Press release

2023 Full-Year results – A record year for SPIE

- Exceptional level of organic growth at +8.4%
- Strong EBITA margin increase +40 bps (vs. 2022) at 6.7%, exceeding guidance
- Record level of free cash flow including cash conversion well above 100%
- Leverage ratio at all-time low and a sound financial structure
- Very strong delivery on our bolt-on acquisitions strategy
- 48% of Group revenue aligned with EU Taxonomy

2024: Looking at another strong year

Cergy, March 7th, 2024

Outstanding financial performance in 2023

- Revenue: €8,709 m, up +7.6% vs. 2022, including an exceptional +8.4% organic growth reflecting the strong momentum on our markets, as well as our ability to increase prices in an inflationary context
- Significant increase of EBITA, up +14.3% (vs. 2022) at €584.2 m
- EBITA margin exceeding guidance at 6.7% of revenue; +40 bps vs. 2022, despite an inflationary context, and thanks to our unabating focus on operational excellence and our selectivity approach which is even higher in a context of strong demand for our services
- Adjusted net income[1]: €344.0 m (+14.2% vs. 2022)
- Net income Group share: €238.5 m (+57.4% vs. 2022)
- Recommended dividend for FY2023: €0.83 per share[2], up +13.7% vs. 2022

Very strong cash generation and a leverage ratio at all-time low

- Exceptional level of free cash flow at €427 m (+35.6% vs. 2022), with a cash conversion at 109% well above our target of 100%, supported by a structurally highly negative working capital ((37) days of revenue at the end of December 2023) illustrating our rigorous focus on cash
- Further deleveraging down to 1.2x[3] at December 31st, 2023 (compared to 1.6x at December 31st, 2022)
- Successful refinancing with very attractive conditions in early 2023 and no upcoming maturities before 2026
- In 2023, SPIE was upgraded to BB+ by both S&P and Fitch

Very strong delivery on our M&A activity with more than €700 million of yearly revenue acquired

- 9 bolt-on acquisitions reinforcing our footprint in France, Germany, the Netherlands as well as building a position in the offshore wind sector at SPIE Global Services Energy (former SPIE Oil & Gas Services)

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[1] Adjusted for i) operating income items restated from the Group's EBITA, ii) the change in fair value and amortisation costs of derivative related to the ORNANE, and iii) the corresponding normative tax income adjustment

[2] Subject to shareholders' approval at the next Annual General Meeting on May 3rd, 2024

[3] Ratio of net debt excluding the impact of IFRS 16 at end December to pro forma EBITDA (including full-year impact of acquisitions and disposals) on a trailing twelve-month basis

- SPIE nurtures a rich pipeline of opportunities and pursues the consolidation of its key markets to further strengthen its positioning as a key enabler for energy transition

Leading the way on sustainability

- 48% of SPIE revenue is aligned with EU taxonomy, establishing SPIE as a best-in-class performer

As from 2024, new reporting segment to reflect the evolution of the geographical mix of the Group

- France (including Nuclear Services)
- Germany
- North-Western Europe
- Central Europe: Poland, Switzerland, Austria, Czech Republic, Hungary and Slovakia
- Global Services Energy (former Oil & Gas Services)

2024 outlook

- Further organic growth, at a slower pace than in 2023
- Further EBITA margin increase
- Continuation of a dynamic bolt-on M&A strategy, remaining at the core of SPIE's business model
- The proposed dividend pay-out ratio will remain at c.40% of Adjusted Net Income[1] attributable to the Group

As the Group has reached its 2025 EBITA margin guidance two years in advance, SPIE upgrades its 2025 mid-term guidance

- Organic growth: at least +4% p.a. on average, based on historical level of inflation
  (unchanged)
- EBITA margin: continuous improvement towards 7% in 2025
  (Previously: "EBITA margin improvement towards 6.7% in 2025")
- A cash conversion of c.100%
  (unchanged)
- Accelerating on its M&A compounding model
  (unchanged)
- 5 ESG targets confirmed
  (unchanged)

[1] Adjusted for i) operating income items restated from the Group's EBITA, ii) the change in fair value and amortisation costs of derivative related to the ORNANE, and iii) the corresponding normative tax income adjustment

Gauthier Louette, Chairman & CEO, said*: "2023 was a record year for SPIE in all respects. It demonstrates the strengths of our model and the unique positioning of our highly valuable multi-technical services, which are critical for the accelerating energy transition markets. The Group delivered an exceptional level of organic growth at 8.4%. Despite an inflationary context, the margin increased markedly, by 40 basis points, bringing us two years ahead of plan at our mid-term guidance of 6.7 % EBITA margin. SPIE delivered more than 100% cash conversion and achieved an all-time low leverage ratio. Our strong discipline and unabating focus on operational excellence remained the key drivers of success. We stepped up our bolt-on acquisitions during the year, with nine acquisitions representing more than 700 million euros of annual revenue acquired while nurturing a dynamic and rich pipeline of further opportunities.*

Our revenue aligned with the EU taxonomy reached 48% in 2023, showcasing one of the highest levels among SBF120 and establishing the Group as a key enabler for energy transition.

Looking ahead, we are very confident to deliver yet another strong year in 2024".

2023 results

In millions of euros	**2023**	**2022**	***Change***
Revenue	8,709.0	8,092.1	*+7.6%*
EBITA	584.2	511.2	*+14.3%*
EBITA margin	*6.7%*	*6.3%*	*+40 bps*
Adjusted net income[1] (Group share)	344.0	301.2	*+14.2%*
Net income (Group share)	238.5	151.5	*+57.4%*
Free cash flow (excl. IFRS 16)	426.8	314.7	*+35.6%*
Net debt (excl. IFRS 16)	(793.0)	(920.1)	*-127.1*
Leverage ratio[2] (excl. IFRS 16)	1.2x	1.6x	*-0.4x*
Adjusted EPS, fully diluted (€)	2.05	1.82	*+12.6%*
Dividend per share[3] (€)	0.83	0.73	*+13.7%*

[1] Adjusted for i) operating income items restated from the Group's EBITA, ii) the change in fair value and amortisation costs of derivative related to the ORNANE, and iii) the corresponding normative tax income adjustment

[2] Ratio of net debt excluding the impact of IFRS 16 at end December to pro forma EBITDA (including full-year impact of acquisitions and disposals) on a trailing twelve-month basis

[3] Subject to shareholders' approval at the next Annual General Meeting on May 3rd, 2024

Group revenue stood at €8,709.0 million in 2023, up +8.4% on an organic basis, driven by growing demand for energy-related services and price increases in an inflationary context. Total growth revenue was up +7.6% compared to 2022 including changes in perimeter for -0.8% (due to the disposal of our UK operations in December 2022), and currency movements at +0.0% (0.02%). In Q4 2023, Group revenue stood at €2,449.8 million, up +5.5% on an organic basis.

Group EBITA was €584.2 million in 2023, significantly up +14.3% compared to 2022. **EBITA margin** was at 6.7% of revenue, up 40 basis points year-on-year, confirming the ability of SPIE to protect and further increase its margins despite a high inflation context. The key drivers of the Group's EBITA margin improvements are the unabating focus on operational excellence, innovative high added value solutions and an even higher selectivity approach in a context of strong demand for our services and labour scarcity in our sector.

