HALF-YEAR FINANCIAL REPORT
2022

bioMérieux SA
French joint stock company (*société anonyme*) with share capital of €12,160,322,
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, 2022

CONTENTS

I – CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AT JUNE 30, 2022

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2022

CONSOLIDATED PROFIT AND LOSS STATEMENT

In millions of euros	Notes	First-half 2022	First-half 2021 restated
REVENUES	**13**	**1,658.0**	**1,574.2**
Cost of sales		(720.0)	(653.8)
GROSS PROFIT		**938.0**	**920.4**
OTHER OPERATING INCOME AND EXPENSES	14	**31.5**	**20.2**
Selling and marketing expenses		(318.2)	(266.3)
General and administrative expenses		(122.1)	(112.4)
Research and development expenses		(207.3)	(181.0)
TOTAL OPERATING EXPENSES		**(647.6)**	**(559.6)**
Amortization and impairment of intangible assets related to acquisitions and acquisition fees[(a)]	15	(24.9)	(15.1)
OPERATING INCOME BEFORE NON-RECURRING ITEMS		**297.1**	**365.8**
Other non-recurring income and expenses from operations	16	0.0	0.0
OPERATING INCOME		**297.1**	**365.8**
Cost of net debt	17.2	(2.9)	(3.9)
Other financial income and expenses	17.3	(2.7)	(2.5)
Income tax	18	(65.2)	(82.5)
Share in earnings (losses) of equity-accounted companies		0.0	(0.9)
NET INCOME OF CONSOLIDATED COMPANIES		**226.2**	**276.0**
Non-controlling interests		(1.8)	(1.1)
ATTRIBUTABLE TO OWNERS OF THE PARENT		**228.0**	**277.1**
Basic earnings per share		€1.93	€2.34
Diluted earnings per share		€1.93	€2.33

(a) In order to improve the understanding of operating income, amortization and impairment of intangible assets related to acquisitions and acquisition fees is presented on a separate line of operating income (see Note 2.4). In order to facilitate year-on-year comparisons, the data published at June 30, 2021 have been restated (see Note 24).

STATEMENT OF COMPREHENSIVE INCOME

In millions of euros	Notes	First-half 2022	First-half 2021
Net income of consolidated companies		**226.2**	**598.2**
Items to be reclassified to income		**219.6**	**161.0**
Fair value gains (losses) on hedging instruments	(a)	1.7	(2.3)
Tax effect		(0.3)	0.7
Movements in cumulative translation adjustments	(b)	218.2	162.6
Items not to be reclassified to income		**13.6**	**1.8**
Fair value gains (losses) on financial assets	(c)	(0.1)	0.7
Tax effect		(0.4)	0.0
Remeasurement of employee benefits	(d)	18.9	1.3
Tax effect		(4.8)	(0.2)
OTHER COMPREHENSIVE INCOME		**233.2**	**162.8**
TOTAL COMPREHENSIVE INCOME		**459.4**	**761.0**
Non-controlling interests		(0.4)	1.2
ATTRIBUTABLE TO OWNERS OF THE PARENT		**459.8**	**759.8**

(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 euro against other currencies, in particular the dollar, and the impact of hyperinflation (see Note 2.2).
(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, 2022	Dec. 31, 2021
Intangible assets	3	667.5	411.5
Goodwill	3.3	877.5	669.5
Property, plant and equipment	4.1	1,196.9	1,100.8
Right-of-use assets		117.5	124.0
Non-current financial assets	5	47.1	61.1
Investments in equity-accounted companies		0.9	0.9
Other non-current assets		12.4	12.6
Deferred tax assets		55.6	32.0
NON-CURRENT ASSETS		**2,975.3**	**2,412.5**
Inventories and work-in-progress		708.5	620.0
Trade receivables and assets related to contracts with customers	8	624.2	590.6
Other operating receivables		143.2	117.8
Current tax receivables		28.9	43.1
Non-operating receivables		29.4	9.5
Cash and cash equivalents		524.2	803.5
CURRENT ASSETS		**2,058.4**	**2,184.6**
ASSETS HELD FOR SALE	6	**7.5**	**8.0**
TOTAL ASSETS		**5,041.2**	**4,605.0**

SHAREHOLDERS' EQUITY AND LIABILITIES

In millions of euros		June 30, 2022	Dec. 31, 2021
Share capital	10.1	12.2	12.0
Additional paid-in capital and reserves	10.2	3,228.8	2,499.0
Attributable net income for the period		228.0	601.1
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		**3,469.0**	**3,112.2**
NON-CONTROLLING INTERESTS		**44.9**	**51.4**
TOTAL EQUITY		**3,513.9**	**3,163.6**
Long-term borrowings and debt	12	365.7	362.8
Deferred tax liabilities		97.2	60.3
Provisions	11	43.7	62.5
NON-CURRENT LIABILITIES		**506.6**	**485.6**
Short-term borrowings and debt	12	226.0	99.7
Provisions	11	43.1	51.5
Trade payables		243.4	239.5
Other operating payables		433.3	448.5
Current tax payables		34.6	67.4
Non-operating payables		40.4	49.3
CURRENT LIABILITIES		**1,020.7**	**955.7**
LIABILITIES RELATED TO ASSETS HELD FOR SALE	6	**0.0**	**0.0**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**5,041.2**	**4,605.0**

CONSOLIDATED CASH FLOW STATEMENT

In millions of euros	Notes	First-half 2022	First-half 2021 restated[c]
Net income of consolidated companies		**226.2**	**276.0**
- Share in (earnings) losses of equity-accounted companies		0.0	0.9
- Cost of net debt		2.9	3.9
- Other financial income and expenses		2.7	2.5
- Income tax expense		65.2	82.5
- Net additions to depreciation and amortization of operating items – non-current provisions		100.4	90.5
- Amortization and impairment of intangible assets related to acquisitions		16.2	15.1
EBITDA (before non-recurring items)	**12**	**413.7**	**471.3**
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)*		(2.7)	(2.5)
Net additions to operating provisions for contingencies and losses		(10.2)	(0.5)
Fair value gains (losses) on financial instruments		0.0	0.2
Share-based payment		4.7	5.6
Elimination of other non-cash/non-operating income and expenses		**(8.1)**	**2.8**
Change in inventories		(44.0)	(56.6)
Change in trade receivables		(12.5)	62.2
Change in trade payables		(11.0)	(10.9)
Change in other operating working capital		(38.1)	(80.9)
Change in operating working capital requirement[a]		**(105.7)**	**(86.2)**
Other non-operating working capital		(1.9)	(0.9)
Change in non-current non-financial assets and liabilities		1.3	0.8
Change in working capital requirement		**(106.3)**	**(86.3)**
Income tax paid		**(145.4)**	**(98.1)**
Cost of net debt	**17.2**	**(2.9)**	**(3.9)**
NET CASH FROM OPERATING ACTIVITIES		**150.9**	**285.8**
Purchases of property, plant and equipment and intangible assets		(152.8)	(143.5)
Proceeds from disposals of property, plant and equipment and intangible assets		21.3	9.1
Proceeds from other non-current financial assets		(3.5)	(6.3)
FREE CASH FLOW[b]		***16.0***	***145.1***
Purchases of/Proceeds from disposals of non-consolidated companies and equity-accounted investments		(3.1)	(2.7)
Impact of changes in scope of consolidation		(214.2)	0.0
NET CASH USED IN INVESTING ACTIVITIES		**(352.3)**	**(143.4)**
Purchases and sales of treasury shares[d]		(111.3)	(2.5)
Dividends paid to owners		(101.2)	(73.1)
Cash flow from new borrowings		102.4	30.8
Cash flows from loan repayments		(17.6)	(29.0)
Change in interests without gain or loss of controlling interest		0.0	0.0
NET CASH USED IN FINANCING ACTIVITIES		**(127.8)**	**(73.8)**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**(329.1)**	**68.6**
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**787.3**	**371.3**
Impact of changes in exchange rates on net cash and cash equivalents		55.2	12.8
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		**513.3**	**452.7**

(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) Comparative data for first-half 2021 has been restated to reflect the new presentation of the profit and loss statement (see Notes 2.4 and 24).
(d) 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 (see Note 1.1.1).

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

	Attributable to owners of the parent										Non-controlling interests
In € millions	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, 2020[f]	**12.0**	**2,194.2**	**(140.7) [j]**	**13.9**	**(59.7)**	**(23.0)**	**18.9**	**2,003.6**	**404.4**	**2,420.0 [h]**	**50.2**
Total comprehensive income for the period			60.9	(2.1)	2.1			60.9	277.1	**338.0**	**0.6**
Appropriation of prior-period net income		404.4						404.4	(404.4)	**0.0**	
Dividends paid[d]		(73.1)						(73.1)		**(73.1)**	
Treasury shares		(3.5)				6.4		2.9		**2.9**	
Share-based payment[e]							5.6	5.6		**5.6**	
Share subscription plans[i]		(6.2)						(6.2)		**(6.2)**	
Changes in ownership interests		0.0						0.0		**0.0**	**0.0**
Other changes[g]		2.4		(0.5)			(2.0)	(0.2)		**(0.2)**	
EQUITY AT JUNE 30, 2021	**12.0**	**2,518.2 [h]**	**(79.8) [j]**	**11.2**	**(57.6)**	**(16.6)**	**22.5**	**2,409.1**	**277.1**	**2,698.2 [h]**	**50.8**

(a) Including €63.7 in additional paid-in capital.
(b) Including changes in the fair value of Labtech, Banyan and GNEH shares and hedging instruments. Reclassification of the impairment of Dynavax shares in reserves after their disposal.
(c) Actuarial gains and losses on employee benefit obligations arising since the application of IAS 19R.
(d) Dividend per share: €0.62 in 2021. 157,291 shares did not qualify for dividends at June 30, 2021.
(e) The fair value of benefits related to free share grants is recognized over the vesting period.
(f) 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.
(g) In 2021, these changes corresponded to a reclassification following free share grants.
(h) Of which bioMérieux SA distributable reserves, including net income for the period of €1,049.0 million.
(i) Decrease in the fair value of the shares due to the non-transferability condition included in the employee share ownership plan (see Note 1.3).
(j) See Note 10.2.

In € millions	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-based payment[e]							4.7	4.7		**4.7**	
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).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2022

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'Étoile (69280) and whose shares are listed on Compartment A of Euronext Paris. The conversion of bioMérieux into a European company and the terms of the proposed conversion were approved by the Annual General Meeting on May 20, 2021 on the recommendation of the Board of Directors. In order to ensure the continuity of bioMérieux's operations and the neutrality of the change of corporate form for the Group's activities, an in-depth analysis was carried out on the formalities required in certain jurisdictions as a result of this change of corporate form. Based on the results of this in-depth analysis, the Board of Directors has decided to postpone the Company's registration as a European company.

