



HALF YEAR 2021-2022 RESULTS

MAY 25TH, 2022





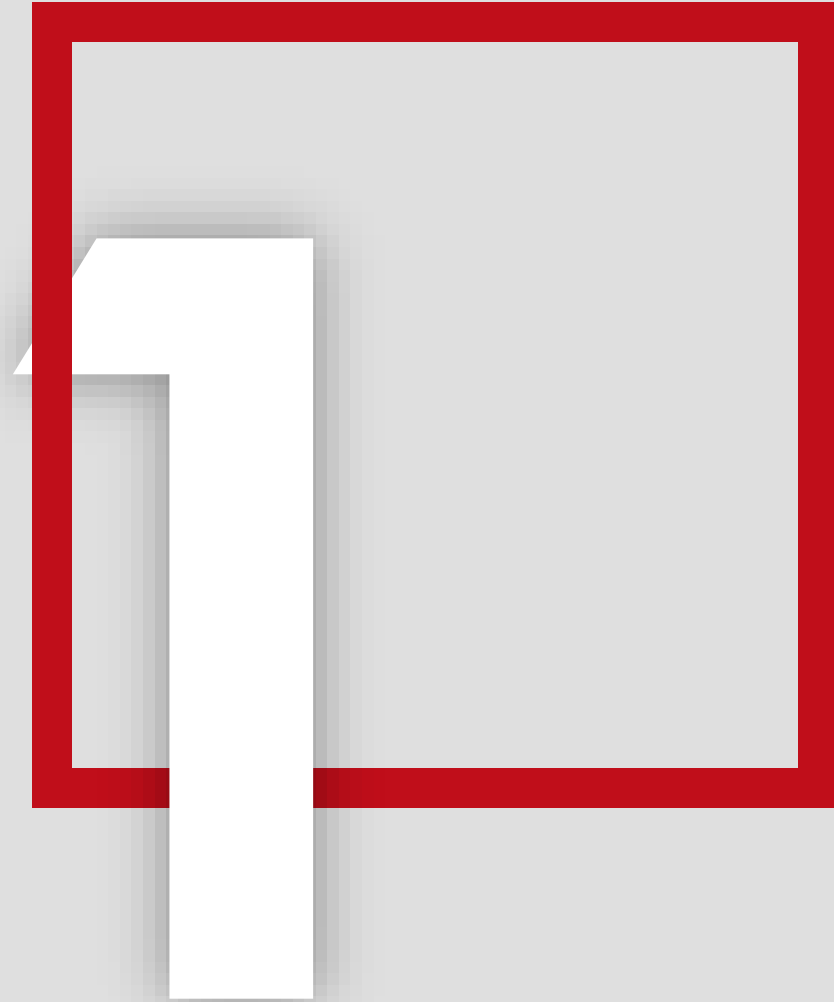
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- The material contained in this document presents Derichebourg's current business activities as of May 25th, 2022. It is provided in summary form and does not purport to be complete. It should be read in conjunction with the Group's periodic reporting, registration document, and other announcements lodged with the Autorité des Marchés Financiers. Additional information about factors which may impact Group's results are contained in the registration document, which is available on www.derichebourg.com and which can also be requested from the company.
- To the extent that this document may contain forward-looking statements, such statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control and which may cause actual results to differ materially from those expressed in the statements contained in this release.
- This document is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation, or needs of any particular investor.



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KEY TAKE-OUT MESSAGE



KEY CONSIDERATIONS IN H1 2022

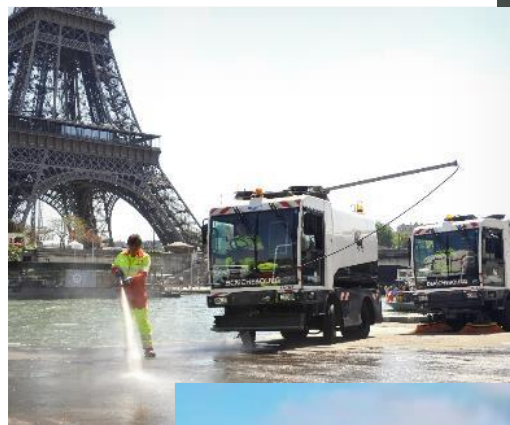
Outstanding performance of the group taken as a whole

- **Successful first months of Ecore integration**
- **Excellent market conditions in Environmental Services business**
- **Increase in Revenue in Multiservices**

2,5 Bn Revenue over 6 months (with only 3,5 months consolidation of Ecore)

250,6 M€ EBITDA and 117,8 M€ net income over 6 months

Last Twelve Months Proforma* EBITDA is 559 M€





H1 2021-2022 RESULTS



SIGNIFICANT IMPROVEMENT IN NET INCOME : + 60%

Comments

in millions of euros	H1 22	H1 21	Var.	Var.%
Turnover	2 547,7	1 649,9	897,8	54,4%
Current EBITDA	250,6	172,6	78,0	45,2%
as a % to sales	9,8%	10,5%		
Current EBIT	174,6	112,3	62,2	55,4%
as a % to sales	6,9%	6,8%		
EBIT	171,3	115,5	55,8	48,3%
Net income	118,3	74,7	43,6	58,4%
attributable to shareholders	117,8	73,6	44,2	+60%
attributable to minority interests	0,5	1,1		

Environmental Services

- Closing of Ecore acquisition on December 17th, 2021
- Working on implementation of remedies asked by EU Commission
- Increase in Revenue by 70,4% (scope effect and higher prices vs FY21. Lower volumes in ferrous scrap on a same scope basis)
- Satisfactory Unit margins
- Ecore outstanding results (€44,8m EBITDA in 3,5 months), testifying the group's capacity to integrate targets
- Opex: increase in energy and staff cost

Multiservices

- Positive trading developments with an increase in Revenue by 9% (recovery in Aeronautics, Cleaning in Spain + Portugal)
- Stable EBITDA profitability, due to lower profitability in Cleaning France (less Covid Services) partly offset by recovery in Aeronautics

Best H1 results ever in group history



ENVIRONMENTAL SERVICES : GOOD MARGINS AND PROMISING ECORE INTEGRATION

Comments

in millions of euros	H1 22	H1 21	Var.	Var. %
Turnover	2 079,6	1 220,3	859,3	70,4%
Current EBITDA	232,0	153,3	78,7	51,3%
as a % to sales	11,2%	12,6%		
Current EBIT	170,0	107,1	62,9	58,7%
as a % to sales	8,2%	8,8%		
Revaluation result – Ecore Acquisition	1,4			
Others		0,9		
EBIT	171,4	108,0	63,4	+58,7%

