### MORNING

- **Didier Armaingaud**
  EVP Medical, Ethics and Quality
- **Charles-Antoine Pinel**
  EVP France Senior
- **Arno Schwalle**
  EVP Germany
- **Nicolas Mérigot**
  EVP France Healthcare
- **Mariuccia Rossini**
  EVP Italy
- **Dominiek Beelen**
  EVP Benelux
- **Olivier Lebouché**
  VP France Homecare & Korian Solutions
- **Bart Bots**
  EVP International Development

### AFTERNOON

- **Rémi Boyer**
  Chief HR & CSR
- **Philippe Lonne**
  CIO
- **Frédéric Durousseau**
  Chief Real Estate and Development
- **Philippe Garin**
  CFO

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**Sophie Boissard**
CEO Korian

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**In caring hands**

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**Capital Markets Day 2019**

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**Capital Markets Day 2019**
AGENDA

01  K2020 roadmap: execution ahead of schedule

02  Our market

03  Our strategy

04  Our drivers and differentiators

05  Our financial ambition
K2020 ROADMAP: EXECUTION AHEAD OF SCHEDULE
KORIAN: A EUROPEAN GROWTH STORY WITH STRONG ACCELERATION SINCE 2014

CAGR: +20%
2013-2018

# facilities

In caring hands
2016: DISRUPTIVE STRATEGIC AMBITION
FROM NURSING HOME PURE PLAYER TO INTEGRATED CARE SERVICE PROVIDER
SERVING OLD AGE AND VULNERABILITY

PROMOTING ONE-STOP-SHOP INTEGRATED APPROACH

STAND ALONE VALUE
CREATING BUSINESSES

Service Flats  Nursing Homes  Home Care  Clinics

Post-Acute & Geriatric Clinics  Home Care  Nursing Homes  Service Flats

ADDING VALUE THROUGH A JOINED-UP APPROACH TO BECOME AN INTEGRATED CARE SERVICE PROVIDER FOR AGEING PEOPLE

In caring hands
K2020 5Y PLAN: A COMPREHENSIVE ROADMAP TO SERVE OUR AMBITION

2 PRIORITIES

- Integrating and upgrading recently acquired networks
- Leverage existing network and create multi-services platforms

5 TRANSFORMATION LEVERS

- Boost internal growth potential
- Launch "asset-smart" real estate strategy
- Operational excellence
- Invest in our human capital
- Medical care and digital innovation

FINANCIAL TARGETS BY 2021

- + 5% CAGR
- 14.5% EBITDA margin
- Leverage c. 3.5x
- OFCF +50% up to € 225 m
2019: K2020 ROADMAP AHEAD OF SCHEDULE FROM A STRATEGIC POINT OF VIEW…

LEADERSHIP POSITION REINFORCED AND DIVERSIFICATION OF THE OFFER WELL UNDERWAY

2 NEW COUNTRIES OPENED IN 2019

<table>
<thead>
<tr>
<th>Year</th>
<th>FRANCE</th>
<th>GERMANY</th>
<th>BELGIUM</th>
<th>ITALY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KORIAN IN 2019</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Medical Care and Clinics
Home Care services
Assisted Living facilities and shared housing for seniors
Nursing Homes

FRANCE GERMANY BELGIUM ITALY

2016

FRANCE GERMANY BELGIUM ITALY

2019

Medical Care and Clinics
Home Care services
Assisted Living facilities and shared housing for seniors
Nursing Homes

KORIAN IN 2019

850 facilities
(20%+ owned, ~EUR 2bn value)

81k beds
(> +3k p.a. achieved)

54,000 staff
2019: K2020 ROADMAP AHEAD OF SCHEDULE
... AND FROM A FINANCIAL POINT OF VIEW

ACCELERATED GROWTH AND IMPROVED PROFITABILITY

**REVENUE (€)**
- €2,987m (Dec-2016)
- €3,135m (Dec-2017)
- €3,336m (Dec-2018)
- €4,2bn (Dec-2021)

**CASH**
- €140m (2016)
- €171m (2017)
- €204m (2018)
- €300m (2021)

**EBITDA MARGIN (%)**
- 14.1% (Dec-2016)
- 14.0% (Dec-2017)
- 14.3% (Dec-2018)
- >14.5% (Dec-2019)
- >15.5% (Dec-2021)

**LEVERAGE**
- FY 21: 3.5x <3.5x
- FY 16: 3.9x
- FY 17: 3.2x
- H1 17: 3.0x
- H1 18: 3.2x
- FY 18: 3.2x
- H1 19: 3.2x

Actual Guidance: 3.9x
K2020 Guidance: 3.5x <3.5x

In caring hands.

Capital Markets Day 2019
MEGA TRENDS UNDERPINNING STRONG GROWTH PERSPECTIVE AT EUROPEAN LEVEL

SECULAR DEMOGRAPHIC TRENDS

EPIDEMIC INCREASE IN CHRONIC DISEASES

WIDENING NEEDS AND ASPIRATIONS OF THE POPULATION

DIGITAL TRANSFORMATION

SOUND AND SUSTAINABLE FINANCING
DEMOGRAPHICS

ACCELERATED AGEING

PROPORTION OF 65+ OVER THE 25-64-YEAR-OLD AGE GROUP ACROSS GEOGRAPHIES

1. Europe passing from
   - 3 to 5 elderly for 10 working population in 2050

2. Europe has one of the fastest ageing population for the next 15 years

3. Ageing population will have less family support

Sources: United Nations
EUROPEAN BABY BOOMERS FACING AGEING CHALLENGES

STRONG GROWTH IN +80 YEARS SEGMENT: 2015 VS. 2035

- France: x1.8
- Germany: x1.7
- Belgium: x1.7
- Italy: x1.6

In a context of less availability of families to support full time care.

Sources: United Nations and Eurostat
CONTINUOUS INCREASE OF CHRONIC DISEASES LINKED TO AGEING

NEED FOR LONG TERM CARE & LEADING TO DEPENDENCY

Today, **80%** of people over age 65 have at least **one chronic disease**

*50%* have **two or more** chronic conditions

1 out 6 people in the EU have a **mild to severe disability**

Chronic disease accounts for **77%** of total diseases in Europe

<table>
<thead>
<tr>
<th>Prevalence of Dementia [# people affected, millions]</th>
<th>Prevalence of Parkinsons disease [# people affected, millions]</th>
<th>Prevalence of Rheumatoid Arthritis [# people affected, millions]</th>
<th>Incidence of Stroke events [# new cases each year, millions]</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017: 10 x2 20</td>
<td>2005: 1.2 x2 2.4</td>
<td>2009: 1.9 +3.4% p.a. 2014: 2.3</td>
<td>Early 2000s: 1.1 +1.2% p.a. 2025f: 1.5</td>
</tr>
</tbody>
</table>


Notes:
1. Historical and estimated evolution of bed ownership per country
2. Equipment rate defined as number of beds as % of 80+ population
THE UPCOMING GENERATION OF ELDERLY HAVE NEW EXPECTATIONS FOR THEIR WAY OF LIFE…

NEW GENERATIONS KEY FOCUS ON:

- Maintain social links
- Autonomy

Cercle Vulnérabilité et société study – AUGUST 2019
Q: what is most important to you as you grow older?

- Keep a social and friendly life: 76%
- Make things that make me happy: 19%
- Good health: 61%
- Be free: 19%
- Autonomy: 61%
- Be safe: 15%
- Do prevention for later: 12%
- To be able to make more risks: 12%
- Not to be a burden for my loved ones: 45%

NURSING HOMES REJECTED BY THIS POPULATION:

- 80% People linking NH with the idea of losing autonomy of choice

"What do you think about these solutions should you become medically dependent?" [65+]

- Home (adapted): 68%
- Assisted living: 43%
- Nursing home: 31%
- Relative’s place: 54%
- Shared apartment: 53%

Desirable & realistic
Desirable but not realistic
Not desirable

BUT CARERS RECOGNISE THE ROLE OF NURSING HOMES AS INDISPENSABLE FOR HIGH DEPENDENCY

STUDIES WITH FAMILY CARERS IN FRANCE SHOWS NURSING HOMES ARE INDISPENSABLE FOR DEPENDENT POPULATIONS:

CARERS SHORTAGE

Decreasing number of family carers:

- Rise in % of women working outside the home
- Rise in the distance between family members

From 1.05 to 0.77 per elderly person by 2030 in France, Belgium, Germany and Italy
DIGITAL SOLUTIONS TO PAVE WAY FOR NEW SERVICES AND OPPORTUNITIES

TRANSFORMING SERVICES FOR SENIORS INSIDE & OUTSIDE THE WALLS BUT ALSO FOR CAREGIVERS

- Home securing
- New senior care services
- Senior care facilities management

Safety and fall detection
Autonomy at home
Leisure for seniors
Seniors & caregivers connection
Facilities operational management
Staff training & education
Evolving Market Supported by the Revenues of Senior Populations

Example of French Population

Net Worth of Elderly Population:
- Similar situations across Europe
- Financial/liquid assets significant in the profile

Sources: Eurostat

Steadily Improving Elderly Revenue
(€, per decile in France)
SOUND FINANCING

GENEROUS PUBLIC FUNDING IN EUROPE

PUBLIC FINANCING: HEALTH & DEPENDENCY BUDGETS IN EUROPE [EUR BN & % GDP; 2016]

Source: calculated based on 2016 GDP. Health current expenditure according to international rules (DCS3) estimated by the OECD. Expenditure related to long-term care given to patients suffering from chronic ailment and in need of continued support. These expenditures do not include the expenditures related to social services, whose definitions and local perimeters make inter-country comparison difficult.
OUR STRATEGY:
BE THE FIRST INTEGRATED SENIOR CARE SERVICE PROVIDER AT EUROPEAN LEVEL
KORIAN STRATEGY
BUILD AND DEPLOY CUSTOMIZED SOLUTIONS ADAPTED TO POLARIZED MARKETS
WITH A WIDE CARE SPECTRUM AND VERY DIFFERING EXPECTATIONS & REQUIREMENTS

INCREASING HIGH LEVELS OF DEPENDENCY

INCREASING DESIRE OF ELDERLY TO MAINTAIN SOCIAL INTERACTION

Widening and Polarisation of the dependency needs means that existing NH are challenged.
FROM “ONE SIZE FITS ALL” SOLUTIONS…
...TO DIFFERENTIATED LOCAL SOLUTIONS

FOR A DIVERSITY OF REQUIREMENTS
THREE CONVICTIONS TO SUPPORT OUR GROWTH STRATEGY

Focus on Europe

Grow local

Build on Partnerships
FOCUS ON EUROPE:

MARKET POTENTIAL

A MARKET OF 15 MILLION DEPENDENT PEOPLE ALREADY TODAY

LEVERAGE KORIAN UNIQUE PLATFORM

Our network: 60% of the +75 population live within 10km of a Korian facility or service
ADAPTED & EVOLUTIVE SOLUTIONS

EACH CLIENT OF KORIAN AND THEIR FAMILY WILL BE ABLE TO FIND A SOLUTION TO HIS NEEDS FROM 65+

DEPENDENCY

Low
Slip & Fall
Chronic disease
Isolation & Loss of autonomy

High
Cognitive diseases & High dependency
GROW LOCAL AND BUILD ON PARTNERSHIPS
ADAPT SOLUTIONS TO EACH LOCAL AREAS AND TEAM UP WITH BEST LOCAL PARTNERS

