



2024 First Half Results

August 6, 2024

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Agenda

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■ 02 Income Statement

■ 03 Cash Flow Statement

■ 04 Balance Sheet

■ 05 Outlook





Highlights of First Half

H1 results key highlights:

**Dynamic H1 Revenue
Increase in EBITDA excl. IFRS 16**

Positive developments in Germany, post 2023 margin squeeze

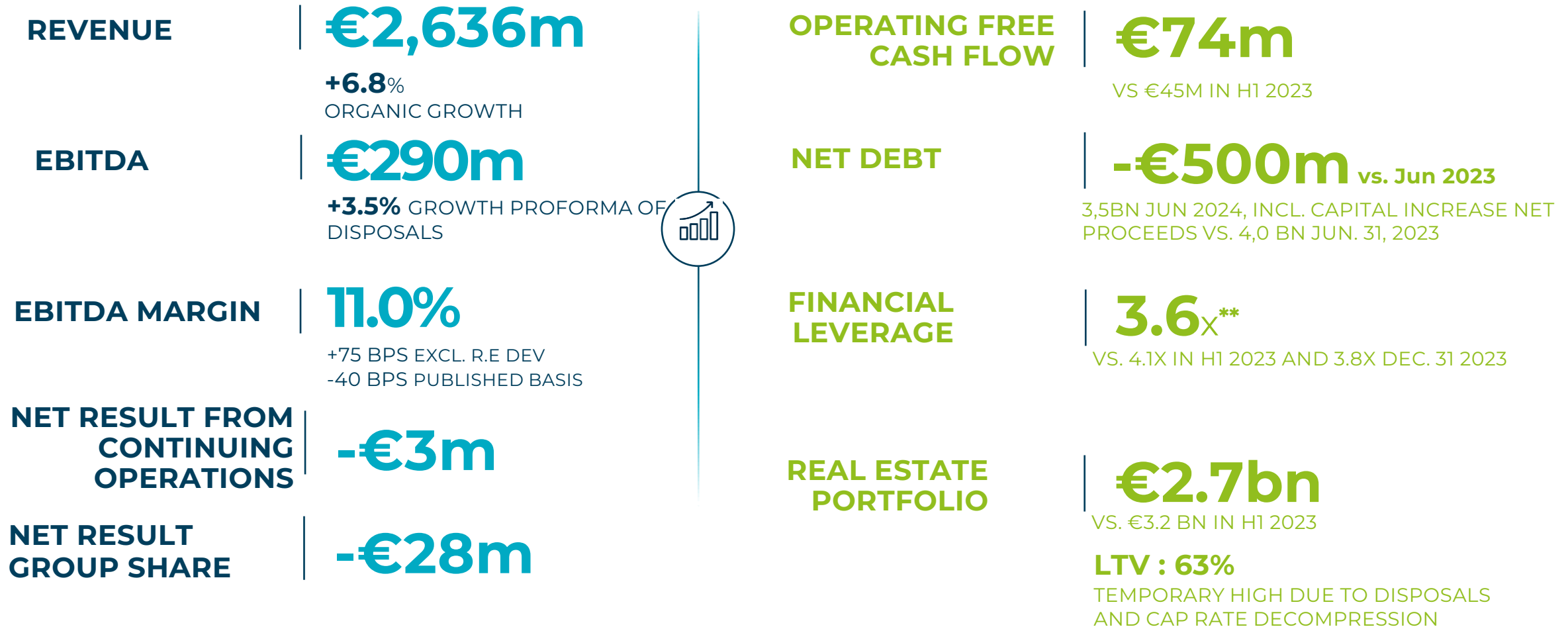
**Refinancing plan on track
Strengthened balance sheet**

2024 Outlook confirmed



H1 2024 KEY FIGURES*: a solid performance

Supported by a well-balanced portfolio of geographies and activities



*excl. IFRS16

** Incl. proceeds of the capital increase with maintenance of the preferential subscription right, finalized on July 5, 2024, for a net amount of €234m



ESG milestones achieved in H1 2024

SOCIAL

- **Clariane received Top Employer Europe 2024 certification from the Top Employers Institute**
 - Clariane is the first company in the health and medico-social sector to be certified at the level European
- **Signature with the European Society Committee (EC-SE) and the European Federation of Public Services (EPSU) of the European Charter regarding fundamental principles of social dialogue**
 - Clariane received the Social Innovation Prize in June 2024 for this initiative

MEDICAL CARE

- **Pilot partnership signed between Toulouse University Hospital and Petits-fils** : implementation of ICOPE (Integrated Care for Older People) prevention program of the WHO

ENVIRONMENTAL

- **SBTi : validation of the Group's greenhouse gas (GHG) reduction objectives in line with the Paris agreements**
 - These objectives apply to all emissions perimeters (Scopes 1 to 3) :
 - Reduction of its Scope 1 and 2 GHG emissions in absolute value by 46.2% in 2031 compared to 2021
 - Reduction of the Company's Scope 3 GHG emissions in absolute value linked to purchases of goods and services, waste and travel of its employees by 27.5% in 2031 compared to 2021
- **Management of this low-carbon trajectory has been entrusted to a Climate Committee**
 - Created in 2024 and bringing together the Group expert functions in charge of the main decarbonization levers

GOVERNANCE

- **The 1st report of the Mission Committee was finalized and published at the end of April 2024**
 - This report can be viewed on the Clariane website: <https://www.clariane.com/espace-investors/assemblees-generales#rapport-du-comite-de-mission-4388>



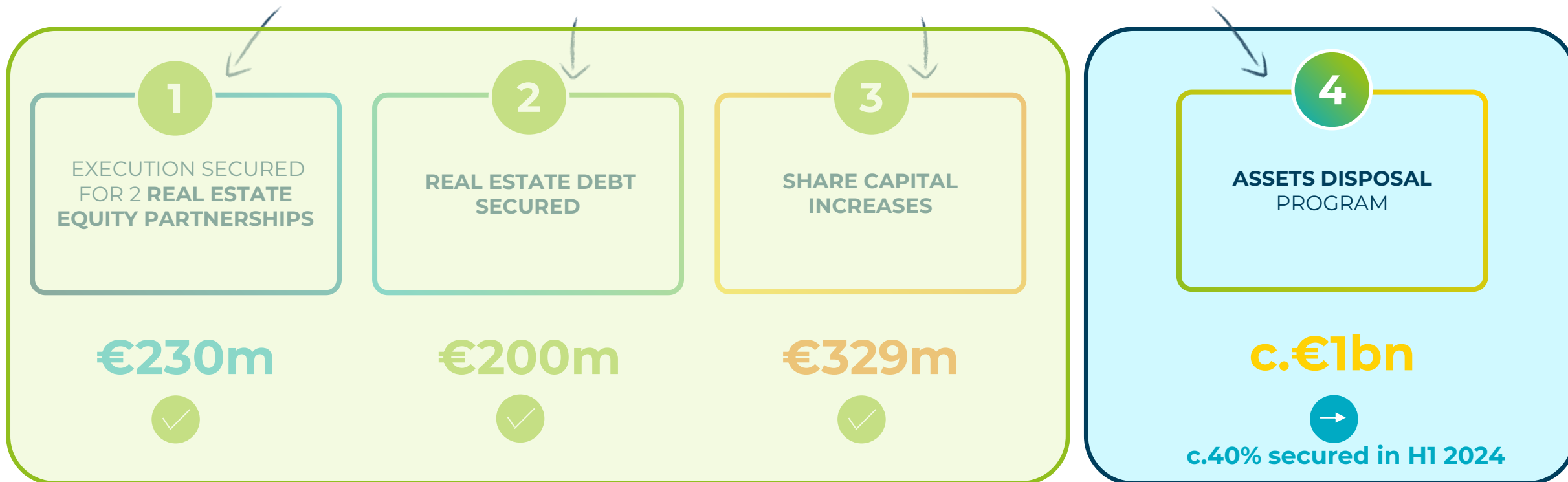
Group's financial structure strengthening plan on track

