2022 annual results

8 March 2023

Disclaimer

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 management and internal control" of the Universal Registration Document for the financial year ended 31 December 2021, 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 achievement of any outlook set out above.

2022 business highlights

2022 financials

A responsible business

2023 outlook

Q&A

Record 2022 financial performance driven by strong activity in Hospitality and efficient pass-through of inflation

Excellent financial achievements in 2022 and significant deleveraging underway

- **Record revenue at €3,820.9m , up +25.3%**
  of which +21.0% on an organic basis
- **Record Adjusted EBITDA at €1,259.6m, up +19.7%**
  Adjusted EBITDA margin down -150bps at 33.0%
- **Record Adjusted EBIT at €543.7m, up +40.0%**
  Adjusted EBIT margin up +150bps at 14.2%
- **Record headline net income at €353.2m, up +58.7%**
- **Record headline net income per share at €1.54, up +57.0%**
- **Free cash flow[2] at €224.9m,** virtually at 2021 record level
- **Financial leverage ratio down -0.5x yoy at 2.5x**
  as of December 31, 2022
- **Dividend distribution of €0.41 per share (up +10% yoy)**
  proposed at the next AGM, with the option of a payment in Elis shares

Elis leveraged its strong customer relationships and its commercial dynamism to pass on inflation

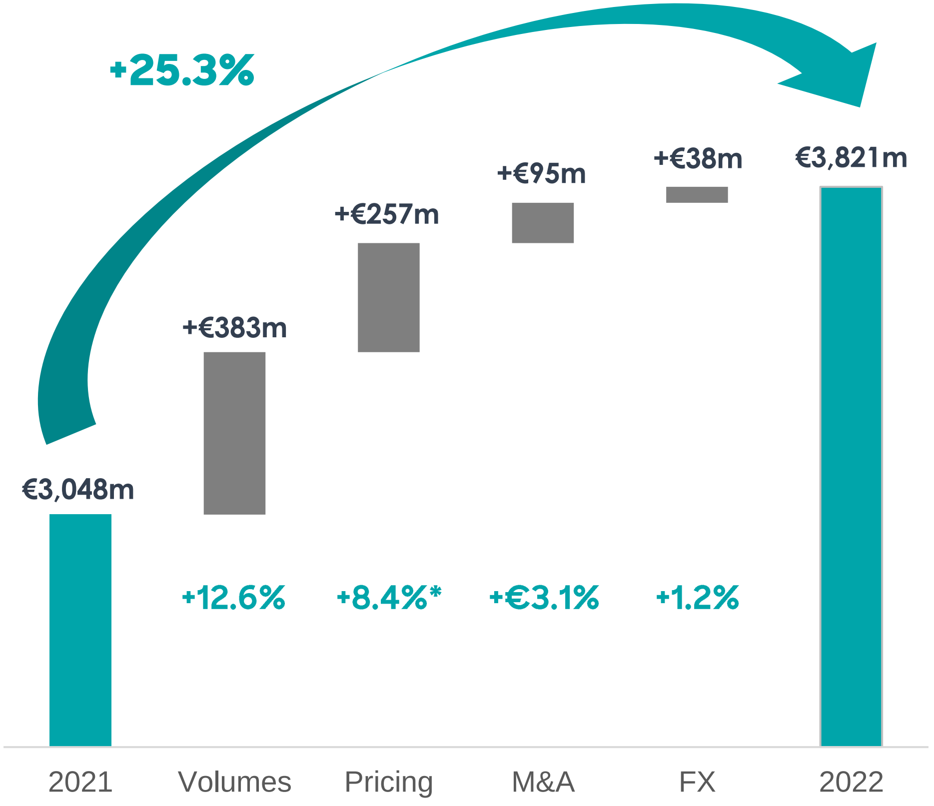
- **Recovery in Hospitality,** above 2019 level since spring
- **Many commercial successes** across the board notably driven by higher customers needs for hygiene and traceability
- **Satisfactory pricing dynamics** in most geographies and most end-markets: average **price effect of c. +7% in 2022**, with a gradual ramp-up over the year, almost offsetting, in euros, the **c. +11% cost inflation in 2022**
- **2023, 2024 and 2025 energy prices fully or partially locked in** through hedging contracts
- **Still no sign of slowdown** in **any of our markets**

2023 outlook: We expect another year of strong organic growth, with marked improvement of all main financial KPIs and further deleveraging

Previously communicated 2021 numbers have been retrospectively restated from the impact of IFRS 3 (please see the Appendix)
[1] €1.46, up +53.9% on a fully diluted basis
[2] After lease payments

Full-year organic growth driven by further recovery in Hospitality, good commercial momentum and efficient pricing adjustments

2021-2022 revenue bridge



*: i.e. a price effect of +7.2% based on 2022 volumes

Volumes

- Strong commercial momentum across the board
- Rebound in Hospitality (essentially France, Southern Europe and the UK & Ireland) as 2021 was still strongly impacted by the pandemic

Pricing

- Several pricing initiatives were implemented throughout 2022 with a gradual ramp-up effect
- Significant additional pricing adjustments implemented since January 1st, 2023

M&A

- The acquisition of a Mexican leader (consolidated from July 1st) had a c. +€50m impact on 2022 revenue
- Other acquisitions mostly impacted Central Europe and Scandinavia & Eastern Europe

FX

- Strong currency effect from BRL (c. +€35m)

Elis has put in place multiple pricing initiatives throughout 2022 to offset the inflation-related cost increase

The nature of the services provided by Elis leads to good pricing power

The services proposed by Elis are essential for our customers

➔ Most of our customers cannot operate their business without our Flat linen, Workwear or Hygiene services

These services represent only a small cost for our customers

➔ Our price increases are therefore not very significant in our customers' P&L

Alternative solutions to our services are very limited

➔ Re-internalization is generally not an option

➔ Most competitors are also facing a strong increase of their cost base and therefore need to increase their prices as well

Strong rebound of Hospitality throughout 2022: France and Southern Europe above 2019 level; UK still slightly trailing

Continued activity pick-up in 2022

- Continuous rebound in Europe, especially in France, Spain and Portugal
- Activity in the UK is still slightly below 2019 level; focus was mostly on pricing rather than volumes

Good pricing dynamics

- Inflationary context helped additional pricing discussions with customers
- Limited pressure on new bids in a context of significant increase in average room price

Further recovery expected in Q1 2023

- Q1 2023 looks promising: no slowdown recorded so far and good level of bookings for the winter holidays in France
- Q1 2022 was still c. 20% below 2019 level due to the Omicron variant
- This corresponds to up to c. €50m to catch up in Q1 2023

Non-hospitality markets continue to benefit from strong structural tailwind

Elis' operational excellence and commercial dynamism further boost growth

- Many new contract wins in 2022, with an acceleration in first-time outsourcing
- The Group is rolling out services that have already been deployed in France, such as pest control, washroom, as well as services for care homes and services for small clients
- Further improvement of Elis' service quality and reliability, leading to churn rate reduction

Hygiene, security of supply and traceability: Major areas of focus for our customers

- Clients consume more workwear than before (e.g., daily changes vs 3 changes per week)
- Healthcare professionals are moving back to textile vs disposable paper (more reliable sourcing, better comfort, lower environmental impact)
- Higher demand for soaps, hand wipes, hydro-alcoholic gels and pest control solutions
- Some industrial production sites have been relocated to Europe
- Tracking of linen washing history is becoming a must-have for every company using uniforms; Elis is gaining many contracts with first-time outsourcers in Eastern Europe, Southern Europe and Latin America

c. +11% inflation of our cost base in 2022, mostly driven by energy and personnel costs

COST ITEM	ESTIMATED 2022 INFLATION	ESTIMATED INFLATION- RELATED COSTS IN 2022[1]
Gas, biomass, electricity and fuel	c. +80%	c. €140m
Personnel costs	c. +6%	c. €85m
Other items (Chemical products, spare parts, consumables, etc)	c. +9%	c. €50m
Total	**c. +11%**	**c. €275m**

[1]The impact of inflation in 2022 has been calculated using a N-1 cost base equal to:
2021 reported cost base, plus The costs linked to the additional volumes from activity pick-up (mostly in Hospitality)

Most of 2022 inflation-related costs were related to energy (c. +€140m) and personnel (c. +€85m)

In 2022, a total of c. 1TWh was not hedged for the year (gas, biomass and electricity)

Inflation impact should be softer in 2023, with most of gas volumes now being hedged

Energy prices are now locked in over 2023-2025

In 2022, Elis spent a total of c. €340m on energy (gas, biomass, electricity and fuel for trucks) with c. 50 % of volume hedged at pre-crisis conditions

Since H2 2022, the Group has progressively negotiated fixed rate tariffs for its 2023-2025 volumes:

Gas

c. 95% of 2023 volumes @ c. €80/MWh

c. 60% of 2024 volumes currently hedged

c. 40% of 2025 volumes currently hedged

Electricity

c. 90% of 2023 volumes @ c. €235/MWh

c. 15% of 2024 volumes currently hedged

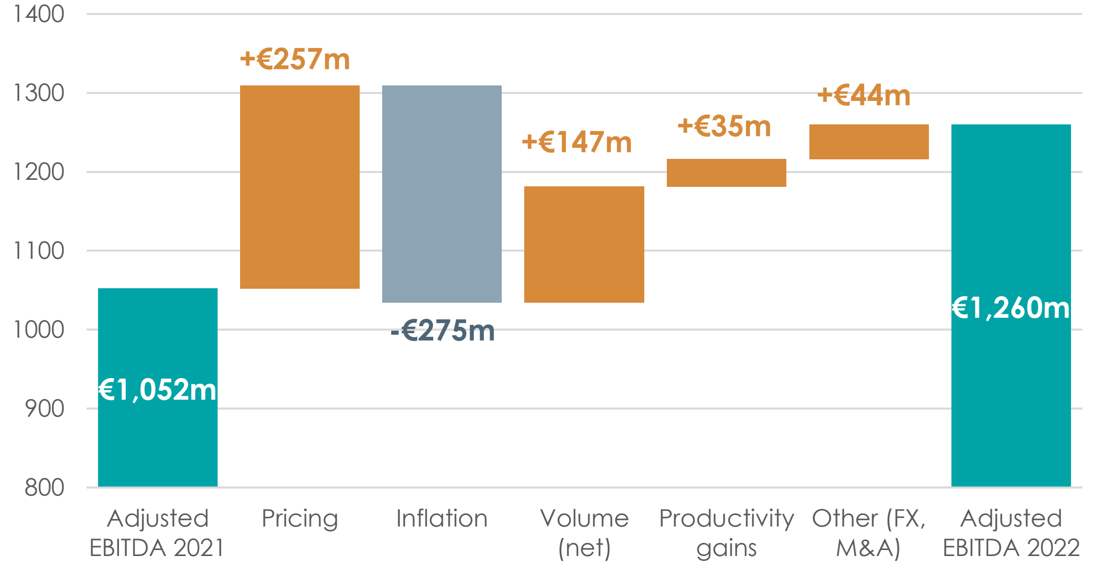
c. 5% of 2025 volumes currently hedged

These hedging contracts have been secured on a country-by-country basis with local energy suppliers 2023 energy bill should increase at a lower pace than revenue

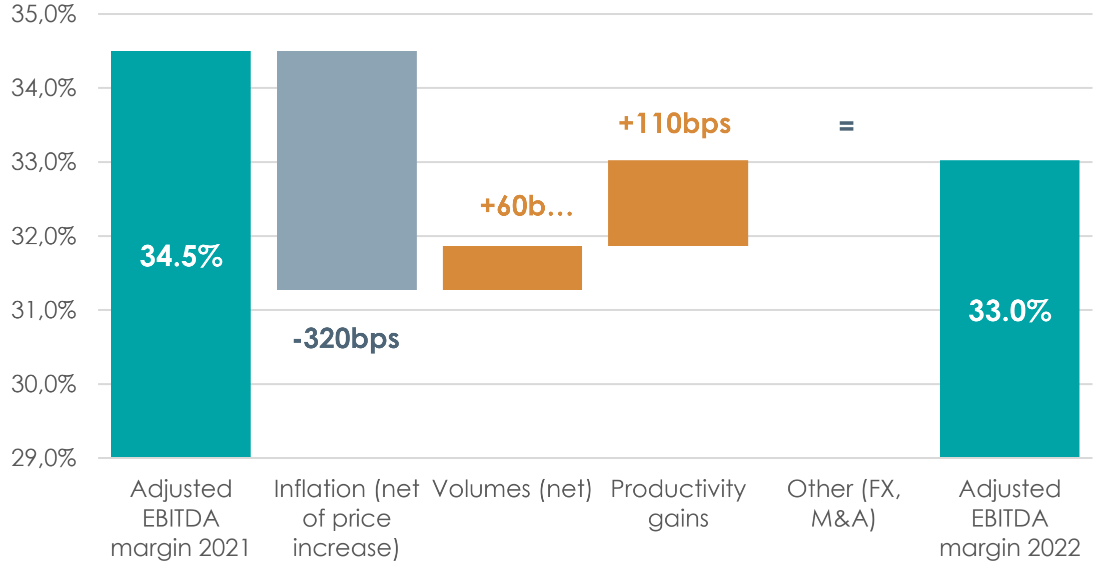
These fixed rate tariffs should keep Elis' energy bill stable in the future

2022 adjusted EBITDA up c. +€210m yoy on the back of strong price increase to offset inflation and Hospitality recovery

2021 adjusted EBITDA to 2022 adjusted EBITDA[1]



2021 adjusted EBITDA % to 2022 adjusted EBITDA %[1]



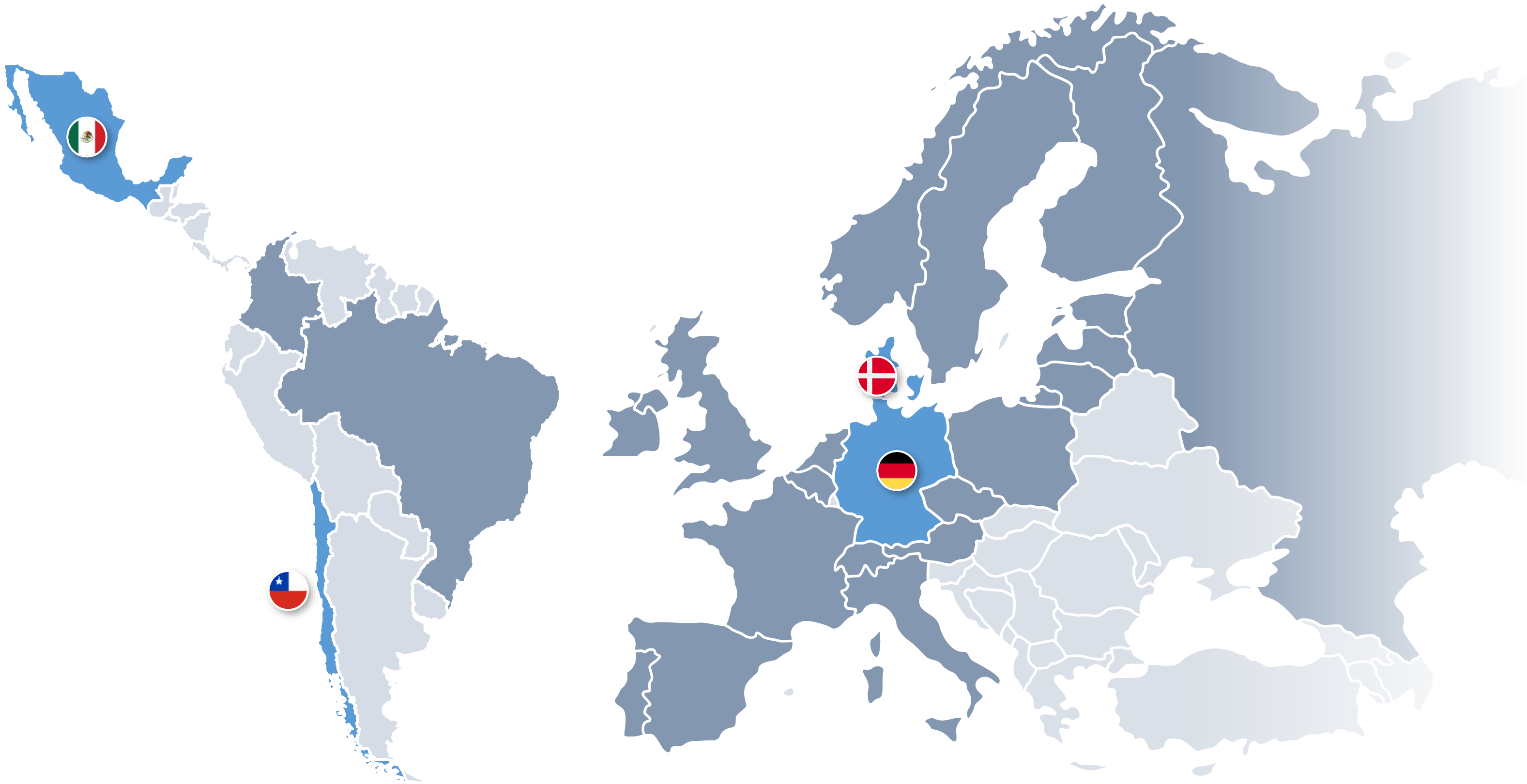
- **A large part of 2022 inflation in euros was offset**
- Mechanically, inflation impact on margin is **only partially offset by price increases**; the net impact was c. -320bps on 2022 EBITDA margin
- Specific action plans led to **productivity gains in our plants** (mostly decrease in energy consumption)

[1]: The impact of inflation in 2022 has been calculated using a N-1 cost base equal to:
- 2021 reported cost base, plus
- The costs linked to the additional volumes from activity pick-up (mostly in Hospitality)

Inflation impacted margins in all geographies
France, Southern Europe and the UK benefited from the pickup in Hospitality

