



ODDO BHF DIGITAL FORUM 2021

Lyon, January 7-13, 2021



European Rising Tech
LABEL



A resilient business model that provides visibility

Company Profile

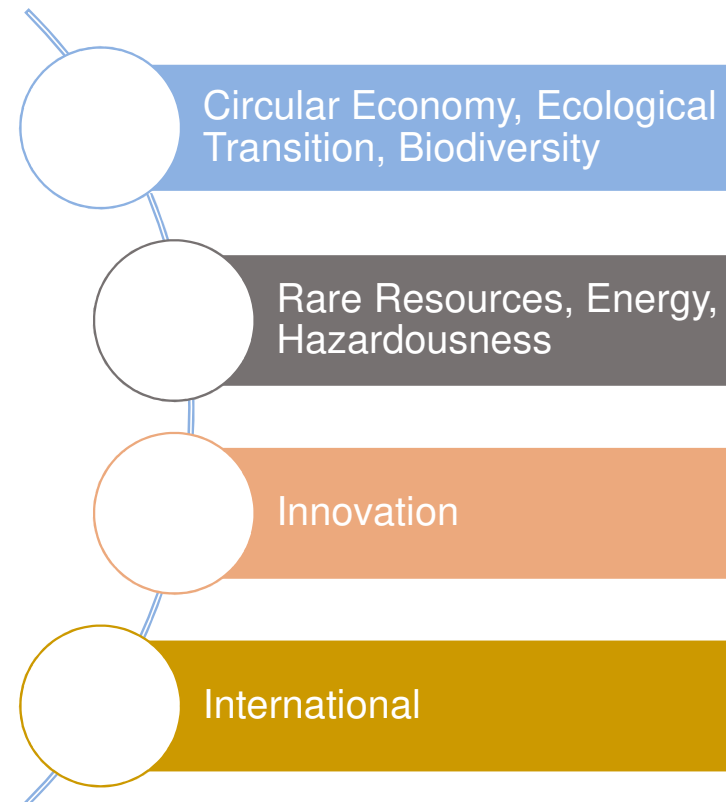
An Innovative Player of the Circular Economy

Our business:

- To build **comprehensive answers** to Municipalities' or Industrials' issues about **circular economy and energy transition**, with respect to **biodiversity concerns**

Our positioning:

- A « **pure player** » of **waste recovery** and environmental **risk management**
- An fully-integrated player** in the value chain for the management of all types of waste, from characterization to recovery and safety of ultimate waste
- A **long-term development** based on **tech innovation**
- A dynamic **external growth strategy**, especially internationally



Company Profile

Businesses with high technological contents

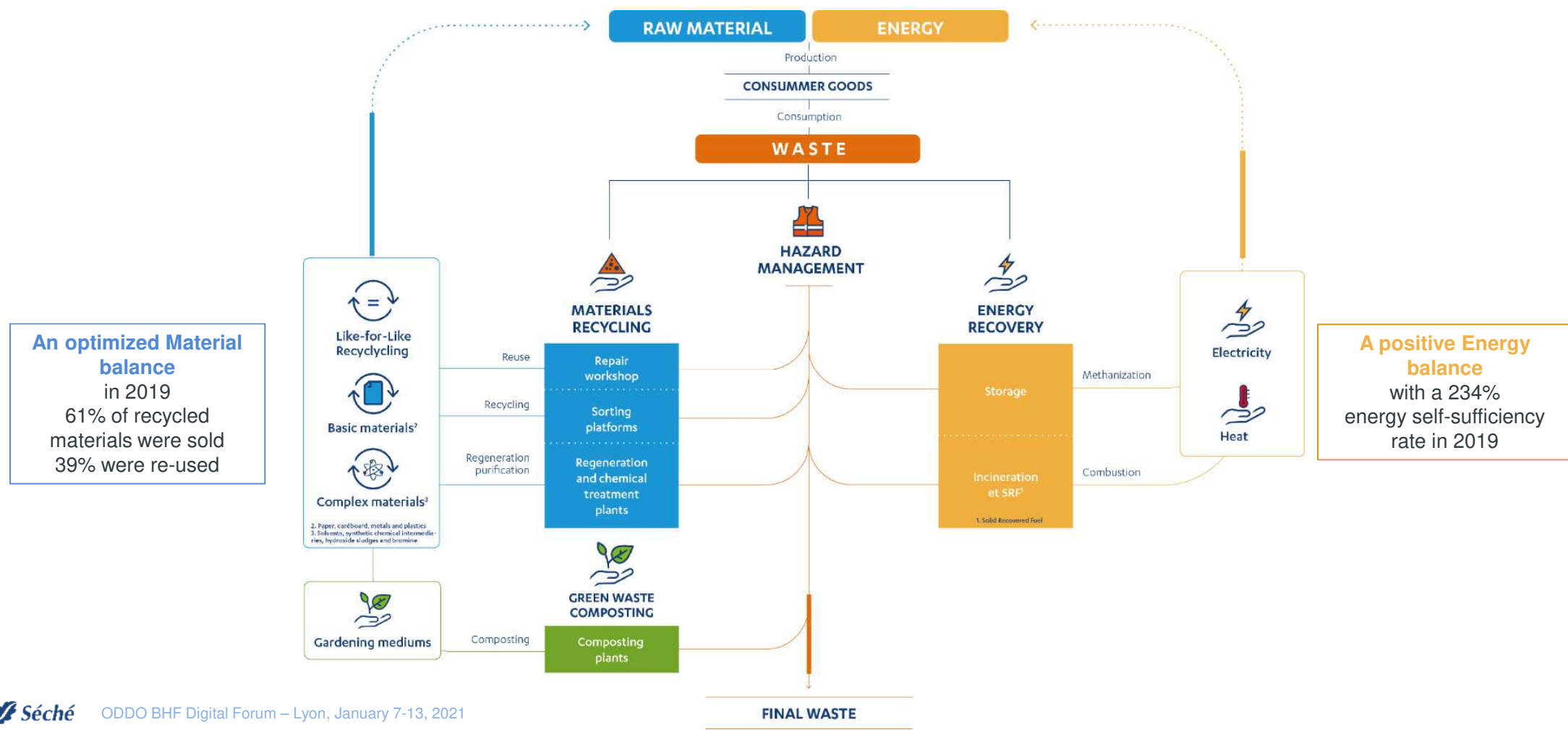
Our assets:

- A strong focus on **industrial clients (80% of revenue)** and **hazardous waste markets (66% of revenue)**
- A positioning on regulated **high-value added markets** and permitted businesses with **barriers to entry**
- A specialist of **industrial and territorial ecology** with unique achievements in terms of circular economy
- A **family-owned company** with a **long-term vision** and short decision circuits



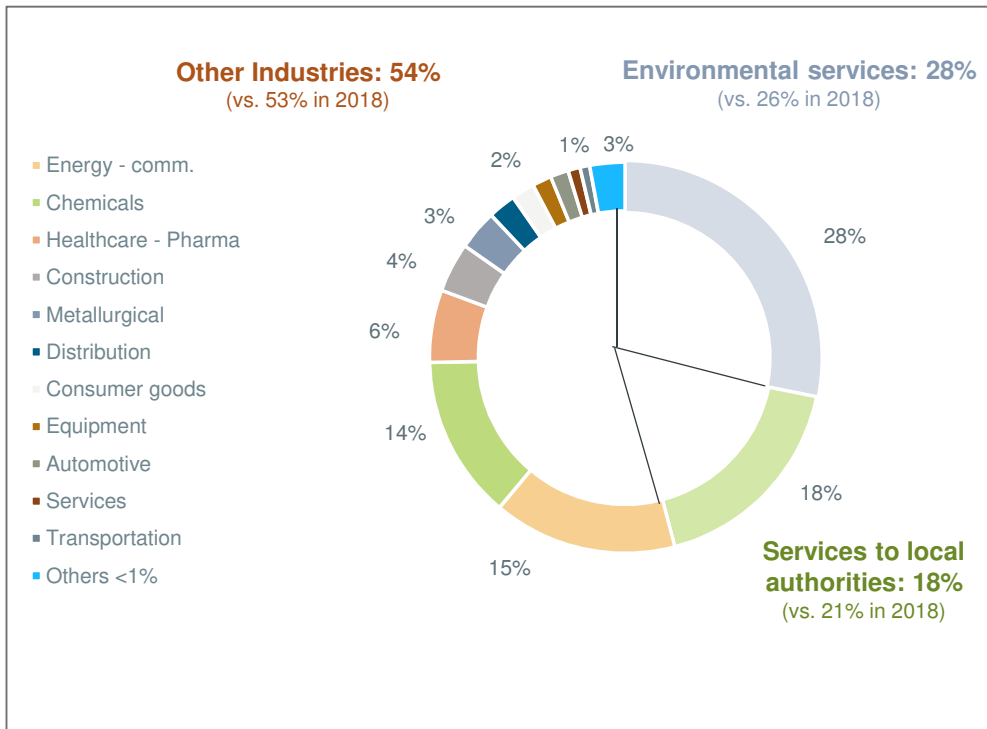
Chemical purification – Speichim Processing