The condensed interim consolidated financial statements were approved for issue by the Board of Directors on August 30, 2022. 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 2021 Universal Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) on March 17, 2022.

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 Acquisition of Specific Diagnostics

On May 18, 2022, bioMérieux acquired 100% ownership of Specific Diagnostics, a privately-held U.S. based company that has developed a rapid antimicrobial susceptibility test (AST) system that delivers phenotypic AST directly from positive blood cultures.

This acquisition of the entire capital of Specific Diagnostics follows the acquisition of a non-controlling interest in 2019 and the signing of a co-exclusive distribution agreement in 2021 covering the European and UK markets, which included an $18 million convertible bond. This bioMérieux Inc. investment totaled €4.4 million at December 31, 2021 for 7.4% of the capital.

The acquisition price of $407.0 million (€386.7 million) covers the acquisition of 100% of the shares and was paid with a combination of $232.2 million in cash and 1,288,901 new shares issued to certain Specific Diagnostics shareholders. The issuance of these new bioMérieux SA shares resulted in a share dilution of approximately 1% of the share capital, which will be offset by the end of 2022. A share buyback program is underway and will be followed by a reduction in share capital by canceling shares. At June 30, 2022, 902,623 shares had been acquired for a total of €82 million and an amount of €38 million was recognized under borrowings due to the irrevocable share buyback mandates signed with a banking institution.

The subsidiary has been fully consolidated since the date of its acquisition. The analysis of the purchase price allocation is currently underway and has led to the recognition of a net deferred tax liability of €188.3 million, a liability net of deferred tax assets of €1 million, deferred tax assets corresponding to the valuation of tax loss carryforwards of €18.4 million and provisional goodwill of €179.0 million. The goodwill has been assigned to the bacteriology CGU. It mainly reflects the specific synergies expected between the SPECIFIC REVEAL Rapid AST system, developed by Specific Diagnostics, and our existing microbiology portfolio by providing a high-value solution for critical patients.

Transaction-related costs of €9 million in the first half of 2022 have been recognized under amortization and impairment of intangible assets related to acquisitions and acquisition fees within operating income before non-recurring items.

Amortization of the acquired technology valued as part of the purchase price allocation has also been recognized in operating income before non-recurring items for €1.4 million in the first half of 2022 (under amortization and impairment of intangible assets related to acquisitions and acquisition fees).

As indicated above, the purchase price allocation is still deemed provisional at June 30, 2022 and may be adjusted until May 18, 2023.

Specific Diagnostics reported an operating loss (including the amortization of technology) of €3.9 million. As the impact of consolidating Specific Diagnostics in the financial statements of the Group is not material, no *pro forma* information for comparative periods has been provided in the notes.

1.1.2 Geopolitical situation in Ukraine

The military invasion of part of Ukraine by Russia at the end of February 2022 and the ensuing armed conflict did not have a material impact on the Group's consolidated financial statements at June 30, 2022. The bioMérieux group has decided to maintain its commercial presence in Russia in order to continue its mission to serve public health, as it has always done in similar situations in the past.

The indirect effects of the Ukrainian crisis, such as the rise in energy and raw material prices, could have a direct impact on the Group's financial performance and potentially on delivery times for instruments and reagents.

1.1.3 Creation of Aurobac

bioMérieux, Boehringer Ingelheim, a leading research-driven biopharmaceutical company and the life science company Evotec SE, have formed Aurobac Therapeutics SAS to create the next generation of antimicrobials along with actionable diagnostics to fight Antimicrobial Resistance (AMR). Aurobac is funded by Boehringer Ingelheim as lead investor, and by Evotec and bioMérieux, with bioMérieux holding 12.5% of the share capital. The resulting company will combine the best-of-best capabilities of the three founding companies towards developing a new precision medicine approach, from diagnosis to cure. The aspiration is to succeed in the fight against AMR, which is a major public health threat.

1.2 CHANGES IN THE SCOPE OF CONSOLIDATION

Changes in the scope of consolidation concern the following transactions:

- the acquisition of Specific Diagnostics on May 18, 2022. This subsidiary is wholly owned by the Group (see Note 1.1.1);
- the creation of bioMérieux Nigeria Ltd. on April 14, 2022, with a share capital of €1.3 million. This subsidiary is wholly owned by the Group.

Liquidation of the subsidiary bioMérieux HK Invest Ltd. This subsidiary was wholly owned by the Group.

1.2.1 Comparable information on changes in scope of consolidation

No comparable information is presented in the profit and loss statement, as the impact of the changes in the scope of consolidation was not material.

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 2021

The significant events for the 2021 financial year were the following:

- acquisition of Banyan Biomarkers Inc. on July 16, 2021. This subsidiary has been wholly owned by the Group since the date of its acquisition;
- launch of the MyShare employee share ownership plan. During the first half of 2021, MyShare generated an expense of approximately €10 million, recognized in personnel costs.

The significant events of 2021 did not have a material impact on the financial statements for the first half of 2022.

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, 2022. 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, 2022 and June 30, 2021 are identical to those used to prepare the consolidated financial statements for the year ended December 31, 2021 and described in detail in the Universal Registration Document filed with the AMF on March 17, 2022, with the exception of the standards, amendments and interpretations that came into force in 2022 and the changes to the presentation of the profit and loss statement described in Note 2.4. 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, 2022 are presented below:

- Amendments to IAS 16 "Property, Plant and Equipment – Proceeds before Intended Use", IAS 37 "Onerous Contracts – Cost of Fulfilling a Contract", IFRS 3 "Reference to the Conceptual Framework";

- Annual improvements to IFRS standards 2018-2020: IAS 41 “Taxation in fair value measurements”, IFRS 1 “Subsidiary as a first-time adopter”, IFRS 9 “Fees in the ‘10 per cent’ Test for Derecognition of Financial Liabilities”, IFRS 16 “Lease Incentives”.

These amendments did not impact the Group’s consolidated financial statements at June 30, 2022.

bioMérieux did not opt for the early application of the standards, amendments and interpretations adopted or pending adoption by the European Union, which will become effective after June 30, 2022 but which could have been applied early by interpreting existing texts, in particular:

- Amendment to IAS 1 “Presentation of Financial Statements: Classification of Liabilities as Current or Non-current” (pending adoption by the European Union);
- 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 IFRS 10 and IAS 28.

The standards, amendments and interpretations adopted by the IASB that will enter into force for fiscal years beginning on or after January 1, 2023 and that are pending adoption by the EU, are as follows:

- Amendment to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”;
- IFRS 14 “Regulatory Deferral Accounts”;
- IFRS 17 “Insurance Contracts”, with amendments.

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

Given the late publication by the IFRS IC in April 2021 of its decision concerning the treatment of configuration or customization costs in a SaaS arrangement, the bioMérieux Group is currently analyzing the potential impact of the decision for the purposes of the interim financial statements. The analysis will be completed by December 31, 2022.

There are no standards, amendments and interpretations published by the IASB, whose application is mandatory for accounting periods beginning on or after January 1, 2022, but that are not yet approved by the EU (and for which early application is not possible at EU level), that would have had a material impact on the consolidated financial statements.

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 First-time application of IAS 29 on hyperinflationary economies

The Group applied IAS 29 "Financial Reporting in Hyperinflationary Economies" for the first time in its financial statements at January 1, 2022. Non-monetary balance sheet items must be restated using a general price index. Profit and loss statement and statement of comprehensive income items must be restated by applying the change in the general price index as from the initial recording of the income and expenses in the financial statements.

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 is applying IAS 29 with effect from January 1, 2022. The Group did not apply IAS 29 last year as it did not consider the impact to be material.

As a result, an exchange rate gain of €1.9 million has been recognized for the impact of hyperinflation in Argentina and Turkey at June 30, 2022. On the balance sheet, the impact of this hyperinflation is reflected by a revaluation of intangible assets and property, plant and equipment for €4.2 million and of inventories for €0.6 million, with a corresponding increase in reserves of €1.5 million (net of tax) and the exchange rate gain.

2.3 JUDGMENTS AND ESTIMATES

The rules regarding estimates and judgments are not materially different from those used at June 30, 2021 and December 31, 2021 (see Note 2 to the consolidated financial statements for the year ended December 31, 2021). 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 indirect effects of the situation in Ukraine have increased uncertainties but have not significantly impacted the Group in the first half of 2022 (see Note 1.1.2).

2.4 PRESENTATION OF THE PROFIT AND LOSS STATEMENT

In the context of the acquisition of Specific Diagnostics (see Note 1.1.1), the Group has decided to present all amortization and impairment of intangible assets related to the acquisition 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. As a result, contributive operating income before non-recurring items will no longer be included in the published profit and loss statement.

The Group will, however, continue to use contributive operating income before non-recurring items as a key financial performance indicator for financial reporting purposes. The definition given in Note 3.3 to the consolidated financial statements for the year ended December 31, 2021 has changed: operating income before non-recurring items corresponds to recurring income less recurring expenses and amortization and impairment of intangible assets related to acquisitions and acquisition fees. Non-recurring income and expenses are not included.

As a result, the amortization of assets linked to the acquisition of BioFire (as defined in Note 23 to the 2021 consolidated financial statements) and amortization related to other acquisitions, which were presented mainly within gross profit, are now included under amortization and impairment of intangible assets related to acquisitions and acquisition fees.

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 2021 consolidated financial statements).

Restated data related to the new presentation of the profit and loss statement for the comparative period ended June 30, 2021 is presented in Note 24.

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 the COVID-19 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 intangible assets with indefinite useful lives, as described in Note 5.2 to the consolidated financial statements for the year ended December 31, 2021. Similarly, property, plant and equipment and intangible assets 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 2022 reflect the results of these analyses. At June 30, 2022, no indications of impairment were identified.

As at December 31, 2021, the analysis did not lead to the identification of any assets under lease to be tested independently from a cash-generating unit.

3.2 CHANGES IN INTANGIBLE ASSETS AND AMORTIZATION

Intangible assets mainly comprise patents and technologies.

