



# Annual results 2022

March 2023



**SANTÉ**

*Soigner et prendre soin*

# 01 LNA SANTÉ

**Willy Siret**

Managing Director

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# 02 ANNUAL RESULTS

**Damien Billard**

Deputy Director General of Finance

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# 03 STRATEGIC CHALLENGES & PROSPECTS

**Willy Siret & Damien Billard**

Managing Director & Deputy Director General of Finance



# 01 LNA SANTÉ

Willy Siret

Managing Director

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The Group at  
2022/12/31

P5

A mission  
And intangible  
values at the heart  
of the project

P8

News  
2022



# The Group at 2022/12/31



**82**

INSTITUTIONS



**8 900**

EMPLOYEES



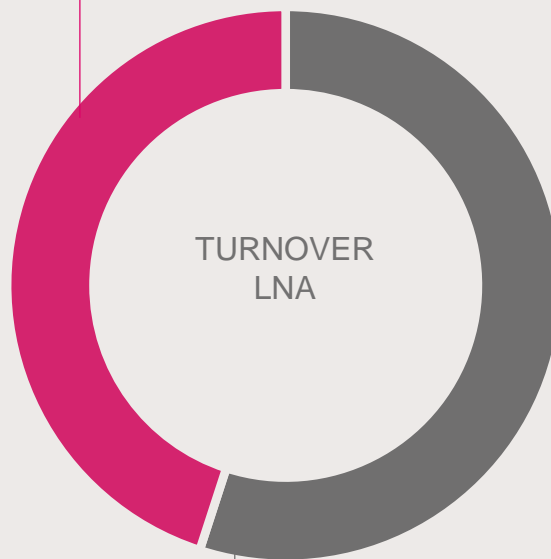
**+ 9 200**

PATIENTS/RESIDENTS  
every day

Medico-social

**44%** of  
turnover

45 NH France  
4 NH Belgium



Sanitary

**56%** of  
turnover

20 POR *ic Poland*  
2 PSY  
2 SUR  
9 HAH



**+ 30 years**

EXPERTISE  
and INNOVATION  
at residents and patients  
services



**680 M€**

OF OPERATING REVENU 2022



A LEADING PLAYER  
in the care of vulnerable  
people

# A mission and intangible values at the heart of project

A concrete desire to contribute to the evolution of health policies

## The Mission of LNA Santé

**Caring and take care**

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**Improving the quality of life** of those who have been weakened for short or longer periods of time, in a **kind, welcoming environment** adapted to all people of all ages

5 fundamental values that are meaningful

**Respect**

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**A sense of service**

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**Trust**

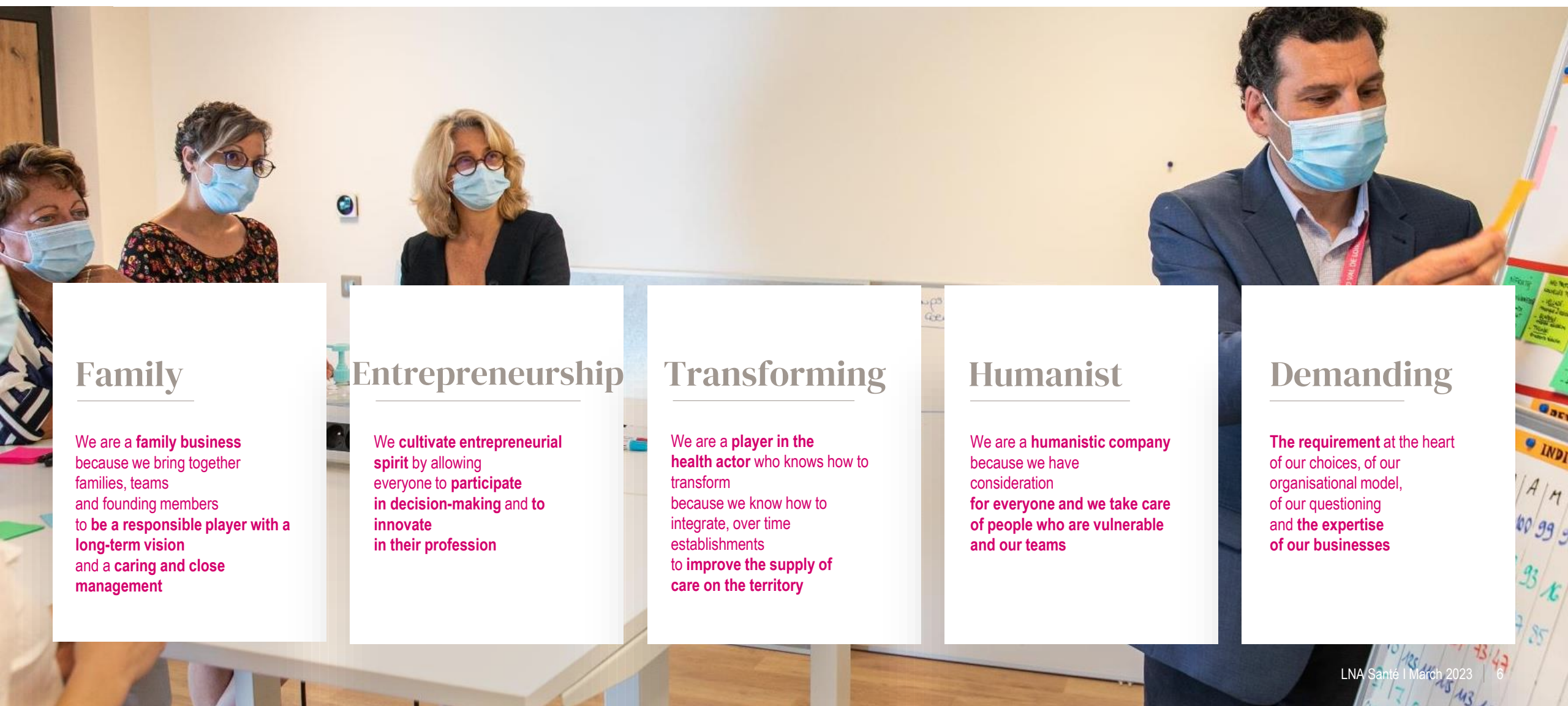
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**The commitment**

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**The spirit of initiative**

# The uniqueness of our company



## Family

We are a **family business** because we bring together families, teams and founding members to be a **responsible player with a long-term vision** and a **caring and close management**

## Entrepreneurship

We cultivate **entrepreneurial spirit** by allowing everyone to **participate in decision-making** and to **innovate in their profession**

## Transforming

We are a **player in the health actor** who knows how to transform because we know how to integrate, over time establishments to **improve the supply of care on the territory**

## Humanist

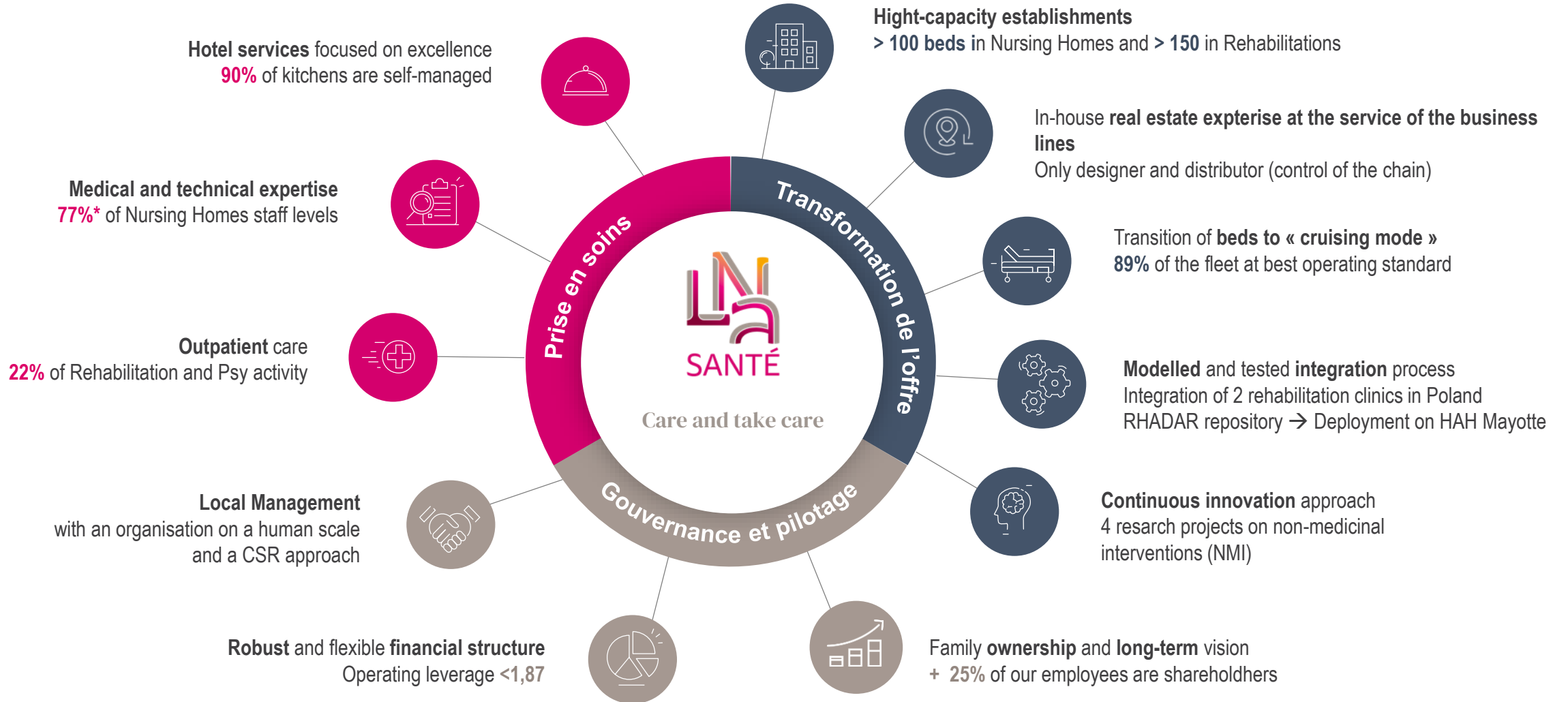
We are a **humanistic company** because we have consideration **for everyone and we take care of people who are vulnerable and our teams**

## Demanding

The **requirement** at the heart of our choices, of our organisational model, of our questioning and **the expertise of our businesses**