Environmental Solutions to Ecological Transition and Circular Economy Issues

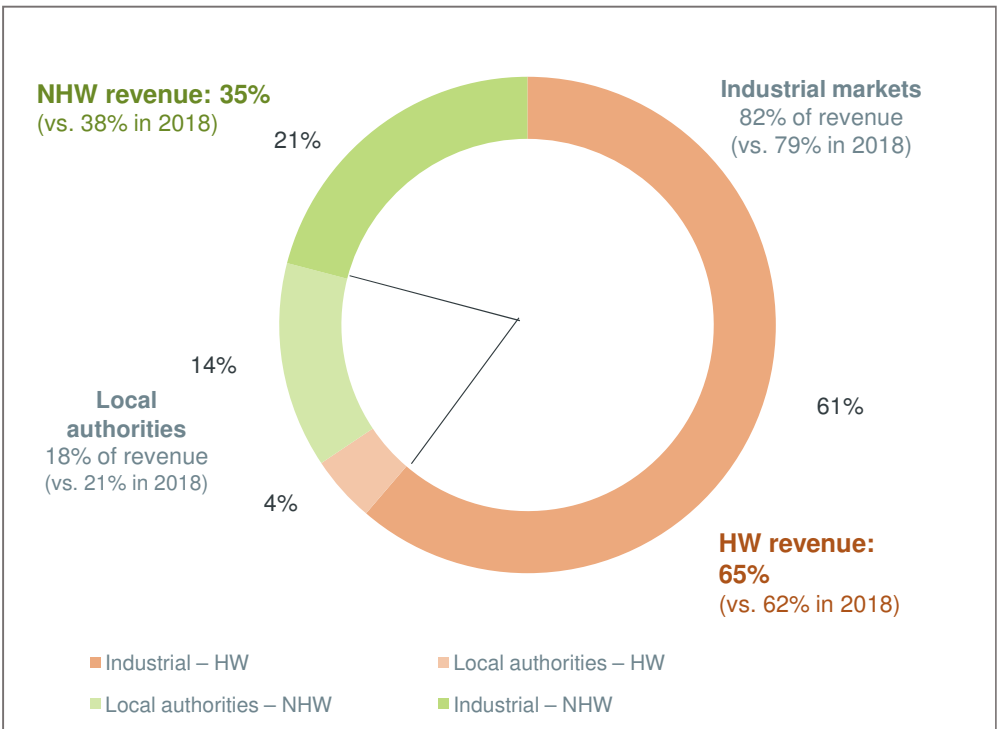


A Focus on Industrial Clients and Hazardous Waste Resilience by Nature

**Breakdown of contributed revenue at 12/31/2019
by division and by client type**



**Breakdown of contributed revenue at 12/31/2019
by sector of activity**



Production of Resources and Hazardousness Management

Technological Infrastructures and Services



Innovation and R&D

Differentiation through Expertise

Proprietary know-hows with high technological contents

Material recovery

Bromine regeneration



Energy Recovery



SFR energy
recovery

Hazardousness management



Industrial Gas treatment

Anticipating the future

Material recovery



Bio-based plastics



Recovery of molecules of interest

Energy Recovery



Pyro-gasification
of non-organic ultimate waste

Hazardousness management

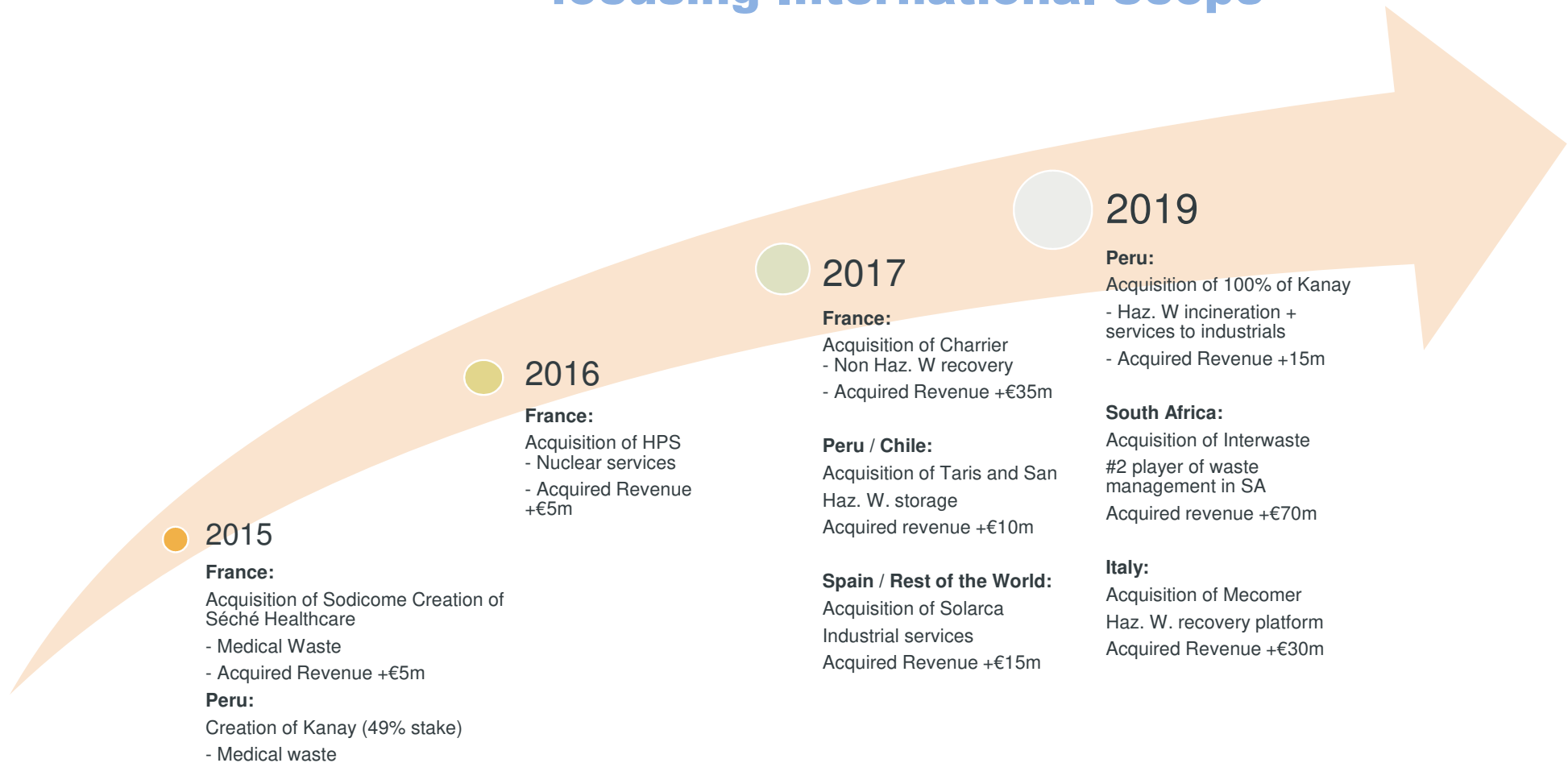


Recovery of low-radioactivity waste



Control of mercury pollution

Since 2017: Acceleration of External Growth Strategy, focusing International Scope



SDG Performance

included in our Environmental Impact Credit

New governance in line with best practices

- **Separation of the roles** of Chairman and Chief Executive Officer
- **Reform of the Board of Directors** concentrating on the principles of **complementary skills**, **gender parity** and **independence**



Measures to counter **climate change**

- **Impact of activities:** 0.9m tCO₂eq o/w 37% biogenic emissions (id. 2018)
- **Action for the planet:**
 - **Emissions avoided:** 0.1m. tCO₂eq (id. 2018)
 - **GHGs abated:** 4.0 m tCO₂eq (vs. 2.6m tCO₂eq in 2018)

Measures taken with respect to **energy transition**

- **Energy production:** 734 GWH (impact of Salaise 2) (vs. 769 GWH in 2018)
- **Proportion of renewable energy:** 31% (vs. 30% in 2018)
- **Energy self-sufficiency rate:** 234% (vs. 246% in 2018)

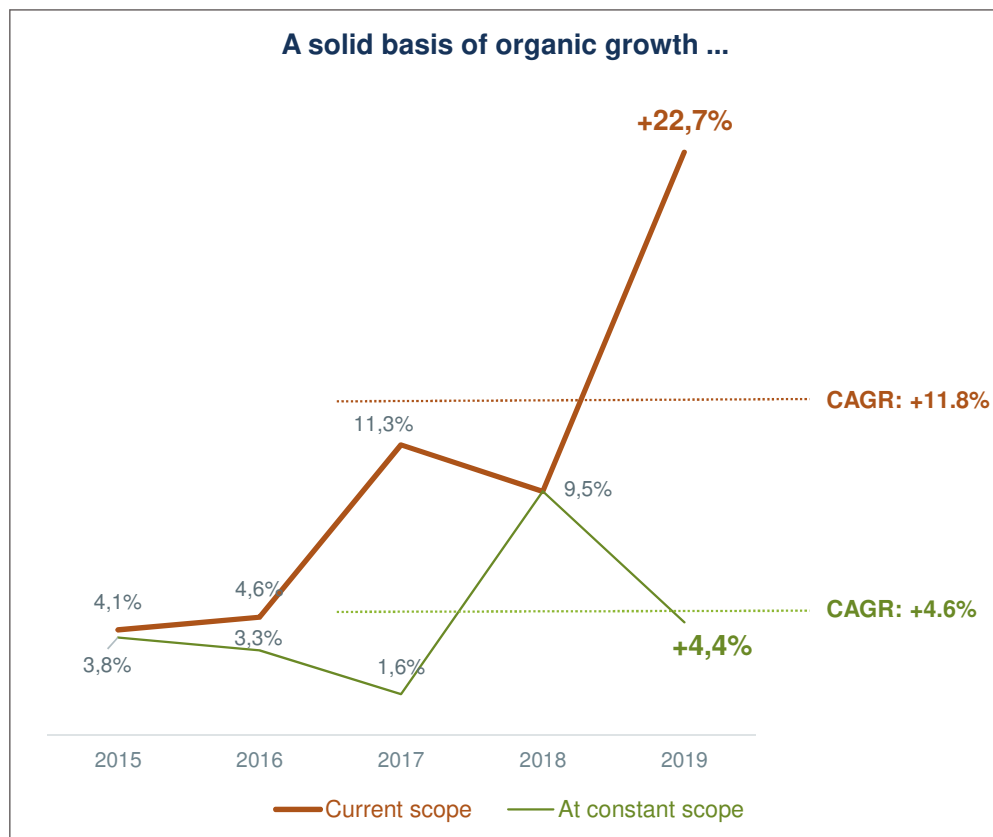


Measures in favor of **biodiversity**

- Self-applied ecological policy and **1st company in France to obtain double certification Ecocert Climate / Biodiversity**
- **“DNA” internal effort:** integration of 2 international sites in 2019
- Joining the effort led by the French Ministry of Ecological Transition (MTES), *Entreprises Engagées pour la Nature – Act4Nature*, **now one of the 11 French Members of Act4Nature International**

Resilient Activities on Sustainable Markets

Solid Medium-term Organic Growth



- ... driven by **positive trends in the waste treatment and recovery markets** (66% of 2019 contributed revenue)
 - **In France and in Europe:** healthy industrial markets underpinned by positive volume and price effects (excluding Spain) and by the implementation of the circular economy
 - **Internationally (excluding Europe):** the needs of industrial customers in the field of environmental solutions consistent with the highest standards (increasingly strict regulatory requirements)
- ... and by the **potential of Services** with a broader and internationalized range of solutions (34% of 2019 contributed revenue)
 - **Positioning in added value services**
 - Technical decontamination and environmental emergencies
 - Chemical cleaning
 - Outsourcing
 - **Strong strategic priority**
 - Industrial integration upstream of our core business
 - Supporting clients: an ability to respond adapted for international needs (Europe/LatAm/Africa)

A Profitable Growth Strategy

Economic and Financial Performance

At December 31 In €m	2018	<i>As a % of contributed revenue</i>	2019	<i>As a % of contributed revenue</i>		Gross change
Contributed revenue	560.5	100%	687.8	100%		+23%
EBITDA	108.7	19.4%	135.4	19.7%		+25%
Current operating income	44.2	7.9%	47.8	7.0%		+8%
Operating income	38.0	6.8%	46.8	6.8%		+23%
Net financial income	(13.4)	-	(17.5)	-		
Net income	16.2	2.9%	18.9	2.8%		+17%
Net income (group share)	15.6	2.8%	17.8	2.6%		+14%
Recurring operating cash flow	92.7	16.5%	121.4	17.7%		+31%
Net industrial CapEx paid (excl. IFRIC)	46.9	8.4%	69.1	10.1%		+47%
Net banking debt	317.4	-	399.4	-		+26%



Limited impact of the Covid-19 crisis 2020 outlook confirmed

Limited impact of Covid-19 in the first half of the year

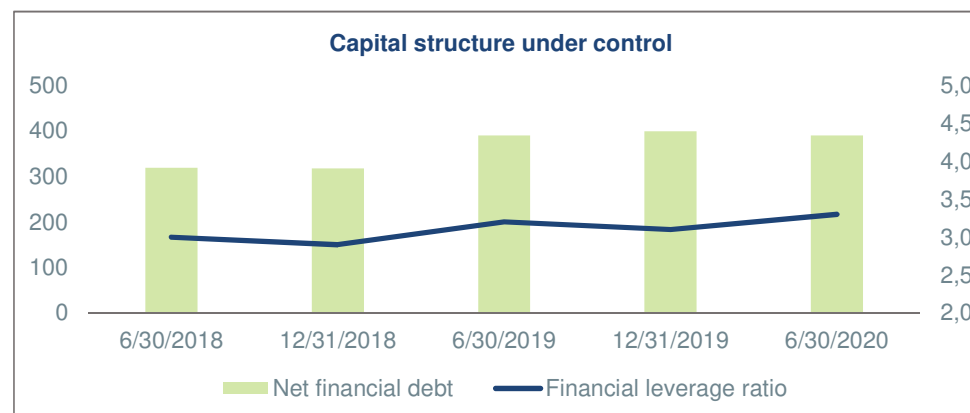
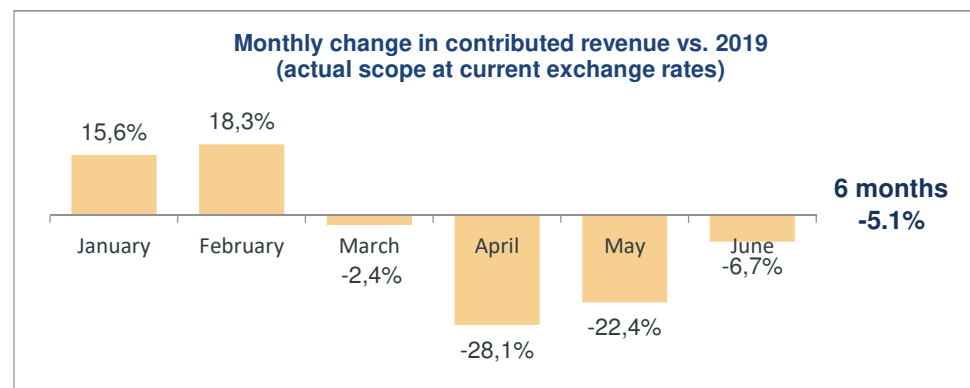
A very responsive organization

- Excellent response to the global health crisis
 - Adapted organization
 - Business continuing in France and internationally
 - Cash prioritized

- Limited impact of the health crisis on the H1 financial statements
 - Moderate decline in activity (excl. energy recovery)
 - Agile organization and operational impact under control
 - Financial strength preserved

- Sharp decline in the contribution from energy recovery, reducing EBITDA by €(7.6)m in H1

