



2025 HALF-YEAR FINANCIAL REPORT

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CHAPTER 1. HALF-YEAR MANAGEMENT REPORT

1.1 Message from the Chief Executive Officer

In the first half of 2025, we completed the plan to strengthen our financial position six months ahead of schedule. We carried out disposals on good terms, obtaining high valuation multiples. Through that plan, our Group has significantly strengthened its balance sheet and shareholder structure, and regained normal access to the debt market, as shown by our successful bond issue in June. These various transactions mean that we can repay our revolving credit facility in full.

Since the second quarter, our Long-Term Care business saw good momentum in all countries, and the occupancy rate was over 91% at the end of July.

Despite the good business momentum of our healthcare activities in all countries, in France we were penalised by the way in which the government's new framework for financing medical, post-acute and rehabilitation activities was introduced. This resulted in implementation delays and pricing errors that adversely affected our financial performance in the first half.

In the second half of the year, we will benefit from the corrective measures we have implemented as part of the reform of medical, post-acute and rehabilitation activities, through active management of the case mix and the adjustment of care organisations. The Long-Term Care business will benefit from the positive momentum in occupancy rates and the full impact of tariff increases in Germany. We are also deploying an adjustment plan designed to align our central organisation with our post-disposal scope and leverage the benefits of the digital transformation that we began more than a year ago.

With the quality of our geographical positions and business activities, and above all with the outstanding commitment of our people, whom I would like to commend, we will continue our transformation in order to address new healthcare challenges and support the patients and careers who place their trust in us.

Sophie Boissard, Chief Executive Officer of Clariane

1.2 Activities of the Clariane Group in the first half of 2025

1.2.1 SIGNIFICANT EVENTS IN FIRST-HALF 2025

Plan to strengthen the Group's financial structure

The €1.5 billion plan to strengthen the Group's financial structure announced on 14 November 2023 (the "Refinancing Plan"), was finalised six months ahead of schedule with the announcement of the disposal of the Petits-fils home care services network on 12 June 2025. The Refinancing Plan aimed to secure and accelerate Clariane's debt reduction and benefit from a financial structure taking into account to a more challenging economic environment due to inflation, rising interest rates and tighter debt and real estate markets, and, ultimately, to provide room for manoeuvre in the execution of its strategy.

Following the completion of the first two stages of the Refinancing Plan in December 2023 (signature of two real estate partnerships with Predica: "Ginkgo" for €140 million and "Juniper" for €90 million, repaid in April 2024 when Clariane sold its UK business; arrangement of a €200 million real estate bridge loan, fully repaid in 2024) and the successful capital increase with preferential subscription rights completed on 5 July 2024 after the reserved capital increase carried out on 12 June 2024, the first three components of this plan were completed by the end of the 2024 financial year.

On 12 June 2025, the Group announced that it had signed an agreement for the disposal of its Petits-fils network to Crédit Agricole Santé & Territoires, for a gross disposal (enterprise) value of €345 million. The transaction closed on 29 July 2025. The disposal of the Petits-fils network, the terms of which were set following a competitive process, enabled the Group to complete the fourth and final stage of the Refinancing Plan, comprising a disposal programme for operating and real estate assets either through outright sales or partnerships, with the intention of refocusing the Group's business activities geographically and raising around €1 billion in gross disposal proceeds before the end of 2025.

The successful completion of the asset disposal programme six months ahead of schedule represents the final stage of the Refinancing Plan. The capital gains generated by the asset disposal programme (including the disposal of the Petits-fils network) are estimated at more than €200 million over full-year 2025, and will help to pay down the Group's outstanding debt, in line with the mandatory early repayment clauses in the syndicated loan.

New financing

Amendment and extension of the syndicated loan

On 14 February 2025, the Group amended and extended its syndicated facility, comprising a term loan and a revolving credit facility with final maturities of May 2029, subject to the fulfilment of certain conditions relating to the refinancing of the Group's bonds, with interim maturities scheduled for 28 February 2027 and 31 May 2028, for an amount of €625 million.

The documentation for this renewed syndicated facility includes the following commitments:

- the replacement of the operating leverage ratio by a Wholeco consolidated leverage ratio;
- amendment to the mandatory early repayment clause linked to proceeds from asset disposals currently being carried out by the Group. The repayments are now capped at 40% of the net proceeds from disposals (instead of 75% previously) for the remaining disposals to be completed during 2025, within a cumulative limit of €700 million;
- a reduction by May 2026, in the amount of the €625 million syndicated credit facility, as follows: (i) the term loan of €340 million in February 2025 (€338.2 million at 30 June 2025) reduced to €300 million; (ii) the revolving credit facility of €492.5 million (€490.8 million at 30 June 2025, currently fully drawn down), reduced to €325 million;
- the option for the Group to extend the maturities to May 2029, subject to the following conditions: repayment, refinancing or extension of maturities of (i) €300 million of debt maturing in 2027 before 28 February 2027 (initial maturity), and (ii) €480 million of debt maturing in 2028 before 30 May 2028. In both cases, the revolving loan must be fully undrawn on the extension dates;
- addition of a €300 million minimum half-yearly liquidity covenant;
- the dividend payout restrictions introduced in July 2023 continue to apply, with no distributions permitted as long as the Wholeco leverage ratio remains above 4.0x at the reporting date (instead of 3.5x previously for Opco leverage) and payouts capped at 40% of net profit;
- no redemption of hybrid instruments with debt as long as the Group's Wholeco leverage remains above 5.0x (instead of 3.5x previously). The instruments can only be redeemed through refinancing based on capital or other hybrid instruments;
- the Group also announced that the syndicated loan was to be indexed to environmental, social and governance (ESG) targets. In line with its ESG ambition and the core position of ESG in its strategy, the financial terms of the syndicated loan will be indexed to non-financial indicators relating to enrolment on qualifying training paths, occupational health and safety, and ISO 9001 certification audits. At the date of this report, the targets for year-end 2025 have been set and a rendez-vous clause ensures new targets will be set for the remaining years (notably following the completion of the disposal programme). The margin on the syndicated

loan will be adjusted upwards or downwards depending on whether the non-financial targets are met by certain dates.

€150 million real estate bridge loan

At the same time, Clariane announced the signing of a new secured real estate loan with Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Ile de France, LCL, Crédit Agricole Corporate and Investment Bank and CIC Est, whose main features are as follows:

- amount: €150 million;
- maturity: similar to the syndicated loan, with an amortisation for €15 million per annum from May 2026;
- purpose: this loan will be used to finance and refinance the Group's real estate investments;
- collateral: the lenders benefit from the following collateral (i) pledge under Luxembourg law by the Company of 100% of the shares in CHL 1, (ii) pledge under Luxembourg law by CHL 1 of 100% of the shares in CHL 2, (iii) pledge under French law by CHL 2 of 100% of the shares in Clariane Holding Immobilier 1.

€400 million bond issue

On 24 June 2025, Clariane announced the successful completion of an unsecured bond issue for a total amount of €400 million, maturing in five years (27 June 2030), contributing to extending the average maturity of its debt, with an annual coupon of 7.875%. The bond issue attracted significant interest from a large number of Tier 1 institutional investors, both French and international. The order book reached an amount in excess of €1.2 billion, i.e., more than three times oversubscribed.

The Refinancing Plan completed in the first half of 2025 was notably designed to restore Clariane's normalised access to debt markets. This has been achieved through this market issuance, which enables Clariane to extend its maturities and demonstrates the support of investors and financial partners for Clariane's strategy of reducing debt and strengthening its balance sheet.

The net proceeds from this bond issue will be used to refinance existing debt (including the redemption of its OCEANE bonds).

Settlement-delivery and admission of these bonds to trading on the Euronext Dublin Global Exchange Market took place on 27 June 2025.

Clariane signs a green energy purchase agreement

Clariane aims to reduce its greenhouse gas emissions from energy use and refrigerants (Scopes 1 & 2) by 46% by 2031 compared to 2021. On 27 May 2025, the Group announced the signature of its first renewable electricity Virtual Power Purchase Agreement (VPPA) with IGNIS, a recognised European player in sustainable energy solutions. This marked a significant step towards achieving the target, which was validated by the Science Based Targets initiative (SBTi) in June 2024.

This VPPA, which will take effect in August 2026 for a period of 10 years, involves the construction of a solar power plant in Italy. It will ultimately supply 16.5 GWh of renewable electricity annually, equivalent to the consumption of approximately 40 of the Group's Italian sites.

Through this project, Clariane is securing a supply of green electricity while supporting the local development of new renewable infrastructure. This approach strengthens the Group's climate resilience strategy, alongside decarbonisation efforts at its facilities (energy management, on-site photovoltaics, connections to district heating networks, etc.).

1.3 Review of consolidated results and financial position at 30 June 2025

The indicators presented are those monitored by the Group's operating management, notably revenues and EBITDAR (Earnings Before Interest, Taxes, Depreciation, Amortisation and Rent).

EBITDAR, which is calculated based on the Group's income and expenses from ordinary operations, measures the Group's operating performance. This indicator is used in the industry to exclude the impact of real estate policies when assessing operating performance.

The comments below are based on the financial statements presented prior to the application of IFRS 16, for purposes of year-on-year comparison.

1.3.1 FIRST-HALF 2025 RESULTS

The Group's consolidated revenue in the first half of 2025 totalled €2,656 million, representing reported growth of 0.8% and 2.8% proforma (adjusted for disposals). The difference between reported growth and proforma growth (adjusted for disposals) arises from the impact of disposals carried out in 2024 and 2025 as part of the plan to strengthen the Group's financial position. Adjusted for property development revenue and the revision of expected revenue with respect to healthcare reforms in France, the Group's organic growth was 4.8%.

That performance confirms the relevance of the Group's strategy and business model, which is based on a diversified portfolio of businesses and geographical markets.

At 30 June 2025, the network consisted of 1,225 facilities, versus 1,219 at 31 December 2024 and 1,217 at 30 June 2024, representing almost 91,000 beds. The number of facilities June 30, 2025, takes into account:

- Disposals carried out as part of the plan to strengthen the Group's financial position (in the UK, France, Italy, Spain and Germany);
- The disposal of Essentielles in France;
- Closures and restructuring of facilities in Germany, Spain and Belgium.
- The above factors were partly offset by:
- Openings of new Ages&Vie shared housing facilities in France;
- Openings of new facilities in Spain, Belgium, the Netherlands, France and Germany.

Overall, the Group has sold or closed 12 facilities since 1 January 2025, while during the same period it has brought into service 18 modern facilities, representing additional net capacity of almost 450 beds.

On that basis, the Group's 65,000 healthcare professionals cared for around 570,000 residents and patients in the first six months of the year.

Reported revenue growth of 0.8% resulted from:

- Higher volumes, which had a positive impact of 1.3% and boosted revenue by a net €34 million (increase in occupancy rates, higher number of days billed in mature networks and additional capacity coming onstream);
- Price increases had a positive impact of 3.5% and boosted revenue by €89 million across all regions, despite a temporary negative impact related to the new healthcare pricing framework in France as part of the introduction of reforms to medical, post-acute and rehabilitation activities;
- Changes in scope had a negative impact of 2.6%, reducing revenue by €70 million;

- Miscellaneous effects (revenue impact expected from the reform of healthcare pricing in France and property development revenue at Ages&Vie) had a negative effect of 1.4%, reducing revenue by €33 million.

EBITDAR pre-IFRS 16 amounted to €546 million in the first half of 2025, stable (-0.2%) on a proforma basis (adjusted for disposals) and up very slightly (+0.8%) on a proforma basis and excluding property development activities.

EBITDA pre-IFRS 16 amounted to €263 million during the period, down 6.0% proforma (adjusted for disposals) and down 4.1% proforma and excluding property development activities. The decrease reflects the impact of the healthcare pricing reform in France. The various measures put in place by the Group to manage the case mix and adjust the organisation in line with the new pricing framework should offset these negative effects by the end of 2025.

The fall in EBITDA pre-IFRS 16 resulted from:

- The impact of changes in scope arising from the plan to strengthen the Group's financial position (-€11 million) and adjustments (+€5 million) resulting in particular from closures in France, Germany and Italy and small acquisitions in Spain, resulting in a net negative impact of €6 million;
- Higher prices (+€89 million), particularly in Germany, and an increase in operating expenses (-€100 million) arising partly from the timetable of wage rises in Germany, resulting in a net negative effect of €11 million;
- A negative volume effect of €5 million, mainly due to the ramp-up of certain activities.

Taking into account these effects, EBITDA margin pre-IFRS 16, on a proforma basis and excluding the property business, was 9.9% in the first half of 2025, versus 10.7% in the same period of 2024.

In terms of net profit, Group share pre-IFRS 16, the Group made a loss of €47 million in the first half of 2025 as opposed to a loss of €28 million in the first half of 2024. That loss includes the costs associated with the various transactions underway to dispose of assets and refocus the business portfolio but not the related capital gains, which will be recognised in the second half and are estimated at above €200 million.

The increased loss resulted from:

- Higher depreciation, amortisation, impairment and provisions, which amounted to €175 million in the first half of 2025 versus €165 million in the year-earlier period;
- An increase in non-recurring expenses, which totalled €54.5 million in the first half of 2025 as opposed to €27 million in the first half of 2024, including €30 million of reorganisation and

restructuring costs, €17 million of asset write-downs (with no cash impact) in Germany and France, and €5 million of net expenses related to disposals, both completed and underway.

These increases in costs were partly offset by:

- An improvement in net financial expense from €96 million in the first half of 2024 to €89 million in the first half of 2025, resulting from the year-on-year decrease in debt;
- Tax income of €14.6 million in the first half of 2025, up from €3.4 million in the year-earlier period;
- A decrease in non-controlling interests;
- No impact from discontinued operations in the first half of 2025 as opposed to a negative impact of €24 million in the first half of 2024.

In terms of net profit, Group share post-IFRS 16, the Group made a loss of €59 million in the first half of 2025 as opposed to a loss of €52 million in the year-earlier period.

1.3.2 SIMPLIFIED INCOME STATEMENT

<i>In millions of euros</i>	30.06.2025 <i>incl. IFRS 16</i>	<i>IFRS 16</i> <i>adjustments</i>	30.06.2025 <i>excl. IFRS 16</i>	30.06.2024 <i>incl. IFRS 16</i>	<i>IFRS 16</i> <i>adjustments</i>	30.06.2024 <i>excl. IFRS 16</i>
Revenue and other income	2,655.8	-	2,655.8	2,636.0	-	2,636.0
Growth%	0.8%	-	0.8%	6.1%	-	6.1%
EBITDAR	546.2	0.1	546.1	557.2	(2.8)	560.0
% of revenue	20.6%	-	20.6%	21.1%	-	21.2%
External rents	(39.7)	243.8	(283.5)	(38.9)	231.2	(270.1)
% of revenue	-1.5%	-	-10.7%	1.5%	-	10.2%
EBITDA	506.6	243.9	262.6	518.3	228.5	289.9
% of revenue	19.1%	-	9.9%	19.7%	-	11.0%
Operating income	72.4	39.0	33.4	121.6	23.1	98.4
% of revenue	2.7%	-	1.3%	4.6%	-	3.7%
Net financial expense	(140.9)	(51.9)	(89.0)	(147.9)	(51.8)	(96.1)
Pre-tax income/(loss)	(68.5)	(12.8)	(55.6)	(26.4)	(28.7)	2.3
Attributable net profit/(loss)	(58.5)	(11.1)	(47.4)	(52.3)	(24.7)	(27.6)
% of revenue	-2.2%	-	-1.8%	-2.0%	-	-1.0%

EBITDAR is the Group's preferred indicator for financial reporting purposes and corresponds to operating income before lease expenses, charges to depreciation, amortisation and provisions, other operating income and expenses, and gains and losses on acquisitions and disposals of consolidated entities in the core operating businesses.

EBITDA excluding IFRS 16 corresponds to EBITDAR excluding IFRS 16 after lease expenses prior to the application of IFRS 16.

1.3.3 FINANCIAL POSITION

The Group's real-estate portfolio had a value of €2,608 million as of 30 June 2025, versus €2,672 million as of 30 June 2024 and €2,612 million at 31 December 2024.

Most of the decline resulted from disposals completed during the period. At constant scope, the figures are relatively stable. The average capitalisation rate in the first half of 2025 was 6.4%, the same as the full-year 2024 figure and slightly higher than the first-half 2024 figure of 6.3%.

The change did not have a material impact on the valuation of assets in the Group's financial statements, which are recognised at historical cost.

Real-estate debt fell to €1,494 million as of 30 June 2025 as opposed to €1,680 million as of 30 June 2024 and €1,489 million as of 31 December 2024, after adjustments for Ages&Vie receivables. With its real-estate portfolio valued at €2,608 million as of 30 June 2025, the Loan to Value (LTV) ratio stood at 57% on the same date versus 63% as of 30 June 2024 and 57% as of 31 December 2024.

The Group's net debt excluding IFRS 16 and IAS 17 was €3,559 million as of 30 June 2025 versus €3,771 million as of 30 June 2024, representing a €212 million decrease.

It consisted of:

- Gross borrowings and debt of €4,309 million as of 30 June 2025 as opposed to €4,286 million as of 30 June 2024 and €3,963 million as of 31 December 2024;
- An increased cash position of €750 million as of 30 June 2025 versus €515 million as of 30 June 2024 and €518 million as of 31 December 2024.

The Group's Wholeco financial leverage ratio, as defined in the contract to extend the syndicated credit facility announced on 17 February 2025, was 5.6x as of 30 June 2025 proforma (adjusted for disposals for which proceeds have been received to date, including Petits-fils) as opposed to 5.8x as of 30 June 2024 proforma (adjusted for capital increases) and as of 31 December 2024. Opco financial leverage was 3.5x as of 30 June 2025 proforma (adjusted for disposals for which proceeds have been received to date, including Petits-fils) as opposed to 3.6x as of 30 June 2024 proforma (adjusted for capital increases) and 3.8x as of 31 December 2024.

1.3.4. ESG AND SOCIAL PERFORMANCE

In the first half of 2025, Clariane reached several important milestones relating to the priorities and targets defined in its 2024-2028 CSR roadmap. The common aim of all its CSR initiatives is to pursue its mission at all levels of the organisation, in a way that is consistent with the work led by the Mission Committee.

- In order to strengthen prevention arrangements relating to occupational health and safety, to limit work accidents and to help employees maintain their physical and mental well-being, a European occupational health and safety agreement was signed on 26 June:
 - o This agreement between Clariane, the European Company Committee (CE-SE), the European Federation of Public Service Unions (EPSU) and national union organisations represents a first in Clariane's sector;
 - o Following on from the health and safety protocol relating to the prevention of work accidents signed in November 2021, the agreement is a new milestone in Clariane's commitment to a matter that is essential for both employees and the quality of care provided to patients and residents;
 - o It includes several formal commitments, and performance with respect to those commitments will be monitored over a four-year period through specific indicators, particularly as regards deploying arrangements for listening to employees and providing them with social and psychological support in all Group establishments and head offices, preventing violence and protecting employees who have been the victims of violence, and keeping people with disabilities and older adults in work;
 - o These initiatives are entirely consistent with the objectives of Clariane's Mission Committee in relation to its Consideration commitment, aiming to make greater efforts to prevent work accidents and to reduce the arduousness of work.
- The Mission Committee's second report was completed and published in late March 2025. It sets out the Committee's opinions of the Company's initiatives in relation to each of its social and environmental targets, along with the positive results of the first audit of Clariane as a purpose-driven company. The report can be viewed on Clariane's website: [\(link\)](#).
- In line with the 2031 target for reducing greenhouse gas emissions, as validated by the SBTi, Clariane has signed its first power purchase agreement (PPA) with IGNIS, under which it will buy 100% renewable electricity. The PPA will take effect in August 2026 and will have a 10-year term. It is linked to the construction of a solar power facility in Italy, which will eventually generate 16.5 GWh of electricity per year.
- As part of its efforts to make continuous improvements to the way it manages sustainability, Clariane has published its Medical, Innovation and Research Policy, which sets out the Group's priorities regarding health and care, in connection with its Consideration and Innovation commitments.

