Half-year results 2024

September 2024

SANTÉ

Soigner et prendre soin

01

LNA Santé

01 I LNA SANTÉ

A key player in the care of vulnerable people

86
ESTABLISHMENTS

9 000
EMPLOYEES

+ 9 300
PATIENTS/RESIDENTS
every day

Medical and social services

45% of sales

Nursing Homes

45 NH France
4 NH Belgium

Sanitary

55% of sales

RC, PSY, SUR, HAH

20 Rehabilitation Care (RC)
2 Psychiatry (PSY)
4 Surgery (SUR)
11 Hospital At Home (HAH)

+30 years
EXPERTISE
AND INNOVATION
at the service of residents and patients

386 M€
OF OPERATING REVENUE

Data at 30/06/2024

Purpose and commitments at the heart of the project

We, LNA Santé

As a family-run business, we care for people in need, for them and for their carers, professionals and our environment, by stimulating cooperation and innovation to meet local health challenges.

Read the LNA Santé 2023 mission report

SCAN ME

Our commitments as a Mission Company

Caring for vulnerable people and their carers, to enhance their quality of life.

Taking care of our teams and building the future the future of our businesses, based on our our family business culture.

Taking care of our environment and taking action for the ecological transition.

Cooperating and innovating to meet the healthcare needs of populations and regions.

LNA Santé, a unique operator able to transform

LNA SANTÉ

Care and take care

- **Hotel services** focused on excellence
- **Medical and technical expertise**
- **Outpatient** care
- **Entrepreneurial management culture**
- **Robust** and flexible **financial structure**
- **Large-capacity facilities**
- In-house **real estate expertise** serving the business lines
- **Transformation of** the **offer to "cruising speed "**
- **Continuous innovation**
- Family **ownership** and a **long-term** vision

02

Achievements GE#3

LNA SANTÉ GRANDIR ENSEMBLE 2023 - 2027

LNA Santé's strategic priorities

2024 → 2025 2026 2027

Priority	2024
1. Position vulnerable people and their carers as partners at the heart of our organisation and our services.	Experimenting with and rolling out structuring initiatives to include patients, residents and their families in the running of our facilities
2. Becoming the benchmark employer for healthcare professionals	Implement the 2023-2027 commitments on Quality of Life and Working Conditions, giving priority to the fight against accidents in the workplace
3. Improving the efficiency and adaptability of our organisations	Continue work on organisational and usage guidelines to improve the sharing of best practice between establishments
4. Accelerating our exploration and innovation drive	Encourage the emergence of new initiatives, organise the sharing of experience within the network, and support the most innovative initiatives.
5. Successful regional development in France and Europe	Adding to the capacity and authorisations of certain existing establishments and seizing development opportunities arising from the regional health project
6. Reducing our carbon footprint	Reduce the carbon footprint by 5% by activating the main levers: energy, food, travel, purchasing (chemical-free cleaning products), waste, etc.

Strategic Vision 2028

Non-Medication Interventions (NMI) and partnership with NPIS

AMBITION: to make the INM an INCONTESTABLE treatment option in every care pathway

2020	2021	2022	2023	2024
Ambition	Situation of	Guide V1 intra LNA	Field/feedback implementation	Guide V2 extra LNA

Residents
- De-prescription
- Prevention
- Quality of life

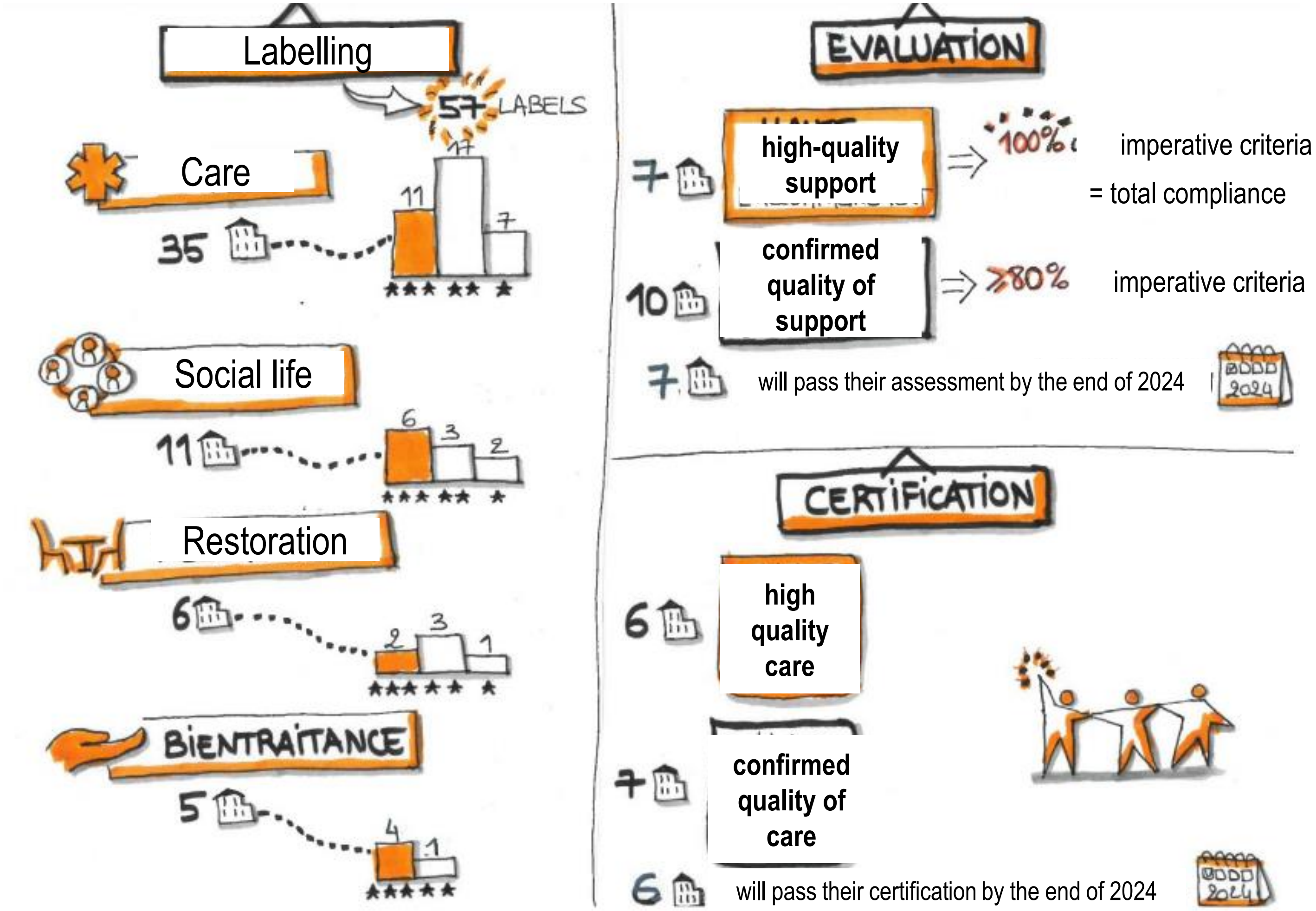
Public health
- Sustainable health
- Health prevention

Professionals
- Attractiveness
- Skills development

Non-Pharmacological Intervention Society

SGS labelling, HAH* assessment and certification at the highest levels

* High Authority for Health



Delivering on QLWC* commitments
Meaningful social dialogue

- Structured commitment framework: Global agreement on QLWC, diversity and career paths 2023-2027
- Ownership in each establishment (self-diagnosis) and good momentum
- Positive news :
  - 2024 Social Innovation Prize
  - QLWC "Dizaine" very well attended, with many initiatives
  - Meeting of the Joint Committee and Job Observatory on 4/5 July
  - Good turnout for the "How are you?« questionnaire - 2024 edition

"How are you?"

Edition 2024, in brief!