- Positive trends in H2 and 2020 targets confirmed



Key indicator trends at June 30, 2020

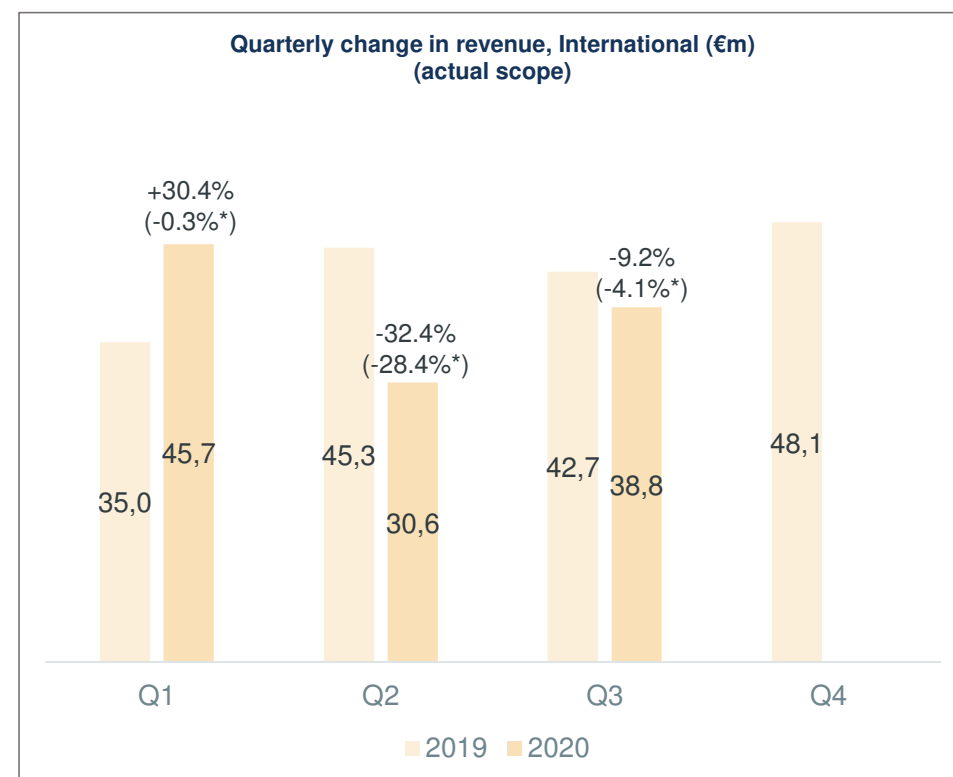
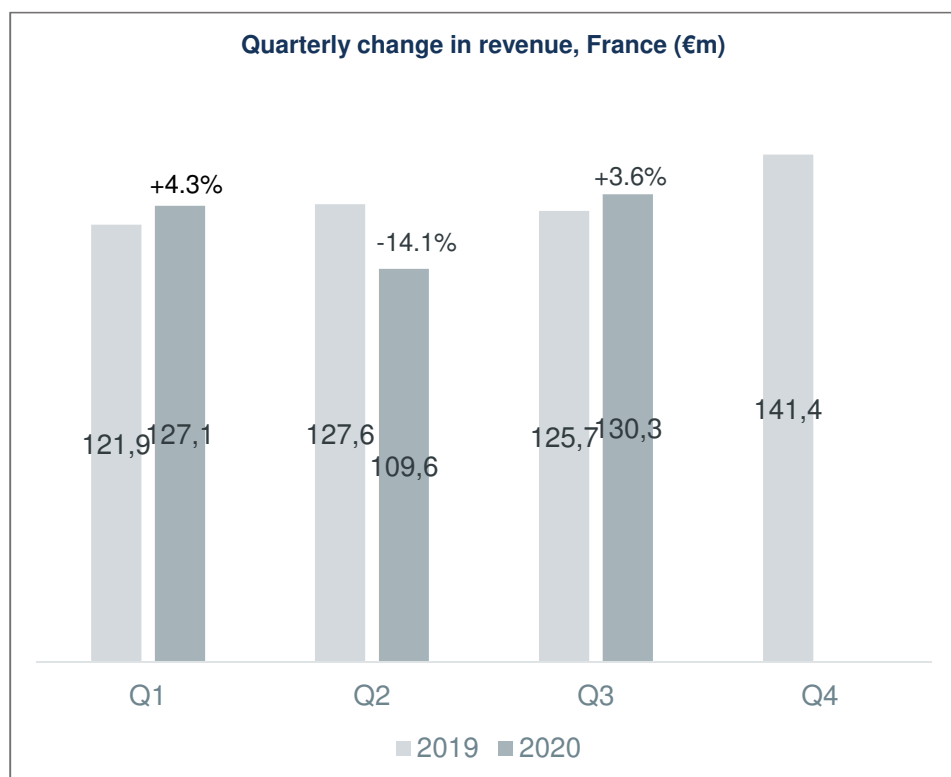
Economic and Financial Performances preserved

At June 30 In €m	2019	<i>As a % of contributed revenue</i>	2020	<i>As a % of contributed revenue</i>	Gross change
Contributed revenue	329.8		313.0		-5%
EBITDA	63.6	19.3%	53.8	17.2%	-15%
Current operating income	22.1	6.7%	13.0	4.1%	-41%
Operating income	21.6	6.6%	11.9	3.8%	-45%
Net financial income	(8.4)	-	(10.4)	-	-
Net income	8.1	2.5%	(0.9)	(0.0)%	ns
Net income (Group share)	7.6	2.3%	(0.9)	(0.0)%	ns
Recurring operating cash flow	52.9	16.0%	41.7	13.3%	-21%
Net industrial CapEx paid (excl. IFRIC 12)	30.2	9.1%	35.4	11.3%	+16%
Free cash flow	35.0	10.6%	39.4	12.6%	+13%
Net banking debt	390.4	-	390.1	--	0%

Recovery confirmed in all regions

Return to growth confirmed in France

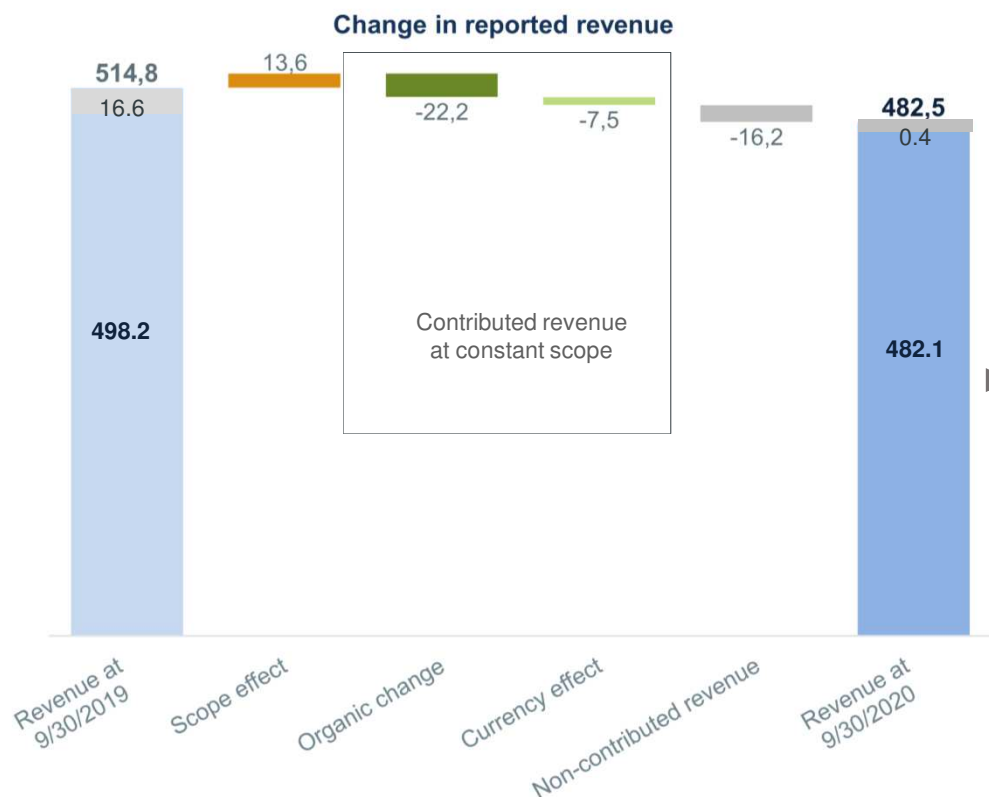
Sharp improvement internationally



* At constant scope and exchange rates

Over 9M: Contributed revenue down slightly

Forex impact and cycle effect in International markets



- Non-contributed revenue: €0.4m vs. €16.6m
 - Strasbourg-Sénerval incinerator back to normal operating conditions

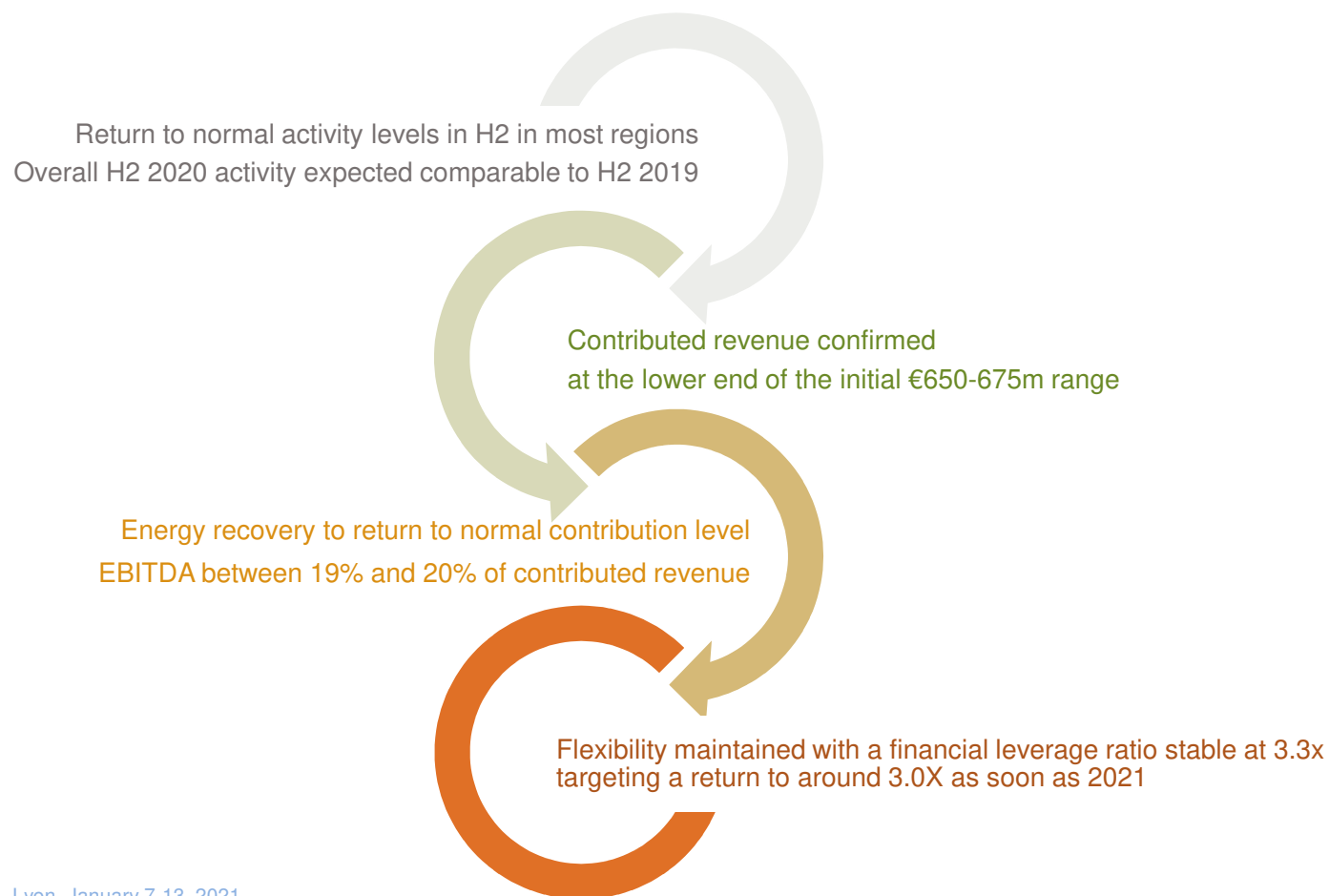
- **Contributed revenue: €482.1m** (vs. €498.2m at 09/30/2019)
i.e. -3.2% (reported data)
 - Scope effect: +€13.6m (contribution from Mecomer in Q1)
 - Significant currency effect: €(7.5)m, i.e. -1.5% of revenue
 - **Organic basis*: limited -4.5% decline in contributed revenue**
 - Treatment and services activities held up well
 - Situations in different regions still contrasted but recovery is observed in all regions in Q3

