Press release
24 July 2024

Very solid H1 2024 results
Further improvement in industrial and commercial performance
Upwards revision of full-year 2024 organic growth and EBITDA margin targets

Solid financial performance: strong revenue growth and improvement in profitability

- Revenue of €2,246.7m (+6.9% of which +5.5% organic)
- Adjusted EBITDA margin up +120bps at 34.5% of revenue
- Adjusted EBIT margin up +20bps at 15.3% of revenue
- Net income down -14.1% at €119.1m (in line with the expected half-yearly phasing that should result in a strong increase in the full-year 2024)
- Headline net income up +0.9% at €208.7m
- Headline net income per share up +1.6% at €0.83 (on a fully diluted basis)
- Free cash flow (after lease payments) at €55.5m, up +€38,6m vs. last year
- Financial leverage ratio at 2,06x as of June 30, 2024

Revenue up +6.9% in H1 2024, of which +5.5% on an organic basis: numerous commercial successes, improvement of customer retention rate and good pricing dynamic

- Commercial momentum is well-oriented with the signature of new contracts, driven by further outsourcing development and growing client needs in hygiene, traceability and sustainable products and services
- Customer retention rate back to its normative level at c. 94%, reflecting the quality of the Group's commercial relationships with its clients
- In Hospitality, Southern Europe continues to be very dynamic; in France and in the UK, poor weather conditions and general elections in both countries penalized activity in the 2nd quarter
- Pricing dynamic remains favorable in all our markets, driven by the adjustments implemented to offset cost base inflation

EBITDA margin up de +120bps, reflecting the Group's industrial excellence

- Further productivity gains in all our geographies, driven by the optimization of industrial processes and logistics as well as better energy purchasing conditions
- Outstanding progress in Germany, where various operational changes are bearing fruit

Further development in M&A strategy with the acquisitions of Moderna and Wonway

- With the acquisition of Moderna in the Netherlands, consolidated since March 1, Elis is expanding its offer to the flat linen market and strengthening its network density in the country
- On July 1, Elis announced its first operation in Asia with the acquisition of Wonway, operating in the buoyant Cleanroom market in Malaysia

Elis continues its progress in terms of CSR commitment

- Significant improvement of Elis' rating by Moody's Analytics in H1 2024
- Accident frequency rate down c. -14% (over 12 rolling months ending in May 2024)

Update of full-year 2024 profitability objectives

- Full-year organic growth now expected between +5.2% and +5.5% (previously expected at c. +5%)
- Adjusted EBITDA margin now expected between 35.2% and 35.5% (previously expected close to 35%)
- Adjusted EBIT margin still expected stable yoy at c. 16%
- Headline net income per share still expected above €1.75 on a fully-diluted basis
- Free cash flow still expected c. €340m
- Financial leverage ratio as of December 31, 2024 still expected down -0.2x compared to December 31, 2023

Saint-Cloud, 24 July 2024 – Elis, the global leader in circular services at work, today announces its half-year 2024 financial results. The accounts have been approved by the Management Board and examined by the Supervisory Board today. They have been subject to a limit review by the Company's auditors.

Commenting on the announcement, **Xavier Martiré, CEO of Elis**, said:

« Our H1 2024 results are very satisfactory. Elis recorded revenue growth of +6.9% at 2,247 million euros, with organic growth of +5.5%, combined with significant improvement in EBITDA margin and free cash-flow.

In H1, the commercial dynamic remained strong. Our offers, which address the increasing needs of our clients for hygiene, traceability and for a more secure supply chain, continue to be a resounding success; we recorded many new contract wins in all our markets, notably in workwear. In addition, revenue continues to benefit from pricing adjustments implemented to offset cost base inflation; in this context, we note with satisfaction the return to normal of the customer retention rate, which demonstrates improvements in the Group's quality of service and the good commercial relationships it enjoys with its clients.

In Hospitality, activity was disappointing in Q2: poor weather conditions and the general elections in France and in the UK seem to have limited travel and tourism. In addition, the Parisian hospitality market was penalized by the preparation of the Olympics, with many business events postponed to Q3.

EBITDA margin in the first half was strongly up by +120bps at 34.5%, reflecting new productivity gains, and better purchasing conditions for energy. This is particularly the case in Germany, where the implementation of various operational measures is bearing fruit.

In the first half of 2024, M&A activity has picked up after a subdued year in 2023. At end-February, we closed the acquisition of Moderna in the Netherlands, which enables the Group to strengthen its offer in workwear and to address the still very fragmented Dutch flat linen market. On July 1, 2024, Elis also announced the acquisition of Wonway in Malaysia, to serve our clients in the fast-growing cleanroom market.

