



**Acceleration of organic growth of 6.4% in Q3
and 5.7% YTD 9 months benefitting from occupancy rate increase of 3 points**

On track delivery of the ESG roadmap

- **Consistent growth momentum with organic growth at 6.4% in Q3**
 - Q3 revenue of € 1,134.8m increased by 4.8% in reported growth affected by the sale and closure of 67 establishments (i.e. 9% of the long-term care network), and 6.4% organic
- **2022 9-month revenues reaching €3,358.7m growing 5.3% and organic growth to 5.7% notably driven by +3% in nursing home occupancy rate year-on-year**
- **Long term care grew by 3.8%, with 6.1% organic growth driven by:**
 - Ongoing normalisation of the activity, with an average occupancy rate of 87% and 88% in France
 - Strong short stay activity during the summer: c. 2,500 people hosted in France, in line with the number in 2021
 - First favourable impacts of tariff adjustments in Germany effective from 1st September
- **Healthcare growth of 6.6% driven by organic growth of 5.8% on the back of:**
 - Inauguration of the 10th restructuring project in 2022, for a total of 40 clinics restructured in France since 2016, representing 40% of the French network and € 400m of investment
 - Successful integration of the clinics and outpatient centres acquired in Spain (ITA Salud) and Italy in 2021 and H1 2022
 - Strong growth of outpatient services, with capacity reaching > 100,000 sessions per month
- **Community Care growing by 7.4% with 9.5% of organic growth, fuelled by:**
 - 800 new beds opened since the beginning of the year, due to Ages&Vie development
 - Strong growth in home care: increase +24% in number of Petit-fils clients since 01/01/2022
- **Acceleration of the ESG roadmap: with progress in qualifying training paths and ISO quality certification, in the context of strengthened dialogue with stakeholders**
- **Active portfolio and real estate management:**
 - Finalisation of the sale of 27 long term care structures in France to Vivalto Vie & Colisée
 - 3 high-end nursing homes acquired in the UK with real estate
 - 9 sell and lease back operations secured at an average cap rate of 5.1%
 - 8 buy back initiated at an average cap rate 6.3%
 - Opening of a total of 1,308 new beds and greenfield pipeline to 2026 of c.11,000 beds
- **Expected growth for 2022 confirmed at c.6% organic growth with pre-IFRS 16 margin around same levels as last year (13.7%¹) whilst conserving a financial structure comparable to 30th June 2022**

¹ 2021 margin restated to reflect IAS 38 change in accounting regarding customization and configuration costs of SAAS solutions



Paris, 27th October 2022 – Korian, the leading European care and support services group for the elderly and fragile, announces its 3rd quarter and 9-month revenue for 2022.

The 4.8% revenue increase in the third quarter of 2022, with 6.4% organic growth, confirming growth momentum of Korian's unique business model. Revenue reached € 1,134.8 million compared to €1,082.3 million in Q3 2021. In the 9-month to end of September, revenue reached €3,358.7 million as compared to €3,189.7 million for the same period in 2021.

*Long-term care*² segment grew by 3.8% over the quarter, reduced in part by the sale and closure of some facilities notably in France. Organic growth was strong with 6.1% reflecting the increase of 1.5 points in occupancy rate year-on-year. The quarter was also marked by a strong summer activity in France with c.2,500 short stays.

*Healthcare*³ activities grew by 6.6% over the quarter, of which 5.8% was organic growth, in line with the normalised levels of activity since the beginning of the year and dynamic development of outpatient activity. In France the transformation of the network has been pursued, with the tenth clinic since the beginning of the year being opened after being built or rebuilt. This clinic in Livry-Gargan is also the 40th transformed since 2016 and will operate under the brand Inicea that has become the common healthcare brand for France.

*Community care*⁴ grew by 7.4% of which 9.5% organic growth mainly driven by the high level of greenfield deliveries and ramp up. More than 800 new shared housing beds have been built and Korian continues to develop home care services, with Petits-fils, the leading network in France, seeing an increase of 24% in the number of clients it serves.

