

6 ACQUISITIONS IN EUROPE: 4,713 BEDS IN 3 COUNTRIES

- ORPEA BECOMES NO. 1 IN IRELAND
- ORPEA BECOMES THE LEADER IN SPAIN IN POST-ACUTE, REHABILITATION AND PSYCHIATRIC HOSPITALS
- REVENUE AT MATURITY: OVER €210M

2021 REVENUE GROWTH TARGET RAISED TO AT LEAST +7.5%

- > €4,215M

Puteaux, 29 June 2021 [6:00 pm CEST]

The ORPEA Group, one of the world's leading players in comprehensive long-term care (nursing homes, medium-stay and psychiatric hospitals and home care), is continuing its development thanks to six new targeted acquisitions in Europe.

Ireland: ORPEA becomes the market leader with the acquisition of the FirstCare Group, the iconic Dublin facility, Belmont House, and the remaining 50% of Brindley Healthcare

Established in 1994 and owned by its founder, FirstCare is the 4th largest operator of nursing homes in Ireland with 8 facilities representing 857 beds, including 2 sites (306 beds) under construction.

The facilities are new, in excellent locations, particularly in Dublin, with over 90% of single rooms. Some of the facilities may also be extended and, more importantly, specialised, particularly in post-acute care and rehabilitation.

ORPEA is also acquiring 4 buildings out of the 8 facilities.

In 2020, FirstCare posted revenue of €30 million and should reach €50 million with the opening of the 2 sites under construction. FirstCare¹ will be consolidated as of 1 July 2021.

ORPEA has also acquired the Belmont House nursing home (157 beds), the most prestigious facility in Dublin, located in one of the most sought-after areas of the Irish capital and offering high-end services.

These operations, carried out in conjunction with the purchase of the 50% stake not held in Brindley Healthcare and taking into account the acquisition of TLC in January 2020, will enable ORPEA to become the leading private player in Ireland with a total network of more than 2,284 beds (25 facilities), representing revenue of more than €135m at maturity.

In a country where the supply is insufficient with nearly 10,000 beds to be built by 2030, the ORPEA Group now has a solid development platform with a first-class reputation, allowing it to pursue its organic development in nursing homes, post-acute care and rehabilitation and mental health, offering the best quality of care and services to further enhance the safety and well-being of patients, residents and employees.

¹ Subject to the approval of the Anti-trust Authorities

Switzerland: Acquisition of Sensato AG

Founded in 2008, Sensato AG is one of the leading private Swiss groups with a network of 7 modern facilities (443 beds) in the north and northwest of the country (cantons of Aargau, Bern and Thurgau) and a dual offering of nursing homes and assisted living facilities, providing strong geographical complementarity as well as the potential for synergies with the existing ORPEA care network (Senevita) in Switzerland.

The acquisition of Sensato AG perfectly matches ORPEA's value creation criteria:

- a reputation for quality and excellence in care;
- modern buildings, built less than 5 years ago and in excellent locations;
- almost a third of the network is in the roll-out phase, thus offering significant potential for increasing business volume and optimising operational performance.

In 2020, Sensato AG posted revenue of €20 million. It has been consolidated since 1 May 2021.

Thanks to this acquisition, ORPEA has strengthened its position as the second largest player in Switzerland with a total network of 47 facilities and 4,367 beds.

Spain: strengthening of the global care offering in three business segments with the acquisition of Hestia Alliance and seven Sanitas facilities

Hestia Alliance Group, founded in 1992, offers a comprehensive range of post-acute care, palliative care, long stays and mental health services in 14 facilities, 60% of which are located in Madrid and Barcelona and 14% in the Balearic Islands. The Hestia network, one of the largest in the country with 2,131 beds, has an excellent reputation for quality care and offers strong complementarity with the ORPEA network in Spain. The management team will remain linked to the Group and will continue to share its know-how and experience with ORPEA in Spain.

Hestia posted revenue of €70 million in 2020. As part of this transaction, ORPEA has also acquired 7 buildings. Hestia² will be consolidated at the end of 2021 or, at the latest, in early 2022.

