



## **HALF-YEAR RESULTS JUNE 30, 2024**

**Results impacted by lower energy prices  
and one-off decline in spot business.**

**Strong cash generation.**

**Financial strength maintained.**

## **SECOND HALF OF 2024 WELL ON TRACK**

## **ACQUISITION OF ECO : 2024 - 2026 TARGETS REVISED UPWARDS**

**ORGANIC GROWTH: around +2%** excluding "energy" and "spots" activities.

**STABLE OPERATING RESULTS<sup>1</sup>** excluding "energy" and "spot" effects.

**NET FINANCIAL DEBT DOWN TO 617 M€** (vs. 642 M€ at 31.12.23).

**PRESERVED FINANCIAL FLEXIBILITY with 3x financial leverage.**  
(vs. 2.9x at 12.31.23)

### **ACQUISITION OF ECO: A STRATEGIC, ACCRETIVE OPERATION**

#### **UPWARD REVISION OF 2024 - 2026 TARGETS WITH THE INTEGRATION OF ECO IN A WELL-KNOWN GENERAL BACKGROUND**

##### **2024 targets<sup>2</sup>**

**Contributed revenue: around €1,120 million** (vs. "around €1,100 million").

**EBITDA: around €235m** (vs. "around €230m") or ≈21% of revenue.

**COI: around €110 million** (vs. "around €105 million") or ≈10% of revenue.

**Unchanged cash flow generation over the historical perimeter.**

**Financial leverage: 3.8x** (vs. 2.7x before acquisition of ECO).

##### **2026<sup>3</sup> targets**

**Revenue of around €1,290 million** (vs. "around €1,200 million").

**EBITDA between 305-315 M€** (vs. "between 265-275 M€") or ≈24% of revenue.

**COI between 165-175 M€** (vs. "between 132-144 M€") or ≈13% of revenue.

**Financial leverage less than 3x** (unchanged).

<sup>1</sup> On a like-for-like basis

<sup>2</sup> Scope at June 30, 2024 + Eco, at constant exchange rates

At the Board of Directors meeting chaired by Joël Séché to approve the financial statements to June 30, 2024, Maxime Séché, Chief Executive Officer, said:

*"During the first half-year 2024, Séché Environnement continued to expand in most of its markets and announced a major acquisition in Singapore, in the industrial heartland of South-East Asia.*

*The start of 2024 was also marked by the impact of exogenous factors which reduced the contribution of certain businesses, both in terms of revenue and operating income: the significant drop in energy revenue prices penalized the contribution of waste-to-energy activities in France, and the reduction in industrial and environmental accidents in the first quarter led to a delay in the start-up of spot environmental emergency and depollution activities in France and abroad.*

*The Group's agility and strict financial discipline enabled it to post a sharp rise in cash generation compared with the previous year, and to strengthen its balance sheet with reduced financial debt and preserved financial flexibility.*

*Séché Environnement's attractive prospects are intact on the buoyant markets of ecological transition and sustainable development, and I am confident that the Group's growth and profitability momentum will continue this year and, in the years to come.*

*The outlook for the 2<sup>nd</sup> half-year is significantly better, particularly for the "spot" environmental emergency and remediation businesses, in France and internationally.*

*The Group is already reaping the rewards of major commercial successes, which will bear fruit from the second half-year to early 2025.*

*Above all, Séché Environnement has made a major new strategic move with the acquisition of ECO, leader in the hazardous waste market in Singapore, which will later open to the Group the industrial markets of South-East Asia, among the most dynamic in the world.*

*The new business plan to 2026 thus shows improved commercial, operational and financial targets compared with those presented at the "Investor Day" in December 2023.*

*I am convinced that the strategy deployed over the last few years will consolidate this dynamic of sustainable and profitable growth, and I know that all the men and women who make up the Séché Environnement Group are committed to its success."*