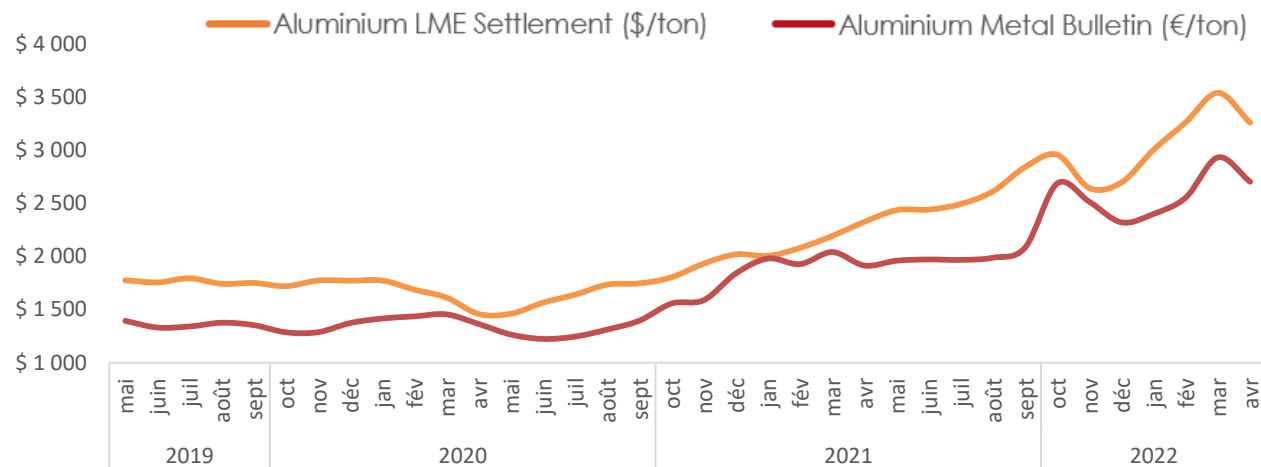
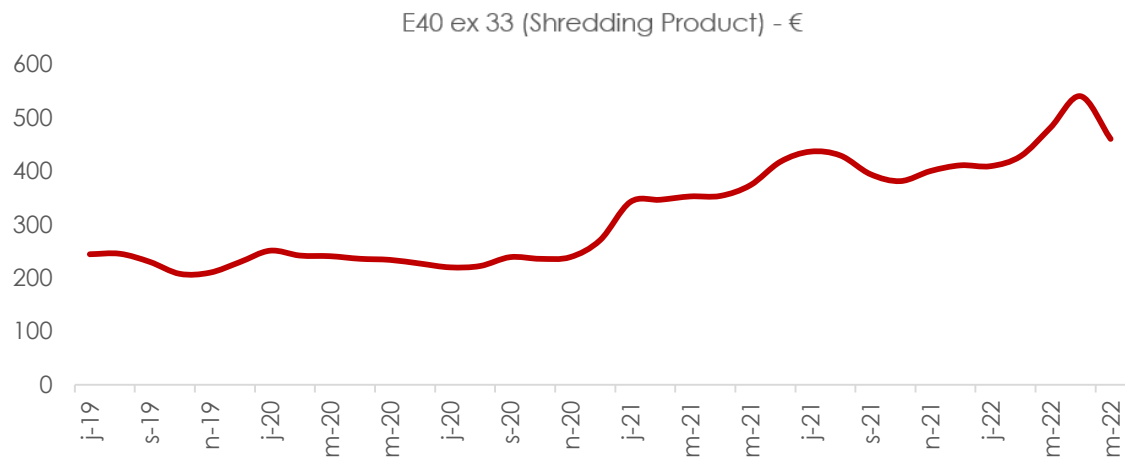
Recycling

- **Ferrous scrap volumes** have increased by 20% compared to FY21, but are down by roughly 10% on a same scope basis. Manufacturing issues in Automotive industry led to a decrease in scrap purchases (ELV, and steel waste), and shortage of ferrous scrap for our customers, resulting in high prices.
- **Non-ferrous metals volumes:** increase by 23% in volumes, but volumes are stable on a same scope basis.
- **Unit margins** have improved significantly both for ferrous and non-ferrous metals in a context of historically high prices
- **Ecore outstanding results** (€44,8m EBITDA in 3,5 months), testifying the group's capacity to integrate targets. Derichebourg's IT implemented in France since April 1st, 2022.
- **Opex:** increase in energy and staff cost
- Several announcements of customers during H1 to build new EAF in order to decrease their carbon footprint

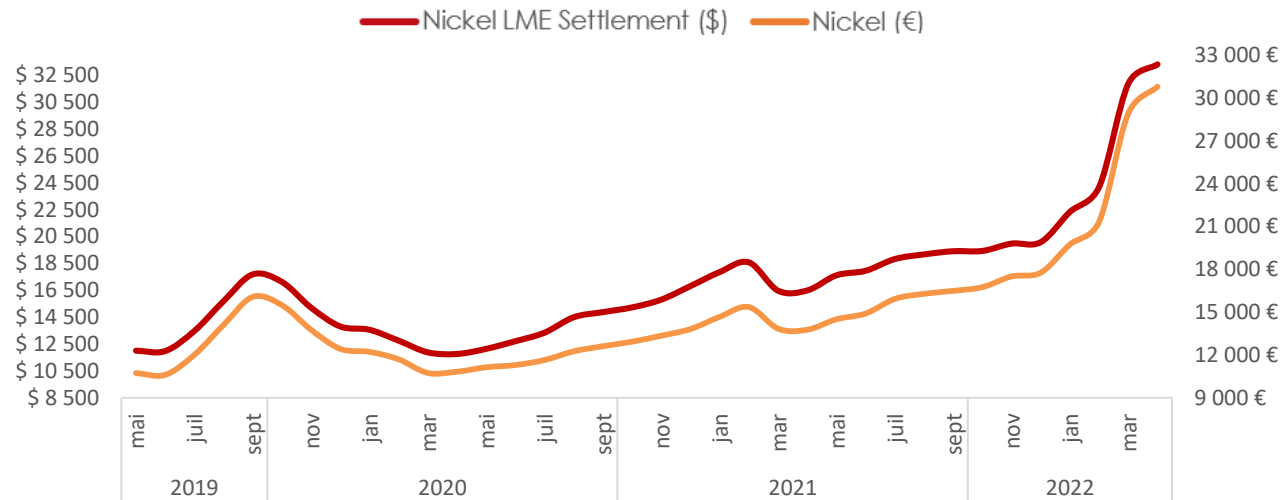
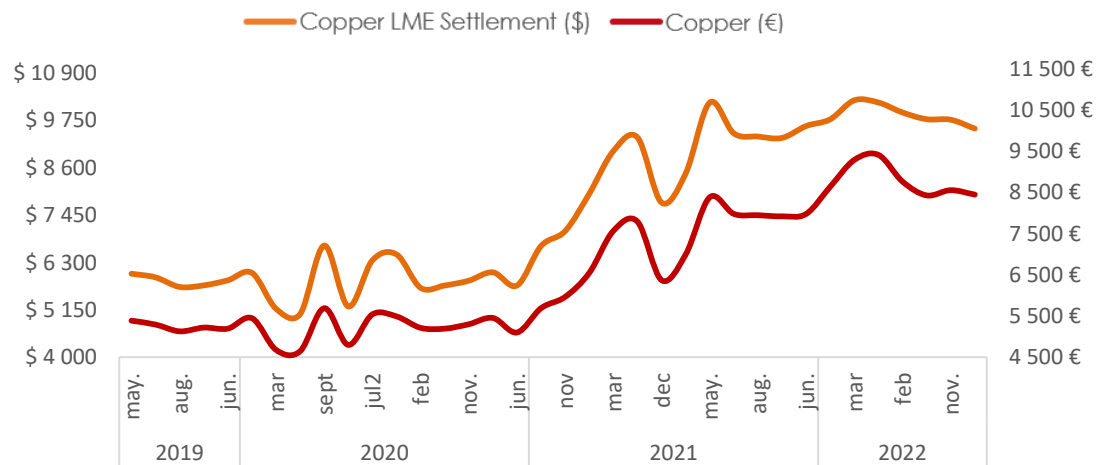


