



Half-Year Results as of June 30, 2022

Analysts Meeting of September 13, 2022



Reducing
Carbon
together
2022



The speakers



Maxime Séché
CEO



Joël Séché
Chairman of the Board



Baptiste Janiaud
CFO

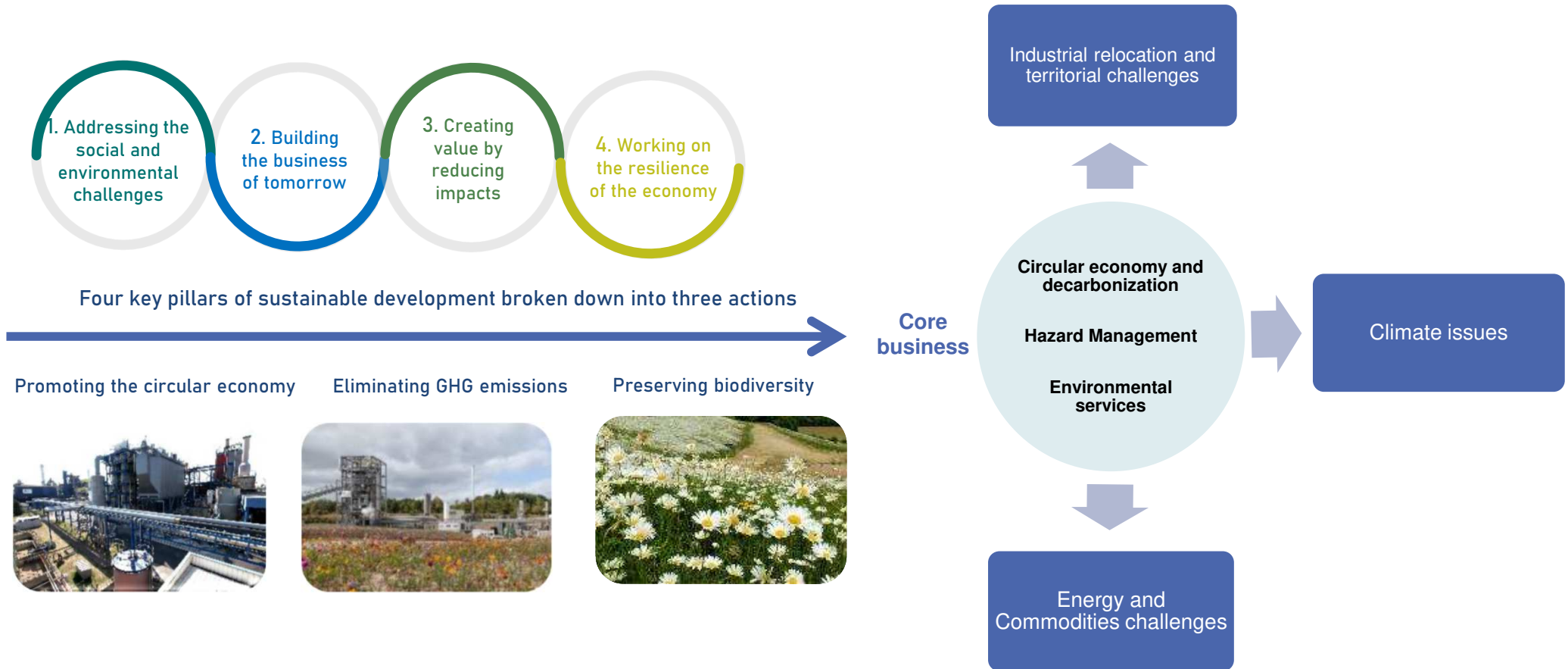
You can now send your questions by email
to Manuel Andersen, Head of Investor Relations
m.andersen@groupe-seche.com



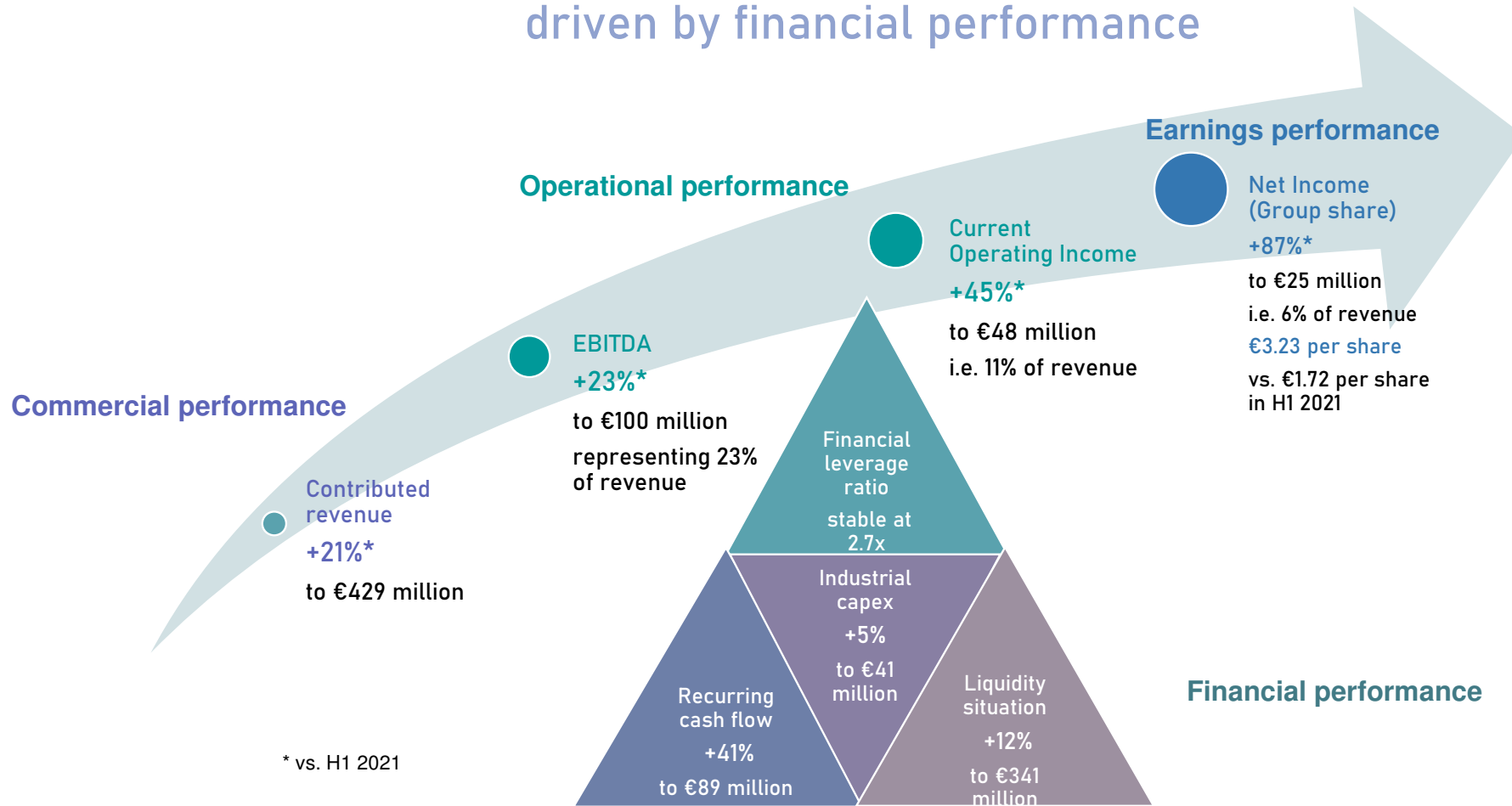
Excellent commercial, operational and financial performance in H1 2022

Joël Séché, Chairman of the Board of Directors

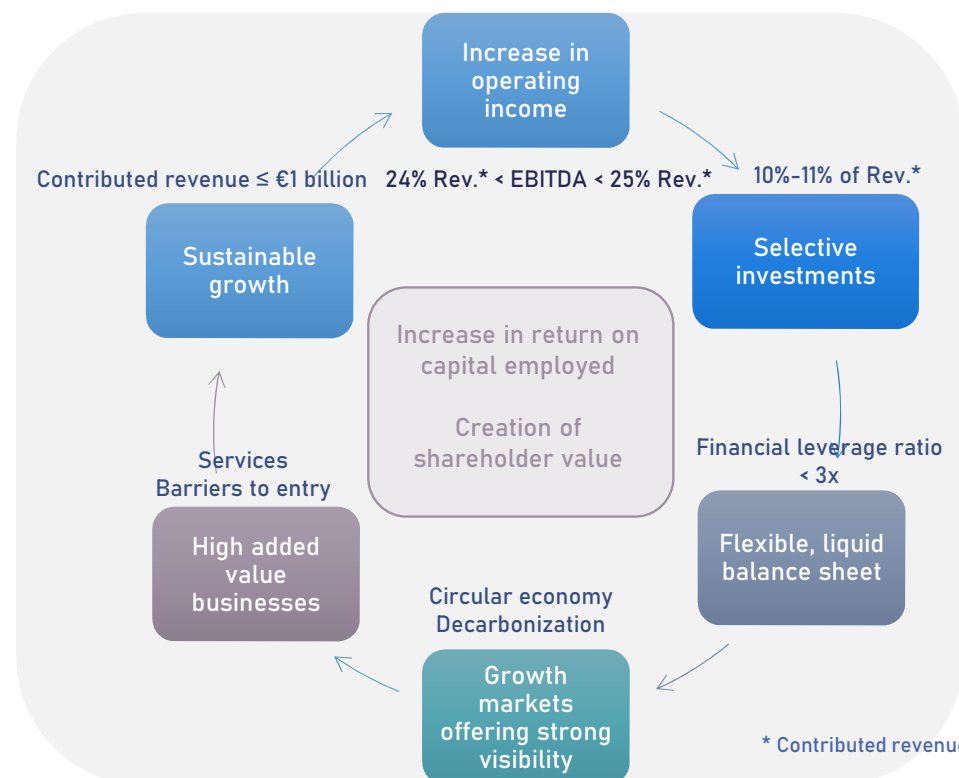
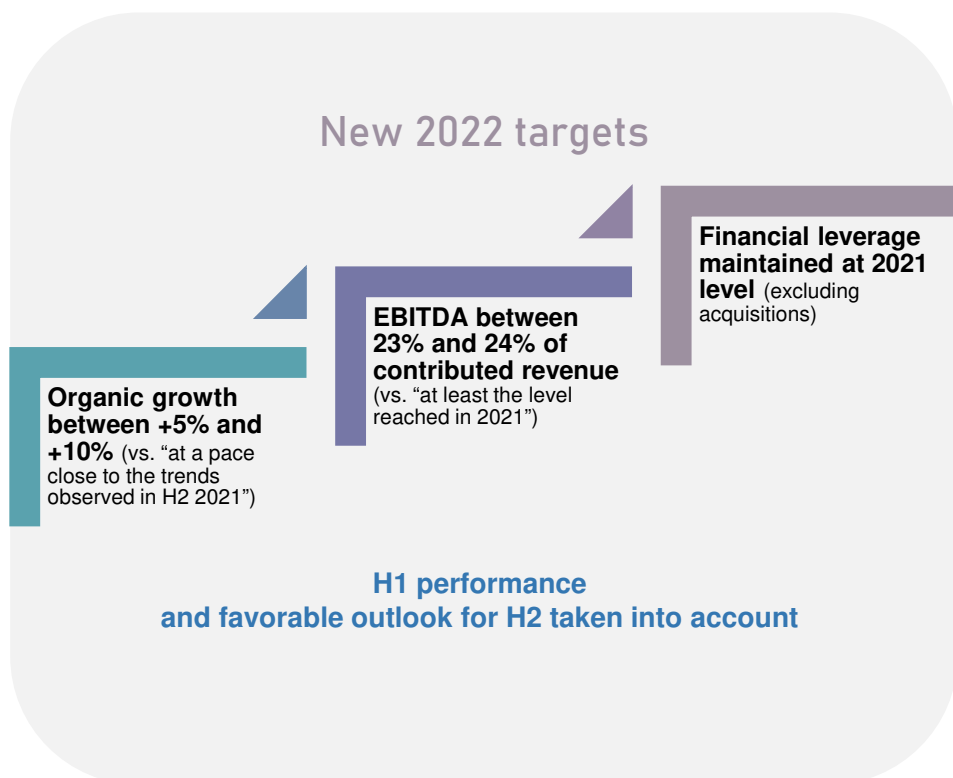
A business model in response to societal challenges



