

Issy-les-Moulineaux, October 24, 2024  
Sodexo (NYSE Euronext Paris FR 0000121220-OTC: SDXAY)

## Sodexo: strong financial delivery in Fiscal 2024

- Organic revenue growth +7.9%
- Underlying operating profit +16% at constant currencies, margin up +40 bps at 4.7%
- Strong free cashflow resulting in a net debt/EBITDA ratio of 1.7x
- A proposed ordinary dividend of 2.65 euros, up 17.8%, in line with the Group dividend policy of 50% of Underlying net income
- Fiscal 2025 guidance:
  - Organic growth expected between +5.5% and +6.5% (underlying trend<sup>1</sup> between +6% and +7%)
  - Underlying operating profit margin improvement expected between +30 to +40 bps, at constant currencies

At the Board of Directors meeting held on October 23, 2024, chaired by Sophie Bellon, the Board closed the Sodexo Consolidated accounts for Fiscal 2024 ended August 31, 2024.

### Fiscal 2024 key figures and highlights

(in million euros)	FISCAL 2024	FISCAL 2023	DIFFERENCE	DIFFERENCE CONSTANT RATES
Revenues	23,798	22,637	+5.1%	+7.0%
Organic growth	+7.9%	+11.0%		
<b>UNDERLYING OPERATING PROFIT</b>	<b>1,109</b>	<b>976</b>	<b>+13.7%</b>	<b>+16.0%</b>
<b>UNDERLYING OPERATING PROFIT MARGIN</b>	<b>4.7%</b>	<b>4.3%</b>	<b>+40 bps</b>	<b>+40 bps</b>
Other operating income and expenses	(58)	(129)		
<b>OPERATING PROFIT</b>	<b>1,051</b>	<b>847</b>	<b>+24.1%</b>	<b>+25.6%</b>
Net financial expense	(63)	(101)		
Tax charge	(249)	(181)		
Effective tax rate	25.4%	24.6%		
<b>GROUP NET PROFIT FROM CONTINUING OPERATIONS - Group share</b>	<b>738</b>	<b>560</b>	<b>+31.8%</b>	<b>+33.6%</b>
Basic EPS from Continuing Operations (in euros)	5.04	3.83	+31.6%	
<b>UNDERLYING NET PROFIT FROM CONTINUING OPERATIONS - Group share</b>	<b>775</b>	<b>659</b>	<b>+17.6%</b>	<b>+20.2%</b>
Basic Underlying EPS from Continuing Operations (in euros)	5.29	4.51	+17.3%	

For more detail on the Group Net Profit including discontinued operations, please refer to section 1.1.5 of the Financial Report

<sup>1</sup> Excluding the base effect of the Olympics, the Rugby World Cup and leap year in Fiscal 2024

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## Sodexo Chairwoman and CEO Sophie Bellon said:

*"2024 has been a year of structural transformation with two decisive steps to further focus the Group : the spin-off of Pluxee and the unwinding of the cross-shareholding with Bellon SA, returning the proceeds to shareholders. With our simplified structure, reorganized by geography, as a pure-player in Food and FM services, we are mobilized on enhancing our operational execution to drive profitable and sustainable growth.*

*We delivered a strong set of numbers, at the top-end of our guidance, achieving organic growth of +7.9% and a 40 bps improvement in margins. This was driven by effective inflation management, positive net new business, a standout year for Sodexo Live! and strong operating leverage from productivity gains, supply chain momentum and cost reduction. Finally, we reduced our Net debt to EBITDA ratio to 1.7 times, firmly back within the target range.*

*We achieved a record year for new signings, exceeding 1.9 billion euros including cross-selling, and at above-average margins. While retention was impacted by the loss of a large global contract, our disciplined approach and structural improvements have laid strong foundations. We are determined to recover our trajectory at over 95% already in Fiscal 2025.*

*Looking forward, I am confident that our progress on deploying our culinary food expertise through our food brands and our new production and distribution models, combined with strong digital features, will help us make a difference for clients and consumers. In the meantime, we are reaping the fruits of our efforts to optimize our supply management, and we are continuing to seek out efficiencies.*

*I want to thank our teams for their hard work and dedication in driving the Group's transformation."*

## Financial highlights

- Fiscal 2024 consolidated revenues reached 23.8 billion euros, up +5.1% year-on-year, driven by organic growth of +7.9%, offset somewhat by a net contribution from acquisitions and disposals of -1.0% mainly linked to the sale of the Homecare activities in October 2023 and a negative currency impact of -1.8%.
- Organic growth of +7.9% was driven by 4% of pricing and close to 4% of new volumes, including the net new contribution. Pricing decelerated progressively during the year, and volume growth slowed as the Covid recovery in volumes came to an end. The year benefited from two major sporting events with the Rugby World Cup in the first quarter and the Olympics in the fourth quarter. Excluding these events, organic growth would have been +7.5%.
- Food services organic growth, at +9.3%, outperformed FM services, at +5.5%. Food services now represent 66% of Group revenues.

By geography:

- In **North America**, organic growth was **+8.7%**. The ongoing return to the workplace, a solid momentum in hospitals and a strong performance of Sodexo Live!, particularly in the airline lounges, continue to drive growth, as well as the contribution of new business and pricing.
- In **Europe**, organic growth was **+7.2%**, or **+6.0%** excluding the Rugby World Cup and the Olympics, with increased volumes and the contribution of net new business, and despite the sequential slowdown in the price increases.
- In **Rest of the World**, organic growth was **+7.3%**, resulting from strong growth in India and Australia, somewhat offset by a slowdown in China and Chile.

- **Underlying operating profit** was 1.1 billion euros, up +13.7%, and the **Underlying operating margin** was 4.7%, up +40 bps, driven by the operating leverage from higher revenue, rigorous inflation management and enhanced on-site productivity. Margin improvement was at +30 bps in North America and Europe, and +20 bps in Rest of the World. HQ costs were also reduced by -11% due to strict cost control and the spin-off-linked transfers of employees to Pluxee.
- **Other operating income & expenses** amounted to -58 million euros against -129 million euros in Fiscal 2023. In Fiscal 2024, the gain on the sale of the Homecare services partly offset the spin-off costs, restructuring expenses principally linked to the reduction in HQ and central costs, and amortization of acquisition-related assets.
- **Operating profit** was up +24.1%, or +25.6% at constant currencies, at 1.1 billion euros compared to 847 million euros in the previous year.
- **Net financial expense** was 63 million euros, against 101 million euros in the previous year. While net interest costs remained pretty stable year-on-year, the improvement was mainly due to last year's Pluxee-related bond consent costs, as well as several Fiscal 2024 specific elements such as favorable currency impact and equity investment revaluations.
- The **Effective tax rate** was 25.4%, against 24.6% in the previous year. The effect of the non taxable capital gain on the Homecare disposal and the utilization of previously unrecognized tax assets was offset by the update of the risk related to the tax exposure in France.
- **Net profit from continuing activities** was up +31.8% to 738 million euros. Underlying net profit, adjusted for Other Operating income and expenses net of tax and for exceptional tax, amounted to 775 million euros, up +17.6%. The resulting **EPS** were respectively 5.04 euros and 5.29 euros.
- The Board proposes an ordinary **dividend** of 2.65 euros, up 17.8%, in line with the Group dividend policy of 50% of Underlying net income. Both the ordinary dividend and the 6.24 euros special interim dividend paid in August 2024 will be proposed at the Shareholders Meeting on December 17, 2024.
- **Free cash flow** was strong at 661 million euros, up +287 millions euros in the previous year, with significant improvements in Operating cash flow and working capital. Net capital expenditure<sup>2</sup> at 469 million euros, representing 2.0% of revenues, was slightly below last year, due to lower client investments this year.
- **Net debt** decreased to 2.6 billion euros, from 2.9 billion euros at the end of Fiscal 2023<sup>3</sup>. As a result, the Net debt to EBITDA<sup>2</sup> ratio was 1.7x, compared to 2.2x at the end of Fiscal 2023, back to pre-spin-off levels and well within the target range of 1-2x.

## Commercial momentum

- **Net new business** signed during the year was positive at 1.6%, lower than the previous year at 2.2%, but still well above pre-Covid levels and at better terms and margins than the previous year.
- **New development** was 7.4%, with a record year in signings, exceeding 1.9 billion euros including cross-selling, compared to 1.7 billion euros last year.
- **Client retention** was 94.2%, down from the previous year, affected by the loss of one large global FM contract for 60 bps, as well as two in Energy & Resources in Latin America, due to a very competitive environment, for 30 bps.