These good first-half results enable us to revise upwards our full-year 2024 organic growth and EBITDA margin objectives and we confidently confirm all the other objectives communicated last March.

The great resilience that Elis demonstrated through the various recent crises, its operational know-how, its strengthened organic growth and its model based on the principles of the circular economy are major assets that will enable the Group to continue to assert its leadership in all the countries in which it operates."

I. 2024 half-year results

H1 2024 revenue

In millions of euros	2024 Q1	2024 Q2	2024 H1	2023 Q1	2023 Q2	2023 H1	Var. Q1	Var. Q2	Var. H1
France	316.6	346.6	663.2	303.5	336.8	640.3	+4.3%	+2.9%	+3.6%
Central Europe	275.2	281.6	556.8	245.6	251.8	497.3	+12.1%	+11.8%	+12.0%
Scandinavia & East. Eur.	157.0	152.4	309.4	153.3	146.8	300.1	+2.4%	+3.8%	+3.1%
UK & Ireland	132.5	143.4	275.9	121.9	135.5	257.3	+8.7%	+5.8%	+7.2%
Latin America	114.5	117.8	232.3	102.4	111.3	213.7	+11.8%	+5.8%	+8.7%
Southern Europe	90.2	105.4	195.5	81.3	98.7	179.9	+11.0%	+6.8%	+8.7%
Others	6.4	7.1	13.5	5.5	7.1	12.6	+17.7%	-0.2%	+7.6%
Total	**1,092.4**	**1,154.2**	**2,246.7**	**1,013.4**	**1,087.9**	**2,101.3**	**+7.8%**	**+6.1%**	**+6.9%**

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

H1 2024 revenue breakdown

In millions of euros	H1 2024	H1 2023	Organic growth	External growth	FX	Reported growth
France	663.2	640.3	+3.6%	-	-	+3.6%
Central Europe	556.8	497.3	+7.7%	+3.6%	+0.7%	+12.0%
Scandinavia & East. Eur.	309.4	300.1	+4.2%	-	-1.1%	+3.1%
UK & Ireland	275.9	257.3	+5.1%	-	+2.1%	+7.2%
Latin America	232.3	213.7	+7.5%	-	+1.2%	+8.7%
Southern Europe	195.5	179.9	+6.6%	+2.1%	-	+8.7%
Others	13.5	12.6	+5.9%	-	+1.7%	+7.6%
Total	**2,246.7**	**2,101.3**	**+5.5%**	**+1.0%**	**+0.4%**	**+6.9%**

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

H1 2024 organic revenue growth

	Q1 2024 organic growth	Q2 2024 organic growth	H1 2024 organic growth
France	+4.3%	+2.9%	+3.6%
Central Europe	+9.0%	+6.4%	+7.7%
Scandinavia & East. Eur.	+4.2%	+4.1%	+4.2%
UK & Ireland	+6.1%	+4.1%	+5.1%
Latin America	+7.5%	+7.6%	+7.5%
Southern Europe	+8.9%	+4.8%	+6.6%
Others	+15.4%	-1.4%	+5.9%
Total	**+6.4%**	**+4.6%**	**+5.5%**

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

Q2 2024 revenue

In millions of euros	Q2 2024	Q2 2023	Organic growth	External growth	FX	Reported growth
France	346.6	336.8	+2.9%	-	-	+2.9%
Centrale Europe	281.6	251.8	+6.4%	+5.2%	+0.3%	+11.8%
Scandin. & East. Eur.	152.4	146.8	+4.1%	-	-0.3%	+3.8%
UK & Ireland	143.4	135.5	+4.1%	-	+1.7%	+5.8%
Latin America	117.8	111.3	+7.6%	-	-1.8%	+5.8%
Southern Europe	105.4	98.7	+4.8%	+2.0%	-	+6.8%
Others	7.1	7.1	-1.4%	-	+1.2%	-0.2%
Total	**1,154.2**	**1,087.9**	**+4.6%**	**+1.4%**	**+0.1%**	**+6.1%**

« Others » includes Manufacturing Entities and Holdings.
Percentage change calculations are based on actual figures.

