Circular services at work

Full-year 2023 revenue

January 30, 2024

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The financial data for the financial year ended December 31, 2023 presented in this presentation are estimates. These estimates have been prepared in accordance with an accounting and consolidation process similar to that normally used to prepare consolidated financial statements. The accounting basis used for these estimates is consistent with the accounting methods applied by Elis and described in its consolidated financial statements. However, all annual approval procedures have not yet been completed. These estimated financial data have been reviewed by the Management Board of Elis, and have not been audited by the statutory auditors of Elis. These financial data are not derived from consolidated financial statements that have been officially approved by the Management Board of Elis. The approval of the consolidated financial statements for the financial year ended December 31, 2023 by the Management Board of Elis is scheduled for March 6, 2024. The results with respect to the financial year ended December 31, 2023 will be published on March 7, 2024, before market opening, according to the financial calendar available on the Elis's website (www.elis.com).

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This presentation includes certain non-financial metrics, as well as other non-financial data, all of which are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used to determine them. These data generally have no standardized meaning and may not be comparable to similarly labelled measures used by other companies. The Group reserves the right to amend, adjust and/or restate the data included in this presentation, from time to time, without notice and without explanation. The data included in this presentation may be further updated, amended, revised or discontinued in subsequent publications, presentations and/or press releases of Elis, depending on, among other things, the availability, fairness, adequacy, accuracy, reasonableness or completeness of the information, or changes in applicable circumstances, including changes in applicable laws and regulations.

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SUMMARY

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01 Full-year 2023 revenue

Elis delivers record revenue in 2023: €4,309m, up +12.8% yoy

Full-year 2023 organic revenue growth of +11.8%, including +8.1% in Q4

- **Good pricing momentum** throughout 2023 on the back of the adjustments implemented since 2022 to offset cost inflation
- **Average price effect was c. +9%** in 2023, with a sequential slowdown in the second half of the year, as expected
- **Further outsourcing momentum** drove many new contract wins, especially for Workwear in Southern Europe and Latin America
- Favorable comparable base in Hospitality in Q1 2023; activity was then stable throughout the year compared to 2022
- **Strict pricing discipline** led to a moderate increase in churn
- **Strong start by our Mexican operations** (consolidated since July 2022): double-digit organic revenue growth in H2 2023
- **Satisfactory activity in Q4:** organic revenue growth of +8.1%; no sign of meaningful slowdown in our clients' activity

Estimated 2023 financial results are above previously-communicated targets[1]

- **2023 adjusted EBITDA margin should be at c. 34.2%** on the back of strict pricing discipline as well as logistics and industrial process optimization
- **Other P&L aggregates should be better than anticipated** on the back of stronger EBITDA
- **2023 free cash-flow should be slightly above €300m,** driven by good cash collection at year-end
- This should result in financial leverage ratio at c. **2.0x at year-end 2023**
- Full-year 2023 results will be released on 7 March 2024 before market

2024 should be another year of profitable growth for Elis

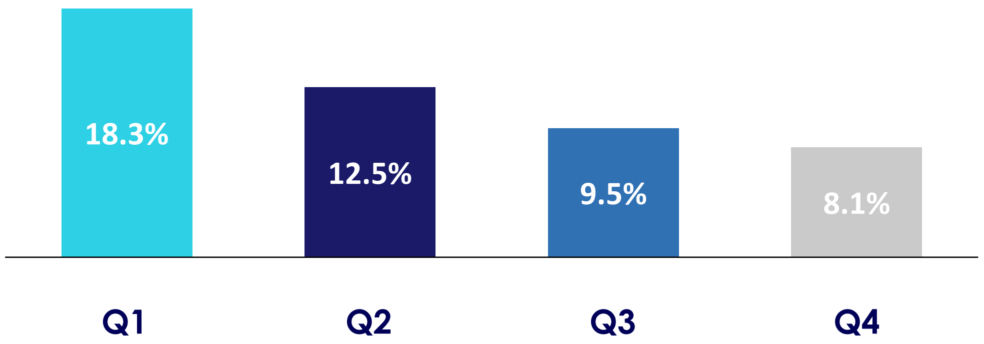
- **Visibility for 2024 is good,** both for revenue and cost base
- Our main financial indicators should see **further improvement in 2024**
- We will provide a detailed outlook for 2024 on 7 March 2024

[1] On October 26 2023, the Group confirmed the following objectives:

- *2023 adjusted EBITDA margin expected up c. +70bps yoy*
- *2023 adjusted EBIT expected above €660m*
- *2023 headline net income expected above €410m*
- *2023 headline net income per share expected above €1.65 (on a fully diluted basis)*
- *2023 free cash-flow expected above €260m*
- *Financial leverage ratio expected at c. 2.1x as of 31 December 2023*