<sup>2</sup> New definitions of Net Capital expenditure and EBITDA, please refer to section 1.2.10 of the Financial Report.

<sup>3</sup> Net debt as of August 31, 2023, was adjusted to reflect the post spin-off situation, please refer to section 1.2.2 of the Financial Report.

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## Leading the way in sustainability

In Fiscal 2024, Sodexo's solid financial performance was accompanied by continued progress on its sustainability commitments:

- **Further improvement in the performance on safety of our People.** At the end of Fiscal 2024, Sodexo achieved 0.47 Lost Time Injury Rate (LTIR), representing a -14.5% reduction compared to Fiscal 2023. This is a second consecutive year with double-digit LTIR reduction.
- **81.5% workforce retention** confirming a positive trend for the third consecutive year. Retention rate for total workforce and for site managers increased significantly compared to previous years. These results are correlated with the improvement in training indicators as well as with the continued deployment of Vita by Sodexo.
- **Increased share in renewable electricity in our direct operations.** Further progress has been achieved in the share of the Group's direct electricity consumption that is renewable at 73%, well above the 60% target for the year and therefore facilitating the achievement of our target of 100% by 2025.
- **Continued progress in GHG emissions reduction.** The year-on-year Scope 1, 2 and 3 reduction in Greenhouse Gas (GHG) emissions was -2.5% in Fiscal 2024 while the absolute reduction compared to 2017 was at -16.4% and the reduction in intensity was at -29.6%. This achievement was possible thanks to Sodexo's ability to mobilize its entire ecosystem around four decarbonization levers: sustainable supply chain, low-carbon meals, responsible use of energy and the fight against food waste.

## Sodexo Governance

At the Shareholders meeting on December 17, 2024, approvals of the following resolutions will be proposed:

- the renewal of the mandate of François-Xavier Bellon, who would then be confirmed as a member of the Audit, Nominating and Compensation Committees,
- the renewal of the mandate of Jean-Baptiste Chasseloup de Chatillon, who would then be confirmed as Chairman of the Audit Committee and a member of the Compensation Committee,
- the related party agreement regarding the sale of Sofinsod to Bellon SA.

All the resolutions and Governance details will be presented in the Universal Registration Document to be filed with the AMF (French stock market authorities) on November 5, 2024.

## Outlook

Looking ahead to Fiscal 2025, we anticipate sustained growth and continued margin improvement.

Growth will be driven by:

- contribution from net new business of around 2% for the full year, expected to accelerate during the year due to the momentum of the signings and a robust pipeline;
- pricing expected to average around +3%, as we continue to pass through inflation;
- positive volume growth fueled by rising demand for new or upgraded services as well as higher attendance in Corporate Services, despite lapping strong comparatives linked to the leap year and the major sporting events in Fiscal 2024.

We will drive further efficiencies and support margin improvement by our disciplined commercial approach, investments in data and digital, supply management optimization, deployment of our branded offers, and scaling of new production and distribution models, combined with rigorous cost control and reinforced efficiency of our support services.

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As a result, our guidance for Fiscal 2025 is as follows:

- **Organic growth expected between +5.5% and +6.5%.**  
The underlying trend should be +6% to +7%, excluding the base effect of the Olympics, the Rugby World Cup and the leap year in Fiscal 2024.
- **Underlying operating profit margin improvement expected between +30 and +40 bps, at constant currencies.**

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## Conference call

Sodexo will hold a conference call (in English) today at 9:00 a.m. (Paris time), 8:00 a.m. (London time) to comment on these Fiscal 2024 results.

Those who wish to connect:

- from the UK / International, please dial: +44 (0) 121 281 8004
- from France, please dial: +33 (0) 1 70 91 87 04
- from the USA, please dial: +1 718 705 8796

**Access Code: 07 26 13**

A live audio webcast is also available on [www.sodexo.com](http://www.sodexo.com).

The press release, presentation and webcast will be available on the Group website [www.sodexo.com](http://www.sodexo.com) in both the “Newsroom” section and the “Investors – Financial Results” section.

## Sodexo Fiscal 2025 financial calendar

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Fiscal 2024 Annual Shareholders Meeting	December 17, 2024
Fiscal 2025 First quarter Revenues	January 7, 2025
Fiscal 2025 First half Results	April 4, 2025
Fiscal 2025 Third quarter Revenues	July 1, 2025
Fiscal 2025 Full year Results	October 24, 2025
Fiscal 2025 Annual Shareholders Meeting	December 16, 2025

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*These dates are indicative and may be subject to change without notice. Regular updates are available in the calendar on our website [www.sodexo.com](http://www.sodexo.com)*

## About Sodexo

Founded in Marseille in 1966 by Pierre Bellon, Sodexo is the global leader in sustainable food and valued experiences at every moment in life: learn, work, heal and play. The Group stands out for its independence, its founding family shareholding and its responsible business model. Thanks to its two activities of Food and Facilities Management Services, Sodexo meets all the challenges of everyday life with a dual goal: to improve the quality of life of our employees and those we serve, and contribute to the economic, social and environmental progress in the communities where we operate. For Sodexo, growth and social commitment go hand in hand. Our purpose is to create a better everyday for everyone to build a better life for all.

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

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## Sodexo Key figures

- 23.8 billion euros Fiscal 2024 consolidated revenues
- 423,000 employees as at August 31, 2024
- #1 France-based private employer worldwide
- 45 countries
- 80 million consumers served daily
- 11.2 billion euros in market capitalization (as at October 23, 2024)

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# **Fiscal 2024 Activity Report**

# 1.1 Fiscal 2024 Performance of Sodexo

## 1.1.1 Consolidated income statement

(in million euros)	FISCAL 2024	FISCAL 2023	DIFFERENCE	DIFFERENCE CONSTANT RATES
Revenues	23,798	22,637	+5.1%	+7.0%
Organic growth	+7.9%	+11.0%		
<b>UNDERLYING OPERATING PROFIT</b>	<b>1,109</b>	<b>976</b>	<b>+13.7%</b>	<b>+16.0%</b>
<b>UNDERLYING OPERATING PROFIT MARGIN</b>	<b>4.7%</b>	<b>4.3%</b>	<b>+40 bps</b>	<b>+40 bps</b>
Other operating income and expenses	(58)	(129)		
<b>OPERATING PROFIT</b>	<b>1,051</b>	<b>847</b>	<b>+24.1%</b>	<b>+25.6%</b>
Net financial expense	(63)	(101)		
Tax charge	(249)	(181)		
Effective tax rate <sup>(1)</sup>	25.4%	24.6%		
<b>GROUP NET PROFIT FROM CONTINUING OPERATIONS<sup>(2)</sup> - Group share</b>	<b>738</b>	<b>560</b>	<b>+31.8%</b>	<b>+33.6%</b>
Basic EPS from Continuing Operations (in euros)	5.04	3.83	+31.6%	
<b>UNDERLYING NET PROFIT FROM CONTINUING OPERATIONS - Group share</b>	<b>775</b>	<b>659</b>	<b>+17.6%</b>	<b>+20.2%</b>
Basic Underlying EPS from Continuing Operations (in euros)	5.29	4.51	+17.3%	

<sup>(1)</sup>ETR based on Pre-tax profit excluding share of profit from Equity method of 983 million euros in Fiscal 2024 and 737 million euros in Fiscal 2023.

<sup>(2)</sup>Profit attributable to non-controlling interests were 9 million euros in Fiscal 2024 and 8 million euros in Fiscal 2023.

## 1.1.2 Revenues

### Revenues by region

REVENUES (in million euros)	FISCAL 2024	FISCAL 2023	ORGANIC GROWTH	EXTERNAL GROWTH	CURRENCY EFFECT	TOTAL GROWTH
North America	11,111	10,479	+8.7%	-0.4%	-2.3%	+6.0%
Europe	8,448	8,071	+7.2%	-2.2%	-0.3%	+4.7%
Rest of the World	4,239	4,087	+7.3%	+0.1%	-3.7%	+3.7%
<b>SODEXO</b>	<b>23,798</b>	<b>22,637</b>	<b>+7.9%</b>	<b>-1.0%</b>	<b>-1.8%</b>	<b>+5.1%</b>

Fiscal 2024 consolidated revenues reached 23.8 billion euros, up +5.1% year-on-year, including a negative currency impact of -1.8% resulting from the appreciation of the euro against most currencies and a net contribution from acquisitions and disposals of -1.0% mainly linked to the sale of the Homecare activities in October 2023. Consequently, Fiscal 2024 organic revenue growth was +7.9%, which was driven by effective inflation pass-through, accelerated net new contribution, some ongoing post-Covid recovery and a standout year at Sodexo Live!. This included both the Rugby World Cup and the Paris Olympics as well as multiple lounge openings especially in North America. The Olympic contract boosted Fourth quarter Fiscal 2024 revenue by 66 million euros, and together with the Rugby World Cup, accounted for +0.4% in full-year organic growth.