Adjusted net income[1] (Group share) was €344.0 million in 2023, up +14.2% compared to 2022, in line with the performance of the EBITA, up +14.3%, while the cost of our debt remained contained and well optimized. The adjusted net income improvement translated into a double-digit EPS accretion.

Net income (Group share) amounted to €238.5 million in 2023 (compared to €151.5 million in 2022), up +57.4%, with the one-off negative impact registered in 2022 for the disposal of our activities in the UK.

Free cash flow reached €426.8 million in 2023 (compared to €314.7 million in 2022), an exceptional performance reflecting, once more, the highly cash-generative nature of SPIE's business model and the discipline in our cash management and processes.

SPIE posted a highly negative **working capital,** which amounted to € (884,1) million at December 31st, 2023 (i.e. (37) days of revenue) (compared to € (824.2) million at December 31st, 2022 (i.e. (38) days of revenue)) and supporting an outstanding cash conversion at 109%.

Net debt excluding IFRS 16 was €793.0 million at December 31st, 2023, compared to €920.1 million at December 31st, 2022, down €127.1 million over the year. Net debt including IFRS 16 was €1,246.2 million at December 31st, 2023, compared to €1,323.6 million at December 31st, 2022.

Leverage ratio[2] further decreased to an all-time low, at 1.2x at December 31st, 2023 (compared to 1.6x at December 31st, 2022) excluding IFRS16. Leverage ratio was at 1.5x at December 31st, 2023 (compared to 1.9x at December 31st, 2022), including IFRS 16.

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[2] Ratio of net debt excluding the impact of IFRS 16 at end December to pro forma EBITDA (including full-year impact of acquisitions and disposals) on a trailing twelve-month basis

A dividend of €0.83 per share, representing a +13.7% increase compared to 2022, will be proposed to the Annual General Meeting of Shareholders on May 3rd, 2024. Since an interim dividend of €0.22 per share was paid in September 2023, the final dividend payment on May 16th, 2024 (ex-date: May 14th, 2024) will be €0.61 per share. The Board of Directors intends to authorize the payment of an interim cash dividend in September 2024, amounting to 30% of the approved dividend for 2023.

Analysis by segment

Full Year 2023 revenue

In millions of euros	**2023**	**2022**	**Change**	**o/w organic growth**	**o/w external growth**	**o/w disposal[1]**	**o/w foreign exchange**
France	3,076.6	2,916.8	+5.5%	+5.0%	+0.6%	-0.1%	-
Germany & CE	3,213.0	2,814.7	+14.2%	+8.2%	+5.4%	-	+0.6%
of which Germany	*2,445.6*	*2,251.6*	*+8.6%*	*+5.0%*	*+3.6%*	*-*	*-*
North-Western Europe	1,809.6	1,819.9	-0.6%	+13.1%	+0.1%	-13.8%	-
Global Services Energy and Nuclear*	609.8	540.7	+12.8%	+13.5%	+2.0%	-0.1%	-2.6%
Group	**8,709.0**	**8,092.1**	**+7.6%**	**+8.4%**	**+2.4%**	**-3.1%**	**0.0%**

**former Oil & Gas and Nuclear*

EBITA

In millions of euros	**2023**	**2022**	***Change***
France	206.1	189.0	*+9.1%*
In % of revenue	*6.7%*	*6.5%*	*+20 bps*
Germany & CE	200.6	169.3	*+18.5%*
In % of revenue	*6.2%*	*6.0%*	*+20 bps*
o/w Germany	*162.0*	*146.0*	*+10.9%*
In % of revenue	*6.6%*	*6.5%*	*+10 bps*
North-Western Europe	106.6	90.3	*+18.0%*
In % of revenue	*5.9%*	*5.0%*	*+90 bps*
Global Services Energy and Nuclear*	59.2	51.4	*+15.3%*
In % of revenue	*9.7%*	*9.5%*	*+20 bps*
Holding	11.7	11.2	-
Group EBITA	**584.2**	**511.2**	***+14.3%***
In % of revenue	***6.7%***	***6.3%***	***+40 bps***

**former Oil & Gas and Nuclear*

[1] Of which the disposal of (I) UK operations (II) ATMN Industrie (France) (III) Kabel-en Leidingtechniek B.V (the Netherlands)

France

In 2023, the **France** segment's revenue increased by +5.5%, including a +5.0% organic growth (with a very high comparison basis: +7.6% organic growth in 2022) and a +0.5% perimeter effect. EBITA margin was at 6.7% of revenue (6.5% in 2022).

In 2023, all our activities were well-oriented. Technical Facility Management was driven by the permanent needs for energy efficiency solutions, an increased utilization of technology per square meter and the substantial upgrades in order to adapt building office spaces to new uses. Building Solutions was propelled by the longstanding trends in building renovations, not only spurred by energy efficiency considerations from our customers, but also by the demand for highly sophisticated solutions in data centres and complex assets. Industry Services was supported by decarbonation and reindustrialization projects for a well-diversified client's base. City Networks benefitted from the markets accelerating in low carbon mobility, and also from the demand for urban transport information systems and smart public lighting solutions. Information and Communication Services' growth was fuelled by hybrid cloud solutions, unified communication and cybersecurity solutions.

France's EBITA margin increased by +20 basis points (at 6.7% of revenue), evidencing our close attention to operational excellence and innovative and high added value solutions provided to our customers.

Germany & Central Europe

Revenue in **Germany & Central Europe** increased by +14.2%, including a +8.2% organic growth (+5.3% organic growth in 2022). Growth from acquisitions accounted for +5.4% and currency movements for +0.6%. EBITA margin was at 6.2% of revenue (6.0% in 2022).

Revenue in Germany grew organically by +5.0% in 2023. The activities in High Voltage ramped up along the year, with an acceleration in H2. The substantial need for integrating renewables into the grid (notably installation of substations) and for upgrades in transmission lines, provides the Group with a good mid-long-term visibility. Technical Facility Management addressed a strong demand for complex and highly technical solutions in the logistics sector, as well as low carbon and energy efficient solutions for buildings. The growth of City Networks and Grids was boosted by the increasing demand for smarter solutions in distribution grids, their upgrade, and their capacity expansions, while the fibre market and low carbon mobility activities continued to grow. Information and Communication Services was supported by unified communication activities and digitalization projects. Overall, our operations in Germany are mainly driven by energy efficiency and the massive structural change in energy mix.

EBITA margin in Germany further increased by +10 basis points (at 6.6% of revenue) thanks to our strong focus on operational excellence and our strong positioning on our markets.

Central European countries posted a double-digit organic growth driven by Poland, with high voltage activities, and Austria with intensified investments in transport infrastructures (especially for low carbon mobility and public transports). Additionally, the strengthening of our positions in the region through acquisitions is bearing fruit.

Switzerland benefitted from the catching up of activities in Information and Communication Services following prior supply chain delays.

Germany & Central Europe's EBITA margin increased by +20 basis points (at 6.2% of revenue) with improvements in Germany, Central Europe and Switzerland.

North-Western Europe

In 2023, organic growth in the **North-Western Europe** was at +13.1% (+6.6% organic growth in 2022). 2023 total revenue growth was -0.6%, including a -13.8% impact related to the disposal of our UK operations in December 2022, and a +0.1% related to external growth. EBITA margin was at 5.9% of revenue (5.0% in 2022).

In **the Netherlands,** all activities recorded an exceptional level of organic growth, particularly High Voltage (notably, installation of substations for renewables) and Industry Services (especially, electrification and turnaround projects). Building Solutions (ex-Worksphere) was also very dynamic thanks to the growing demand for complex solutions associated with high sustainability challenges in buildings.

