

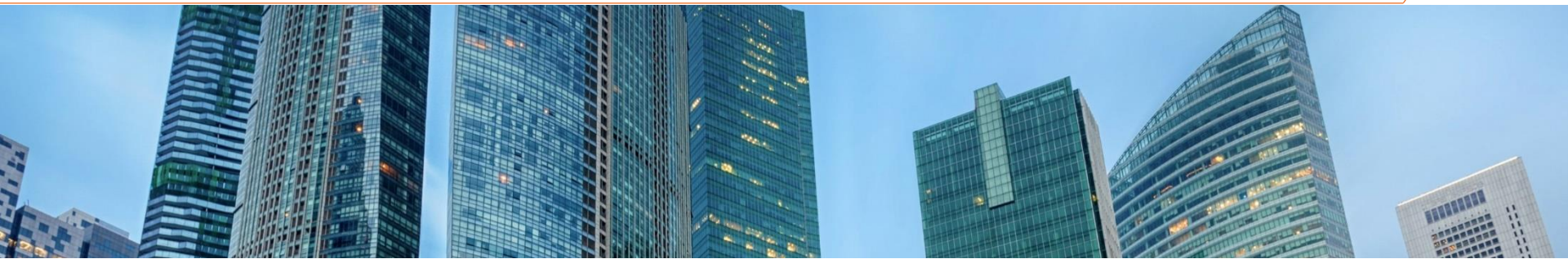


ATALIAN GROUP
Q3 & 9M 2023
CONSOLIDATED FINANCIAL RESULTS



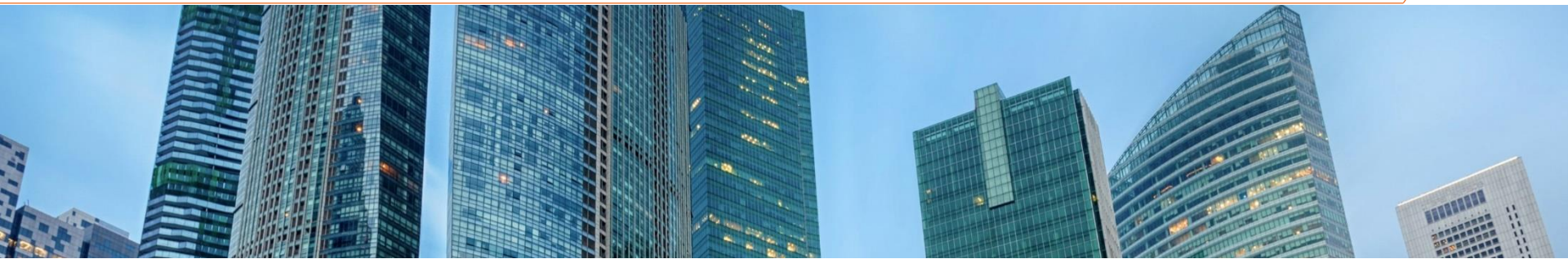
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GLOBAL SERVICES

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**Frédéric
BAVEREZ**
Group CEO

**Laurent
CAROZZI**
Group CFO



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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Strategic Update

Frédéric BAVEREZ, Group CEO

INTRODUCTION

- **Frédéric Baverez** appointed in November 2023
- In October 2023:
 - Signature of a **commercial partnership** with GDI to address global FM: GDI will manage customers on the North American platform and Atalian in Europe
 - **Sale of ATALIAN US assets** to GDI
- In a context of financial and operating fundamentals gradual improvements since Q2 2023 and confirmed in Q3 2023
 - In-depth work on **productivity, passthrough** of inflation in contracts and **business development**
 - Net sales up **+8.7% in Q3** 2023 vs. Q3 2022 on a comparable basis* and excl. the US
 - Recurring EBITDA up **+7.3% in Q3** in Q3 2023 vs. Q3 2022 on a comparable basis and excl. the US
- During this period, ATALIAN work in consistency with the already announced objective to **refinance the Group by February 28, 2024**:
 - The **Strategic Roadmap has been prepared with a bottom-up approach** involving all operational management and top management over the past months
 - Frédéric Baverez supports and will further develop this strategic roadmap

