

**Holding d'Infrastructures des Métiers de l'Environnement SAS (HIME) (the « Issuer »)**

**€450,000,000 0.125% Sustainability-Linked Senior Notes due 2025 ISIN XS2385389551**  
**€500,000,000 0.625% Sustainability-Linked Senior Notes due 2028 ISIN XS2385390724**  
**€300,000,000 4.500% Sustainability-Linked Senior Notes due 2027 ISIN XS2608828641**

Press Release  
**September 18<sup>th</sup>, 2024**

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## **Strong profitable growth across all segments in H1 2024**

**Revenues: €1,121m, up +11.1%**

**Organic growth: +8.4%**

**EBITDA\*: €109m, up +11.6%**

**Operating result\*: €2m**

**Leverage: 5.9x**

**Outlook 2024:**

- Revenue growth: Double digits
- EBITDA margin improvement
- Committed to deleveraging

The Supervisory Board, chaired by Jürgen Rauen, convened in Paris to review the accounts of the Saur Group for the half-year 2024, ending on June 30<sup>th</sup>, 2024.

**Patrick Blethon, Chief Executive Officer of Saur said:**

*"Saur delivered double-digit revenue growth performance across all business lines.*

*Our Water Services activities have demonstrated solid growth, driven by tariff increases and commercial dynamism. We have started to reap the benefits of our efficiency plan following Water Services France reorganization laying the foundation stone of continued profitability improvement.*

*I am pleased that Industrial Water solutions activities continued to expand with a 21% increase in revenue.*

*Through organic growth and acquisitions, Saur remains committed to innovation and efficiency. Looking ahead, we are confident in our strategic roadmap and on-track to deliver strong profitable growth in 2024."*



## KEY FIGURES

<i>(in millions of euros)</i>	H1 2023	H1 2024	Change
<b>Revenues</b>	<b>1 009</b>	<b>1 121</b>	<b>+11.1%</b>
<b>EBITDA*</b>	<b>98</b>	<b>109</b>	<b>+11.6%</b>
<i>as a % of revenues</i>	9.7%	9.8%	+0.1 pts
<b>Operating result*</b>	<b>(9)</b>	<b>2</b>	<b>n.a</b>
<i>as a % of revenues</i>	-0.8%	0.2%	+1.0 pts
<b>Net result</b>	<b>(34)</b>	<b>(16)</b>	<b>n.a</b>
<i>as a % of revenues</i>	-3.4%	-1.5%	+1.9 pts
<b>Free cash flow</b>	<b>(123)</b>	<b>(138)</b>	<b>+12.8%</b>
<i>as a % of revenues</i>	-12.2%	-12.3%	(0.1)pts
<b>Net Debt</b>	<b>(1 214)</b>	<b>(1 459)</b>	
<i>Leverage</i>	4.8x	5.9x	

**Saur reported revenues of €1,121 million in H1 2024, up +11.1%.** Organic growth was 8.4%, reflecting tariff increase in Water services and successful commercial development in all Business Units. Acquisitions had a net positive impact on growth, due to the integration of Ekos Poznań in Poland as well as the acquisition of Natural Systems Utilities in the USA.

**EBITDA\* came in at €109 million in H1 2024, up +11.6%.** Profitability in Water services was driven by tariff increases and cost savings, which more than offset inflation. Industrial water solutions benefitted from a strong commercial momentum and a high level of profitability.

**Operating result was positive, at €2 million in H1 2024** (compared to €(9) million last year), as a result of EBITDA performance combined with a significant reduction in exceptional costs.

**Financial result was €(17) million in H1 2024.** The improvement compared to H1 2023 is mainly explained by the impact of unrealized gains linked to the marked-to-market of the Virtual PPA in Iberia.

**Net result was €(16) million in H1 2024.**

**Free cash flow was negative by €(138) million.** Funds from operations increased by €4 million compared to last year. Change in working capital is stable compared to the year prior, driven by seasonality in France. Organic capital expenditures increased by €16 million compared to the year prior, mainly on concessive works in France.



