Other current liabilities			140.8		140.8	140.8	-
TOTAL FINANCIAL LIABILITIES	**-**	**-**	**882.9**	**2.5**	**885.4**	**885.4**	

(a) The book value of bond issues is shown net of issue fees and premiums.

Levels 1 to 3 correspond to the fair value hierarchy as defined by IFRS 13 (see Note 27.1 to the consolidated financial statements at December 31, 2022).

In practice, financial assets and liabilities at fair value essentially concern certain securities, cash investments and derivative instruments. In other cases, fair value is shown in the table above for information purposes only.

As a reminder, shares in non-consolidated companies are recognized at fair value except where this cannot be reliably determined.

No level in the fair value hierarchy is shown when the net book value approximates fair value.

In the first half of 2023, interests in investment funds were reclassified from Level 3 to Level 2.

At December 31, 2022, the breakdown of assets and liabilities was as follows:

In millions of euros	December 31, 2022						
	Assets at fair value through income (excl. derivatives)	Shares in non-consolidated companies – Changes in fair value through other comprehensive income	Receivables, payables and borrowings at amortized cost	Derivative instruments	Book value	Fair value	Level
Financial assets							
Shares in non-consolidated companies		70.3			70.3	70.3	1 - 2 - 3
Other non-current financial assets			19.8		19.8	19.8	-
Other non-current assets			12.9		12.9	12.9	
Derivative instruments (positive fair value)				8.5	8.5	8.5	2
Trade receivables			740.1		740.1	740.1	-
Other receivables			30.3		30.3	30.3	-
Cash and cash investments	552.6				552.6	552.6	1
TOTAL FINANCIAL ASSETS	**552.6**	**70.3**	**803.1**	**8.5**	**1,434.5**	**1,434.5**	
Financial liabilities							
Bonds[a]			199.7		199.7	199.7	1
Other financing facilities			163.1		163.1	163.1	2
Derivative instruments (negative fair value)				9.5	9.5	9.5	2
Borrowings – current portion			187.0		187.0	187.0	2
Trade payables			269.4		269.4	269.4	-
Other current liabilities			175.9		175.9	175.9	-
TOTAL FINANCIAL LIABILITIES	**-**	**-**	**995.1**	**9.5**	**1,004.6**	**1,004.6**	

(a) The book value of the bond issue is shown net of issue fees and premiums.

Movements in financial instruments whose fair value was determined using Level 3 inputs under the IFRS 13 hierarchy (see Note 27.2 to the consolidated financial statements at December 31, 2022) were as follows in first-half 2023:

DECEMBER 31, 2022	**69.9**
Reclassification from level 3 to level 2	(12.5)
Gains and losses recognized in income	
Gains and losses recognized in other comprehensive income	
Acquisitions	
Disposals	
Changes in scope of consolidation, translation adjustments	(1.5)
JUNE 30, 2023	**55.9**

20.4 COUNTRY RISK

The Group’s commercial business is mainly located in the United States (42% of revenues), China (7%), France (6%), Germany (4%), Italy (3%) and India (3%). No other country represents more than 2.4% of the Company’s revenues.

20.5 CREDIT RISK

With revenues in more than 160 countries from government organizations and private customers, bioMérieux is exposed to a risk of non-payment of its receivables.

The management of credit risk includes the prior examination of the financial position of customers in order to determine a credit limit, the establishment of specific guarantees or insurance, and monitoring payment deadlines and late payments.

The Group's policy in terms of writing down trade receivables is described in Note 9 to the consolidated financial statements at December 31, 2022.

21. OFF-BALANCE SHEET COMMITMENTS

There were no material changes in off-balance sheet commitments during the first half of 2023 (see Note 29 to the consolidated financial statements at December 31, 2022).

For commitments related to derivative instruments, see Note 20.3.

22. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties continued on the same basis as in 2022 without any significant developments (see Note 30 to the consolidated financial statements at December 31, 2022).

23. SUBSEQUENT EVENTS

The Group did not identify any material events subsequent to closing.

24. ALTERNATIVE PERFORMANCE INDICATORS

The Group uses alternative performance indicators that are not defined by accounting standards, such as EBITDA and free cash flow as defined in Note 12, as well as contributive operating income before non-recurring items.

Contributive operating income before non-recurring items corresponds to operating income before non-recurring items (as defined in Note 3.3 to the consolidated financial statements at December 31, 2022) excluding amortization and impairment of intangible assets related to acquisitions and acquisition fees (see Note 15).