Q3 & 9M 2023 AT A GLANCE – Q2 2023 positive performance confirmed in Q3 2023

HIGHLIGHTS

- Positive impact of productivity measures **driving margin improvement in Q3 2023** compared to Q3 2022 (+40bps)
 - **France:** Indexation plan and productivity measures all underway, along with commercial discipline and deep review of clients' portfolio
 - **International:** strong growth of operations in Central & Eastern Europe

FINANCIALS

- **3Q 2023 Actual Net sales of €523m in Q3 2023, up 2.1%**
- **Actual recurring EBITDA of €23m, up 13.2%**
- **On a comparable basis*:**
 - **3Q 2023 net sales growth of 8.7%** in Q3 2023 driven by **contract wins and indexation**
 - **3Q Recurring EBITDA up 7.3%** driven by **profitability**
- **Positive CFFO excluding non-recurring items at €6.7m in Q3 2023** and at €17.2m for 9M 2023. CFFO was negative -€15.7m in 9M 2023 vs. -€43.7m in 9M 2022

Excluding the USA, the Group expects a Q4 2023 Recurring EBITDA higher than Q4 2022 EBITDA and slightly below Q3 2023 level

* Comparable basis means excluding USA operations, other change in the scope (Africa), and currency translation effects

OBJECTIVES OF REFINANCING PLAN

- Address maturity and liquidity concerns
- Enable the company to deliver its business plan
- Pave the way for a future successful refinancing

PRE-REQUISITES TO DISCUSSIONS HAVE BEEN MET

- New management conducted its strategic review
- Comprehensive bottom-up financial forecasting exercise finalised
- Bondholders organised for productive talks on refinancing plan through an Ad-Hoc Group representing a large majority

LATEST STATUS

- US operations divested
- First discussions with bondholders' advisers have been held
- Direct talks with bondholders to be held over Nov-23
- **Objective to refinance the Group by February 28, 2024**



