

UNIVERSAL
REGISTRATION
DOCUMENT
2023



OUR TRANSITIONS
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UNIVERSAL REGISTRATION DOCUMENT 2023



This is a translation into English of the official version of the Universal Registration Document issued in French and which has been prepared in ESEF format and is available at www.groupe-seche.com.

The Universal Registration Document has been filed on March 13, 2024 with the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of that Regulation.

The Universal Registration Document may be used for the purposes of an offer of financial securities to the public or the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole then formed is approved by the AMF in accordance with Regulation (EU) 2017/1129. This Universal Registration Document including the Annual Financial Report is a reproduction of the official version which has been prepared in ESEF format and is available at www.groupe-seche.com.



2023

ANNUAL REPORT

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2.1 SIGNIFICANT EVENTS OF THE FINANCIAL YEAR

In 2023, Séché Environnement continued to pursue its strategy of profitable growth, combining dynamic internal growth with a targeted external growth strategy.

In the growing markets of ecological transition and sustainable development, the Group maintained solid growth within its historical scope and successfully completed the integration of new businesses acquired at the end of 2022, notably in the industrial water cycle.

The Group also made a number of new acquisitions in France and abroad, complementing its range of offerings and its geographical coverage at the heart of strategic markets.

At the end of the year, Séché Environnement's financial and non-financial performance enabled it to achieve by 2023 several of the financial and non-financial targets set for 2025¹.

For these reasons, at the end of the 2023 financial year, the Group unveiled a new roadmap to 2026² to specify its new financial and non-financial objectives (see section 2.6. of this document).

2.1.1 CONTINUED DYNAMIC POLICY OF TARGETED ACQUISITIONS

Acquisition of Séché Assainissement Rhône Isère

On January 16, 2023, Séché Environnement completed the acquisition of Assainissement Rhône-Isère (ARI), since renamed Séché Assainissement Rhône-Isère ("Séché ARI").

This acquisition complements Séché Environnement's operations in the Rhône-Alpes region. Based in Bonnefamille (Isère) and present throughout the Auvergne-Rhône-Alpes region, this company provides water sanitation, industrial cleaning and high-pressure hydrocleaning services and is authorized to work on Seveso-classified sites. It has generated revenue of around €2 million in 2022.

The acquisition price of around €0.7 million was financed by the Group's cash.

The Company has been consolidated since July 1, 2023.

Acquisition of Furia Srl

Séché Environnement acquired Furia Srl in August 2023, subject to conditions precedent, all of which were lifted in November 2023.

Furia is an Italian company specializing in the collection, sorting, consolidation, and recovery of hazardous and non-hazardous industrial waste. The Company also generates 40% of its revenue from soil and site remediation activities.

Furia is an integrated operator across the entire industrial waste management value chain, offering its large industrial clients (ENI, Enel etc.) collection, sorting, centralization, material recovery, and transfer of non-recoverable waste to treatment and energy recovery solutions.

Located in Caorso, south-east of Milan, Furia has 120 highly qualified employees working under a management team that upholds the same environmental values and family business culture as Séché Environnement; its platform, authorized for 220,000 tons per year, is perfectly synergized in commercial, industrial, and geographical terms with Mecomer's facilities, also located near Milan (authorized for 180,000 tons per year), as well as those of Tredi-Salaise (Isère), of which it is already a customer.

In particular, Furia and Mecomer complete and strengthen the Group's commercial offering on the industrial waste markets in Northern Italy, enabling them to offer comprehensive services to their large industrial clients.

As a result, the two companies now position Groupe Séché Environnement as one of the leading players in the hazardous waste market in Northern Italy.

This new entity also helps broaden and consolidate the Group's diversified supply of hazardous waste.

In 2022, Furia generated revenue of around €52 million, generating EBITDA of around €6.5 million.

¹ See press release of March 7, 2022

² See press release of December 12, 2023

The acquisition, involving 100% of the capital, is based on a multiple of 7 times the 2022 EBITDA. It was debt-financed, initially by drawing on the Group's liquidity line, and will be refinanced on a long-term basis.

