

## 2021 first half-year

### Operating revenue: €308.9m (+22.5%)

Organic growth reinforced in all businesses at 7.1%

External growth supported by acquisitions in the health sector at +15.5%

### Strengthening of the financing structure

New syndicated loan of €340m including a term loan of €75m

New Euro PP bond issue for €90m

Based on CSR performance indicators

### Confirmed rise in revenue of 20% in 2021 to €625m

*"The effectiveness of the vaccination campaign and the strict protocols have made it possible to check the epidemic in our establishments. In this context, all of the businesses continued their gradual recovery, for all forms of care: residential and temporary accommodation, full hospitalization and outpatient care, in hospital and at home.*

*Regarding the action plans in progress, LNA Santé anticipates a progressive and graduated return to nominal business and normal operation.*

*At the same time, after the refinancing process of the group was completed at the end of June 2021, the success of which was due to the confidence of our partners in our business plan, LNA Santé will continue its growth path in the next few financial years, based on a CSR approach incorporated in the way we carry out our businesses.*

*The aim of moderate growth is fully in line with the orientations of our strategic business plan, Growing Together 2022, which will lead us to consolidate our service offerings in all the regions where we help to organise and run clinical pathways.*

*The quality of the institution projects will therefore continue to drive the positive trend in business and earnings, both in the rise in occupancy and in the plan to transform our offering, that is central to our identity. "*

**Jean-Paul Siret – Chairman of LNA Santé**

<i>In € millions</i>	Q2 2021	Q2 2020	Var.	H1 2021	H1 2020	Var.
<b>Operating revenue</b>	<b>155.1</b>	<b>126.2</b>	<b>+ 22.9%</b>	<b>308.9</b>	<b>252.1</b>	<b>+ 22.5%</b>
<i>Organic growth</i>			<b>+ 8.1%</b>			<b>+ 7.1%</b>
<b>Medico-Social Business*</b>	<b>70.9</b>	<b>69.0</b>	<b>+ 2.7%</b>	<b>139.5</b>	<b>135.9</b>	<b>+ 2.6%</b>
<i>% of Operating revenue</i>	46%	55%		45%	54%	
<b>Health Business**</b>	<b>83.3</b>	<b>56.6</b>	<b>+ 47.2%</b>	<b>167.5</b>	<b>115.0</b>	<b>+ 45.7%</b>
<i>% of Operating revenue</i>	54%	45%		54%	46%	
<b>Other businesses</b>	<b>1.0</b>	<b>0.6</b>	<b>N.S.</b>	<b>1.9</b>	<b>1.2</b>	
<b>Real estate revenue</b>	<b>18.5</b>	<b>9.7</b>	<b>+ 91.0%</b>	<b>28.4</b>	<b>26.2</b>	<b>+ 8.5%</b>
<b>Total</b>	<b>173.6</b>	<b>135.9</b>	<b>+ 27.8%</b>	<b>337.3</b>	<b>278.3</b>	<b>+ 21.2%</b>

*Data not yet audited by the statutory auditors*

\* Medico-Social: Assisted Living Facilities (ALF) in France and rest homes in Belgium  
 \*\* Health: Aftercare and rehabilitation centres, psychiatric clinics, surgery and hospital at home

## Rise in the occupancy rate

In the second quarter of 2021, the average occupancy amounted to 90% of capacity in ALFs, with an occupancy rate of 95% for the Confort range and 89% for the Elegance range. In Belgium the occupancy rate was 83% compared with 85% in the second quarter of 2020, and amounts to 86% to date. Occupancy in psychiatric clinics and rehabilitation centres recovered by 25 points to 89%, compared with the second quarter of 2020 which was heavily impacted by the cessation of hospital day care activities and the limitation of admissions during the first wave of the Covid-19 epidemic. For hospital at home, the number of patients treated amounted to 672 stays, up by 13% year-on-year.

The recovery in the occupancy rate of established facilities continued in the second quarter of 2021 to over 92%, up compared with the previous quarter and compared with the second quarter of 2020 (+7 points).

## Operations driven by a strong mix

In the second quarter of 2021, LNA Santé's operating revenue amounted to €155.1m, up by 22.9% compared with the same period last year. This was the result of sustained external growth of 14.9% linked to the acquisitions carried out at the end of 2020 and the start of 2021, and rising organic growth of 8.1%.

At the end of the first half of 2021, the operating revenue of the LNA Santé group therefore amounted to €308.9m, up by 22.5% compared with the first half of 2020, **including organic growth of 7.1% and external growth of 15.5%**.