Q3 & 9M 2023 Financial Results

Laurent CAROZZI, Group CFO

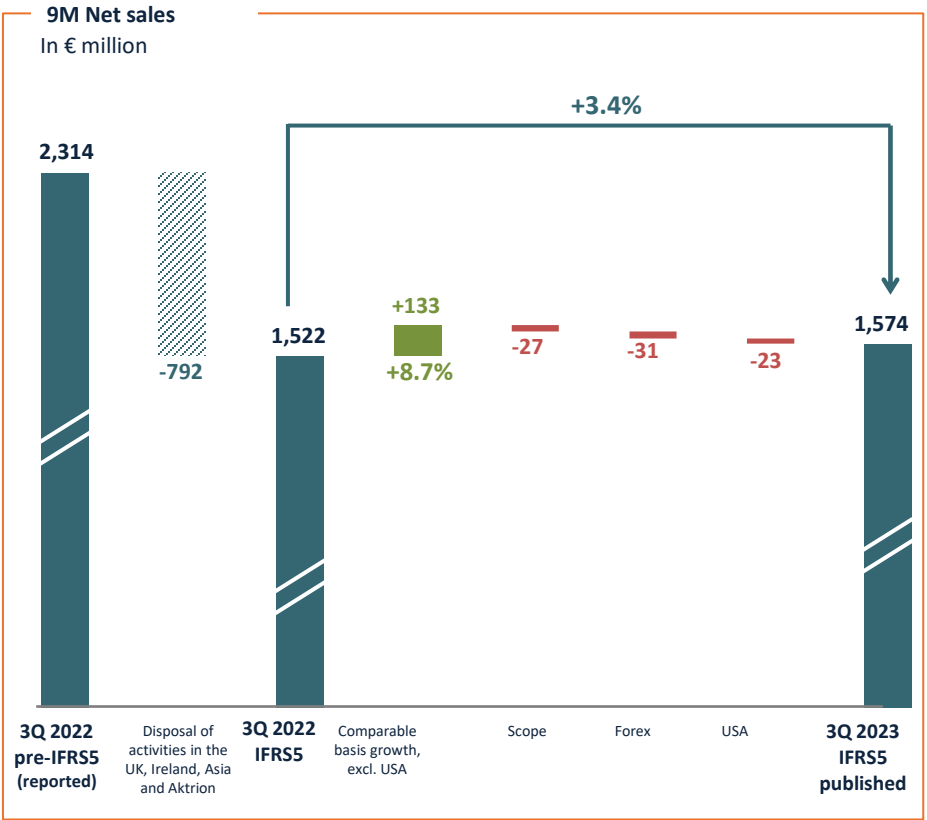
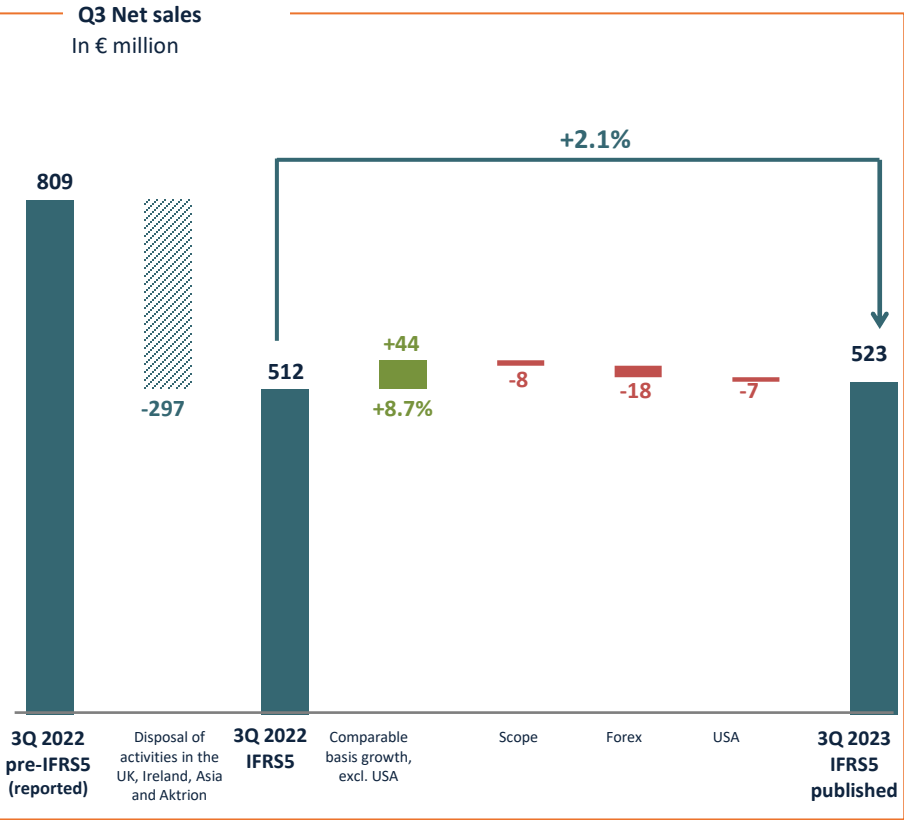
Q3 & 9M 2023: PERFORMANCE HIGHLIGHTS ⁽¹⁾

€ million	Q3 2023 Actual	Q3 2022 IFRS5 ⁽¹⁾	change	9M 2023 Actual	9M 2022 IFRS5	change
Net Sales	522.6	511.9	+2.1%	1,573.9	1,521.8	+3.4%
Recurring EBITDA	23.0	20.3	+13.2%	65.9	77.4	-14.9%
<i>Recurring EBITDA Margin (%)</i>	4.4%	4.0%	+40bps	4.2%	5.1%	-90bps
Operating Profit ex non-recurring items	7.2	8.8	(1.6)	20.9	46.2	(25.3)
Operating Profit	(9.9)	18.6	(28.5)	161.4	27.9	133.5
Net profit (loss) for the period	(25.0)	(2.6)	(22.4)	114.3	(31.3)	145.6
Cash Flow from Operations (CFFO)	(10.8)	(5.6)	(5.2)	(15.7)	(43.7)	28.0
CFFO excl non-recurring items	6.7	(16.2)	22.9	17.2	(31.5)	48.7