Revenue by geography

	Revenue (€m)		Variation (%)	
	3 th quarter 2022	3 th quarter 2021	Reported Growth	Organic Growth
France, Spain, UK*	564.6	544.1	3.8%	5.1%
Germany	263.5	270.5	-2.6%	3.5%
Benelux**	170.9	150.0	13.9%	16.0%
Italy	135.8	117.6	15.5%	6.7%
Total	1,134.8	1,082.3	4.8%	6.4%

* O/w France: €526.7m in Q3 2022 vs €516.5m in Q3 2021, Spain: €24.7m in Q3 2022 vs €21.5m in Q3 2021, United Kingdom: €13.2m in Q3 2022 vs €6.1m in Q3 2021

** O/w Belgium: €143.3m in Q3 2022 vs €130.3m in Q3 2021, Netherlands: €27.6m in Q3 2022 vs €19.7m in Q3 2021

² Long-term care: Nursing Homes

³ Healthcare activities: Post-acute, rehabilitation, mental health

⁴ Community care: Assisted living, co-living for seniors, home care



	Revenue (€m)		Variation (%)	
	9 months 2022	9 months 2021	Reported Growth	Organic Growth
France, Spain, UK*	1,665.4	1,616.0	3.1%	4.5%
Germany	795.1	796.2	-0.1%	3.0%
Benelux**	488.9	438.3	11.5%	13.6%
Italy	409.3	339.3	20.7%	7.6%
Total	3,358.7	3,189.7	5.3%	5.7%

* O/w France: €1,559.7m 9-months 2022 vs €1,560.4m 9 months 2021, Spain: €73.1m 9 months 2022 vs €41.8m 9 months 2021, United-Kingdom: €32.6m 9-months 2022 vs €13.8m 9-months 2021

** O/w Belgium: €414.3m 9 months 2022 vs €380.5m 9 months 2021, Netherlands: €74.6m 9 months 2022 vs €57.8m 9 months 2021

All regions show resilient organic growth:

- France, Spain and UK revenue for the quarter reached € 564.6m, with an organic growth of 5.1%, whilst reported growth affected by the sale of 27 facilities to Vivalto Vie & Colisée was reduced to 3.8%. In the United Kingdom, Korian reinforced its footprint with the acquisition of 3 new high-end facilities, including the real estate, reinforcing its platform in a growing market.
- Germany achieved € 263.5 million of revenue, below Q3 2021 by 2.6% following the finalisation of the sale or closure of some facilities. However organic growth remained solid at 3.5% including one month of rate increase following the salary revaluation from 1st September.
- Benelux region grew organically by 16% as reflection of both the occupancy rate recovery in Belgium and the improving ramp up in the Netherlands. Total revenue was € 170.9m, showing a total growth of 13.9% slightly affected by some closures in Belgium.
- Italy continued its dynamic growth with 15.5% growth and € 135.8 million of revenue reflecting the successful integration of bolt on acquisitions and strong organic growth of 6.7% after a full normalisation of the activities both in long term care and healthcare.

Stakeholder Participation and Social dialogue

The Group is also engaged in a widespread dialogue with its stakeholders as part of its ambition to become a Purpose Driven company. This dialogue has led the company to hold discussions and gather feedback from around 1,000 people including families, residents, patients, employees, managers, mayors, members of parliament, regional health authorities and investors. These in-depth exchanges will form the basis of the mission and the commitments being defined by Korian in being a purpose driven company.

Korian instituted, in 2019, the first European Works Council in the sector and since then has pursued a strong social dialogue at European level, that has resulted in the signature of an agreement on setting up the Korian SE European company works council, covering notably the consultation process of this work council. The work of this committee will include key theses such as absenteeism and health and safety at work, theses already worked by the European works council, which the European company works council will succeed.

At national level a first Korian collective labour agreement has been signed in Belgium covering internal mobility, staff well-being, purchasing power and team organisations. A first



agreement in Germany with trade union Ver-di covering three facilities with an intention to develop regional and national dialogue. Three recent agreements in France covering annual pay increase, profit sharing and work from home conditions.

ESG commitments & Sustainable financing:

Korian is delivering ahead of expectations on its ESG roadmap in its 5 pillars, with notably advances in:

- Care excellence and customer satisfaction: 42% of the network is ISO 9001 certified, in line with the objective of 50% for the end of the year; and the 90% of the network Positive Care compliant.
- Quality at work and talent acquisition: number of apprentices continuing to rise to 2,807 and the total number of employees in a qualifying training path reaching 9.9% at the end of October.

A year after the issuance of its € 300m social bond Korian has published the reporting on the use of the Social Bond proceeds. This report provides an overview of the allocation and impact of the Social Bond proceeds. All funds raised have been fully allocated to 6 projects falling under the 3 Eligible Social categories defined in the 2021 Social Financing Framework: long-term care nursing homes, medical care and clinics, proximity and community services, housing solutions, and digital technologies. The report includes case studies for each of the 6 projects, detailing their sustainability features and main impact metrics and has been audited by Mazars and EY.



About Korian

Korian, the leading European care services group for elderly and fragile people. www.korian.com

Korian 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: KORI - ISIN: FR0010386334 – Reuters: KORI.PA – Bloomberg: KORI.FP

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