

2023 results

- **2023 financial targets achieved:**
 - Organic **revenue** growth of **8.4%**
 - **EBITDA excluding IFRS 16** slightly higher at **€614 million**
 - **Leverage of 3.8x**, in line with revised targets, with a LTV at 61%
- **All 2023 ESG targets achieved or exceeded:** an NPS of +44 (up 8 points relative to 2022) and 12% of employees taking part in qualifying paths as part of their career development
- **Refinancing Plan** well underway:
 - **AMF exemption** granted to Predica
 - First tranche of **asset disposals** completed, raising **€268 million**, a quarter of the target under the disposal plan
- **Net income from continuing operations**, excluding IFRS 16 and asset impairment*, was **breakeven**. **The Group's share of net profit** was a **loss of €63m**.

The full 2023 financial statements* are presented in the appendix to this press release.

In millions of euros –	2022	2023	Reported growth	Organic growth
Revenue	4,534	5,047	+11.4%	+8.4%
EBITDAR excluding IFRS 16	1,091	1,127	+3.3%	
EBITDA excluding IFRS 16	607	614	+1.1%	
EBITDA including IFRS 16	1,003	1,021	+1.8%	
Net result from continuing operations excluding IFRS 16	67	-49		
Net result from continuing operations excluding IFRS 16 and excluding asset impairment**	67	2		
Net profit - Group share excluding IFRS 16	52	-63		
Operating free cash flow excluding IFRS 16	371	191		

* The consolidated audited financial statements for 2023 were approved by the Board of Directors at its meeting of 28th February 2024. The Statutory Auditors will be issuing a report with unconditional certification within the coming days. The consolidated financial statements were prepared in accordance with the IFRS 16 standard. For purposes of comparability, the financial information below is presented excluding the application of IFRS 16.

** Impairment related to asset disposals (United Kingdom and Netherlands) and other impairment (Italy and Spain) amounting to €60 million, net of tax (benefit of €9 million).

As the leverage ratio was greater than 3.5x at 31 December 2023, **the Group will not pay a dividend** in respect of 2023, in accordance with the clauses of the unsecured syndicated loan agreement.

Sophie Boissard, CEO of Clariane, said:

“In 2023, we once again delivered strong operational performance in market conditions that were made more difficult by persistent inflation and, in Germany, by delays in implementing the new regulatory framework, which adversely affected our margins. Against

this backdrop, all our businesses and all our geographical regions are nonetheless enjoying positive momentum in terms of volumes and prices. I would like to highlight the outstanding dedication shown by the 70,000 professionals who make up the Clariane community, who cared for around 900,000 patients and residents in 2023 in our facilities and in their homes, and whose efforts are acknowledged by constantly increasing quality indicators. We exceeded all of our ESG targets, which were defined in 2019 and increased as part of the process of adopting purpose-driven company status, and particularly our main targets regarding quality, training and recruitment, skills development and the occupational health and safety of our staff members.

In financial terms, access to funding became much tougher as a result of industry conditions and, combined with higher interest rates, this led the Group in November 2023 to embark on a plan to strengthen its financial position by raising €1.5 billion. The first two parts of that plan – forming two real-estate partnerships and securing real-estate credit facilities – were completed by the end of 2023. The Group is now focused on carrying out a €300 million capital increase, which will be put to shareholders in the 26 March 2024 general meeting of shareholders, and on completing asset disposals, with two initial transaction, announced today, involving all of our UK business for a total amount of €268 million, representing a quarter of the amount we intend to raise from disposals. The plan – made possible in particular by the support of our main shareholder Crédit Agricole Assurances, which I would like to thank for its long-term commitment to the Group – should enable us to bring our gearing below 3x by the end of 2025 and get back on track in terms of delivering ongoing growth and creating value for our stakeholders.

2024 will be an important transitional year for the Group, in which we will focus more than ever on the quality and performance of our operations, as well as on the completion of our Refinancing Plan. The dedication of our staff members and good momentum in our various business segments and geographies mean that we can look ahead to the coming year with confidence."



Disclaimer

This press release does not constitute, and shall not be deemed to constitute, an offer to the public or an offer to buy or the solicitation of public interest in an offer to the public, nor shall there be any sale of securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful absent registration or approval under the securities laws of such state or jurisdiction. The distribution of this document may be subject to specific restrictions in certain countries. Persons in possession of this document are required to inform themselves of and to observe any such local restrictions.

A prospectus relating to the capital increase will be submitted by Clariane S.E. to the Autorité des marchés financiers for approval prior to the effective launch of the capital increase.

All forward-looking statements included in this document speak only as of the date of this press release. Clariane S.E. undertakes no obligation and assumes no responsibility to update the information contained herein beyond what is required by applicable regulations.

In this press release, unless otherwise indicated, all changes are expressed on a year-on-year basis (2023/2022), and at constant scope and exchange rates.

The main alternative performance indicators (APIs), such as EBITDA, EBIT, net debt and financial leverage, are defined in the Universal Registration Document available on the company's website at www.clariane.com.