EACH CLIENT OF KORIAN WILL FIND ADAPTED SOLUTIONS LOCALLY

DEPENDENCY

Low  
Slip & Fall  
Chronic disease  
Isolation & Loss of autonomy

High  
Cognitive diseases & High dependency
DEPLOYING OUR GROWTH STRATEGY

New Services

New Geographies

Expand

Develop

Optimise Core network

Day care

Outpatient care

Short stays

Assisted living

Business Diversification

...
TAILORED TO EACH COUNTRY SPECIFICITY AND MATURITY

OPTIMISE, DEVELOP & EXPAND

Core markets

New businesses

New markets

Core markets

France

Italy

Germany

Belgium

Netherlands

Spain

CONQUER
new territories

Geographic expansion

Core business

New business
In caring hands

Best in Class  Pioneer Spirit

A comprehensive transformation journey to build long term trust
“IN CARING HANDS”: SIX BUILDING BLOCKS

- BE THE PREFERRED EMPLOYER
- 360° QUALITY STANDARDS
- OPERATIONAL EXCELLENCE

Pioneer Spirit

- AGILE GROWTH CULTURE
- DIGITAL FIT
- INNOVATIVE BUILDING DESIGN
## TO BE REFLECTED INTO TANGIBLE ESG COMMITMENTS TO STAKEHOLDERS

### OUR COMMITMENTS

1. **Well-being of our employees**
2. **Environment and climate**
3. **Autonomy of elderly and vulnerable people**
4. **Make a positive contribution to ageing well**
5. **Engaging in local community**

### KORIAN ESG DASHBOARD COVERING 12 DIMENSIONS

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality at work</td>
<td>Quality at work index</td>
</tr>
<tr>
<td>Human capital development</td>
<td>Human capital development</td>
</tr>
<tr>
<td>Gender equality</td>
<td>Gender equality Inclusion &amp; diversity</td>
</tr>
<tr>
<td>Well-being of our employees</td>
<td>Carbon footprint</td>
</tr>
<tr>
<td>Environment and climate</td>
<td>Waste Management</td>
</tr>
<tr>
<td>Autonomy of elderly and vulnerable</td>
<td>HEQ buildings</td>
</tr>
<tr>
<td>people</td>
<td></td>
</tr>
<tr>
<td>Positive care deployment</td>
<td>Positive care deployment</td>
</tr>
<tr>
<td>ISO certification</td>
<td>ISO certification</td>
</tr>
<tr>
<td>Net satisfaction score</td>
<td>Net satisfaction score</td>
</tr>
<tr>
<td>Korian Foundation</td>
<td>Korian Foundation</td>
</tr>
<tr>
<td>Contribution to research projects</td>
<td>Contribution to research projects</td>
</tr>
<tr>
<td>Support start-ups</td>
<td>Support start-ups</td>
</tr>
<tr>
<td>Stakeholder Committee</td>
<td>Stakeholder Committee</td>
</tr>
<tr>
<td>Local governance at site level</td>
<td>Local governance at site level</td>
</tr>
<tr>
<td>Local purchasing</td>
<td>Local purchasing</td>
</tr>
</tbody>
</table>

### TO BE COMMUNICATED AND MONITORED STARTING 2020
QUALITY
REACHING OUT
OPERATIONAL EXCELLENCE

Didier Armaingaud
Chief Medical, Ethics and Quality Officer
STRONG EXISTING BEDROCK OF QUALITY IN EACH COUNTRY AND ALL AREAS

QUALITY CULTURE SUPPORTED BY GENUINE HOLISTIC CARE APPROACH

- Different standards in each country depending on local regulation
- Common framework
- Extensive internal audits

<table>
<thead>
<tr>
<th>Local and National Authorities</th>
</tr>
</thead>
<tbody>
<tr>
<td>300,000 Patients and residents</td>
</tr>
<tr>
<td>850 facilities</td>
</tr>
<tr>
<td>2 Committees</td>
</tr>
<tr>
<td>Quality and risk management</td>
</tr>
<tr>
<td>Medical and care policy</td>
</tr>
</tbody>
</table>

Korian Internal audits  
ISO 9001 certification
STANDARDIZATION AND HARMONIZATION OF OUR QUALITY PROCESS

ENHANCING TRACEABILITY TO ENSURE POSITIVE CARE APPLICATION

<table>
<thead>
<tr>
<th>300,000 Patients and residents</th>
<th>Local and National Authorities</th>
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</tr>
<tr>
<td></td>
<td>Medical and care policy</td>
</tr>
</tbody>
</table>

**CLIENT SATISFACTION**
- 96% Satisfaction Score* at Group level

**QUALITY 360°**
- 96.4% of visited sites graded A
- and B o/w 64.3% with A grade**

**HIGH LEVEL OF GOVERNANCE**
- 2 Committees
- Local and National Authorities
ISO 9001: A NEW AMBITION FOR QUALITY

PIONEERING CARE SECTOR BUILDING « IN CARING HANDS » STANDARD AT EUROPEAN LEVEL WITH INTERNATIONAL CERTIFICATION

BEST IN CLASS IN QUALITY
PIONEERING CARE SECTOR

- International Quality Certification Standards
- Setting Korian’s own goals and constantly strive to improve processes
- Quality Management System at Group level integrating local regulations requirements at country level
- Strong Customer focus
- Motivation and commitment from Management
- Process approach and continuous improvement

CUSTOMER NEEDS & WISHES

PILOTING PROCESSES
- 12 – STRATEGIC MANAGEMENT
- 21 – SAFETY AND SECURITY MANAGEMENT
- 11 – QUALITY MANAGEMENT

OPERATIONAL PROCESSES
- 02 – PERSONALIZED PROJECT
- 01 – WELCOME
- 03 – MEDICAL
- 04 – CARE & SUPPORT
- 05 – REHAB & NDT
- 06 – SOCIAL ACTIVITY
- 07 – ACCOMODATION
- 08 – CATERING
- 09 – PSYCHOLOGY
- 10 – END OF JOURNEY

SUPPORT PROCESSES
- 13 – EMPLOYEES’ CAREER PATH
- 15 – RISK PREVENTION; WORK CONDITIONS
- 17 – MAINTENANCE
- 14 – TRAINING
- 16 – PURCHASING
- 18 – PRIVACY; PERSONAL RIGHTS
- 19 – IT
- 20 – FINANCE

CUSTOMER SATISFACTION

- Done
- In progress
- To do
### KORIAN CERTIFICATION CALENDAR

<table>
<thead>
<tr>
<th>Year</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>KORIAN’s NURSING-HOME STANDARD</td>
</tr>
<tr>
<td></td>
<td>NURSING-HOME STANDARD PILOTS (X2 / country)</td>
</tr>
<tr>
<td>2020</td>
<td>KORIAN’s CLINICS STANDARD</td>
</tr>
<tr>
<td></td>
<td>CLINIC STANDARD PILOTES (X2 / country)</td>
</tr>
<tr>
<td>2021</td>
<td>ALL CLINICS CERTIFICATION PROCESS</td>
</tr>
<tr>
<td>2022</td>
<td>OTHER KORIAN STANDARDS PILOTES (X2 / country)</td>
</tr>
<tr>
<td>2023</td>
<td>CERTIFICATION PROCESS</td>
</tr>
</tbody>
</table>

100% by end 2023
STRATEGIC ROADMAP
OPTIMIZE - DEVELOP - EXPAND
NURSING HOMES
“INSIDE THE WALLS”
TRANSFORMATION
FRANCE CASE STUDY

Charles-Antoine Pinel
EVP France Senior
ENLARGING OUR ADRESSABLE MARKET

ADDRESSING A LARGER TARGET MARKET

<table>
<thead>
<tr>
<th>2018-2040</th>
<th>2015-2050</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seniors 75+</td>
<td>Seniors 60+ Dependent</td>
</tr>
<tr>
<td>6.1M +70% 10.6M</td>
<td>+60% 4M</td>
</tr>
<tr>
<td>Seniors 85+</td>
<td>2.1M x2 3.9M</td>
</tr>
<tr>
<td>6.1M +70% 10.6M</td>
<td>2.1M x2 3.9M</td>
</tr>
</tbody>
</table>

... RELATED TO INCREASING CUSTOMER NEEDS

- Dependent Seniors 85+ requiring 24h medical assistance
- Seniors 75+ looking after security and social links
- Seniors 75+ Post Surgery
- Carers/Families

... LEVERAGING THE NETWORK TO ENLARGE PRODUCT AND SERVICE PORTFOLIO

83 Home Care 6 k customers
304 Nursing Homes 37 k customers
83 Specialised Clinics/HAD 76 k customers
66 Assisted Living 1 k customers
37 k customers
1 k customers
76 k customers

+500 Physical touch points
60% of 75+ have a Korian solution within 10km from home

Sources:
DRESS, 2017 – INSEE, 2016
RESIDENTS AT THE HEART OF OUR COMMITMENT

A team fully engaged by your side
Convivial and appropriate living spaces
A social life and a range of activities respectful of everyone
A house open to the (outside) world

Quality and individualised treatments
A tailor-made care from our first contact
Services that simplify and improve the daily life
A healthy and tasty cuisine
LOCAL CARE IN EACH LIVING AREA

Korian La Pinède
- Short Stay post Surgery
- Night Nurse

Korian Le Rosaire
- Night Nurse

Sanary sur Mer

Korian Les Fontaines
- Telemédecine
- Caregivers services

Korian La Provençale
- Telemédecine
- Proximity ressource center

Korian St-François du Las
- Alzheimer
- Night Nurse

Korian Villa Eyras
- High dependency care

Korian Les Pins Bleus
- Geronto-psy
- Night Nurse

Korian La Louisiane
- Alzheimer
- Dialysis patient

Korian Le Cap Sicie
- Day & emergency care
- Animal Mediation
- Alzheimer

La Seyne

Korian Rives d’Esterel
- Palliative Care

Korian Aubier de Cybèle
- Parkinson
- Night Nurse

La Roquebrussanne

Var Illustration

SSIA Sitelle
- Nurse coordinating resident journey

Korian Le Cap Sicie
- Day & emergency care
- Animal Mediation
- Alzheimer

Korian La Pinède
- Short Stay post Surgery
- Night Nurse

Korian Le Rosaire
- Night Nurse

Sanary sur Mer

Korian Les Fontaines
- Telemédecine
- Caregivers services

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Korian St-François du Las
- Alzheimer
- Night Nurse

Korian Villa Eyras
- High dependency care

Korian Les Pins Bleus
- Geronto-psy
- Night Nurse

Korian La Louisiane
- Alzheimer
- Dialysis patient

FRANCE TARGETS

Specialization in each living area by 2019
Telemedicine in all facilities by 2022
**DEVELOPING INNOVATIVE OFFERS ADAPTED TO CLIENT NEEDS**

**MEDICAL DAY CARE FOR ELDERLY SUFFERING FROM COGNITIVE DISEASE**

- Providing medical support for people staying at home
- 34 Day Care Units in Nursing Homes

