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PRESS RELEASE

La Française Real Estate Managers and ELSAN, France's leading private hospital group, have signed a strategic partnership agreement and completed an initial transaction involving a portfolio of five healthcare facilities, which includes setting up a joint fund to modernise these clinics.



Clinique Supervaltech - SMR (rue Arnaud de Villeneuve, Saint Estève) /
Non-contractual photo - Investments do not constitute a commitment to future acquisitions / Copyright: ELSAN

La Française Real Estate Managers (REM), acting on behalf of two collective real estate investment vehicles, has acquired a portfolio of five clinics from the ELSAN group. The Sale & Leaseback transaction amounts to more than €120 million (deed in hand).

The portfolio includes three medical and rehabilitation centres (centres de soins médicaux et de réadaptation – SMR) and two clinics specialising in medicine, surgery and obstetrics (médecine, chirurgie, obstétrique – MCO), all of which will be let to ELSAN under long-term leases.

A key player in the French healthcare landscape, ELSAN is present in all areas of the hospital sector and in every region of France. Its social utility is an integral part of its mission to offer quality care to everyone, everywhere. The aim of ELSAN's corporate social responsibility initiative is to foster the implementation of its values (caring for others, social cohesion and team spirit), in line with its strategic objectives. It reflects their efforts to meet the societal challenges they face and the

expectations of all of its stakeholders, both internal and external. As a major player in the healthcare sector, the responsible and committed Group is fully integrated in public service assignments and contributes to the teaching of doctors, continuous learning, clinical research and technological innovation. ELSAN's purpose is to act responsibly and innovatively to provide healthcare everywhere.

As part of this strategic partnership, La Française Real Estate Managers and ELSAN have agreed to set up a **modernisation fund for healthcare establishments**, financed jointly by ELSAN (the operator) and La Française REM (the lessor). This fund will help finance **projects to modernise and improve reception conditions and work to improve the energy and environmental performance of all the establishments concerned.**

Description of assets:

- **Clinique Supervaltech - SMR (rue Arnaud de Villeneuve, Saint Estève)**, located in the Greater Perpignan area. Clinique Supervaltech employs more than 135 staff and 9 doctors who treat more than 1,600 patients a year. The facility, which is EMAS (Eco-Management and Audit Scheme; 2017) registered, has a total surface area of 7,254 m². The 178-bed clinic specialises in the care and support of the elderly and has a technical platform dedicated to geriatric rehabilitation (occupational therapy, physiotherapy, rehabilitation room) to help patients regain their independence and return home. Supervaltech also offers out-patient care for cardiorespiratory rehabilitation in a modern, well-lit setting. As part of the transaction, the purchaser is planning and financing the creation of new accommodation capacity and the installation of photovoltaic panels for self-consumption.
- **Clinique du Sud - SMR (Chemin de la Madeleine, Carcassonne)**, strategically located in the immediate vicinity of the Carcassonne hospital. The Clinique du Sud has more than 73 staff and 8 doctors who treat more than 1,400 patients a year. The 5,181 m², 64-bedroom facility is the only one in the Aude department to be 100% dedicated to acute care and rehabilitation. It specialises in the rehabilitation of disorders related to the musculoskeletal, nervous, cardiovascular and respiratory systems. The healthcare facility was the only one in the Aude region to be accredited by the regional health agency at the end of 2021 for the treatment of long Covid. As part of the transaction, the purchaser is planning and financing the installation of photovoltaic panels for self-consumption.
- **Clinique Valdegour - SMR (772 Chemin de Valdegour, Nîmes)**, is located in the immediate vicinity of the Nîmes University Hospital, in the department of Gard. The Clinique Valdegour specialises in disorders of the musculoskeletal system and the rehabilitation of the elderly. It has 87 staff and 6 doctors who treat more than 1,200 patients a year. The healthcare facility has been certified by

the Haute Autorité de Santé (HAS) since 2021 for its confirmed quality of care. The 8,166 m² complex includes a new building dedicated to the Nemoscan medical imaging centre, equipped with a state-of-the-art scanner and MRI unit, soon to be complemented by a radiology and ultrasound platform. As part of the transaction, the purchaser is planning and financing modernisation works and the conversion of double rooms into single rooms.

