Circular services at work

H1 2023 results

July 26, 2023

Disclaimer

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SUMMARY

01 H1 2023 business highlights

Solid financial performance in H1 2023; improvement of all profitability KPIs and further deleveraging

Circular services at work

Top line dynamism and productivity improvement drove excellent financial performance in H1 2023

- **H1 2023 revenue at €2,101.3m, up +17.8%**
  of which +15.2% on an organic basis (price effect of c. +11%)
- **H1 2023 adjusted EBITDA at €698.1m, up +21.1%**
  Adjusted EBITDA margin up +90bps at 33.2%
- **H1 2023 adjusted EBIT at €316.4m, up +36.2%**
  Adjusted EBIT margin up +200bps at 15.1%
- **H1 2023 headline net income per share[1] at €0.78, up +25.5%**
- **H1 2023 free cash flow[2] at €16.9m, stable yoy**
- **Financial leverage ratio at 2.4x** as of June 30, 2023

Further commercial and operational achievements in H1, underscoring Elis' strong customer relationships and industrial know-how

- Record level of new Workwear contracts signed in H1, driven by new outsourcing and increased need for hygiene & traceability from customers
- Further rebound of Hospitality with an easy comparable base in the 1st quarter
- No sign of significant slowdown across our markets and geographies; little to no impact from the recent turmoil in France
- Strong pricing discipline and selective approach when signing or renewing contracts
- Operating leverage, neutral balance of inflationary impacts and productivity gains led to margin improvement in H1 despite continuous strong inflation (c. +10% increase in our cost base in the first half)

Full-year 2023 profitability objectives raised

Previously communicated H1 2022 numbers have been retrospectively restated from the impact of IFRS 3 (please see the Appendix)
[1] On a fully diluted basis
[2] After lease payments

H1 2023 growth driven by strong pricing and commercial activity

Volumes

- Record level of new Workwear contracts signed in H1, driven by the development of outsourcing
- Good momentum in Hospitality, especially in France and Denmark
- Positive effect from easy comparable base: Q1 2022 was still impacted by the pandemic; catch-up effect in 2023 of c. +€36m in Q1

Pricing

- c. +11% pricing effect driven by the carry-forward of the adjustments implemented throughout 2022, plus those put in place since January 1st, 2023
- Increasingly selective approach on new bids and contract renewals, sometimes leading to contract losses

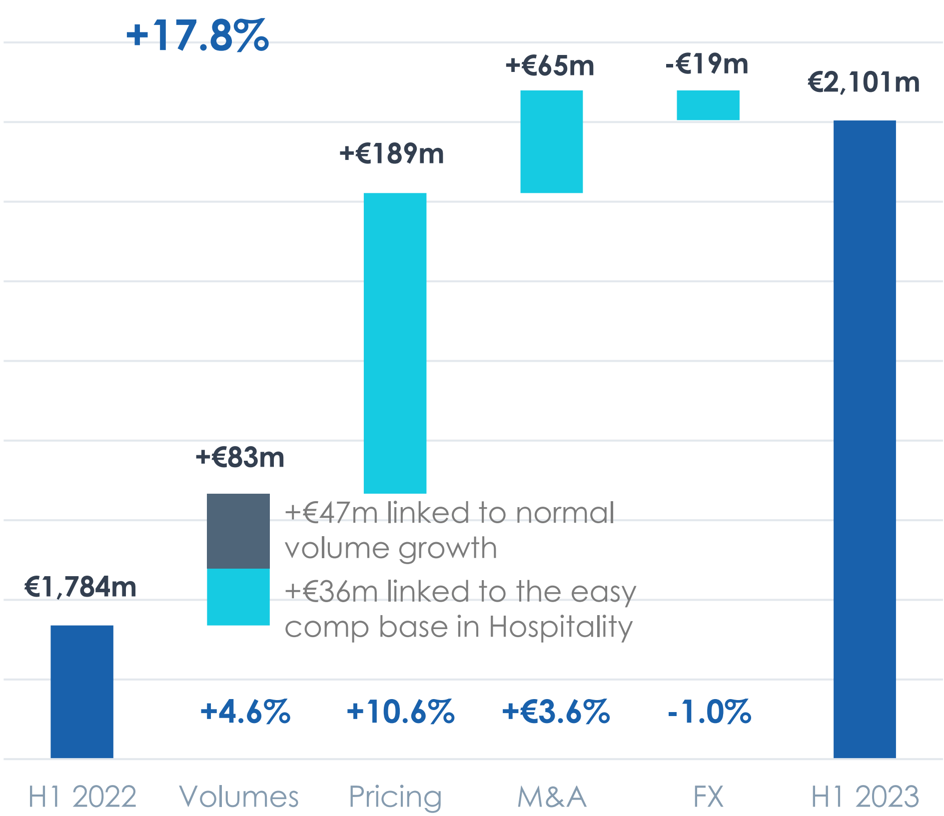
M&A

- The acquisition in Mexico (consolidated from July 1st, 2022) had a c. +€55m impact on H1 2023 revenue
- Other acquisitions positively impacted growth in Central Europe, Scandinavia & Eastern Europe and Latin America

FX

- Negative currency effect from SEK (c. -€9m), GBP (c. -€8m) and NOK (c. -€5m), partially offset by CHF (c. +€3m) and BRL (c. +€2m)

H1 2022 to H1 2023 revenue bridge



Satisfactory activity in Hospitality in H1 2023

Good client activity and favorable comparable base in the first quarter

Solid client activity in all geographies

- Good H1 activity in Paris and in Denmark
- Growth slightly more limited on the French Atlantic coast and in Southern Europe
- Little to no impact from the garbage strike in Paris and the recent turmoil in France

Good pricing dynamics

- Inflationary context in the hospitality industry makes pricing discussions with customers smoother
- Quality of service is a differentiating factor that facilitates pricing discussions
- Disciplined pricing environment : Elis is increasingly selective, especially in the UK and in Germany

Favorable comparable base in the first quarter

- Q1 2022 was still c. 20% below 2019 level due to the Omicron variant
- The catch-up had a c. €36m impact in Q1 2023

Record level of new Workwear contracts signed in the first half, which underscores the success of Elis' commercial initiatives

Strong momentum in Workwear across the board, especially in Eastern Europe

- We observe an acceleration in the outsourcing of Workwear
- New market standards and regulations contribute to accelerating the transition
- Elis has recently reinforced its salesforce in many countries, enabling many cross-selling opportunities with its existing clients

Many opportunities in Healthcare in our existing geographies

- The nursing home markets in Spain and the UK have historically been fragmented, with many local independent players that usually insource washing
- This is gradually changing with market consolidation along with professionalization of the industry (implying transition to linen washing outsourcing)
- Several contracts signed with public hospitals in H1 2023 in the UK, France and Brazil