**SOCIAL ACTIVITIES FOR ISOLATED ELDERLY PEOPLE**

- Physical Activity adapted for elderly proposed to non-residents
- “Day care” service focused on Social Link & Activities

**SOLUTIONS FOR CARERS & FAMILIES**

- **Carers**: respite care, resources and psychological support through a network of professionals and volunteers
- **Specific financing** through public authorities

**FRANCE TARGETS**

- x2 day care spots by 2023
- 5,000 new customers

“Carers Café”, already in place in 50% of our NH
UPGRADING AND DEVELOPING OUR OFFER TO CREATE NEW CONCEPTS FOR TOMORROW

**BOOST PROGRAM**

- 2,000 rooms already refurbished in 43 facilities
- 50% of facilities renovated by 2023

**BUILD NEW KORIAN HOUSE**

- 39 ongoing new programs and extension
- 25 New Korian House projects already launched
CREATION OF TOMORROW’S NURSING HOME
CREATING AN ECOSYSTEM FOR ELDERLY CARE

EXAMPLE: “GUYANCOURT POLE”

- Day Care
- Short Stay – Rest of helpers/ readaptation
- Alzheimer and cognitive pathologies dedicated units
- Parkinson Strong Expertise
- Nursery
CREATION OF TOMORROW’S NURSING HOME
CREATING AN ECOSYSTEM FOR ELDERLY CARE

EXAMPLE: “GUYANCOURT POLE”

- Day Care
- Short Stay – Rest of helpers/readaptation
- Alzheimer and cognitive pathologies dedicated units
- Parkinson Strong Expertise
- Nursery

At Home hospitalisation

Oriane

Home Care Services
- Global assistance: Nurse follow-up, Teleassistance...

Home Assistance

Nursing Home Korian Les Saules

Gerontological clinic Korian Le Grand Parc
- Full Hospitalisation
- Day Care
KEY TAKEAWAYS

- 60% of 75+ have a Korian solution within 10kms from home
- A strengthen value proposition focus on quality and customer satisfaction
- 50% of facilities renovated by 2023
- 25 new Korian Houses launched
- Strong Revenue Management approach

2018 120,000 Customers

2021 >150,000 Customers
NURSING HOMES
"INSIDE THE WALLS"

REVENUE MANAGEMENT
GERMANY STUDY

Arno Schwalie
EVP Germany
KORIAN GERMANY 2019: DENSE EXITING NETWORK

KEY FIGURES KORIAN GERMANY

243 Facilities thereof
59 incl. Assisted Living
31 Home care services

Dense network integrated in 180 living areas across the country

2 MAIN GROWTH DRIVERS

- Optimise the existing platform to grasp market opportunities
- Continue to develop though greenfields to meet increasing demands
FEDERAL CARE REGULATION DEVISSED TO ALLOCATE RESOURCES ACCORDING TO CUSTOMER NEEDS AND DEPENDENCY LEVEL – SPENDING IS INCREASING IN RELATION TO HIGHER CARE GRADES

<table>
<thead>
<tr>
<th>Care level</th>
<th>PG 0-1</th>
<th>PG 1-2</th>
<th>PG 2-3</th>
<th>PG 3-5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer needs</td>
<td>![Person]</td>
<td>![Person]</td>
<td>![Person]</td>
<td>![Person]</td>
</tr>
<tr>
<td>Business line</td>
<td>Assisted living</td>
<td>Assisted living Homecare Day care</td>
<td>Assisted living Homecare Day care Nursing home</td>
<td>Assisted living Homecare Day care Nursing home</td>
</tr>
<tr>
<td>Payment</td>
<td>Customer</td>
<td></td>
<td></td>
<td>Insurance (different sources)</td>
</tr>
</tbody>
</table>

RESIDENTS OF NURSING HOMES

Revenue increase is dependant on: Qualified staff to care for dependant patients

PG1: 125€  
PG2: 770€  
PG3: 1262€  
PG4: 1775€  
PG5: 2005€

PG Funding = per month

HIGHEST LEVEL OF FUNDING
A GROWTH DYNAMIC DEPENDING ON TRAINED STAFF AVAILABILITY

- Recruitement of trained staff
- Higher care mix management - leading to higher public funding
- Price negotiation with local stakeholders
- Boost occupancy rate through client management
STAFF RESOURCES ARE THE CORNERSTONE OF GROWTH

**DRIVER**

- Sufficient staffing

**INITIAL GOAL**

- Recruitment of permanent staff
- Elimination of dependency on interim staff

**ACHIEVEMENTS**

- Resource piloting to ensure adequate staff per facility
- Enhancement of local workforce management
- Develop training and in house promotion

---

**INTERIM STAFF IN FTE**

<table>
<thead>
<tr>
<th>Year</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>285</td>
</tr>
<tr>
<td>2018</td>
<td>36</td>
</tr>
</tbody>
</table>

-87% reduction in interim staff

**PERMANENT STAFF**

- "Herzensache" commitment
- Stable relationship with resident
- Committed trained staff
### BUILDING ON STAFFING TO PROVIDE CARE FOR MORE DEPENDENT RESIDENTS

<table>
<thead>
<tr>
<th>DRIVER</th>
<th>INITIAL GOAL</th>
<th>ACHIEVEMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Care Grade Management</td>
<td>Ensure a care level in line with the individual needs of our residents, while increasing public funding</td>
<td>▪ Deployment of care documentation and management system in Korian Germany (DAN)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Constant care level review &amp; upgrading</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Staffing levels increased according to the stepped-up dependency level of the residents</td>
</tr>
</tbody>
</table>

#### CARE GRADE LEVEL

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>June 2018</td>
<td>3,249</td>
<td></td>
</tr>
<tr>
<td>June 2019</td>
<td>3,266</td>
<td>+17bp</td>
</tr>
</tbody>
</table>

- **+17bp** indicates an increase of 17 basis points in care level.
## SECURE ADEQUATE FUNDING THROUGH ACTIVE PRICE RENEGOTIATION

<table>
<thead>
<tr>
<th>DRIVER</th>
<th>INITIAL GOAL</th>
<th>ACHIEVEMENTS</th>
</tr>
</thead>
</table>
| Pricing | Ensure 100% refinancing of facility-specific charge, board & lodging rates and investment costs | - Enhanced negotiation process  
- Optimized pricing through stringent analysis of potential for negotiation with public funding agencies  
- Above market growth for provision contracts negotiated over the last two years |

### PRICING INCREASE ADDITIONAL IMPACT ON P/L IN €M

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>X2</td>
<td><img src="image1.png" alt="Image" /></td>
<td><img src="image2.png" alt="Image" /></td>
</tr>
</tbody>
</table>

- **2018**  
  - Investment Cost  
  - Nursing and Board & Lodging  
- **2019**  
  - Investment Cost  
  - Nursing and Board & Lodging
CLIENT MANAGEMENT TO DRIVE VOLUMES IN THE FUTURE

INITIAL GOAL

Drive higher occupancy through active pipeline management over the different sales channels as well as additional revenues

ACHIEVEMENTS

- Deployment of CRM system in the whole network
- Sales processes set up around local clusters
- Basis optimized for customer segmentation and targeted additional services

CRM SYSTEM

Sales & Pipeline Management

Active sales mgmt. (entries and exits) including CRM driven pipeline conversion analysis and prognosis

Significant impact on the occupancy rate
KEY TAKEAWAYS

- Mature and growing market in which Korian has a dense, well positioned network
- Stable staffing and resources piloting as a growth driver
- Strong focus on providing clients with stability & quality care

POWERFUL LEVERS TO DRIVE PROFITABLE ORGANIC REVENUE GROWTH

3 Years after the launch of K2020:
Acknowledged by the leading German business and financial daily newspaper Handelsblatt as one of the best care providers in Germany*

Note
* Existing homes only
HEALTHCARE
FROM POST-ACUTE TO LOCAL MEDICAL PLATFORMS
FRANCE CASE STUDY

Nicolas Mérigot
EVP
France Healthcare
OUR NETWORK: KEY LOCALISATIONS & SPECIALISATIONS

OUR NETWORK

- 83 establishments (facilities)
- 66 clinics (SSR): 15% of market share
- 10 psychiatric clinics: 4% of market share
- 7 hospital at home networks: 7% of market share

65,000 patients

6,400 ASSOCIATES

- Highly skilled staff
  - 15% Medical executives
  - 35% Medical staff
  - 50% Employees

- 375 doctors
- 154 pharmacists
- 376 physiotherapists
- 108 psychologists
- 1,340 state nurses (IDE)

HIGH LEVEL OF MEDICAL EXPERTISE

- Orthopedics unit: 44% of clinics
- Post stroke care units: 13% of clinics
- Cardiology care units: 12% of clinics
- More than 15 different care specialities

Satisfaction 96%
VOLUMES DRIVEN BY ELDERLY POPULATION

TYPICAL CLIENT PROFILE:
- Median Age: 75 years
- **Dependence:** Physical: 33%>12(/16)
  Psychological: 28%>5(/8)
- Average length of stay: 39 days
- Average nb of acts: 2.3 per day/patient

ELDERLY CONTRIBUTION TO THE GROWTH:
- < 70 years: 35%
- 70 to 74 years: 25%
- 75 to 79 years: 10%
- > 80 years: 30%

VOLUMES OF HOSPITALISATIONS AND AGE OF PATIENTS

- 0-4 ans: 1%
- 5-17 ans: 4%
- 18-39 ans: 39%
- 40-64 ans: 22%
- 65-69 ans: 10%
- 70-74 ans: 12%
- 75-79 ans: 12%
- 80 ans et +: 10%
OUTPATIENT VOLUMES GROWING FAST – ALSO DRIVEN BY ELDERLY POPULATION

VOLUMES OF HOSPITALISATION: HIGH RISE OF PARTIAL HOSPITALISATION

- Market average: 12%
- Current Korian position: 7%

PARTIAL HOSPITALISATION: A GROWTH OPPORTUNITY FOR KORIAN

VOLUMES OF HOSPITALISATIONS AND AGE OF PATIENTS

- Partial Hospitalisation:
  - 0-4 ans
  - 5-17 ans
  - 18-39 ans
  - 40-64 ans
  - 65-69 ans
  - 70-74 ans
  - 75-79 ans
  - 80 ans et +
A KEY POSITIONING IN THE HEALTH CARE LANDSCAPE

**Mission**
- Medical Care
- Medical Rehabilitation
- Pre and post operation care
- Prevention & occupational therapy
- Re-insertion to daily life

**Key Success Factors**
- Multidisciplinary & Global
- Coordination different treatments for patients
- Technical Equipment for re-education

**Chronic diseases**
Ageing population

= pressure on public healthcare

**KEY ROLE IN A HEALTH SYSTEM UNDER PRESSURE**

- 93% of patients referred from hospitals
- 78% of discharged patients return home
- -9% reduction of physical dependency following a Korian clinic stay

**KEY ROLE IN MAINTAINING AUTONOMY**
ADDED VALUE TRANSFORMATION IN A CONTEXT OF DECREASE IN PUBLIC FUNDING

TARIFS EVOLUTION

Enable price evolution in a context of decreasing public funding

TRANSFORMATION OF THE NETWORK

MEDICAL SPECIALISATION
Case mix management and specialised tariffs

LOCAL NETWORKS
Local renegotiation and additional services
TRANSFORMATION OF THE NETWORK WELL UNDERWAY