<i>In millions of euros</i>	<b>Consolidated</b>		<b>France</b>		<b>International</b>	
	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>
<b>At June 30</b>						
Reported revenue	530,1	540,4	404,4	389,4	125,7	151,0
<b>Contributed revenue</b>	<b>491,6</b>	<b>505,1</b>	<b>365,9</b>	<b>354,1</b>	<b>125,7</b>	<b>151,0</b>
<b>EBITDA</b>	<b>101,9</b>	<b>88,3</b>	<b>81,4</b>	<b>71,3</b>	<b>20,5</b>	<b>17,0</b>
<i>As % of revenue</i>	20,7 %	17,5 %	22,3 %	20,1 %	16,3 %	11,3 %
<b>Current operating income</b>	<b>45,3</b>	<b>29,6</b>	<b>25,9</b>	<b>25,6</b>	<b>9,4</b>	<b>4,0</b>
<i>As % of revenue</i>	9,2 %	5,9 %	9,8 %	7,2 %	7,5 %	2,6 %
Operating income	45,5	28,2				
<i>As % of revenue</i>	9,3 %	5,6 %				
Net financial income	(11,4)	(14,4)				
<i>As % of revenue</i>	(2,3) %	(2,9) %				
Income tax	(9,0)	(4,7)				
<i>As % of revenue</i>	(1,8) %	(0,9) %				
Share of profit from associates	(1,2)	(0,5)				
Minority interests	(1,0)	(0,7)				
<b>Net income, Group share</b>	<b>23,0</b>	<b>8,0</b>				
<i>As % of revenue</i>	4,7 %	1,6 %				
<b>Earnings per share</b>	<b>2,94 €</b>	<b>1,02 €</b>				
Recurring operating cashflow	88,5	76,1				
<i>As % of revenue</i>	18,0 %	15,1 %				
Net investments paid	42,2	43,7				
<i>As % of revenue</i>	8,6 %	8,9 %				
Operating free cashflow	46,2	67,5				
<i>As % of revenue</i>	9,4 %	13,4 %				
<b>Net financial debt</b>	<b>581,7</b>	<b>616,9</b>				
<b>Financial leverage</b>	<b>2,7 x</b>	<b>3,0 x</b>				

Consolidated revenue and earnings for the six months to June 30, 2024, are comparable with the high base of H1 2023, which had recorded the high contribution of "spot" environmental emergency and clean-up contracts on an exceptional scale, in France and internationally, at the start of the period. They also reflect, in France, the significant decline in energy prices (electricity and steam) following the peaks of 2022 and early 2023.

## COMMENTS ON ACTIVITY AND RESULTS AND FINANCIAL POSITION AT JUNE 30, 2024

### Integration of new perimeters - Strong markets excluding "energy" and "spot" effects.

The 1<sup>st</sup> half-year 2024 confirms the solidity of Séché Environnement's main markets, excluding the impact of energy prices and the occasional unfavorable trend in spot environmental emergency markets.

The Group continued to integrate the scope of consolidation acquired in 2023: Séché Assainissement Rhône-Isère ("SARI 38" in France), Furia (Italy), Essac (Peru) and Rent-A-Drum (Namibia). The effect of changes in the scope of consolidation amounted to + €37.6m of revenue for the period.

The period was characterized by exogenous factors that adversely affected the growth and operating profitability of the France and International perimeters:

- Energy effect: the French scope was hit by a 33% drop in energy selling prices, including electricity and steam<sup>3</sup>, compared with prices for the 1<sup>st</sup> half-year 2023. This had a €7.3m impact on revenue by the waste-to-energy business, of which €9.2m was due to the price effect alone.
- 'Spots' effect: the period saw a significant decline in industrial and environmental accidents both in France and internationally (particularly in Peru and South Africa), which led to delays in the start of worksites and a significant drop in the contribution from environmental emergency worksites compared with its high level in Q1 2023. These delays had a total impact of € (17.9) m on revenue.

In addition, early maintenance was carried out on the Salaise incinerator (France) in the 1<sup>st</sup> quarter, penalizing revenue by (€3.8) million.

The cumulative impact of these three effects on EBITDA is estimated at € (16.2) m.

The currency effect was limited to € (1.7) m and resulted mainly from the deterioration in the exchange rate of the South African Rand (ZAR), and to a lesser extent, the Chilean Peso (CLP).

At June 30, 2024,<sup>4</sup> **contributed revenue** of €505.1 million, up +2.8%.

**On a like-for-like basis**, revenue amounted to €467.5 million, down -4.6% on June 30, 2023.

<sup>3</sup> Whose selling contracts are indexed to the price of gas.

<sup>4</sup> See "Definitions" on page 6 of this document.

Excluding the "Energy" and "Spotlight" businesses and the one-off impact of Salaise, organic growth would be around +2%:

- **In France**, revenue amounted to €354.1m, down 3.2% on a reported basis. The consolidation scope effect was +€0.6m, due to the integration of SARI 38. On a like-for-like basis, revenue fell by 3.4%.

The French scope of business was penalized by lower energy prices (electricity and steam), by the reduced contribution of environmental emergency projects, and by early maintenance at the Salaise incinerator. Excluding these activities and the impact of Salaise, growth would have been around +3%, illustrating the resilience of waste management markets, supported by the implementation of regulations linked to the circular economy and by customers' growing needs for services linked to the ecological transition and sustainable development.