1.4 Significant events since 30 June 2025

Information on subsequent events is provided in note 14 to the condensed half-year consolidated financial statements in this Half-Year Financial Report, and includes the implementation of a new factoring programme for a maximum amount of €95 million, and the closing of the sale of the Petits-Fils network to Crédit Agricole Santé & Territoires, announced by the Group on 12 June 2025, which took place on 29 July 2025.

1.5 Risk factors

The Group does not foresee any risks other than those described in chapter 2, "Risk factors" of the 2024 Universal Registration Document, which was filed with the AMF on 31 March 2025 under number D.25-0209.

Liquidity risk management

In this context of rising inflation and interest rates, and reduced access to bond markets in 2023, on 14 November of that year, the Group launched the Refinancing Plan, which was completed in the first half of 2025, some six months ahead of schedule. The various measures in this plan, including the strengthening of the Group's equity through an equity-based real estate partnership, two capital increases carried out in June and July 2024 and the completion of an asset disposal programme in the first half of 2025, combined with credit lines negotiated with a banking syndicate and the €400 million bond issue whose settlement-delivery took place on 27 June 2025, enabled the Group to cover its short-term financing needs.

The Group's liquidity stood at €749.9 million at 30 June 2025.

At 30 June 2025, and for a period of at least 12 months, the Group's liquidity is ensured by:

- the completion of the Refinancing Plan (see section 1.2.1 "Significant events in first-half 2025");
- the amended and extended syndicated loan and the new credit line put in place for €775 million with final repayments due in May 2029, subject to certain conditions relating to the refinancing of bond debt, announced by the Group on 17 February 2025 (see section 1.2.1 "Significant events in first-half 2025");
- the successful unsecured bond issue for a total amount of €400 million, maturing in five years (27 June 2030) whose settlement-delivery took place on 27 June 2025, contributing to extending the average maturity of the Group's debt, with an annual coupon of 7.875% (see section 1.2.1 "Significant events in first-half 2025").

Clariane has sufficient working capital to meet its obligations over the next 12 months while complying with the €300 million minimum liquidity covenant at each half-year and year-end closing, and at each drawdown date, if any, on the €490.8 million revolving credit facility ("RCF"), the next such date being the renewal date of 4 December 2025.

Debt maturities in that period represent a cumulative amount of approximately €290 million (excluding the factoring programme), and mainly correspond to real-estate and *Schuldschein* debt.

Risk of breach of financial covenants and management of the Group's cross-default risk

In line with its strategy of strengthening its balance sheet and reducing its financial debt, on 17 February 2025, the Group announced it had adopted, for the syndicated credit facility and the €150 million real estate loan, a single leverage covenant combining corporate debt and real estate debt (Wholeco leverage) to replace its two existing ratios: operating leverage (Opco leverage) and Loan-to-Value. In this respect, leverage targets going forward will be communicated based on Wholeco leverage and corresponding to the leverage covenant.

Based on the definition of Wholeco leverage (net financial debt excluding capitalised lease payments¹ divided by consolidated EBITDA excluding capitalised lease payments), which must be below 7.0x at 30 June 2025, 6.5x at 31 December 2025 and 30 June 2026, 6.0x at 31 December 2026 and 30 June 2027, 5.5x at 31 December 2027 and 30 June 2028, and 5.0x from 31 December 2028.

The Group's syndicated facility representing €829 million at the reporting date, whose maturity was extended from May 2026 to May 2029, subject to certain conditions, for an amount of €625 million, as announced by the Group on 17 February 2025, as well as the €150 million secured real estate loan signed in February 2025 with Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Ile de France, LCL, Crédit Agricole Corporate and Investment Bank, and CIC Est, are subject to a covenant on the Wholeco consolidated financial leverage ratio.

The €150 million real estate loan signed in February 2025 is also subject to a loan-to-value ratio at each half-year and year-end closing.

Other bank credit agreements have a covenant whose calculation formula has not been modified². Changes in the covenant are notified to these banks every six months.

¹ Excludes IFRS 16 and IAS 17.

² $(\text{Consolidated net financial debt [excl. IFRS 16]} - \text{real estate debt}) / (\text{EBITDA [excl. IFRS 16]} - 5.8\% \times \text{real estate debt})$, with real estate debt restated for receivables from non-consolidated real estate vehicles.

The Group must also have a liquidity position of €300 million at each half-yearly and year-end closing and at each drawdown of the revolving loan, where applicable. The undrawn revolving loan facility is included in the calculation of this €300 million amount of liquidity. This minimum liquidity covenant was met at 30 June 2025, as the Group had €749.9 million in liquid assets at the half-year closing. The Group has also undertaken not to draw down the revolving loan for a period of at least 15 consecutive calendar days before 30 June 2026.

Based on the calculation of the bank covenant on the Wholeco consolidated financial leverage ratio (net financial debt excluding capitalised lease payments divided by consolidated EBITDA excluding lease payments), at 30 June 2025, the Group had sufficient headroom in relation to the 7.0x threshold, representing around €70 million of EBITDA (excl. IFRS 16), or around €485 million of net debt (excl. IFRS 16), assuming all other calculation inputs remain the same.

The Euro PP, *Schuldschein* and *Namensschuldverschreibung* bonds are also subject to covenants. Investors are notified annually of any changes to covenants.

There have been no changes in the management of the Group's cross-default risk described in chapter 2, "Risk factors" of the 2024 Universal Registration Document filed with the AMF on 31 March 2025 under number D.25-0209, and described in note 9.2 "Net financial debt" to the condensed interim consolidated financial statements.

There were no material changes during the first half of 2025 in the other risk factors identified in chapter 2 "Risk factors" of the 2024 Universal Registration Document filed with the AMF on 31 March 2025 under number D.25-0209.

1.6 Related-party transactions

Details of related-party transactions in the first half of 2025 are disclosed in note 6 to the condensed half-year consolidated financial statements in this Half-Year Financial Report.

These agreements comply with the regulated related-party agreements procedure, which is designed to prevent conflicts of interest. In accordance with French law, the agreements were authorised by the Board of Directors prior to their signature and the Directors concerned did not take part in the related Board discussions or votes. With the exception of the contract for the sale of Korian Domiciles shares, which was authorised by the Board of Directors on 9 June 2025 and will be submitted for approval at the next General Meeting, these agreements were approved by the General Meeting of 14 May 2025.

The table below provides further explanations about the agreements concerned. A summary of these regulated related-party agreements is also available on Clariane's website.

Date of agreement	Type of agreement	Parties to the agreement	Terms
14 February 2025	Amendment and extension of the syndicated loan	<ul style="list-style-type: none"> - Clariane - BNP Paribas - CIC - HSBC - Continental Europe - Société Générale - all the lenders listed in Appendix 1 of the loan documentation 	<p>The amendment and extension of the syndicated loan provides for the following commitments:</p> <ul style="list-style-type: none"> - replacement of the operating leverage ratio by a Wholeco consolidated leverage ratio; - amendment to the mandatory early repayment clause linked to proceeds from asset disposals currently being carried out by the Group. The repayments are now capped at 40% of the net proceeds from disposals (instead of 75% previously) for the remaining disposals to be completed during 2025, within a cumulative limit of €700 million; - a reduction of €625 million in the amount of the syndicated credit facility by May 2026, as follows: (i) the term loan representing €340 million in February 2025 reduced to €300 million, and (ii) the revolving credit facility representing €492.5 million reduced to €325 million; - the option for the Group to extend the maturities to May 2029, subject to the following conditions: repayment, refinancing or extension of maturities of (i) €300 million of debt maturing in 2027 before 28 February 2027 (initial maturity), and (ii) €480 million of debt maturing in 2028 before 30 May 2028. In both cases, the revolving loan must be fully undrawn on the extension dates; - addition of a €300 million minimum half-yearly liquidity covenant; - the dividend payout restrictions introduced in July 2023 continue to apply, with no distributions permitted as long as the Wholeco financial leverage ratio remains above 4x at the reporting date (instead of 3.5x previously for Opco leverage) and distribution payouts capped at 40% of net profit; - no redemption of hybrid instruments with debt as long as the Group's Wholeco financial leverage remains above 5.0x (instead of 3.5x previously). The instruments

			<p>can only be redeemed through refinancing based on capital or other hybrid instruments;</p> <ul style="list-style-type: none"> - the Group also announced that the syndicated loan was to be indexed to environmental, social and governance (ESG) targets. In line with its ESG ambition and the core position of ESG in its strategy, the financial terms of the syndicated loan will be indexed to non-financial indicators relating to enrolment on qualifying training paths, occupational health and safety, and ISO 9001 certification audits. The targets for year-end 2025 have been set and a rendez-vous clause ensures new targets will be set for the remaining years (notably following completion of the disposal programme). The margin on the syndicated loan will be adjusted upwards or downwards depending on whether the non-financial targets are met by certain dates.
14 February 2025	Real estate bridge loan	<ul style="list-style-type: none"> - Clariane - Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Ile de France - LCL - Crédit Agricole Corporate and Investment Bank - CIC Est 	<p>The real estate bridge loan notably provides for:</p> <ul style="list-style-type: none"> - Purpose: this loan will be used to finance and refinance the Group's real estate investment. - Amount: €150 million. - Maturity: May 2029, subject to the following conditions: repayment, refinancing or extension of maturities of (i) €300 million of debt maturing in 2027 before 28 February 2027 (initial maturity), and (ii) €480 million of debt maturing in 2028 before 30 May 2028. In both cases, the revolving loan must be fully undrawn on the extension dates. - Collateral: the lenders benefit from the following collateral (i) pledge under Luxembourg law by the Company of 100% of the shares in CHL 1, (ii) pledge under Luxembourg law by CHL 1 of 100% of the shares in CHL 2, (iii) pledge under French law by CHL 2 of 100% of the shares in Clariane Holding Immobilier 1.
11 June 2025	Korian Domiciles share sale agreement	<ul style="list-style-type: none"> - Clariane - Clariane France - Crédit Agricole SA - Crédit Agricole 	<p>The agreement for the sale by Clariane France, a wholly owned subsidiary of the Company, concerns all of its shares in Korian Domiciles to Crédit Agricole Santé et Territoire ("CAST"), a subsidiary of Crédit Agricole SA.</p> <p>The transaction, the terms of which were set following a competitive process, was carried out for a gross disposal value (enterprise value) of €345 million.</p>

		Santé et Territoire	The Company is party to the sale agreement as guarantor for the representations and warranties given by Clariane France, which are limited in time. Crédit Agricole SA is party to the sale agreement as guarantor of CAST's commitments under the agreement. The completion of the transaction is subject to CAST obtaining authorisation from the French competition authorities.
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1.7 Outlook

2025 outlook

For 2025, the Group's main objective was to complete the plan to strengthen its financial position, which it has now achieved.

As regards the ongoing improvement in its operational performance and after a transitional first half, the Group's results in the second half of the year should benefit from:

- the full effect of the disposal plan;
- an increase in volumes in all geographies and particularly in France, which started at the end of the first half, both within the mature network and in facilities in a ramp-up phase;
- the full-year effects of price increases and further increases expected in Germany;
- the build-up of efforts to actively manage the case mix and operational adjustments made to offset the temporary negative effects of the new tariff framework applicable to medical, post-acute and rehabilitation activities;
- adaptation measures intended to adjust the Group's central organisation in line with its new scope following recent disposals and to generate the initial benefits of the digital transformation that the Group began over a year ago.

Accordingly, in 2025, Clariane confirms that it is aiming for growth in EBITDA – pre-IFRS 16 and proforma (adjusted for disposals) – of between 6% and 9%, supported by organic revenue growth of around 5%.

In addition, gradually improving cash flow generation and improving debt levels remain the Group's top priorities.

Accordingly, the Group will keep maintenance capex at a normal level of around €100 million and its development capex at around €200 million.

Lastly, the Group confirms its target of reducing the Wholeco financial leverage ratio to below 5.5x at end-2025.

As regards non-financial indicators and adjusted for changes in scope resulting from the disposal plan, the Group has set the following targets for 2025:

- Maintain a Net Promoter Score of at least 40 among residents, patients and families;
- Continue having more than 7,000 staff members enrolled in training courses leading to qualifications, in line with the Group's purpose-driven commitments;
- Reduce the lost time accident frequency rate to 30;
- Continue implementing the low-carbon energy strategy, as recently validated by the Science Based Targets initiative (SBTi), leading to a 22% reduction in energy-related greenhouse gas emissions³.

Outlook for 2023-2026

The Group's targets for the period from 1 January 2023 to 31 December 2026 are as follows:

- As regards revenue, it aims to achieve a compound annual organic growth rate (CAGR) of around 5%, supported by a steady increase in occupancy rates and business volumes, particularly in outpatient care, and by a catch-up effect in prices, particularly in Germany.
- By 31 December 2026, the Group aims to increase the EBITDA margin pre-IFRS 16 by 100-150 basis points relative to the 31 December 2023 proforma figure (adjusted for disposals). The principal contributors supporting this improvement will be revenue growth achieved by increasing the occupancy rate and developing outpatient services, along with targeted improvement measures regarding central costs, expenditure on rent and energy costs, along with improved performance in Germany;
- The Group has set itself the target of reducing debt further by 2026 on a pre-IFRS 16 basis. It is targeting a net debt figure of less than €3 billion and a Wholeco leverage ratio of less than 5x by 31 December 2026.
- To achieve this objective, the Group will:
 - Continue to improve its operational performance;
 - Complete, in 2025, the disposals part of its plan to strengthen its financial position;
- Maintain capital expenditure of around €100 million per year for building maintenance and around €200 million for development investments.

³ Relative to a 2021 baseline.

CHAPTER 2. CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2025

2.1 Condensed half-year consolidated financial statements at 30 June 2025

CONSOLIDATED INCOME STATEMENT

<i>In thousands of euros</i>		Notes	First-half 2025	First-half 2024
Revenue			2,655,784	2,628,120
Other income			-	7,884
Revenue and other income	3.2		2,655,784	2,636,004
Purchases used in the business	3.3		(213,268)	(222,574)
Payroll expenses	4		(1,630,861)	(1,579,026)
External expenses	3.3		(273,687)	(288,521)
Taxes and duties			(32,225)	(27,183)
Other operating income and expenses			837	(362)
EBITDA			506,580	518,338
Depreciation/amortisation and impairment	3.3		(381,454)	(362,603)
Other operating income and expenses	3.4		(52,730)	(34,181)
Operating income	3.1		72,396	121,554
Cost of net financial debt	9.1		(64,292)	(80,661)
Other financial income and expenses	9.1		(76,567)	(67,251)
Net financial expense	9.1		(140,859)	(147,912)
Pre-tax income/(loss)			(68,463)	(26,358)
Income tax	11		16,391	6,808
Profit/(loss) from consolidated companies			(52,072)	(19,550)
Profit/(loss) from equity-accounted companies (net of tax)	6		(936)	(580)
Net profit/(loss) from continuing operations			(53,008)	(20,130)
Net profit/(loss) from discontinued operations (net of tax)	2.4		-	(23,584)
Net profit/(loss)			(53,008)	(43,714)
Non-controlling interests	*		(5,506)	(8,543)
Net profit/(loss) attributable to owners of the Group			(58,514)	(52,257)
Earnings/(loss) per share attributable to owners of the Group (in euros)	8		(0.16)	(0.47)
Diluted earnings/(loss) per share attributable to owners of the Group (in euros)	8		(0.16)	(0.47)
Earnings/(loss) per share from continuing operations attributable to owners of the Group (in euros)	8		(0.16)	(0.26)
Diluted earnings/(loss) per share from continuing operations attributable to owners of the Group (in euros)	8		(0.16)	(0.26)
NET PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE GROUP			(58,514)	(52,257)
Recyclable items: impact of IFRS 9 and IFRS 2 (measurement of hedging instruments and free share plans), net of tax	*		(5,906)	(6,314)
Non-recyclable items: impact of IAS 19 (actuarial gains and losses)	*		559	(1,779)
Gains and losses recognised directly in equity (attributable to owners of the Group)	*		(5,347)	(8,093)
Gains and losses recognised directly in equity (non-controlling interests)	*		12	116
Net profit/(loss) and gains and losses recognised directly in equity (attributable to owners of the Group)	*		(63,861)	(60,350)
Net profit/(loss) and gains and losses recognised directly in equity (non-controlling interests)	*		5,518	8,659
TOTAL COMPREHENSIVE INCOME/(LOSS)			(58,343)	(51,691)

* See consolidated statement of changes in equity.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

<i>In thousands of euros</i>	<i>Notes</i>	30.06.2025	31.12.2024
Goodwill	5.1	3,149,811	3,239,523
Intangible assets	5.2	2,307,781	2,336,177
Property, plant and equipment	5.3	3,032,296	3,108,748
Right-of-use assets	5.5	3,487,312	3,617,552
Non-current financial assets		109,957	111,037
Equity-accounted investments	6	63,224	64,160
Deferred tax assets	11	167,629	144,168
Non-current assets	3.6	12,318,010	12,621,365
Inventories	3.5	37,367	22,240
Trade receivables and related accounts	3.5	483,824	457,310
Other receivables and current assets	3.5	613,581	616,799
Current tax receivables		46,076	21,069
Financial instruments with a positive fair value	9.2/9.3	5,905	4,066
Cash at bank and in hand	9.3	749,920	518,072
Current assets		1,936,673	1,639,556
Assets held for sale	2.4	156,433	0
TOTAL ASSETS		14,411,116	14,260,921

Equity and liabilities

<i>In thousands of euros</i>	<i>Notes</i>	30.06.2025	31.12.2024
Share capital		3,568	3,560
Additional paid-in capital		1,514,495	1,514,495
Reserves and retained income		2,067,628	2,174,229
Equity attributable to owners of the Group	7	3,585,691	3,692,284
Non-controlling interests		331,474	328,538
Total equity		3,917,165	4,020,822
Provisions for pensions		83,524	82,263
Deferred tax liabilities	11	548,199	553,997
Other provisions	10	56,360	53,493
Borrowings and financial debt	9.2	3,309,742	2,977,431
Non-current lease liabilities	5.5	3,494,894	3,609,482
Other non-current liabilities		16,781	56,863
Non-current liabilities		7,509,500	7,333,529
Current provisions	10	19,297	25,027
Trade payables and related accounts	3.5	547,243	570,028
Other payables and accruals	3.5	895,828	891,238
Current tax payables		36,155	23,850
Current borrowings and bank overdrafts	9.2	999,099	985,716
Current lease liabilities	5.5	403,533	408,776
Financial instruments with a negative fair value	9.2/9.3	4,807	1,935
Current liabilities		2,905,962	2,906,570
Liabilities associated with assets held for sale	2.4	78,489	0
TOTAL EQUITY AND LIABILITIES		14,411,116	14,260,921