	First-half 2023	First-half 2022
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**207.8**	**297.1**
Amortization and impairment of intangible assets related to acquisitions and acquisition fees	83.6	24.9
CONTRIBUTIVE OPERATING INCOME	**291.4**	**322.0**

II – INTERIM MANAGEMENT REPORT

AT JUNE 30, 2023

INTERIM MANAGEMENT REPORT

AT JUNE 30, 2023

1. SIGNIFICANT EVENTS OF THE FIRST-HALF

1.1 Governance and shareholding

- **bioMérieux evolves its governance: Alexandre Mérieux becomes Executive Chairman. Pierre Boulud is appointed Chief Executive Officer and Jennifer Zinn is appointed Executive Vice President of Clinical Operations.**

  On June 14, 2023, bioMérieux announced that on a proposal of Alexandre Mérieux, Chairman and CEO, the Board of Directors of bioMérieux approved on June 13, 2023 (effective July 1, 2023), the appointments of Alexandre Mérieux as Executive Chairman and of Pierre Boulud as Chief Executive Officer. Pierre Boulud has been a member of the Executive Committee for seven years, including the last three years as Chief Operating Officer.

  On June 27, the Company announced the appointment of Jennifer Zinn as Executive Vice President of Clinical Operations.

- **MyShare 2023: worldwide employee share ownership plan**

  From May 3, 2023, bioMérieux eligible team members were able to purchase shares of bioMérieux stock (directly or indirectly in the case of employees based in France) at a discount and with a matching employer contribution. More than 5,600 employees have purchased 300,000 shares.

1.2 New products

- **bioMérieux receives US FDA 510(k) clearance and CLIA-waiver for the for the fast and innovative BIOFIRE® SPOTFIRE® System and its BIOFIRE® SPOTFIRE® Respiratory (R) Panel and BIOFIRE® SPOTFIRE® Respiratory (R) Panel Mini**

  In first-half, bioMérieux announced having received U.S. Food and Drug Administration (FDA) 510(k) clearance and U.S. Food and Drug Administration (FDA) Clinical Laboratory Improvement Amendments (CLIA) waiver for its fast and innovative BIOFIRE® SPOTFIRE® System and the BIOFIRE® SPOTFIRE® Respiratory (R) Panel and BIOFIRE® SPOTFIRE® Respiratory (R) Panel Mini. The new BIOFIRE® SPOTFIRE® R Panel Mini detects five of the most common viral causes of upper respiratory tract infections: SARS-CoV-2 (virus associated with COVID-19), Influenza A, Influenza B, Respiratory Syncytial Virus (RSV), and Rhinovirus, in about 15 minutes.

- **bioMérieux submitted a 510(k) premarket notification to the U.S. Food and Drug Administration (FDA) for the VITEK® REVEAL™, formerly known as SPECIFIC REVEAL™ Rapid AST System**

  In April 2023, bioMérieux announced that it had submitted a 510(k) premarket notification to the U.S. FDA for its VITEK® REVEAL™ Rapid AST System. This rapid, modular, antimicrobial-susceptibility test platform can deliver actionable results for Gram-negative bacteria directly from positive blood cultures in an average of five and a half hours enabling same-day treatment decision-making for patients suffering from bacteremic sepsis.

The rapid AST system VITEK® REVEAL™ is already available on-market under CE-IVDD (assay panel) and IVDR (instrument) designation across Europe. The FDA 510(k) clearance will allow its commercialization in the U.S. and other countries recognizing this authorization.

Agreements and partnerships

- **Oxford Nanopore and bioMérieux to enter into a strategic partnership agreement**

  In April 2023, Oxford Nanopore Technologies plc, a company delivering a new generation of nanopore-based molecular sensing technology, and bioMérieux SA announced that they had teamed up to improve health outcomes globally by exploring selected opportunities to bring nanopore sequencing to the infectious disease diagnostics market. Initial areas of collaboration will include a test for determining antibiotic resistance of tuberculosis; an assay to identify pathogens in normally sterile clinical samples; and validating Oxford Nanopore's sequencing platform with BIOMÉRIEUX EPISEQ® CS application for rapid infection outbreak monitoring in patient-care settings.

2. FINANCIAL SUMMARY

Consolidated data In € millions	**H1 2023**	H1 2022	% Change As reported
Net Sales	**1,770**	**1,658**	**+6.8%**
Contributive operating income(1)	**291**	322	-9.5%
% sales	***16.5%***	*19.4%*	
Operating income	**208**	297	-30.1%
Net income, group share	**162**	**228**	**-29.1%**
Diluted net income per share *(in €)*	**€1,367**	€1.93	

(1) Before non-recurring items, amortization and impairment of intangible assets linked to acquisitions and related costs

3. BUSINESS REVIEW

3.1 Activity

NB: Unless otherwise stated, sales growth is expressed at constant exchange rates and scope of consolidation (like-for-like).