# LNA, a unique and efficient model

Indicators at 2022/12/31



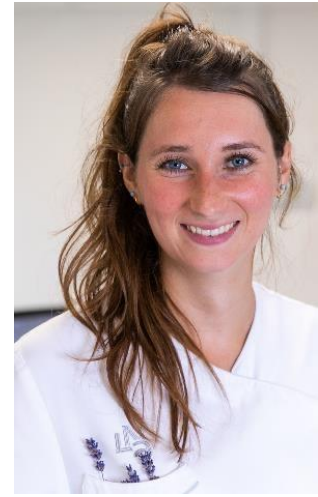
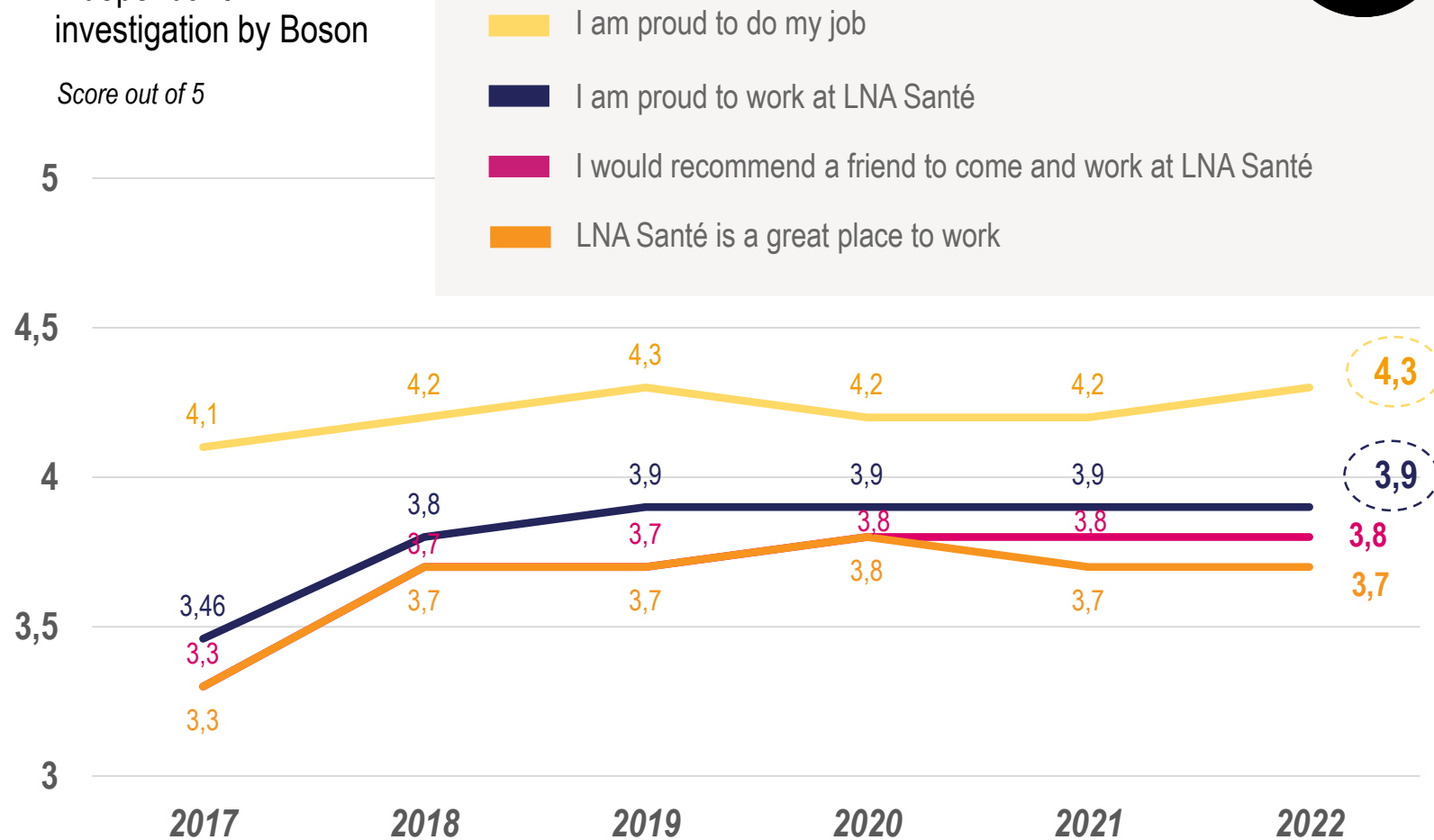
\* Ratio ETP rapporté au nombre de lits occupés.

# A professional quality of life



- Independent investigation by Boson

Score out of 5



# Tools for HR performance

- **Launch of an LNA Recruitment Unit**
  - **Subsidiarity** : helping to recruit and find more profiles (by *sourcing*) by making the institution and the local manager responsible for the choice of employees, ensuring their successful integration and promoting school relations
  - **Efficiency** : create a shared Group team whose mission is to help the institutions that need it most at a given time to find candidates
- **Creation of a mobile application dedicated to the teams**



#QVT #S'INFORMER  
#FACILITERLEQUOTIDIEN

49%  
Conversion rate

3,9/5  
User satisfaction

Les actus  
de notre  
établissement  
et de  
LNA Santé

Les + LNA  
et l'espace  
Prendre soin  
de toi  
pour re-découvrir  
les avantages LNA,  
mais aussi tous les  
dispositifs et aides  
pour prendre soin  
de soi

Mon  
planning  
pour anticiper,  
pour vous  
organiser  
ou pour faire  
des demandes  
de congés

E-learning  
et vidéos  
pour en savoir plus  
sur les métiers  
et sur LNA Santé !  
(Speech / Youtube)

L'APPLI MOBILE MY LNA

Découvrez l'application mobile conçue pour vous à  
télécharger sur votre téléphone !

# Value-added geographical expansion

- **Establishment in Poland to build a rehabilitation platform**
  - Takeover in March 2022 of 2 establishments in Warsaw and Krakow
  - POR with highmedical expertise, specialised in neurology and locomotion
  - Technical platforms with the latest technological innovations

→ **Foundation of a future development platform**



# Innovative initiatives for professionals and carers

News : Medico-social services



- « All carers » guide for families and carers



- «Non-Medicinal Interventions» (NMI) guide for professionals

# Quality and innovative initiatives

News : Médico-social services

- **Labelling of 30 of our NH** by SGS Qualicert



- 7 experiments with Home-based nursing homes or service platforms in 6 establishments : Mar Vivo, Asphodia, Serris, Creisker, Olonne, Camélias

- **Travel between establishments** at Lourdes (residents, families, establishment and head office employees)



# A dynamic of continuous improvement

News : Sanitary

- **Choice of the new computerised patient file for the POR:** Softway's « Hôpital Manager » (the result of 49 workshop with professionals in our establishments)
- **3D prosthesis implemented at Normandy in Granville**
- **Use of spinal cord neurostimulator implants in Lille**



### Prothèses imprimées en 3D au Normandy

La technologie au service des patients et aux côtés des soignants

**Une expertise dévouée**  
Le docteur Vincent travaille avec Thomas Héroux, cadre de santé responsable de l'équipe de rééducation au sein de l'établissement Le Normandy à Granville depuis plusieurs années. Ensemble, ils soignent et suivent en permanence à la fois patients et membres d'équipe soignants.

En 2020, le neurologue Erwan Carver, orthopédiste, qui s'intéresse aux avancées de son métier. Ensemble, ils travaillent l'innovation technologique et ont imaginé des patients pendant six phases de consultation.

**Le confort des patients amélioré**  
L'ajout de la technologie 3D permet de concevoir une prothèse personnalisée de manière précise et adaptée pour rendre l'orthopédie plus confortable.

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**Un examen numérique permet de suivre l'évolution du membre résiduel et d'obtenir des données précises.**  
La solution a été bien accueillie car elle ne se substitue pas à l'humain.

**De nouvelles perspectives**  
Après la mise en place de la technologie 3D, le docteur Carver et le docteur Héroux ont travaillé sur la conception de nouvelles prothèses personnalisées.

### Implants de neurostimulateurs médullaires et rééducation robotisée: un duo gagnant

François, les patients traumatiques et chirurgicaux, les blessés médullaires graves, dans certains cas spécifiques, bénéficient d'une implémentation d'un neurostimulateur médullaire.

Concrètement, avec une rééducation très adaptée, l'implémentation d'un neurostimulateur médullaire permet de réduire les douleurs, dans certains cas, de manière significative. Le patient est suivi en permanence par une équipe pluriprofessionnelle.

**Qu'est-ce qu'un neurostimulateur médullaire ?**  
Il s'agit d'un petit dispositif mini-invasif à usage chronique, implanté au niveau de la moelle épinière, qui génère des impulsions électriques pour agir sur les nerfs et ainsi réduire les douleurs.

**Comment ça fonctionne ?**  
L'implémentation se fait en deux temps. Tout d'abord, la mise en place de l'électrode dans la moelle épinière est réalisée à l'aide d'un système de navigation robotisée. Les sondes électroniques sont alors reliées à un boîtier externe, permettant ainsi de contrôler la stimulation.

**CHIFFRES CLÉS**  
13 patients ont été opérés.  
20% de patients ont obtenu une réduction de leur douleur chronique.

Haute Qualité des Soins

Établissement certifié avec mention

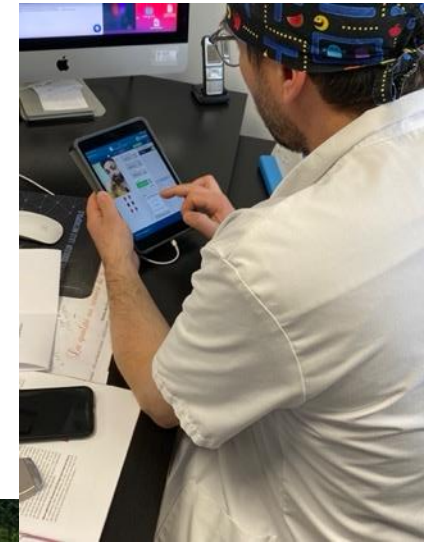
Qualité des Soins confirmée

Établissement certifié

## Obtaining HAS certifications of 5 POR and HAH with mentions

# Expansion and transformation of the offer

- **Opening of the pain center in Lille**, in partnership with the Normandy clinic in Granville
- **Takeover in August 2022** of the HAH of the Association Aide Centre 77, which becomes the **HAH Est Francilien** for the entire north-eastern part of the Seine-et-Marne, with 3 branches in Mareuil Les Meaux, Rozay-en-Brie et Coulommiers
- **Establishment of a HAH** on the island of Mayotte with 2 local partners (26 patients after a few months of opening)



# Structural refinancing of the Group

Data to end December 2022

- 50 million capital increase
- Group **equity** at €289m, + **€73m** vs 2021
- Post-transaction **operating bearing** at **x 0.30**
- Operating leverage limited to x 1.87

**Financial strength and flexibility**

**Additional resources for development**

- RCF, Term loan and Euro PP **authorisations increased** : + €106m
- **Strengthened bank and bond pools** with lenders and investors
- **Family shareholder agreement** reviewed for a **controlled development of the Group**

- Progressive and **secure repayment schedule** : average maturity of 4.8 years
- **Available cash position > €100m**
- Available and undrawn **RCF** line : **€125m**
- **LNA Santé model ensuring strong recurring cash flows**

**Maturity and liquidity of credit**

**Cost financial controlled**

- Line of credit at the bottom of the grid
- **Level of spread reflecting confidence** in LNA Santé's business model and management
- Appropriate interest rate hedging policy

- Combining Corporate *in fine* and amortizing lines, bilateral bank loans & bonds, NEU CP and pre-financing
- With **proper management of the funding mix**

