



Press Release

Nantes, 25 July 2023 at 6pm

First half of 2023

Operating sales: €357.1m

Organic growth + 6.4%

"In an uncertain environment, our Group has maintained its business momentum over the first half of the year and confirmed its strong ambition through its Growing Together 3 project (2023-2027), which is based more than ever on its unique characteristics as a company with a mission: family-owned, entrepreneurial, independent and committed to its values.

Organic growth in the 2nd quarter of 2023 continued the momentum of the previous quarter. All our businesses reported growth, demonstrating the resilience of our healthcare offerings, which are anchored at the heart of the healthcare landscape. This trend is underpinned by a diversity of situations, broken down by business line and by geographical area.

Despite high inflation and uncertainty as to the repercussions of the reform of the financing of SMR clinics, which are still unclear and complex to understand for all the players involved, LNA Santé remains confident that it will achieve its objectives for 2023. However, it is important to note that this reform contradicts certain health policy guidelines, which raises persistent questions from the profession about the actual implementation methods, both for the 2023-2025 transition period and for the target scheme.

LNA Santé has built its business plan by combining economic performance with extra-financial contributions. Founded on a long-term vision, solid business fundamentals and a distinctive managerial culture, this project remains more than ever our main asset in the current environment.

Willy Siret - Managing Director

<i>In millions of euros</i>	Q2 2023	Q2 2022	Var.	H1 2023	H2 2022	Var.
Operating turnover	180.0	168.2	+ 7.0%	357.1	334.5	+ 6.7%
<i>Organic growth</i>			+ 6.0%			+ 6.4%
Medical-social sector France *	71.6	67.6	+ 5.8%	140.7	132.6	+ 6.1%
<i>of turnover Operating</i>	40%	40%		39%	40%	
Healthcare France **	98.2	91.0	+ 7.9%	195.7	183.9	+ 6.4%
<i>of turnover Operating</i>	55%	54%		55%	55%	
International sector Business ***	8.8	8.1	+ 8.1%	17.9	15.5	+ 15.5%
<i>of turnover Operating</i>	5%	5%		5%	5%	
Other sectors Operations	1.4	1.4	N/S	2.8	2.5	N/S
CA Real Estate	1.9	12.1	- 84.3%	6.6	25.4	- 73.9%
Total	181.9	180.3	+ 0.9%	363.7	359.9	+ 1.1%

Data being audited by the statutory auditors

* Medico-Social France: NH in France
 ** Healthcare France: Medical and Rehabilitation Care (SMR), Psychiatric Clinics, Surgery and HAH in France
 *** International Business Line: NH in Belgium and Rehabilitation Care in Poland

Occupancy rate up

In the 2nd quarter of 2023, average occupancy represented 94% of nursing home capacity, with an occupancy rate of 97% in the Comfort range and over 93% in the Elegance range. The occupancy rate for nursing homes is therefore up by 0.7 points compared with the 2nd quarter of 2022, thanks to the marketing efforts made. These initiatives must continue, particularly in the PACA region, where epidemiological studies confirm that the proportion of deaths among the elderly is higher than in the pre-Covid period.

In rehabilitation and psychiatry in France, occupancy has risen sharply by 7.1 points compared with the 2nd quarter of 2022, to a level close to full capacity.

Hospitalisation at home (HAH) activity rose to 873 patient stays in the 2nd quarter of 2023, compared with 728 in the same period last year (an increase of 20%), thanks on the one hand to an ever-increasing use of HAH in the hospital sector, and on the other hand to the ramp-up of acquisitions made in 2022.

In Belgium, occupancy fell slightly by 1.1 points year-on-year to 90% over the quarter.

The occupancy rate for facilities at cruising speed, excluding home care, was 98% in the 2nd quarter of 2023, an improvement of 2.2 points compared with the 2nd quarter of 2022.

Good momentum in Operations

In the 2nd quarter of 2023, LNA Santé's operating revenue totalled €180.0m, up 7.0% on the same period last year, of which 6.0% was organic growth and 1.0% external growth.

By the end of the 1st half-year in 2023, LNA Santé's operating revenue will have reached €357.1m, up 6.7% compared with the 1st half-year in 2022, including 6.4% organic growth.

- Revenue from long-term care facilities (**Médico-Social France**) came to €140.7m for the first half of the year, up 6.1% on a purely organic basis due to the rise in occupancy and the pricing campaign. It breaks down as follows
 - At €117.1m, business at **EHPAD Elégance** was up 6.2% on the first half of 2022,
 - **EHPAD Confort**, with moderate accommodation prices, posted sales of €23.6m, up 5.6%;
- Sales in the **Sanitaryware France** sector rose by a dynamic 6.4% to €195.7m in the first half of 2023. Organic growth accounted for 6.3% of this increase. Sanitaryware sales were driven by the following contributions
 - **Medical and rehabilitation care (SMR)** generated sales of €152.6m in the first half of the year, up 2.8% on the first half of 2022, including 3.6% organic growth due to higher occupancy levels,
 - **Hospitalisation A Domicile (HAH) facilities** generated sales of €43.0m in the first half of 2023, up 21.7% on the same period a year earlier, including 17.7% organic growth, thanks to growth in the number of patients;
- The **International Sectors** business line generated sales of €17.9m in the first half of 2023, a sharp rise of 15.5% (including 9.8% organic growth) compared with the first half of 2022, broken down as follows:
 - **Nursing homes in Belgium** generated sales of €15.6m in the first half of the year, up 8.7% on the same period last year, thanks to an increase in accommodation rates and INAMI credits to finance salary measures,
 - the **Polish clinics**, acquired at the end of February 2022, generated sales of €2.4m in the first half. They accounted for 5.7% of external growth in the International Business sector.

Real Estate activity

Real estate sales amounted to €6.6m in the first half of 2023, reflecting the completion of construction sites for a specialist SMR in Meaux and an EHPAD Elégance in Pessac.

Solid, controlled growth trajectory

As part of its "Growing Together 3" project, LNA Santé aims to achieve organic growth of 6% in operating sales over the full 2023 financial year, with relatively stable net profit and tight control of its debt at the minimum level of credit authorisations.



Next publication:

Results for the first half of 2023 will be published on 13 September 2023 at the close of trading.

About LNA Santé: *as a family-run business, we care for people in need, for them and their carers, for professionals and for our environment, by stimulating cooperation and innovation to meet the health challenges facing our regions.*

For more information, please visit www.lna-sante.com

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

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Glossary

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

Organic sales growth corresponds to the change in sales:

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