1 - 2023 financial performance: key elements

1.1 - Group income statement

1.1.1 - Analysis of revenue on a reported basis and at constant scope and exchange rates

At the end of the year, the network consisted of 1,327 facilities as opposed to 1,195 in 2022, representing almost 92,000 beds versus around 88,000 in 2022. In 2023, the Group's 70,000 healthcare professionals cared for around 900,000 residents and patients in the seven European countries in which it operates.

Reported revenue growth was supported by:

- Growth in business volumes, which had a net positive impact of €134 million (higher occupancy rate in mature facilities, additional capacity coming onstream), with €171 million of additional revenue more than offsetting non-recurrence of compensation income, which had a negative impact of €38 million relative to 2022;
- Price increases had a positive impact of €243 million, particularly in France, Germany and Belgium;
- Changes in scope had a net positive impact of €137 million resulting mainly from the addition of Grupo 5 in Spain, partly offset by disposals (Germany and France) and closures of facilities and networks, particularly in Belgium (Brussels) and Germany;

The **Long-Term Care** business, which accounted for 61.7% of the Group's business activity in 2023 as opposed to 64% in 2022, generated **revenue** of €3,116 million, up from €2,922 million in the previous year, representing reported growth of 6.7% and organic growth of 8.0%.

That growth came from price increases in response to cost inflation, particularly in Germany, France and Belgium, and from a further rise in the occupancy rate, which averaged 88.5% as opposed to 86.6% in 2022 due to a gradual return to normal operating conditions post-Covid and a ramp-up in newly introduced capacity. In December 2023, the occupancy rate in this segment was 89.4%.

The **Healthcare** business generated €1,305 million of revenue in 2023, 25.9% of the Group total, equating to reported growth of 17.4% and organic growth of 6.4%. In France (under the Inicea brand), Italy and Spain, the Group's Healthcare facilities cared for more than 700,000 patients during the period.

Growth was driven in particular by the developments in the following areas:

- Medical and rehabilitation care: new technical platforms came into service and new areas of specialist care were developed, particularly in oncology and neurology.
- Mental health: the integration of Grupo 5 in Spain strengthened the Group's position in the mental health sector.

Revenue from outpatient activities (consultations and partial hospitalisation) rose by more than 25% (11% on an organic basis).

Revenue in the **Community Care** business, whose brands include Petits-fils and Ages & Vie, amounted to €626 million in 2023, representing 12.4% of the Group total and growth of 25.3% or 15.4% on an organic basis. Over the period as a whole, almost 80,000 patients used Clariane's services in this segment.

Performance was driven by:

- Ongoing development of the shared housing offering, with 38 new Ages & Vie residences;
- Further strong growth in the homecare network, with 20 new Petits-fils branches.



1.1.2 - EBITDAR and EBITDA

EBITDAR excluding IFRS16 was €1,127 million in 2023, as opposed to €1,091 million in 2022, representing reported growth of 3.3%.

EBITDA excluding IFRS16 amounted to €614 million as opposed to €607 million in 2022, equating to reported growth of 1.1%. This performance reflects resilient margins, achieved despite ongoing high inflation in 2023, in all regions except Germany where margins fell significantly due to particularly tough sector conditions and delays implementing the new pricing framework intended to compensate for inflation.

The increase in EBITDA resulted from the positive impact of:

- higher business levels (+€68 million);
- higher prices (+€243 million);
- the net impact of changes in scope (+€9 million).

These positive effects more than offset the negative impact of:

- a decrease in compensation payments for loss of business (-€38 million);
- cost inflation, net of subsidies (-€269 million);
- a decrease in the contribution of real-estate activities (-€7 million).

As a result, EBITDA margin was 12.2% in 2023, as opposed to 13.4% in 2022.

Two thirds of the decrease in EBITDA margin resulted from the specific situation in Germany.

1.1.3 - Net result from continuing operations excluding IFRS 16

The Group made a €49 million net loss from continuing operations in 2023, as opposed to net income of €67 million in 2022.

The €116 million decrease was mainly due to the following factors:

- a €15 million increase in depreciation, amortisation and provisions from €292 million in 2022 to €307 million in 2023, arising particularly from the opening of new facilities;
- a €12 million increase in financial expense from €144 million in 2022 to €156 million in 2023, although the impact of higher interest rates was partly offset by the positive effect of unwinding the Group's hedging positions;
- An €89 million increase in non-recurring expense from €76 million in 2022 to €165 million in 2023, of which €60 million was due to provisions for impairment on assets in the process of being sold (mainly in the United Kingdom and the Netherlands), along with around €30 million of restructuring and reorganisation costs in Germany and Belgium.

Adjusted for impairment on asset disposals in the United Kingdom and the Netherlands and other impairment (Italy and Spain) in a total amount of €60 million, or €51 million net of tax (benefit of €9 million), the Group made a **net result from continuing operations, excluding IFRS 16 and asset impairment, of €2 million in 2023 as opposed to net result of €67 million in 2022.**

Finally, the Group made a **net loss - Group share** of -€63 million in 2023, as opposed to net profit of €52 million in 2022.