* At constant scope and exchange rates

Reported data in €m

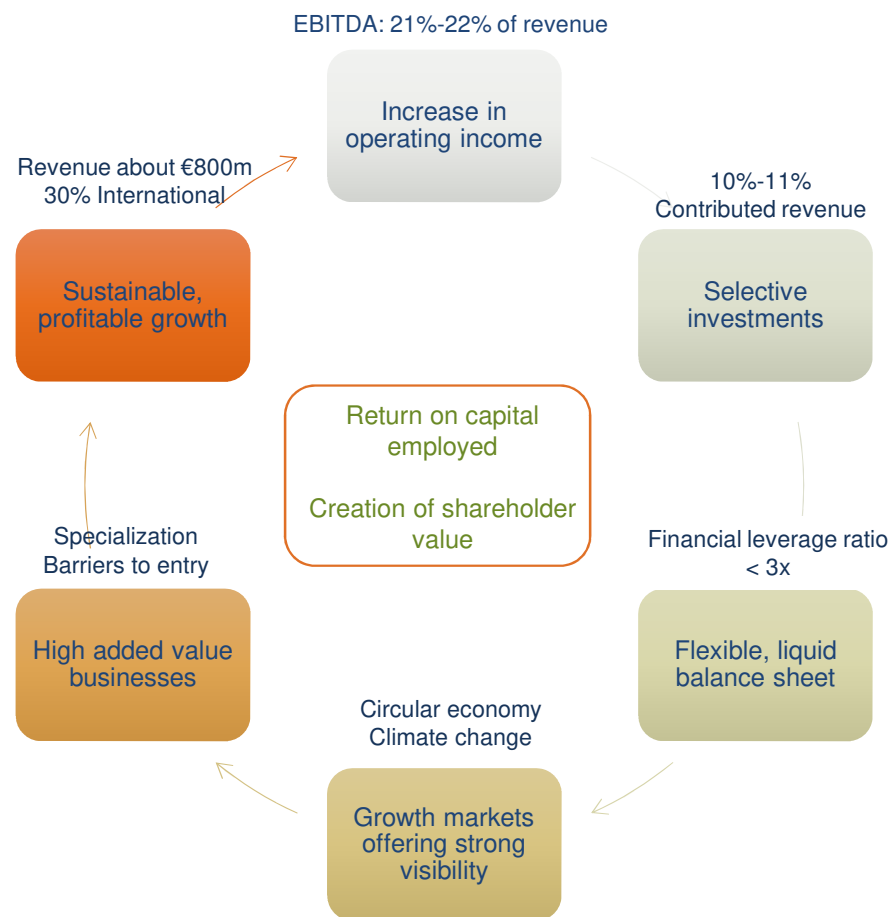
2020 outlook confirmed

Impacts of the health crisis spread out until the end of the year



Economic and financial trajectory

Confidence in the 2022 road map

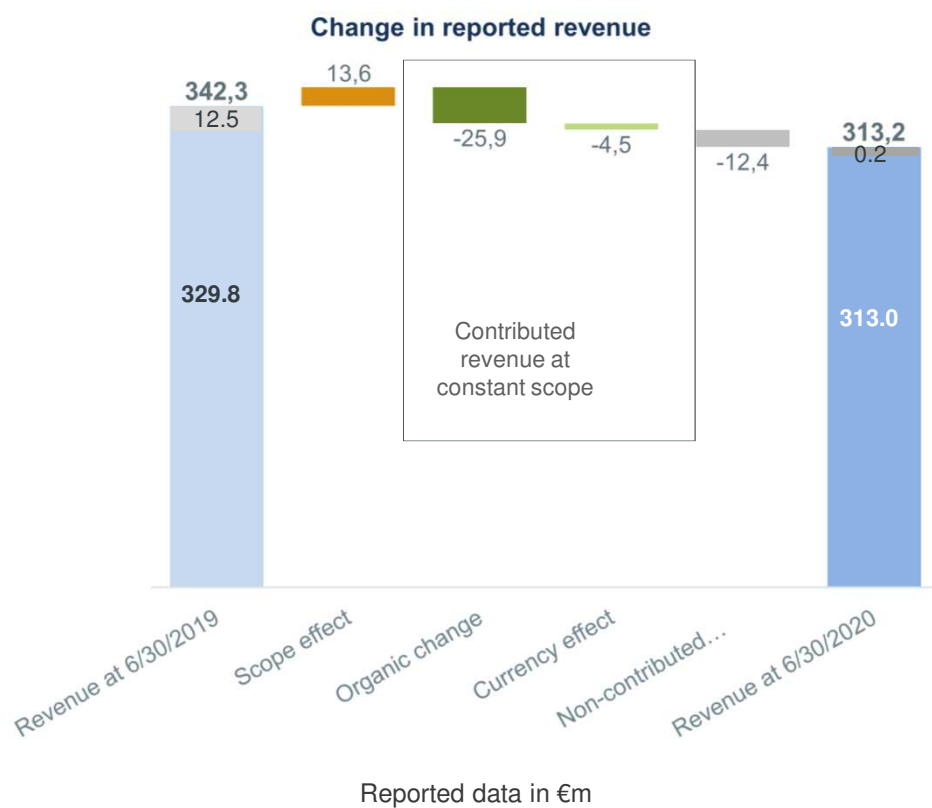




Consolidated financial statements at June 30, 2020

Contributed revenue down slightly: -5%

Contrasting trends between different activities and regions



Contributed revenue: €313.0m (vs. €329.8m at 6/30/2019)

- 5.1% (reported data)
- 8.0% (like-for-like*)

Differing activity trends

- Continuation of recovery and treatment activities (chemical purification and incineration)
- Decline in Services and certain treatment activities (final waste management)

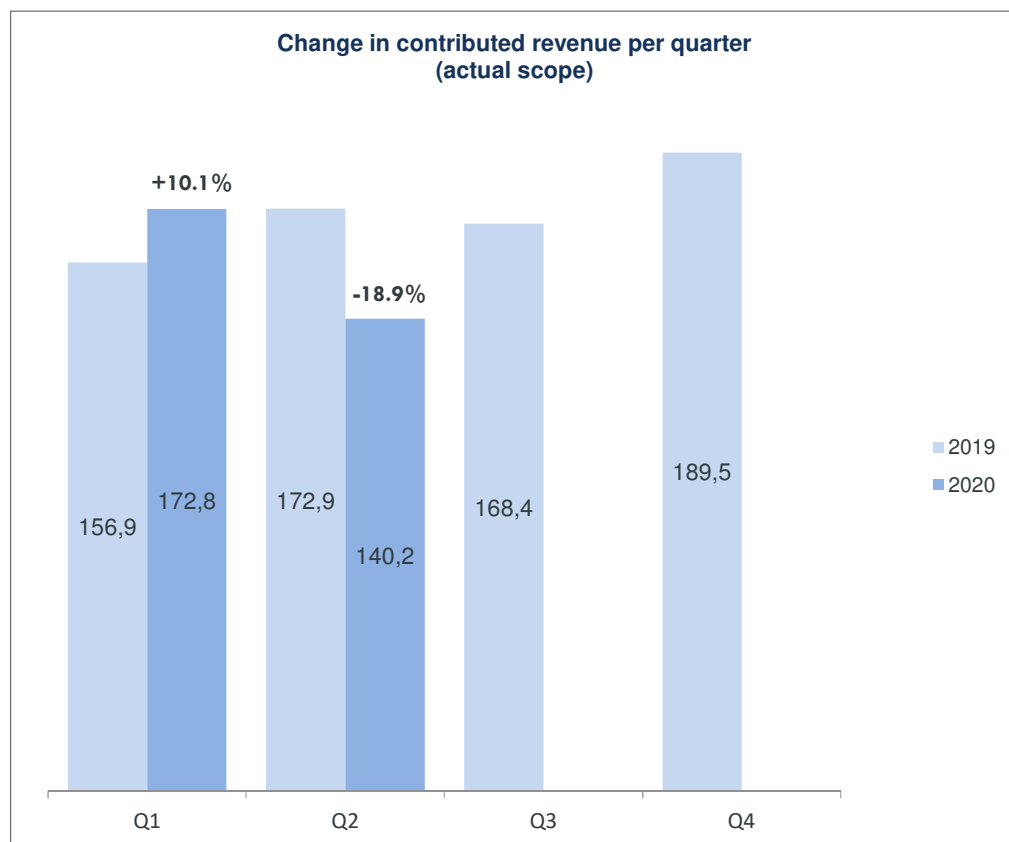
Contrast between geographic regions:

- More resilient business activity in France
- Significant currency effects in March 2020
 - ZAR (South Africa): -18% vs. Euro
 - CLP (Chile): -15% vs. Euro
 - PEN (Peru): -8% vs. Euro

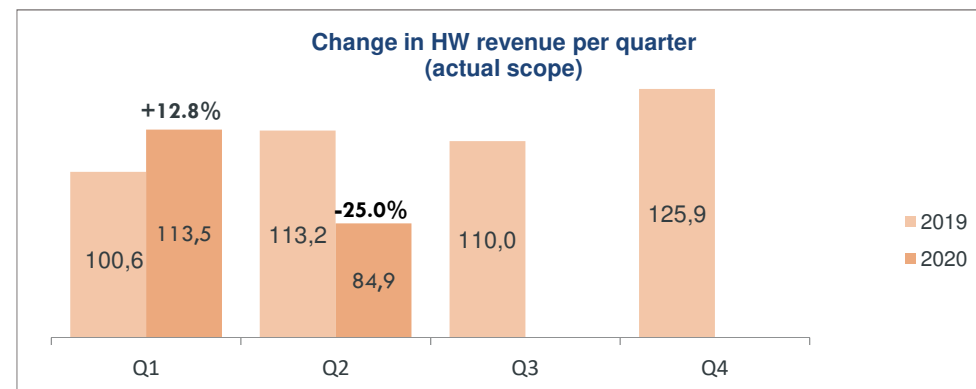
*At constant scope and exchange rates

Impact of the health crisis in Q2

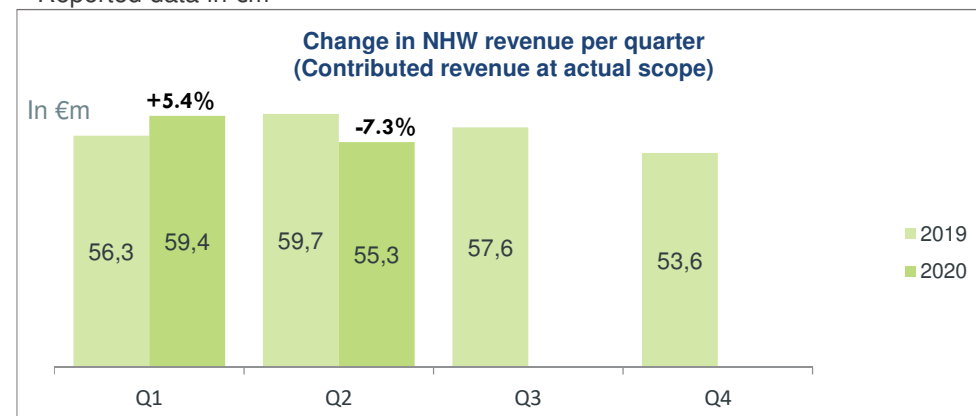
Differing trends between divisions



Reported data in €m



Reported data in €m



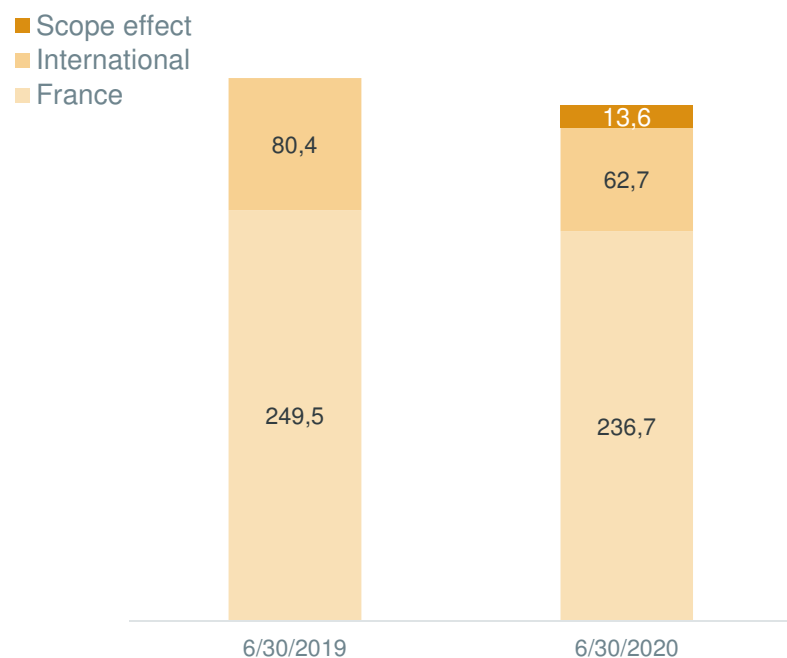
Reported data in €m

Differing trends between regions

Resilient markets in France

Contrasting situations internationally

Change in contributed revenue
per geographic scope



Reported data in €m

International: Revenue of €76.3m i.e. -5.0% (reported data)
-17.4% (like-for-like*)

- Scope effect: +€13.6m (contribution from Mecomer in Q1)
- Extremely negative currency effect: -€4.5m
- On a like-for-like basis*:
 - Sharp spot market decline: PCBs in LatAm, chemical cleaning sites (World)
 - Contrast between regions: cycle lags during the health crisis