**Diversified funding mix**

# 02

# Annual Results 2022

Damien Billard

Deputy Director General of Finance



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Summary

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Results

**P26**

Cash flow

**P27**

Structure  
of debt

# Objectives met...



## Targets 2022



## Achieved 2022

<b>Organic growth</b> : + 4.0% Rebased to + 6.0% at mid-year	<b>+ 6.3%</b>
<b>EBITDA margin<sup>(1)</sup></b> of the solid cruising regime	<b>11.7%</b> <i>(+ 18 pb vs 2021)</i>
<b>Net Operating Profit</b> on the rise	<b>29.3 M€</b> <i>(net margin : 4.3%)</i>
<b>Operating leverage<sup>(2)</sup></b> < 2,0 x (covenant ceiling : 4.25 x)	<b>1.87 x</b> <i>(2.69 x end 2021)</i>

<sup>(1)</sup> Excluding IFRS16 <sup>(2)</sup> ratio Operating EBITDA excluding IFRS16 / Operating Net Debt excluding rental debt IFRS16

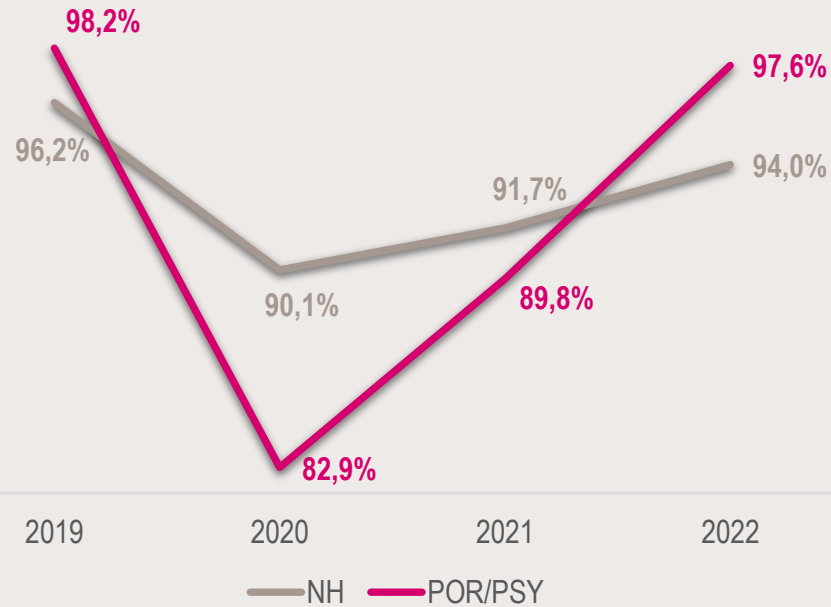
... ensuring a return to solid performance

# In summary, an efficient operating model

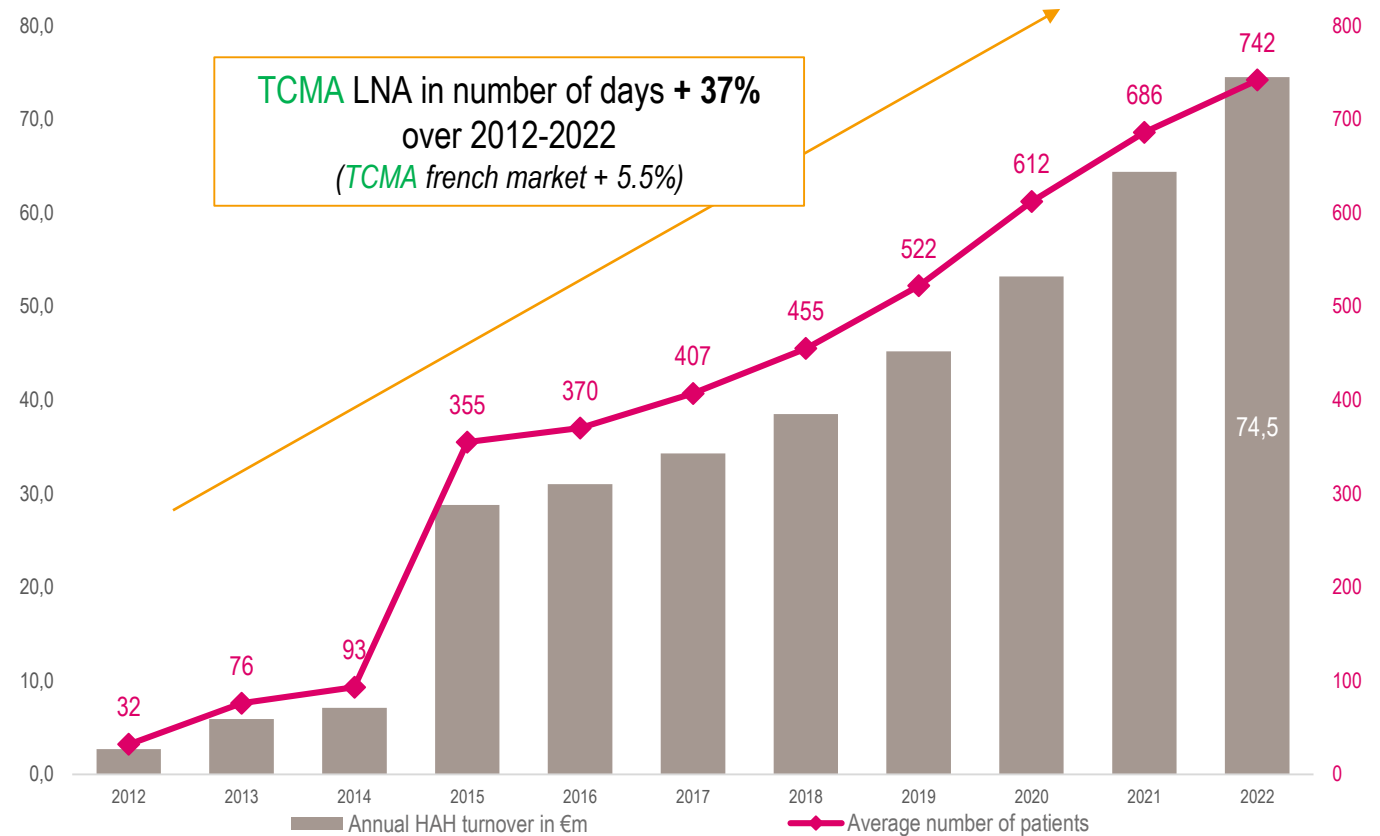
<ul style="list-style-type: none"> <li>▪ <b>Operating revenue :</b> 680.5 M€ (+ 7.1%)</li> <li>▪ <b>Organic growth: + 6.3%</b> split between Medico-Social care (+ 5.4%) and health care (+ 6.6%)</li> </ul>	<p><b>Activities in growth</b></p>	<p><b>Generating cash and liquidity strengthened</b></p>	<ul style="list-style-type: none"> <li>▪ <b>Free cash flow*</b> from operation : €38.5m based on strong EBITDA</li> <li>▪ <b>Capex : 2.6% of operating revenue</b></li> <li>▪ Operating lever lowered to 1.87 x</li> </ul> <p><small>* EBITDA – sustaining capex – cash financial cost – cash tax (excluding IFRS16 and atypical working capital changes)</small></p>
<ul style="list-style-type: none"> <li>▪ <b>Operating EBITDA margin</b> excluding IFRS16 : 10.3%</li> <li>▪ <b>Operating income :</b> €64.9m, <b>marging de 9.5%</b></li> <li>▪ <b>Net profit from operations:</b> €29.3m (+ 21%) for a net <b>margin of 4.3%</b></li> </ul>	<p><b>Marging resilient</b></p>		<p><b>On-board performance</b></p>
<ul style="list-style-type: none"> <li>▪ <b>Cost of debt</b> contained : 1.7%</li> </ul>	<p><b>Controlled financial cost</b></p>		

# Focus on occupancy rates

Active recovery of the post-covid businesses  
Change in occupancy rates 2019-2022

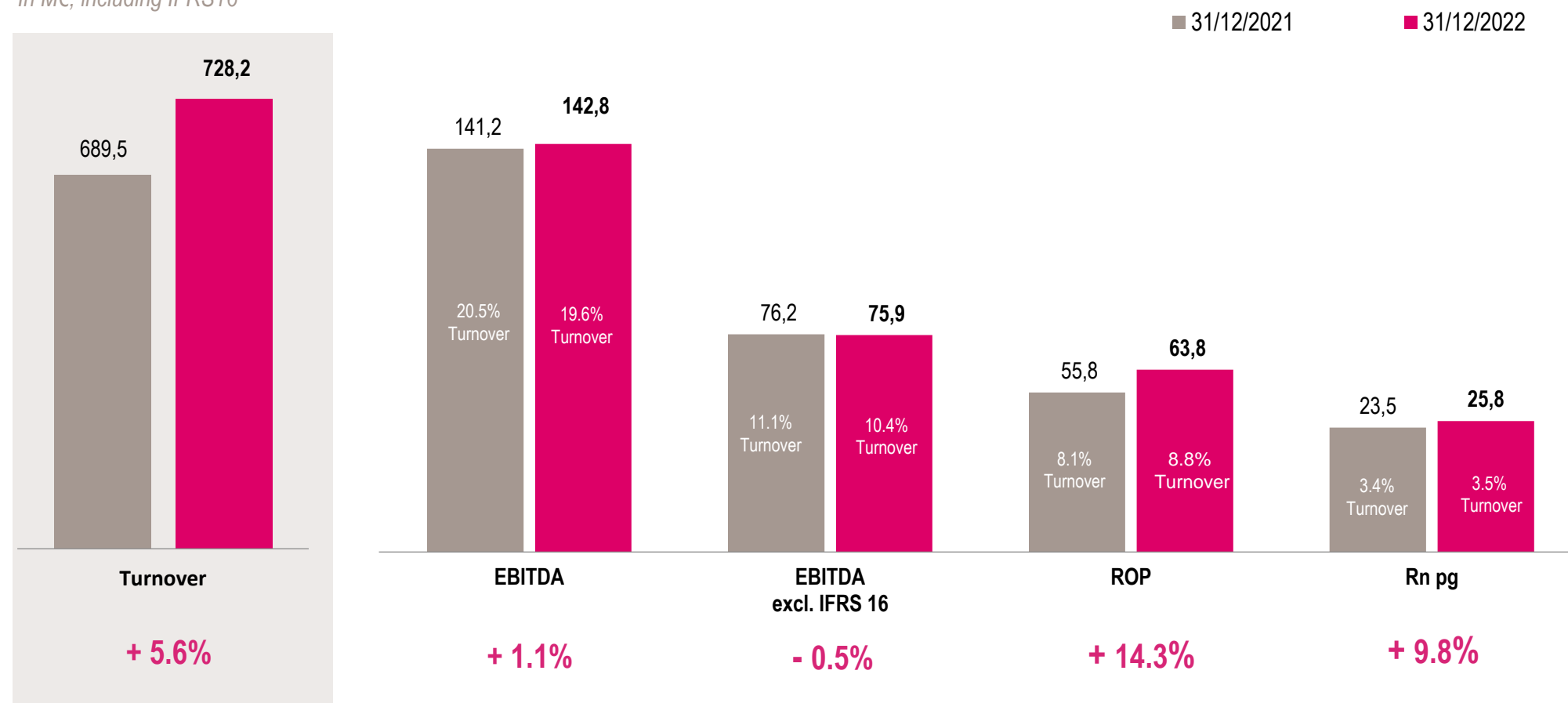


Sustained growth in HAH in a high-potential market  
Evolution of LNA Santé HAH over the last 10 years