Earnings up sharply in H1 2022 driven by financial performance



Upward revision of 2022 outlook Confidence in attaining objectives for 2025



Roadmap through to 2025



Growth strategy validated in H1 2022

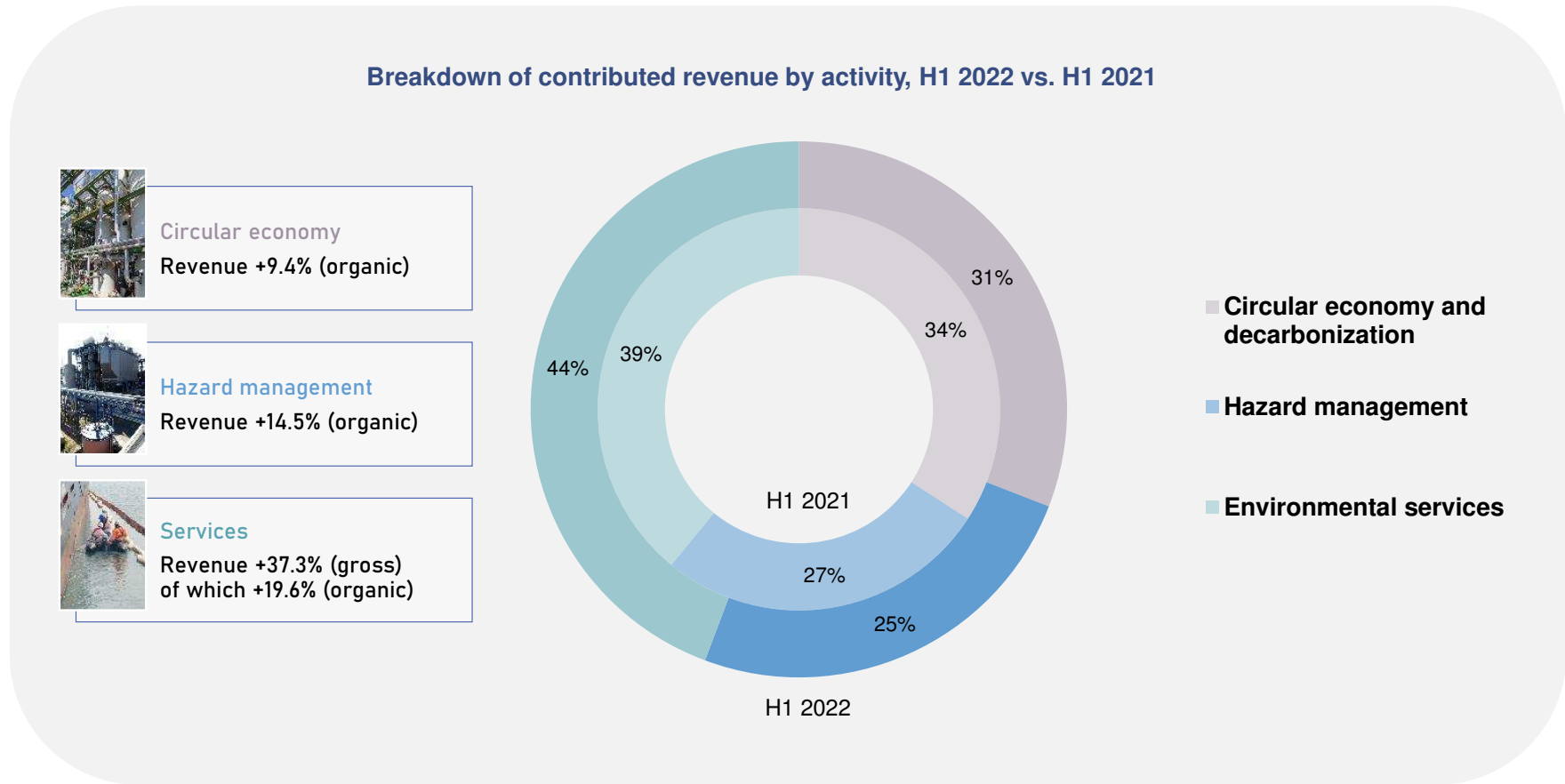
Maxime Séché, Chief Executive Officer

Growth strategy validated by acquisitions and endorsed by operational, financial and extra-financial performance



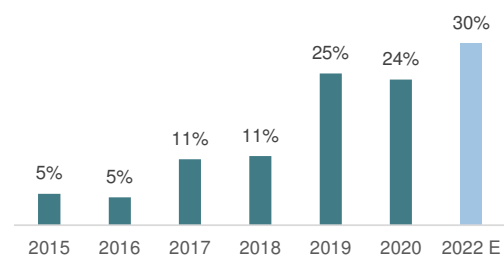
Momentum in Services

Favorable markets linked to the circular economy and hazard management



Regional coverage and extension of the offering in France International growth platforms

International revenue (% of contributed revenue)



2015

France

- Acquisition of Sodicom
- Creation of Séché Healthcare
 - Medical waste
 - Revenue acquired +€5 m

Peru

- Stake (49%) in Kanay
 - Medical waste
 - Services (decontamination)

2017

France

- Acquisition of Charier NHW recovery
 - Revenue acquired +€15 m

Peru / Chile

- Acquisition of Taxis and San
 - HW treatment
 - Revenue acquired +€10 m

Spain/Rest of world:

- Acquisition of Solarca
 - Industrial services
 - Revenue acquired +€15 m

2019

South Africa

- Acquisition of Interwaste
 - Second-largest waste management player in South Africa
 - Revenue acquired +€70 m

Italy

- Acquisition of Mecomer
 - HW platform
 - Revenue acquired +€30 m

Peru

- Acquisition of 100% of Kanay
 - HW incineration & industrial services
 - Revenue acquired +€15 m

2021

South Africa

- Acquisition of Spill Tech
 - Environmental emergency services
 - Decontamination
 - Revenue acquired: +€30 m

France

- Acquisition of SARP-Osis IDF
 - Sanitation services
 - Revenue acquired approx. +€27 m
 - Finalized early 2022

2022

France

- Acquisition of All' Chem
 - Chemical recycling
 - Revenue acquired approx. €18 m

- Acquisition of Assainissement 34
 - Sanitation services
 - Revenue acquired: €4 million for the full year
 - Integrated July 1, 2022

- Planned acquisition of a portfolio of "Industrial water" activities
 - Industrial services
 - Revenue acquired approx. +€60 m
 - Finalization end of 22/early 23

Consolidation of Séché Assainissement completed by the acquisition of “Assainissement 34”



Sanitation services

- ✓ Pumping and cleaning (networks, pits, tanks, grease tanks)
- ✓ Pumping special waste (hydrocarbon separators)
- ✓ Preventive maintenance (annual maintenance program, recurrence)
- ✓ Emergency interventions (on 24/24 call: congestion, pollution)



~ 250 employees



~ 4,000 contracts

Televisual diagnostics and controls

- ✓ Inspection and diagnosis of pipes and connections
- ✓ Identification, location and classification of anomalies
- ✓ Underground network mapping
- ✓ Waterproofing and compatibility checks for new works



Rev. 2021* ≈ €30 m
EBITDA 2021* ≈ €5 m

* Full year and incl. *Assainissement 34*

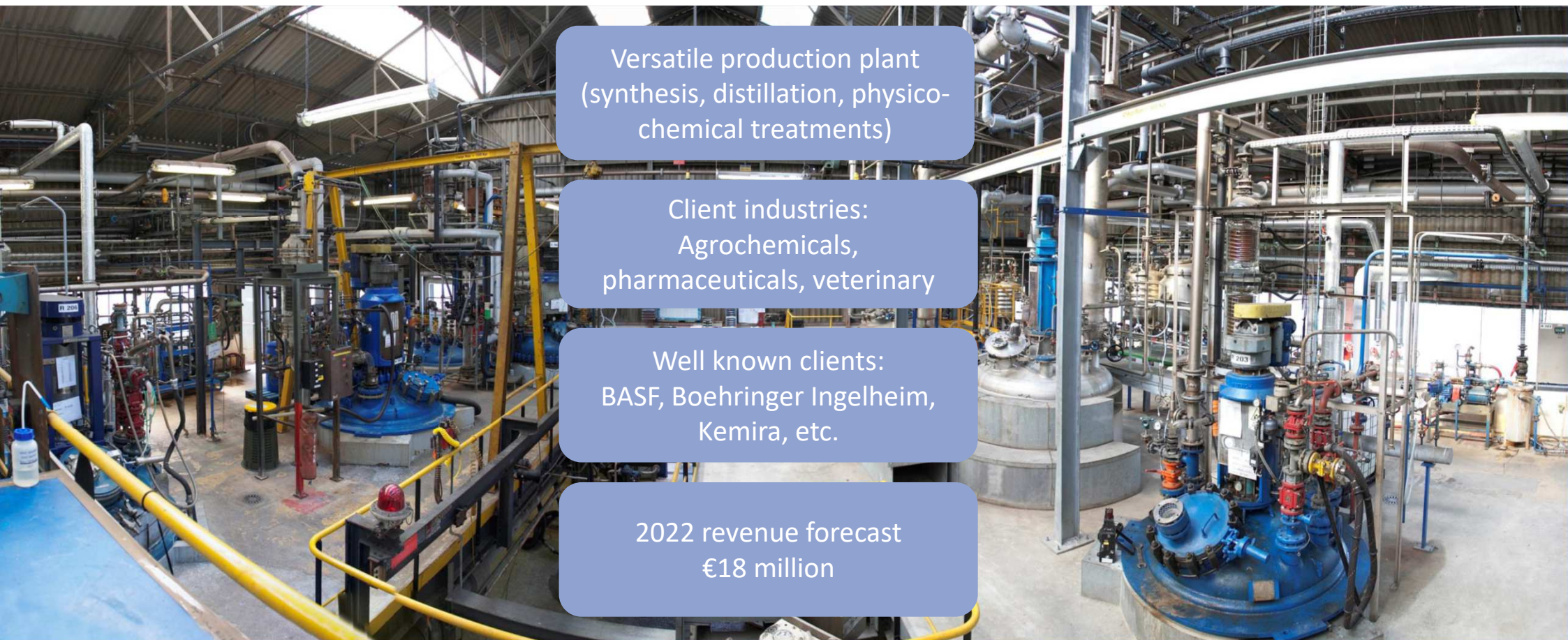
Acquisition of All'Chem, specialist in fine chemistry

Versatile production plant
(synthesis, distillation, physico-
chemical treatments)





Client industries:
Agrochemicals,
pharmaceuticals, veterinary

Well known clients:
BASF, Boehringer Ingelheim,
Kemira, etc.