CONSOLIDATED STATEMENT OF CASH FLOWS

In thousands of euros

	Notes	First-half 2025	First-half 2024
Net profit/(loss) from continuing operations		(53,008)	(20,130)
Income tax expense		(16,391)	(6,808)
Net depreciation/amortisation, impairment and provisions		374,619	290,990
Profit/(loss) from equity-accounted companies		936	580
Changes in fair value and non-cash items		(5,330)	(85)
Elimination of dividend income		606	(1)
Gains on disposals of assets		6,444	48,035
Elimination of acquisition costs of securities		-	198
Elimination of cost of net financial debt		139,177	146,858
Cash flow before cost of net financial debt		447,053	459,637
Change in inventories	3.5	6,572	1,899
Change in trade receivables	3.5	(47,309)	(55,776)
Change in trade payables	3.5	(30,239)	(130,860)
Change in other items	3.5	51,852	171,246
Change in working capital		(19,124)	(13,491)
Income taxes paid		(11,184)	(2,237)
Net cash from operations		416,745	443,909
Impact of changes in scope (acquisitions)	2.4	(22,842)	(37,689)
Impact of changes in scope (disposals)	2.4	211	194,616
Investments in property, plant and equipment and intangible assets	5.4	(113,059)	(156,296)
Other financial investments		(1,135)	(1,001)
Proceeds from disposals of non-current assets (excluding securities)		12,327	24,367
Net cash from (used in) investing activities		(124,498)	23,997
Net cash flow		292,247	467,906
Corporate actions		(4,112)	86,219
Treasury shares charged to equity		572	103
Increase in borrowings	9.2	603,984	46,235
Repayment of borrowings and financial debt	9.2	(260,976)	(298,275)
Repayment of lease liabilities	5.5	(214,035)	(213,370)
Other cash flow related to financing activities	7	(1,310)	(83,734)
Net interest paid		(149,212)	(141,241)
Dividends		(35,101)	(18,102)
Net cash used in financing activities		(60,190)	(622,165)
Impact of discontinued operations		-	(9,808)
Impact of exchange rate fluctuations		-	3
Change in cash and cash equivalents		232,057	(164,064)
Cash and cash equivalents at start of period		516,002	675,179
Cash and cash equivalents at end of period		748,059	511,115
o/w:			
Cash associated with assets held for sale		3,772	-
Marketable securities	9.3	84,000	66,165
Cash at bank and at hand	9.3	665,920	449,030
Bank overdrafts	9.3	(5,633)	(4,080)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In thousands of euros	Share capital	Additional paid-in capital	Shares and equity instruments	Investments	Cash flow hedges and cost of hedging	Employee benefits	Charged directly to equity	Reserves and retained income	Equity attributable to owners of the Group	Non-controlling interests	Total equity
At 31 Dec. 2023	534,143	1,296,250	(11,303)	533,543	68,726	(15,611)	176,310	1,091,696	3,583,754	353,716	3,937,470
Dividends paid	-	-	-	-	-	-	-	-	-	(3,309)	(3,309)
Corporate actions	(532,719)	89,646	-	-	-	-	-	533,073	90,000	-	90,000
Business combinations	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	103	-	-	-	-	-	103	-	103
Equity instruments	-	-	-	-	-	-	(14,897)	-	(14,897)	-	(14,897)
Impact of IFRS 16 restatement of leases (net of tax)	-	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests and other changes	-	0	-	-	-	-	(7,615)	(104,003)	(111,618)	10,587	(101,031)
Net profit/(loss) for the period	-	-	-	-	-	-	-	(52,257)	(52,257)	8,543	(43,714)
Impact of IAS 19 (actuarial gains and losses)	-	-	-	-	-	(1,779)	-	-	(1,779)	3	(1,778)
Measurement of hedging derivatives and free share plans	-	-	425	-	(5,063)	-	-	-	(4,638)	113	(4,525)
Currency translation differences	-	-	-	-	-	-	-	(1,676)	(1,676)	-	(1,676)
Total comprehensive income/(loss)	-	-	425	-	(5,063)	(1,779)	-	(53,933)	(60,350)	8,659	(51,691)
At 30 June 2024	1,424	1,295,896	(10,775)	533,543	63,663	(17,389)	153,798	1,466,832	3,486,992	369,653	3,856,645
Dividends paid	-	-	-	-	-	-	-	-	-	(29,590)	(29,590)
Corporate actions	2,136	218,599	-	-	-	-	(40)	-	220,695	-	220,695
Business combinations	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	27	-	-	-	-	-	27	-	27
Equity instruments	-	-	-	-	-	-	(3,579)	-	(3,579)	-	(3,579)
Impact of IFRS 16 restatement of leases (net of tax)	-	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests and other changes	-	-	-	-	-	-	2,227	1,858	4,085	(5,171)	(1,086)
Net profit/(loss) for the period	-	-	-	-	-	-	-	(2,866)	(2,866)	(5,116)	(7,982)
Impact of IAS 19 (actuarial gains and losses)	-	-	-	-	-	(666)	-	-	(666)	(13)	(679)
Measurement of hedging derivatives and free share plans	-	-	2,862	-	(15,266)	-	-	-	(12,404)	(1,225)	(13,629)
Currency translation differences	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	2,862	-	(15,266)	(666)	-	(2,866)	(15,935)	(6,354)	(22,289)
At 31 December 2024	3,560	1,514,495	(7,886)	533,543	48,397	(18,055)	152,406	1,465,824	3,692,284	328,538	4,020,822
Dividends paid	-	-	-	-	-	-	-	-	-	(2,360)	(2,360)
Corporate actions	8	-	-	-	-	-	(8)	-	-	-	-
Business combinations	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	311	-	-	-	-	-	311	-	311
Equity instruments	-	-	-	-	-	-	(34,016)	-	(34,016)	-	(34,016)
Impact of IFRS 16 restatement of leases (net of tax)	-	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests and other changes	-	-	-	-	-	-	(422)	(8,606)	(9,028)	(222)	(9,250)
Net profit/(loss) for the period	-	-	-	-	-	-	-	(58,514)	(58,514)	5,506	(53,008)
Impact of IAS 19 (actuarial gains and losses)	-	-	-	-	-	559	-	-	559	-	559
Measurement of hedging derivatives and free share plans	-	-	1,258	-	(7,164)	-	-	-	(5,906)	12	(5,894)
Currency translation differences	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	1,258	-	(7,164)	559	-	(58,514)	(63,861)	5,518	(58,343)
At 30 June 2025	3,568	1,514,495	(6,317)	533,543	41,233	(17,496)	117,960	1,398,705	3,585,691	331,474	3,917,165

NOTES TO THE CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

The head office of the Clariane Group's parent company, Clariane SE, is located at 21-25, rue Balzac, 75008 Paris, France.

The 2025 condensed half-year consolidated financial statements were reviewed by the Audit Committee on 28 July 2025 and were approved for issue by the Board of Directors on 29 July 2025.

The Group and its subsidiaries are:

- companies operating care homes for elderly people with diminished autonomy;
- companies operating specialist healthcare facilities providing medical, post-acute and rehabilitation care, mental healthcare, and medicine-surgery-obstetrics. These facilities provide full-time hospitalisation, day hospitalisation and outpatient care. Their purpose is to reduce physical and/or mental disability or restore autonomy to help the patient return home and re-enter his/her social and work environment;
- companies operating assisted living facilities that offer independent seniors an environment that suits their lifestyle, while facilitating social interaction and shared living;
- companies operating home care service agencies, which provide an alternative to hospitalisation, along with domiciliary care service agencies;
- holding companies for the real estate assets in which the activities are carried out.

NOTE 1. ACCOUNTING PRINCIPLES

1.1 Statement of compliance

The condensed half-year consolidated financial statements at 30 June 2025 have been prepared in accordance with the international accounting standards and interpretations issued by the International Accounting Standards Board (IASB) and adopted by the European Union at the reporting date. These standards include International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), together with their interpretations, and are available from the following European Union website:

https://finance.ec.europa.eu/regulation-and-supervision/financial-services-legislation/implementing-and-delegated-acts/international-accounting-standards-regulation_en.

The condensed consolidated half-year financial statements ("consolidated financial statements") were prepared in accordance with IAS 34 "Interim Financial Reporting", as adopted by the European Union. The condensed half-year consolidated financial statements do not include all the notes and disclosures required under IFRS for annual consolidated financial statements and should therefore be read in conjunction with the 2024 consolidated financial statements.

1.2 IFRS standards, amendments and interpretations applied by the Group

The condensed half-year consolidated financial statements were prepared using the same accounting policies and methods that were used to prepare the consolidated financial statements for the year ended 31 December 2024, with the exception of those set out in note 1.4 "Presentation of the consolidated financial statements", and the standards, amendments and interpretations effective for reporting periods beginning on or after 1 January 2025, which the Group did not early adopt:

- Amendment to IAS 21 "The Effect of Changes in Foreign Exchange Rates – Lack of Exchangeability".

This amendment had no material impact on the Group's consolidated financial statements at 30 June 2025.

Similarly, the agenda decisions published by the IFRS Interpretations Committee (IFRS-IC) and effective in 2025 did not have a material impact on the Group's consolidated financial statements.

1.3 IFRS standards, amendments and interpretations applicable from 2026 and not early adopted by the Group

- Amendments to IFRS 7 "Financial Instruments: Disclosures"
 - "Classification and Measurement of Financial Instruments"
 - "Contracts Referencing Nature-dependent Electricity"
 - "Introduction and Credit Risk Disclosures" (Amendments to Guidance on Implementing IFRS 7)
 - "Disclosure of Deferred Difference between Fair Value and Transaction Price" (Amendments to Guidance on implementing IFRS 7)
 - "Gain or Loss on Derecognition"
- Amendments to IFRS 9 "Financial instruments:"
 - "Classification and Measurement of Financial Instruments"
 - "Contracts Referencing Nature-dependent Electricity"
 - "Derecognition of Lease Liabilities"
 - "Transaction Price"
- Amendment to IFRS 1 "First-time Adoption of International Financial Reporting Standards: Hedge Accounting by a First-time Adopter"
- Amendment to IFRS 10 "Consolidated Financial Statements: Determination of a 'De Facto Agent'"
- Amendment to IAS 7 "Statement of Cash Flows: Cost Method"

Analysis of the impact of the application of these standards and amendments is under way.

1.4 Presentation of the Financial Statements

The Group's consolidated financial statements are prepared on a historical cost basis except for assets and liabilities recognised at fair value in accordance with IFRS 9 (see note 9.3 "Financial assets and liabilities"). Current assets and liabilities are assets and liabilities held for use or sale as part of the normal operating cycle (less than one year). A current liability is an obligation that is expected to be settled within a short period of time as part of the normal operating cycle.

The consolidated financial statements are presented in thousands of euros unless otherwise indicated.

Particularities specific to the preparation of the condensed consolidated half-year financial statements

a. Income tax (note 11)

For interim financial statements, income tax expense (current and deferred) is determined by applying the estimated average effective rate for the year to the pre-tax income for each tax jurisdiction.

b. Employee benefits (note 4)

Employee benefits for interim periods are calculated on the basis of actuarial measurements carried out at the end of the previous year. These measurements are adjusted where applicable to take into account plan curtailments, liquidations and other significant non-recurring events during the period. In addition, the amounts recognised in the statement of financial position for defined benefit plans are adjusted where applicable to take into account significant changes that have impacted the yield on bonds issued by blue chip companies in the relevant area (the benchmark used to determine discount rates), as well as the value and yield of plan assets.

Critical accounting estimates and judgements

To prepare the consolidated financial statements, the Group applies estimates and judgements that are regularly updated and that are based on historical experience and other factors, including expectations of future events deemed reasonable in view of the circumstances. For items subject to assumptions and estimates, the results of the sensitivity tests on accounting values with regard to the main assumptions are disclosed in the relevant notes.

In preparing the consolidated financial statements, the Group made significant estimates and judgements on the following items:

a. Business combinations (notes 2 and 5)

For acquisitions, pursuant to IFRS 3 "Business Combinations", the Group measures at fair value the assets acquired (in particular operating licences) and the liabilities assumed.

Liabilities, contingent price consideration and options related to commitments to purchase non-controlling interests are measured on the basis of information or situations existing at the date the financial statements are prepared (medium-term business plan), which may prove to be different from actual outcomes.

Changes in the fair value of liabilities corresponding to commitments to purchase non-controlling interests (minority puts) are recognised in shareholders' equity.

b. Goodwill, intangible assets and property, plant and equipment (note 5)

At the level of each Cash-Generating Unit (CGU), the value in use of intangible assets and property, plant and equipment is derived from the Group's internal valuations, based on the medium-term business plans. The main assumptions used in these valuations (medium-term growth rate, discount rate, margin and perpetuity growth rate) are estimated by the Group. The discount rates and long-term growth rates are determined by the Group with assistance from an independent expert.

The carrying amounts of assets are reviewed at least annually and whenever events or circumstances indicate that they may be impaired. Such events and circumstances may be the result of material adverse changes of a lasting nature that affect either the business environment or the assumptions or objectives used at the last reporting date.

c. Leases (note 5)

Pursuant to IFRS 16, lease liabilities are determined using a lease term on property leases that corresponds to the non-cancellable period plus any renewal options the Group is reasonably certain to exercise.

The Group has elected not to apply the exemption for identifiable low-value leases signed in France and Germany in relation to work clothing, or the short-term exemption for medical equipment in these two countries.

d. CVAE classification (note 11)

The Group has reviewed the accounting treatment of French CVAE tax on corporate added value in light of IFRS. According to its analysis, the CVAE meets the definition of an income tax as set out in IAS 12.2 "Income taxes based on taxable profits".

1.5 Going concern

In the context of rising inflation and interest rates, and reduced access to bond markets in 2023, on 14 November of that year, the Group launched its plan to strengthen its financial structure over 2024 and 2025 (the "Refinancing Plan") (see note 2 "Significant events of the period"), which was completed in the first half of 2025, some six months ahead of schedule. The various measures in this plan, including the strengthening of the Group's equity through an equity-based real estate partnership, two capital increases carried out in June and July 2024 and the completion of an asset disposal programme in the first half of 2025, combined with credit lines negotiated with a banking syndicate and the €400 million bond issue whose settlement-delivery took place on 27 June 2025 (see note 2 "Significant events of the period" – "New financing" section), enabled the Group to cover its short-term financing needs.

The consolidated financial statements have been prepared on a going concern basis.

The Group's liquidity stood at €749.9 million at 30 June 2025.

At 30 June 2025, and for a period of at least 12 months, the Group's liquidity is ensured by:

- the completion of the Refinancing Plan (see note 2.1 "Financing" – "Plan to strengthen the Group's financial structure");
- the amended and extended syndicated loan and the new credit line put in place for €775 million with final repayments due in May 2029, subject to certain conditions relating to the refinancing of bond debt, announced by the Group on 17 February 2025 (see note 2.1 "Financing" – "New financing" section);
- the successful unsecured bond issue for a total amount of €400 million, maturing in five years (27 June 2030) whose settlement-delivery took place on 27 June 2025, contributing to extending the average maturity of the Group's debt, with an annual coupon of 7.875% (see note 2.1 "Financing" – New financing" section).

Clariane has sufficient working capital to meet its obligations over the next 12 months while complying with the €300 million minimum liquidity covenant at each half-year and year-end closing, and at each drawdown date, if any, on the €490.8 million revolving credit facility ("RCF"), the next such date being the renewal date of 4 December 2025.

Debt maturities in that period represent a cumulative amount of approximately €290 million (excluding the factoring programme), and mainly correspond to real-estate and Schuldschein debt.

NOTE 2. SIGNIFICANT EVENTS OF THE PERIOD

2.1 Financing

Plan to strengthen the Group's financial structure

The €1.5 billion Refinancing Plan, announced on 14 November 2023, was finalised six months ahead of schedule with the announcement of the disposal of the Petits-fils home care services network on 12 June 2025. The Refinancing Plan aimed to secure and accelerate Clariane's debt reduction and benefit from a financial structure taking into account to a more challenging economic environment due to inflation, rising interest rates and tighter debt and real estate markets, and, ultimately, to provide room for manoeuvre in the execution of its strategy.

With the completion of the first two stages of the Refinancing Plan in December 2023 and the successful rights issue on 5 July 2024 following on from the reserved capital increase settled on 12 June 2024, the first three components of the plan had been completed by the end of 2024.

On 12 June 2025, the Group announced that it had signed an agreement for the disposal of its Petits-fils network to Crédit Agricole Santé & Territoires, for a gross disposal (enterprise) value of €345 million (see note 2.4 "Material information on significant changes in scope" – "Assets held for sale"). The transaction closed on 29 July 2025 (see note 14 "Events after the reporting date"). The disposal of the Petits-fils network, the terms of which were set following a competitive process, enabled the Group to complete the fourth and final stage of the Refinancing Plan, comprising a disposal programme for operating and real estate assets either through outright sales or partnerships, with the intention of refocusing the Group's business activities geographically and raising around €1 billion in gross disposal proceeds before the end of 2025.

The successful completion of the asset disposal programme six months ahead of schedule represents the final stage of the Refinancing Plan. The capital gains generated by the asset disposal programme (including the disposal of the Petits-fils network) are estimated at more than €200 million over full-year 2025, and will help to pay down the Group's outstanding debt, in line with the mandatory early repayment clauses in the syndicated loan.

New financing

Amendment and extension of the syndicated loan

On 14 February 2025, the Group amended and extended its syndicated facility, comprising a term loan and a revolving credit facility with final maturities of May 2029, subject to the fulfilment of certain conditions relating to the refinancing of the Group's bonds, with interim maturities scheduled for 28 February 2027 and 31 May 2028, for an amount of €625 million.

The documentation for this renewed syndicated facility includes the following commitments:

- the replacement of the operating leverage ratio by a Wholeco consolidated leverage ratio;
- amendment to the mandatory early repayment clause linked to proceeds from asset disposals currently being carried out by the Group. The repayments are now capped at 40% of the net proceeds from disposals (instead of 75% previously) for the remaining disposals to be completed during 2025, within a cumulative limit of €700 million;
- by May 2026, a reduction in the amount of the €625 million syndicated credit facility, as follows: (i) the term loan of €340 million in February 2025 (€338.2 million at 30 June 2025) reduced to €300 million; (ii) the revolving credit facility of €492.5 million (€490.8 million at 30 June 2025, currently fully drawn down), reduced to €325 million;
- the option for the Group to extend the maturities to May 2029, subject to the following conditions: repayment, refinancing or extension of maturities of (i) €300 million of debt maturing in 2027 before 28 February 2027 (initial maturity), and (ii) €480 million of debt maturing in 2028 before 30 May 2028. In both cases, the revolving loan must be fully undrawn on the extension dates;
- addition of a €300 million minimum half-yearly liquidity covenant;
- the dividend payout restrictions introduced in July 2023 continue to apply, with no distributions permitted as long as the Wholeco leverage ratio remains above 4.0x at the reporting date (instead of 3.5x previously for Opco leverage) and payouts capped at 40% of net profit;
- no redemption of hybrid instruments with debt as long as the Group's Wholeco leverage remains above 5.0x (instead of 3.5x previously). The instruments can only be redeemed through refinancing based on capital or other hybrid instruments;
- the Group also announced that the syndicated loan was to be indexed to environmental, social and governance (ESG) targets. In line with its ESG ambition and the core position of ESG in its strategy, the financial terms of the syndicated loan will be indexed to non-financial indicators relating to enrolment on qualifying training paths, occupational health and safety, and ISO 9001 certification audits. At the date of this report, the targets for year-end 2025 have been set and a rendez-vous clause ensures new targets will be set for the remaining years (notably following the completion of the disposal programme).

The margin on the syndicated loan will be adjusted upwards or downwards depending on whether the non-financial targets are met by certain dates.

€150 million real estate bridge loan

At the same time, Clariane announced the signing of a new secured real estate loan with Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Ile de France, LCL, Crédit Agricole Corporate and Investment Bank and CIC Est, whose main features are as follows:

- amount: €150 million;
- maturity: similar to the syndicated loan, with an amortisation for €15 million per annum from May 2026;
- purpose: this loan will be used to finance and refinance the Group's real estate investments;
- collateral: the lenders benefit from the following collateral (i) pledge under Luxembourg law by the Company of 100% of the shares in CHL 1, (ii) pledge under Luxembourg law by CHL 1 of 100% of the shares in CHL 2, (iii) pledge under French law by CHL 2 of 100% of the shares in Clariane Holding Immobilier 1.

