



European Rising **Tech**  
LABEL

## **Q3 2021 activity: Contributed revenue +14%**

**Spill Tech provided a solid contribution**

**Solid business and favorable environment within main markets  
with organic growth of +6%**

## **Business targets confirmed for 2021**

*Séché is bringing forward its communication relating to its Q3 revenue in order to respect the equality of information between shareholders and creditors in the context of a potential refinancing in the debt capital markets.*

**Q3 2021 activity confirms Séché's growth momentum at work for one year in its main markets and reinforces the Company's confidence in its 2021 revenue targets.**

With contributed revenue<sup>1</sup> of €183.4 million for the third quarter of 2021—up 14.1% compared to Q3 2020—Séché demonstrates its ability to benefit in the long-term from a normalized and well-oriented economy, particularly in its industrial markets, in France and in the Group's main geographies. Spill Tech contributed €13.5 million to Q3 revenue - this sound performance reflects the successful integration of this subsidiary acquired at the beginning of 2021 and the continuation of its growth momentum at the heart of buoyant markets.

At constant scope and exchange rates, the Group's business grew 5.5% compared to Q3 2020 (and 7.2% compared to the same period in 2019), reflecting the high-level of activity in the recovery and treatment business lines for the last year, in France and in most areas where the Group has an international presence.

In the first 9 months of 2021, contributed revenue amounted to €538.1 million, up 16.9% compared to the first 9 months of 2020. €24.6 million of the increase corresponds to the strong contribution of Spill Tech, a South African subsidiary acquired at the start of the year and included in the consolidation scope from March 1, 2021.

At constant scope and exchange rates, contributed revenue over the first 9 months of 2021 grew by 11.4% (and 13.7% compared to the first 9 months of 2019), evidence of the Group's ongoing growth phase in its main markets within the recovery and treatment sectors in France and abroad.

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<sup>1</sup> See Appendix 1: "Definition of contributed revenue"

Consolidated data in €m

| At September 30                | 2020 reported | 2020 restated <sup>2</sup> | 2021         | Gross change  | Organic change |
|--------------------------------|---------------|----------------------------|--------------|---------------|----------------|
| Haz. Waste division            | 299.8         | 295.4                      | 350.1        | +18.5%        | +10.7%         |
| Non-Haz. Waste division        | 182.3         | 165.1                      | 188.0        | +13.8%        | +12.8%         |
| <b>Contributed revenue</b>     | <b>482.1</b>  | <b>460.5</b>               | <b>538.1</b> | <b>+16.9%</b> | <b>+11.4%</b>  |
| <i>Non-contributed revenue</i> | <i>0.4</i>    | <i>22.0</i>                | <i>41.5</i>  | -             | -              |
| Reported revenue               | 482.5         | 482.5                      | 579.6        | +20.1%        | +15.0%         |

As of September 30, 2020, contributing revenue at constant scope and exchange rates amounted to €460.8 million, showing a positive currency effect of €0.3 million over the period.

The favorable figures for Q3 2021 reinforce Séché's confidence in its ability to achieve its FY 2021 revenue targets.<sup>3</sup>

## Commentary on business in the third quarter of 2021

Séché reported consolidated revenue of €197.1 million for the third quarter of 2021, up from €169.3 million in the same period in 2020. Restated for IFRIC 12 revenue and TGAP<sup>4</sup>, the contributed turnover amounted to €183.4 million in the third quarter of 2021 compared to €160.8 million the same period in 2020, marking an increase of 14.1% over the period. This increase includes a scope effect of €13.5 million, corresponding Spill Tech's sound contribution in Q3 2021.

At constant scope and exchange rates, the business grew by 5.5% in Q3 2021 compared to the same period in 2020.

### Breakdown by geographic scope

Consolidated data in €m

| Q3                             | 2020 reported | 2020 restated <sup>2</sup> | 2021         | Gross change  | Organic change |
|--------------------------------|---------------|----------------------------|--------------|---------------|----------------|
| France subsidiaries            | 130.3         | 122.0                      | 128.1        | +5.0%         | +5.0%          |
| International subsidiaries     | 38.8          | 38.8                       | 55.3         | +42.5%        | +6.9%          |
| <b>Contributed revenue</b>     | <b>169.1</b>  | <b>160.8</b>               | <b>183.4</b> | <b>+14.1%</b> | <b>+5.5%</b>   |
| <i>Non-contributed revenue</i> | <i>0.2</i>    | <i>8.5</i>                 | <i>13.7</i>  | -             | -              |
| Reported revenue               | 169.3         | 169.3                      | 197.1        | +16.4%        | +8.3%          |

Contributed revenue for Q3 2020 at constant exchange rates would have amounted to €161.1 million, for a positive currency effect of €0.3 million over the period.