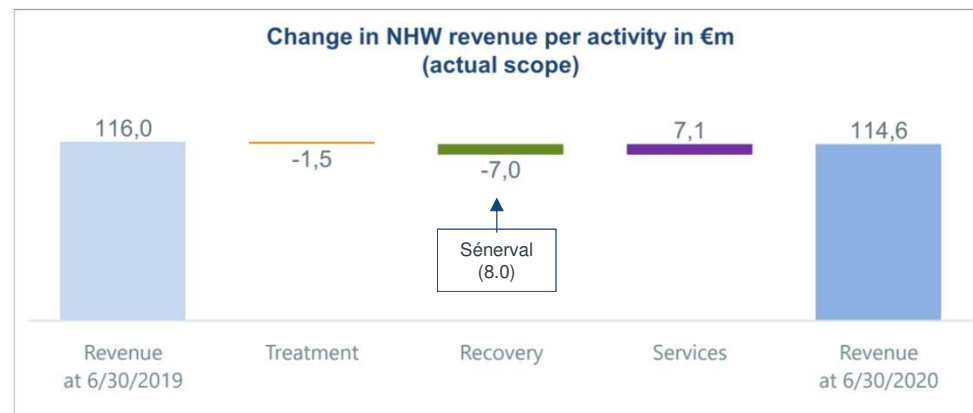
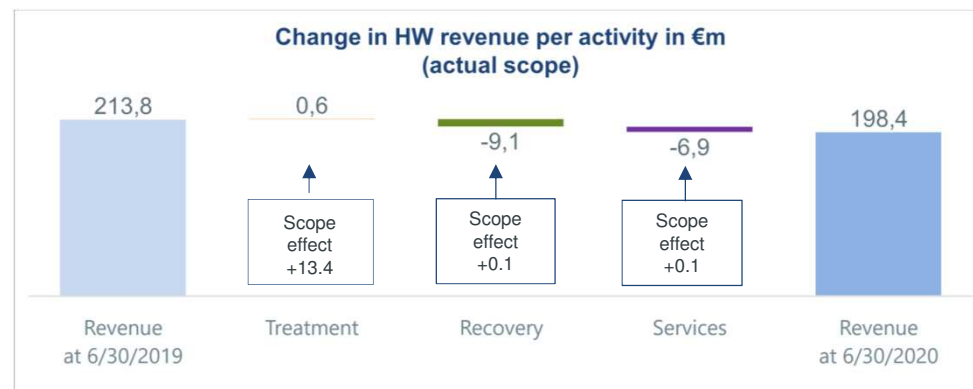
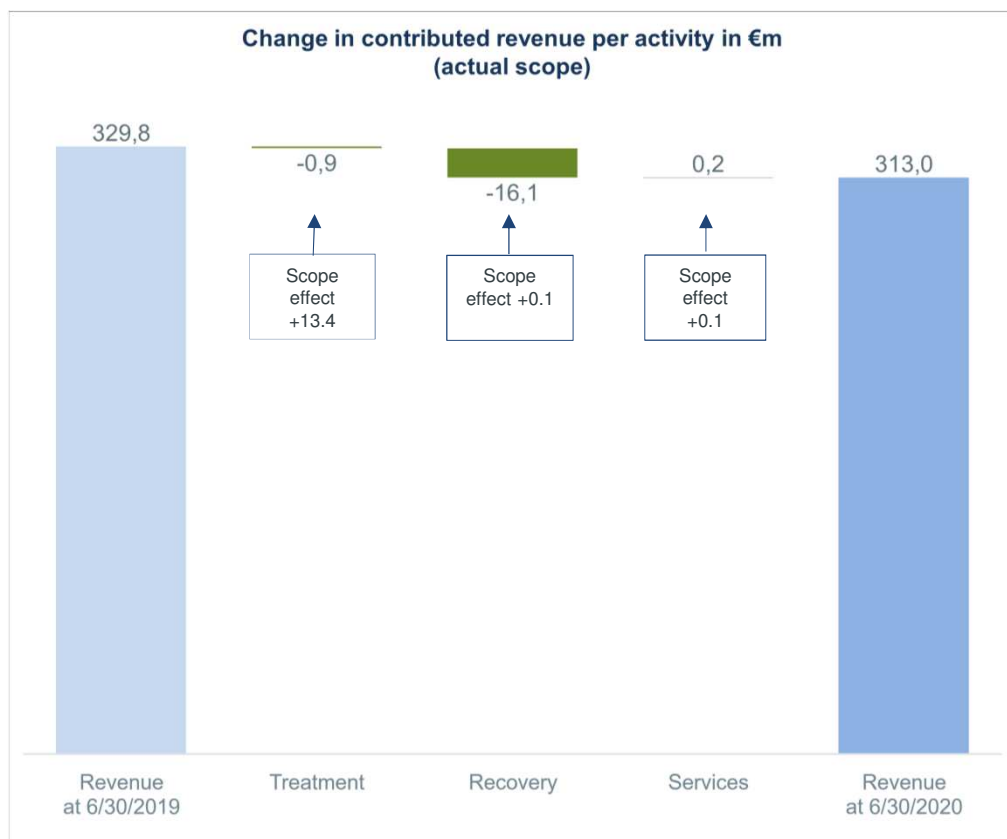
France: €236.7m in contributed revenue, or -5.1% (reported data)

- Treatment and recovery markets holding up well
 - Solid industrial markets driving material recovery and incineration (core clientèle) in the HW division
 - Local authority markets resilient by nature, underpinning treatment (household waste), but decline in WEA volume in the NHW division
- Sharp decline in Decontamination markets starting in March

*At constant scope and exchange rates

Change in activity mix / waste mix

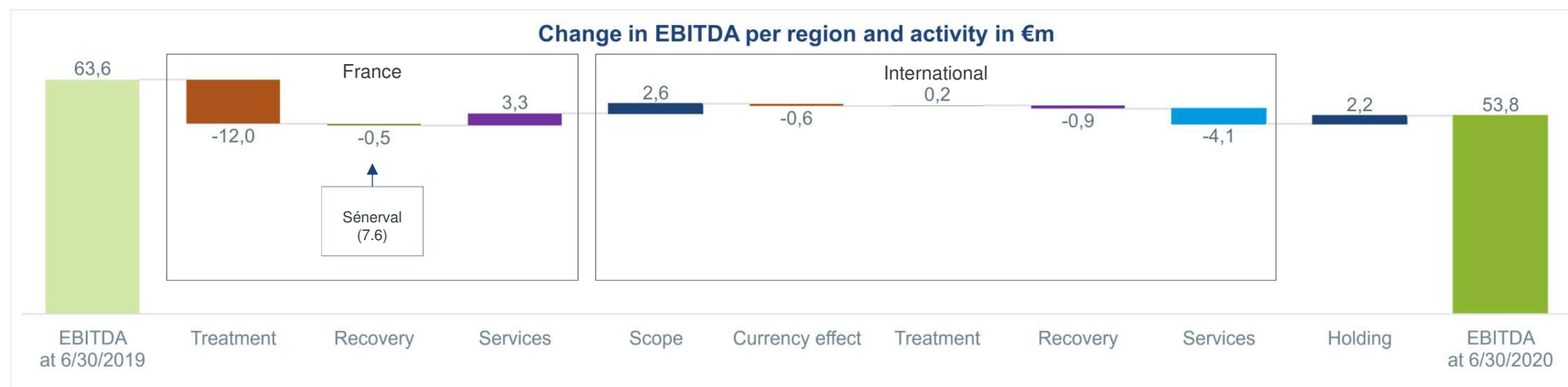
Solid performances from activities excluding recovery



Change in EBITDA by activity and region

Positive contribution from Mecomer

At June 30 In €m	2019			2020		
	Consolidated	France	Int'l.	Consolidated	France	Int'l.
Contributed revenue	329.8	249.5	80.4	313.0	236.7	76.3
EBITDA	63.6	49.4	14.2	53.8	42.3	11.5
<i>As a % of contributed revenue</i>	19.3%	19.8%	17.7%	17.2%	17.9%	15.1%

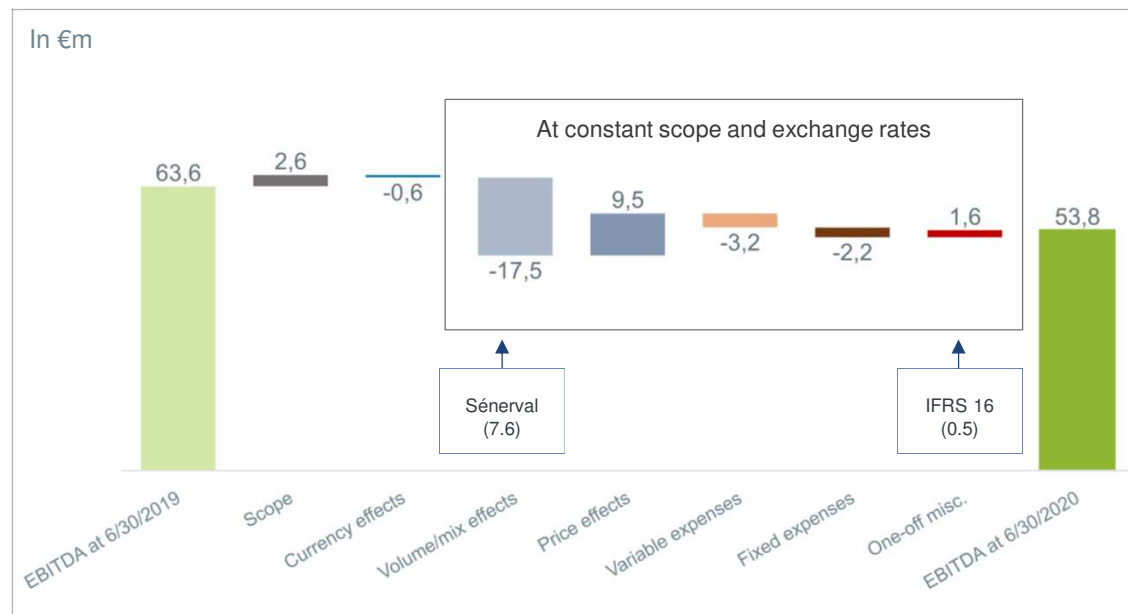


Change in EBITDA

One-off decline in energy recovery Limited impacts of the health crisis

EBITDA down -15.4% to €53.8m, i.e. 17.2% of contributed revenue (vs. 19.3% at 6/30/2019)

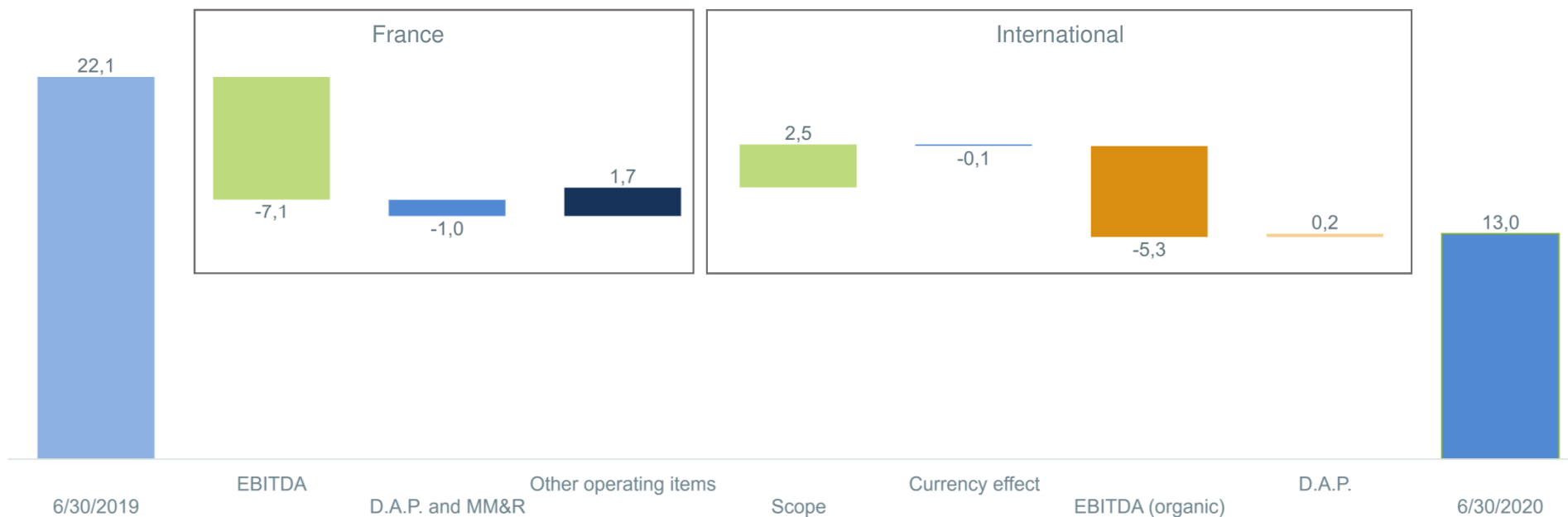
- Scope effect: +€2.6m
- Currency effect: €(0.6)m
- At constant scope and exchange rates:
 - Positive price effects
 - Lower contribution from recovery businesses, especially energy recovery
 - Impacts of the Covid-19 crisis:
 - Negative trading effects: lower volumes, activity/waste mix effects
 - One-off organizational costs