(1) Activities in UK, Ireland, Asia and Aktrion are meeting the IFRS 5 criteria and reclassified as discontinued activities. Activities in Africa sold in Q1 2023 are however retained in the continued activities perimeter. US activities were sold in October 2023 and therefore not reclassified as discontinued activities for September closing. USA Net sales were €26.6 million in Q3 2023 and €33.6 million in Q3 2022, and €85.3 million and €108.1 million for the first nine months of 2023 and 2022, respectively. USA Recurring EBITDA was -€3.7 million in Q3 2023 and -€6.4 million in Q3 2022, and -€5.1 million and -€14.3 million for the first nine months of 2023 and 2022, respectively.

Q3 & 9M 2023: HIGHLIGHTS

Solid comparable growth continues in Q3 driven by indexation and contract wins

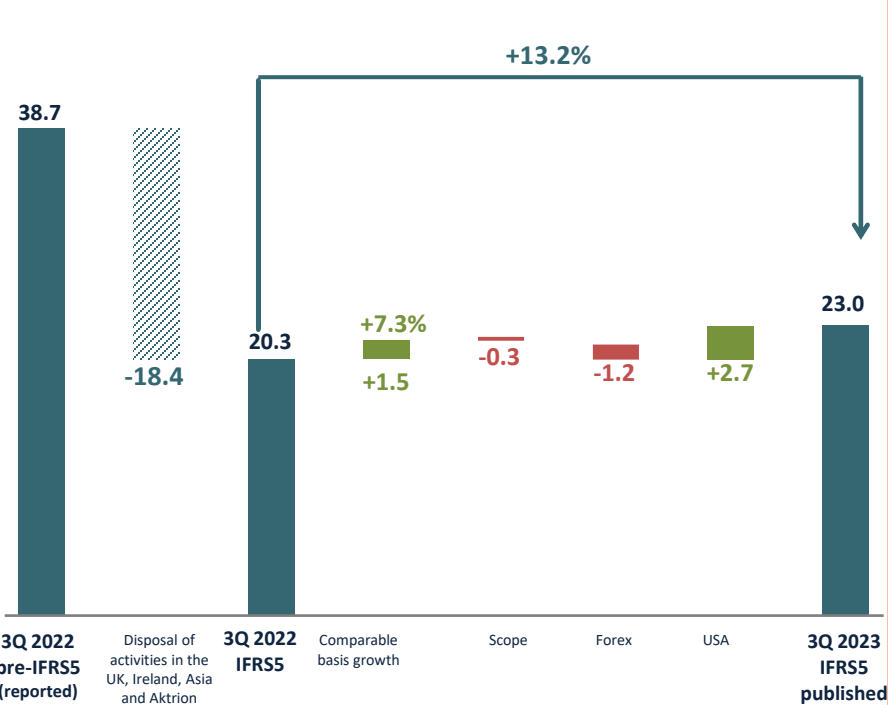


Q3 & 9M 2023: HIGHLIGHTS

Recurring EBITDA improvement in Q3 mainly driven by profitability efforts

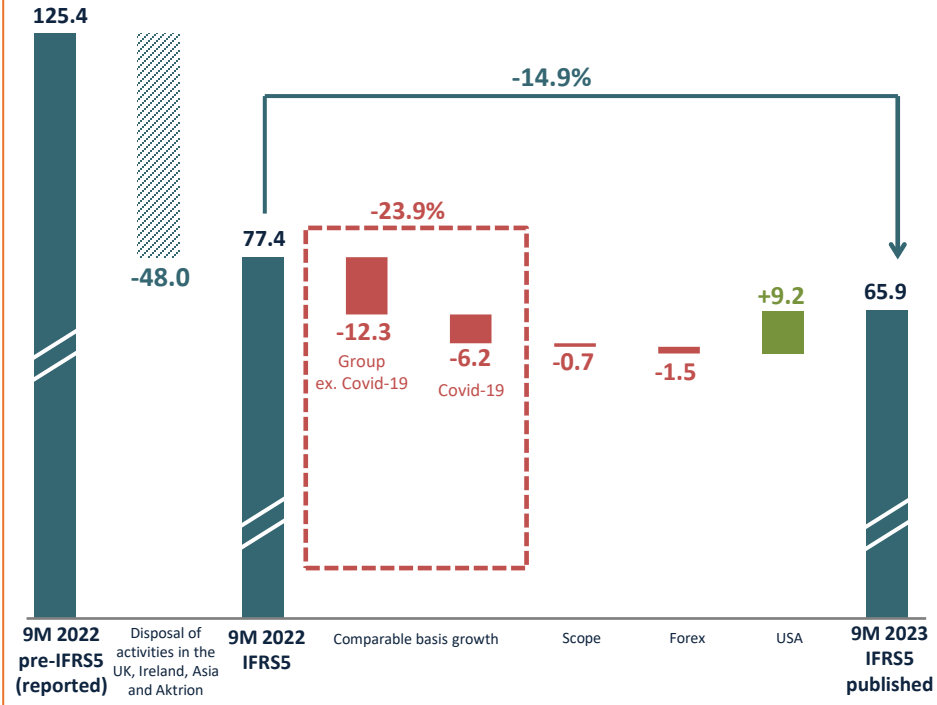
Q3 Recurring EBITDA

In € million



9M Recurring EBITDA

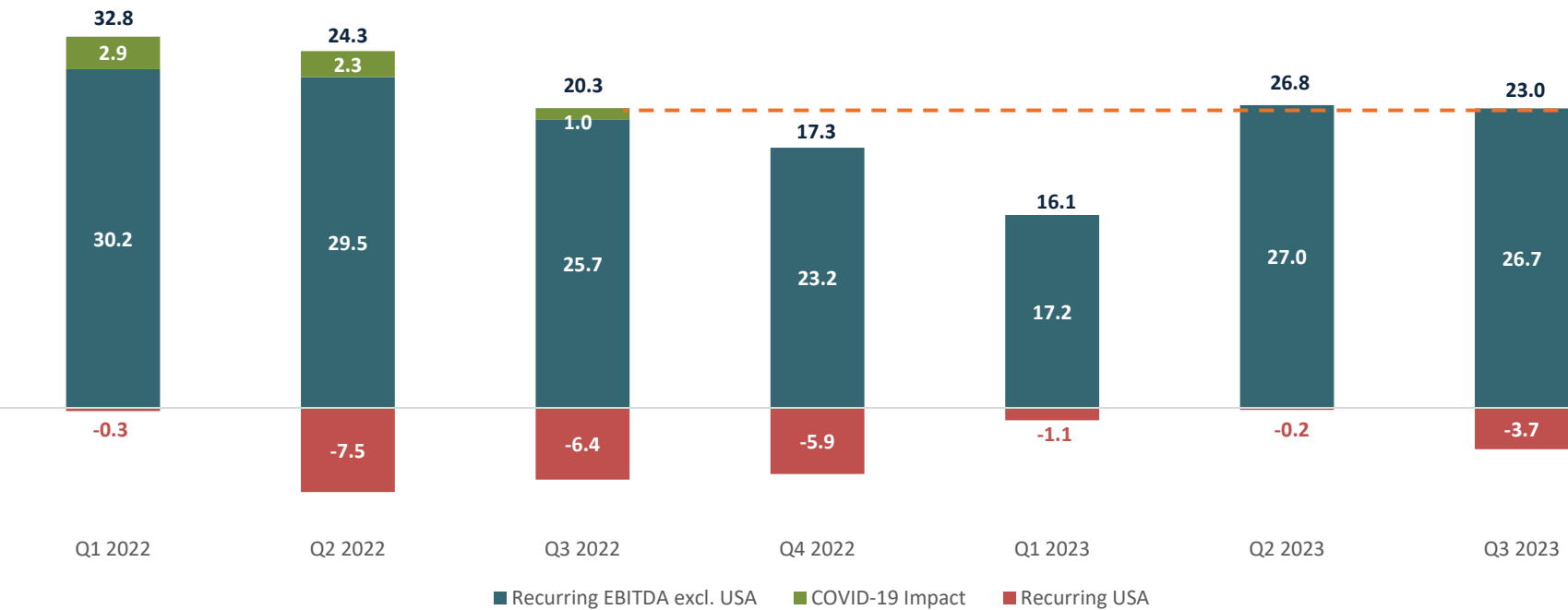
In € million



Q3 & 9M 2023: HIGHLIGHTS

Recurring EBITDA evolution by quarter

Recurring EBITDA
In € million



France staff cost increase

Date	Change
01/01/22	+3.0%
01/04/22	+1.05%
01/08/22	+2.9%
01/02/23	+3.0%
01/07/23	+2.5%