# 2022, a dynamic of results in line with the activity

Consolidated Group data  
In M€, including IFRS16



# Operating Turnover : dynamic in all business lines

TURNOVER <i>By activity</i>		31/12/2022		31/12/2021		TOTAL CHANGE	ORGANIC GROWTH	BREAKDOWN OF ORGANIC GROWTH
		<i>In M€</i>	<i>% Turnover</i>	<i>In M€</i>	<i>% Turnover</i>			
Medico-Social France		269.7	40%	255.8	40%	+ 5.4%	+ 5.4%	+ 2.2%
Sanitary France	POR/PSY/CHIR	298.0	44%	283.6	45%	+ 5.1%	+ 4.9%	+ 2.2%
	HAH	74.5	11%	64.4	10%	+ 7.0%	+ 6.6%	+ 1.5%
International Business		33.2	5%	27.7	4%	+ 19.7%	+ 7.2%	+ 0.3%
Other		5.0	0.7%	3.9	0.6%	+ 28.9%	+ 28.9%	+ 0.2%
TOTAL		680.5	100%	635.5	100%	+ 7.1%	+ 6.3%	+ 6.3%
Exits from the scope						+ 0.3%		
Growth excluding outputs						+ 7.4%		

## GROWTH TURNOVER

**MEDICO-SOCIAL FRANCE : + 5.4%**

Solid rebound in organic growth in Medico-Social France

## RISE OF TURNOVER

**SANITARY FRANCE : + 7.0%**

Growth in POR's through the revival of hospital admissions and HAHs thanks to the strong anchoring in the health territories

## GROWTH TURNOVER

**INTERNATIONAL : + 19.7%**

- Belgian occupations recover after an epidemic wave in Q1 2021 : + 7.2%
- Entry of Poland into the scope of consolidation : + 12.5%

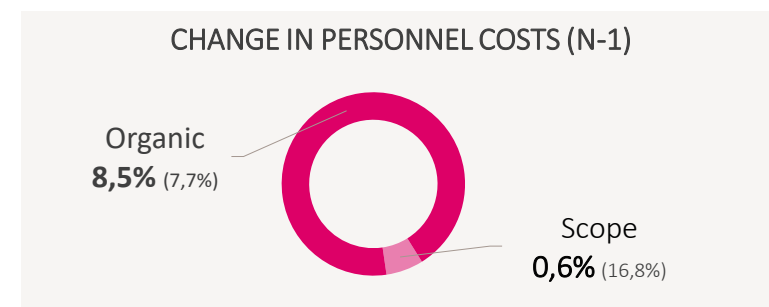
# EBITDA Operating

## Expenses under control in a new context of inflation

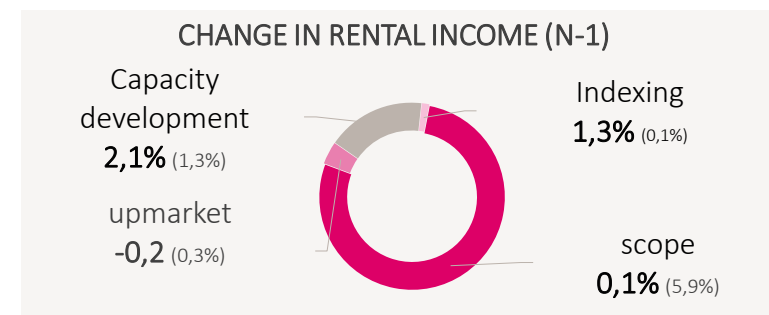
IN €m, IC IFRS16	31/12/2022	31/12/2021	VARIATION
<b>Turnover</b>	<b>680.5</b>	<b>635.5</b>	<b>+ 7.1%</b>
Purchases and external charges	- 147.0	- 137.0	+ 7.3%
Personnel costs	- 376.8	- 345.5	+ 9.1%
<i>% of turnover</i>	55.4%	54.4%	+ 100 pb
Other expenses and income	- 17.1	- 17.8	- 3.9%
<b>EBITDA</b>	<b>139.6</b>	<b>135.2</b>	<b>+ 3.2%</b>
<i>EBITDA margin</i>	20.5%	21.3%	- 76 pb
Rent	- 79.3	- 76.7	+ 3.4%
<i>% of turnover</i>	11.7%	12.1%	- 41 pb
Other IFRS16 restatements	10.0	9.4	+ 6.6%
<b>EBITDA excluding IFRS16</b>	<b>70.3</b>	<b>67.9</b>	<b>+ 3.5%</b>
<i>EBITDA margin excluding IFRS16</i>	10.3%	10.7%	- 36 pb

### Slight dilution of the EBITDA margin

- Purchases and external charges including supplier increases contained by case-by-case negotiations
- Increase in personnel costs in the line with turnover growth, adjusted for the effects of internalisation of subcontracts



- Rents up +3.4% with controlled indexation on a wide range of renovated properties



# Cruising speed : at the heart of performance

*In €m, ic IFRS16*

	CRUISING SPEED		OTHER ESTABLISHMENTS	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<b>PARK</b>				
• Number of establishments / Total	71/82	67/81	11/82	14/81
• Number of beds	8 301	7 857	1 048	1 375
Operating turnover	597.4	534.3	78.1	97.3
• EBITDA of institutions	135.7	123.8	4.9	10.3
• EBITDA margin	22.7%	23.2%	6.3%	10.6%
EBITDA excl. IFRS16 of establishments	70.0	61.5	2.9	7.0
EBITDA margin excl. IFRS16	11.7%	11.5%	3.7%	7.2%
CAPEX	13.5	12.3	2.5	3.0
Capex / Turnover	2.3%	2.3%	3.2%	3.1%
Effort ratio (Capex/EBITDA)	19%	20%	87%	43%

≠ 8 points

## A solid and sustainable supply transformation model

**Resilient EBITDA margin excluding IFRS16** of 11.7% on the mature portfolio (89% of beds operated on cruise)

Contraction of the margin of other institutions to 3.7% due to lower compensation from the State

Margin potential of +8.0 points between the 2 segments

8.0 points between the 2 segments, which can be activated thanks to the transformation of the healthcare offer

**Capex maintained at 2.3% of sales** for the fleet at cruising speed for an EBITDA effort rate of 19.3% below the LNA guidance of 20%.

# EBITDA margin supporting investment efforts

Operation by sector	31/12/2021	Holding	Médico-Social France	Sanitaire France	International Métier	31/12/2022
Change in turnover	635.5	1.1	13.9	24.5	5.5	680.5
Change in EBITDA excluding IFRS16	67.9	-1.9	1.9	3.2	-0.8	70.3
Change in marge	10.7%	-30 pb	7 pb	8 pb	-21 pb	10.3%

- 36 pb

Margin variation integrating the **efforts linked to the structuring of the head office and to the entries in the scope of consolidation**, in a context of inflation

**Holding company**  
impact of head office structuring efforts

**Medico-Social France**  
favourable impact due to the recovery in activity in the Paris region and the PACA region

**Sanitary France**  
slight contribution to the increase in EBITDA margin :

- POR / PSY / CHIR : decrease of the margin due to salary
- HAH : increased activity supporting an improvement in EBITDA margin

**International Business**  
EBITDA margin dilution due to ongoing structuring in Poland and inflation in Belgium

# Improved profit and net operating margin

*In €m, ic IFRS16*

	31/12/2022	31/12/2021	VARIATION
Current Operating Profit	64.9	62.7	+ 3.5%
<i>Current Operating Margin</i>	9.5%	9.9%	- 33 pb
Operating profit	65.3	54.3	+ 20.4%
Financial result	- 18.0	- 18.2	- 1.2%
Profit before tax	47.3	36.0	+ 31.4%
Income tax expense	- 16.4	- 13.7	+ 19.6%
<i>Apparant CIT rate</i>	34.7%	38.1%	- 342 pb
Share of profit of MEE	0.9	2.3	- 60.3%
Overall net result	31.8	24.6	+ 29.3%
Net income, group share	29.3	24.2	+ 21.2%
<b>Net margin as % of turnover</b>	<b>4.31%</b>	<b>3.80%</b>	<b>+ 50 pb</b>

**The net margin continued to recover to 4.3% of sales, an improvement of +50 bp**

**Operating profit up + 20.4%** at the end of the covid period (lower additional costs)

**Financial expenses down** (- 1.2%) thanks to debt reduction, a diversified financing mix and effective interest rate hedging

**Pre-tax profit of €47.3m, up 31.4%**, due to by a solid operating result and an optimised financial cost

Company tax rate at 34.7% (- 3.4 pts)

**Net profit up + 21.2%**

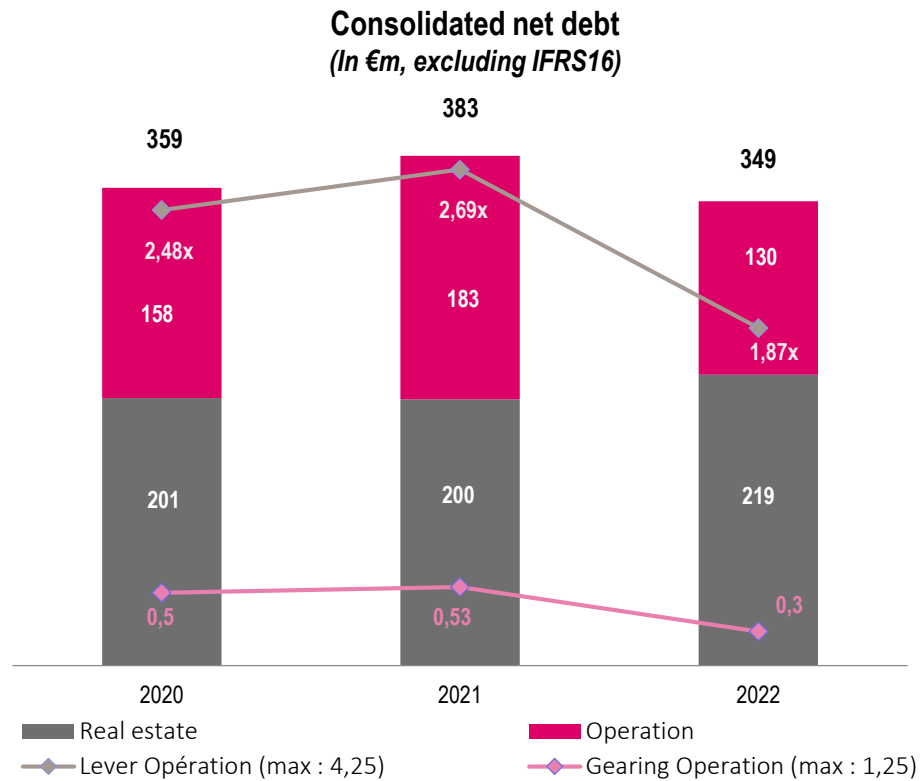
# Strong free cash flow generation

	31/12/2022	31/12/2021
<b>Treasury Opening</b>	<b>151.6</b>	<b>120.9</b>
Free cash flow <sup>(1)</sup>	38.1	45.5
Of which Operating	38.5	41.5
Of which Real Estate	-0.4	4.0
Change in WCR	- 22.3	- 47.7
Capex Development	- 29.8	- 17.9
Capital increase	49.9	1.7
Financial debts	- 83.7	55.1
Other	- 1.9	- 6.0
<b>Treasury closing</b>	<b>102.0</b>	<b>151.6</b>

