

ATALIAN GROUP

Q2 & H1 2021

CONSOLIDATED FINANCIAL RESULTS



ATALIAN

GLOBAL SERVICES



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Rob LEGGE
Deputy CEO & Group COO



Jean-Jacques GAUTHIER
Deputy CEO & Group CFO



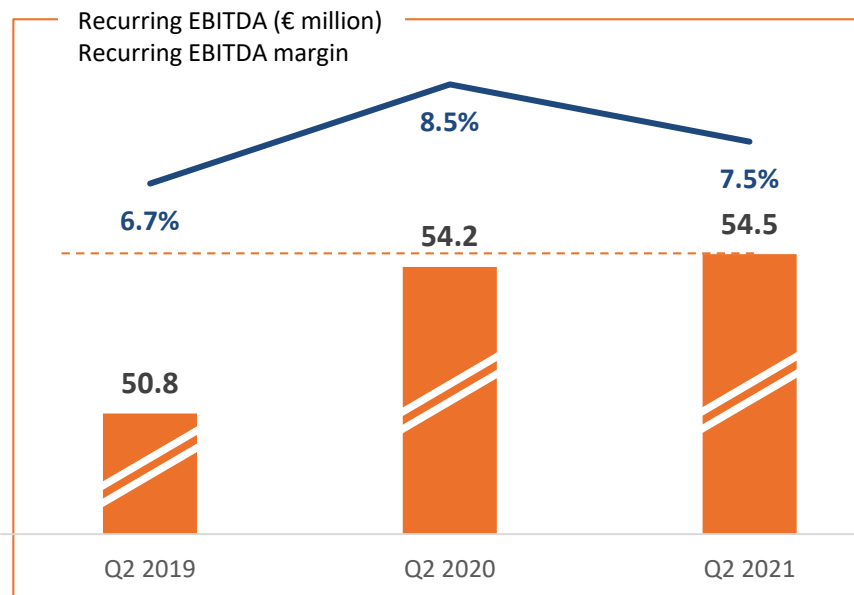
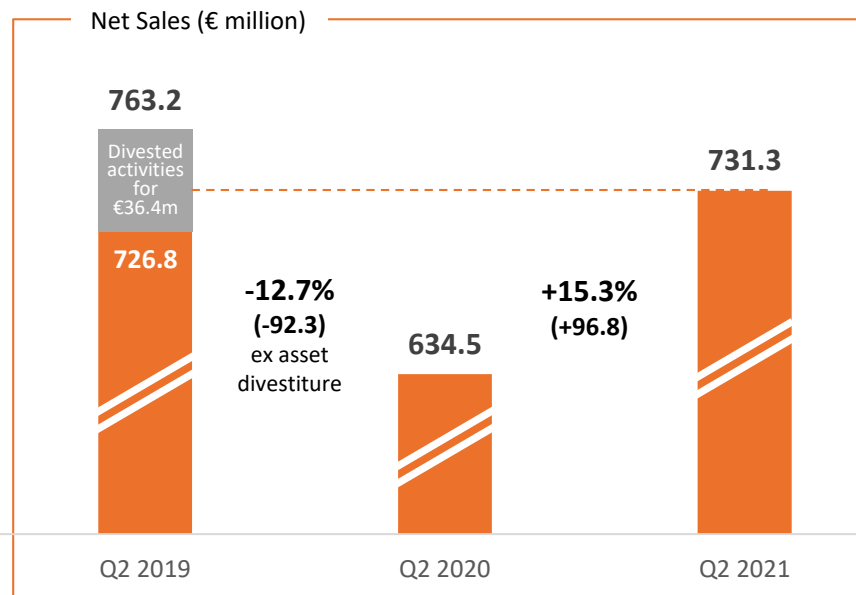
Bruno BAYET
Group Controller

01. H1 2021 Highlights

- Covid-19 restrictions easing in France, the UK and the USA in Q2. Asia more severely impacted by stricter lockdown measures. In this context, all activities are gradually returning to pre-Covid-19 level, except Catering in the UK
- Pick-up in growth in Q2 at +16.0% LfL due to progressive recovery of our activities and new contract wins, leading to +4.5% LfL in H1
- Strong Q2 performance including double digit growth in France, the UK, Benelux and Asia, despite the reduction of Government support measures
- Q2 2021 recurring EBITDA up 2.4% LfL. Reduced robust margin of 7.5% reflecting lower Covid-19 related sales, combined with the reduction of subsidies in Asia and CEE, partly offset by the progressive recovery of activities
- As expected CFFO impacted by deferred payment of social charges and taxes for €48.4m. Excluding this item, cash conversion of 83% in H1 2021
- Strong liquidity of €351 million and LTM leverage ratio of 5.5x at end June 2021

