

Press release

Pluxee presents strategic growth plan at Capital Markets Day ahead of expected listing on February 1, 2024

- Global player in large and growing Employee Benefits and Engagement market with highly scalable and cash generative business model
- Strategic plan focused on sustaining profitable growth by reinforcing leadership in Meal & Food benefits and augmenting Employee Benefits and Engagement offer
- Mid-term Fiscal 2026 financial objectives of low double-digit organic revenue growth, recurring EBITDA margin improvement to c. 37% and high average cash conversion level above 70%
- Prospectus approved and passported – Pluxee expected to list on Euronext Paris on February 1, 2024, subject to Sodexo shareholder approval on January 30, 2024 and market conditions
- Continued positive momentum in Q1 Fiscal 2024 with 20% revenue organic growth year-on-year

Paris: January 10, 2024 // Pluxee (the “Group”), a global player in Employee Benefits and Engagement, will hold today a Capital Markets Day where Chief Executive Officer Aurélien Sonet and his management team will present Pluxee's strategic plan and Fiscal Year 2024 and 2026 financial objectives.

Pluxee is expected to become an independent public company through the distribution of 100% of its shares to Sodexo shareholders on a one-for-one basis, i.e. one Pluxee share for each Sodexo share held. Its shares will start trading on Euronext Paris at market open on February 1, 2024, subject to approval of the distribution at Sodexo's Shareholders Meeting on January 30, 2024, and market conditions.

Aurélien Sonet, CEO of Pluxee, commented:

“With a 45-year track record of profitable growth, Pluxee’s listing marks the next phase of our journey as a leading global provider of Employee Benefits and Engagement solutions. Today we are presenting our strategy to sustain profitable growth in a large and expanding market, bringing to life a personalized and sustainable employee experience at work and beyond.”

We are confident in our ability to achieve the ambitious strategic and financial objectives we are announcing today. Powered by talent, investment in technology and data, and a disciplined and targeted M&A approach, we will build on the strong momentum demonstrated in recent years and pursued in the first quarter of Fiscal 2024. Under the leadership of our talented management team backed by an experienced Board of Directors, Pluxee is now set to realize its full potential.”

Pluxee, a global player in the Employee Benefits and Engagement market

With an established presence in 31 countries, Pluxee's highly scalable and cash-generative business model connects more than 500,000 clients and 1.7 million merchants to 36 million consumers. In Fiscal 2023, Pluxee issued €22.8 billion in business volume and generated recurring EBITDA of €363 million on €1,052 million of total revenue, corresponding to a c. 34.5% recurring EBITDA margin.

Pluxee's opportunities on a sizeable, attractive and vastly underpenetrated market

The total addressable Employee Benefits and Engagement market, which includes Meal & Food and Lifestyle benefits as well as Employee Engagement, Reward & Recognition, is estimated by the Group to be worth more than €1 trillion. This is underpinned by employers' increasing need to attract, retain and engage employees and is supported by wider macro trends. The Group's management estimates that the total meal and food addressable market is expected to grow to roughly between €250 billion and €260 billion in business volume by 2026.

Pluxee strategic plan to sustain profitable growth

Pluxee aims to reinforce its leadership in Meal & Food benefits and augment its wider Employee Benefits and Engagement offer. The strategy execution will be deployed through six initiatives:

1. Elevate Pluxee's benefits offering to address evolving client and consumer needs;
2. Expand merchant engagement to reinforce win-win partnership;
3. Scale up existing presence in Employee Engagement, Reward & Recognition;
4. Acquire new clients with a focus on SMEs through a segmented sales and marketing strategy;
5. Unlock full client potential, notably through cross-selling; and
6. Drive profitability through efficiency gains and operating leverage.

These initiatives are enabled by Pluxee's talents, leading scalable technology and data capabilities, and a disciplined M&A approach. Pluxee's overarching sustainability commitment is fully embedded in its strategy.

Post spin-off, Pluxee will benefit from a strong balance sheet to execute its growth strategy. As of August 31, 2023, the net cash position was €859 million. The Group has secured a robust financial package, including a bridge loan of €1.5 billion and a revolving credit facility of €0.65 billion.

Financial Objectives

Pluxee's Fiscal 2024 and 2026 financial objectives focus on delivering sustainable organic revenue growth, improving its recurring EBITDA margin and maintaining high cash conversion levels.

	FY 2024	Mid-term FY 2026
Organic revenue growth	Low double-digit	Low double digit per year
Recurring EBITDA margin	At least stable, after absorbing standalone costs	c.37% for FY 2026
Cash conversion	Above 70% on average over FY 2024 - 2026	
CAPEX	c.10% of revenues on average, with a significant focus on tech	
Dividend policy	At least 25% of net profit from FY 2024 onwards	

Q1 Fiscal 2024 Trading Update

Over Q1 Fiscal 2024, Pluxee continued to benefit from a strong business momentum, backed by continued supportive macro tailwinds.

Revenues by reported Operating Segment <i>(in million euros)</i>	Q1 Fiscal 2024	Q1 Fiscal 2023	Organic Growth <i>(in % change)</i>	Currency Effects <i>(in % change)</i>
Operating Revenue	231	208	12.9%	-1.6%
Float Revenue	35	18	99.5%	-4.4%
Total	266	225	19.7%	-1.8%

Total revenues reached €266 million, up 19.7% organically, slightly offset by currency translation effects including the application of hyperinflationary accounting to Turkey. Operating revenue generated solid organic growth of 12.9%. Float revenue increased 99.5% organically, primarily due to a growing Float as well as substantial interest rate increases.