<sup>(1)</sup> EBITDA – sustaining capex – cash finance cost – cash tax (excluding IFRS16 and change in WCR)

- **Strong free cash flow<sup>(1)</sup> at €38.1 m**, with the €7.4 m decline from 2021 due to the real estate business cycle (lower activity and EBITDA : €4.4m) and the IS charge in Operations (€3.0m, post-Covid deferral effect)
- **Change in WCR** of - €22.3m, consisting in particular of the purchase of LMP lots, the temporary carrying of which requires cash flow
- **Development Capex mainly consisting** of the acquisition of a platform in Poland and the takeover of 2 HAH structures
- LNA Santé's **capital increase** of €50 million in february 2022 marking the end of the Group's refinancing operations
- **Debt reduction** at LNA Santé, with the repayment of the former Euro-PP (- €51.2m) and a net repayment of property debts
- **Closing cash position of €102m**, supplemented by a RCF drawing capacity of €125m, giving financial autonomy for selective development

# Net debt structure

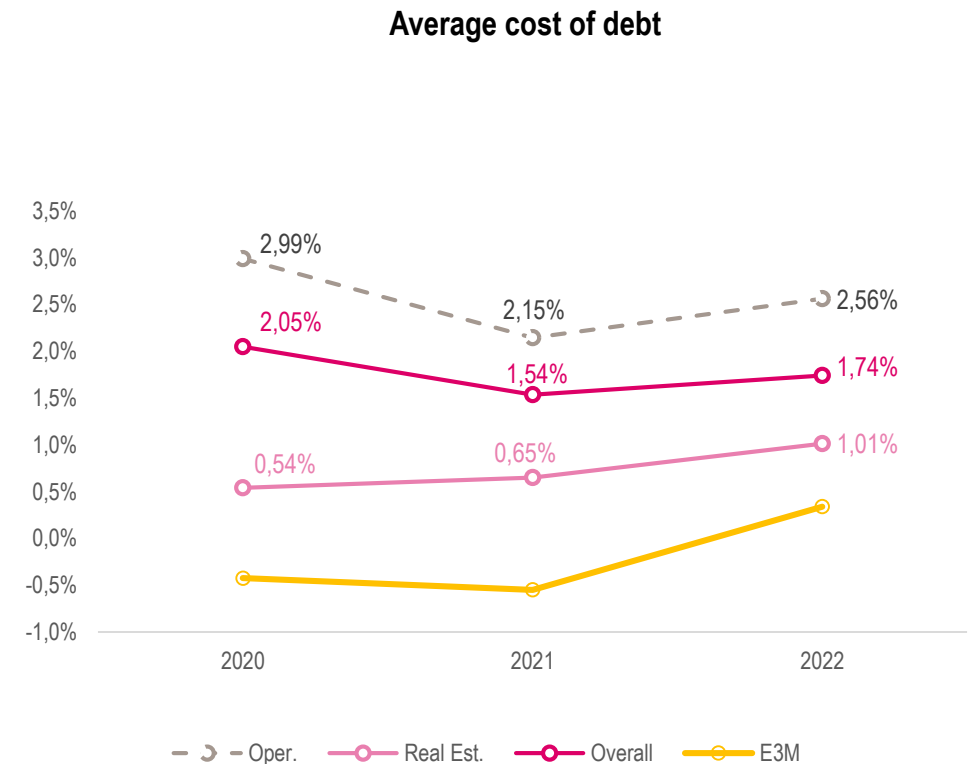


**Lower net operating debt**, with the combined favourable effect of the capital increase and free cash flow

### Flexible credit ratios

- Leverage of 1,87 < 4,25\*
- Gearing of 0,30 < 1,25\*

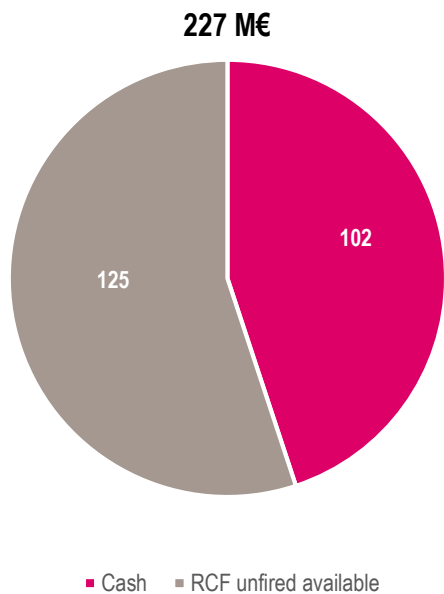
\* ceiling allowed



**A limited increase in financial costs** thanks to the interest rate hedging policy

# A well-profiled financing structure

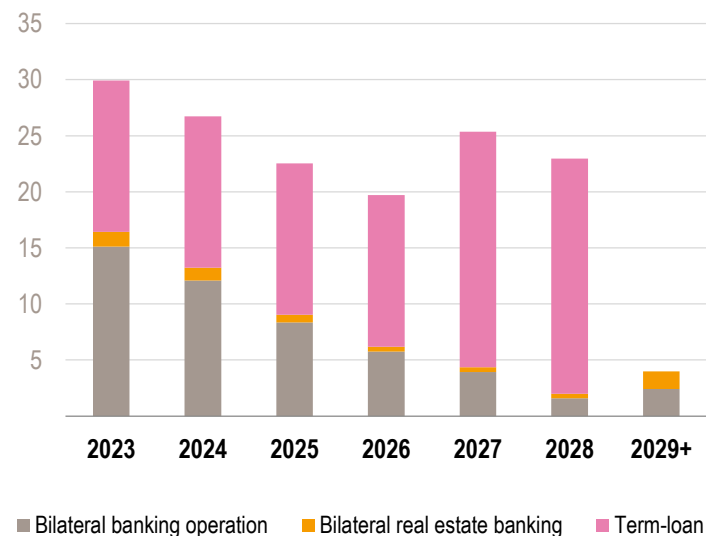
## Strong liquidity



### AVAILABLE CASH (M€)

excluding new issue of NEU CP

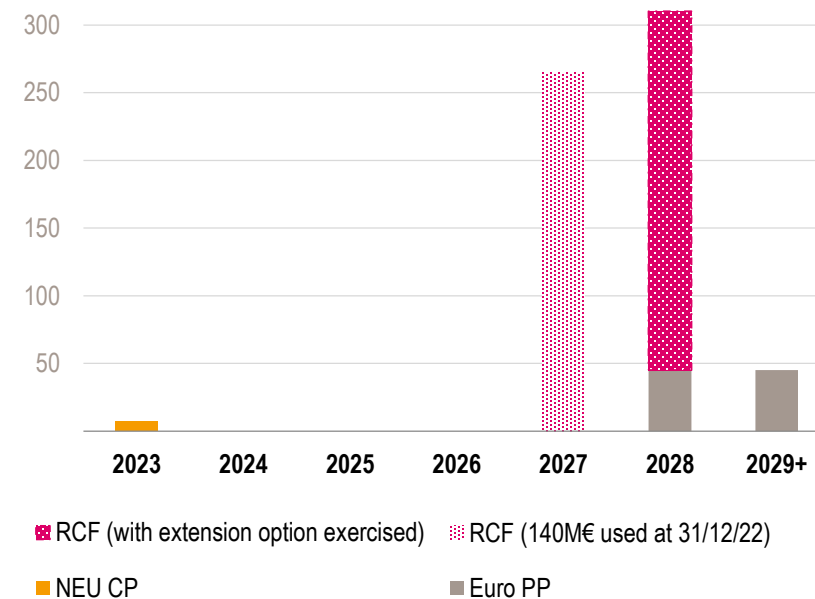
## A smooth and flexible repayment profile



### AMORTIZABLE DEBT MATURITY SCHEDULE<sup>1</sup>

<sup>1</sup> excluding property development loan  
(repaid by the sale of assets at the end of the program)

## Long maturities by 2028-2029



### MATURITY SCHEDULE OF THE BULLET DEBT

# Confirmed prospects

## Continue growth

Operating revenue > **€725m** excluding external growth

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Organic growth of **+ 6.0%**

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EBITDA excluding IFRS16 of sites cruising at **11% od sales**

## Leading the transformation

**Targeted acquisitions** to meet the challenges of territorial health provision

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A **1,900 beds reservoir** in preparation for the cruise regime (1,000 undergoing restructuring and 900 to be installed)

## Distribute and control flows

A **proposed dividend of 0,50 €** per share in 2023  
*(20% payout rate of a growing result)*

---

**Debt leverage** between **x 2.0 and x 2.5**

**A resilient business model in a challenging environment**

# 03

## Strategic challenges And prospects

Willy Siret et Damien Billard

Managing Director and Deputy Managing Director of Finance



### P31

Strategic  
project  
GE3

### P37

Achievements  
2023

### P39

Transformation &  
Développement

# A new strategic project, what for?



*« When you don't know where you're going, all roads lead to nowhere. »*

**Henry Kissinger**

# A new strategic project GE3, what for ?

**A need to adapt and transform in the face of changes in our sector and society, while maintaining the meaning of our collective project**



## The strategic business plan gives meaning to our action:



The **frame of reference** (purpose and values) sheds light on the why



The **vision** informs the direction and the chosen path



The **organisation** and **action program** initiate the start-up of

- The strategic business plan is a **guide for our collective adventure** more than a plan to be implemented



# A contributory dialogue from the construction of the plan

- **Production of collective challenges and trade workshops**
- **Aspirations and ideas with 1,000 professionals at the 25 trade days**
  - Workshop « Developing the new GE3 strategic project together »
  - 1,000 + ideas from professionals on the open forums
- **The voice of the « customers » :**
  - 4 group workshops for patients, residents and family carers
  - 20 interviews with external stakeholders





# Construction of the strategic projet



**+ 200**  
Challenges identified!

2022

July - september  
**Mains orientations**

On the basis of all these contributions,  
arbitration on the major 5 years orientations

December  
**Priorisation**

« Voice of the customers »

May to July

**Working on our challenges**

Numerous collective contributions from head office departments, establishments and participants in the career days!

