

**2021 revenue shows sharp recovery
+8,6% increase to €3,048m, of which +7.4% on an organic basis**

**Positive dynamic continues in Q4 despite the Omicron variant outbreak:
+17.1% on an organic basis**

Sharp recovery in 2021 activity in all our verticals and geographies

- Activity in Healthcare, Industry and Trade & Services represented nearly 85% of 2021 revenue and full-year activity on these three markets was c. +5% above 2019 level
- Demand driven by (i) evolving needs for hygiene, traceability, and responsible products & services, (ii) churn rate improvement thanks to the good quality of service maintained during the crisis and (iii) our strong commercial dynamism
- Gradual recovery of Hospitality throughout the year: France, Southern Europe and the UK posted double-digit growth in 2021

Further improvement in Q4 despite the Omicron variant outbreak

- Activity in Healthcare, Industry and Trade & Services was well oriented
- The resumption of professional events in October and November led Q4 activity level to be c. -20% below its 2019 level (c. -25% in Q3)
- Improvement in Hospitality continued in December (c. -15% below 2019 level), despite the postponement or cancellation of some professional events

Elis narrows its indications regarding 2021 EBITDA margin and 2021 free cash-flow communicated on October 26, 2021

- 2021 EBITDA margin should be at 34.5%; year-end profitability should be slightly impacted by the very strong inflation seen in December, especially for gas, while our price adjustments only kick in from January onwards
- Free cash flow (after lease payments) expected at the top end of the previously communicated €200m to €230m range
- Net debt/EBITDA ratio should be at 3.3x as of December 31, 2021 and significantly below 3.0x as of December 31, 2022
- Group 2021 annual results will be released on March 9, 2022

Saint-Cloud, January 31, 2022 – Elis, an international multi-service provider, offering textile, hygiene and facility services solutions, which is present in Europe and Latin America, today announces its full-year 2021 revenue. These figures are unaudited.

Commenting on the announcement, **Xavier Martiré, CEO of Elis**, said:

« In 2021, in a context of gradual recovery, Elis' revenue bounced back with growth of +8.6% to 3,048 million euros, of which +7.4% on an organic basis.

Activity in Healthcare, Industry and Trade & Services improved throughout 2021 and represented c. +5% compared to their 2019 levels. This strong dynamism is a direct consequence of the need generated by the sanitary crisis for more hygiene, more traceability and for a more secure supply chain. This should be a sustainable trend, supporting growth in Elis' annual organic revenue growth of above +3.5%.

In Hospitality, a sharp recovery started in Q2 2021. The good summer season, the resumption of professional events and the very limited impact from the Omicron variant on our Q4 revenue led to a level of activity in 2021 equivalent to c. 60% of its 2019 level. December remained very good, driven by strong recovery dynamics, and the latest announcements lifting restrictions in many European countries are a very encouraging factor for 2022.

2021 EBITDA margin should be at 34.5%, up c. 70 basis points compared to 2020. The strong inflation seen in December, especially on gas prices, slightly impacted year-end performance, as our pricing increase

are only implemented from January onwards. 2021 free cash flow should be at the top end of the €200m to €230m range we communicated on in October.

We will give indications regarding 2022 when we release our 2021 annual results on March 9, 2022.

The great resilience shown by Elis since the beginning of the crisis, its operational know-how and its strengthened organic growth profile are major assets which will enable the company to assert its leadership in all the countries in which it is present."

2021 revenue

In millions of euros	2021			2020			Var.		
	H1	H2	FY	H1	H2	FY	H1	H2	FY
France	420.7	533.1	953.8	412.5	455.3	867.8	+2.0%	+17.1%	+9.9%
Central Europe	344.3	390.9	735.3	343.3	360.8	704.2	+0.3%	+8.3%	+4.4%
Scandinavia & East. Eur.	236.1	262.7	498.9	233.3	240.7	474.0	+1.2%	+9.1%	+5.2%
UK & Ireland	155.3	208.9	364.2	143.8	161.3	305.1	+8.0%	+29.5%	+19.4%
Southern Europe	95.1	140.8	235.9	97.2	101.1	198.2	-2.1%	+39.3%	+19.0%
Latin America	112.4	121.8	234.1	108.7	104.7	213.4	+3.3%	+16.3%	+9.7%
Others	11.6	14.5	26.1	12.9	30.6	43.5	-10.2%	-52.7%	-40.1%
Total	1,375.5	1,672.7	3,048.3	1,351.7	1,454.5	2,806.3	+1.8%	+15.0%	+8.6%