H1 2024 adjusted EBITDA

In millions of euros	H1 2024 reported	H1 2023 restated[1]	Var. H1 2024 / H1 2023
France	271.4	250.4	+8.4%
As of % of revenue	*40.9%*	*39.0%*	*+190bps*
Central Europe	175.0	147.3	+18.8%
As of % of revenue	*31.3%*	*29.5%*	*+180bps*
Scandinavia & East. Eur.	108.1	106.5	+1.6%
As of % of revenue	*34.9%*	*35.5%*	*-50bps*
UK & Ireland	85.7	76.5	+12.0%
As of % of revenue	*31.1%*	*29.7%*	*+130bps*
Latin America	80.5	73.6	+9.5%
As of % of revenue	*34.7%*	*34.4%*	*+20bps*
Southern Europe	62.5	53.0	+17.9%
As of % of revenue	*31.9%*	*29.4%*	*+250bps*
Others	(9.0)	(9.1)	+1.2%
Total	**774.3**	**698.1**	**+10.9%**
As of % of revenue	*34.5%*	*33.2%*	*+120bps*

[1] *: Please refer to the « Restated income statement for prior financial years » section of this release.*
Margin rates and percentage change calculations are based on actual figures.
« Others » includes Manufacturing Entities and Holdings.

France

H1 2024 revenue was up +3.6% (entirely organic), driven by commercial momentum in workwear (Industry, Trade & services). Pricing dynamic was good and enabled us to offset cost inflation. In Hospitality, poor weather conditions in May and June, combined with the disturbances linked to the Olympics preparations and the general elections, penalized Q2 activity. However, our clients remain confident: September and October should benefit from the postponement of business events initially scheduled before summer.

Productivity gains in our plants, combined with improved purchasing conditions for energy, led to an adjusted EBITDA margin improvement of +190bps in the first half of 2024, to 40.9%.

Central Europe

The region's revenue was up +12.0% in H1 2024 (+7.7% on an organic basis). The acquisition of Moderna in the Netherlands, consolidated since 1 March 2024, contributed c. +3.6% to region's growth in the half-year. Germany delivered organic growth above +8%, driven by good commercial momentum in workwear and a good pricing dynamic. Poland and the Netherlands are well-oriented as well.

H1 2024 adjusted EBITDA margin was up +180bps compared to H1 last year, at 31.3%, driven by better purchasing conditions for energy and significant productivity gains, notably in Germany where the measures implemented, including a management reorganization, are bearing fruit.

Scandinavia & Eastern Europe

The region's revenue was up +3.1% in H1 2024 (+4.2% on an organic basis), with a negative FX impact of -1.1%. Organic growth was driven by the performance of the Baltics, Sweden and Norway, where the outsourcing trend remains strong. In Denmark, the Group's strict pricing discipline led to limited volume losses.

H1 2024 adjusted EBITDA margin was down -50bps, at 34.9% compared to H1 2023. Despite a strong position on these markets, pricing negotiations are sometimes tough, notably with public sector clients.

UK & Ireland

The region's revenue was up +7.2% in H1 2024 (+5.1% on an organic basis), with a positive FX impact of +2.1%. The UK continued its growth in all markets, notably in Healthcare and workwear (standard and cleanroom). We also recorded an improvement in the majority of our client satisfaction KPIs and quality of service. In Hospitality, poor weather conditions and the general elections penalized Q2 activity.

H1 2024 adjusted EBITDA margin was up +130bps compared to H1 2023, at 31.1%, driven by further improvements in our industrial processes and logistics and by better purchasing conditions for energy.

Latin America

The region's revenue was up +8.7% in H1 2024 (+7.5% on an organic basis), with a positive FX impact of +1.2%. Inflation is below +5%; our pricing adjustments in the region are thus comparable to those implemented in Europe. Commercial momentum was good, notably in Healthcare. Mexico and Colombia both recorded organic growth of c. +10%.

H1 2024 adjusted EBITDA margin was up +20bps compared to H1 2023, at 34.7%, driven by productivity gains.

Southern Europe

The region's revenue was up +8.7% in H1 2024 (+6.6% on an organic basis), driven by dynamism in Hospitality. In Industry, Trade & Services, further outsourcing continued, and we recorded many new contract signings. All the countries in the region were well-oriented, notably Portugal where organic growth was close to +9%. Finally, the 2023 acquisitions in Italy and Spain in the Pest Control market contributed for +2.1% to half-year growth.

In H1 2024, better purchasing conditions for energy combined with further productivity gains led to an improvement of +250bps in adjusted EBITDA margin, to 31.9%.