Development of the Pest control and Cleanroom businesses

- Demand for Pest control and Cleanroom businesses has been rising significantly over the past years, with an acceleration since the pandemic; yoy growth of around +20%
- Elis leverages its many cross-selling opportunities: Pest control and Cleanroom continued to deliver double-digit growth in H1 2023 (+23% and +12% respectively)

Roll out of Elis' services offer to small clients

- Elis progressively addresses smaller clients as Group density increases in a country; initiatives are already under way in the UK, Sweden and Brazil
- Great opportunity going forward: Elis currently addresses small clients (e.g. Mom-and-Pop stores) in fewer than 10 countries out of 29 in total

Multiple pricing initiatives in past 18 months to offset inflation-related cost increases

The nature of the services provided by Elis and high-quality client relationships give us good pricing power

Elis has been running fair and transparent negotiations with its clients

- Most of our cost inductors are easy to monitor; price adjustments have only been implemented to offset inflation

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

Pricing momentum will continue to be driven by wage inflation

COST ITEM	% of the cost base
Personnel costs	c. 60%
Gas, biomass, electricity and fuel	c. 10%
Other items (Chemical products, paper, spare parts, other consumables)	c. 30%

Expected cost inflation for 2023: +9%

Expected minimum wage inflation will mechanically lead to further pricing adjustments

- Wages account for c. 60% of our costs and are therefore, by far, the most important contributor to our costs
- Wages continue to increase across the board, especially in Germany and in the UK
- Elis' 2023 energy bill is higher than in 2022: part of 2022 volumes were still fixed at pre-inflation prices

Further price increase expected going forward despite the decrease of energy prices

- Our contracts come with a pricing indexation formula
- In 2024, these formulas shall reflect a decrease in energy costs but will still lead to price increase given the weight of wages in our cost base

Client satisfaction and quality of service have always been one of our main priorities

Collect feedback from our customers and measure client satisfaction

Up to 20% of our customers are contacted every year

- Satisfaction datapoints are compiled every month
- Survey results and recorded feedback are sent to the relevant plant

Proactive client follow-up

- Dissatisfied customers are called back 2 months after the survey, to make sure Elis implemented actions to solve the issues

Client satisfaction KPI ("Satisfelis") is important for plant directors and their teams

- Up to 15% of their variable compensation is based on their clients' satisfaction

Implement plans to improve customer satisfaction

A new CRM tool is being implemented at Group level

- Improve our client knowledge (history, data sharing between teams)
- Enhance day-to-day client relationship (task list, automatic notifications, KPI monitoring)

Digitalization of the client experience

- Improved client portal ("MyElis")
- Digitalization of documentation (e.g. electronic contracts)

Service delivery optimization

- Implementation of customer lead-time reduction programs in 9 Group countries
- Internally designed tools help to optimize drivers' journeys

France: Margin improvement on good growth momentum and neutral balance of inflationary impacts

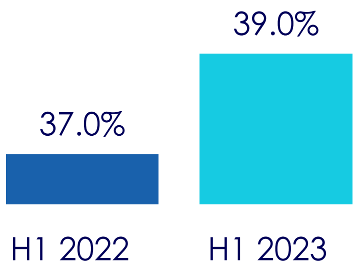
Solid revenue growth: +13.5% on an organic basis

- Good activity in Hospitality, especially in Paris
- New signings in Workwear; strong pricing discipline led to some volume losses in the other segments
- Home office still impacts some clients
- The corporate default rate is back to pre-crisis level

Operating leverage and productivity gains: +190bps margin improvement

- Further productivity gains, notably on the logistics side and on water and energy consumption
- Good level of activity triggers operating leverage

Organic revenue up +13.5% in H1 2023



EBITDA margin up +190bps in H1 2023

Central Europe: Germany is still tough due to persistently high inflation

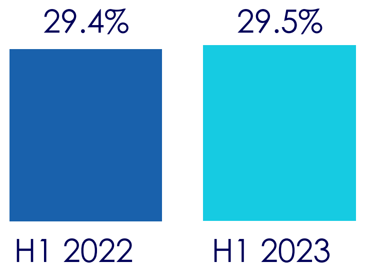
Price effect drives revenue growth in the region: +18.9% on an organic basis

- Strong pricing effect corresponding to the late implementation of 2022 adjustments
- Good progress in the Workwear business across the region, driven by new outsourcing
- Strong pricing discipline led to some contract losses in Healthcare in Germany

Inflation remains strong, especially in Germany; stable margin in the region

- Salary-driven inflation in Germany, and tougher negotiations due to the high number of Healthcare clients (many of them facing financial constraints)

Organic revenue up +18.9% in H1 2023



EBITDA margin flat in H1 2023

Scandinavia & Eastern Europe: Margin remains high, but pricing negotiations are challenging

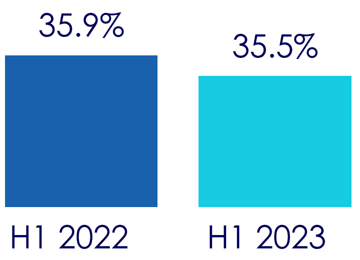
Revenue growth driven by commercial dynamism and moderate price increase: +11.5% on an organic basis

- Good activity in Hospitality, especially in Denmark
- Further gains in Workwear/Cleanroom business in Sweden and in Denmark
- Finland and the Baltics are well-oriented
- Pricing is lower than in the other regions due to the high share of public Healthcare clients, especially in Sweden

Softer pricing adjustments: margin down -50bps

- Overall, pricing adjustments do not fully offset inflation
- Slightly dilutive effect on margin from Hospitality recovery

Organic revenue up +11.5% in H1 2023



EBITDA margin down -50bps in H1 2023

UK & Ireland: Good performance but Ireland's comparable base is impacted by a 2022 one-off

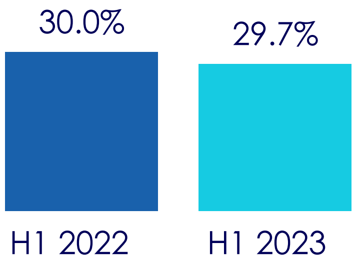
Commercial initiatives and strong pricing drive revenue: +18.5% on an organic basis

- Market share gains in Healthcare
- Increasingly selective approach in Hospitality, sometimes leading to contract losses
- Further growth in Workwear despite gloomy economic environment in the UK

Margin up in the UK, but a 2022 one-off impacts Ireland: margin down -30bps overall

- Margin up in the UK but down in Ireland: pandemic-related subsidies received in 2022 made the H1 2022 base difficult (restated for this, margin in Ireland and in the region are both up)

Organic revenue up +18.5% in H1 2023



EBITDA margin down -30bps in H1 2023

Latin America: Continued sound revenue growth along with margin improvement

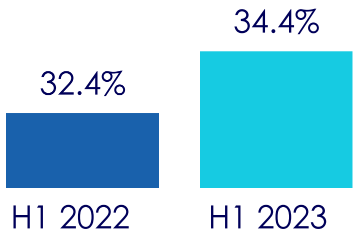
Revenue growth driven by solid outsourcing trend and pricing momentum: +10.9% on an organic basis