KORIAN NETWORK TRANSFORMATION OFFERING SOLUTIONS TO A GROWING & EVOLVING DEMANDS

DRIVERS

- INCREASE OF CHRONIC DISEASES
- INCREASE IN POLY PATHOLOGIES
- INCREASE OF DEMAND
- PATIENT EXPECTATIONS

SOLUTIONS

MEDICAL SPECIALISATION

- By 2023 = 83% of network with specialized units
- With more than 50% done
- Specific care pathways for chronic diseases
  1 in place and 6 ongoings
- Telemedicine development

RENOVATED LOCAL NETWORKS

- OUTPATIENT CLINICS: 80 by 2023 = 90% of network
  Already x2 since 2016
- Ongoing renovation, relocalisation and upgrading programme
- Public/Private partnerships

DIGITAL AS THE COMMON ENABLER

DRIVERS

- INCREASE OF CHRONIC DISEASES
- INCREASE IN POLY PATHOLOGIES
- INCREASE OF DEMAND
- PATIENT EXPECTATIONS

SOLUTIONS

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- Public/Private partnerships

DIGITAL AS THE COMMON ENABLER
## A TRANSFORMATION THAT CLEARLY ADDS VALUE & PERFORMANCE

### CLINIC OPTIMISATION
Korian Le Balcon Lyonnais

<table>
<thead>
<tr>
<th>WHAT WE DID</th>
<th>IMPACTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relocalisation: close to hospitals</td>
<td>• Increase invoiced hospitalisation days: <strong>2%</strong></td>
</tr>
<tr>
<td>Medical platform: From 5 to 18% of building</td>
<td>• Increase occupation rate (excl. outpatient): <strong>2%</strong></td>
</tr>
<tr>
<td>Creation of Outpatient clinic</td>
<td>• Outpatient occupation: <strong>78%</strong></td>
</tr>
<tr>
<td>Renovated building</td>
<td>• Revenues from care: +3%</td>
</tr>
<tr>
<td></td>
<td>• EBITDAR Margin: +7%</td>
</tr>
<tr>
<td></td>
<td>• EBITDA Margin: +7%</td>
</tr>
</tbody>
</table>

### CLINIC TURNAROUND
Korian Cap Ferrieres

<table>
<thead>
<tr>
<th>WHAT WE DID</th>
<th>IMPACTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relocalisation: To an underserved area</td>
<td>• Increase invoiced hospitalisation days: <strong>9%</strong></td>
</tr>
<tr>
<td>Medical platform: From 5 to 18% of building</td>
<td>• Increase occupation rate (excl. outpatient): <strong>5%</strong></td>
</tr>
<tr>
<td>Specialised unit: musculoskeletal geriatric care</td>
<td>• Outpatient occupation: <strong>195%</strong></td>
</tr>
<tr>
<td>Creation of Outpatient clinic</td>
<td>• Revenues from care: +30%</td>
</tr>
<tr>
<td>Renovated building</td>
<td>• EBITDAR Margin: +21%</td>
</tr>
<tr>
<td></td>
<td>• EBITDA Margin: +16%</td>
</tr>
</tbody>
</table>
KEY TAKEAWAYS

- Optimisation of the network largely underway
  - Volume growth driven by ageing population and outpatient activity
  - Price increase driven by specialisation and modernisation

- A unique approach to integrated care pathways

- The journey from a post acute activity to a complete local medical platform
DEVELOP
NEIGHBOURHOOD CARE

EXTENDING OUR REACH IN ITALY

Mariuccia Rossini
EVP Italy
ITALY: REGULATION LEADING TO SATURATED NURSING HOMES

Very limited market for Elderly residential care in Italy, with no authorisation for expansion

NUMBER OF CARE HOME BEDS PER 1,000 SENIORS 75+

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of Beds</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>83</td>
</tr>
<tr>
<td>GBR</td>
<td>103</td>
</tr>
<tr>
<td>IRL</td>
<td>117</td>
</tr>
<tr>
<td>PRT</td>
<td>91</td>
</tr>
<tr>
<td>NLD</td>
<td>167</td>
</tr>
<tr>
<td>ITA</td>
<td>57</td>
</tr>
<tr>
<td>FRA</td>
<td>107</td>
</tr>
<tr>
<td>ESP</td>
<td>88</td>
</tr>
<tr>
<td>DEU</td>
<td>105</td>
</tr>
<tr>
<td>BEL</td>
<td>141</td>
</tr>
</tbody>
</table>

60% OF NURSING HOME ENTRIES ARE REFERRED FROM HOSPITALS

ELDERLY CARE IS COVERED LARGELY BY HOSPITALISATION:

KORIAN IN LOMBARDY
Nursing Homes
Number of Elderly in waiting list:
1,000

KORIAN NETWORK
Nursing Homes
Average Occupation Rate 2018
c.98%
CREATING LOCAL CARE PATHWAYS

Korian to provide continuous local care for the elderly and fragile by entering the Post-acute activity

The aim:

- Provide longer term care by caring for elderly pre-entry into nursing homes
- Provide continuous care without loss of information etc.
- To source and secure future residents
- Create local care networks
- Strengthen links with stakeholders (social workers, nurses, others…)
- Strengthen local trust and reputation

24% of our patients shift from the rehabilitation to our nursing homes
STRONG FOCUS USING CLINICS TO EXTEND OUR REACH

KORIAN ACTUAL POSITIONING

HOSPITALISATIONS

OUR CLINIC/POST-ACUTE ACTIVITY HAS A FOCUS ON ALL SERVICES COMMONLY USED BY THE ELDERLY:

- Orthopedics 36%
- Urology 49%
- Ophthalmology 73%

82% of hospitalisations 65+ years old

DAY HOSPITALISATION IS DOMINATED BY 65+ YEARS OLD

OUTPATIENT ACTIVITY

GROWING ACTIVITIES WITH IMPORTANT PARTICIPATION OF 65+ YEARS OLD

NB PATIENTS 34%

NB MEDICAL ACTS 66%
DEPLOYING A FULL SUITE OF SOLUTIONS FOR A REGION

EXAMPLE OF NETWORK (already realized in Tuscany)

FRATE SOLE, Figline Valdarno (Firenze)

- Nursing Home
- Clinic/rehabilitation
- Physiotherapy Center
- Out-of-patient center (diagnostic, analysis, visits, etc.)

TOTAL PATIENTS

6,600

- 24% of our patients shift from the rehabilitation to our nursing homes
- 20% of the out-of-patient guests use the NH/clinic services
- 42% of the patients use different services of the network
KEY POSITIONING IN CLINICS WITH AN ELDERLY FOCUS

Using one unique Client follow up system

Continuous & fluid information on the client

- Each entry into a clinic
- Between each speciality
- For the Nursing Home when the patient need to enter full time care

BEST IN CLASS SOLUTION FULLY DEPLOYED

Network of services + Equipe (electronic health record) = Benchmark for the future
DEPLOYMENT & FUTURE AMBITION

FULLY DEPLOYED CARE PATHWAYS ARE DEVELOPED IN 3 REGIONS.

They include:

- Post acute care
- Primary care
- Palliative care
- Home care
- Assisted living
- Nursing homes

DEPLOYING THIS APPROACH SUPPORTS THE REVENUES GROWTH

Each of these solutions is integrated with EQUIPE

ALL THE SKILLS ANSWER TO THE SEVERAL NEEDS OF THE PATIENTS ALL OVER THE REGIONS
(Doctor, Nurse, Physiotherapist, Occupational Therapist, Psychologist, Auxiliary, etc)
NEW CARE CONCEPTS
BENELUX CASE STUDY

Dominiek Beelen
EVP Benelux
A SOLID & PROGRESSIVE GROWTH PATH INTO NEW CONCEPTS – EVOLUTION FROM A BELGIAN ENTITY TO A BENELUX PLATFORM

2005
- Entrance in the sector in size through M&A
- Nursing homes: 4 to 27 sites

2010
- Mixed development: Greenfield & M&A

2011
- Development of Mixed care concepts: NH & AL
- Evolution to 55 sites

2015
- Greenfield strategy: Mixed care projects with focus on full service experience
- Development of Home care & Stand-alone Assisted Living
- Evolution to 119 sites

2016
- Entry in the Netherlands through new small sized specialized care concept ➔ 14 sites

CURRENT 2019

BELGIUM YTD 2019:
- Strong interaction between different activities
- ¼ of the sites mixed (care) concepts
- Evolution to open community sites
- Organic growth strategy based on development of home care activities around existing AL
A GROWTH STRATEGY ADDRESSING CONSTRASTING NEEDS & SOLUTIONS

DEVELOPMENT OF DIFFERENT CONCEPTS BASED ON KNOWLEDGE OF EXISTING PLATFORMS AND ADAPTED TO LOCAL FINANCING POSSIBILITIES

"Under-one-roof" concept

Adapted to Belgium:
- Limited program of new NH beds since 2013 up to 2025 → needs for elderly care
- Creates diversification into (extramural) Assisted living → traditional Nursing Home base

Improved EBITDAR +4% by using mixed concepts

Secured growth pipeline in Belgium focused on “under-one-roof” concepts

Creation of small sized and specialised care communities

Adapted to Netherlands:
- Attractive financing model for elderly (up to 185 EUR/day) with 0.9 FTE/per patient
- Creates credible and affordable alternative to large scale impersonal Nursing homes

EBITDAR margin targeted around 30% (post ramp up)

Development of the concept ongoing
STEPPING STONES PROVIDES SMALL-SCALE SPECIALISED CARE
KORIAN IS ACCELERATING ITS DEVELOPMENT
SMALL CARE COMMUNITIES RESPONDING TO NETHERLANDS NEEDS

KEY MILESTONES

2006  Creation of Stepping Stones
2019  Acquisition by Korian
       14 sites by the end of 2019 (305 beds)
2020  Opening of 6 new nursing homes (140 beds)
2021  Opening of 7 new nursing homes (164 beds)
2022  Opening of 7 new nursing homes (168 beds)

POSITIONING

- Small-scale villas located in the center, east, south of the Netherlands
- Residents suffering from dementia
- Care level ZZP5 and onwards
- High quality personalized care and services until the end of residents lives
- Specific staff trained to provide complex palliative care
- Mid-class positioning (EUR 2,500/month)

KEY FIGURES

<table>
<thead>
<tr>
<th># locations</th>
<th># beds</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>305</td>
</tr>
<tr>
<td>20</td>
<td>445</td>
</tr>
<tr>
<td>27</td>
<td>609</td>
</tr>
<tr>
<td>34</td>
<td>777</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue [EUR m]</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>9</td>
</tr>
<tr>
<td>2020</td>
<td>25</td>
</tr>
<tr>
<td>2021</td>
<td>34</td>
</tr>
<tr>
<td>2022</td>
<td>46</td>
</tr>
</tbody>
</table>

Source: company website, Roland Berger
Note: 1 6 months only
BUILDING “UNDER-ONE-ROOF” INTEGRATED (HEALTH) CARE PLATFORMS FOR CITY CENTERS