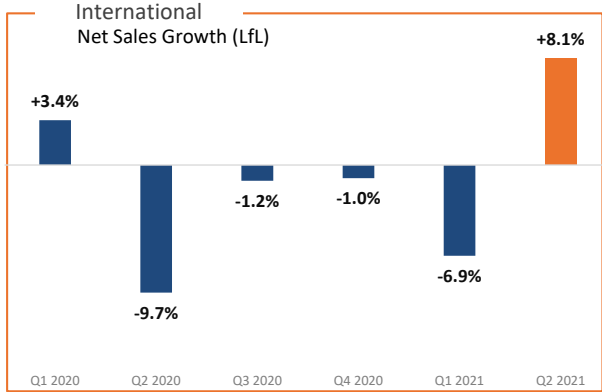
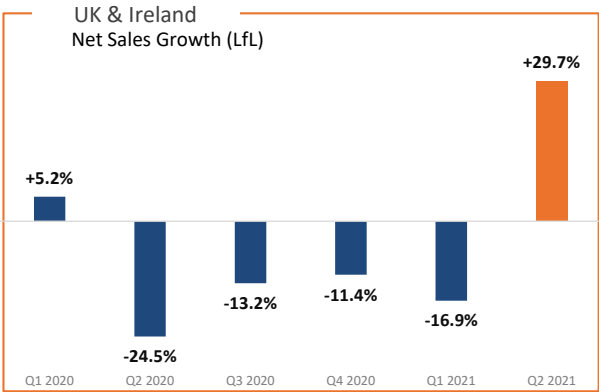
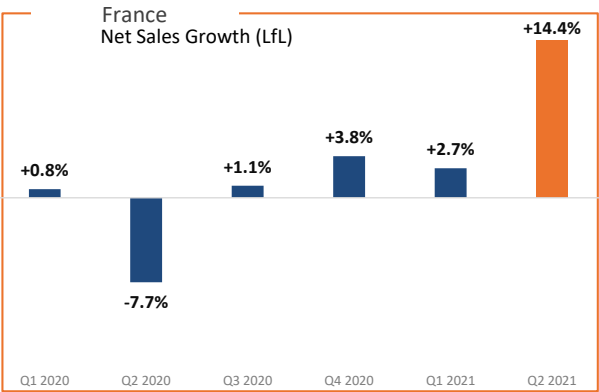
Q2 & H1 2021 HIGHLIGHTS

Strong Momentum of 2020 continuing into 2021, both for net sales and recurring EBITDA

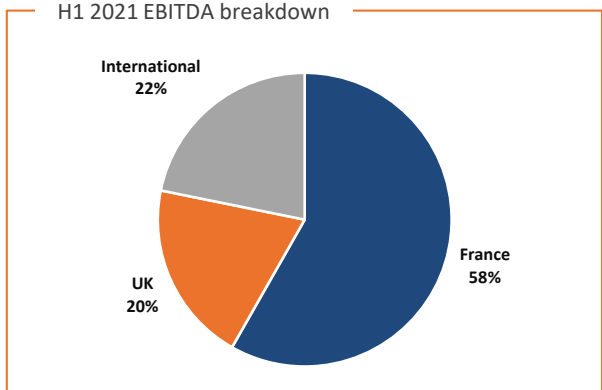
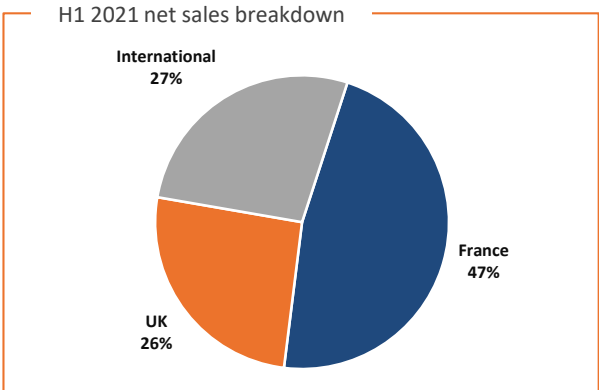


- Progressive recovery of our underlying activities
- Close to €230 million worth of New Wins in H1 2021, up 21% versus H1 2020
- Fully mobilised organisation with a strong focus on cash and cost control

All regions strongly recovering



- Accelerated net sales growth in France benefitting from greater exposure to cleaning
- UK net sales growth pick-up driven by relative basis of comparison in cleaning and security, but still affected by catering & project
- Robust net sales growth in international markets mainly in Benelux and Asia

