INVESTOR RELEASE
March 31, 2022

FOURTH QUARTER AND FULL YEAR 2021 FINANCIAL RESULTS

Visible acceleration of the recovery and solid fundamentals

- **Contract wins reaching €438 million in 2021, up 34% vs 2020**
- **Solid Net Sales growth of +5.0% LfL for the full year of 2021**
- **Restatement of 2020 audited annual financial statements and non-recurring costs for €56 million in 2021**
- **Recurring EBITDA of €211 million and margin of 7.1% down 30bps year-on-year**
- **Cash Flow conversion of 65% at end December 2021, excluding deferred payment of social charges and taxes of €69 million**
- **Ample liquidity at €325 million ([1])**
- **Net financial debt of €1,230 million and leverage at 5.8x**

Performance Q4 & FY 2021 – Group Figures

€ million	**Q4 2021 Actual**	Q4 2020 Restated	change	var LfL (%)	**FY 2021 Actual**	FY 2020 Restated	change	var LfL (%)	**FY 2019 Actual**
Net Sales	**793.8**	**736.9**	**+7.7%**	**+6.2%**	**2,945.7**	**2,806.1**	**+5.0%**	**+5.0%**	**3,058.5**
Recurring EBITDA	**45.9**	**48.6**	**-5.6%**	**-9.5%**	**210.5**	**206.9**	**+1.7%**	**+1.5%**	**206.9**
Recurring EBITDA Margin (%)	*5.8%*	*6.6%*	*-80bps*		*7.1%*	*7.4%*	*-30bps*		*6.8%*
Operating Profit	(19.1)	9.8	(28.9)		69.2	81.1	(11.9)		
Net profit (loss) for the period	**(39.7)**	**6.0**	**(45.7)**		**(47.5)**	**(25.5)**	**(22.0)**		
Net profit (loss) for the period excluding non-recurring items	**2.0**	**13.7**	**(11.7)**		**9.0**	**(12.5)**	**21.5**		
Cash Flow from Operations (CFFO) (1)	32.9	107.9	(75.0)		68.2	239.3	(171.1)		66.0
CFFO excluding deferred payment of social charges and taxes	38.9	79.9	(41.0)		137.2	164.3	(27.1)		66.0
Net Financial Debt	**1,230.1**	**1,162.1**	**68.0**		**1,230.1**	**1,162.1**	**68.0**		**1,343.4**
Leverage ratio (LTM)	*5.8x*	*5.6x*			*5.8x*	*5.6x*			*6.5x*

According to Group: "Atalian successfully mitigated the pandemic crisis and demonstrated its ability to grow strongly thanks to its customer centric approach. In 2021, Net Sales were up 5.0% (LfL) with an acceleration in the fourth quarter versus the third quarter. Recurring EBITDA margin was 7.1% and included the lower contribution of Covid-19 related extra works and the impact of integration challenges in the USA.

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[1] Including factoring headroom and excluding uncommitted credit facilities. Liquidity was c.€271 million excluding factoring headroom and including uncommitted credit facilities

Contracts wins in 2021 were €438 million ([2]) in 2021, up 34% versus prior year and exceeding 2019, and will support our growth ambition for 2022. Although our exposure to Russia is limited and there is no activity in Ukraine, the recent events in Ukraine are creating some inflationary uncertainties. Management is focusing on mitigating actions to sustain margins and operating performance. The progressive profitability improvement expected in the USA should lead to an increase in Recurring EBITDA margin to close to 7.5% in 2022 and circa 8.0% in 2023.

The Group confirms its ambition to finalise the equity injection by Summer 2022."

Financial statement restatement

For the financial year ended December 31, 2020, the Group has corrected the financial statements reported. These corrections were the result of errors detected by the Group in the course of the internal controls that it has gradually reinforced since 2019, along with the introduction of governance and compliance rules.

Furthermore, the Group has strengthened the steering of its operations with the appointment of new management teams, the buying out of minority holdings in subsidiaries and the introduction of new management rules. In this context and on the occasion of the 2021 closing of accounts, the Group carried out enhanced controls of the accounting packages and tax returns sent in by the subsidiaries and submitted some of them to examination by external specialists.