Change in COI

Depreciation, amortization and provisions under control

In €m

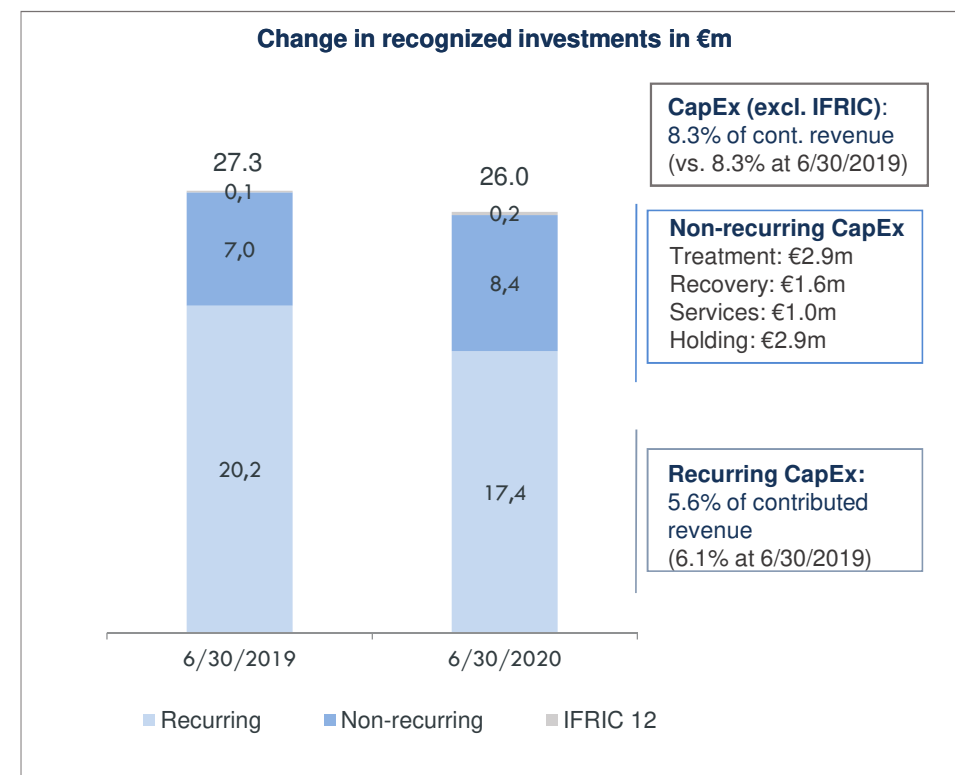
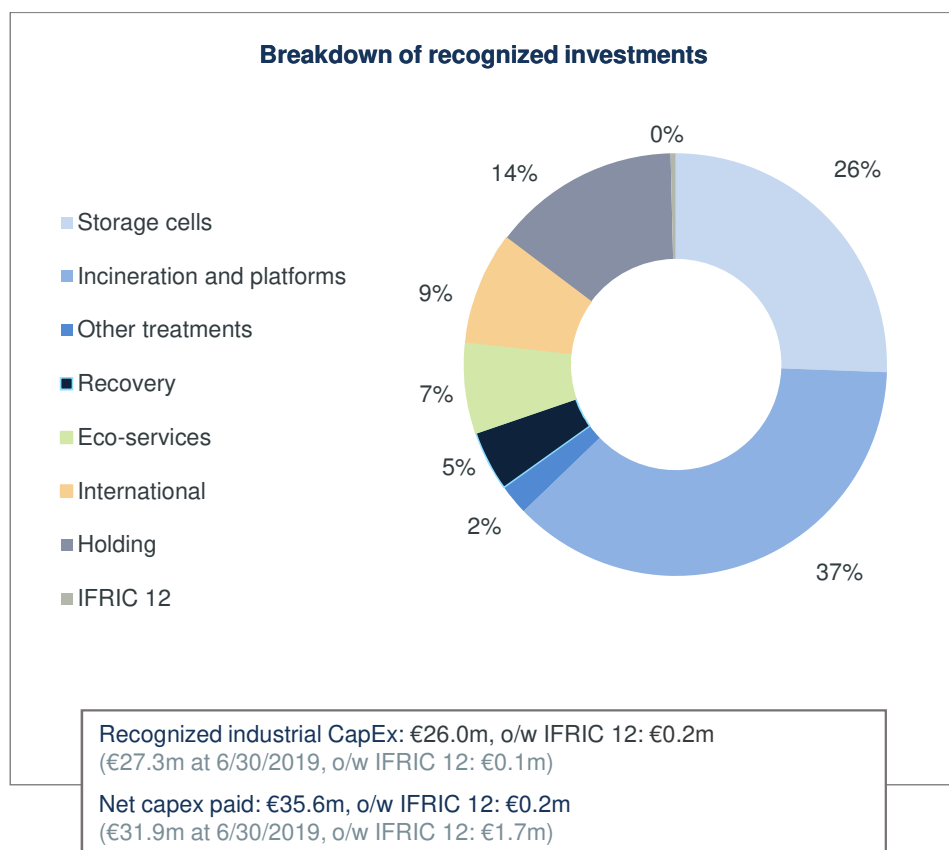


From Current Operating Income to Group net income

At June 30 In €m	2019	As a % of contributed revenue	2020	As a % of contributed revenue	Gross change
Current operating income	22.1	6.7%	13.0	4.1%	-41.2%
Operating income	21.6	6.6%	11.9	3.8%	-44.9%
Net financial income	(8.4)		(10.4)		
Income tax expense	(5.0)		(2.3)		
Companies accounted for by the equity method	(0.1)		0.0		
Minority interests	(0.5)		ns		
Net income (Group share)	7.6	2.3%	(0.9)	0.0%	ns

■ Change in Net Financial Income due to increased average Net Financial Debt over the period and to the forex charges of €(0.9)m vs. €0.1m at June 30,2020

Industrial investments under control Certain capex investments deferred



Agility

Generation of free cash flow maintained

In €m At June 30	2019	2020
EBITDA	63.6	53.8
Income and expenses calculated in EBITDA	0.1	(1.0)
Other current and non-current operating income and expenses	(0.4)	0.8
Costs of rehabilitation and maintenance on sites and disposed assets (incl. IFRIC 12)	(10.4)	(11.9)
Recurring operating cash flow	52.9	41.7
Net recurring CapEx paid (excl. IFRIC 12)	(17.7)	(19.2)
Change in WCR	8.2	31.7
Tax paid	(0.8)	(6.3)
Net interest payments	(7.6)	(8.5)
Free cash flow	35.0	39.4
Cash conversion rate (Free cash flow/EBITDA)	55%	73%

Flexibility

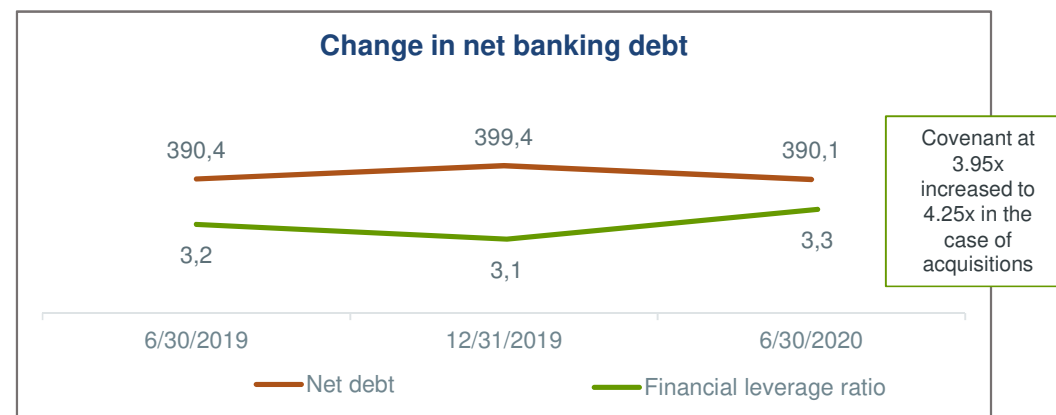
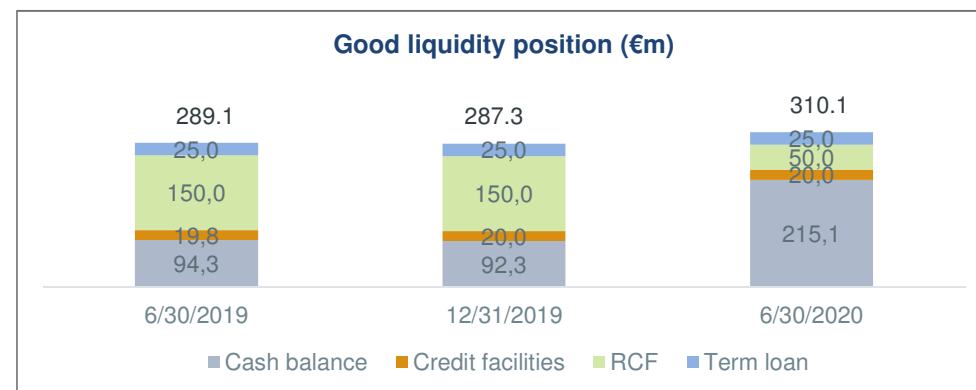
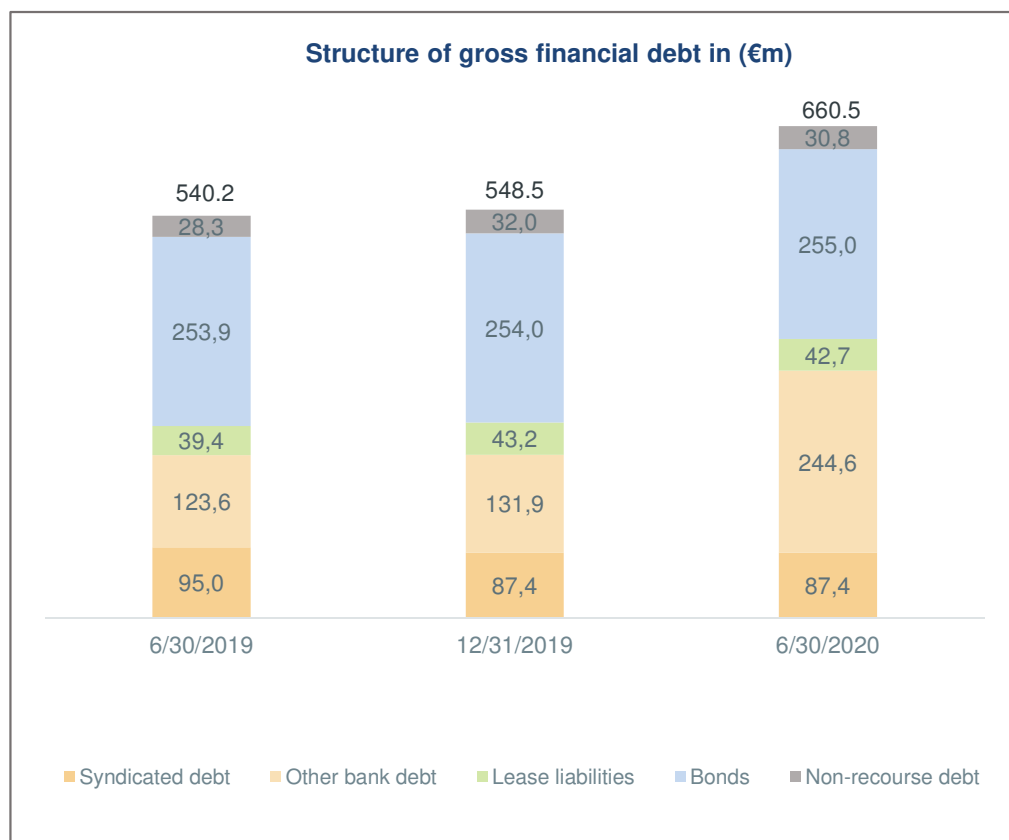
Stable net banking debt*



* Excluding certain debts, including non-recourse debt and the impacts of IFRS 16

Liquidity

Liquidity position maintained Financial leverage under control



2020 outlook confirmed

A solid second half



Business

- **France**
 - Sharp rebound in volumes
 - Recovery of Services activities (worksites)
 - Improved contribution of energy recovery
- **International:**
 - Europe: contribution from Mecomer
 - South Africa: return to normal economic performance
 - LatAm: return to growth expected at the end of the year
 - Rest of the World (Solarca): return to normal activity at the end of H2



Operating results

- **EBITDA** between 19% and 20% of contributed revenue
 - **France:** sharp increase in EBITDA in H2 vs. H1
 - **International:** lower contribution from South Africa (currency effects) offset by Mecomer
- **COI:**
 - Trend reflecting the growth in EBITDA
 - Stable depreciation, amortization and provisions



Capital structure

- **Industrial capex** under control at between €65m and €70m
- **Liquidity:** free cash flow target of above 35% of EBITDA
- **Flexibility:** leverage target stable at 3.3x with a target to return to around 3.0x as of 2021*

*At constant scope and exchange rates



Appendices

Appendix 1

Definition of contributed revenue

In €m at June 30	2019	2020
Revenue (reported)	342.3	313.2
<i>IFRIC 12 revenue</i>	<i>0.0</i>	<i>0.2</i>
<i>Compensation</i>	<i>12.5</i>	<i>0.0</i>
Contributed revenue	329.8	313.0

- IFRIC 12 revenue: investments made for disposed assets and booked as revenue in accordance with IFRIC 12
- Damages: damages and compensation paid to Sénerval, net of variable cost savings, to cover operating losses sustained by Sénerval during the asbestos removal work and/or costs incurred to ensure public service continuity

Appendix 2

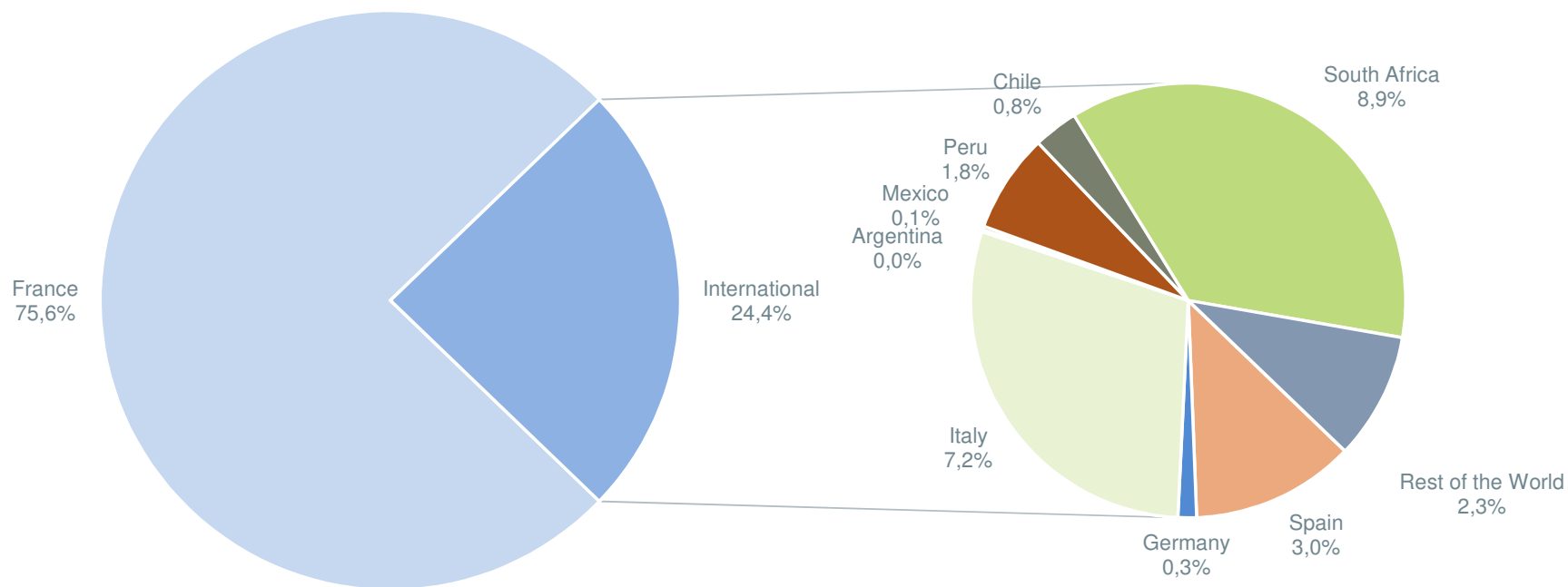
Breakdown of scope effect by activity and division