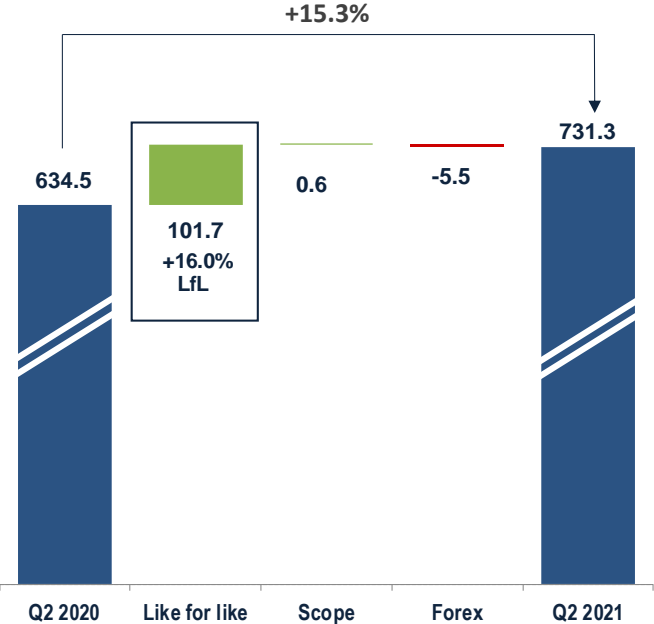


2. Q2 & H1 2021 Financial Results

in € million	Q2 2021 Reported	Q2 2020 Reported	change	var LfL (%)	H1 2021 Reported	H1 2020 Reported	change	var LfL (%)
Net Sales	731.3	634.5	+15.3%	+16.0%	1,413.8	1,373.0	+3.0%	+4.5%
Recurring EBITDA	54.5	54.2	+0.6%	+2.4%	107.5	106.4	+1.0%	+3.2%
<i>EBITDA margin (%)</i>	<i>7.5%</i>	<i>8.5%</i>	<i>-100 bps</i>		<i>7.6%</i>	<i>7.7%</i>	<i>-10 bps</i>	
Current Operating Profit	31.4	28.4	+10.6%		63.5	55.5	+14.4%	
<i>Current operating margin (%)</i>	<i>4.3%</i>	<i>4.5%</i>	<i>-20 bps</i>		<i>4.5%</i>	<i>4.0%</i>	<i>+50 bps</i>	
Net profit (loss) for the period from continuing operations	(9.5)	(13.2)	+3.7		(7.5)	(17.1)	+9.6	
Cash Flow from Operations	6.4	144.1	-137.7		40.6	183.0	-142.4	
Net Financial Debt	1,198.5	1,182.7	+15.8		1,198.5	1,182.7	+15.8	
<i>Leverage ratio (LTM)</i>	<i>5.5x</i>	<i>5.5x</i>			<i>5.5x</i>	<i>5.5x</i>		

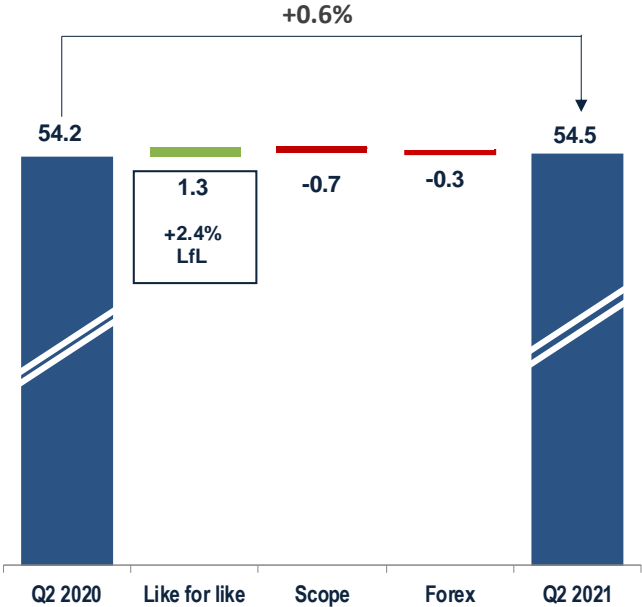
NET SALES

In € million



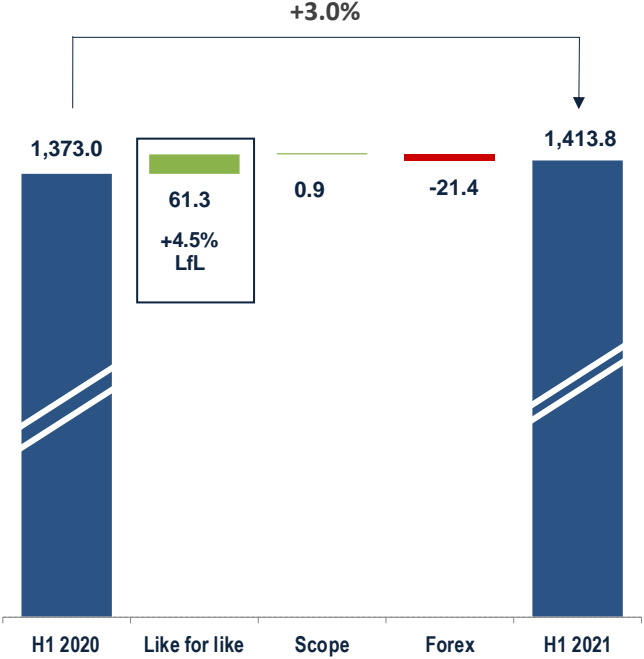
RECURRING EBITDA

In € million



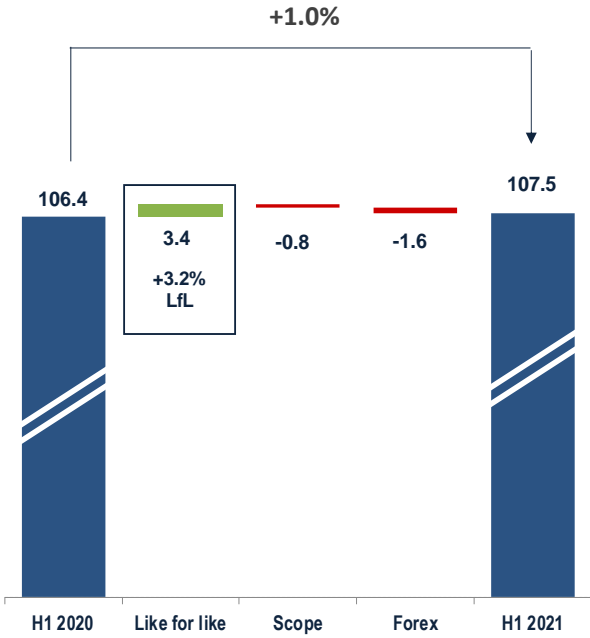
NET SALES

In € million



RECURRING EBITDA

In € million



in € million (*)	Q2 2021 Reported	Q2 2020 Reported	change	var LfL (%)	H1 2021 Reported	H1 2020 Reported	change	var LfL (%)
Net Sales	340.4	297.5	+14.4%	+14.4%	664.4	613.0	+8.4%	+8.4%
Recurring EBITDA	39.4	34.2	+15.3%	+15.3%	75.2	67.5	+11.5%	+11.5%
EBITDA Margin (%)	11.6%	11.5%	+10 bps		11.3%	11.0%	+30 bps	
of which Cleaning	36.5	30.2	+20.9%	+20.9%	69.0	57.6	+19.8%	+19.8%
Other activities (incl. FM)	2.9	4.0	-27.5%	-27.5%	6.2	9.9	-37.4%	-37.4%