Gross value *In € millions*	Patents Technologies		Software	Other	Total
DECEMBER 31, 2020	**632,5**		**207,3**	**68,9**	**908,6**
Translation adjustments	43,3		5,0	2,7	51,0
Acquisitions/Increases	0,1		8,1	6,7	14,9
Changes in scope of consolidation	12,3		0,0	0,0	12,3
Disposals/Decreases	0,0		(1,6)	(0,5)	(2,1)
Reclassifications	36,7		9,1	(45,1)	0,7
DECEMBER 31, 2021	**724,8**		**227,9**	**32,7**	**985,3**
Translation adjustments	49,1		6,5	1,3	56,8
Acquisitions/Increases	0,1		5,9	4,1	10,1
Changes in scope of consolidation	244,6	(a)	0,0	0,0	244,6
Disposals/Decreases	0,0		(1,8)	0,0	(1,8)
Reclassifications	0,0		6,4	(5,9)	0,5
Hyperinflation	0,0		2,3	0,6	2,9
JUNE 30, 2022	**1 018,6**		**247,2**	**32,7**	**1 298,4**

Amortization and impairment *In € millions*	Patents Technologies	Software	Other	Total
DECEMBER 31, 2020	**300,2**	**171,9**	**5,8**	**477,9**
Translation adjustments	17,4	4,3	0,2	22,0
Additions	57,8	16,9	1,6	76,2
Changes in scope of consolidation	0,0	0,0	0,0	0,0
Reversals/Disposals	0,0	(1,7)	(0,4)	(2,1)
Reclassifications	0,0	0,0	(0,1)	(0,1)
DECEMBER 31, 2021	**375,3**	**191,4**	**7,1**	**573,9**
Translation adjustments	22,0	5,3	0,3	27,6
Additions	18,7	9,1	0,8	28,6
Changes in scope of consolidation	0,0	0,0	0,0	0,0
Reversals/Disposals	0,0	(1,6)	0,0	(1,6)
Reclassifications	0,0	0,0	0,0	0,0
Hyperinflation	0,0	1,9	0,6	2,5
JUNE 30, 2022	**416,0**	**206,1**	**8,8**	**630,9**

Net value *In € millions*	Patents Technologies	Software	Other	Total
DECEMBER 31, 2021	**349,5**	**36,5**	**25,5**	**411,5**
JUNE 30, 2022	**602,5**	**41,1**	**23,8**	**667,5**

(a) Related to the recognition of the technologies included in the Specific Diagnostics acquisition (see Note 1.1.1).

Reclassifications mainly corresponds to assets under construction put into service during the period.
At June 30, 2022, no indications of impairment were identified.

3.3 CHANGES IN GOODWILL

In millions of euros	Net value
DECEMBER 31, 2020	**629.4**
Translation adjustments	33.0
Changes in scope of consolidation[(a)]	11.7
Impairment[(b)]	(4.6)
DECEMBER 31, 2021	**669.5**
Translation adjustments	28.9
Changes in scope of consolidation[(c)]	179.0
JUNE 30, 2022	**877.5**

(a) Linked to the acquisition of Banyan Biomarkers.
(b) Linked to the impairment loss on the CLIA CGU.
(c) Linked to the acquisition of Specific Diagnostics.

Changes in scope of consolidation related mainly to the provisional goodwill arising as a result of the Specific Diagnostics acquisition (see Note 1.1.1).

At June 30, 2022, 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, 2020	**51.3**	**646.0**	**536.2**	**412.5**	**178.1**	**130.0**	**1,954.0**
Translation adjustments	2.3	30.8	25.4	7.5	7.5	9.0	**82.6**
Changes in scope of consolidation							
Acquisitions/Increases		32.2	35.1	79.5	20.6	110.7	**278.1**
Disposals/Decreases		(2.6)	(12.6)	(47.9)	(11.2)		**(74.2)**
Reclassifications	0.9	36.4	42.3	3.6	8.3	(92.6)	**(1.2)**
DECEMBER 31, 2021	**54.5**	**742.8**	**626.4**	**455.2**	**203.4**	**157.1**	**2,239.3**
Translation adjustments	2.4	36.9	31.6	11.3	9.6	7.3	**99.1**
Changes in scope of consolidation					1.5		**1.5**
Acquisitions/Increases	0.9	1.1	21.3	47.3	2.0	52.0	**124.7**
Disposals/Decreases		(8.9)	(20.8)	(35.4)	(9.8)		**(74.9)**
Reclassifications		16.8	9.4	1.1	3.4	(19.2)	**11.5**
Hyperinflation		0.2	0.1	10.5	0.6	0.0	**11.5**
JUNE 30, 2022	**57.9**	**788.9**	**668.0**	**490.0**	**210.7**	**197.2**	**2,412.7**

DEPRECIATION AND IMPAIRMENT *In millions of euros*	Land	Buildings	Machinery and equipment	Capitalized instruments	Other	Assets in progress	**Total**
DECEMBER 31, 2020	**2.5**	**309.0**	**334.0**	**244.3**	**125.2**		**1,015.0**
Translation adjustments	0.1	11.1	13.0	4.6	4.7		**33.6**
Changes in scope of consolidation							
Additions	0.3	38.4	41.3	42.8	16.5		**139.3**
Disposals/Decreases		(2.6)	(12.8)	(28.2)	(10.9)		**(54.5)**
Reclassifications		3.3	(1.1)	0.8	2.1		**5.2**
DECEMBER 31, 2021	**2.9**	**359.3**	**374.3**	**264.3**	**137.6**		**1,138.5**
Translation adjustments	0.1	13.8	15.8	6.3	6.0		**42.0**
Changes in scope of consolidation					0.3		**0.3**
Additions	0.1	18.9	22.4	23.8	9.3		**74.5**
Disposals/Decreases		(6.7)	(20.9)	(16.5)	(9.8)		**(53.9)**
Reclassifications		6.4	0.3	0.0	0.0		**6.8**
Hyperinflation		0.2	0.1	6.9	0.5		**7.7**
JUNE 30, 2022	**3.1**	**391.9**	**392.0**	**284.8**	**143.8**		**1,215.8**

NET VALUE *In millions of euros*	Land	Buildings	Machinery and equipment	Capitalized instruments	Other	Assets in progress	**Total**
DECEMBER 31, 2020	**48.8**	**337.0**	**202.2**	**168.2**	**52.9**	**130.0**	**939.0**
DECEMBER 31, 2021	**51.6**	**383.5**	**252.1**	**190.9**	**65.8**	**157.1**	**1,100.8**
JUNE 30, 2022	**54.7**	**397.0**	**276.0**	**205.2**	**66.9**	**197.2**	**1,196.9**

Assets in progress mainly concern new buildings, capital expenditure on production and automation tools in Salt Lake City, and the construction of two new industrial facilities in Suzhou.

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 2022.

4.2 RIGHT-OF-USE ASSETS

4.2.1 Accounting principles

The accounting principles for leases are described in Note 6.2 to the 2021 consolidated financial statements.

The analysis did not identify any indications of impairment at June 30, 2022 on right-of-use assets.

4.2.2 Change

GROSS VALUE *In millions of euros*	Land	Buildings	Machinery and equipment	Other	TOTAL
DECEMBER 31, 2020	**32.8**	**152.1**	**28.4**	**5.9**	**219.2**
Translation adjustments	2.1	3.4	0.6	(0.0)	**6.1**
Acquisitions/Increases		18.0	11.2	0.8	**30.0**
Disposals/Decreases	(9.1)	(14.6)	(7.8)	(0.2)	**(31.6)**
Reclassifications	(0.4)	(12.4)	(0.8)	(1.9)	**(15.5)**
DECEMBER 31, 2021	**25.5**	**146.5**	**31.7**	**4.6**	**208.2**
Translation adjustments	2.0	4.0	1.5	(0.0)	**7.6**
Changes in scope of consolidation					
Acquisitions/Increases		4.3	3.1	0.0	**7.4**
Disposals/Decreases	(0.6)	(4.5)	(3.9)	(0.0)	**(9.0)**
Reclassifications		(6.2)		0.0	**(6.2)**
JUNE 30, 2022	**26.9**	**144.1**	**32.4**	**4.6**	**208.0**

DEPRECIATION *In millions of euros*	Land	Buildings	Machinery and equipment	Other	TOTAL
DECEMBER 31, 2020	**4.2**	**64.9**	**14.6**	**5.9**	**89.6**
Translation adjustments	0.3	1.7	0.3	0.0	**2.2**
Additions	0.7	18.5	8.6	0.1	**27.9**
Disposals/Decreases	(1.7)	(14.1)	(6.1)	(0.2)	**(22.0)**
Reclassifications		(10.8)	(0.8)	(1.9)	**(13.5)**
DECEMBER 31, 2021	**3.5**	**60.1**	**16.6**	**4.0**	**84.3**
Translation adjustments	0.3	2.0	0.8	0.0	**3.1**
Changes in scope of consolidation					
Additions	0.3	9.0	4.5	0.1	**13.8**
Disposals/Decreases	(0.6)	(3.5)	(3.5)	(0.0)	**(7.6)**
Reclassifications		(3.0)			**(3.0)**
JUNE 30, 2022	**3.5**	**64.5**	**18.5**	**4.1**	**90.6**

NET VALUE *In millions of euros*	Land	Buildings	Machinery and equipment	Other	TOTAL
DECEMBER 31, 2020	**28.6**	**87.2**	**13.8**	**0.0**	**129.6**
DECEMBER 31, 2021	**22.0**	**86.4**	**15.1**	**0.6**	**124.0**
JUNE 30, 2022	**23.4**	**79.5**	**13.9**	**0.5**	**117.5**

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 the assets held by the Group under finance leases:

NET VALUE *In millions of euros*	Land	Buildings	Machinery and equipment	Other	**TOTAL**
DECEMBER 31, 2020	**2.7**	**36.5**			**39.2**
DECEMBER 31, 2021	**2.7**	**32.3**			**35.0**
JUNE 30, 2022	**2.7**	**29.5**			**32.2**

5. CHANGES IN NON-CURRENT FINANCIAL ASSETS

In millions of euros	Gross value	Changes in fair value recognized in other comprehensive income	Impairment	Net value
DECEMBER 31, 2020	**45.0**	**5.9**	**(0.2)**	**50.6**
Translation adjustments	2.0		0.0	2.0
Acquisitions/Increases	18.7		0.0	18.6
Disposals/Decreases	(18.8)		8.0	(10.8)
Reclassifications and changes in fair value				0.0
Changes in fair value		0.7		0.7
DECEMBER 31, 2021	**46.7**	**6.6**	**7.8**	**61.1**
Translation adjustments	1.9		0.0	1.9
Acquisitions/Increases	6.3		0.0	6.3
Disposals/Decreases	(22.1)		0.0	(22.0)
Changes in fair value		(0.1)		(0.1)
JUNE 30, 2022	**32.9**	**6.5**	**7.8**	**47.1**

Acquisitions over the period mainly concern the creation of Aurobac, in partnership with Boehringer Ingelheim and Evotec SE, whose mission is to create the next generation of antimicrobials along with actionable diagnostics to fight Antimicrobial Resistance (see Note 1.1.3) and the acquisition of a stake in the Weezion start-up.