€400 million bond issue

On 24 June 2025, Clariane announced the successful completion of an unsecured bond issue for a total amount of €400 million, maturing in five years (27 June 2030), contributing to extending the average maturity of its debt, with an annual coupon of 7.875%. The bond issue attracted significant interest from a large number of Tier 1 institutional investors, both French and international. The order book reached an amount in excess of €1.2 billion, i.e., more than three times oversubscribed.

The Refinancing Plan completed in the first half of 2025 was notably designed to restore Clariane's normalised access to debt markets. This has been achieved through this market issuance, which enables Clariane to extend its maturities and demonstrates the support of investors and financial partners for Clariane's strategy of reducing debt and strengthening its balance sheet.

The net proceeds from this bond issue will be used to refinance existing debt (including the redemption of its OCEANE bonds).

Settlement-delivery and admission of these bonds to trading on the Euronext Dublin Global Exchange Market took place on 27 June 2025.

2.2 Clariane signs a green energy purchase agreement

Clariane aims to reduce its greenhouse gas emissions from energy use and refrigerants (Scopes 1 & 2) by 46% by 2031 compared to 2021. On 27 May 2025, the Group announced the signature of its first renewable electricity Virtual Power Purchase Agreement (VPPA) with IGNIS, a recognised European player in sustainable energy solutions. This marked a significant step towards achieving the target, which was validated by the Science Based Targets initiative (SBTi) in June 2024.

By signing its very first 100% renewable electricity contract with IGNIS, the Group is making a major move in its energy transition. This PPA, which will take effect in August 2026 for a period of 10 years, involves the construction of a solar power plant in Italy. It will ultimately supply 16.5 GWh of renewable electricity annually, equivalent to the consumption of approximately 40 of the Group's Italian sites. This contract includes the purchase of guarantees of origin, and an embedded derivative that is not eligible for hedge accounting, which is included in financial instruments with a positive fair value (see note 9.2 "Net financial debt").

Through this project, Clariane is securing a supply of green electricity while supporting the local development of new renewable infrastructure. This approach strengthens the Group's climate resilience strategy, alongside decarbonisation efforts at its facilities (energy management, on-site photovoltaics, connections to district heating networks, etc.).

2.3 Changes in the scope of consolidation

At 30 June 2025, in addition to the parent company Clariane SE, the consolidation scope included 644 fully consolidated companies and five equity-accounted companies (see note 6 "Equity-accounted investments"). The number of consolidated companies was 637 at 31 December 2024, five of which are accounted for by the equity method.

2.4 Material information on significant changes in scope

Impact on cash of acquisitions and disposals of subsidiaries and joint ventures as well as changes in consolidation method

<i>In thousands of euros</i>	First-half 2025	First-half 2024
Purchase price of subsidiaries [A]	(24,214)	(7,328)
Of which cash disbursed/cashed in [B]	(24,214)	(38,525)
Remainder to be disbursed/cashed in [C] = [A] - [B]	-	31,197
Disposal price [D]	1,369	197,114
Cash acquired [E]	1,373	836
Cash divested [F]	(1,158)	(2,498)
IMPACT OF CHANGES IN SCOPE [G] = [E] + [F] + [B] + [D]	(22,631)	156,927

As of 30 June 2025, the cash impact of changes in scope related to acquisitions of subsidiaries and joint ventures was a negative €24.2 million, corresponding mainly to earn-out payments on acquisitions carried out in previous periods in Spain, France, Belgium and Italy. The cash impact of changes in scope related to disposals of subsidiaries and joint ventures was a positive €0.2 million.

The subsidiaries acquired and sold during the period (excluding those identified as held for sale at end-June 2025 – see "Assets held for sale" section below) in the first half of 2025 are not individually material.

Assets held for sale

In accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", assets or disposal groups held for sale within the meaning of the standard are presented on a separate line in the statement of financial position.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. These assets are classified as held for sale only if their sale is highly probable within 12 months, if they are available for immediate sale, management has a committed plan to sell the assets and sufficient progress has been made in the sale process. In assessing whether a sale is highly probable, the Group takes into account, in particular, indications of interest and offers received from potential buyers, as well as the performance risks specific to certain transactions.

If assets or disposal groups held for sale represent a separate major line of business within the meaning of IFRS 5, they are presented as discontinued operations. When a business activity is classified as a discontinued operation, the comparative income statement and cash flow statement are restated as if the activity had met the criteria of a discontinued operation as of the start of the comparative period. Discontinued operations are presented on a single line on the face of the consolidated income statement. This line item, "Net profit/(loss) from discontinued operations", includes the net profit after tax of operations sold or being sold up to the date of disposal.

At 30 June 2023, the Group presented separately the net profit from its assisted living facilities business on the "Net profit/(loss) from discontinued operations" line of the income statement. This business was sold in the first half of 2024 (see note 2.3 "Changes in the scope of consolidation"). These operations held for sale generated a loss of around €23.6 million, broken down into €10.2 million in operating losses for the first six months of 2024, comparable to the losses recorded in the prior periods, and a disposal loss of €13.4 million at 30 June 2024.

At 30 June 2025, the Group had met its target of €1 billion in gross proceeds from disposals, as set out in the Refinancing Plan (see note 2.1 "Financing"), and no longer had any assets held for sale representing a separate major line of business within the meaning of IFRS 5.

The change in net profit/(loss) from discontinued operations (after tax) comprises the following:

<i>In thousands of euros</i>	First-half 2025	First-half 2024
Revenue	-	14,595
Other income		
Revenue and other income	-	14,595
Purchases used in the business	-	(2,673)
Payroll expenses	-	(6,042)
External expenses	-	(5,230)
Taxes and duties	-	(615)
Other operating income and expenses	-	(418)
EBITDA	-	(383)
Depreciation/amortisation and impairment	-	(6,000)
Other operating income and expenses	-	(1,075)
Operating income	-	(7,458)
Net financial expense	-	(2,643)
Pre-tax income/(loss)	-	(10,101)
Income tax	-	(103)
Profit/(loss) from consolidated companies	-	(10,204)
Profit/(loss) from equity-accounted companies	-	0
Net disposal gain/(loss) from discontinued operations	-	(13,380)
Net profit/(loss) from discontinued operations	-	(23,584)

The change in cash flow of discontinued operations includes the following:

<i>In thousands of euros</i>	First-half 2025	First-half 2024
Net profit/(loss) from discontinued operations attributable to owners of the Group	-	(10,204)
Net cash from operating activities - Discontinued operations	-	1,398
Net cash from financing activities - Discontinued operations	-	2,818
Net cash used in investing activities - Discontinued operations	-	(1,276)
CHANGE IN CASH AND CASH EQUIVALENTS	-	(7,264)

On 12 June 2025, the Group announced that it had signed an agreement for the disposal of its Petits-fils network to Crédit Agricole Santé & Territoires, for a gross disposal (enterprise) value of €345 million. The transaction closed on 29 July 2025 (see note 14 "Events after the reporting date").

Founded in 2007, Petits-fils provides a range of home care services for the elderly, including helping them to maintain their independence, preparing meals, domestic help, administrative support and assistance. When it was acquired by Clariane in November 2018, Petits-fils operated a national network of 58 franchised branches. It now operates a network of 292 franchised branches, which provided support to almost 39,000 people in 2024. It contributed €56 million to Clariane's consolidated revenue in 2024.

Since the Group does not consider this disposal group to represent a separate major line of business within the meaning of IFRS 5, it is presented within continuing operations.

The disposal of the Petits-fils network, the terms of which were set following a competitive process, enabled the Group to complete the fourth and final stage of the Refinancing Plan, comprising a disposal programme for operating and real estate assets either through outright sales or partnerships, with the intention of refocusing the Group's business activities geographically and raising around €1 billion in gross disposal proceeds before the end of 2025.

The successful completion of the asset disposal programme six months ahead of schedule represents the final stage of the Refinancing Plan.

Disposal groups held for sale break down as follows at the reporting date:

Assets

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Goodwill	89,500	-
Intangible assets	15,090	-
Property, plant and equipment	1,852	-
Right-of-use assets	807	-
Non-current financial assets	1,110	-
Equity-accounted investments	-	-
Deferred tax assets	615	-
Non-current assets	108,974	-
Inventories	138	-
Trade receivables and related accounts	23,786	-
Other receivables and current assets	16,079	-
Current tax receivables	-	-
Financial instruments with a positive fair value	-	-
Cash and cash equivalents	7,455	-
Assets held for sale	-	-
Current assets	47,458	-
Assets held for sale	156,433	-
<i>o/w Petits-Fils</i>	156,433	-

Liabilities

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Provisions for pensions	72	-
Deferred tax liabilities	3,365	-
Other provisions	1,120	-
Borrowings and financial debt	1,274	-
Non-current lease liabilities	699	-
Other non-current liabilities	34,401	-
Non-current liabilities	40,931	-
Current provisions	-	-
Trade payables and related accounts	4,850	-
Other payables and accruals	28,875	-
Current tax payables	-	-
Current borrowings and bank overdrafts	3,684	-
Current lease liabilities	150	-
Financial instruments with a negative fair value	-	-
Current liabilities	37,559	-
Liabilities associated with assets held for sale	78,489	-
<i>o/w Petits-Fils</i>	78,489	-

NOTE 3. SEGMENT REPORTING – EBITDAR – WCR

3.1 Operating segments

IFRS 8 requires the disclosure of segment-based information on the components of the Group, as reviewed and measured by the Group's management. These components (operating segments) are identified on the basis of internal reports that are regularly reviewed by the Group's operational management when deciding to allocate resources to these segments and when assessing their performance.

The Clariane Group is organised into five operating segments: France, Germany, Benelux, Italy and Spain.

The Group's operational management monitors the indicators shown in the table below, and revenue and EBITDAR in particular.

EBITDAR, which is calculated based on the Group's income and expenses from ordinary operations, measures the Group's operating performance. This indicator is used in the industry to exclude the impact of real estate policies when assessing operating performance.

The Group's revenue for each segment has a similar profile in that it is derived from similar types of services, customers and contracts.

Operating segments – first-half 2025	Total	France	Germany	Benelux ¹	Italy	Spain
<i>In thousands of euros</i>						
Revenue and other income	2,655,784	1,140,848	654,808	414,490	317,043	128,596
EBITDAR	546,238	215,749	138,232	89,484	71,610	31,163
	20.6%	18.9%	21.1%	21.6%	22.6%	24.2%

Reconciliation of EBITDAR to operating income for first-half 2025

<i>In thousands of euros</i>	
EBITDAR	546,238
Lease expenses	(39,658)
EBITDA	506,580
Depreciation/amortisation, impairment and provisions	(381,454)
Other operating income and expenses	(52,730)
Operating income	72,396

(1) Includes €83.4 million of revenue in the Netherlands.

Operating segments – first-half 2024	Total	France	Germany	Benelux ¹	Italy	Spain & United Kingdom ²
<i>In thousands of euros</i>						
Revenue and other income	2,636,004	1,172,639	617,837	385,465	320,026	140,037
EBITDAR	557,217	256,676	121,540	82,306	69,739	26,956
	21.1%	21.9%	19.7%	21.4%	21.8%	19.2%

Passage de l'EBITDAR au résultat opérationnel au 30.06.2024

<i>In thousands of euros</i>	
EBITDAR	557,217
Lease expenses	(38,879)
EBITDA	518,338
Depreciation/amortisation, impairment and provisions	(362,603)
Other operating income and expenses	(34,181)
Operating income	121,554

(1) Includes €74.5 million of revenue in the Netherlands.

(2) The Group divested its activities in the United Kingdom in April 2024.

3.2 Revenue and other income

Clariane is organised around three main business units: Long-term Care, Specialty Care and Community Care. Revenue consists primarily of services in connection with healthcare, dependency care, accommodation and hospitality services. Revenue from these services is recognised when these services have been delivered, regardless of the source of payment.

Revenue and other income totalled €2,655.8 million for the period to 30 June 2025, a year-on-year increase of €19.8 million.

The reform of aftercare and rehabilitation (*Soins de Suite et de Réadaptation – SSR*), now known as medical, post-acute and rehabilitation care (*Soins Médicaux et Réadaptation – SMR*), which came into force in January 2024, introduced changes to the way healthcare facilities are financed. These changes impacted the Group's working capital in particular, since services are now billed at the end of the stay.

In 2024, other income chiefly corresponds to Ségur de la Santé financing for the medical, post-acute and rehabilitation care business (Ségur Senior financing is included in revenue). Following the reform of medical, post-acute and rehabilitation care impacting financing arrangements, all financing is now included in revenue.

In light of the introduction of healthcare and mental healthcare funding reforms, several accrued revenue items had been recognised at the end of 2024. The estimate was based on objective findings relating to the funding shortfalls observed in the first year of implementation of the reform (medical, post-acute and rehabilitation care) and on the existence of a principle of securing "Mandatory French Health Insurance" funding until 2025 in the funding reform for mental healthcare activities. Despite these observations and principles, government authorities ultimately failed to allocate part of this additional funding, leading the Group to reverse €15 million of this revenue through profit.

Revenue and other income from each business activity are shown below:

<i>In thousands of euros</i>	First-half 2025	First-half 2024
Long-term Care	1,679,150	1,617,934
Specialty Care	645,831	680,351
Community Care	330,803	337,719
TOTAL	2,655,784	2,636,004

3.3 Other recurring operating data

Purchases used in the business correspond mainly to purchases of raw materials, energy and various supplies, which decreased by €9.3 million year on year, including a portion owing to lower energy costs.

External expenses consist mainly of fees and other remuneration paid to various intermediaries for €54.8 million, rental expenses under leases outside the scope of IFRS 16 for €39.7 million (see note 5.5 "Lease commitments"), upkeep and maintenance costs for €17.2 million, and subcontracting costs totalling €30.6 million.

"Depreciation/amortisation, impairment and provisions" includes (i) €358 million of depreciation and amortisation and (ii) €23.4 million of impairment and provisions.

3.4 Other operating income and expenses

These items represent the impact of major events during the accounting period that could distort the interpretation of the Group's performance, particularly of EBITDAR (Earnings Before Interest, Taxes, Depreciation, Amortisation and Rent), which is the Group's preferred indicator for financial reporting purposes.

To facilitate the interpretation of operating performance, these income and expense items are presented separately in the income statement.

They mainly consist of:

- capital gains and losses on the disposal of investments, and significant and unusual impairment of non-current assets (property, plant and equipment and intangible assets);
- certain restructuring or merger expenses, consisting mainly of costs incurred in connection with restructuring, reorganisations and transformations considered strategic for the Group, that, because of their unusual nature and size, would distort operating income from ordinary operations (impact of real estate asset refinancing transactions and disposals carried out in connection with merger and acquisition transactions);
- costs related to mergers, acquisitions and asset disposals during the period;
- other income and expenses such as provisions for material litigation.

<i>In thousands of euros</i>	30.06.2025	30.06.2024
Reorganisation, restructuring and other costs	(28,643)	(29,786)
Income and expenses on disposals	(4,943)	(1,206)
Impairment	(17,134)	-
Other	(2,010)	(3,189)
TOTAL OTHER OPERATING INCOME AND EXPENSES	(52,730)	(34,181)

Other operating income and expenses mainly include:

- €28.6 million in reorganisation, restructuring and other costs, mainly related to strategic project costs for €8.8 million, notably in France and Germany; and the impact of site closures as well as restructuring costs related to organisational changes within the Group's network, particularly in France for €12 million, and costs associated with the Group's Refinancing Plan for €5.8 million;

- €4.9 million in net costs on disposals and planned disposals under way as part of the Refinancing Plan (see note 2 "Significant events of the period"), in France, Germany and Italy in particular;
- €17.1 million of impairment losses, mainly relating to assets in Germany and France.

3.5 Working capital

a. Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories of raw materials, goods for resale, personal protective equipment and other supplies consists of the purchase price excluding taxes, less discounts, rebates and other deductions obtained, plus incidental purchasing costs (transport, unloading charges, customs duties, purchasing commissions, etc.). These inventories are measured using the first-in first-out (FIFO) method.

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Inventories	47,110	30,348
Impairment allowances	(9,743)	(8,107)
NET VALUE	37,367	22,240

The gross value of inventories amounted to €47.1 million, mainly comprising linen, food products and medicines (€32.3 million), as well as €14.8 million of construction in progress at Âges & Vie Habitat, recognised within inventories as the buildings in question are being built on behalf of the equity-accounted A&V property companies.

b. Receivables

Trade and other receivables are recognised at their nominal value, i.e., the fair value at the date of initial recognition.

An impairment loss is recognised as from the date of initial recognition of the receivable as required by IFRS 9. The level of provisioning depends both on the level of loss experienced in previous years and on the risk assessment performed on the receivables in each of the countries in which the Group operates.

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Trade receivables	532,301	501,767
Impairment allowances	(48,477)	(44,457)
NET VALUE	483,824	457,310

In accordance with IFRS 9, the Group's impairment rules for trade receivables depend on the sector, country and nature of the receivable.

Some receivables in certain countries, such as Italy and Germany, are more than four years old. In these countries, debts owed by residents are collected through dunning and court-ordered enforcement. As an execution order is valid for several years, and in many cases the Group must wait until a resident's former home is sold, receivables more than four years past due have not been written off.

Transfer and use of financial assets

As part of its financing policy, the Group has factoring agreements that allow a portion of trade receivables held by certain subsidiaries to be sold to a group of financial institutions. These transactions transfer substantially all the risks and rewards related to those receivables.

The risks and rewards test required under IFRS 9 has led the Group to derecognise almost all of the receivables assigned under these factoring contracts.

The Group's strategy has been implemented in Italy with *pro soluto* factoring. The receivables assigned by the Italian subsidiaries are sold at their nominal value less an initial charge of 0.3% to 0.6%, which is recognised in "Other operating expenses", to which interest at the Euribor rate plus a margin is added and recorded as a financial expense. At 30 June 2025, assigned receivables derecognised and not yet collected by the factoring company represented €39.3 million, or 25.1% of current flows assigned and derecognised over the past twelve months. At 31 December 2024, this amount represented €43.4 million, i.e., 14.9% of the current amounts assigned and derecognised during the period.

Quarterly breakdown of assigned receivables under <i>pro soluto</i> factoring arrangements	First-quarter 2025	Second-quarter 2025	30.06.2025
Receivables assigned	69,374	88,560	157,934
Receivables collected	67,649	90,992	158,641
Fees for the management and collection of assigned receivables	(252)	(295)	(547)
Corresponding financial expense	(552)	(749)	(1,301)
Profit/(loss) on assignment	(804)	(1,044)	(1,848)
NET CASH RECEIVED	66,845	89,948	156,793

c. Other receivables and current assets

Other receivables and current assets consist of the following:

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Tax receivables, excluding current taxes	169,764	168,311
Social security receivables	13,453	15,051
Advances and down payments	18,642	36,015
Prepaid expenses	76,970	49,763
Other debtors	301,187	314,309
Other receivables and current assets in working capital	580,016	583,449
Advances on current accounts* and receivables on acquisitions/disposals of non-current asse	62,398	59,791
Impairment of other receivables	(30,659)	(27,514)
VALUE OF OTHER RECEIVABLES	611,755	615,726
Deposits and guarantees	1,478	1,045
Other non-current financial assets	348	28
VALUE OF OTHER CURRENT FINANCIAL ASSETS	1,826	1,073
TOTAL OTHER RECEIVABLES AND CURRENT ASSETS	613,581	616,799

(1) Mainly current accounts with equity-accounted companies.