1.2 - Performance by geographical zone

1.2.1 - France

In millions of euros	2022	2023	Reported growth	Organic growth
Revenue	2,081	2,243	+7.8%	+6.7%
EBITDAR excl. IFRS 16	545	557	+2.3%	
<i>EBITDAR margin</i>	26.2%	24.8%		

Revenue remained firm in France throughout the period, rising by 6.7% on an organic basis.

- Revenue in the **Long-Term Care** segment included the impact of revised pricing against a backdrop of high inflation, as well as an increase in volumes with the average occupancy rate continuing to rise to 88.1% in December 2023 as opposed to 87.3% in December 2022 based on the network of operational facilities. As a result, revenue rose by 5.0% on an organic basis.
- The **Healthcare** segment achieved organic revenue growth of 7.4%. Each of the sub-segments – homecare, mental health and medical and rehabilitation care – achieved significant growth over the period as a whole. Outpatient and partial hospitalisation activities are now offered in all facilities and made a good contribution in 2023.
- Finally, the **Community Care** segment achieved strong growth in 2023 (31.4% on an organic basis), driven by robust demand for services such as those offered by Ages & Vie and Petits-fils.

This resulted in Group **EBITDAR** of €557 million in 2023, up from €545 million in 2022. At a time of high cost inflation, which was only partly offset by higher prices, and a decrease in the contribution of real-estate activities, EBITDAR margin fell 140 basis points in 2023 relative to 2022.

1.2.2 - Germany

In millions of euros	2022	2023	Reported growth	Organic growth
Revenue	1,082	1,166	+7.8%	+10.4%
EBITDAR excl. IFRS 16	254	220	-13.2%	
<i>EBITDAR margin</i>	23.5%	18.9%		

Revenue in Germany rose sharply in 2023, driven mainly by significant price increases negotiated in 2022 with local authorities following large pay rises for staff in September 2022. It should be noted that reported figures include the impact caused by the sale of 18 nursing homes, completed in the first half of 2022, and the closure of six facilities and two home care centres in 2022.

Looking at individual business segments:

- The **Long-Term Care** segment posted organic growth of 9.8%, supported by price rises and an occupancy rate that rose from 87.0% at end-December 2022 to 87.9% in December 2023.
- Revenue in the **Community Care** segment grew by 11.6% on an organic basis.

Against a backdrop of particularly high inflation and a 12% adjustment of the pay scale applicable within the sector in 2023, price increases approved during the year were not enough to offset the rise in costs because of a significant increase in the time taken for

price-setting authorities to issue instructions. At the end of the year, almost 35% of the facilities operated by the Group had not yet had their requested price increases for 2023 approved.

This time lag between the impact of inflation and price increases should be gradually eliminated in 2024 and 2025 by new pricing measures currently being negotiated.

As a result, **EBITDAR** in Germany amounted to €220 million in 2023, as opposed to €254 million in 2022, pushing down EBITDAR margin by 460 basis points.

In the circumstances, the Group is continuing to refocus its network in Germany: in 2023 and 2024 combined, it will stop operating 11 loss-making facilities, which will help to restore profitability.

1.2.3 - Benelux

In millions of euros	2022	2023	Reported growth	Organic growth
Revenue	667	748	+12.1%	+12.0%
EBITDAR excl. IFRS 16	142	167	+17.9%	
<i>EBITDAR margin</i>	21.3%	22.4%		

Growth remained strong in the Benelux region, with **revenue** rising by 12.0% on an organic basis in the year as a whole.

In Belgium, revenue totalled €617 million, up 9.4% on an organic basis. EBITDAR amounted to €139 million, representing reported growth of 13.1%.

- Revenue in the **Long-Term Care** segment rose by 9.2% on an organic basis. This was supported by the increase in the occupancy rate, which rose to 90.2% over the period as a whole (91.4% in December 2023) as opposed to 86.9% in 2022, and by steady price increases, which fully offset the effect of inflation.
- The **Community Care** segment, meanwhile, achieved organic growth of 13.5%.

In the Netherlands, revenue was €131 million, up 25.7% on an organic basis. EBITDAR totalled €28 million, representing reported growth of 49.0%.

The Group's three Dutch business segments achieved firm growth throughout the period.

- **Long-Term Care** revenue rose by 20.5%, supported by an improvement in the occupancy rate to 75.4% over the period as a whole (75.0% in December 2023) versus 67.3% in 2022. This reflects the rapid ramp-up of recently completed greenfield facilities in favourable market conditions.
- Revenue in the **Healthcare** segment, which still accounts for less than 3% of the total in the Netherlands, grew by 15.9% on an organic basis.
- The **Community Care** segment – which accounts for around 14% of the Group's revenue in the Netherlands – achieved organic revenue growth of 72.3%.

As a result, and taking into account the limited impact of inflation on costs, **EBITDAR** totalled €167 million in this region in 2023, as opposed to €142 million in 2022, and EBITDAR margin increased by 110 basis points.

1.2.4 - Italy

In millions of euros	2022	2023	Reported growth	Organic growth
Revenue	559	609	+9.0%	+6.3%
EBITDAR excl. IFRS 16	117	129	+10.4%	
<i>EBITDAR margin</i>	21.0%	21.2%		

Growth in the Italian market remained robust, with revenue rising by 6.3% on an organic basis. Adding in acquisitions made in 2022, reported growth was 9.0% in 2023.