2 408
participants

+27%

I love my job

4,16

4,17 en 2023

* Quality of Life and Working Conditions

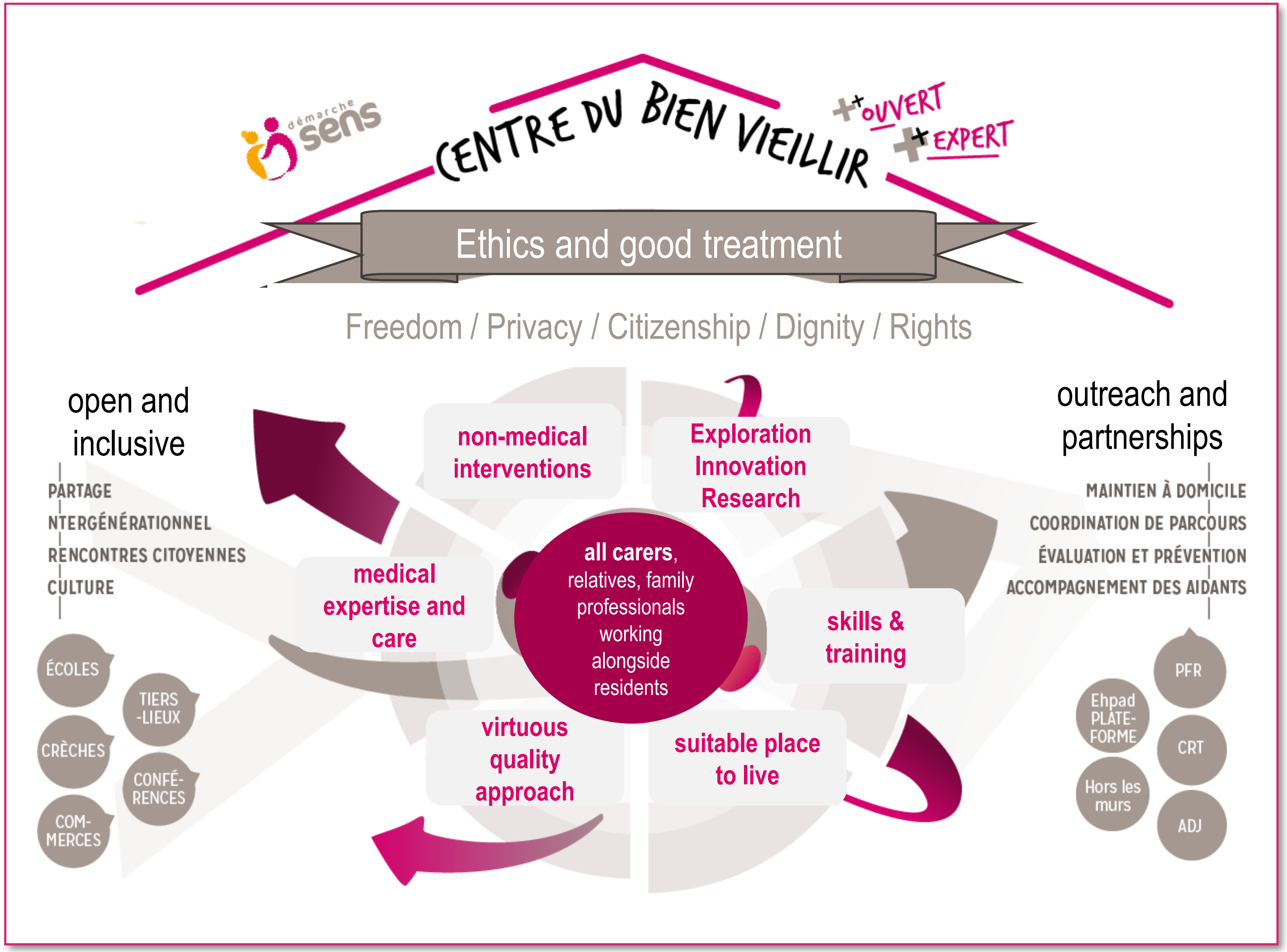
The Nursing Home of tomorrow: exploration and modelling

Fany Cérèse

in

Docteure en Architecture, co-fondatrice et associée de l'Atelier AA - Architecture Humaine, accompagne les établissements médico-sociaux dans leur transformation dans une logique inclusive, domiciliaire et centrée sur l'humain.

Nicole Poirier
Une pionnière **humaniste**



Three complementary tools to accelerate our drive for exploration and innovation

2018

The Research Unit

Conducting clinical trials involving patients/residents

2024

The Innovation Unit

Testing innovative external technical or digital solutions

2018

2024

EXPLORE GRANDIR ENSEMBLE

The OSE scheme

- Spaces to encourage the emergence of innovative solutions
- Supporting intrapreneurial initiatives with potential

2024

Our course to 2028

Faced with the sector's major challenges,

- accelerate our drive for exploration and innovation
- identifying innovative opportunities, building solutions and capitalising on successful experiments

Reducing the carbon footprint

Steering dynamic supported by the Carbon Footprint Committee

Energy and Buildings

- Sobriety of use
- Energy performance of buildings (renovation and construction)
- Reflection on the energy mix and low-carbon construction

Mobility / Travel

- Sustainable mobility for commuting
- Action on the vehicle fleet

Food

- Substituting animal proteins (particularly red meat) with lower-carbon proteins
- Combating food waste
- Doing away with plastic water bottles

Waste

- Sorting of 6 streams and bio-waste

In conclusion

A stable, independent stable and independent

Natural evolution towards a company with a mission driven by strong commitments

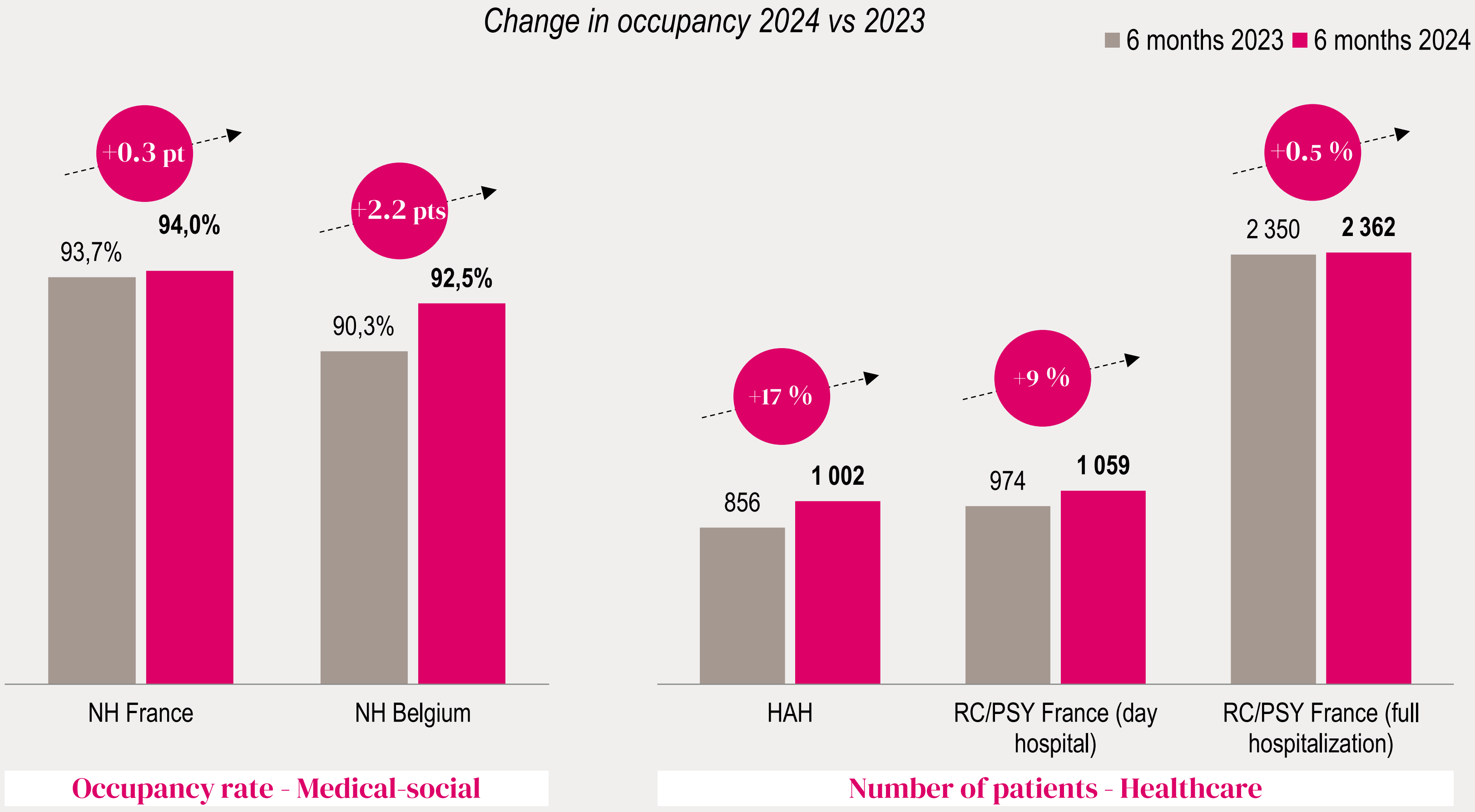
New project Grandir Ensemble #3 already underway

03

Half-year results 2024

Business dynamics

Volume effect



Price effect

2024 pricing campaign

- Medical and social care : underfunding of care
- RC clinics: inappropriate tariff reform

Analysis of rates by business line

- Nursing homes: +5.4% on 01/01/24 in accommodation, +3.0% in care, ± 0% in dependency care
- HAH: +3.3% at 01/03/24 in line with cost trends
- SUR: +4.4% at 01/03/24 in line with changes in costs (salary pressures)
- RC: a new pricing system that introduces major imbalances

Occupancy rate: as a percentage of rooms available for sale in nursing homes
Number of patients: average number of patients seen per day across all facilities.