- Revenue from nursing homes (**Medico-Social**) was strengthened at €139.5m during the half-year, **up by 2.6%**, supported by organic growth of 1.9%, with the following breakdown:



- **Confort ALF**, with restricted accommodation prices, achieved revenue of €21.6m, including organic growth of 8.5%. This offering is highly resilient, as is shown by the rise in occupancy of 5.6 points to 95% in the first six months of the financial year,
  - **Elegance ALF** achieved revenue of €104.6m, up by 2.1% compared with last year, including external growth of 0.9%,
  - **rest homes in Belgium** generated revenue of €13.3m in the first half of 2021, down 2.1% compared with 2020 due to the epidemic wave and the resulting marketing delays.
- Business in the **Health** sector achieved very sustained **growth of 45.7%** in the first half-year at €167.5m. Recent acquisitions, mainly comprising the takeover of the Clinique Développement group in December 2020, contributed growth of 33.0%. Revenue from the health sector was due to the following contributions:
    - **Aftercare and rehabilitation centres** generated revenue of €135.9m in the half-year, **up by 50.7%**, including external growth of 40.8%, thanks to the contribution of the Clinique Développement group (Normandy) and the Clinique du Château de Parsay (Deux-Sèvres) in 2020, as well as the takeover of the psychiatric clinic in La Brière (Loire-Atlantique) at the end of February 2021. There was strong organic growth of 9.8% in the first half-year.
    - **Hospital at Home (HaH)** facilities generated revenue of €31.7m, **up by 27.7%** in the half-year, including organic growth of 23.2%: they benefited from greater use due to the health crisis, which will continue for certain types of treatment thanks to the quality of the partnerships formed.

## Real estate

**Real estate revenue** amounted to €28.4m during the half-year (€18.5m in the second quarter), linked to the progress of the building work under way, in line with the delivery schedule.

## Refinancing of the group

Following the structuring acquisition of Clinique Développement in December 2020, the LNA Santé group adapted its financing structure via a double transaction, the main aims of which were to:

- refinance the acquisition of the Clinique Développement group and the forthcoming maturity of the 2022 Euro PP;
- secure the liquidity and extend the maturity by appropriate confirmed lines of credit;
- support the group's development strategy and cover its financing requirements.

The transactions concerned the **adjustment of the existing syndicated loan**:

- with a pool of lenders mainly based on the existing pool (12 banks, 8 banking groups);
- with the total revolving credit facility (RCF) increased to €265m and the maturity extended to June 2026, plus two options to extend it by one year;
- with a new six-year Term Loan instalment for €75m drawn according to investment requirements over a three-year period of availability;
- coordinated by Banque Populaire Grand Ouest and Hélicon Conseil as Documentation Agents and Banque CIC Ouest as Credit Agent.



#### and the issue of a Euro PP:

- for a total amount of €90m including €45m maturing in 7 years (19 July 2028) with a coupon of 2.80%, and €45m maturing in 8 years (19 July 2029) with a coupon of 3%, divided into two instalments, payment of the second of which (€55m) is spread, i.e. the funding is deferred to the end of December 2021.
- subscribed for by five leading institutional investors on the private debt market (Amundi, Eiffel Investment Group, Schelcher Prince Gestion, Tikehau and Unexo),
- coordinated by BNP Paribas and CACIB as Arrangers - Lead Managers.

**For the first time, the group has included three CSR performance criteria** in the two loans (in the form of a sustainable linked loan for the syndicated loan and a sustainable linked bond for the Euro PP). The financial terms (pricing grid) are adjusted according to a bonus/malus system, according to the achievement of targets set each year. The Société Générale group acts as CSR Coordinator.

*“These CSR commitments will apply to our environmental footprint, increased support for carers, and the place of our teams at the heart of our projects, by facilitating all forms of participation by them, including capital interests, in our joint project for the next few years” commented Willy SIRET, Chief Executive Officer of LNA Santé.*

LNA Santé’s adviser for this double transaction was Redbridge Debt & Treasury Advisory, and its legal adviser was Nabarro Béraud Avocats. Finally, CMS Francis Lefevre acted as legal adviser for the lenders.

#### Outlook confirmed

These new loans have confirmed LNA Santé’s aims for growth. Thanks to highly integrated facilities in operation, amounting to 9,232 beds and places including 7,857 in established facilities, the group has an installed base of 1,375 non-productive beds and already secure capacities for extension of 520 beds, i.e. potential for performance to extend the established facilities by 1,895 beds.

The quality of the project introduced enables LNA Santé to confirm its forecast for **revenue of €625m in 2021, up by 20%**.

#### **Next publication:**

**2021 half-year results, on 15 September 2021 at the close of trading.**

**About LNA Santé:** *With 30 years of experience, LNA Santé plays an important role at the local level to improve the quality of life for temporarily or permanently dependent people, offering them a welcoming and caring environment adapted to individual needs, regardless of age.*

*The LNA Santé share is listed on Euronext Paris, compartment B.  
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## Glossary

**Established facilities** refer to beds that comply with LNA Santé's operating project (quality of care, target size of the establishment, new buildings, management trained and involved, efficient organisation).

**Organic growth** in revenue corresponds to the variation in revenue:

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