- **Long-Term Care** revenue rose by 8.2%, supported by a high occupancy rate of 94.4% over the period as a whole (95.1% in December 2023) versus 91.7% in 2022.
- The **Healthcare** segment posted organic revenue growth of 3.8% in 2023, supported by improvements in the follow-up care, mental health and outpatient businesses.
- The **Community Care** segment – which accounts for around 7% of the Group's revenue in Italy – achieved organic revenue growth of 9.8%.

As a result, and taking into account the limited impact of inflation on costs, **EBITDAR** totalled €129 million in this region in 2023, as opposed to €117 million in 2022, while EBITDAR margin increased by 20 basis points.

1.2.5 - Spain/UK

In millions of euros	2022	2023	Reported growth	Organic growth
Revenue	145	281	+94.6%	+9.6%
EBITDAR excl. IFRS 16	33	52	+59.2%	
<i>EBITDAR margin</i>	22.7%	18.7%		

The region as a whole posted solid revenue growth of 9.6% on an organic basis, supported by price rises and the ramp-up of the UK business. Reported revenue surged by 94.6%, mainly due to the Grupo 5 acquisition in Spain.

In Spain, revenue totalled €218 million, up 6.0% on an organic basis. EBITDAR amounted to €37 million, representing reported growth of 84.4%.

- Revenue in the **Long-Term Care** segment – which accounts for around 20% of revenue in Spain – rose by 10.0% on an organic basis. This was supported by an occupancy rate of 84.8% (87.3% in December 2023) versus 82.5% in 2022, and by a slight increase in prices.
- **Healthcare** revenue grew 3.0% on an organic basis and 207.1% as reported due to the acquisition of Grupo 5.
- The **Community Care** segment – which accounts for less than 2% of the Group's revenue in Spain – achieved rapid organic growth of 9.9%.

In the United Kingdom, revenue totalled €63 million, up 17.2% on an organic basis. EBITDAR amounted to €16 million, representing reported growth of 20.5%.

This performance resulted from price rises and the ramp-up of facilities, with an occupancy rate of 84.1% in 2023 (85.2% in December 2023) versus 82.9% in 2022.

In the region as a whole, **EBITDAR** totalled €52 million in 2023 as opposed to €33 million in 2022. The change in the business mix resulting from the integration of Grupo 5 caused

EBITDAR margin to fall by 400 basis points. However, after taking into account rental expenses, the integration of Grupo 5 has had a positive impact on margins.

2 - 2023 cash flows

In millions of euros, excluding IFRS 16	2022	2023
EBITDA	607	614
Operating cash flow	517	288
Operating free cash flow	371	191
<i>Development and financial investments</i>	-372	-315
<i>Dividends paid</i>	-26	-24
<i>Real-estate investments or divestments</i>	-460	-218
<i>Real-estate partnerships and capital increase</i>	45	306
<i>Other</i>	-51	-1
Change in net debt (including IAS 17)	-492	-61

The change in operating free cash flow relative to 2022 was driven equally by:

- An increase in the working capital requirement, resulting particularly from lengthy delays in payments from paying organisations in Germany because of the new pricing schedule;
- A sharp reduction in cash flow from real-estate activities in France, which made a particularly large contribution in 2022, because of the investment cycle.

Net debt increased by €61 million in 2023, after a €492 million increase in 2022. This improved performance resulted from:

- A decrease in investment from €372 million in 2022 to €315 million in 2023, comprising €154 million of investment related to programmes initiated in recent periods and €161 million of net financial investments, mainly resulting from the acquisition of Grupo 5;
- dividend payments amounting to €24 million, stable relative to 2022;
- net real-estate investments totalling €218 million, much lower than the 2022 figure of €460 million;
- €306 million of equity funding from real-estate partnerships, up from €45 million in 2022;
- other items representing a negative impact of €1 million, as opposed to €51 million in 2022.

3 - Real-estate portfolio

The updated valuation of Clariane's real-estate portfolio was calculated on the basis of a 5.94% capitalisation rate (vs. 5.4% in December 2022), reflecting a general deterioration in the real-estate market in countries where the Group operates.

On that basis, the Group's real-estate portfolio had a value of €3,007 million at 31 December 2023, as opposed to €3,152 million at 31 December 2022 (adjusted for the value of the Ages & Vie portfolio due to deconsolidation on 30 June 2023).

This change has no impact on the valuation of assets in the Group's financial statements, which are recognised at historical cost except for recently acquired assets.

However, the change affects the LTV¹ ratio, as explained below.

4 - Balance sheet at 31 December 2023

The Group's net debt increased from €3,775 million at 31 December 2022 to €3,780 million at 31 December 2023.

The increase reflects:

- borrowings and gross debt of €4,532 million at 31 December 2023 as opposed to €4,508 million at 31 December 2022;
- a cash position of €678 million at 31 December 2023 versus €734 million at 31 December 2022.

Real-estate debt amounted to €1,838 million at 31 December 2023. With its real-estate portfolio valued at €3,007 million, this represents a **Loan to Value (LTV) of 61%** as opposed to 55% at 31 December 2022. The Group points out that its syndicated loan agreement includes an LTV covenant of 65%.