€ million	Q3 2023 Actual	Q3 2022 IFRS5	change	9M 2023 Actual	9M 2022 IFRS5	change
Net Sales	350.7	347.1	+1.0%	1,065.9	1,031.6	+3.3%
Recurring EBITDA	28.6	29.7	-3.6%	81.9	100.4	-18.4%
Recurring EBITDA Margin (%)	8.2%	8.5%	-30bps	7.7%	9.7%	-200bps
of which: Cleaning	29.4	27.4	+7.5%	77.2	94.1	-17.9%
Other activities	(0.8)	2.3	na	4.7	6.3	-25.4%



- Q3 2023 Net Sales up +1.0% to €350.7m, notably thanks to cleaning operations:
 - Indexation and dynamic commercial development of 2022 and early 2023, despite loss of some security contracts
 - Benefit of Integrated iFM strategy (+€10m vs. Q3 2022)
- Q3 2023 Recurring EBITDA down -€1.1m to €28.6m. Recurring EBITDA margin of 8.2%, down 30bps vs. Q3 2022.
 - Indexation plans and productivity measures were mainly offset by staff cost incremental inflation in Cleaning occurred in July for which indexation impacts will be reflected with a lag effect and loss of some contracts for other activities
- 9M EBITDA down 18.4% to €81.9m:
 - Indexation plans and productivity measures were more than offset by 2022 non-recurring balance sheet and P&L positive reclassifications, the non-recurring benefit of special works of 2022 and inflation

€ million	Q3 2023 Actual	Q3 2022 IFRS5	change	var comp. basis (%)	9M 2023 Actual	9M 2022 IFRS5	change	var comp. basis (%)
Net Sales	173.9	166.1	+4.7%	+25.0%	512.9	494.4	+3.7%	+20.0%