COMMODITY PRICES

Steel and Aluminum prices



Copper and Nickel prices

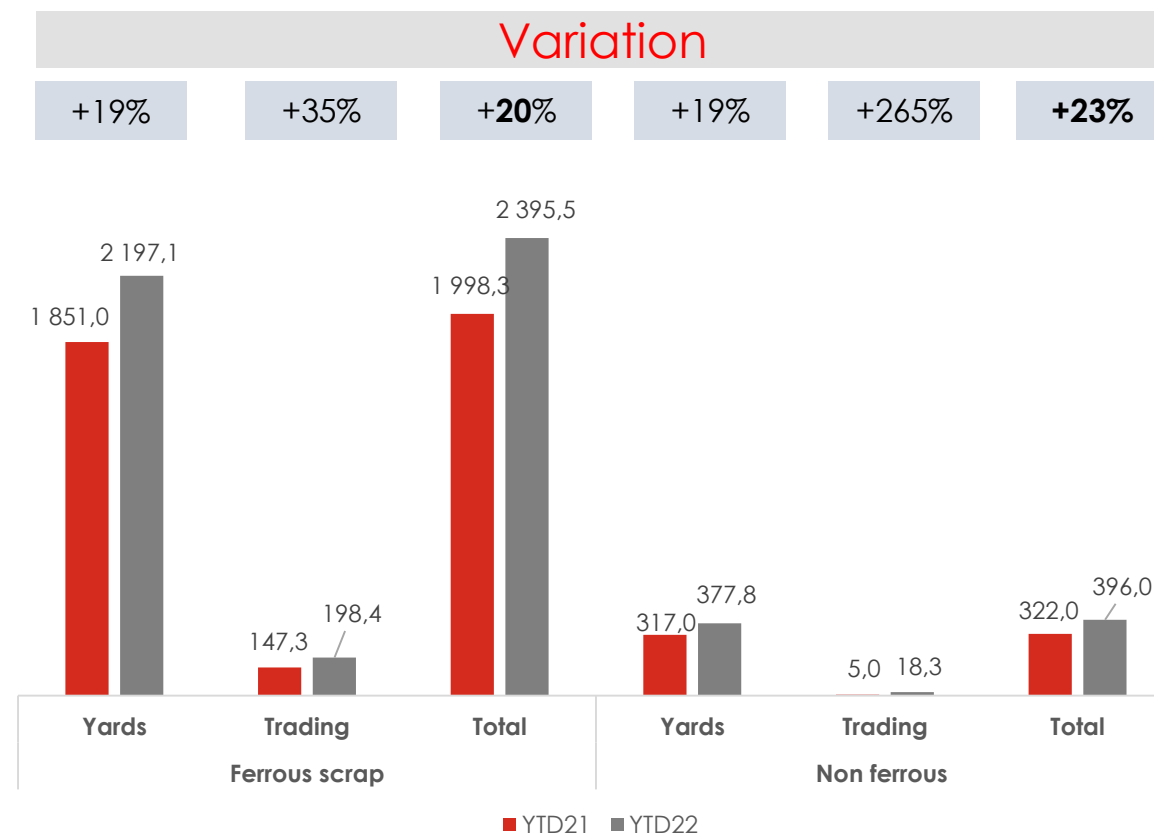




COMBINED INCREASE IN VOLUMES IN FERROUS SCRAP AND IN NON FERROUS METALS

Volume (in thousands of tons)	H1 22			H1 21		
	Yards	Trading	Total	Yards	Trading	Total
Ferrous scrap	2 197,1	198,4	2 395,5	1 851,0	147,3	1 998,3
Non ferrous	377,8	18,3	396,0	317,0	5,0	322,1
Total volume	2 574,8	216,7	2 791,5	2 168,0	152,3	2 320,4

Revenue (in €M)	H1 22	H1 21	Var.
	Total	Total	
Ferrous scrap	1 003,7	578,7	73,4%
Non ferrous	916,3	505,6	81,2%
Services	159,6	135,9	17,4%
Total Revenue	2 079,6	1 220,3	70,4%