Disposals over the period mainly concern the bond issue that was converted into shares as part of the purchase of Specific Diagnostics shares as well as consolidated shares historically held by Specific Diagnostics (see Note 1.1.1).

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

The summary table below shows the change in fair value of the shares in non-consolidated companies at June 30, 2022 compared to December 31, 2021.

	Dec. 31, 2021			June 30, 2022			
In millions of euros	**NBV**	***Of which changes in fair value through income***	***Of which changes in fair value through other comprehensive income***	**NBV**	***Of which changes in fair value through income***	***Of which changes in fair value through other comprehensive income***	***Of which changes in fair value reclassified to reserves***
Aurobac Therapeutics SAS				2.5			
Weezion				2.0			
Qvella	7.0			7.0			
Sino French Innovations	5.0			5.0			
Accellix	4.4			6.6		1.8	
Pertinence Invest	4.0			4.0			
Specific Diagnostics	4.4			0.0			28.9
GNEH	3.3		0.7	1.6		(1.8)	
Labtech/LBT Innovations	0.7		0.0	0.5		(0.2)	
Other securities	4.8	0.0	0.0	4.9	0.0	0.0	0.0
TOTAL	**33.6**	**0.0**	**0.7**	**34.1**	**0.0**	**(0.1)**	**28.9**

The value of the assets was reviewed at June 30, 2022.

6. ASSETS AND LIABILITIES HELD FOR SALE

The assets in this category relate to administrative sites in the United States (€7.1 million) and in Belgium (€0.4 million). At June 30, 2022, the Group is considering the possibility of selling these sites, as it did at December 31, 2021.

These assets are not subject to any impairment risk, as their potential sale value covers their net book value.

In January 2022, a first building in the United States was sold at a price higher than the net book value at December 31, 2021.

7. INVENTORIES

Since it did not suffer any stoppages or significant curtailments at its production centers, the Group did not experience significant low production or idle capacity over the manufacturing period of the inventories recognized at June 30, 2022 or 2021. Accordingly, the COVID-19 pandemic and the economic impact of the crisis in Ukraine did not generate significant risks in terms of obsolescence, rotation or net realizable value of inventories in the first half of 2022 or 2021.

In millions of euros	June 30, 2022	Dec. 31, 2021
Raw materials	292.7	263.8
Work-in-progress	90.5	51.7
Finished products and goods held for resale	369.9	347.1
GROSS VALUE	**753.2**	**662.6**
Raw materials	(21.6)	(18.9)
Work-in-progress	(4.0)	(4.5)
Finished products and goods held for resale	(19.0)	(19.2)
PROVISIONS FOR IMPAIRMENT	**(44.7)**	**(42.6)**
Raw materials	271.1	244.9
Work-in-progress	86.5	47.2
Finished products and goods held for resale	350.9	327.9
NET VALUE	**708.5**	**620.0**

8. TRADE RECEIVABLES AND ASSETS RELATED TO CONTRACTS WITH CUSTOMERS

In millions of euros	June 30, 2022	Dec. 31, 2021
Gross trade receivables	670.7	633.7
Impairment	(46.5)	(43.1)
NET VALUE	**624.2**	**590.6**

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, 2021	Changes in scope of consolidation	Changes in gross value	Changes in provisions	Change in method	Currency impact	June 30, 2022
Long-term finance lease receivables	12.8		(1.3)			1.1	12.4
NON-CURRENT ASSETS	**12.8**		**(1.3)**	**0.0**	**0.0**	**1.1**	**12.4**
Finance lease receivables	7.5		(0.6)	(0.6)	0.0	0.6	7.0
Trade receivables	583.1	0.0	14.2	(0.5)	0.0	20.4	617.2
Other assets related to contracts with customers	0.0						0.0
CURRENT ASSETS	**590.6**	**0.0**	**13.6**	**(1.0)**	**0.0**	**21.0**	**624.2**

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 2022 or 2021.

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 2022.

LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS	Notes	Dec. 31, 2021	Changes in scope of consolidation	Changes in gross value	Changes in provisions	Reclassifications	Changes in translation adjustments	June 30, 2022
Provisions for long-term guarantees	15	1.3	0.0		(0.2)	0.0	0.0	1.2
NON-CURRENT LIABILITIES		**1.3**	**0.0**	**0.0**	**(0.2)**	**0.0**	**0.0**	**1.2**
Provisions for short-term guarantees	15	7.4			(1.1)	0.0	0.5	6.9
Advances received on trade receivables	17	25.3		(10.0)			2.1	17.4
Accrued credit notes	17	12.4		0.0			0.1	12.5
Prepaid income	17	84.0	0.0	4.0		4.2	5.2	97.4
CURRENT LIABILITIES		**129.1**	**0.0**	**(6.1)**	**(1.1)**	**4.2**	**8.0**	**134.2**

10. SHAREHOLDERS' EQUITY AND EARNINGS PER SHARE

10.1 SHARE CAPITAL

The Company's share capital amounted to €12,160,322 at June 30, 2022 and was divided into 119,650,121 shares, of which 72,591,306 carry double voting rights. Following a decision taken by the General Meeting of March 19, 2001, the Company's bylaws no longer refer to a par value for its shares.

Following the acquisition of Specific Diagnostics, a capital increase through the issuance of 1,288,901 new shares to certain shareholders was carried out during the first half of the year (see Note 1.1.1).

Treasury shares held under the liquidity agreement

At June 30, 2022, the parent company held 44,028 treasury shares (versus 25,100 at June 30, 2021) 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 277,604 of its own shares and sold 250,310 shares in connection with the liquidity agreement.

Other treasury shares

In the first half of 2022, the Company definitively allocated 99,195 free shares to employees. At June 30, 2022, the Company held 1,232,537 treasury shares, including 902,623 shares from the current share buyback programs (covering a total of 1,288,901 shares) set up following the acquisition of Specific Diagnostics (see Note 1.1.1) and 329,914 treasury shares (compared with 132,191 treasury shares at June 30, 2021) for the purpose of allocating shares under the employee share ownership plan.

The liability recorded for the first half of the year in respect of share-based payment plans totaled €4.7 million versus €5.6 million in the first half of 2021, corresponding to the accrued portion of the estimated liability recognized over the vesting period. In 2021, it excluded the MyShare employee share ownership subscription plan and variable compensation indexed to the share price (phantom share plans).

10.2 CUMULATIVE TRANSLATION ADJUSTMENTS

In millions of euros	June 30, 2022	Dec. 31, 2021
Dollar[a]	259.4	61.8
Latin America	(19.5)	(23.1)
Europe – Middle East – Africa	(38.3)	(41.3)
Other countries	37.4	23.5
TOTAL	**239.0**	**20.9**

(a) US and Hong Kong dollars.

Cumulative translation adjustments include the impact of hyperinflation for €1.5 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 (118,348,560 at June 30, 2022, versus 118,686,291 at June 30, 2021).

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, 2021 (see Note 15.1 to the consolidated financial statements for the year ended December 31, 2021).

Additions to and reversals of provisions are recognized in full based on the situation at June 30, 2022.

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, 2021 (see Note 15.3 to the consolidated financial statements for the year ended December 31, 2021).

In accordance with the provisions of IAS 34, post-employment benefits were not calculated in full at June 30, 2022 or June 30, 2021.

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, 2021.
- In view of the changes in interest rates over the first half of the year, the discount rates were updated on June 30, 2022, and the impact of their change was assessed at June 30, 2022.
- The analysis led the Group to modify the salary increase assumption for the main geographic areas at June 30, 2022, but not the other actuarial assumptions related to the total benefit obligation (including the turnover rate) compared to December 31, 2021.
- 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, 2022. 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 [a]	Guarantees given [b]	Restructuring [c]	Claims and litigation [d]	Other contingencies and losses [e]	Total
DECEMBER 31, 2020	**52.4**	**12.9**	**6.2**	**6.1**	**38.2**	**115.8**
Additions	2.9	16.3	2.2	3.6	10.6	35.5
Reversals (utilizations)	(1.7)	(19.5)	(1.6)	(2.5)	(8.3)	(33.6)
Reversals (surplus)	(0.3)	(1.5)	(1.7)	(0.1)	(0.5)	(4.1)
Net additions (reversals)	0.9	(4.8)	(1.2)	1.0	1.7	(2.3)
Actuarial (gains) losses	(1.2)	0.0	0.0	0.0	0.0	(1.2)
Other changes	0.0	0.0	0.1	0.0	(0.2)	(0.0)
Translation adjustments	0.2	0.6	0.5	0.2	0.3	1.7
DECEMBER 31, 2021	**52.3**	**8.8**	**5.6**	**7.3**	**40.0**	**114.1**
Additions	0.8	5.3	5.6	0.1	5.7	17.5
Reversals (utilizations)	(5.7)	(5.8)	(3.1)	(2.8)	(3.8)	(21.1)
Reversals (surplus)	(0.1)	(0.8)	0.0	(0.1)	(5.6)	(6.6)
Net additions (reversals)	(5.0)	(1.3)	2.6	(2.7)	(3.7)	(10.2) [g]
Actuarial (gains) losses	(18.5)	0.0	0.0	0.0	0.0	(18.5)
Changes in scope of consolidation	0.0	0.0	0.0	0.0	0.0	0.0
Other changes	0.1	0.0	0.0	0.0	0.0	0.1
Translation adjustments	(0.1)	0.5	0.6	0.1	0.3	1.4
JUNE 30, 2022	**28.8**	**7.9**	**8.8**	**4.7**	**36.6**	**86.8** [f]

Total provisions in the amount of €86.8 million include current provisions for €43.1 million at June 30, 2022, versus €51.5 million at December 31, 2021.

Net reversals of provisions in the first half of 2022 represented €10.1 million in recurring income.

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

The net obligation at June 30, 2022 amounted to €28.8 million, comprising mainly the provision for post-employment benefits (€14.9 million) and the provision for long-service awards (€13.9 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, 2021	**79.5**	**(45.0)**	**34.5**	**1.2**	**35.7**
Current service cost	2.2		2.2	0.0	2.2
Interest cost	0.4	(0.2)	0.2	0.0	0.2
Retirements	(1.3)	0.2	(1.1)	0.0	(1.1)
Plan liquidation	(0.2)	0.2	0.0		0.0
Contributions	0.0	(3.4)	(3.4)		(3.4)
Impact on operating income	**1.2**	**(3.2)**	**(2.1)**	**0.0**	**(2.1)**
Actuarial gains and losses (other comprehensive income)	**(18.9)**	**0.3**	**(18.6)**	0.0	**(18.6)**
Other movements (incl. currency impact)	0.2	(0.4)	(0.2)	0.0	(0.2)
JUNE 30, 2022	**62.0**	**(48.4)**	**13.7**	**1.2**	**14.9**

(a) Plan assets or scheduled payments.