<sup>2</sup> Without TGAP: see Appendix 1 "Definition of contributed revenue"

<sup>3</sup> See press release from September 13, 2021

<sup>4</sup> See Appendix 1: "Definition of contributed revenue"

In Q3 2021:

- ▶ The Group's French subsidiaries continued to grow, supported by solid industrial markets and by the implementation of regulations related to the circular economy.

Both business lines saw a solid business performance, particularly within the recovery and waste treatment activities, and contributed to growth, with the Hazardous Waste division up 4.9% to €78.6 million, and the Non-Hazardous Waste division up 5.2% to €49.6 million.

- ▶ At the international level, Spill Tech contributed solidly in the amount of €13.5 million over the period.

At constant scope and exchange rates, international growth reached 6.9% at €41.8 million, thus masking a contrasted evolution between the two business lines, with a 18.9% organic growth in the Hazardous Waste division and an occasional and not-significant drop of 13.7% to €12.4 million in the Non-hazardous Waste division.

### Analysis by division

Consolidated data in €m

| Q3                             | 2020<br>reported | 2020<br>restated <sup>2</sup> | 2021         | Gross<br>change | Organic<br>change |
|--------------------------------|------------------|-------------------------------|--------------|-----------------|-------------------|
| Haz. Waste                     | 101.4            | 99.9                          | 121.4        | +21.5%          | +8.4%             |
| Non-Haz. Waste                 | 67.7             | 60.9                          | 62.0         | + 1.8%          | +0.8%             |
| <b>Contributed revenue</b>     | <b>169.1</b>     | <b>160.8</b>                  | <b>183.4</b> | <b>+14.1%</b>   | <b>+5.5%</b>      |
| <i>Non-contributed revenue</i> | <i>0.2</i>       | <i>8.5</i>                    | <i>13.7</i>  | -               | -                 |
| Reported revenue               | 169.3            | 169.3                         | 197.1        | +16.4%          | +8.3%             |

Business during Q3 2021 was supported by the Hazardous Waste division benefited from a favorable context in France and around the world, while performance of the Non-Hazardous Waste division was limited by the occasional lower contribution from international business:

- ▶ The Hazardous Waste division posted revenue of €121.4 million—an increase of 21.5% (gross variation) over Q3 2020. The figures include a scope effect of €13.5 million related to the integration of Spill Tech.

Over the period, at constant scope and exchange rates, the division's growth reflects:

- In France (up 4.9% to €78.6 million), the good performance of the markets in connection with the high level of industrial production.
- Internationally (up 18,9% to €29.4 million), of the dynamism of the treatment and recovery businesses in Europe (Mecomer, UTM).

- ▶ The Non-Hazardous Waste division achieved revenue of €62.0 million, stable compared to Q3 2020 (up 0.8% at constant exchange rates):

- In France, with contributed revenue of €49.6 million, up 5.2% compared to Q3 2020, the division has fully benefited from positive effects linked to the solid performance of industrial markets and the implementation of the circular economy with strong growth in recovery activities (up 18.0%).
- Internationally, the decline in the sector (to €12.4 million or -13.7% at constant scope and exchange rates) mainly reflects the occasional lower performance of the Non-Hazardous Waste business in South Africa.

## Analysis by activity

Consolidated data in €m

| Q3                             | 2020 reported | 2020 restated <sup>2</sup> | 2021         | Gross change  | Organic change |
|--------------------------------|---------------|----------------------------|--------------|---------------|----------------|
| Treatment                      | 84.4          | 76.4                       | 84.0         | +10.0%        | +10.4%         |
| Recovery                       | 18.8          | 18.8                       | 20.4         | + 8.4%        | + 8.3%         |
| Services                       | 65.9          | 65.6                       | 79.1         | +20.6%        | - 0.9%         |
| <b>Contributed revenue</b>     | <b>169.1</b>  | <b>160.8</b>               | <b>183.4</b> | <b>+14.1%</b> | <b>+ 5.5%</b>  |
| <i>Non-contributed revenue</i> | <i>0.2</i>    | <i>8.5</i>                 | <i>13.7</i>  | -             | -              |
| Reported revenue               | 169.3         | 169.3                      | 197.1        | +16.4%        | + 8.3%         |

During Q3 2021, organic growth in France and abroad was driven by the recovery and treatment businesses:

- ▶ The treatment business has been buoyed in France by the positive effects of regulations linked to the implementation of the circular economy, particularly within the Non-Hazardous Waste division, and in Europe by solid industrial production.
- ▶ The recovery business benefited from a high level of activity in France both within the Non-Hazardous Waste division (up 16.1% linked to the good performance of energy recovery) and the Hazardous Waste division (up 22.0% in material recovery—chemical purification and solvent regeneration).
- ▶ Service activities are stable, showing a slight decline in France (down 3.3% -spot markets-) while International activities (up 4.4%) benefited from the high level of Interwaste activity in South Africa (up 8.1% at constant exchange rates, at €17.0 million).