Revenues by reported Lines of Services <i>(in million euros)</i>	Q1 Fiscal 2024	Q1 Fiscal 2023	Organic Growth <i>(in % change)</i>	Currency Effects <i>(in % change)</i>
Employee Benefits	224	183	24.3%	-2.0%
Other products and services	42	42	0.1%	-1.1%
Total	266	225	19.7%	-1.8%

Employee Benefits revenues reached €224 million, generating 24.3% year-on-year organic growth, mainly due to face value increase as well as new client acquisition and portfolio expansion. Other products and services generated revenues of €42 million, in line with Q1 Fiscal 2023, as a result of a high comparison base in Public Benefits.

Revenues by reported Regions <i>(in million euros)</i>	Q1 Fiscal 2024	Q1 Fiscal 2023	Organic Growth <i>(in % change)</i>	Currency Effects <i>(in % change)</i>
Continental Europe	109	96	13.6%	0.1%
Latin America	110	85	28.6%	0.4%
Rest of the world	48	45	15.7%	-9.8%
Total	266	225	19.7%	-1.8%

Pluxee reported double-digit organic growth in the three regions where the Group operates, as a result of higher volumes driven by new contracts, face value increase and good client net retention as well as an increase in float revenues.

Other disclosures

The Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) has approved the prospectus relating to the admission to listing and trading of Pluxee shares on the regulated market of Euronext Paris in connection with the announced spin-off. This prospectus has been passported to the French Authority for Financial Markets (*Autorité française des marchés financiers*). Any potential investor in the Pluxee shares should make their investment solely on the basis of information contained in the prospectus, including the risk factors described therein. Potential investors should read the prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in the Pluxee shares.

100% of Pluxee shares will be distributed to Sodexo shareholders as a distribution in kind on a one-for-one basis i.e. one Pluxee share for each Sodexo share held. The technical reference price for the Pluxee shares is expected to be announced on January 31, 2024, through issuance of a notice by Euronext Paris S.A. after market close on Euronext Paris.

The prospectus is available on the websites of Pluxee www.pluxeegroup.com and Sodexo www.sodexo.com

As part of the spin-off and listing process, Pluxee also published its Articles of Association and the Board Rules on its website www.pluxeegroup.com

The Capital Markets Day will take place today at 2.00pm CET and can be accessed via the following [link](#). The presentation can be found on www.pluxeegroup.com, as well as on www.sodexo.com. A replay will also be available.

About Pluxee

Pluxee is a global player in employee benefits and engagement that operates in 31 countries. Pluxee helps companies attract and retain talent thanks to a broad range of benefits and engagement solutions across Meal & Food, Wellbeing, Lifestyle, Reward & Recognition, and Public Benefits.

Powered by leading technology and more than 5,000 engaged team members, Pluxee acts as a trusted partner within a highly interconnected B2B2C ecosystem made up of more than 500,000 clients, 36 million consumers and 1.7 million merchants.

Conducting its business as a trusted partner for more than 45 years, Pluxee is committed to creating a positive impact on all its stakeholders, from driving business to local communities, to supporting wellbeing at work for employees while protecting the planet.

For more information: www.pluxeegroup.com

About Sodexo

Founded in Marseille in 1966 by Pierre Bellon, Sodexo is the global leader in sustainable food and valued experiences at every moment in life: learn, work, heal and play. The Group stands out for its independence, its founding family shareholding and its responsible business model. Its portfolio of activities includes Sodexo Food and Facilities Management Services and Pluxee Employee Benefit Solutions, activity for which the Group announced a spin-off with a listing expected on February 1, 2024.

Sodexo meets all the challenges of everyday life with a dual goal: to improve the quality of life of our employees and those we serve, and contribute to the economic, social and environmental progress in the communities where we operate. For Sodexo, growth and social commitment go hand in hand. Our purpose is to create a better everyday for everyone to build a better life for all.

Sodexo is included in the CAC Next 20, CAC 40 ESG, CAC SBT 1.5, FTSE 4 Good and DJSI indices.

Sodexo Key Figures

- 22.6 billion euros Fiscal 2023 consolidated revenues
- 430,000 employees as at August 31, 2023
- #1 France-based private employer worldwide
- 45 countries
- 80 million consumers served daily
- 15.1 billion euro in market capitalization (as at January 4, 2024)

Forward-looking statements

This release contains forward-looking statements that reflect the Group's intentions, beliefs or current expectations and projections about the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Group operates. Forward-looking statements involve all matters that are not historical facts. The Group has tried to identify forward-looking statements by using words as "may", "will", "would", "should", "expects", "intends", "estimates", "anticipates", "projects", "believes", "could", "hopes", "seeks", "plans", "aims", "aspires", "objective", "potential", "goal", "strategy", "target", "continue", "annualized" and similar expressions or negatives thereof or other variations thereof or comparable terminology, or by discussions of strategy that involve risks and uncertainties. The absence of these words, however, does not mean that the statements are not forward-looking.

All of Pluxee's forward-looking statements involve risks and uncertainties (some of which are significant or beyond Pluxee's control) and assumptions that could cause actual results to differ materially from Pluxee's historical experience and Pluxee's present expectations or projections. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those set forth in the forward-looking statements.

Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. Pluxee undertakes no duty to and will not necessarily update any of the forward-looking statements in light of new information or future events, except to the extent required by applicable law.

Disclaimer

This press release is intended for informational purposes only for the shareholders of Sodexo. This press release is not intended for distribution in jurisdictions that require prior regulatory review and authorization to distribute a press release of this nature.

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