Announced on 14 November 2023

THE FOUR PARTS

of our financial structure strengthening to :

- Strengthen Clariane's liquidity and financial structure
- Enabling the Group to successfully pursue its mission in the new economic environment



Asset disposals program:

1bn of targeted disposals and partnerships by 2025, c.40% already committed

- **Adapted to the Group's strategy:**

- 4 key geographies
- 3 complementary segments : Long term Care, Specialty Care, Community Care

- **Ensure focus on scaled platforms to capture growth**

- **Ensure long term resilient business model**

- **Disposals approach: multiple approach and deleveraging impact**

- Disposals based on :
 - Satisfactory / attractive level of valuation
 - Deleveraging effect for the Group's balance sheet
- Multiple options:
 - Can be WholeCo, such as Berkeley Care
 - Can be Propco, such as Netherlands
 - Can be non-core activities, such as HAD in France

- **Focus on debt reduction and deleveraging**

- Ensure re-financing capabilities
- An opco leverage ratio below 3x end of 2025

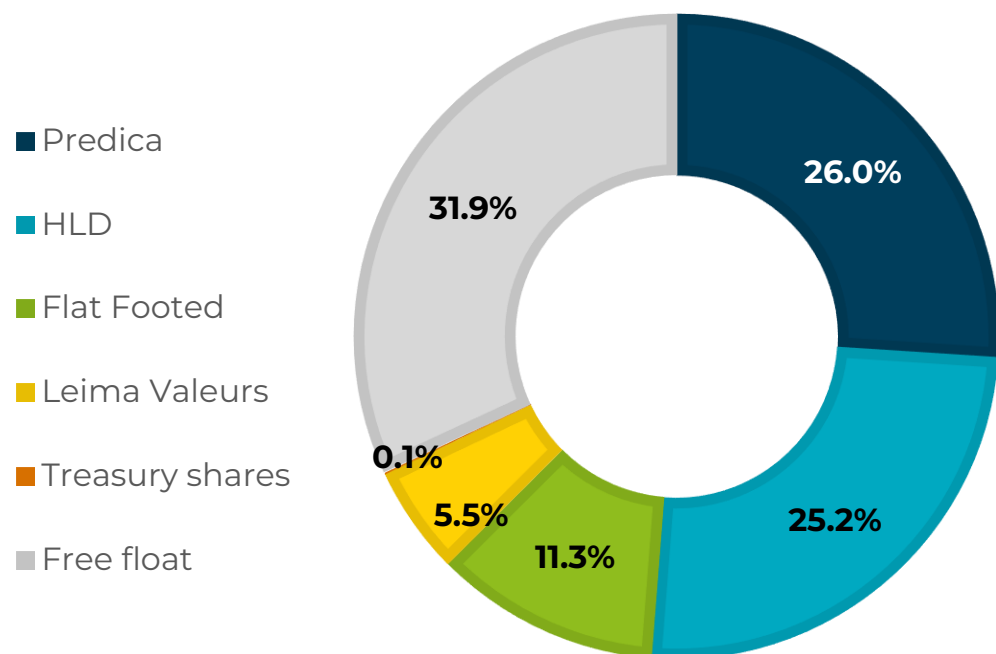
The Group is actively pursuing several options to complete its asset disposal program to ensure that it achieves its target of one billion in gross disposal proceeds by the end of 2025



Reinforced governance reflecting adjusted capital structure

Shareholding structure post capital increases

(3 July, 2024)
As % of share capital



Changes in the Board reflecting the new shareholding structure

Composition: 16 Directors including the Chairman and the Chief Executive Officer

INDEPENDENT DIRECTORS



EXECUTIVE CORPORATE DIRECTOR AND INSTITUTIONAL DIRECTORS



DIRECTORS REPRESENTING EMPLOYEES



● Investment Committee ● Compensation and Appointments Committee ● Audit Committee ● Ethics, Quality and CSR Committee

Strong support and commitment to the Company's corporate purpose, values and strategy

Mandate of **Sophie Boissard as Clariane's CEO renewed** for a period of **5 years as of Jan. 1st 2025**








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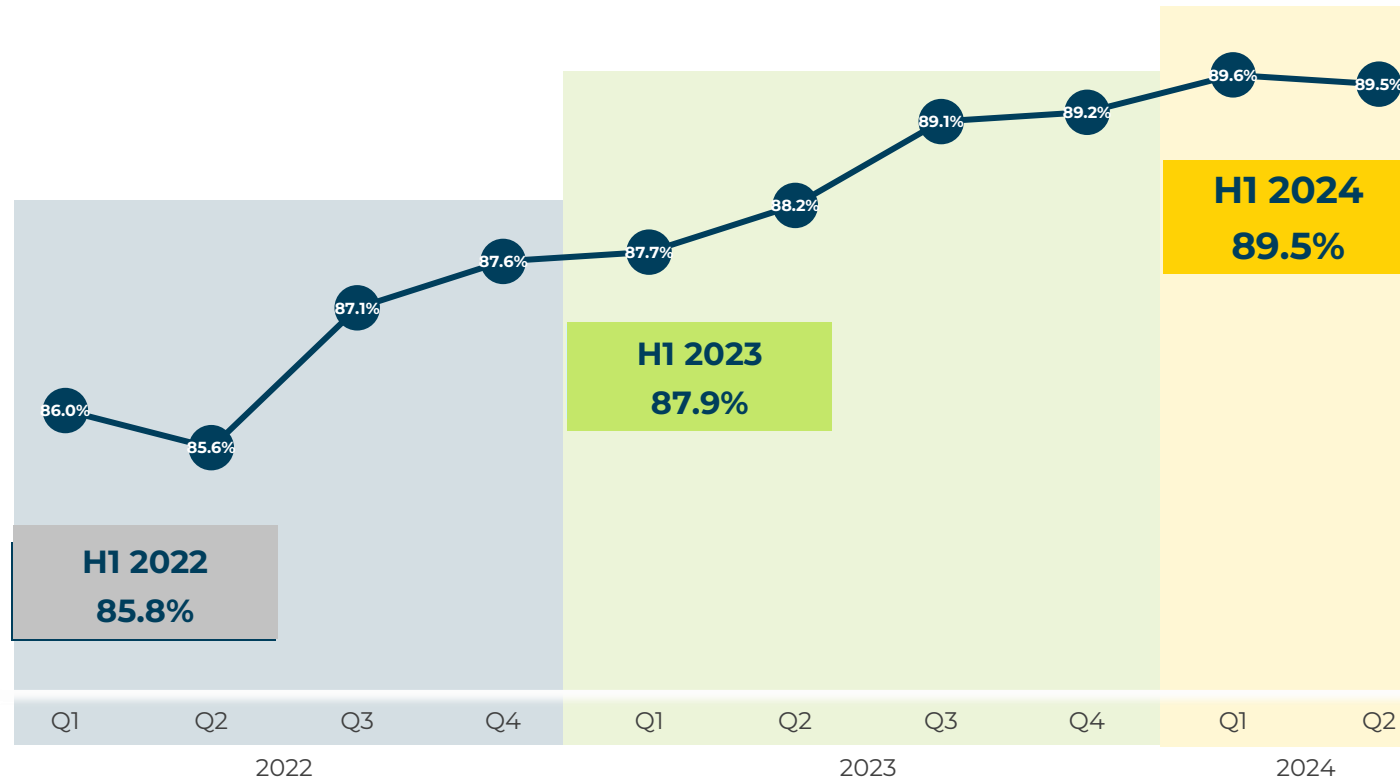
Income statement