- **Internationally**, revenue reached €151.0m, up +20.1% on June 30, 2023. This increase includes a consolidation scope effect of +€37.0m, linked to the integration of Furia (Italy), Essac (Peru) and Rent-A-Drum (Namibia). On a like-for-like basis, revenue was down 8.1% on the same period in 2023.

International revenue performance was hampered by the decline in "spot" environmental emergency business (down €8.1m on H1 2023). Excluding these activities, revenue outside France would have been down by around 2% at constant exchange rates, reflecting different situations in the various subsidiaries.

### Stable operating results, excluding exogenous or one-off effects.

Operating results for the first half of 2024 include the impact of lower energy prices and a smaller contribution, net of variable costs, from environmental emergency business lines:

- **EBITDA** stood at €88.3m at June 30, 2024, or 17.5% of revenue. On a reported basis, it fell by 13.3%.

The scope of consolidation effect was +€2.4m, while the currency effect was limited to -€0.2m.

On a like-for-like basis, EBITDA fell by 15.5%. This includes the cumulative impact of the "Energy", "Spots" and "Salaise" effects, for a total of €16.2m. Excluding these impacts, EBITDA on a like-for-like basis would have been stable compared with June 30, 2023, at €102.1m (vs. €101.9m).

- **In France**, EBITDA amounted to €71.2m, or 20.1% of revenue (reported data). Perimeter effect stands at (0.1) M€.

On a like-for-like basis, EBITDA stood at €71.3m, reflecting lower energy prices net of the tax on infra-marginal rents for electricity producers instituted by the amended Finance Act for 2023, the lower contribution from environmental emergency activities, and the impact of early maintenance at Salaise, net of variable expenses, for a cumulative impact of €(11.2)m. Excluding these impacts, EBITDA would have been stable at €82.5m (vs. €81.4m a year earlier).

- **Internationally**, EBITDA was €17.1m, or 11.3% of revenue. The effect of changes in the scope of consolidation was +€2.5m, and the currency effect was limited to € (0.2) m.

On a like-for-like basis, EBITDA came to €14.6m, or 12.8% of revenue. Excluding the €5.0m "Spot" effect net of variable costs, EBITDA would have been close to the June 30, 2023, level, i.e., €19.6m vs. €20.5m.

- **Current Operating income (COI)** grew in line with EBITDA, totaling €29.6m at June 30, 2024, or 5.9% of revenue. It includes a perimeter effect of +€0.7m. The currency effect was negligible.  
On a like-for-like basis, it came to €28.9m, or 6.2% of revenue:
  - **In France**, COI reached €25.6m, or 7.2% of revenue on a reported basis, and €25.8m, or 7.3% on a like-for-like basis. This performance reflects the trend in EBITDA in France over the period, as well as tight control over depreciation and amortization expenses resulting of an optimized investment policy.
  - **Internationally**, COI came to €4.0 million, or 2.7% of revenue on a reported basis. The effect of changes in the scope of consolidation was €0.9m. The currency effect was negligible. On A like-for-like basis, it came to €3.1m, or 2.7% of revenue. This reflects the trend in International EBITDA over the period, plus a slight increase in depreciation and amortization charges, reflecting the dynamism of the Hazard Management activities in Latin America.
- **Operating income** came to €28.2m, or 5.6% of revenue. This figure includes expenses of €1.0 million relating to the acquisition of ECO.

### Change in net income, Group share.

**Net financial expense** came to € (14.4) m vs. € (11.4) m at June 30, 2023.

This change essentially reflects the rise in the cost of gross debt (up €4.4m) resulting from the increase in average gross financial debt over the period, with the average cost of gross financial debt rising from 4.14% in H1 2023 to 4.17% in H1 2024.

Considering:

- **Income tax** expense of € (4.7) m vs. € (9.0) m a year earlier, resulting in a tax rate of 33.8% vs. 26.3% in H1 2023, in the absence of recognition of deferred taxes on the losses of certain international subsidiaries.
- **Share of profits of associates**, i.e., € (0.5) m vs. € (1.2) m a year ago, representing the contribution of Sogad and Solena Valorisations;
- **Income from non-controlling interests** (mainly linked to the investments in South Africa and Solena), i.e., € (0.7) m vs. € (1.0) m a year ago.

**Group net income** came to €8.0m, or 1.6% of revenue.

As a result, **earnings per share** came to 1.02 euro vs. 2.94 euros at June 30, 2023.

### Strong cash generation and continued financial flexibility.

In the first half of 2024, Séché Environnement confirmed its tight control over cash flow, particularly working capital requirements and capital expenditure. Despite the decline in EBITDA, the Group generates strong free cash flow and maintains its financial flexibility at the level of its medium-term target.