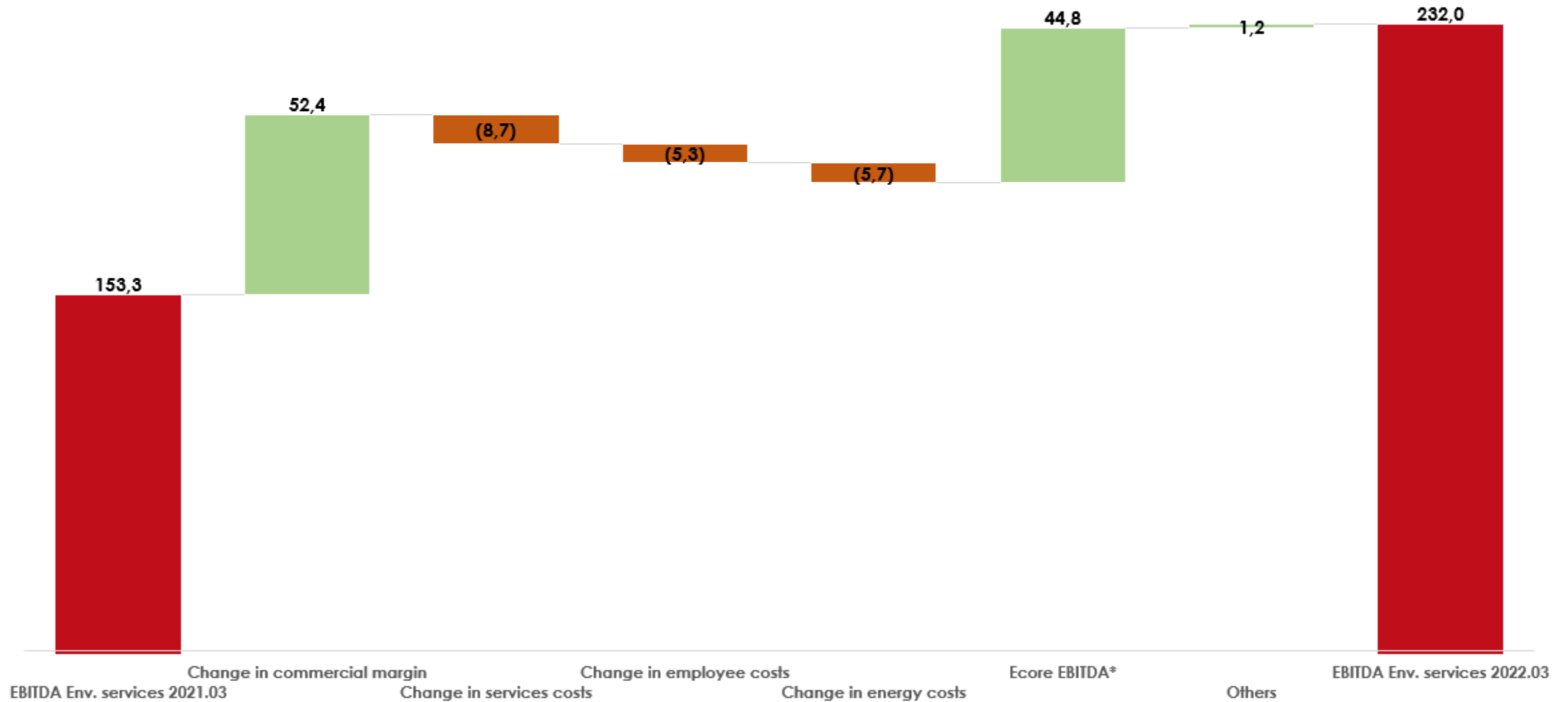
Changes on a same scope basis

- Ferrous scrap : - 10%

- Non Ferrous metals : 0%



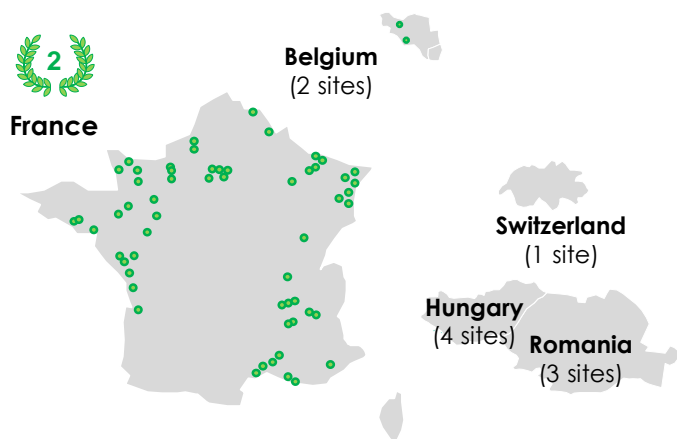
ENVIRONMENTAL SERVICES EBITDA BRIDGE



* EBITDA : 17 december 2021 -> 31 march 2022



RATIONALE FOR THE ECORE ACQUISITION



A strong & diversified asset base



82 sites (68 collection)



252 trucks



3,0 MT in FY21



7 shredders



46 shears



267 cranes



Long-term relationships



1.3K FTEs



500+ clients

- ❑ Increase Derichebourg's footprint on the metallic scrap market (both ferrous and non-ferrous), at a time when group expects demand will accelerate due to the fight against global warming
 - Blast furnaces steel mills will increase the quantity of scrap in their converters in order to reduce CO2 emissions (example : Arcelor Mittal expects to reduce by 8% its emissions in Dunkerque by multiplying by 2 the quantity of scrap in the converter)
 - New EAF will open (Arcelor Mittal in Gent, by 2030) : Additional need of scrap : 4 MT/year
 - Chinese market needs will also increase considerably thanks to the replacement of old BOF by EAF.

- ❑ Ecore is less focused on technical "niche markets" than Derichebourg, which can bring additional volumes, and added value to :
 - Floating lines
 - Aluminium or Lead refining facilities
 - Copper cable shredding line, ...

- ❑ Ecore runs some deep sea harbours which can enable to export bigger vessels when the export market is favourable



ECORE ACQUISITION : RELEVANT MARKETS IDENTIFIED BY THE EUROPEAN COMMISSION

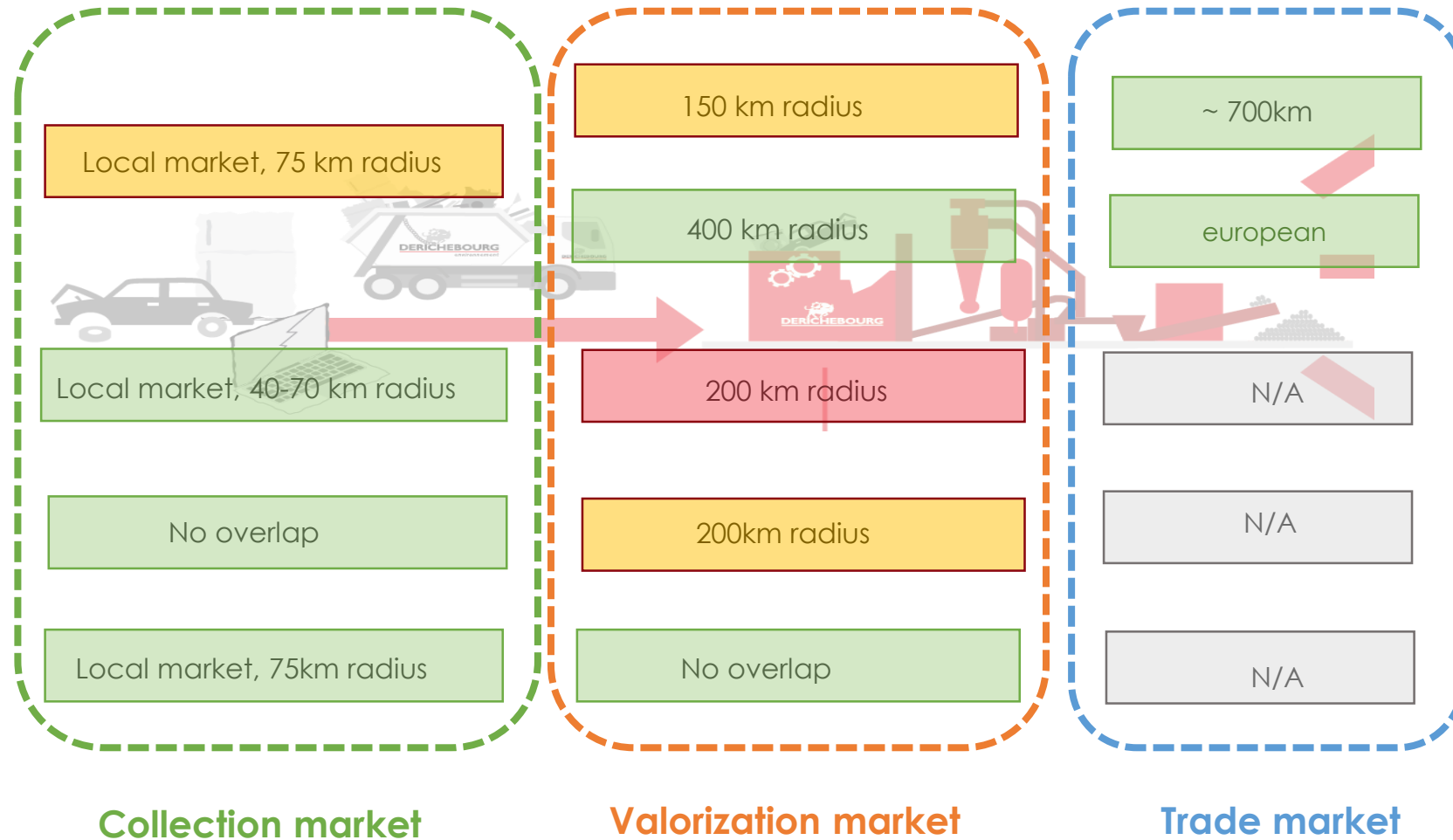
Ferrous metallic waste

Non Ferrous metallic waste

ELV (end of life vehicles) **This market was not identified as separate in prior concentrations**

WEEE (mainly GEM HF, only segment with overlap)

Batteries





PROPOSED REMEDIES AND SITES MAP AFTER REMEDIES

Proposed remedies include in particular :

- ❑ 4 valorization sites equipped with a shredder in France
- ❑ 4 collecting sites in France