Solid growth in all activities, thanks to a balanced portfolio

GROWTH BY ACTIVITY

		H1 2023 Revenue (€m)	H1 2024 Revenue (€m)	Share of revenue	Reported growth	Organic growth
Long Term Care		1,540	1,618	61%	+5.1%	+7.2%
Specialized care		659	680	26%	+3.3%	+3.5%
Community Care		287	338	13%	+17.8%	+12.6%
Total		2,485	2,636		+6.1%	+6.8%

Long Term Care : steady occupancy rate increases



- **H1 average occupancy rate @ 89.5%** : up 1.6 pts vs. H1 2023 (87.9%) with a solid increase in all geographies
- **June 30th, 2024, average occupancy rate @ 90.5%** : up 2.2 pts vs June 2023 (88.3%)

Further growth potential embedded on existing capacities



All geographies growing well

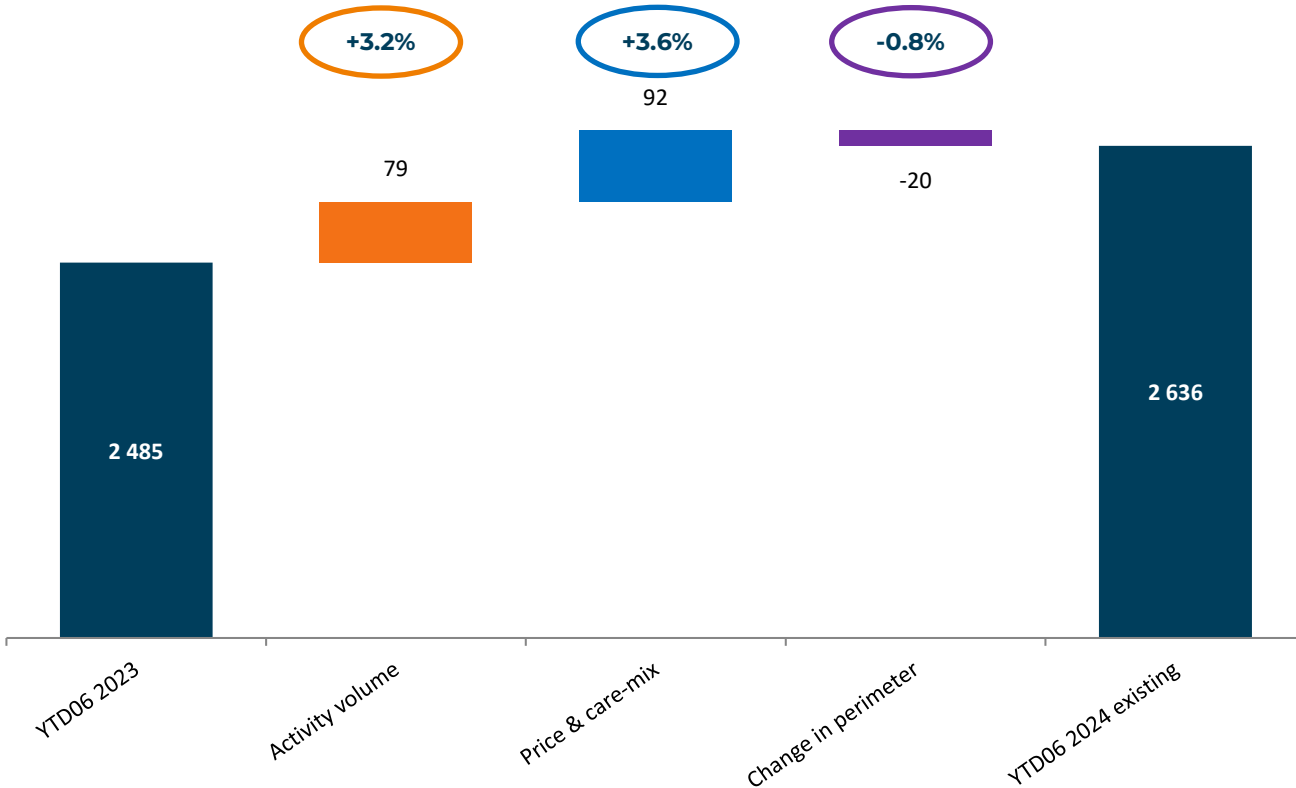
	H1 24 Reported growth	H1 24 Organic growth
France	+7.0%	+5.9%
Germany	+7.8%	+8.3%
Benelux	+4.8%	+7.2%
Italy	+2.7%	+3.6%
Spain, UK	+2.6%	+15.1%
Total	+6.1%	+6.8%



Bridge Revenue

+6.1% reported growth

+6.8% organic growth



Volume increase (net of financing)

Long-term care: +€42m from OR increase/greenfields, o/w +€14m in BNL, +€10m in Germany and +€8m in France

Medical care: +€17m from activity increase o/w +€9m Spain and +€9m in France

Community care: +€20m, o/w +€14m in France, +€3m in Spain and +€2m in Italy

Revenue

+€79m

Revenue growth

+3.2%

Price & care-mix

Long-term care: +€73m, mainly +€31m France, +€26m Germany and +€10m in BNL

Medical care: +€7m in France

Community care: +€11m in Germany

+€92m

+3.6%

Change in perimeter

Long-term care closings: -€20m (o/w -€16m from the UK)

-€20m

-0.8%



EBITDAR performance by geographies

	H1 24 growth (published)	H1 2023 Margin	H1 2024 Margin	Margin Variations
France	-2.7%	24.3%	22.1%	-220 bps +80 bps excl. RE dev.
Germany	+18.3%	18.0%	19.7%	+170bps
Benelux	+4.0%	21.5%	21.4%	-10 bps
Italy	+7.4%	20.8%	21.8%	+100 bps
Spain, UK	+9.3%	18.1%	19.2%	+110 bps
Total	+4.1%	21.7%	21.3%	-40 bps +88 bps excl. RE dev.