Food services were particularly strong with an organic growth of +9.3%, now representing 66% of Group revenues, increasing from 64% in Fiscal 2023, and back up to pre-Covid levels. FM services were up +5.5% organically.

The commercial momentum was strong in Fiscal 2024:

- Net new signings during the year were 1.6%, a -60 bps drop compared to last year, but still a significant improvement compared to pre-Covid levels. This net new will contribute to Fiscal 2025 growth.
- New sales development was 7.4%, well within the target range of 7-8%, and up +40 bps versus last year. Total new signings during the year, including cross-selling, was the highest ever at 1.9 billion euros compared to 1.7 billion euros in Fiscal 2023. The renewed pipeline of targeted contracts has helped boost the volume of signings and has also been accretive to the gross margin.
- Client retention rate ended at 94.2%, -100 bps lower than the previous year. This drop is largely attributed to the loss of a large Global FM contract for 60 bps, as well as two losses in Energy & Resources in Latin America for 30 bps, due to a very competitive environment.



## North America

REVENUES BY SEGMENT (in million euros)	FISCAL 2024	FISCAL 2023	RESTATED ORGANIC GROWTH <sup>(2)</sup>
Business & Administrations <sup>(1)</sup>	3,036	3,866	+11.8%
Sodexo Live!	1,428	—	+23.4%
Healthcare & Seniors	3,411	3,440	+5.1%
Education	3,236	3,173	+4.2%
<b>NORTH AMERICA TOTAL</b>	<b>11,111</b>	<b>10,479</b>	<b>+8.7%</b>

<sup>(1)</sup> Since the first half of 2024, the Group has been reporting Sodexo Live! revenue separately; it was previously included in the Business & Administrations segment.

<sup>(2)</sup> As part of the streamlining of the organization during Fiscal 2023, some contracts or operations have been reallocated between segments.

Fiscal 2024 **North America** revenues totaled 11.1 billion euros, up +8.7% organically. This strong growth resulted from a continued trickle of consumers returning to the office, more travellers in the airports, an acceleration of net development, some cross-selling and pricing averaging around 3.5%.

Restated organic growth in **Business & Administrations** (excl. Sodexo Live!) reached +11.8%, driven by the contribution of new business, strong growth in Food services and price adjustments. Entegra also contributed to the momentum with strong organic growth.

**Sodexo Live!** restated organic growth was +23.4%, driven by robust activity in all venues, and in particular strong per capita spend in sports stadiums. Airport lounges activity also grew strongly with increased passenger count, added services and mobilization of new business.

In **Healthcare & Seniors**, revenues were up +5.1% organically, driven by price increases, volume & retail growth, and favorable net new contribution. This growth was somewhat offset by a negative contribution in Seniors due to the impact of sites lost at the end of the prior fiscal year.

In **Education**, organic growth was +4.2% benefiting from price increases as well as growth in meal count, retail and catering events, particularly in Universities. However, the performance was impacted by the reduction in the number of sites of a large school contract from March 2024 and the impact of some contract demobilizations in the fourth quarter in universities.

## Europe

REVENUES BY SEGMENT (in million euros)	FISCAL 2024	FISCAL 2023	RESTATED ORGANIC GROWTH <sup>(2)</sup>
Business & Administrations <sup>(1)</sup>	4,681	5,337	+5.3%
Sodexo Live!	750	—	+25.5%
Healthcare & Seniors	1,885	2,026	+6.1%
Education	1,132	708	+6.9%
<b>EUROPE TOTAL</b>	<b>8,448</b>	<b>8,071</b>	<b>+7.2%</b>

<sup>(1)</sup> Since the first half of 2024, the Group has been reporting Sodexo Live! revenue separately; it was previously included in the Business & Administrations segment..

<sup>(2)</sup> As part of the streamlining of the organization during Fiscal 2023, some contracts or operations have been reallocated between segments.

Fiscal 2024 **Europe** revenues totaled 8.4 billion euros, up +7.2% organically. The growth was driven by increased food volumes, pricing of just below 5% and the contribution of the Paris Olympics and the Rugby World Cup. Excluding these large sporting events, organic growth would have been +6.0%, slowing in the second half due to the sequential slowdown in pricing and the negative effect of the Paris Olympics on some tourist and corporate activities.

In **Business & Administration** (excl. Sodexo Live!), restated organic growth was +5.3%. This was supported by Corporate services benefiting from both price increases and higher attendance, coupled with new business in Government in the United Kingdom and strong growth in Türkiye, driven by inflation pricing pass through.

**Sodexo Live!** restated organic growth stood at +25.5%, or +8.8% excluding the Rugby World Cup and the Olympics. In the first half, the growth was primarily driven by improved attendance and pricing

in sports and cultural destinations in France, by increased volumes in the United Kingdom in airport lounges, as activity was only just starting to pick-up in early Fiscal 2023 post-pandemic, and stadiums, helped by price increases. In the second half, the collateral effect of the Olympics on the peak season tourist activity in Paris, such as boat tours, impacted organic growth in Europe, for about -4.1% in the second half.

In **Healthcare & Seniors**, restated organic growth was +6.1%, driven by price revisions and new openings in Spain, Belgium and France.

In **Education**, restated organic revenue growth was +6.9%, reflecting the significant positive impact of price revisions especially in the UK and France from the start of the school year, somewhat offset by the exit of low performing school contracts in France.

## Rest of the World

REVENUES BY SEGMENT (in million euros)	FISCAL 2024	FISCAL 2023	RESTATED ORGANIC GROWTH <sup>(2)</sup>
Business & Administrations <sup>(1)</sup>	3,694	3,659	+6.9%
Sodexo Live!	46	—	+102.8%
Healthcare & Seniors	337	337	+3.6%
Education	162	91	+11.2%
<b>REST OF THE WORLD TOTAL</b>	<b>4,239</b>	<b>4,087</b>	<b>+7.3%</b>

<sup>(1)</sup> Since the first half of 2024, the Group has been reporting Sodexo Live! revenue separately; it was previously included in the Business & Administrations segment.

<sup>(2)</sup> As part of the streamlining of the organization during Fiscal 2023, some contracts or operations have been reallocated between segments.

Fiscal 2024 **Rest of the World** revenues were 4.2 billion euros. Organic growth was +7.3% with double digit growth in APAC, driven by Australia and India. The fourth quarter was boosted by 8 points due to the base effect from the prior year's retroactive impact of an accounting change on a large Energy & Resources contract. Barring that, there was a slowdown in the second half due to decelerating price increases and flat activity in China.

**Business & Administrations** (excl. Sodexo Live!) restated organic growth was +6.9%. Growth in food in India has continued to be very strong, driven by both new and existing business, and in Australia notably from price renegotiation. Brazil and Latin America are still growing in high single digit, although with a slight deceleration in the second half due to a lower pricing impact and a slowing market growth. Chile was impacted by the end of several fixed-term Energy & Resources contracts and lower price increases, while China continued to be impacted especially by downsizing in the tech sector.

**Sodexo Live!** revenues (principally airport lounges) doubled due to strong activity as Covid restrictions in airlines were lifted only from January 2023 combined with the opening of new lounges in Hong Kong.

**Healthcare & Seniors** restated organic growth was +3.6%, with a ramp up of a few contracts in India, offset by slowdown in China and the impact of the exit of low-performing contracts in Brazil during the second quarter last year.

**Education** restated organic growth was +11.2%, fueled by sustained growth in Brazil and India, boosted by both new business and volume growth in existing sites, along with acceleration of growth in China in the fourth quarter of Fiscal 2024.

### 1.1.3 Underlying Operating Profit

Fiscal 2024 Underlying operating profit was 1.1 billion euros, up +13.7%, or +16.0% excluding the currency effect. The Underlying operating profit margin, including corporate expenses, was 4.7%, up +40 bps. The currency mix effect was negligible.