SENIOR PLAZA: 26,000 HABITANTS
18% > 65+ AND 6% > 80+

REVENUE DISTRIBUTION

13% Nursing Home Revenue
3% Home Care Fees
2% Rents Assisted Living
82% Shop Fees

KEY FIGURES

- Since 2008
- 65 employees (FTP)
- 168 residents (88 Nursing Home, 80 Assisted Living)

Future proofing the nursing home concept by ensuring integration with social environment and in line with elderly evolved well-being expectations

ALL LONG TERM CARE SERVICES FOR ELDERLY PEOPLE “UNDER-ONE-ROOF”

- Nursing Home
- Assisted Living
- Short-stays
- Outpatient units
- Home Care

COMBINED WITH A LOCAL RETAIL ECOSYSTEM

- Shops
- Restaurants
- Hairdresser
- Leisure

In caring hands
BUILDING “UNDER-ONE-ROOF” INTEGRATED (HEALTH) CARE PLATFORMS FOR CITY CENTERS

**URSULINENHOF: 77,000 HABITANTS**
21.5% > 65+ AND 7% > 80+

**DIEST: 25,000 HABITANTS**
21.5% > 65+ AND 6% > 80+

**Q2 2020**

**NEXT PROJECT: Q3 2023**

**Let’s Discover Frederickshof in Lummen**

**Grand Café**
The place to be for our residents
KEY TAKEAWAYS
CONCEPT TO CROSS FERTILIZE & ENRICH KORIAN OFFERING EVERYWHERE

Netherlands → Belgium
- In Belgium 35% of the residents suffer from dementia
- Inspired by Netherlands:
  - optimize our positioning in dementia
  - small size approach in larger facilities
- Pipeline 2 small scale projects dedicated to dementia

Belgium → Netherlands
- Development of Assisted living concept
- Implement Belgian "under-one-roof" concepts
- Explore Belgian experience with PPP-projects in the Netherlands

Benelux → Europe
- Both concepts are replicable, depending on the financing structure in the other European countries

In caring hands
NEW HOUSING CONCEPTS

Charles-Antoine Pinel
EVP France Senior
KORIAN DISRUPTING ALTERNATIVE HOUSING MARKET

LEVERAGE ALTERNATIVE HOUSING MARKET GROWTH

+185 k places by 2030

2030 3,375 residences

2023 1,271  x2,7

2018 750  x1.7

2013 374  x2

KORIAN IMPLEMENTING ITS GROWTH STRATEGY BASED ON 2 CONCEPTS

- Ages&Vie acceleration with an objective of 250 residences by 2024
  - Résidences ouvertes
  - Ouvertures en 2019
  - Ouvertures 2020 - 2021
  - Permis de construire déposés

- Senior residences structures
  - on Korian’s own NH land (relocation and sites extension)
  - via regional real estate development for solo models (2 openings in 2020)

BY 2024

Ages&Vie
+250 colocations

Organic growth senior residence
+20 residences

REVENUES

+30 M€ by 2021

+100 M€ by 2023
AGES&VIE: A SINGLE INCLUSIVE SOLUTION

Key Figures
- First house opening: 2008
- # of open houses: 54
- Pipeline: 2024
- # of direct employees: 250
- # of direct employees by 2023: ~1,500

Customer Profile
- 86 years / 82% women
- Designed for GIR 2 to GIR 6 or disabled people that can not stay at home but are willing to stay in their neighbourhood

A professional structure at human size
- Caregivers 24/7
- Intergenerational structures
- Individual “life project”
AGES & VIE: A SINGLE BUSINESS MODEL

1. Real Estate Development
   - Land acquisition cost limited
   - Controlled construction costs with regional partnerships
   - Internal teams of architects and project managers
   - Construction
   - Strong industrialization capacity

2. Financing
   - Commun vehicule with Banque des Territoires & Crédit Agricole Assurances
   - Already launched 28 new projects in 17 departments
   - Singular organization model (on-site housing / versatility)
   - Limited standards
   - Incentive agreement
   - Low level of central structures
   - Low Rents

3. Operations
   - Ebitdar level > 30%
   - Ebitda between 15-20%
A SCALABLE SOLUTION

Contacted Mayors 7,000
Positive Mayors 1,500
Meetings Done 620
Projects Validated 210

KEY SUCCESS FACTORS

- Growing local demand
  - 65+ > 30% population (20% av. France)
  - No local solutions
- Intergenerational buildings
- Ability to develop within 24 month
- Feedback from first mayors
- Job creation (6 direct for each implantation)
- Occupancy rate > 99%
- No ramp up
- Customer and employee satisfaction
- Possibility to build nearby other commodities
  - medical house,
  - Nursery
  - Service shops
  - …
CARE
"OUTSIDE THE WALLS"

Olivier Lebouché
VP France
Homecare & Korian Solutions
HUGE POTENTIAL BUT A CHALLENGING BUSINESS MODEL

A NATURAL MARKET AND OFFERING FOR KORIAN:

- Hospitalisation à domicile
- Home Care Services
  - Global assistance: Nurse follow-up, Teleassistance

- Gerontological clinic Korian Le Grand Parc
  - Full Hospitalisation
  - Day Care

HOWEVER A SECTOR TRADITIONALLY CHALLENGING WITH LIMITED PROFITABILITY:

NET MARGIN OF HOME SERVICE COMPANIES IN FRANCE

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2.9%</td>
</tr>
<tr>
<td>2014</td>
<td>2.6%</td>
</tr>
<tr>
<td>2015</td>
<td>2.7%</td>
</tr>
<tr>
<td>2016</td>
<td>3.7%</td>
</tr>
<tr>
<td>2017</td>
<td>4.1%</td>
</tr>
<tr>
<td>2018</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

3.3%
KORIAN MODEL: WITH PETITS-FILS AN ENTIRELY DIFFERENT OFFER

DIFFERENT BUSINESS MODEL

- Targeted population
- Aiming for differentiated high quality service
- With stable, loyal and committed staff: paid above average wages
- A pricing structure in line with the service and above the existing market

GROWING FAST WITH KORIAN: A COMMERCIAL SUCCESS

NUMBER OF AGENCIES OF PETITS-FILS AGENCIES AS OF 2019

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>7</td>
<td>12</td>
<td>21</td>
<td>33</td>
<td>47</td>
<td>62</td>
<td>100</td>
</tr>
</tbody>
</table>

NUMBER OF CLIENTS OF PETITS-FILS

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>750</td>
<td>1,150</td>
<td>2,050</td>
<td>3,270</td>
<td>4,900</td>
</tr>
</tbody>
</table>
FROM PETITS-FILS TO ORIANE GROWING

-70% HOME VISITS BY GPS OVER THE LAST 10 YEARS

Home visits by GPS have decreased by 70% over the last 10 years.

Health checks: ageing well

Security/serenity

85% DOMESTIC ACCIDENTS ARE FALLS FOR 65+

Happy moments

1/5 OF 60+ FEEL LONELY

Everyday life

In caring hands
BECOME THE QUALITY REFERENCE IN THE HOME CARE THANKS TO DIGITAL
BUILDING A SCALABLE PLATFORM

AMBITION 2023: 200 agencies 25-30,000 clients Home Care France
EUROPEAN STRATEGY

Bart Bots
EVP International Development
SUPPORTING GROUP’S AMBITION

GEOGRAPHIC EXPANSION TO SUPPORT GROUP GROWTH

European focus based on deep knowledge of the market
FROM A FOOTHOLD: THE SPAIN CASE STUDY

- **€34m** revenue
- **15 facilities** with 2,030 beds

- Build up started with Group core activity, Nursing Homes starting from basic team seniors
- Already present in 3 different regions (Andalucia, Valencia and Balearic Islands) with important **equipment needs** in terms of elderly care and dependency
- Ready to leverage attractive growth potential and diversification
- Attract talent for expansion
FROM A FOOTHOLD: THE SPAIN CASE STUDY

GO-TO-MARKET STRATEGY

MARKET DRIVERS

4th European market
- Highly fragmented & underequipped
- Balearic Islands: concentrated but high demand

Spain’s Ageing population
- 65+ will represent 25% of the population in 2030
- Ageing rate of the Balearic Islands population is above the national average

Short term
0 Define an appropriate structure to run the business

Medium term
1 Consolidate core business
   Build footprint in key regions via bolt-ons and greenfield

2 Expand in adjacent business

3 Transformational acquisition
   Achieve a dominant position

Oppportunistic

- Structure local teams & governance
- Set an dedicated team to execute the expansion strategy
- Organically grow existing clusters (Andalusia, Balearic & Valencia)
- Achieve strong local presence in different regions
- Remain opportunistic: to get a dominant position in NH market
BUILDING STRONGHOLDS

FROM A QUALITY BASE, THROUGH…

Deep knowledge of the market and regulation

Getting to know the stakeholders locally and nationally

Analysing the different community needs

…TO BUILD A SUBSTANTIAL PRESENCE WITH A COMPLETE & DIVERSIFIED OFFER
OUR DRIVERS AND DIFFERENTIATORS
THE DRIVERS OF OUR GROWTH

OUR PEOPLE:
Challenge us to be better

IT SYSTEMS:
A step change is underway

REAL ESTATE:
In House expertise

The Caring Hands are those of our teams
at the heart of our concepts and client solutions
HUMAN IS CAPITAL

Rémi Boyer
Chief HR & CSR
HUMAN IS CAPITAL: WHO WE ARE AND WHAT WE DO
OUR PEOPLE: 54,000 WOMEN AND MEN CARING FOR THE ELDERLY & FRAGILE, PROUD OF THEIR MISSION

ACROSS 6 COUNTRIES
SPLIT OF THE POPULATION BY COUNTRY

MORE THAN 100 PROFESSIONS ACROSS THE GROUP
NURSING STAFF: 76%

75% Engagement index

Operations
5%
Support
4%
Hospitality
15%
Nursing
76%
HUMAN IS CAPITAL: STRONG COMMITMENT TO OUR PEOPLE

You care for people We care for you

4 STRONG VALUES

1. BE WELCOME and SUPPORTED by Management
2. BE DEVELOPED and TRAINED
3. WORK IN A SAFE WORKPLACE
4. BELONG TO A STRONG PROFESSIONAL COMMUNITY
5. BE RECOGNIZED and INCLUDED AS YOU ARE
6. BENEFIT from PERSONALISED CAREER PATHS
7. ACCESS the KORIAN COMPENSATION & BENEFIT PACKAGE
8. BE an ACTIVE PLAYER of “In Caring Hands” CLIENT PROMISE
HUMAN IS CAPITAL: AN AMBITIOUS STRATEGY IN A CHALLENGING ENVIRONMENT AND FIERCE COMPETITION FOR TALENTS

3 KEY CHALLENGES TO RUN THE BUSINESS

1. SECURE OUR WORKFORCE NEEDS
2. IMPROVE QUALITY AT WORK
3. BUILD THE KORIAN MANAGEMENT WAY
4. PROMOTE DIVERSITY & INCLUSION

OUR AMBITION
BE THE “PREFERRED EMPLOYER” OF OUR SECTOR
PEOPLE: 60,000 EMPLOYEES TO SOURCE IN THE NEXT 5 YEARS!