EBITDAR Margin:

- 21.3% vs. 21.7% H1 2023
- Margin up 88 bps excl. contribution from RE development activities supported by :
 - Activity growth
 - Tight grip on operating costs
 - Initial effects of the recovery in Germany

France :

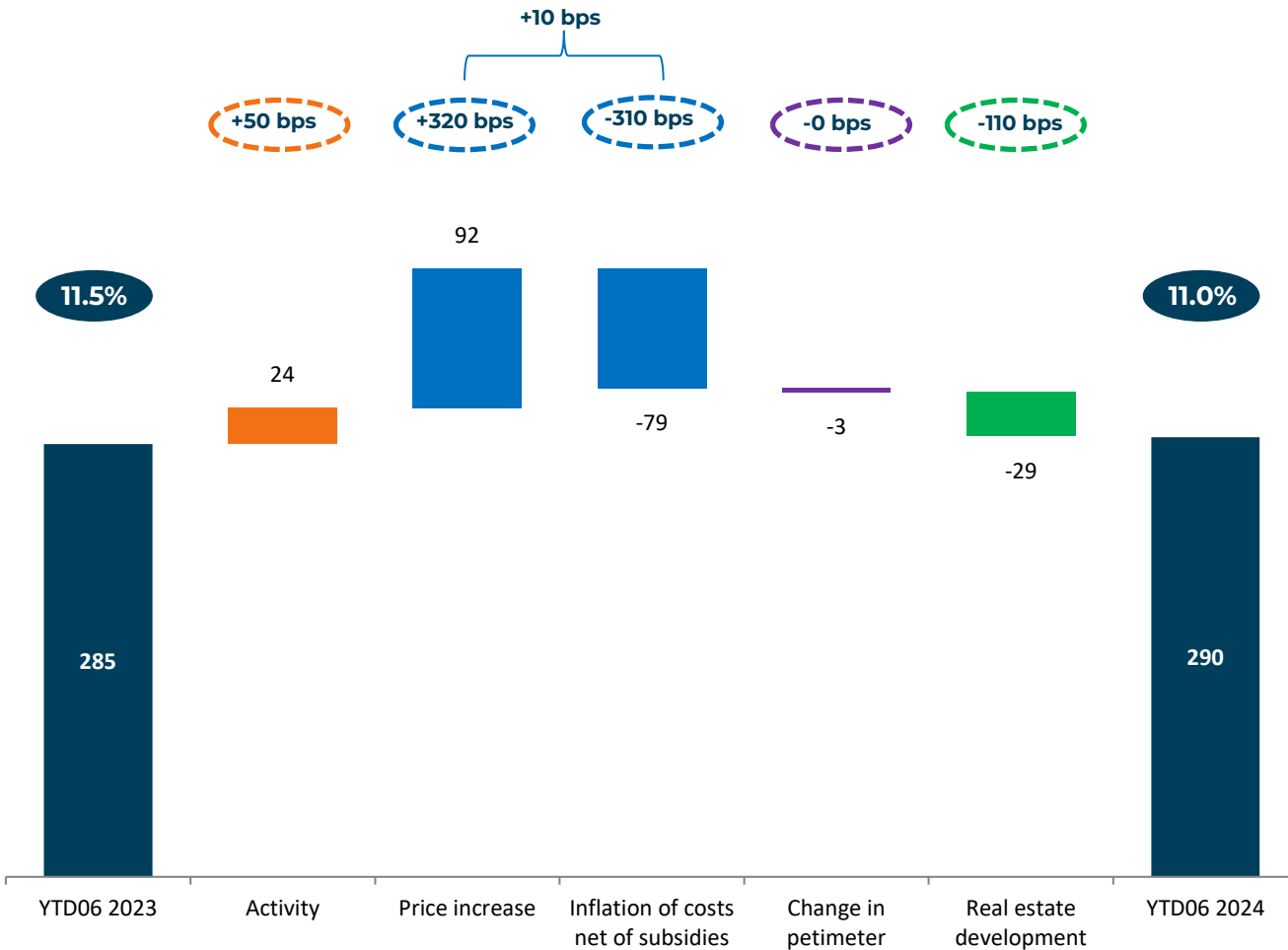
- Excl. Contribution from RE development activités in France, EBITDAR margin up +80 bps

Germany:

- EBITDAR up +18%, thanks to :
 - Increase in tarification
 - Occupancy rates
 - the first impacts of the efficiency plan



Bridge EBITDA



Volume increase

Long-term care: **+€22m**, o/w mainly +€9m from Germany, +€7m from Italy and +€5m from France

Medical care: **+€3m**, mainly from Germany (+M€ 4)

Community care: **-€1m**

EBITDA

+€24m

EBITDA margin

+50 bps

Price increase (net of costs inflation and financing)

Activity price: **+€92m** (o/w +€38m in France and +€37m in Germany)

Inflation of costs net of consumption reduction measures: **-€79m** o/w -€33m in Germany and -€23m in France

+€13m

+10 bps

Change in Scope

Mainly UK disposal **-€4m**

-€4m

-0 bps

Real estate development

-€29m

-110 bps



From Revenue to EBITDA

∨

€m (excluding IFRS 16)	H1 2023	H1 2024	Δ published %
Revenue	2,485	2,636	+6.1%
Staff costs	(1,520)	(1,577)	
<i>% of revenue</i>	61.2%	59.8%	
Other costs	(426)	(498)	
<i>% of revenue</i>	17.2%	18.9%	
EBITDAR	538	560	+4.0%
<i>% of revenue</i>	21.7%	21.3%	
External rents	(253)	(271)	
<i>% of revenue</i>	10.2%	10.3%	
EBITDA	285	290	+1.6%
<i>% of revenue</i>	11.5%	11.0%	

EBITDAR up by +€22m (+€27m excl. UK disposal)

- **Efficient revenue management** with pricing adjustment
- **Staff costs ratio down -140 bps** benefiting from steady occupancy recovery: 59.8% of revenue compared to 61.2% in H1 2023
- **Increase in other costs** : low contribution from real estate development activity

EBITDA up by +€5m (+€10m excl. UK disposal)

- **stable external rents** despite lower ownership rate: **active portfolio management**
- **Margin at 11%** (-50 bps), due to low RE contribution ; **excluding this effect, margin increases by +75bps**, reflecting solid operating performance



Group H1 2024 P&L



€m (excluding IFRS 16)	H1 2023	H1 2024
Revenue	2,485	2,636
EBITDAR	538	560
EBITDA	285	290
Depreciation & Amort & Prov.	(149)	(166)
EBIT	137	124
Non current expenses	(23)	(27)
Operating Income	114	98
Financial results	(63)	(96)
Net income before tax	50	2
Income tax	(11)	3
Income from Equity Method	0	(1)
Minority Interests	(7)	(8)
Net result from continuing operations	32	(3)
Net result from discontinued operations	(7)	(24)
Net result-Group Share	26	(28)

	Δ vs. H1 2023
Amortisation and depreciations	
Increase reflecting the high level of investments in previous years	-€17m
Non-current expenses : impact of the refinancing plan	
Increase in restructuring and reorganization costs	-€4m
Financial results :	
Mix between market rates increases and refinancing plan impacts	-€33m
TOTAL Δ vs H1 2023	-€54m

Income tax : +€3.4m in H1 2024, vs. -€11.0m in H1 2023

H1 2024 main impacts :