Objectives met…

2024 targets	Completed by mid-2024
Organic growth: +4.5	**+ 7.9%** +5.7%(1)
EBITDA margin (2) from cruising speed: 10.9% (H1)	**10.9%** *(stable vs 2023)*
Net operating profit at 2023 level: €14.3m (H1)	**15.3** M€, + 5.1% *(net margin: 3.9% of sales)*
Operating leverage(3) < 2.0 x (covenant limit: 4.25 x)	**1.7 x**

(1) After neutralising the impact on RC clinics of the reclassification of the financing of social measures (Ségur 1 & 2 + rider 32), which are included in sales in 2024 whereas they were recorded as a reduction in personnel costs in 2023.

(2) Margin excluding IFRS16

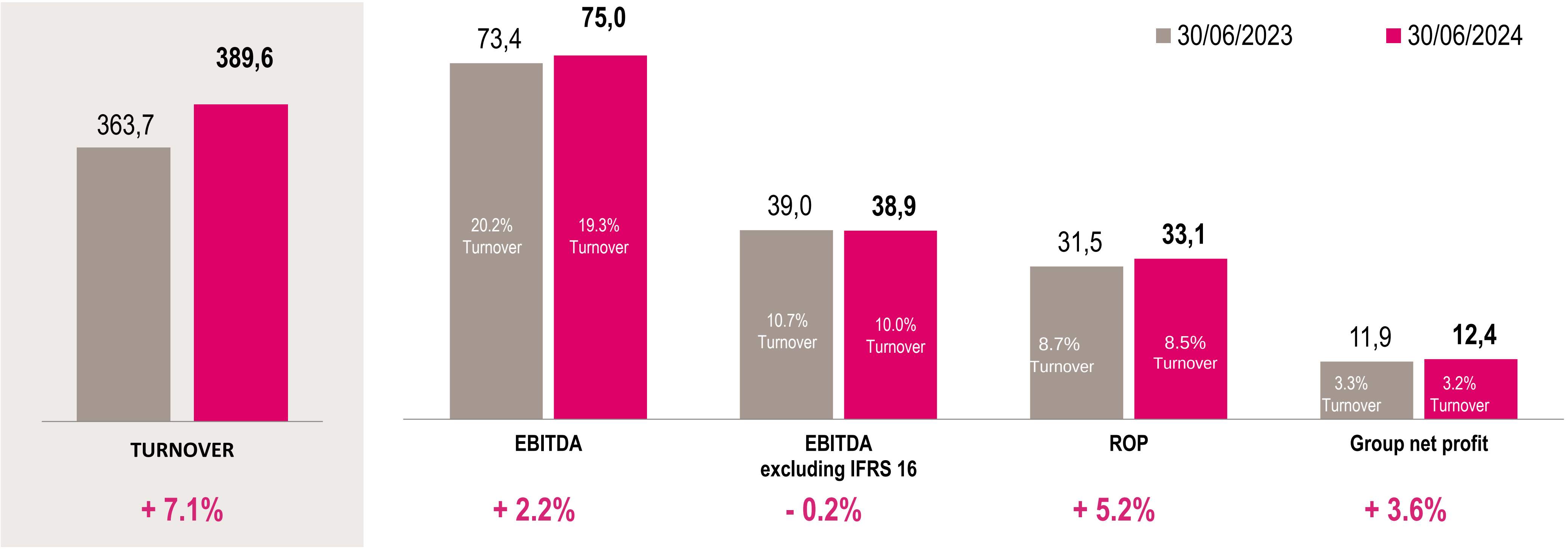
(3) Ratio of operating EBITDA excluding IFRS16 to operating net debt excluding rental debt under IFRS16

… ensuring that solid performance is maintained

Performance in line with business momentum

- Growth in business lines offsets cyclical downturn in Property
- Stable EBITDA excluding IFRS 16 and improvement in consolidated operating profit (+5.2%)
- Net profit (group share) up to €12.4m, in line with net operating profit

Group consolidated data
In €m, including IFRS 16



Property business at the bottom of the cycle

In €M	30/06/2024	30/06/2023	Change (€M)
Property sales	3.3	6.6	(3.3)
Margin on progress of property development	0.2	0.4	(0.3)
Carrying margin	1.9	1.1	+ 0.8
Overheads	(0.9)	(0.7)	(0.3)
Adjustment of asset values	(0.3)	(0.5)	+ 0.1
Operating profit	0.9	0.4	+ 0.4
Operating margin as % of sales	*26.1%*	*6.8%*	*NS*
Net financial income	(3.5)	(3.2)	(0.4)
Corporation tax	0.4	0.4	(0.0)
Share of profit of associates	(0.4)	(0.1)	(0.3)
Group net profit	(2.6)	(2.3)	(0.3)

- Downturn in development activity due to lower volume of transactions in the 2024 schedule
- Carrying margin up as a result of lot buy-backs and related intra-group rents
- Higher general expenses linked to the assumption of a risk in 2023, which cannot be renewed in 2024
- Targeted depreciation as part of asset transformation operations
- Operating profit breakeven despite low sales volumes
- Financial costs including the rise in interest rates on short-term debt
- Net loss as business cycle slows, as planned and announced

A property business at cost price to protect the interests of the Operation

Operating EBITDA

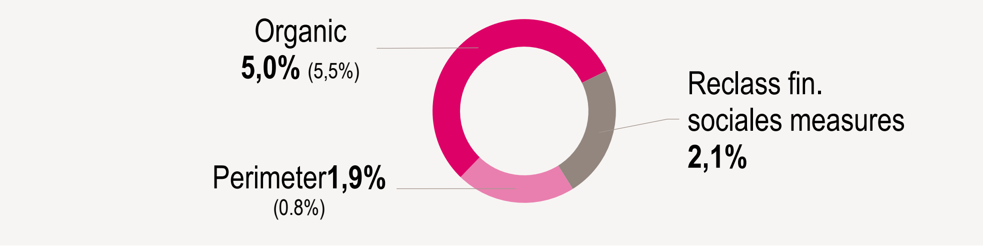
In €m, INCLUDING IFRS 16	30/06/2024	30/06/2023	Variation
Sales figures	386.3	357.1	+ 8.2%
Purchases and external charges	-81.7	-74.8	+ 9.3%
Staff costs	-220.2	-202.1	+ 9.0%
of sales	*-57.0%*	*-56.6%*	*- 40 bp*
Taxes	-19.0	-17.3	+ 10.2%
Other income and expenses	6.7	8.3	- 19.1%
EBITDA	72.0	71.2	+ 1.1%
EBITDA margin	18.6%	19.9%	- 130 bp
Rent	-44.2	-41.2	+ 7.4%
of sales	*-11.4%*	*-11.5%*	*+ 9 bp*
Other IFRS 16 restatements	6.8	5.5	+ 23.2%
EBITDA excluding IFRS 16	34.6	35.5	- 2.6%
EBITDA margin excluding IFRS 16	*8.9%*	*9.9%*	*- 99 bp*

EBITDA up 1.1% to €72.0m
EBITDA margin after rental income of 8.9%.

Costs kept under control against a backdrop of inflation

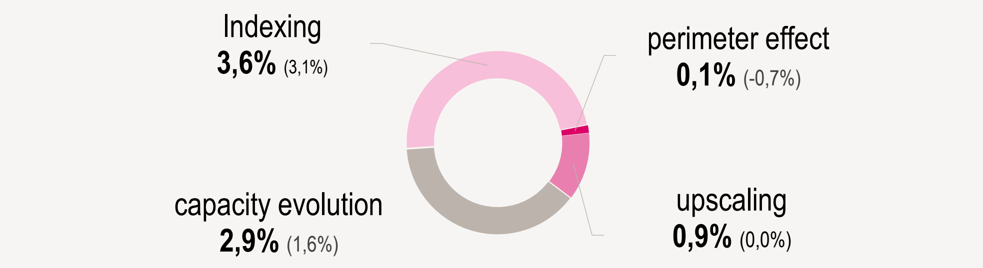
- Purchases and external charges up by more than sales, due to inflation, mainly in the Sanitaryware business
- 5.0% increase in personnel costs, excluding the reclassification of funding for social measures under sales (reform of RC pricing)

CHANGE IN PERSONNEL COSTS (N-1)



- Rents up 7.4%, including a 3.6% indexation component

CHANGE IN RENTAL INCOME (N-1)



A solid EBITDA margin, impacted by SMR pricing reform

Operations by sector	30/06/2023	Holding company	Medical-Social France	Sanitary	International Business	30/06/2024
Change in sales	357.1	0.7	9.7	17.7	1.1	386.3
Change in EBITDA excluding IFRS 16	35.5	-2.0	3.5	-3.0	0.5	34.6
Change in margin	9.94%	-53 bp	70 bp	-127 bp	11 bp	8.95%

- 99 bp

Margin eroded by 99 bp to 8.95%, reflecting the significant under-financing of specialised RCs and the structuring of the head office, against a backdrop of persistently high inflation

Holding company
Impact of efforts to structure the head office

Medico-Social France
Increase in tariffs and recovery in activity in the IDF and PACA regions, enabling us to absorb operating costs more effectively

Sanitaryware France
Dilutive impact on Group EBITDA margin :
- RC / PSY / SUR: reduction in margin due to pricing reform and inflation
- HAH: virtually no impact on the Group margin, with the decline in the margin on additional expertise being offset by the higher volume of business.

