



Press Release

Nantes, 4 May 2023 at 6pm

First quarter 2023

Operating revenue: €177.0m

Organic growth of +6.9

Dynamic start to the year in all business lines

High volume of health activity in Rehabilitation Clinic and HAH

Tariff evolution in Nursing Homes

Online growth of the International business

Growth acceleration confirmed

"The beginning of the year is marked by the continued momentum of our activities in a complex environment. In light of the solid achievements of the first quarter and the prospects for stronger growth in the coming months, LNA Santé is confident in the deployment of its 2023 roadmap and well beyond. With a clear message about the need to "treat and care" ethically and professionally, we intend to make an active contribution to the challenges of healthcare by supporting pragmatic proposals, showing initiative and implementing cooperation in the territories. Whether it is a question of access to care or the development of health services for our fellow citizens, the challenge is above all a collective one and to meet it, let us join forces to build tomorrow.

Willy Siret - Managing Director

<i>In millions of euros</i>	Q1 2023	Q1 2022	Var.
Operating turnover	177.0	166.4	+ 6.4%
Organic growth			+ 6.9%
Medical and Social Sector France *	69.1	65.0	+ 6.3%
<i>of turnover Operating</i>	39%	39%	
Sanitary Sector France **	97.4	92.8	+ 5.0%
<i>of turnover Operating</i>	55%	56%	
Sector International Business line	9.2	7.4	+ 23.7%
<i>of turnover Operating</i>	5%	4%	
Other sectors Operations	1.4	1.2	N/S
Real Estate Turnover	4.7	13.2	- 64.4%
Total	181.8	179.6	+ 1.2%

Data not audited by the auditors

* Medico-Social France: NH in France

** Sanitaire France: Medical and Rehabilitation Care (SMR), Psychiatric Clinics, Surgery and HAH in France

*** International Business Line: NH in Belgium and clinics in Poland

Occupancy rate on the rise

In the 1st quarter of 2023, the occupancy rate represented nearly 94% of nursing home capacity, with a rate of 96% in the Comfort range and 93% in the Elegance range. It was down slightly compared to the 4th quarter of 2022 due to the general excess mortality rate observed in France during the winter of 2023, but up sharply year-on-year due to the significant upturn in activity throughout 2022.

In rehabilitation clinic (SMR) and psychiatry in France, occupancy is experiencing a powerful dynamic with an increase of more than 8 points compared to the 1st quarter of 2022, at a level close to full capacity, proof of the relevance of rehabilitation offers in terms of specialties and modes of care.

Hospitalisation at home continues its high level of activity with 838 patients cared for on average each day over the 1st quarter of 2023, an increase of 17%, i.e. 124 more stays than in the 1st quarter of 2022. This movement is the result of a strong use of the sector and the acquisitions made in 2022. The peak occupancy of over 900 patients at the end of March 2023 bodes well for continued sustained development in response to the needs of local healthcare and high medical expertise.

In Belgium, nursing homes occupancy reached 91% in the quarter, up 2 points year-on-year, thanks to the business recovery package.

The occupancy rate of facilities at cruising speed, excluding home hospitalization, stands at 97% for this 1st quarter 2023, up 2.1 points compared to the 1st quarter 2022.

Solid growth in the Operations business

In the first quarter of 2023, LNA Santé's operating revenue amounted to €177.0 million, up 6.4% compared to the same period in 2022, including 6.9% organic growth. The activity takes into account the sale and closure of two health facilities in 2022, the effect of which will dissipate as the year progresses.

- Revenue from **nursing homes in France** came to €69.1m in the first quarter of 2023, a purely organic increase of 6.3% on the previous year. It can be analysed as follows:
 - **Elegance nursing home** activity, at €57.4m, showed growth of 6.6% compared with the first quarter of 2022, due to improved occupancy rates in the Ile-de-France and PACA regions and to price indexation,
 - **Comfort nursing homes**, with limited accommodation rates, had revenues of €11.6 million, up 5.0% as a result of the pricing campaign;
- Business in the **French Healthcare** sector grew by 5.0% in the first quarter of 2023 to €97.4m. This growth includes the impact of the sale and closure of two SMR clinics in 2022. It amounts to 6.7% for its organic part alone. It results from the following contributions:
 - Clinics specialising in **Medical and Rehabilitation Care (MRC)**, psychiatry and surgery generated €76.2m in revenue in the quarter, up 0.7% on 2022, of which 3.7% was organic growth, driven by high admission volumes in the quarter, close to full capacity,
 - **Hospitalization At Home (HAH)** facilities provided €21.2m of activity in the 1st quarter of 2023, up 23.7% compared to the same period a year earlier, of which 20.1% was organic thanks to the development of care,
- The **International Business Line** sector posted a level of activity of €9.2m in the 1st quarter of 2023, a strong increase of 23.7% (including 11.7% organic growth) compared to the 1st quarter of 2022, which breaks down as follows
 - **Nursing homes in Belgium** generated €7.9 million in revenue during the quarter, a strong 12.3% increase over the same period last year, thanks to the increase in rates and the rise in average occupancy of the facilities,
 - The **Polish clinics**, acquired at the end of February 2022, generated €1.2m of business in the quarter. They contributed 12.0% to the external growth of the International Business segment.

Real Estate Activity

Real estate revenues amounted to €4.7 million in the first three months of 2023, with a limited contribution from the progress of construction projects for a specialised SMR in Meaux and an EHPAD Elégance in Pessac.

Outlook confirmed

The Group expects growth to accelerate in the coming quarters. The tariff component should continue to strengthen to gradually compensate for the deceleration of the volume effect.

In the French healthcare sector, the first quarter benefited from a high volume of admissions in a very unfavourable pricing context, and the indexations applicable from March 2023 should logically strengthen growth in SMR. HAH establishments should maintain their dynamic activity both in terms of the number of stays and the indexation of tariffs set by ministerial order.



In France, the growth of nursing homes should continue thanks to the increase in occupancy rates, particularly in the Elegance range for the few establishments still lagging behind in terms of occupancy, in the Ile de France and PACA regions.

Finally, internationally, Belgian establishments should see their occupancy continue to recover and Polish establishments actively continue to develop their offer.

This momentum in all business lines, based on solid fundamentals, allows the Group to renew its forecast of organic growth of over 6% for annual operating revenue of €725 million.

Next publication:

The half-yearly turnover for 2023 will be published on 25 July 2023 at market close.

About LNA Santé: LNA Santé, a global healthcare operator, manages 49 EHPADs and MRPA as well as 20 SMR establishments, 2 surgical clinics, 2 psychiatric clinics, 9 HAHs and 3 health centres. We are a family business, specialising in the care of people who are frail or losing their independence. We are a humanist company because we have consideration for each person, respecting and supporting their life path. We are committed to long-term action and are very involved in social and societal innovation.

LNA Santé shares are listed in compartment B of Euronext Paris.

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Glossary

The **cruising regime** corresponds to beds that comply with LNA Santé's operating plan (quality of care, target size of the establishment, new state of the real estate, trained and involved management, efficient organisation).

Organic growth in turnover corresponds to the change in turnover:

- between N-1 and N of establishments existing in N-1,



- between N-1 and N of establishments opened in N-1 or in N,
- between N-1 and N of establishments restructured in accordance with the LNA Santé specifications or whose capacity increased in N-1 or N,
- in N compared to the equivalent period in N-1 of establishments acquired in N-1.