- Accelerated growth in France with net sales up 14.4% in Q2 leading to +8.4% in H1, thanks to higher volume and Covid-19 restrictions easing
- Cleaning activities benefitting the most from the extra-works while underlying business activity almost fully recovered
- Management action plan to further streamline cost and improve productivity
 - Strengthening of the sales organisation on cross-selling, FM supported by international sales
 - Process optimisation with T&A tools, automation, fleet management and Shared services centers, corporate simplification

* excluding France Corporate Holding

in € million	Q2 2021 Reported	Q2 2020 Reported	change	var LfL (%)	H1 2021 Reported	H1 2020 Reported	change	var LfL (%)
Net Sales	198.3	149.8	+32.4%	+29.7%	364.3	353.4	+3.1%	+2.9%
Recurring EBITDA	13.7	12.8	+7.5%	+5.3%	25.8	26.5	-2.6%	-2.6%
EBITDA Margin (%)	6.9%	8.5%	-160 bps		7.1%	7.5%	-40 bps	



- Strong Q2 net sales growth at +29.7% LfL, leading to +2.9% LfL growth in H1
- Q2 pick-up in growth resulting from relative basis of comparison as well as the good performance of security and cleaning activities, in a context of gradual removal of restrictions related to Covid-19
- Catering still impacted in Q2 2021 due to delayed back-to-office
- Solid Q2 2021 margin at 6.9%, above 2019 level as a result of cost containment measures
- Vaccination and re-opening of the activities progressively restoring underlying activity in Catering

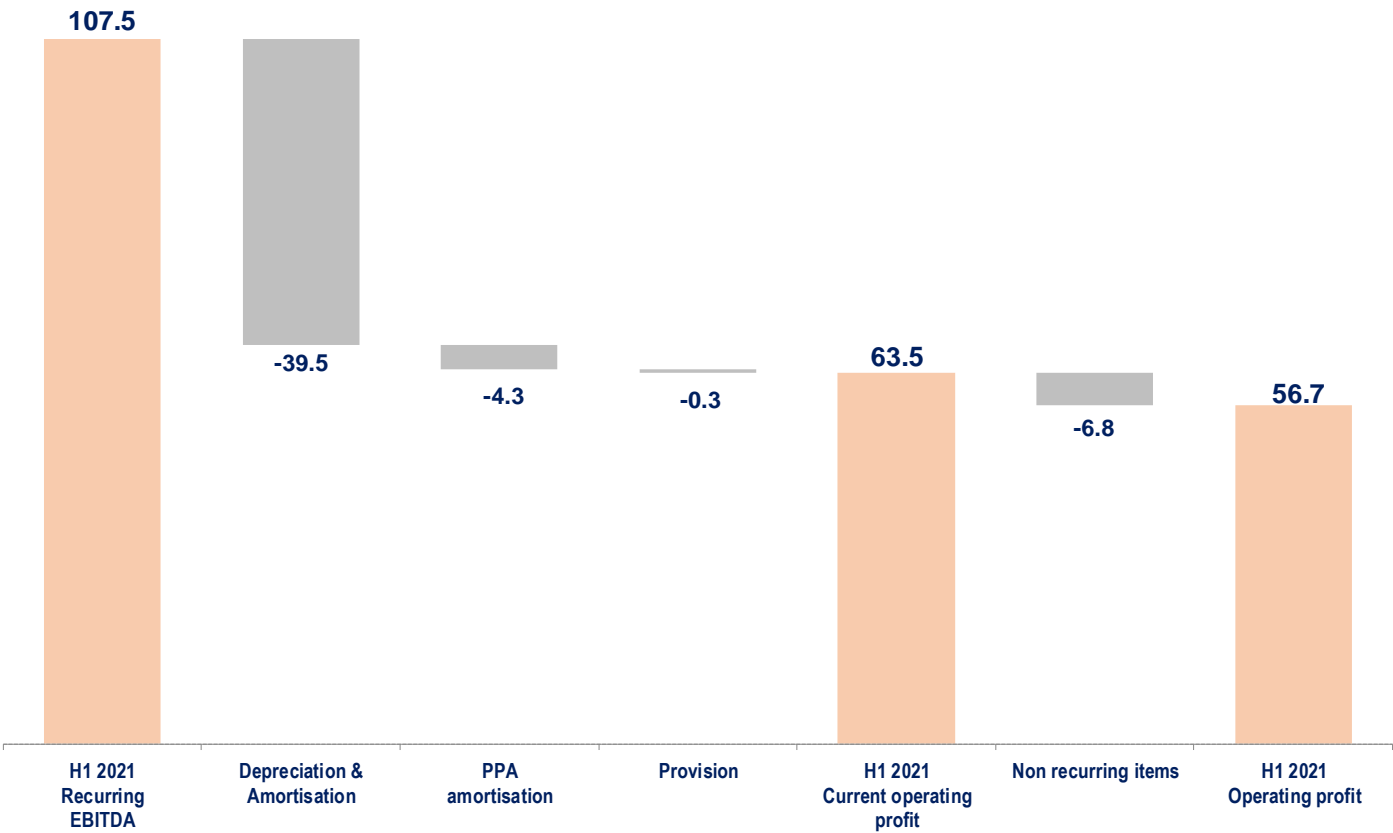
in € million (*)	Q2 2021 Reported	Q2 2020 Reported	change	var LfL (%)	H1 2021 Reported	H1 2020 Reported	change	var LfL (%)
Net Sales	193.9	187.6	+3.4%	+8.1%	386.2	407.5	-5.2%	+0.0%
Recurring EBITDA	13.6	16.4	-17.0%	-8.0%	28.6	29.6	-3.5%	+5.4%
<i>EBITDA Margin (%)</i>	<i>7.0%</i>	<i>8.7%</i>	<i>-170 bps</i>		<i>7.4%</i>	<i>7.3%</i>	<i>+10 bps</i>	
of which Central Europe (excl. Aktrion)	5.2	6.6	-21.2%	-17.0%	9.8	10.4	-6.0%	+0.8%
USA	3.9	3.9	+0.0%	+10.8%	8.1	6.6	+22.7%	+34.4%
Other	4.5	5.9	-23.5%	-2.7%	10.7	12.6	-15.3%	+0.1%