Over the period, **free operating cash flow** generation<sup>5</sup> rose by +46.1% to €67.5m (vs. €46.2m at June 30, 2023).

---

<sup>5</sup> See "Definitions" in the appendix to this document.

This increase reflects in particular:

- A sharp improvement in the **change in working capital requirement (WCR)**, which rose from € (5.8) m a year ago to €+34.7m at June 30, 2024, an improvement of €+40.5m due, among other things, to the reduction in "Trade receivables and other current assets" accounts, in line with the management measures taken within the recently acquired subsidiaries;
- **Net disbursed capital expenditure** at 9.4% of revenue contribution (vs. 8.6% at June 30, 2023), with recurring capital expenditure - excluding ESM - at €24.4m, or 4.8% of revenue contribution (vs. €21.8m at June 30, 2023, or 4.4% of revenue contribution).

The **EBITDA-to-cash conversion rate** was 76%, well above the Group's target ("greater than or equal to 35% of EBITDA").

The **liquidity situation** has been strengthened to €361.0m vs. €332.2m at December 31, 2023, with an **active cash and cash equivalents position**<sup>6</sup> of €171.0m vs. €162.2m at December 31, 2023.

**Net financial debt** was reduced to €616.9m vs. €641.9m at December 31, 2023.

Financial flexibility has been preserved, with **financial leverage** coming out at 3.0 x EBITDA, in line with the Group's medium-term objectives and close to the leverage of 2.9 x EBITDA posted at December 31, 2023.

---

<sup>6</sup> Excluding bank overdrafts

## OUTLOOK FOR 2024 - 2026 REVISED UPWARDS

Considering the acquisition of ECO and the commercial and industrial synergies that will be deployed over the next few years, Séché Environnement is publishing new targets for activity, operating results, and financial leverage for the period 2024 - 2026, which reinforce and improve the roadmap presented at the Investor Day on December 12, 2023, and reiterated at the presentation of the 2023 annual results<sup>7</sup>.

### **Business resilience and profitable growth momentum confirmed.**

Séché Environnement is expanding in the buoyant markets of the ecological transition and positioning itself in the high-barrier businesses of the circular economy and the decarbonization of economic activities. It is also establishing itself as a long-standing operator specializing in Hazard Management, addressing markets for the protection of human health and the environment.

In this way, the Group's offering meets the growing needs of its customers in the medium term, posed by the restrictive regulations associated with the ecological transition, as well as their short-term economic imperatives, such as access to competitively priced local resources.

This dynamic growth in its markets is sustainable and gives its businesses a high degree of visibility and resilience over the medium term.

However, elements of volatility may appear in the shorter term, affecting its revenue or its operating results.

This is the case, for example, with energy prices (steam or electricity), which have a direct impact on the revenue and operating contribution of waste-to-energy activities, or with environmental emergency or soil remediation activities, which are by their very nature "spot" contracts that depend on industrial and environmental accident rates and can lead to significant shifts in activity, particularly at the end of major projects.

Séché Environnement considers that these exogenous and unpredictable factors are temporary in nature and do not call into question its medium-term growth and profitability profile.

### **ECO, a rare opportunity to acquire a regional leader in hazardous waste markets.**

On June 17, 2024, Séché Environnement announced the signing of a SPA<sup>8</sup> for the acquisition of ECO Industrial Environmental Engineering Pte Ltd ("ECO"), the market leader in hazardous industrial waste in Singapore.

With the widest range of products and services, a loyal clientele of leading industrialists and a high-performance industrial tool, ECO will enable Séché to occupy a major position in a dynamic industrial region where the Group was previously little active.

---

<sup>7</sup> See press releases dated December 12, 2023 and March 11, 2024

<sup>8</sup> Share purchase agreement



Present since 1995 across the entire value chain in the hazardous waste sector, with a market share of around 32%, ECO is today the leading operator in the hazardous waste recovery and treatment markets in Singapore, far ahead of its main competitors in terms of installed capacity, volumes handled, service offerings and customer portfolio.

A true "all-in-one" center for the recovery and treatment of hazardous industrial waste, ECO is located on a single site of 68,400 m<sup>2</sup>, where its facilities (incinerators with or without energy recovery, industrial water treatment plant, stabilization plant, etc.), all recent and with complementary technologies, have a total annual capacity of almost 440 Kt.

ECO also holds stakes in two joint ventures active in the circular economy, one with a 65% majority<sup>9</sup>, in a company specializing in activated carbon reactivation with a global chemicals manufacturer, and the other with a 50%<sup>10</sup>, in precious metals regeneration in partnership with a global precious metals recycling manufacturer.