2022 revenue forecast
€18 million



Planned acquisition of a portfolio of "Industrial water" activities

Effluents	Processing water	Integrated water cycle	Related activities
 <p>75% REVENUE</p>	 <p>3% REVENUE</p>	 <p>17% REVENUE</p>	 <p>5% REVENUE</p>
<ul style="list-style-type: none"> Operation of effluent treatment units Maintenance Sludge treatment and elimination of by-products 	<ul style="list-style-type: none"> Supply of process water (filtering, softening, ultra filtration, reverse osmosis, demineralization) Maintenance 	<ul style="list-style-type: none"> Integrated management covering both effluent and process water outsourced offering 	<ul style="list-style-type: none"> Facility management Management of waste
<p>Expertise controlled by Séché through the TEI (Industrial Technology and Equipment) activity of its subsidiary SES</p>			



~ 350 employees



~ 155 contracts



2021 revenue ≈ €60 m
2021 EBITDA ≈ €4 m

Proactive ESG strategy

Ambitious short-and-medium term objectives

Agreement with Waga Energy to produce biogas from waste

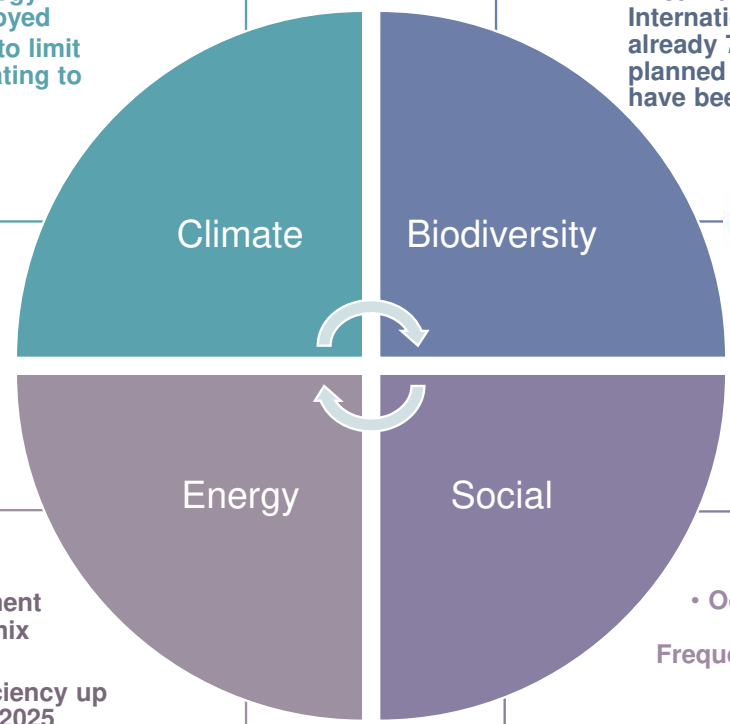


- New strategy being deployed
- Targeting to limit climate heating to +1.5°C

- Act4Nature International: already 75% of planned actions have been approved

Finalization of 2019-22 cycle in process

Preparation of next cycle to be launched beginning of 2023



Energy efficiency plan in process

- + Production of renewable or recovered energy
- Consumption of fossil energy

- Improvement in energy mix
- Self sufficiency up to 250% in 2025

- Occupational safety: Frequency Rate 1 of 17

Severity Rate ≤ 1

Frequency Rate 1 < 10 pts vs. 2019



An ESG strategy that benefits to the Group's extra-financial notations.
 As an example: Ecovadis evaluation at 68/100 (+1pt) vs. 2020, in the first 10% classified companies



Consolidated financial statements at June 30, 2022

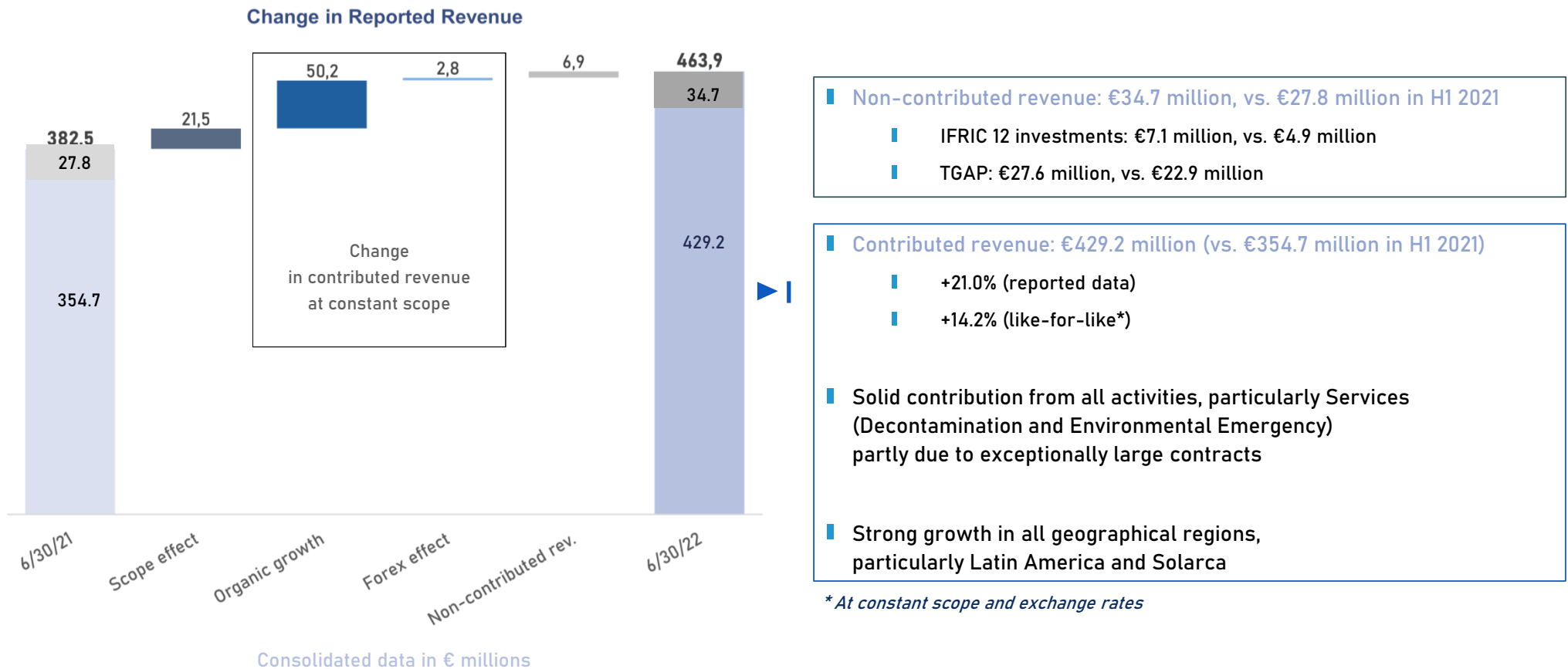
Baptiste Janiaud, Chief Financial Officer

Key indicator trends related to economic and financial performance

As of June 30, In € millions	2021	<i>As a % of contributed revenue</i>	2022	<i>As a % of contributed revenue</i>	Gross change
Contributed revenue	354.7		429.2		+21%
EBITDA	81.1	22.9%	99.9	23.3%	+23%
Current operating income	32.9	9.3%	47.7	11.1%	+45%
Operating income	30.8	8.7%	45.6	10.6%	
Net financial income	(9.4)	(2.7)%	(8.8)	(2.1)%	
Net income	13.8	3.9%	26.8	6.2%	
Net income (Group share)	13.5	3.8%	25.2	5.9%	+89%
Earnings per share (in euros)	1.72		3.23		
Recurring operating cash flow	62.7	17.7%	88.5	20.6%	+41%
Net industrial CapEx paid (excl. IFRIC 12)	34.7	9.8%	47.4	11.0%	+37%
Free operating cash flow	45.1	12.7%	25.5	5.9%	-43%
Net debt (IFRS)	465.5	-	531.0	-	+14.0%
Financial leverage ratio	2.7x	-	2.7x	-	ns

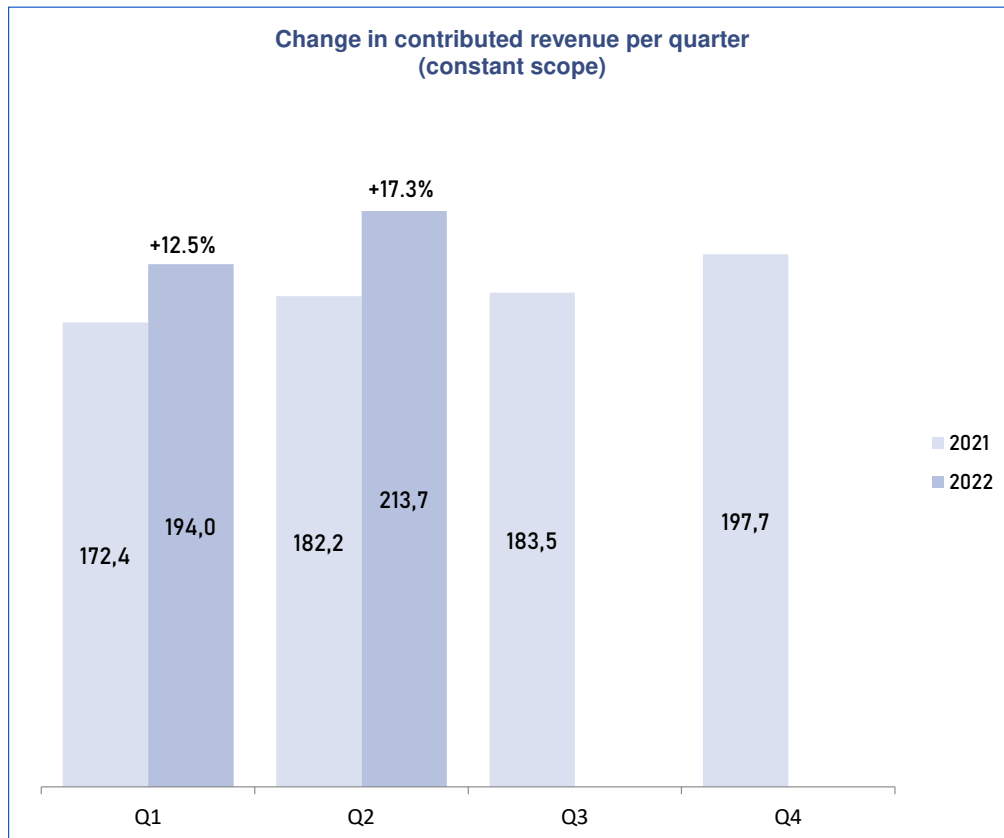
Sharp increase in contributed revenue: +21%