As a result of the above, the Group recorded negative impacts on 2020 Net income and Total Equity (as of January 1, 2020) of €20 million and €30 million respectively.

2021 non-recurring costs

For the financial year ended December 31, 2021, the Group accounted for non-recurring costs amounting to €56.5 million. Those costs include the provision relating to the Judicial Public Interest Agreement ('CJIP') for €15.4 million, the impact of the deconsolidation of Harta (Malaysia) and Northcom (Philippines) for €18.3 million and various litigation and restructuring costs.

€ million	FY 2021 Actual	Comment
Corporate	(30.0)	o/w Judicial Public Interest Agreement ('CJIP'), litigations, corporate advisory fees
France / UK	(3.0)	Restructuring
Asia	(18.3)	o/w Harta and Northcom deconsolidation & write-off
Africa	(2.1)	Tax risk
CEE	(3.1)	Various
TOTAL	**(56.5)**	

2 Annualised net sales

Regional Performance

FRANCE

€ million		Q4 2021 Actual	Q4 2020 Restated	change	var LfL (%)	FY 2021 Actual	FY 2020 Restated	change	var LfL (%)	FY 2019 Actual
Net Sales		**368.6**	**347.2**	**+6.2%**	**+6.2%**	**1,378.3**	**1,289.9**	**+6.9%**	**+6.9%**	**1,363.1**
Recurring EBITDA		**42.1**	**38.1**	**+10.5%**	**+10.5%**	**155.5**	**144.0**	**+8.0%**	**+8.0%**	**133.0**
Recurring EBITDA Margin (%)		*11.4%*	*11.0%*	*+40bps*		*11.3%*	*11.2%*	*+10bps*		*9.8%*
of which:	Cleaning	37.9	33.0	+14.8%	+14.8%	141.7	123.2	+15.0%	+15.0%	106.6
	Other activities	4.2	5.1	-17.6%	-17.6%	13.8	20.8	-33.7%	-33.7%	26.4

(*) excluding corporate holdings

In 2021, Net Sales increased by €88.4 million, or +6.9% (as reported and like-for-like), to €1,378.3 million, as compared to €1,289.9 million in 2020, and above 2019. Full-year like-for-like growth includes a 6.2% increase (LfL) in Q4 Net Sales driven by new contracts. Net Sales in Technical and Facility management and Security were strong in the fourth quarter of 2021, driven by dynamic commercial development and successful deployment of Integrated FM strategy.

In 2021, Recurring EBITDA increased by €11.5 million, or +8.0%, to €155.5 million, as compared to €144.0 million in 2020. Recurring EBITDA margin reached 11.3%, up 10 basis points compared to 2020, thanks to prolonged Covid related special works, and despite the impact of significant new contracts starts in 2021.

UK

€ million	Q4 2021 Actual	Q4 2020 Restated	change	var LfL (%)	FY 2021 Actual	FY 2020 Restated	change	var LfL (%)	FY 2019 Actual
Net Sales	**225.2**	**180.6**	**+24.7%**	**+17.5%**	**787.0**	**701.1**	**+12.3%**	**+8.5%**	**796.0**
Recurring EBITDA	**16.6**	**9.2**	**+80.4%**	**+71.2%**	**58.1**	**50.3**	**+15.5%**	**+11.6%**	**50.6**
Recurring EBITDA Margin (%)	*7.4%*	*5.1%*	*+230bps*		*7.4%*	*7.2%*	*+20bps*		*6.4%*

In 2021, Net Sales increased by €85.9 million or 12.3%, to €787.0 million, as compared to €701.1 million in 2020. During the period ended December 31, 2021, Net Sales growth was 8.5% like-for-like, including a strong 17.5% increase in the fourth quarter of 2021 versus the fourth quarter of 2020 when full lockdown was still in place. Q4 growth was driven by the good performance in Cleaning, Security (including COP26 project) and FM since easing of Covid-19 restrictions in early July 2021.

At end December 2021, Recurring EBITDA increased by €7.8 million, or +15.5%, to €58.1 million, as compared to €50.3 million in 2020. Recurring EBITDA margin increased by 20 basis points to 7.4% for 2021, compared to 7.2% in 2020, as reduction in Covid extra works and the non-recurring benefit from furlough scheme of 2020 were more than offset by higher margin projects.