The discount rate for obligations in respect of eurozone countries is between 2.8% and 3.3% at June 30, 2022, depending on the duration of the plans, versus between 0.3% and 1.0% at December 31, 2021. 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 2021 consolidated financial statements, the Group is involved in various tax disputes and litigation As disclosed in Note 15.4.2 to the 2021 consolidated financial statements, provisions for tax disputes are presented together with current taxes payable, in accordance with IFRIC 23.

In view of the settlements entered into by bioMérieux Italy since January 1, 2022, accrued income of €6 million has been recorded in the financial statements for the six months ended June 30, 2022, corresponding mainly to the dispute currently pending before the French Court of Cassation (*Cour Suprême de Cassation*).

11.5 OTHER PROVISIONS FOR CONTINGENCIES AND LOSSES

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. No implementing decree has yet been adopted. However, in accordance with market practice, a provision for contingencies was recognized in 2016. This provision has been updated over the years, through to June 30, 2022.

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, 2022.

11.6 CONTINGENT ASSETS AND LIABILITIES

Diagnostic tests for Lyme disease

As stated in Note 15.5 to the 2021 consolidated financial statements, 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 28 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 2022**	**First-half 2021 restated**[(a)]
Additive method		
• Net income	226.2	276.0
• Amortization and impairment of intangible assets related to acquisitions	16.2	15.1
• Cost of net debt	2.9	3.9
• Other financial income and expenses	2.7	2.5
• Income tax expense	65.2	82.5
• Share in earnings (losses) of equity-accounted companies	0.0	0.9
• Net additions to depreciation and amortization of operating items – non-current provisions	100.4	90.5
EBITDA (before non-recurring items)	**413.7**	**471.3**
Simplified additive method		
• Operating income before non-recurring items	297.1	365.8
• Depreciation and amortization of operating items	100.4	90.5
• Amortization and impairment of intangible assets related to acquisitions	16.2	15.1
EBITDA (before non-recurring items)	**413.7**	**471.3**

(a) Comparative data for first-half 2021 has been restated to reflect the new presentation of the profit and loss statement (see Notes 2.4 and 24).

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 €413.7 million in first-half 2022, or 25.0% of revenues, down 12.2% from the €471.3 million reported for the same period one year earlier. This decrease reflects the decline in operating income before non-recurring items.

Tax payments represented €145.4 million, up from €98.1 million in the prior-year period due to business growth of the Group's subsidiaries in 2021.

During the first half of 2022, operating working capital requirement increased by €114.4 million, primarily a result of the following items:

- inventories rose by €44 million in the first half of 2022;
- trade receivables were up by €12.5 million, mainly in the United States reflecting the four-day increase in collection times;
- trade payables fell by €11 million, in line with the four-day improvement in payment times;
- other working capital requirement items declined by €46.9 million, mainly due to a decrease in tax and payroll liabilities related to the payment of 2021 annual variable compensation.

During the first half of 2022, net cash from operating activities amounted to €150.9 million, down 47.2% compared to the €285.9 million recorded during the previous period.

Net cash used in investing activities

Capital expenditure on property, plant and equipment and intangible assets represented around 9.2% of revenues, i.e., €152.8 million in the first half of 2022, versus €143.5 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.

Cash inflows included proceeds from the sale of a building in the United States for €11 million during the period.

Accordingly, free cash flow amounted to €16 million in the first half of 2022, versus €145.2 million in the first half of 2021.

On May 18, 2022, bioMérieux acquired 100% ownership of Specific Diagnostics, paid up with a combination of cash ($232 million) and shares issued to certain Specific Diagnostics shareholders (see Note 1.1.2).

Net cash used in financing activities

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 (see Note 1.1.1) for an amount close to €82 million, and for the purposes of share grants to employees.

In the first half of 2022, the Group made a dividend payment of €101.2 million to bioMérieux SA shareholders, compared with €73.1 million in 2021.

New borrowings mainly concern commercial paper and a debt related to the commitment to purchase treasury shares (see Note 1.1.1).

12.3 CHANGES IN BORROWINGS

At June 30, 2022, the Group's net debt stood at €67.4 million, mainly comprising the bond issue described below and IFRS 16 lease liabilities (€94.6 million).

In June 2020, bioMérieux issued a new private placement bond of €200 million, including €145 million repayable in seven years with an annual coupon of 1.5% and €55 million repayable in 10 years 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, 2022, bioMérieux also had an undrawn syndicated credit facility of €500 million. This facility was originally set up in 2017 and its maturity was extended to January 2024 following the exercise of two extension options.

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, 2021	Changes in scope of consolidation	Reclassifications from non-current to current	Increase	Decrease	Changes in the cash flow statement	Other movements[c]	Translation adjustments	June 30, 2022
NON-CURRENT BORROWINGS (A)									
Borrowings – non-current portion	65.6		(1.7)	5.3		3.6	1.6	1.6	72.3
Lease liabilities – non-current portion	97.6		(11.5)			(11.5)	3.4	4.2	93.7
Bonds	199.6			0.0		0.0			199.6
Right-of-use assets (IFRS 16)	0.0					0.0			0.0
Payables on purchases of securities – non-current portion									0.0
TOTAL NON-CURRENT BORROWINGS	**362.8**	**0.0**	**(13.2)**	**5.4**	**0.0**	**(7.8)**	**5.0**	**5.7**	**365.6**
CURRENT BORROWINGS (B)									
Bonds – current portion	0.0					0.0			0.0
Borrowings – due within 1 year	48.6	0.1	1.7	27.1	(3.8)	25.0	33.6	2.4	109.6
Lease liabilities – current portion	24.8		11.5		(13.8)	(2.3)	2.1	0.8	25.4
Commercial paper	10.0			70.0		70.0			80.0
Payables on purchases of securities – due within 1 year	0.0								0.0
TOTAL CURRENT BORROWINGS	**83.4**	**0.1**	**13.2**	**97.1**	**(17.6)**	**92.7**	**35.7**	**3.3**	**215.1**
TOTAL BORROWINGS (B)	**446.1**	**0.1**	**0.0**	**102.4**	**(17.6)**	**84.8**	**40.8**	**9.0**	**580.7**
NET CASH AND CASH EQUIVALENTS									
Cash	547.1	6.4			(203.9)	(197.6)		16.0	365.6
Cash investments	84.6			15.6	(54.6)	(39.0)		0.3	45.8
Current accounts	171.8			0.4	(59.4)	(59.0)		0.0	112.8
Cash and cash equivalents	803.5	6.4	0.0	16.0	(317.9)	(295.6)	0.0	16.3	524.2
Bank overdrafts[a]	(16.3)			(33.6)		(33.6)		38.9 [b]	(11.0)
NET CASH AND CASH EQUIVALENTS (A)	**787.3**	**6.4**	**0.0**	**(17.6)**	**(317.9)**	**(329.1)**	**0.0**	**55.2**	**513.3**
(NET DEBT) NET CASH (B) – (A)	**(341.1)**	**(6.3)**	**0.0**	**120.0**	**300.3**	**413.9**	**40.8**	**(46.2)**	0 **67.4**

(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 movements concern new leases not presented in financing flows in accordance with the standard and changes to the debt relating to the put option.

At June 30, 2022, non-current borrowings mainly comprised the new bond issue contracted in 2020 for €199.6 million and maturing in more than five years, lease liabilities (see Note 12.5 below), and the put option on Hybiome minority interests for €29 million.

The portion of borrowings due within one year mainly includes:

- marketable securities for €80 million;
- the loan taken out by bioMérieux Shanghai, corresponding to a €54 million revolving credit facility;
- the portion of lease liabilities due within one year (see Note 12.5 below).

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

No loan agreements, which would be effective in the second half of 2022, were entered into before June 30, 2022.

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, 2022**	**Dec. 31, 2021**
Lease liabilities	**119.1**	**122.3**
Of which leases with purchase options	*25.0*	*26.8*
Due beyond 5 years	**46.7**	**47.9**
Of which leases with purchase options	*4.8*	*7.2*
Due in 1 to 5 years	**47.0**	**49.7**
Of which leases with purchase options	*16.5*	*15.9*
Due within 1 year	**25.4**	**24.8**
Of which leases with purchase options	*3.8*	*3.8*

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, 2022, the Group complied with this covenant, which may not exceed 3.5.

In January 2017, bioMérieux SA renegotiated its syndicated credit facility, taking the amount to €500 million. The facility is repayable in full at term in 2024.

Other term borrowings at June 30, 2022 mainly include commercial paper, short-term local financing, cash-settled share plans, and lease liabilities. None of these borrowings are subject to covenants.

12.7 INTEREST RATES

Before hedging, 51% of the Group’s borrowings are at fixed rates (€294.1 million), with the remainder at floating rates (€286.6 million).

The Group’s fixed-rate debt comprises:

- lease liabilities (€94.5 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, 2021 (see Note 3.1 to the consolidated financial statements at December 31, 2021).

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 2022	First-half 2021
Sales of equipment	126.1	156.9
Sales of reagents	1,366.2	1,280.7
Sales of services	107.7	92.8
Equipment rentals[a]	31.3	26.7
Other revenues	26.6	17.1
Revenues	**1,658.0**	**1,574.2**

(a) Equipment under lease 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 €0.9 million compared to €0.8 million at the end of June 2021.

In millions of euros	First-half 2022	First-half 2021
Net royalties received	1.9	1.4
Research tax credits	13.4	13.2
Research grants	0.9	0.8
Other	15.3	4.8
TOTAL	**31.5**	**20.2**

Other income mainly includes €9.4 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 are presented on a separate line of operating income (see Note 2.4).

As of June 30, 2022, amortization and impairment of intangible assets related to acquisitions and acquisition fees amounted to €24.9 million compared to €15.1 million in 2021. They include the costs associated with the acquisition of Specific Diagnostics for €9 million, as well as the amortization of assets valued as part of the purchase price allocation, notably those of BioFire for €8.7 million. In the past, depreciation and amortization related to other acquisitions were mainly recorded in gross profit.

16. OTHER NON-RECURRING INCOME AND EXPENSES FROM OPERATIONS

16.1 ACCOUNTING PRINCIPLES

Other non-recurring income and expenses from operations for the period (net gains/losses on disposals of material assets, restructuring costs, etc.) were recognized in full in first-half 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 2022, as in the first half of 2021.

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, the application of the IAS standard on hyperinflationary economies, and the ineffective portion of currency hedges on commercial transactions.