International Business
EBITDA margin up on improved occupancy and fares in Belgium

Cruising speed: at the heart of performance

In €m, including IFRS16	Cruising speed 30/06/2024	Cruising speed 30/06/2023	Other establishments 30/06/2024	Other establishments 30/06/2023
PARK				
Number of establishments / Total Number of beds	**72/86** **8,586**	71/85 8,376	**14/86** **1,029**	14/85 1,014
Operating turnover	**339.4**	312.3	**43.4**	42.0
IFRS16 EBITDA of establishments	**72.3**	68.1	**1.8**	3.2
EBITDA margin IFRS16	**21.3%**	21.8%	**4.1%**	7.7%
EBITDA excluding IFRS16 of establishments	**37.1**	34.1	**0.4**	2.4
EBITDA margin excluding IFRS16	**10.9%**	10.9%	**1.0%**	5.6%
CAPEX	**4.7**	4.2	**0.8**	1.9
Capex / Sales	**1.4%**	1.4%	**1.9%**	4.5%
Effort ratio: Capex/EBITDA excluding IFRS16	**12.7%**	12.4%	***n.s.***	79%

≠ 9.9 points

A solid, sustainable model for transforming our offering

Resilient EBITDA margin excluding IFRS 16 of 10.9% on the mature portfolio (89% of cruise beds)

The margin of other establishments fell to 1.0%, negatively impacted by the SMRs undergoing restructuring, whose inadequate funding under the new pricing system does not cover the increase in costs.

Value potential equivalent to the 9.9 point margin differential between the 2 segments, which can be unlocked by transforming the healthcare offering

Maintenance capex limited to 1.4% of sales for the fleet at cruising speed, for an EBITDA effort ratio of 12.7%, below the LNA guidance of 20%.

Net operating profit and margin in line with guidance

Operating activity *In €m, including IFRS 16*	30/06/2024	30/06/2023	Variation
Current operating income	32.5	31.9	+ 1.9%
Current operating margin	*8.4%*	*8.9%*	*- 52 bp*
Operating profit	32.2	31.0	+ 3.9%
Financial result	-10.0	-9.5	+ 5.5%
Profit before tax	22.2	21.5	+ 3.2%
Tax charge	-6.4	-6.9	- 6.3%
Apparent corporate tax rate	*29.0%*	*32.0%*	*- 294 bp*
Share of profit of associates	-0.2	-0.1	+ 320.9%
Overall net profit	15.5	14.6	+ 6.6%
Net income, Group share	15.0	14.3	+ 5.1%
Net margin as % of sales	3.9%	4.0%	- 12 bp

Net profit up 5.1% to €15.0m, on the strength of a net margin of 3.9% of sales

Operating profit of €32.2m, up 3.9%, less than business growth, particularly in the context of Rc tariffs

Interest expense kept under control (+5.5%) in the face of rising interest rates and property debt

Pre-tax profit of €22.2m, up **of +3.2%,** in line with operating income and financial costs

Corporation tax rate of 29.0% (down 2.9 pts) due to non-taxable *badwill* and lower CVAE tax rate

Solid cash flow generation

In €M	30/06/2024	30/06/2023
Cash Opening	77.1	102.0
Free cash flow [1]	10.4	-10.4
Of which operating cash flow	*19.0*	*18.8*
Of which change in WCR	*-9.1*	*-31.7*
Capex Development	- 12.3	-
Financial debt	- 4.4	20.7
Purchase of own shares	-	- 6.3
Other	- 0.7	- 3.0
Treasury Closing	70.1	103.1

[1] *EBITDA - maintenance capex - cash finance costs - cash tax (excluding IFRS 16)*

Free cash flow[1] at €10.4m, an increase of €20.8m, linked to the improvement in the change in WCR: reduction in LMP lot buy-backs vs H1 2023

Free cash flow from operations of €19.0m, a slight improvement of €0.2m

Development capital expenditure arising in 2024 from the acquisition of authorisations to operate the Saint-Sauveur HAH and a future NH Elégance in the Lille area

Loan outflows of €4.4m, down due to the issue in 2023 of additional financing for the purchase of property lots

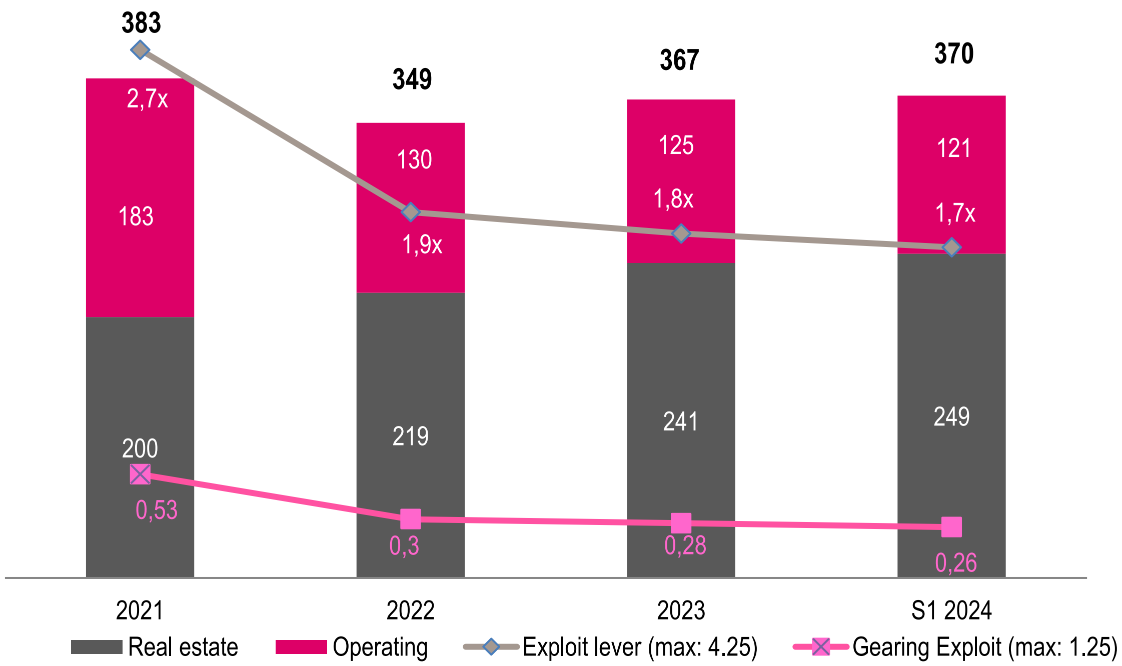
Purchase of treasury shares in 2023 for -€6.3m as part of the 250,000 share buyback programme

Closing cash position of €70m, supplemented by RCF drawing capacity of €99m, giving **€170m of available resources**