(in million euros)	UNDERLYING OPERATING PROFIT FISCAL 2024	DIFFERENCE	DIFFERENCE (EXCLUDING CURRENCY EFFECT)	UNDERLYING OPERATING PROFIT MARGIN FISCAL 2024	DIFFERENCE IN MARGIN	DIFFERENCE IN MARGIN (EXCLUDING CURRENCY MIX EFFECT)
North America	650	+11.7%	+14.4%	5.9%	+30 bps	+30 bps
Europe	339	+13.5%	+14.2%	4.0%	+30 bps	+30 bps
Rest of the World	206	+7.3%	+9.9%	4.9%	+20 bps	+10 bps
<b>UNDERLYING OPERATING PROFIT BEFORE CORPORATE COSTS</b>	<b>1,195</b>	<b>+11.4%</b>	<b>+13.6%</b>	<b>5.0%</b>	<b>+30 bps</b>	<b>+30 bps</b>
Corporate expenses	(86)	-11.3%	-11.3%			
<b>UNDERLYING OPERATING PROFIT (continuing activities)</b>	<b>1,109</b>	<b>+13.7%</b>	<b>+16.0%</b>	<b>4.7%</b>	<b>+40 bps</b>	<b>+40 bps</b>

The increase in profitability in Fiscal 2024 was driven by operating leverage from higher revenue, enhanced on site productivity, supply efficiencies, and rigorous cost control in central costs, in a normalizing food cost inflation environment.

- North America Underlying operating profit increased by +11.7% or +14.4% excluding the currency effect, and the Underlying operating margin was up +30 bps to 5.9%, fueled by higher revenue, a focus on labor efficiency, scale up in purchasing within the operations, further supported by strong volume growth from Entegra, the Group's GPO.
- In Europe, Underlying operating profit was up +13.5% or +14.2% excluding the currency effect, and the margin was up +30 bps to 4.0%. This was due to inflation mitigation measures, SKU reduction and enhanced supplier compliance combined with price revisions, particularly in Education and in France where there was still a catch-up required.
- In Rest of the World, Underlying operating profit was up +7.3% or +9.9% excluding the currency effect, and the margin was up +20 bps, or +10 bps excluding the currency effect, to 4.9%. Improvements were driven by cost control, successful price negotiations especially in Australia, and turnaround and/or exit of underperforming contracts in Brazil and in the Middle-East, somewhat offset by demobilization costs in Latin America and by acquisition-related integration costs in China.

## 1.1.4 Net profit from continuing operations

(in million euros)	FISCAL 2024	FISCAL 2023
<b>UNDERLYING OPERATING PROFIT</b>	<b>1,109</b>	<b>976</b>
Net impact related to consolidation scope changes	90	(7)
Restructuring and rationalization costs	(65)	(45)
Amortization of purchased intangible assets	(35)	(36)
Other	(48)	(41)
<b>OTHER OPERATING INCOME AND EXPENSES</b>	<b>(58)</b>	<b>(129)</b>
<b>OPERATING PROFIT</b>	<b>1,051</b>	<b>847</b>
Net financial expense	(63)	(101)
<b>Net income before tax &amp; shares accounted for equity method</b>	<b>983</b>	<b>737</b>
Tax charge	(249)	(181)
<b>NET PROFIT FROM CONTINUING OPERATIONS (GROUP SHARE)</b>	<b>738</b>	<b>560</b>
<b>UNDERLYING NET PROFIT FROM CONTINUING OPERATIONS (GROUP SHARE)</b>	<b>775</b>	<b>659</b>

Other operating income and expenses amounted to -58 million euros compared to -129 million euros in the previous year. The main elements of the period were a net gain of 90 million euros related to the scope changes, principally the disposal of the Homecare business, partly offsetting restructuring expenses, which accelerated in the second half, as well as the spin-off costs, M&A costs and amortization of acquisition-related assets.

As a result, the **Operating profit** is 1,051 million euros compared to 847 million euros in the previous year.

Fiscal 2024 **Net financial expenses** decreased to 63 million euros, against 101 million euros in the previous year, which included 14 million euros of costs linked to the bond consent process for the Pluxee spin-off. The rest of the improvement was mainly due to a more favorable currency impact and some specific gains in Fiscal 2024 including compensatory interests in Brazil and the revaluation of the Group's participation in Grandir (childcare).

The blended cost of debt at Fiscal 2024 year-end was at 1.8%, 10 bps higher than at Fiscal 2023 year-end due to the reimbursement of two bonds in November 2023 and January 2024 which were both at

very low interest rates, as well as increased costs associated with higher dollar floating rates.

The **tax charge** was up to 249 million euros, leading to an Effective Tax Rate of 25.4% against 24.6% in the prior year. The effect of the non taxable capital gain on the Homecare disposal and the utilization of previously unrecognized tax assets due to better results in France was offset by the update of the risk related to the tax exposure in France.

The share of profit of other companies accounted for using the equity method was 13 million euros compared to 12 million euros last year. Profit attributed to non-controlling interests was 9 million euros compared to the previous year amount of 8 million euros.

As a result, **Group net profit from continuing activities** was up +31.8% and amounted to 738 million euros, against 560 million euros in Fiscal 2023. **Underlying net profit** adjusted for Other operating income and expenses net of tax and exceptional taxes, reached 775 million euros, compared to 659 million euros in Fiscal 2023, up +17.6%.

## 1.1.5 Net profit from discontinued operations (Pluxee)

(in million euros)	FISCAL 2024	FISCAL 2023
Group Net Profit from continuing operations	738	560
Group Net Profit from discontinued operations	(570)	234
<b>GROUP NET PROFIT (Group share)</b>	<b>168</b>	<b>794</b>

Given the spin-off of Pluxee from February 1, 2024, the contribution of discontinued operations to Fiscal 2024 full year numbers is the same as in the First half Fiscal 2024.

Fiscal 2024 Net profit from discontinued operations amounts to -570 million euros, against +234 million euros in the previous year. This result is composed of:

- (i) Pluxee's contribution to the Group's Net income under IFRS 5 for 97 million euros, reflecting Pluxee's performance over the five-month period leading up to the spin-off, spanning from September 1, 2023 to January 31, 2024, adjusted for IFRS 5 impacts (in particular, the neutralization of depreciation);
- (ii) a provision related to the anti-trust fine (fully paid before the end of Fiscal 2023) following the decision of the Paris Court of Appeal in November 2023, of -126 million euros;

(iii) the impact of the recycling of the currency translation adjustment reserves linked to Pluxee for -540 million euros as of January 31, 2024. Sodexo has elected to account for the demerger using Pluxee's Net Book Value. Therefore, the deconsolidation does not generate any loss or gain in the consolidated income statement as of February 29, 2024, except for the negative impact of the recycling of the currency translation adjustment reserves, mainly from the Brazilian Real and Venezuelan Bolivar. This non-cash loss was purely technical, with no impact on Sodexo's equity, cashflow or dividend distribution capacity.

None of these items impact the Fiscal 2024 dividend as the pay-out ratio is based on the Underlying net profit of Sodexo continuing activities only.

## 1.2 Consolidated financial position

As a consequence of the spin-off, Pluxee's assets and liabilities, including the cash, were deconsolidated as of January 31, 2024. The cash flows generated by Pluxee between the start of the Fiscal Year until the spin-off are reported as cash flow from discontinued operations.

### 1.2.1 Cash flows from continuing operations

(in million euros)	FISCAL 2024	FISCAL 2023
Operating cash flow <sup>(1)</sup>	1,338	1,270
Change in working capital	(43)	(222)
IFRS 16 leases outflow	(165)	(186)
Net capital expenditure (including new client investments)	(469)	(488)
<b>Free cash flow<sup>(2)</sup></b>	<b>661</b>	<b>374</b>
Net disposals	986	(21)
Share buy-backs	(51)	(57)
Dividends paid to shareholders	(1,373)	(352)
Other changes (including scope and exchange rates)	95	646
<b>(Increase)/decrease in net debt</b>	<b>318</b>	<b>590</b>

<sup>(1)</sup> The difference with the Operating Cash Flow as presented in the consolidated cash flow statement (section 2.4) comes from the new client investments, presented in this table within Net Capex (within Operating Cash flow in the cash flow statement, under "change in client investments").

<sup>(2)</sup> The Group does not believe the accounting treatment introduced by IFRS 16 modifies the operating nature of its lease transactions. Accordingly, to ensure the Group's performance measures continue to best reflect its operating performance, the Group considers repayments of lease liabilities as operating items impacting the Free cash flow, which integrates all lease payments (fixed or variable). To be consistent, the lease liabilities are not included in Net debt (treated as operating items).

Free cash flow from continuing operations was 661 million euros against 374 million euros in Fiscal 2023.