The countries accounting for most of the "Other receivables and current assets" line are France (€423.2 million), Germany (€66.5 million) and Italy (€59.2 million).

d. Trade payables, other payables and accruals

Trade and other payables are recognised at historical cost (which is the amortised cost).

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Trade payables	547,243	570,028
TOTAL TRADE PAYABLES AND RELATED ACCOUNTS	547,243	570,028

From an operational standpoint, the main contributors to trade payables are France (€226 million), Italy (€163.1 million), Germany (€75 million) and Benelux (€69.2 million).

Reverse factoring

In Spain and Italy, trade payables mainly comprise amounts owed to the Group's suppliers, as well as amounts that the Group's suppliers have transferred to a financial institution under reverse factoring programmes. In accordance with the amendment to IAS 7 on disclosures to be provided in notes to financial statements in respect of supplier financing arrangements, applicable as of 1 January 2024, the payables subject to these two reverse factoring programmes with financial institutions were analysed by the Group. As a result of its analysis, the payables were classified as trade payables in its statement of financial position. As trade payables are not substantially modified as a result of these programmes and as the terms of payment to financial institutions are similar to those agreed with suppliers, these payables are considered as trade payables and the corresponding payments as operating cash flows.

Two reverse factoring programmes have been in place with two financial institutions since 2016 in Italy and 2021 in Spain, and are renewable annually in Spain and every two years in Italy. Under these factoring agreements, the suppliers concerned receive payment of their invoices from the financial institutions before their original due date (mostly 60 days for Spain and 150 days for Italy). Invoices transferred by the supplier to the financial institution are payable by the Group on the initial due date. They are considered by the Group as trade payables and their payments as operating cash flows, given that payments to financial institutions are conducted under the same conditions as those agreed with the supplier. Trade payables under reverse factoring programmes amounted to around €47.5 million in Italy and €3.3 million in Spain at 30 June 2025, compared with €41.4 million and €3.2 million respectively at 31 December 2024. A new reverse factoring agreement, renewable annually and with terms and conditions similar to those already in force, was signed in Spain in May 2025, and will be implemented at the start of the second half of 2025.

The Group's other payables and accruals can be analysed as follows at 30 June 2025:

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Residents' deposits	67,734	67,459
Advances and down payments made on orders	52,383	56,025
Non-corporate income tax liabilities	150,833	117,054
Payroll liabilities	368,277	359,841
Other liabilities	150,007	143,300
Deferred income	41,588	51,655
Payables and accruals in working capital	830,822	795,334
Payables to suppliers of non-current assets	64,704	95,903
Dividends payable	302	-
TOTAL OTHER PAYABLES AND ACCRUALS	895,828	891,238

From an operational standpoint, the main contributors to other payables and accruals are Germany (€316.4 million), France (€322.2 million), Benelux (€146 million) and Italy (€88.4 million).

Change in working capital

Working capital includes the following items:

<i>In thousands of euros</i>	31.12.2024	Changes in scope ¹	Change in working capital	Other changes	30.06.2025
Inventories [A]	30,347	(26)	(6,572)	23,360	47,110
Trade receivables and related accounts [B]	501,767	(1,094)	47,309	(15,681)	532,301
Other receivables and current assets [C]	583,449	140	18,020	(21,593)	580,016
Trade payables and related accounts [D]	570,028	138	(30,239)	7,316	547,243
Other payables and accruals [E]	795,334	(379)	69,872	(34,084)	830,822
Working capital [F] = [D] + [E] - [A] - [B] - [C]	249,799	739	(19,124)	(12,854)	218,638

⁽¹⁾ Includes reclassifications to assets held for sale (IFRS 5).

The Group excludes tax receivables and payables and investment-related receivables and payables from its calculation of working capital. Working capital is based on the gross value of inventories and receivables.

3.6 Non-current assets

At 30 June 2025, the Group's non-current assets break down as follows by country:

<i>In thousands of euros</i>	France	Germany	Italy	Benelux ¹	Spain	Total
Non-current assets² at 31 December 2024	5,894,610	2,354,349	1,507,704	2,033,389	576,107	12,366,160
Change ²	(215,201)	(69,739)	(21,354)	(22,904)	3,461	(325,735)
Non-current assets² at 30 June 2025	5,679,410	2,284,610	1,486,350	2,010,486	579,569	12,040,424

o/w:

<i>Goodwill</i>	1,451,582	720,077	413,876	268,974	295,302	3,149,811
<i>Licences</i>	1,386,482	-	424,019	227,209	53,141	2,090,850
<i>Other intangible assets</i>	152,786	16,488	15,735	9,251	22,670	216,930
<i>Property, plant and equipment</i>	1,507,225	518,024	480,754	381,475	144,818	3,032,296
<i>Right-of-use assets</i>	1,118,841	1,030,022	151,236	1,123,576	63,636	3,487,312
<i>Other non-current assets</i>	62,493	-	730	-	-	63,224

(1) Includes €408 million of non-current assets in the Netherlands.

(2) Restated for non-current financial assets and deferred tax assets.

Details of goodwill, licences, other intangible assets, property, plant and equipment and right-of-use assets are provided in note 5 "Goodwill, intangible assets and property, plant and equipment."

NOTE 4. EMPLOYEE EXPENSES AND BENEFITS

4.1 Payroll expenses

<i>In thousands of euros</i>	First-half 2025	First-half 2024
Wages and salaries	(1,168,399)	(1,131,822)
Payroll taxes	(343,290)	(341,670)
Compulsory employee profit sharing	(4,465)	(4,160)
Free share awards	(2,339)	(524)
Other payroll expenses	(112,368)	(100,850)
TOTAL	(1,630,861)	(1,579,026)

Payroll expenses rose by 3.3% in the first half of 2025.

4.2 Employee share ownership plan

In 2022, the Group set up a leveraged employee share ownership plan that offers employees the possibility to purchase the Group's shares at a discounted price. To calculate the IFRS 2 expense used to measure the employee benefit, the Group adjusts the amount of the discount granted to employees on the share subscription price in accordance with the following two factors:

- the cost of the five-year "lock-in", or non-transferability period, that applies to the shares granted to employees. This cost takes into account the five years during which the shares may not be sold or otherwise transferred, and is equivalent to the cost of a two-step investment strategy in which a market participant sells the shares at the end of the five-year period and borrows the amount necessary to buy an equivalent number of immediately transferable shares, this being financed by means of the forward sale of the shares and the dividends paid during the lock-in period. This cost is calculated on the basis of the following factors:
 - the share subscription price is the volume-weighted average price of Clariane shares over the 20 previous trading days, less a discount,
 - the award date of the rights under the plan is the date on which employees are informed of its specific terms and conditions, and of the share subscription price in particular,
 - the lending rate offered to employees, which is used to determine the non-transferability cost of the shares, is the rate that a bank would offer to an individual with an average risk profile for a balloon-payment consumer loan with a term equal to the duration of the plan;
- the opportunity gain offering employees the possibility of benefiting from the same market conditions as the Group.

No new employee share ownership plans have been set up by the Group since 2022.

4.3 Employee benefits

Employee benefits, comprising post-employment benefits (lump sum retirement benefits, TFR – *Trattamento di Fine Rapporto*) and long-term benefits such as jubilee and long-service awards (MDT), are calculated for interim periods on the basis of actuarial valuations carried out at the end of the previous annual reporting period (see note 1.4 "Presentation of the consolidated financial statements").

4.4 Share-based payments

In accordance with IFRS 2, share-based payments – such as free shares granted to employees and officers – are expensed over the vesting period.

The Clariane Group has set up free share plans which are considered to be equity-settled within the meaning of IFRS 2 (plans settled by the delivery of Clariane shares at the end of the vesting period), for which an expense is recognised with a corresponding increase in equity. For these plans, the fair value of the equity instruments granted is the Clariane share price at the grant date less the expected dividends over the vesting period. The number of equity instruments granted may be reviewed during the vesting period to account for anticipated non-compliance with “non-market related” performance conditions or the turnover rate of the beneficiaries.

The fair value of IFRS 2 plans was determined by an external expert using valuation models that take into account the plan's specific characteristics, market data observed at the grant date and certain assumptions by the Group's management. Fair value is assessed twice a year, at 30 June and 31 December, taking into account changes in the probability of meeting the various conditions specific to each plan.

<i>In thousands of euros</i>	2021 free share plan #3	2022 free share plan #1	2022 free share plan #2	2023 free share plan #1	2023 free share plan #2	2024 free share plan #1	Total
Subject to service conditions	Yes	Yes	Yes	Yes	Yes	Yes	
Subject to performance conditions	Yes	No	Yes	No	Yes	Yes	
Vesting date	14 March 2025	22 June 2025	22 June 2025	15 June 2026	15 June 2026	5 August 2027	
Number of shares initially granted ⁽¹⁾	211,543	184,272	1,024,774	258,060	1,438,185	6,880,814	9,997,648
Number of shares vested	52,886	117,264	603,548				773,698
Accounting expense for previous financial years	426	1,109	4,419	440	699	596	7,688
Accounting expense for first-half 2025	596	(29)	1,258	231	227	823	3,105
Share price at the grant date	30.50	14.83	14.83	7.51	7.51	1.90	
IFRS 2 FAIR VALUE OF THE PLANS	1,021	1,068	5,575	985	1,360	4,722	14,732

(1) Number of units adjusted for capital increases carried out in June and July 2024

Outstanding free share plans with performance conditions (excluding the “Growth share plan”)

For all free share plans subject to performance conditions, the shares are awarded to certain employees and corporate officers. Vesting of these shares is subject to a service condition (continued employment by the Group throughout the vesting period) and, for certain plans, that the following performance targets are achieved:

- for the “2022 plan” (with performance conditions): 2024 revenue, 2024 earnings per share and CSR criteria (lost-time accident frequency rate and satisfaction rate among residents/patients and their families). The shares granted under the “2022 Plan” (with and without performance conditions) vested on 22 June 2025 and resulted in the allocation of 720,812 new shares to the beneficiaries of these plans;
- for the “2023 plan” (with performance conditions): 2025 revenue, 2025 earnings per share, the composite indicator on quality and safety of care⁴ and CSR criteria (gender diversity within Group and country management committees and reduction in carbon emissions);
- for the “2024 Plan” (with performance conditions): 2026 revenue, 2026 free operating cash flow, 2025 and 2026 financial leverage ratios, and CSR criteria (2026 satisfaction rate, reduction in carbon emissions, employee engagement, gender diversity within Group and country management committees).

Outstanding free share plans with no performance requirements

In 2022 and 2023, two plans without performance conditions were also granted to several employees identified as high potential employees and key resources for the Group, and to specific medical functions.

As described above, the shares granted under the “2022 Plan” (with and without performance conditions) vested on 22 June 2025 and resulted in the allocation of 720,812 new shares to the beneficiaries of these plans.

Growth share plan

Lastly, a special free share plan was set up in 2021 for the managers of new business activities, subject to the achievement of specific 2024 revenue and 2024 EBITDA targets for these new activities. The vesting period ended on 14 March 2025, resulting in the grant of 52,886 new shares to the beneficiaries of the plan.

⁴ Indicator created in 2022 and serving as a basis for measuring the Group's requirements in terms of quality of care.

NOTE 5. Goodwill, intangible assets and property, plant and equipment

5.1 Goodwill

In accordance with IFRS 3, at the acquisition date, business combinations are recognised as follows:

- the identifiable assets acquired and the liabilities assumed are measured at fair value at the acquisition date;
- non-controlling interests are measured either at fair value (i.e., with goodwill allocated to noncontrolling interests – the “full goodwill method”) or at the proportionate share of the fair value of the acquired entity's identifiable net assets (i.e., with no goodwill allocated to noncontrolling interests – the “partial goodwill method”). This option may be decided individually for each business combination;
- acquisition costs are expensed when incurred and are recorded under "Other operating income and expenses" in the consolidated income statement;
- any earn-out payments on business combinations are recognised at fair value at the acquisition date. After the acquisition date, earn-outs are recognised at fair value at each reporting date. Beyond one year after the acquisition date, any change in this fair value is recognised in income. Within this one-year period, any change in this fair value that is explicitly linked to events subsequent to the acquisition date will also be recognised in income. Other changes are recognised against goodwill.

The accounting treatment of changes in the fair value of earn-outs must be consistent with its type and purpose, and consists in separating out the change in fair value linked to the time value of money (recognised as a financial expense) and the residual amount (shown in operating income). Specifically:

- when the change in fair value results from updating assumptions relating to the expected future operating performance of the acquiree, the movements are recognised in operating items;
- when they mainly result from updating expected future cash flows, they are considered to be a financial component and are recognised in financial items.

At the acquisition date, goodwill is the difference between:

- the fair value of the consideration transferred, plus the amount of non-controlling interests in the acquiree and, where a business combination takes place in several stages, the fair value at the acquisition date of the acquirer's previously held equity interest in the acquiree, which is remeasured in the income statement;
- the net fair value of identifiable assets acquired and liabilities assumed at the acquisition date, measured at fair value.

Goodwill is not amortised. In accordance with IAS 36 "Impairment of Assets", goodwill is tested for impairment at least once a year, and more frequently if there is evidence of impairment.

Change in goodwill

Changes in goodwill in the first half of 2025 are as follows:

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Gross goodwill at start of period	3,239,523	3,287,524
Acquisitions	3,985	3,731
Final allocation of goodwill		3,097
Valuation of commitment to purchase non-controlling interests		
Disposals	(4,197)	(14,829)
Reclassifications and other impacts		
Assets held for sale	(89,500)	(40,000)
Gross goodwill at end of period	3,149,811	3,239,523
Impairment at start of period		
Impairment during the period		
Impairment at end of period		
Net goodwill at start of period	3,239,523	3,287,524
NET GOODWILL AT END OF PERIOD	3,149,811	3,239,523

Most goodwill arises from the recognition of licences, real estate developments and leases. Most of the changes in goodwill in the first half of 2025 are attributable to:

- Assets held for sale: the impact of the classification as assets held for sale in the 30 June 2025 consolidated financial statements of the Petits-fils network in France, the disposal of which was announced by the Group on 12 June 2025 (see note 2.4 "Material information on significant changes in scope" – "Assets held for sale"). The transaction closed on 29 July 2025 (see note 14 "Events after the reporting date").
- Disposals: the impact corresponds mainly to goodwill written off following disposals in Germany, Italy and France.

At 30 June 2025, the Group's goodwill breaks down as follows:

<i>In thousands of euros</i>	France	Germany	Benelux¹	Italy	Spain	Total
Net goodwill at start of period	1,538,378	721,568	268,944	415,332	295,302	3,239,523
Changes in scope	2,705	(1,491)	30	(1,456)	-	(213)
Final allocation of goodwill	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Assets held for sale	(89,500)	-	-	-	-	(89,500)
NET GOODWILL AT END OF PERIOD	1,451,582	720,077	268,974	413,876	295,302	3,149,811

(1) Includes €75.5 million of goodwill in the Netherlands.

Goodwill was tested for impairment in 2024. At 30 June 2025, the Group did not identify any indications of impairment. The Group reviewed the performance of each CGU over the first half of 2025, and the assumptions on which these tests were based at 31 December 2024 have not been called into question by the events of the first half year. The WACC and long-term growth rates used remain in line with those observed at 31 December 2024, except for the Netherlands (WACC revised upwards to 5.75% from 5.5% at 31 December 2024) and Germany (long-term growth rate revised upwards to 2.00% from 1.90% at 31 December 2024). The conclusions of the sensitivity tests to changes in the WACC and long-term growth rates carried out at 30 June remained in line with those observed at 31 December 2024.

5.2 Intangible assets

In accordance with IFRS 3, at the date control of a subsidiary is acquired, the identifiable assets acquired and liabilities assumed are measured at fair value.

Measurement of intangible assets

Operating licences acquired (intangible assets) are measured at the acquisition date at their fair value, which is determined using a multi-criteria approach that takes into account the characteristics of the facility, such as its revenue multiple, and the cash flow forecast in the business plan for the acquisition.

In France, licences to operate nursing homes are granted for a period of 15 years, and those for medical care and rehabilitation clinics, along with mental health clinics, for a renewable period of seven years. Operating licences may only be revoked if the facility fails to comply with its regulatory operating obligations, and in particular with minimum standards of competence and care, as verified by assessment records and/or compliance visits. Therefore, "licences" are considered to be indefinite-lived and no amortisation is recognised in the consolidated financial statements.

In Germany, a licence granted by the government is not required to operate facilities, which are essentially subject to technical standards. Operating rights do not meet the definition of an identifiable intangible asset and are therefore included in goodwill.

In Belgium, the long-term care market is subject to substantial regulatory barriers to entry, with regulation at regional level, operating licence requirements, and price controls on accommodation rates. Licences are therefore recognised as intangible assets.

In Italy, national laws impose minimum structural requirements. Each region transposes these regulations at its particular level. Italian institutions are subject to supervision by the regulatory authorities under agreements entered into with those authorities. Operating licences are mandatory and are therefore recognised as intangible assets.

In Spain, the social services issue regional licences to operate nursing homes. The licences depend on the technical standards of the facility. Therefore, operating rights do not meet the definition of an identifiable intangible asset. However, facilities may share beds with other facilities as part of a regional funding programme. The licence required for this purpose may be classified as an intangible asset and subsequently amortised over the term of the concession granted by the region.

In the Netherlands, operating licences exist but they are not particularly difficult to obtain. However, when a facility has been opened, it may enter into a contract with a private health insurer and provide home care under the VPT regime. These contracts make it possible to charge higher rates and provide more services to residents. Accordingly, contracts of this type in existence at the acquisition date are therefore recognised and measured as intangible assets.

In accordance with IAS 36 "Impairment of Assets", goodwill is tested for impairment at least once a year, and more frequently if there is evidence of impairment.

Intangible assets are shown in the table below:

<i>In thousands of euros</i>	Licences	Other	Total
Gross value at start of period	2,141,593	476,941	2,618,534
Changes in scope	-	(3,584)	(3,584)
Disposals	(5,191)	(1,788)	(6,980)
Acquisitions	62	24,602	24,664
Transfers	-	-	-
Reclassifications and other impacts	-	107	107
Assets held for sale	(527)	(15,370)	(15,897)
Gross value at end of period	2,135,937	480,907	2,616,844
Amortisation and impairment at start of period	39,583	242,774	282,357
Changes in scope	-	(2,113)	(2,113)
Disposals	-	(1,398)	(1,398)
Amortisation and impairment	5,503	25,481	30,984
Reclassifications and other impacts	-	24	24
Assets held for sale	-	(791)	(791)
Amortisation and impairment at end of period	45,086	263,977	309,063
Net carrying amount at start of period	2,102,010	234,167	2,336,177
NET CARRYING AMOUNT AT END OF PERIOD	2,090,851	216,930	2,307,781

Licences break down as follows for each operating segment:

<i>In thousands of euros</i>	France	Benelux¹	Italy	Spain	Total
Gross value at start of period	1,416,276	227,406	436,373	61,538	2,141,593
Impairment	20,533	197	12,027	6,827	39,583
Net carrying amount at start of period	1,395,744	227,209	424,346	54,712	2,102,010
Gross value at end of period	1,410,885	227,406	436,046	61,600	2,135,937
Impairment	24,403	197	12,027	8,459	45,086
Net carrying amount at end of period	1,386,482	227,209	424,019	53,141	2,090,851

(1) Includes €8.7 million of goodwill in the Netherlands.

No single licence represents a material amount for the Group. The change in licences in France is mainly due to a disposal during the first half of the year for €4.9 million, and to the write-down of a licence for €3.9 million in connection with the planned closure of a facility. The change in licences in Spain is related to amortisation charged against these items.