Average pricing momentum of c. +9% in 2023, offsetting cost-base inflation

2023 organic revenue growth by quarter



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%

Elis' cost inflation for 2023: c. +9%

2023 quarterly organic revenue growth evolution in line with expectations

- Q1 benefited from an easy comparable base in Hospitality (Q1 2022 was still impacted by the Omicron variant)
- As expected, the price effect eased sequentially throughout the year, and the pricing comparable base becoming more challenging
- Elis' strict pricing discipline led to moderate volume losses, with an overall favorable impact on profitability

Minimum wage inflation is the main trigger for Elis' pricing adjustments

- Wages account for c. 60% of our costs and are therefore, by far, the most important contributor to our costs
- Wages increased across the board in 2023, especially in Germany and in the UK

Further price increase expected going forward despite lower energy prices

- Inflation in Europe is currently expected at c. +2.7% in 2024
- Minimum wages will continue to rise in all our counties in 2024
- We have therefore adjusted our prices accordingly: our contracts come with a pricing indexation formula

Multiple pricing initiatives implemented since 2022 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 also need to increase their prices
- In a limited number of cases, our pricing discipline led to the non-renewal of some contracts or led us to walk away from tenders for new contracts

Many commercial successes in 2023 driven by ongoing outsourcing and the roll-out of Elis' offer across our geographies

Strong momentum in Workwear across the board

- 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

Further market share gains in Healthcare

- 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 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
- Elis leverages its many cross-selling opportunities: Pest control and Cleanroom continued to deliver double-digit growth in 2023

Roll-out of Elis' services offer to small clients

- Elis progressively addresses smaller clients as Group density increases in a country; initiatives are already underway 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

Pest control up c. +28% per year on average since 2015

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenue	€8m	€13m	€18m	€23m	€26m	€29m	€34m	€42m	€59m
Markets adressed				Rebranding elis PEST CONTROL					
Offer	Rodents Flies Cockroaches Bedbugs Hornets Bacterias	Ants	Mosquitos			Pest Management			
Targets	Small Business retailer Restaurant Hotels Residential	Wholesale						Food industry Chemical Pharma BtoC	
Major acquisitions			HTPE Hygienis				Chrisal A/S Dansk skadedyrsservice PESTGUARD		GRUPPOINDACO ctl sanidad ambiental

Cleanroom: A fast-growing market in which Elis has second-to-none know-how

Key figures

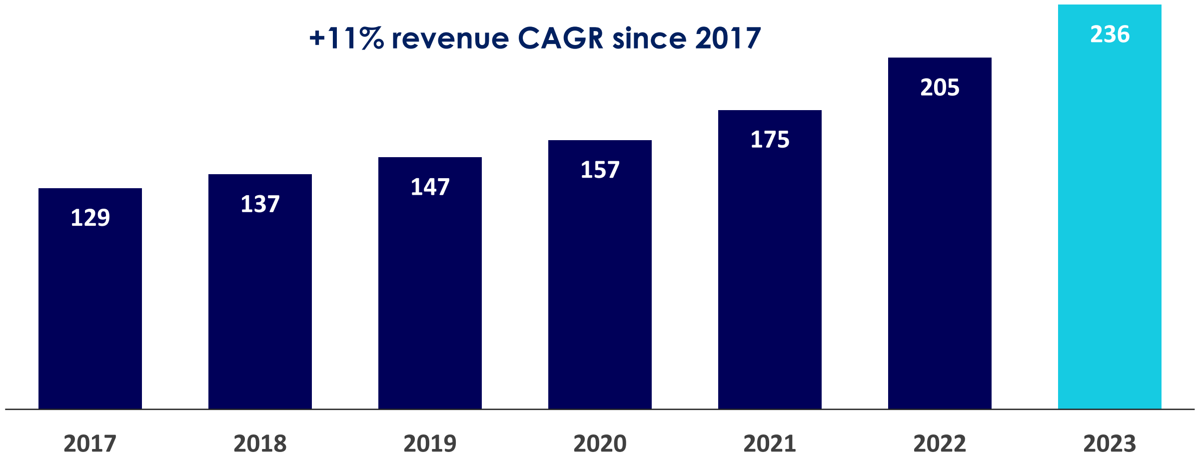
- Over 1,600 employees in 30 Cleanroom laundries
- Over 4,000 customers
- Present in 17 countries and on 2 continents
- Over 1.6 million Cleanroom articles washed per week
- Around 7 acquisitions since 2000

What do we offer

- Cleanroom garments
- Cleanroom mops & wipes
- Cleanroom footwear
- Cleanroom goggles
- Cleanroom mats