- Q2 2021 net sales growth of 8.1% (LfL), the pick-up being driven by extra-work and relative basis of comparison to 2020.
- Recurring EBITDA margin of 7.0% in Q2 2021.
- **Benelux and USA:** Margins improvement driven by cost efficiencies and growth of demand for higher margin infection prevention services in the context of easing Covid-19 related restrictions
- **Central & Eastern Europe & Asia:** Lower margin year-on-year due to the combination of lower volume and lower subsidies remittance in CEE and Asia and the stricter lockdown restrictions in Asia

H1 2021 EBIT BRIDGE

in € million



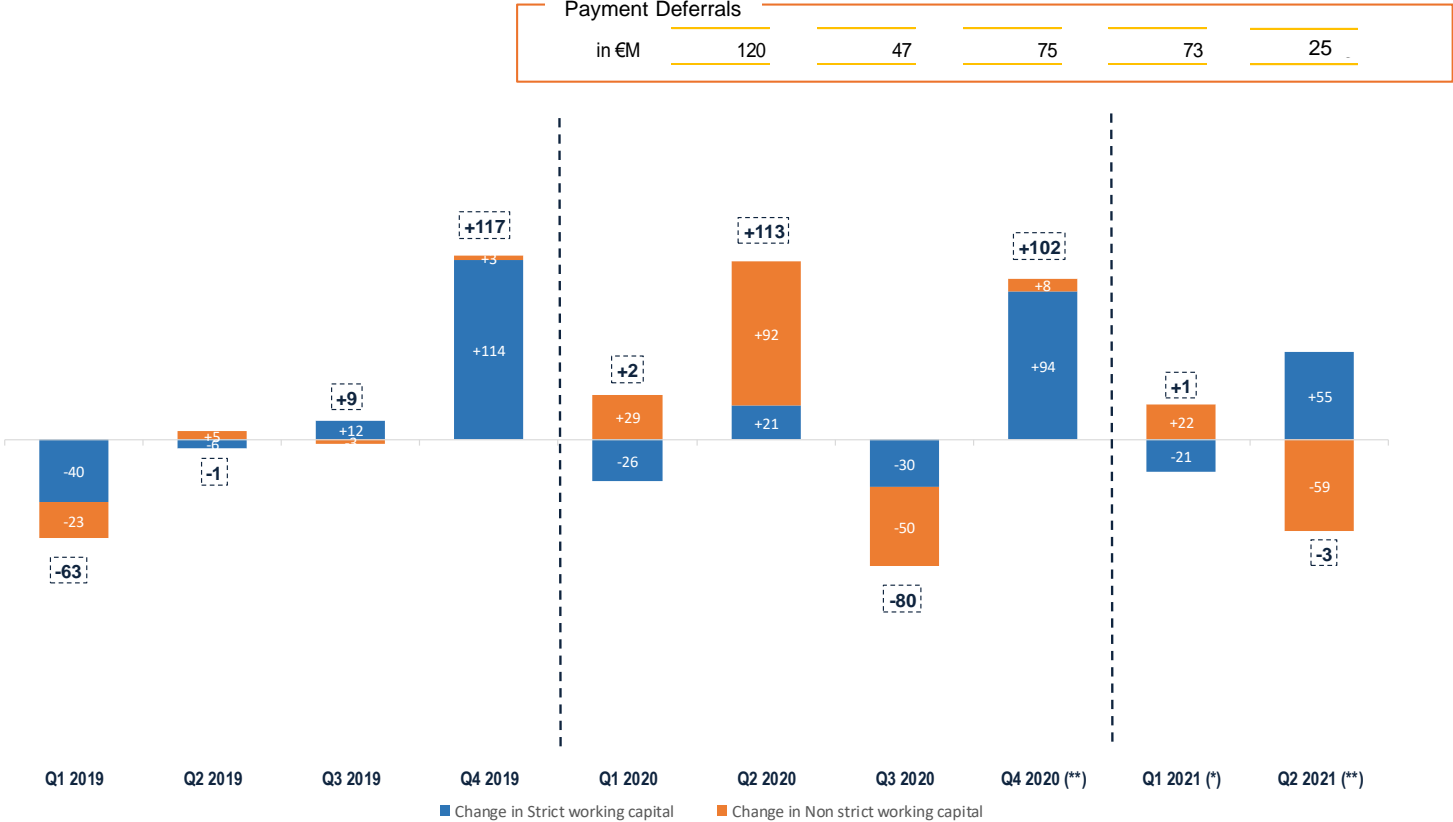
INCOME STATEMENT Q2 & H1 2021

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in € million	Q2 2021 Reported	Q2 2020 Reported	change	var LfL (%)	H1 2021 Reported	H1 2020 Reported	change	var LFL (%)
Net Sales	731.3	634.5	+96.8	+16.0%	1,413.8	1,373.0	+40.8	+4.5%
Recurring EBITDA	54.5	54.2	+0.3	+2.4%	107.5	106.4	+1.1	+3.2%
<i>EBITDA Margin (%)</i>	<i>7.5%</i>	<i>8.5%</i>	<i>-100 bps</i>		<i>7.6%</i>	<i>7.8%</i>	<i>-20 bps</i>	