Adjusted EBITDA to net income

In millions of euros	H1 2024 reported	H1 2023 restated[1]	Var.
Adjusted EBITDA	**774.3**	**698.1**	**+10.9%**
As of % of revenue	*34.5%*	*33.2%*	*+120bps*
D&A	(430.6)	(381.7)	
Adjusted EBIT	**343.6**	**316.4**	**+8.6%**
As of % of revenue	*15.3%*	*15.1%*	*+20bps*
Miscellaneous financial items	(1.0)	(0.9)	
Non-current operating income and expenses	(40.8)	(21.5)	
IFRS 2 expense	(12.5)	(10.3)	
Amortization of intangible assets recognizing in a business combination	(41.8)	(41.6)	
Operating income	**247.6**	**242.2**	**+2.3%**
Net financial income (expense)	(66.5)	(56.9)	
Income tax	(62.0)	(46.6)	
Income from continuing operations	**119.1**	**138.6**	**-14.1%**
Net income	**119.1**	**138.6**	**-14.1%**

[1] : *Please refer to the « Restated income statement for prior financial years » section of this release.*
Margin rates and percentage change calculations are based on actual figures

Adjusted EBIT

H1 2024 adjusted EBIT was up +20bps as a percentage of revenue. Depreciations were back to a normative level at 19.2% vs. 18.2% in H1 2023 (amortization in 2023 was below normative level due to the lower linen investments during the pandemic).

Operating income

The main items between adjusted EBIT and Operating income are as follows:

- Other operating income and expenses strongly increased due to the reevaluation of the earn-out of the acquisition in Mexico in 2022: the financial outlook of the acquired group has been revised upwards once again given its performance.
- Expenses related to share-based payments correspond to the requirements of the IFRS 2 accounting standard. They increased compared to H1 2023, at 12.5 million euros as a result of the share price increase over the last 3 years.
- Amortization of intangible assets linked with past acquisitions are relatively stable as it mostly results from the acquisition of Berendsen in 2017.

Net financial result

Net financial expense was €66.5m in H1 2024. It is c. €9.6m higher compared to H1 2023, mainly due to the increase of interest charges of recent refinancings.

Income tax

In H1 2024, income tax was at €62.0m, up €15.4m compared to H1 2023. Indeed, the 2023 basis was reduced due to the use of tax loss carryforwards in Spain and in the UK.

Net income

Net income was down -14.1%, at €119.1m in H1 2024 compared to €138.6m in H1 2023. The strong increase in EBITDA (+€76m) was offset by the normalization of amortization (-€49m), the increase of financial expenses (-€10m), earn-out payments (-€19m) and tax base effect (-€16m). These effects should be erased over the year; we anticipate a strong increase in net income in 2024.

Net income to headline net income

In millions of euros	H1 2024 reported	H1 2023 restated[1]	Var.
Net income	**119.1**	**138.6**	**-14.1%**
Amortization of intangible assets recognized in a business combination	41.8	41.3	
IFRS 2 expense	12.5	10.3	
Accretion expense resulting from the Mexican acquisition earn-outs	7.8	5.1	
Non-current operating income and expenses	40.8	21.5	
Tax effect	(13.2)	(10.0)	
Headline net income	**208.7**	**206.8**	**+0.9%**
Non-controlling interests	(0.0)	(0.0)	
Headline net income attributable to owners of the parent (A)	**208.7**	**206.8**	**+0.9%**
Convertible related interests (B)	6.5	8.1	
Headline net income attributable to owners of the parent, adjusted for the dilution effect	**215.3**	**215.0**	**+0.1%**
Share count - basis (C)	235.8	232.6	
Share count – fully diluted (D)	259.5	263.4	
Headline net income per share (in euros):			
- basic, attributable to owners of the parent = A/C	**0.89**	**0.89**	**-0.4%**
- diluted, attributable to owners of the parent = (A-B)/C	**0.83**	**0.82**	**+1.6%**

[1] *: Please refer to the "Restated income statement for prior financial years" section of this release.*

Headline net income was €208.7m in H1 2024, up +0.9% compared to H1 2023. Headline net income per share was up +1.6% at €0.83 (on a fully-diluted basis).

Cash flow statement

In millions of euros	H1 2024 reported	H1 2023 restated[1]
Adjusted EBITDA	**774.3**	**698.1**
Adjustment of (gains) and losses on disposal or fixed assets and change in provisions	2.0	1.2
Monetary non-recurring items including in Operating income and expense	(11.5)	(6.6)
IFRS 2 expense (social contributions)	(1.7)	(1.8)
Other	(1.0)	(0.9)
Cash flow before net financial costs and tax	**762.1**	**689.9**
Net capex	(430.5)	(414.1)
Change in working capital requirement	(77.5)	(85.9)
Net interest paid (including interest on lease liabilities)	(71.6)	(63.7)
Tax paid	(64.6)	(56.5)
Lease liabilities payments – principal	(62.6)	(52.9)
Free cash flow	**55.5**	**16.9**
Acquisitions of subsidiaries, net of cash acquired	(134.0)	(61.5)
Other change arising from subsidiaries (gain or loss of control)	(18.8)	(1.8)
Other flows related to financial operations	3.8	(4.0)
Dividends paid	(101.3)	(61.7)
Equity increase, treasury shares	(2.1)	0.5
Other	(9.6)	2.2
Net financial debt increase	**(206.5)**	**(109.5)**
	30 June 2024	**31 Dec 2023**
Net financial debt	**3,231.9**	**3,025.4**

[1]: *A reconciliation is provided in the "Restated income statement for prior financial years" section of this release.*

Net capex

In H1 2024, the Group's net capex was up c. +€16m compared to H1 2023. As a percentage of revenue, this ratio stood at 19.2% (vs. 19.7% as of 30 June 2023), in line with the expected ratio for the full-year.