Thanks to its recognized technical capabilities and know-how, the company is responding to the prospects of the Singaporean hazardous waste market, characterized by high barriers to entry and driven by the chemical, energy (including renewable energies) and semiconductor sectors.

In 2023, ECO generated revenue of around SGD 96m and EBITDA of around SGD 41m<sup>11</sup>.

For Séché Environnement, this acquisition, the largest ever made by the Group, gives it a major position with its target customers in the buoyant environmental markets of Singapore and, more broadly, in the markets of the APAC region.

Completed on July 18, 2024, the acquisition concerns 100% of the shares and represents a purchase price of around SGD 608m, financed by a drawdown of €100m on the Group's revolving credit facility (RCF), with the balance financed by a new committed credit facility with a bank. The latter is expected to be refinanced with bonds, depending on market conditions.

### Integration of ECO: accretive effect on earnings and strengthening of Séché's financial profile

The ECO sub-group will be consolidated from July 1<sup>er</sup> 2024.

Given the economic, operational, and financial characteristics of ECO, Séché Environnement anticipates that the integration of ECO will have an accretive effect on its operating results and strengthen its financial profile, notably through increased cash generation.

To facilitate year-on-year comparisons, the following pro-forma data for the new consolidated entity are presented for fiscal 2023 (full year):

#### Proforma data 2023

<i>In millions of euros</i>	<b>Revenue</b>	<b>EBITDA</b>	<b>COI</b>
Séché	1014	218	101
<i>As % of revenue</i>	-	21,5%	10,0%
ECO	66	29	20
<i>As % of revenue</i>	-	45,1%	30,3%
<b>Séché + ECO (pro forma)</b>	<b>1080</b>	<b>247</b>	<b>121</b>

<sup>9</sup> Fully consolidated

<sup>10</sup> Consolidated by the equity method.

<sup>11</sup> Euro/SGD exchange rate of around 1.45 to date

	As % of revenue	-	22,9%	11,2%
<i>In millions of euros</i>				
	<b>Net financial debt</b>		<b>Operating free cashflow</b>	
Séché		642		101
	<i>As % of EBITDA</i>		290%	47%
ECO		(2)		19
	<i>As % of EBITDA</i>		-	66%
<b>Séché + ECO (proforma)</b>		<b>N/A*</b>		<b>120</b>
	<i>As % of EBITDA</i>		<b>N/A</b>	<b>49%</b>

\*Financing structure not yet finalized

## Outlook for 2024 - 2026: focus on improving operating margins, free cash flow generation and financial flexibility.

Growth 2024 - 2026: targets revised upwards thanks to a stronger H2 2024 in most businesses, and a profitable growth dynamic strengthened over the medium term by the integration of ECO<sup>12</sup>.

Séché Environnement acknowledges the temporary postponement of worksites, which penalized its growth and profitability in the H1 2024; however, the Group anticipates a significantly stronger H2 in these activities in France as well as internationally, and overall, a significantly higher H2 contribution than the H1 in terms of revenue and operating results.

**For the second half of 2024**, Séché Environnement assumes that energy prices will remain at the levels reached in the 1<sup>st</sup> half-year, which should result in a gradual reduction in the unfavorable comparison between electricity prices for the coming period and those prevailing on the energy markets in the 2<sup>nd</sup> half-year of 2023.

In addition, Séché Environnement's "spot" activities in environmental remediation and emergency response have seen a marked improvement in the number of projects undertaken in France and abroad since the start of the second half of the year, some of them on an exceptional scale, such as the emblematic Las Salinas contract (see above). As a result, the Group anticipates a solid contribution from these "spot" activities from the second half of 2024.

Given the integration of ECO, consolidated from July 1, 2024, **Séché is revising upwards its revenue target**, which should be close to €1,120m for the current year (vs. "close to €1,100m").<sup>13</sup>

**Looking ahead to 2026**, Séché Environnement assumes that energy prices will remain around the levels observed in the 1<sup>st</sup> half-year of 2024.

Séché is recognized for its expertise in the most technical clean-up operations, as well as for its ability to intervene in the event of environmental emergencies.

The Group is confident in its ability to generate significant contract flows over the long term, regardless of any temporary delays in the implementation and operational contribution of these projects, as seen at the start of the 2024 financial year.

<sup>12</sup> Scope at June 30, 2024 + Eco, at constant exchange rates

<sup>13</sup> See press release dated March 11, 2024

**Séché therefore confirms its organic growth trajectory** of around 5% on average over the years 2025 and 2026, **and**, considering the integration of ECO, **revises upwards its target for contributed revenue**, aiming for revenue of around €1,290m for the 2026 financial year (vs. "around €1,200m" before the acquisition of ECO).<sup>1</sup>

Gross and recurring operating profitability 2024 - 2026: further improvement in operating margins and strong cash generation confirmed.