17.2 Cost of net debt

In millions of euros	First-half 2022	First-half 2021
Finance costs	(3.7)	(4.0)
Interest rate hedging derivatives	5.4	1.5
Foreign exchange gains (losses)	(3.4)	(0.2)
Interest expense on lease liabilities	(1.2)	(1.2)
TOTAL	**(2.9)**	**(3.9)**

Finance costs mainly include interest on the bond issue.

17.3 Other financial income and expenses

In millions of euros	First-half 2022	First-half 2021
Interest income on leasing receivables	0.6	0.9
Currency hedging derivatives[a]	(4.8)	(4.0)
Other	1.5	0.6
TOTAL	**(2.7)**	**(2.5)**

(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.

The 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

In millions of euros	2022 Tax	2022 Rate	2021 Tax	2021 Rate
Theoretical tax at standard French tax rate	**75.3**	**25.8%**	**102.1**	**28.4%**
• Impact of income tax at reduced tax rates and foreign tax rates	(5.4)	-1.9%	(10.7)	-3.0%
• Impact of FDII in the United States	(7.2)	-2.5%	(4.4)	-1.2%
• Impact of permanent differences	4.7	1.6%	(0.4)	-0.1%
• Impact of dividend distribution and tax on dividend payouts	0.8	0.3%	0.6	0.2%
• Deferred tax assets not recognized on tax loss carryforwards	1.2	0.4%	0.4	0.1%
• Impact of research tax credits presented in operating income	(3.2)	-1.1%	(3.5)	-1.0%
• Tax credits (other than research tax credits)	(0.8)	-0.3%	(1.1)	-0.3%
• Utilization of previously unrecognized tax assets	(0.2)	-0.1%	(0.4)	-0.1%
EFFECTIVE INCOME TAX EXPENSE	**65.2**	**22.4%**	**82.5**	**23.0%**

At June 30, 2022, the effective tax rate stood at 22.4% of pre-tax income, compared to 23.0% at June 30, 2021.

In first-half 2022, 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 €7.2 million at June 30, 2022 versus €4.4 million at June 30, 2021.

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 19.2, 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 2022

In millions of euros	Clinical applications	Industrial applications	Other	Group
Revenues	**1,391.6**	**266.3**	**0.1**	**1,658.0**
Gross profit	**805.7**	**132.8**	**(0.4)**	**938.0**
Other operating income and expenses	(545.3)	(105.5)	9.9	(641.0)
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**260.3**	**27.2**	**9.5**	**297.1**
as % of revenues	*19%*	*10%*		

FIRST-HALF 2021[(a)]

In millions of euros	Clinical applications	Industrial applications	Other	Group
Revenues	**1,329.7**	**244.3**	**0.3**	**1,574.2**
Gross profit	**801.4**	**117.4**	**1.6**	**920.4**
Other operating income and expenses	(460.9)	(90.6)	(3.1)	(554.6)
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**340.5**	**26.8**	**(1.5)**	**365.8**
as % of revenues	*26%*	*11%*		

(a) The comparative information for first-half 2021 has been restated to reflect the new presentation of the profit and loss statement (see Notes 2.4 and 24).

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 2022

In millions of euros	Americas	EMEA	Aspac	Corporate	Group
Revenues	**830.9**	**535.4** [(a)]	**288.9**	**2.7**	**1,658.0**
Cost of sales	(264.6)	(236.0)	(136.0)	(83.5)	(720.0)
Gross profit	**566.4**	**299.5**	**153.0**	**(80.8)**	**938.0**
as % of revenues	*68%*	*56%*	*53%*		
Other operating income and expenses	(149.6)	(88.4)	(47.1)	(355.9)	(641.0)
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**416.8**	**211.1**	**105.9**	**(436.6)**	**297.1**
as % of revenues	*50%*	*39%*	*37%*		

(a) Of which France revenues: €111.0 million.

FIRST-HALF 2021[(a)]

In millions of euros	Americas	EMEA	Aspac	Corporate	Group
Revenues	**732.0**	**547.7** [(b)]	**292.8**	**1.7**	**1,574.2**
Cost of sales	(218.7)	(213.4)	(127.6)	(94.1)	(653.8)
Gross profit	**513.3**	**334.4**	**165.2**	**(92.4)**	**920.4**
as % of revenues	*70%*	*61%*	*56%*		
Other operating income and expenses	(124.0)	(80.1)	(42.6)	(307.9)	(554.6)
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**389.2**	**254.3**	**122.6**	**(400.3)**	**365.8**
as % of revenues	*53%*	*46%*	*42%*		

(a) The comparative information for first-half 2021 has been restated to reflect the new presentation of the profit and loss statement (see Notes 2.4 and 24).
(b) Of which France revenues: €114.6 million.

JUNE 30, 2022

In millions of euros	Americas	EMEA[(a)]	Aspac	Corporate	Group
Non-current assets					
Intangible assets	14.0	25.0	1.7	626.8	667.5
Goodwill				877.5	877.5
Property, plant and equipment	596.1	362.3	37.0	201.5	1,196.9
Right-of-use assets	51.4	52.3	13.8		117.5
Working capital requirement					
Inventories and work-in-progress	345.2	230.8	132.5		708.5
Trade receivables and assets related to contracts with customers	288.6	257.4	78.2		624.2
Trade payables	(126.7)	(11.5)	(105.2)		(243.4)

(a) Of which non-current assets in France: €391.8 million.

DECEMBER 31, 2021

In millions of euros	Americas	EMEA[(a)]	Aspac	Corporate	Group
Non-current assets					
Intangible assets	11.4	23.1	2.0	375.0	411.5
Goodwill				669.5	669.5
Property, plant and equipment	513.4	357.9	35.4	194.0	1,100.8
Right-of-use assets	50.4	58.5	15.1		124.0
Working capital requirement					
Inventories and work-in-progress	289.2	204.6	126.2		620.0
Trade receivables and assets related to contracts with customers	250.3	264.0	76.4		590.6
Trade payables	(77.2)	(19.2)	(143.2)		(239.5)

(a) Of which non-current assets in France: €397.8 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 2022	First-half 2021
Clinical applications	**1,391.7**	**1,329.8**
Molecular biology	623.3	538.3
Microbiology	542.1	496.4
Immunoassays	198.5	240.7
Other ranges	27.8	54.4
Industrial applications	**266.3**	**244.3**
TOTAL	**1,658.0**	**1,574.2**

20. EXCHANGE RATE AND MARKET RISK MANAGEMENT

Exchange rate, credit and market risks are respectively described in Notes 28.1, 28.2 and 28.4 to the consolidated financial statements for the year ended December 31, 2021.

20.1 HEDGING INSTRUMENTS

Currency hedges in effect at June 30, 2022, set up under the currency hedging policy described in Note 28.1.1 to the consolidated financial statements at December 31, 2021, are the following:

Currency hedges at June 30, 2022 *In millions of euros*	**Expiration date** **<1 year**	 **1-5 years**	**Market value 2022[a]**
Hedges of existing commercial transactions			
- currency forward contracts	231.3	0.0	0.6
- options	0.0	0.0	0.0
TOTAL	**231.3**	**0.0**	**0.6**
Hedges of future commercial transactions			
- currency forward contracts	258.1	0.0	(3.2)
- options	0.0	0.0	0.0
TOTAL	**258.1**	**0.0**	**(3.2)**

(a) Difference between the hedging rate and the market rate at June 30, 2022, including premiums paid and received.

All of the currency forward purchases and sales and options outstanding at June 30, 2022 had maturities of less than 12 months.
The analysis carried out at June 30, 2022 did not result in any changes to the qualification of the currency derivatives as hedges.

The table below gives a summary of 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		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					3.8	1.7
Trade receivables in foreign currencies	forward sales	231.3	0.6	-		
Trade payables in foreign currencies	forward purchases	-	-	-		
Trade receivables in foreign currencies	options	-	-	-		
Financial receivables in foreign currencies	forward sales	87.9	- -	0.1		
Borrowings in foreign currencies	forward purchases	363.1	5.5	-		
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	258.1	- -	3.2		
Future commercial purchases in foreign currencies	forward purchases	-	-	-		
Future commercial sales in foreign currencies	options	-	-	-		

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, 2022:

In millions of euros	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
7-year Euro PP	(2.2)	(153.7)	0.0
10-year Euro PP	(1.0)	(4.2)	(58.1)
CBI (including VAT)	(4.8)	(19.6)	(5.8)

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 for the year ended December 31, 2021), and provides a comparison between their book value and fair value:

	June 30, 2022						
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		34.1			34.1	34.1	1-3
Other non-current financial assets			13.0		13.0	13.0	-
Other non-current assets			12.4		12.4	12.4	
Derivative instruments (positive fair value)				25.9	25.9	25.9	2
Trade receivables			624.2		624.2	624.2	-
Other receivables			33.2		33.2	33.2	-
Cash and cash investments	524.5				524.5	524.5	1
TOTAL FINANCIAL ASSETS	**524.5**	**34.1**	**682.8**	**25.9**	**1,267.3**	**1,267.3**	
Financial liabilities							
Bonds[(a)]			199.6		199.6	199.6	1
Other financing facilities			292.4		292.4	292.4	2
Derivative instruments (negative fair value)				15.2	15.2	15.2	2
Borrowings – current portion			226.0		226.0	226.0	2
Trade payables			243.4		243.4	243.4	-
Other current liabilities			154.2		154.2	154.2	-
TOTAL FINANCIAL LIABILITIES	**-**	**-**	**1,115.6**	**15.2**	**1,130.8**	**1,130.8**	

(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, 2021).

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.

No inter-category reclassifications were carried out in first-half 2022.

At December 31, 2021, the breakdown of assets and liabilities was as follows:

In millions of euros	December 31, 2021						
	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		33.6			33.6	33.6	1-3
Other non-current financial assets			27.5		27.5	27.5	-
Other non-current assets			12.6		12.6	12.6	
Derivative instruments (positive fair value)				7.5	7.5	7.5	2
Trade receivables			590.6		590.6	590.6	-
Other receivables			28.2		28.2	28.2	-
Cash and cash investments	803.5				803.5	803.5	1
TOTAL FINANCIAL ASSETS	**803.5**	**33.6**	**658.9**	**7.5**	**1,503.5**	**1,503.5**	
Financial liabilities							
Bonds[(a)]			199.6		199.6	199.6	1
Other financing facilities			163.2		163.2	163.2	2
Derivative instruments (negative fair value)				10.9	10.9	10.9	2
Borrowings – current portion			99.7		99.7	99.7	2
Trade payables			239.5		239.5	239.5	-
Other current liabilities			163.0		163.0	163.0	-
TOTAL FINANCIAL LIABILITIES	**-**	**-**	**865.0**	**10.9**	**875.9**	**875.9**	

(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, 2021) were as follows in first-half 2022:

DECEMBER 31, 2021	**29.5**
Reclassification from level 3 to level 2	
Gains and losses recognized in income	
Gains and losses recognized in other comprehensive income	
Acquisitions	4.5
Disposals	(4.4)
Changes in scope of consolidation, translation adjustments	2.4
JUNE 30, 2022	**32.0**

20.4 COUNTRY RISK

The Group's commercial business is mainly located in the United States (42% of revenues), in France and China (7% each), as well as in Germany, Italy, the United Kingdom, India and Japan (3% each). No other country represents more than 2.5% 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, 2021.