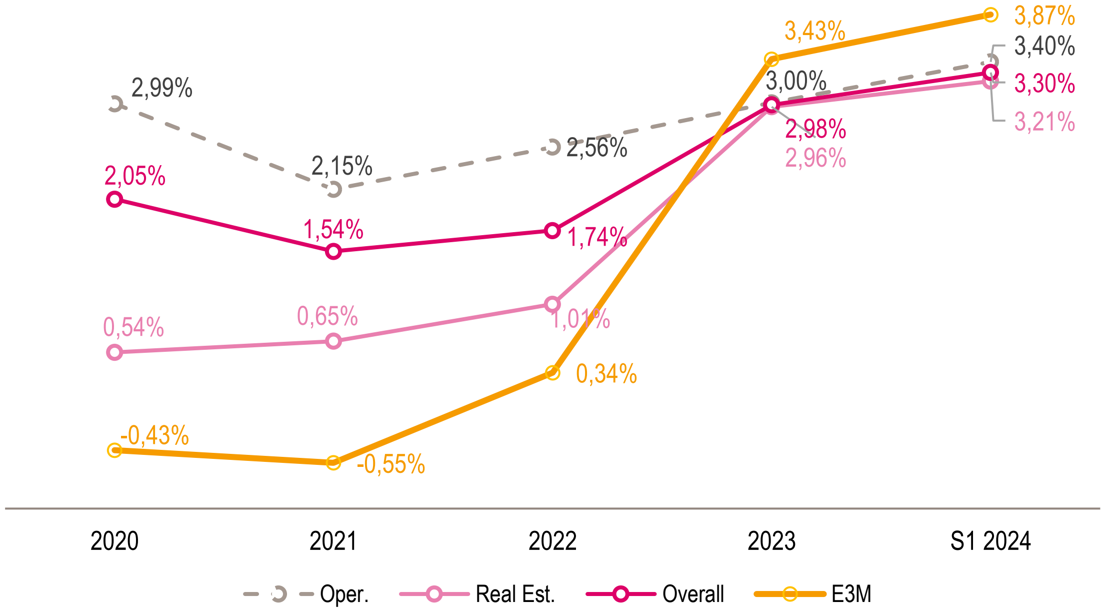
Financial autonomy to support the development plan

Net debt structure

Consolidated net debt
(in €m, excluding IFRS 16)



Average cost of debt under control



Net operating debt down, thanks to free cash flow

Controlled and flexible credit ratios

- Leverage of 1.69 vs 4.25*.
- Gearing of 0.26 vs 1.25*.

** authorised ceiling*

In short, a solid model to meet massive needs

• **Diversified business portfolio** • **Dynamic sales :** Operating revenues up 8.2% to €386.3m • **Organic growth: + 7.9%.**	**Balance and dynamics of activities**	**Cash flow and liquidity strengthened**	• **Free cash flow*** from operations : **19.0m** (+0.2m) based on resilient EBITDA • **Sober** maintenance **capex**: 1.5% of sales • Operating **lever lowered to 1.69 x** ** EBITDA - sustaining capex - cash finance costs - cash tax (excluding IFRS 16)*
• Operating **EBITDA margin** excluding IFRS 16 : **8.9%** of which 10.9% on establishments cruises • **Net profit pg Operating: €15.0m** (+ 5.1%) for a **net margin of 3.9%.**	**Operational execution confirmed**	**Potential of the fleet organic**	• **Authorised stock of 10,500 beds**, including 1,900 to be brought on stream • New opportunities for **organic growth under discussion**
• **Controlled cost of debt** limiting the rise in interest rates: **3.3**	**Financial discipline at work**	**Massive healthcare needs &. ability to take over and transform**	• **Growth markets** (demographic shift, chronic diseases) • **Targeted acquisitions**: +1 HAH and +1 NH Elégance authorisation in H1 24 • **Investment capacity** tailored to GE#3

2024 prospects confirmed

Consolidating results

Operating sales
> 780 M€

Organic growth close to 6.5% (5.0% adjusted*)

EBITDA excluding IFRS16 from **cruising** sites **close to 11% of sales**

Strengthening growth, preparing for change

Reservoir of 1,900 beds in preparation towards full capacity (1,000 undergoing restructuring and 900 to be installed)

Targeted acquisitions
to meet the challenges of local healthcare provision

Organic developments in healthcare (HAH), which will boost the number of authorised beds and places
(pipe of beds and places)

Control financial flows

Actions to **reduce** operating and property **working capital**

Debt leverage
kept under control at **x 2.0** in Operations

** after neutralising the impact on SMR clinics of the reclassification of the financing of social measures (Ségur 1 & 2 + rider 32), which are included in sales in 2024 whereas they were recorded as a reduction in personnel costs in 2023.*

The resilience of a unique business model in a demanding environment

04

Outlook

Proven needs

Historic demographic shift

Ongoing rise in chronic diseases (diabetes, obesity, cancer, etc.)

Societal evolution towards home **care**

A favourable environment for growth in all our businesses

Faced with the challenge of controlling health insurance expenditure, the potential of HAH

2022: HAH = 7.3% of total hospital days (compared with 3.7% in 2012)

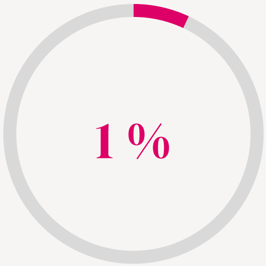
Coverage (2022)

159 000
patients benefited from HAH

6,8
million HAH days performed

Cost of hospitalisation at home

1,6
billion euros, the total cost of HAH



hospital expenditure

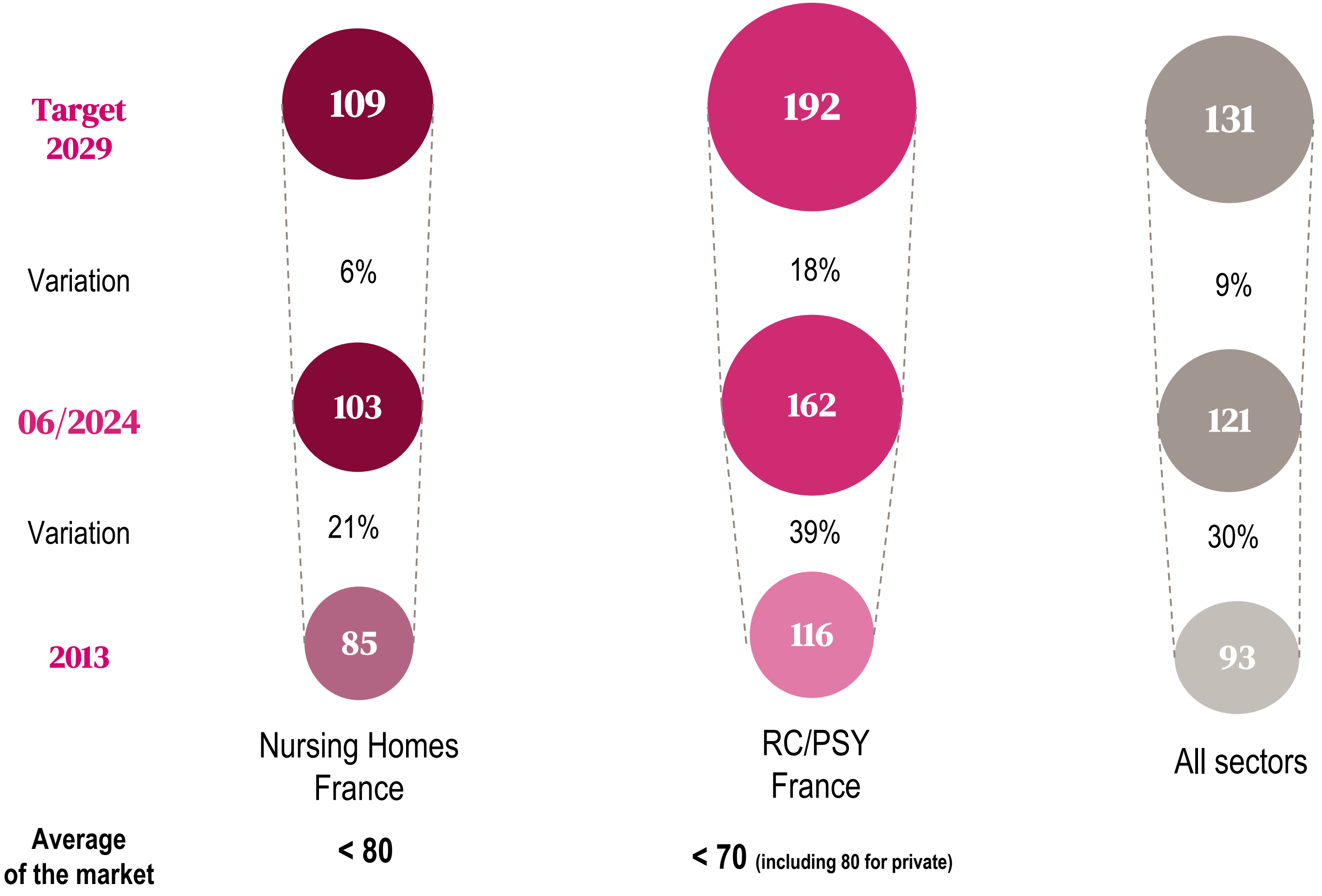
- Cost to the AM of a transfusion in HDJ*: €600 vs. €400 in HAH (with 5 hours of IDE presence at the patient's bedside)
- Cost to the AM of chemotherapy in HDJ*: €650 vs €350 in HAH
- Patient cost in HC medical bed* €1,500 excluding transport costs vs. €236 in HAH