Depreciation and Amortisation	(20.4)	(22.5)	+2.1		(39.5)	(45.2)	+5.8	
PPA amortisation	(2.2)	(2.2)	+0.0		(4.3)	(4.4)	+0.1	
Provisions and Impairment losses (net)	(0.5)	(1.0)	+0.5		(0.3)	(1.3)	+1.0	
Current Operating Profit	31.4	28.4	+3.0		63.5	55.5	+8.0	
<i>Current operating profit margin (%)</i>	<i>4.3%</i>	<i>4.5%</i>	<i>-20 bps</i>		<i>4.5%</i>	<i>4.0%</i>	<i>+50 bps</i>	
Other operating net expenses	(5.9)	(0.2)	-5.7		(6.8)	(2.7)	-4.1	
Operating Profit	25.4	28.2	-2.8		56.7	52.8	+3.9	
Net financial costs	(21.3)	(21.0)	-0.3		(41.4)	(41.9)	+0.5	
Other financial result	(2.4)	(8.1)	+5.7		(4.0)	(10.8)	+6.9	
Income tax expenses	(11.3)	(11.9)	+0.6		(18.9)	(16.8)	-2.1	
Net Profit (loss) before associates	(9.5)	(12.7)	+3.2		(7.5)	(16.7)	+9.2	
Share of profit (loss) of associates	-	(0.5)	+0.5		-	(0.4)	+0.4	
Net Profit (loss) from continuing operations	(9.5)	(13.2)	+3.7		(7.5)	(17.1)	+9.6	

WORKING CAPITAL QUARTERLY EVOLUTION 2019-2021

in € million



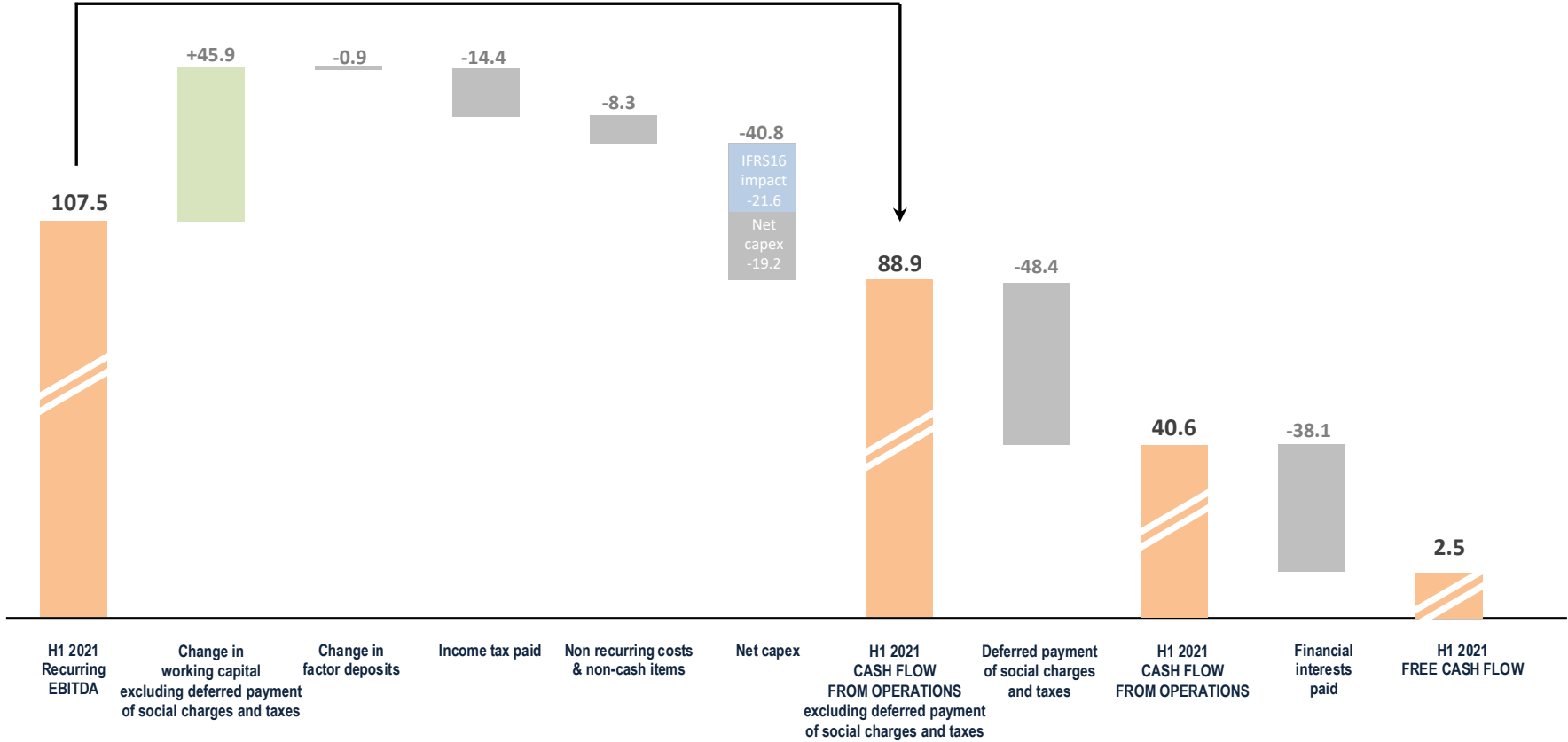
* H1 2021 working capital benefitting from c. €25 million of payment deferrals (included in the non strict working capital)