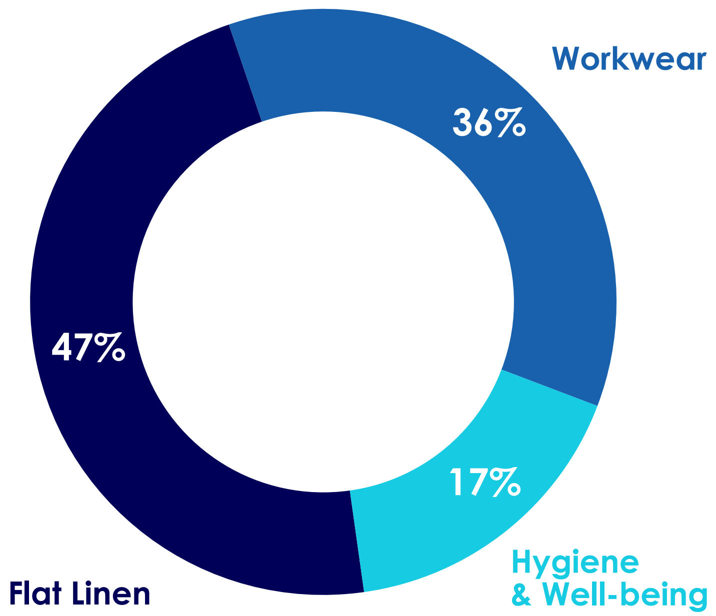

Historical revenue evolution 2017-2023 (in million euros)