- **Clinique du Cambrésis - MCO (102 Boulevard Faidherbe, Cambrai)**, located in the city centre close to Cambrai TER station, which links it to the department's major towns, including Lille which is 80 km to the north. The Clinique du Cambrésis has more than 41 staff and 19 doctors who treat more than 4,089 patients a year across a wide range of medical specialities. The clinic has a total surface area of 3,666 m². As part of the transaction, the purchaser is planning and financing the creation of an open-door, out-patient care unit within the clinic.
- **Clinique Les Lauriers - MCO (147 rue Jean Giono, Fréjus)**, located in the Var department. The Clinique Les Lauriers has more than 80 staff and 59 doctors who treat more than 30,000 patients annually. There is a bus stop in front of the building. The complex covers a total of 4,787 m² and has 71 beds and day-patient places. Since 26 April 2018 and for a period of six years, the Clinique Les Lauriers has been V2014 certified by the HAS with the highest level "A" for the quality of patient care. As part of the transaction, the purchaser is planning and financing the extension of the operating theatre with the creation of a new operating room.

Jérôme Valade, Head of healthcare assets at La Française REM concluded: *"The acquisition of this portfolio of five clinics marks the start of a long-term partnership with ELSAN, and we look forward to repeating this type of operation together. Indeed, the joint modernisation fund which will support these assets in the climate transition towards a better energy and environmental footprint reflects our shared commitment to responsible real estate asset management."*

Simon Levy, Chief Executive Officer of the ELSAN Group: *"This new strategic partnership is in line with ELSAN's desire to continue developing the activities of its establishments by joining forces with a major player in the healthcare real estate sector. We also want to continue to work with La Française REM to invest in modernising and improving conditions for our patients, while ensuring the energy and environmental transition of our facilities."*

For this acquisition, La Française REM was advised by ALLEZ & ASSOCIES, MAYER BROWN for legal, ARTELIA for technical and ESG due-diligence and by ADAMA CONSEIL ET TRANSACTIONS for the operational audit.

About La Française

The major changes linked to environmental and societal challenges are opportunities to consider the future. Identifying the drivers of change and understanding how they will shape global growth and ultimately influence the long-term performance of financial and real estate assets is at the heart of La Française's mission. It is in this spirit that the asset manager forges his/her investment beliefs and develops his/her mission.

The group uses its innovative capacity and customer-focused technology to design investment solutions that combine performance and sustainability.

Structured around two business lines, "Financial Assets" and "Real Estate Assets", La Française group serves institutional and wealth management clients in France and abroad.

La Française has over 49 billion euros in assets under management with operations in Paris, Frankfurt, Hamburg, London, Luxembourg, Madrid, Milan, Seoul and Singapore (as at 31/12/2022).

La Française is a subsidiary of Caisse Régionale du Crédit Mutuel Nord Europe (CMNE), a member bank of Crédit Mutuel Alliance Fédérale, which has long-term ratings of A+/Aa3/AA- from S&P (12/2021), Moody's (02/2022) and Fitch (05/2022).

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About ELSAN

ELSAN, France's leading private healthcare provider, is present in all areas of the hospital sector and in every region of France, offering high-quality, innovative and humane care to everyone, everywhere. ELSAN has 28,000 employees and 7,500 self-employed doctors working in the group's 140 private hospitals. They treat more than 4.2 million patients a year, guided by the group's corporate purpose to act responsibly and innovatively to provide healthcare everywhere. Two out of three French people live less than 50 km from an ELSAN healthcare facility. www.elsan.care.

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