** Non recourse factoring : €205 million as per 30/06/2021 (vs. €166 million as per 31/12/2020)

H1 2021 FREE CASH FLOW

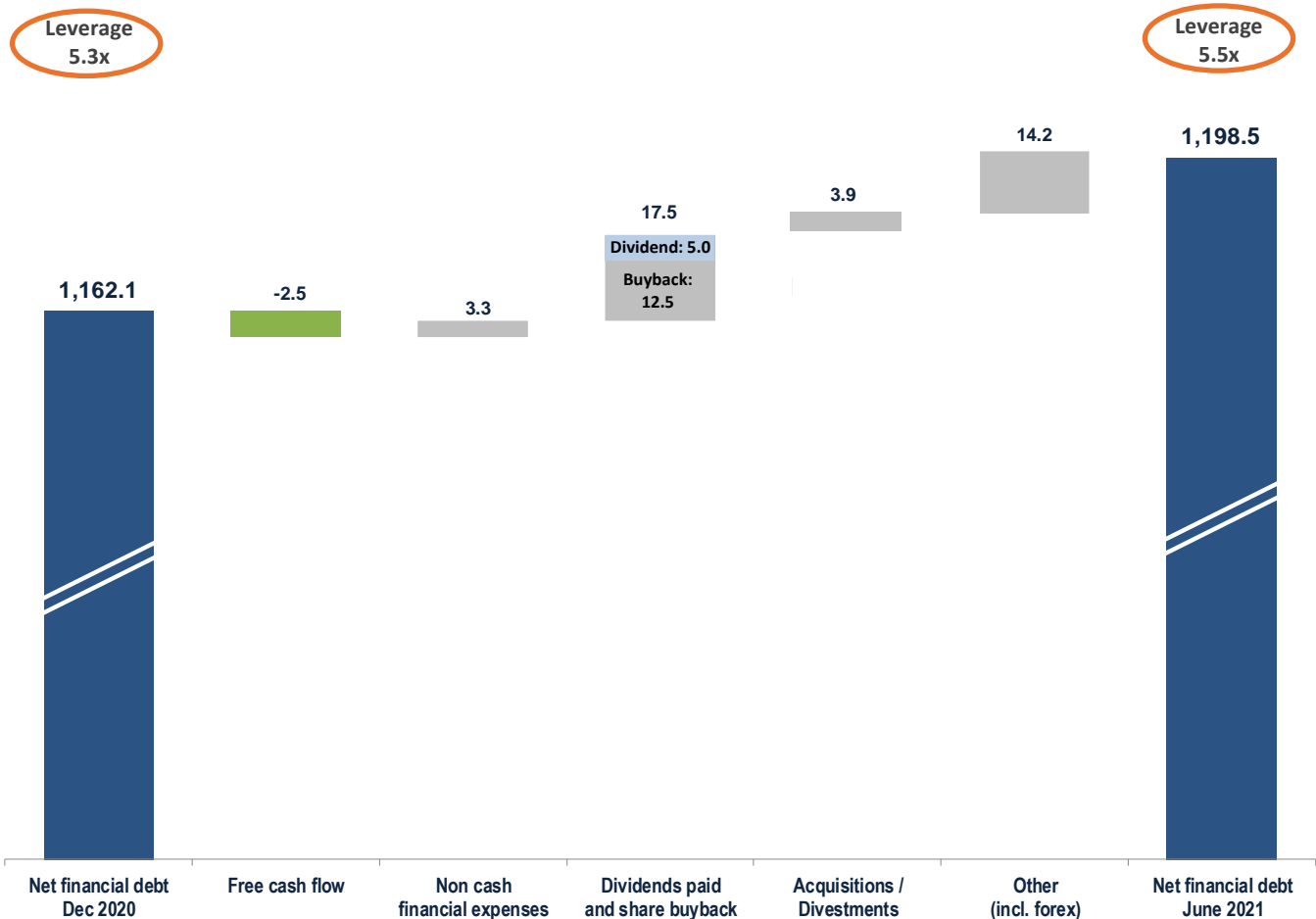
in € million

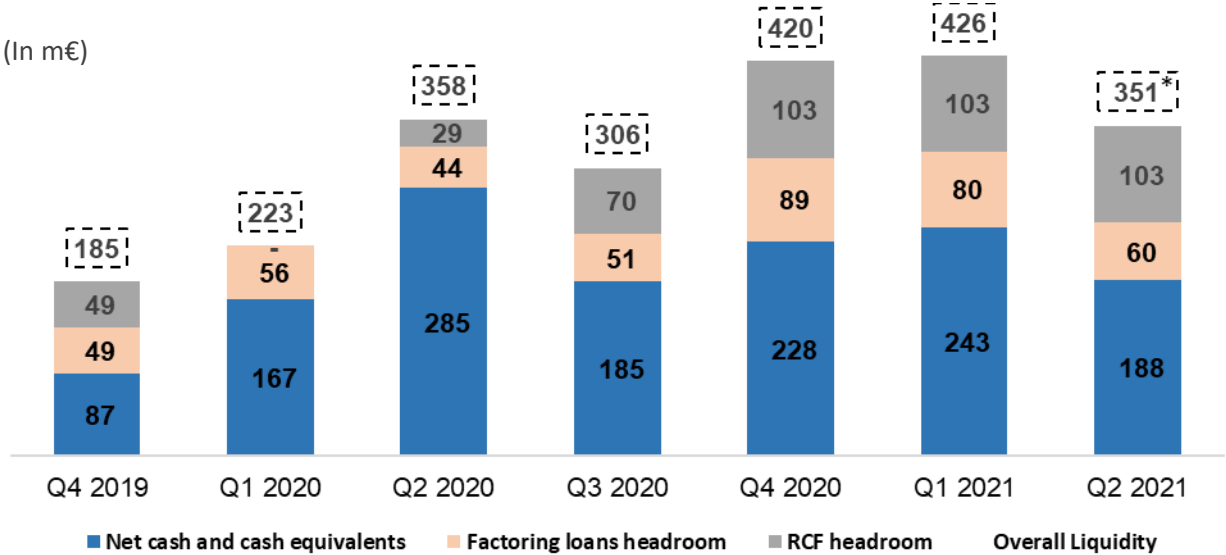
83% cash conversion
(excluding deferred payment of social charges and taxes)