Geography	2022 organic revenue growth	2022 vs 2021 adjusted EBITDA margin evolution	Comments
France	+24.2%	-70bps	Good top line dynamic (rebound of Hospitality and pricing) Profitability impacted by the lag between the strong increase in gas prices (with gas volumes largely unhedged in 2022) and the implementation of pricing adjustments
Central Europe	+15.0%	-290bps	Impact of absenteeism and workforce shortfall on the region's productivity Pricing negotiations more difficult with big clients in Healthcare and Workwear
Scandinavia & Eastern Europe	+14.9%	-230bps	The strong rebound of Hospitality had a dilutive effect on profitability Pricing negotiations take time with big clients in Healthcare and Workwear
UK & Ireland	+28.8%	-70bps	Rebound in Hospitality, good pricing dynamics and further churn reduction offset inflation in value, but with a dilutive effect on margin
Latin America	+9.1%	+30bps	Accretive effect of the Mexican acquisition The delayed implementation of price adjustments had a positive effect on margin as inflation was easing
Southern Europe	+40.1%	-140bps	Good top line dynamic (rebound of Hospitality and pricing) Profitability impacted by the lag between the strong increase in gas prices and the implementation of pricing adjustments

Elis continued its targeted acquisition strategy
4 major acquisitions closed in 2022; entry into Mexico



GOLDEN CLEAN — Por un mundo más limpio

Healthcare | Hospitality

March 2022
- 2022 revenue: c. €8m

Jöckel Textilservice

Healthcare

March 2022
- 2022 revenue: c. €21m

CENTRAL VASKERIET.dk

Hospitality | Mats

May 2022
- 2022 revenue: c. €6m

Healthcare | Hospitality

July 2022
- 2022 revenue: c. €92m

FY 2022 M&A impact on revenue: +3.1%

Strong start of the recently-acquired Mexican market leader

A leader in its industry with great know-how

- Only player with national coverage
- Century-old business, family-owned
- National coverage and high-quality industrial assets
- Experienced management continues to run the business (earn-out mechanism over 2023-2025)

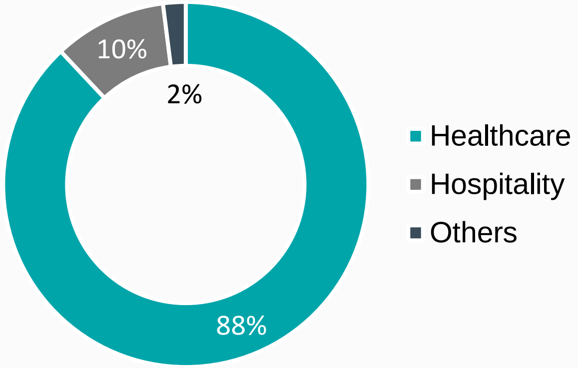
Great start since the company's consolidation in our accounts (July 1st, 2022)

- Revenue is above budget
- Integration is progressing according to plan
- Revenue of c. €50m in H2 2022 with adjusted EBITDA margin of c. 42%

A market with strong outsourcing potential

- Workwear for industry is still largely internalized
- Strong public healthcare market
- Very dynamic hospitality market driven by tourism

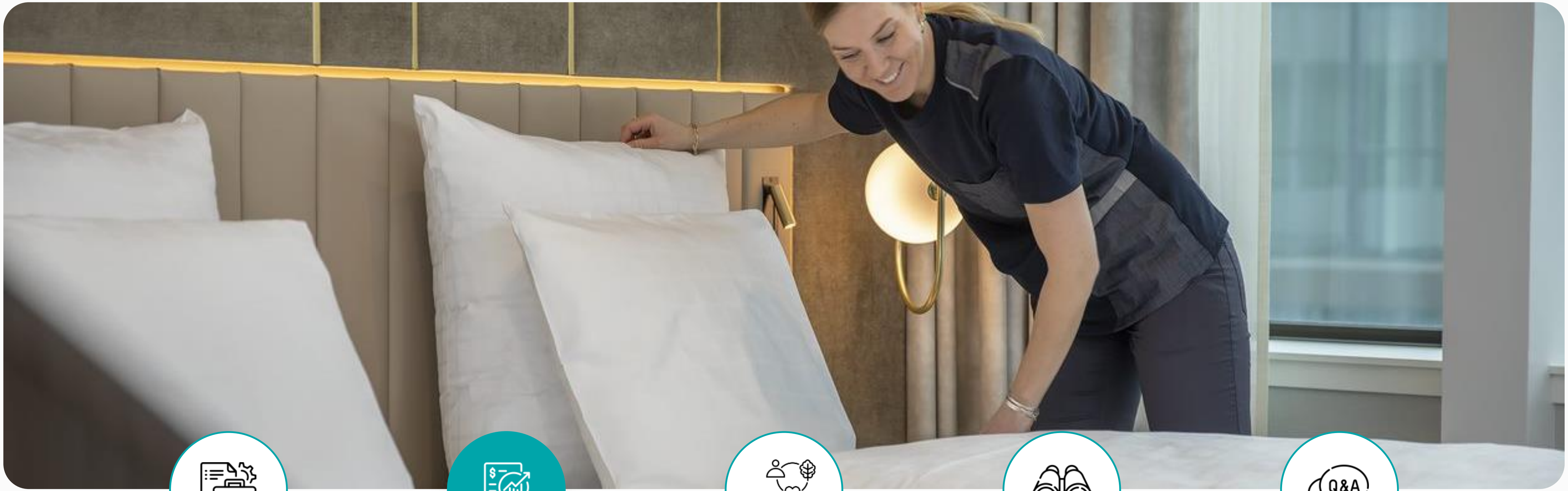
2022 revenue breakdown by end-market



Healthcare
Sanitizing, sterilizing and supplying of linen and hospital garments for patients, medical staff and facilities

Hospitality
Linen for hotels, restaurants and sports clubs

Others
Garments for food, pharmaceutical and automotive industry



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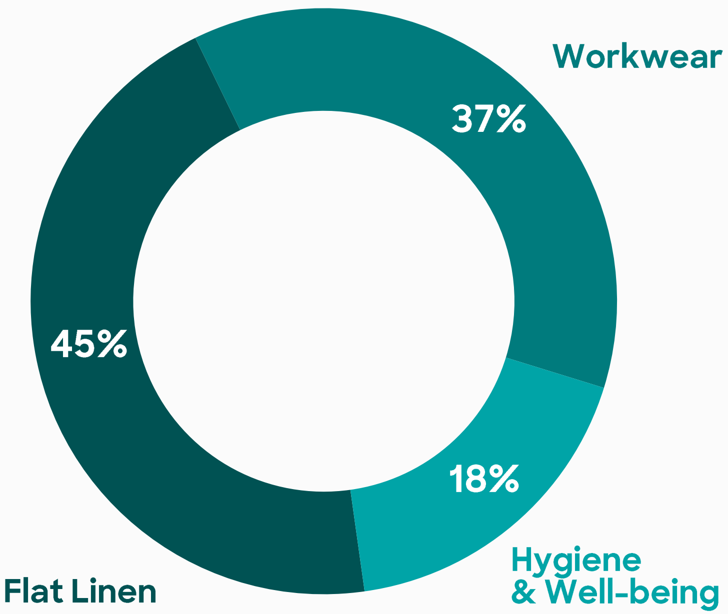
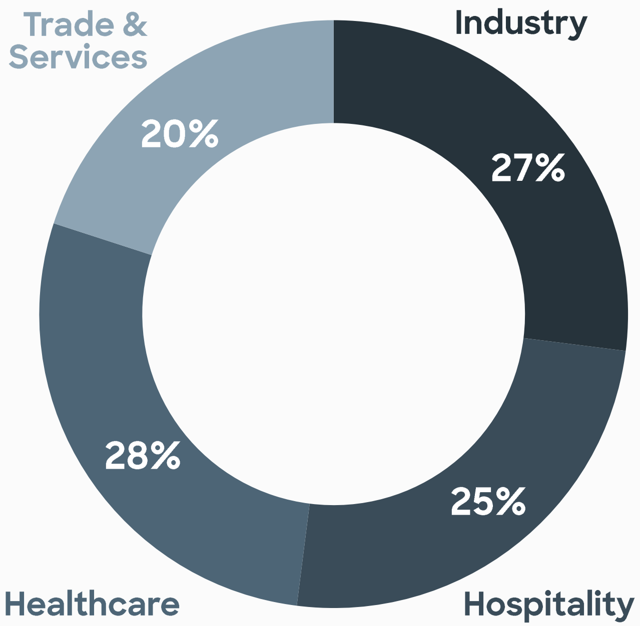
Elis offers a highly diversified and well-balanced profile