## BUSINESS UNITS

(In millions of euros)	Revenues			EBITDA		
	H1 2023 <sup>(1)</sup>	H1 2024 <sup>(1)</sup>	Change	H1 2023 <sup>(1)</sup>	H1 2024 <sup>(1)</sup>	Change
<b>Water services - France</b>	<b>651</b>	<b>703</b>	<b>+8.0%</b>	<b>55</b>	<b>56</b>	<b>+2.7%</b>
<i>as a % of revenues</i>				<i>8.4%</i>	<i>8.0%</i>	<i>(0.4) pts</i>
<b>Water services - International</b>	<b>148</b>	<b>164</b>	<b>+10.9%</b>	<b>14</b>	<b>20</b>	<b>+46.1%</b>
<i>as a % of revenues</i>				<i>9.4%</i>	<i>12.4%</i>	<i>+3.0 pts</i>
<b>Industrial water solutions</b>	<b>210</b>	<b>254</b>	<b>+21.0%</b>	<b>29</b>	<b>33</b>	<b>+11.5%</b>
<i>as a % of revenues</i>				<i>14.0%</i>	<i>12.9%</i>	<i>(1.1) pts</i>
<b>Corporate</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>0</b>	<b>0</b>	<b>n.a.</b>
<b>Total</b>	<b>1 009</b>	<b>1 121</b>	<b>+11.1%</b>	<b>98</b>	<b>109</b>	<b>+11.6%</b>
<i>as a % of revenues</i>				<i>9.7%</i>	<i>9.8%</i>	<i>+0.1 pts</i>

**Note:** (1) The 2024 unbilled costs of Corporate have been reallocated to each Business Unit applying IFRS 8 "operating segments". Additionally, the transfer of French Overseas Territories from Water Services - France to International starting 1st January 2024 is reflected. 2023 figures have been restated for comparability for both adjustments. Please refer to appendix for a reconciliation.

### Water services – France

Water services – France revenue increased by +8.0% to €703 million in H1 2024. Growth dynamic was positive, underpinned by tariff indexation, works development and strong commercial momentum.

EBITDA\* came in at €56 million in H1 2024, up by 2.7% compared to the same period last year. EBITDA margin was robust despite cost inflation thanks to favorable tariff increases and productivity gains.

### Water services - International

Water services - International delivered revenues of €164 million in H1 2024. Revenues increased by 11%, driven by volumes, tariffs increase, works development and commercial activity. The acquisition of Ekos Poznań in Poland also had a positive impact on the topline (+3.1pts).

EBITDA\* came in at €20 million in H1 2024. This represents an increase of +46% compared to H1 2023. EBITDA margin significantly improved by 3.0pts, thanks to tariffs increase and costs reductions.

### Industrial water solutions

Industrial water solutions posted a growth of +21%, of which +10% organic, reaching €254 million revenues in H1 2024. This success was driven by strong dynamism across all business lines and by the strategic acquisition of Natural Systems Utilities, which bolstered market presence in the United States.

EBITDA increased by +12% in H1 2024 to reach €33 million, with high margin level at 12.9%, supported by commercial momentum.



## BALANCE SHEET

Net debt was €1,459 million, up +€218 million compared to December 31<sup>st</sup>, 2023.

On June 30<sup>th</sup>, 2024, the Group had cash and cash equivalents of €236 million (including €44 million NEU commercial paper) and total liquidity of €396 million.

The Group enjoys good liquidity and will continue to manage bond maturities proactively.

Group leverage reached a peak at 5.9x as of June 30<sup>th</sup>, 2024.