- Many new contracts in Workwear, driven by outsourcing trend
- Good level of activity in our other markets

Significant margin improvement driven by the acquisition in Mexico and further productivity gains: margin up +200bps

- Mexican acquisition is accretive to the region's margin
- Significant improvement in workshop productivity in the region

Organic revenue up +10.9% in H1 2023



EBITDA margin up +200bps in H1 2023

Southern Europe: Hospitality catch-up drives margin to above pre-crisis level

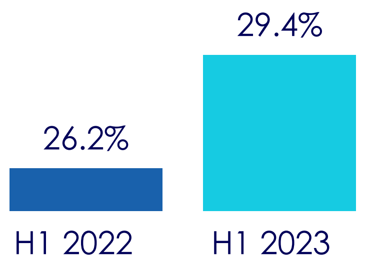
Revenue driven by both volume and pricing: +19.4% on an organic basis

- Activity significantly up in Hospitality, on the back of an easy comparable base in Q1
- Outsourcing trend continues with new contract wins in Workwear
- Pricing level is satisfactory

Sharp rebound in Hospitality drives profitability: margin up +320bps

- Margin level now above pre-crisis level
- Further productivity gains in the region

Organic revenue up +19.4% in H1 2023



EBITDA margin up +320bps in H1 2023

Very strong start of the Mexican business acquired in 2022
Limited M&A activity in H1 2023 but M&A strategy remains intact

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

- Revenue of c. €55m in H1 2023 with adjusted EBITDA margin above 40%
- Revenue is c. +18% vs last year's first half
- Financial performance significantly above initial estimates

A leader in its industry with great know-how

- Only player with national coverage
- Century-old business, family-owned
- Experienced management continues to run the business

A market with strong outsourcing potential

- Workwear for industry is still largely internalized
- Low level of outsourcing in Hospitality
- Strong public healthcare market
- Very dynamic hospitality market driven by tourism

Limited M&A activity in H1 2023

- Total impact of M&A on H1 2023 revenue: +3.6%, mostly due to the Mexican acquisition
- Acquisition of a Pest Control business in Italy in June
- Fewer projects currently under review: potential sellers are likely waiting to deliver normalized 2023 numbers before coming to the market

M&A strategy remains intact: combination of bolt-ons in existing countries and regular addition of new geographies

- We are looking for potential acquisitions in all our segments (Flat linen, Workwear, Washroom, Pest control, etc…)
- c. 8 acquisitions per year on average since the IPO in 2015
- Presence in 29 countries today vs 13 in 2015

Disciplined M&A approach

- 4 main operational criteria: quality of the industrial asset base, quality of the contract portfolio, state of the social climate and management know-how
- Strong pricing discipline and low multiples paid: virtually no impact of bolt-on M&A on financial leverage

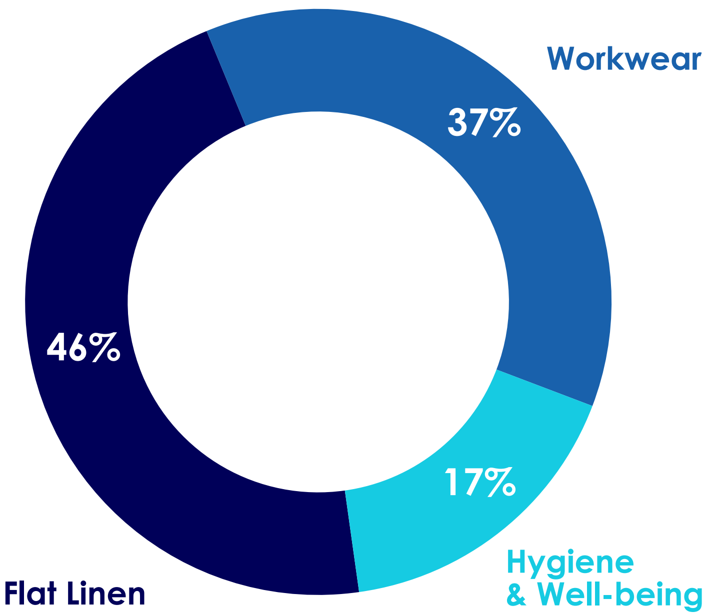
02

H1 2023 financials

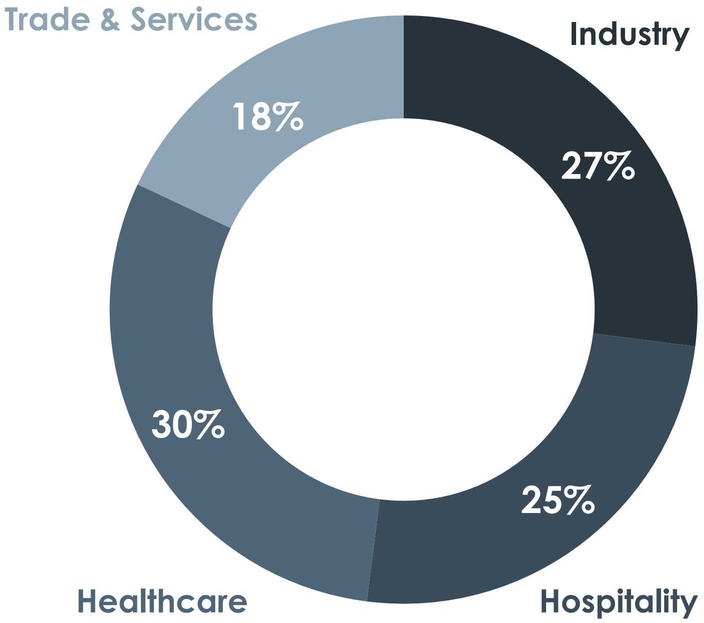
Elis offers a highly diversified and well-balanced profile

