

ORPEA tables: English press release

1. Main financial aggregates

(Main financial aggregates - €m)	2022	2023
Average occupancy rate	81,6%	83,1%
REVENUE	4,681	5,198
EBITDAR	780	696
EBITDAR margin	16,7%	13,4%
EBITDA pre-IFRS 16	342	204
OPERATING PROFIT / LOSS	(4,272)	(919)
Net profit / (loss) of consolidated companies - Attributable to ORPEA's shareholders	(4,027)	1,355
Gross financial debt (excluding IFRS 16 lease liabilities)	9,615	5,287
Cash and cash equivalents	856	645
Net cash-flow from investing activities, net of proceeds from disposals	(735,2)	(318,2)
Estimated value of real estate assets (€ billions)	6,5	6,3

2. Income statement

(€m)	31/12/2022	31/12/2023
REVENUE	4,681	5,198
Personnel costs	(3,028)	(3,469)
Other costs	(873)	(1,032)
EBITDAR (1)	780	696
% EBITDAR	16,7%	13,4%
External rental costs	(24)	(45)
EBITDA (2)	756	652
EBITDA pre-IFRS 16 (3)	342	204
Depreciation, amortisation and charges to provisions	(805)	(667)
RECURRING OPERATING PROFIT / LOSS	(49)	(16)
Other non-recurring operating income / (expense)	(4,223)	(903)
Operating profit / (loss)	(4,272)	(919)
Net financial expense	(319)	2 319
Profit / (loss) before tax	(4,591)	1,400
Income tax	596	(45)
Share in profit / (loss) of associates and JVs	(33)	5
Attributable to non-controlling interests	1	(6)
Net profit / (loss) of consolidated companies - Attributable to ORPEA's shareholders	(4,027)	1,355

(1) EBITDAR : operating result before depreciation, amortization, provisions and rental expense

(2) EBITDA : EBITDAR net of rental expenses on contracts with a term of less than one year

(3) EBITDA pre-IFRS 16 : EBITDAR net of rental expenses on leases of less than one year and net of payments made under leases of more than one year falling within the scope of IFRS 16

3. Main consolidated balance sheet, debt and liquidity indicators

€m	31/12/2022	31/12/2023
Net tangible assets (*)	5,001	4,775
Right-of-use assets (IFRS 16)	3,500	3,084
Net intangible assets	1,592	1,513
Goodwill	1,362	1,386
Total equity	(1,502)	1,888
Gross financial debt (excl. IFRS 16)	9,615	5,287
<i>Short-term financial debt</i>	8,236	746
Cash and cash equivalents	856	645
Financial Net debt (excl. Lease liabilities IFRS 16)	8,758	4,642
Lease liabilities IFRS 16	3,768	3,874
<i>Short-term lease liabilities IFRS 16</i>	344	560

(*) including assets in progress: €627m at year-end 2022 and €406m at year-end 2023

4. 2023 Financing Table (pre-IFRS 16)

in million euros	31/12/2022	31/12/2023
EBITDA pre IFRS 16	342	204
Maintenance & IT Capex	(136)	(141)
Other operating cash flows (incl. change in working capital)	(85)	(149)
Net Operating Cash Flow	122	(87)
Real Estate Development capex	(638)	(315)
Non-current items	(151)	(145)
Asset portfolio management	39	138
Net financial expenses	(215)	(338)
Net Operating Cash Flow before financing	(844)	(746)
Change in equity - cash	-	1,160
Change in equity - debt equitisation	-	3,823
Change in perimeter	(72)	(53)
Chg. in IFRS adjustments	68	(67)
Chg. in net financial debt	(848)	4,116
TOTAL NET FINANCIAL DEBT	8,758	4,642

DEFINITIONS

Organic growth	Organic growth in Group revenues includes : 1. The change in revenues (N vs. N-1) of existing facilities as a result of changes in their occupancy rates and per diem prices; 2. The change in sales (N vs. N-1) of establishments restructured or whose capacities were increased in N or N-1; 3. The sales achieved in N by establishments created in N or in N-1, and the change in sales of recently acquired establishments over a period equivalent in N to the consolidation period in N-1.
EBITDAR	Operating result before depreciation, amortization, provisions and rental expense
EBITDA	EBITDAR net of rental expenses on contracts with a term of less than one year
EBITDA pre-IFRS 16	EBITDAR net of rental expenses on leases of less than one year and net of payments made under leases of more than one year falling within the scope of IFRS16
Net debt	Long-term financial debt + short-term financial debt - cash and marketable securities (excluding lease liabilities - IFRS 16 liabilities)
Net cash flow from operations	Cash generated by ordinary activities, net of recurring maintenance and IT capital expenditure. Net recurring operating cash flow is the sum of EBITDA before IFRS 16, recurring non-cash items, change in working capital, income tax paid and maintenance and IT capital expenditure
Net cash flow before financing	Net cash after recurring and non-recurring items, all capital expenditure, interest expense on borrowings, and gains and losses on transactions concerning the asset portfolio. Net Cash-Flow before Financing corresponds to the sum of Net Current Operating Cash-Flow, development investments, non-current items, income and/or net costs related to the management of the asset portfolio, and financial expenses.