In Belgium, the activity was fuelled by investments made by the main Belgian TSO (Transmission System Operator) in high voltage projects (new installations and upgrades of the existing lines). Building renovations and maintenance activities were well-oriented.

North-Western Europe's EBITA margin strongly increased by +90 basis points (at 5.9% of revenue) thanks to significant progress in the Netherlands from both historic perimeter and Building Solutions. The disposal of our UK operations in December 2022 also added a relutive impact.

Global Services Energy and Nuclear (former Oil & Gas and Nuclear)

Global Services Energy and Nuclear (former **Oil & Gas and Nuclear)** segment's revenue rose by +12.8% in 2023, including a +13.5% organic growth (+11.9% organic growth in 2022). The impact from currency movements was -2.6% and came from Global Services Energy (former Oil & Gas Services), mainly related to US Dollar / Euro parity. External growth accounted for +2.0% and disposals for -0.1%. EBITA margin was at 9.7% of revenue (9.5% in 2022).

Global Services Energy (former **Oil & Gas Services**) recorded a very strong level of organic growth in its traditional oil and gas services with pluriannual contracts providing with good visibility. EBITA margin progressed further, from a high level.

The change of name to Global Services Energy follows the acquisition of Correll Group, which is our first step to reinforce our organic efforts in growing our offshore renewable energy activities. We will capitalize on our know-how in offshore activities and on our relationships with the majors to support them in their strategic deployment in the renewables.

Nuclear Services' growth was still constrained while the mid-long-term visibility remains good given the new EPRs program launched by the French government. EBITA margin was at the usual high level.

New reporting segment as from 2024 to reflect the evolution of the geographical mix of the Group

In order to reflect the development of the Group in certain geographies (notably in Germany and in Central Europe) and the development of Global Services Energy in renewable energy, the Group's reporting segments will evolve as follows in 2024:

- **Germany & Central Europe** will be split into two: **Germany** on one side and **Central Europe** on the other side.
- **Global Services Energy** segment (former Oil & Gas Services) will be reported standalone.
- **Nuclear Services** will be included in the France segment as Nuclear Services are exclusively delivered in France and SPIE Nuclear already belongs to the SPIE France organisation.

Therefore, the segmentation will be presented as follows in 2024:

- France (including Nuclear Services)
- Germany
- North-Western Europe
- Central Europe: Poland, Switzerland, Austria, Czech Republic, Hungary and Slovakia

- Global Services Energy (former Oil & Gas Services)

A proforma of the FY 2023 reporting (including quarterly information for revenue and half-year information for EBITA) is given in appendix of this press release.

The Group publication in Q1 and Q3 will report on revenue only (providing with a trading update) so as to align with the usual practice within the market.

M&A strategy

Every year, SPIE dedicates part of its free cash flow to fund a regular stream of small and mid-size bolt-on acquisitions. This bolt-on strategy is at the core of SPIE's growth model and contributes to the expansion of the Group's service offering and footprint density. SPIE operates in highly fragmented markets and nurtures a rich pipeline of future M&A opportunities.

SPIE remained very active on the bolt-on acquisitions front in 2023, with 9 acquisitions totalling more than €700 million of full-year revenue acquired.

Acquisition of ROBUR: a major leap forward in German industrial services

On November 28th, 2023, SPIE announced the acquisition of ROBUR Industry Service Group GmbH in Germany. The closing of the transaction is expected before the end of March 2024.

Headquartered in Munich, ROBUR is an industrial services company offering, to a diversified customer portfolio, a wide range of services across the full value chain (engineering, installation, commissioning & maintenance) for industrial transformation and processes (notably automation, robotics, electrification) representing around 80% of its revenue. The company also provides maintenance services for offshore and onshore wind turbine representing the remaining 20% of its revenue.

With 2,600 highly skilled employees and a 2023E revenue of c.380 million euros, ROBUR Industry Service Group GmbH enjoys a leading position on the German market and achieves an attractive organic growth and high single digit EBITA margin. ROBUR also pioneers in the wind energy maintenance market with operations in Germany and abroad (Americas and Southern Europe) supported by a "follow the customer" approach.

With this acquisition SPIE establishes a strategic position in the German industrial services market, by far the largest of its kind in Europe, and where our presence remained very limited until today. It thus allows the Group to develop and complete its activity portfolio in Germany strengthening its position as number 2 in its industry in the country. We will be able to develop potential cross-selling opportunities with an attractive client portfolio (including blue-chip customers). Last but not least, SPIE enters the promising wind energy maintenance market thus reinforcing its positioning as a key enabler for energy transition.

The transaction multiple was 9.5x 2023E EBITA and slightly above 8.0x 2024E EBITA. Considering the high growth profile of ROBUR, the integration will require to slightly reinforce the structure, partially offsetting the costs synergies we plan to deliver, while the company already generates a high single digit EBITA margin. The transaction should result in a mid-single digit EPS accretion for the Group as soon as the first year (2024). The acquisition will be financed with the existing financial resources of the Group with a limited impact on its leverage ratio. SPIE will acquire c.99% of the share capital at closing, while the remaining c.1% shareholding will be retained by the current management team who remains in place and will contribute to pursue the business development. An earn-out clause is included in the transaction (not exceeding 5% of the total amount of the transaction).

Bolt-on acquisitions

On June 19th, 2023, SPIE signed an agreement for the acquisition of **Enterprise Communications & Services (ECS)** a German technical services provider in information and communication technology for a well-diversified customer base. With around 130 employees, the company generated annual revenue of c. €22 million in 2022. This acquisition allows SPIE to strengthen its positioning in Information & Communication Services in Germany. The transaction was closed in August 2023.

On July 6th, 2023, SPIE announced the acquisition of **AVM Up** in France. With this acquisition, SPIE strengthens its positioning in the strongly growing UCaaS market by offering complementary cloud services and added value solutions to its customers. With around 50 qualified employees, AVM Up generated revenue of c. €22 million in 2022. The transaction was closed in July 2023.

On August 17th, 2023, SPIE signed an agreement for the acquisition of 75.1% of **BridgingIT**, a German company providing tailor made digital transformation services across the full value chain from consulting, systems architecture, digital product/process development, software engineering to managed services. It addresses the needs for a wide range of blue-chip customers across many different sectors. With high added value services and a strong expertise, BridgingIT benefits from the growing demand for digital transformation services, in particular, migration towards the cloud and cybersecurity. Accordingly, BridgingIT is ideally positioned to grow fast and develop even-higher margin levels, in the next years. The company, founded in 2008, is headquartered in Mannheim in Germany and operates throughout the country with 700 highly qualified employees. BridgingIT generated a revenue of around 140 million euros in 2023. With this acquisition SPIE holds 75.1% of the share capital, while the remaining 24.9% shareholding will be retained by the founders and other managers. The agreement includes put and call mechanisms related to the 24.9%. The current management team remains in place and will contribute to pursue the business development in the country. The transaction was closed in September 2023.