H1 2023 revenue breakdown

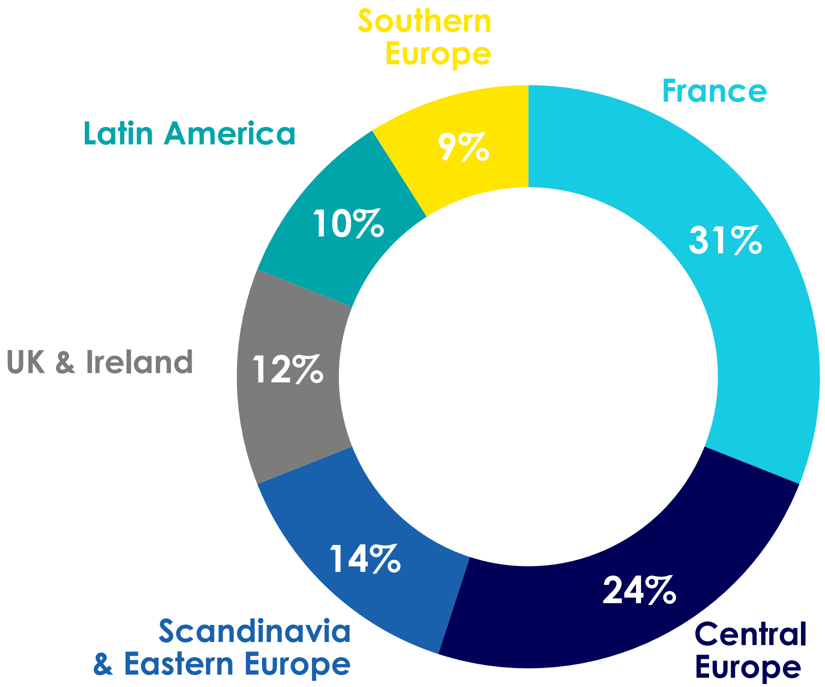
By activity



By market

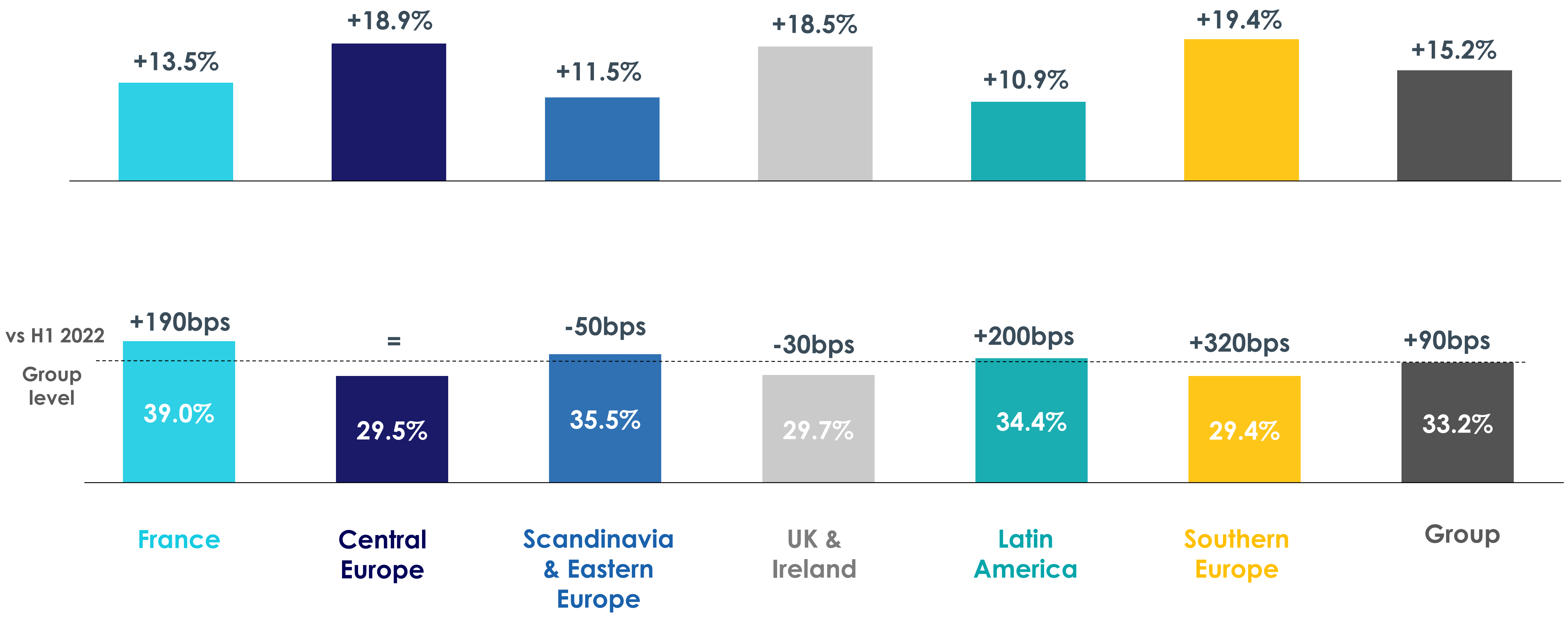


By geography



+15.2% organic growth in H1, along with +90bps margin improvement

H1 2023 organic revenue and adjusted EBITDA margin evolution by geography



Further EBIT margin improvement and net income up +158% yoy

(In €m)	H1 2023	H1 2022[1]	% change
Revenue	2,101.3	1,783.8	+17.8%
Adjusted EBITDA	698.1	576.4	+21.1%
As a % of revenue	33.2%	32.3%	+90bps
D&A	(381.7)	(344.0)	
Adjusted EBIT (A)	316.4	232.4	+36.2%
As a % of revenue	15.1%	13.0%	+200bps
Current operating income	305.3	221.2	+38.0%
Amortization of intangible assets recognized in a business combination	(41.3)	(40.7)	
Goodwill impairment	-	(58.7)	
Non-current operating income and expenses	(21.5)	(1.2)	
Operating income	242.4	120.7	+100.8%
Net financial result	(56.9)	(28.9)	
Tax	(46.7)	(38.0)	
Income from continuing operations	138.8	53.7	+158.3%
Net income	138.8	53.7	+158.3%

→ Decrease in D&A to sales: 18.2% vs 19.3% in H1 2022

→ Reevaluation of the Mexican earn-out as updated forecast is above initial expectations

→ In line with cash interest paid

Percentage change calculations are based on actual figures.
[1] Previously communicated H1 2022 numbers have been retrospectively restated from the impact of IFRS 3 (please see Appendix)

H1 2023 headline net income per share up +25.5%[1] yoy

(In €m)	H1 2023	H1 2022[2]	% change
Net income	138.8	53.7	+158.3%
Amortization of intangible assets recognized in a business combination[3]	32.9	32.6	
IFRS 2 expenses[3]	9.8	10.2	
Goodwill impairment	-	58.7	
Exceptional foreign exchange gains[3]	-	(7.9)	
Non-current operating income and expenses[3]	16.3	1.0	
Headline net income	197.7	148.4	+33.3%
Non-controlling interests	(0.0)	0.0	
Headline net income attributable to owners of the parent (A)	197.7	148.4	+33.2%
Convertible related interests (B)	(8.1)	(3.5)	
Share count - basic (C)	232.6	231.0	
Share count - fully diluted (D)	263.4	245.1	

(In €)	H1 2023	H1 2022[2]	% change
Headline net income per share = A / C	0.85	0.64	+32.3%
Fully diluted headline net income per share = (A-B) / D	0.78	0.62	+25.5%

[1] On a fully diluted basis
[2] Previously communicated H1 2022 numbers have been retrospectively restated from the impact of IFRS 3 (please see the Appendix)
[3] Net of tax effect

H1 free cash flow generation reflects normalized seasonality pattern and is in line with full-year objective

