



Roubaix, 29<sup>th</sup> April 2022

Good afternoon to all of you,

I am delighted to announce that as part of our “Transform to Accelerate TTA 2.0” plan, the **Damartex group acquired 100% of the shares of the Médical Santé group, thus complementing the “Homecare” (MAD in French!) sector within the Healthcare department.**

Médical Santé was created by Charles-Henri Bastien (a chemist) in 1997. Its activity is distributed between Homecare products (83%) and Homecare services (PSAD) (17%). There are 85 employees in total working in the headquarters in Mons en Baroeul, in 5 commercial agencies (in France, mainly in the North region), 1 store (Tourcoing) and 2 franchises. Médical Santé generated a turnover of 10M€ in 2021.

For the Group, this acquisition is a fantastic growth opportunity in Homecare field – ageing well and remaining autonomous at home – in which we want to become one of the reference players in France. This is indeed a growing sector given the increase in life expectancy, as well as the greater number of long-term or chronic diseases.

There is also an economic dimension to it: the reimbursement level offered by the health insurance pushes more and more to identify savings opportunities in the health sector, and leads, in particular, to prioritizing health care at home for as long as possible, which is also what the vast majority of senior people desires.

**Our vision is to address a major societal stake:  
Ageing well at home.**

**Our ambition is to offer the best omnichannel (Web, catalogues, chemists, stores, home hospitalisation) offer in the field of medical and paramedical products and services whilst building a relationship based on respect and trust with senior people and nurses.**

## Pôle Healthcare

	Maintien à domicile (MAD)	Prestations de santé à domicile (PSAD)
	<b>GROUP MEDICAL SANTÉ</b> 10 M€ Distributeur de produits pour faciliter le bien vieillir à domicile (santé, incontinence, mobilité, confort, hygiène,...).	<b>santéol</b> 10 M€ • Assistance respiratoire Services spécialisés sur l'oxygénation / apnée du sommeil Réseau de 7 agences en France
	<b>SEDAGYL</b> 21 M€ Spécialiste de votre confort à domicile • 1 boutique, 2 franchises • 5 agences commerciales • E-commerce et market place • B2Pharma: 800 pharmacies	<b>MSANTÉ</b> 2,5 M€ • Nutrition & Perfusion Services de coordination entre le patient et l'hôpital Réseau de 3 agences en France

These values are at the heart of the health sector and are also shared both by Damartex and Médical Santé.

**Our strategy is therefore to merge Médical Santé and Sédagyl under a single Homecare entity, and to capitalise on each brand's skills in their own fields in order to create a value proposition that sets us apart and combines business with advise around the notion of “autonomy”.**

Sédagyl is a historical brand within Damartex. It was created in 1992 and offers Homecare as well as comfortable living solutions for the elderly, available either via mail order (94% of the turnover) or e-commerce (6% of the turnover). The team (15 people) is based in Villeneuve d'Ascq. The brand generated a turnover of 22,8 M€ in 2021. Its current organisation draws on the synergies with Damart and Afibel, especially in terms of customer relationship, logistics and IT.

In order to build a differentiating and attractive value proposition, Médical Santé and Sédagyl will join forces to:

- Invest in the product offers and in the development of digital solutions
- Maintain the positive partnership approach with chemists and health professionals
- Create a dedicated Homecare network (between 5 & 10 new stores within 3 years)

The implementation of this strategy comes with the following decisions:

- Create a single entity with one single management board by October 2022
- Reposition Sédagyl with a brand purpose more focused on Homecare and an ambitious digital development



- Create new headquarters as well as a new operations and services centre on Afibel's site in Villeneuve d'Ascq. By May 2023, it will gather all the services needed for the Médical Santé + Sédagyl activities: products, marketing, logistics, customer service, accounting, HR, etc.
- Implement a single and efficient IT solution

This reorganisation is also likely lead to reshaping the following activities:

- Médical Santé's agencies in Granville in Le Cannet will close in June 2022
- Sédagyl UK will stop its activities in February 2023

We will do our utmost to offer to people impacted by this reorganisation the opportunity to be reallocated to other positions within the other companies of the Group.

Afibel / Damart Fr / Silveredge (Sédagyl) do not consider making any staff member redundant.

In terms of management positions, I am delighted to announce that Christian MARIE has been appointed as Managing Director for the Homecare sector. Christian is 54, he has extensive experience in this field given that he worked as Managing Director at Alcura (70M€ in turnover) for 9 years and in Homecare services (PSAD) as the Managing Director of Homeperf (55 M€ in turnover) for 2 years.

He will work in close collaboration with Charles-Henri Bastien through the summer of 2022.

As off next Monday, Christian will set up a new management board in which Caroline Lievois, the current Managing Director of Sédagyl, will become the mail order/E-commerce director.

I am also delighted to announce that Aurélie Collet, the current HR manager at Afibel has been promoted and will be the HR Director for the new Médical Santé – Sédagyl entity.

I trust them all to work together and lead these activity transfers in close relationship with the Unions, and to coordinate the transformation plan for this new entity.

Lastly, I wanted to briefly mention the current context, with rising inflation and a great level of uncertainty.

On the one hand, this leads to a decrease in consumption: our business is currently slowing down for all our brands. On the other hand, there is significant pressure on the whole supply chain, which increases costs and reduces visibility.

With the Comex, we are doing our best to face this crisis as best as we can, especially with the implementation of a savings plan that has an impact on all the Group's BUs.

It might therefore be legitimate to wonder "why are we doing for this new acquisition?"

After discussing at length with the Comex and with our shareholder, **we are convinced that this crisis should push us to continue / boost the transformation plan** we launched more than 3 years ago now.

Our "transform to accelerate 2.0" transformation plan is based on 5 pillars, amongst which one aims at developing the Group's growth in future sectors that we believe in → This is the case for the Healthcare pillar.

Let me remind you that this balanced strategy is based on 3 pillar: Fashion – Home & Lifestyle – Healthcare. This long-term investment is under control.

I would like to wrap up by welcoming all the Médical Santé teams and Christian Marie to the Group. I really would like also to thank each one of you for your daily commitment.

Patrick