On September 29th, 2023, SPIE announced the acquisition of 85% of **Réseaux Environnement**, a leading player in the roll-out of all types of networks (energy networks, heating networks and Smart City) in France (Normandy region). The portfolio of activities of the company mainly includes the installation and maintenance of electrical networks (high and low voltage networks), public lighting, signalling, and telecommunication networks addressing a wide range of customers. With this acquisition, SPIE strengthens its positioning on the energy transition market in France, in particular energy networks, heating networks and Smart City, and continues the densification of its local footprint. Réseaux Environnement generated revenues of approximately €38 million in 2022 and employs 120 qualified employees. With this transaction, SPIE holds 85% of the share capital, while the remaining 15% shareholding are retained by the managers. The agreement includes put and call mechanisms related to the 15%. The transaction was closed on the day of the announcement.

On October 2nd, 2023, SPIE announced the acquisition of **IMI Aero-Dynamiek**, a Dutch company that contributes to making buildings more sustainable by measuring, validating and optimising HVAC systems (Heating, Ventilation and Air Conditioning). With this acquisition, SPIE wants to further strengthen its position in these services and more specifically for the healthcare, bio-lifescience, food and semiconductor sectors. IMI Aero-Dynamiek has 65 employees and generated a revenue of around €6 million in 2022. The transaction was closed on the day of the announcement.

On November 16th, 2023, SPIE signed an agreement to acquire the **Grid Solutions activities** from Strukton Group in the Netherlands. The Grid Solutions activities, part of Strukton Group, include new installation, expansion and renovation of high-voltage substations and medium-voltage infrastructures, as well as service & maintenance activities, including inspections and maintenance and 24/7 assistance. With its 115 highly skilled employees, the Grid Solutions activities are mainly deployed in the Dutch market and are located in Hengelo (eastern part of the Netherlands). The Grid Solutions activities generated nearly 28 million euros of revenue in 2022 with a good profitability. The transaction was closed at the end of December 2023.

On December 7th, 2023, SPIE announced the acquisition of 85% of **Correll Group**, a leading player in engineering, installation, and maintenance services in the offshore wind sector. Correll Group stands out for its expertise in the connection and testing of submarine high-voltage cables for the interconnection of wind farms. The company, founded in 2014 and headquartered in Skelton (United Kingdom), deploys its expertise in the offshore wind sector all over the world, and particularly in Europe (Atlantic, Baltic, and North Sea), the United States and Taiwan with its 109 high skilled employees and more than 500 expert contractors. Correll Group generated a revenue of c.55 million euros in 2023 associated with a high level of margin, accretive for SPIE Oil & Gas Services (now renamed SPIE Global Services Energy). With this acquisition, SPIE Global Services Energy accelerates its diversification strategy towards renewable energies. The transaction was closed in January 2024.

On January 3rd, 2024 SPIE announced the acquisition of **J.D. Euroconfort** in France, which was signed at the end of December 2023. The company is a key player in the fields of refrigeration, air conditioning, and professional kitchens. With this acquisition, SPIE strengthens its presence in western France and expands its expertise in the refrigeration market. With around 45 qualified employees, J.D. Euroconfort generated revenue of around 11 million euros in 2022. The transaction was closed in January 2024.

SPIE is in a good position to seize acquisition opportunities and play an even more active part in consolidating its positions in the coming years along with a rich pipeline of opportunities.

Financing and liquidity

The Group's **liquidity** remained high, at €1,717 million at December 31st, 2023 (€1,117 million in net cash and €600 million of undrawn Revolving Credit Facility) compared to €1,781 million at December 31st 2022 (€1,181 million in net cash and €600 million of undrawn Revolving Credit Facility).

SPIE's **gross debt**[1] amounted to €1,900 million at December 31st, 2023 (compared to €2,100 million at December 31st, 2022), with maturities spreading from June 2026 to January 2028. The bond 2024 of €600 million has been refinanced with €400 million Sustainability-linked ORNANEs and the remaining €200 million have been reimbursed in cash.

In January 2023, the Group issued Sustainability-linked ORNANEs (Bonds settled in cash and/or convertible into new shares and/or exchangeable for existing shares) due 2028 for a nominal amount of €400 million. The objective was twofold: to refinance the upcoming debt maturities (2024 Bond of €600 million) and optimize the Group's financing conditions by (i) using SPIE's cash to reduce the gross debt on balance sheet and (ii) benefitting from an attractive 2% coupon. Finally, the future potential dilution for the shareholders would remain very limited as the redemption of the principal amount will be made in cash and / or in shares (at SPIE's option) as per the ORNANE structure. With a conversion price set at 32.97€, any redemption of the principal amount in cash

[1] The gross debt corresponds to the bond 2026 (€600 m), the term loan facility (€600 m), the ORNANE (€400 m) and the securitization program (€300 m)

with a share price at 130% of the conversion price, namely €42.86, would lead to a dilution of 1.67%.

The Group's bank debt is subject to one **covenant**, measured only at year-end and pertaining to a leverage ratio less than or equal to 4.0x.

Leverage ratio further decreased down to an all-time low, at 1.2x at December 31st, 2023, excluding IFRS16. Leverage ratio including IFRS 16 was at 1.5x at December 31st, 2023. This level of leverage ratio will enable the Group to lower the margin applied on its term loan facility in 2024 by 20 basis points, down to 1.2%, according to the conditions of the Senior Facility Agreement.

SPIE's long term corporate **credit rating** was upgraded by both Standard & Poor's and Fitch (respectively in January 2023 and May 2023) to BB+ (previously BB), both with stable outlook. This rewards our strong performance and the Group's sound financial structure.

Employee shareholding

In December 2023, SPIE successfully finalised the 7th edition of its employee shareholding program, SHARE FOR YOU 2023, with a remarkable level of participation. More than 17,000 employees subscribed to the offer, up 55% compared to last year. More than 5,000 employees took part to the program for the first time, including people stemming from recently acquired companies. Through these programs SPIE's employees now own 7.4% of the Group's capital[1], making them the largest shareholder of the Group. SPIE is one of the 7 companies listed on the SBF 120[2] index whose employees are the first shareholder.

This operation raised €34.1 million. 1,885,601 new shares were issued on December 14th, 2023. Consequently, the total share count as of December 31st, 2023 was 166,468,112.

Headcount

In 2023, SPIE recruited more than 6,400 people in permanent contract and more than 1,300 apprentices. Thus, the Group counts more than 50,000 employees at the end of 2023. During the year 1,600 hires were made through the employee referral program, which is now implemented in

[1] Including 6.5% held by the 'SPIE for you' fund and 0.9% held directly by the Group's German employees who participated in employee shareholding plans

[2] The SBF 120 is a stock market index of which SPIE is a member. It includes the 40 companies tracked by the CAC 40 and 80 other companies. The companies that make up the index have the most liquid stocks, selected from the top 200 market capitalisations on the Paris stock exchange

all our countries and has encountered a remarkable success. Additionally, around 1,500 people joined through acquisitions (excluding ROBUR and Correll Group).

The voluntary turnover rate decreased to 7% in 2023 (compared to 8% in 2022).

This ability to recruit and retain talents remains key for the Group in a context of workforce scarcity in the sector.

Sustainability

As a multi-technical services provider in the fields of energy and communications, SPIE enables its clients to reduce their energy consumption and lower their carbon footprint.
SPIE is mobilized to deliver on its Sustainability 2025 roadmap. The Group defined specific action plans with quantitative yearly targets that are implemented across all affiliates. Managers are also incentivised on those targets in their variable remuneration and Long-Term Incentive Plans.