Dynamic organic growth in all areas

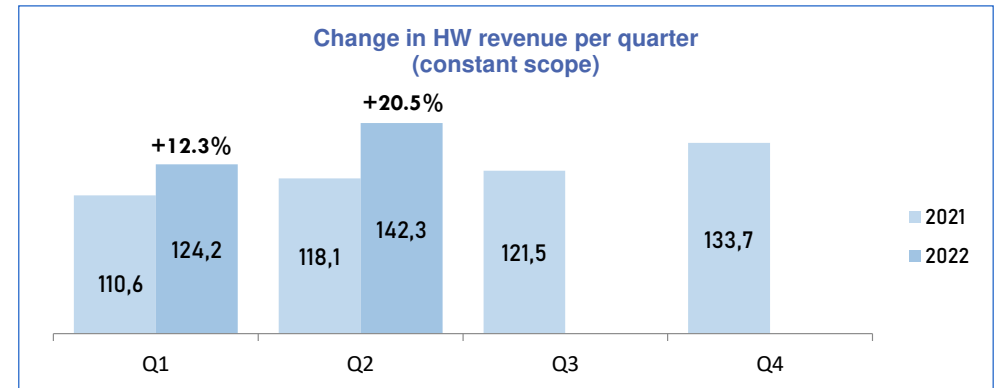


Solid level of activity confirmed

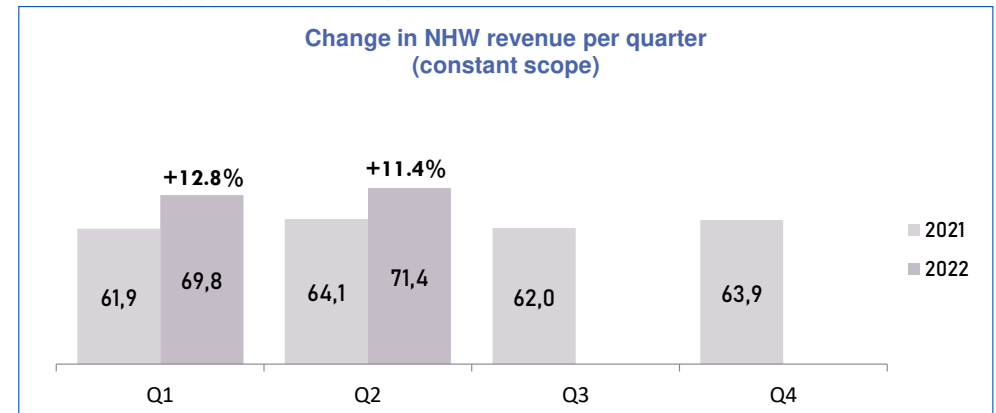
Good contribution from the HW business line in Q2



Consolidated data in € millions



Consolidated data in € millions

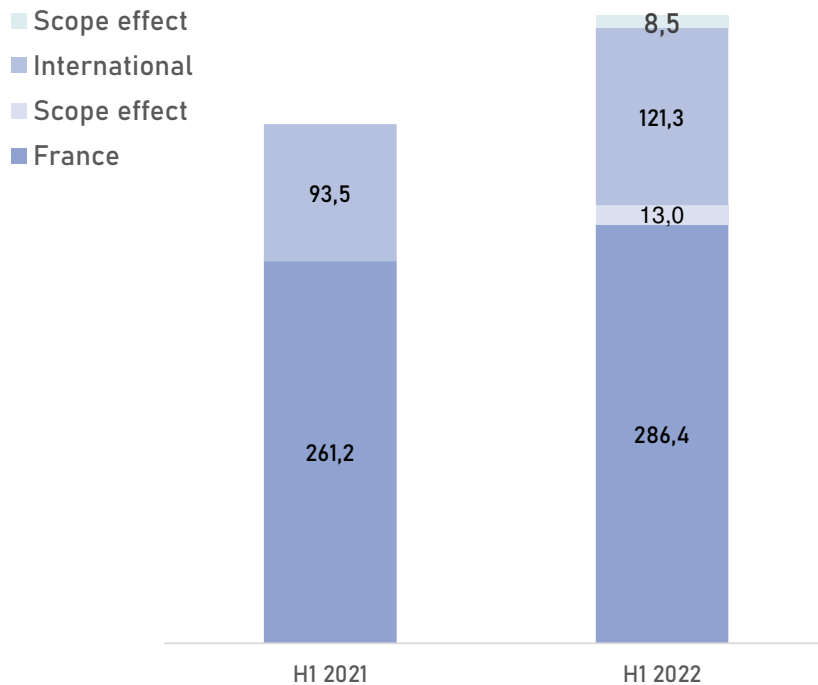


Consolidated data in € millions

Good contribution from all geographical scopes

Lively increase in activity, particularly internationally

Change in contributed revenue
per geographic scope



Consolidated data in € millions

International: Revenue €129.8 million, up 38.9% (reported)
+26.0% (like-for-like*)

- Scope effect: +€8.5 million (contribution of Sill Tech over 2 months)
- Positive forex effect: €2.8 million vs. (€1.0) million in H1 2021
- On a like-for-like basis*:

- Europe (excluding Solarca): €41.4 million in revenue, up by 21.0%
- South Africa: €42.7 million in revenue, up by 8.9%
- Latin America: €13.0 million in revenue, up by 106.3%
- Solarca: €15.7 million in revenue, up by 82.9%

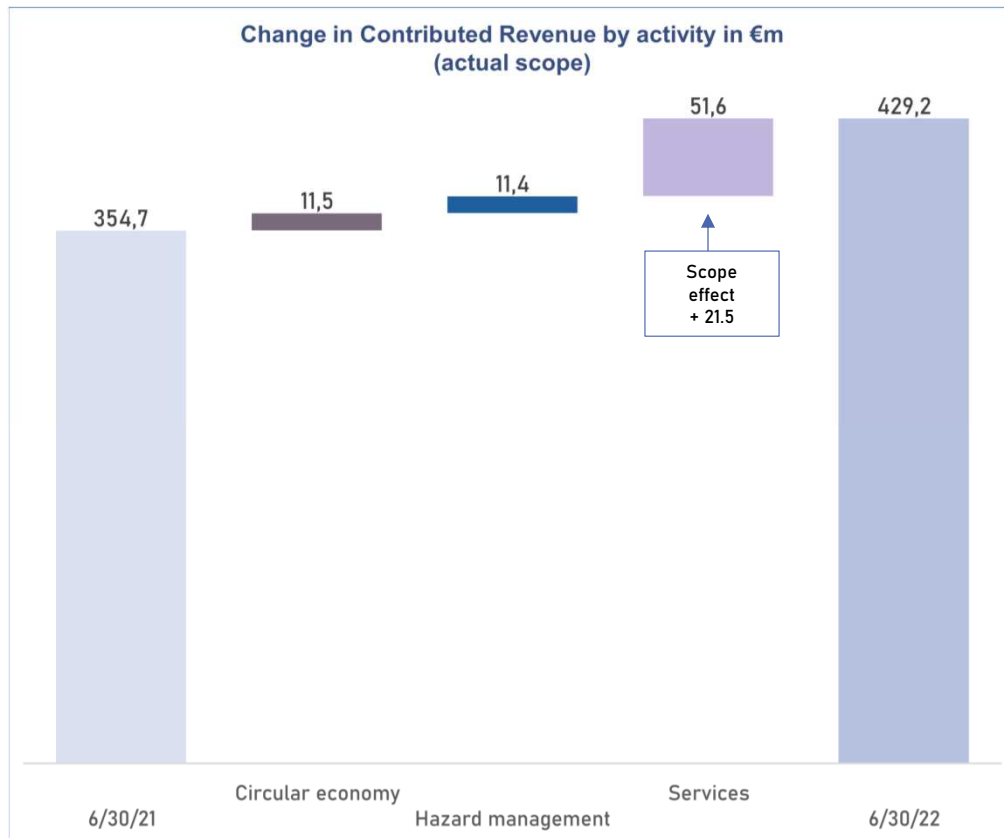
France: Contributed revenue of €299.4 million, up by 14.6% (reported)
+9.6% (like-for-like*)

- Scope effect: €13.0 million (contribution from Séché Assainissement)
- On a like-for-like basis*:
- Favorable commercial effects on the Circular Economy and Hazard Management markets
- Strong momentum in Services, in particular Decontamination and Environmental Emergency