The Company has been consolidated since Q4 2023.

Acquisition of Rent-A-Drum (Namibia)

Séché Environnement acquired Rent-A-Drum in August 2023.

Rent-A-Drum is the leading waste management company in Namibia. The Company offers its clients of large Namibian companies, as well as some leading communities such as the capital Windhoek, a wide range of services thanks to its integrated waste recovery and treatment offering.

Its expertise covers most areas of hazardous and non-hazardous waste management, as well as medical waste. Rent-A-Drum is active in on-site waste collection and management, recovery, landfill management and rehabilitation, decommissioning, and site remediation.

With a workforce of around 500 skilled employees, and already OHSAS 18001-certified and ISO 14001 and ISO 9001-certified, Rent-A-Drum is driven by experienced management and strong environmental values.

With a growth strategy focused on the circular economy and recovery businesses that already account for a quarter of its revenue, the Company is supported by recent logistics tools and seven sites in Namibia, including a solid recovered fuel production unit and two recovery units for materials as diverse as aluminum cans, cardboard packaging, plastic bottles and aerosols, which RAD sends to South Africa to be transformed into new materials.

The company is also expanding in the hazardous waste market, particularly with industrial customers in the mining sector, which accounts for almost 40% of its revenue.

The Company achieved revenue of around €7.5 million in 2022, up around 20% on 2021, for an EBITDA of around €0.9 million

With South Africa and Mozambique, this acquisition complements Séché Environnement's activities in Southern Africa, with industrial clients at the heart of the Group's target and in attractive regions with high economic potential and strict environmental regulations.

Completed at the end of August 2023, the acquisition was financed from the Group's liquidity and concerns 80% of the shares, with the balance subject to a purchase option between the parties.

Rent-A-Drum will be consolidated from January 1, 2024.

Acquisition of Essac (Peru)

Séché Environnement finalized the acquisition of Essac in Q3 2023.

Essac is one of Peru's leading emergency responders, specializing in industrial fire emergencies. The Company also carries out a second activity of training and instructing teams on industrial risks and regulations, risk prevention and audits of industrial sites (accounting for about 12% of its revenue).

With 127 qualified employees and a management team experienced in emergency response, particularly to fire hazards, the company has modern response equipment and a fleet of 22 vehicles ensuring 24/7 response capability. With a portfolio of multi-year contracts, generally concluded for periods of three to five years, and a high renewal rate, Essac benefits from high revenue visibility.

Today, the Company has a strong presence with a large industrial customer base in the mining (Cerro Verde, Chinalco etc.) and energy (Repsol, Pluspetrol etc.) sectors, and is rapidly expanding into a large number of industrial (Qroma, Pamolsa etc.) and service (Marriott, Jorge Chávez International Airport etc.) sectors.

The acquisition of Essac enhances the range of environmental services offered by Séché to its industrial clients in Peru, and perfectly complements the commercial and industrial activities of its subsidiary Kanay, which operates in hazardous waste management and industrial services.

With revenue growth of around 25% since 2019, Essac generated revenue of around €4 million in 2022, with EBITDA of €1.2 million.

The transaction, worth around €7.5 million, concerns 100% of the capital and was financed by the Group's cash resources.

The Company will be consolidated from Q4 2023.

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2.1.1.1 Other scope effects: finalization of the transfer of a portfolio of industrial water cycle activities

In 2023, Séché Environnement finalized the transfer of a portfolio of industrial water management activities acquired from the Veolia Group on November 30, 2022.

The acquired assets include contracts signed with more than 120 manufacturers and a network of 20 branches in France. This was accompanied by the transfer of some 350 employees specializing in the industrial water cycle.

The transfer operations were completed at the end of 2023 and gave rise to significant non-recurring expenses, in particular those relating to the remuneration of the Veolia Group for a number of commercial and administrative management services it continued to provide during the transfer period.

This portfolio of contracts represents full-year revenue of around €50 million.