In the 2<sup>nd</sup> half-year 2024, Séché will focus on improving its operating margins:

- **In France**, within its historical scope, the Group will intensify its policy of industrial efficiency and cost control to continue offsetting the inflationary pressures that persist in some of its costs (notably payroll costs).
- **Outside France**, the start-up of major Services contracts (pollution control, global offer contracts, etc.), notably in Latin America, and confirmation of the return of certain subsidiaries (Solarca, Mecomer) to good business conditions, should lead to a further increase in operating results for this scope.

Given the achievements of the 1<sup>st</sup> half-year 2024, the favorable outlook for the 2<sup>nd</sup> half-year and the integration of ECO, **Séché Environnement is revising its EBITDA target upwards**, and is now aiming for EBITDA of around €235m (vs. "around €230m"<sup>16</sup>), with no effect on cash generation, measured by the EBITDA-CAPEX balance, which will remain identical to that of the historical scope.

**The Group is also revising its COI target** to aim for an COI of around €110m for the 2024 financial year (vs. "around €105m")<sup>16</sup>.

The Group will focus on maximizing its **operating free cash flow**<sup>14</sup> through:

- Controlling capital expenditure: the Group is aiming for an amount close to €100m, or around 9% of expected revenue contribution by 2024, in line with its medium-term objectives.
- Controlling working capital requirements through targeted measures to improve DSO, particularly for recently integrated subsidiaries in France.

**Expected cash generation on the historical perimeter is therefore unchanged.**

Given the acquisition of ECO, Séché Environnement is targeting a **leverage ratio** of 3.8x EBITDA at December 31, 2024, proforma leverage including ECO's EBITDA over 12 months in accordance with the banking covenant, (vs. 2.7x before acquisition<sup>15</sup>).

**Over the period 2025-2026**, the Group will pursue the strategy presented at its Investor Day on December 12, 2023, which aims to maximize operating margins through the implementation of a rigorous cost-cutting plan, and a strategy of industrial efficiency aimed at optimizing the availability of its tools.

While capacity investments have been made by ECO in recent years, and the subsidiary is not planning any significant new investments over the period, the Group will maintain a controlled investment policy around current levels within its historical scope.

It will also pursue strict financial discipline to maximize its cash generation, notably through active management of its working capital requirements, and improve its financial flexibility to return to its leverage target in line with its medium-term objectives<sup>16</sup>.

---

<sup>14</sup> See "Definitions" in the appendix to this document.

<sup>15</sup> See press release dated March 11, 2024

<sup>16</sup> See press release dated March 11, 2024

**Séché Environnement is raising its EBITDA target for 2026** to between €305 and €315m (vs. "€265 to €275m" before the acquisition of ECO<sup>16</sup>). Gross operating profitability (EBITDA/contributed revenue) would then be around 24% of contributed revenue (vs. "between 22% and 23%" before integration of ECO<sup>16</sup>).

**Anticipated COI for 2026 is also revised upwards** and should be between €165 and €175m (vs. "€132 and €144m" before acquisition of ECO). Recurring operating profitability (COI / contributed revenue) should be around 13% (vs. "between 11% and 12%" before the ECO acquisition).

Séché Environnement is therefore aiming for **financial leverage** of less than 3x EBITDA at the end of 2026, in line with its medium-term normative leverage target.

## ESG performance and new medium-term extra-financial objectives

Séché achieves **86% eligibility and 68% alignment** with the European green taxonomy on the basis of its revenue at June 30, 2024.

This good performance is a further illustration of the Group's buoyant positioning in ecological transition activities.

On the strength of its solid past performance<sup>17</sup>, Séché is reaffirming its ambition to be a leader in the ecological transition by setting **new** medium-term **environmental objectives**:

- **Climate and GHG emissions** (scope 1 and 2, constant scope 2020 France + Interwaste)
  - 15% reduction in greenhouse gas emissions by 2027, vs. 2020
  - 17.5% reduction in 2028, vs. 2020,

In line with SBTi's ambition to reduce emissions by 25% by 2030.

- **Sobriété Eau** (constant Group 2023 scope)
  - 8% reduction in water withdrawals in 2027 vs. 2023
  - 10% reduction in water withdrawals in 2028, vs. 2023,

In line with the SBTN benchmark, a 15% reduction target by 2030.

**THE HALF-YEAR FINANCIAL REPORT AT JUNE 30,2024, IS AVAILABLE**

**ON THE COMPANY'S WEBSITE**

**WWW.GROUPE-SECHE.COM**

<sup>17</sup>In 2023, Séché reduced its greenhouse gas emissions (scope 1 and 2 France) by 11% compared with 2020, and its water consumption by 6% compared with 2021.