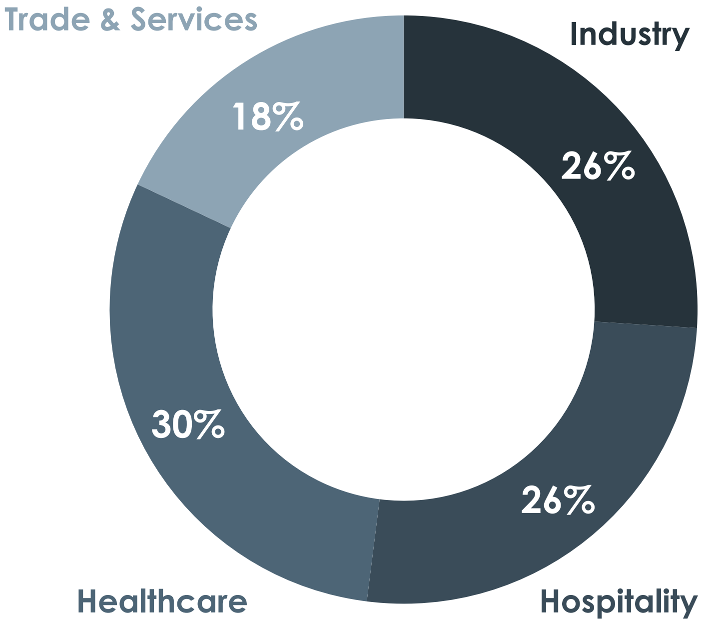
Breakdown of 2023 revenue

Elis offers a highly diversified and well-balanced profile

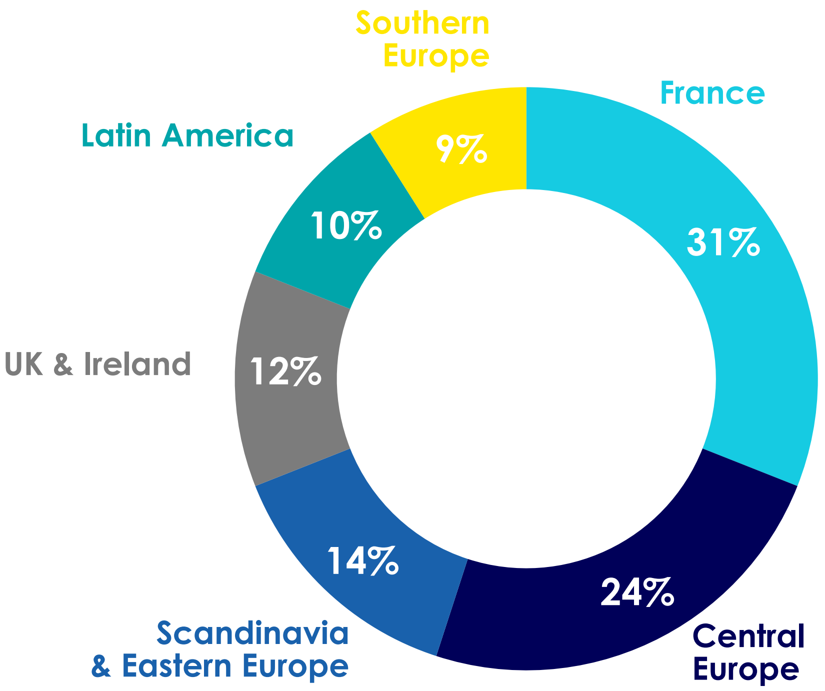
By activity



By market



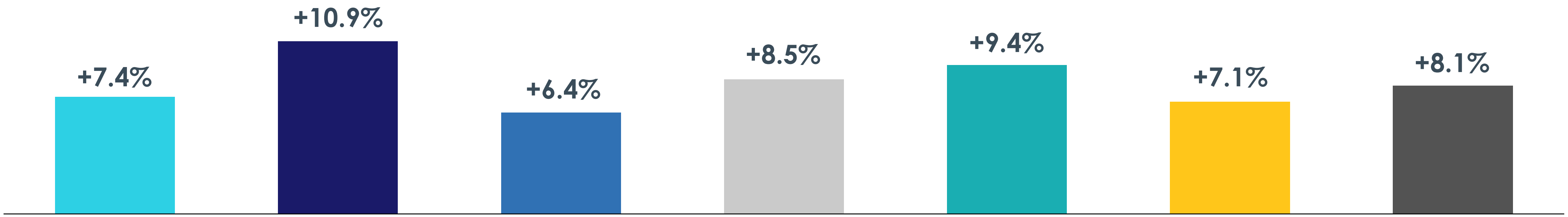
By geography



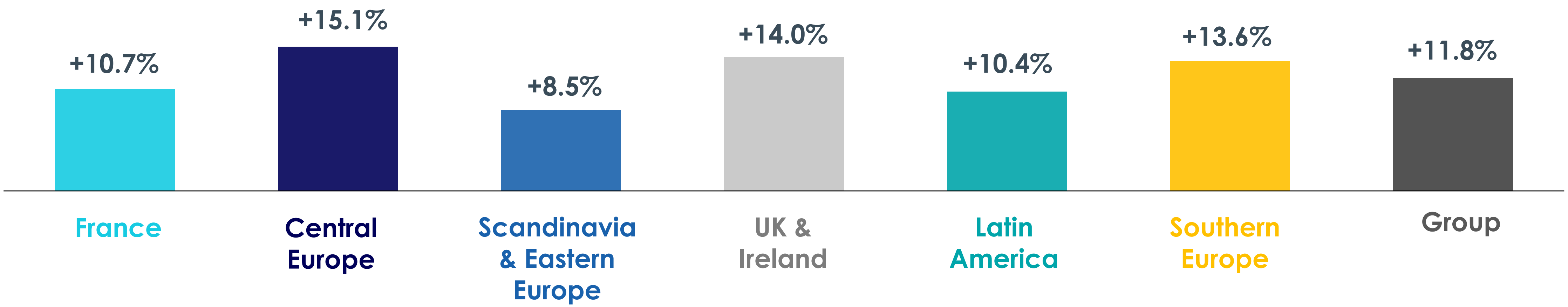
FY 2023 organic revenue growth stands at +11.8%, with +8.1% in Q4

Circular services at work

Q4 2023 organic revenue evolution by geography



Full-year 2023 organic revenue evolution by geography

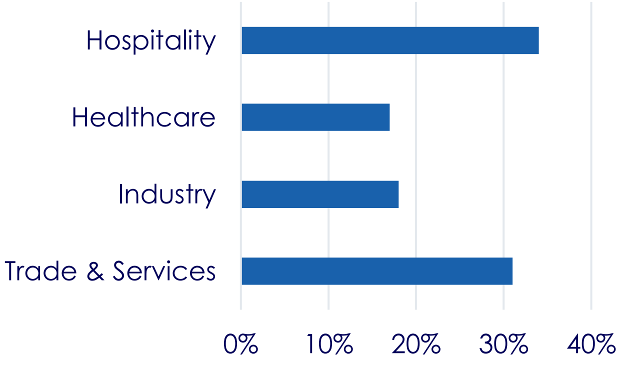


France: Good growth momentum driven by commercial activity and pricing adjustments

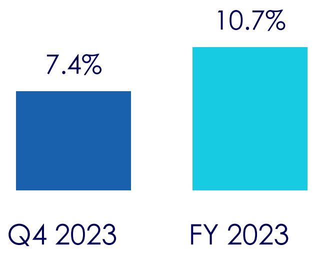
+10.7% revenue growth in 2023 (entirely organic)

- Good pricing dynamic driven by the adjustments implemented since 2022 to offset cost inflation
- Some contract wins in Workwear and in Pest control
- Slight decrease in our activity with small clients, especially for non-essential services in a more sluggish environment
- In Hospitality, comparable base was easy Q1 but tougher during the summer season; all in, activity was stable yoy

