



PRESS RELEASE

Record year 2022 marked by exceptional growth (99%), positive normalized EBITDA and strategic decisions opening up great prospects for 2023

Paris, January 26th, 2023

Visiomed Group (FR0013481835 - ALVMG), a group specializing in innovative healthcare technologies and services, today presents its 2022 operating performance.

Visiomed Group posted record results for the 2022 financial year, including strong growth in consolidated revenue, continued growth in the Medical Fitness business and positive normalized operating margins. Major decisions made in 2022, including operational and consolidation scope adjustments, open up bright prospects for 2023.

2022 marked a turning point in Visiomed Group's strategy and outlook, with a new governance structure and management team from April and a strategic plan presenting the new vision of the Group and its subsidiaries from May 2022. This strategy is based on three pillars:

1. Financial and operational structuring in line with our development goals:
 - Termination of the OCABSA agreement in May 2022 (end of CB conversions);
 - €3.6 million simple crowdfunding bond issue in August 2022 to finance Group development;
 - Streamlining of overheads and reorganization of service providers;
2. Successful repositioning of Smart Salem:
 - Discontinuation of COVID-related activities and focus on the booming Medical Fitness business;
 - Opening of the second medical fitness center in the DIFC with construction financed by Emirates NBD;
 - Approval from the Dubai Health Authority to open a third center scheduled for Q1 2023;
3. New growth prospects for BewellConnect, now deconsolidated and merged with Whealthy Care Solutions (WCS) into a new entity called BEWELLTHY, which is better equipped to tackle the buoyant connected healthcare market.

Visiomed Group Chairman Guillaume Bremond said:

“2022 was a pivotal year for Visiomed Group in which we reached a number of milestones. Since our arrival nine months ago, we have definitively ruled out the use of dilutive financing methods while structuring the financing of our operations around a €3.6 million bond issue and a long-term financing agreement with a top-tier bank (Emirates NBD) to open our Smart Salem centers in Dubai. We opened our second medical fitness center in the DIFC, fully operational since September 26th, 2022. This second center is growing faster than the first one in City Walk, contributing to the 86,892 total visits recorded in 2022 and enabling Smart Salem to make an excellent start to the year. We will continue to grow Visiomed Group on all fronts in 2023 and honor the trust shown by our shareholders.

Now that we are making a profit, we are very excited about this new year, which will see the opening of our third medical fitness center in the Dubai Knowledge Park by the end of the first quarter. The productivity gains linked to technological improvements at the last two centers, as well as their size, will also help us to enhance our quality of service, build an optimized regional network and achieve a total capacity of around 2,000 visits per day, sufficient to address the Dubai market and confirm our leading position.

We are also delighted with the merger of BewellConnect and WCS into BEWELLTHY. Under the leadership of its Chairman Rodolphe Bioche, the merger confirms our shared ambition to create a new leader in the connected healthcare sector.

Finally, Visiomed Group’s plan to penetrate the Saudi Arabia market, with the invaluable support of Abrar Communication, is confirmed. On January 22nd, 2023, we signed a shareholders’ agreement providing for the creation of a joint venture. We are extremely enthusiastic and look forward to gaining a foothold in the Middle East’s biggest market alongside an industrial partner of such caliber. I am convinced that Saudi Arabia will eventually become a powerful growth driver for Visiomed Group.”

Strong growth in consolidated revenue (up 99%) and normalized EBITDA in 2022

Period ended Dec. 31 st - EURm (unaudited data)	2021 consolidated ¹	2022 consolidated ²	Change 21/22	Change 21/22 (%)
Smart Salem revenue	6.6	11.8	+5.2	+78%
BewellConnect revenue	0.6	2.5	+1.9	+351%
Consolidated revenue	7.2	14.3	+7.1	+99%
Smart Salem normalized EBITDA	3.1	4.5	+1.4	+44%
BewellConnect normalized EBITDA ³	(2.2)	(1.5)	+0.7	n/a
Normalized central costs ⁴	(3.8)	(2.5)	+1.2	n/a
Normalized EBITDA	(2.9)	0.5	+3.4	n/a

¹ 2021 average exchange rate: EUR/AED = 4.265

² 2022 average exchange rate: EUR/AED = 3.878

³ Scope of analysis including BewellConnect SAS and BewellConnect Italia

⁴ Scope of analysis including Visiomed Group SA and Visiomed Laboratoires SAS

Consolidated revenue in 2022 totaled €14.3 million, up €7.1 million versus 2021. Growth was mainly driven by:

- Smart Salem revenue¹ (€5.2 million);
- BewellConnect organic growth (€1.9 million).