2023 achievements on our sustainability roadmap

2025 target: To reach 50% of Group revenue aligned with EU Taxonomy.
The first of these sustainability roadmap objectives consists in matching or exceeding the criteria set by the EU Taxonomy to determine substantial contribution to climate change mitigation. SPIE 2023 revenues were 48% aligned, compared to 46% in 2022. SPIE has been calculating its European Union taxonomy-aligned revenue for 5 fiscal years, with consistent progress (35% in 2019).

SPIE's European Union Taxonomy-aligned activities include:

- **Energy efficiency solutions**, for 24% of the Group's 2023 revenue: installation, replacement or maintenance of highly energy efficient HVAC (heating, ventilation, air conditioning) systems in buildings, building renovations delivering at least 30% energy savings, technical solutions for highly energy efficient new buildings, responsible digital services abiding by the criteria set by EU Taxonomy on data processing, hosting activities and related activities.
- **Electricity transmission & distribution services** performed on the interconnected European grid, or directly connecting renewable energies, or integrating renewable energy (including services to renewable energy power stations) or electrifying industrial processes. This category accounted for 21% of the Group's 2023 revenue.
- **Technical services to low-carbon mobility infrastructure,** for 3% of the Group's 2023 revenue, primarily related to zero tailpipe public transportation, electrical vehicles charging infrastructure and rail transport infrastructure.

2025 target: To reduce SPIE's carbon footprint with -25% of direct carbon footprint (compared to 2019[1]).

As a pure service provider, SPIE has a limited direct carbon footprint: scope 1 and 2 emissions represented 16 grams of CO_2 per euro of revenue in 2023 compared to 19 grams in 2019. SPIE's scope 1 and 2 greenhouse gas emissions decreased by -10% compared to 2019[2] rebased, amounting to 140,000 tons in 2023.

Vehicle fleet emissions decreased by 6% in 2023 compared to 2019[2]. Fleet decarbonation was still impacted in 2023 by long-lasting delays in the delivery and by SPIE's strong organic growth leading to an increase in both the number of vehicles and kilometers covered. With 54% of vehicle fleet renewals ordered in battery-electric-vehicles in 2023 and the corporate EV charging infrastructure gearing up accordingly, SPIE remains fully committed to meet its 2025 target and forecasts a significant improvement on decarbonation in 2024 compared to 2019.

Building emissions decreased by 37% compared to the 2019 baseline[2].

2025 target: To reach 67% of emissions related to our procurement to be made with suppliers having set ambitious targets to reduce their carbon footprint.

This share rose from 29% in 2022 to 47% in 2023, highlighting the continuous efforts made by SPIE with its major suppliers and subcontractors. SPIE is engaging proactively its suppliers through formal letters, performance business reviews, sensitization campaigns and webinars and innovation forums.

2025 target: To strengthen gender diversity with the objective to increase by +25% the share of women in key management positions (compared to 2020[1]).

In 2023, the share of women among such positions increased by +17% compared to 2020, in progress towards the stated objective. SPIE continued to proactively promote gender diversity in both attraction and retention of female talent.

2025 target: Aim for excellence in safety with -50% in severe accidents (compared to 2019[1]).

In 2023, SPIE personnel suffered 20 severe accidents, compared to 11 in 2022.

In 2023, the Group's lost time accident frequency rate[3] was 5.4 compared to 5.6 in 2022 and 6.3 in 2019. In 2023, the absolute accident frequency rate[4] was 8.1 compared to 8.2 in 2022, and 10.2 in 2019.

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[1] The reference year for our 2025 targets related to carbon footprint reduction and safety is 2019; the reference year for our 2025 targets related to gender diversity is 2020

[2] Since 2022, figures include changes in scope using methodology based on the Greenhouse Gas Protocol. Rebaselining criteria include acquisitions and disposals since 2019

[3] Number of lost time accidents occurring per million of hours worked by SPIE employees

[4] Total number of accidents with or without lost time occurring per million of hours worked by SPIE employees

Despite a robust safety effort and a shared understanding of the most critical risks, the number of severe accidents increased significantly in 2023. These contrasting results compel the Group to further strengthen its safety culture. SPIE continues to improve the management of primary risks. The structural actions initiated in 2023 will be pursued in 2024 with discipline and rigor in operational control, and dedicated training to new employees joining the Group.

Ratings by ESG agencies

Group's commitments and achievements are widely recognised by external agencies every year.
SPIE obtained the Gold category for the 9th consecutive year according to the EcoVadis 2023 ranking. SPIE scored 72 out of 100 in 2023 (versus 68 out of 100 in 2022), placing the Group in the top 5% of companies assessed by EcoVadis in the sector (Top 7% in 2022). The questionnaire for the customer-supplier relationship assesses companies on five criteria: environment, labour rights, human rights, business ethics and responsible purchasing.

Sustainalytics upgraded SPIE's ESG rating by 2 points to 9.7. The Group is now considered with a "Negligible Risk" (compared to "Low Risk" in 2022). SPIE is ranked in the top 3% of companies in Business Support Services rated by Sustainalytics. This way of measuring ESG risk combines the concepts of management and exposure to arrive at an absolute assessment of ESG risk that could impact a company's enterprise value.

SPIE answered the full version of the CDP climate change questionnaire for the second time in 2023, achieving a score of B, which corresponds to the Management level, the second level in the scoring methodology.

Moody's ESG Solutions upgraded SPIE's rating in 2023, as the Group scored 58 out of 100, up from 54 out of 100 in 2022.

2024 outlook

- Further organic growth, at a slower pace than in 2023
- Further EBITA margin increase
- Continuation of a dynamic bolt-on M&A strategy, remaining at the core of SPIE's business model
- The proposed dividend pay-out ratio will remain at c.40% of Adjusted Net Income[1] attributable to the Group.

As the Group has reached its 2025 EBITA margin guidance two years in advance, SPIE upgrades its 2025 mid-term guidance

- Organic growth: at least +4% p.a. on average, based on historical level of inflation
  (unchanged)
- EBITA margin: continuous improvement towards 7% in 2025
  (Previously: "EBITA margin improvement towards 6.7% in 2025")
- A cash conversion of c.100%
  (unchanged)
- Accelerating on its M&A compounding model
  (unchanged)
- 5 ESG targets confirmed
  (unchanged)

Consolidated financial statements

The consolidated financial statements of the SPIE Group as of and for the year ended December 31st, 2023 have been approved by the Board of Directors on March 6th, 2024. Audit procedures on the consolidated financial statements are complete and the Statutory Auditors' report is in the process of being issued.

The audited consolidated financial statements (full financial statements and notes) and the slide presentation of the 2023 consolidated annual results are available on our website https://www.spie.com/en, in the "Investors" section.

[1] Adjusted for i) operating income items restated from the Group's EBITA, ii) the change in fair value and amortisation costs of derivative related to the ORNANE, and iii) the corresponding normative tax income adjustment

Conference call for investors and analysts

Date: Thursday, March 7th, 2024

9.00 am CET - 8.00 am GMT

Speakers:

Gauthier Louette, Chairman & CEO

Jérôme Vanhove, Group CFO

Dial-in details:

- FR: +33 (0) 1 7037 7166
- UK (Standard International Access): +44 (0) 33 0551 0200
- US: +1 786 697 3501
- Password: SPIE
- Webcast: https://channel.royalcast.com/landingpage/spie/20240307_1/

Next events

Quarterly information at March 31st, 2024:	April 25th, 2024, before market opening
2024 Annual General Meeting:	May 3rd, 2024
Dividend ex-date[1]:	May 14th, 2024
Dividend payment date[1]:	May 16th, 2024
2024 Half-year results:	July 26th, 2024, before market opening
Quarterly information at September 30th, 2024:	October 31st, 2024, before market opening

[1] Subject to shareholders' approval at the next Annual General Meeting on May 3rd, 2024

Financial definitions

Organic growth represents the production completed during the twelve months of year N by all the companies consolidated by the Group for the financial year ended December 31 of year N-1 (excluding any contribution from any companies acquired during year N) compared with the production completed during the twelve months of year N-1 by the same companies, independently of the date on which they were first consolidated within the Group.