Consolidated sales amounted to €1,770 million in first-half 2023, representing robust like-for-like growth of 8.3% from €1,658 million in the prior-year period including a 2% price increase contribution. Reported growth stood at 6.8% impacted by a €25 million negative currency effect, primarily due to the devaluation of Latin America and Asian currencies, as well as the Turkish lira, partly offset by the appreciation of the US dollar against the euro.

Evolution of sales
In € millions

SALES – SIX MONTHS ENDED JUNE 30, 2022	**1,658**	
Currency effect	-25	-1.5%
Changes in scope of consolidation	0	
Organic growth (at constant exchange rates and scope of consolidation)	138	+8.3%
SALES – SIX MONTHS ENDED JUNE 30, 2023	**1,770**	**+6.8%**

NB: A definition of the currency effect and of changes in the scope of consolidation is provided at the end of this report.

Analysis of sales by application

Sales by Application In € millions	**Q2 2023**	Q2 2022	% change as reported	**% change** at constant exchange rates and scope of consolidation	**Six months ended June 30, 2023**	Six months ended June 30, 2022	% change as reported	**% change** at constant exchange rates and scope of consolidation
Clinical applications	**723.6**	687.9	+5.2%	**+9.1%**	**1,483.9**	1,391.7	+6.6%	**+8.1%**
Molecular biology	**312.6**	303.2	+3.1%	**+6.1%**	**665.2**	623.3	+6.7%	**+6.8%**
Microbiology	**309.6**	273.2	+13.3%	**+17.9%**	**609.2**	542.2	+12.4%	**+14.9%**
Immunoassays	**91.6**	93.9	-2.4%	**+2.6%**	**187.2**	198.4	-5.7%	**-2.4%**
Other lines(1)	**9.8**	17.6	-44.4%	**-42.1%**	**22.3**	27.8	-19.7%	**-19.9%**
Industrial Applications(2)	**140.8**	132.9	+5.9%	**+9.6%**	**286.1**	266.3	+7.5%	**+9.3%**
TOTAL SALES	**864.3**	82,098	+5.3%	**+9.2%**	**1,770.1**	1,658.0	+6.8%	**+8.3%**

(1) Including mainly BioFire Defense and R&D-related revenue arising on clinical applications.

(2) Including R&D-related revenue arising on industrial applications.

- **Clinical applications** sales (84% of the consolidated total), rose by more than 9% year-on-year to €724 million in the second quarter of 2023, up 8% in the first half to €1,484 million.
  - In **molecular biology**, sales growth was driven by a 23% increase in the demand for BIOFIRE® non-respiratory panels, while sales of respiratory panels decreased slightly by 4.5%, in the

context of a decline in the COVID-19 pandemic. The BIOFIRE® installed base expanded by 300 instruments, reaching more than 24,300 units at June 30, 2023.

- The **microbiology** business delivered remarkable 18% growth led by strong reagents sales in all key ranges thanks to both volume and price increases, as well as high level of equipment sales supported mainly by the VITEK® MS Prime and Lab Efficiency WASP® ranges.
- In **immunoassays**, sales growth resumed in the second quarter, led by routine and emergency assays, partly offset by the procalcitonin downward trend, as expected.

- **Industrial applications** sales (around 16% of the consolidated total), increased by nearly 10% year-on-year to €141 million in the second quarter. Growth was fueled by reagents, especially the microbiology and molecular ranges, and by equipment sales. Around half of the 9.3% growth reported for the first six months of the year comes from price increases.

Analysis of sales by region

Sales by Region In € millions	**Q2 2023**	Q2 2022	% change as reported	**% change** at constant exchange rates and scope of consolidation	**Six months ended June 30, 2023**	Six months ended June 30, 2022	% change as reported	**% change** at constant exchange rates and scope of consolidation
Americas	**42,858**	418.7	+2.4%	**+5.7%**	**883.9**	831.6	+6.3%	**+6.1%**
North America	**369.2**	366.4	+0.8%	**+3.1%**	**771.9**	731.7	+5.5%	**+4.3%**
Latin America	**59.3**	52.2	+13.5%	**+24.3%**	**112.0**	99.9	+12.1%	**+19.2%**
EMEA(1)	**283.1**	267.4	+5.9%	**+8.3%**	**570.7**	537.4	+6.2%	**+8.2%**
Asia Pacific	**152.8**	134.8	+13.3%	**+21.6%**	**315.5**	288.9	+9.2%	**+14.7%**
TOTAL SALES	**864.3**	82,098	+5.3%	**+9.2%**	**1,770.1**	1,658.0	+6.8%	**+8.3%**

(1) Including Europe, the Middle East and Africa.

