

Paris, July 27, 2022

Nine-month revenues for 2021-2022 Elior Group's revenues continue to increase

Elior Group (Euronext Paris – ISIN: FR 0011950732), one of the world's leading operators in catering and support services, announces its revenues for the first nine months of fiscal 2021-2022, ended June 30, 2022.

Revenues for the first nine months of 2021-2022

- Revenues of €3.419 billion reflect 20.3% organic growth compared with the first nine months of the previous year, of which 10.1% stems from strong new business development
- Retention rate up from 91.3% at March 31, 2022, to 92.0% at June 30, 2022
- Q3 revenues of €1.180 billion reflect 25% organic growth compared with the same period a year ago
- Q3 revenues for 2021-2022 were equivalent to 93% of revenues for the same period in 2018-2019 (pre-Covid), compared with 87% in Q2
- Available liquidity at end-June 2022 was €437 million, compared with €444 million at end-March 2022
- 2021-2022 financial guidance and 2024 ambitions confirmed

Bernard Gault, Chairman and CEO of Elior Group, commented:

“Elior Group confirms good business growth in the third quarter this year, driven by a more favorable health context as well as strong business development and a higher retention rate. That said, our operating conditions continue to be affected by persistent, very high inflation. I would therefore like to thank our teams for their enduring commitment and efficiency in rolling out the four pillars of our operating margin recovery plan. They are: (1) to systematically renegotiate all our price grids worldwide, (2) to work with our clients to create new, more sustainable product and service offerings, (3) to systematically review our contract portfolio, and (4) to exercise even tighter control of operating costs. We have also kicked off the strategic review we announced on July 4.”

Business development

Elior signed or renewed several major catering and services contracts in the third quarter. These included:

- In France: TF1, Schneider Electric, Fnac, the military high school in Autun, public schools in Noisy-le-Grand, Courbevoie, Melun, and Bordeaux, Stanislas middle school in Paris, the Lively day nurseries, the Medicharme senior residences, the Arras hospital complex, and the Hôpital Rothschild in Paris; for Elior Services, the Metpark parking facilities, SNCF and RATP buildings, the Hôpital d'Instruction des Armées Legouest in Metz and the Hôpital Rothschild;
- In the UK: Aker Solutions' head office, Chesterford Research Park, Queens Park Rangers football club, GLF and Wickersley Partnership Trust schools, Trafford College and the Minster Care senior residences;
- In the US: Apollo Global Management, Cooley LLP, correctional facilities in Cobb County, Georgia and Lake County and East Chicago School Districts, in Indiana, Sioux Falls University, Northwest Mississippi Community College, Westerwood senior care homes in Columbus, Ohio, community meals for the Metropolitan Inter-Faith Association in Tennessee, and the JWCH Institute Health Center in Los Angeles;
- In Italy: Bottega Veneta, Lotto Sport Italia, SCM Group, public schools in Palermo and Rovello Porro and Gruppo Segesta senior residences;
- In Spain, MAPFRE Seguros, public schools in Milagros, the private Highlands School in Barcelona, the Lycée Français of Madrid, Jerez university hospital and the Riaño group senior residences.

Revenues

Revenues from continuing operations came to €3.419 billion for the first nine months of fiscal 2021-2022, compared with €2.783 billion a year earlier. This 22.9% year-on-year increase reflects 20.3% organic growth, a 3.0% positive exchange rate impact (USD and GBP gains against the euro), and a 0.4% negative scope impact (mostly due to the sale of CRCL in India).

Like-for-like revenues rose 18.2%, a clear rebound compared with the 6.1% decline a year earlier.

Furthermore, business development helped boost revenues by 10.1%, a vast improvement over the 5.7% boost a year ago.

Lastly, contract losses lowered revenues by 8.0%. The retention rate therefore came to 92% at June 30, 2022, up from 91.3% at March 31, 2022.

International operations represented 56% of revenues in the first nine months of 2021-2022, compared with 53% a year earlier.

Third-quarter revenues came to €1.180 billion up from €914 million a year earlier, or organic growth of 25%, reflecting a significant improvement in the public health situation compared with the same time last year.

Revenues by geography:

Revenues in **France** came to €1.496 billion for the first nine months of fiscal 2021-2022, compared with €1.298 billion a year ago, reflecting 15.3% reported growth and 15.2% organic growth (no material scope changes).

Third-quarter revenues came to €511 million, compared with €408 million a year ago, up by 25.2%, almost entirely organically (+25.1 %). All our markets benefited from the easing of public health restrictions. The Education market has made a robust recovery after being hit by the particularly strict health protocols implemented in schools during the first wave of the Omicron variant in the second quarter of this fiscal year.