SECURE OUR WORKFORCE NEEDS

Mobilize all stakeholders to support care professions across Europe and draw up a plan of action for the sector

CONTEXT
- War for talents across Europe
  - Specific to the care sector
- Poor reputation
- Lack of trained staff
- Limited access to training centres

ACTION ROADMAP
- Build active workforce planning with acquisition funnels (partnerships with schools, anticipation of needs...)
- Promote the Care sector, its professions, our brand and our employer promise
- Push to alleviate regulatory bottlenecks
- Create new pipelines of talents (apprentices, dedicated training schools, and training centres, internal promotions...)

TARGETS
- X 2 number of newly qualified staff, through apprentices and training of present staff
  - 4,000 apprentices
- Reduce absenteeism & turnover by incentivizing teams
- Stabilize work organizations
PEOPLE: QUALITY AT WORK TO BUILD EMPLOYEE LOYALTY

2. IMPROVE QUALITY AT WORK

CONTEXT
- A working environment which requires every attention to people
- High level of absenteeism
- Personal situations of the staff

 ➔ Mobilize the organisation to fully embed a strong Health & safety culture supported by training

ACTION ROADMAP
- Reinforce teams to avoid shortages and pressure
- Prevent absenteeism through:
  - Adapted equipment
  - Adapted time planning
  - Digitalisation of information & robotization of tasks
- Develop promotional career paths through training
- Design comprehensive Compensation & Benefits policy

TARGETS
- 50% increase in training hours per employee
- Reduce work related accidents by incentivising managers on health & safety
- 4,000 apprentices
3 BUILD THE KORIAN MANAGEMENT WAY

CONTEXT: THE ROLE OF A SITE MANAGER

In charge of:
- The care of c. 80 residents and the contacts with their families
- Management of a team c. 50 ETP
- A budget of €3 to 4m
- Coordination with c.10 prescribers (doctors, social workers…)
- Contacts with around 5 different local institutions or authorities (Regional Health Authorities, Local hospital,…)

 ➔ Support our key local managers in their role

ACTION ROADMAP

- Creation of the Korian Management Way: providing a unique and common framework for action for all sites managers across Europe
- Creation of a full management cycle for sites managers
- Creation of a “TOP 1000” community to integrate talent management, succession planning and support growth pathways

TARGETS

- 3 year management cycle for all site managers
- All site managers trained by 2022
**HUMAN IS CAPITAL: PROMOTE DIVERSITY & INCLUSION**

**INCLUSION AND DIVERSITY CORE VALUES OF KORIAN**

**DIVERSITY**
- 82% Women in our workforce
- 46% of top management is female and 20% of GMB
- Korian Women Network launched in 2019
- LGBT and Diversity Charters signed

**SOCIAL INCLUSION – A DISABLED FRIENDLY COMPANY**
- 5.1% of disabled people in France, above benchmarks
- Building an inclusive company through the Korian Foundation

**STRONG SOCIAL DIALOGUE**
- Regular exchanges and strong commitment to social dialogue in all sites and countries
- Regular sounding of employees
- 1st European Works Council of the sector to start early 2020

---

Korian, active member of the French companies initiatives for a more inclusive economy

Engaged in the European 'CEASE' Initiative against violence to Women

Signature of the EWC agreement (April 209)
IT: A BACKBONE FOR TECHNICAL EXCELLENCE

Philippe Lonne
Chief Information Officer
One IT approach: six main strategic drivers

- People
- Project
- Software
- Data & BI
- Hardware
- Security
IT BACKBONE

STEP CHANGE ALREADY IN PLACE

PEOPLE
- Strong team in place
- Insourcing of expertise

PROJECT
- Project Management culture

SOFTWARE
- Blueprint
- Decommissioning program on-going
- Reliability

HARDWARE
- Centralised Data warehouse in place
- Automation of data flows
- Unique BI solution: Power BI
- Homogeneous hardware and clear replacement plan
- High capacity unified Network

SECURITY
- Security Team strengthened with 7 experts
- GDPR Compliance supported with a dedicated DPO team
- Phishing program, penetration tests and SFR audit
2019: IT BRINGING VALUE TO THE BUSINESS

LEAP FORWARD

DEPLOYING BUSINESS SOLUTIONS

3,500 Tablets to support NETSOINS mobility program in all facilities

Delivery of the DEKLIC program: all clinics on HOSPITAL MANAGER
IT: SPEEDING UP TRANSFORMATION
"HOSPITAL MANAGER", THE NEW STATE OF THE ART TOOL FOR KORIAN CLINICS

- **Patient modules**: 11
- **Medical specialities**: 17
- **Clinics**: 74
- **New network & Infrastructure**:
- **New state of the art Tool for Korian clinics**:
- **New functionalities**: Training, Hot Line
- **Roll out**: 36 months
- **Contributors**: 75
- **Users**: 3,000
- **2017**: 10 sites
- **2018**: 37 sites
- **2019**: 22 sites

PILOTTING THE ACTIVITIES AND THE NETWORK

- Respond to regulatory constraints
- Securing the sharing and access to medical information of our patients within the care system
- Harmonize tools and practices – Driving fluidity and efficiencies
- Reinforce attractiveness for teams
Innovative coordinated care pathway for patients suffering from chronic obstructive pulmonary disease

Complete technical rehabilitation platform
Stress test, respiratory rehabilitation, training, therapeutic education, support to stop smoking

Innovative outpatient care path to support return to normal life

1. Coordination by a dedicated nurse

2. Real time information through a Digital platform: Sharing medical data and information (with CP/Clinic team) developed with the start-up

3. At home: a specific organization around a personalized daily program of physical and respiratory exercises

POC IN 2019
VISION: OPERATIONAL EFFICIENCY AND DIGITAL READINESS

2019 UPGRADED PLATFORM SU

2016-2019

A state of the Art IT platform

2019-2021

One for All

Fit for digital
REAL ESTATE
AT THE CORE OF THE
GROWTH STRATEGY

Frederic Durousseau
EVP Real Estate
and Development
IN-HOUSE EXPERIENCED REAL ESTATE TEAM

KORIAN IS WELL EQUIPPED TO IMPLEMENT ITS REAL ESTATE STRATEGIC AMBITIONS

AN EXPERT TEAM ACROSS THE COMPANY:

- Asset management
- Real Estate transactions
- Investment management
- Fund management
- Concept design
- Strategic planning
- Construction management
- Maintenance
2016: NEW REAL ESTATE STRATEGY

FROM ASSET LIGHT TO ASSET SMART

A STRATEGY TO SUPPORT GROWTH ACCELERATION, VALUE CREATION & OPERATIONAL EFFICIENCY:

- DEVELOPMENT: accelerate focus on real estate development
  - To manage the evolution of the portfolio in line with operating needs
  - Standardize solutions: cost & operational benefits

- INVESTMENT: increase ownership while remaining flexible
  - To benefit from value creation
  - To better manage profitability

3 PILLARS

1. MANAGE PORTFOLIO TO MAXIMISE POTENTIAL

2. DEVELOP KORIAN PORTFOLIO

3. CREATE VALUE THROUGH SELECTIVE INVESTMENT

2016

TARGET

Capital Markets Day 2019
REAPING THE BENEFITS OF THE ASSET SMART STRATEGY
IN 2019 ASSET SMART STRATEGY HAS PROVIDED TANGIBLE RESULTS

ACCELERATE GROWTH
Pipeline 14,259 beds 2019-2021

Growth driver for the business
Scaling new concepts and transformations of the Network

VALUE CREATION
21% assets now owned

€1.8bn portfolio value*
Value creation of at least €100m since 2016

OPERATIONAL EFFICIENCY
Quality of service:
- Maintenance standards across the Group
  - Maintenance capex at 2-3% revenue p.a.
- Renovations, Extensions, ...

Cost savings:
- rent renegotiation reaching €6.5m in 2019 of P&L impact

ENERGY CONSERVATION
- 9.6% electricity consumption
- -2.9% gas consumption (MWh per number of beds vs. 2016)

Notes
* No revaluation as at end June 2019
Value performed by Cushman & Wakefield as at end December 2018 (cap rate: 5.8%)
DIRECT IMPACT ON GROUP PROFITABILITY

ASSET SMART STRATEGY HAS BOOSTED THE INCREASE IN PROFITABILITY

IMPROVEMENT OF THE EBITDA MARGIN 70 BP

Notes
* No revaluation as at end June 2019
Value performed by Cushman & Wakefield as at end December 2018 (cap rate: 5.8%)
HIGH QUALITY REAL ESTATE PORTFOLIO
21% OWNERSHIP CONCENTRATES ON QUALITY ASSETS

DIVERSIFIED SINCE 2016:

High level of “Prime locations” i.e. centre of towns, highly sought after, with high land value

New buildings focused on HQE

Financing:

Benefitting from the market conditions
- Fixed rate approach

Innovative financing solutions:

Development of Ages&Vie alternative shared housing with the participation of:

[Logos of financial institutions]
OUR REAL ESTATE STRATEGY WITH 3 ILLUSTRATIONS

1. STANDARDIZATION

Pursue standardization, modernization and digital transition (including: clinics, connected environments, HQE, concepts)

CASE STUDY: Saguez & Partners partnership
- Real Estate adapted to local habits
- Replicable designs (bathrooms, etc.)
- Forefront digital equipment
- Cluster of small houses

2. RELOCALISATION

Delocalization of beds from site to another to maximize utilization rate of materials

CASE STUDY: Chatillon – Korian Castle Voltaire
- Transfer of 50 beds from Villa Renaissance closed in 2008
  - Acacias: +32 beds
  - PASA: +14 beds

3. EXTENSION & RENOVATION

Expansion and renovation of existing sites to further attract customers and create a complete on-the-site offer

CASE STUDY: Guyancourt – Korian Les Saules
- Extension of the site to create 28 rooms, corresponding to 1,410m²
- Renovation of the existing 68 rooms, corresponding to 3,120m²
REAL ESTATE ROADMAP: 2021 AND BEYOND
CONTINUING THE ASSET SMART STRATEGY WITH NEW AMBITIONS

DEVELOPMENT

- Deliver the pipeline of 142 ongoing project
  - Greenfield
  - Renovation, extension etc.
- Scale up new concepts
  - Notably small sized concept such as Ages&Vie
- Focus on sustainability and HQE building
  - Ensure 100% new buildings are HQE
  - Improve the footprint of existing network

INVESTMENT

- Increase ownership:
  - Objective: 25% by 2021
  - Perspective: c.30% in 2023
- Invest around €300m per year
  (on a stand alone basis or with selected investment partners)
- Building a pan-European quality portfolio
- Continue to apply strict investment and financing criteria
- LTV to remain around 50%
OUR FINANCIAL AMBITION 05
OUR FINANCIAL AMBITION
ACCELERATION OF REVENUE GROWTH SINCE 2016