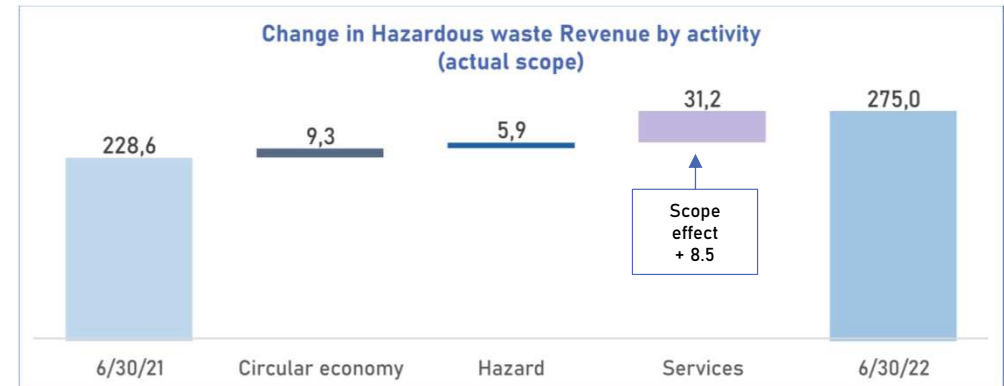
*At constant scope and exchange rates

Development of the business mix

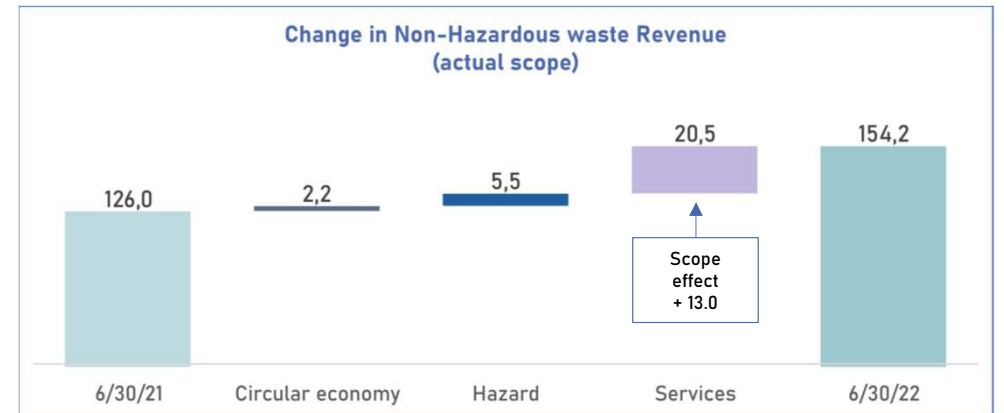
Strong contribution from all activities, particularly Services



Consolidated data in € millions



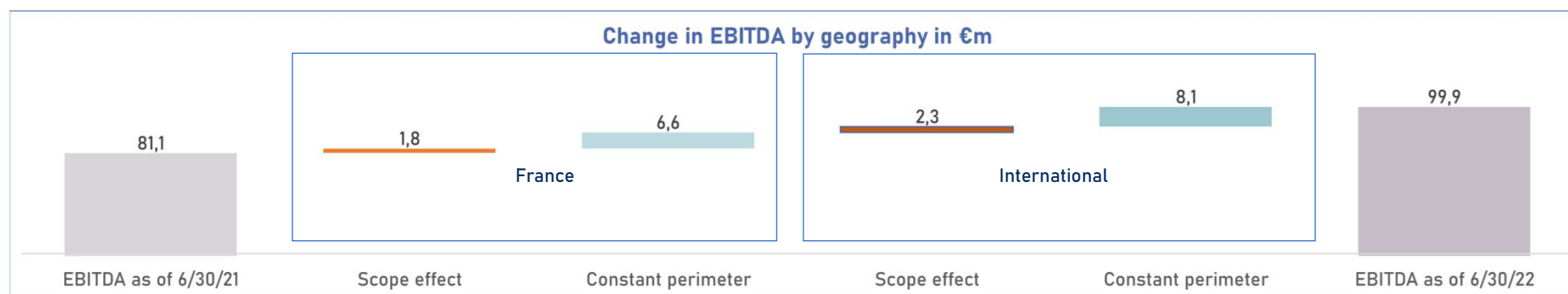
Consolidated data in € millions



Consolidated data in € millions

Operating results for the six months to June 30, 2022

Sharp rise in EBITDA: +23% Appreciable advance of International



As of June 30 In € millions	2021			2022		
	Consolidated	France	Int'l.	Consolidated	France	Int'l.
Contributed revenue	354.7	261.2	93.5	429.2	334.1	129.8
EBITDA	81.1	64.6	16.5	99.9	73.0	26.9
<i>As a % of contributed revenue</i>	<i>22.9%</i>	<i>24.7%</i>	<i>17.6%</i>	<i>23.3%</i>	<i>24.4%</i>	<i>20.7%</i>

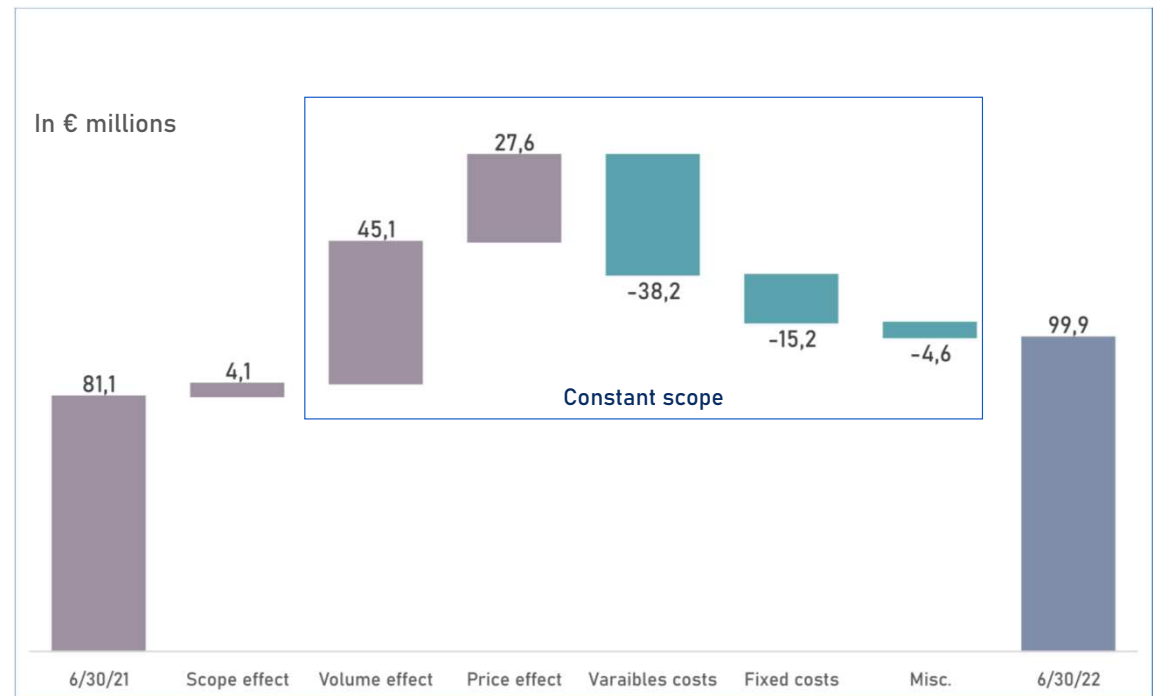
Operating results for the six months to June 30, 2022

Increase in EBITDA: +23% Volume effects, mix effects and favorable price effects

EBITDA up by 23.2% to €99.9 million

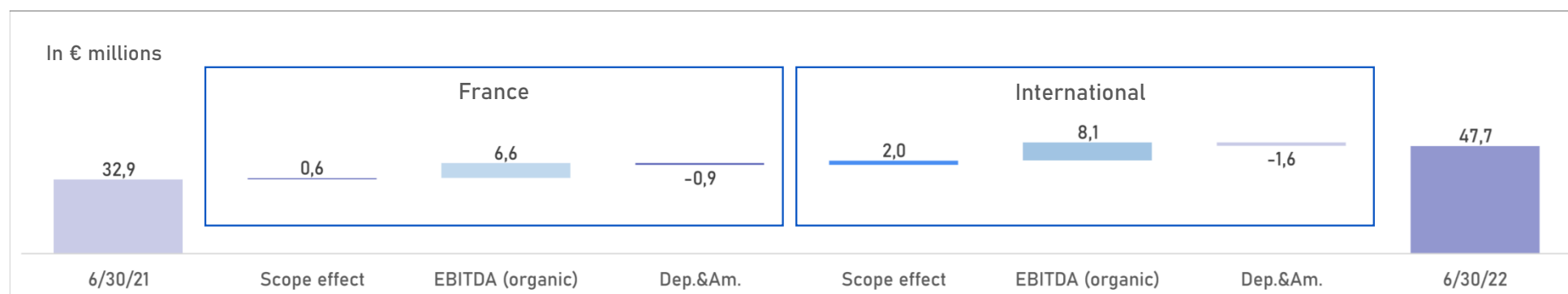
or 23.3% of contributed revenue (vs. 22.9% for H1 2021)

- Scope effect: + €4.1 million
- Negligible foreign exchange effect
- At constant scope:
 - Positive volume and mix effects: commercial momentum and industrial efficiency policy
 - Positive price effects: saturation of facilities
 - Variable operating expenses: international recovery (volumes) and increase in certain expenses (maintenance, energy)
 - Fixed operating expenses: increase in payroll and general management expenses



Operating results for the six months to June 30, 2022

Increase in COI: +45% Good level of operational profitability internationally



As of June 30	2021			2022		
In € millions	Consolidated	France	International	Consolidated	France	International
Contributed revenue	354.7	261.2	93.5	429.2	334.1	129.8
Current operating income	32.9	26.9	6.0	47.7	33.2	14.5
<i>As a % of revenue</i>	<i>9.3%</i>	<i>10.3%</i>	<i>6.4%</i>	<i>11.1%</i>	<i>9.9%</i>	<i>11.2%</i>