Operating cash flow improved to 1,338 million euros against 1,270 million euros in the previous year, as a result of the improvement in Underlying operating profit, offset by the unfavorable variation of cash tax due to significant positive prior year one-offs.

The working capital outflow in Fiscal 2024 of 43 million euros, improved from the 222 million euros outflow of the previous year which was affected by the residual unwinding of public sector Covid-linked payment delays, a change in supplier payment delays in Europe, as well as a significant payroll timing impact in North America.

Net capital expenditure, including client investments, at 469 million euros, representing 2.0% of revenues, was slightly below last year at 2.2% of revenues which was marked by higher client investments. IT

investments were up, representing 18% share of total Net capital expenditure, up 5 points compared to the previous year.

Acquisitions net of disposals amounted to an inflow of 986 million euros in Fiscal 2024, resulting from the disposal of Sofinsod for 918 million euros and the Homecare business, offset somewhat by some acquisitions mainly in the Convenience activity in North America and the food services market in China.

Dividends paid to shareholders during Fiscal 2024 are exceptionally high as they include the special interim dividend paid in August 2024 for 918 million euros related to the sale of Sofinsod, on top of the usual dividend paid in December 2023 for the prior fiscal year.

After taking into account Other changes, net debt decreased by 318 million euros during the year to reach 2.6 billion euros at August 31, 2024.

### 1.2.2 Condensed consolidated statement of financial position at August 31, 2024

(in million euros)	AUGUST 31, 2024	AUGUST 31, 2023 ADJUSTED <sup>1</sup>	(in million euros)	AUGUST 31, 2024	AUGUST 31, 2023 ADJUSTED <sup>1</sup>
Non-current assets	8,627	9,406	Shareholders' equity	3,782	4,542
Current assets excluding cash	4,233	4,044	Non-controlling interests	16	12
			Non-current liabilities	5,304	6,440
Interco loans / deposits with Pluxee		1,215			
Cash and cash equivalent	2,137	1,455	Current liabilities	5,914	5,481
Asset held for sale and for distribution	27	5,889	Liabilities held for sale and for distribution	8	5,534
<b>TOTAL ASSETS</b>	<b>15,024</b>	<b>22,009</b>	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>15,024</b>	<b>22,009</b>

<sup>(1)</sup> As of August 31, 2023, in order to project the post spin-off financial position, in this table intragroup loans and deposits between Sodexo and Pluxee were not eliminated (on the one hand 1,215 million euros loan from Sodexo to Pluxee, presented in this table in Assets, into "inter-company loans / deposits with Pluxee" with counterpart in "Liabilities held for sale", and on the other hand deposits from Pluxee in Sodexo cash-pooling for 570 millions euros, presented in the table in Assets as a reduction of Cash with counterpart in "Assets held for sale"). These restatements explain the gaps with the Consolidated financial position in section 2.3, in which intragroup loans were eliminated. Moreover, these intragroup loans were considered as settled as at August 31, 2023, and thus are part of the net debt calculation, as they have been settled just prior to the listing date of Pluxee.

The sale of Sofinsod is reflected in the decrease in Non-current assets. The decrease in shareholder's equity is explained by the special interim dividend paid in August 2024 following the sale of Sofinsod, as well as by the Pluxee spin-off on February 1, 2024.

The strong decrease in Assets and Liabilities held for sale or distribution is linked to the spin-off of Pluxee and the disposal of the Homecare activity. The remaining amounts as of August 31, 2024 these accounts relate to Denali Universal Services, specialized in security services to the private and public sectors in Alaska, which was divested by the Group on September 3, 2024.

(in million euros)	AUGUST 31, 2024	AUGUST 31, 2023 ADJUSTED
Gross debt	4,734	5,588
Net debt	2,600	2,918
Gearing ratio	68%	64%
Net Debt ratio (Net Debt/EBITDA <sup>(1)</sup> )	1.7x	2.2x

<sup>(1)</sup> For the new definition of EBITDA, please refer to section 1.2.10.

As of August 31, 2024, Net debt was 2,600 million euros, down from 2,918 million euros at the end of Fiscal 2023 (adjusted). This reduction, combined with the year-on-year increase in EBITDA of 11.5%, has resulted in a net debt to EBITDA ratio of 1.7x, well below the levels at the end of Fiscal 2023 of 2.2x, and fully back into the targeted range of 1-2x. Despite the reduction in net debt, gearing is up by 4 points at 68%, due to the reduction in equity.

During the fiscal year, two bonds were reimbursed: in November 2023, 300 million euros, due in May 2025, carrying an interest rate of 1.125% and in January 2024, 500 million euros at term, carrying an interest rate of 0.5%. As a result, the average interest rate on the bonds at the end of the Fiscal 2024 was at 1.8%, against 1.7% at the end of Fiscal 2023.

At year end, the Group's gross debt of 4.7 billion euros was 70% euro-denominated, 23% dollar denominated and 6% sterling denominated, with an average maturity of 3.3 years, 94% fixed-rate and 100% covenant-free.

As of August 31, 2024, Operating cash (including bank overdrafts of 3 million euros) reached a total of 2,134 million euros.

Moreover, at the end of Fiscal 2024, unused credit lines totaled 1.75 billion euros, with a 5-year maturity, having been renewed by anticipation in August 2024.

## 1.2.3 Acquisitions and disposals for the period

Fiscal 2024 was marked by the spin-off and listing of Pluxee on February 1, 2024, and the disposal of Sofinsod for 918 millions euros on August 23, 2024.

Other scope changes of Fiscal 2024 included:

- the disposal of non-core activities, mainly the Homecare business, completed in October 2023;

- targeted acquisitions, of which five in North America in the convenience business, Compass' food services activities in China, and one in urban food services in Sweden.

Disposals net of acquisitions amounted to 986 million euros.

## 1.2.4 Earnings per share

Earnings per share (EPS) from continuing operations was 5.04 euros against 3.83 euros in Fiscal 2023, up +31.6%. The weighted average number of shares for Fiscal 2024 was more or less stable at 146,451,943 compared to 146,127,620 shares for Fiscal 2023. Underlying EPS from continuing operations was 5.29 euros, up +17.3% compared to the prior year.

## 1.2.5 Proposed dividend

The Board proposes an ordinary dividend of 2.65 euros, up 17.8% and in line with the Group policy of a 50% pay-out ratio. Both the ordinary dividend and the 6.24 euros special interim dividend paid in August 2024 will be proposed at the Shareholders meeting on December 17, 2024.

## 1.2.6 Currency effect

Exchange rate fluctuations do not generate operational risks, because each subsidiary bills its revenues and incurs its expenses in the same currency.

€1=	AVERAGE RATE FY 2024	AVERAGE RATE FY 2023	AVERAGE RATE FY 2024 VS. FY 2023	CLOSING RATE AT 08/31/2024	CLOSING RATE AT 08/31/2023	CLOSING RATE 08/31/2024 VS. 08/31/2023
U.S. dollar	1.082	1.059	-2.1%	1.109	1.087	-2.0%
Pound Sterling	0.857	0.871	+1.6%	0.841	0.857	+1.9%
Brazilian real	5.543	5.403	-2.5%	6.216	5.308	-14.6%

The 1.8% negative impact of currencies Fiscal 2024 revenues is linked to the appreciation of the euro, notably against the U.S. dollar during the first half of the fiscal year. The euro has been stable since the end of the first half Fiscal 2024 and therefore the currency impact remains negative for the entire year. On the other hand, the

Brazilian real weakened in the last quarter, explaining a negative impact in the second half. The impact of currency mix on the Underlying operating margin was negligible.

The Group operates in 45 countries. The percentage of total revenues and Underlying operating profit denominated in the main currencies are as follows:

FISCAL 2024	% OF REVENUES	% OF UNDERLYING OPERATING PROFIT
U.S. dollar	44%	60%
Euro	23%	2%
UK pound Sterling	8%	8%
Brazilian real	4%	6%

The currency effect is determined by applying the previous year's average exchange rates to the current year figures.

## 1.2.7 Outlook

Looking ahead to Fiscal Year 2025, we anticipate sustained growth and continued margin improvement.

Growth will be driven by:

- contribution from net new business of around 2% for the full year, expected to accelerate during the year due to the momentum of the signings and a robust pipeline;
- pricing expected to average around +3%, as we continue to pass through inflation;
- positive volume growth fueled by rising demand for new or upgraded services as well as higher attendance in Corporate Services, despite lapping strong comparatives linked to the leap year and the major sporting events in Fiscal 2024.