## ESG

In 2023, Saur achieved its three key ESG performance indicators :

- 177.2 m3 volume of water abstracted per subscriber (2023 target was < 177.62)
- 74.9 tCO2 e/€m (2023 target was < 76.00)
- 28.8% of women in executive position (2023 target was > 28%)

As announced previously, Saur's SBTi targets were validated in September 2023. By 2030, Saur is committed to reducing its absolute Scope 1 and 2 GHG emissions by 42% from a 2021 base year, in line with a 1.5°C trajectory consistent with the Paris Agreement. Additionally, Saur aims to cut its Scope 3 indirect emissions by 25% focusing particularly on those generated by its value chain. However, the 2021 baseline is now outdated due to Saur' growth primarily driven by industry sector. In accordance with SBTi guidelines and in order to reflect the current reality of the group, Saur has decided to recalculate its carbon footprint. A new baseline for 2023 and updated trajectories will be presented, with the goal of obtaining official validation from scientific bodies by the end of 2025 or the beginning of 2026.

In accordance with the adaptation of the actual ESG Roadmap 2021-2025, Saur is undertaking several key initiatives:

- Climate Change Adaptation: Saur has launched a study on climate change adaptation to assess the exposure and vulnerability of representative sites within the group. This will enable the development of a climate change adaptation strategy by the end of 2024-beginning of 2025. This study will be expanded to include all of Saur's facilities in 2025.
- Climate-Related Transition Risks: Saur is also developing a tool to assess the climate-related transition risks of each of its BUs.
- Biodiversity Strategy: Saur has initiated the development of its biodiversity strategy which will be elaborated and published by the end of 2024

Finally, Saur is preparing for the implementation of the CSRD and CS3D which the group will be subject to starting from the 2025 year-end.

## OUTLOOK

FY2024 outlook:

- Revenue growth: Double digits
- EBITDA margin improvement
- Committed to deleveraging



## CONFERENCE CALL

Patrick Blethon, Chief Executive Officer and Alice Schmauch, Chief Financial Officer, will present this press release during a conference call in English to be held today at 11.00 a.m. Paris time (CET). The press release will be posted on the Saur investor website.

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This presentation contains forward-looking statements which are based on current plans and forecasts of Saur's management. Such forward-looking statements are by their nature subject to a number of important risk and uncertainty factors that could cause actual results to differ in a variety of substantial and very material respects from the plans, objectives and expectations expressed in such forward-looking statements.

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## ABOUT SAUR

As a pure player in water and essential services, Saur works to protect the environment in the heart of the territories it serves. Saur has always acted to offer the same quality of service to small towns as to large cities, guided by its mission: to restore to water the value it deserves. Saur's worldwide presence: Cyprus, Finland, France, Germany, Italy, Netherlands, Poland, Portugal, Saudi Arabia, Spain, United Kingdom, United States of America. 2023 key figures: €2.1 billion Group net revenues, 9,500 local authorities and industrial clients contracted, 12,000 employees and 20 million consumers served worldwide.

#missionwater

[www.saur.com](http://www.saur.com)



## APPENDIX

### DEFINITIONS

#### **Non-IFRS**

Non-IFRS EBITDA and operating result include the realized gains and losses under the Virtual Power Purchase Agreement (VPPA) entered into in July 2022 in Iberia, which are recorded in financial result under IFRS. Reconciliation with IFRS figures is presented in the appendix to this press release.

#### **Organic growth (like-for-like growth)**

M&A activity is excluded from the growth rate as the metric is calculated at a constant perimeter.

#### **EBITDA**

Earnings before interest, taxes, depreciation, and amortization.

#### **Adjusted EBITDA**

Non-IFRS EBITDA adjusted for (i) Discontinued activities, (ii) Minorities & Associates and (iii) M&A proforma impacts.

#### **Free cash flow**

Funds from operations less change in working capital and organic capital expenditures.

#### **Net debt**

Net financial debt (post IFRS16) including current and non-current financial debt less cash & cash equivalents.

#### **Adjusted Net debt**

Detailed calculation included in appendix: Reported Net debt adjusted for (i) Discontinued activities debt, (ii) Minorities & Associates debt, (iii) refinancing fees and (iv) financial instruments.