Recurring EBITDA	6.9	2.0	+245.0%	+185.0%	19.4	9.9	+96.0%	+25.3%
Recurring EBITDA Margin (%)	4.0%	1.2%	+280bps		3.8%	2.0%	+180bps	
of which: Central & Eastern Europe	6.5	4.1	+58.5%	+2.5%	16.5	12.5	+32.0%	+2.5%
USA	(3.7)	(6.4)	ns	ns	(5.1)	(14.3)	ns	ns
Other	4.1	4.4	ns	ns	8.0	11.7	-31.6%	



- Q3 Net Sales up €7.8m, or +4.7%. Comparable basis Net Sales up 25.0% in Q3 2023, when excluding the negative effects of perimeter (-5.5%), the US (-4.5%), and forex impact (-11.0%, mainly due to the depreciation of the Turkish lira vs. the euro)
 - Strong growth of operations in CEE, where specific actions and new operational governance have been implemented to re-boost organic growth and to secure appropriate passthrough to clients in all geographies
- Recurring EBITDA margin of 4.0% in Q3 2023 up 280bps year-on-year and 3.8% in 9M 2023 up 180bps year-on-year. Excluding USA, Recurring EBITDA margin of 7.2% in Q3 2023 was up 90bps year-on-year, driven by significant improvement in CEE
 - CEE: Higher recurring EBITDA driven by account wins and productivity measures
 - Other: Mostly driven by impact of inflation and low profitability of new contracts in Benelux
- USA: Profitability improvement occurred since Q2 2023, but performance impacted by negative commercial flows in the third quarter of 2023