Change in main subtotals in H1 2022

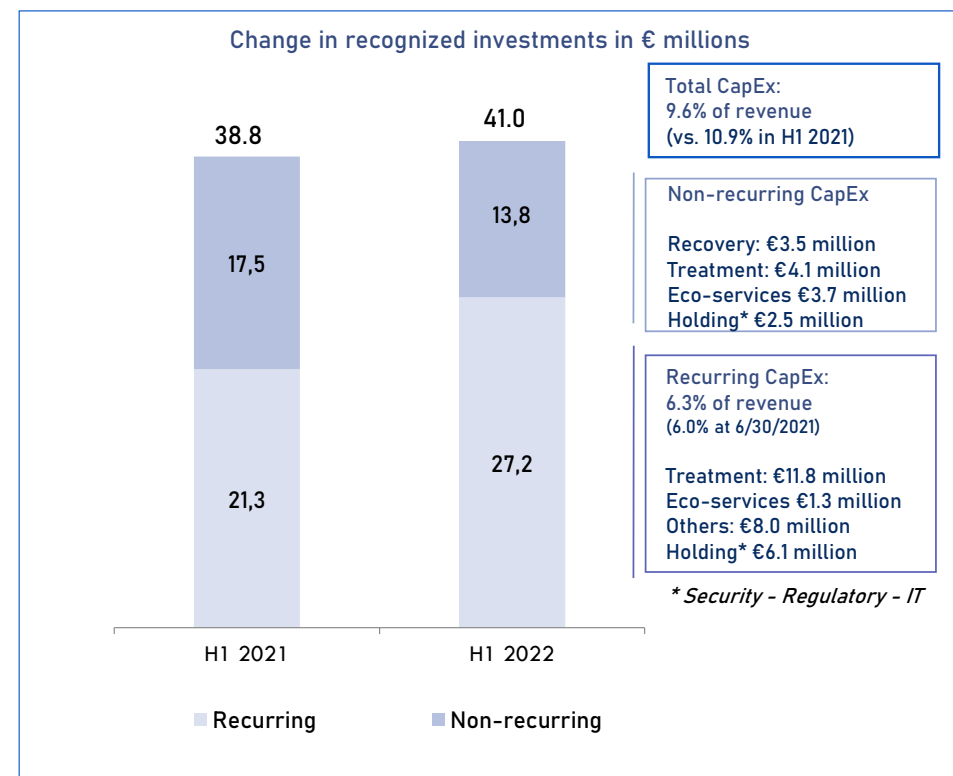
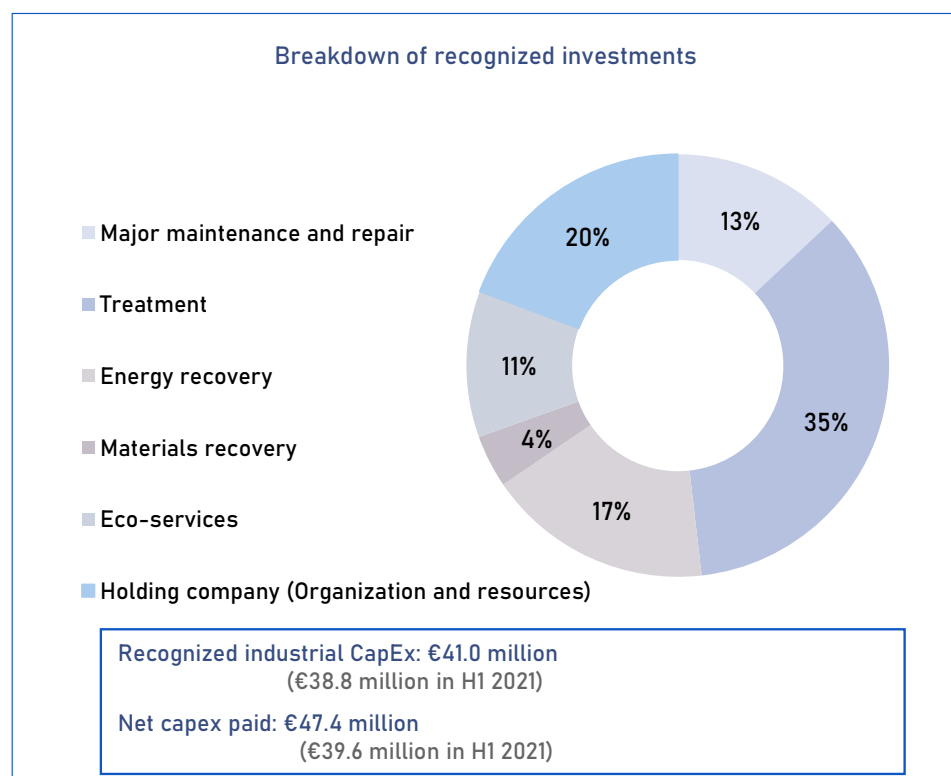
From Current Operating Income to Group net income

As of In € millions	2021	As a % of contributed revenue	2022	As a % of contributed revenue	Gross change
Current operating income	32.9	9.3%	47.7	11.1%	+45.0%
Operating income	30.8	8.7%	45.6	10.6%	+48.1%
Net financial income	(9.4)	(2.7)%	(8.8)	(2.1)%	-
Income tax expense	(7.2)		(9.8)		
Share of profit of associates	(0.5)		(0.2)		
Non-controlling interests	(0.3)		(1.6)		
Net income (Group share)	13.5	3.8%	25.2	5.9%	+86.6%

- Change in operating income: impact of business combinations for €(2.1 million) (vs. "Value losses on property, plant and equipment and goodwill" for (€1.6) million in H1 2021)
- Positive change in financial income:
 - Improvement in the gross cost of debt, to 2.56% (vs. 2.78% in H1 2021).
 - Improvement in the balance of financial income and expenses: foreign exchange income +€0.2 million vs. (€0.6) million in H1 2021.

Industrial investments under control

Targeted development investments

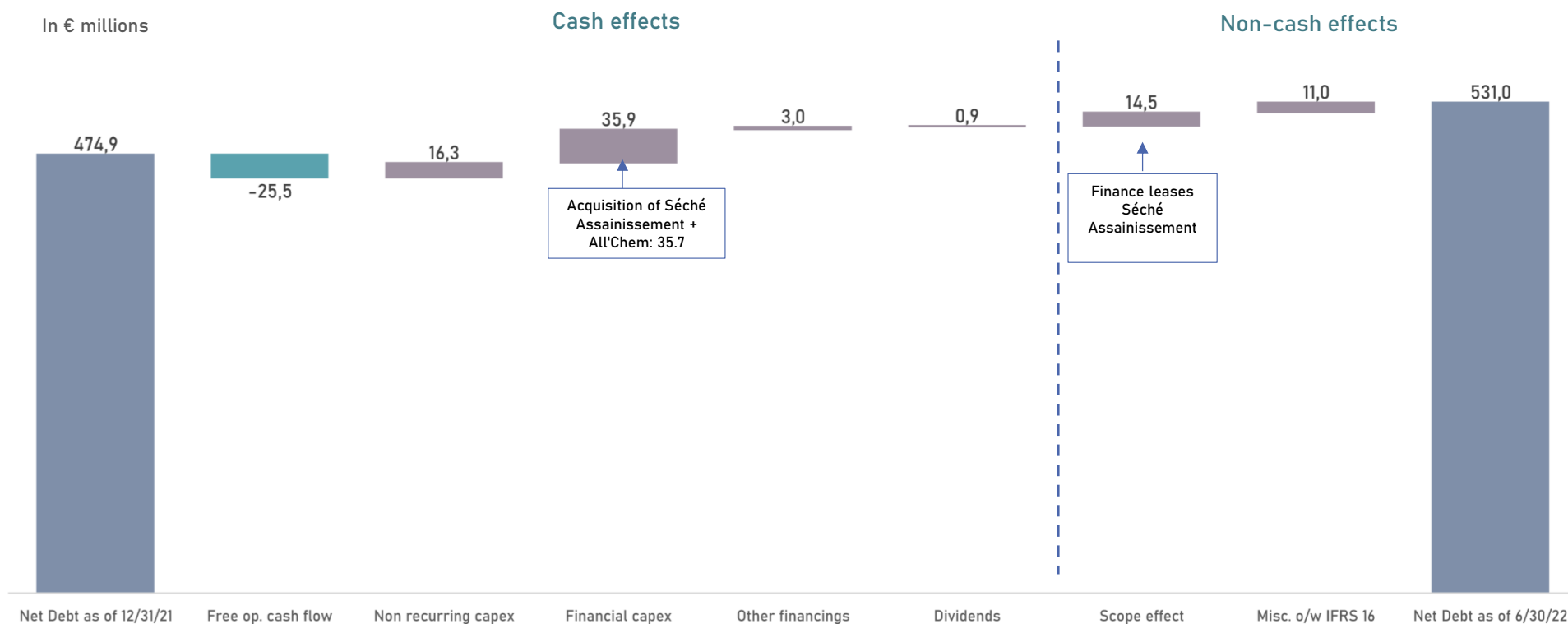


Generation of free cash flow One-off impact of change in WCR

In € millions As of June 30	2021	2022
EBITDA	81.1	99.9
Other operating income and expenses calculated	(0.3)	(0.5)
Costs of rehabilitation and maintenance on sites and assets made available under concessions (incl. major maintenance & renewal)	(18.5)	(10.9)
Recurring operating cash flow	62.9	88.5
Net recurring CapEx paid	(13.4)	(25.3)
Change in WCR	4.8	(25.1)
Tax paid	(2.4)	(4.1)
Net interest payments (including interest on finance leases)	(6.8)	(8.5)
Free operating cash flow	45.1	25.5
Free operating cash flow/EBITDA	56%	26%

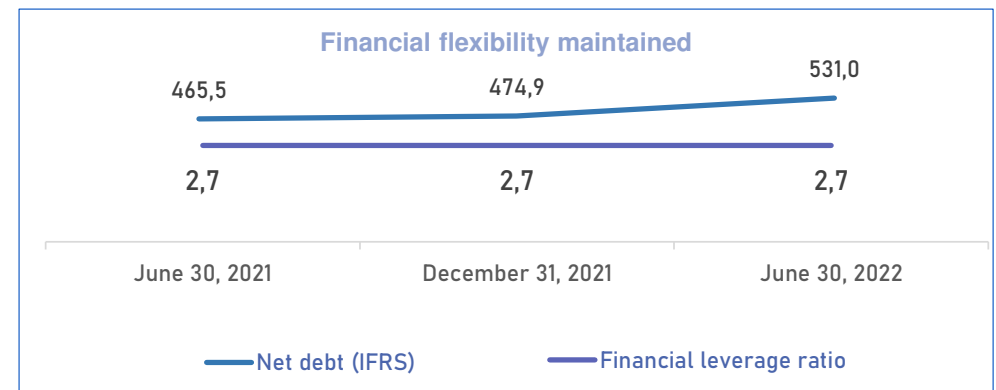
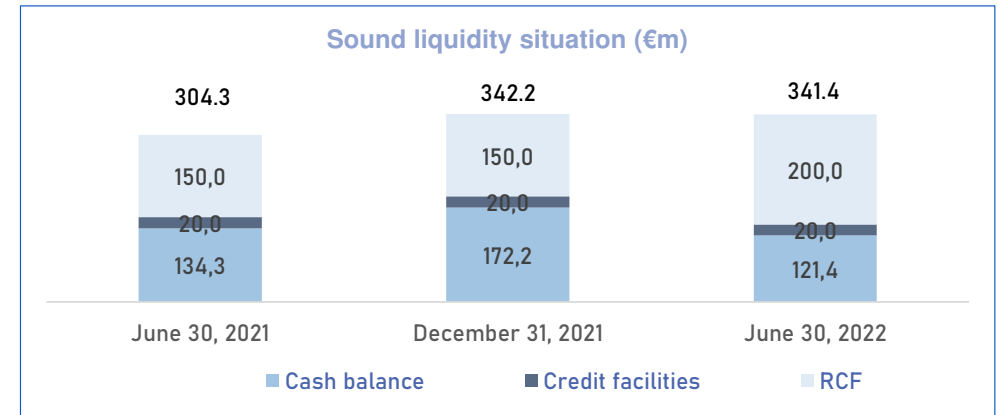
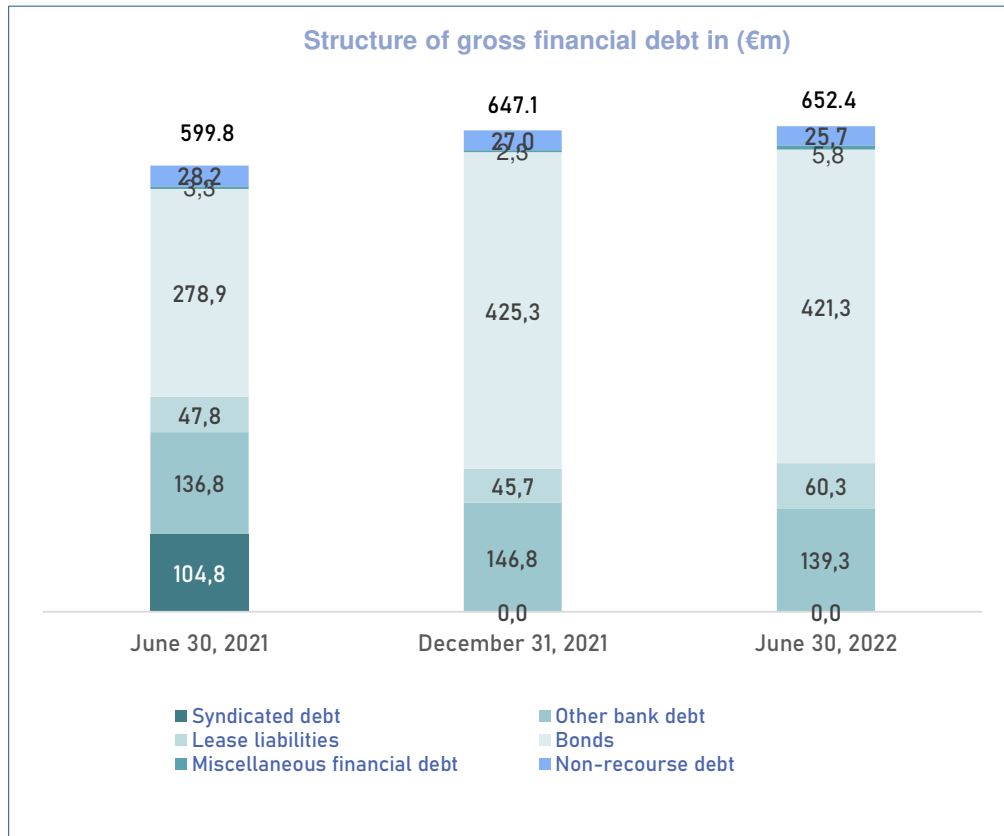
Financial agility