FY 2022 revenue breakdown

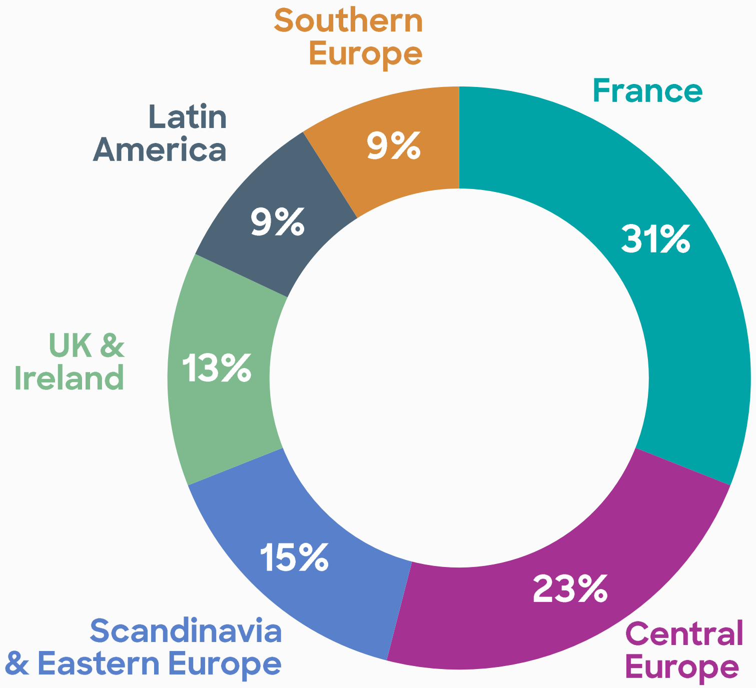
By activity



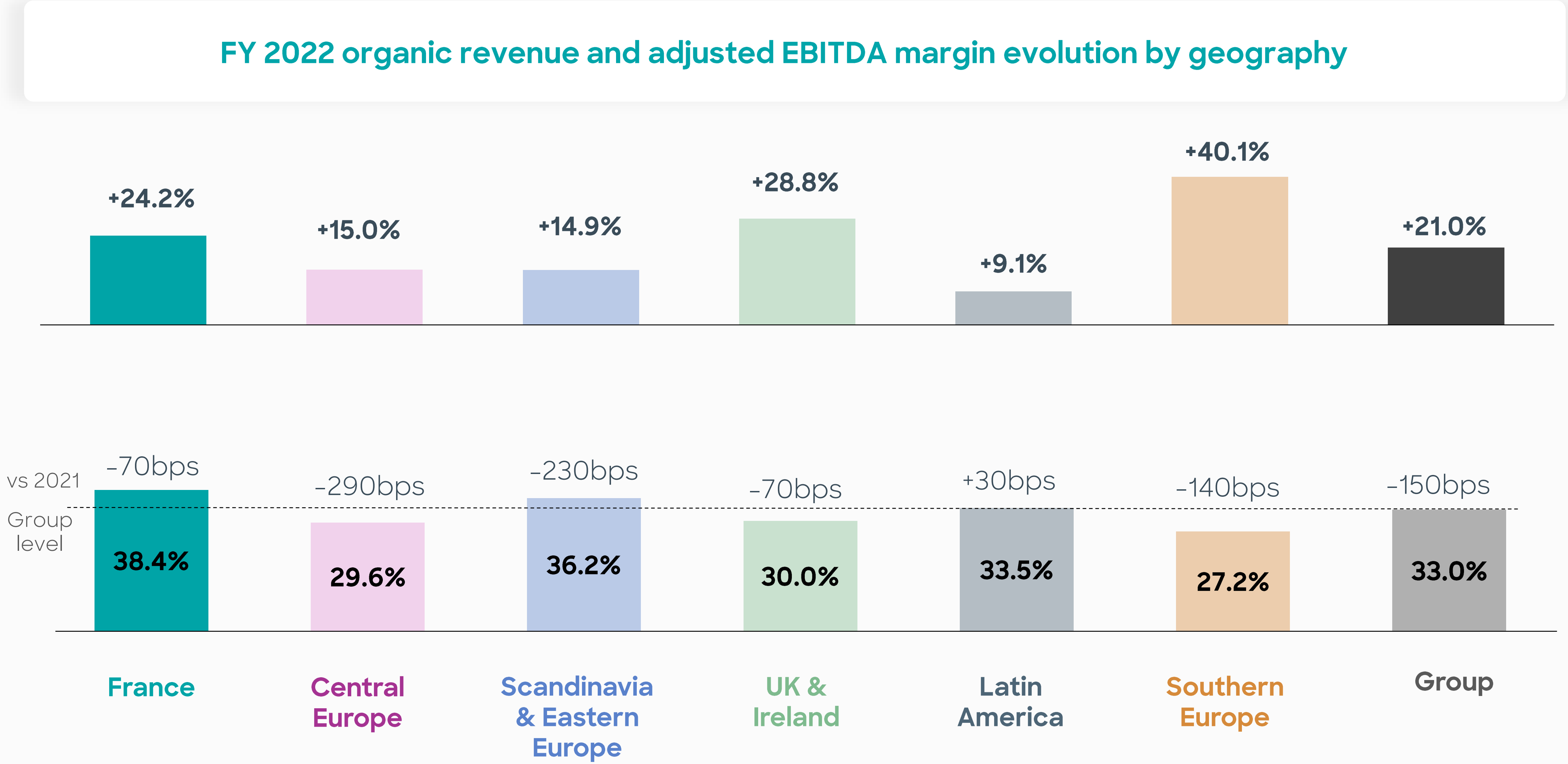
By market



By geography



Full-year organic growth and adjusted margin by geography



Net income up +78.8% yoy; strong adjusted EBIT margin improvement

(In €m)	2022	2021[1]	% change
Revenue	**3,820.9**	**3,048.3**	**+25.3%**
Adjusted EBITDA	**1,259.6**	**1,052.1**	**+19.7%**
As a % of revenue	*33.0%*	*34.5%*	
D&A	**(715.9)**	**(663.7)**	
Adjusted EBIT (A)	**543.7**	**388.3**	**+40.0%**
As a % of revenue	*14.2%*	*12.7%*	*+150bps*
Current operating income	**519.6**	**358.8**	**+44.8%**
Amortization of intangible assets recognized in a business combination	(80.1)	(81.1)	
Goodwill impairment	**(58.7)**	-	
Non-current operating income and expenses	(9.0)	(16.1)	
Operating income	**371.8**	**261.5**	**+42.2%**
Net financial result	**(86.7)**	**(90.5)**	
Tax	(80.5)	(56.6)	
Income from continuing operations	**204.6**	**114.4**	**+78.8%**
Net income	**204.6**	**114.4**	**+78.8%**
Capital employed[2] as of January 1st (B)	4,673.9	4,627.3	
ROCE before tax = (A) / (B)	**11.6%**	**8.4%**	

The decrease in linen capex in 2020 and 2021 led to limited increase of D&A in 2022 (c. +8%)

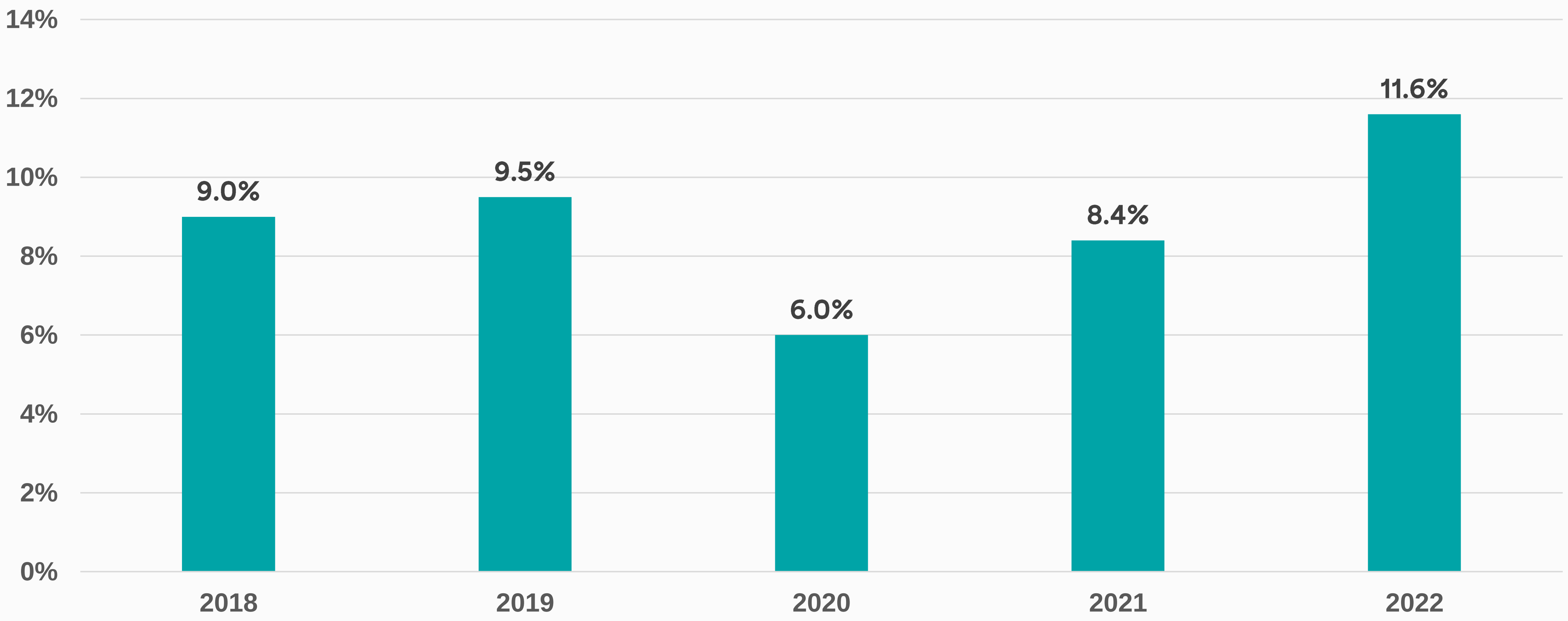
Impairment on the Russian goodwill due to ongoing conflict

2022 net financial result positively impacted by interest received by the Group on its available cash in the context of rising interest rates