- Normative tax rate: +€10m
- Impairment of deferred tax assets in Germany: +€4m





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Cash flow statement

H1 2024 Cash Flow

		H1 2023	H1 2024
INVESTMENTS € (139)m vs € (375)m in H1 2023	Development capex	€(71)m	€(60)m
	M&A	€(143)m	€(37)m
	Real Estate	€(161)m	€(42)m
	Discontinued & Others	€(-37)m	€(49)m
FUNDING € 284m vs € 180m in 2023	Operating free cash flow	+€45m	+€74m
	Equity / Real Estate partnerships / Coupons	+€104m	€(26)m
	Divestments M&A & Real Estate	+€31m	+€236m
NET DEBT VARIATIONS		+€232m	€(95)m

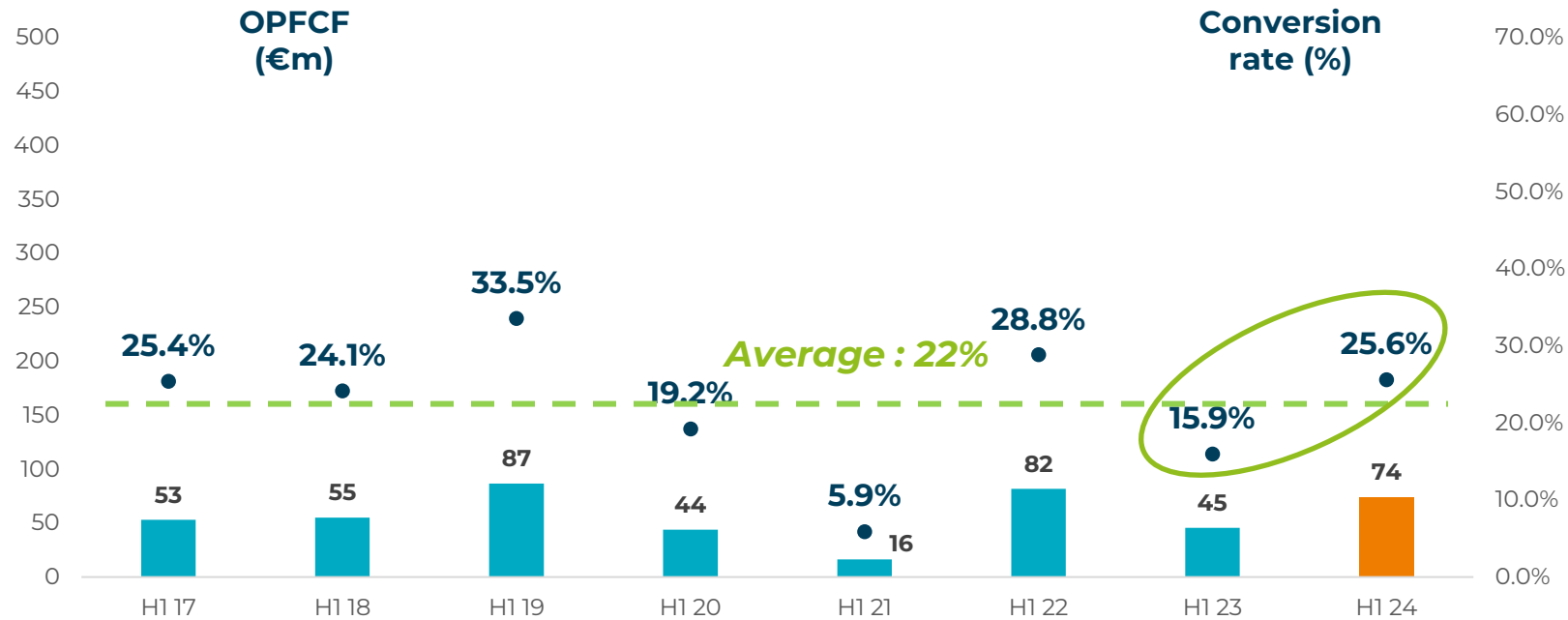
- **Development / Real Estate capex reduced by -63%** (€139m vs €375m in H1 2023)
- No significant M&A investments

- **Increase in Operating Free cash representing 26% of EBITDA** : back to normative level at mid year
- **Net Equity impact of -€26m in H1 2024**
 - Reserved Capital increase & coupons on hybrids of €73m (net)
 - Real Estate: Dividend and decrease in minority interests of -€99m
- H1 2024 : **decrease in net debt, after a strong increase in 2022 and a stabilisation in 2023**



Focus on operating Free Cash Flow : conversion rate

OPFCF AND CONVERSION RATE (OPFCF / EBITDA SINCE 2017)



- H1 2024 above H1 historical average of 22%
- Objective is to get back to c.40% on a full year basis as of 2024