Impact of the change in scope on IFRS net debt: +€50 million

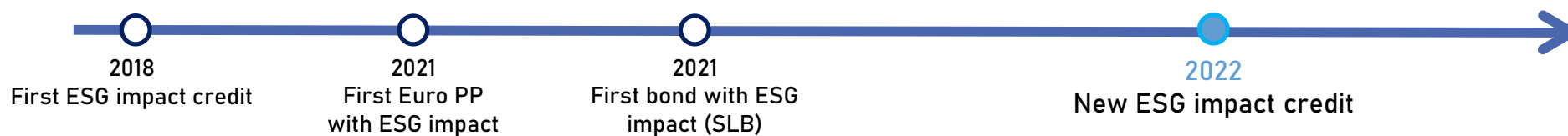


Liquidity and financial flexibility

Liquidity situation maintained at a high level



New RCF with ESG impact criteria



Amount: €200 million

Duration 5 years

Conditions: Euribor + 110 bps for financial leverage between 2.5x and 3.0x
Bonus 5 bps if all three ESG criteria are met



Criterion 1: 10% reduction in GHG emissions by 2025



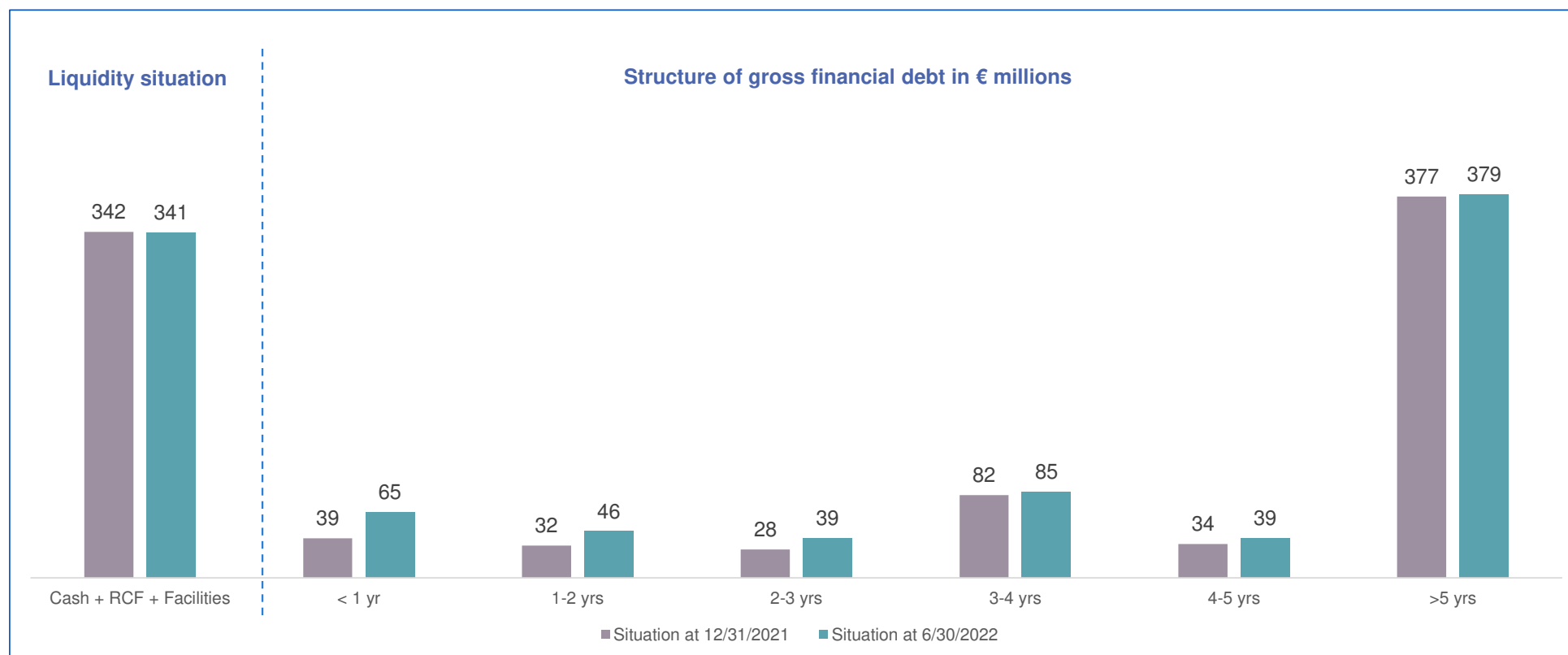
Criterion 2: 40% increase in GHG emissions avoided by 2025



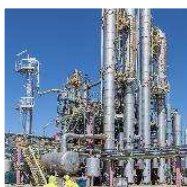
Criterion 3: reduction of accident rate in 2025 by TF1 -7 pts vs. 2019 and TG stable at 1

Liquidity

Maturity of gross financial debt: 5.7 years (vs. 6.0 years at 12/31/2021)



2022 targets revised upwards in view of the performance in H1 and the good prospects for H2



Business

- **Contributed revenue:**
Annual growth between +5% and +10%:
 - H1 growth overhang
 - Positive momentum in H2: return to a normative growth rate close to H1 2022 excluding spot contracts



Operating Results

- **EBITDA** between 23% and 24% of contributed revenue
 - France: Favorable energy recovery dynamics
 - International: Continued increase in profitability of activities



Financial structure

- **Industrial capex:** around €90-100 million
- **Liquidity:** Free cash flow target above 35% of EBITDA
- **Flexibility:** Leverage target maintained at 2.7x EBITDA (excluding external growth)



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Appendices

Appendix 1

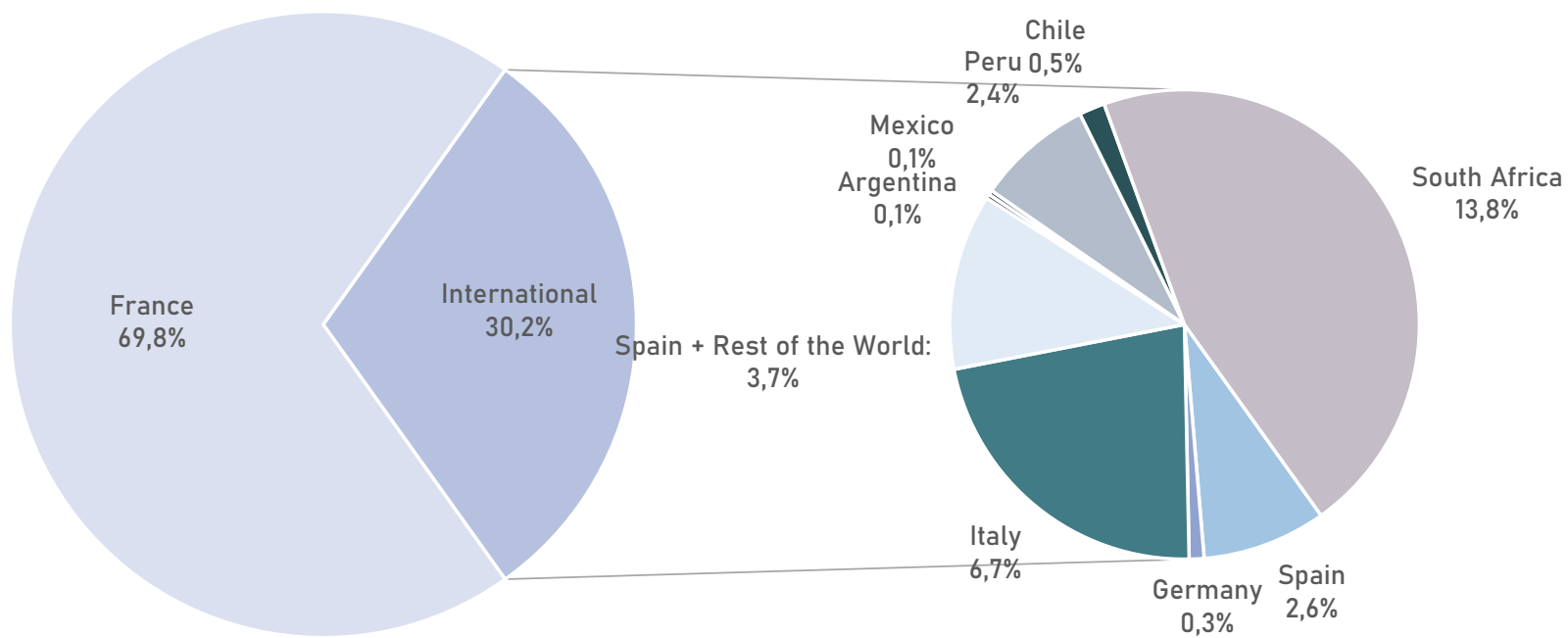
Definition of contributed revenue

- **IFRIC 12 revenue:** investments made for assets ceded under concessions, recognized as revenue and operating costs in EBITDA in accordance with IFRIC 12
- **TGAP:** General tax on polluting activities paid by the waste producer and collected on behalf of the State by treatment operators. It is slated to change between 2021 and 2025, in both very significant and very differentiated manners depending on the business lines and type of treatment. As a result, the reported revenue includes the recognition of non-economic revenue resulting from the significant increase in the amount of tax collected, particularly within the NHW division. It can cause widely varying changes across operations that are not representative of their economic results, especially in the treatment business lines (incineration and storage of final waste).