Percentage change calculations are based on actual figures.
[1] Previously communicated 2021 numbers have been retrospectively restated from the impact of IFRS 3 (please see Appendix)
[2] Please see the Appendix: the capital employed calculation excludes the intangible assets recognized in the Group's last LBO for €1,536.8m in 2021 and €1,537.7m in 2022 (net of deferred tax)

2022 ROCE is above pre-crisis level and is expected to further improve going forward

Pre-tax ROCE 2018-2022



The capital employed calculation should exclude the intangible assets recognized in the Group's last LBO (e.g. €1,537.7m in 2022, net of deferred tax) - Please refer to Appendix

2022 headline net income per share up +53.9%[1] yoy

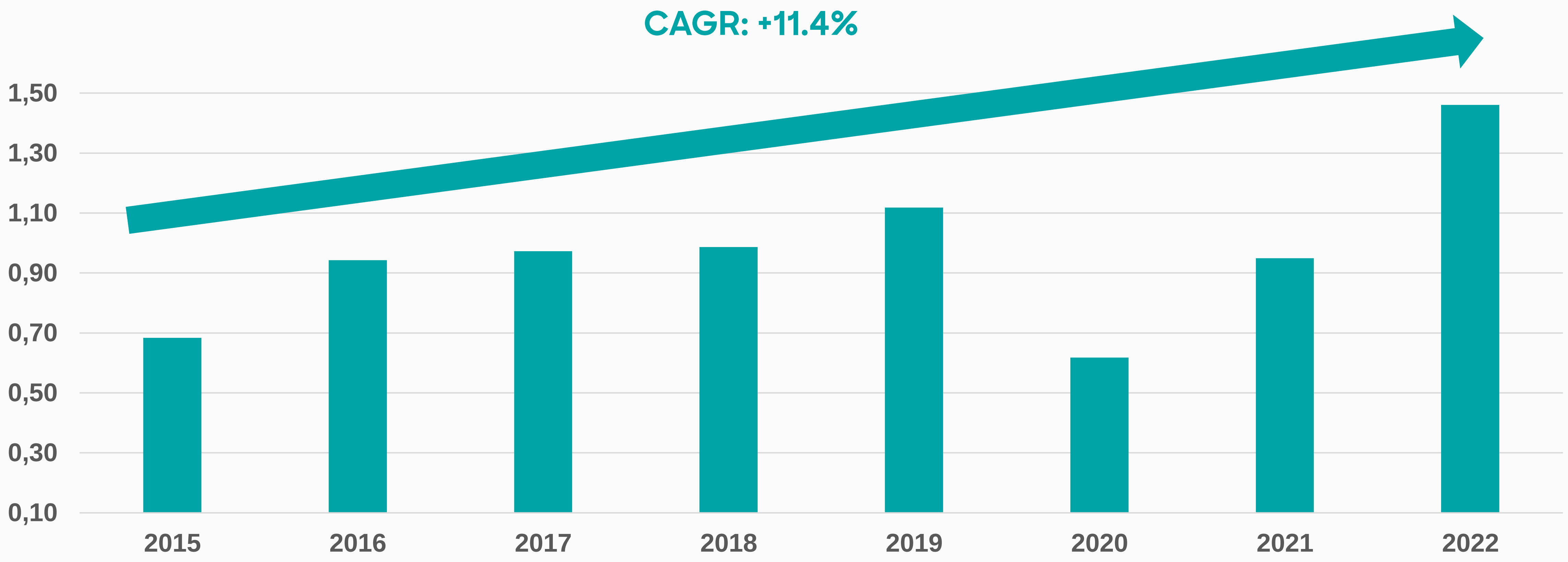
(In €m)	2022	2021[2]	% change
Net income	**204.6**	**114.4**	**+78.8%**
Amortization of intangible assets recognized in a business combination[3]	63.4	65.4	
Goodwill impairment	58.7	-	
IFRS 2 expense[3]	21.5	25.9	
Accelerated amortization of loans issuing costs[3]	0.3	2.1	
Exceptional gains / losses linked to refinancing operations[3]	(2.2)	3.3	
Non-current operating income and expenses[3]	7.0	11.5	
Headline net income	**353.2**	**222.6**	**+58.7%**
Non-controlling interests	0.0	0.1	
Headline net income attributable to owners of the parent (A)	**353.2**	**222.5**	**+58.7%**
Convertible related interests (B)	(9.6)	(6.7)	
Share count - basic (C)	229 331 073	226 885 009	
Share count - fully diluted (D)	248 478 216	241 537 086	

(In €)	2022	2021[2]	% change
Headline net income per share = A / C	**1.54**	**0.98**	**+57.0%**
Fully diluted headline net income per share = (A-B) / D	**1.46**	**0.95**	**+53.9%**

[1] On a fully diluted basis
[2] Previously communicated 2021 numbers have been retrospectively restated from the impact of IFRS 3 (please see the Appendix)
[3] Net of tax effect

Since IPO, Elis has delivered steady EPS increase

Fully-diluted headline net income per share evolution since IPO



Free cash flow after lease payments virtually stable yoy, despite headwind from change in working capital

(In €m)	2022	2021
Adjusted EBITDA	**1,259.6**	**1,052.1**
Non-recurring items and changes in provisions	(9.7)	(14.1)
Acquisition and disposal expenses	(4.4)	(1.6)
Other	(1.7)	(1.6)
Cash flow before finance costs and tax	**1,243.8**	**1,034.7**
Net capex	**(691.9)**	**(569.5)**
Change in working capital requirement	**(52.6)**	10.1
Net interest paid	(72.9)	(74.6)
Tax paid	(100.1)	(83.2)
Lease liabilities payments - principal	(101.5)	(89.4)
Free cash flow (after lease liabilities payments)	**224.9**	**228.1**
Acquisitions of subsidiaries, net of cash acquired	**(221.6)**	**(86.8)**
Changes arising from obtaining or losing control of subsidiaries or other entities	(22.4)	(7.3)
Other cash flows related to financing activities	(3.4)	6.8
Proceeds from disposal of subsidiaries, net of cash transferred	(0.0)	0.0
Dividends and distributions paid	**(33.2)**	(0.0)
Capital increase, treasury shares	4.5	17.7
Other	17.4	(21.4)
Net financial debt variance	**(33.8)**	**137.1**
Net financial debt	**3,177.6**	**3,143.9**

- **Capex to sales** at 18.1% (vs 18.7% in 2021) despite the significant inflation of linen price
- **Significant negative impact from change in WCR** linked to the impact of strong activity growth on trade receivables, and high inventories due to supply chain disruption throughout 2022
- **The Mexican acquisition (12-month EBIT of c. €20m) is the main contributor**
- **Reinstatement of the dividend** (partly paid in Elis shares)

Deleveraging and financial rating improvement should limit future refinancing costs and improve Elis' risk profile

Well-diversified financing

As of 31 December 2022

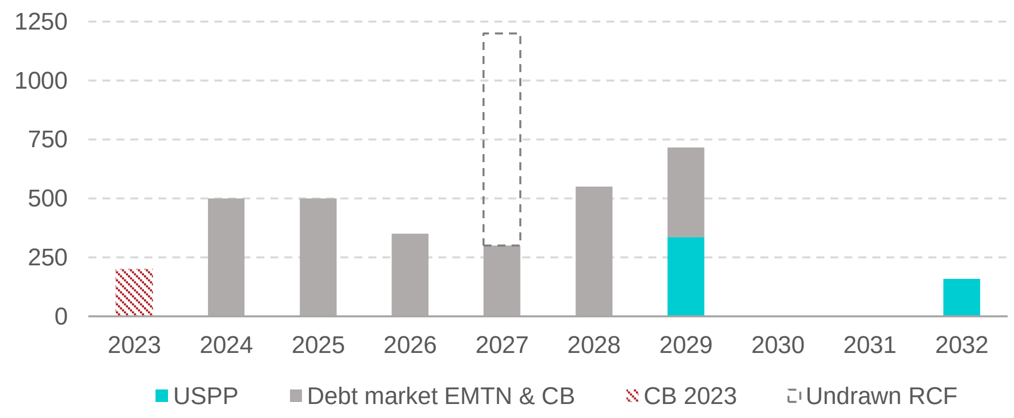
Bond (issued May 2022) €300m	Coupon 4.125% Maturity 2027
Bond (issued Oct 2019) €500m	Coupon 1.0% Maturity 2025
Bond (issued Oct 2019) €550m	Coupon 1.625% Maturity 2028
Bond (issued Apr 2019) €500m	Coupon 1.75% Maturity 2024
Bond (issued Feb 2018) €350m	Coupon 2.875% Maturity 2026
USPP (signed June 2022) €159m	Coupon 3.00% Maturity 2032
USPP (signed Apr 2019) €334m	Coupon 2.70% Maturity 2029
Convertible bond (issued Sep 2022) €332m	Coupon 2.25% Maturity 2029[1]
Convertible bond (issued Oct 2017) €196m	Coupon 0% Maturity 2023
Commercial paper €194m	< 1 year
Revolving credit facility Undrawn €900m	Maturity 2027