(In €m)	H1 2023	H1 2022
Adjusted EBITDA	698.1	576.4
Non-recurring items and changes in provisions	(6.8)	(2.0)
Acquisition and disposal expenses	(0.5)	(1.7)
Other	(0.9)	(0.8)
Cash flow before finance costs and tax	689.9	571.9
Net capex	(414.1)	(320.9)
Change in working capital requirement	(85.9)	(81.6)
Net interest paid	(63.7)	(53.2)
Tax paid	(56,5)	(50.8)
Lease liabilities payments - principal	(52.9)	(48.5)
Free cash flow (after lease liabilities payments)	16.9	17.0
Acquisitions of subsidiaries, net of cash acquired	(61.7)	(32.4)
Changes arising from obtaining or losing control of subsidiaries or other entities	(4.0)	(1.8)
Other cash flows related to financing activities	(4.0)	0.9
Dividends and distributions paid	(61.7)	(33.2)
Capital increase, treasury shares	0.5	0.4
Other	16.8	5.6
Net financial debt variance	(97.3)	(43.5)
	June 30, 2023	Dec 31, 2022
Net financial debt	3,275.4	3,178.0

Capex to sales at 19.7% (vs 18.0% in H1 2022) reflecting a normal H1 seasonality pattern. Full-year capex to sales is expected at c. 18.5%

Includes the payment of the first earn-out for the Mexican acquisition

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

Well-diversified financing

As of July 25, 2023 – excluding securitization program

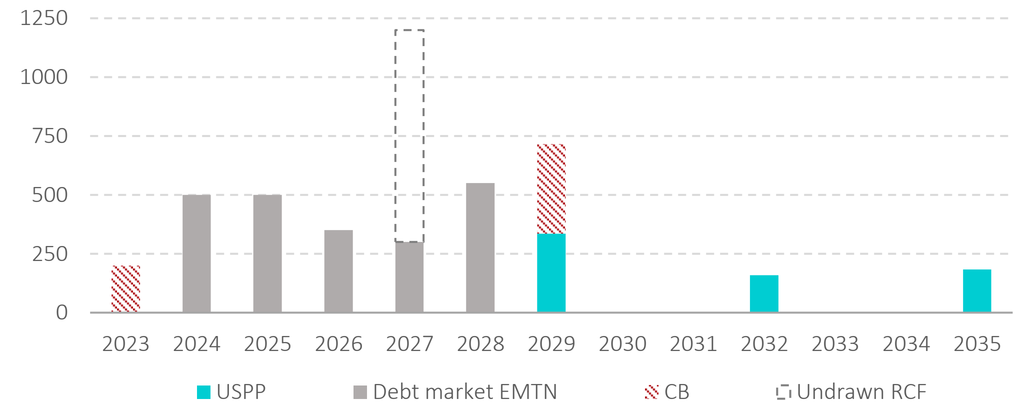
	Amount	Coupon	Maturity
Commercial paper	€244m	c. 3.9% on average	< 1 year
Convertible bond (issued Oct 2017)	€196m	0%	2023
Bond (issued Apr 2019)	€500m	1.75%	2024
Bond (issued Oct 2019)	€500m	1.00%	2025
Bond (issued Feb 2018)	€350m	2.875%	2026
Bond (issued May 2022)	€300m	4.125%	2027
Revolving credit facility	€900m	Fully undrawn	2027
Bond (issued Oct 2019)	€550m	1.625%	2028
USPP (signed Apr 2019)	€334m	2.70%	2029
Convertible bond (issued Sep 2022)	€332m	2.25%	2029[1]
USPP (signed June 2022)	€159m	3.00%	2032
USPP (signed July 2023)	€183m	5.21%	2035

[1] Bond holders have a put in 2027

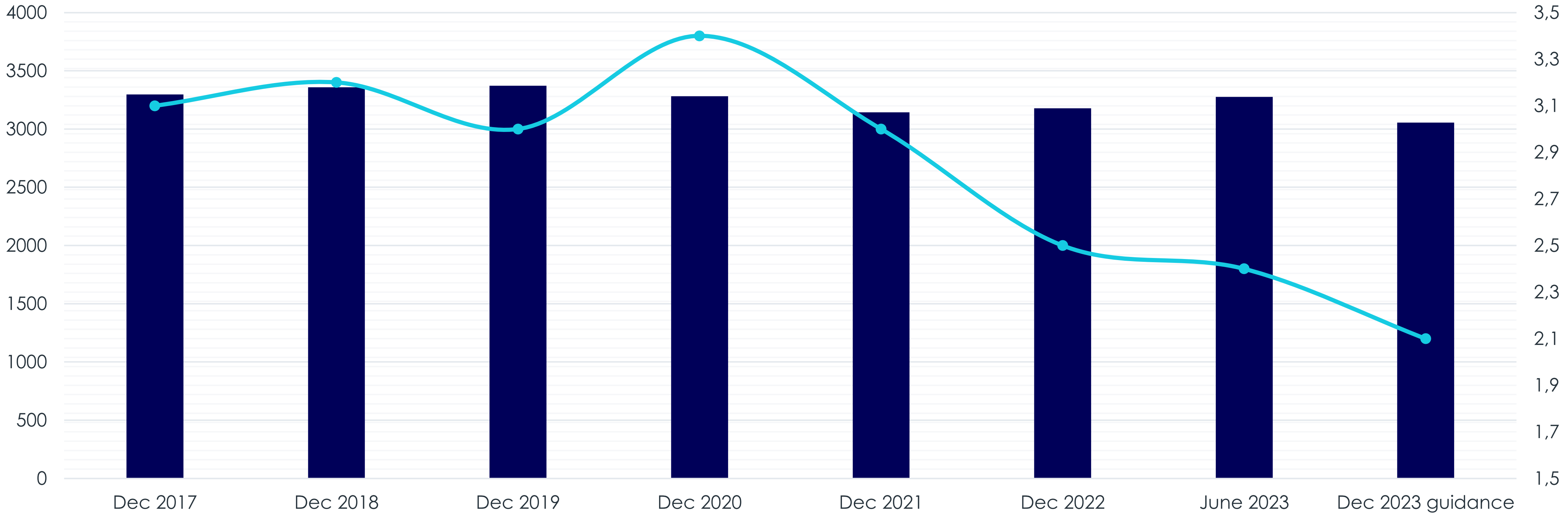
Debt and rating highlights

- Financial leverage of 2.4x as of June 30, 2023 vs 2.5x as of December 31, 2022
- €183m USPP ($200m) signed in July 2023, maturing in 2035, at 5.21% coupon
- Implementation of a non-derecognizing (i.e. no impact on working capital) securitization program since June 2023 (c. €180m)
- Proceeds from recent USPP and securitization program will be used to repay the 2024 maturity
- c. €1.3bn of available liquidity as of June 30, 2023, c. €410m in cash on the balance sheet and €900m of undrawn cash under the RCF
- The Group aims at reducing its financial debt and obtaining an improved credit rating