- Sales in the **Americas** (50% of the consolidated total) reached €429 million in second-quarter 2023, up by almost 6% versus the same period in 2022, whereas first-half sales increased by 6% to stand at €884 million.
  - In **North America** (43% of the consolidated total), the quarterly performance was driven by the strong demand in BIOFIRE® non-respiratory panels and hemoculture reagents, partially offset by the lower demand for BIOFIRE® respiratory panels. Equipment sales saw double-digit growth, driven by the VITEK® MS Prime and Lab Efficiency WASP® solutions.
  - **Latin America** (7% of the consolidated total) recorded an excellent performance in the second quarter with double-digit sales growth for all the key reagent ranges.

- Sales in the **Europe – Middle East – Africa** region (33% of the consolidated total) came to €283 million for the second quarter, with solid like-for-like growth of more than 8%. In Europe, robust sales growth was reported in all microbiology key ranges, together with very strong growth in non-respiratory BIOFIRE® panels sales.

- Sales in the **Asia-Pacific** region (18% of the consolidated total) came to €153 million in the second quarter of 2023, up nearly 22% compared with the same period in 2022. China is recovering strongly, benefiting from a favorable basis of comparison with the lockdown situation last year, and India delivered a solid growth thanks to sustained sales in microbiology and molecular biology.

3.2 Financial highlights

- **Contributive operating income**

For the six months to June 30, 2023, contributive operating income decreased by 9.5% year-on-year to €291 million, representing 16.5% of sales. The reported figure includes an unfavorable currency effect of €13.5 million, and a negative scope effect of €11.2 million. At constant exchange rates and scope of consolidation, contributive operating income decreased by 1.5% compared with first-half 2022.

  - **Gross profit** stood at €999 million, or 56.4% of sales, nearly unchanged in percentage terms from 56.6% in first-half 2022. At constant rate and scope of consolidation, the gross margin improved by 0.5pp, mainly thanks to the favorable evolution of transport costs.
  - **Selling, general and administrative expenses** amounted to €502 million, or 28.4% of sales, compared with 26.6% in first-half 2022. On a like-for-like basis, they rose by 14,9%, mainly due to the return to the pre-pandemic levels of sales and marketing expenses as well as the increase in employee costs, including the impact of the broad success of *MyShare*, the worldwide employee share ownership plan. Amounting to a total expense for the company of €10 million, the *MyShare* plan allowed more than 5,600 employees to purchase 300,000 bioMérieux shares.
  - **R&D expenses** amounted to €227 million, or 12.8% of sales, compared with €207 million and 12.5% one year earlier. These expenses increased by 5% on a like-for-like basis mainly due to the increase in employee costs.
  - **Other operating income** amounted to around €21 million, down from €32 million in first-half 2022 mainly explained by a capital gain on a building disposal in the US last year.

- **Operating income**

  The amortization and impairment of acquisition-related intangible assets and acquisition costs amounted to €84 million, up from €25 million in first-half 2022, as a consequence of the impairment recognized on the Hybiome acquisition goodwill for this 67% owned Chinese company specialized in immunoassays.

  As a result, the Group ended first-half 2023 with **operating income** of €208 million, down 30% on the €297 million reported during the same period one year earlier.

Net income

Net financial income amounted to €0.5 million over the period versus an expense of €5.6 million in 2022 thanks to financial interest on cash and lower hedging costs. The cost of net debt came to +€1.9 million in first-half 2023 versus -€2.9 million in first-half 2022, and other financial income and expenses totaled -€1.4 million, compared to -€2.7 million in first-half 2022.

The Group's **effective tax rate** stood at 33.4 % in first-half 2023, versus 22.4% in first-half 2022 mainly due to the impact of the Hybiome acquisition goodwill impairment.

Net income, Group share amounted to €162 million in 2023, down from €228 million in first-half 2022.

CASH MANAGEMENT AND FINANCE

Free cash flow

EBITDA[1] came to €394 million in first-half 2023, or 22.3% of sales, down 5% from the €414 million reported for the same period one year earlier. The decrease reflects the reduction in operating income compared to the first-half 2022.

Income tax paid represented €110 million, a decrease from the €145 million paid in the first six months of 2022, primarily due to exceptional results in 2021.