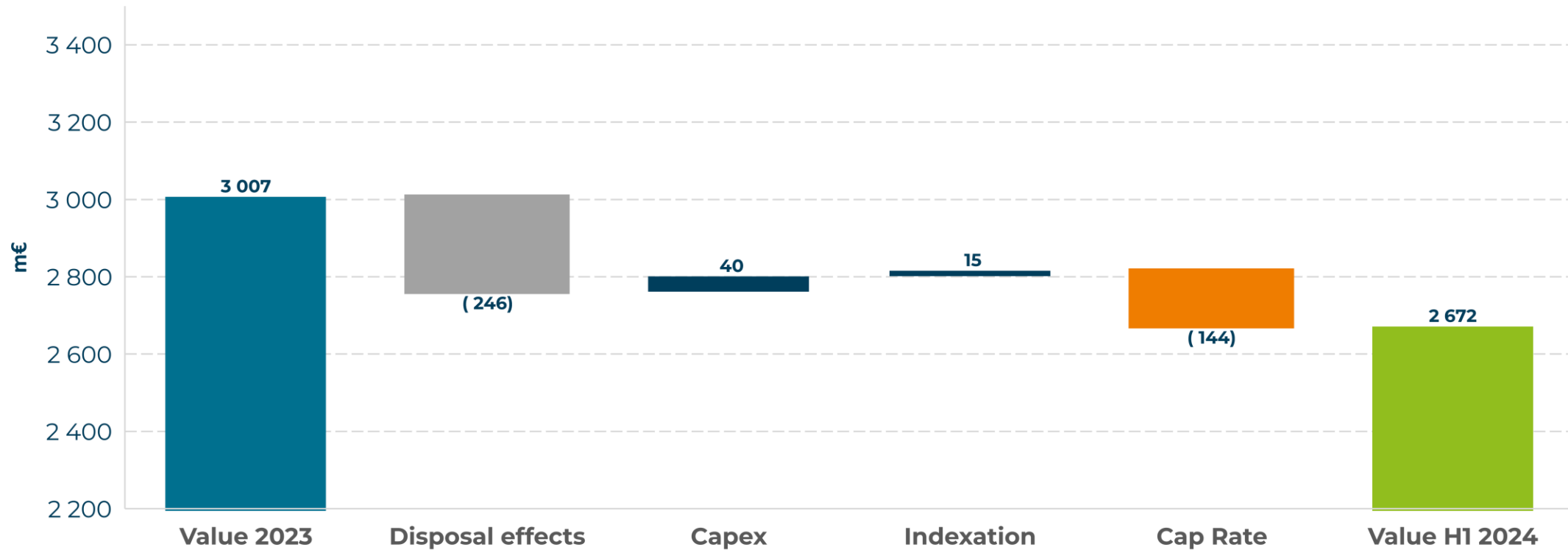




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Balance sheet

Bridge of the RE value between June 2024 and December 2023



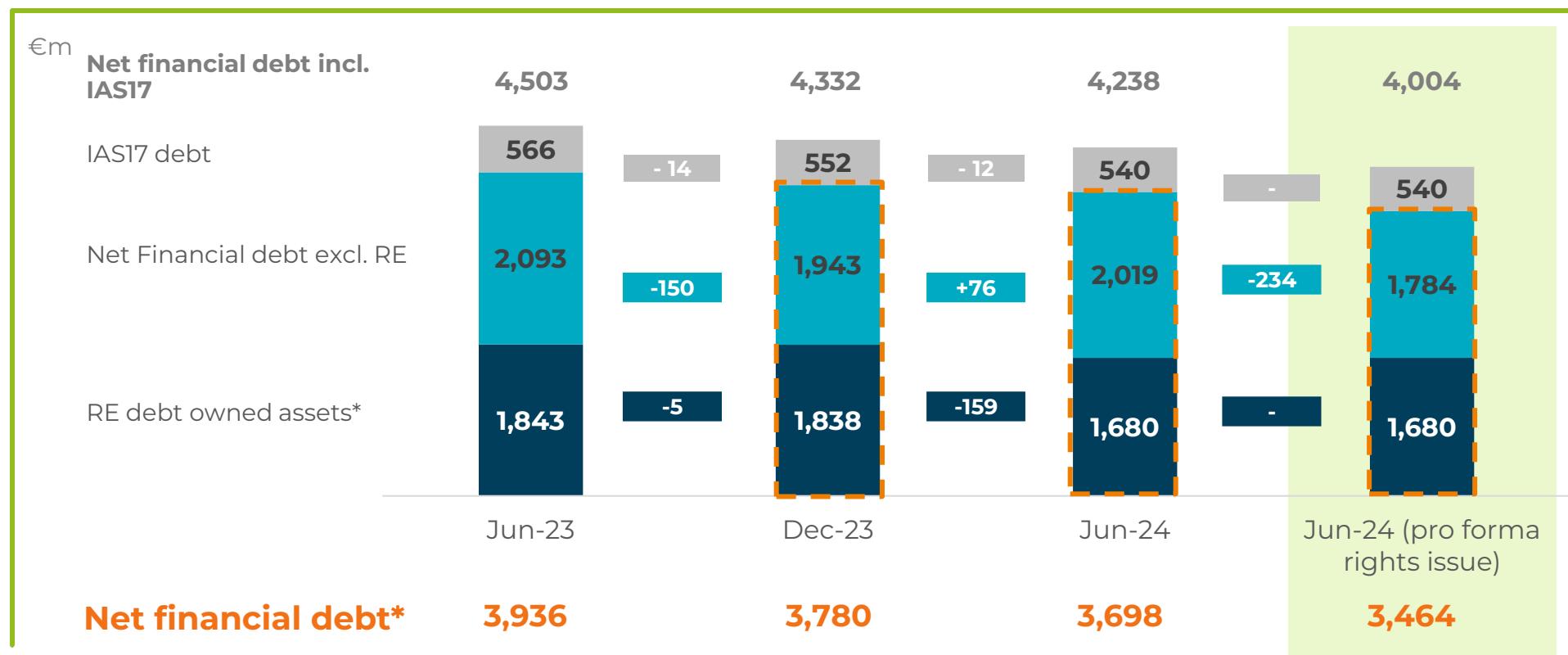
Decrease in Real Estate Portfolio value as June 30, 2024, of -€336m compared to December 31, 2023, due to:

- Disposal: c. -€246m, mainly coming from UK and Aedifica disposals
- Like-for-like impacts: c. -€129m:
 - Indexation for +€15m
 - Cap rate (6.3%) increase with an impact of -€144m
- Capex for +€40m

H1 2024 balance sheet structure

Overall reduction of Net Financial Debt by c. €300m* vs. Dec 2023

NET DEBT STRUCTURE



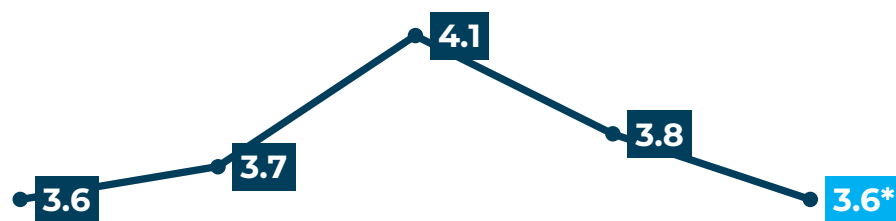
*Note:

- Debt net figures are net of receivables related to Foncières Ages & Vie, as calculated in the financial leverage formula (-€75m in June 2023, -€74m in December 2023 and -€72m in June 2024)
- Before these receivables, net financial debt in June 2023 is €4,012m, €3,854m in December 2023, €3,771m in June 2024 and 3,536m including the rights issue net proceeds

H1 2024 balance sheet structure

LEVERAGE RATIO (excluding real estate debt)

Covenant
4.5x

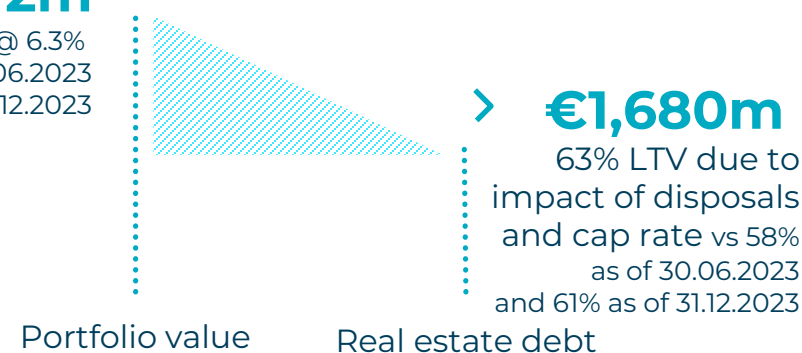


REAL ESTATE LOAN TO VALUE

€2,672m

Cap rate @ 6.3%
vs. 5.5% as of 30.06.2023
and 5.9% as of 31.12.2023

Covenant
65%



* Incl. proceeds of the capital increase with maintenance of the preferential subscription right, finalized on July 5, 2024, for a net amount of €234m

▪ Significant decrease of the Leverage ratio

- As agreed with the banks providing the syndicated facility, the financial leverage ratio calculation **includes the proceeds of the rights issue** completed on 5 July 2024, **the net amount of which was €234.4 million**

▪ Transitory increase of Real Estate LTV at 63%

- Reflects lower indebtedness of the 2 first portfolios sold in H1 (mix effect) and the mechanical effect of capitalization rates decompression
- To be progressively adjusted by 2025 to reach 55%, on the back of the Refinancing plan