At 6/30/2020 in €m

Mecomer (Q1 2020)	HW division	NHW division	Total
Treatment	13.4	0.0	13.4
Recovery	0.1	0.0	0.1
Services	0.1	0.0	0.1
Total	13.6	0.0	13.6

Appendix 3

Contributed revenue by geographic area

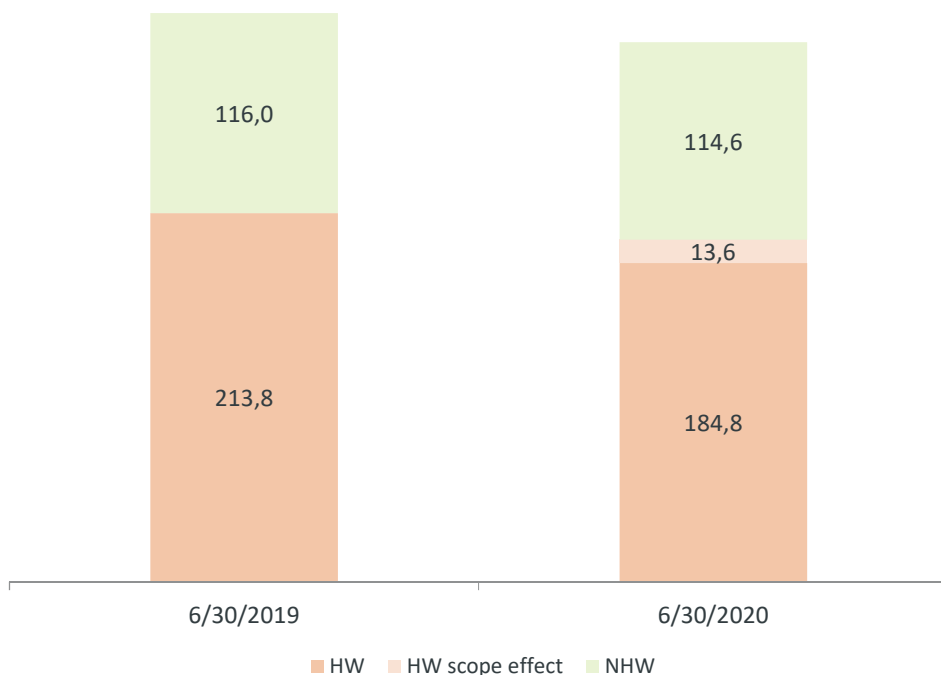


Breakdown of contributed revenue at 6/30/2019

Appendix 4

Breakdown of contributed revenue by division

Reported data in €m



NHW division: Contributed revenue of €114.6m (vs. €116.0m at 6/30/2019) i.e. +0.1% (reported data) and +1.1% (like-for-like*)

■ On a like-for-like basis:

- Treatment: -1.8% to €62.6m - Resilient volumes
- Recovery: -32.3% to €14.6m - Sharp decline in energy recovery (Sénerval revenue down €5.5m)
- Services: +23.5% to €37.4m – Momentum at Interwaste

HW division: Revenue €198.4m (vs. €213.8m at 6/30/2019) i.e. -7.2% (reported data) and -12.2% (like-for-like*)

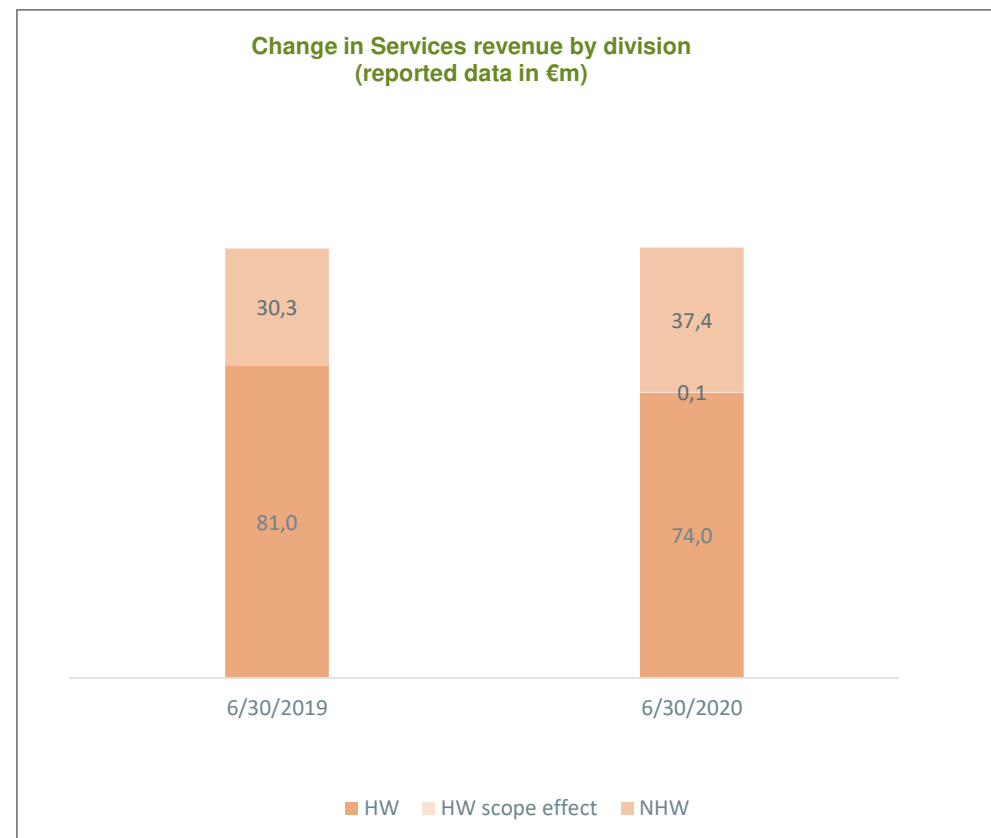
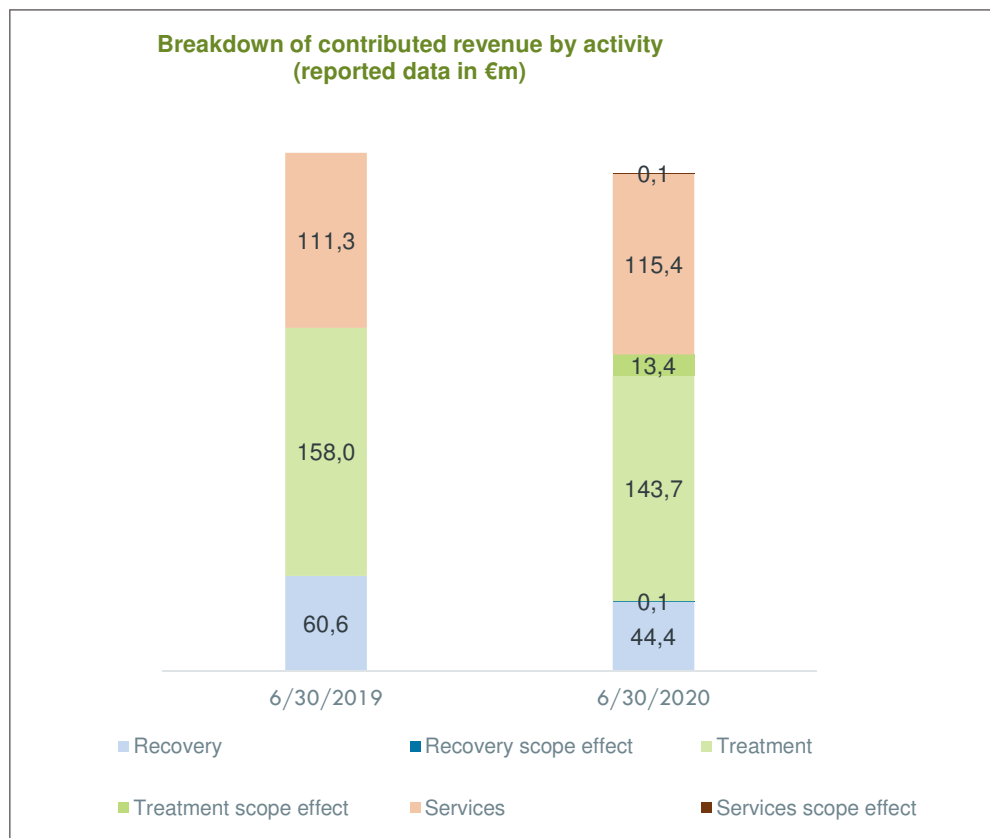
■ On a like-for-like basis*:

- Treatment: -12.8% to €81.1m - Sharp decline in LatAm
- Recovery: -22.7% to €29.7m – PCB markets declining (LatAm)
- Services: -6.6% to €74.0m – Shutdown of worksites in France and abroad