Maturity schedule (as of July 25, 2023), excluding commercial paper



Rapid deleveraging continues
Net financial leverage at 2.4x as of June 30, 2023



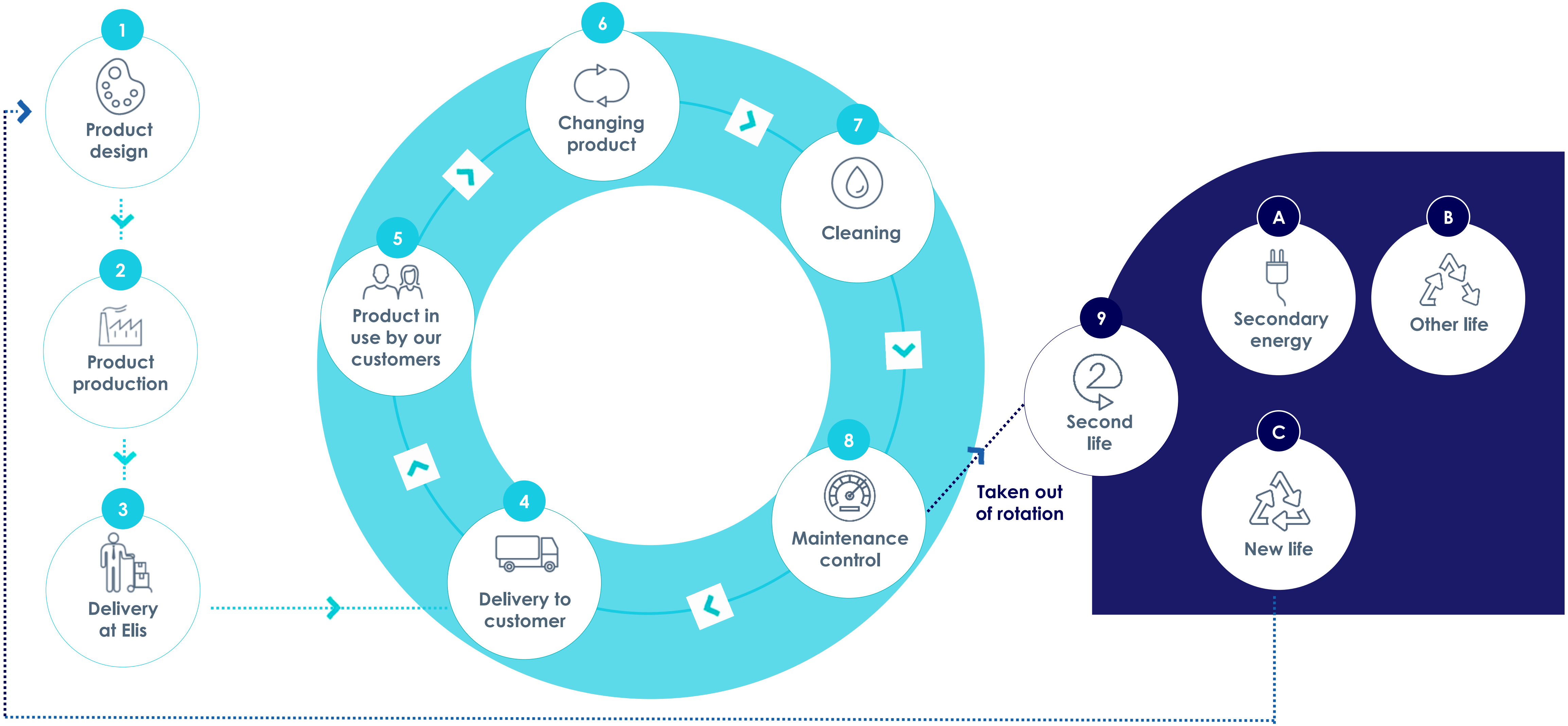
- 2020 was marked by the start of the pandemic, leading to a sharp drop in EBITDA and a slight increase in financial leverage
- Since then, Elis has steadily deleveraged; year-end 2023 net financial leverage is expected at c. 2.1x
- This deleveraging trajectory should quickly make Elis eligible for investment grade rating consideration

H1 2023 key financial takeaways

01	02	03	04
Good top line dynamism, driven by commercial momentum and pricing adjustments: organic revenue up c. +15% in H1 2023	Adjusted EBITDA margin and adjusted EBIT margin up +90bps and +200bps respectively, reflecting operating leverage along with productivity gains and the neutral balance of inflationary impacts	Headline net income up +33.3% at €198m Headline net income per share up +25.5% at €0.78 on a fully diluted basis	Further deleveraging: ratio at 2.4x at June 30, 2023, expected to continue to decrease sharply

03 A responsible business

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



A sustainable solution, creating many commercial opportunities

Circular services at work

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

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 demand 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 reduction of 31% to 62% in CO_2 emissions compared to disposable ones
- Using workwear in a product-as-a-service approach allows a reduction of up to 37% in 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, ….)
- New award from Mines Paris & Cegos France for our close loop project “Workwear to workwear”

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 early September
- -17.5% CO_2 emissions between 2019 and 2022 in absolute value (Scopes 1 and 2)

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Ambition4climate 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 deployed in more countries
- New ranges of textile products with recycled content upcoming

Some concrete examples of recent initiatives (2/2)

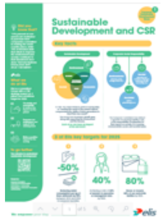
Transition to alternative vehicles and improvement in efficiency of deliveries

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

CSR is part of our day-to-day business

- CSR Board committee since July 2021
- CSR Director reports directly to the CEO
- Implementation of a €900m sustainability-linked Revolving Credit Facility
- Top 500 executives have CSR criteria as part of their LTI program. CEO has climate-related targets
- Sustainability Week organized throughout Elis in 2022. Climate Fresco deployed in some regions