In € millions - half-year to June 30	2021	2022	Change
Revenue (reported)	382.5	463.9	+21.3%
<i>IFRIC 12 revenue</i>	4.9	7.1	+44.9%
<i>TGAP</i>	22.9	27.6	+24.5%
Contributed revenue	354.7	429.2	+21.0%

Appendix 2

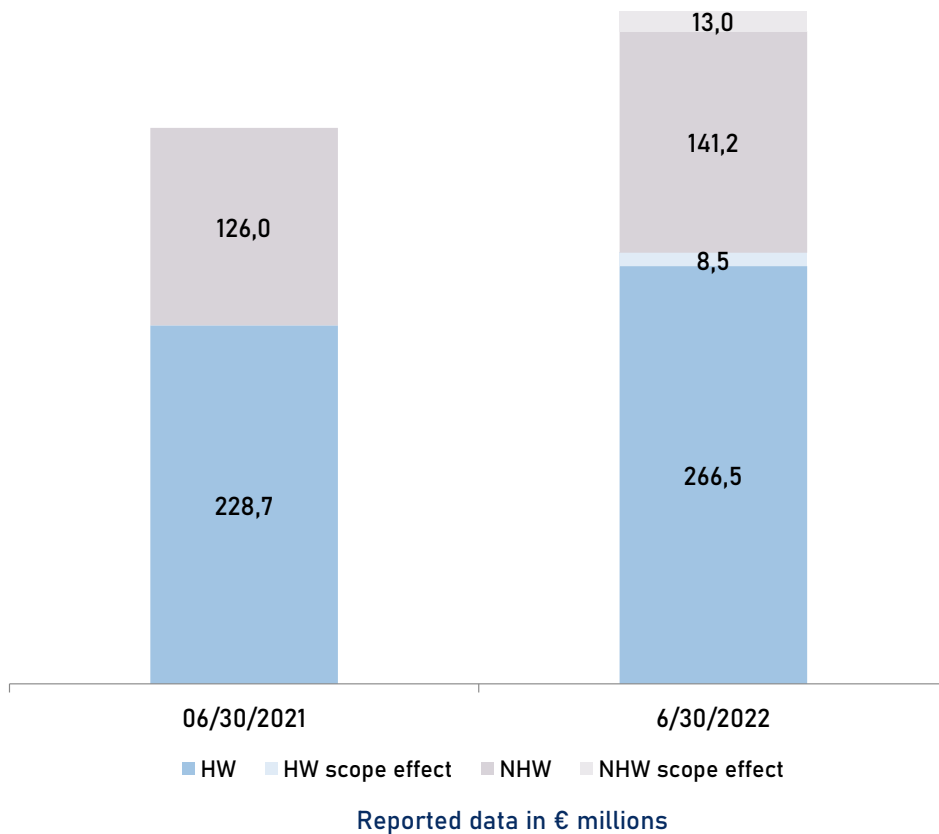
Contributed revenue by geographic area



Breakdown of contributed revenue for H1 2022

Appendix 3

Breakdown of contributed revenue by division



NHW division: Contributed revenue of €154,2 million
(vs. €126.0 million for H1 2021) up by 22.3% (reported data)

Scope effect: €13.0 million (Séché Assainissement)

On a like-for-like basis:

- France: Revenue €108.4 million, up by 12.8% vs. H1 2021
- International: Revenue 32.7 million, up by 15.8% vs. H1 2021

HW division: Revenue of €275.0 million
(vs. €228.7 million in H1 2021), up by 20.3% (reported)

Scope effect: €8.5 million (Spill Tech over 2 months)

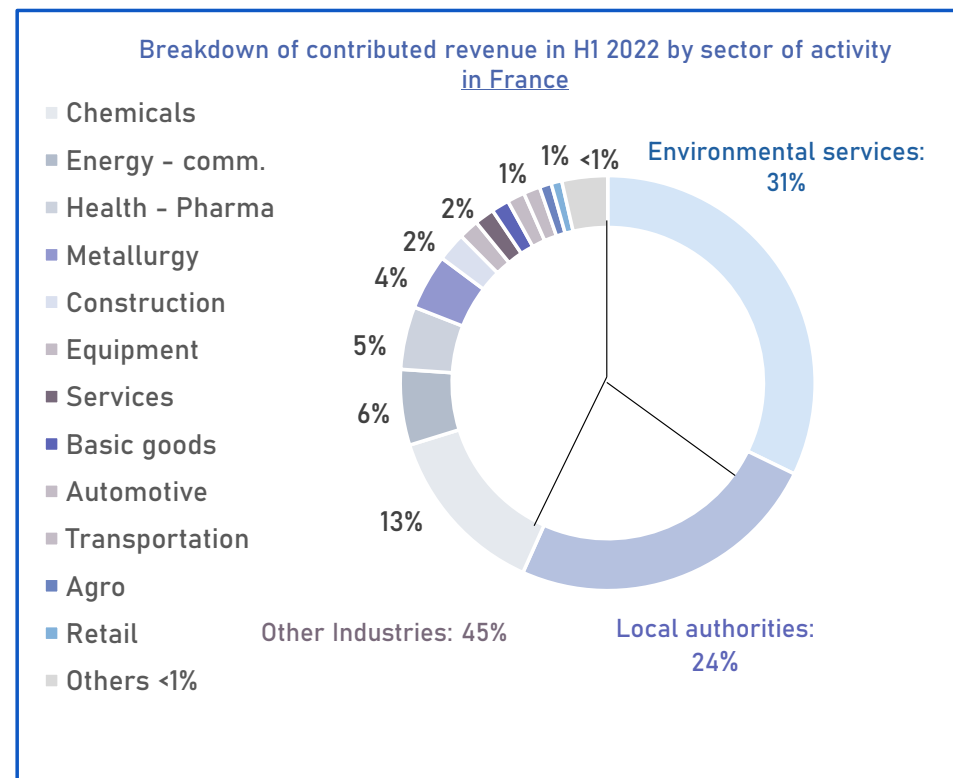
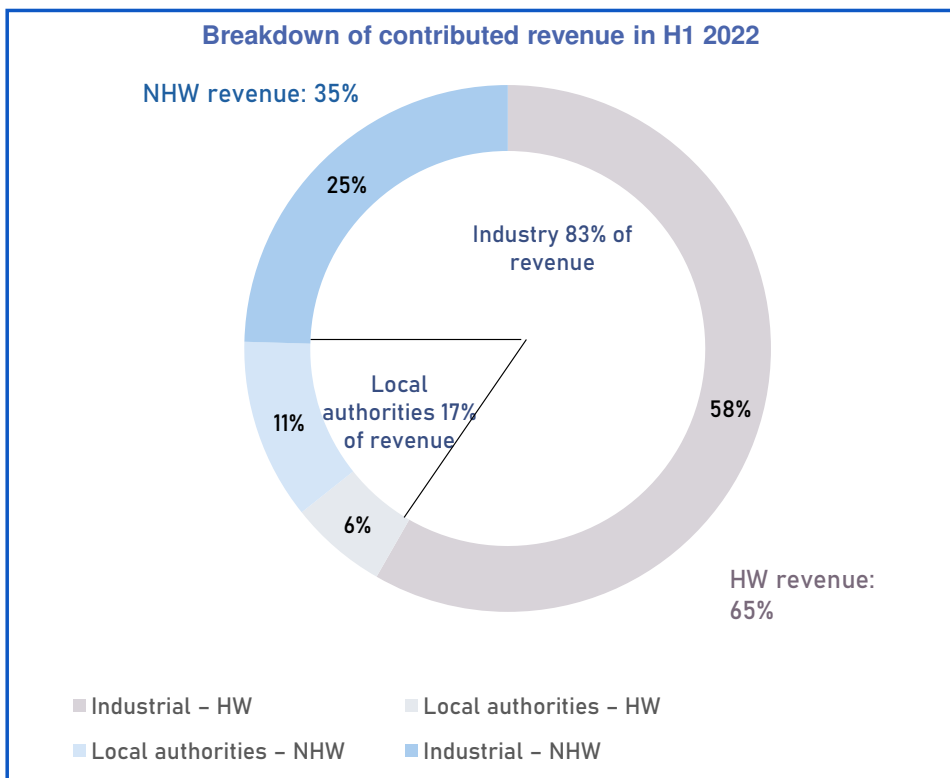
On a like-for-like basis*:

- France: Revenue €178.0 million, up by 7.8% vs. H1 2021
- International: Revenue €88.5 million, up by 30.1% vs. H1 2021

* At constant scope and exchange rates

Appendix 5

Breakdown of contributed revenue by client



Appendix 6

Change in Operating Income

As of June 30	2021		2022		Change change
	€ millions	% of contributed revenue	€ millions	% of contributed revenue	
Contributed revenue	354.7		429.2		+21.0%
EBITDA	81.1	22.9%	99.9	23.3%	+23.2%
Current operating income	32.9	9.3%	47.7	11.1%	+45.0%
Operating income	30.8	8.7%	45.6	10.6%	+48.1%

- Operating Income €45.6 million or 10.6% of contributed revenues (vs. €30.8 million or 8.7% of contributed revenue in H1 2021)
 - Change in COI: +€19.8 million
 - Impact of business combinations: impact of the consolidation of Séché Assainissement for (€2.1) million
 - Reminder of operating income for H1 2021: in particular, "impact of impairment losses on property, plant and equipment and goodwill" for (€1.6) million and impact of business combinations for (€0.4) million

Appendix 7

Change in Financial income

As of June 30	2021	2022
Cost of gross financial debt	(8.3)	(8.5)
Income from cash and cash equivalents	0.1	0.3
Other financial income and expenses	(1.2)	(0.6)
Net financial income	(9.4)	(8.8)

■ Change in the gross cost of debt:

- Average cost of gross debt at 2.56% (vs. 2.78% in H1 2021).
- Increase in average gross debt over the period

■ Other financial income and expenses:

- Impact of currency fluctuations: +€0.2 million (vs. (€0.6) million in H1 2021).
- Accretion of 30-year provision (€0.3) million (vs. (€0.2) million in H1 2021).

Appendix 8

Breakdown of shareholders and voting rights