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Outlook

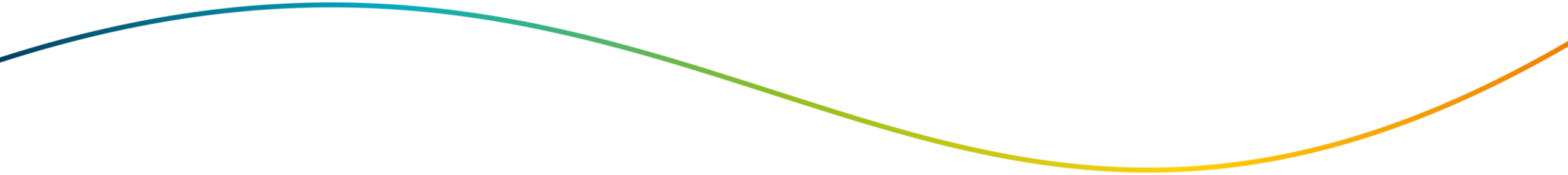
Outlook for 2024 and 2023-2026

	2024	2023-2026
ORGANIC REVENUE GROWTH	>5%	CAGR c.+5%
EBITDA Margin pre IFRS 16	At least stable in amount on a proforma basis	Margin up 100 bps to 150 bps in 2026
LEVERAGE pre IFRS 16	< x3 at end of 2025 LTV at 55%	
CSR	Maintain NPS of at least 40 Education: > 7,000 qualifying paths Reduce lost-time accident frequency rate by > 8% Implement a low-carbon energy trajectory validated by SBTi	Qualifying Path: above 7,000 NPS above 40 Frequency rate at 29 Deliver SBTi commitment on carbon trajectory

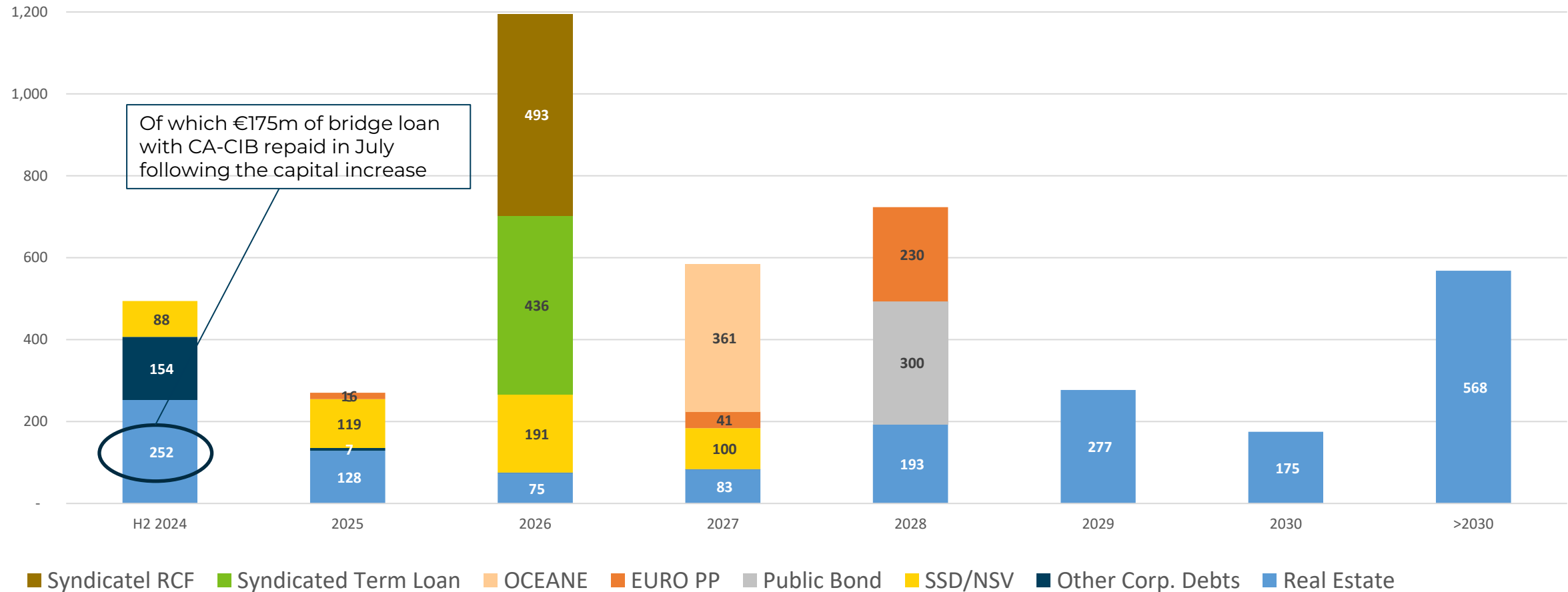


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THANK YOU



Update on the debt maturities



30/06/2024 CASH POSITION : €515m



Clariane: Network as of end of H1 2024*

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OF PATIENTS

566,000

OF FACILITIES

1,217

OF BEDS

90,000

Long-Term Care



669 care homes*
100,000 patients
61,600 beds
61% of H1 2024 revenue
Occupation rate @ **90.5%**
(H1 @ 89.5% in average)

Specialty Care



281 facilities
402,000 patients
14,300 beds
26% of 2023 revenue
>292,000
Outpatient care sessions