Change in working capital requirements

In H1 2024, calendar effect (Saturday 29 June, Sunday 30 June) had a strong negative impact on the change in WCR, at c. -€77m. The Group's average payment time remained very good, even if it slightly deteriorated at 30 June 2024, at 55 days vs. 54 days at 30 June 2023.

Free cash-flow

In H1 2024, the Group delivered free cash flow (after lease payments) of €55.5m, up +€38.6m compared to H1 2023. This amount is in line with the full-year objectives, as the 2nd half historically represents nearly all yearly free cash flow.

Net financial debt and financing

The Group's net financial debt at June 30, 2024 stood at €3,231.9m compared to €3,025.4m at December 31, 2023 and €3,275.4m at June 30, 2023. The financial leverage ratio was 2.06x at June 30, 2024 compared to 2.04x at December 31, 2023 and 2.36x at June 30, 2023.

On March 14, 2024, Elis issued a €400m aggregate principal amount of senior unsecured notes under its EMTN (Euro Medium Term Notes) Program. The maturity of the notes is 6 years and the notes carry a fixed annual coupon of 3.75%.

Payout for the 2023 financial year

The General Shareholders Meeting held on May 23, 2024 approved the distribution of a dividend of €0.43 per share in cash for the financial year 2023. The amount was paid on May 29, 2024 for a total amount of €101m.

II. <u>Upwards revision of full-year 2024 organic growth and EBITDA margin targets</u>

- Full-year organic growth now expected between +5.2% and +5.5% (previously expected at c. +5%)
- Adjusted EBITDA margin now expected between 35.2% and 35.5% (previously expected close to 35%)
- Adjusted EBIT margin still expected stable yoy at c. 16%
- Headline net income per share still expected above €1.75 on a fully diluted basis
- Free cash flow still expected c. €340m
- Financial leverage ratio as of December 31, 2024 still expected down -0.2x compared to December 31, 2023

III. CSR

The circular economy at the heart of Elis' business model

Elis offers its clients products that are maintained, repaired, reused, and reemployed to optimize their usage and lifespan. The Group therefore selects its textile products based on sustainability criteria, to ensure frequent washing, and also operates repair workshops. Elis' conviction is that the circular economy model, which notably aims at reducing consumption of natural resources by optimizing the lifespan of products, is a sustainable solution to address today's environmental challenges.

The services offered by Elis represent a sustainable alternative to the simple purchase or use of products or to single-use disposable, products.

Moreover, these alternatives to a linear approach to consumption allow our clients to avoid CO2 emissions and thus contribute to the reduction of their own emissions.

The Ellen MacArthur Foundation states that the circular economy can significantly contribute to reaching Net Zero and that nearly 9 billion tons of CO2eq (i.e. 20% of world emissions) could be reduced thanks to the transition of just some key industries from the current model towards a circular economy.

Non-financial rating

Rating agencies	MSCI	Ecovadis	CDP	Sustainalytics	Ethifinance ESG Rating	Moody's Analytics
Scores	*A*	*75/100* *Gold*	*A-* *Climate change*	*Low risk*	*75/100* *Gold*	*61/100*

The Group's CSR performance has been recognized by non-financial rating agencies:

- In 2023, the MSCI rating agency improved Elis' ESG rating to A from BBB. It rewards the Group's CSR commitments and its continuous improvements,
- In 2023, Elis obtained a Gold medal for the EcoVadis questionnaire, maintaining its score of 75/100. This award confirms Elis' commitment to its clients, partners and employees, and places the Group within the best-assessed companies in its sector. Elis' CSR strategy fulfills EcoVadis' assessment criteria, which are based on international standards and 4 CSR themes (Environment, Social & Human Rights, Ethics and Sustainable Purchasing). This medal places Elis within the top 5% of the c. 100,000 companies assessed by EcoVadis,
- In its last assessment, the Group was also rated A by the CDP (Carbon Disclosure Project), a non-profit organization which performs independent assessments on the basis of information provided by companies on their strategy, performance and commitment of stakeholders on climate goals. This assessment places the Group in the "Leadership" category and underlines its commitment and action in the area of climate change,
- Sustainalytics maintained the Group rating as "low risk" concerning CSR,
- Elis improved its score with rating agency Ethifinance ESG Rating (ex-Gaia), to 75 from 73 previously, maintaining its "Gold" level,
- Finally, Moody's Analytics significantly upgraded Elis' score, from 50/100 to 61/100.