This acquisition thus significantly strengthens ORPEA's positioning in the post-acute care and rehabilitation and mental health sectors in Spain and provides a new development platform for these activities, for which there is a growing need.

In addition, ORPEA has acquired 7 facilities (838 beds) from Sanitas, a subsidiary of Bupa, a British health insurance and care group, which will complete the Group's current network of Premium nursing homes. Two of these facilities are open (188 beds) and five are under construction and redeployment in Madrid, Barcelona, Logrono and San Sebastian, representing total potential revenue of €25m at maturity.

Upon completion of these two operations, ORPEA will be active in the Spanish market with its three complementary business segments, operating 87 facilities representing 14,300 beds.

6 value-creating acquisitions representing more than 4,700 beds and over €210 million in revenue

These six acquisitions perfectly illustrate the uniqueness of the Group's external growth strategy. They perfectly complement the geographical network and the care pathway in the various countries and have common characteristics, namely:

- quality assets, with most of them being recent, in strategic locations in major European cities;

² subject to the approval of the Anti-trust Authorities

- an excellent reputation with regard to the quality of care provided to residents and patients at local or national level;
- medium-sized groups, which are easier to integrate and meet ORPEA's strict financial criteria.

In just six months, thanks to the experience of the local management teams and their long-standing involvement in the sector, the group has thus been able to seize the best opportunities, representing 42 facilities, or 4,713 beds, of which 20% are under development. These acquisitions represent additional full-year revenue of over €210 million at maturity, i.e. within the next 2 to 3 years, with significant leverage on profitability.

ORPEA is thus consolidating its position as world leader in long-term care, with 1,156 facilities, representing 116,514 beds, of which 90,155 are open, and a record growth pipeline of 26,359 beds under construction.

2021 revenue growth target raised to > +7.5%

The strong upward trend in occupancy rates across all geographical zones, which began in March and gathered pace in June, combined with the contribution of the new selective acquisitions, has led the Group to raise its annual revenue growth target for 2021 to more than 7.5%, or at least €4,215m (compared to the previous target of at least 6%, or €4,155m).

Yves Le Masne, Chief Executive Officer of ORPEA, concludes:

"The acquisitions of FirstCare, Belmont House, Sensato AG, Hestia and part of the Sanitas facilities have enabled ORPEA to achieve leading positions or to strengthen its care offering in markets with growing needs, requiring the development of an offering that meets the highest standards of quality care. With these selective acquisitions, ORPEA is once again demonstrating the strength of its decentralised model and its ability to identify value-creating opportunities thanks to the experience of its teams in each of its geographical zones.

Bolstered by this momentum and a rapid recovery in occupancy rates, the Group can now raise its 2021 revenue target to more than €4,215 million and, above all, further secure sustained growth for the coming years.

At the same time, ORPEA is continuing its long-term growth momentum on a global level through selective expansion and the creation of new facilities in countries with strong purchasing power, and which require the deployment of a quality offer."

Next press release: H1 2021 revenue
20 July 2021 after market close

About ORPEA (www.orpea-corp.com)

Founded in 1989, ORPEA is one of the major world leaders in comprehensive long-term care, with a network of 1,156 facilities comprising 116,514 beds (26,359 of which are under construction) across 23 countries, which are divided into five geographical regions:

- France Benelux: 586 facilities/49,207 beds (5,672 of which are under construction)
- Central Europe: 268 facilities/28,419 beds (5,828 of which are under construction)
- Eastern Europe: 142 facilities/15,255 beds (4,101 of which are under construction)
- Iberian Peninsula/Latin America: 158 facilities/23,108 beds (10,373 of which are under construction)
- Rest of the world: 2 facilities/525 beds (385 of which are under construction)

ORPEA is listed on Euronext Paris (ISIN code: FR0000184798) and is a member of the SBF 120, STOXX 600 Europe, MSCI Small Cap Europe and CAC Mid 60 indices.

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