On that basis, the Group's **gearing**, as defined in the syndicated facility agreement announced on 25 July 2023, **was 3.8x** at 31 December 2023, in line with the target announced on 24 October 2023. Under the terms of its syndicated loan agreement, the Group's covenant on the leverage ratio will be progressively lowered to 4.5x in June 2024, 4.25x in December 2024, 4.0x in June 2025 and 3.75x in December 2025, as previously communicated.

On 3 November 2023, the Group drew down the full amount of its RCF credit facility, i.e. around €500m, for a period of six months. Renewal, scheduled for 3 May 2024, is subject to compliance with a minimum cash covenant of €300m.

Lastly, as of the date of this press release, the Group has repaid approximately €80m of its total €372m debt maturing in 2024, excluding factoring.

5 - Update on the Refinancing Plan

The refinancing plan announced on 14 November 2023 was put in place to deal with the liquidity difficulties presented on that occasion and reiterated in the press release of 8 February 2024. These risks are described in the notes to the 2023 financial statements, which will be available on the www.clariane.com website in the course of next week.

¹ Loan to Value = property debt / value of property portfolio

As part of the Refinancing Plan announced on 14 November 2023, the Company completed its **first two stages** in December 2023:

- Formation of the Gingko real-estate partnership, raising €140 million (see press release of 15 December 2023) followed by the Juniper real-estate partnership, raising €90 million (see press release of 28 December 2023);
- Arrangement of a €200 million real-estate-backed bridge term loan with Crédit Agricole Mutuel de Paris et d'Île de France (CADIF), LCL and Crédit Agricole Corporate and Investment Bank (CACIB) (see press release of 28 December 2023). The proceeds from the bridge term loan were used to repay real-estate-backed loans maturing in the first quarter of 2024 in an amount of €190 million. As well as the usual early redemption clauses, the bridge loan will have to be redeemed early if the planned capital increase is abandoned, unless the Company proposes an alternative plan to raise at least €300 million through equity or quasi-equity funding or funding of a similar nature.

As regards the **capital increase**, the process is continuing. In particular, the AMF has granted Predica, a subsidiary of the Crédit Agricole Assurances Group and Clariane's largest shareholder, exemption from the requirement to file a draft tender offer (in the event that Predica crosses the 30% threshold as a result of the capital increase) based on Articles 234-8, 234-9(2) and 234-10 of the AMF's General Regulation (AMF decision no. 224C0227 of 8 February 2024).

Crédit Agricole Assurances, which holds 24.7% of the share capital and voting rights via Predica, has undertaken to subscribe, subject to the fulfilment of the Pre-Conditions (as outlined below) and the market standard conditions for this type of transaction, (i) on an irreducible basis for the amount of its proportionate share in the share capital by exercising all the preferential subscription rights it will receive and (ii) on a reducible basis for a total combined cash subscription amount equal to the difference between 200 million euros and the total amount of its subscription on an irreducible basis;

The Company has also received expressions of interest from banks to underwrite, subject to conditions precedent, the balance of the Capital Increase, i.e. up to a maximum of €100 million.

The capital increase will take place subject to shareholders in the extraordinary general meeting of shareholders approving resolutions that allow the transaction to take place, and remains subject to the following **Conditions Precedent**:

- Authorisation from the relevant competition authorities for Crédit Agricole Assurances' possible acquisition of control over Clariane in the event that Crédit Agricole Assurances' subscription to the Capital Increase leads to such an acquisition of control;
- An amendment to the terms and conditions of the OCEANE bonds maturing in 2027 (0.875% – FR0013489739) in order to exclude early redemption provisions in the event that Crédit Agricole Assurances acquires control over Clariane through the Capital Increase;
- Submission by the independent appraiser appointed by the Company's Board of Directors of a fairness opinion confirming the fairness of the terms and conditions of the Capital Increase and the related agreements, including underwriting commitments;
- Approval of the prospectus for the Capital Increase by the AMF.

It should be noted that the Capital Increase will provide for shareholders' preferential subscription rights to be maintained so that shareholders can subscribe to it in order to maintain their stake while taking advantage of the discount. Otherwise, shareholders who do not wish to exercise their preferential subscription rights will be subject to significant dilution, which may be offset in whole or in part by the sale of their preferential subscription rights.

The Company points out that the Capital Increase is an essential condition of its Refinancing Plan and that if it is not carried out, the Company would be obliged to place itself under appropriate protection in order to renegotiate its debt with its creditors.