INTERNATIONAL

€ million		Q4 2021 Actual	Q4 2020 Restated	change	var LfL (%)	FY 2021 Actual	FY 2020 Restated	change	var LfL (%)	FY 2019 Actual
Net Sales		**200.0**	**209.5**	**-4.5%**	**-3.6%**	**782.3**	**817.2**	**-4.3%**	**-0.8%**	**902.5**
Recurring EBITDA		**1.0**	**12.2**	**-91.8%**	**-91.0%**	**45.8**	**53.6**	**-14.4%**	**-11.7%**	**56.2**
Recurring EBITDA Margin (%)		*0.5%*	*5.8%*	*-530bps*		*5.9%*	*6.6%*	*-70bps*		*6.2%*
of which:	Central & Eastern Europe	6.5	6.6	-0.6%	+4.3%	21.1	22.3	-5.4%	-0.4%	21.6
	USA	(13.0)	0.4	ns	ns	(3.7)	4.4	ns	ns	2.2
	Other	7.5	5.2	+44.2%	+46.5%	28.4	26.9	+5.6%	+7.8%	32.4

(*) excluding country corporate holdings

In 2021, Net Sales decreased by €34.9 million, or -4.3%, to €782.3 million, as compared to €817.2 million in 2020. When excluding the negative effects of perimeter and foreign exchange rates, like-for-like Net Sales decreased by 0.8% in 2021. This performance mainly resulted from the 10.4% Net Sales decrease in the USA, partly offset by increases in all the other geographies.

In 2021, Recurring EBITDA decreased by €7.8 million, or -14.4%, to €45.8 million, as compared to €53.6 million in 2020. Recurring EBITDA margin went down by 70 basis points to 5.9% mainly reflecting integration challenges in the USA and lower margin in Asia as a result of Covid-19 related restrictions without the benefit of subsidies, partly offset by margin improvement in Benelux and Aktrion thanks to cost efficiencies and new project starts.

Outlook

Atalian demonstrated the robustness of its business-model through the pandemic. Based on the strength of the Group's commercial performance of 2021 and its solid commercial pipeline, the Group aims for like-for-like growth in net sales in 2022 in a range of 4% to 6%.

Although group's exposure to Russia, Belarus and Ukraine is modest (0.6% of Net Sales in Russia / Belarus, no exposure to Ukraine), the current macroeconomic and geopolitical environment is generating inflationary uncertainties. Against this backdrop, management is focusing on mitigating actions to sustain margins and operating performance. The progressive profitability improvement expected in the USA should lead to an increase in Recurring EBITDA margin to close to 7.5% in 2022 and circa 8.0% in 2023.

The announced equity injection is expected to be finalised by Summer 2022.

Atalian will hold a Q4 & FY2021 Results Release Conference Call for Investors and Analysts on March 31, 2022 at 3:00pm CEST (Brussels/Paris time).

The Unaudited Consolidated Financial Statements for the period ended December 31, 2021 and a slide presentation will be available on the Atalian website before the call (https://atalian.com/investors-area/investors-news). The conference call details will be available on our website. A replay on demand on our website will be accessible on our website during three months after the conference call ends.

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DISCLAIMER

The figures in this release are based on our unaudited interim financial statements for the respective period. Percentage figures which support comparisons with earlier periods refer to the prior year or to the corresponding quarter in the prior year unless otherwise stated.

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FINANCIAL DEFINITIONS

- **Like for like**

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

- **Recurring EBITDA**

The Recurring EBITDA (Earnings before interest, tax, depreciation and amortization) is an indicator to measure the performance of the Group excluding the impacts of non-recurring items. It is defined as:

+ Operating profit (EBIT)

+ Depreciation, amortization and impairment of operating assets

+ Restructuring, litigation, implementation and other non-recurring costs.

- **Non-recurring costs**

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**

The 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**

The Cash Flow from Operations is an indicator to measure the level of cash generated by the Operations of the Group after capitalized expenditures. It is defined as:

+ Recurring 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**

The 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