Normalized EBITDA was positive, up €3.4 million year-on-year driven by Smart Salem's strong performance, restructuring decisions regarding BewellConnect and major central cost savings.

Impact of changes in consolidation scope on the Group: 2022 adjusted revenue of €9.8 million and adjusted normalized EBITDA of €2.2 million, in line with targets

Following the discontinuation of all COVID-related activities in 2022 and the transfer of BewellConnect to the BEWELLTHY joint venture², Visiomed Group felt it appropriate to restate its figures excluding these activities, which will no longer impact its operational performance in 2023.

Period ended Dec. 31 st - EURm (unaudited data)	2022 restated ²
Smart Salem revenue excluding COVID	9.8
Consolidated revenue excluding discontinued operations	9.8
Smart Salem normalized EBITDA excluding COVID	4.7
Normalized central costs	(2.5)
Normalized EBITDA excluding discontinued operations	2.2

Smart Salem: 47% growth in the Medical Fitness core business

Given that the Smart Salem subsidiary was acquired in August 2021, Visiomed Group felt it appropriate to present a comparative analysis versus 2021 full-year pro forma revenue (January-December 2021).

Period ended Dec. 31 st - EURm (unaudited data)	2021 pro forma ³	2022 consolidated ⁴	<i>Change</i> 21/22	<i>Change</i> 21/22 (%)
Medical Fitness revenue	6.7	9.8	+3.1	+47%
COVID revenue	9.5	2.0	(7.5)	(76%)
Smart Salem revenue	16.2	11.8	(4.4)	(27%)
Number of Medical Fitness visitors	66,229	86,892	+20,663	+31%

Smart Salem's performance in 2022 was marked by a sharp increase in footfall (up 31%) and revenue generated by the subsidiary's core business, Medical Fitness (up 47%), driven by:

- year-on-year increase in footfall at the first City Walk center;
- the opening of the second center in the DIFC, fully operational since September 26th, 2022.

¹ Consolidated since August 1st, 2021

² BewellConnect and Whealthy Care Solutions (WCS) join forces as BEWELLTHY

³ 2021 average exchange rate: EUR/AED = 4.265

⁴ 2022 average exchange rate: EUR/AED = 3.878

The new management team in place since spring 2022 has also decided to discontinue Smart Salem's non-recurring, low-margin COVID business. Revenue from testing and sales of PCR kits was therefore down in 2022, amounting to only €0.1 million in H2 2022.

BewellConnect: growth driven by COVID-related revenue in 2022

Period ended Dec. 31 st - EURm (unaudited data)	2021 consolidated	2022 consolidated	<i>Change 21/22</i>	<i>Change 21/22 (%)</i>
Connected Healthcare revenue	0.5	0.1	<i>(0.4)</i>	<i>(75%)</i>
COVID revenue	0.1	2.4	<i>+2.3</i>	<i>+2922%</i>
BewellConnect revenue	0.6	2.5	<i>+1.9</i>	<i>+351%</i>

BewellConnect posted 2022 revenue up €1.9 million versus 2021, mainly impacted by:

- significant sales of COVID products (masks and hand sanitizers) in the first quarter of 2022 - circa €2.3 million. Since then, management has wound down this non-core, low-margin business, which was draining human and financial resources;
- limited growth in the Connected Healthcare business due to non-recurring sales generated in the first half of 2021.

On January 10th, Visiomed Group and the shareholders of Whealthy Care Solutions (WCS) announced the merger of WCS and BewellConnect into a new joint venture named BEWELLTHY, in which Visiomed Group currently holds 49.88%.

This merger opens up new business and strategic prospects for the Connected Healthcare business.

As from this date, Visiomed Group no longer controls BEWELLTHY, which will therefore be consolidated under the equity method.

Comparison with 2022 projections: straightforward operational deferral and non-recurring restructuring costs

As a reminder, Visiomed Group published a projection of €18 million consolidated revenue and €2 million consolidated EBITDA¹.

The €3.7 million shortfall in actual 2022 revenues is mainly due to:

- the postponement of the full opening of the second Smart Salem center in the DIFC, which became fully operational on September 26th, 2022, eight weeks later than initially planned;

¹ Visiomed Group presents its 2022 revenue and EBITDA projections

- slower than expected ramp-up due to this delay, with only three months of normal business in 2022. However, to date the new center has grown 3.4 times faster than the first City Walk center during its first 16 weeks of operation, clocking up a total of 6,700 Index visitors from September to December 2022 compared to 2,000 City Walk visitors from June to September 2020.