International sales rose 28.8% to €1.912 billion in the first nine months of fiscal 2021-2022, up from €1.484 billion a year ago. The growth rate breaks down into 24.1% organic growth, a 5.4% positive exchange rate impact and a 0.7% negative scope impact.

Third-quarter revenues grew 31.5% to €664 million, up from €505 million last year, reflecting 24.2% organic growth, a 7.6% positive exchange rate impact, and a 0.3% negative scope impact. All the geographic regions Elior operates in contributed to this recovery since all our countries recorded double-digit organic growth, reflecting a significant improvement in public health situations compared with the same time last year.

Revenues generated by the **Corporate & Other segment**, which includes the remaining concession activities not sold with Areas, amounted to €11 million for the first nine months of fiscal 2021-2022, compared with €1 million a year ago.

Revenues by market:

The **Business & Industry** market generated revenue of €1.350 billion, a 42.0% increase compared with the first nine months of 2020-2021, or an organic increase of 40.2%. Third-quarter revenues were €493 million compared to €334 million for the same period year ago, a 47.6% reported and 44.0% organic increase. This performance amounted to 84% of the pre-Covid Q3 2018-2019 level, compared with 74% in the second quarter, erasing the slight dip seen during the first wave of the Omicron variant.

Education generated €1.174 billion in the first nine months of 2021-2022, a reported increase of 19.8% vs. the year-earlier period and a 16.5% organic increase. Third-quarter revenues were €379 million compared with €300 million a year ago, for a 26.3% reported increase and organic growth of 21.4%. That is equivalent to 105% of the level in Q3 2018-2019 (pre-Covid), compared with 101% in the second quarter, mostly due to a return to business as usual in France.

In **Health & Welfare**, the Group generated €895 million in revenues in the first nine months of 2021-2022, a 5.0% reported increase year-on-year and a 2.5% organic increase. Third-quarter revenues came to €308 million compared with €280 million a year earlier, for reported growth of 10.0% and organic growth of 6.3%. That is equivalent to 96% of the Q3 2018-2019 pre-Covid level, compared with 94% in the second quarter, reflecting improved public health conditions and stronger sales trends in France.

The table below shows revenues by market for the last nine quarters expressed as a percentage of revenues for the same period in fiscal 2018-2019 (pre-Covid-19).

Revenues as a % of 2018-2019 revenues(*)	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
	2019-20		2020-21				2021-22		
Business & Industry	38%	67%	54%	55%	58%	75%	75%	74%	84%
Education	45%	85%	84%	85%	87%	99%	92%	101%	105%

Health & Welfare	92%	95%	93%	93%	91%	92%	93%	94%	96%
GROUP TOTAL	54%	79%	73%	73%	74%	85%	85%	87%	93%

(*): at constant exchange rates

Liquidity

Elior's available liquidity at June 30, 2022, was €437 million compared with €444 million at March 31, 2022. This includes cash of €39 million and total available, undrawn revolving credit facilities of €350 million. Remaining available credit lines amount to €48 million.

Outlook

We reiterate our full-year guidance for 2021-2022:

- At least 16% organic revenue growth
- Adjusted EBITA near breakeven (excluding an estimated €35 million in losses at Preferred Meals for this fiscal year)
- Capex less than 2% of revenues

Our 2024 ambitions are unchanged:

- Average annual organic revenue growth of at least 7% over the next two years
- Adjusted EBITA margin of around 4.0% in 2023-2024
- Organic revenue growth / Capex as a percentage of revenues between 2x and 3x
- Resumption of dividend payments in respect of fiscal 2023-2024

We therefore reaffirm our CSR commitments, which are to:

- Cut our greenhouse gas emissions per meal by 12% by 2025 compared with 2020 (Scopes 1, 2, and 3)
- Reduce food waste per meal by 30% by 2025 compared with 2020
- Lower our energy consumption and ensure that 80% of our electricity use comes from renewables by 2022

Elior will host conference calls on Wednesday, July 27th at 4:00 p.m. Paris time:
The call will be accessible by webcast on the Elior Group website and by telephone by dialing one of the following numbers:

France: + 33 (0) 1 70 37 71 66

UK: + 44 (0) 33 0551 0200

US: + 1 212 999 6659

Access code: Elior

Financial calendar:

- November 23, 2022: Full-year 2021-2022 results - press release published before the start of trading, conference call to follow

Appendix 1: Revenue trends by geography:

Appendix 2: Revenue trends by market:

Appendix 3: Definition of alternative performance indicators

About Elior Group

Founded in 1991, Elior Group has grown into one of the world's leading operators in contract catering and support services and has become a benchmark player in the business & industry, education, health & welfare and leisure markets. With strong positions in 5 key countries, the Group generated €3.690 billion in revenue in fiscal 2020-2021.

Our 99,000 employees feed over 3.6 million people on a daily basis in 22,700 restaurants on three continents and offer services at 2,400 sites in France.