CLIMATE FRESK



Improvement in many CSR ratings, rewarding Elis' initiatives

Elis ranked A- by the CDP for its 2nd year of reporting

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

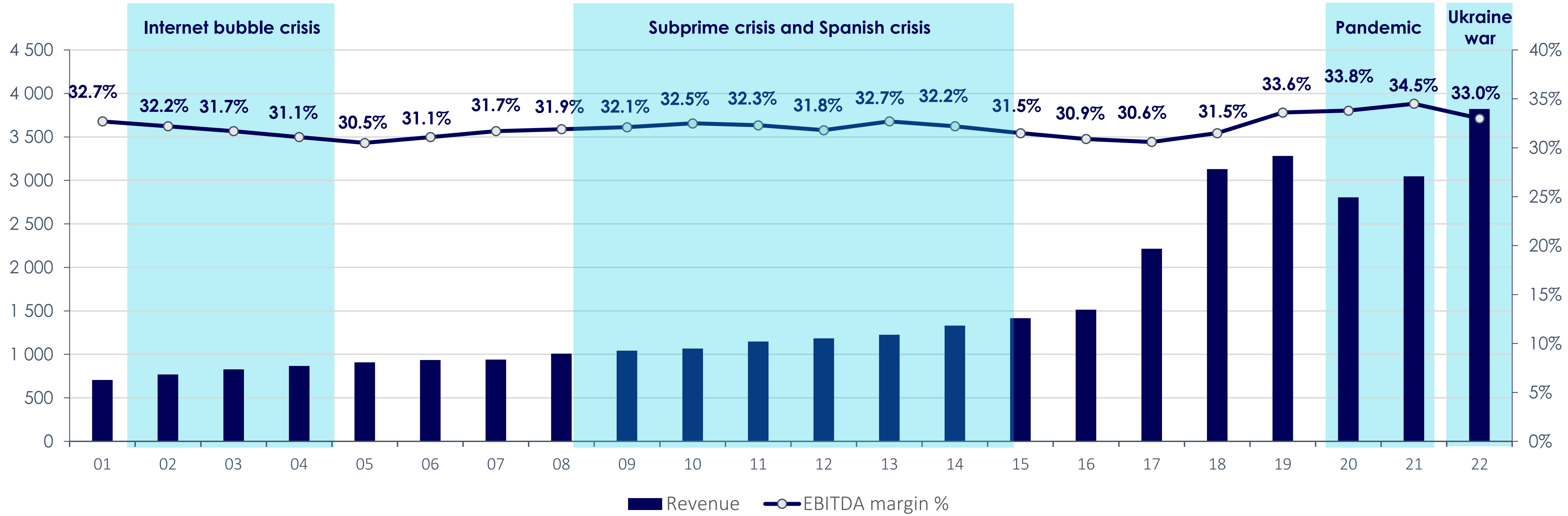
75/100 score maintained. Gold level, positioning Elis among the top 5% of 100,000 assessed companies

Gaia's rating performance maintained at Gold level ; grade up 2 pts at 75/100

Elis will present its 2030 climate targets on September 4, 2023

04 Update on 2023 outlook

Proven business resilience over the years

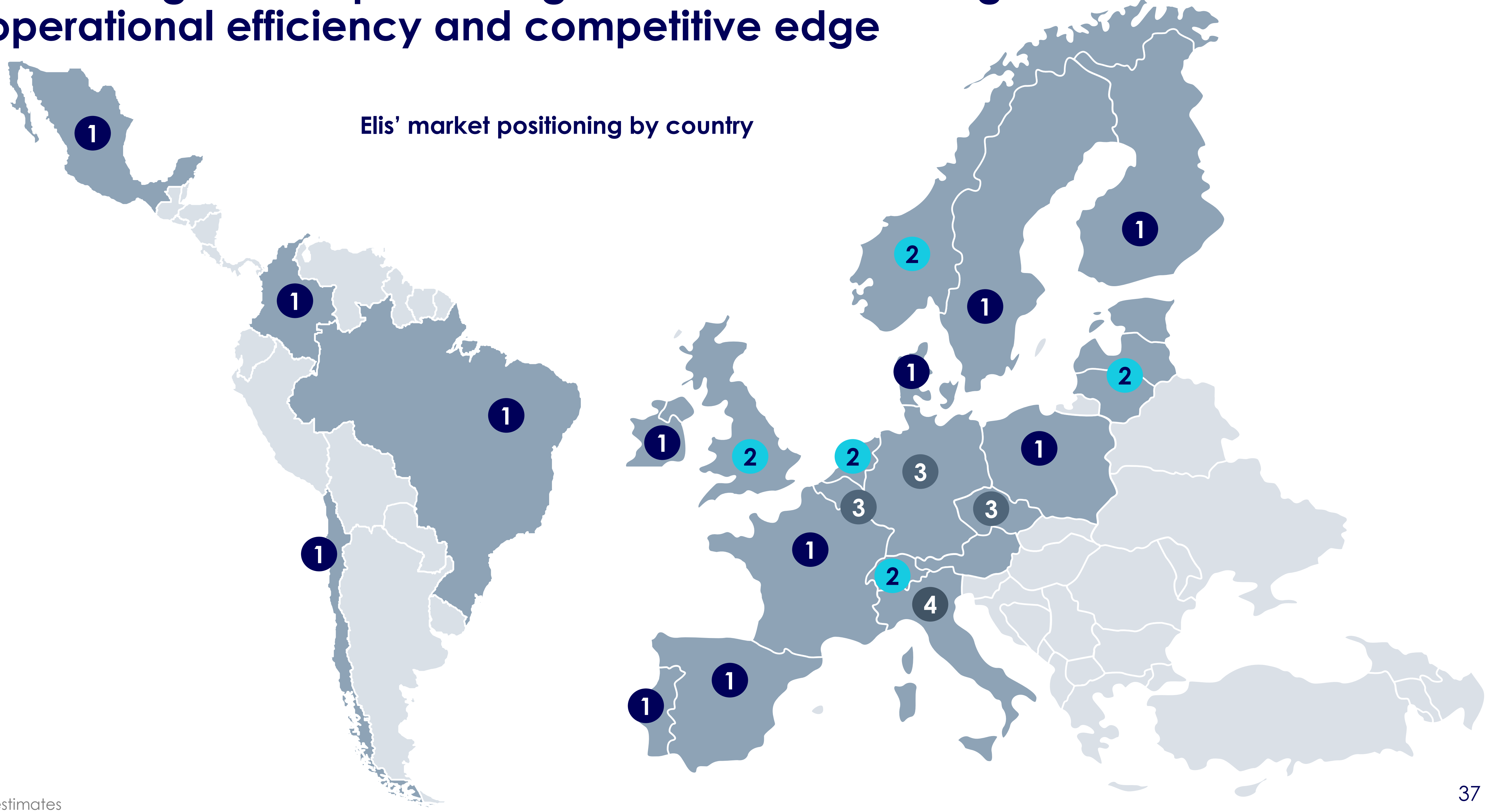


- Post-pandemic, Elis' organic growth profile is reinforced in all non-Hospitality markets
- Over the last 20 years, EBITDA margin has evolved within a narrow range
- Elis' cash generation remained strong over the recent crisis; steady free cash flow growth is expected going forward

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

Elis' strong market positioning in most its countries generates operational efficiency and competitive edge

Elis' market positioning by country



Source: Elis' estimates

Elis' end-markets are very resilient through economic downturns

End market	Main market characteristics	Main contributors to revenue
Industry 27% of total H1 2023 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 30% of total H1 2023 revenue	Healthcare is very resilient by nature	Hospitals and clinics: 80% Nursing homes: 20%
Trade & Services 18% of total H1 2023 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 H1 2023 revenue	Aside from pandemic situations (Covid, H_1N_1), the Hospitality industry delivers steady growth, driven by the development of resorts, family holiday parks, water parks, etc… Elis' activity in Hospitality (linked to occupancy) is less cyclical than hotels' (linked to RevPar)	Hotels: 80% Restaurants: 20%

Elis' 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 — 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

03 — Suppliers with high ESG standards such as Elis will benefit from the increase in tenders with an ESG component