As part of the planned capital increase, shareholders of Clariane (the “Company”) are informed that a **combined general meeting of shareholders** (hereinafter the “General Meeting”) will take place at 2 pm CET on Tuesday 26 March 2024 to deliberate on the following agenda and draft resolutions (all information relating to this General Meeting is available on the www.clariane.com website):

Extraordinary business

1. Authorisation to carry out a reduction in the share capital not for the purpose of absorbing losses by reducing the par value of shares, and allocation of the amount of the reduction to an issue premium account not available for distribution.
2. Delegation of authority to the Board of Directors to issue ordinary shares in the Company, outside of a public offer period, with shareholders’ preferential subscription rights maintained, duration of the delegation of authority, maximum par value of the capital increase, ability to offer non-subscribed shares to the public.
3. Delegation of authority to the Board of Directors to issue ordinary shares in the Company and/or securities conferring access to the Company’s share capital, immediately or in the future, with shareholders’ preferential subscription rights withheld in favour of members of a Company or Group savings plan, duration of the delegation of authority, maximum par value of the capital increase, issue price, possibility of awarding shares free of charge under Article L. 3332-18 of the French Labour Code.
4. Delegation of authority to the Board of Directors to issue ordinary shares in the Company and/or securities conferring access to the Company’s share capital, immediately or in the future, with shareholders’ preferential subscription rights withheld, reserved for certain categories of beneficiaries for the purpose of an employee share ownership transaction, duration of the delegation of authority, maximum par value of the capital increase, issue price.
5. Delegation of authority to the Board of Directors to increase the share capital by capitalising reserves, earnings, premiums or other funds outside of a public offer period, duration of the delegation of authority, maximum par value of the capital increase, treatment of fractional shares.

Ordinary business

6. Ratification of Matthieu Lance’s co-option as director.
7. Approval of regulated agreements and undertakings governed by L. 225-38 and following of the French Commercial Code².
8. Powers to carry out formalities.

Pursuant to French corporate law, the issuance of new shares must be carried out at a price per share equal to or higher than the par value. The current €5 par value per share would restrict the ability of the Company to issue new shares at a price lower than €5 per share. The reduction in the share capital envisaged in the first resolution is purposed to reduce the par value of the Company shares from €5 per share down to €0.01, in order to provide some flexibility to the Company to carry out the planned capital increase as part of its Refinancing Plan at a price to be determined in view of the prevailing market conditions at the time of the launch of the planned capital increase. This reduction in the share capital of the Company will not result in any distribution to shareholders and the number of shares composing the share capital will not be affected by this reduction.

The delegation of authority to the Board of Directors to increase the share capital envisaged in the second resolution is purposed to authorize the Board of Directors to issue a maximum of 30,000,000,000 new shares at a par value of €0.01 (to be compared to a maximum number of 107,143,553 shares outstanding after completion of the reduction in the share capital). The minimum issuance price is the €0.01 par value, but the actual issuance price will be determined by the Board of Directors in view of market conditions to reflect a discount to

² These regulated agreements correspond to the agreements entered into with members of the Crédit Agricole Group in connection with the Refinancing Plan, including notably the Memorandum of Understanding of 13 November 2023 as amended on 28 February 2024.

the stock's theoretical ex-right price (TERP) and may thus include a premium in addition to par value. The gross amount (proceeds) of the capital increase will be equal to the number of shares effectively issued multiplied by the issuance price, being reminded that the Refinancing Plan envisages that the capital increase's gross proceeds will be of 300 million euros.

Predica (subject to details outlined in the paragraph below) and Malakoff Humanis have indicated their intention to vote in favour of all the proposed resolutions at this Combined General Meeting.

In addition, Predica has undertaken, as part of the exemption granted by the AMF, to cap its voting rights at the extraordinary general meeting called to vote on the second resolution relating to the capital increase at 1/3 of the voting rights of the shareholders present or represented. Predica will also not vote the 7th resolution relating to regulated agreements.

As regards the **asset disposal programme**, intended in particular to refocus the Group's business geographically and to raise **around €1 billion** of gross disposal proceeds, the Group has so far sold:

- its 50% stake in a real-estate portfolio in the Netherlands to its partner Aedifica for a total agreed sale value of around €25 million;
- All of its business activities and assets in the United Kingdom, via an OpCo/PropCo deal, to Elevation Healthcare Property, a UK real-estate investment fund specialising in retirement homes and healthcare facilities and managed by Elevation Advisors LLP, resulting in gross disposal proceeds of £207 million (around €243 million). It should be noted that the assets sold were part of the "Juniper" real estate partnership signed with Predica (press release dated 28 December 2023). Details of this transaction, and in particular the proceeds from the sale, are described in the press release relating to this sale, published on 28 February 2024. It should be noted that the net proceeds from the disposal of this business will contribute to the repayment of approximately €150 million of the Group's outstanding debt, but will not have a significant impact on leverage.

These assets are presented in the financial statements as assets held for sale (in accordance with IFRS 5) at 31 December 2023.

With the sale of its business in the United Kingdom and six real-estate assets in the Netherlands announced on 5 February 2024, **the Group has already completed, in the space of two months, over a quarter of the asset disposal programme**. It is actively pursuing that programme and several deals are in the pipeline, particularly in Benelux.

6 - ESG and social performance

The Group delivered a strong ESG performance in 2023, having achieved or exceeded most targets set in 2019 as part of its first 2019-2023 ESG roadmap, which it raised further in 2023 when it adopted purpose-driven company status and setting up of a Mission committee.

