

PRESS RELEASE

Paris, January 27, 2022

First-quarter 2021-2022 revenue
Rebound confirmed despite stricter health protocols

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 quarter of fiscal 2021-2022.

First-quarter 2021-2022 revenue

- Q1 revenue came to €1,116 million versus €945 million in 2020-2021, reflecting an organic growth of 16.7%, with increases of 9.5% in France and 22.5% internationally
- Q1 revenues were equivalent to 85% of revenues for the same period in 2018-2019 (pre-Covid-19), thus stable quarter on quarter
- Retention rate was 91.3%, broadly unchanged compared with 91.4% at September 30, 2021
- Available liquidity at December 31, 2021, was €500 million, compared with €539 million at September 30, 2021
- We are suspending our financial guidance for 2021-2022 due to the lack of visibility as to the impact of the strict health protocols implemented to stem the Omicron wave
- We reaffirm our financial ambitions for 2024 and our CSR commitments for 2025

Philippe Guillemot, Chief Executive Officer of Elior Group, commented: “*Strong revenue growth in the first quarter of 2021-2022 builds on the rebound in activity in the fourth quarter of the previous fiscal year and confirms the work undertaken by our teams over the last two years.*

However, since early December, the Group has been affected by the tighter health protocols implemented to stem the Omicron wave in all our markets, notably a widespread return to working-from-home, class closures, and unforeseen absences. Because of these disruptions, daily volumes are difficult to anticipate, which in turn impacts the quantities we produce and how we organize our teams. We proved our capacity to bounce back in both the fourth quarter of fiscal 2021 and the first quarter of fiscal 2022 and are therefore confident we will achieve our ambitions for 2024. This said, in the short term, given the health context, we are suspending our financial guidance for the current fiscal year.

We reaffirm our CSR commitments, which are central to our ambitions and value proposition.”

Business development

Elior renewed or secured several major new contracts in the first quarter of 2021-2022, both in contract catering and services. These included:

- In France, Natixis, ArianeGroup, Nestlé, Thales, schools in Versailles, Sevran, Narbonne and Grasse as well as the Maison Blue Group nursery schools; for Elior Services: several shopping malls such as Les Terrasses du Port in Marseille, Confluence in Lyon and the Paris-La Défense CNIT and several hospitals such as Saint-Louis, Lariboisière and Trousseau in Paris as well as that of Cambrai.
- In the UK, Bidfood Cleaning, Bakkavor Food, and the 14 senior residences of the charity Housing 21.
- In the US, Elkhart County Detention Center in Indiana, Mystic Seaport Museum in Connecticut, Colorado Northwestern Community College, and the KIPP schools in Charlotte, North Carolina.
- In Italy, San Pellegrino, logistics group XPO, the Ministry of Defense, Verona University and Rome's 4th school district.
- In Spain, the ArcelorMittal steel plant in Aviles, Asturias, Granada City Hall, the Ministry of Culture and Education of the autonomous community of Rioja, the Princesa and Nuestra Señora del Rosario hospitals in Madrid and the Vall d'Hebron hospital in Barcelona.

Revenues

Consolidated revenue from continuing operations totaled €1,116 million for the first three months of fiscal 2021-2022, compared with €945 million a year earlier. The 18.1% year-on-year increase reflects organic growth of 16.7%, a scope effect of -0.4%, and a favorable currency effect of +1.8% (Pound Sterling and US Dollar).

On a like-for-like basis, revenues are up 16.2%, a sharp rebound compared with the 22.3% decline recorded a year earlier, when health restrictions were particularly tight.

Moreover, business development boosted revenues by 9.2%, a significant improvement compared with an increase of 4.3% last year.

Lastly, lost contracts account for an 8.7% decline in revenues. The retention rate was therefore 91.3% at December 31, 2021, broadly stable compared with 91.4% at September 30, 2021.

The share of revenue generated by international operations for the first three months of fiscal 2021-2022 amounted to 56% compared to 53% the prior year.

Revenue by geography

International revenue totaled €623 million, up 25.1% on €498 million a year ago, reflecting organic growth of 22.5%, a favorable currency effect of +3.5% (Pound Sterling and US Dollar), and a scope effect of -0.9%.

The UK saw the strongest organic growth rate, particularly in the Business & Industry market, which suffered last year when most employees were working-from-home. The US and Italy experienced very strong growth, while the Iberian Peninsula—which is more skewed towards the Education and Health & Welfare markets—saw less buoyant organic growth.

Revenue generated in **France** totaled €489 million in the first quarter of 2021-2022, compared with €447 million a year ago, an entirely 9.5% organic increase. Growth was especially robust in the Business & Industry market, buoyed by less stringent health protocols than last year, and despite the widespread return to working-from-home in December, which is traditionally an off-peak month because of the end-of-year holidays. The Education market was hit by repeated changes to health protocols, which were stricter than in the first quarter of last year.