## APPENDICES

### ➤ DEFINITIONS

**Contributed revenue:** reported consolidated revenue net of 1/ IFRIC 12 revenue representing investments in concession assets recognized as revenue in accordance with IFRIC 12; 2/ TGAP (Taxe Générale sur les Activités Polluantes) paid by waste producers and collected by treatment operators on behalf of the French government. Unless otherwise indicated, the variations and percentages calculated in this document refer to contributed revenue.

**Recurring operating cash flow:** EBITDA plus dividends received from equity interests and the balance of other cash operating income and expenses (including foreign exchange gains and losses), less cash expenses for rehabilitation and maintenance of treatment sites and concession assets (including major maintenance and repairs).

**Available operating cash flow:** recurring operating cash flow less changes in working capital requirements, disbursed taxes, net disbursed bank interest (including interest on finance leases) and recurring industrial investments (maintenance), and before development investments, financial investments, dividends, and financing.

➤ **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

<i>(in thousands of euros)</i>	<b>31/12/2023</b>	<b>30/06/2024</b>
Goodwill	435 224	436 203
Concession intangible assets	26 299	23 994
Other intangible assets	37 203	37 273
Property, plant and equipment	446 897	445 764
Investments in associates	742	556
Other non-current financial assets	46 718	50 442
Non-current derivative instruments - assets	439	434
Other non-current assets	28 204	27 395
Deferred tax assets	10 584	10 647
<b>Non-current assets</b>	<b>1 032 310</b>	<b>1 032 708</b>
Stocks	26 866	31 118
Trade and other receivables	308 006	304 617
Other current financial assets	3 099	2 785
Current derivative instruments - assets	-	-
Other current assets	53 215	51 256
Cash and cash equivalents	162 215	171 031
Assets classified as held for sale	-	-
<b>Current assets</b>	<b>553 401</b>	<b>560 807</b>
<b>TOTAL ASSETS</b>	<b>1 585 710</b>	<b>1 593 515</b>

<i>(in thousands of euros)</i>	31/12/2023	30/06/2024
Capital	1 572	1 572
Bonus	74 061	74 061
Reserves	214 883	252 830
Net income	47 828	7 959
<b>Equity attributable to equity holders of the parent</b>	<b>338 343</b>	<b>336 422</b>
Non-controlling interests	7 974	7 733
<b>Total shareholders' equity</b>	<b>346 318</b>	<b>344 156</b>
Non-current borrowings	611 464	626 202
Non-current rental liabilities	48 167	47 675
Non-current derivative instruments - liabilities	5 926	7 067
Commitments to employees	21 558	21 112
Non-current provisions	30 681	31 718
Other non-current liabilities	7 128	7 053
Deferred tax liabilities	5 111	7 751
<b>Non-current liabilities</b>	<b>730 036</b>	<b>748 578</b>
Current borrowings	116 297	84 437
Current liabilities	22 687	23 041
Current derivative instruments - liabilities	-	20
Current provisions	4 499	2 973
Suppliers	195 196	189 511
Other current liabilities	169 582	199 900
Tax liability	1 096	901
Liabilities classified as held for sale	-	-
<b>Current liabilities</b>	<b>509 356</b>	<b>500 782</b>
<b>TOTAL LIABILITIES</b>	<b>1 585 710</b>	<b>1 593 515</b>

➤ **CONSOLIDATED INCOME STATEMENT**

<i>(in thousands of euros)</i>	<b>30/06/2023</b>	<b>30/06/2024</b>
<b>Sales figures</b>	<b>530 137</b>	<b>540 466</b>
Other operating income	751	726
Revenue from ordinary activities	530 887	541 192
Purchases consumed	(73 447)	(77 349)
External expenses	(190 162)	(196 891)
Taxes	(42 292)	(39 978)
Personnel expenses	(123 055)	(138 644)
<b>Gross operating surplus</b>	<b>101 931</b>	<b>88 330</b>
Rehabilitation/maintenance costs for treatment plants and concession assets	(5 049)	(5 013)
Depreciation, amortization and provisions	(50 928)	(52 556)
Other operating items	(614)	(1 186)
<b>Current operating income</b>	<b>45 340</b>	<b>29 576</b>
Other non-current items	133	(1 373)
<b>Operating income</b>	<b>45 473</b>	<b>28 203</b>
Cost of net financial debt	(10 431)	(13 397)
Other financial income and expense	(930)	(1 015)
<b>Net financial income</b>	<b>(11 361)</b>	<b>(14 412)</b>
Share of results of associates	(1 207)	(475)
Income tax	(8 957)	(4 656)
<b>Net income</b>	<b>23 949</b>	<b>8 659</b>
Of which non-controlling interests	(976)	(700)
<b>Of which Group share</b>	<b>22 973</b>	<b>7 959</b>
Basic earnings (in euros)	2,94	1,02
<i>Diluted per share (in euros)</i>	<i>2,94</i>	<i>1,02</i>