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

2021 organic revenue growth

	H1 organic growth	H2 organic growth	2021 organic growth
France	+1.9%	+17.1%	+9.9%
Central Europe	-1.9%	+6.8%	+2.5%
Scandinavia & East. Eur.	-1.3%	+7.4%	+3.1%
UK & Ireland	+3.7%	+20.8%	+12.8%
Southern Europe	-2.1%	+39.3%	+19.0%
Latin America	+16.3%	+11.9%	+14.1%
Others	-10.5%	-53.9%	-41.0%
Total	+1.3%	+13.0%	+7.4%

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

Q4 2021 revenue

In millions of euros	2021	2020	Reported growth	Organic growth
France	260.4	206.3	+26.2%	+26.2%
Central Europe	197.1	176.3	+11.8%	+9.9%
Scandinavia & East. Eur.	137.0	124.2	+10.3%	+8.2%
UK & Ireland	103.5	77.8	+33.1%	+24.9%
Southern Europe	67.8	44.9	+50.9%	+50.9%
Latin America	59.1	52.4	+12.7%	+10.5%
Others	8.5	18.0	-53.0%	-54.2%
Total	833.3	699.9	+19.1%	+17.1%

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

2021 quarterly organic revenue growth

	Q1 organic growth	Q2 organic growth	Q3 organic growth	Q4 organic growth
France	-15.4%	+25.2%	+9.5%	+26.2%
Central Europe	-9.1%	+6.0%	+3.7%	+9.9%
Scandinavia & Eastern Europe	-9.5%	+8.5%	+6.6%	+8.2%
United Kingdom & Ireland	-22.2%	+45.8%	+17.1%	+24.9%
Southern Europe	-29.6%	+43.3%	+30.1%	+50.9%
Latin America	+12.1%	+21.2%	+13.2%	+10.5%
Others	-19.5%	-0.0%	-53.6%	-54.2%
Total	-12.8%	+19.4%	+9.2%	+17.1%

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

France

2021 revenue was up +9.9% (entirely organic). Activity in Healthcare, Industry and Trade & Services was driven by good commercial dynamism in Workwear and by an increasing need for hygiene-related products and services. A rebound in Hospitality has been noted since May. Tourism activity was good during the summer holidays and business Hospitality has rebounded since the beginning of September. A slight slowdown was recorded in December along with the outbreak of the Omicron variant.

Q4 2021 revenue was up +26.2% (entirely organic), with November and December posting organic revenue growth of more than +30%.

Central Europe

2021 revenue was up +4.4% (+2.5% on an organic basis) with all countries in the region delivering positive organic numbers. Commercial momentum was very good in Workwear: Poland, Germany, Czech Republic and Belux delivered very good growth, driven by the activity of clients operating in food processing and pharmaceuticals. In Germany, activity was good with care homes, but normalized with hospitals in H2 after a particularly strong H1.

Q4 2021 revenue was up +11.8% (+9.9% on an organic growth), with similar trends to those observed throughout the rest of the year.

Scandinavia & Eastern Europe

2021 revenue was up +5.2% (+3.1% on an organic basis). The fact that the greater share of our clients operates in the Industry and Trade & Services segments enabled the region to be quite resilient since the beginning of the crisis. The recovery was therefore less marked compared to regions that suffered more in 2020. Commercial momentum remained strong in Workwear in the Baltic States and Russia; both these regions posted double-digit organic revenue growth in 2021.

Q4 2021 revenue was up +10.3% (+8.2% on an organic basis) with all countries of the zone delivering positive organic revenue growth. Finland, Denmark, the Baltic States and Russia were especially well-oriented.

UK & Ireland

2021 revenue was up +19.4% (+12.8% on an organic basis). Elis continued to gain market share in Healthcare on the back of contract wins. In 2021, Industry and Trade & Services were down c. -15% compared to pre-crisis levels, still impacted by their exposure to fast-food clients and collective catering clients. Finally, we noted a rebound in Hospitality, driven by dynamic domestic tourism and by the partial resumption of international travel.

Q4 2021 revenue was up +33.1% (+24.9% on an organic basis). Despite the implementation of new travel restrictions following the outbreak of the Omicron variant, activity in Hospitality remained stable at c. -20% compared to pre-crisis level (compared to -25% in Q3).

Southern Europe

2021 revenue was up +19.0% (entirely organic). Activity in Hospitality (which represented more than 60% of total revenue in 2019) showed a strong rebound. The summer season was notably good in Spain. In Workwear, activity was still well-oriented on the back of good commercial dynamism and increased outsourcing, due to growing client needs for more traceability and hygiene amid the health crisis.

Q4 2021 revenue was up +50.9% (entirely organic).