[1] Bond holders have a put in 2027

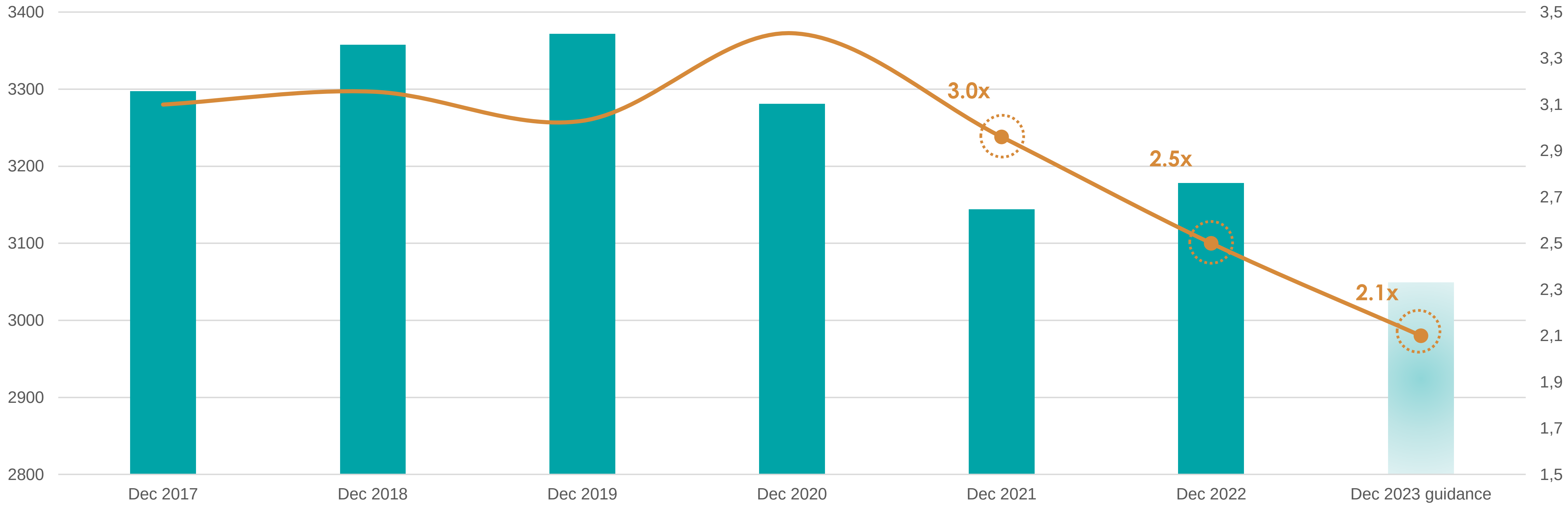
Debt and rating highlights

- Financial leverage of 2.5x as of 31 Dec. 2022 vs 3.0x as of 31 Dec. 2021
- Moody's rating upgraded from Ba2 to Ba1 (stable outlook) in September 2022
- Maturities well spread between April 2024 and June 2032
- Strong liquidity profile with c. €1.2bn of available liquidity as of December 31, 2022, c. €300m in cash on the B/S and €900m of undrawn cash under the RCF
- In a context of rising interest costs and tightening credit market access, the Group aims at reducing its financial debt and obtaining an improved financial rating

Maturity schedule (as of 31 December 2022) excluding commercial paper



Rapid deleveraging underway
Net financial leverage to reach c. 2.1x as of December 31, 2023



- Deleveraging was limited over the 2017-2019 period due to the implementation of a 3-year capex program following the acquisition of Berendsen, to put the UK business back on track
- 2020 was marked by the start of the pandemic, leading to a sharp drop in EBITDA and a slight increase in financial leverage
- Since then, Elis' deleveraging has accelerated, and this should continue in the coming years

2022 key financial takeaways

01

Sharp recovery in activity in all our verticals and geographies:
Top line up nearly +21% organically in 2022

02

Adjusted EBITDA margin down -150bps as expected but adjusted EBIT margin up +150bps on the back of D&A normalization

03

Headline net income up +58.7% at €353m
Headline net income per share up +57.0% at €1.54[1]

04

Strong deleveraging: ratio at 2.5x at December 31, 2022, expected to continue to decrease sharply

[1] €1.46, up +53.9% on a fully diluted basis

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A responsible business

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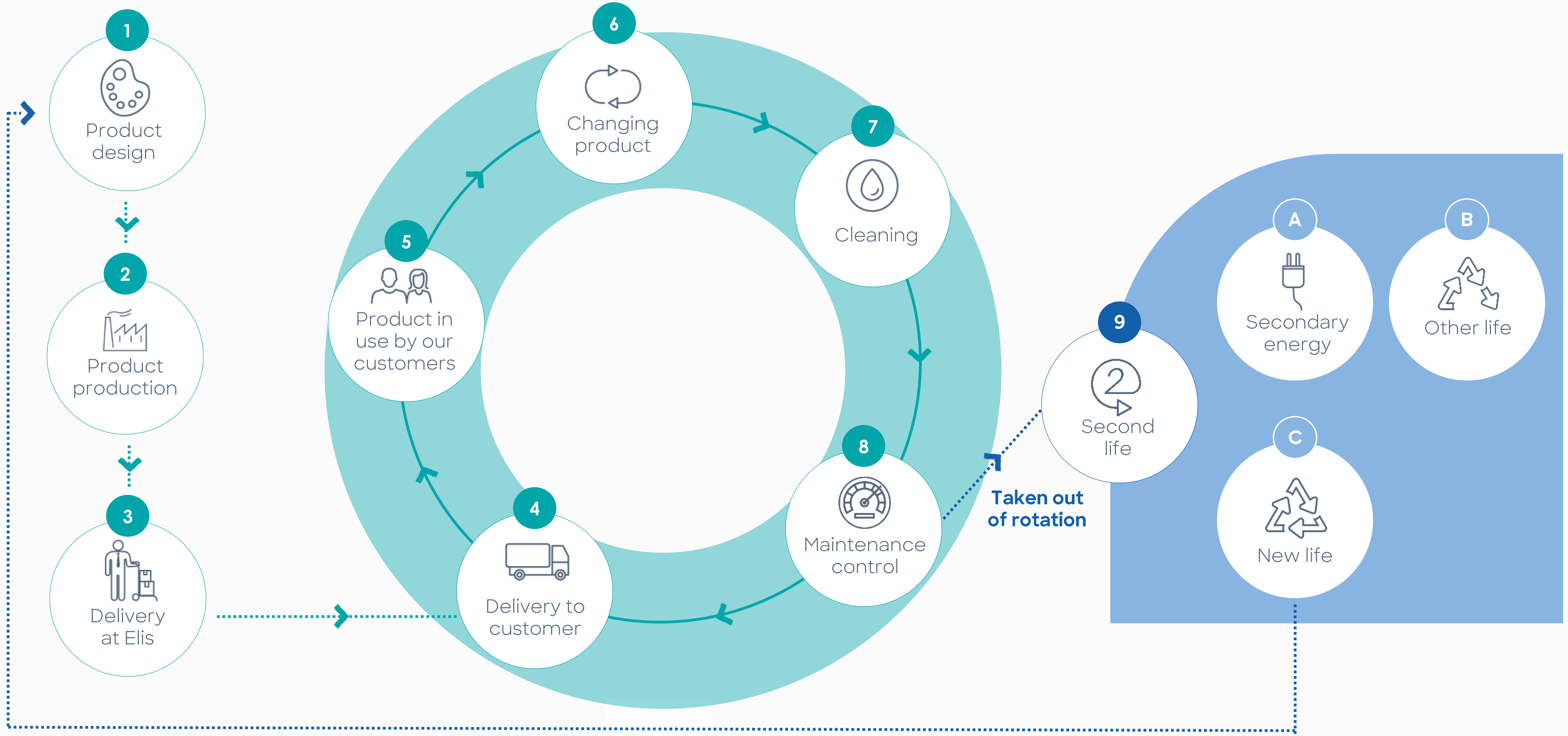
Elis' growth model is a virtuous circle: Our business is based on the circular economy



A sustainable solution, creating many commercial opportunities

Elis' services are sustainable alternatives to:

Acquisition or regular use of products:

by optimizing product usage through product sharing and industrial management

Single-use products:

by offering reusable solutions, cleaned locally and contributing to local economic development

Elis' best-in-class industrial asset base and circular business model enable further optimization of carbon and water reductions

Clients sensitive to ESG topics will naturally lean towards best-in-class players

Example: Surgical fields are massively switching from Chinese single-use paper to classical textile rental

An increasing number of tenders won by Elis with CSR criteria

City of Amsterdam | Region Gävleborg | GRANDLYON la métropole | TESCO

Increased demand for services and products based on circular economy principles

Driven by regulations, business trends and CSR group practices to reduce natural resource consumption. Solutions based on product as a service, reuse, repair, refurbishment or recycling are globally strongly supported

Increased demand for low carbon solutions supporting customer climate goals

Elis' services offer naturally lower carbon emissions compared to traditional alternatives thanks to its circular business model. The Group also constantly develops its range of sustainable products to support increasing demands from its customers

Elis helps its clients reduce their CO_2 emissions

Circular economy is a sustainable solution to address today's environmental challenges

- Using a hand towel with a cotton spool reduces CO_2 emissions by up to 29% compared to a disposable paper towel solution

- The use of reusable hospital scrub suits in healthcare establishments allows a 31% reduction in CO_2 emissions compared to disposable ones, which can go up to 62%

- Using workwear in a product-as-a-service approach, allows a reduction of up to 37% CO2 emissions compared to other approaches such as washing at home or in traditional laundries

Some concrete examples of recent initiatives (1/2)

Continue our circular economy journey

- ✓ **Better value our end-of-life products**: 70% of our textiles are being reused or recycled, 58 % of sanitary and beverage equipment collected in France reconditioned and put back on the market
- ✓ **Innovate** to close the loop (Textile to Textile)
- ✓ **Engage with others** on circular economy (LCA, promotion of circular services, ….)