Our climate commitment: ambitious 2030 climate targets

On September 4, 2023, Elis unveiled its climate roadmap and related 2030 targets, underscoring its commitment to contributing to a low-carbon society.

Elis' ambition is to achieve the following targets by 2030:

- Reduce absolute scopes 1 and 2 GHG emissions by -47.5% by 2030 from a 2019 base year 1;
- Reduce absolute scope 3 GHG emissions from purchased goods and services, fuel and energy related activities, upstream transportation and distribution, employee commuting, and end-of-life treatment of sold products by -28% within the same timeframe.

These targets have been approved by the Science Based Targets initiative (SBTi), an international reference and a partnership between the United Nations Global Compact, the World Resources Institute (WRI), the Carbon Disclosure Project (CDP) and the World Wildlife Fund for Nature (WWF). They are fully in line with the objectives of the 2015 Paris Climate Agreements to contribute to restrict global warming to less than 1.5°C compared to pre-industrial levels on scopes 1 and 2, and well below 2°C on scope 3.

These climate targets mark a new step in Elis' sustainability strategy and climate actions. The Group has worked for many years to reduce its energy consumption and CO2eq emissions.

In December 2023, these 2030 targets have been integrated to the calculation of the margin of the Group's 900-million-euro Sustainability-Linked Revolving Credit Facility.

Our CSR performance

In H1 2024, the Group recorded a noticeable improvement in its performance in terms of health and safety at work, with a c. -14% decrease of the accident frequency rate (in May 2024 yoy). This reduction results from heightened actions plans implemented by the Group and from the strengthening of the health and safety culture overall in its operations.

The deployment of the climate plan continues. The new collections of more-sustainable products (workwear or hygiene and well-being solutions) are being rolled out in all geographies of the Group. Many actions were also launched in countries to contribute to the reuse of linen or to the reduction of single-use plastics.

Close to 75 electric heavy trucks and close to 45 exclusive biofuel vehicles will be delivered in France before year-end. The energy performance of European laundries continues its improvement with an improvement of close to +1.5% to date compared to the same period in 2023.

IV. Other information

Restated income statement for prior financial years

The table below presents the adjustments made retrospectively linked to business combination (IFRS 3) on the previously-published income statement as of June 30, 2023.

In millions of euros	H1 2023 reported	IFRS 3	H1 2023 restated
Revenue	**2,101.3**	**-**	**2,101.3**
Adjusted EBITDA	**698.1**	**-**	**698.1**
D&A	(381.7)	-	(381.7)
Adjusted EBIT	**316.4**	**-**	**316.4**
Miscellaneous financial items	(0.9)	-	(0.9)
Non-current operating income and expenses	(21.5)	-	(21.5)
IFRS 2 expense	(10.3)	-	(10.3)
Amortization of intangible assets recognized in a business combination	(41.3)	(0.3)	(41.6)
Operating income	**242.4**	**(0.3)**	**242.2**
Net financial income (expense)	(56.9)	-	(56.9)
Income tax	(46.7)	0.1	(46.6)
Income from continuing activity	**138.8**	**(0.2)**	**138.6**
Net income	**138.8**	**(0.2)**	**138.6**

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 (loss) before net financial income (loss), income tax, share in net income of equity accounted companies, amortization of intangible assets recognized in a business combination, goodwill impairment losses, other operating income and expense, miscellaneous financial items (bank fees recognized in operating income) and IFRS 2 expense (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 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.

Consolidated financial statements

Condensed interim consolidated financial statements for H1 2024 will be available at this address: https://fr.elis.com/en/group/investor-relations/regulated-information

Geographical breakdown

- France

- Central Europe: Germany, Austria, Belgium, Hungary, Luxembourg, Netherlands, Poland, Czech Republic, Slovakia, Switzerland
- Scandinavia & Eastern Europe: Denmark, Estonia, Finland, Latvia, Lithuania, Norway, Russia, Sweden
- UK & Ireland
- Latin America: Brazil, Chile, Colombia, Mexico
- Southern Europe: Spain & Andorra, Italy, Portugal

Presentation of Elis' 2024 half-year results (in English)