EBITA represents adjusted operating income before amortization of allocated goodwill, before tax and financial income.

Pro-forma EBITDA corresponds to EBITA before depreciation and amortization of assets, over the last 12 months operations, including the contribution over 12 months from acquisitions, and excluding the minority shares related to put/call options. It excludes the impact of IFRS 16.

Adjusted Net Income, adjusted for i) operating income items restated from the Group's EBITA, ii) the change in fair value and amortisation costs of derivative related to the ORNANE, and iii) the corresponding normative tax income adjustment.

Operating Cash-flow is the sum of EBITA, amortisation expenses, change in working capital requirement, and provisions related to income and expenses included in EBITA, minus capital expenditures (excluding acquisitions) for the year. It excludes the impact of IFRS 16.

Cash-conversion is the ratio of operating cash-flow of the year to EBITA excluding IFRS 16 of the same year.

Free cash-flow is defined as operating cash-flow minus taxes, net interest paid, restructuring and discontinuation items and before acquisitions and disposals proceeds and charges. It excludes the impact of IFRS 16.

Leverage is the ratio of net debt excluding the impact of IFRS 16 to pro forma EBITDA (including full-year impact of acquisitions and disposals) on a trailing twelve-month basis.

About SPIE

SPIE is the independent European leader in multi-technical services in the areas of energy and communications. Our 50,000 employees are committed to achieving the energy transition and responsible digital transformation alongside our customers.
SPIE achieved in 2023 consolidated revenue of €8.7 billion and consolidated EBITA of €584 million.

Contacts

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https://www.facebook.com/SPIEgroup
http://twitter.com/spiegroup

Disclaimer

Certain information included in this press release are not historical facts but are forward-looking statements. These forward-looking statements are based on current beliefs, expectations and assumptions, including, without limitation, assumptions regarding present and future business strategies and the environment in which SPIE operates, and involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements, or industry results or other events, to be materially different from those expressed or implied by these forward-looking statements.
Forward-looking statements speak only as of the date of this press release and SPIE expressly disclaims any obligation or undertaking to release any update or revisions to any forward-looking statements included in this press release to reflect any change in expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Such forward-looking statements are for illustrative purposes only. Forward-looking information and statements are not guarantees of future performances and are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of SPIE. Actual results could differ materially from those expressed in, or implied or projected by, forward-looking information and statements. These risks and uncertainties include those discussed or identified under Chapter 2 "Risk factors and internal control" in SPIE's 2022 Universal Registration Document, filed with the French Financial Markets Authority (AMF) on April 12th, 2023, under number D.23-0265 which is available on the website of SPIE (www.spie.com) and of the AMF (www.amf-france.org).
This press release includes only summary information and does not purport to be comprehensive. No reliance should be placed on the accuracy or completeness of the information or opinions contained in this press release.
This press release does not contain or constitute an offer of securities for sale or an invitation or inducement to invest in securities in France, the United States or any other jurisdiction.

Appendix

Consolidated income statement

In millions of euros	2023	2022
Revenue	**8,725.4**	**8,113.8**
Other income	88.9	85.7
Operating expenses	(8,335.0)	(7,775.9)
Recurring operating income	**479.2**	**423.6**
Other operating expenses	(28.7)	(183.7)
Other operating income	10.0	67.1
Operating income	**460.6**	**307.0**
Net income (loss) from companies accounted for under the equity method	1.0	0.5
Operating income including companies accounted for under the equity method	**461.5**	**307.4**
Interests charges and losses from cash equivalents	(92.4)	(68.7)
Gains from cash equivalents	19.0	0.8
Costs of net financial debt	**(73.4)**	**(68.0)**
Other financial expenses	(52.8)	(26.6)
Other financial income	23.5	27.3
Change in fair value and amortisation cost of the ORNANE derivative component	(0.5)	-
Other financial income (expenses)	**(29.8)**	**0.8**
Net income before taxes	**358.3**	**240.2**
Income tax expenses	(119.0)	(86.2)
Net income from continuing operations	**239.4**	**154.0**
Net income from discontinued operations	(0.0)	(0.1)
NET INCOME	**239.3**	**153.9**
Net income from continuing operations attributable to:		
. Owners of the parent	238.5	151.6
. Non-controlling interests	0.8	2.4
	239.4	**154.0**
Net income attributable to:		
. Owners of the parent	238.5	151.5
. Non-controlling interests	0.8	2.4
	239.3	**153.9**

Consolidated statement of financial position

In millions of euros	**Dec 31st, 2023**	**Dec 31st, 2022**
Non-current assets		
Intangible assets	1,028.9	1,010.9
Goodwill	3,504.7	3,365.9
Right of use on operating and financial lease	446.1	396.9
Property, plant and equipment	170.7	161.2
Investments in companies accounted for under the equity method	13.8	13.7
Non-consolidated shares and long-term loans	39.3	48.0
Other non-current financial assets	4.6	4.9
Deferred tax assets	199.7	194.5
Total non-current assets	**5,407.8**	**5,196.0**
Current assets		
Inventories	49.2	56.0
Trade receivables	2,047.5	1,988.0
Current tax receivables	30.2	47.0
Other current assets	395.8	362.8
Other current financial assets	5.0	4.5
Cash management financial assets	453.0	102.3
Cash and cash equivalents	761.9	1,170.8
Total current assets from continuing operations	**3,742.6**	**3,731.4**
Assets classified as held for sale	0.1	0.2
Total current assets	**3,742.7**	**3,731.6**
TOTAL ASSETS	**9,150.5**	**8,927.6**

In millions of euros	**Dec 31st, 2023**	**Dec 31st, 2022**
Equity		
Share capital	78.2	77.2
Share premium	1,319.4	1,287.1
Consolidated reserves	316.1	370.8
Net income attributable to the owners of the parent	238.5	151.5
Equity attributable to owners of the parent	**1,952.2**	**1,886.6**
Non-controlling interests	24.0	9.2
Total equity	**1,976.2**	**1,895.7**
Non-current liabilities		
Interest-bearing loans and borrowings	1,651.5	1,795.4
ORNANE derivative component	40.0	-
Non-current debt on operating and financial leases	300.6	277.9
Non-current provisions	97.6	87.9
Accrued pension and other employee benefits	690.7	643.1
Other non-current liabilities	11.4	4.4
Deferred tax liabilities	307.5	292.8
Total non-current liabilities	**3,099.4**	**3,101.5**
Current liabilities		
Trade payables	1,185.7	1,189.4
Interest-bearing loans and borrowings	405.1	416.0
Current debt on operating and financial leases	152.5	125.6
Current provisions	151.5	137.5
Income tax payable	92.3	81.3
Other current operating liabilities	2,087.3	1,979.3
Total current liabilities from continuing operations	**4,074.4**	**3,929.0**
Liabilities associated with assets classified as held for sale	0.5	1.4
Total current liabilities	**4,074.9**	**3,930.4**
TOTAL EQUITY AND LIABILITIES	**9,150.5**	**8,927.6**