Community Care

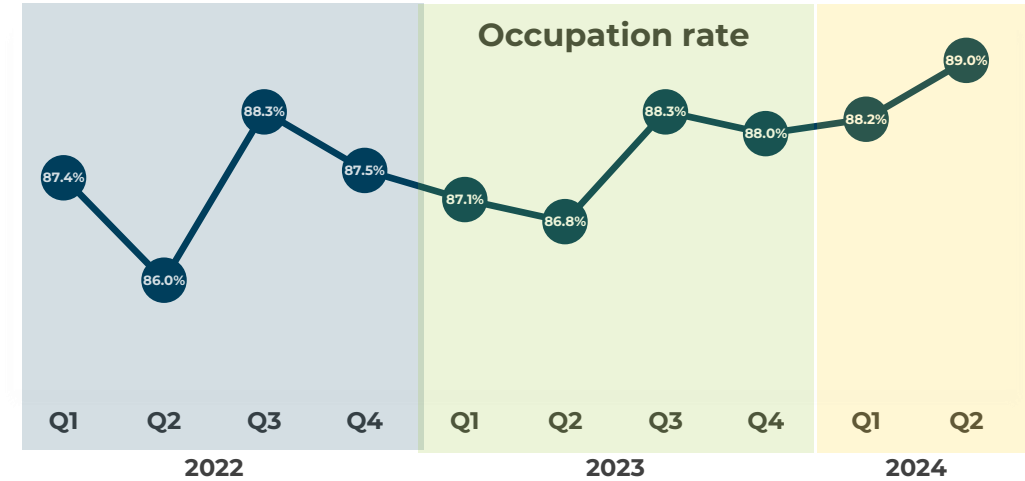


267 facilities
64,000 patients
14,800 beds
13% of 2024 revenue

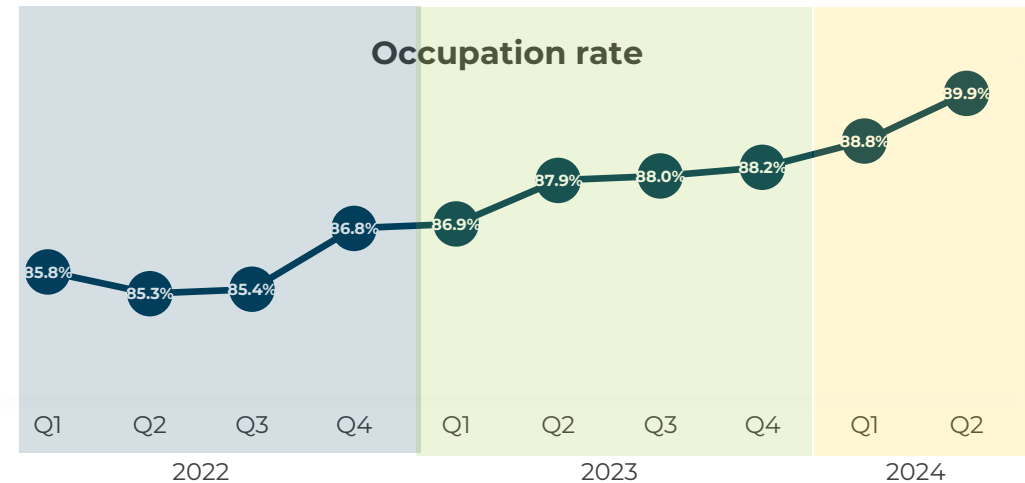
Performance by geographies : France & Germany



€m (excluding IFRS 16)	H1 2023	H1 2024	Variation (%)	
			Published	Organic
REVENUE	1,096	1,173	+7.0%	+5.9%
EBITDAR	267	260	-2.7%	
<i>EBITDAR margin</i>	24.3%	22.2%		



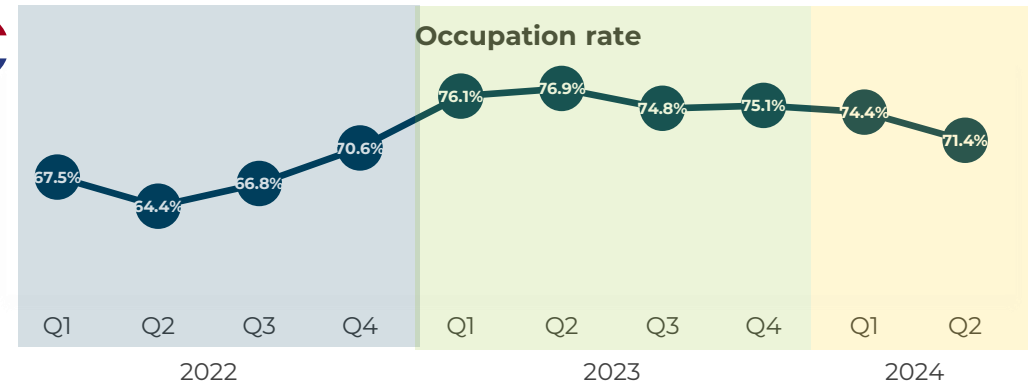
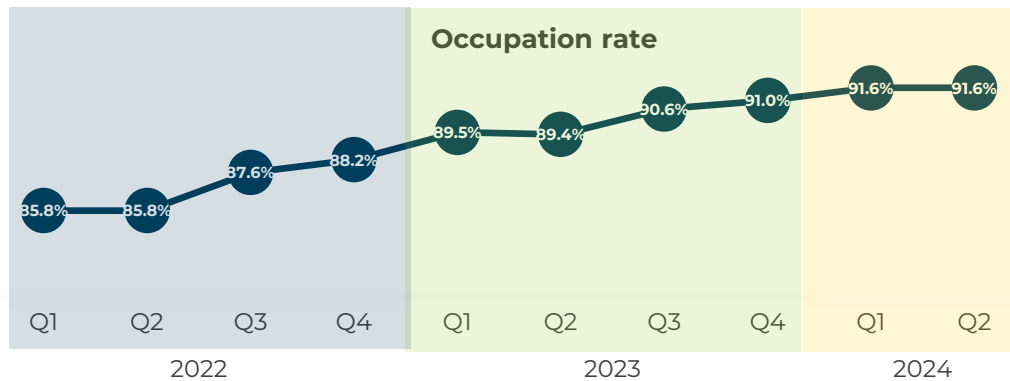
€m (excluding IFRS 16)	H1 2023	H1 2024	Variation (%)	
			Published	Organic
REVENUE	573	618	+7.8%	+8.3%
EBITDAR	103	122	+18.2%	
<i>EBITDAR margin</i>	18.0%	19.7%		



Performance by geographies : Belgium and Netherlands



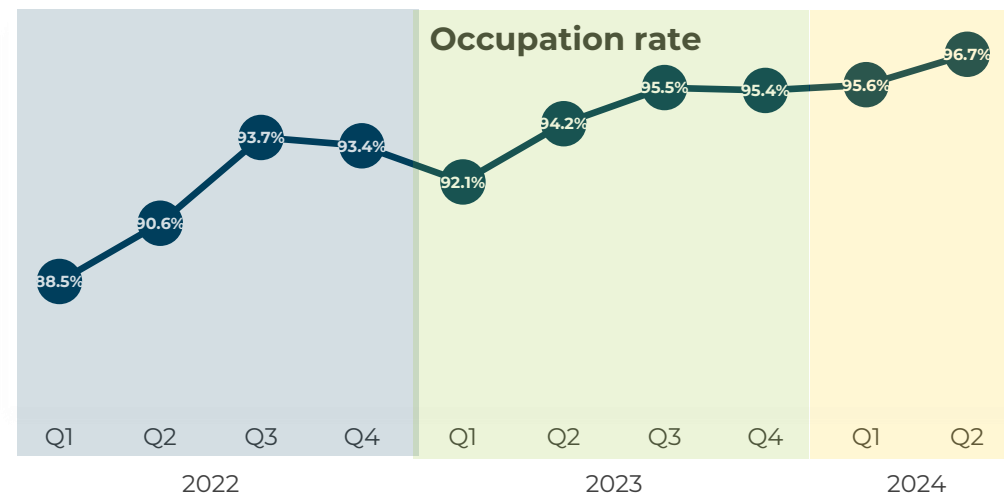
€m (excluding IFRS 16)	H1 2023	H1 2024	Variation (%)	
			Published	Organic
REVENUE	368	385	+4.8%	+7.2%
EBITDAR	79	83	+4.0%	
<i>EBITDAR margin</i>	21.5%	21.4%		



Performance by geographies : Italy & Spain



€m (excluding IFRS 16)	H1 2023	H1 2024	Variation (%)	
			Published	Organic
REVENUE	311	320	+2.7%	+3.6%
EBITDAR	65	70	+7.4%	
<i>EBITDAR margin</i>	20.8%	21.8%		



€m (excluding IFRS 16)	H1 2023	H1 2024	Variation (%)	
			Published	Organic
REVENUE	107	123	+14.8%	+13.9%
EBITDAR	18	23	+27.6%	
<i>EBITDAR margin</i>	16.9%	18.8%		