Breakdown of 2023 revenue by end-market



Q4 2023 and FY 2023 organic revenue growth

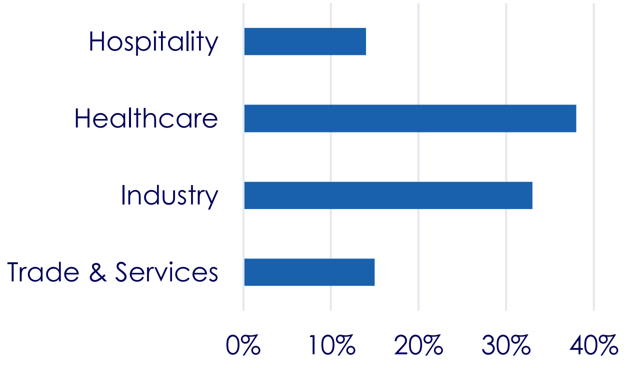


Central Europe: Strong organic revenue growth driven by good pricing momentum in Germany

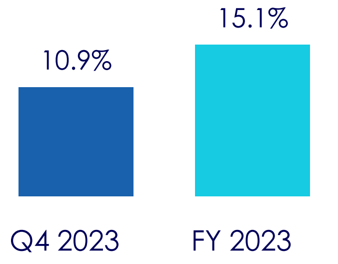
+16.5% revenue growth in 2023 (+15.1% organically)

- Good progress in the Workwear business across the region, driven by new outsourcing, especially in Germany and in the Netherlands
- +17% organic growth in Germany: strong pricing effect corresponding to the delayed implementation of 2022 adjustments
- Our selective approach when renewing an existing contract or bidding for a new one, led to moderate volume decline, mainly in Healthcare in Germany

Breakdown of 2023 revenue by end-market



Q4 2023 and FY 2023 organic revenue growth

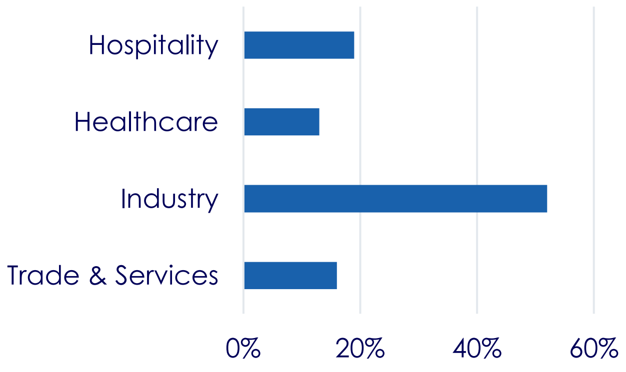


Scandinavia & Eastern Europe: Good commercial momentum and strong pricing discipline

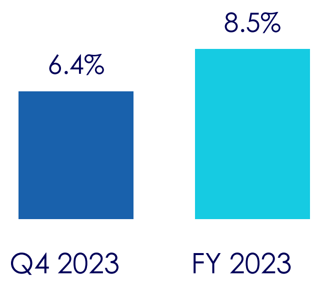
+3.2% revenue growth basis in 2023 (+8.5% organically)