#### **Leverage**

Adjusted net debt (post IFRS16) / Adjusted EBITDA (post IFRS16)

## FINANCIAL STATEMENTS

### Income statement

In €m	Half Year			
	IFRS		NON IFRS	
	2023	2024	2023	2024
<b>Revenue</b>	<b>1 009</b>	<b>1 121</b>	<b>1 009</b>	<b>1 121</b>
Direct Costs	(806)	(901)	(805)	(902)
<b>Margin on Direct Costs</b>	<b>202</b>	<b>220</b>	<b>203</b>	<b>219</b>
%	20.1%	19.6%	20.2%	19.5%
Operational Support	(109)	(115)	(109)	(115)
Functional & HQ Support	(98)	(102)	(98)	(102)
Profit sharing	(3)	(4)	(3)	(4)
Add-back (Depreciation, Provision, other)	104	112	104	112
<b>EBITDA</b>	<b>97</b>	<b>111</b>	<b>98</b>	<b>109</b>
%	9.6%	9.9%	9.7%	9.8%
Depreciation & Amortization	(103)	(111)	(103)	(111)
Other operating income and expenses	(7)	(1)	(7)	(1)
Share of Group companies	4	4	4	4
<b>Operating result</b>	<b>(10)</b>	<b>3</b>	<b>(9)</b>	<b>2</b>
%	-1.0%	0.3%	-0.8%	0.2%
Financial result	(29)	(18)	(30)	(17)
Income tax	4	(1)	4	(1)
<b>Net result</b>	<b>(34)</b>	<b>(16)</b>	<b>(34)</b>	<b>(16)</b>

### Balance sheet

		Equity and Liabilities		Dec -23	Jun -24
		In €m			
<b>Assets</b>		Dec -23	Jun -24		
<b>In €m</b>					
Intangible and tangible assets		1 434	1 507		
Net goodwill		1 549	1 596		
Investment in equity affiliates		135	129		
Other non-current financial assets		31	34		
Non-current financial instruments asset		1	1		
Deferred tax asset		5	5		
<b>NON-CURRENT ASSETS</b>		<b>3 155</b>	<b>3 272</b>		
Inventory		64	68		
Accounts receivables		1 475	1 533		
Other current assets		168	148		
Current financial instruments asset		2	0		
Cash and Cash Equivalent		324	289		
<b>CURRENT ASSETS</b>		<b>2 032</b>	<b>2 038</b>		
<b>TOTAL ASSETS</b>		<b>5 187</b>	<b>5 311</b>		
				Dec -23	Jun -24
<b>In €m</b>					
Shareholders equity				1 087	1 120
Minority interests				36	36
<b>EQUITY</b>				<b>1 123</b>	<b>1 157</b>
Non-current provision				165	160
Financial Debt (Non-Current)				1 344	1 341
Other non-current liability				148	176
Non-current financial instruments liability				9	10
Deferred tax liability				59	60
<b>NON-CURRENT LIABILITIES</b>				<b>1 725</b>	<b>1 746</b>
Current provision				10	9
Financial Debt (Current)				197	344
Accounts payable				438	440
Customer advance payments				586	367
Payables to collectivities				676	805
Other current liabilities				416	388
Current financial instruments liability				1	1
Treasury liabilities				17	53
<b>CURRENT LIABILITIES</b>				<b>2 339</b>	<b>2 408</b>
<b>TOTAL EQUITY AND LIABILITIES</b>				<b>5 187</b>	<b>5 311</b>