Intangible assets were tested for impairment at 31 December 2024. The assumptions used for the tests in 2024 have not been called into question by the events of the first half year, and the Group has carried out a performance review of each CGU for the first half of 2025. The WACC and long-term growth rates used remain in line with those observed at 31 December 2024, except for the Netherlands (WACC revised upwards to 5.75% from 5.5% at 31 December 2024) and Germany (long-term growth rate revised upwards to 2.00% from 1.90% at 31 December 2024). At 30 June 2025, no indication of impairment was identified as a result of these reviews, and sensitivity to changes in interest rates (WACC and long-term growth rates) remained in line with that observed at 31 December 2024.

5.3 Property, plant and equipment

Property, plant and equipment are reported at their acquisition cost, less any investment subsidies. Property, plant and equipment acquired as part of a business combination are measured at fair value at the acquisition date.

Key components of a non-current asset that have a useful life that is shorter than that of the asset itself are identified so that they may be depreciated over their own useful life.

At each reporting date, the historical cost is reduced by accumulated depreciation and any provisions for impairment determined as part of the impairment tests carried out at least once a year, or more frequently if there is an indication of impairment, in accordance with IAS 36 "Impairment of Assets".

LEASES

Since 1 January 2019, the Group has applied IFRS 16, which results in:

- the recognition of right-of-use assets and lease liabilities;
- the reclassification of assets and liabilities recognised under existing finance leases;
- the reclassification of lease incentives as a reduction in right-of-use assets.

DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT

Depreciation of property, plant and equipment is calculated using the straight-line method over the useful lives set out below (in years):

Category	Useful life (years)	Method
Structures	60	Straight line
Construction components	7 to 30	Straight line
Machinery and equipment	5 to 15	Straight line
Other improvements, fixtures and fittings	3 to 5	Straight line
Medical equipment	2 to 10	Straight line
Other equipment and furniture	2 to 10	Straight line
Software	1 to 7	Straight line
Vehicles	5	Straight line

At 30 June 2025, property, plant and equipment can be analysed as follows:

<i>In thousands of euros</i>	Land	Buildings	Plant, machinery and other property, plant and equipment	Assets in progress and down payments	Total
Gross value at start of period	346,376	2,856,866	1,836,914	199,691	5,239,847
Changes in scope	(41)	(57)	(1,430)	-	(1,528)
Disposals	(2,503)	(10,552)	(12,753)	(41,346)	(67,155)
Acquisitions	2,592	16,175	42,849	31,709	93,325
Transfers	4,725	7,681	15,477	(27,883)	-
Reclassifications and other impacts	-	(118)	(860)	(795)	(1,773)
Assets held for sale	-	(19)	(2,804)	(47)	(2,870)
Gross value at end of period	351,149	2,869,976	1,877,393	161,330	5,259,847
Accumulated depreciation at start of period	723	976,285	1,147,645	6,446	2,131,099
Changes in scope	-	(7)	(685)	-	(692)
Additions	-	53,127	57,825	-	110,952
Disposals	-	(3,959)	(8,715)	(172)	(12,846)
Reclassifications and other impacts	-	(4,924)	(301)	5,349	124
Assets held for sale	-	(16)	(1,070)	-	(1,086)
Accumulated depreciation at end of period	723	1,020,506	1,194,699	11,623	2,227,551
Net carrying amount at start of period	345,653	1,880,581	689,269	193,245	3,108,748
NET CARRYING AMOUNT AT END OF PERIOD	350,426	1,849,470	682,694	149,707	3,032,296

BORROWING COSTS

Pursuant to IAS 23, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (in particular, buildings) are included in the cost of that asset. The rate that may be used is the average cost of the Group's debt after hedging.

Borrowing costs totalled €0.7 million at 30 June 2025, versus €1.9 million at 31 December 2024.

5.4 Changes in cash flows in relation to acquisitions of non-current assets

Cash flows relating to acquisitions of property, plant and equipment and intangible assets are shown below:

<i>In thousands of euros</i>	30.06.2025	30.06.2024
Acquisitions of intangible assets	(10,202)	(21,441)
Change in payables on acquisitions of intangible assets	(3,143)	(694)
Acquisitions of property, plant and equipment	(91,818)	(163,104)
Change in payables on acquisitions of property, plant and equipment and other assets	(7,896)	28,943
INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS	(113,059)	(156,296)

5.5 Leases

Right-of-use assets recognised include the value of the associated lease liabilities, to which the following may be added where appropriate:

- lease payments made before the asset is made available;
- the initial direct costs incurred to obtain the lease, less any incentives received.

Right-of-use assets are depreciated on a straight-line basis over the term of the lease.

Lease liabilities represent the present value of:

- future lease payments (these include payments that are fixed or fixed in substance and those pegged to an index or rate);
- any incentives receivable;
- amounts that Clariane expects to pay under residual value guarantees;
- the exercise price of asset purchase options that the Group is reasonably certain to exercise;
- as well as any penalties that may be required to terminate the lease.

The Group recognises a weighted average lease term of 12 years.

The discount rates used are reviewed for each country at the end of each year and more frequently if necessary. These rates depend on the average incremental borrowing rate and average maturity for each country, as well as on the Group's leverage. The Group's average rate as of January 2025 is 6.50%.

Real estate accounts for 96% of all leases. The remaining leases are for vehicles, power equipment, work clothes and medical equipment.

Payments on exempted leases and variable payments continue to be recognised directly in operating expenses, and can be analysed as follows for the first half of 2025:

<i>In thousands of euros</i>	30.06.2025	30.06.2024
Short-term leases	(3,087)	(9,659)
Low value leases	(4,426)	(9,801)
Other lease expenses (fees and taxes)	(32,145)	(19,419)
Total	(39,658)	(38,879)

Change in right-of-use assets by category of underlying assets

In thousands of euros

Right-of-use assets at 31 December 2024	3,617,552
Inflows of assets, net of renegotiations	95,505
Amortisation and impairment	(225,181)
Changes in scope	(985)
Other changes	421
Right-of-use assets at 30 June 2025	3,487,312
- of which right-of-use real estate assets	3,475,876
- of which right-of-use non-real estate assets	11,436

Right-of-use assets at 30 June 2025 can be analysed by country as follows:

<i>In thousands of euros</i>	France	Germany	Benelux ¹	Italy	Spain	Total
Right-of-use assets	1,118,841	1,030,022	1,123,576	151,236	63,636	3,487,312

(1) Includes €282 million of right-of-use assets in the Netherlands.

Change in lease liabilities

In thousands of euros

Lease liabilities at 31 December 2024	4,018,258
Present value of debt and new leases	95,505
Repayment of debt	(214,035)
Change in lease term/lease amount	1,141
Changes in scope	(1,025)
Other changes	(1,417)
Lease liabilities at 30 June 2025	3,898,427

Change in cash outflow on leases

<i>In thousands of euros</i>	30.06.2025	30.06.2024
Repayment of lease liabilities	(214,035)	(213,370)
Interest on lease liabilities	(68,187)	(66,299)
RENTAL EXPENSE UNDER LEASES	(282,222)	(279,669)

Maturity of lease liabilities at 30 June 2025

<i>In thousands of euros</i>	Total	Less than 1 year	1 to 5 years	More than 5 years
Lease liabilities	3,898,427	403,533	1,380,110	2,114,784

Maturity of undiscounted lease liabilities at 30 June 2025

<i>In thousands of euros</i>	Total	Less than 1 year	1 to 5 years	More than 5 years
Undiscounted lease liabilities	4,767,208	506,239	1,740,346	2,520,623

NOTE 6. EQUITY-ACCOUNTED INVESTMENTS

The respective contributions of associates and joint ventures to the statement of financial position at 30 June 2025 and 31 December 2024 and to the income statement for the years then ended are shown below:

<i>In thousands of euros</i>	Total at 30 June 2025	Vivason	Centro Clinico Colle Cesarano S.r.l.	Foncière A&V	Foncière A&V 2	SCI Korian Étoile Immobilier 3
Country		France	Italy	France	France	France
Percentage of shares held		50%	30%	30%	30%	51%
Statement of financial position						
Equity-accounted investments	63,224	18,799	731	24,432	2,560	16,702
Income statement						
Profit/(loss) from equity-accounted companies	(936)	0	(8)	(488)	(574)	134

<i>In thousands of euros</i>	Total at 31 Dec. 2024	Vivason	Centro Clinico Colle Cesarano S.r.l.	Foncière A&V	Foncière A&V 2	SCI Korian Étoile Immobilier 3
Country		France	Italy	France	France	France
Percentage of shares held		50%	30%	30%	30%	51%
Statement of financial position						
Equity-accounted investments	64,160	18,799	739	25,080	2,974	16,568
Income statement						
Profit/(loss) from equity-accounted companies	381	174	(6)	1,344	(1,087)	(44)

The main transactions during the period and positions at 30 June 2025 with related parties included in the Group's consolidated financial statements are as follows:

- €70.1 million in financial receivables with A&V real estate companies, subject to terms similar to those of the loan granted to the Group by the European Investment Bank, the sole purpose of which is to finance Âges & Vie (see note 9.2 "Net financial debt");
- €31.8 million of current account receivables with A&V real estate companies.

NOTE 7. EQUITY

Share capital

There are no rights, privileges or restrictions attached to the shares that comprise the share capital. Nor are there any shares reserved for issue under share sale agreements or options.

On 21 March 2025, the Chief Executive Officer decided to draw up the definitive list of beneficiaries of the Growth share plan, under which shares had been awarded on 24 February 2021, along with the final number of shares allocated to them under this share plan. This decision was taken in accordance with the sub-delegation of powers granted by the Board of Directors on 21 March 2025 and after noting the fulfilment of the service and performance conditions provided for by this share plan. The Chief Executive Officer therefore decided to increase Clariane's share capital by capitalising €528.86 from retained earnings to issue 52,886 new ordinary shares, each with a par value of €0.01 for the beneficiaries.

On 22 June 2025, the Chief Executive Officer decided to draw up the definitive list of beneficiaries of the 2022 Plan with performance conditions and the 2022 Plan without performance conditions, under which shares had been awarded on 22 June 2022, the number of which was adjusted on 5 August 2024, along with the final number of shares allocated to them under these two 2022 share plans. This decision was taken in accordance with the sub-delegation of powers granted by the Board of Directors on 24 February 2025 and after noting the fulfilment of the performance conditions of the share plan with performance conditions and fulfilment at 22 June 2025 of the service condition for the 2022 share plan with performance conditions and the 2022 share plan without performance conditions. The Chief Executive Officer therefore decided to increase Clariane's share capital by capitalising €7,208.12 from non-distributable reserves to issue 720,812 new ordinary shares, each with a par value of €0.01 for the beneficiaries.

Share capital totalled 3,567,544.59 at 30 June 2025, comprising 356,754,459 fully paid-up *pari passu* ordinary shares, each with a par value of €0.01.

The documentation for the syndicated facility, which was renewed by the Group in February 2025, stipulated that no dividends could be paid as long as the Wholeco consolidated financial leverage was above 4.0x at the end of the financial year, with distributions capped at 40% of net profit. As the Wholeco consolidated financial leverage ratio was 5.8x at 31 December 2024 (see note 9.2 "Net financial debt"), no dividend was paid in respect of 2024.

Hybrid bonds

On 8 September 2021, the Group issued new undated unsubordinated bonds optionally redeemable in cash and/or in new and/or existing shares (ODIRNANE bonds), with cancellation of preferential subscription rights, for a nominal amount of €332.5 million. These bonds were issued with the following characteristics:

- a nominal value of €44.28 each, representing a conversion premium of 30.0% over the reference share price;
- interest due until 8 September 2026 at a fixed nominal annual rate of 1.875% paid half-yearly and initially on 8 March 2022;
- and as of 8 September 2026, interest at an annual rate equal to six-month Euribor plus 900 basis points, payable half-yearly in arrears on each interest payment date, and initially, if applicable, on 8 March 2027, unless interest payments are suspended.

At 30 June 2025, the applicable conversion ratio is 1,788 Clariane shares for 1 ODIRNANE bond.

In accordance with IAS 32, these hybrid financial instruments were recognised as equity instruments for an amount net of interest and issue costs of €315.4 million at 30 June 2025 (€318.9 million at 31 December 2024).

The ODIRNANE contract also provides for a 500-basis-point increase in the coupon if Clariane decides not to redeem the bonds following a change of control (defined as holding (i) the majority of the voting rights attached to the shares, or (ii) more than 40% of these voting rights if no Clariane shareholders hold a higher percentage).

GBP 200 million non-convertible green hybrid bond

On 8 June 2021, Clariane announced the successful placement of a GBP 200 million non-convertible hybrid green perpetual bond paying an initial coupon of 4.125%. In accordance with the terms and conditions of the issue, this coupon was increased to 13.168% on 15 June 2024 (based on the five-year gilt yield observed on that date plus 9.079%), for a period of five years from that date. The bond is redeemable at par, at the issuer's discretion, on 15 June each year (the anniversary date of the issue).

The proceeds of this green bond will be used to upgrade, purchase and develop real estate assets. The entire issue was recognised in equity.

OCEANE bonds

On 3 March 2020, Clariane announced the successful placement of its issue of bonds convertible into and/or exchangeable for new and/or existing shares (OCEANE) maturing in 2027 for a nominal amount of approximately €400 million.

The bonds were issued at par and their nominal value was set at €61.53 each, resulting in a conversion premium of 55% over the Clariane Group's reference share price.

The cancellation of 640,000 OCEANE bonds in the first half of 2022 reduced the nominal value to €360 million. The applicable conversion ratio is 1.972 Clariane shares for 1 OCEANE bond at 30 June 2025. In accordance with IAS 32, the cancellation of these OCEANE bonds reduced the fair value of the redemption option sold to holders to €30 million. The OCEANE contract provides holders with the option of requesting redemption of the instrument at par plus interest accrued to the redemption date in the event of a change of control (defined as holding (i) the majority of the voting rights attached to the shares or if none of the Company's shareholders holds a higher percentage, or (ii) more than 40% of these voting rights).

Real estate partnerships

The Group pressed ahead with its real estate strategy during the period, setting up long-term partnerships in the form of special-purpose vehicles holding its non-development assets. Based on an analysis of these partnerships in light of IFRS 10, Clariane was not found to control these vehicles.

At 30 June 2025, the Group formed part of the following real estate partnerships:

- the partnership entered into in 2020 with BNP Paribas Cardif and EDF Invest for a total of €336 million, representing 49% of the shares in the real estate vehicle, worth €1 billion. This partnership provides for the following:
 - a term of 15 years,
 - a guarantee for investors of a level of return between a specified floor and a cap. This means that if an investor exits with an IRR below the floor, Clariane will compensate the loss so that the investor's IRR is equivalent to the floor. Conversely, if the investor achieves an IRR higher than the cap, Clariane will receive the amount needed to return the investor's IRR to a level equivalent to the cap,
 - decisions on payouts of dividends and other issue premiums to be made annually by the parties. The annual remuneration anticipated in the business plan in the form of dividends is 4.5% on average over the term of the plan,
 - a non-transferability period of seven years, except in the case of unrestricted transfers provided for in the shareholders' agreement,

- at the end of this period, an option for investors to sell their shares during two annual windows, subject to Clariane's right of first refusal,
 - if Clariane does not exercise its right of first refusal, or if Clariane's offer is rejected by the seller, the seller may appoint an investment bank to organise a sale process,
 - a tag-along right for investors in the event of the sale of shares in the vehicle by Clariane,
 - an obligation for investors to sell their shares in the vehicle (drag-along) if Clariane receives an offer for 100% of its shares,
 - unwinding of the vehicle after 14 years, through the sale of investors' shares or, failing that, the sale of portfolio assets,
 - Clariane has the majority of seats on the Supervisory Board and certain decisions require the approval of BNP Paribas Cardif and EDF Invest, considered to be protective rights for investors.
- the partnership entered into in 2021 with OAK JVCO for a total of €98 million, also representing 49% of the shares in the real estate vehicle, worth €320 million. This partnership provides for the following:
- a term of 15 years,
 - a guarantee for investors of a level of return between a specified floor and a cap. This means that if an investor exits with an IRR below the floor, Clariane will compensate the loss so that the investor's IRR is equivalent to the floor. Conversely, if the investor achieves an IRR higher than the cap, Clariane will receive the amount needed to return the investor's IRR to a level equivalent to the cap,
 - decisions on payouts of dividends and other issue premiums to be made annually by the parties. The annual remuneration anticipated in the business plan in the form of dividends is 4.5% on average over the term of the plan,
 - a non-transferability period of seven years, except in the case of unrestricted transfers provided for in the shareholders' agreement,
 - at the end of this period or if the Company is delisted, an option for investors to sell their shares once a year, subject to Clariane's right of first refusal,
 - if Clariane does not exercise its right of first refusal, or if Clariane's offer is rejected by the seller, the seller may organise a sale process,
 - a tag-along right for investors in the event of the sale of shares in the vehicle by Clariane,
 - an obligation for investors to sell their shares in the vehicle (drag-along) if Clariane receives an offer for 100% of its shares,
 - a purchase option for Clariane from the tenth anniversary of the transaction,
 - Clariane has the majority of seats on the Supervisory Board and certain decisions require the approval of OAK JVCO, considered to be protective rights for investors.

- the real estate partnership entered into with Amundi Immobilier, Covéa, Crédit Agricole Assurances and Malakoff Humanis in June 2023 covers a pan-European portfolio of 46 assets located in France (13 assets), Italy (13 assets), Spain (9 assets), Germany (7 assets) and the Netherlands (4 assets), representing a value of around €500 million. The partners hold around 40% of the capital, for a total investment of €120 million. The amounts released by the investors at closing were used to repay intra-group current account receivables, mainly generated when the vehicle was set up. This partnership provides for the following:
 - a term of 15 years,
 - a guarantee for investors of a level of return between a specified floor and a cap. This means that if an investor exits with an IRR below the floor, Clariane will compensate the loss so that the investor's IRR is equivalent to the floor. Conversely, if the investor achieves an IRR higher than the cap, Clariane will receive the amount needed to return the investor's IRR to a level equivalent to the cap,
 - decisions on payouts of dividends and other issue premiums to be made annually by the parties. The partners' projected annual remuneration in the form of dividends is 5% over the term of these business plans,
 - a non-transferability period of eight years applicable to the shares, except in the case of unrestricted transfers provided for in the shareholders' agreement,
 - at the end of this period, an option for investors to sell their shares during two annual windows, subject to Clariane's right of first refusal,
 - if Clariane does not exercise its right of first refusal, or if Clariane's offer is rejected by the seller, the seller may organise a sale process,
 - a tag-along right for investors in the event of the sale of shares in the vehicle by Clariane,
 - an obligation for investors to sell their shares in the vehicle (drag-along) if Clariane receives an offer for 100% of its shares,
 - a purchase option for Clariane, between the tenth and the fourteenth anniversary of the transaction,
 - unwinding of the vehicle after 14 years, through the sale of investors' shares or, failing that, the sale of portfolio assets,
 - Clariane has the majority of seats on the supervisory board and qualified majority or unanimous decisions are considered to be protective rights for investors,
 - in the event of a delisting or a takeover bid for the Company's shares giving rise to a third-party holding a 30% interest in the share capital (unless the Company is ultimately controlled by the Covéa group, the Crédit Agricole Assurances group, the Malakoff Humanis group and/or the Amundi group), end of the non-transferability period, early exercise of the Clariane call option or early launch of the fourteenth-year vehicle unwinding mechanism;

- the real estate partnership entered into with Predica in December 2023 for €140 million as part of the Refinancing Plan announced on 14 November 2023, covering 19 French assets representing a gross asset value of €263.6 million, excluding transfer duties. Predica subscribed to €140 million worth of bonds issued by Korian & Partenaires Immobilier 12 ("KPI 12"), redeemable in KPI 12 preferred shares (the "ORAs"). This partnership provides for the following:
 - a return of 10.5% per annum for Predica, increased by 2.5% assuming capitalisation of interest due,
 - redemption of the French ORAs in preferred shares at maturity, i.e., seven years after their issuance,
 - an additional return of 5% per annum for Predica as from the redemption of the French ORAs in preferred shares,
 - an option for Clariane to redeem the French ORAs from Predica at any time during the six years and ten months following their issuance,
 - a seven-year ban on the transfer of KPI 12 securities for Predica and Clariane, and a ten-year ban on pledging KPI 12 securities,
 - an option for Predica to leave the vehicle from the seventh year, with a right of priority in favour of Clariane,
 - if Clariane fails to exercise its right of priority, an option for Predica to launch a process for the sale of all or part of the vehicle (assets or securities) from the seventh year, with the possibility of appointing a Deputy Chief Executive Officer to lead this sale and a priority transfer of the proceeds of the sale to Predica,
 - power of Clariane over key decisions,
 - restrictive events leading to accelerated redemption of the French ORAs in KPI 12 preferred shares and a right for Predica to buy back KPI 12 shares or assets at a discount.