Derichebourg also committed to specific actions in order to ensure viability of sites which will be sold

- ❑ Derichebourg selected one bidder for the takeover of all the remedies scope
- ❑ Signing is expected by June 16th, 2022. The purchaser has then to be accepted by the European Commission, and must also file its anti-trust returns. Closing expected in Autumn 2022





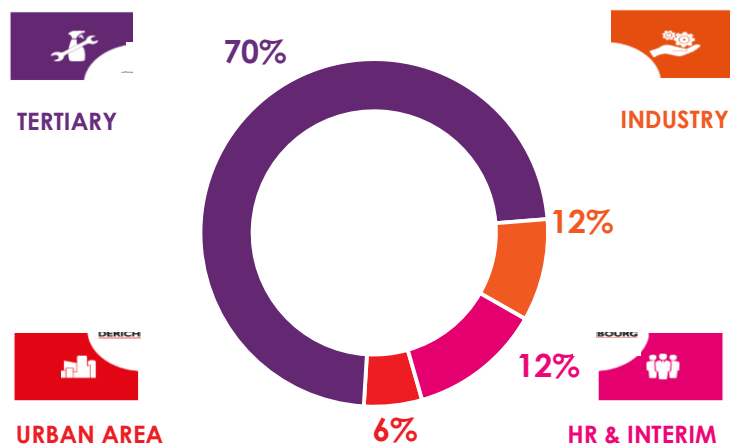
H1 22-FINANCIAL HIGHLIGHTS MULTISERVICES

<i>in millions of euros</i>	YTD22	YTD21	Var.	Var.%
Turnover	467,6	429,2	38,4	8,9%
Current EBITDA	23,8	24,0	(0,2)	(0,8%)
<i>as a % to sales</i>	5,1%	5,6%		
Current EBIT	11,5	11,6	(0,1)	(0,3%)
<i>as a % to sales</i>				
Result of disposal of a subsidiary	(0,4)			
EBIT	11,1	11,6	(0,5)	(3,9%)

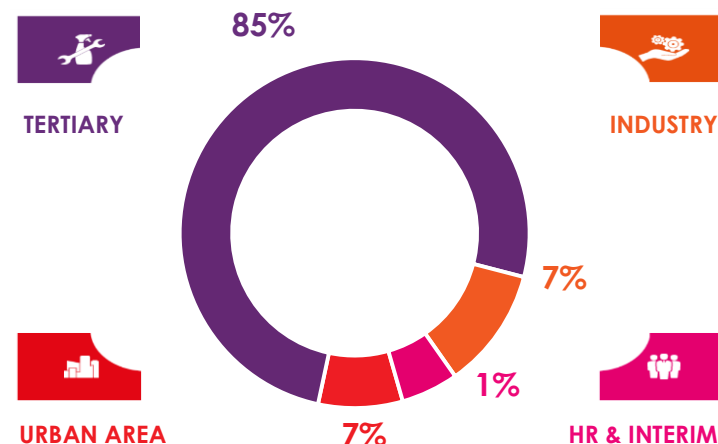
Business model

- Acquired in the Mid-2000s to add a **more resilient** business in addition to the core recycling activities
- Regroups activities with **different economic cycles**
- **Multi-year contracts** that provide high visibility
- Focus on segments where customers have the **desire to outsource** certain functions
- **Labor-intensive** and low-capex activities

Breakdown of revenue



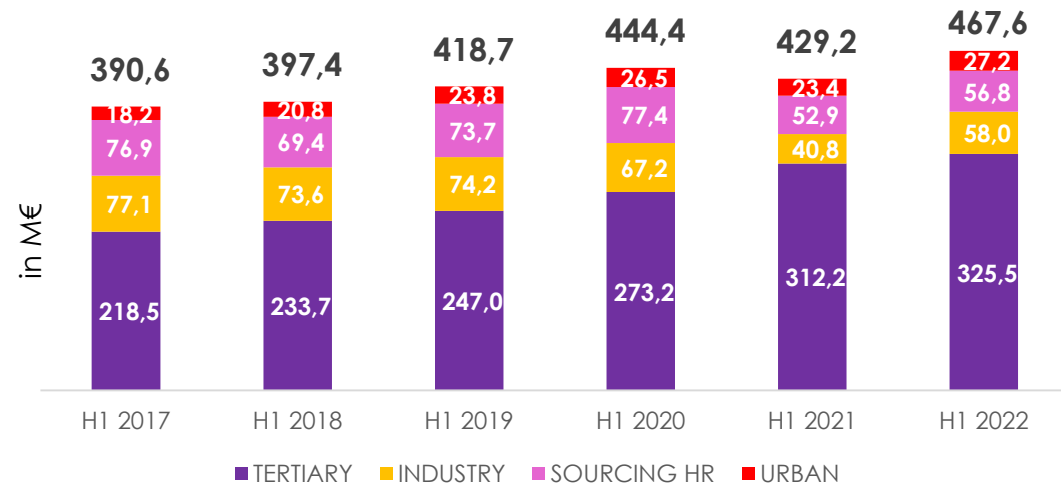
Breakdown of EBITDA





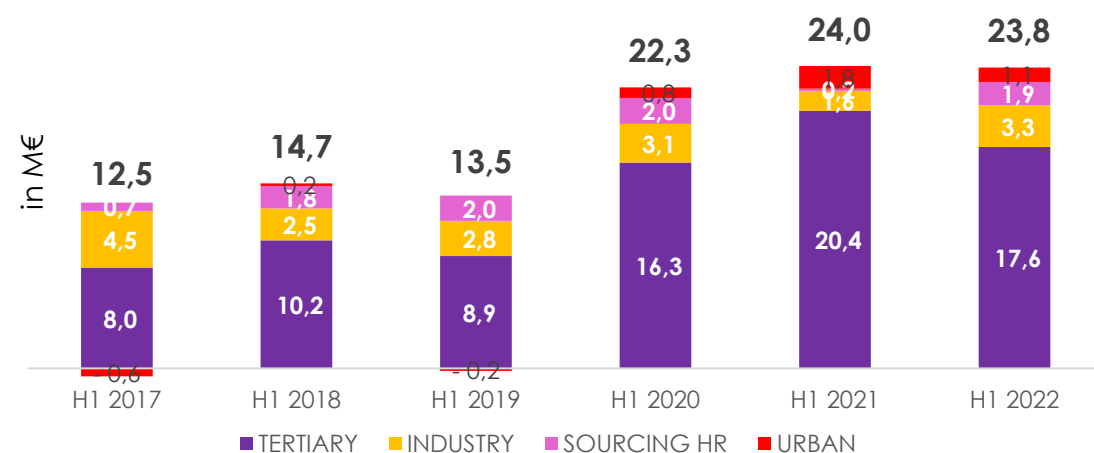
REVENUE AND EBITDA ARE ABOVE PRE-COVID LEVELS

Change in revenue



- **Tertiary Solutions** : increase by 4,3% (Cleaning France stable, Cleaning Spain-Portugal : 8%, Energy +4%)
- **Industry Solutions**: +42,3%. Strong recovery and good momentum, but not back yet to pre-Covid levels.
- **Sourcing RH** : increase by 7,4% due to recovery in temporary staff services to Aeronautics
- **Urban Maintenance** : increase by 16,7%. Increase in revenue in all segments