Date: 24 July 2024 at 5:00pm GMT (6:00pm CET)

Speakers: Xavier Martiré, CEO and Louis Guyot, CFO

Webcast link:
https://edge.media-server.com/mmc/p/ibx7bux4

Conference call & Q&A session link:
https://register.vevent.com/register/BI8c54a52a81b441aaa6a4006a1b3ded12

An investor presentation will be available at 4:50pm GMT (5:50pm CET) at this address:
https://fr.elis.com/en/group/investor-relations/regulated-information

Disclaimer

This press release may include data information and statements relating to estimates, future events, trends, plans, expectations, objectives, outlook and other forward-looking statements relating to the Group's future business, financial condition, results of operations, performance and strategy as they relate to climate objectives, financial targets and other goals set forth therein. Forward-looking statements are not statements of historical fact and may contain the terms "may", "will", "should", "continue", "aims", "estimates", "projects", "believes", "intends", "expects", "plans", "seeks" or "anticipates" or words of similar meaning. In addition, the term "ambition" expresses an outcome desired by the Group, it being specified that the means to be deployed do not depend solely on the Group. Such forward-looking information and statements have not been audited by the statutory auditors. They are based on data, assumptions and estimates that the Group considers as reasonable as of the date of this press release and, by nature, involve known and unknown risks and uncertainties. These data, assumptions and estimates may change or be adjusted as a result of uncertainties, many of which are outside the control of the Group, relating particularly to the economic, financial, competitive, regulatory or tax environment or as a result of other factors of which the Group is not aware on the date of this press release. In addition, the materialization of certain risks, especially those described in chapter 4 "Risk management and internal control" of the Universal Registration Document for the financial year ended December 31, 2023, which is available on Elis's website (www.elis.com), may have an impact on the Group's business, financial condition, results of operations, performance, and strategy, notably with respect to these climate-related objectives, financial objectives or other objectives included in this press release. Therefore, the actual achievement of climate-related objectives, financial targets and other goals set forth in this press release may prove to be inaccurate in the future or may differ materially from those expressed or implied in such forward-looking statements. The Group makes no representation and gives no warranty regarding the achievement of any climate objectives, targets and other goals set forth in this press release. Therefore, undue reliance should not be placed on such information and statements.

This press release and the information included therein were prepared on the basis of data made available to the Group as of the date of this press release. Unless stated otherwise in this press release, this press release and the information included therein are accurate only as of such date. The Group assumes no obligation to update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise, except as required by applicable laws and regulations.

This press release 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 press release, from time to time, without notice and without explanation. The data included in this press release 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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The climate-related data and the climate-related objectives included in this press release were neither audited nor subject to a limited review by the statutory auditors of the Group.

Next information

Q3 2024 revenue: 30 October 2024 (after market)

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Excerpt from condensed consolidated financial statements

Consolidated income statement

(In millions of euros) *(Unaudited)*	06/30/2024	06/30/2023 restated*
Revenue	2,246.7	2,101.3
Cost of linen, equipment and other consumables	(356.7)	(308.0)
Processing costs	(834.0)	(809.3)
Distribution costs	(333.7)	(307.4)
Gross margin	722.3	676.6
Selling, general and administrative expenses	(386.4)	(370.7)
Net impairment on trade and other receivables	(5.6)	(0.7)
Amortization of intangible assets recognized in a business combination	(41.8)	(41.6)
Other operating income and expenses	(40.8)	(21.5)
Operating income	247.6	242.2
Net financial income (expense)	(66.5)	(56.9)
Income (loss) before tax	181.1	185.2
Tax	(62.0)	(46.6)
Income (loss) from continuing operations	119.1	138.6
Income from discontinued operation, net of tax	0.0	0.0
Net income (loss)	119.1	138.6
Attributable to:		
- owners of the parent	119.1	138.6
- non-controlling interests	(0.0)	(0.0)
Earnings (loss) per share (EPS) (in euros):		
- basic, attributable to owners of the parent	€0.51	€0.60
- diluted, attributable to owners of the parent	€0.48	€0.56
Earnings (loss) per share (EPS) from continuing operations (in euros):		
- basic, attributable to owners of the parent	€0.51	€0.60
- diluted, attributable to owners of the parent	€0.48	€0.56

*: A reconciliation is provided in the "Restated income statement for prior financial years" section of this release.