Consolidated cash flow statement

In millions of euros	2023	2022
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	**1,181.8**	**1,226.9**
Operating activities		
Net income	239.3	153.9
Loss from companies accounted for under the equity method	(1.0)	(0.5)
Depreciation, amortization, and provisions	295.1	261.6
Change in fair value of the financial instrument (“ORNANE”)	(7.8)	-
Proceeds on disposals of assets	(3.8)	102.0
Income tax expense	119.0	86.2
Elimination of costs of net financial debt	81.7	68.0
Other non-cash items	30.7	14.1
Internally generated funds from (used in) operations	**753.2**	**685.3**
Income tax paid	(96.7)	(96.7)
Changes in operating working capital requirements	56.3	(11.5)
Dividends received from companies accounted for under the equity method	0.6	0.2
Net cash flow from (used in) operating activities	**713.3**	**577.4**
Investing activities		
Effect of changes in the scope of consolidation	(175.7)	(259.5)
Acquisition of property, plant and equipment and intangible assets	(61.7)	(65.8)
Net investment in financial assets	(0.4)	(1.0)
Changes in loans and advances granted	(1.3)	2.7
Proceeds from disposals of property, plant and equipment and intangible assets	7.7	8.4
Proceeds from disposals of financial assets	0.1	0.0
Net cash flow from (used in) investing activities	**(231.3)**	**(315.2)**
Financing activities		
Issue of share capital	33.5	19.6
Proceeds from loans and borrowings	395.8	595.2
Repayment of loans and borrowings[1]	(762.6)	(747.4)
Net interest paid[2]	(83.3)	(62.3)
Impact of acquisitions/disposals of minority interests (without gain/loss of control)	(1.6)	-
Dividends paid to owners of the parent	(126.7)	(105.9)
Dividends paid to non-controlling interests	(0.8)	(0.5)
Net cash flow from (used in) financing activities	**(545.8)**	**(301.3)**
Impact of changes in exchange rates	(4.4)	(6.0)
Net change in cash and cash equivalents	**(68.2)**	**(45.1)**
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**1,113.6**	**1,181.8**

[1] Cash payments for the principal portion of lease payments, according to IFRS16 amounts to € 152.0 million in 2023 and € 144.7 million in 2022 within financing activities

[2] Cash payments for the interest portion of lease payments amounts to € 10.5 million in 2023 and € 8.7 million in 2022

2023 quarterly organic growth by segment

	Q1 2023	Q2 2023	H1 2023	Q3 2023	9m 2023	Q4 2023	2023 Full-Year
France	+10.4%	+7.5%	+8.9%	+0.7%	+6.1%	+2.1%	+5.0%
Germany & CE	+8.6%	+8.2%	+8.4%	+9.0%	+8.6%	+7.0%	+8.2%
o/w Germany	*+3.5%*	*+5.3%*	*+4.4%*	*+7.9%*	*+5.7%*	*+3.2%*	*+5.0%*
North-Western Europe	+14.6%	+11.9%	+13.2%	+18.3%	+14.9%	+8.6%	+13.1%
Global Services Energy and Nuclear*	+14.4%	+9.9%	+12.0%	+22.6%	+15.9%	+7.0%	+13.5%
Group	**+10.9%**	**+8.8%**	**+9.8%**	**+8.8%**	**+9.5%**	**+5.5%**	**+8.4%**

**former Oil & Gas and Nuclear*

New reporting segment (as from 2024)

Revenue 2023 - new reporting segment

	Q1 2023	Q2 2023	H1 2023	Q3 2023	9m 2023	Q4 2023	2023 Full-Year
France	789.7	796.3	1,585.9	772.6	2,358.6	920.7	3,279.3
Germany	530.1	590.6	1,120.7	632.1	1,752.8	692.9	2,445.6
North-Western Europe	427.2	442.6	869.8	448.3	1,318.1	491.5	1,809.6
Central Europe	156.7	194.0	350.7	186.6	537.3	230.0	767.4
Global Services Energy*	90.3	96.5	186.8	105.5	292.4	114.7	407.1
Group	**1,994.0**	**2,120.0**	**4,114.0**	**2,145.1**	**6,259.2**	**2,449.8**	**8,709.0**

**former Oil & Gas Services*

EBITA 2023 – new reporting segment

	H1 2023	2023 Full-Year
France	**94.1**	**229.0**
Germany	**53.2**	**162.0**
North-Western Europe	**46.7**	**106.6**
Central Europe	**8.4**	**38.6**
Global Services Energy*	**15.2**	**36.4**
Holding	**2.4**	**11.7**
Group	**220.0**	**584.2**

**former Oil & Gas Services*

Reconciliation between revenue (as per management accounts) and revenue under IFRS

In millions of euros		2023	2022
Revenue (as per management accounts)		**8,709.0**	**8,092.1**
Holding activities	(a)	23.9	23.4
Other	(b)	(7.5)	(1.7)
Revenue under IFRS		**8,725.4**	**8,113.8**

(a) Non-Group revenue from SPIE Operations and other non-operational entities mainly related to year-end supplier discounts.

(b) Re-invoicing of services provided by Group entities to non-managed joint ventures; Revenue that does not correspond to operational activity (essentially re-invoicing of expenses incurred on behalf of partners); Restatement of revenue from entities consolidated under the equity method, or not yet consolidated.

Reconciliation between EBITA and operating income

In millions of euros		2023	2022
EBITA		**584.2**	**511.2**
Amortisation of intangible assets (allocated goodwill)	(a)	(78.1)	(74.7)
Restructuring costs	(b)	(2.0)	(2.6)
Financial commissions		(1.5)	(1.6)
Impact of equity affiliates		(0.4)	(0.1)
Employee shareholding plan - LTIP	(c)	(27.8)	(12.6)
Other non-recurring items	(d)	(12.9)	(112.1)
Consolidated Operating Income (incl. companies accounted for under the equity method)		**461.5**	**307.4**

(a) In 2023, amortization of allocated goodwill includes € (34.0) million pertaining to the SAG group and € (8.3) million to the Worksphere group.

In 2022, amortization of allocated goodwill includes € (34.0) million pertaining to the SAG group and € (9.8) million to the Worksphere group.

(b) Restructuring costs relate to reorganization costs in the Netherlands for € (2.0) million in 2023 and € (2.6) million in 2022.

(c) In 2023, Employee shareholding plan - LTIP corresponds, in application of IFRS 2, to the expense relating to the employee shareholding plan (SHARE FOR YOU 2023) for € (17.8) million and to the expense relating to the LTIP for € (10.0) million.

In 2022, Employee shareholding plan - LTIP corresponds, in application of IFRS 2, to the expense relating to the employee share ownership plan (SHARE FOR YOU 2022) for € (7.4) million and the expense relating to the LTIP for € (5.2) million.

(d) In 2023, "Other non-recurring items" correspond mainly to costs relating to external growth projects for € (12.7) million.

In 2022, "Other non-recurring items" correspond mainly to the impact of the disposal of all UK operations for € (104.9) million and to costs related to external growth projects for € (6.2) million.