September - november

**Deepening and proposals to face the challenges**

Vision, aspirations, strategic directions



**+ 1,000**  
Suggested ideas

**Internal launch**



**External launch**

2023

# Our identified challenges



Ensuring the security of our **information systems**



**Revitalise development in the medical-social sector**, particularly through our Comfort model



**Accelerate the development of Rehabilitation and HAH** by relying in particular on the co-development with associative or public actors



**Specify the development trajectory for more recent or isolated activities** by defining the LNA Santé model : surgery, psychiatry, health centers



Investing a **new LNA model of care for dependent elderly people**, combining institutional and home care



Integrate into our models into rehabilitation operating models the scarcity of medical resources and the acceleration of evolution of activities



**Innovate in our offers in medico-social and deploy specialised care services** : geronto-psychiatry, Parkinson's, ageing disabled people



**Innovate in our offers in rehabilitation** (pivotal care path, prevention, sport-health, home)



# Our identified challenges



**Reinventing the place of patients, residents and family carers**  
in all our activities



**To make people want to come and to stay** at LNA Santé to experience its profession and the company



**Transforming our practices** to address **climate challenges**



**Building confidence** in a virtuous private business model in the health sector



**Facing crises** by strengthening our organisational, economic and financial capacities



Accelerating the **innovation dynamics** and intrapreneurship in our activities



**Cultivate our entrepreneurial momentum** while ensuring overall consistency and compliance with stakeholder requirements



Setting up **business models** on an international level

# Achievements 2023

Capacity :  
**300 patients/residents**  
Target sales : €27.6m

Capacity : **117 residents**  
Target sales : €7.4m

Capacity : **190 patients**  
Target sales : €18.5m

Capacity : **170 patients**  
Target sales : €13.5m

- Extension of **Serris center (SMR/EHPAD/HAD)** for its health part
- Opening of the **Villa Bourgailh à Pessac** in April 2023 (merger of 2 Elegances sites)
- Opening of the **Blois HAH** with capacity extension in May 2023
- Opening of the **Meaux rehabilitaion clinic** in May 2023



# Active participation in the public debate

- Publication of the « **Axes of reflexions, proposals and sharing of LNA Santé's experiences** » for the National Refoundation Council « Ageing well »



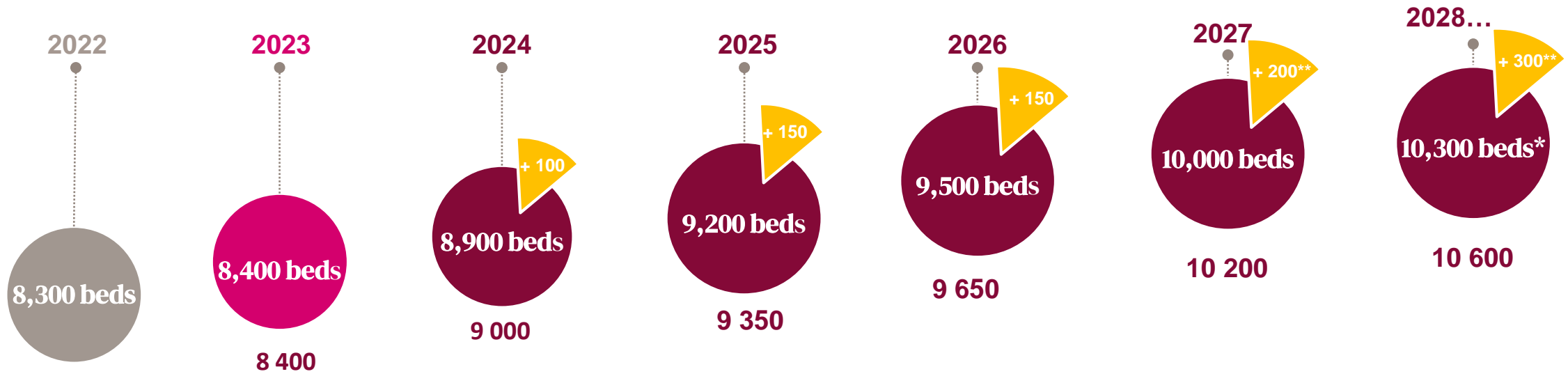
## A business vision and concrete proposals to develop our businesses

- Several publications based on the experience gained within the Group
- Expertise and openness of our facilities



# Transformation and development

On-board growth of the existing stock towards « cruising speed »



**A mature target pool  
of 10,600 beds (+ 2,200 beds)**



Targeted expansion projects on the existing perimeter

#### 2028 excluding new establishments

- On-board projects : + 1,900 cruise beds (vs. 2023)
  - ✓ Of which 1000 operated to date
  - ✓ Of which 900 authorised and to be installed in 2024-2028

\*\* extension projects : + 300 beds to be acquired/obtained

# In conclusion



**A family business  
stable and independent**



**Controlled growth since the beginning  
and dynamic + 10% per year**



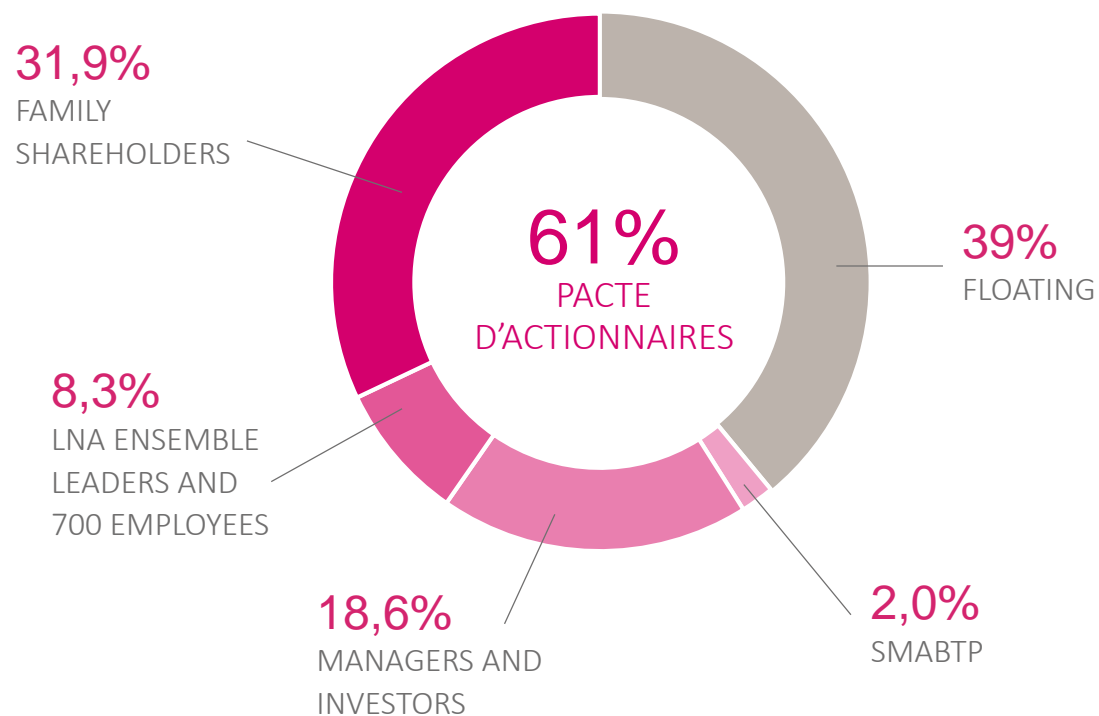
**A new roadmap to be  
discovered in July 2023**