Consolidated statement of financial position

Assets

(In millions of euros) *(Unaudited)*	06/30/2024	12/31/2023 restated*
Goodwill impairment	3,965.8	3,982.9
Intangible assets	657.3	702.6
Right-of-use assets	535.9	513.2
Property, plant and equipment	2,282.1	2,210.7
Other equity investments	0.1	0.1
Other non-current assets	70.7	66.2
Deferred tax assets	43.4	46.9
Employee benefit assets	4.1	12.3
Total non-current assets	7,559.2	7,534.9
Inventories	186.6	185.6
Contract assets	53.8	51.9
Trade and other receivables	908.6	823.6
Current tax assets	29.6	24.5
Other assets	23.2	19.3
Cash and cash equivalents	420.7	665.3
Assets held for sale	0.0	0.0
Total current assets	1,622.6	1,770.1
Total assets	**9,181.8**	**9,305.0**

*: A reconciliation is provided in the "Restated income statement for prior financial years" section of this release.

Equity and liabilities

(In millions of euros) *(Unaudited)*	06/30/2024	12/31/2023 restated*
Share capital	235.6	234.0
Additional paid-in capital	2,476.1	2,477.7
Treasury share reserve	(2.8)	(0.7)
Other reserves	(360.8)	(289.1)
Retained earnings	1,077.7	1,053.4
Equity attributable to owners of the parent	**3,425.7**	**3,475.3**
Non-controlling interests	**(0.0)**	**0.7**
Total equity	3,425.7	3,476.1
Provisions	90.8	94.0
Employee benefit liabilities	86.9	90.7
Borrowings and financial debt	2,637.1	2,717.5
Deferred tax liabilities	289.6	295.6
Lease liabilities	447.5	430.4
Other non-current liabilities	21.4	58.0
Total non-current liabilities	3,573.3	3,686.1
Current provisions	15.0	17.1
Current tax liabilities	32.0	24.3
Trade and other payables	385.4	404.7
Contract liabilities	87.6	83.7
Current lease liabilities	115.3	107.5
Other liabilities	531.9	532.4
Bank overdrafts and current borrowings	1,015.5	973.2
Liabilities directly associated with assets held for sale	0.0	0.0
Total current liabilities	2,182.8	2,142.8
Total equity and liabilities	**9,181.8**	**9,305.0**

*: A reconciliation is provided in the "Restated income statement for prior financial years" section of this release.

Consolidated statement of cash flows

(In millions of euros) *(Unaudited)*	06/30/2024	06/30/2023 restated*
Net income (loss)	**119.1**	**138.6**
Tax	62.0	46.6
Net financial income (expense)	66.5	56.9
Operating income	**247.6**	**242.2**
Share-based payments	10.7	8.4
Depreciation, amortization and provisions	470.3	422.7
Portion of grants transferred to income	(0.3)	(0.3)
Net gains and losses on disposal of property, plant and equipment and intangible assets	1.6	1.0
Adjustments to consideration payable to the vendor and other cash items	32.0	15.9
Cash flows before finance costs and tax	**762.1**	**689.9**
Change in inventories	0.4	(2.8)
Change in trade and other receivables and contract assets	(86.9)	(93.4)
Change in other assets	(3.3)	(4.4)
Change in trade and other payables	(12.0)	(30.2)
Change in contract liabilities and other liabilities	29.1	49.5
Other changes	(2.4)	(1.9)
Employee benefits	(2.3)	(2.7)
Tax paid	(64.6)	(56.5)
Net cash from operating activities	**620.1**	**547.5**
Acquisition of intangible assets	(10.9)	(13.4)
Proceeds from sale of intangible assets	0.0	(0.0)
Acquisition of property, plant and equipment	(425.3)	(402.9)
Proceeds from sale of property, plant and equipment	4.9	2.0
Acquisition of subsidiaries, net of cash acquired	(134.0)	(61.5)
Proceeds from disposal of subsidiaries, net of cash transferred	0.0	0.0
Changes in loans and advances	0.3	0.2
Dividends earned	0.0	0.0
Investment grants	0.8	0.2
Net cash from investing activities	**(564.2)**	**(475.4)**
Capital increase	(0.0)	0.0
Treasury shares	(2.1)	0.5
Dividends paid	(101.3)	(61.7)
Proceeds from new borrowings	882.8	624.2
Repayments of borrowings	(942.5)	(400.5)
Lease liability payments - principal	(62.6)	(52.9)
Net interest paid (including interest on lease liabilities)	(71.6)	(63.7)
Other cash flows related to financing activities	3.8	(4.0)
Net cash from financing activities	**(293.4)**	**41.9**
Net increase (decrease) in cash and cash equivalents	**(237.5)**	**113.9**
Cash and cash equivalents at beginning of period	664.8	286.1
Effect of changes in foreign exchange rates on cash and cash equivalents	(6.6)	3.8
Cash and cash equivalents at end of period	**420.6**	**403.8**