- As regards the care it provides to residents and patients, the Group rolled out its Positive Care approach (non-pharmacological interventions and related training) across all long-term care nursing homes that have been part of the Group for more than two years (as opposed to 72% in 2019).
- As regards implementing consistent quality standards across all of its networks, in 2023 the Group completed the ISO 9001 certification programme it had begun in 2020: 100% of facilities that were part of the Group's scope in 2019 had ISO 9001 certification from independent third-party organisations (e.g. AFNOR Certification in France, DNV in Italy and Spain, DEKRA in Germany) at the end of the year as opposed to 8% in 2019.
- As regards employee health and safety, accident frequency rate was significantly reduced to 37, as opposed to 52 in 2019.

- As regards skills development, 7,274 staff members took part in qualifying path courses as part of their training in 2023, i.e. almost 12% of the Group's workforce as opposed to 4% in 2019.
- Team stability improved, with an average length of service of 7.5 years in 2023 as opposed to 6.7 years in 2019.
- The residents, patients and families NPS, measured by an independent third-party organisation based on the responses of more than 93,000 people, was +44, up 8 points relative to 2022, with increases in all of our business areas and 10 points more than the scores achieved by the Group's main peers in the same geographies as measured by the same independent third-party organisation.

During the period, the Group also continued to work on the quality of its dialogue with residents and families and with the company's mission committee which met 3 times in 2023:

- Mediation arrangements in place in all countries in which the Group operates;
- Stakeholder Councils in place in five countries and in the process of being set up in Spain and the United Kingdom;
- Forum for dialogue with residents, patients and families in 97% of sites (Social Life Committee and User Relations Commission in France, equivalent forums in other countries).

As regards the environment:

In 2023, the Group achieved significant results in terms of reducing its environmental impact by continuing to adjust its practices and refurbish its properties in order to emit less greenhouse gas and consume fewer resources. Carbon intensity fell by 36% between 2019 and 2023. It confirmed its commitment to the environment by submitting targets for reducing carbon emissions aligned with the Paris Agreements to the Science-Based Targets initiative (SBTi).

- The improvement in its facilities' energy efficiency is contributing to the Group's trajectory for reducing scope 1 and 2 carbon emissions, in line with the targets submitted to the SBTi:
- Energy consumption (kWh) down 14% relative to 2021;
- Energy intensity (kWh/m²) down 16% relative to 2021;
- Significant reduction in residual waste generated by our business activities (down 16% relative to 2019) due to improved waste sorting in our facilities and the introduction of new waste collection and recovery methods in certain countries (e.g. biowaste recovery in France);
- 100% of real-estate plans approved by the Investment Committee complying with HQE standards or equivalent.

In early 2024, Clariane received Top Employer Europe 2024 certification from the Top Employers Institute, making it the first group in the healthcare and medico-social sector to receive it at the European level. This certification recognises the Clariane group's commitment to its employees' working conditions and career development. Five of the Clariane group's countries also obtained Top Employer certification. In Germany, Clariane obtained certification for the fourth consecutive year, in France for the third consecutive year, in Belgium and Italy for the second consecutive year and in the United Kingdom for the first time.

NB: Data indicated above are preliminary. CSR audits are being finalized, definitive results could be adjusted accordingly.

7 - Outlook for 2024

In 2024, the Group will continue to focus on the balanced development of its performance and on maintaining a high level of quality in all its activities, in line with its corporate project "At your side".

In this respect, Clariane expects organic revenue growth to continue at a level above +5%, supported by a steady increase in business volumes and the continuation of price adjustments.

Given the expected absence of a contribution from real-estate development activities in 2024, EBITDA excluding IFRS 16 on a pro forma basis of expected disposals should remain stable in value.

In terms of non-financial indicators, and adjusted for the impact of the business disposals, the Group has set itself the target of maintaining the net promotion score of its peers, maintaining the number of employees taking part in qualifying path courses at more than 10% of the workforce, in line with the commitments of its mission, reducing the frequency of work-related accidents with lost time by at least an additional -5%, and implementing the SBTi decarbonisation trajectory on energies.

In line with the refinancing plan presented on 14 November, the Group has made improving cash flow generation and controlling debt levels its top priorities. In terms of investment, the Group will maintain its maintenance spending at a normative level, which should be around €100 million. Growth investments are expected to average around €200 million in 2024 and 2025, much less than in 2023.

Finally, the Group is aiming to reduce its gearing to below 3.0x and its LTV to 55% by the end of 2025. The speed with which the Group reduces its debt and gearing in 2024 will be closely related to pace at which the Refinancing Plan announced on 14 November 2023 is implemented, through the €1 billion disposal programme and the completion of the planned capital increase.

As the leverage ratio at 31 December 2023 was above 3.5x, the Group will not pay a dividend in respect of 2023, in accordance with the terms of the unsecured syndicated loan agreement.

Finally, the Group will present its medium-term plan to the market on 15 May 2024.

8 - In relation to the present press release, the Group will hold:

- A SFAF analysts' meeting on at 9 am CET on 29 February 2024;

A conference call in English. You can take part in the conference call by

- o calling one of the following numbers:
 - Paris: +33 (0)1 70 37 71 66
 - UK: +44 (0)33 0551 0200
 - US: +1 786 697 3501
- o You can watch the live webcast [here](#).