A longstanding commitment for climate

- ✓ **2025 climate targets achieved 2 years ahead of plan** with -25% carbon intensity reduction over 2010-2025
- ✓ Engaged to have Science Based Targets supported during AGM (95%). **Climate strategy to be released in the second half of 2022**
- ✓ -17.5% CO_2 emissions between 2019 and 2022 in absolute value (Scope 1 and 2)
- ✓ Elis UK & Elis Sweden both committed to achieve carbon neutrality (by 2045 and by 2035 respectively)

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION
Ambition 4 climate by afep

Offering increasingly responsible products

- ✓ In line with our objective to have at least one **responsible product** (i.e. made from responsible materials) in each of our product families
- ✓ New range of sanitary equipment made of **recycled plastics**

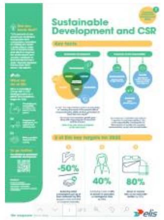
Some concrete examples of recent initiatives (2/2)

Transition to alternative vehicles and improvement in efficiency of deliveries

- ✓ Nearly **tripled the number of alternative vehicles** (commercial & logistics) between 2020 and 2022: 258 to 715).
- ✓ +10 electric heavy trucks, positioning Elis as a pioneer
- ✓ **New heavy trucks (electric or biofuel)** expected for 2023
- ✓ New tool to **optimize roads and deliveries** being implemented within the Group

CSR is part of our day-to-day business

- ✓ Elis has put in place a **dedicated CSR committee** (1st session took place in July 2021)
- ✓ CSR Director reports directly to the CEO
- ✓ Implementation of a **€900m sustainability-linked Revolving Credit Facility**
- ✓ Top 500 executives have **CSR criteria** within their LTI program
- ✓ **Sustainability Week** organized throughout Elis: a week of events, knowledge sharing and awareness raising on CSR for all teams (sites & HQ)



Elis is perfectly on track to meet its ambitious 2025 targets

Circularity and Exemplarity to reduce our impact on the planet

	2022	2025
Climate Change intensity	-25%	-20%
Thermal energy intensity[1]	-26%	-35%
Water intensity[1]	-43%	-50%

	2022	2025
Responsible vehicles	232	↗↗
Textile recycling	70%	80%
Range of responsible products	51%	100%

Empower our employees and offer them a brighter future

	2022	2025
Frequency rate	+0.8%	-50%
Gender Diversity / Women	34%	40%

	2022	2025
Extend Chevron Program	310	↗↗

Make a positive impact on society

	2022	2025
Foundation	4th class	x3
Direct supplier CSR assessment	94%	95%

[1] European laundries
vs 2010
vs 2019

Improvement in many CSR ratings, rewarding Elis' initiatives

Elis ranked **A- by the CDP** for its 2nd year of reporting (B in 2021)

Significant 10-point improvement in Elis' rating with **Sustainalytics** to 14.8 ("low risk")

Platinum certification by EcoVadis after 5 consecutive years at Gold level Elis among the top 1% of 90,000 assessed companies

Gaia's rating performance maintained at Gold level (72/100)

2022 business highlights

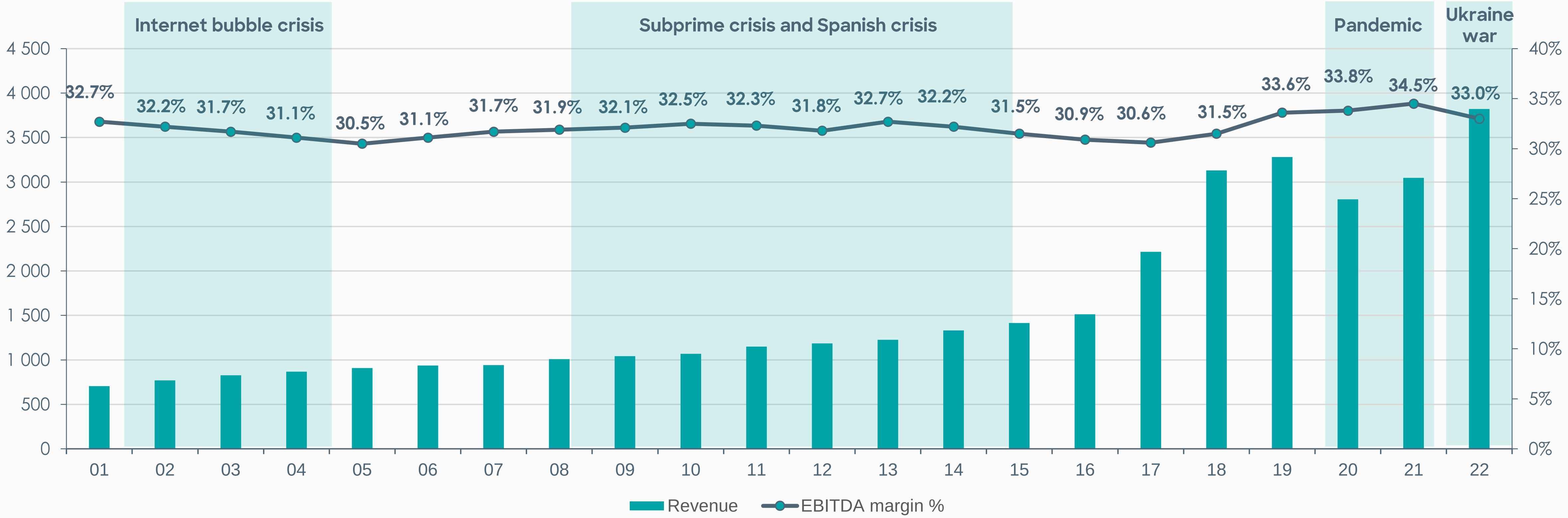
2022 financials

A responsible business

2023 outlook

Q&A

Proven business resilience over the years



- Post-pandemic, **Elis's organic growth profile is reinforced** in all non-Hospitality markets
- Over the last **20 years**, **EBITDA margin** has evolved within a **narrow range**
- Elis' cash generation remained strong over the recent crisis; **steady free cash flow growth is expected going forward**

EBITDA margin numbers from 2019 onwards include the IFRS 16 impact (+210bps impact in 2019)

No sign of slowdown to date
Elis' end-markets are very resilient through economic downturns

End market	Main market characteristics	Main contributors to revenue
Industry **27% of total 2022 revenue**	**Industry is resilient given the nature of our clients**, which mostly are very resilient themselves **The fixed fee invoicing methodology** (that is largely used with workwear clients) can help absorb a slight slowdown in our clients' activity	Food processing: 25% Pharma: 15% Water / waste management: 10% Automotive: 10% Construction, energy, transport: 10%
Healthcare **28% of total 2022 revenue**	**Healthcare is very resilient by nature**	Hospitals and clinics: 80% Nursing homes: 20%
Trade & Services **20% of total 2022 revenue**	**Trade & Services is largely resilient** on the back of the fixed fee invoicing methodology A significant slowdown in the economy could somewhat impact our activity with SMEs / mom and pop stores (potential decrease in the number of services used to save money)	Major retailers: 20% Facility management: 20% Small retailers: 15% Collective catering: 10% Automotive service centers: 10%
Hospitality **25% of total 2022 revenue**	Aside from pandemic situations (Covid, H_1N_1), **the Hospitality industry delivers steady growth,** driven by resort development, family holiday park development, water park development etc… **Elis' activity in Hospitality** (linked to occupancy) is **less cyclical than hotels'** (linked to RevPar)	Hotels: 80% Restaurants: 20%

Elis's organic growth profile reinforced in all non-Hospitality markets

Structural trends are changing Elis' organic growth profile

- **01** Need for more hygiene creates cross-selling opportunities (new products and services) and accelerates the development of outsourcing (need for employers to ensure a clean work environment)
- **02** Structural growth of the nursing home business, driven by ageing European population (Flat linen, Workwear for employees and washing of resident linen)
- **03** Re-industrialization of Europe: the pandemic has highlighted the importance of industrial resilience in Europe. The regionalization of supply chains in Europe to avoid dependency (especially on Asia) will be an opportunity for Elis
- **04** Steady increase in the share of Elis' fast-growing markets: Latin America and Eastern European countries generally generate double-digit growth and represent an increasing share of Elis' revenue
- **05** Suppliers with high ESG standards such as Elis will benefit from the increase in tenders with an ESG component