2.1.2 SOLID NON-FINANCIAL PERFORMANCE

Validation of the climate trajectory by the SBTi

In January 2023, the *Science Based Target initiative* (SBTi) approved Séché Environnement's goal of reducing its greenhouse gas emissions. The SBTi acknowledged that Séché Environnement's target is based on scientific criteria and in line with the Paris Agreement on combating climate change, which aims to limit global warming to 2°C by 2050.

Séché Environnement's decarbonization strategy aims to achieve an absolute reduction of -25% in direct greenhouse gas emissions (scope 1) and indirect emissions linked to energy consumption (scope 2) between 2020 and 2030.

Confirmation of high rates of eligibility and alignment with the European green taxonomy.

Séché Environnement has a sustainable business model as defined by the European green taxonomy.

On the basis of the six delegated acts published by the European Commission on June 5, 2023, the company's activities are 84% eligible and 70% aligned, respectively, with the achievement of the 6 environmental objectives, measured as a proportion of contributed revenue at December 31, 2023.

These figures are well above the average for economic activities in Europe (estimated to be under 20%)¹, illustrating the Company's contribution to the greening of the economy.

2025 GHG emissions reduction target reached by 2023

With greenhouse gas emissions reduced to just 555 ktCO₂eq in 2023, Séché Environnement is two years ahead of schedule in meeting the greenhouse gas emissions reduction target for 2025 that it set in 2021.

In particular, this indicator was included as a performance criterion for its November 2021 bond issue, i.e., a 10% reduction in scope 1 and 2 greenhouse gas emissions for the France 2020 scope.

With a performance of +29% in 2023 in terms of greenhouse gases avoided, Séché Environnement is also well on the way to achieving its second objective set by its Climate strategy: a +40% increase in emissions avoided by materials recovery activities in the France 2020 scope.

¹ Source: ESMA, October 2023

2.1.3 FINANCIAL PERFORMANCE IN LINE WITH 2024-2026 ROADMAP OBJECTIVES

2.1.3.1 Confirmation of organic growth momentum¹, particularly in France

At December 31, 2023, Séché Environnement posted contributed revenue of €1,013.5 million, up +6.4% at constant scope and exchange rates compared with 2022.

Over the period, business was driven by markets in France (73.9% of contributed revenue), where the Group confirmed its continued sales momentum in most of its markets, while International sales varied according to geographical region and subsidiary.

France: robust sales in buoyant markets

In France, Séché Environnement, an integrated operator in the circular economy and environmental services businesses, is active on markets driven by regulatory changes fostering the circular economy and efforts to combat climate change and environmental safety issues related to industrial infrastructure.

In 2023, the Group experienced buoyant industrial markets, particularly in businesses linked to the Circular Economy and in services, while the extension of its offering – notably with the integration of new services businesses such as industrial water management – encouraged the implementation of intra-Group industrial and commercial synergies that amplified its growth momentum.

Contracts with local authorities remained strong in a context characterized by high utilization of waste recovery and treatment facilities, as well as the continuation of extremely positive price dynamics.

In addition, the Group benefited from a significant rise in energy prices, linked to the full effect of the indexation of its energy sales contracts in 2022 (steam sales in particular).

Overall, in France, Séché Environnement posted very strong organic growth of 9.4% compared with the previous year, illustrating the relevance of its commercial offering to economic players' challenges in the area of environmental safety and sustainability, as well as short-term imperatives in terms of access to resources, materials and energy.

International: performance varies by subsidiary

Internationally, Séché Environnement is present through some of its businesses in targeted geographical areas, giving the Group greater exposure to certain markets and/or local clients, and potentially diversifying the contribution of the various subsidiaries.

In 2023, most International markets remained robust, underpinned by the strong activity of local industrial clients, as illustrated by the remarkable performance of South American subsidiaries and the solid contribution of European subsidiaries.

However, some subsidiaries reported a decline in activities compared to their particularly high levels of activity in 2022, as in South Africa, where Spill Tech registered exceptionally large environmental emergency contracts; the same was true for Solarca, a subsidiary specializing in chemical cleaning, which benefited from a strong post-pandemic recovery in its order book in 2022.