A playback of the conference call will be available [here](#).

The presentation used in the conference call will be available on Clariane's website (www.clariane.com) from 9 am CET.



9 - Forthcoming events

- Extraordinary general meeting of shareholders: 26 March 2024
- Publication of first-quarter 2024 revenue: 25 April 2024 after the Euronext Paris market close

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About Clariane

Clariane is the leading European community for care in times of vulnerability. It has operations in seven countries: Belgium, France, Germany, Italy, the Netherlands, Spain and the United Kingdom.

Relying on their diverse expertise, each year the Group's 67,000 professionals provide services to over 800,000 patients and residents in three main areas of activity: long-term care nursing home (Korian, Seniors Residencias, Berkley, etc.), healthcare facilities and services (Inicea, Ita, Grupo 5, Lebenswert, etc.), and alternative living solutions (Petits-fils, Les essentiels, Ages et Vie, etc.).

In June 2023, Clariane became a purpose-driven company and added to its bylaws a new corporate purpose, common to all its activities: "To take care of each person's humanity in times of vulnerability".

Clariane has been listed on Euronext Paris Section A since November 2006 and is included in the following indices: SBF 120, CAC Health Care, CAC Mid 60, CAC Mid & Small and MSCI Global Small Cap

Euronext ticker: CLARI.PA - ISIN: FR0010386334

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Appendices – 2023 consolidated financial statements

Profit and loss statement

M€	FY 2023 Incl. IFRS 16	IFRS 16 ad- justments	FY 2023 Excl. IFRS 16	FY 2022 Excl. IFRS 16	Δ
Revenue	5 047.5	-	5 047.5	4 534.1	513.4
<i>Growth%</i>	11.4%	-	11.4%	5.6%	+580 bps
Staff costs	(3 023.0)	-	(3 023.0)	(2 718.5)	(304.5)
<i>% of revenue</i>	59.9%	-	59.9%	60.0%	-10 bps
Other costs	(928.9)	31.1	(897.7)	(724.9)	(172.8)
<i>% of revenue</i>	18.4%	-	17.8%	16.0%	+180 bps
EBITDAR	1 095.7	31.1	1 126.8	1 090.7	36.1
<i>% of revenue</i>	21.7%	-	22.3%	24.1%	-180 bps
External rents	(74.4)	(438.8)	(513.2)	(483.5)	(29.7)
<i>% of revenue</i>	1.5%	-	10.2%	10.7%	-50 bps
EBITDA	1 021.2	(407.6)	613.6	607.1	6.5
<i>% of revenue</i>	20.2%	-	12.2%	13.4%	-120 bps
Amortisation & Depreciations	(661.9)	388.0	(274.0)	(251.6)	(22.4)
Provisions	(31.2)	(1.9)	(33.1)	(40.2)	7.1
EBIT	328.1	(21.6)	306.5	315.3	(8.9)
<i>% of revenue</i>	6.5%	-	6.1%	7.0%	-90 bps
Non current expenses	(164.9)	-	(164.9)	(75.8)	(89.1)
Operating income	163.2	(21.6)	141.6	239.5	(97.9)
<i>% of revenue</i>	3.2%	-	2.8%	5.3%	-250 bps
Financial result	(239.3)	83.1	(156.2)	(144.2)	(12.0)
Net income before tax	(76.2)	61.6	(14.6)	95.4	(109.9)
Income tax	2.6	(11.6)	(9.0)	(18.4)	9.4
<i>Tax rate</i>	3.4%	18.8%	(61.8%)	19.3%	-8110 bps
Income from equity method	(6.7)	(7.0)	(13.7)	(0.8)	(12.9)
Minority Interests	(12.2)	-	(12.2)	(9.3)	(2.8)
Net result from continuing operations	(92.4)	43.0	(49.4)	66.9	(116.3)
Net result from discontinued operations	(12.8)	(1.0)	(13.8)	(14.8)	1.0
Net profit - Group share	(105.2)	42.0	(63.3)	52.0	(115.3)
<i>% of revenue</i>	(2.1%)	-	(1.3%)	1.1%	-240 bps

Cash flow statement

€m	FY 2023	IFRS 16 im- pact	FY 2023	FY2022
	<i>Incl. IFRS 16</i>		<i>Excl. IFRS 16</i>	<i>Excl. IFRS 16</i>
EBITDA	1,021	408	614	607
Non cash & others	(106)	41	(148)	(25)
Change in WC	(82)	1	(83)	33
Operating Capex	(95)	-	(95)	(98)
Operating cash flow	738	450	288	517
Income tax paid	(35)	0	(36)	(36)
Financial expenses paid/received	(141)	(79)	(61)	(111)
Free cash flow	562	371	191	371
Development Capex	(154)	-	(154)	(181)
Financial investments (bolt-on acquisitions)	(161)	-	(161)	(190)
Net Free cash flow	247	371	(124)	(1)
Dividends paid	(24)	-	(24)	(26)
Real estate investments / divestments	(218)	-	(218)	(460)
Partnership Real Estate	306	-	306	45
Other net debt	(651)	(650)	(1)	(51)
Net debt variation	(340)	(279)	(61)	(492)