APPENDIX

1. Consolidated income statement

Consolidated income statement in €m	FY 2022	FY 2023
REVENUE	4,681	5,198
Personnel costs	(3,028)	(3,469)
Purchases used and other external costs	(939)	(1,073)
Taxes other than on income	(63)	(49)
Depreciation, amortisation and charges to provisions	(805)	(667)
Other recurring operating income and expenses	105	44
Recurring operating profit	(49)	(16)
Other non-recurring operating income and expenses	(4,223)	(903)
OPERATING PROFIT / (LOSS)	(4,272)	(919)
Net financial result	(319)	2,319
PROFIT / (PROFIT) BEFORE TAX	(4,591)	1,400
Income tax	596	(45)
Share in profit / (loss) of associates and JV	(33)	5
Profit / (loss) attributable to non-controlling interest	1	(6)
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS	(4,027)	1,355

2. Consolidated balance sheet

Consolidated balance sheet - in million euros	31/12/2022	31/12/2023
Non-current assets	12,226	11,538
Goodwill	1,362	1,386
Intangible assets, net	1,592	1,513
Property, plant and equipment, net	4,375	4,369
Assets in progress	627	406
Right of use assets	3,500	3,084
Non-current financial assets	189	139
Deferred tax assets	582	641
Current assets	1,915	1,837
<i>Cash and cash equivalents</i>	856	645
Assets held for sale	353	533
TOTAL ASSETS	14,494	13,908
Total equity	(1,502)	1,887
Total consolidated equity	(1,502)	1,888
Non-current financial liabilities	5,979	8,899
Long-term financial debt	1,378	4,541
Long-term lease liabilities	3,424	3,314
Long term provisions	296	307
Provisions for pensions and other employee benefit obligations	66	73
Deferred tax liabilities	814	663
Current financial liabilities	9,962	3,045
Short-term financial debt	8,236	746
Short-term lease liabilities	344	560
short term provisions	(0)	7
Trade payables	327	502
Tax and payroll liabilities	431	523
Current tax liabilities	38	57
Other payables, accruals and prepayments	585	651
Liabilities held for sale	56	76
TOTAL LIABILITIES	14,494	13,908

3. Simplified statement of cash flows

CONSOLIDATED STATEMENT OF CASH FLOWS (€m)	2022	2023
Consolidated net income	(4,028)	1,361
Elimination of non-cash income and expenses relating to activities (*)	3,907	(2,139)
IFRS16 impact (amortization and impairment of assets)	350	820
Financial income and expenses, excluding financial expenses on lease liabilities	182	338
Financial expenses on lease liabilities	98	121
Cash flows from operations generated by consolidated companies	510	501
Change in working capital related to operations	(100)	(135)
Net cash generated from operating activities [1]	410	366
Tangible and intangible operating investments	(136)	(141)
Property development investments	(638)	(315)
Real estate disposals	146	146
Other acquisitions and disposals	(29)	(8)
Cash flow from investing and development activities [2]	(657)	(318)
Capital increases (monetary impact). Net proceeds	-	1,160
Net cash inflows/(outflows) related to bridging loans and bank overdrafts	-	-
Proceeds from new finance leases	-	-
Proceeds from other borrowings	3,368	500
Repayments of lease liabilities	(416)	(457)
Repayments of other borrowings	(2,470)	(972)
Repayments under finance leases	(149)	(160)
Net financial income/expense and other changes	(182)	(330)
Net cash from financing activities [3]	152	(259)
CHANGE IN CASH AND CASH EQUIVALENTS [1]+[2]+[3]	(96)	(211)

(*) This item mainly includes (€2.9)bn in financial income linked to the financial restructuring, as well as €1.03 bn in depreciation and amortization.

4. Calculation methods for EBITDAR and pre-IFRS 16 EBITDA

(in million euros)	31/12/2022	31/12/2023
OPERATING PROFIT / (LOSS)	(4,272)	(919)
Neutralisation of non-recurring operating income and expenses	4,223	903
RECURRING OPERATING PROFIT / (LOSS)	(49)	(16)
Neutralisation of Depreciation, amortisation and charges to provisions	805	667
EBITDAR	756	652
Neutralisation of rental charges	24	45
EBITDAR	780	696
IFRS 16 - Restatement of external leases	(414)	(448)
IFRS 16 - Restatement of operating expenses	(24)	(45)
EBITDA PRE-IFRS 16	342	204

5. **Information about pre-IFRS 16 alternative performance measures**

Income statement aggregates IFRS 16	2022	2023
EBITDA pre IFRS16	342	204
Rental IFRS 16	414	448
EBITDA margin pre IFRS 16	7,3%	3,9%
Recurring operating profit pre IFRS 16	(112)	(124)
Recurring operating margin pre IFRS 16	-2,4%	-2,4%

Cash Flow pre IFRS 16	2022	2023
Operating cash flow [pre IFRS 16]	(4)	(81)
Net Investment cash flows	(657)	(318)
Net financing flows [pre IFRS 16]	566	188
Change in cash	(96)	(211)

Reminder of cash-flow "GAAPS"	2022	2023
Cash flow from operations (after tax)	510	501
Change in working capital	(100)	(135)
Net cash generated from operating activities	410	366
Cash flow from investing and development	(657)	(318)
Net cash from financing activities	152	(259)
Change in cash	(96)	(211)

6. Reconciliation of cash flows

(in million euros)	31/12/2022	31/12/2023
Net cash flow from operations	410	366
Neutralisation IFRS 16 P&L impact	(414)	(448)
Net cash flow from operations Pre IFRS 16	(4)	(81)
Change in WCR - Reclassification of cash flows from investing activities	79	-
Reclassification of financial items	33	-
Reclassification of non-current items	151	145
Additional reimbursement of IFRS 16 debt	(2)	(9)
Maintenance and IT investments	(136)	(141)
NET CURRENT OPERATING CASH-FLOW	122	(87)

(in million euros)	31/12/2022	31/12/2023
Net cash flow from operations	122	(87)
Neutralisation IFRS 16 P&L impact	(638)	(315)
Asset portfolio Management	(151)	(145)
Non-current items	39	138
Financial result	(215)	(338)
NET CASH-FLOW BEFORE FINANCING	(844)	(746)