# Appendices

For more information

# Stable and independent family governance



% of voting rights at December 2022

The LNA share is listed on compartment B of Eurolist by Euronext Paris

ISIN CODE : FR0004170017

MARCH 2023

**NUMBER OF SHARES CONSTITUTING THE CAPITAL**  
10 709 416

**CAPITALISATION IN M€ AT 28/03/2023**  
335,74

**PRICE AT 28/03/2023**  
31,35€

# The transformation of the offer by LNA

## A fleet of 83 establishments

January 2023, excluding new developments

### NURSING HOMES



Beds en CS\*  
4,498



Beds in restructuring  
157

4,655

### HAH

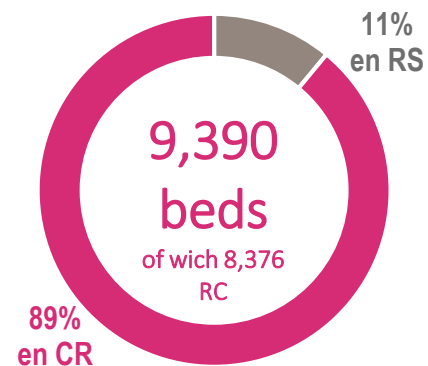


Beds in CS\*  
635



Beds in restructuring  
100

735



### REHAB/PSY/SUR



Beds en RS\*  
2,688



Beds in restructuring  
632

3,320

### INTERNATIONAL \*\*



Beds in CS\*  
555



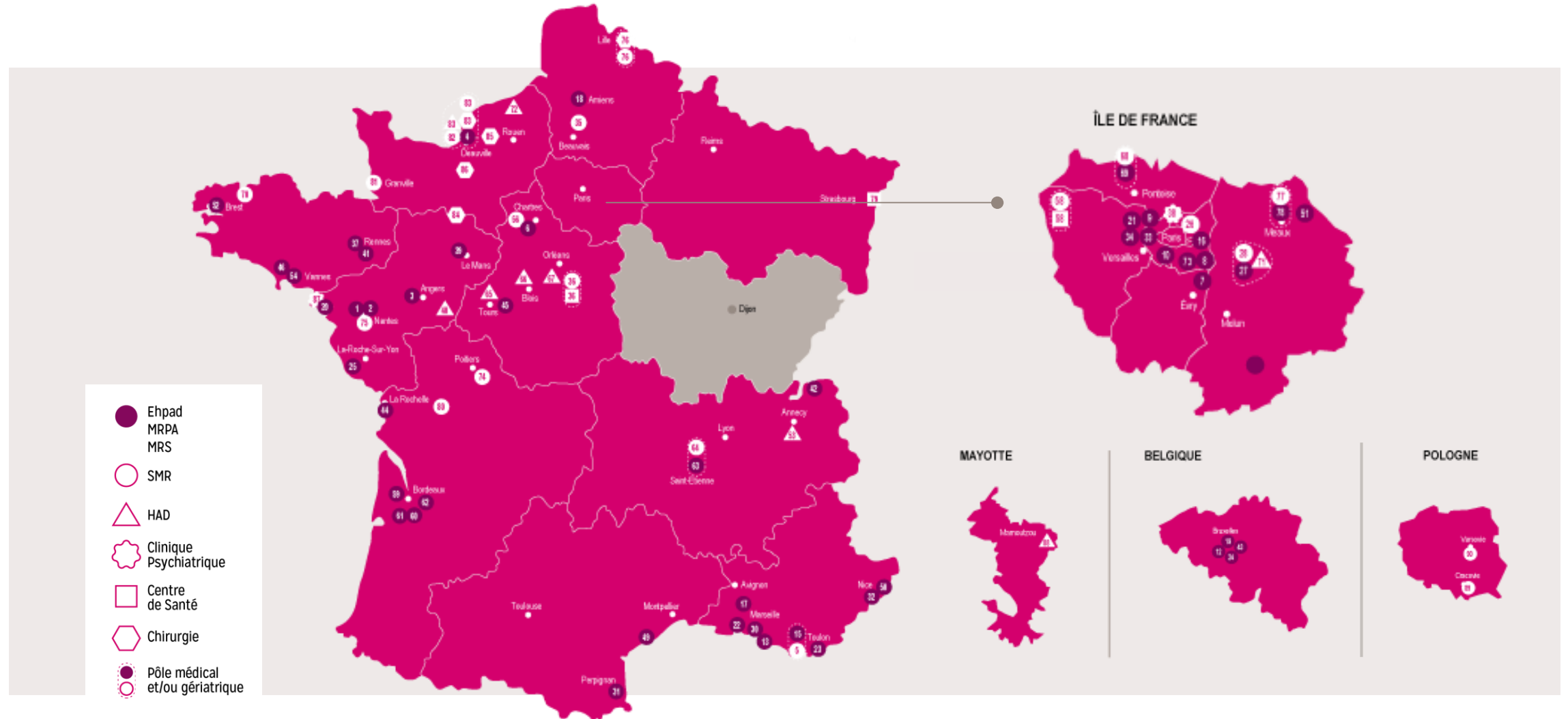
Beds in restructuring  
125

680

\* CS : Cruising speed

\*\* Belgium & Poland

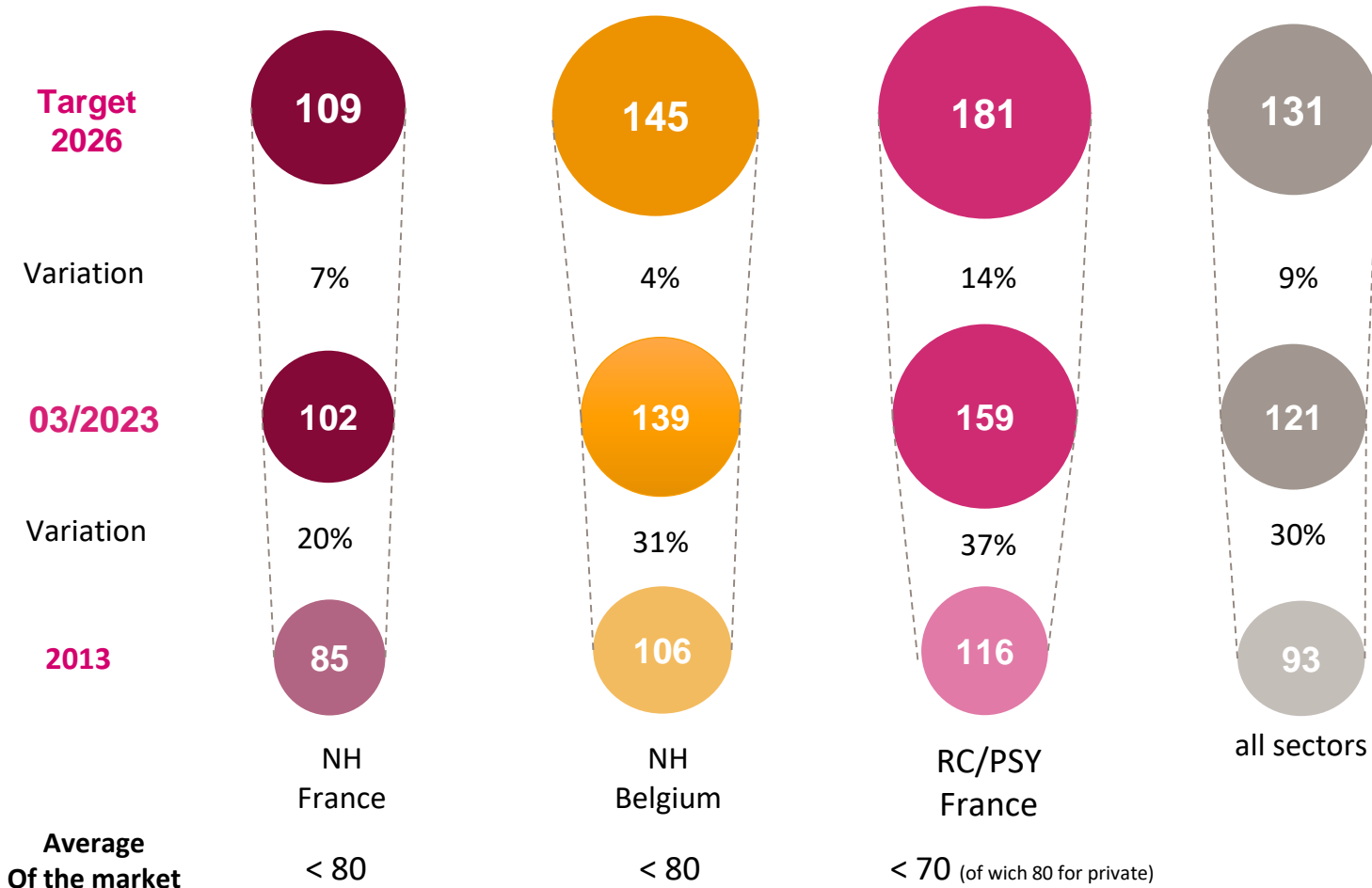
# A strong presence in target territories



# Large establishments

Synonymous with quality and efficiency

Evolution of the average size of the fleet in operation on 31/03/2023



**A major choice of economy of scale and critical size**

# Family governance, long-term vision

**Families associated over 30 years ago**  
around an entrepreneur with an innovate project

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**Individual shareholder managers,**  
operating on a daily basis within the group

---

**A strengthening of the capital**  
with SMABTP et BNP Paribas Développement



**Jean-Paul Siret**  
Chairman



**Damien Billard**  
Managing Director  
Delegate for  
Finance



**Willy Siret**  
Managing Director

# Stable and independent family governance



Associated managers and employees who are value-bearers of values and actors of performance

**2,500 employee members**  
10% of voting rights



A family capital guaranteeing stability and durability

**61% of the capital**  
within the pact

Families associated for 32 years

Active governance with a Board of Directors and monthly committees

A Board of Directors with expertise strengthened by the arrival of managers in the health sector, international services

4 employee representatives on Board of Directors :

- 3 employees on the health and medico-social side
- 1 associate employee for LNA Ensemble

# Entrepreneurship

## A business vision and concrete proposals to develop our businesses

- Several publications based on the experience gained within the Group
- Expertise and openness of our facilities



## Responsibility, subsidiarity and team autonomy

Example: local manager positions (housekeeper in EHPAD and coordinating nurse in HAD)



## Independence in the control of the Group through the stock exchange listing

# A culture of integration and transformation of institutions

- Objective: to **improve the supply of** care in each of the territories, while preserving the social climate and enhancing the know-how of the teams
- A development strategy in line with these challenges
- Proven experience: 90% of the stock from conversions
- 30 internalised professions at headquarters



**90 %**  
**of the stock from transformations**

# Humanist

Taking care of patients and residents and therefore taking care of the staff

---

New or renovated real estate tools to provide care

---

Culture of care and management principles management principles

- Kind treatment committees in institutions
- An approach built with a philosopher and a sociologist
- Internal training school



2 contributions to the films  
« 1<sup>ère</sup> Ligne »  
and « Prendre Soin ».

# Demanding

## Ability to question oneself and thus to progress on these singularities

- New and systematically refurbished working tools (buildings)
- High staffing ratios
- Organisation and management of teams
- Sharing of best practices during trade days: continuous improvement

## Anchoring the institution in its territory

Example:

Transformed SMR\* project: a new ambition in the patient journey and the patient experience

The SRH of today is not the SRH of tomorrow

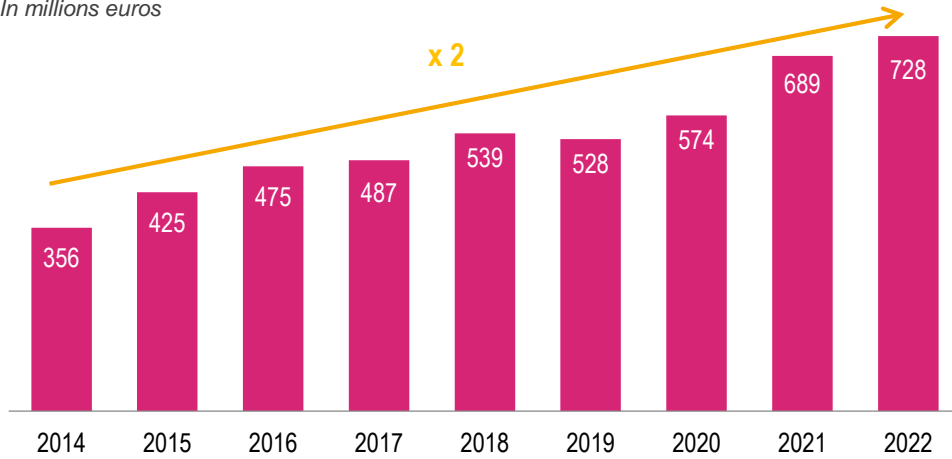
\*SMR: Medical and Rehabilitation Care - formerly SSR