Latin America

2021 revenue was up +9.7% (+14.1% on an organic basis). The Group successfully developed new offers to meet new client requirements (especially in public/private healthcare and in food processing), leading to short-term contract wins (waterproof overgowns for revenue of c. €6m in 2021) or permanent contracts (healthcare garments, increase in linen rotation...). Furthermore, Brazil's strong inflation since the second half of 2021 led us to significantly increase our prices at year-end.

Q4 2021 revenue was up +12.7% (+10.5% on an organic basis).

Others

The strong decrease in "Others" revenue results from the return to normal activity of Kennedy, a subsidiary based in the UK that manufactures hygiene devices. In 2020, Kennedy revenue was strongly up, as a result of higher demand for hygiene products (soap and gel dispensers, hand drying devices, etc).

The circular economy at the heart of Elis' business model

Elis offers its clients products that are maintained, repaired, reused, and reemployed to optimize their usage and lifespan. The Group therefore selects its textile products based on sustainability criteria, to ensure frequent washing, and also operates repair workshops. Elis is convinced that the circular economy model, which notably aims at reducing consumption of natural resources by optimizing the lifespan of products, is a sustainable solution to address today's environmental challenges.

The services offered by Elis are a sustainable alternative to:

- Simple purchase or use of products: by mutualizing them between several users or clients, and by constantly looking at improving the industrial processes linked to their washing. As an example, the use of workwear operated by Elis leads to a 37% decrease of CO2 emissions compared to workwear that is washed at home or in a standard laundry, and to a 48% decrease of water consumption. (Source: EY)
- Single use / disposable products: by offering reusable products, which are mostly maintained locally, hence supporting local employment and local economic development. As an example, the use of reusable surgical garments in care facilities leads to a decrease ranging from 31% to 62% of CO2 emissions compared to disposable clothes. (Source: *Cleaner Environmental Systems*)

These alternatives to a linear consumption approach enable our clients to avoid CO2 emissions and contribute to reduce their own emissions.

The Ellen MacArthur Foundation states that "circular economy is necessary to reach Net Zero" and that "nearly 10 billion tons of CO2 (i.e., 20% of world emissions) could be reduced thanks to the transition of our current model towards a circular economy". (<https://climate.ellenmacarthurfoundation.org>)

From Financial definitions

- Organic growth in the Group's revenue is calculated excluding (i) the impacts of changes in the scope of consolidation of "major acquisitions" and "major disposals" (as defined in the *Document de Base*) in each of the periods under comparison, as well as (ii) the impact of exchange rate fluctuations.
- EBITDA is defined as EBIT before depreciation and amortization net of the portion of subsidies transferred to income.
- EBITDA margin is defined as EBITDA divided by revenues.
- Free cash-flow is defined as cash EBITDA minus non-cash-items, minus change in working capital, minus linen purchases and manufacturing capital expenditures, net of proceeds, minus tax paid, minus financial interest payments and minus lease liabilities payments.
- The leverage ratio is a leverage ratio calculated for bank loan covenants: Total net leverage is equal to (Net financial debt, less current accounts held for employee profit-sharing and accrued interest not yet due, plus unamortized debt issuance costs and finance lease liabilities as measured under IAS 17 had the standard had continued to apply) divided by (Pro forma EBITDA of acquisitions finalized during the last 12 months after synergies and excluding the impact of IFRS 16).

Geographical breakdown

- France
- Central Europe: Germany, Netherlands, Switzerland, Poland, Belgium, Austria, Czech Republic, Hungary, Slovakia, Luxembourg
- Scandinavia & Eastern Europe: Sweden, Denmark, Norway, Finland, Latvia, Estonia, Lithuania, Russia
- UK & Ireland
- Southern Europe: Spain & Andorra, Portugal, Italy
- Latin America: Brazil, Chile, Colombia

Forward looking statements

This document may contain information related to the Group's outlook. Such outlook is based on data, assumptions and estimates that the Group regarded as reasonable at the date of this press release. Those data and assumptions may change or be adjusted as a result of uncertainties relating particularly to the economic, financial, competitive, regulatory or tax environment or as a result of other factors of which the Group was not aware on the date of this press release. Moreover, the materialization of certain risks, especially those described in chapter 4 "Risk factors, risk control, insurance policy, and vigilance plan" of the Universal Registration Document for the financial year ended December 31, 2020, which is available on Elis's website (www.elis.com), may have an impact on the Group's activities, financial position, results

or outlook and therefore lead to a difference between the actual figures and those given or implied by the outlook presented in this document. Elis undertakes no obligation to publicly update or revise the Group's outlook or any of the abovementioned data, assumptions, or estimates, except as required by applicable laws and regulations. Reaching the outlook also implies success of the Group's strategy. As a result, the Group makes no representation and gives no warranty regarding the attainment of any outlook set out above.

Next information

Full-year 2021 results: March 9, 2022 (before market)

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