➤ **CONSOLIDATED STATEMENT OF CASH FLOWS**

<i>(in thousands of euros)</i>	<b>30/06/2023</b>	<b>30/06/2024</b>
Net income	23 949	8 659
Share of results of associates	1 207	475
Dividends from joint ventures and associates	-	-
Depreciation, amortization and provisions	50 056	52 922
Results of disposals	(1 078)	(396)
Deferred taxes	(818)	1 774
Other calculated income and expenses	1 445	2 186
<b>Cash flow from operations</b>	<b>74 761</b>	<b>65 620</b>
Corporate income tax	9 774	2 883
Gross cost of debt, net of long-term investments	10 639	15 044
<b>Cash flow before tax and financial expenses</b>	<b>95 174</b>	<b>83 547</b>
Change in working capital	(5 831)	34 719
Taxes paid	(4 420)	(4 679)
<b>Net cash provided by operating activities</b>	<b>84 923</b>	<b>113 587</b>
Tangible and intangible investments	(43 344)	(50 039)
Disposals of property, plant and equipment and intangible assets	1 063	2 699
Increase in loans and receivables	(15 648)	(5 223)
Decrease in loans and financial receivables	1 549	534
Acquisition of control over subsidiaries, net of cash and cash equivalents	(670)	(1 100)
Loss of control over subsidiaries, net of cash and cash equivalents	-	(199)
<b>Net cash flow from investing activities</b>	<b>(57 049)</b>	<b>(53 329)</b>
Dividends paid to parent company shareholders	(0)	0
Dividends paid to non-controlling interests	(806)	(501)
Parent company capital increase or decrease	-	-
Cash and cash equivalents without loss/takeover of control	(565)	(1 441)
Change in treasury stock	13	(3 411)
New borrowings	51 805	42 964
Repayment of borrowings and financial debt	(62 689)	(60 277)
Interest paid	(8 830)	(12 138)
Repayment of lease liabilities and related financial expenses	(13 315)	(16 086)
<b>Net cash flows from financing activities</b>	<b>(34 387)</b>	<b>(50 890)</b>
Total cash flows for the period from continuing operations	(6 513)	9 368
Cash flow from discontinued operations	-	-
<b>TOTAL CASH FLOWS FOR THE PERIOD</b>	<b>(6 513)</b>	<b>9 368</b>
Opening cash and cash equivalents	123 451	159 118
Closing cash and cash equivalents	115 225	169 213
Impact of changes in exchange rates	1 713	(727)
(1) of which:		
<i>Cash and cash equivalents</i>	116 343	171 031
<i>Bank overdrafts (current borrowings)</i>	(1 117)	(1 818)

## Next communication

Revenue as at September 30, 2024:

October 29, 2024 after market close

### About Séché Environnement

Séché Environnement is a benchmark player in waste management, including the most complex and hazardous waste, and in environmental services, particularly in the event of environmental emergencies. Thanks to its expertise in creating circular economy loops, decarbonization and hazard control, the Group has been contributing for nearly 40 years to the ecological transition of industries and territories, as well as to the protection of living organisms. A family-owned French industrial group, Séché Environnement deploys the cutting-edge technologies developed by its R&D at the heart of the territories, in more than 120 locations in 16 countries, including some 50 industrial sites in France. With over 6,100 employees, including more than 2,900 in France, Séché Environnement generated revenue of €1,013.5 million in 2023, 26% of which outside France.

Séché Environnement has been listed on Eurolist by Euronext (compartment B) since November 27, 1997. The stock is included in the CAC Mid&Small, EnterNext Tech 40 and EnterNext PEA-PME 150 indices. ISIN: FR 0000039139 - Bloomberg: SCHP.FP - Reuters: CCHE.PA



#### CONTACTS SÉCHÉ ENVIRONNEMENT

##### Analyst / Investor Relations

Manuel ANDERSEN

Head of Investor Relations

[m.andersen@groupe-seche.com](mailto:m.andersen@groupe-seche.com)

+33 (0)1 53 21 53 60

##### Media Relations

Anna JAEGY

Deputy-Head of Communications

[c.descotes@groupe-seche.com](mailto:c.descotes@groupe-seche.com)

+33 (0)1 53 21 53 53