Elis' quality of service and leadership position drive client retention

Steady churn rate reduction →

Strong reliability

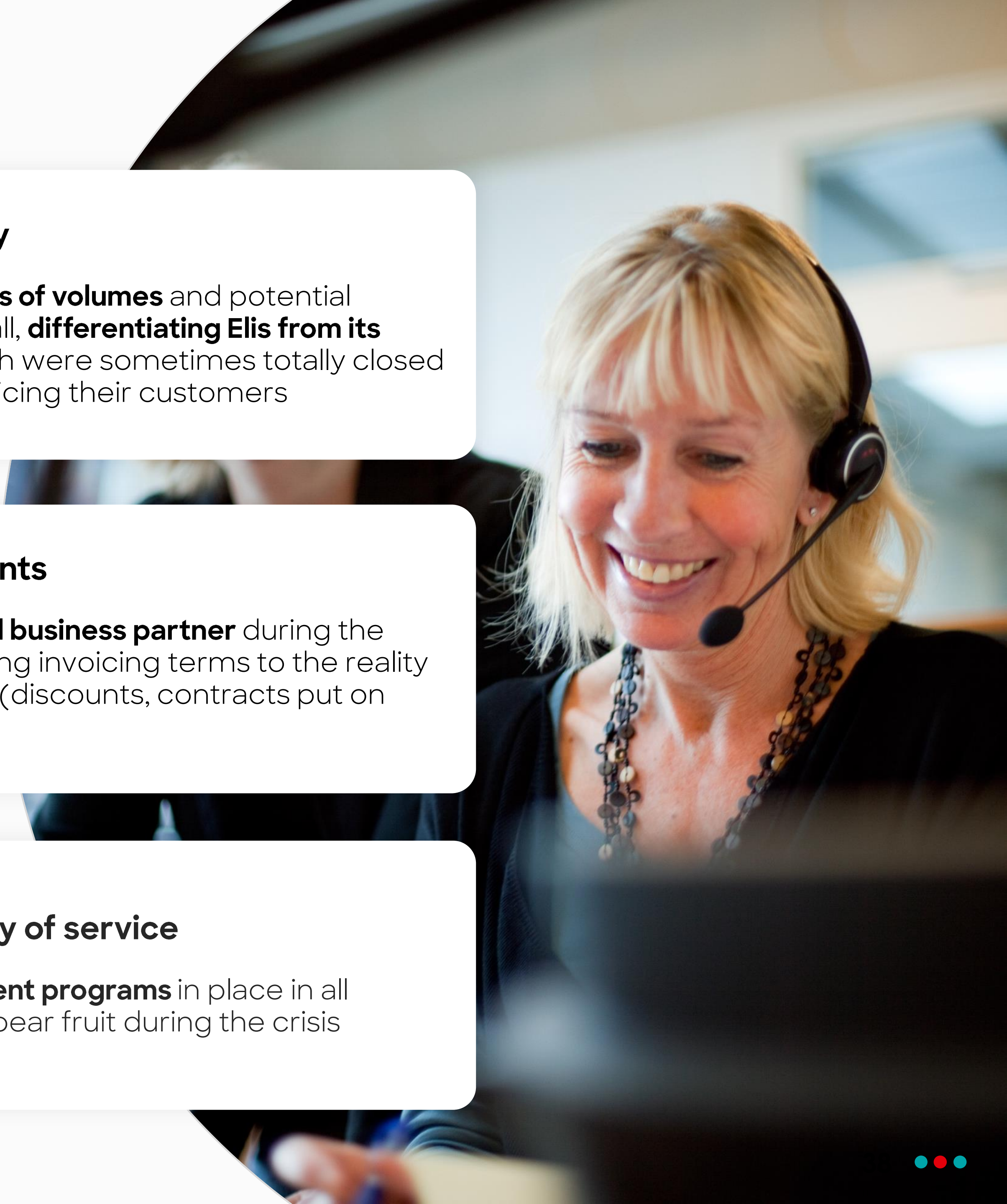
Delivery regardless of volumes and potential workforce shortfall, **differentiating Elis from its competitors**, which were sometimes totally closed and stopped servicing their customers

Listening to clients

Elis acted as a **real business partner** during the pandemic, adapting invoicing terms to the reality of our customers (discounts, contracts put on hold, etc.)

Seamless quality of service

Quality improvement programs in place in all our geographies bear fruit during the crisis



FY 2023 outlook: Another strong year ahead

Organic revenue growth expected between +11% and +13%

- ✓ Expected **pricing effect of at least +9%** (with a significant part of price adjustments in the books since January 1st, 2023)
- ✓ Effect of **hospitality pick-up in Q1 2023**

Adjusted EBITDA margin expected up c. +50bps

- ✓ Topline dynamism, further productivity gains and hedging in place on energy purchases should generate **margin expansion**

Adjusted EBIT expected above €650m (i.e. up at least +20% yoy)

- ✓ Driven by top line dynamism and a slight decrease in D&A as a % of revenue

Headline net income expected above €405m (i.e. up at least +15% yoy)

- ✓ Fully diluted headline net income per share expected above €1.65 (i.e. up at least +13% yoy)

Free cash flow expected above €260m (i.e. up at least +16% yoy)

- ✓ Driven by top line dynamism and progressive normalization of change in WCR

Financial leverage ratio expected at c. 2.1x as of 31 December 2023

- ✓ Elis' **deleveraging trajectory** should quickly make the Group **eligible for investment grade rating consideration**

Key takeaways

01

In a difficult macro environment, Elis delivered strong financial performance in 2022 with most financial metrics showing sharp improvement

02

Strong industrial know-how and valuable commercial relationships, allowing to adjust to many external constraints

03

Impact of inflation on cost base offset in euro terms by ability to adjust pricing

04

In 2023, the Group expects another year of strong results along with further deleveraging

2022 business highlights

2022 financials

A responsible business

2023 outlook

Q&A

Appendix: Restatement of 2021 figures

IFRS 3 "Business combinations"

- IFRS 3 requires previously published comparative periods to be retrospectively restated for business combinations (recognition of the final fair value of the assets acquired and the liabilities and contingent liabilities assumed when this fair value was provisionally determined at the previous balance sheet date).

(in €m)	2021 reported	IFRS 3	2021 restated
Revenue	**3,048.3**	-	**3,048.3**
Adjusted EBITDA	**1,052.1**	-	**1,052.1**
D&A	(663.7)	-	(663.7)
Adjusted EBIT	**388.3**	-	**388.3**
Current operating income	**358.8**	-	**358.8**
Amortization of intangible assets recognized in a business combination	(81.0)	(0,1)	(81.1)
Goodwill impairment	-	-	-
Non-current operating income and expenses	(16.1)	-	(16.1)
Operating income	**261.7**	**(0,1)**	**261.5**
Financial result	(90.5)	-	(90.5)
Tax	(56.6)	0,0	(56.6)
Income from continuing operations	**114.6**	**(0,1)**	**114.4**
Net income	**114.6**	**(0,1)**	**114.4**

Appendix: Calculation of capital employed

(in €m)	As of January 1st, 2022	As of January 1st, 2021
TOTAL ASSETS	**8,043.1**	**7 862,4**
Employee benefit assets	(51.8)	(34,1)
Cash and cash equivalents	(160.1)	(137,6)
Intangible assets recognized in the Group's last LBO (net of deferred tax)	(1,537.7)	(1,536.8)
Subtotal (I)	**6,293.4**	**6,153.8**
TOTAL EQUITY AND LIABILITIES	**8,043.1**	**7,862.4**
EQUITY	**(3,013.7)**	**(2,808.3)**
Employee benefit liabilities	**(105.9)**	**(108,9)**
Borrowings and financial debt	**(3,084.5)**	**(3,066.6)**
Bank overdrafts and current borrowings	**(219,5)**	**(352.0)**
Subtotal (II)	**1,619.5**	**1,526.5**
Capital employed at beginning of period = (I)-(II)	**4,673.9**	**4,627.3**

Appendix: 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
- **Adjusted EBITDA** is defined as adjusted EBIT before depreciation and amortization, net of the portion of grants transferred to income
- **Adjusted EBITDA margin** is defined as adjusted EBITDA divided by revenue
- **Adjusted EBIT** is defined as net income (or net loss) before financial expense, income tax, share in income of equity-accounted companies, amortization of customer relationships, goodwill impairment, non-current operating income and expenses, miscellaneous financial items (bank fees recognized in operating income) and expenses related to IFRS 2 (share-based payments).
- **Adjusted EBIT margin** is defined as adjusted EBIT divided by revenue

In order to take into account the statement published by the European Securities and Markets Authority (ESMA) on October 29, 2021 regarding alternative performance indicators, the Group added the term "adjusted' to the above definitions. The content of these indicators remains unchanged compared to previous financial years.

- **Headline net result** corresponds to net income or loss excluding extraordinary items which, due to their type and unusual nature, cannot be considered as intrinsic to the Group's current performance
- **Free cash flow** is defined as adjusted EBITDA less non-cash-items and changes in working capital, purchases of linen, capital expenditures (net of disposals), tax paid, financial interest paid and lease liabilities payments
- **The financial leverage ratio** is the leverage ratio calculated for the purpose of the financial covenant included in the new banking agreement signed in 2021: Leverage ratio is equal to Net financial debt / adjusted EBITDA, pro forma of acquisitions finalized during the last 12 months, and after synergies

These alternative performance measures are meant to facilitate the analysis of Elis' operating trends, financial performance and financial position and allow the provision to investors of additional information that the Managing Board believes to be useful and relevant regarding Elis' results. These alternative performance measures generally have no standardized meaning and therefore may not be comparable to similarly labelled measures used by other companies. As a result, none of these alternative performance measures should be considered in isolation from, or as a substitute for, the Group's consolidated financial statements and related notes prepared in accordance with IFRS.

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