The international scope also recorded a strongly negative foreign exchange effect of €(16.3) million vs. a positive foreign exchange effect of +€4.5 million in 2022, essentially due to the deterioration in the South African rand.

As a result, revenue is slightly down on 2022, by (0.8)% at constant scope and exchange rates.

2.1.3.2 Operating income up: strong contribution from historical scope

The 2023 financial year sees a further increase in consolidated operating income, particularly for the historical scope in France, where operating profitability, both gross and current, will be significantly higher than in 2022.

EBITDA amounted to €217.7 million, or 21.5% of contributed revenue; up 8.0% on a reported basis (vs. €201.6 million, or 22.6% of contributed revenue in 2022).

At constant scope, it amounted to €218.4 million, a significant organic increase of 10.1% to 23.3% of contributed revenue (vs. 22.6% of contributed revenue a year ago).

¹ The term "organic" is used in this document to describe changes at constant scope and exchange rates.

The increase in gross operating profitability reflects the solid contribution of the France scope:

- **In France, organic EBITDA** rose by +18.8% to €176.7 million, or 25.7% of contributed revenue, marking a significant improvement in gross operating profitability compared with the previous year (23.6% of contributed revenue).

In addition to favorable commercial effects (volume and price effects), EBITDA in France reflects the positive impact of the industrial efficiency policy on tool availability and organizational productivity.

This further increase in gross operating profitability to historically high levels also illustrates Séché Environnement's ability to rapidly integrate the new scopes acquired in recent years and raise their profitability to Group standards.

This performance is all the more remarkable given that EBITDA growth in 2023 was limited to €(9.4) million, by the cap on sub-marginal profits for electricity producers introduced by the French Finance Act for 2023 (with a negative impact of €5.8 million from 2022), reducing gains on electricity sales to +€2.6 million.

- **Internationally, organic EBITDA** fell by 15.9% to €41.7 million, or 16.8% of contributed revenue (vs. €52.9 million, or 19.9% of contributed revenue in 2022).

The lower contribution from international activities is mainly due to the decrease in activity recorded by certain subsidiaries (notably Spill Tech and Solarca), bearing in mind that the international scope's gross operating profitability was buoyed up in 2022 by the contribution of exceptionally large environmental emergency contracts, amounting to around €5 million.

Current operating income (COI) totaled €101.2 million, or 10.0% of contributed revenue, representing an increase of 10.8% on a reported basis on the previous year (€91.3 million, or 10.2% of contributed revenue).

At constant scope, growth was very strong (+17.8% on an organic basis) at €105.1 million, or 11.2% of contributed revenue. This increase in operating profitability reflects the solid performance of the France scope:

- **in France, current operating income** reached €85.9 million, or 12.5% of contributed revenue (vs. 9.8% of contributed revenue by 2022), reflecting organic growth in EBITDA, offset in particular by a moderate increase in depreciation and amortization expenses.
- **Internationally, current operating income** came to €19.2 million, or 7.7% of contributed revenue (vs. €29.6 million, or 11.1% of contributed revenue in 2022). This decline is mainly due to weaker international EBITDA performance at constant scope and exchange rates.

Operating income totaled €91.4 million, or 9.0% of contributed revenue, up 5.1% on a reported basis and 12.2% at constant scope and exchange rates compared to the previous year. This change reflects growth in current operating income, less impairment of intangible assets in the amount of €(7.1) million. These impairments mainly reflect the non-utilization of developments carried out as part of the implementation of the French enterprise resource planning following the tests conducted by the pilot companies during the second half of 2023.

2.1.3.3 Further increase in net income, Group share – Proposed dividend increased

Net financial income

As at December 31, 2023, net financial income stood at €(22.2) million, compared with €(18.5) million at the end of 2022, a 20.0% increase year on year.