Overall, the Group's real estate portfolio valued at €2,608 million⁵ is 72%-held under partnerships through the various holding structures described above.

⁵Fair value of real estate assets as appraised by Cushman & Wakefield.

Development partnership with Banque des Territoires

In June 2023, Clariane signed a partnership with Banque des Territoires to support the development of its healthcare network in France. Under this partnership, Banque des Territoires acquired a 49% stake in the capital of an investment vehicle, with Clariane holding the remaining 51%. Five projects in France have been identified for the first phase, representing a target investment of around €150 million over a four-year period. The Group exercises joint control over this investment vehicle. The business plan for the vehicle and any investments are subject to the agreement of all investors.

At the end of June 2025, this investment vehicle had equity of €31.5 million. This partnership provides for the following:

- a term of 15 years;
- decisions on payouts of dividends and other issue premiums to be made annually by the parties;
- a non-transferability period of eight years applicable to the shares, except in the case of unrestricted transfers provided for in the shareholders' agreement;
- at the end of this period, an option for the partners to leave the vehicle during two annual windows, with the other partner then having a preferential right to buy the shares held by the selling party. If beneficiaries do not exercise their preferential right, any sale to a third party must be approved by the General Meeting;
- a tag-along right for each party in the event of a sale of shares in the vehicle by the other party;
- an option for Clariane to purchase Banque des Territoires shares in 2031 and 2032, then in 2035 and 2036.

NOTE 8. EARNINGS PER SHARE

Earnings per share are calculated by dividing the Group's consolidated net profit by the weighted average number of shares outstanding during the period.

Diluted earnings per share are calculated assuming the exercise of all existing dilutive options and using the "share buyback" method defined in IAS 33 "Earnings per share".

In light of the attributable net loss for the first half of 2025 and in accordance with IAS 33 "Earnings per Share", potential performance shares to be distributed are not taken into account in calculating the weighted average number of shares in issue due to the anti-dilutive effect.

	First-half 2025	First-half 2024
Net profit/(loss) attributable to owners of the Group (in thousands of euros)	(58,514)	(52,257)
Net profit/(loss) from continuing operations attributable to owners of the Group (in thousands of euros)	(58,514)	(28,673)
Weighted average number of shares outstanding (in thousands)	355,832	110,238
EARNINGS/(LOSS) PER SHARE (in euros)	(0.16)	(0.47)
EARNINGS/(LOSS) PER SHARE FROM CONTINUING OPERATIONS (in euros)	(0.16)	(0.26)
Net profit/(loss) attributable to owners of the Group (in thousands of euros)	(58,514)	(52,257)
Net profit/(loss) from continuing operations attributable to owners of the Group (in thousands of euros)	(58,514)	(28,673)
Remuneration of dilutive equity instruments	-	-
Weighted average number of shares outstanding (in thousands)	355,832	110,238
Average number of shares relating to stock options and free shares	7,700	1,691
Average number of shares relating to hybrid and OCEANE bonds	24,982	14,797
Restatement of anti-dilutive shares	(32,682)	(16,488)
Average number of shares used to calculate diluted earnings/(loss) per share	355,832	110,238
DILUTED EARNINGS/(LOSS) PER SHARE (in euros)	(0.16)	(0.47)
DILUTED EARNINGS/(LOSS) PER SHARE OF CONTINUING OPERATIONS (in euros)	(0.16)	(0.26)

NOTE 9. FINANCING AND FINANCIAL INSTRUMENTS

9.1 Net financial expense

Net financial expense consists of cost of net debt and other financial items.

Cost of net debt chiefly consists of interest expense on bank and bond debt, costs and products related to hedging, the impact of amortising capitalised issuance costs and amortisation impacts related to the renegotiation and restructuring of debt and hedging instruments.

Other financial income and expenses mainly comprise financial expenses relating to the recognition of lease liabilities, bank fees and charges paid (including factoring charges) and the interest cost attributable to employee benefit obligations.

<i>In thousands of euros</i>	30.06.2025	30.06.2024
Cost of gross financial debt	(78,794)	(93,251)
Cost of hedging derivatives	(42)	(1,330)
Income from hedging derivatives	11,458	13,920
Hedging derivatives	11,416	12,590
Income from cash and cash equivalents	3,086	0
Cost of net financial debt	(64,292)	(80,661)
Bank fees and commissions	(5,797)	(6,625)
Financial expenses on lease liabilities	(68,130)	(69,055)
Exchange gains	-	4,552
Effect of discounting contingent price liabilities	(61)	4,436
Other (net)	(2,579)	(559)
Other financial income and expenses	(2,640)	8,429
Other financial income and expenses	(76,567)	(67,251)
NET FINANCIAL EXPENSE	(140,859)	(147,912)

Net financial expense fell to €140.9 million for the first half of 2025 from €147.9 million for the same period in 2024, mainly due to the reduction in the cost of gross debt.

Net interest paid during the year amounted to €149.2 million, including €68.2 million in interest paid on lease liabilities.

9.2 Net financial debt

Net financial debt consists of gross debt less liquid financial assets, i.e., marketable securities and cash.

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Borrowings from credit institutions and financial markets	2,722,261	2,375,307
Real estate debt owed to financial counterparties (excluding IFRS 16)	1,559,333	1,559,839
Other miscellaneous financial debt	21,615	25,931
Bank overdrafts	5,633	2,070
Borrowings and financial debt (A)	4,308,841	3,963,147
Marketable securities	84,000	68,166
Cash at bank and at hand	665,920	449,906
Cash and cash equivalents (B)	749,920	518,072
NET FINANCIAL DEBT (A) - (B)	3,558,921	3,445,075

The Group's gross debt at 30 June 2025 breaks down as follows:

- a syndicated bank loan comprising a term tranche of €338.2 million (versus €390.6 million at end-December 2024) and a revolving tranche of €490.8 million, renewed on 4 June 2025, on which the amount currently drawn falls due in December 2025. On 14 February 2025, the Group amended and extended the maturity of its syndicated facility, subject to certain conditions, from May 2026 to May 2029 for of €625 million (see note 2 "Significant events of the period");
- bonds placed with private investors and borrowings from credit institutions for a total amount of €1,893.3 million;
- real estate debt of €1,559.3 million, consisting mainly of leases and bank loans used for bridge finance;
- other miscellaneous financial debt of €21.6 million, consisting mainly of accrued interest;
- bank overdraft facilities totalling €5.6 million.

The Group continues to carry debt granted by the European Investment Bank, the sole purpose of which is to finance Âges & Vie, which was equity-accounted in 2023. At 30 June 2025, the Group also had a receivable on similar terms with Âges & Vie for €70.1 million, presented under non-current assets. Including this receivable, the Group's net debt represented €3,488.8 million and was the reference net debt used to calculate the Wholeco consolidated financial leverage ratio under the syndicated loan signed by the Group with its banking partners on 25 July 2023 and renewed in February 2025.

Moreover, at the end of the period, the Group's net cash position stood at €749.9 million, excluding bank overdrafts. At 30 June 2025, debts secured by *in rem* security interests, such as pledges, mortgages and finance leases, accounted for 27.4% of gross debt.

Change in borrowings

In thousands of euros	31.12.2024	New borrowings	Repayment of borrowings	Changes in scope	Other	30.06.2025	Current	Non-current
Borrowings	3,935,146	604,376	(260,976)	496	2,553	4,281,594	971,896	3,309,698
Compulsory employee profit sharing	45					45		45
Other loans and similar liabilities	25,887	40,141	(44,624)	0	166	21,570	21,570	
TOTAL BORROWINGS AND FINANCIAL DEBT	3,961,078	644,516	(305,600)	496	2,719	4,303,208	993,466	3,309,742

In thousands of euros	New borrowings in 2025	Cash	Non-cash	Repayment of borrowings 2025	Cash	Non-cash
Borrowings	604,376	603,984	392	(260,976)	(260,976)	
Other loans and similar liabilities	40,141		40,141	(44,624)		(44,624)
TOTAL BORROWINGS AND FINANCIAL DEBT	644,516	603,984	40,533	(305,600)	(260,976)	(44,624)

The increase in gross debt over the period is mainly due to the signature in February 2025 of a new secured real estate loan of €150 million with Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Ile de France, LCL, Crédit Agricole Corporate and Investment Bank and CIC Est, as well as the successful unsecured bond issue for a total amount of €400 million, maturing in five years (27 June 2030) whose settlement-delivery took place on 27 June 2025 (see note 2 "Significant events of the period").

This increase is partly offset by the repayment of the various payment schedules in the first half of the year and the partial early repayment of the term tranche of the syndicated loan further to the completion of disposals, notably the sale of the hospital home care businesses, which was completed in December 2024, in accordance with the mandatory early repayment clause linked to the asset disposal programme currently being implemented by the Group, up to 75% of the net proceeds of disposal, reduced to 40% since the renewal of the syndicated loan in February 2025 (see. note 2 "Significant events of the period").

Floating and fixed-rate financial debt

At 30 June 2025, 40% of the Group's gross financial debt was at floating rates.

Financial debt by maturity

In thousands of euros		30.06.2025	31.12.2024
Fixed rate	60%	2,605,750	2,277,911
Floating rate	40%	1,703,090	1,685,236
TOTAL		4,308,841	3,963,147

Financial debt excluding lease liabilities by maturity

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Less than 1 year	999,099	985,716
Short-term financial debt	999,099	985,716
1 to 5 years	2,609,438	2,223,202
More than 5 years	700,304	754,229
Long-term financial debt	3,309,742	2,977,431
TOTAL	4,308,841	3,963,147

Financial debt excluding short-term lease liabilities by type

<i>In thousands of euros</i>	1 July 2025 to 30 June 2026
Real estate debt owed to financial counterparties	69,053
Bonds placed with private investors and debts placed with credit institutions	412,064
Other miscellaneous financial debt and bank overdrafts	27,202
Short-term repayments	508,319
Revolving credit facility (rollover in December 2025)	490,780
Total short-term financial debt	999,099

Financial debt including lease liabilities by maturity

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Less than 1 year	1,402,632	1,394,492
Short-term financial debt	1,402,632	1,394,492
1 to 5 years	3,989,548	3,617,053
More than 5 years	2,815,088	2,969,860
Long-term financial debt	6,804,636	6,586,913
TOTAL	8,207,268	7,981,405

Financial debt including undiscounted lease liabilities by maturity

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Less than 1 year	1,505,338	1,499,425
Short-term financial debt	1,505,338	1,499,425
1 to 5 years	4,349,784	3,985,142
More than 5 years	3,220,927	3,405,317
Long-term financial debt	7,570,711	7,390,458
TOTAL	9,076,049	8,889,884

Bank covenants at 30 June 2025

In line with its strategy of strengthening its balance sheet and reducing its financial debt, on 17 February 2025, the Group announced it had adopted, for the syndicated credit facility and the €150 million real estate loan, a single leverage covenant combining corporate debt and real estate debt (Wholeco leverage) to replace its two existing ratios: operating leverage (Opco leverage) and Loan-to-Value. In this respect, leverage targets going forward will be communicated based on Wholeco leverage and corresponding to the leverage covenant.

Based on the definition of Wholeco leverage (net financial debt excluding capitalised rents⁶ divided by consolidated EBITDA excluding lease payments), which must be below 7.0x at 30 June 2025, 6.5x at 31 December 2025 and 30 June 2026, 6.0x at 31 December 2026 and 30 June 2027, 5.5x at 31 December 2027 and 30 June 2028, and 5.0x from 31 December 2028.

The Group's syndicated facility representing €829 million at the reporting date, whose maturity was extended from May 2026 to May 2029, subject to certain conditions, for an amount of €625 million, as announced by the Group on 17 February 2025, as well as the €150 million secured real estate loan signed in February 2025 with Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Ile de France, LCL, Crédit Agricole Corporate and Investment Bank and CIC Est (see. Note 2 "Significant events of the period") are subject to a financial covenant on the Wholeco consolidated financial leverage ratio.

	Clariane ratio	Maximum ratio authorised at 30 June 2025
Wholeco* leverage ratio	6.1x	<7.0x

* Net financial debt excluding capitalised lease payments/Consolidated EBITDA excluding capitalised lease payments

⁶ Excludes IFRS 16 and IAS 7.

The €150 million real estate loan signed in February 2025 is also subject to a ratio at each half-year and year-end closing:

	Clariane ratio	Maximum ratio authorised at 30 June 2025
CHL 1 loan-to-value ratio*	39.5%	≤55%

* CHL 1 net financial debt, excluding capitalised lease payments / Value of CHI 1** real estate assets valued by Cushman & Wakefield

** Clariane Holding Immobilier 1.

Other bank credit agreements have a covenant whose calculation formula has not been modified. Changes in the covenant are notified to these banks every six months:

	Clariane ratio	Maximum ratio authorised at 30 June 2025
Contractual leverage ratio*	4.1x	<4.5x

* (Consolidated net financial debt [excl. IFRS 16] - real estate debt)/(EBITDA [excl. IFRS 16] – 5.8% x real estate debt), with real estate debt restated for receivables from non-consolidated real estate vehicles.

The Group must also have a liquidity position of €300 million at each half-yearly and year-end closing and at each drawdown of the revolving loan, where applicable. The undrawn revolving loan facility is included in the calculation of this €300 million amount of liquidity. This minimum liquidity covenant was met at 30 June 2025, as the Group had €749.9 million in liquid assets at the half-year closing. The Group has also undertaken not to draw down the revolving loan for a period of at least 15 consecutive calendar days before 30 June 2026.

Based on the calculation of the bank covenant on the Wholeco consolidated financial leverage ratio (net financial debt excluding lease payments divided by consolidated EBITDA excluding capitalised rents), at 30 June 2025, the Group had sufficient headroom in relation to the 7.0x threshold, representing around €70 million of EBITDA (excl. IFRS 16), or around €485 million of net debt (excl. IFRS 16), assuming all other calculation inputs remain the same.

The Euro PP, *Schuldschein* and *Namensschuldverschreibung* bonds are also subject to covenants. Investors are notified annually of any changes to covenants.

Liquidity risk

In this context of rising inflation and interest rates, and reduced access to bond markets in 2023, on 14 November of that year, the Group launched the "Refinancing Plan" (see note 2 "Significant events of the period"), which was completed in the first half of 2025, some six months ahead of schedule. The various measures in this plan, including the strengthening of the Group's equity through an equity-based real estate partnership, two capital increases carried out in June and July 2024 and the completion of an asset disposal programme in the first half of 2025, combined with credit lines negotiated with a banking syndicate and the €400 million bond issue whose settlement-delivery took place on 27 June 2025 (see note 2 "Significant events of the period" – "New financing" section), enabled the Group to cover its short-term financing needs.

The Group's liquidity stood at €749.9 million at 30 June 2025.

At 30 June 2025, and for a period of at least 12 months, the Group's liquidity is ensured by:

- the completion of the Refinancing Plan (see note 2.1 "Financing" – "Plan to strengthen the Group's financial structure");
- the amended and extended syndicated loan and the new credit line put in place for €775 million with final repayments due in May 2029, subject to certain conditions relating to the refinancing of bond debt, announced by the Group on 17 February 2025 (see note 2.1 "Financing" – "New financing" section);
- the successful unsecured bond issue for a total amount of €400 million, maturing in five years (27 June 2030) whose settlement-delivery took place on 27 June 2025, contributing to extending the average maturity of the Group's debt, with an annual coupon of 7.875% (see note 2.1 "Financing" – "New financing" section).

Clariane has sufficient working capital to meet its obligations over the next 12 months while complying with the €300 million minimum liquidity covenant at each half-year and year-end closing, and at each drawdown date, if any, on the €490.8 million revolving credit facility ("RCF"), the next such date being the renewal date of 4 December 2025.

Debt maturities in that period represent a cumulative amount of approximately €290 million (excluding the factoring programme), and mainly correspond to real-estate and *Schuldschein* debt.

Cross-default risk

Most of Clariane SE's loan, bank credit and bond debt agreements (including Euro PP and *Schuldschein*/NSV), except agreements relating to hybrid debt) contain default or accelerated repayment clauses ("Events of Default").

These default clauses cover events that give the lenders/carriers the right to demand immediate and unconditional early repayment and to block all new drawdowns in the case of revolving credit facilities.

The Group's bank and bond financing generally contain default clauses that are customary for these types of agreements, including but not limited to the following:

a. Payment default concerning a debt due and payable (interest or principal at maturity) gives rise to an event of default under said financing agreement:

- all Clariane SE financing agreements contain this type of payment default clause;
- the shareholders' agreements for the Group's various real estate vehicles are not affected.
 - If Clariane SE defaults on a given debt, this automatically triggers an event of default on the agreement concerned.
 - These agreements generally provide for a grace period, with default triggered only if the debt in question remains unpaid following expiry of the grace period (usually a few days) stipulated in the financing agreement.

b. Non-compliance with bank and/or bond covenants stipulated in the agreement:

- bank and bond covenants (see above);
- financial difficulties:
 - Events of default stipulated in the financing agreements are usually linked to financial difficulties experienced by Clariane SE and/or its subsidiaries (or main subsidiaries), and in particular known or expected financial difficulties, discontinued operations, insolvency proceedings, enforcement proceedings and material adverse effects.
 - If Clariane SE or one of its subsidiaries were to find itself in one of the above situations, this would automatically lead to an event of default on the financing agreement concerned;
- disputes and judicial and/or arbitration decisions:
 - Some financing agreements also stipulate events of default linked to disputes over a certain amount or to a failure to comply with a court and/or arbitration ruling.
 - A grace period is applicable to any such events of default;
- the financing agreements stipulate that a failure by the borrower to meet its obligations under the agreement will constitute an event of default, subject to a grace period;

- certain specific financing agreements such as green bonds and sustainability-linked notes stipulate events of default relating to specific criteria in the event of a failure to comply with the obligations set out in the agreement, primarily the required delivery of certificates stating compliance with the contractual commitments.

c. Cross-default/cross-acceleration clauses

- cross-payment default: in a cross-payment default, payment default on a debt due and payable (in excess of the trigger thresholds set out below) automatically leads to an event of default in the agreement containing the cross-payment default clause.
 - With the exception of a credit agreement with BPI, all Clariane SE's bank loan and credit agreements along with *Schuldschein*/NSV debt contain this type of cross-payment default clause. If Clariane SE or one of its subsidiaries defaults on another debt, this automatically triggers an event of default on the agreements concerned. These agreements generally stipulate that the cross-default event is only triggered if the debt in question remains unpaid following expiry of the grace period (usually a few days) stipulated in the agreement for the other loan.
 - With the exception of *Schuldschein*/NSV debt, the cross-default clauses in the terms and conditions of bond issues (including Euro PPs) do not cover defaults on other debt (and therefore do not result in a cross-default on the bond debt);
- cross-acceleration clause or termination or suspension of covenants: in this case, the acceleration (i.e., early repayment call) by financial creditors of another debt due to the occurrence of any event of default (e.g., breach of covenant or non-compliance with an obligation) stipulated in the related agreement) automatically triggers an event of default under the agreement containing the cross-acceleration clause. Some agreements also include a cross-default provision in the event that lenders (e.g., of a revolving credit) decide to terminate or suspend their financing commitment as a result of an event of default.
 - For cross-acceleration to be triggered, (i) an event of default must have occurred on the other debt and (ii) the lenders of the other debt must, as a result, have decided to accelerate the debt.
 - With the exception of agreements for hybrid or *Schuldschein*/NSV debt and two credit agreements (with BPI and CIC), all agreements for Clariane SE's bank loans and borrowings and bond debt contain a cross-acceleration clause.
 - This means that if an event of default occurs on a financing agreement and the creditors concerned accelerate the related debt, this triggers an event of default on virtually all of Clariane SE's bank and bond debt.

