

**Elis**

**Statutory Auditors' report  
on the consolidated financial statements**

**(For the year ended December 31, 2023)**

**PricewaterhouseCoopers Audit**  
63, rue de Villiers  
92208 Neuilly-sur-Seine Cedex

**Mazars**  
61, rue Henri Regnault  
92400 Courbevoie

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**(For the year ended December 31, 2023)**

*This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

**Elis**

5 boulevard Louis Loucheur  
92210 Saint-Cloud

To the Shareholders,

**Opinion**

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Elis for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

**Basis for opinion**

***Audit framework***

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

### **Independence**

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from January 1, 2023 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No. 537/2014.

### **Justification of assessments – Key audit matters**

In accordance with the requirements of articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

### **Measurement of the recoverable amount of goodwill**

*Notes 6.1 "Goodwill" and 6.5 "Impairment losses on non-current assets" to the consolidated financial statements*

#### **Description of risk**

At December 31, 2023, goodwill totaled a net amount of €3,988 million, representing the largest item on the consolidated statement of financial position. Goodwill corresponds to the difference at the acquisition date between the acquisition price paid and the fair value of the assets acquired and liabilities assumed. Goodwill is allocated to the cash-generating units (CGUs) of the activities into which the various entities acquired have been incorporated.

An impairment charge for this goodwill is recognized on the statement of financial position when the recoverable amount of the CGUs, determined as part of compulsory annual impairment testing, is less than their carrying amount, in accordance with IAS 36.

The recoverable amount is determined using an approach based on discounted future cash flows and requires a significant degree of judgment from management, particularly in relation to business plans, future cash flows based on perpetual growth rate assumptions, and the discounting of these flows based on the weighted average cost of capital. The methods used to measure goodwill are described in Note 6.5 to the consolidated financial statements.

Accordingly, we deemed the measurement of the recoverable amount of goodwill to be a key audit matter.

#### **Our response**

We assessed the consistency of the methodology applied by the Finance Department.

We also conducted a critical assessment of the procedure for implementing this methodology, and assessed the following:

- that all of the components of the carrying amount of the CGUs tested were taken into account and are consistent with the EBITDA and EBIT projections integrated in the business plans to determine the recoverable amount;
- the reasonableness of the EBITDA and EBIT projections for the CGUs in light of the CGUs' economic and financial environments and, by assessing the reasons for the differences between projected and actual historical performances, the reliability of the process by which the estimates were calculated;
- the consistency of these EBITDA and EBIT projections with management's most recent estimates as validated by the Management Board and approved by the Supervisory Board on December 14, 2023 regarding the years 2024 to 2026;
- the reasonableness of the discount rates and the long-term growth rates used to calculate discounted future cash flows, with the support of our asset valuation experts;
- the sensitivity analyses of the impairment tests conducted by management to a change in the perpetual growth rate and the discount rates.

Lastly, we obtained assurance that Notes 6.1 and 6.5 to the consolidated financial statements provide appropriate disclosures.

### **Specific verifications**

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also performed the specific verifications on the information pertaining to the Group presented in the Management Board's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the Group management report includes the consolidated non-financial performance statement required under article L.225-102-1 of the French Commercial Code. However, in accordance with article L.823-10 of the French Commercial Code, we have not verified the fair presentation and consistency with the consolidated financial statements of the information given in that statement, which will be the subject of a report by an independent third party.

### **Other verifications and information pursuant to legal and regulatory requirements**

#### ***Presentation of the consolidated financial statements to be included in the annual financial report***

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the consolidated financial statements to be included in the annual financial report referred to in paragraph I of article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chairman of the Management

Board's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of December 17, 2018. As it relates to the consolidated financial statements, our work included verifying that the markups in the financial statements comply with the format defined by the aforementioned Regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

Due to the technical limitations inherent in the macro-tagging of the consolidated financial statements in accordance with the European single electronic reporting format, the content of certain tags in the notes to the financial statements may not be rendered identically to the consolidated financial statements attached to this report.

In addition, it is not our responsibility to ensure that the consolidated financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

### ***Appointment of the Statutory Auditors***

We were appointed Statutory Auditors of Elis by the Annual General Meeting held on June 29, 2011 for Mazars and by the bylaws at the time of the Company's incorporation in 2007 for PricewaterhouseCoopers Audit.

At December 31, 2023, Mazars and PricewaterhouseCoopers Audit were in the thirteenth and seventeenth consecutive year of their engagement, respectively, and the ninth year for each statutory auditors since the Company's securities were admitted to trading on a regulated market, respectively.

### **Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Management Board.

## **Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements**

### ***Objective and audit approach***

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in article L.821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit.

They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

***Report to the Audit Committee***

We submit a report to the Audit Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine and Courbevoie, March 6, 2024

The Statutory Auditors

PricewaterhouseCoopers Audit

Mazars

Bardadi Benzeghadi

Francisco Sanchez