21. OFF-BALANCE SHEET COMMITMENTS

There were no material changes in off-balance sheet commitments during the first half of 2022 (see Note 29 to the consolidated financial statements for the year ended December 31, 2021).

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 2021 without any significant developments (see Note 30 to the consolidated financial statements for the year ended December 31, 2021).

23. SUBSEQUENT EVENTS

- **Launch of Aurobac, a joint venture to fight antimicrobial resistance**

On July 6, 2022, Boehringer Ingelheim, a leading research-driven biopharmaceutical company, the life science company Evotec SE and bioMérieux announced that they had formed a joint venture, Aurobac, to create the next generation of antimicrobials along with actionable diagnostics to fight antimicrobial resistance (AMR).

- **Launch of 3P® ENTERPRISE for environmental monitoring in the pharma industry**

On July 7, 2022, bioMérieux launched 3P® ENTERPRISE, an innovative solution designed to ensure environmental monitoring (EM) processes are fully efficient and under control at all times.

Developed and validated in collaboration with major global pharmaceutical companies, 3P® ENTERPRISE provides an end-to-end solution that fully digitalizes and automates the EM process.

- **FDA clearance for NEPHROCHECK® test on VIDAS®**

On July 28, 2022, bioMérieux announced the FDA Clearance of the innovative VIDAS® NEPHROCHECK® test to aid clinicians in the risk assessment for moderate to severe acute kidney injury (AKI) within 12 hours of patient assessment.

- **Breakthrough Device Designation received by SPECIFIC REVEAL® Rapid AST System from the FDA**

On August 22, 2022, bioMérieux announced that the FDA granted its Breakthrough Device Designation, reserved for medical devices that offer significant advantages over existing cleared alternatives, for which no approved alternatives exist and/or for which device availability is in the best interest of patients.

24. IMPACTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

The Group has restated the amounts for comparative periods due to the new presentation of amortization and impairment of intangible assets related to acquisitions and acquisition fees.

As indicated in Note 2.4, upon acquiring Specific Diagnostics, the Group decided to harmonize the presentation of its profit and loss statement.

Previously, the amortization of assets linked to the acquisition of BioFire Diagnostics was presented on a separate line of the profit and loss statement under contributive operating income before non-recurring items, while the remaining amortization related to acquisitions was mainly included in cost of sales.

In accordance with IAS 8, the comparative financial statements have been restated as though amortization and impairment of intangible assets related to acquisitions and acquisition fees had been combined on a single separate line as of January 1, 2021.

24.1 IMPACTS ON THE KEY CONSOLIDATED PROFIT AND LOSS STATEMENT INDICATORS AT JUNE 30, 2022

The introduction of the new presentation of amortization and impairment of intangible assets related to acquisitions and acquisition fees on a separate line under contributive operating income before non-recurring items below gross profit and operating expenses.

Impact on the balance sheet:

The introduction of the new presentation of amortization and impairment of intangible assets related to acquisitions and acquisition fees only concerns the profit and loss statement, and no changes have been made to the balance sheet.

24.2 IMPACT ON THE CASH FLOW STATEMENT

The introduction of the new presentation of amortization and impairment of intangible assets related to acquisitions and acquisition fees has had the following impact:

- decrease in net additions to depreciation and amortization of operating items;
- increase in amortization and impairment of intangible assets related to acquisitions and acquisition fees.

II – INTERIM MANAGEMENT REPORT

AT JUNE 30, 2022

INTERIM MANAGEMENT REPORT

AT JUNE 30, 2022

1. SIGNIFICANT EVENTS OF FIRST-HALF 2022

1.1 New products

- **bioMérieux receives FDA 510(k) clearance for its VITEK® MS PRIME new MALDI-TOF mass spectrometry identification system**

On March 18, 2022, bioMérieux announced that VITEK® MS PRIME received 510(k) clearance from the U.S Food and Drug Administration (FDA). This next generation system for routine microbial identification in minutes is now commercially available in countries that recognize CE-marking and in the United States. This instrument, manufactured by bioMérieux, is a compact benchtop system designed to increase laboratory productivity for greater impact to patient care. Extensive lab input was incorporated into its development with unique and differentiating features like prioritization of urgent samples and continuous "load and go".

- **De Novo FDA Authorization for BIOFIRE® Joint Infection (JI) Panel**

On May 4, 2022, bioMérieux announced that this new panel received De Novo authorization from the FDA. This panel tests for 31 pathogens implicated in most acute joint infections, and also includes 8 antimicrobial resistance (AMR) genes to optimize antibiotic therapy and stewardship.

- **CE marking of VIDAS® tests for Chikungunya virus diagnosis**

On May 13, 2022, bioMérieux announced the CE marking of automated tests for the Chikungunya virus providing better traceability than existing manual methods. Their performance and accuracy allow the differentiation of this diagnosis from other similar febrile syndromes caused by infections such as dengue or malaria.

1.2 Agreements and partnerships

- **Closing of the acquisition of Specific Diagnostics**

On May 19, 2022, bioMérieux announced that it has finalized the acquisition of Specific Diagnostics, a privately held U.S. based company that has developed a rapid antimicrobial susceptibility test (AST) system that delivers phenotypic AST directly from positive blood cultures.

1.3 Cancellation of the planned conversion of the Company into a Societas Europaea

The conversion of bioMérieux into a European company and the terms of the proposed conversion were approved by the Annual General Meeting on May 20, 2021 on the recommendation of the Board of Directors. In order to ensure the continuity of bioMérieux's operations and the neutrality of the change of corporate form for the Group's activities, the Board of Directors initiated an in-depth analysis of the formalities required in certain jurisdictions as a result of this change of corporate form. Based on the results of this in-depth analysis, the Board of Directors has decided not to pursue the Company's registration as a European company.

2. FINANCIAL SUMMARY

Consolidated data In € millions	**H1 2022**	H1 2021	% Change As reported
Net Sales	**1,658**	**1,574**	**+5.3%**
Contributive operating income before non-recurring items (1)	**322**	381	-15.5%
% sales	***19.4%***	*24.2%*	
Operating income	**297**	366	-18.8%
Net income, group share	**228**	**277**	**-17.7%**
Diluted net income per share *(in €)*	**€1.93**	€2.33	

(1) Contributive operating income corresponds to operating income before non-recurring items and before the amortization and depreciation of intangible assets related to acquisitions and acquisition fees (see New presentation of financial statements)

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 €1,658 million in first-half 2022, stable like-for-like from €1,574 million in the prior-year period and up 5.3% as reported. The currency effect increased reported sales by €84 million, primarily due to the appreciation in the US dollar against the euro during the first half.

Evolution of sales
In € millions

SALES – SIX MONTHS ENDED JUNE 30, 2021	**1,574**	
Currency effect	+84	+5.4%
Changes in scope of consolidation	0	
Organic growth (at constant exchange rates and scope of consolidation)	0	0%
SALES – SIX MONTHS ENDED JUNE 30, 2022	**1,658**	**+5.3%**

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

Analysis of sales by application

Sales by Application In € millions	Q2 2022	Q2 2021	% change as reported	% change at constant exchange rates and scope of consolidation	Six months ended June 30, 2022	Six months ended June 30, 2021	% change as reported	% change at constant exchange rates and scope of consolidation
Clinical applications	**687.9**	608.1	+13.1%	**+5.4%**	**1,391.7**	1,329.9	+4.6%	**-1.0%**
Molecular biology	**304.3**	213.9	+42.3%	**+29.7%**	**623.3**	538.3	+15.8%	**+7.7%**
Microbiology	**275.4**	249.0	+10.6%	**+5.2%**	**542.1**	496.4	+9.2%	**+5.1%**
Immunoassays	**94.0**	120.5	-22.0%	**-25.5%**	**198.5**	240.7	-17.6%	**-20.7%**
Other lines(1)	**14.3**	24.8	-42.4%	**-53.5%**	**27.8**	54.4	-48.9%	**-55.2%**
Industrial Applications(2)	**132.9**	121.5	+9.4%	**+4.2%**	**266.3**	244.3	+9.0%	**+5.1%**
TOTAL SALES	**820.9**	729.6	+12.5%	**+5.2%**	**1,658.0**	1,574.2	+5.3%	**0.0%**

(1) Including BioFire Defense, R&D-related revenue arising on clinical applications and Applied Maths
(2) Including R&D-related revenue arising on industrial applications.

- **Clinical application** sales, which account for approximately 84% of bioMérieux's consolidated total, rose by more than 5% year-on-year to €688 million in the second quarter of 2022, nearly stable in first-half, to €1,392 million.
  - In **molecular biology**, business sharply increased by almost 30% in the quarter, led by the strong demand for BIOFIRE® respiratory panels in the US, in the context of high COVID-19 transmission and a higher than last year flu trend. Non-respiratory panels sales enjoyed remarkable growth in the second quarter, led by Gastrointestinal and Blood Culture Identification panels. As a consequence, first half-year sales of non-respiratory panels reached double digit growth. The BIOFIRE® installed base has continued to expand, to more than 22,800 units at June 30, 2022, versus 22,500 at March 31, 2022.
  - The **microbiology** business enjoyed solid 5% growth in Q2, compared with the same period in 2021, led by reagents sales in the VITEK® automated ID/AST range in each geographic area, while other ranges recorded a positive performance.
  - In **immunoassays**, sales continued to decline in the second quarter by -25%, in the context of the anticipated base effect coming from last year COVID-related parameters sales, lockdowns in China and the continued slow-down of procalcitonin testing sales in the US. During the same period, routine parameters sales outside of China have been slightly growing.

- **Industrial application** sales, which represent around 16% of the consolidated total, increased by 4% year-on-year to €133 million in the second quarter. Growth has been fueled by reagents sales, led by microbiology and molecular ranges, in both food and pharmaceutical segments. Instruments sales stepped back during the quarter due to a high basis of comparison.

