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PRESS RELEASE



European **Rising Tech**
LABEL

**First-quarter 2022 revenue
up sharply: +21.3%**

Sustained organic growth: +13.7%

Solid markets in France: +6.9%

Strong international growth: +29.5%

2022 business targets confirmed

The first quarter of 2022 confirmed Séché Environnement's good level of activity in all of its business lines and in all regions where the Group operates.

In France and internationally as well, the Group is fully benefiting from its positioning on the promising markets of the circular economy and decarbonization of the economy, while its services activities respond to the growing problems faced by its industrial and local authorities customers for management of their environmental impacts in France and internationally.

This good start to the year confirms the Group's expectations for 2022.

As of March 31, 2022, **contributed revenue**¹ stood at €209.1 million, representing an increase of +21.3% compared to the same period last year (€172.4 million).

At constant scope and exchange rates, contributed revenue rose sharply (+12.3%) reflecting a good level of activity across all regions, divisions and business lines.

Over the period, France (contributed revenue up +6.9% at constant scope) confirmed the solidity of its industrial and local authorities markets, underpinned by the dynamic growth of the circular economy and the dynamic performance of services activities.

Internationally (revenue up 29.5% at constant scope and exchange rates), the Group also benefited from a good performance of its activities across all of its regions, while activity also saw significant "spot" operations in Q1 (decontamination and environmental emergency) which increased growth in South Africa and Peru.

Séché is confident that it will achieve its growth targets for 2022.

¹ See Appendix 1: "Definition of contributed revenue"

Commentary on business in the first quarter of 2022

As of March 31, 2022, Séché Environnement reported consolidated revenue of €226.6 million, up from €183.7 million a year earlier.

Contributed revenue stood at €209.1 million vs. €172.4m as of March 31, 2021, an increase of +21.3% over the period. This increase includes a scope effect of €15.1 million related to: France, the integration of Séché Assainissement on January 1, 2022 and, internationally, the contribution of Spill Tech, which had been included from March 1, 2021.

At constant scope and exchange rates, contributed revenue stood at €194.0 million, up +13.7% compared to Q1 2021.

Breakdown by geographic scope

Consolidated data in €m

As of March 31	2021	2022	Gross change	Organic change
France subsidiaries	129.8	145.2	+11.9%	+6.9%
<i>o/w scope effect</i>	-	6.6		
International subsidiaries	42.6	63.8	+49.8%	+29.5%
<i>o/w scope effect</i>	2.9	8.5		
Contributed revenue	172.4	209.1	+21.3%	+13.7%

As of March 31, 2021, reported revenue at constant exchange rates amounted to €170.6 million, showing a currency effect of €(1.8) million.

The France scope confirmed the good performance of its markets in line with expectations, while International business posted growth strengthened by the contribution of "spot" markets, particularly in Latin America:

- In **France**, contributed revenue stood at €145.2 million, an increase of +11.9% compared to March 31, 2021. This increase includes the contribution of Séché Assainissement, consolidated as of January 1, 2022, for €6.6 million. Excluding the scope effect, growth amounted to +6.9%, illustrating the good level of growth across all activities within each division.

The period benefited from the good performance of industrial markets, supported by the level of industrial production, while Local Authorities markets confirmed their solidity, supported by the implementation of regulations relating to the circular economy.

It also saw strong momentum in Services activities, in particular environmental emergency activities.

- **International** revenue was €63.8 million, up +49.8% compared to Q1 2021. That figure includes €8.5 million in two additional months' contributions from Spill Tech, which was consolidated from March 1, 2021.

At constant scope and exchange rates, growth was at a high level (+29.5%), demonstrating sustained growth momentum among all subsidiaries in Europe, South Africa and the rest of the world.

These favorable developments were bolstered by the high level of activity in Environmental Services, in particular the pollution and environmental emergency businesses in Peru and South Africa ("spot" markets).

Analysis by activity

Consolidated data in €m

As of March 31	2021	2022	Gross change	Organic change
Circular economy	60.9	66.4	+9.1%	+9.1%
<i>o/w scope effect</i>	-	-		
Hazard management	45.6	52.3	+14.8%	+14.7%
<i>o/w scope effect</i>	-	-		
Services	65.9	90.4	+36.9%	+17.4%
<i>o/w scope effect</i>	2.9	15.1		
Contributed revenue	172.4	209.1	+21.3%	+13.7%

All activities contributed to the good performance in Q1 2022:

- **Activities related to the circular economy (revenue up +9.1% -organic-)** are supported by regulations and the growing needs of customers for low-carbon solutions for regenerated materials or recovery energy, in France and internationally, where Valls Quimica (Spain) saw significant growth in its chemical purification activities (+24.5%);
- **Activities related to the Hazard Management (revenue up +14.7% -organic-)** benefited in France from the good level of industrial production and favorable commercial effects (volume effects and price effects) in a context of good availability of treatment capacities. Internationally, mining / oil and gas clients benefited from the rise in commodities, such as in Chile (revenue up +38.8% -organic-);
- **Services activities** posted very strong growth (+36.9%), partly reflecting the scope effect related to Séché Assainissement and Spill Tech (€15.2 million). At constant scope, Services activities recorded solid growth (revenue up +17.4% -organic-) especially in chemical cleaning activities (Solarca up +38.3%) and the dynamic decontamination and environmental emergency “spot” markets in France (SUI up +45.3%), South Africa (Spill Tech up +46.0% compared to March 2021) and Peru (Kanay up +277%).

Analysis by division

Consolidated data in €m

As of March 31	2021	2022	Gross change	Organic change
Hazardous Waste	110.5	132.7	+20.0%	+13.4%
<i>o/w scope effect</i>	2.9	8.5		
Non-Hazardous Waste	61.9	76.4	+23.4%	+14.2%
<i>o/w scope effect</i>	-	6.6		
Contributed revenue	172.4	209.1	+21.3%	+13.7%

Divisions contributed to growth in a balanced manner:

- The **Hazardous Waste division** posted revenue of €132.7 million, up by +20.0% compared to Q1 2021. This increase includes a scope effect of €8.5 million, corresponding to an additional two months of Spill Tech's contribution in Q1 2022.

At constant scope and exchange rates, the division's growth was up +13.4%, reflecting the momentum of Services activities in France (see SUI performance in Environmental Emergency activities) and Hazard Management and, internationally, the very strong momentum of Services activities (Solarca's markets of chemical cleaning and "spot" markets of Decontamination, Environmental Emergency).

- The **Non-Hazardous Waste division** achieved revenue of €76.4 million, an increase of +23.4% over the period.

Restated for the scope effect related to the consolidation of Séché Assainissement (€6.6 million), and at constant exchange rates, growth in the division was +14.2%, mainly reflecting in France the momentum of Services (Decontamination) and internationally the good performance of Interwaste. In South Africa

Growth outlook confirmed

This good start to the year underpins Séché Environnement's growth prospects for the current year.

Positioned on the Circular Economy and Decarbonization markets, and a player in industrial relocation as part of an ecological transition approach, the Group is responding to the challenges faced by the regions by supplying low-carbon regenerated resources, raw materials and energy, while the geopolitical context increases the cost of fossil resources along with the attractiveness of the solutions proposed by the Group.

Séché Environnement's business lines, which are essential to protecting the environment and responding to regulatory requirements in order to facilitate the ecological transition, therefore show strong resilience in the event of an unfavorable downturn in the economic cycle, particularly in France.

Séché Environnement reaffirms its confidence in achieving its business growth targets in 2022, with organic growth in line with the trends observed in the second half of 2021.

Conference call

A conference call to comment on the Q1 2022 activity will be held, in French only, on April 26, 2022 at 6 pm (CET).

To participate in the conference, dial +33 170 710 159 - Code: 83 79 01 56 #

Presentation materials will be available from 5.45 pm on the Séché Environnement website:

<https://www.groupe-seche.com/fr/investisseurs/accueil>

The conference will be available to replay by dialing **+33 172 727 402 – Code: 42 50 20 748#**

Upcoming events

Combined General Meeting

April 29, 2022

Consolidated results as of June 30, 2022:

September 12, 2022, after market close

About Séché Environnement

Séché Environnement is a leading player in waste management, including the most complex and hazardous waste, and in environmental services, particularly in the event of an environmental emergency.

Thanks to its expertise in the creation of circular economy loops, decarbonization and hazard control, the group has been contributing to the ecological transition of industries and territories, as well as to the protection of the living world, for nearly 40 years. A French family-owned industrial group, Séché Environnement deploys the cutting-edge technologies developed by its R&D department at the heart of territories, in more than 120 locations in 15 countries, including some fifty industrial sites in France. With nearly 5,000 employees, including 2,300 in France, Séché Environnement generated a turnover of €736 million in 2021, 28% of which was generated internationally.
ISIN : FR 0000039139 – Bloomberg : SCHP.FP – Reuters : CCHE.PA



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Appendix 1

Definition of contributed revenue

In €m		
As of March 31	2021	2022
Revenue (reported)	183.7	226,6
IFRIC 12 revenue	-	4,5
TGAP	11.3	13,0
Contributed revenue	172.4	209.1

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 NHW division;
- Significant differentiated changes between activities, which are not representative of their economic changes, particularly in the treatment business lines (incineration and storage of final 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.