# Historical performance

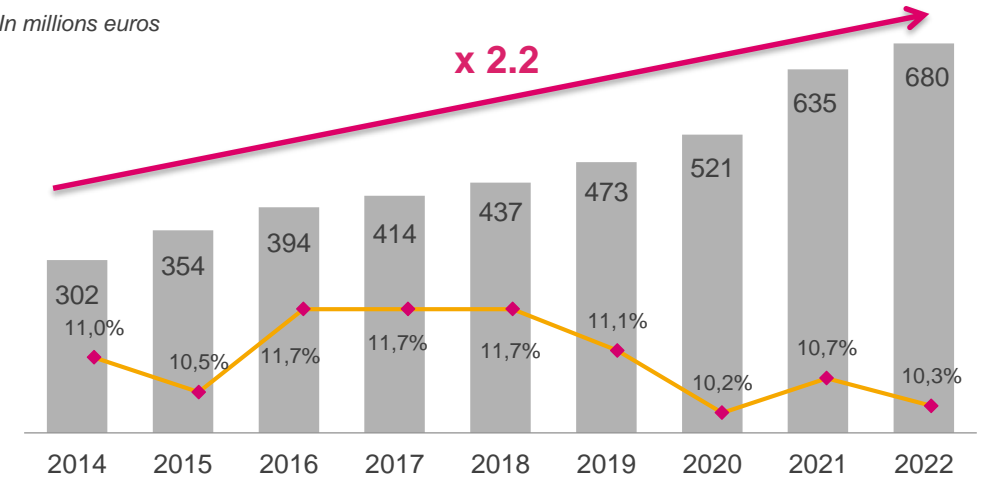
**Consolidated turnover**

In millions euros



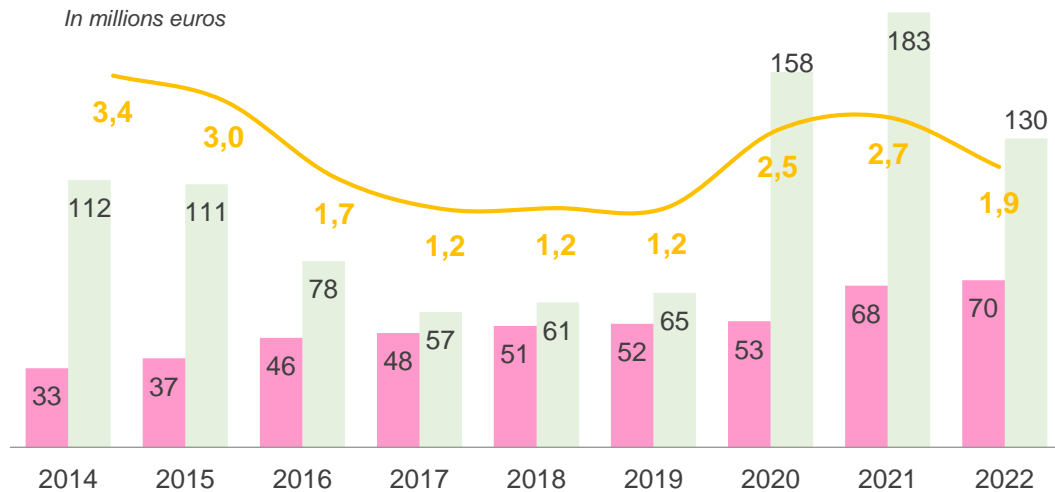
**Turnover & EBITDA Margin Operating**

In millions euros

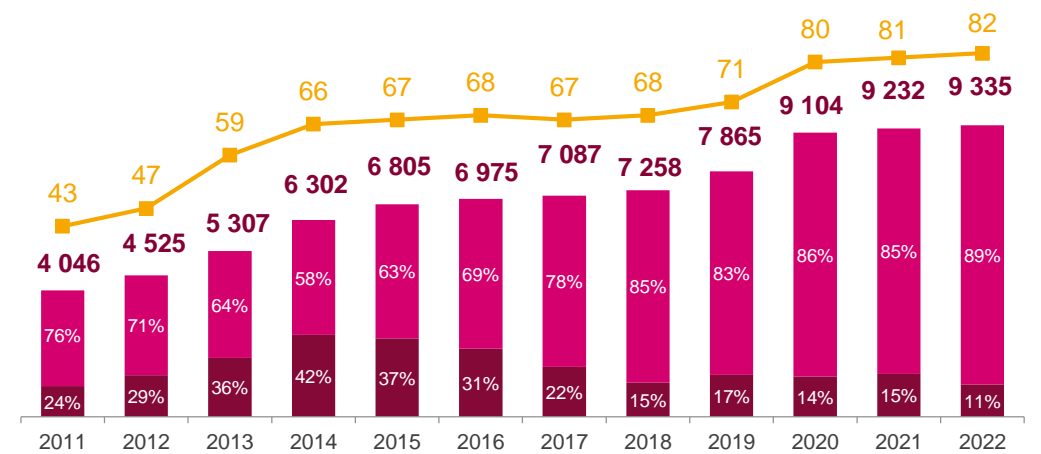


**Net financial debt optimised Operations**

In millions euros



**2.3 fold increase in the number of beds since 2011**



■ EBITDA Operating   ■ Net Debt Operating   — Operating lever

■ Beds in restructuring   ■ Beds on cruise   — Number of establishments

# Income statement 2022 Operations + Real estate

In €m, IC IFRS16	31/12/2022	31/12/2021	VARIATION
Turnover	728.2	689.5	+ 5.6%
EBITDA	142.8	141.2	+ 1.1%
<i>EBITDA margin</i>	19.6%	20.5%	- 87 pb
EBITDA excluding IFRS16	75.9	76.2	- 0.5%
<i>EBITDA margin excluding IFRS16</i>	10.4%	11.1%	- 64 pb
Current Operating Profit	64.3	64.8	- 0.8%
<i>Current Operating Margin</i>	8.8%	9.4%	- 57 pb
Operating profit	63.8	55.8	+ 14.3%
<i>Operating Margin</i>	8.8%	8.1%	+ 66 pb

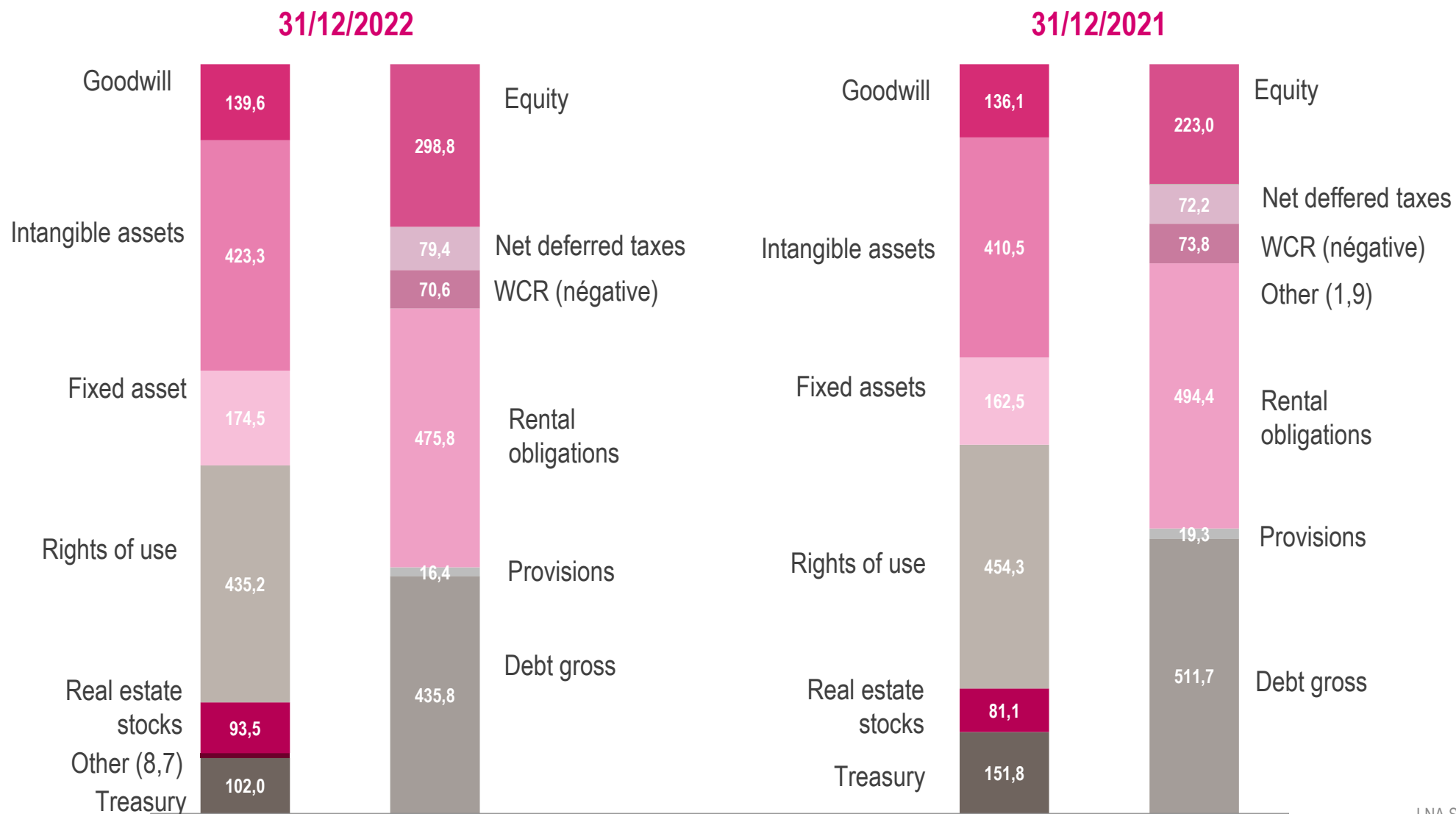
- Turnover up + 5.6% , Operating turnover up + 7.1% and real estate turnover down – 11.6%
- EBITDA margin excluding IFRS16 of 10.4% down -64 pb
- **Stability of the current operating result**, broken down as follows :
  - Increase in operating COP of + €2.2m (+3.5%)
  - Decrease in real estate COP - €2.7m
- **Operating profit up** + 14.3% due to lower non-recurring costs : in 2021 in particular - €3.3m provision for site departure costs

# Income statement 2022 Operations + Real estate

In €m, IC IFRS16	31/12/2022	31/12/2021	VARIATION
Operating profit	63.8	55.8	+ 14.3%
Net financial result	- 20.6	- 19.6	+ 5.3%
Profit before tax	43.2	36.3	+ 19.1%
Income tax expense	- 15.9	-14.6	+ 9.1%
<i>Apparent CIT rate</i>	36.9%	40.2%	- 338 pb
Share of profit or loss of MEE	1.1	2.3	- 53.9%
Overall net result	28.3	24.0	+ 18.1%
Net income groupe share	25.8	23.5	+ 9.8%
<b>Net margin as % of turnover</b>	<b>3.5%</b>	<b>3.4%</b>	<b>+ 13 pb</b>

- **Financial expenses under control**, with a limited increase of +5.3%, mainly in the real estate business
- Pre-tax profit up 19.1%, in line with operating profit
- **Tax rate at 37% (-3 pts)**, benefiting from a theoretical tax rate of 25.83% (compared to 28.41% in 2021)
- **Increase of the net income group share (+ 9.8%) with a net margin increase to 3.5%**, but remaining below the pre-crisis level (3.9% at 31/12/19)

# Balance sheet Operating + real estate



# Glossary

Some terms to be aware of

# Glossary

**WCR:** Working Capital Requirement

**CA:** Turnover

**Capex:** sustaining capital expenditure, excluding development capital expenditure for new activities and real estate assets to be disposed of

**CHIR:** Surgery

**Organic growth:** Corresponds to the change in turnover: between N-1 and N of facilities existing in N-1, between N-1 and N of facilities opened in N-1 or in N, between N-1 and N of facilities restructured in accordance with LNA Santé specifications or whose capacity increased in N-1 or in N, over N compared to the equivalent period in N-1 of facilities acquired in N-1

**Net financial debt:** Gross financial debt, excluding lease obligations as defined by IFRS 16, plus property lease commitments, less cash and cash equivalents

**Net operating debt:** Represents gross operating debt, excluding lease obligations as defined by IFRS 16, less cash and cash equivalents and equity contributed to the property business

**EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) :** Operating profit before tax, financial expenses, depreciation, amortisation and provisions, and charges and reversals of impairment of property inventories

**EHPAD:** Etablissement d'Hébergement pour Personnes Agées Dépendantes (Residential establishment for dependent elderly people)

**Facilities at cruising speed:** Property enlarged (if necessary) and refurbished, with 100% of its authorised capacity / Human organisation and management method to Group standards

**Establishments undergoing restructuring or in the process of opening:** Establishments taken over or opened approximately 1 year ago / Renovation and/or expansion work in progress / Implementation of Group standards

**FCF or Free Cash Flow:** Cash flow from operations less sustaining capex and financial cost paid

# Glossary

**Operating Gearing:** Ratio of Net Operating Debt to Adjusted Operating Equity. Adjusted operating equity represents consolidated operating equity, excluding IFRS 16 impacts, plus operating deferred tax liabilities, excluding IFRS 16 impacts, mainly related to the valuation of operating intangible assets

**IDE :** State registered nurse

**HAD:** Hôpital A Domicile = HAH : Hospital At Home

**Financial leverage, Operating leverage:** (Operating Net Debt / Operating EBITDA excluding IFRS 16) measures the company's ability to repay its debt. It expresses in how many years the company is able to repay its debt with its EBITDA

**MEE:** Mise En Equivalence = Put in equivalence

**MRS:** Maison de Repos et de Soins, equivalent to EHPAD in Belgium

**MS:** Medical-Social

**NEU-CP:** Negotiable European Commercial Paper: short-term negotiable securities formerly known as commercial paper

**PSY:** Psychiatric Clinic

**Cruise Regime, CR:** see "Cruise Regime Facilities".

**Restructuring, SR:** see "establishments undergoing restructuring or opening".

**OIR:** Current Operating Income

**ROP:** Operating profit

**CSR:** Corporate Social Responsibility

**SMR:** Medical and Rehabilitation Care - formerly SSR

**SSR:** Soins de Suite et Réadaptation - new name SMR

**TO:** Occupancy Rate

**Net cash:** Cash and cash equivalents less bank overdrafts