INCOME STATEMENT

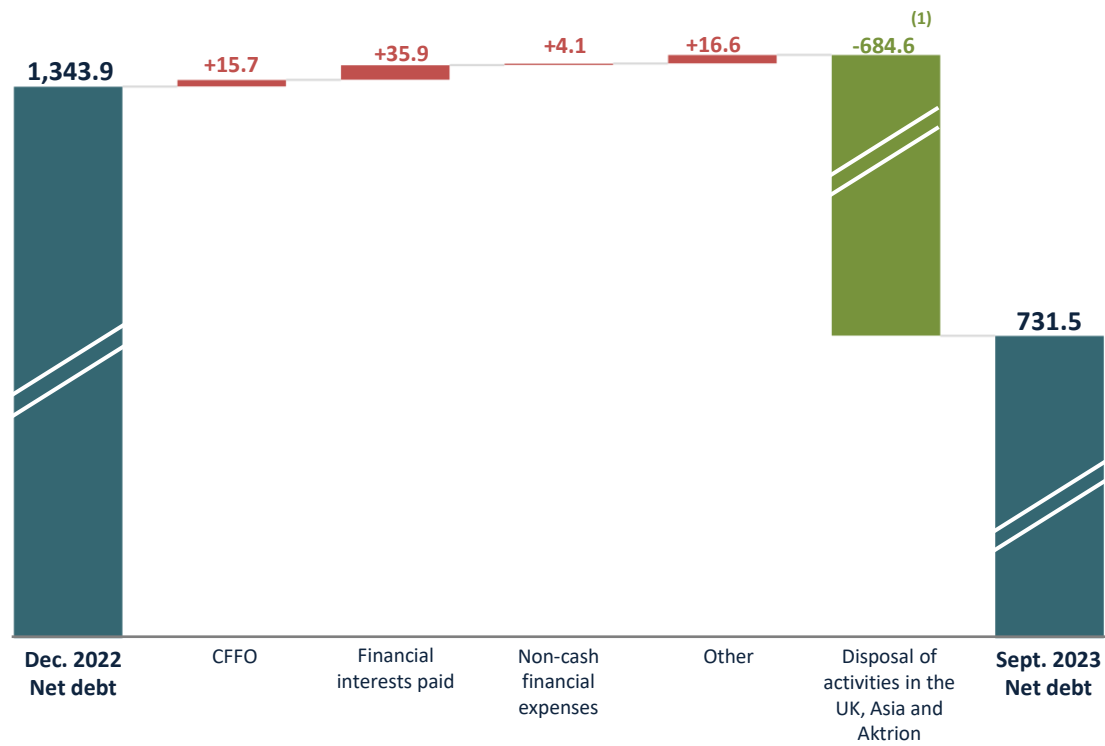
€ million	Q3 2023 Actual	Q3 2022 IFRS5	change	9M 2023 Actual	9M 2022 IFRS5	change
Net Sales	522.6	511.9	+2.1%	1,573.9	1,521.8	+3.4%
Recurring EBITDA	23.0	20.3	+13.2%	65.9	77.4	-14.9%
<i>Recurring EBITDA Margin (%)</i>	<i>4.4%</i>	<i>4.0%</i>	<i>+40bps</i>	<i>4.2%</i>	<i>5.1%</i>	<i>-90bps</i>
Depreciation and Amortisation	(15.6)	(13.7)	(1.9)	(44.4)	(45.1)	0.7
PPA amortisation	(0.2)	(0.3)	0.1	(0.6)	(0.7)	0.1
Provisions and Impairment losses (net)	0.0	2.3	(2.3)	-	14.5	(14.5)
Other income & expenses	(17.1)	9.8	(26.9)	140.5	(18.3)	158.8
Operating Profit	(9.9)	18.5	(28.4)	161.4	27.9	133.5
Operating Profit ex non-recurring items	7.2	8.8	(1.6)	20.9	46.2	(25.3)
Net financial costs	(9.4)	(19.9)	10.5	(52.5)	(59.3)	6.8
Other financial result	0.6	(1.2)	1.8	10.9	(3.6)	14.5
Income tax expenses	(6.3)	(5.5)	(0.8)	(13.2)	(11.7)	(1.5)
Net profit from discontinued operations	-	5.4	(5.4)	7.7	15.4	(7.7)
Net Profit (loss) for the period	(25.1)	(2.7)	(22.4)	114.3	(31.3)	145.6