We will drive further efficiencies and support margin improvement by our disciplined commercial approach, investments in data and digital, supply management optimization, deployment of our branded offers, and scaling of new production and distribution models, combined with rigorous cost control and reinforced efficiency of our support services.

As a result, the Group guidance for Fiscal 2025 is as follows:

- Organic revenue growth expected between +5.5% and +6.5%. The underlying trend should be +6% to +7%, excluding the base effect of the Olympics, the Rugby World Cup and the leap year in Fiscal 2024.
- Underlying operating profit margin improvement expected between +30 and +40 bps, at constant currencies.

## 1.2.8 Subsequent events

No major events have occurred since the closing of the period.

## 1.2.9 Alternative Performance Measure definitions

### Blended cost of debt

The blended cost of debt is calculated at period end and is the weighted blended financing rate on borrowings (including derivative financial instruments and commercial papers) and cash pooling balances at period end.

### Financial ratios

Please refer to section 2.6

### Free cash flow

Please refer to the section entitled Consolidated financial position.

## Growth excluding currency effect

The currency effect is determined by applying the previous year's average exchange rates to the current year figures except in hyperinflationary economies where all figures are converted at the latest closing rate for both periods when the impact is significant.

For Türkiye, despite being in hyperinflation, the average exchange rates of the previous period are used due to the lack of materiality.

## Net debt

Net debt is defined as Group borrowing at the balance sheet date, less operating cash.

## Organic growth

Organic growth corresponds to the increase in revenue for a given period (the "current period") compared to the revenue reported for the same period of the prior fiscal year, calculated using the exchange rate for the prior fiscal year; and excluding the impact of business acquisitions (or gain of control) and divestment, as follows:

- for businesses acquired (or gain of control) during the current period, revenue generated since the acquisition date is excluded from the organic growth calculation;
- for businesses acquired (or gain of control) during the prior fiscal year, revenue generated during the current period up until the first anniversary date of the acquisition is excluded;
- for businesses divested (or loss of control) during the prior fiscal year, revenue generated in the comparative period of the prior fiscal year until the divestment date is excluded;

- for businesses divested (or loss of control) during the current fiscal year, revenue generated in the period commencing 12 months before the divestment date up to the end of the comparative period of the prior fiscal year is excluded.

## Underlying net profit

Underlying net profit presents a net income excluding significant unusual and/or infrequent elements. Therefore, it corresponds to the Net Income Group share excluding Other Income and Expense and significant non-recurring elements in both Net Financial Expense and Income Tax Expense where relevant.

## Underlying net profit per share

Underlying net profit per share presents the Underlying net profit divided by the average number of shares.

## Underlying operating profit margin

The Underlying operating profit margin corresponds to Underlying operating profit divided by revenues.

## Underlying operating profit margin at constant rates

The Underlying operating profit margin at constant rates corresponds to Underlying operating profit divided by revenues, calculated by converting 2024 figures at Fiscal 2023 rates, except for countries with hyperinflationary economies.

## 1.2.10 Changes in financial disclosure

Following the Pluxee spin-off, Sodexo is now a pure player in Food and FM services. In order to better reflect the Group's performance, to provide more clarity and to ease the comparability with its main peers, the Group has decided to make the following changes to its financial disclosure:

- In the breakdown of revenues by segment within each geography, the Sports & Leisure segment, operated under the Sodexo Live! brand, previously grouped within the Business & Administrations segment, is now presented separately.
- Definitions of Operating cash flow, Net Capex and EBITDA have been adjusted:
  - Client Investment amortization, which is accounted for, in the P&L, as a reduction to Revenue (as per IFRS15), previously neutralized in Free Cash Flow within Net Capex, is now is neutralized within Operating cash flow and EBITDA;
  - New definition of Net Capex includes (i) acquisition of PPE and intangible assets, (ii) new Client Investments and (iii) Disposal of assets, as before, but no longer includes the neutralization of client investment amortization;
  - EBITDA is now defined as Underlying operating profit excluding both underlying Depreciation & amortization and Client investment amortization, and including Lease payments.

<b>FISCAL 2024</b> (in million euros)	<b>PREVIOUS DEFINITIONS</b>	<b>Client Investments amortization</b>	<b>NEW DEFINITIONS</b>
Operating Cash Flow	1,203	135	1,338
Net Capex	(334)	(135)	(469)
EBITDA	1,354	135	1,489
Net debt	2,600		2,600
Net debt / EBITDA	1.9x		1.7x

## New segment reporting following evolution of the organization

As part of the streamlining of the organization, from Fiscal 2024, some contracts or operations have been reallocated between segments, with main impacts in Europe from Healthcare & Seniors to Education.

Restated revenue breakdown for Fiscal 2023:

REVENUES (in million euros)	Fiscal 2023		Q1 2023		Q2 2023		Q3 2023		Q4 2023	
	Published	Restated	Published	Restated	Published	Restated	Published	Restated	Published	Restated
<b>North America</b>	<b>10,479</b>	<b>10,479</b>	<b>2,992</b>	<b>2,992</b>	<b>2,506</b>	<b>2,506</b>	<b>2,658</b>	<b>2,658</b>	<b>2,322</b>	<b>2,322</b>
Business & Administrations		2,723		699		641		679		704
Sodexo Live! <sup>(1)</sup>	3,866	1,184	1,009	327	874	248	959	296	1,023	312
Healthcare & Seniors	3,440	3,399	877	866	844	831	856	844	863	858
Education	3,173	3,173	1,106	1,100	788	786	844	839	436	448
<b>Europe</b>	<b>8,071</b>	<b>8,071</b>	<b>2,047</b>	<b>2,047</b>	<b>1,980</b>	<b>1,980</b>	<b>2,042</b>	<b>2,042</b>	<b>2,002</b>	<b>2,002</b>
Business & Administrations		4,464		1,125		1,110		1,115		1,114
Sodexo Live! <sup>(1)</sup>	5,337	599	1,337	141	1,296	118	1,324	138	1,380	202
Healthcare & Seniors	2,026	1,950	504	470	505	481	531	498	487	500
Education	708	1,059	206	311	179	271	187	291	136	185
<b>Rest of the World</b>	<b>4,087</b>	<b>4,087</b>	<b>1,057</b>	<b>1,057</b>	<b>998</b>	<b>998</b>	<b>1,055</b>	<b>1,055</b>	<b>978</b>	<b>978</b>
Business & Administrations		3,546		914		871		916		845
Sodexo Live! <sup>(1)</sup>	3,659	23	941	3	898	5	946	6	874	9
Healthcare & Seniors	337	376	87	95	81	92	83	93	87	96
Education	91	142	29	45	19	30	26	39	17	28
<b>Sodexo</b>	<b>22,637</b>	<b>22,637</b>	<b>6,097</b>	<b>6,097</b>	<b>5,484</b>	<b>5,484</b>	<b>5,755</b>	<b>5,755</b>	<b>5,301</b>	<b>5,301</b>

<sup>(1)</sup> Since the first half of 2024, the Group has been reporting Sodexo Live! revenue separately; it was previously included in the Business & Administrations segment.





# **Fiscal 2024**

## **Condensed consolidated financial statements**

Notes to the Financial Statements will be found in the Universal Registration Document to be published on November 5, 2024

## 2.1 Consolidated income statement

(in million euros)	FISCAL 2024	FISCAL 2023
<b>Revenues</b>	<b>23,798</b>	<b>22,637</b>
<b>Cost of sales</b>	<b>(20,953)</b>	<b>(19,917)</b>
<b>Gross profit</b>	<b>2,845</b>	<b>2,720</b>
Selling, General and Administrative costs	(1,741)	(1,753)
Share of profit of companies accounted for using the equity method that directly contribute to the Group's business	5	9
<b>Underlying operating profit</b>	<b>1,109</b>	<b>976</b>
Other operating income	91	4
Other operating expenses	(149)	(133)
<b>Operating profit</b>	<b>1,051</b>	<b>847</b>
Financial income	120	90
Financial expenses	(183)	(191)
Share of profit of other companies accounted for using the equity method	8	3
<b>Profit for the year before tax</b>	<b>996</b>	<b>749</b>
Income tax expense	(249)	(181)
<b>Net profit of the year from continuing operations</b>	<b>747</b>	<b>568</b>
<b>Net profit of the year from discontinued operations</b>	<b>(568)</b>	<b>236</b>
<b>Net profit for the year</b>	<b>179</b>	<b>804</b>
Of which:		
Profit attributable to non-controlling interests	11	10
Net profit of the year from continuing operations – Attributable to non-controlling interests	9	8
Net profit of the year from discontinued operations – Attributable to non-controlling interests	2	2
<b>PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>	<b>168</b>	<b>794</b>
<b>Net profit of the year from continuing operations – Attributable to equity holders of the parent</b>	<b>738</b>	<b>560</b>
<b>Net profit of the year from discontinued operations – Attributable to equity holders of the parent</b>	<b>(570)</b>	<b>234</b>
<b>Basic earnings per share</b> (in euros)	<b>1.15</b>	<b>5.44</b>
Net profit of the year from continuing operations - Group share per share (in euros)	5.04	3.83
Net profit of the year from discontinued operations - Group share per share (in euros)	(3.89)	1.61
<b>Diluted earnings per share</b> (in euros)	<b>1.13</b>	<b>5.38</b>
Net profit of the year from continuing operations - Group share diluted per share (in euros)	4.98	3.80
Net profit of the year from discontinued operations - Group share diluted per share (in euros)	(3.85)	1.58