This change mainly reflects:

- The increase in gross debt costs to €(26.1) million, vs. €(17.8) million a year earlier, due to the rise in average gross debt costs to 3.49% (vs. 2.56% in 2022, as well as the increase in average gross financial debt over the period (see below).
- The improvement in "Other financial income and expenses", at +€0.9 million, vs. €(1.5) million in 2022, mainly due to the recognition of accretion income of +€2.3 million on the provision for thirty-year risk (vs. an expense of €(0.5) million a year ago).

Income tax

As at December 31, 2023, income tax expenses stood at €(17.8) million, vs. €(19.2) million in 2022, giving an effective tax rate of 25.8%, vs. 28.1%.

Net consolidated income

After accounting for the share of profit of associates, i.e., €(1.3) million as at December 31, 2023, unchanged compared to 2022, net consolidated income came to €50.0 million, vs. €47.9 million in 2022.

Net of the share attributable to non-controlling interests totaling €(2.2) million, **net Group income** amounted to €47.8 million, or 4.7% of contributed revenue as at December 31, 2023 (vs. 44.6 million, or 5.0% of contributed revenue in 2022).

2.1.3.4 Confirmation of solid financial structure

Free operating cash flow amounted to €101.3 million, up 29.2% compared with 2022 (€78.4 million), giving an EBITDA-to-cash conversion rate of 47% (vs. 39% a year ago). This positive trend is due in particular to tight control of industrial investments and good management of working capital requirements.

Industrial investments recognized therefore totaled €97.2 million, or 9.6% of contributed revenue (vs. €105.0 million in 2022, or 11.7% of contributed revenue):

- Recurring (or maintenance) investments totaled €68.2 million, or 6.7% of contributed revenue (vs. €57.4 million in 2022, or 6.4% of contributed revenue), with the slight increase over the previous year mainly due to periodic "Major maintenance and repairs;"
- Non-recurring (or development) investments amounted to €29.0 million, or 2.9% of contributed revenue (vs. €47.6 million in 2022, or 5.3% of contributed revenue) and mainly concern growth investments in the Circular Economy and Services businesses.

Profit of the period per share came to €6.13, vs. €5.72 as at December 31, 2022. The **dividend** will be raised from €1.10 to €1.20 per share, subject to approval by the Annual General Meeting of Shareholders on April 26, 2024. It will be withdrawn on July 8, 2024 for payment on July 10, 2024.

The **change in working capital requirement** stood at €(6.3) million, compared with €(25.1) million in 2022, illustrating the success of the Group's efforts to return to a situation in line with business growth, and despite the consequences of the spring 2023 cyber attack on invoicing and collections.

The **cash balance** amounted to €162.2 million, vs. €126.2 million a year earlier, a 28.5% increase reflecting the good level of free cash flow generated in 2023 (excluding acquisitions). The **liquidity position** was solid, at €332.2 million as at December 31, 2023 vs. €313.1 million at the end of 2022.

Net financial debt came to €641.9 million, vs. €587.4 million as at December 31, 2022. This increase of €54.5 million mainly reflects:

- €(43.3) million: the Group's debt relief at constant scope and before non-cash effects;
- +€35.5 million: a non-cash change – at constant scope – linked in particular to new IFRS 16 contracts.
- €62.3 million increase: scope effects (disbursements for fair value of securities, working capital requirement and financial leases of acquired companies).

Financial leverage stood at 2.9 times EBITDA, vs. 2.8 times a year earlier. Excluding acquisitions completed by the end of 2023, it would have been 2.7 times EBITDA, in line with Group targets.