CASH FLOW FROM OPERATIONS (CFFO)

€ million	Q3 2023 Actual	Q3 2022 IFRS5	change	9M 2023 Actual	9M 2022 IFRS5	change
Recurring EBITDA	23.0	20.3	2.7	65.9	77.4	(11.5)
Change in working capital requirements	(11.7)	(13.9)	2.2	(3.8)	(25.1)	21.3
Change in factor deposit	0.2	(4.2)	4.4	(2.3)	(24.5)	22.2
Income tax paid	(2.9)	(3.9)	1.0	(11.2)	(14.0)	2.8
Net capex	(14.9)	(16.1)	1.2	(41.0)	(48.8)	7.8
<i>Operational</i>	(2.9)	(5.7)	2.8	(9.5)	(19.2)	9.7
<i>Leases</i>	(12.0)	(10.4)	(1.6)	(31.5)	(29.6)	(1.9)
Elimination of non-cash items	13.0	1.6	11.4	9.6	3.5	6.1
CFFO excl non-recurring items	6.7	(16.2)	22.9	17.2	(31.5)	48.7
Non-recurring items	(17.5)	10.6	(28.1)	(32.9)	(12.2)	(20.7)
Cash Flow From Operations (CFFO)	(10.8)	(5.6)	(5.2)	(15.7)	(43.7)	28.0

NET FINANCIAL DEBT: DEC-2022 TO SEPT-2023 BRIDGE

in € million



(1) Net debt reduction includes €700.5m proceeds, minus €15.9m for deconsolidated net cash

■ As of September 30, 2023, Group's liquidity of €652 million ⁽¹⁾

➡ Cash and cash Equivalent: €616m

- Incl. €519 million term deposits, maturing in December 2023 or available upon 32 days notification, invested with Tier One banks

➡ Factoring Facility: €214 million drawn, and €36 million headroom ⁽¹⁾

- Facility amount: increased in March 2023 from €220 million to **€250 million**
- Maturity: extended by one year to **September 2024**

(1) The use of factoring headroom remains subject to the stock of receivables that can be assigned.



Conclusion

NEXT EVENTS:

- ➔ Refinancing to be completed by 28 February 2024

THANK YOU

If you would like to ask a question you can join the conference call using the information below:

- France : **+33 (0) 1 7037 7166**

- UK : **+44 (0) 33 0551 0200**

Quote **Atalian** **French** or **English** when asked by the operator which call you would like to join.



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Appendices

NET FINANCIAL DEBT

(In € million)	Dec-22 IFRS 5	Sep-23 IFRS 5
Net Cash & Cash Equivalents	82	616
HY bonds	1,229	1,235
Factoring	0	8
RCF	103	0
PGE	0	0
Other	93	104
Total Gross Debt	1,425	1,348
Total Net Debt	1,343	731
Deconsolidated Factoring	168	206
Adjusted Net Debt	1,511	937
Recurring EBITDA 12m	95	85
Leverage (Net debt / EBITDA)	14.2x	8.6x

* The RCF was fully drawn as of December 31, 2022 and fully repaid in H1 2023 with no extension beyond maturity on April 22, 2023.

** Excluding activities disposed to CD&R in 2023 (UK, Asia, Aktrion)

DEFINITIONS

Comparable basis – Comparable basis information factors out changes in the scope of consolidation, such as divestments and acquisitions, excluding the USA, and currency translation effects

Recurring EBITDA - Recurring 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, one-time items and other income and expenses

Non-Recurring items - Restructuring, litigation, implementation, one-time items and other income and expenses 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
- 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:

- + 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 - 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
- Net Financial interest paid, net of embedded interest



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