* At constant scope and exchange rates

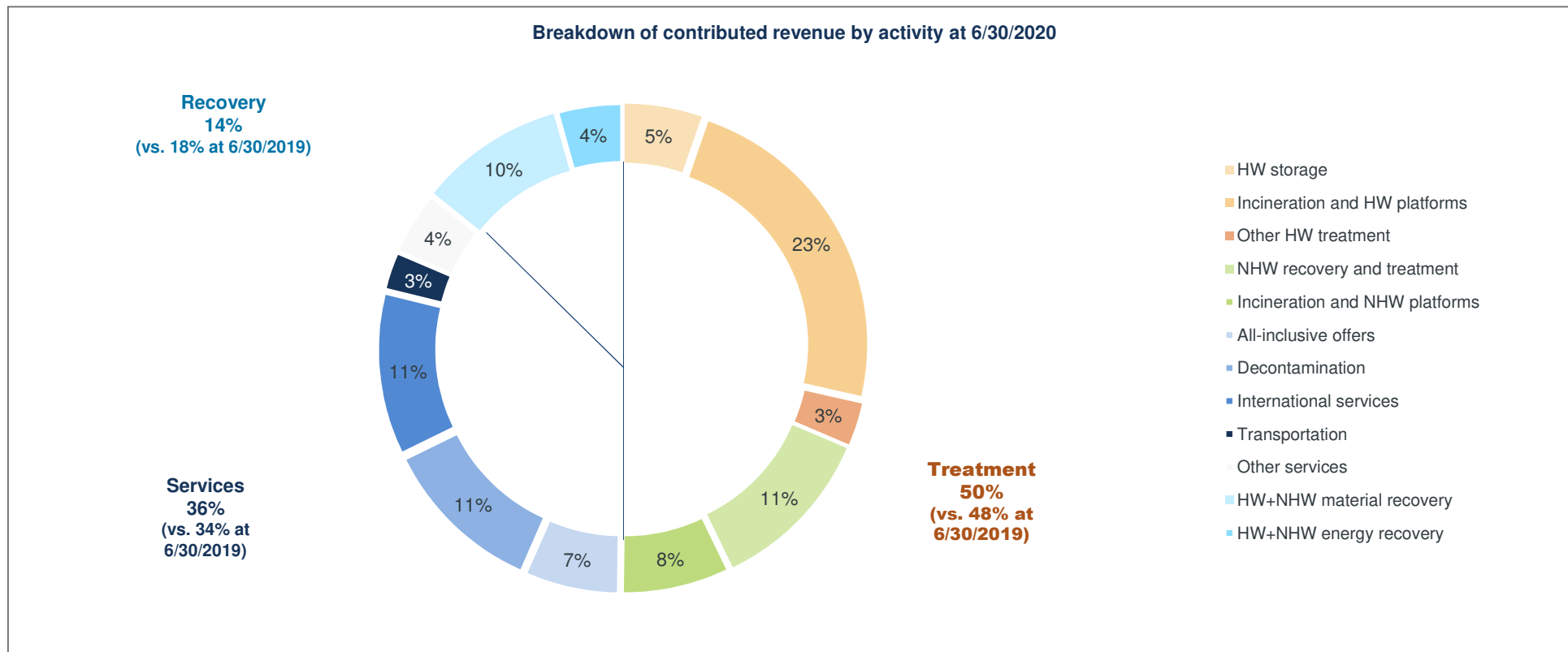
Appendix 5

Change in contributed revenue by activity



Appendix 6

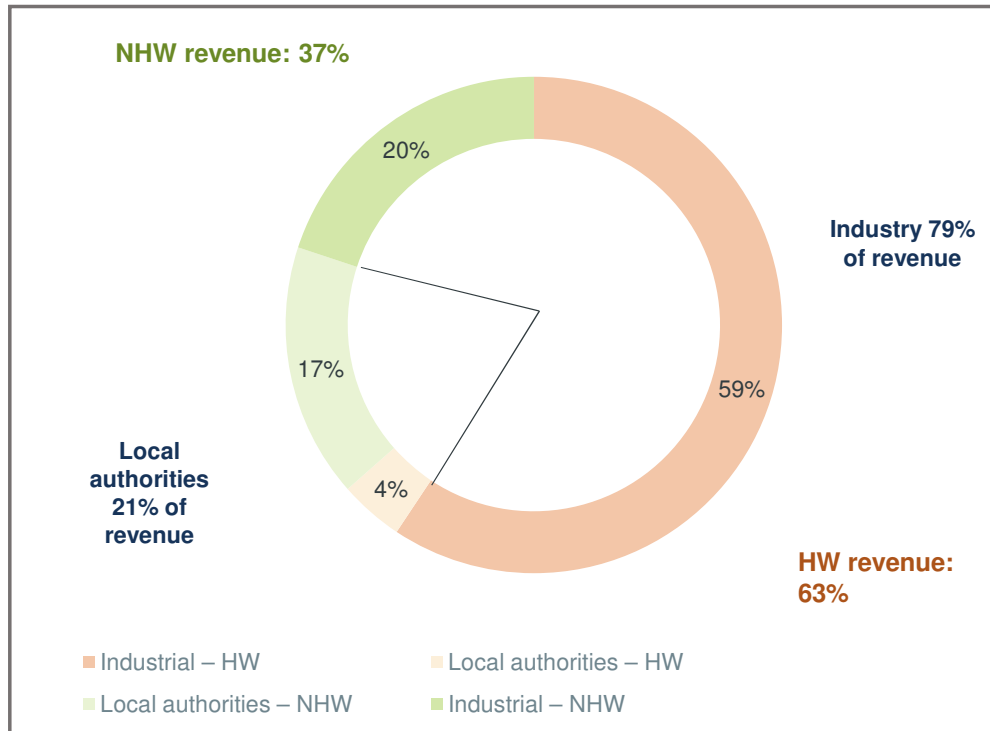
Breakdown of contributed revenue by activity



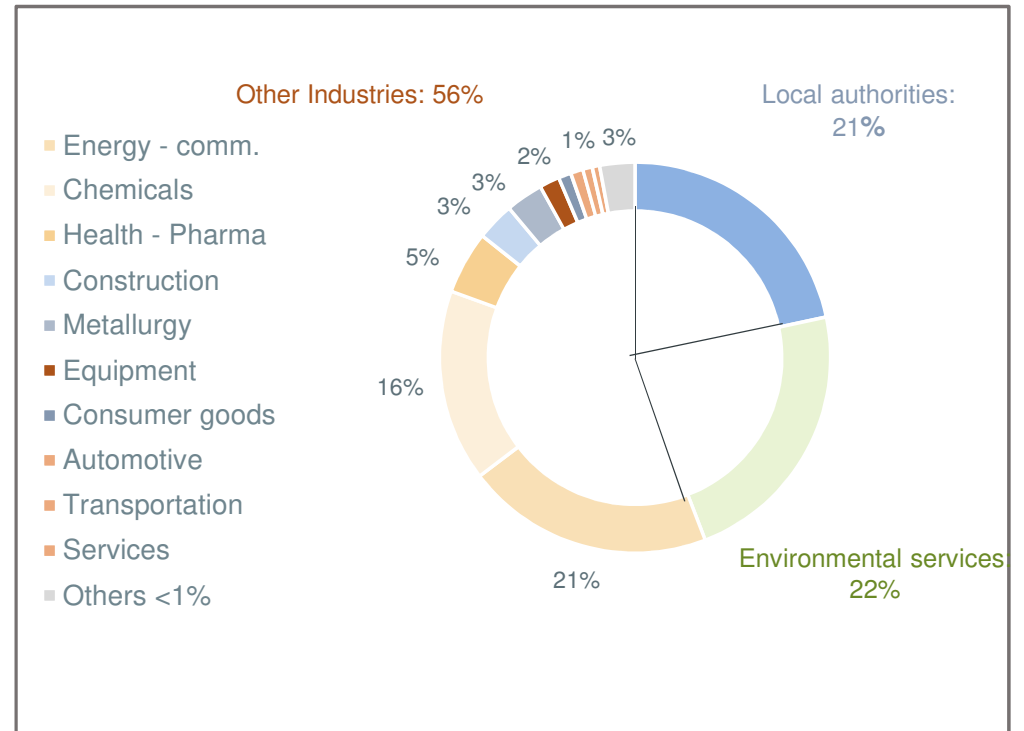
Appendix 7

Breakdown of contributed revenue by client

Breakdown of contributed revenue by division and client at 6/30/2020



Breakdown of contributed revenue by sector of activity at 6/30/2020



Appendix 8

Operating income by region

At June 30	2019			2020		
	Consolidated	France	International	Consolidated	France	International
Contributed revenue	329.8	249.5	80.4	313.0	236.7	76.3
EBITDA	63.6	49.4	14.2	53.8	42.3	11.5
<i>As a % of revenues</i>	<i>19.3%</i>	<i>19.8%</i>	<i>17.7%</i>	<i>17.2%</i>	<i>17.9%</i>	<i>15.1%</i>
COI	22.1	15.0	7.1	13.0	11.0	2.0
<i>As a % of revenues</i>	<i>6.7%</i>	<i>6.0%</i>	<i>8.8%</i>	<i>4.4%</i>	<i>4.7%</i>	<i>2.6%</i>

Appendix 9

Change in Operating Income

At June 30	2019		2020		Change change
	€m	% of contributed revenue	€m	% of contributed revenue	
Contributed revenue	329.8		313.0		-5.1%
EBITDA	63.6	19.3%	53.8	17.2%	-15.4%
COI	22.1	6.7%	13.0	4.4%	-41.2%
Operating income	21.6	6.6%	11.9	3.8%	-44.9%

- Operating income at €11.9m, i.e. 3.8% of contributed revenue (vs. €21.6m, i.e. 6.6% of contributed revenue as of 6/30/2019)
 - Changes in COI: €(9.1)m
 - Losses on investments in subsidiaries €(0.6)m

Appendix 10

Change in net financial income

At June 30	2019	2020
Cost of gross financial debt	(8.2)	(8.8)
Income from cash and cash equivalents	0.3	0.2
Other financial income and expenses	(0.6)	(1.8)
Financial income	(8.4)	(10.4)

- Change in the gross cost of debt
 - Average cost of gross debt at 2.91% (vs. 3.07% in H1 2019)
 - Increase in average gross debt over the period

- Other financial income and expenses, including:
 - Net income on sales of financial fixed assets: €(1.0)m
 - Impact of currency fluctuations: €(0.9)m
 - Discounting of 30-year provisions: €(0.7)m
 - Impairment of equity instruments: €0.9m

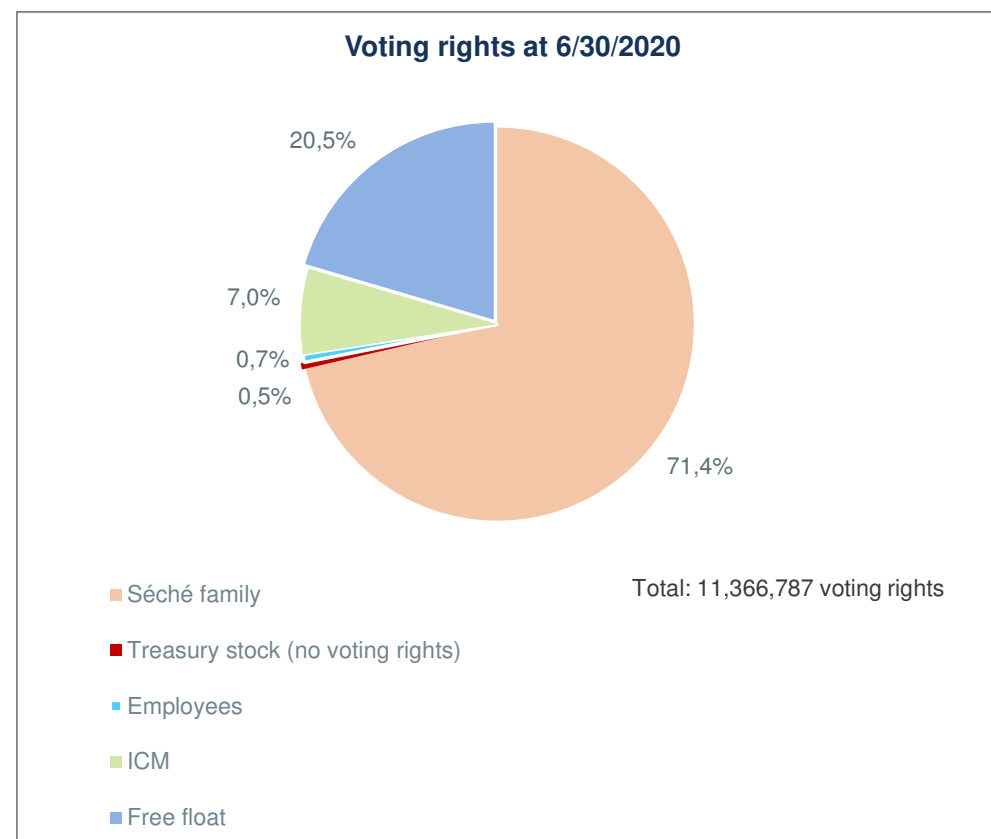
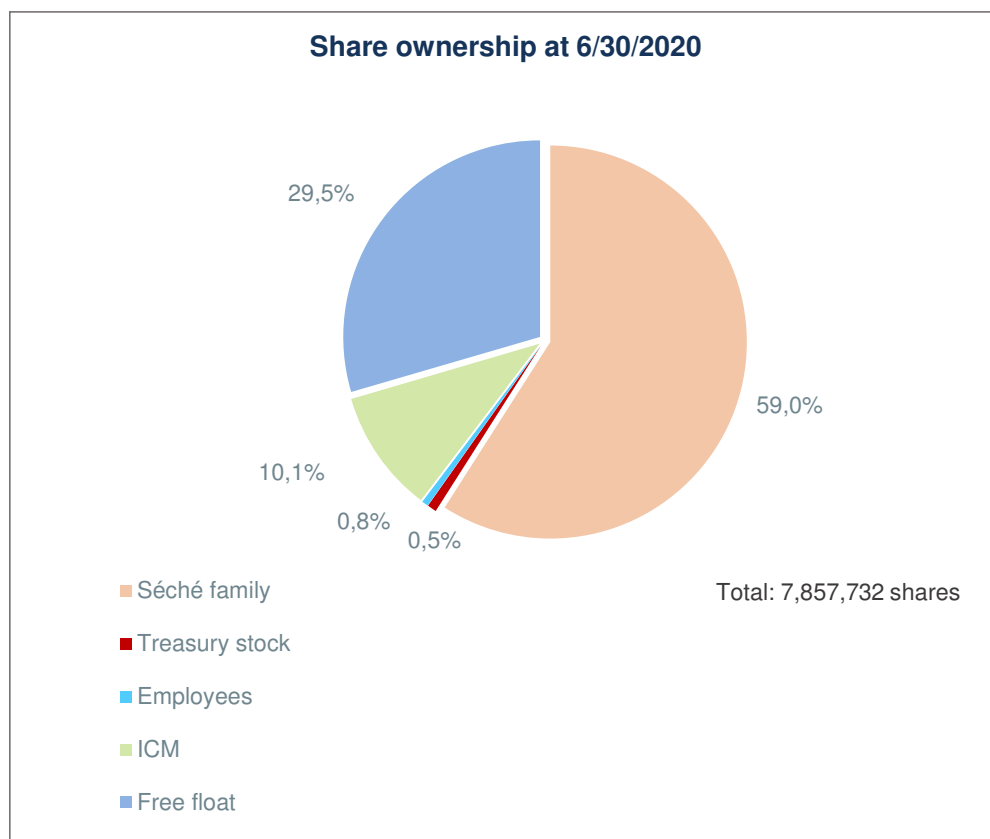
Appendix 11

From gross financial debt under IFRS to net bank debt

In €m at June 30	2019	2020
Gross bank debt (IFRS)	540.2	660.6
Cash and cash equivalents	94.3	215.1
Net financial debt under IFRS	445.9	445.4
Non-recourse debt and other miscellaneous debt	51.2	50.3
Finance leases (impact of IFRS 16)	4.3	5.1
Net financial debt (banking debt)	390.4	390.1
Financial leverage ratio	3.2x	3.3x

Appendix 12

Breakdown of shareholders and voting rights



Appendix 13

An extensive Network to provide Local Solutions



Appendix 14

International Expansion: a Global Response Capacity





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