

Press release

Groupe Bastide reports its results for the first half of its 2021/2022 financial year

- Very solid activity despite an adverse base effect
- EBIT margin of 8.4%
- Upturn of an active external growth policy

Caissargues (France), March 22, 2022 - 5.45 pm CET – Bastide Le Confort Médical (Euronext Paris Compartment B: BLC, FR0000035370), a specialist in home healthcare services, announces its results for the first half of 2021/2022.

<i>in €k – IFRS standards</i>	H1 2021-2022	H1 2020-2021	Change
Revenue	223.1	221.7	+0.6%
EBITDA	46.8	43.6	+7.4%
EBITDA margin	21.0%	19.7%	+1.3pt
EBIT	18.7	18.8	-0.4%
EBIT margin	8.4%	8.5%	-0.1 pt
Operating profit	14.9	13.9	+7.6%
Net income	5.9	6.2	-6.2%

Vincent Bastide, Chairman and CEO of Groupe BASTIDE, stated: "During the first half of this year, we managed to offset the drop in sales in Homecare segment, an anticipated consequence of the health context's normalization, thanks to a sustained dynamic in almost all our activities. Beyond the figures, we achieved several milestones in the implementation of our strategy, such as the consolidation of our financial structure and the upturn of an active external growth policy. The beginning of this financial year thus illustrates our ability to execute our strategy, which is based on three key areas: strengthening the share of highly technical activities; accelerating our internationalization; and diversifying our pricing risk with a larger share of private models in our business volume."

Strong performance despite the impact of the health crisis's normalization on protective equipment sales

Revenue for the first half of 2021/2022 increased very slightly by nearly +1% to €223.1m, with the strong momentum of the business succeeding in offsetting the mechanical decline in personal protective equipment (PPE) after a boom in sales in H1 2020-2021 linked to the health crisis.

The "Homecare" activity generated a half-year revenue of €100.9 million, down by an expected 15% compared with H1 2020/2021, which benefited from the sale of PPE. Adjusted for this PPE effect, the "Homecare" activity grew by +6%.

The "Home Medical Assistance" activity recorded half-year sales of €122.2 million, with sustained growth of 19.6% compared to H1 2020/2021, driven by both continued sustained growth in "Respiratory care" (+20% on a reported basis and +14% on an organic basis) and the +19% increase in sales of the "Nutrition-Infusion-Diabetes-Stomatherapy" activity, of which +8% was organic.

A favorable business mix for gross margin and EBITDA

The change in the business mix enabled the gross margin to gain 3 points and exceed 65% of revenue. It also led to an 8% decrease in purchases, while external expenses were also down by 1.8% thanks to a fixed cost absorption model. EBITDA was up by 7% to €46.8 million, giving a margin of 21.0%, increasing of more than 1.5 point. EBIT was stable at €18.7 million, due to an increase in depreciation and amortization expenses as a result of investments made in previous years. Operating profit reached €14.9 million (+7% vs. H1 2020-2021) and Net income (Group share) amounted to €5.9 million (-21%).

A consolidated financial structure

The Group generated cash flow from operations of €35.5 million, thanks to a 16% increase in cash flow from operations before tax and cost of financial debt to €45.5 million. The cash generated is thus largely superior to operational investments and contributed to the financing of acquisitions, which led to a cash outflow of €24.5 million over the period.

At the same time, the Group carried out a refinancing operation through the early renewal of its syndicated loan. The maturity of the tranches of the credit agreement, initially set at July 2022, is now 3 years with two additional potential years at the lenders' discretion. The amount of the first amortizable tranche is set at €25 million and the amount of the second tranche repayable at maturity is €170 million, compared with €50 million previously.

The margin applied to these credit facilities will depend on the Group's leverage ratio but also on compliance with CSR indicators defined on the basis of the pillars of Groupe Bastide's ESG strategy.

As of December 31, 2021, Groupe Bastide can rely on available cash of approximately €29 million and is well within its covenant with a net debt/EBITDA¹ ratio of less than 2.8.

Upturn of an active external growth policy

Strengthened by its refinancing operation, Groupe Bastide renewed its active external growth policy in order to increase the digital part of its business and its business volume in its higher value-added activities.

It has thus strengthened its position in **France** with the acquisition of Maxicare, a company specializing in the global management of patients undergoing infusion, chemotherapy and nutritional support, with full-year revenue of €5.5 million, and of Distrimed, the French number 2 in online sales of medical devices to healthcare professionals, with full-year revenue of around €12 million. **Internationally**, the Group opened the doors to the North American market with the acquisition of Medpro Respiratory Care, a major operator in respiratory assistance in Canada, which generated revenue of nearly €10 million in 2020. All of the acquisitions made since the beginning of the half-year are accretive.

2021-2022 outlook

At the end of the first half of 2021/2022, the Group confirms its revenue target of more than €460 million, with a EBIT margin objective maintained at least 8.3%.

About Groupe Bastide Le Confort Médical

Created in 1977 by Guy Bastide, Groupe Bastide is a leading European provider of home healthcare services. Present in 6 countries, BASTIDE develops a permanent quality approach and is committed to providing medical devices and associated services that best meet patients' needs in key health areas: diabetes, nutrition, infusion, respiratory care, stomatherapy and urology. BASTIDE is listed on Euronext Paris (ISIN: FR0000035370, Reuters BATD.PA, - Bloomberg BLC: FP).

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¹ Excluding IFRS 16 impact