H1 2021 NET FINANCIAL DEBT BRIDGE

in € million





- As of June 30, 2021, the Group has a liquidity of c. €351 million, with c. €188 million of cash and cash equivalent
- Factoring Facility : c. €207 million drawn, of which c. €205 million are without recourse, and a c. €60 million headroom*
- Revolving Credit Facility : undrawn ; c. €103 million headroom
- Other uncommitted Facility : c. €2 million drawn out of €15 million

** Liquidity : €351 million including factoring headroom & excluding uncommitted credit facilities ; €304 million excluding factoring headroom & including uncommitted credit facilities. The use of factoring headroom remains subject to the stock of receivables that can be assigned. New entities should enter the factoring programs during second half of the year – Netherlands, Poland, etc*



■ Governmental measures

- As of June 30, 2021, €25 million of deferred social charges and taxes to be repaid in H2 2021

■ Factoring programs

- Non-recourse factoring facility with CAL&F :
 - Facility amount : **€220 million** (scope to be extended to Netherlands, Luxemburg & Poland)
 - Maturity : **September 2022**
 - Extension under review
- Non-recourse factoring facility with CIC Factoring in the UK of **£35 million** (to be extended to £50 million in H2 2021)

- **Solid H1 2021 performance with year-on-year EBITDA growth for the ninth quarter in a row**
- **Outlook confirmed**
 - ➡ **Positive net sales outlook driven by strong new contract pipeline and growth initiatives**
 - ➡ **Solid margin prospect thanks to cost saving initiatives and the gradual recovery in multi-tech and catering**
 - ➡ **As previously announced, equity injection to be finalised by early 2022**

2 November 2021

Q3 and 9M 2021 Financial Results

INVESTOR RELATION CONTACT

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Appendices

(In m€)	Dec-19	June-20	Dec-20	June-21	Var June-20/June-21
Net Cash & Cash Equivalents	87	285	228	188	(97)
HY Bonds	1 239	1 222	1 225	1 237	16
Factoring	31	24	10	2	(22)
RCF	54	74	0	0	(74)
PGE	0	50	50	50	0
Other	107	98	104	97	(1)
Total Gross Debt	1 431	1 467	1 390	1 386	(81)
Total Net Debt	1 343	1 183	1 162	1 198	15
Deconsolidated Factoring	139	149	166	205	56
Adjusted Net Debt	1 482	1 331	1 328	1 403	72
Recurring EBITDA	207	214	218	219	
Leverage (Net Debt / EBITDA)	6,5x	5,5x	5,3x	5,5x	

* As of June 30, 2021, the RCF was not drawn (versus partially drawn last year). This financing is subject to a financial covenant (Secured Leverage Ratio, SLR) based on the Group's consolidated accounts. SLR (calculated as the ratio of Total secured net debt to Consolidated EBITDA) is tested every June 30 and December 31 closings on a 12-month rolling basis and shall not exceed 1.75. At June 30, 2021, these financial covenants were respected.

DEFINITIONS

Like for like - Like-for-like factors out changes in the scope of consolidation, such as divestments and acquisitions, and currency translation effects

EBITDA - EBITDA (Earnings before interest, tax, depreciation and amortisation) measures the performance of the Group excluding the impacts of depreciation & amortisation and non-recurring items. It is defined as:

- + Operating profit (EBIT)
- + Depreciation, amortisation and impairment of operating assets
- + Restructuring, litigation, implementation and other non-recurring costs.

Non-Recurring items - Restructuring, litigation, implementation and other non-recurring costs comprise significant items that, because of their exceptional nature, cannot be viewed as inherent to the Group's ongoing performance, such as strategic restructuring, and other business-related litigation cases.

Net Financial Debt - Net financial debt ("Net debt") is an indicator to measure the financial debt of the Group after deduction of the cash. It is defined as:

- + Financial liabilities (long-term and short-term) including accrued interests and derivative liabilities;
- Net cash and cash equivalents; and
- Derivative assets

Cash Flow from Operations - Cash Flow from Operations ("CFFO") is an indicator to measure the level of cash generated by the operations of the Group after capitalized expenditures. It is defined as:

- + EBITDA
- +/- Non-recurring cash items
- +/- Other operating non-cash adjustments
- +/- Change in working capital after non-recourse factoring
- Net capitalized expenditures, excluding leased capex;
- Rent expenses and embedded interest related to IFRS 16
- Income tax paid

Free Cash Flow - Free Cash Flow is an indicator to measure the level of cash generated by the Group after payment of financial interest. It is defined as:

- +/- Cash flow from operations;
- Financial interest paid



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For a better performance

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