* HDJ: Day Hospital
HC: Full hospitalisation

Large establishments

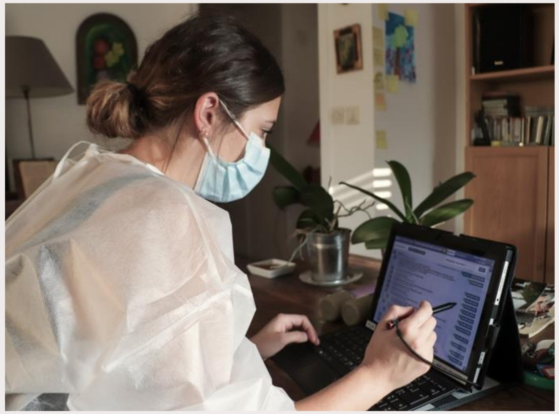
Synonymous with quality and efficiency

Change in average fleet size in operation - September 2024



A major choice for economies of scale and critical size

Focus HAH LNA Santé



Responsiveness to requests for care (within 24/48 hours) with assessment visits by coordinating doctors and coordinating nurses

Permanent 24/7 care, thanks to a team of night nurses dedicated to ensuring :
- ensuring continuity of care and responding to unscheduled care if required 24 hours a day
- on-call night nurse in nursing homes

On-call medical service (7/7, 24/24) provided by our HAH practitioners

Close partnership with local establishments, health networks and mobile teams

Involvement of independent healthcare professionals (doctors, nurses, physiotherapists, etc.)

Securing the medication circuit: operation as a PUI (hospital pharmacy) with a dedicated logistics platform

Managerial model (multidisciplinary team subdivided into care units)

An example: the professionals at the HAH in Blois

IN 2024

55 nurses

45 orderlies

9 doctors, including 3 specialists (PRM and gynaecologist)

10 coordinating nurses

1 speech therapist, EAPA, neuropsychologist, psychomotor therapist, dietician

2 social workers

2 nursery nurses

2 psychologists

1 medical information medical

1 development centre (liaison nurses physically present in the department's hospitals)

1 administrative team

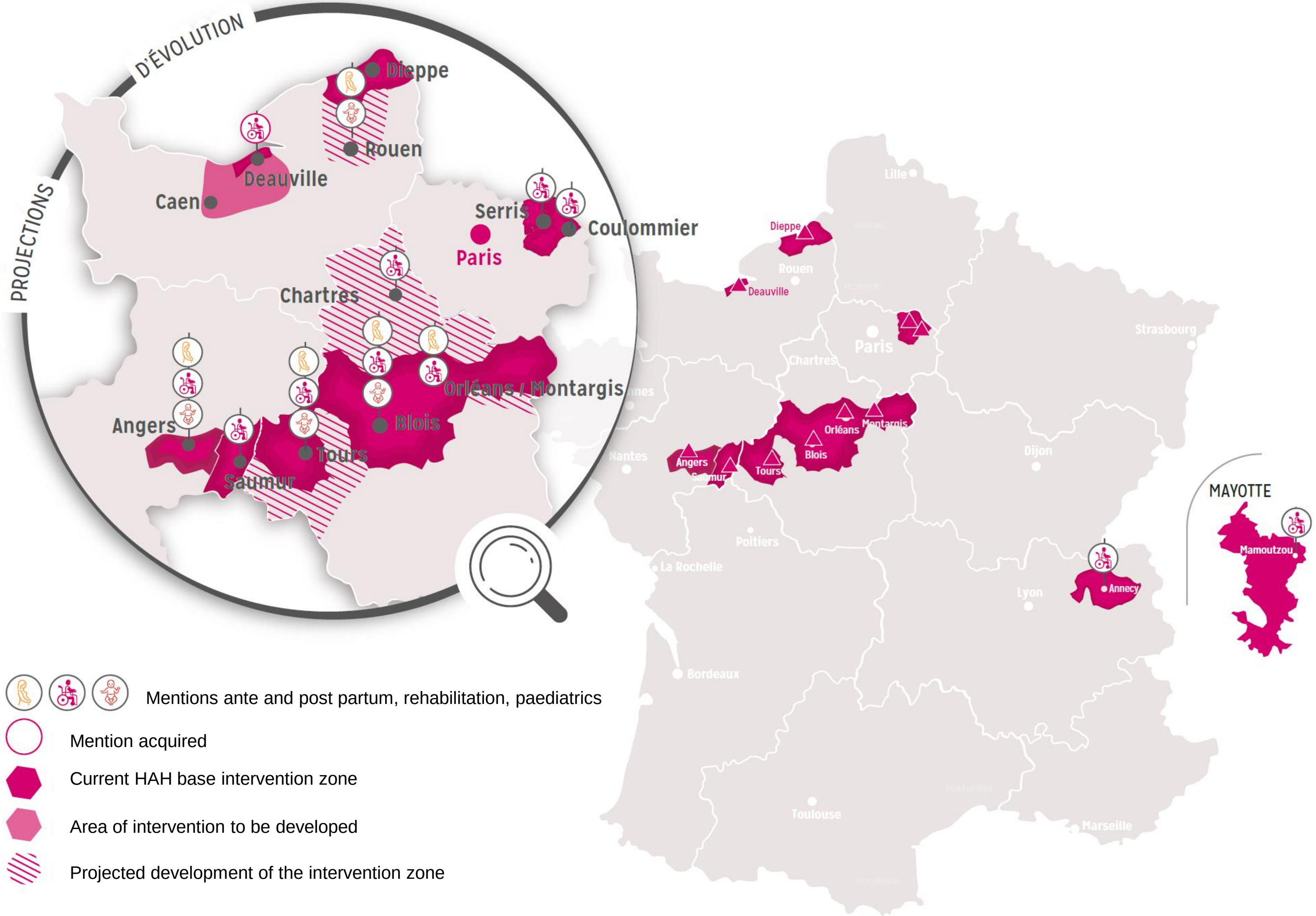
1 pharmacy team (4 pharmacists and 6 assistants)

HAH in Blois

Care teams with ongoing training in complex care: DU in palliative care, DU in complex dressings, nursery nurse, gerontology care assistant, etc.

A group of 160 professionals

LNA Santé HAH expansion potential



LÉGENDE

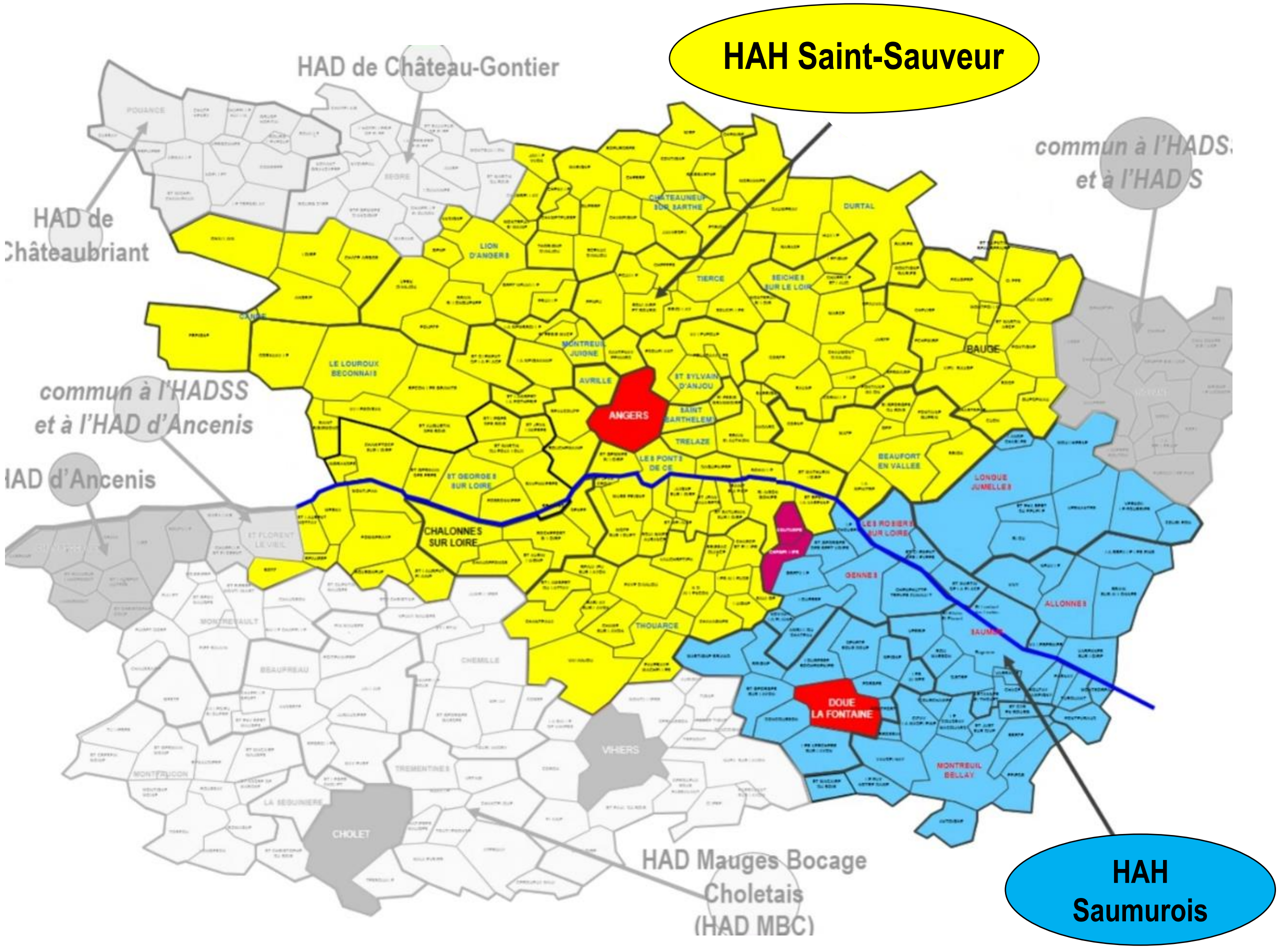
- Mentions ante and post partum, rehabilitation, paediatrics
- Mention acquired
- Current HAH base intervention zone
- Area of intervention to be developed
- Projected development of the intervention zone