## Cash flow statement

<i>In €m</i>	Half Year	
	2023	2024
<b>EBITDA IFRS</b>	<b>97</b>	<b>111</b>
Realized gain/(loss) on VPPA	1	(1)
<b>EBITDA NON IFRS</b>	<b>98</b>	<b>109</b>
Income taxes (paid)/earned	(5)	(2)
Dividends received from companies under the equity method	5	10
Exceptional items from operations	(12)	(6)
Change in Working Capital	(143)	(146)
Other	2	1
<b>CASH FLOWS FROM OPERATIONS</b>	<b>(54)</b>	<b>(33)</b>
Net capital expenditures	(90)	(100)
Net cash from (used in) investing in financial assets	(13)	(54)
Perimeter change	1	(0)
<b>CASH FLOWS FROM INVESTING</b>	<b>(102)</b>	<b>(153)</b>
Increase in share capital	(0)	40
Dividends earned/(paid)	(0)	(0)
Financial interests paid	(5)	(22)
Changes in facility lines	(100)	140
NEU commercial paper	0	4
Sharing plan	0	(9)
Bond issued in the period	300	0
Other changes in financial debt	(42)	(38)
<b>CASH FLOWS FROM FINANCING</b>	<b>152</b>	<b>115</b>
<b>Cash and Cash equivalents - BoP</b>	<b>242</b>	<b>307</b>
Cash flow for the period	(4)	(72)
Impact of changes in exchange rates and other	0	1
<b>Cash and Cash equivalents - EoP</b>	<b>238</b>	<b>236</b>

## Free cash flow

<i>In €m</i>	Half Year	
	2023	2024
<b>EBITDA NON IFRS</b>	<b>98</b>	<b>109</b>
IFRS 16 impact	(22)	(28)
Exceptional costs	(12)	(6)
Financial interests	(4)	(20)
Income tax	(5)	(2)
Dividends received	5	10
<b>Funds from operations (FFO)</b>	<b>60</b>	<b>64</b>
Change in Working Capital	(143)	(146)
<b>Cash flow generated by operations</b>	<b>(83)</b>	<b>(82)</b>
Organic capital expenditures	(40)	(56)
<b>Free cash flow</b>	<b>(123)</b>	<b>(138)</b>





## Net financial debt

<i>In €m</i>	Dec -23	Jun -24
Bonds	1 250	1 250
Facility lines	100	240
NEUCP	40	44
Leases	108	115
Put on minorities	6	6
Earn-out	8	8
Financial instruments	7	10
Other debts	29	23
<b>Financial debts</b>	<b>1 548</b>	<b>1 695</b>
<b>Cash and Cash equivalents <sup>(1)</sup></b>	<b>(307)</b>	<b>(236)</b>
<b>NET FINANCIAL DEBT</b>	<b>1 241</b>	<b>1 459</b>

Note : (1) Including treasury liabilities

## Leverage ratio

<i>In €m</i>	LTM	
	Dec -23	Jun -24
<b>EBITDA NON IFRS</b>	<b>222</b>	<b>234</b>
Minorities	(8)	(11)
Associates	24	24
M&A - Acquisitions pro forma impacts	1	3
M&A - Disposals pro forma impacts	-	-
<b>Adjusted EBITDA</b>	<b>239</b>	<b>250</b>

<i>In €m</i>	Dec -23	Jun -24
<b>Reported net financial debt</b>	<b>(1 241)</b>	<b>(1 459)</b>
Minorities	0	2
Associates	(9)	(17)
Refinancing fees	(11)	(10)
Financial instruments	7	10
<b>Adjusted net financial debt</b>	<b>(1 253)</b>	<b>(1 474)</b>
<b>Leverage ratio</b>	<b>5.2x</b>	<b>5.9x</b>



## Restated Revenue/EBITDA by Business Unit

In €m	Half year			Half year
	2023	FOT transfer Adjustment	2023 restated	2024
Water services - France	692	(41)	651	703
Industrial water solutions	210		210	254
Water services - International	106	41	148	164
<b>Revenue</b>	<b>1 009</b>	<b>0</b>	<b>1 009</b>	<b>1 121</b>

In €m	Half year				Half year
	2023	IFRS 8 Adjustment	FOT transfer Adjustment	2023 restated	2024
Water services - France	62	(2)	(5)	55	56
Industrial water solutions	32	(3)		29	33
Water services - International	11	(2)	5	14	20
Corporate	(7)	7		0	0
<b>EBITDA</b>	<b>98</b>	<b>0</b>	<b>0</b>	<b>98</b>	<b>109</b>
%	9.7%			9.7%	9.8%