Change in EBITDA



- **Tertiary solutions** : Decrease in EBITDA by 2,8 M€. Less COVID Services, non-recurring costs on a contract (1 M€)
- **Industry** : EBITDA improves by 1,7 M€, as a result of revenue increase. Recruiting is becoming the new difficulty.
- **Sourcing RH** : Increase in EBITDA by 1,7 M€ due to overheads savings in the context of the merger of 3 subsidiaries, and improvement in Revenue
- **Urban Maintenance** : decrease by 0,7 M€. Disposal of a subsidiary ongoing



H1 22 FINANCIAL HIGHLIGHTS HOLDING

<i>in millions of euros</i>	YTD22	YTD21	Var.	Var.%
Turnover	0,5	0,5	0,0	9,7%
Current EBITDA	(5,2)	(4,6)	(0,6)	13,8%
Current EBIT	(7,0)	(6,3)	(0,7)	10,4%
Cleaning – end of a litigation on social charges		2,9		
Ecore Group acquisition cost	(4,0)			
Others	(0,2)	(0,6)		
EBIT	(11,2)	(4,0)	(7,2)	178,0%



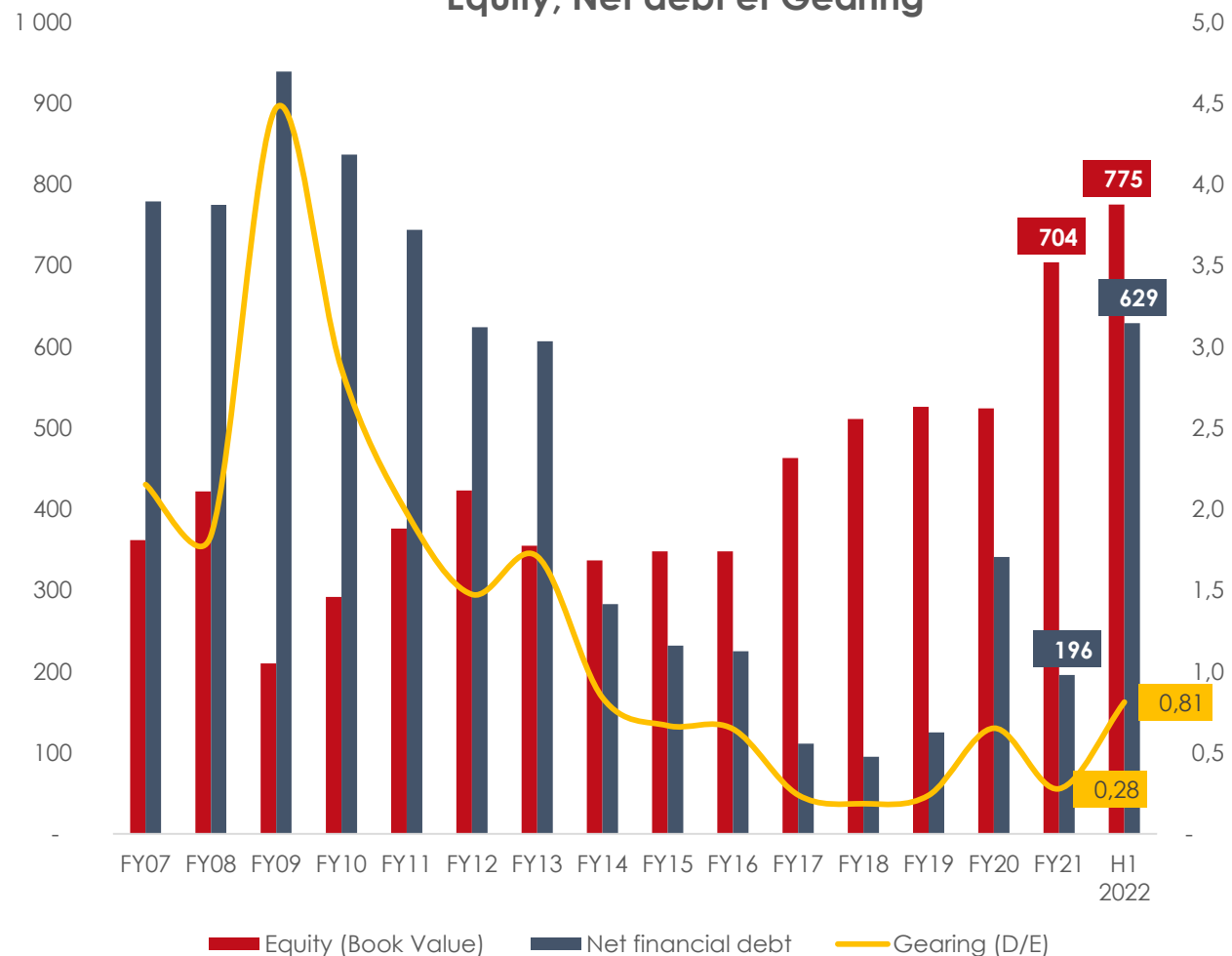
A STRONG BALANCE SHEET

in M€	2022.03	2021.09	Var.
Non current assets	1 491	1 031	460
Net deferred tax assets	16	1	15
Working capital requirement	(17)	(46)	29
Financ. Instr, assets held for sale, and others	56	0	56
Total assets	1 546	986	560
Equity *	779	706	73
Provisions for risks and charges	96	81	15
Net financial indebtedness	629	196	433
Financ. Instr, liabheld for sale, and others	33	2	31
Net tax position	9	1	8
Total liabilities	1 546	989	560
Goodwill	497	266	231
Right of use assets	253	216	37
Intangible assets	6	6	0
Tangible assets	688	501	187
Financial assets	47	42	5
Total non-current assets	1 491	1 031	460

* Including non-controlling interests

① Includes a preliminary goodwill of 230,7 M€ related to Ecore acquisition

Equity, Net debt et Gearing





DEBT FLOWS - CHANGE IN NET DEBT FROM SEPT21 TO MARCH22

Bridge of net debt (€m)