## 2.2 Consolidated statement of comprehensive income

(in million euros)	FISCAL 2024	FISCAL 2023
<b>NET PROFIT FOR THE YEAR</b>	<b>179</b>	<b>804</b>
<b>Components of other comprehensive income that may be reclassified subsequently to profit or loss</b>	<b>412</b>	<b>(398)</b>
Change in fair value of cash flow hedge instruments	—	—
Change in fair value of cash flow hedge instruments reclassified to profit or loss	—	—
Currency translation adjustment	(121)	(398)
Currency translation adjustment reclassified to profit or loss	533	—
Tax on components of other comprehensive income that may be reclassified subsequently to profit or loss	—	—
Share of other components of comprehensive income (loss) of companies accounted for using the equity method, net of tax	—	—
<b>Components of other comprehensive income that will not be reclassified subsequently to profit or loss</b>	<b>153</b>	<b>125</b>
Remeasurement of defined benefit plan obligation	(34)	(104)
Change in fair value of financial assets revalued through other comprehensive income*	186	197
Tax on components of other comprehensive income that will not be reclassified subsequently to profit or loss	1	32
<b>TOTAL OTHER COMPREHENSIVE INCOME (LOSS), AFTER TAX</b>	<b>565</b>	<b>(273)</b>
<b>COMPREHENSIVE INCOME FROM CONTINUING OPERATIONS</b>	<b>772</b>	<b>293</b>
<b>COMPREHENSIVE INCOME FROM DISCONTINUED OPERATIONS</b>	<b>(28)</b>	<b>238</b>
<b>COMPREHENSIVE INCOME</b>	<b>744</b>	<b>531</b>
Of which:		
Attributable to equity holders of the parent	<b>733</b>	<b>523</b>
Comprehensive income from continuing operations – Attributable to equity holders of the parent	762	285
Comprehensive income from discontinued operations – Attributable to equity holders of the parent	(29)	238
Attributable to non-controlling interests	<b>11</b>	<b>8</b>
Comprehensive income from continuing operations – Attributable to non-controlling interests	9	8
Comprehensive income from discontinued operations – Attributable to non-controlling interests	2	—

\* Including for Fiscal 2024 the revaluation at fair value of the financial assets of Pluxee (formerly the Benefits & Rewards Services activity) reclassified as assets held for sale or distribution prior to the spin-off.

## 2.3 Consolidated statement of financial position

### Assets

(in million euros)	AUGUST 31, 2024	AUGUST 31, 2023
Goodwill	5,564	5,568
Other intangible assets	436	448
Property, plant and equipment	552	510
Right-of-use assets relating to leases	673	787
Client investments	712	687
Investments in companies accounted for using the equity method	71	66
Non-current financial assets	358	1,071
Other non-current assets	62	77
Deferred tax assets	199	192
<b>NON-CURRENT ASSETS</b>	<b>8,627</b>	<b>9,406</b>
Financial assets	61	74
Inventories	322	324
Income tax receivable	148	84
Trade and other current operating assets	3,702	3,562
Cash and cash equivalents	2,137	2,025
Assets held for sale or for distribution	27	5,319
<b>CURRENT ASSETS</b>	<b>6,397</b>	<b>11,388</b>
<b>TOTAL ASSETS</b>	<b>15,024</b>	<b>20,794</b>

## Shareholders' equity and liabilities

(in million euros)	AUGUST 31, 2024	AUGUST 31, 2023
Share capital	590	590
Additional paid-in capital	248	248
Reserves and retained earnings	2,944	3,704
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>	<b>3,782</b>	<b>4,542</b>
<b>NON-CONTROLLING INTERESTS</b>	<b>16</b>	<b>12</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>3,798</b>	<b>4,554</b>
Long-term borrowings	4,011	5,056
Long-term lease liabilities	581	683
Employee benefits	274	265
Other non-current liabilities	181	174
Non-current provisions	108	110
Deferred tax liabilities	149	152
<b>NON-CURRENT LIABILITIES</b>	<b>5,304</b>	<b>6,440</b>
Bank overdrafts	3	—
Short-term borrowings	725	537
Short-term lease liabilities	147	148
Income tax payable	325	177
Current provisions	66	79
Trade and other payables	4,648	4,540
Liabilities directly associated with assets held for sale or for distribution	8	4,319
<b>CURRENT LIABILITIES</b>	<b>5,922</b>	<b>9,800</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>15,024</b>	<b>20,794</b>

## 2.4 Consolidated cash flow statement

(in million euros)	FISCAL 2024	FISCAL 2023
<b>Operating profit</b>	<b>1,051</b>	<b>847</b>
Depreciation, amortization and impairment of intangible assets, property, plant and equipment and right-of-use assets <sup>(1)</sup>	470	458
Change in client investments <sup>(2)</sup>	(12)	(43)
Provisions	(32)	(17)
(Gains) losses on disposals and dilution	(83)	11
Other non-cash items	29	31
Dividends received from companies accounted for using the equity method	7	8
Net interest expense paid	(37)	(66)
Interests paid on lease liabilities	(23)	(19)
Income tax paid	(179)	(123)
<b>Operating cash flow</b>	<b>1,191</b>	<b>1,087</b>
Change in inventories	(2)	(11)
Change in trade and other current operating assets	(213)	(204)
Change in trade and other payables	172	(7)
<b>Change in working capital from operating activities</b>	<b>(43)</b>	<b>(222)</b>
<b>Net cash provided by / (used in) operating activities from continuing operations</b>	<b>1,148</b>	<b>865</b>
<b>Net cash provided by / (used in) operating activities from discontinued operations</b>	<b>172</b>	<b>468</b>
<b>NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES</b>	<b>1,320</b>	<b>1,333</b>
Acquisitions of property, plant and equipment and intangible assets	(358)	(338)
Disposals of property, plant and equipment and intangible assets	35	33
Change in financial assets and share of companies accounted for using the equity method	35	(36)
Business combinations	(92)	(21)
Disposals of activities	1,073	—
<b>Net cash provided by / (used in) investing activities from continuing operations</b>	<b>693</b>	<b>(362)</b>
<b>Net cash provided by / (used in) investing activities from discontinued operations</b>	<b>(1,740)</b>	<b>(121)</b>
<b>NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES</b>	<b>(1,047)</b>	<b>(483)</b>
Dividends paid to Sodexo S.A. shareholders	(1,373)	(352)
Dividends paid to non-controlling shareholders of consolidated companies	(4)	(6)
Purchases of treasury shares	(51)	(57)
Sales of treasury shares	(1)	7
Change in non-controlling interests	—	(12)
Proceeds from borrowings	389	544
Repayment of borrowings	(1,212)	(550)
Repayments of lease liabilities	(165)	(186)
<b>Net cash provided by / (used in) financing activities from continuing operations</b>	<b>(2,417)</b>	<b>(612)</b>
<b>Net cash provided by / (used in) financing activities from discontinued operations</b>	<b>1,065</b>	<b>(34)</b>
<b>NET CASH PROVIDED BY / (USED IN) FINANCING ACTIVITIES</b>	<b>(1,352)</b>	<b>(646)</b>
<b>NET EFFECT OF EXCHANGE RATES AND OTHER EFFECTS ON CASH</b>	<b>(17)</b>	<b>(191)</b>
<b>Net effect of exchange rates and other effects on cash from continuing operations</b>	<b>9</b>	<b>(156)</b>
<b>Net effect of exchange rates and other effects on cash from discontinued operations</b>	<b>(26)</b>	<b>(35)</b>
<b>CHANGE IN NET CASH AND CASH EQUIVALENTS</b>	<b>(1,096)</b>	<b>13</b>
<b>NET CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>3,230</b>	<b>3,217</b>
<b>NET CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>2,134</b>	<b>3,230</b>
of which Net cash and cash equivalents from continuing operations, end of year	2,134	2,025
of which Net cash and cash equivalents from discontinued operations, end of year	—	1,205

<sup>(1)</sup> Including 179 million euros corresponding to the depreciation of right-of-use assets recognized in Fiscal 2024 pursuant to IFRS 16 (188 million euros recognized in Fiscal 2023).