Annual growth rate of 10% for the GE#3 project

Focus HAH: recognised expertise

New establishment since 1st June 2024: HAH Saint-Sauveur in Angers

- **Takeover of the Saint-Sauveur AHH** from the Communauté des Augustines Hospitalières de Malestroit (historic quality relationship between LNA Santé and the Saint-Sauveur HAH)
- **Exclusive coverage of** the Angers conurbation and the catchment area of the Angers teaching hospital (500,000 inhabitants)
- **130 patients/day and more...** perfect complementarity with the HAH Saumurois

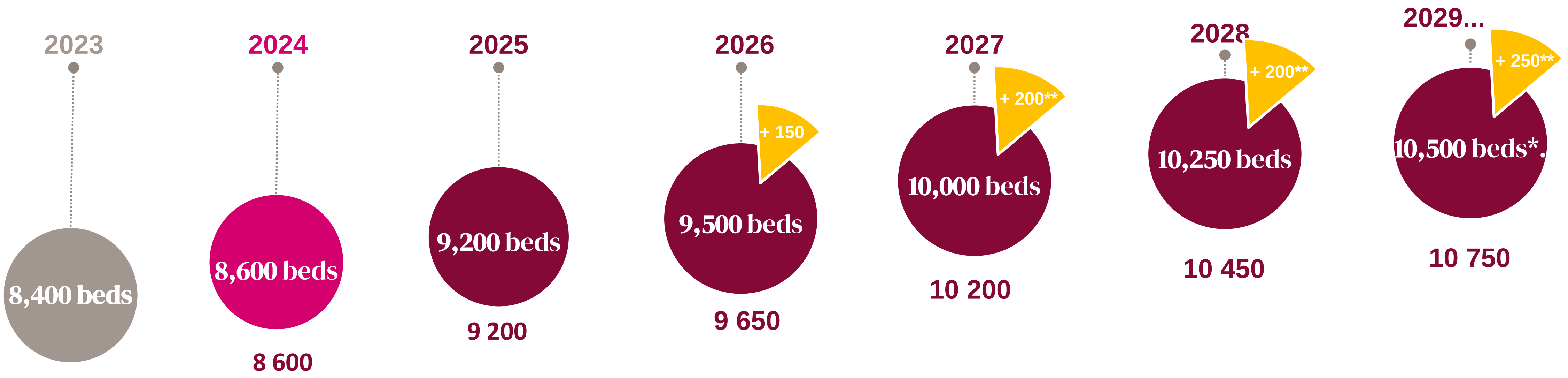


Appendices

For further information

Transformation and development

On-board growth of the existing fleet towards cruising speed



A mature target customer base

10,750 beds (+ 2,150 beds)

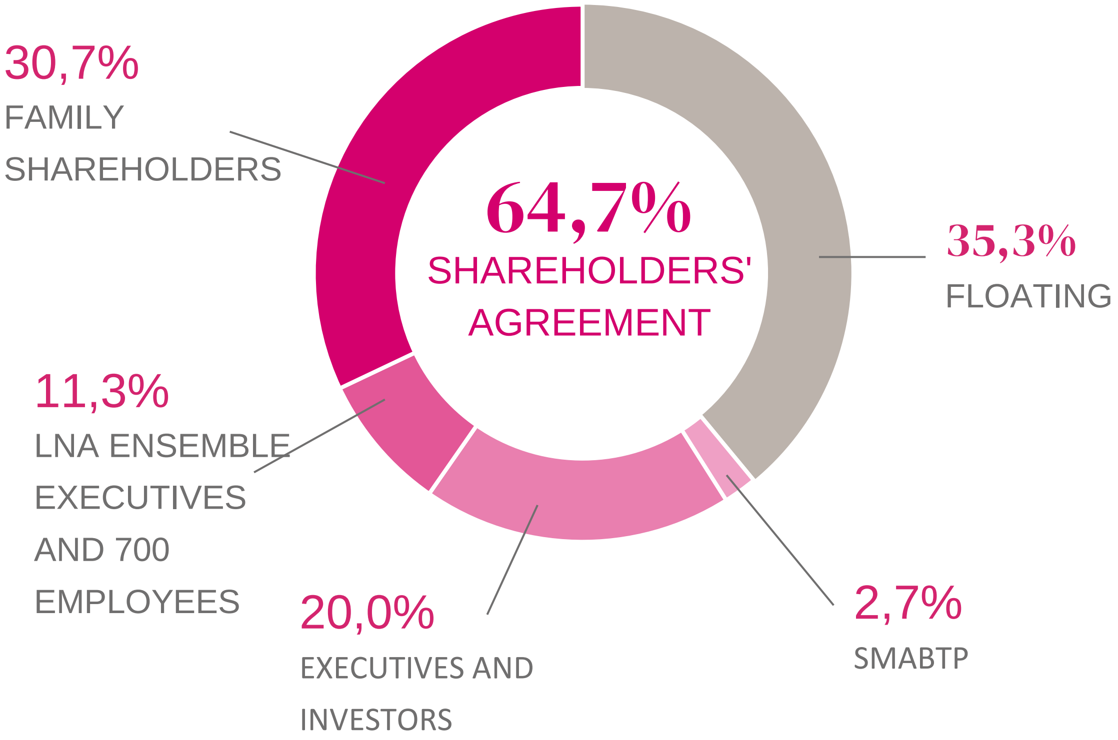
Expansion projects targeted on the existing perimeter

2028 excluding new facilities

- on-board projects: + 1,900 cruise beds (vs. 2024)
  - ✓ including 1,000 operated to date
  - ✓ including 900 authorised and to be installed by 2024-2028

** expansion projects: + 250 beds to be acquired/obtained

Stable, independent family governance



% of voting rights at June 2024

LNA shares are listed on compartment B of Eurolist by Euronext Paris

ISIN CODE: FR0004170017

September 2024

NUMBER OF SHARES COMPRISING THE CAPITAL
10 709 416

CAPITALISATION IN M€ AT 16/09/2024
246,3

PRICE AT 16/09/2024
23,00 €

The unique features of our company

Family

We are a **family business** because we involve families, teams and founding members in the governance of the company, so that **we** can **be a responsible player with a long-term vision** and a **caring, local management** style.