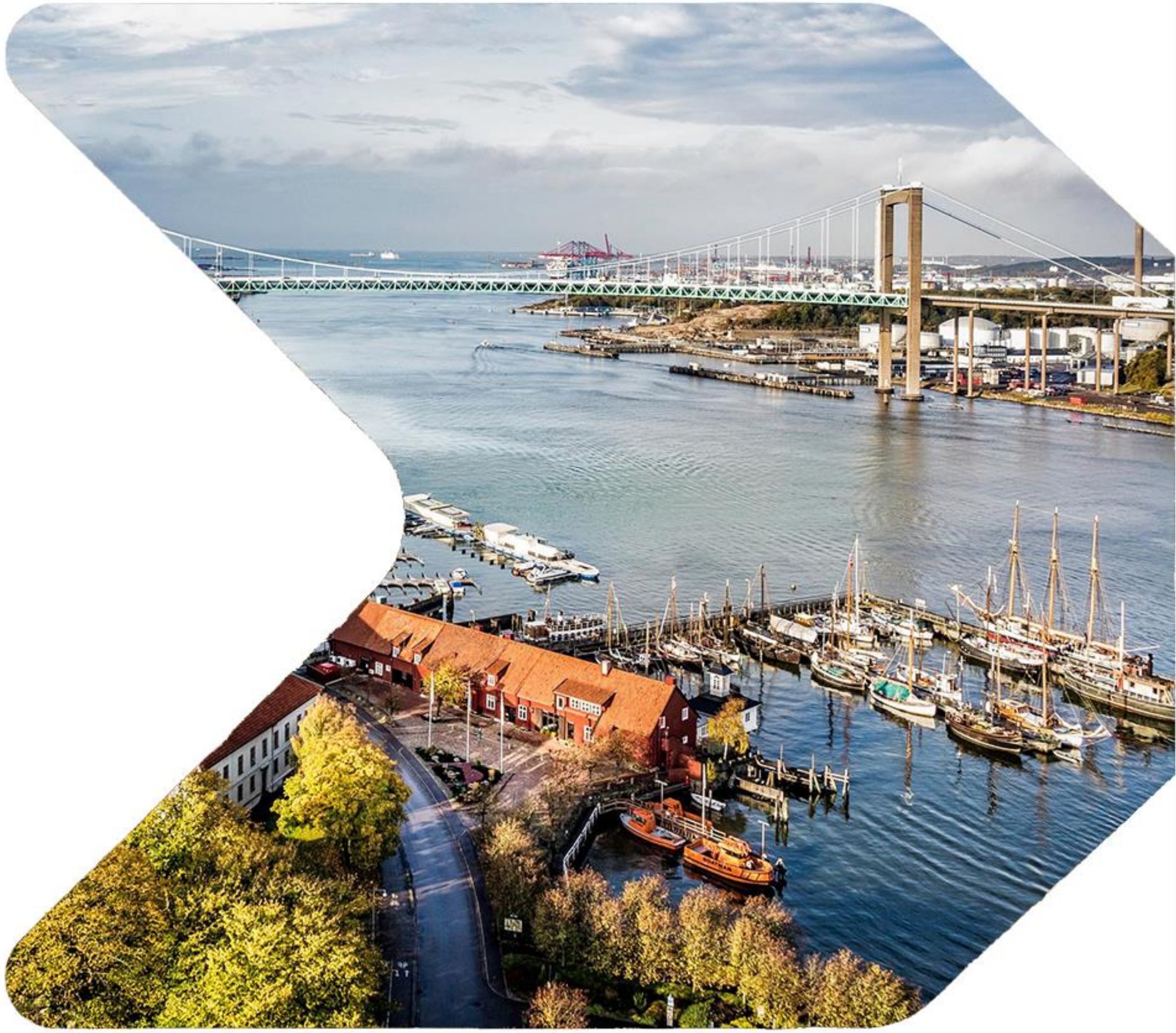
- Further gains in Workwear/Cleanroom business in Sweden and in Denmark
- Satisfactory activity in Hospitality
- Good pricing momentum and strong pricing discipline
- Negative effect from the evolution of SEK and NOK
- Some slowdown in our activity with our small clients, especially in Sweden and Denmark

Breakdown of 2023 revenue by end-market



Q4 2023 and FY 2023 organic revenue growth



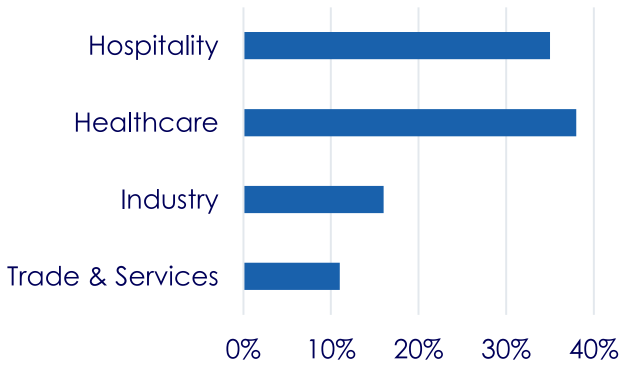


UK & Ireland: Good performance on the back of pricing adjustments and strong commercial effort

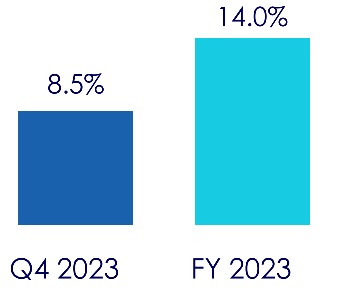
+12.3% revenue growth in 2023 (+14.0% organically)

- Very solid pricing momentum
- Strong momentum in Healthcare
- Strong commercial effort led to further growth in Workwear despite sluggish economic environment in the UK
- Consistent pricing discipline sometimes led to volume losses in Hospitality