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2.2 SELECTED FINANCIAL INFORMATION ON THE CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2023

Excerpts from the primary financial statements

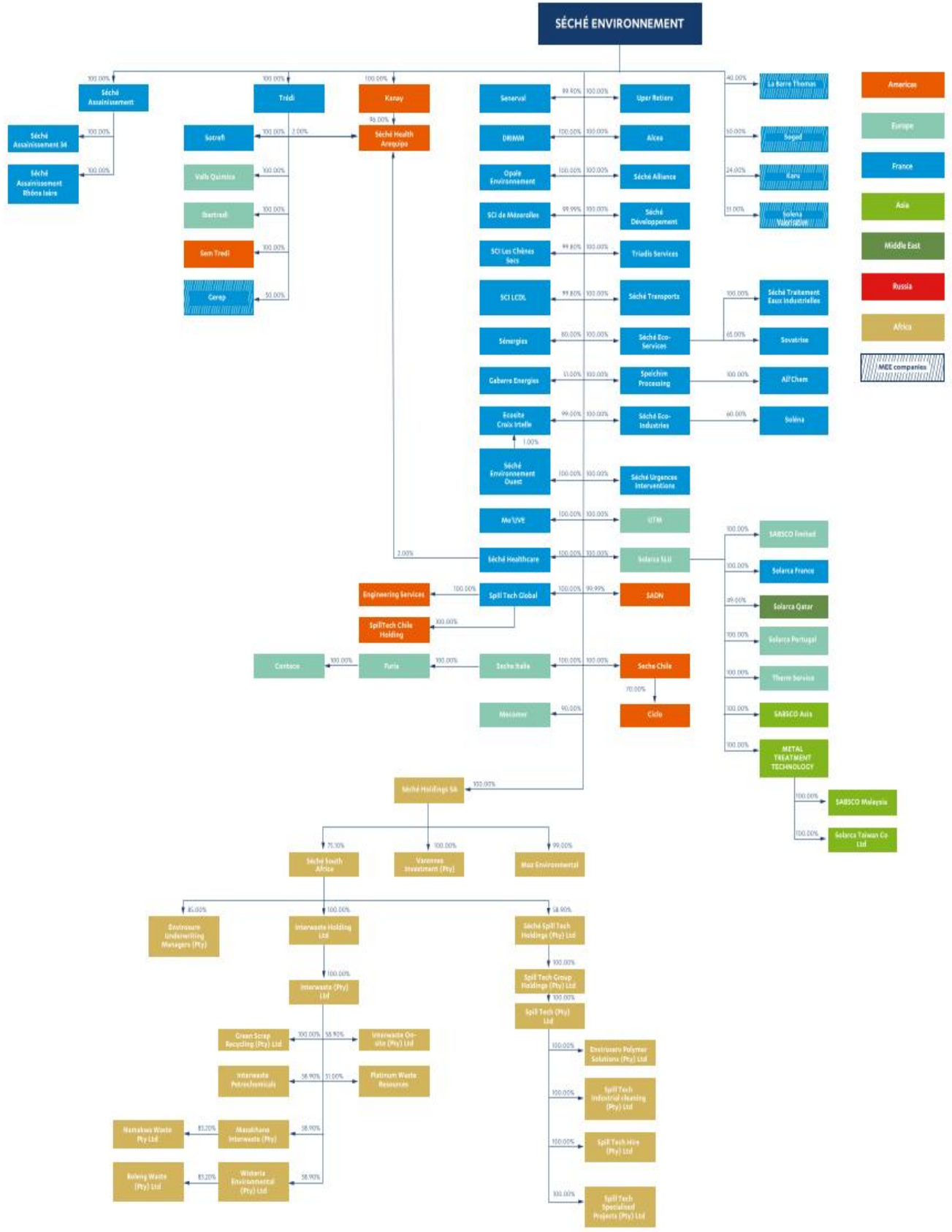
<i>In millions of euros</i>	2022	2023	Gross change
Revenue (reported)	972.7	1,088.9	+11.9%
o/w contributed revenue	895.3	1,013.5	+13.2%
EBITDA	201.6	217.7	+8.0%
<i>Gross operating margin as % of contributed revenue</i>	22.6%	21.5%	-
Current operating income	91.3	101.2	+10.8%
<i>Current operating margin as % of contributed revenue</i>	10.2%	10.0%	-
Operating income	87.0	91.4	+5.1%
Net financial income	(18.5)	(22.2)	+20.0%
Income tax	(19.2)	(17.8)	(7.3)%
Share of profit of associates	(1.3)	(1.3)	ns
Net consolidated income	47.9	50.0	+4.4%
Of which attributable to non-controlling interests	(3.3)	(2.2)	(33.3)%
Of which attributable to owners of the parent	44.6	47.8	+7.2%
Diluted earnings per share (in euros)	5.72	6.13	+7.2%
Recurring operating cash flow	179.1	190.2	+6.2%
Net disbursed industrial investments	95.7	88.7	(7.3)%
Free operating cash flow	78.4	101.3	+29.2%
Cash and cash equivalents	126.2	162.2	+28.5%
Net financial debt under IFRS	587.4	641.9	+9.3%
Financial leverage ratio	2.8x	2.9x	+0.1x