<sup>(2)</sup> Since the First half Fiscal 2024, the change in client investments (of which -147 million euros of new client investments) previously classified in net cash used in investing activities is presented within the cash flow provided by operating activities in the consolidated cash flow statement. This change of presentation has been included in the comparative information of the Fiscal 2023.

## 2.5 Consolidated statement of changes in shareholders' equity

(in million euros)	NUMBER OF SHARES OUTSTANDING	SHARE CAPITAL	ADDITIONAL PAID-IN CAPITAL	RESERVES AND COMPREHENSIVE INCOME	CURRENCY TRANSLATION ADJUSTMENT	TOTAL SHAREHOLDERS' EQUITY		
						ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	NON-CONTROLLING INTERESTS	TOTAL
<b>Shareholders' equity as of August 31, 2023</b>	<b>147,454,887</b>	<b>590</b>	<b>248</b>	<b>4,514</b>	<b>(811)</b>	<b>4,542</b>	<b>12</b>	<b>4,554</b>
Net profit for the year				168		168	11	179
Other comprehensive income (loss), net of tax*				153	412	565	—	565
<b>Comprehensive income</b>				<b>321</b>	<b>412</b>	<b>733</b>	<b>11</b>	<b>744</b>
Dividends paid				(1,373)		(1,373)	(4)	(1,377)
Distribution of shares Pluxee				(96)		(96)	(7)	(103)
Treasury share transactions				(52)		(52)		(52)
Share-based payment (net of income tax)				37		37		37
Change in ownership interest without any change of control				(9)		(9)	(4)	(13)
Other				—		—	8	8
<b>SHAREHOLDERS' EQUITY AS OF AUGUST 31, 2024</b>	<b>147,454,887</b>	<b>590</b>	<b>248</b>	<b>3,342</b>	<b>(399)</b>	<b>3,782</b>	<b>16</b>	<b>3,798</b>

\* Other comprehensive income/loss include reevaluation impact of hyperinflation in Turkey for 19 million euro.

(in million euros)	NUMBER OF SHARES OUTSTANDING	SHARE CAPITAL	ADDITIONAL PAID-IN CAPITAL	RESERVES AND COMPREHENSIVE INCOME	CURRENCY TRANSLATION ADJUSTMENT	TOTAL SHAREHOLDERS' EQUITY		
						ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	NON-CONTROLLING INTERESTS	TOTAL
<b>Shareholders' equity as of August 31, 2022</b>	<b>147,454,887</b>	<b>590</b>	<b>248</b>	<b>3,992</b>	<b>(415)</b>	<b>4,415</b>	<b>10</b>	<b>4,425</b>
Net profit for the year				794		794	10	804
Other comprehensive income (loss), net of tax				125	(396)	(271)	(2)	(273)
<b>Comprehensive income</b>				<b>919</b>	<b>(396)</b>	<b>523</b>	<b>8</b>	<b>531</b>
Dividends paid				(352)		(352)	(7)	(359)
Treasury share transactions				(52)		(52)		(52)
Share-based payment (net of income tax)				45		45		45
Change in ownership interest without any change of control				(36)		(36)	2	(34)
Other				(1)		(1)	(1)	(2)
<b>SHAREHOLDERS' EQUITY AS OF AUGUST 31, 2023</b>	<b>147,454,887</b>	<b>590</b>	<b>248</b>	<b>4,514</b>	<b>(811)</b>	<b>4,542</b>	<b>12</b>	<b>4,554</b>

## 2.6 Financial ratios

		FISCAL 2024	FISCAL 2023 adjusted
Gearing ratio	Borrowings (1) – operating cash (2)	68.5%	64.1%
	Shareholders' equity and non-controlling interests		
Net debt ratio	Borrowings (1) – operating cash (2)	1.7	2.2
	Underlying EBITDA (underlying operating profit before Interest, Taxes, Depreciation and Amortization) (3)		
Debt coverage	Borrowings	3,5 years	4,4 years
	Operating cash flow		
Financial independence	Long-term borrowings	105.6%	111.0%
	Shareholders' equity and non-controlling interests		
Return on equity	Profit attributable to equity holders of the parent	20.4%	21.2%
	Equity attributable to equity holders of the parent (before profit for the period)		
ROCE (Return on capital employed)	Underlying operating profit after tax (4)	12.9%	11.3%
	Average capital employed (5)		
Interest cover	Operating profit	14.8	11.5
	Net borrowing cost		

Financial ratios have been computed based on the following key indicators:

(in million euros)		FISCAL 2024	FISCAL 2023 adjusted
(1) Borrowings <sup>(1)</sup>	Long-term borrowings	4,011	5,056
	+ Short-term borrowings	725	537
	- Derivative financial instruments recognized as assets	(2)	(5)
	<b>BORROWINGS</b>	<b>4,734</b>	<b>5,588</b>
(2) Operating cash	Cash and cash equivalents	2,137	2,025
	Pluxee deposits	—	(570)
	Loans with Pluxee	—	1,215
	- Bank overdrafts	(3)	—
	<b>OPERATING CASH</b>	<b>2,134</b>	<b>2,670</b>
(3) Underlying EBITDA	Underlying operating profit	1,109	976
	+ Depreciation and amortization	434	422
	+ Client investment amortization	135	140
	- Lease payments	(189)	(203)
	<b>UNDERLYING EBITDA (UNDERLYING OPERATING PROFIT BEFORE DEPRECIATION AND AMORTIZATION)</b>	<b>1,489</b>	<b>1,335</b>
(4) Underlying operating profit after tax	Underlying operating profit	1,109	976
	Underlying Effective tax rate <sup>(4)</sup>	26.0%	25.7%
	<b>UNDERLYING OPERATING PROFIT AFTER TAX</b>	<b>821</b>	<b>725</b>
(5) Average capital employed <sup>(2)</sup>	Property, plant and equipment	531	504
	+ Right-of-use assets relating to leases	730	829
	+ Leases liabilities	(780)	(873)
	+ Goodwill	5,566	5,758
	+ Other intangible assets	442	475
	+ Client investments	700	677
	+ Working capital excluding restricted cash and financial assets of Pluxee(ex Benefits & Rewards Services activity)	(916)	(1,031)
	+ Impact of assets held for sale net of liabilities <sup>(3)</sup>	79	72
	<b>AVERAGE CAPITAL EMPLOYED</b>	<b>6,352</b>	<b>6,410</b>



<sup>(1)</sup> The Group does not believe the accounting treatment introduced by IFRS 16 modifies the operating nature of its lease transactions. Accordingly, to ensure the Group's performance measures continue to best reflect its operating performance, the Group considers repayments of lease liabilities as operating items impacting the Free cash flow, which integrates all lease payments (fixed or variable). Consistently, the lease liabilities are not included in Net debt.

<sup>(2)</sup> Average capital employed between the beginning and the end of the period.

<sup>(3)</sup> Reinstatement of the capital employed of the entity Denali Universal, LLC in United States which gave rise to classification in assets held for sale and related liabilities as of August 31, 2024, and Homecare Services as of August 31, 2023.

<sup>(4)</sup> Below the underlying effective tax rate calculation:

(in million euros)	FISCAL 2024			FISCAL 2023		
	PROFIT BEFORE TAX EXCLUDING SHARE OF PROFIT OF COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD	INCOME TAX	RATE	PROFIT BEFORE TAX EXCLUDING SHARE OF PROFIT OF COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD	INCOME TAX	RATE
<b>EFFECTIVE</b>	<b>983</b>	<b>(249)</b>	<b>25.4%</b>	<b>737</b>	<b>(181)</b>	<b>24.6%</b>
<i>Adjustments:</i>						
Restructuring costs	69	(18)		47	(12)	
Impairment losses and amortization of intangible assets relating to client relationships and trademarks	35	(9)		36	(9)	
Recognition of deferred taxes	—	(71)		—	(7)	
Others	(45)	77		60	(17)	
<b>UNDERLYING</b>	<b>1,041</b>	<b>(270)</b>	<b>26.0%</b>	<b>880</b>	<b>(226)</b>	<b>25.7%</b>