The €1.5 million shortfall in 2022 normalized EBITDA is directly related to:

- the impact of revenue deferral on Smart Salem normalized EBITDA (€3.5 million);
- offset by the streamlining and major savings made on BewellConnect and Visiomed Group central costs, achieved sooner than expected (€2 million).

The difference versus projections is therefore linked to a straightforward operational deferral. Smart Salem recorded an excellent performance during the first three weeks of January 2023.

2023 already looking promising for the whole Group

Visiomed Group intends to continue to develop and implement its vision focused on prevention in order to consolidate its leading position in innovative healthcare technologies and services in France and abroad. Development will mainly be driven by:

- the agreement signed with Abrar Communication on the creation of a joint venture in Saudi Arabia, thereby allowing Visiomed Group to enter this highly buoyant market and leverage its know-how in medical fitness, diagnostics (medical biology and check-ups) and prevention services segments¹;
- reviewing acquisition opportunities and projects in keeping with the Group's DNA.

Smart Salem continues to surf the growth wave in the medical fitness segment thanks to:

- the opening of a third center in the Dubai Knowledge Park (a TECOM Group business hub), scheduled for the first quarter of 2023;
- the ramp-up of the Index center, which has grown steadily since opening.

BEWELLTHY plans to swiftly roll out the new offering created through the merger between BewellConnect and WCS across the markets and customers it has already identified.

EBITDA 2022 normalization

Period ended Dec. 31 st - EURm (unaudited data)	2022 consolidated ²
Normalized EBITDA	0.5
France transition costs	(0.6)
Currency impact of Smart Salem acquisition	(0.2)
BewellConnect non-recurring expenses	(0.4)
France litigation (net of provisions)	+0.3
Smart Salem non-recurring expenses	(1.3)
Consolidated EBITDA	(1.7)

¹ Visiomed Group enters into exclusive discussions with Abrar Communications Co. to tap the Saudi market

² 2022 average exchange rate: EUR/AED = 3.878

The €2.2 million difference between normalized EBITDA and reported consolidated EBITDA for 2022 is directly related to:

- all transition costs incurred in connection with the change of governance at Visiomed Group and BewellConnect in the first half, as well as all costs related to the reorganization of BewellConnect (discontinuation of COVID business, restructuring, merger with WCS);
- restatement of a non-operating currency impact entry related to the Smart Salem acquisition, which is included in EBITDA;
- the impact of the settlement of pending disputes in France (net of previous provision reversals);
- Smart Salem non-recurring expenses related to the change of management, reorganization of operations (discontinuation of COVID activities, legal organization related to the opening of new centers) and settlement of pending disputes.

About VISIOMED GROUP

Founded in 2007, VISIOMED GROUP relies on a long experience in the health sector to invest in innovative health technologies and services in France and abroad.

The Group now has two subsidiaries and holdings:

- **Smart Salem, the first digital medical analysis center accredited by the Dubai Ministry of Health (DHA) in the United Arab Emirates, 100% owned by Visiomed Group.**

The Smart Salem offer is based on know-how in medical analysis, radiology and data analysis and processing to detect nearly 35 diseases in 7 minutes in a patient (in particular HIV, hepatitis and tuberculosis) by offering reliable results, readability and exceptional patient experience enabled by advanced artificial intelligence and virtual reality technologies.

Smart Salem's "Medical Fitness Assessment" offer resulting from this know-how thus makes it possible to obtain a residence or work visa in the space of 30 minutes compared to 10 to 15 days in historical health centers.

Smart Salem is a technological platform offering many growth opportunities, as shown by the opening of the second center in Dubai in September 2022 and the authorization received for the opening of a third center, planned to open in the first quarter of 2023.

- **Bewellthy, created in 2022, a leading player in connected health and teleconsultation solutions and is 49.88% owned by Visiomed Group.**

Bewellthy offers an enriched technological universe combining medical devices, software and "health and well-being concierge" services to meet all the needs and use cases of telehealth.

Bewellthy's flagship product, VisioCheck, is the 1st telemedicine station weighing less than 300g for healthcare professionals, available as a case, station or modular healthcare space.

Bewellthy is now deploying its solutions and services in France and abroad, particularly in Italy and the USA.

Based in Paris, VISIOMED GROUP is listed on Euronext Growth (ALVMG). More information on www.visiomed-group.com.



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