WELL-BALANCED GROWTH BETWEEN ORGANIC AND BOLT-ON ACQUISITIONS

LTM SALES EVOLUTION

H1 2017 - H1 2019 SALES CAGR: 6.5%

2016 - 2018 SALES CAGR: 5.7%

€3,469m

€3,336m

€3,227m

€3,135m

€3,059m

€2,987m

Dec-2016

Jun-2017

Dec-2017

Jun-2018

Dec-2018

Jun-2019

GROWTH EVOLUTION

Reported

H1 17

H1 18

H1 19

4.9%

6.0%

8.2%

+330 bps

Organic

H1 17

H1 18

H1 19

2.5%

2.9%

3.8%

+130 bps

Organic

H1 17

H1 18

H1 19

1.0%

2.5%

3.1%

+210 bps

2016 - 2018 SALES CAGR: 5.7%

€2,987m

€3,059m

€3,135m

€3,227m

€3,336m

€3,469m

Dec-2016

Jun-2017

Dec-2017

Jun-2018

Dec-2018

Jun-2019
CONTINUED ACCELERATION OF REVENUE GROWTH

WELL-BALANCED GROWTH BETWEEN ORGANIC AND BOLT-ON ACQUISITIONS

2021 REVENUE

K2020 CONFIRMED TARGET

> 8% CAGR

€4.2bn

2018 | 2021

GROWTH DRIVEN BY 3 DRIVERS

OPTIMIZE | DEVELOP | EXPAND

1/3 | 1/3 | 1/3

All geographies contributing to growth

2018: €3.3bn
2021: €4.2bn

CAGR: > 8%

2021 REVENUE DRIVEN BY 3 DRIVERS

OPTIMIZE | DEVELOP | EXPAND

1/3 | 1/3 | 1/3

All geographies contributing to growth
IMPROVED PROFITABILITY DRIVEN BY 2016 STRATEGIC PLAN

LTM EBITDA MARGIN & EBITDAR MARGIN (%) EVOLUTION

1. Revenue management
   - Positive EBITDAR impact
   - Positive EBITDA impact

Cost structure evolution
- Staff costs
- Other costs

Business mix evolution
- Assisted living
- Home Care
- Italian clinics
- Other

3. Dependent on Real Estate needs

4. Asset smart policy benefits

<table>
<thead>
<tr>
<th></th>
<th>Positive EBITDAR impact</th>
<th>Positive EBITDA impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-2016</td>
<td>€2,987m</td>
<td></td>
</tr>
<tr>
<td>Dec-2017</td>
<td>€3,135m</td>
<td></td>
</tr>
<tr>
<td>Dec-2018</td>
<td>€3,336m</td>
<td>€3,469m</td>
</tr>
<tr>
<td>Jun-2019</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

EBITDA margin
- Dec-2016: 14.1%
- Dec-2017: 14.0%
- Dec-2018: 14.3%
- Jun-2019: 14.6%

EBITDAR margin
- Dec-2016: 26.7%
- Dec-2017: 26.2%
- Dec-2018: 26.2%
- Jun-2019: 26.2%
PROFITABILITY CONTINUING TO INCREASE

2021 EBITDA MARGIN

>15.5%

+120 bps above 2018

Improved profitability including:

- Continued cost optimization taking into account pressure on labour costs
- Mix management
- Impact Real Estate ownership at 25%
## OTHER DRIVERS FOR FUTURE PROFITABILITY

<table>
<thead>
<tr>
<th>€m</th>
<th>H1 2018</th>
<th>H1 2019</th>
<th>Δ%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Excluding IFRS 16</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>1,633.9</td>
<td>1,767.1</td>
<td>8.2%</td>
</tr>
<tr>
<td>Staff costs</td>
<td>(901.4)</td>
<td>(983.2)</td>
<td>9.1%</td>
</tr>
<tr>
<td>Other costs</td>
<td>(308.3)</td>
<td>(323.9)</td>
<td>5.1%</td>
</tr>
<tr>
<td><strong>EBITDAR</strong></td>
<td>424.1</td>
<td>460.0</td>
<td>8.5%</td>
</tr>
<tr>
<td>External rents</td>
<td>(196.4)</td>
<td>(201.7)</td>
<td>2.7%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>227.7</td>
<td>258.3</td>
<td>13.4%</td>
</tr>
<tr>
<td>Amortisation &amp; Depreciation</td>
<td>(84.4)</td>
<td>(95.6)</td>
<td>13.3%</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>143.4</td>
<td>162.7</td>
<td>13.5%</td>
</tr>
<tr>
<td>Non current expenses</td>
<td>4.2</td>
<td>(6.1)</td>
<td>-</td>
</tr>
<tr>
<td>Operating income</td>
<td>147.6</td>
<td>156.6</td>
<td>6.2%</td>
</tr>
<tr>
<td>Financial result</td>
<td>(58.2)</td>
<td>(60.8)</td>
<td>4.5%</td>
</tr>
<tr>
<td>Net income before tax</td>
<td>89.4</td>
<td>95.8</td>
<td>7.2%</td>
</tr>
<tr>
<td>Income tax</td>
<td>(33.4)</td>
<td>(33.5)</td>
<td>0.3%</td>
</tr>
<tr>
<td><strong>Tax rate</strong></td>
<td>37.4%</td>
<td>35.0%</td>
<td>-</td>
</tr>
<tr>
<td>Minority interests</td>
<td>(0.9)</td>
<td>(2.2)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net profit - Group share</strong></td>
<td>55.1</td>
<td>60.1</td>
<td>9.1%</td>
</tr>
</tbody>
</table>

## DRIVERS GOING FORWARD

1. “Non current expenses” notably related to costs arising from the integration of bolt-ons in the group and further restructuring measures.

2. Group current financial debt and needs largely hedged. Current 2.4% cost of debt could further decrease.

3. Group’s effective tax rate will improve mainly in line with European tax rates decrease.

4. Steady “Net profit – Group share” increase.
CLEAR IMPROVEMENT OF CASH FLOW OVER YEARS

OFCF (€) & CASH CONVERSION (%) EVOLUTION

1. P&L: EBITDA margin increase and other costs improvements

2. Working capital improvement
   - Active management of payables and receivables
   - Non-operating working capital levers: social and tax payables representing c. 80% of working capital

Maintenance capital expenditure representing 2% to 3% of revenues are fully integrated in OFCF
CLEAR IMPROVEMENT OF CASH FLOW OVER YEARS

2021 OFCF

NEW
FINANCIAL
TARGET

€ 300 m

Cash conversion
and working capital focus

Maintain min.
level of cash
conversion
to further support
Group’s development
and profitability

Maintenance capital expenditure
policy maintained
CAPITAL ALLOCATION STRATEGY

INVESTMENTS

1. Continue and accelerate investment in organic growth
   - Both greenfield and brownfield

2. Selective and accretive bolt-on acquisitions
   - Complement existing services offering and expand geographic footprint

3. Enhance innovation, digital transformation and data management
   - Integrated digital platforms, data collection and analysis

MANAGE FINANCIAL PROFILE

De-risk balance sheet and de-leverage to support growth
- Improvement of financial health supported by a cash flow generative Real Estate strategy

Objective:
Restated leverage < 3.5x
With LTV around 50%

SHAREHOLDERS’ RETURN

Maintain an attractive shareholder return policy
- Enable shareholders to benefit from profitable growth

Dividend € 0.60 per share with a payment option
PIPELINE WILL CONTINUE TO DRIVE GROWTH

STRONG PIPELINE TO ENSURE FUTURE REVENUE DEVELOPMENT

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>France (including Spain)</strong></td>
<td>30 561</td>
<td>2 437</td>
<td>32 998</td>
<td>5 171</td>
<td>38 169</td>
</tr>
<tr>
<td><strong>Germany</strong></td>
<td>28 765</td>
<td>252</td>
<td>29 017</td>
<td>3 502</td>
<td>32 519</td>
</tr>
<tr>
<td><strong>Benelux (Belgium and Netherlands)</strong></td>
<td>12 672</td>
<td>144</td>
<td>12 816</td>
<td>2 582</td>
<td>15 398</td>
</tr>
<tr>
<td><strong>Italy</strong></td>
<td>6 149</td>
<td>(3)</td>
<td>6 146</td>
<td>3 004</td>
<td>9 150</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>78 147</td>
<td>2 830</td>
<td>80 977</td>
<td>14 259</td>
<td>95 236</td>
</tr>
</tbody>
</table>

- +14,259 new capacities estimated by end 2022:
  - 2/3 organic development and 1/3 bolt-on acquisitions
- Over 10,000 beds to be renovated in 4 years (2019-2022)
BENEFITS FROM A REASONABLE BOLT-ON STRATEGY

A CLEAR DECISION FRAMEWORK AND A POSITIVE TRACK RECORD

STRINGENT INVESTMENT CRITERIA…

<table>
<thead>
<tr>
<th>STRATEGIC CRITERIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of Care</td>
</tr>
<tr>
<td>Reinforce Clusters</td>
</tr>
<tr>
<td>Diversify activities</td>
</tr>
<tr>
<td>Enter new Geographies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FINANCIAL CRITERIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROCE year 3 &gt; WACC</td>
</tr>
<tr>
<td>Year 1 organic growth</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXECUTION CRITERIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitment to quality of care &amp; Positive care implementation</td>
</tr>
<tr>
<td>Maturity of existing teams</td>
</tr>
</tbody>
</table>

SUCCESSFUL M&A OUTFLOW SINCE 2017

24 transactions ranging from €0.5m to €45m total considerations

€400m invested at an average EBITDA multiple (pre-synergies) of 8.4x
Below Korian EBITDA multiple

ROCE:
- Acquisitions of 2017: ROCE 3 year target 7.7%
- Acquisitions 2018: ROCE 2 year target 7.4%

… WITHIN A STRICT VALIDATION PROCESS
GUIDANCE FOR 2021

2021 REVENUE

- **2020 CONFRIMED TARGET**
  - 2018: €3.3bn
  - 2021: €4.2bn

- **> 8% CAGR**

2021 EBITDA MARGIN

- **>15.5%**
  - +120 bps above 2018

2021 OFCF

- **NEW FINANCIAL TARGET**
  - €300 m

- **Maintain min. level of cash conversion**
  - to further support Group’s development and profitability

2021 CAPITAL STRUCTURE

- **NEW FINANCIAL TARGETS**
  - <3.5x RESTATED LEVERAGE

- **De-risk balance sheet**
  - to further improve financial soundness

  - LOAN-TO-VALUE for real estate debt: max. 55%

2021 OWNERSHIP RATE

- **NEW TARGET**
  - ~25%

- **+400 bps**
  - above H1 2019

**Note**

1. (Net debt – Real estate debt) / (EBITDQ adj. – 6.5% Real estate debt)
AMBITION FOR INNOVATION & EXCELLENCE

2023 REVENUE

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>€3.3bn</td>
</tr>
<tr>
<td>2021</td>
<td>€4.2bn</td>
</tr>
<tr>
<td>2023</td>
<td>~€5.0bn</td>
</tr>
</tbody>
</table>

2023 INTERNATIONAL EXPANSION

(In % of Sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>International</th>
<th>France</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>51%</td>
<td>49%</td>
</tr>
<tr>
<td>2023</td>
<td>55%</td>
<td>45%</td>
</tr>
</tbody>
</table>

International expansion: Min 55%

2023 ACTIVITY DIVERSIFICATION

(In % of Sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>PAC &amp; new services</th>
<th>Nursing Homes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>22%</td>
<td>78%</td>
</tr>
<tr>
<td>2023</td>
<td>30%</td>
<td>70%</td>
</tr>
</tbody>
</table>
In caring hands

Best in Class  
Pioneer Spirit

Quality  
ISO 9001 for 2023

People  
Preferred Employer

1st digital Senior Care Company
BIOGRAPHIES
Sophie Boissard has been the CEO of the Korian Group since 2016. She is an expert in senior care and support services. She also chairs the Korian Foundation, established to provide a better understanding of the questions related to aging and to promote inclusion and cross-generational relations.