- Certain bank loan and credit agreements (including the syndicated facility) also stipulate that if an event of default occurs on an agreement for a given debt (e.g., revolving credit facility) and the lenders concerned decide to suspend or terminate their commitment, this will trigger an event of default on these agreements;
- cross-default clause: in a cross-default clause, the occurrence of any event of default in an agreement for a given debt automatically triggers an event of default in the agreement containing the cross-default clause.
 - This clause allows the beneficiary creditors to take advantage of an event of default on any other debt, even if the creditors under this other debt do not demand early repayment. This type of clause therefore entails a greater risk of contagion.
 - However, with the exception of three credit agreements (and for these to a limited extent), none of the agreements for Clariane SE's bank and bond debt contain this type of extended cross-default clause, thereby limiting the risk of contagion in the event of default.
 - The credit agreement with BAML does, however, contain such a clause. In these agreements, however, the scope of the cross-default clause is limited as it does not cover all events of default but only the non-performance (upon expiry of any applicable grace period) by a Group entity of its obligations under a different agreement for another debt, unless challenged in good faith.

This means that the cross-default clause in this agreement can only be triggered in the event of a breach of an obligation (such as a financial covenant, a leverage limit or a negative pledge) but not in the event of another type of event of default.

In the case of Clariane SE's bank and bond financing, cross-default clauses are not triggered if the total amount of the debt affected by the default(s) is lower, depending on the agreement, than either €20 million or €30 million (subject to certain contracts providing for a lower threshold).

Management of interest rate risk

The Group uses derivative financial instruments (swaps and caps) to hedge against interest rate risk on its floating-rate debt. The Group applies cash flow hedge accounting when the IFRS 9 hedging criteria are met.

The Group has reassessed its future exposure to interest rate risks in light of its goal of reducing its operating leverage and future debt, and its hedging position was broadly reduced in 2023.

At 30 June 2025, financial instruments break down as follows:

Assets	31.12.2024	Changes in scope	Increase	Decrease	30.06.2025
Interest rate swaps	3,854		656	(108)	4,402
Currency swaps	-				-
Currency options	-				-
Other options	(307)		113	(298)	(493)
Total hedging instruments (positive fair value)	3,547	-	769	(406)	3,910
Interest rate swaps	-				-
Energy supply contract options			2,022	(541)	1,481
Other options	-				-
Total non-eligible financial instruments (positive fair value)	-	-	2,022	(541)	1,481
Total impact of counterparty default risk – Credit value adjustment	519			(5)	514
TOTAL FINANCIAL INSTRUMENTS (POSITIVE FAIR VALUE)	4,066		2,791	(952)	5,905

Liabilities	31.12.2024	Changes in scope	Increase	Decrease	30.06.2025
Interest rate swaps	2,265		51	(259)	2,057
Currency swaps	-				-
Currency options	-			-	-
Other options	(382)		43		(339)
Total hedging instruments (negative fair value)	1,883	-	94	(259)	1,719
Interest rate swaps	52		8		60
Energy supply contract options			3,851	(822)	3,030
Other options	-				-
Total non-eligible financial instruments (negative fair value)	52	-	3,859	(822)	3,089
Total impact of counterparty default risk – Credit value adjustment	-				-
TOTAL FINANCIAL INSTRUMENTS (NEGATIVE FAIR VALUE)	1,935		3,953	(1,080)	4,807
TOTAL NET	2,131		(1,162)	129	1,098

In accordance with IFRS 9 - Financial instruments, the green power purchase agreement signed with IGNIS in March 2025 (see note 2.2 "Clariane signs a green energy purchase agreement") includes:

- a forward purchase contract for guarantees of origin, and
- a structured product incorporating a combination of energy options, including the purchase of a call, the sale of a put and a net premium received. It has been analysed as a financial instrument that is not eligible for hedge accounting.

Accordingly, the VPPA is accounted for at fair value through profit or loss. Fair value is determined using a Black-type option model, based on forward electricity prices, and the data used corresponds mainly to level 3 as defined by IFRS 13 (see note 9.2 "Net financial debt").

This contract, which does not provide for either physical delivery of power nor the firm purchase of the output of specific infrastructure, does not meet the criteria of a lease (IFRS 16) or a purchase for own use within the meaning of IFRS 9.2.4.

In accordance with IFRS 7 "Financial Instruments: Disclosures", the main risks associated with the VPPA are as follows:

- market risk: the Group is exposed to the volatility of electricity spot prices;

- credit risk: the counterparty is an unrated independent producer, monitored as part of internal risk management policies;
- regulatory risk: the PPA regulatory framework in France may change, particularly in relation to tax incentives and the valuation of guarantees of origin (GOs). The VPPA does not provide for either physical delivery of power nor the firm purchase of the output of infrastructure.

There was no significant deterioration in the credit quality or return associated with the VPPA at 30 June 2025.

For counterparties not rated by an external rating agency, the Group applies an internal credit risk assessment methodology, combining qualitative and quantitative analyses. This assessment is based in particular on creditworthiness, available financial statements and payment history, along with sectoral and geographical factors. Exposure limits are regularly reviewed and adjusted in line with changes in the risk profile.

At 30 June 2025, the net market value of instruments purchased to hedge interest rate risk was €1.1 million, after adjusting for counterparty default risk.

At the closing date, the sensitivity of the market value of derivatives to a change in market interest rates, before adjustment for counterparty default risk, was as follows:

- a 1% (100-basis-point) increase in interest rates would lead to a positive market value of €17.3 million;
- a 1% (100-basis-point) decrease in interest rates would lead to a negative market value of €13.7 million.

The table below presents the items of income, expenses, gains and losses recognised in income and in equity at 30 June 2025 for each type of financial instrument (before deferred taxes).

<i>In thousands of euros</i>	Impact on equity	Impact of hedging on net profit	Impact of non-eligible hedges on net profit	Impact of counterparty default risk
Financial instruments eligible for hedge accounting	292	235		(5)
Financial instruments not eligible for hedge accounting			(1,556)	
TOTAL	292	235	(1,556)	(5)

Currency risk

As all foreign transactions are now carried out in eurozone countries, the Group is no longer exposed to currency risk, and therefore no longer had any hedging instruments at end-June 2025.

Counterparty risk

For its financial activities (in particular, cash management and derivatives hedging interest rate and currency risks), the Group has set up risk management and allocation procedures and works with leading financial institutions.

9.3 Financial assets and liabilities

Financial assets and liabilities comprise:

- non-current financial assets: equity interests in non-consolidated companies, related receivables, and guarantees and deposits granted;
- current financial assets: short-term financial derivatives, cash and cash equivalents (marketable securities);
- non-current financial liabilities: borrowings and financial debt, and other miscellaneous liabilities;
- current financial liabilities: short-term derivatives, short-term borrowings and financial debt, trade payables and other miscellaneous liabilities.

In accordance with IFRS 9, financial assets and liabilities are classified into one of the following three categories:

- items carried at amortised cost;
- items carried at fair value through other comprehensive income;
- items carried at fair value through profit or loss.

Cash and cash equivalents consist of immediately available liquidities (cash at bank and in hand) and short-term, highly liquid investments that are readily convertible into known amounts of cash and are exposed to an insignificant risk of changes in value (short-term deposits with an initial term of less than three months and euro-denominated SICAV money market funds classified in the AMF's "short-term money market fund" category).

Cash and cash equivalents

<i>In thousands of euros</i>	30.06.2025	31.12.2024
Marketable securities	84,000	68,166
Cash at bank and in hand	665,920	449,906
TOTAL	749,920	518,072

Marketable securities comprise term deposits and euro-denominated SICAV money market funds classified in the AMF's "short-term money market fund" category and compliant with IAS 7, i.e., they are highly liquid, readily convertible into known amounts of cash and subject to an insignificant risk of changes in value.

Fair value of financial assets and liabilities

The carrying amounts of financial assets and liabilities (excluding derivatives) are representative of their fair value.

The table below analyses financial instruments recognised at fair value by measurement method. The following measurement methods have been defined:

- Level 1: fair value based on prices quoted on an active market;
- Level 2: fair value measured using observable market inputs (other than quoted prices included in level 1);
- Level 3: fair value measured using unobservable market inputs.

			Financial assets at fair value							
In thousands of euros	30.06.2025	Financial assets at amortised cost								
			Fair value through OCI	Fair value through profit or loss	Hedging derivatives	Derivatives not eligible for hedge accounting	Impact of counterparty default risk – Credit value adjustment	Level 1 Active markets	Level 2 Observable inputs	Level 3 Unobservable inputs
Non-current assets										
Non-consolidated equity investments	2,607	-	-	2,607	-	-	-	-	-	2,607
Security deposits	108,007	108,007	-	-	-	-	-	-	-	-
Other long-term investments	(656)	(656)	-	-	-	-	-	-	-	-
Non-current financial assets	109,957	107,351	-	2,607	-	-	-	-	-	2,607
Current assets										
Trade receivables and related accounts	483,824	483,824	-	-	-	-	-	-	-	-
Other receivables	611,755	611,755	-	-	-	-	-	-	-	-
Deposits and guarantees	1,826	1,826	-	-	-	-	-	-	-	-
Other receivables and current financial assets	613,581	613,581	-	-	-	-	-	-	-	-
Derivative instruments (positive fair value)	5,905	-	-	-	3,910	1,481	514	-	5,905	-
Marketable securities	84,000	-	-	84,000	-	-	-	84,000	-	-
Cash at bank and in hand	665,920	-	-	665,920	-	-	-	665,920	-	-
Cash and cash equivalents	749,920	-	-	749,920	-	-	-	749,920	-	-

			Financial liabilities at fair value							
In thousands of euros	30.06.2025	Financial liabilities at amortised cost						Level 1	Level 2	Level 3
			Fair value through OCI	Fair value through profit or loss	Hedging derivatives	Derivatives not eligible for hedge accounting	Impact of counterparty default risk – Credit value adjustment	Active markets	Observable inputs	Unobservable inputs
Non-current liabilities										
Loans from credit institutions	1,819,417	1,819,417	-	-	-	-	-	-	-	-
Funding of real estate debt	1,490,280	1,490,280	-	-	-	-	-	-	-	-
Compulsory employee profit sharing	45	45	-	-	-	-	-	-	-	-
Other miscellaneous financial debt	-	-	-	-	-	-	-	-	-	-
Borrowings and financial debt	3,309,742	3,309,742	-	-	-	-	-	-	-	-
Commitment to purchase non-controlling interests	10,944		10,944	-	-	-	-	-		10,944
Other non-current liabilities	5,837	5,837	-	-	-	-	-	-	-	-
Current liabilities										
Loans from credit institutions	902,844	902,844	-	-	-	-	-	-	-	-
Funding of real estate debt	69,053	69,053	-	-	-	-	-	-	-	-
Bank overdrafts	5,633	5,633	-	-	-	-	-	-	-	-
Other miscellaneous financial debt	21,570	21,570	-	-	-	-	-	-	-	-
Fair value through profit or loss	999,099	999,099	-	-	-	-	-	-	-	-
Derivative instruments (negative fair value)	4,807	-	-	-	1,719	3,089	-	-	4,807	-
Trade payables and related accounts	547,243	547,243	-	-	-	-	-	-	-	-
Residents' deposits	67,734	67,734	-	-	-	-	-	-	-	-
Other liabilities	828,094	828,094	-	-	-	-	-	-	-	-
Other payables and accruals	895,828	895,828	-	-	-	-	-	-	-	-

NOTE 10. PROVISIONS

A provision is recognised at the reporting date when the Group has a present legal or constructive obligation and it is probable that an outflow of resources from which no future economic benefits are expected will be required to settle this obligation.

Provisions are discounted if the effect of time is material. Increases in provisions due to the passage of time are recognised as financial expenses.

A provision for restructuring can only be recognised if there is a detailed formal plan for the restructuring and a valid expectation has been raised in those affected that the plan has been implemented – either by starting to implement the plan or announcing its main features to those affected at the reporting date.

A provision is recognised for disputes (e.g., employee disputes, tax audits, commercial disputes, etc.) if the Group has an obligation towards a third party at the reporting date. The amount of the provision reflects the best estimate of future expenditures.

Non-current provisions

<i>In thousands of euros</i>	Tax	Social contributions	Other	Total
Opening balance	3,394	16,468	33,631	53,493
Additions	102	5,037	5,521	10,660
Reversals (utilisations)	(474)	(2,908)	(1,313)	(4,695)
Reversals (surplus)	(125)	(403)	(1,591)	(2,119)
Changes in scope	-	-	(37)	(37)
Reclassifications	(883)	(208)	149	(942)
Closing balance	2,014	17,986	36,360	56,360

Current provisions

<i>In thousands of euros</i>	Tax	Social contributions	Other	Total
Opening balance	1,056	8,472	15,499	25,027
Additions	60	614	2,955	3,629
Reversals (utilisations)	(65)	(865)	(6,863)	(7,793)
Reversals (surplus)			(1,592)	(1,592)
Changes in scope				
Reclassifications			26	26
Closing balance	1,051	8,221	10,025	19,297

Non-IAS 12 tax disputes

Provisions for tax disputes falling outside the scope of IAS 12 (e.g., VAT disputes) include provisions for tax reassessments and for disputes where the amounts concerned have been contested. No individual dispute represented a material amount at 30 June 2025.

Employee disputes

The provisions recognised cover labour court disputes and employment termination benefits. No individual dispute represented a material amount at 30 June 2025.

Other risks

Other provisions mainly cover litigation concerning supplier and real estate contractual disputes and disputes over medical liability. No individual dispute represented a material amount at 30 June 2025.

NOTE 11. TAXES

The Group's effective tax rate for the first half of 2024 is around 24%. The tax saving is determined by applying to the pre-tax profit of each tax jurisdiction the corresponding estimated average effective rate for the year.

The tax benefit breaks down as follows for first-half 2025:

<i>In thousands of euros</i>	30.06.2025	30.06.2024
Current taxes	(3,683)	9,137
Deferred taxes	20,074	(2,329)
Income tax expense	16,391	6,808

The OECD's "Pillar Two" international tax reform aimed in particular at establishing a minimum tax rate of 15%, came into force in France with effect from the 2024 reporting period. The Group is not subject to additional tax in any jurisdiction in which it operates pursuant to Pillar Two rules. Every six months, the Group ensures that it meets the eligibility requirements for the transitional Pillar Two safe harbours.

Furthermore, article 48 of the French draft budget for 2025 provides for the introduction of an additional one-off income tax contribution based on the average tax due for 2024 and 2025 for companies with revenue above €1 billion. This one-off contribution is temporary and applies only to the 2025 financial year. In view of the tax loss carryforwards at the end of 2024 and the forecasts for 2025, the Clariane Group should not be affected by this one-off contribution. This analysis will be reviewed during the second half of the year to confirm the conclusions reached at 30 June 2025 or to take account of potential impacts on the annual financial statements.

NOTE 12. CONTINGENT LIABILITIES AND COMMITMENTS

As of the publication date of this document, to the best knowledge of the Group and its legal advisors, there are no disputes that are likely to have a material impact on the Group's business, results or financial position for which provisions have not been made.

NOTE 13. OFF-BALANCE-SHEET COMMITMENTS

Commitments given and received by the Group correspond to contractual obligations that have not yet been fulfilled and are subject to the fulfilment of conditions or subsequent transactions. At 30 June 2025, the Group was not aware of any commitments likely to have a material impact on its current or future position other than those disclosed in this note.

Off-balance sheet commitments given by the Group in relation to its operating activities amounted to €42.5 million at 30 June 2025 and mainly concern leases held by non-consolidated companies. The Group has also received off-balance sheet commitments in respect of these leases, amounting to €30 million at 30 June 2025.

The 100% renewable electricity contract signed in March 2025 with IGNIS (see note 2.2 "Clariane signs a green energy purchase agreement") represents a total commitment of 16.5 GWh over 10 years, with no physical purchase obligation. No firm electricity purchase obligations were recorded in the statement of financial position.

NOTE 14. EVENTS AFTER THE REPORTING DATE

On 1 July 2025, Clariane signed an agreement with one of its banking partners to set up a new factoring programme for a maximum amount of €95 million, enabling the Group to diversify and optimise its sources of financing. After set-up, the initial use of the programme amounted to €86 million.

The sale of the Petits-fils network to Crédit Agricole Santé & Territoires announced by the Group on 12 June 2025 was completed on 29 July 2025.

2.2 Statutory Auditors' review report on the half-year financial information

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the period from 1 January to 30 June 2025

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meetings and in accordance with the requirements of Article L. 451-1-2 (III) of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of Clariane, for the period from 1 January to 30 June 2025;
- the verification of the information presented in the half-year management report.

These condensed half-year consolidated financial statements are the responsibility of the board of directors. Our role is to express a conclusion on these financial statements based on our review.

Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical procedures. This work is less extensive than that required for an audit performed in accordance with the accounting standards applicable in France. Consequently, the assurance that the financial statements taken as a whole do not contain any material misstatements obtained based on a limited review is moderate assurance, which is lower than the assurance that would be obtained based on an audit.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated half-year financial statements are not prepared, in all material respects, in accordance with IAS 34 – Interim Financial Reporting.

Specific verification

We have also verified the information presented in the half-year management report on the condensed consolidated half-year financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed consolidated half-year financial statements.

The Statutory Auditors

FORVIS MAZARS SA

Levallois-Perret,

29 July 2025

ERNST & YOUNG et Autres

Paris–La Défense,

29 July 2025

Stéphane Marfisi

Partner

Anne Herbein

Partner

CHAPTER 3 STATEMENT BY THE PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

I certify that, to the best of my knowledge, the condensed half-year financial statements for the six months ended 30 June 2025, have been prepared in accordance with applicable body of accounting standards and provide a true and fair view of the issuer's assets, liabilities, financial position and earnings, as well as those of its consolidated subsidiaries, and that the accompanying half-year management report provides a fair view of the significant events that have occurred during the first six months of the year, their impact on the financial statements and the major related-party transactions, as well as a description of the main risks and uncertainties to which the Company is exposed during the remaining six months of the year.

Paris, 29 July 2025

Sophie Boissard, Chief Executive Officer

clariane

A European company with share capital of €3,567,544.59

21-25, rue Balzac - 75008 Paris

Paris Trade and Companies Registry No. 447 800 475