## Business targets confirmed for the fiscal year 2021

The trends for the first 9 months of the fiscal year confirm Séché's expectations for the current fiscal year with 2021 contributed revenue is expected to approach €750 million at constant scope and including TGAP (expected to be approximately €45 million).

## Investor Day

Séché will present its extra-financial objectives, in particular its de-carbonation strategy, as well as its medium-term financial trajectory, on the Investor Day to be held on December 14, 2021.

### Conference call

A conference call to comment on the Q3 2021 activity will be held, in French only,  
on **October 25, 2021 at 8:30 a.m.** (CET).

**To participate in the conference, dial +33 (0)1 70 71 01 59 - Code: 61 67 40 69 #**

Presentation materials will be available on the Séché website at 8:00 am (CET) on October 25:

<https://www.groupe-seche.com/en/investors/home>

To replay the conference, dial **+33 (0)1 72 72 74 02**– Code: **42 50 14 178 #**

## Upcoming events

Investor Day  
Consolidated results as of December 31, 2021

December 14, 2021  
March 8, 2022

### About Séché Environnement

Séché Environnement is the leader in the treatment and recovery of all types of waste including the most complex and hazardous waste, and decontamination, protecting the environment and health. Séché Environnement is a family-owned French industrial group that has supported industrial and regional ecology for over 35 years with innovative technology developed by its R&D team. It delivers its unique expertise on the ground in local regions, with more than 100 sites around the world, including around 40 industrial sites in France. With 4,600 employees, of which 2,000 in France, Séché Environnement has revenue of about €700 million, of which 23% is earned internationally, driven by internal and external growth momentum via its many acquisitions. Thanks to its expertise in creating circular economy loops, the treatment of pollutants and greenhouse gases, and hazard containment, the Group directly contributes to the protection of the living world and biodiversity – an area it has actively supported since its creation.

Séché Environnement has been listed on Eurolist by Euronext (Compartment B) since November 27, 1997. It is eligible for equity savings funds dedicated to investing in SMEs and is included in the CAC Mid&Small, EnterNext Tech 40 and EnterNext PEA-PME 150 indexes. ISIN: FR 0000039139 – Bloomberg: SCHP.FP – Reuters: CCHE.PA



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## Appendix 1

### Definition of contributed revenue

| In €m                      | 2020 presentation |              | 2021 presentation |              |              |              |
|----------------------------|-------------------|--------------|-------------------|--------------|--------------|--------------|
|                            | Q3 2020           | 9m 2020      | Q3 2020           | 9m 2020      | Q3 2021      | 9m 2021      |
| Reported revenue           | 169.3             | 482.5        | 169.3             | 482.5        | 197.1        | 579.6        |
| IFRIC 12 revenue           | 0.2               | 0.4          | 0.2               | 0.4          | 2.1          | 7.0          |
| TGAP                       | 8.3               | 21.6         | 8.3               | 21.6         | 11.6         | 34.5         |
| <b>Contributed revenue</b> | <b>169.1</b>      | <b>482.1</b> | <b>160.8</b>      | <b>460.5</b> | <b>183.4</b> | <b>538.1</b> |

#### Definitions

**IFRIC 12 revenue:** investments made for disposed assets, billed back to the Licensor and booked as revenue in accordance with IFRIC 12

**TGAP:** General Tax on Polluting Activities paid by the waste producer and collected on behalf of the State by the treatment operators. This tax is paid to the State with no impact on operating margins.

Its projected change between 2021 and 2025, which is both very significant and very differentiated depending on the business lines and types of processing, will lead to the recognition, in reported revenue, of:

- Non-economic revenue resulting from a significant increase in the amount of tax collected, particularly within the Non-Haz. Waste division.
- Different changes between activities, which are not representative of their economic changes, particularly in the treatment business lines (incineration and storage of ultimate waste (see Appendix 2).

This change has no impact on operating margins, particularly EBITDA.

Its restatement in non-contributed revenue is also neutral in terms of operating margins.