Comments

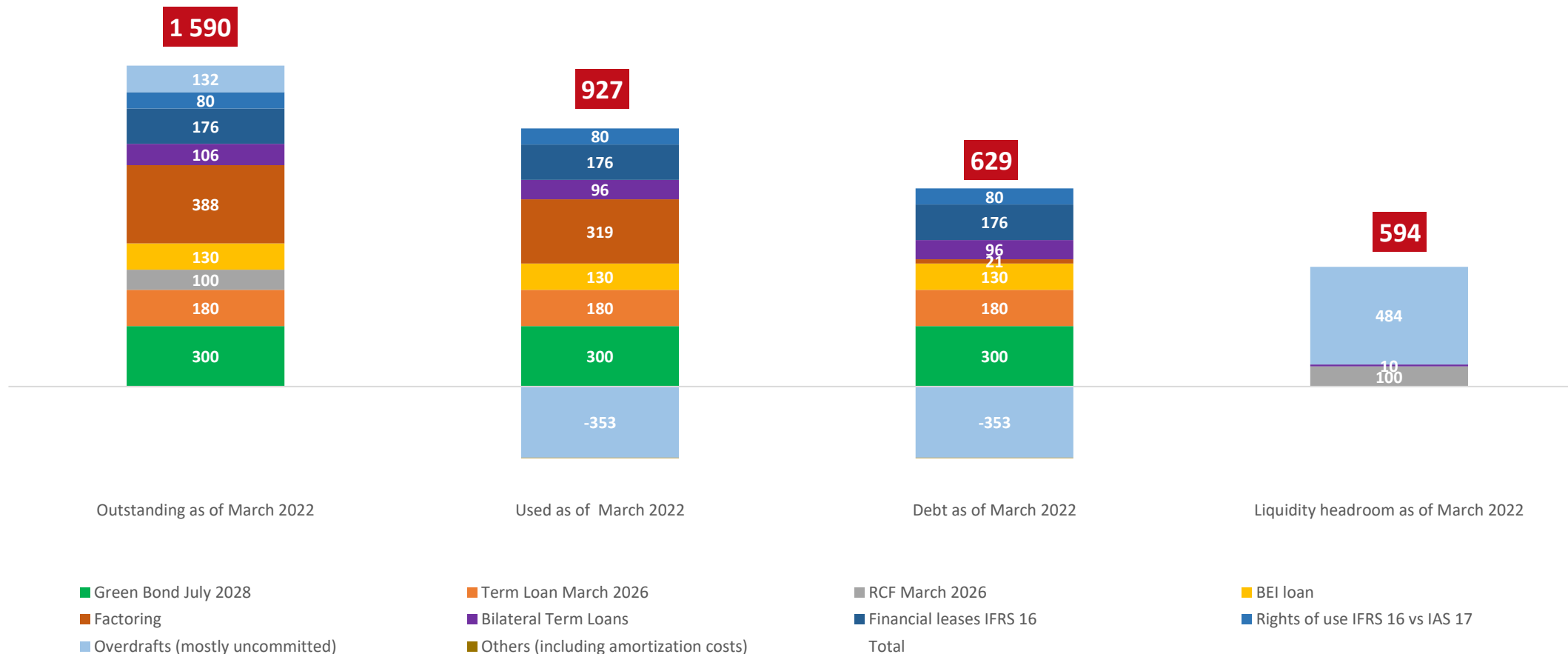


- Impact of Ecore acquisition
- Significant increase in WCR due to commodities price increases, which should partly reverse over H2
- Lower CAPEX/EBITDA ratio than guidance (slightly below 50% on a multi-year approach), due to
 - Higher EBITDA than forecasted when launching CAPEX
 - Delay in CAPEX due to semi-conductors shortage and logistics disruption
- LTM Proforma* EBITDA is 559 M€. Proforma Leverage ratio is 1,12*

* : 12 months consolidation of Ecore, without taking into account impact of remedies

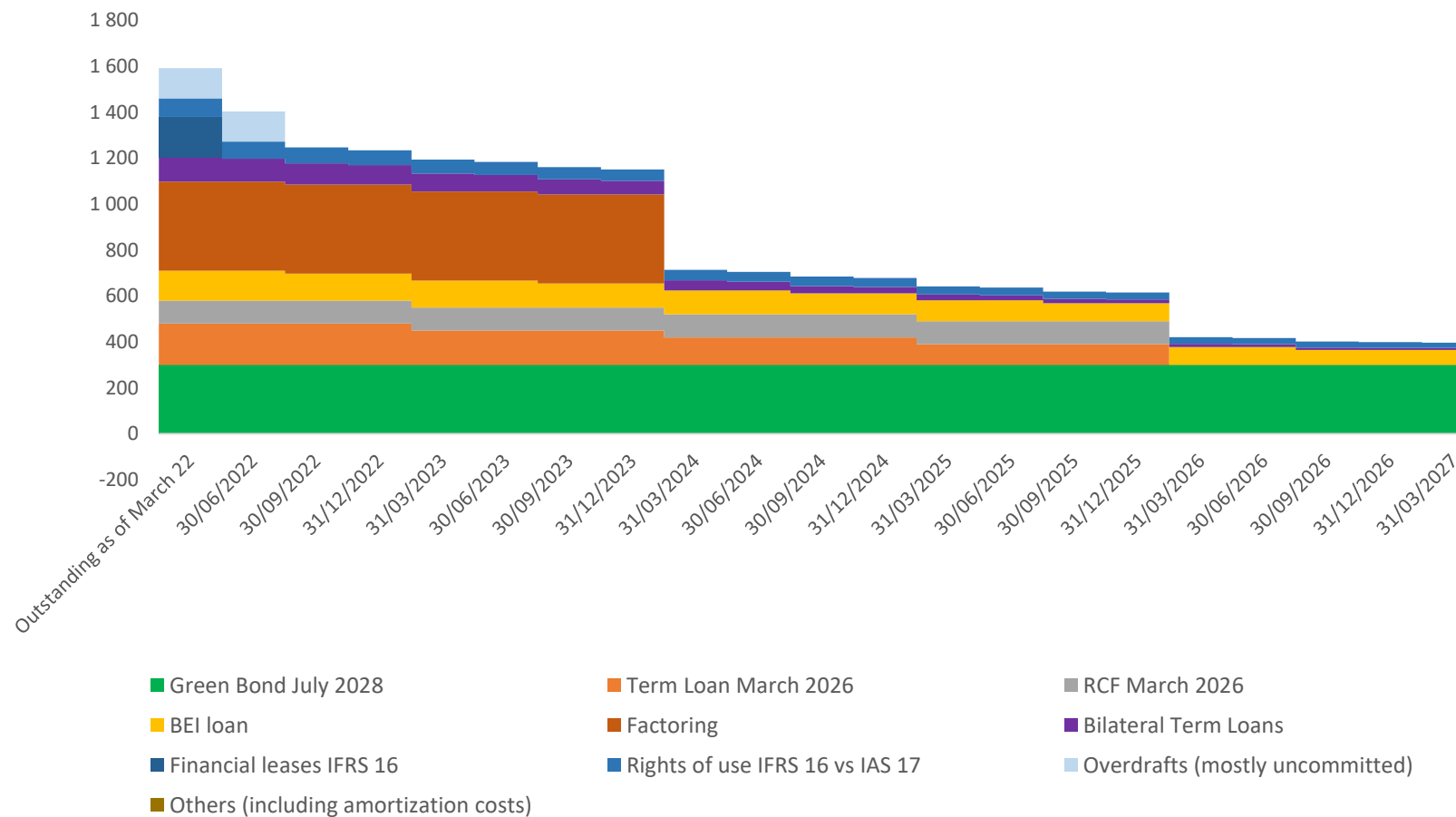


SOURCES OF FINANCING – CREDIT LINES AS OF MARCH 31ST 2022 – GOOD LIQUIDITY





SOURCES OF FINANCING – VISIBILITY ON CREDIT LINES



Comments

Legal approach for :

- Overdrafts : most of them are uncommitted but have not been cancelled in the past
- Term Loan 2020 and RCF 2020, whose 1+1 second extension period has not been taken into account
- Factoring is renewed on a yearly basis



OUTLOOK



OUTLOOK

- European Union will lead decarbonization of industry, which is triggering several CAPEX initiatives in Electric Arc Furnaces by several European steelmakers to replace blast furnaces, which are high emitters of greenhouse gases. Consumption of recycled raw materials will increase in the future, while supply should not change significantly, which will put upward pressure on price of scrap metal.
- Derichebourg remains very confident in the future of its recycling business, and its industrial and financial prospects.
- The commercial and operational synergies from the Ecore acquisition are ahead of us, and the CAPEX launched in Spain will start operating soon.
- In the short term, there are uncertainties on economic growth, due to geopolitical events in Europe which took place over the past 3 months. A slowdown in economic activity would temporarily impact group results.