Analysis of sales by region

Sales by Region In € millions	**Q2 2022**	Q2 2021	% change as reported	**% change** at constant exchange rates and scope of consolidation	**Six months ended June 30, 2022**	Six months ended June 30, 2021	% change as reported	**% change** at constant exchange rates and scope of consolidation
Americas	**418.7**	319.5	+31.0%	**+16.6%**	**831.6**	732.0	+13.6%	**+3.6%**
North America	**366.4**	273.3	+34.1%	**+18.8%**	**731.7**	643.7	+13.7%	**+3.2%**
Latin America	**52.2**	46.2	+13.0%	**+3.7%**	**99.9**	88.3	+13.1%	**+6.6%**
Europe(1)	**267.4**	268.1	-0.2%	**0.0%**	**537.4**	549.4	-2.2%	**-1.6%**
Asia Pacific	**134.8**	142.0	-5.1%	**-10.5%**	**288.9**	292.8	-1.3%	**-6.3%**
TOTAL SALES	**820.9**	729.6	+12.5%	**+5.2%**	**1,658.0**	1,574.2	+5.3%	**0.0%**

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

- Sales in the **Americas** (50% of the consolidated total) reached €419 million in second quarter 2022, a remarkable increase of almost 17% versus the same period in 2021, whereas first-half sales increased by nearly 4% to stand at €832 million.
  - In **North America** (44% of the consolidated total), the remarkable quarterly performance has been led by the strong demand related to both respiratory and non-respiratory panels of the BIOFIRE® molecular range.
  - **Latin America** recorded a slight increase in the second quarter, led by the microbiology range of products, both for reagents and equipment, together with a solid performance in the BIOFIRE® panels sales. This growth has been partially offset by the decrease in the demand for COVID-related parameters in immunoassays.

- Sales in the **Europe - Middle East - Africa** region (32% of the consolidated total) came to €267 million for the second quarter, unchanged year-on-year, and to €537 million for the first half, slightly decreasing by less than 2%.
  - In **Europe** (26% of the consolidated total), robust sales growth has been reported in all microbiology key ranges, compensated by a slowdown in Covid-related parameters demand in molecular and immunoassays.
  - Sales in the **Russia - Middle East - Africa** region benefited from a strong performance in Turkey and the Middle East, compensated by lower sales in Africa compared to last year.

Sales in the **Asia-Pacific** region (17% of the consolidated total) came to €135 million in the second quarter of 2022, down nearly 11% compared with the same period in 2021. Sales performance was very solid in Japan, Australia and ASEAN, but the region has been impacted by the lockdowns in China.

3.2 Financial highlights

Consolidated income statement

- **New presentation of financial statements**

  Following the acquisition of Specific Diagnostics, the group has decided to change the presentation of its financial statements to regroup all expenses related to the amortization and impairment of acquired intangible assets and expenses incurred in acquisitions in a dedicated line of the Income

Statement referred as "Amortization and impairment of intangible assets related to acquisitions and acquisition fees".

Hence, the amortization expenses of BioFire Dx, Specific Diagnostics and all former acquisitions are now consolidated in this income statement line for a total amount of €15 million as of June 2021 and €25 million as of June 2022.

The Group will keep "Contributive operating income before non-recurring items" as its main operating performance indicator, now defined as operating income before non-recurring items and before the amortization and depreciation of intangible assets related to acquisitions and acquisition fees. Please refer to the reconciliation table in the appendix below.

Contributive operating income before non-recurring items

For the six months to June 30, 2022, contributive operating income before non-recurring items decreased by 15% year-on-year to €322 million, representing 19.4% of sales. The reported figure includes a favorable currency effect of around €17 million.

- **Gross profit** stood at €938 million, or 56.6% of sales, down from 58.5% at the end of June 2021. The decrease in gross margin stemmed primarily from the unfavorable impact of higher shipping costs, due to the pandemic situation and the war in Ukraine, as well as other inflationary factors.
- **Selling, general and administrative expenses** amounted to €440 million, or 26.6% of sales, compared with 24.1% in first-half 2021. On a like-for-like basis, they rose by 11%, mainly due to a progressive return to the pre-pandemic levels of marketing expenses as well as salary increases.
- **R&D expenses** amounted to €207 million, or 12.5% of sales, compared with €181 million and 11.5% one year earlier. These expenses increased by 8% on a like-for-like basis due to R&D activities increases.
- **Other operating income** amounted to around €32 million for the year, up from €20 million in first-half 2021, mainly explained by a capital gain on a building disposal in the US.

Operating income

The amortization and impairment of intangible assets related to acquisitions and acquisition fees amounted to €25 million, up from the €15 million in first-half 2021, as a consequence of the costs incurred in the frame of the Specific Diagnostics acquisition.

As a result, the Group ended first-half 2022 with **operating income** of €297 million, down 19% on the €366 million reported during the period one year earlier.

Net income

Net financial expense amounted to €5.6 million over the period, down from the €6.4 million recorded in first-half 2021 thanks to improved gains on currency hedging. The cost of net debt came to €2.9 million in 2022 versus €3.9 million in first-half 2021, and other financial income and expenses totaled €2.7 million, compared to €2.5 million in first-half 2021.

The Group's **effective tax rate** stood at 22.4 % on June 30, 2022, versus 23.0% in first-half 2021 due to decrease of the French corporate income tax rate.

Net income, Group share amounted to €228 million in 2022, down 18% from the exceptional level of €277 million in first-half 2021.

Cash management and finance

Free cash flow

EBITDA[1] came to €414 million in first-half 2022, or 24.9% of sales, down 12% from the €471 million reported for the same period one year earlier. The decrease reflects the reduction in contributive operating income compared to the exceptional level in first-half 2021.

Income tax paid represented €145 million, an increase from the €98 million paid in the first six months of 2021, primarily due to 2021 exceptional results.

Working capital requirement rose by €106 million in first-half 2022. The change was primarily a result of the following items:

- inventories rose by €44 million during the period, reflecting inventory rebuilding, following the high activity in 2021.
- trade receivables rose by €13 million, in line with usual seasonality, and trade payables decreased by €11 million.
- other working capital requirement items increased by €38 million, due to annual bonus payment.

Capital expenditures represented around 9% of sales or €153 million in first-half 2022, versus €144 million in first-half 2021. Main capital expenditures were related to capacity and automation investments in Salt Lake City and Durham sites as well as the two new manufacturing units in Suzhou, China.

In light of the above, **free cash flow** came in at €16 million in first-half 2022, compared to €145 million in first-half 2021.

Acquisition of Specific Diagnostics

On May 18, 2022, bioMérieux acquired 100% ownership of Specific Diagnostics, for a total amount of €386 million, paid with a combination of €221 million in cash and 1.3 million in shares issued to certain Specific Diagnostics shareholders. The issuance of these new shares led to a dilution of pre-existing shareholders around 1%, this dilution will be offset by a share buyback program before the end of 2022. As of June 30, 2022, 0.9 million shares have been already repurchased for a total amount of €82 million and the remaining 0.4 million shares to be purchased have been booked under financial debt for €38 million.

Change in net debt

Dividend of €101 million was paid in first-half 2022, to be compared with €73 million in 2021.

As a result, consolidated **net debt** came to €67 million at June 30, 2022, versus a net cash position of €341 million as of December 31, 2021. This net debt includes the discounted liability related to leases amounting to €94 million (IFRS16).

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

4. SUBSEQUENT EVENTS

- **Launch of Aurobac, a joint venture to fight antimicrobial resistance**

On July 6, 2022, Boehringer Ingelheim, a leading research-driven biopharmaceutical company, the life science company Evotec SE and bioMérieux announced that they had formed a joint venture, Aurobac, to create the next generation of antimicrobials along with actionable diagnostics to fight antimicrobial resistance (AMR).

- **Launch of 3P® ENTERPRISE for environmental monitoring in the pharma industry**

On July 7, 2022, bioMérieux launched 3P® ENTERPRISE, an innovative solution designed to ensure environmental monitoring (EM) processes are fully efficient and under control at all times.

Developed and validated in collaboration with major global pharmaceutical companies, 3P® ENTERPRISE provides an end-to-end solution that fully digitalizes and automates the EM process.

- **FDA clearance for NEPHROCHECK® test on VIDAS®**

On July 28, 2022, bioMérieux announced the FDA Clearance of the innovative VIDAS® NEPHROCHECK® test to aid clinicians in the risk assessment for moderate to severe acute kidney injury (AKI) within 12 hours of patient assessment.

- **Breakthrough Device Designation received by SPECIFIC REVEAL® Rapid AST System from the FDA**

On August 22, 2022, bioMérieux announced that the FDA granted its Breakthrough Device Designation, reserved for medical devices that offer significant advantages over existing cleared alternatives, for which no approved alternatives exist and/or for which device availability is in the best interest of patients.

5. RISK FACTORS

The principal risks to which bioMérieux is exposed are set out in the 2021 Universal Registration Document filed with the French financial markets authority on March 18, 2022 under number D.22-0122 (see sections 2 and 6.1 – Note 28 to the consolidated financial statements for the year ended December 31, 2021).

Notes 11 (Provisions – Contingent assets and liabilities) and 20 (Management of exchange rate and market risks) to the 2022 interim consolidated financial statements shown in this report also set out the risks to which the Company could be exposed during the second half of 2022.

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 2021 without any significant developments (see Note 30 to the consolidated financial statements for the year ended December 31, 2021 in section 6 of the 2021 Universal Registration Document).

7. OUTLOOK

- The sales guidance is slightly adjusted upward: -6% to -3% at constant exchange rates and scope of consolidation (previously: -7% to -3%).
- The contributive operating income before non-recurring items should be, at current exchange rates, in a range of €580 million to €625 million, slightly upward from previous guidance.

  As a reminder, March guidance for 2022 contributive operating income before non-recurring items was €530 million to €610 million, which corresponds, with the change of presentation of acquired intangibles in the income statement, to a range of €542 million to €622 million.

  The upward revision reflects the current performance and favorable foreign currency effect, which more than offset inflationary trends for 2022 and the impact of the integration of Specific Diagnostics.

III – STATEMENT BY THE PERSONS 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 47 *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, August 31, 2022

DocuSigned by:

Alexandre Mérieux

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Chairman and Chief Executive Officer

Alexandre Mérieux

IV – STATUTORY AUDITORS' REPORT

Statutory Auditors' review report on the 2022 interim financial information

GRANT THORNTON
French member of Grant Thornton International

ERNST & YOUNG et Autres

bioMérieux

Six months ended June 30, 2022

Statutory Auditors' review report on the 2022 interim financial information

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Statutory Auditor
Member of the Compagnie
régionale de Versailles et du Centre

bioMérieux
Six months ended June 30, 2022

Statutory Auditors' review report on the 2022 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, 2022;
- 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 30, 2022

The Statutory Auditors

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