Contractor

We **nurture the entrepreneurial spirit** by giving everyone the ability to act responsibly, **to participate in decision-making**, to **create value** and **to innovate in their business.**

Transforming

We are a **player in the healthcare sector who knows how to transform and integrate** establishments over time, in order to **improve the range of healthcare services available in the region.**

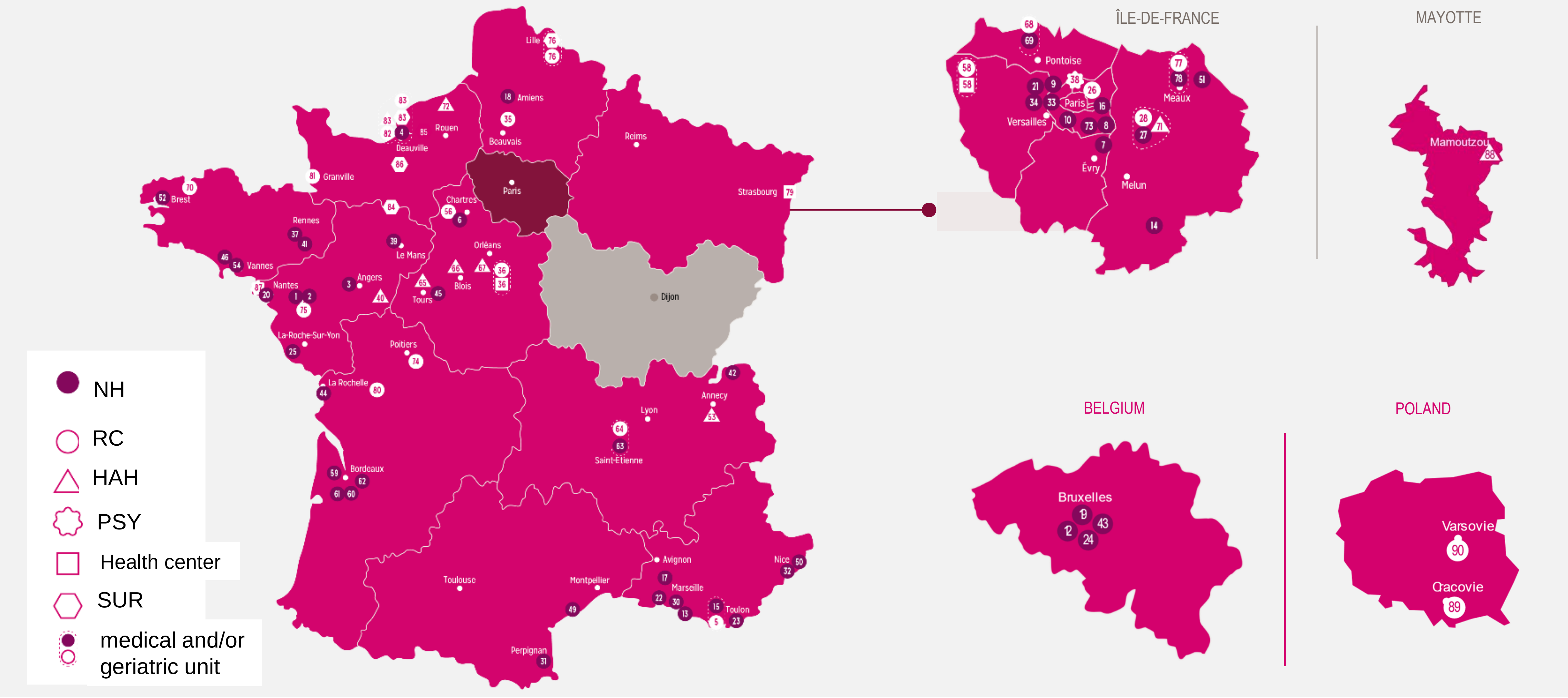
Humanist

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

Demanding

Demanding standards are at the heart of our choices, our organisational model, the questions we ask ourselves and **the expertise of our businesses**.

Strong local roots



The transformation of the offer by LNA
A portfolio of 86 establishments

By **September 2024**, excluding new developments

NURSING HOMES

CS* beds
4 553

Restructuring beds
114

4 667

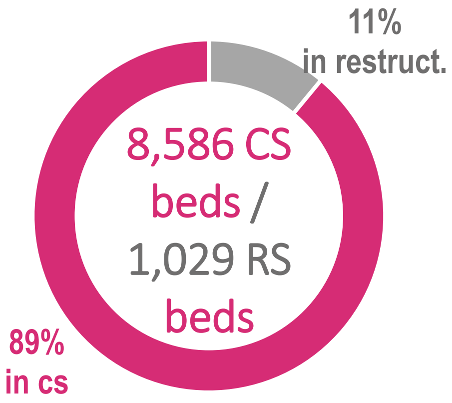
HAH

CS* beds
750

Restructuring beds
160

910

9,615 beds in operation



SANITARY France
RC/PSY/SUR

CS* beds
2 742

Restructuring beds
630

3 372

INTERNATIONAL **

CS* beds
541

Restructuring beds
125

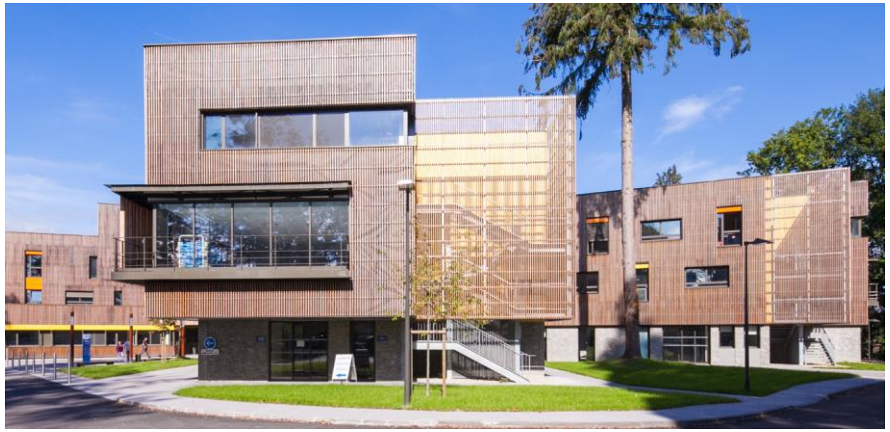
666

* CS: cruising speed

** Belgium & Poland

End-to-end control in the real estate chain

- **Choice not to own the buildings** used (unless there is a need for conversion and/or strong outsourcing constraints)
- **Priority to the operator's interests** for the care needs of residents and patients
- Setting the **standards to be met** for all establishments: **existing buildings to be renovated, extensions to be built or new buildings**.
- **All in-house expertise** (audit, study, land/urban planning, design, project management, architect, upkeep, maintenance, rental management, landlord relations, outsourcing arrangements, marketing: a team of 50 employees) **to control the entire value chain and reduce costs**, from specifications to the product delivered at cost price.



Glossary

A few terms you need to know

Glossary

WCR: Working Capital Requirement

Turnover: Sales

Capex: sustaining capital expenditure, excluding capital expenditure to develop new activities and real estate assets to be disposed of.

Free cash flow: see FCF

SUR: Surgery

Organic growth: Corresponds to the change in sales: 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 with the equivalent period in N-1 of facilities acquired in N-1.

CRT: Territorial Resource Center. The main aim is to support people's plans for living at home by providing assistance to elderly people, their families and/or professionals working in the home.

Net financial debt: Gross financial debt, excluding lease obligations as defined by IFRS16, plus property leasing commitments, less cash and cash equivalents and derivative assets and liabilities. and cash equivalents and derivative assets

Net financial debt from operations: Represents gross financial debt from operations, excluding rental obligations as defined by IFRS16, plus equity contributed to the property business, less cash and cash equivalents and derivative assets.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation): corresponds to operating profit before other operating income and expenses, depreciation, amortisation and provisions, after charges to and reversals of property inventory write-downs.

NH: Nursing home (Residential establishment for dependent elderly people)

Facilities at cruising speed: Property extended (if necessary) and refurbished to 100% of its authorised capacity / Human organisation and management methods in line with Group standards

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

FCF or Free Cash Flow: Cash flow from operating activities less sustaining capital expenditure and interest paid.

Glossary

Operating gearing: Ratio of net operating debt to adjusted operating equity. Adjusted operating equity represents consolidated operating equity, excluding IFRS16 impacts, plus operating deferred tax liabilities, excluding IFRS16 impacts, mainly related to the valuation of operating intangible assets.

HAH: Hospital At Home

Local hospitals: Working with health establishments to provide a graduated range of healthcare services in the regions, ensuring that healthcare pathways run smoothly: support for primary care professionals (doctors, nurses, physiotherapists, etc.), home care in conjunction with GPs, prevention, continuity of care, etc.

Financial leverage, Operating leverage: (Operating Net Debt / Operating EBITDA excluding IFRS16) measures the company's ability to repay its debt. It expresses how many years the company is able to repay its debt using its EBITDA.

MOC: Current Operating Margin

MS: Medical-Social

NEU-CP: Negotiable European Commercial Paper. formerly known as "Billets de Trésorerie

PSY: Psychiatric Clinic

Cruising Regime, CR: see "Cruising Regime establishments".

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

OIR: Current Operating Profit

OIR: Operating Profit

CSR: Corporate Social Responsibility

RC : Rehabilitation Care (Medical and rehabilitation care)

AAGR: Average Annual Growth Rate

TO: occupancy rate

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