Working capital requirement rose by €153 million in first-half 2023, The change was primarily a result of the following items:

- inventories rose by €115 million during the period, in preparation for the winter season and due to the inventory build-up for the launch of new products;
- trade receivables fell by €64 million mainly thanks to the collection of the US 2022 year-end sales and trade payables came down €15 million in line with the seasonality of the activity;
- other working capital requirement items increased by €87 million, mainly due to annual bonus payments.

Capital expenditures represented around 8% of sales or €150 million in first-half 2023, versus €137 million in first-half 2022. The main capital expenditures were related to manufacturing and automation investments at the Salt Lake City and Saint-Louis sites as well as the new manufacturing plant in Suzhou, China.

In light of the above, free cash flow came in at €1 million in first-half 2023, compared to €16 million in first-half 2022.

Change in net debt

A **dividend** of €100 million was paid in first-half 2023, compared with €101 million in 2022.

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[1] EBITDA corresponds to the aggregate of operating income before non-recurring items, and operating depreciation and amortization.

As a result, consolidated **net debt** came to €68 million as of June 30, 2023, versus net cash of €47 million as of December 31, 2022. This net debt includes the discounted liability related to leases amounting to €103 million (IFRS 16).

4. SUBSEQUENT EVENTS

- **bioMérieux receives PMDA approval for the BIOFIRE® SPOTFIRE® Respiratory Panel**

  On August 9, 2023, bioMérieux received an expedited Japanese Pharmaceuticals and Medical Devices Agency (PMDA) approval for the BIOFIRE® SPOTFIRE® Respiratory Panel to be used on the BIOFIRE® SPOTFIRE® System. This achievement will allow bioMérieux to expand its syndromic approach closer to patients and meet the growing demand for Point-of-Care testing in Japan.

5. RISK FACTORS

The principal risks to which bioMérieux is exposed are set out in the 2022 Universal Registration Document filed with the French financial markets authority on March 22, 2023 under number D.23-0134 (see sections 2 and 6.1 – Note 28 to the consolidated financial statements at December 31, 2022). Notes 11 (Provisions – Contingent assets and liabilities) and 20 (Management of exchange rate and market risks) to the interim consolidated financial statements at June 30, 2023 shown in this report also set out the risks to which the Company could be exposed during the second half of 2023. Lastly, other risks and uncertainties of which bioMérieux is not aware at this time or which it considers not material could also adversely affect its business.

6. PRINCIPAL TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties continued on the same basis as in 2022 without any significant developments (see Note 30 to the consolidated financial statements at December 31, 2022 in section 6 of the 2022 Universal Registration Document).

7. OUTLOOK

- In light of its first-half 2023 performance, **bioMérieux confirms the 2023 full-year guidance** released in March for both sales and contributive operating income before non-recurring items.

- As a reminder, excluding respiratory panels, sales growth for 2023 is expected to reach +8% to +10% at constant exchange rates and scope of consolidation, driven by solid growth of BIOFIRE® non-respiratory panels as well as Microbiology and Industrial applications. Assuming a slowdown in respiratory panels sales, **total Group sales are expected to come in within a +4% to +6% range** on a like-for-like basis.

- **Contributive operating income before non-recurring items should be in a range of €600 million to €630 million**, at forecast exchange rates, including an estimated €40 million unfavorable foreign exchange impact.

III – STATEMENT BY THE PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

STATEMENT BY THE PERSONS RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

We hereby certify that, to the best of our knowledge, the condensed interim consolidated financial statements for the past half year have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and the consolidated Group as a whole, and that the interim management report on pages 43 *et seq.* above provides a fair view of the significant events that took place during the first six months of the financial year, their impact on the interim financial statements and the principal transactions with related parties, as well as a description of the principal risks and uncertainties for the remaining six months of the financial year.

Marcy l'Étoile, September 4th, 2023

Chief Executive Officer

Pierre Boulud

IV – STATUTORY AUDITORS' REPORT

Statutory Auditors' review report on the 2023 interim financial information

GRANT THORNTON
French member of Grant Thornton International

ERNST & YOUNG et Autres

bioMérieux

Six months ended June 30, 2023

Statutory Auditors' review report on the 2023 interim financial information

bioMérieux

Six months ended June 30, 2023

Statutory Auditors' review report on the 2023 interim financial information

This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed interim consolidated financial statements of bioMérieux for the six months ended June 30, 2023;
- the verification of the information contained in the interim management report.

These condensed interim consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting", as adopted by the European Union.

2. Specific verification

We have also verified the information given in the interim management report on the condensed interim consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the condensed interim consolidated financial statements.

Lyon, August 31, 2023

The Statutory Auditors

GRANT THORNTON *French member of Grant Thornton International*	ERNST & YOUNG et Autres
Jean Morier	Sylvain Lauria