Breakdown of 2023 revenue by end-market



Q4 2023 and FY 2023 organic revenue growth

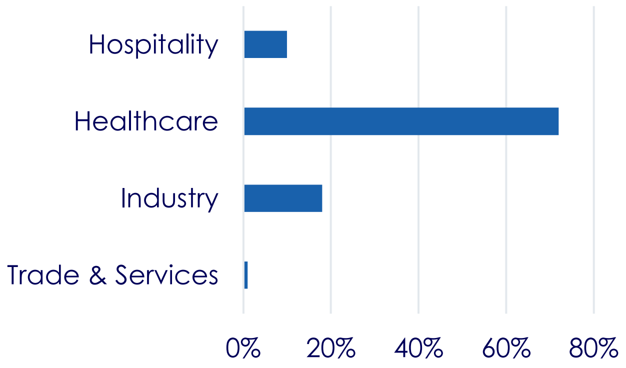


Latin America: Strong start of our Mexican operations

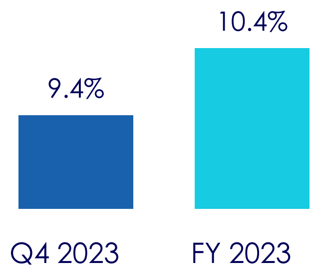
+28.1% revenue growth in 2023 (+10.4% organically)

- Our Mexican operations (consolidated since July 2022) delivered double-digit organic revenue growth in H2 2023
- Further outsourcing, notably in Healthcare
- Pricing momentum remains strong, with a lag now in our favor as inflation is receding
- Very limited number of volume losses

Breakdown of 2023 revenue by end-market



Q4 2023 and FY 2023 organic revenue growth

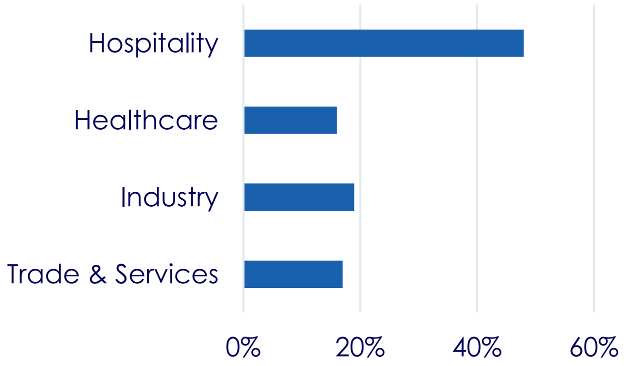


Southern Europe: Solid outsourcing momentum along with good pricing and development in Pest Control

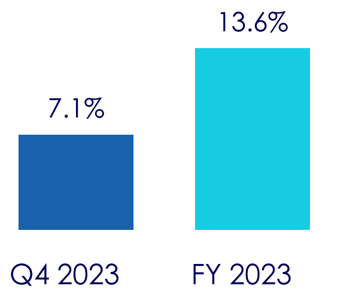
+14.7% revenue growth in 2023 (+13.6% organically)

- Outsourcing trend continues with new contract wins in Workwear throughout the year, especially with clients in the food processing industry
- Pricing level was satisfactory
- Activity in Hospitality returned to 2019 level (pre-Covid)
- Further development of our Pest Control platform in the region with 2 acquisitions in Spain and in Italy (+1.1% contribution to the growth in 2023)

Breakdown of 2023 revenue by end-market



Q4 2023 and FY 2023 organic revenue growth



Very strong performance of the Mexican business acquired in 2022
Limited M&A activity in 2023; 2024 will be more active

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

- Revenue of c. €120m in 2023 with adjusted EBITDA margin above 40%
- Double-digit organic revenue growth in H2 2023
- 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 2023

- Total impact of M&A on 2023 revenue: +1.8%, essentially linked to the Mexican acquisition
- Acquisition of Pest Control businesses in Italy in June and in Spain in November
- Fewer projects currently under review: potential sellers are likely waiting to deliver normalized 2023 numbers before coming to the market

Signing of the acquisition of Moderna, a c. 50m revenue Dutch player announced early January 2024

- Strong player in Flat Linen for Hospitality
- Very modern plant which can address the entire country
- Closing expected by the end of Q1 2024

Disciplined M&A approach

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

02

Update on 2023 outlook and first take on 2024

Estimated 2023 financial results are above previously-communicated targets[1]

2023 adjusted EBITDA margin expected at c. 34.2% (up +120bps)

- ✓ Driven by strict pricing discipline as well as logistics and industrial process optimization
- ✓ This represents a c. +€215m yoy improvement

Other P&L aggregates should be better than anticipated

- ✓ Driven by stronger EBITDA

2023 free cash flow expected at c. €300m

- ✓ Driven by good cash collection at year-end
- ✓ This represents a c. +€75m yoy improvement

Year-end 2023 financial leverage ratio expected at c. 2.0x

- ✓ Driven by higher EBITDA and stronger cash generation

[1] On October 26 2023, the Group confirmed the following objectives:

- *2023 adjusted EBITDA margin expected up c. +70bps yoy*
- *2023 adjusted EBIT expected above €660m*
- *2023 headline net income expected above €410m*
- *2023 headline net income per share expected above €1.65 (on a fully diluted basis)*
- *2023 free cash-flow expected above €260m*
- *Financial leverage ratio expected at c. 2.1x as of 31 December 2023*

2024 should be another year of profitable growth for Elis

Circular services at work

Visibility is very good

- Most pricing adjustments for 2024 are already implemented or scheduled
- Minimum wage increases have already been announced in most countries and have therefore been factored in our pricing adjustments
- Hedging in place for virtually 100% of 2024 energy volumes

We see no sign of significant slowdown across our markets and geographies

- Reassuring discussions with clients regarding activity
- Elis' end-markets are very resilient through economic downturns

We will provide a detailed outlook for 2024 on 7 March 2024

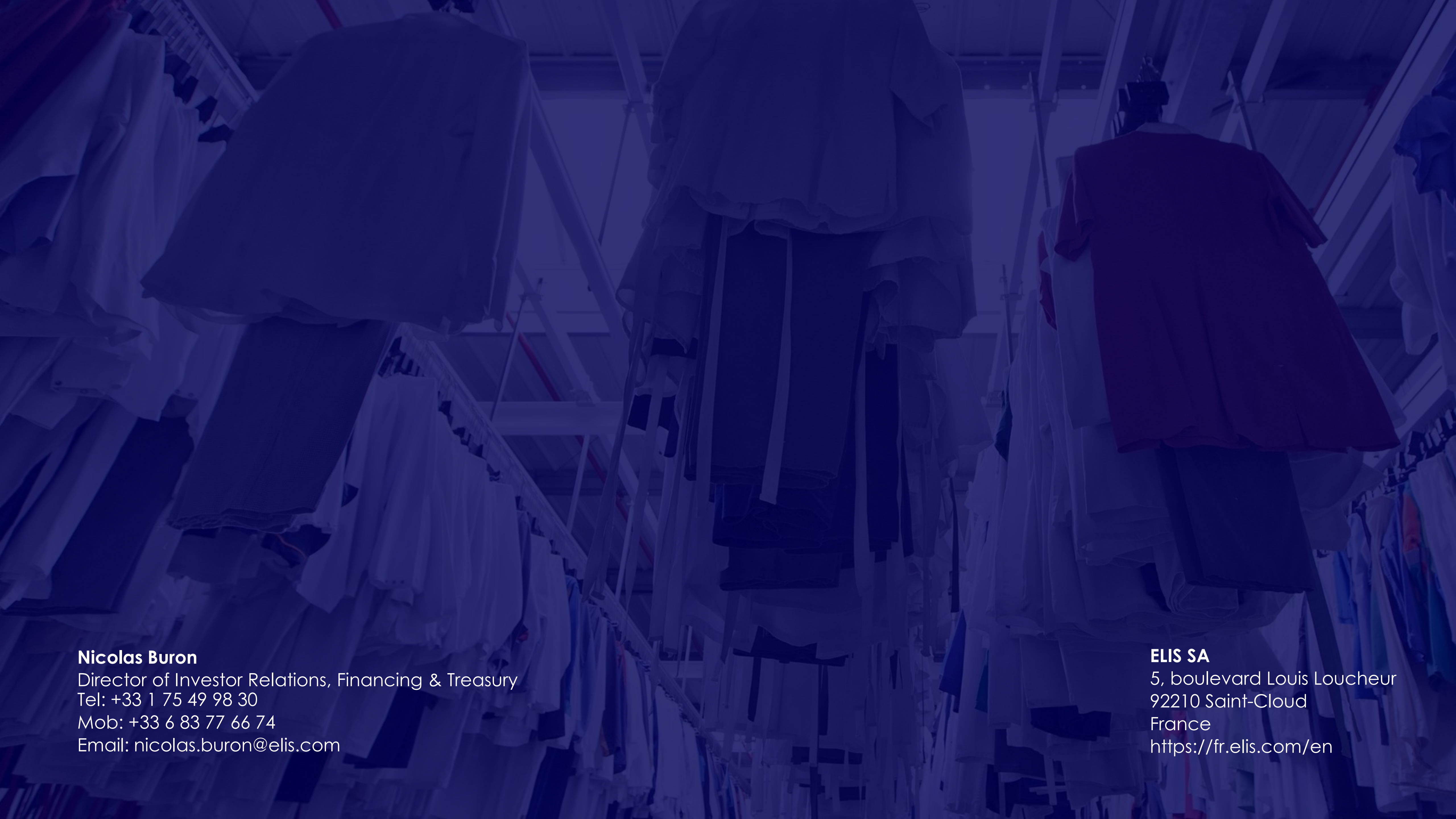
03

Q&A

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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