Innovation and social responsibility are at the core of our business model. Elior Group has been a member of the United Nations Global Compact since 2004, reaching the GC Advanced Level in 2015.

For further information please visit our website <http://www.eliorgroup.com> or follow us on Twitter at: @Elior_Group

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Appendix 1: Revenue by geographic segment

(in € millions)	Q1. 2021-2022	Q1. 2020-2021	Organic growth	Change in scope	Currency effect	Total Growth
France	489	447	9.5%	-	-	9.5%
International	623	498	22.5%	-0.9%	3.5 %	25.1%
Contract Catering & Services	1,112	945	16.4%	-0.5%	1.8 %	17.7%
Corporate & Other	4	-	n.m.	-	-	n.m.
GROUP TOTAL	1,116	945	16.7%	-0.5%	1.8%	18.1%

(in € millions)	Q2. 2021-2022	Q2. 2020-2021	Organic growth	Change in scope	Currency effect	Total Growth
France	496	443	11.9%	0.1%	-	12.0%
International	625	481	25.8%	-0.9%	5.1%	29.9%
Contract Catering & Services	1,121	924	19.1%	-0.5%	2.7%	21.3%
Corporate & Other	2	-	n.m.	-	-	n.m.
GROUP TOTAL	1,123	924	19.4%	-0.5%	2.7%	21.6%

(in € millions)	Q3. 2021-2022	Q3. 2020-2021	Organic growth	Change in scope	Currency effect	Total Growth
France	511	408	25.1%	0.1%	-	25.2%
International	664	505	24.2%	-0.3%	7.6%	31.5%
Contract Catering & Services	1,175	913	24.6%	-0.1%	4.2%	28.7%
Corporate & Other	5	1	n.m.	-	-	n.m.
GROUP TOTAL	1,180	914	25.0%	-0.1%	4.2%	29.1%

(in € millions)	9-months. 2021-2022	9-months. 2020-2021	Organic growth	Change in scope	Currency effect	Total Growth
France	1,496	1,298	15.2%	0.1%	-	15.3%
International	1,912	1,484	24.1%	-0.7%	5.4%	28.8%
Contract Catering & Services	3,408	2,782	19.9%	-0.4%	3.0%	22.5%
Corporate & Other	11	1	n.m.	-	-	n.m.
GROUP TOTAL	3,419	2,783	20.3%	-0.4%	3.0%	22.9%

n.m.: not meaningful

Appendix 2: Revenue by market

(in € millions)	Q1. 2021-2022	Q1. 2020-2021	Organic growth	Change in scope	Currency effect	Total Growth
Business & Industry	443	316	39,6%	-1,3%	1,9%	40,2%
Education	380	341	9,7%	-	2,0%	11,7%
Health & Welfare	293	288	-0,1%	-	1,6%	1,4%
TOTAL GROUP	1 116	945	16,7%	-0,5%	1,8%	18,1%

(in € millions)	Q2. 2021-2022	Q2. 2020-2021	Organic growth	Change in scope	Currency effect	Total Growth
Business & Industry	415	301	36.6%	-1.5%	2.4%	37.6%
Education	414	339	19.2%	-	3.1%	22.3%
Health & Welfare	294	284	1.4%	-	2.4%	3.8%
TOTAL GROUP	1,123	924	19.4%	-0.5%	2.7%	21.6%

(in € millions)	Q3. 2021-2022	Q3. 2020-2021	Organic growth	Change in scope	Currency effect	Total Growth
Business & Industry	493	334	44.0%	-0.5%	4.1%	47.6%
Education	379	300	21.4%	0.1%	4.8%	26.3%
Health & Welfare	308	280	6.3%	-	3.7%	10.0%
TOTAL GROUP	1,180	914	25.0%	-0.1%	4.2%	29.1%

(in € millions)	9-months. 2021-2022	9-months. 2020-2021	Organic growth	Change in scope	Currency effect	Total Growth
Business & Industry	1,350	951	40.2%	-1.1%	2.9%	42.0%
Education	1,174	980	16.5%	-	3.3%	19.8%
Health & Welfare	895	852	2.5%	-	2.5%	5.0%
TOTAL GROUP	3,419	2,783	20.3%	-0.4%	3.0%	22.9%

Appendix 3: Definition of Alternative Performance Indicators

Organic growth in consolidated revenue: As described in Chapter 4, Section 4.2 of the Universal Registration Document, growth in consolidated revenue expressed as a percentage and adjusted for the impact of (i) changes in exchange rates, (ii) changes in accounting policies and (iii) changes in scope of consolidation.

Retention rate: Percentage of revenues retained from the previous year, adjusted for the cumulative year-on-year change in revenues attributable to contracts or sites lost since the beginning of the previous year