Sophie Boissard has held various positions in the public sector, in particular with the Conseil d’État, the Employment and Social Affairs Ministry and the Economy and Finance Ministry. She joined the SNCF group in 2008, where she developed and headed Gares & Connexions (railway station management and value enhancement), led SNCF Group strategy and development from 2012 to 2014 and ran SNCF Immobilier until 2016.

She is a graduate of the École Normale Supérieure and a French Councillor of State.

Sophie Boissard is also a member of the Supervisory Board of insurance group Allianz SE.
Since 2016, Didier Armaingaud has been Medical Director, Ethics and Group Quality.

Dr. Armaingaud began his career with the Public Assistance of the Paris Hospitals as head of “La Collegiate”. He joined Medica in 1994 (acquired by Korian in 2014), and was appointed Medical and Quality Director in 1999. In March 2014, he became Director of Medical Ethics Quality and Regulation France and is a member of the French Executive Committee.

He also holds teaching positions in parallel to his duties: since 1998 at the University of Paris Descartes, Cochin-Port-Royal University for the Inter-University Diploma of Medical Coordinator in EHPAD and since 2013 at the University of Paris 6 -UPMC, Charles Foix Hospital for the Inter-University Diploma of Medical Coordinator in EHPAD.

Didier Armaingaud has also written a book “So much to live together”, which takes a fresh look at the accompaniment of the elderly.

Didier Armaingaud is a Doctor of Medicine and holder of a Capacity in Gerontology.
CHARLES-ANTOINE PINEL

EVP France Senior

Charles-Antoine Pinel has served as France Seniors Division Executive Vice President since 2016, responsible for long-term care nursing homes for the elderly and Seniors Care services for France. He is in charge of the implementation and development of projects for this business line and for the French network, currently comprised of 290 facilities.

Before joining Korian, Charles-Antoine Pinel began his career in FNAC. He then spent 15 years at Pierre & Vacances Group, the European leader in tourism residences where he held various positions. He managed the internal audit and control management of the tourist activities (2001/2007), developed the premium activities (2007/2010) and managed the activities of Center Parcs in France (2010/2012). He also contributed to the integration of Maeva’s operations and to the development of the Center Parcs business in France. Since 2012, he has been Chief Executive Officer of Pierre & Vacances Tourism Europe (230 sites, 130,000 beds).

Charles-Antoine Pinel is a graduate of the Neoma Business School and holds an Executive MBA from HEC Paris.
Arno Schwalie has been Managing Director of Korian Germany and Curanum AG since 1 July 2017. He has extensive experience in the hotel, hospitality and services sectors, as well as in real estate portfolio management and corporate integration.

Before joining the Korian Group, he was General Manager and Vice President of the Rezidor Group for the Central and Southern Europe region. He was responsible for the approximately 8,000 employees of the group’s 90 hotels in 20 countries. Prior to that, Arno Schwalie had a career at Design Hotels AG, which he joined as Director of Strategy and Development in 2006, before taking up the position of Vice President Business Development and Group Strategy. He then held the positions of Vice President and Commercial Director of the company and finally took over the management of operations.

As part of his responsibilities, he managed an international portfolio of nearly 300 hotels in more than 56 countries and the integration of Design Hotels AG into the Starwood & Resorts Worldwide group.

In addition to his studies in international business management, Arno Schwalie also obtained a postgraduate diploma in real estate economics and a master’s degree in business administration (MBA). He also completed the Real Estate and Hotel Investment and Asset Management Training Program at Cornell University in the United States.
Since 2016, Nicolas Mérigot has been France Healthcare Division Executive Vice President, in charge of the Healthcare division in France (75 clinics and 6 home-care networks), which includes the network development.

Nicolas Mérigot has broad experience in managing, structuring and developing health-care service networks in fields ranging from hospitals to clinical laboratories.


He is a graduate of the Paris Institute of Political Studies and holds of a degree in business law.
In 1995, Mariuccia Rossini created the Segesta Group, of which she is currently EVP Italy. In 2007, following the acquisition of Segesta by the Korian Group, she became General Manager of Korian Italy.

Mariuccia Rossini began her career in 1982 in the pharmaceutical sector and then in the health services sector. She created an Italian network of approved clinics, first for Europe Assistance and then for Sistemi Sanitari of the Fondiaria group. In 1990, she took over the central operational management of Filo Diretto and was responsible for coordinating technical and health assistance worldwide. She was then President of many social cooperatives providing assistance to the elderly.

Mariuccia Rossini is a Doctor and Surgeon, a graduate of the University of Milan in Italy. She also has a background in economics and finance.
DOMINIEK BEELEN

EVP Benelux

Dominiek Beelen was appointed EVP Benelux on 1 May 2018. He is also a member of the Group’s Executive Committee.


Dominiek Beelen holds a degree in Commercial and Financial Sciences and a postgraduate degree in Health Care Audit (BKR Antwerp).
OLIVIER LÉBOUCHE

VP France Home Care & Head of Korian Solutions

Olivier Lebouche is Vice-President France Home Care at Korian Group, a post he has held since 2018. He is also head of Korian Solutions, the digital agency of the group.

Before joining Korian, Olivier Lebouche spent most of his career at Air Liquide Group where he held various positions: Vice President of the Health home care division and member of the Healthcare Executive Committee at Air Liquide (2010 to 2018); Group Sales and Marketing of the Health home care division (2008-2010) and CEO of VitalAire, an Air Liquide subsidiary specialized in Health home care in France (2004 to 2008).

From 2013 to 2018, Olivier Lebouche also held several positions in leading institutional Health organizations: Fédération des Prestataires de Santé à Domicile (PSAD), Member of the Haut Conseil à l’Avenir de l’Assurance Maladie (HCAAM) and Chairman of Synalam (Syndicat des prestataires privés de santé à domicile), a union part of the PSAD Federation.

Olivier Lebouche graduated from the AgroParisTech (1988-1991) (Institut des sciences et industries du vivant)
BART BOTS

EVP International Development

Bart Bots was appointed EVP International Development in 2018 where he manages the Group’s expansion outside the four countries where Korian already operates.

He began his career as an Occupational Physician in a Zambian provincial hospital in 1986. In 1993, he joined the International Marketing and Business Development Department at Organon Teknika (AKZO Nobel Group) as Product Manager and became Director of Medical Pharmaceutical Services in 1998. In 2000, he became Senior Life Sciences Advisor at KBC Securities and in 2001 he joined Rendex Partners as Director of Investments in the pharmaceutical and biotechnology industry.

In 2005, he became CEO of Senior Living Group, then a young company with approximately 700 residents in 4 retirement homes. In 2013, Senior Living Group, with 5,500 beds in 47 facilities, was acquired by Medica. Following the merger with the Korian Group in 2014, Bart Bots was appointed Managing Director Belgium. He is also a member of the Group’s Executive Committee.

Bart Bots holds a degree in medicine from K.U. Leuven, and in business management from the University of Antwerp. He holds an MBA (Master of Business Administration) from Flanders Business School.
RÉMI BOYER

Chief HR & CSR

Rémi Boyer joined the Korian Group in 2016 as Chief HR & CSR in charge of developing senior executives and talent within Korian, building the employer brand, and implementing a forward-looking job and skills management approach within the context of social and environmental responsibility.

Previously Director of Talent and Top Management at PSA Peugeot Citroën Group, Rémi Boyer spent nearly 12 years at Arcelor Mittal Group, where he held various positions as General Secretary and Operational Human Resources Director in a highly international context.

In 2010, he joined the PSA Peugeot Citroën Group as Director of HR Development, deploying a group business line approach, and launching a group-wide engagement and motivation approach.

In 2013, he took up the position of Group HR Director R&D and Medium Support, before taking over the PSA Group’s Talent and Top Management Department in 2015.

A graduate of the Ecole Normale Supérieure, with a degree in history and a Master’s degree in international relations, Rémi Boyer has spent most of his career in industrial companies.
Philippe Lonne is CIO at Korian Group since 2018. Reporting to Philippe Garin, Group Chief Financial Officer, Philippe Lonne is responsible for leading and developing the IS roadmap for the Korian 2020 European strategic project and supporting the development of new home services through digital solutions (Korian Solutions) and data management.

Philippe Lonne has more than 20 years experience in managing IT systems in international network companies.

Before joining Korian, Philippe Lonne spent most of his professional career, from 1997 to 2013, with Avis Budget group, the world leader in car rental, as European Director of Data & Business Intelligence (2011 to 2013), CIO France & European Director of IT B2B/ B2C (2007 to 2011), Director of Information Systems (2002 to 2007), Deputy IT Director (1999 to 2002) and Head of Studies and Development (1997 to 1999). Previously, from 1995 to 1997, he was Project Manager at Allium (SCC France), an IT services company. He started his career as Programmer Analyst and then as Analyst, from 1989 to 1995, at E.C.S. (now ECONOCOM), a computer equipment rental company.

Philippe Lonne graduated from the Control Data Institute (Paris, 1989). He also holds a Masters degree in Anglo-American civilization and literature from the University of Paris IV - Sorbonne (1988).
Chief Real Estate and Development

Frédéric Durousseau joined Korian in 2016 as Chief Real Estate and Development and is a member of the Group’s Executive Management. He is in charge of the Group’s real estate strategy, its operational follow-up, and the development of strategic partnerships with property companies, investors and developers.

Frédéric Durousseau has extensive experience in asset management and real estate development. In 2001, he joined the Pierre & Vacances Group where he supported the acquisition of Maeva, then contributed to the group’s development in Spain and Italy, as well as to asset management operations in France on the group’s institutional portfolio.

In 2010 he became Director of Strategic Planning for Center Parcs/Sunparks, in charge of coordinating development projects and structuring project financing in Belgium, the Netherlands and Germany.

In 2014, he was appointed Chief Development Officer of Center Parcs Europe. He has recently worked on the new domains of Bostalsee and Allgäu in Germany.

Frédéric Durousseau holds degrees in economics from the Universities of Paris-Dauphine and Paris Panthéon-Sorbonne and has pursued doctoral studies as a Visiting Scholar in the Department of Political Science at the University of Iowa in the United States.
Philippe Garin has been CFO of the Korian Group since April 2018. He is a member of the Group's Executive Committee.

At Group level, he is in charge of the Finance, Legal & Tax, Purchasing, and IT functions. With his solid financial expertise and proven experience in integrating and supporting performance management in international environments, his mission is to enable Korian to successfully pursue the transformation and development committed to under the Korian 2020 plan.

Philippe Garin has extensive experience in finance, first as an auditor at Mazars and Deloitte, then within the Alstom group where he spent eleven years successively as Group Controller and CFO of the Alstom Renewable Power branch, and finally as CFO of Consolis, a European group specialised in construction and civil engineering.

He is a chartered accountant.