- Multiservices : Revenue will continue to increase, thanks to good trading dynamics of the division. Increase in profitability in H2 compared to last year will depend on the ability to pass on wages inflation to customers or to reduce costs. The Aeronautics business should continue to improve.



CALENDAR – NEXT STEP

December 7th , 2022

FY 2021-2022 results

January 31st , 2023

Annual General Meeting of Shareholders

4

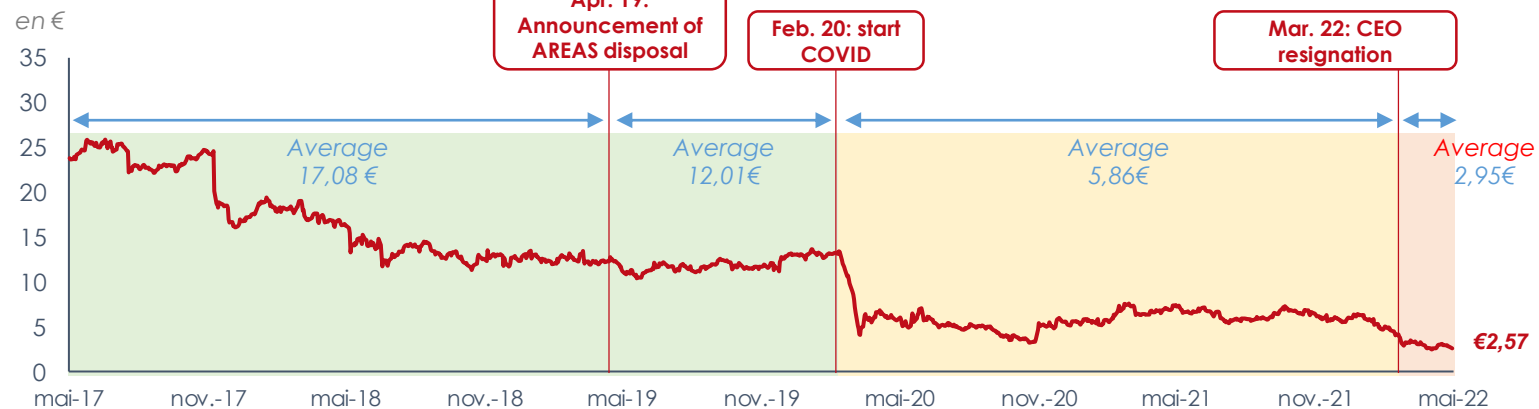
MINORITY STAKE PURCHASE IN ELIOR



MINORITY STAKE PURCHASE IN ELIOR

- 19/5/2022 : Announcement of the purchase of a minority stake in Elior (14,7%), purchased from BIM (controlled by Elior's co-founder Robert Zolade) and Gilles Cojan.
- Derichebourg becomes Elior's largest shareholder
- Base price : 5,65€/share + possible earn-out (73% of value increase over 5,65€/share, with a 1,35€/share max earn-out) during 2 years starting January 1st, 2023.
- Other usual provisions
- Will be paid before June 30th, 2022 (142,8 M€)
- Derichebourg held already 4,93% of the company on the stock exchange, resulting in a 19,6% stake.

ELIOR shareprice



Reference period	Price per share	Premium
Average 1 year	5,41	4%
Average 6 months	4,45	27%
Average 3 months	3,13	80%



MINORITY STAKE PURCHASE IN ELIOR

- Derichebourg filed on May 20th with the AMF its declaration of intent for the next 6 months :
 - Possibility to increase its shareholding, up to 30% max
 - No intent to launch a take-over bid
 - Supports the board of directors
 - Intends to ask for 2 seats at the board of directors

- Rationale of this minority stake purchase
 - « Mega » Facility Management contracts often include in the same contract outsourcing of cleaning and catering (which Derichebourg does not perform).
 - With respect to independence of both groups, and competition regulation, Derichebourg aims at being in a better position to answer these large Facility Management contracts.



ELIOR, A GLOBAL LEADER IN CONTRACT CATERING AND SERVICES

Group Overview



Key figures



3,7 Mds€ Revenue in FY21
100 M€ EBITDA in FY21
(2,7% EBITDA margin)



N°3 in contract catering in Europe, N°1 in France



N°1 in hospitals cleaning in France



99 000 employees



6 countries
France, Italy, Spain, UK, USA, India



22 700 restaurants & outlets



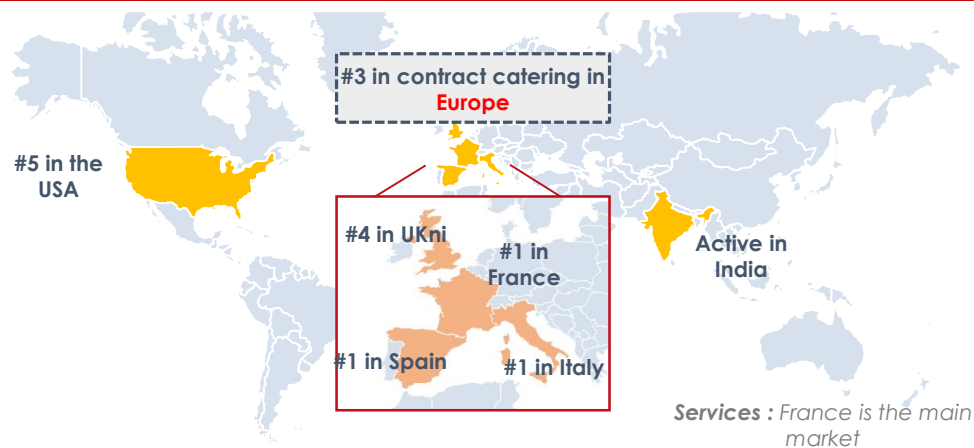
3,6 M guests each day



2 400 sites managed by Elior Services

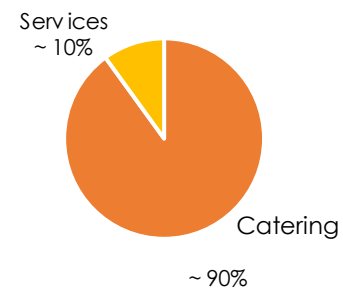


Geographical footprint

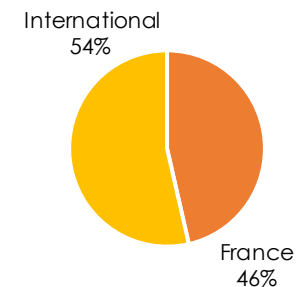


2021 Revenue

By activity

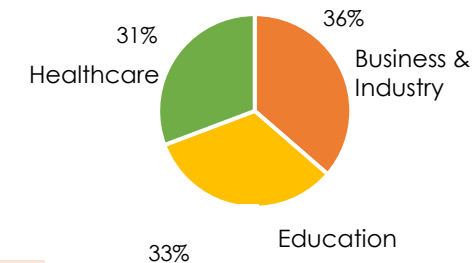


By Geography



Revenue 2021 : 3 690 M€

By industry





HALF YEAR 2021-2022 RESULTS

MAY 25TH, 2022