Reconciliation between adjusted net income and reported net income

In millions of euros		2023	2022
Adjusted net income, Group share		**344.0**	**301.2**
Amortisation of allocated goodwill	(a)	(78.1)	(74.7)
Restructuring costs		(2.0)	(2.6)
One-off costs related to UK disposal	(b)	-	(104.9)
Change in fair value and amortisation cost of the ORNANE derivative component		(0.5)	-
Other non-recurring items	(c)	(41.1)	(15.2)
Net income from discontinued operations		(0.0)	(0.1)
Tax adjustment		16.2	47.8
Reported net income, Group share		**238.5**	**151.5**

(a) In 2023, amortization of allocated goodwill included € (34.0) million pertaining to the SAG group and € (8.3) million to the Worksphere group; In 2022, amortization of allocated goodwill included € (34.0) million pertaining to the SAG group and € (9.8) million to the Worksphere group.

(b) The total net of tax impact of the disposal of our United Kingdom operations (including the net result of the year) amounted to € (85.2) million.

(c) Mainly related to IFRS 2 (Employee shareholding plan and Long-Term Incentive Plan).

Net debt

In millions of euros	Dec 31st, 2023	Dec 31st, 2022
Loans and borrowings as per balance sheet	2,549.8	2,614.9
Debt on operating and financial leases – continued activities	(453.2)	(403.5)
Capitalised borrowing costs	10.2	9.7
Amortisation costs of the convertible bond (ORNANE) derivative component	39.5	-
Convertible bond (ORNANE) derivative instrument	(40.0)	-
Debts on put options granted to non-controlling shareholders	80.1	-
Others[1]	(21.8)	(24.8)
Gross financial debt (a)	**2,004.4**	**2,196.3**
Cash and cash equivalents as per balance sheet	1,214.9	1,273.1
Accrued interest	(3.5)	-
Gross cash (b)	**1,211.4**	**1,273.1**
Consolidated net debt (a) - (b)	**793.0**	**923.2**
Unconsolidated net debt	-	(3.1)
Net debt excluding IFRS 16	**793.0**	**920.1**
Pro forma EBITDA excluding IFRS 16	643.3	559.0
Leverage excluding IFRS 16	**1.2x**	**1.6x**
Add debt on operating and financial leases (IFRS 16)	453.2	403.5
Net debt including IFRS 16	**1,246.2**	**1,323.6**
Pro forma EBITDA including IFRS 16	804.6	712.8
Leverage including IFRS 16	**1.5x**	**1.9x**

[1] *The line "Others" corresponds mainly to accrued interest on bonds for 12.1 million euros in 2023 (23.0 million euros in 2022) and the fair value of interest-rate swaps for 7.8 million euros.*

Cash flow statement – Management accounts

In millions of euros	2023 excl. IFRS 16	IFRS 16 impacts	2023 incl. IFRS 16	2022 excl. IFRS 16	IFRS 16 impacts	2022 incl. IFRS 16
EBITA	**575.5**	**8.8**	**584.2**	**503.9**	**7.3**	**511.2**
Depreciation	55.7	152.5	208.2	55.3	146.6	201.9
Capex	(53.9)	-	(53.9)	(57.4)	-	(57.4)
Change in Working Capital and Provisions	51.2	0.1	51.4	(13.2)	(0.5)	(13.6)
Operating Cash Flow	**628.5**	**161.4**	**789.9**	**488.6**	**153.3**	**642.0**
Taxes paid	(96.7)	-	(96.7)	(96.7)	-	(96.7)
Net interest paid	(73.2)	(10.1)	(83.3)	(53.8)	(8.6)	(62.3)
Others[1]	(31.8)	0.7	(31.1)	(23.4)	(0.1)	(23.5)
Free Cash Flow	**426.8**	**152.0**	**578.8**	**314.7**	**144.7**	**459.5**
Disposals	(6.9)	-	(6.9)	27.6	5.6	33.3
Acquisitions	(188.8)	(10.7)	(199.5)	(287.1)	(23.5)	(310.6)
Dividends	(127.6)	-	(127.6)	(106.4)	-	(106.4)
FX impacts & refin. costs	(6.9)	(0.9)	(7.8)	(14.3)	(0.3)	(14.6)
Others[2]	30.4	(190.1)	(159.7)	19.7	(139.4)	(119.6)
Change in net debt	**127.1**	**(49.7)**	**77.4**	**(45.6)**	**(12.9)**	**(58.5)**

Financing conditions

Cost of bank debt facilities

The table below presents the costs of the bank facilities put in place in October 2022 (€600 million term loan and €600 million revolving credit facility). These costs are margins added to EURIBOR (or any other applicable base rate with a floor at zero per cent per annum) and vary depending on year-end leverage ratio (excluding IFRS 16).

Leverage ratio (excl. IFRS 16)	Term loan	RCF
Higher than 3.5x	2.000%	1.600%
Higher than 3.0x up to 3.5x	1.850%	1.450%
Higher than 2.5x up to 3.0x	1.700%	1.300%
Higher than 2.0x up to 2.5x	1.550%	1.150%
Higher than 1.5x up to 2.0x	1.400%	1.000%
Up to 1.5x	1.200%	0.800%

In addition, (i) a customary Sustainability-linked adjustment will provide for a maximum discount or premium of 5 basis points (ii) a utilisation fee ranging from 0.10% p.a. to 0.40% p.a. applies to the revolving credit facility and (iii) an additional margin of 20 basis points for drawings in USD.

[1] Including cash out related to the financial element of pensions (€19.0m), bank and insurance guarantee fees (€5.7m), restructuring costs (€2.7m)
[2] Including capital increase related to employee shareholding plan and new operating lease contracts under IFRS16

Detailed characteristics of the ORNANE convertible bonds

SPIE issued Sustainability-linked bonds settled in cash and/or convertible into new shares and/or exchangeable for existing shares (« ORNANE »), for an amount of €400 million and bear interest at an annual rate of 2%.

For the accounting treatment of the "ORNANE" issued in 2023, the SPIE Group has opted for split accounting method, separating a debt component from a derivative instrument component.

Main features	**Convertible Bond « ORNANE »**
Duration	5 years
Maturity date	17 January 2028
Issue size	400 000 000 €
Issue price	100 000 €
Initial conversion premium	37.5%
Reference share price	23.977 €
Initial conversion price	32.97 €
Bond interest («coupon»)	2% (paid semi-annually: 17 January & 17 July)

In line with SPIE's sustainability-linked financing framework dated November 2022, the bonds are indexed to ESG key performance indicators.

If a defined sustainable performance target is not met by the end of 2025, SPIE will pay a premium of 0.25% of the principal amount of each bond; 0.375% premium for two targets not met; and 0.50% premium for three targets not met.

Characteristics of the securitisation program

The securitisation program established in 2007 with a maturity at June 2023, has been renewed under the conditions below:

- The Securitisation program will run for four years until June 2027 (except in the event of early termination or termination by agreement),

- Indexation on sustainable development criteria, with an ESG adjustment premium in the form of a discount or a maximum premium of 5 basis points, to be applied each year, from December 31st, 2023, depending on the achievement of annual ESG performance targets, as defined in the contract,

- A maximum funding of €300 million.

In thousands of euros	*Repayment*	*Fixed / floating rate*		*Dec 31st, 2023*
Receivable Securitisation Program	Monthly	Floating	Internal rate Société Générale + 1%	300,000
Loans and borrowings from banking Institutions				**300,000**

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