The **Corporate & Other** segment, which includes the Group's remaining concession catering activities that were not sold with Areas, generated €4 million in revenue in 2020-2021, compared with zero contribution the previous year.

Revenue by market:

The **Business & Industry** market generated revenue of €443 million in the first quarter of 2021-2022, up 40.2% year on year, including 39.6% organic growth. First quarter revenues were equivalent to 75% of revenues for the same period in 2018-2019 (pre Covid-19), stable quarter on quarter.

The **Education** market generated revenue of €380 million in the first quarter of 2021-2022, up 11.7% year on year, including 9.7% organic growth. First quarter revenues were equivalent to 92% of revenues for the same period in 2018-2019 (pre Covid-19), down 7 percentage points quarter on quarter.

The **Health & Welfare** market generated revenue of €293 million in the first quarter of 2021-2022, up 1.4% year on year, including a tiny 0.1% organic decline. First quarter revenues were equivalent to 93% of revenues for the same period in 2018-2019 (pre Covid-19), up 1 percentage point quarter on quarter.

The table below summarizes revenues by market for the last seven quarters expressed as a percentage of revenues for the same period in fiscal 2018-2019 (pre Covid-19), at constant exchange rates.

Revenues as a % of 2018-2019 revenues ¹	Q3 2019- 2020	Q4 2019- 2020	Q1 2020- 2021	Q2 2020- 2021	Q3 2020- 2021	Q4 2020- 2021	Q1 2021- 2022
Business & Industry	38%	67%	54%	55%	58%	75%	75%
Education	45%	85%	84%	85%	87%	99%	92%
Health & Welfare	92%	95%	93%	93%	91%	92%	93%
GROUP TOTAL	54%	79%	73%	73%	74%	85%	85%

¹ Fiscal quarters and at constant exchange rates.

Liquidity

At end-December 2021, Elior's available liquidity amounted to €500 million, compared with €539 million at September 30, 2021. This includes cash of €65 million and total available, undrawn revolving credit facilities of €350 million. Remaining available credit lines amount to €85 million.

Outlook for 2021-2022

When we announced our full-year results for fiscal 2020-2021 on November 24, 2021, we expected organic growth of at least 18% and an adjusted EBITA margin of between 2.0% and 2.5% in fiscal 2021-2022. That was based on the assumption that stricter health protocols would not be required.

On November 26, 2021, the World Health Organization (WHO) announced a new Covid-19 variant named Omicron and classified it a "variant of concern". Since then, it has spread across the world at lightning speed, and the wave of contaminations has led to tighter health restrictions in all the countries we operate in.

Meanwhile, the inflation is accelerating in all the countries where we operate.

Therefore, we suspend our financial guidance for the fiscal year 2021-2022.

Ambitions for 2024 confirmed

Our objective is to accelerate and amplify our growth so we can return to pre-pandemic revenues (€4.92 billion in 2018-2019) and generate a much higher adjusted EBITA margin (3.6% in 2018-2019), with:

- Annual organic revenue growth of at least 7% for 2022-2023 and 2023-2024
- Adjusted EBITA margin of around 4.6% in 2023-2024
- Organic growth / Capex as a percentage of revenues of between 2x and 3x
- Resumption of dividend payments in respect of fiscal 2022-2023 results

Financial calendar:

- Monday February 28, 2022: Annual General Meeting
- Wednesday May 18, 2022: First-half 2021-2022 results - press release will be published before the start of trading and conference call
- Wednesday July 27, 2022: Revenue for the first nine months of fiscal 2021-2022 - press release will be published before the start of trading
- Wednesday November 23, 2022: Annual results for fiscal 2021-2022 - press release will be published before the start of trading and conference call

Appendix 1: Revenue by geographic segment

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 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 on 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_GroupFR](https://twitter.com/Elior_GroupFR)

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Appendix 1: Revenue by geographic segment

(en€ millions)	Q1 2021-2022	Q1 2020-2021	Organic growth	Change in scope	Currency effet	Total change
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%	-0.4%	1.8%	18.1%

n.m.: not meaningful

Appendix 2: Revenue by market

(en€ millions)	Q1 2021-2022	Q1 2020-2021	Organic growth	Change in scope	Currency effet	Total change
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%	-	1.5%	1.4%
TOTAL GROUPE	1,116	945	16.7%	-0.4 %	1.8%	18.1%

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.

Adjusted EBITA: Recurring operating result reported including the share of net result of equity-accounted investees adjusted for the impact of share-based compensation expense (stock options and performance shares granted by Group companies) and net amortization of intangible assets recognized on consolidation.

The Group considers that this indicator best reflects the operating performance of its businesses as it includes the depreciation and amortization arising as a result of the capex inherent to the Group's business model. It is also the most commonly used indicator in the industry and therefore permits comparisons between the Group and its peers.

Adjusted EBITA margin: Adjusted EBITA as a percentage of consolidated revenue.