Elis' initiatives further bolster its organic growth profile

04 — Steady increase in the share of Elis' fast-growing markets through both organic and M&A development: Latin America and Eastern European countries generally generate double-digit growth and represent an increasing share of Elis' revenue

05 — Develop in all countries what has proved successful in historical countries in terms of end-markets (open the nursing home market), products offered (focus on washroom services) or client base (address small clients)

Full-year 2023 profitability objectives raised

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Circular services at work

Organic revenue growth now[1] expected at c. +12%

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

[1] Previously expected between +11% and +13%

Adjusted EBITDA margin now[2] expected up c. +70bps

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

[2] Previously expected up c. +50bps

Adjusted EBIT now[3] expected above €660m

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

[3] Previously expected above €650m

Headline net income now[4] expected above €410m

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

[4] Previously expected above €405m

Free cash flow still expected above €260m

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

Financial leverage ratio still expected at c. 2.1x at year-end

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

September 4, 2023:
Elis' *raison d'être* and 2030 climate targets
Update on current trading

elis
Circular services at work

September 4, 2023
at 5:45pm CET / 4:45pm GMT / 11:45am EST

Speakers:

- ✓ Xavier Martiré (CEO)
- ✓ Louis Guyot (CFO)
- ✓ Claire Bottineau (CSR Director)

Connection details

Webcast link: https://edge.media-server.com/mmc/p/uwe9gw6w

Dial in for audio only & Q&A:

- ✓ France: +33 170918704
- ✓ UK: +44 1 212818004
- ✓ US: +1 718 7058796
- ✓ Germany: +49 6917415712
- ✓ Spain: +34 917699498
- ✓ Italy: + 39 02 802 09 11

Key takeaways

01

Strong financial performance in H1: Improvement of all profitability KPIs and further deleveraging

02

Price effect of c. +11% in H1 2023, along with strong commercial momentum and further operational improvements

03

Full-year 2023 profitability objectives raised

04

Elis will provide a trading update and announce its climate objectives during a webcast on September 4, 2023

05

Q&A

Appendix: Restatement of 2022 figures

IFRS 3 “Business combinations”

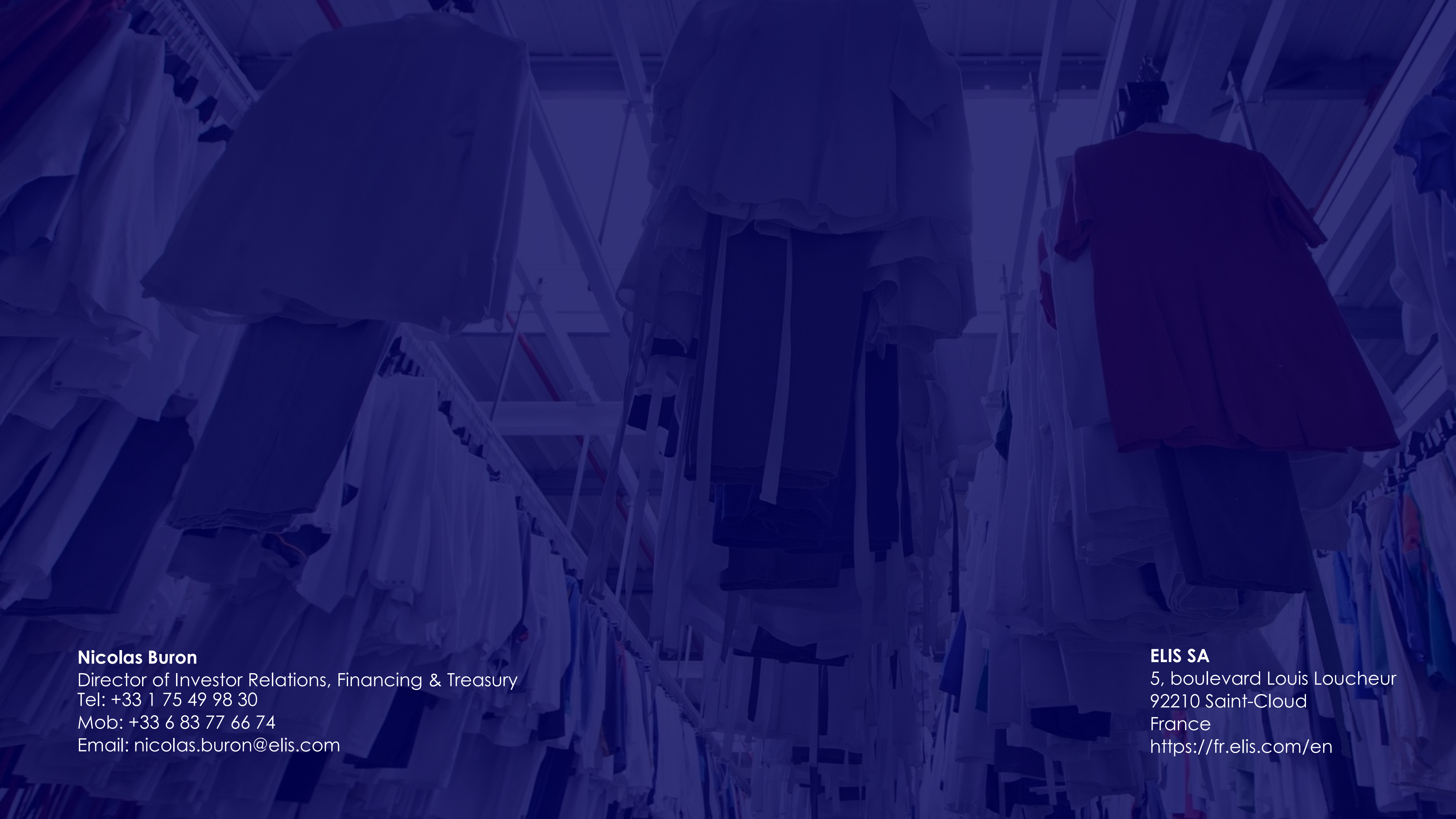
- IFRS 3 requires previously published comparative periods to be retrospectively restated for business combinations (recognition of the final fair value of the assets acquired and the liabilities and contingent liabilities assumed when this fair value was provisionally determined at the previous balance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

(in €m)	H1 2022 reported	IFRS 3	H1 2022 restated
Revenue	1,783.8	-	1,783.8
Adjusted EBITDA	576.4	-	576.4
D&A	(344.0)	-	(344.0)
Adjusted EBIT	232.4	-	232.4
Current operating income	221.2	-	221.2
Amortization of intangible assets recognized in a business combination	(40.4)	(0.3)	(40.7)
Goodwill impairment	(58.7)	-	(58.7)
Non-current operating income and expenses	(1.2)	-	(1.2)
Operating income	121.0	(0.3)	120.7
Financial result	(28.9)	-	(28.9)
Tax	(38.1)	0.1	(38.0)
Income from continuing operations	53.9	(0.2)	53.7
Net income	53.9	(0.2)	53.7

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
- **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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