Definitions

Contributed revenue: reported consolidated revenue net of 1/ IFRIC 12 revenue representing investments in assets under concession arrangements, which are recognized as revenue in accordance with IFRIC 12; 2/ the impact of the general tax on polluting activities (TGAP) paid by the waste producer and collected on behalf of the State by waste treatment operators.

Recurring operating cash flow: EBITDA plus dividends received from equity investments and the balance of other cash operating income and expenses (including net foreign exchange gains or losses) less rehabilitation and maintenance expenses for waste treatment facilities and assets under concession arrangements (including major maintenance and renewal contracts).

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



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2.3 COMMENTS ON ACTIVITY AND CONSOLIDATED RESULTS FOR THE YEAR ENDED DECEMBER 31, 2023

2.3.1 COMMENTS ON BUSINESS ACTIVITY IN 2023

2.3.1.1 Reported revenue and contributed revenue – Scope effect

As at December 31, 2023, Séché Environnement reported **consolidated revenue** of €1,088.9 million, vs. €972.7 million a year earlier.

It includes non-contributed revenue of €75.4 million (vs. €77.4 million at December 31, 2022), which breaks down as follows:

As at December 31	2022	2023
IFRIC 12 investments ¹	21.7	15.6
TGAP ²	55.7	59.8
Non-contributed revenue	77.4	75.4

Consolidated data in millions of euros.

Net of non-contributed revenue, **contributed revenue** totaled €1,013.5 million for the year ended December 31, 2023, up 13.2% over December 31, 2022 (€895.3 million).

This increase includes a **scope effect** of €77.5 million, broken down as follows:

- All'Chem (France), consolidated from July 1, 2022: €8.5 million;
- Séché Assainissement 34 (France), consolidated from July 1, 2022: €2.1 million;
- Séché Traitement Eaux Industrielles (France), consolidated from December 1, 2022: €49.1 million;

- Séché Assainissement Rhône-Isère (France), consolidated from July 1, 2022: €0.7 million;
- Furia (Italy), consolidated from October 1, 2023: €15.8 million;
- Essac (Peru), consolidated from October 1, 2023: €1.3 million.

In the 2nd half of 2023, Séché Environnement acquired the Namibian company Rent-A-Drum³, which will be consolidated from January 1, 2024.

As at December 31, 2023	France	International	Total
Hazardous waste division	57.6	17.1	74.7
Non-hazardous waste division	2.8	-	2.8
Total scope effect	60.4	17.1	77.5

At constant scope, contributed revenue amounted to €936.0 million, up 4.6% compared to December 31, 2022.

effect of €4.5 million in 2022), essentially due to the devaluation of the South African rand (ZAR) against the euro.

Over the period, the **foreign exchange effect** was strongly negative, at (€16.3) million (vs. a positive foreign exchange

At constant scope, organic growth of contributed revenue stood at 6.4% compared with 2022.

¹ See: Definitions in section 2.2 of this document. In 2023, these investments mainly represented investments in the Mo'Uve incinerator in Montauban.

² See: Definitions in section 2.2 of this document.

³ See press release of September 11, 2023

Breakdown of contributed revenue by geographical region

As at December 31	2022		2023		Gross change
	In € million	As a %	In € million	As a %	As a %
Subsidiaries in France	629.3	70.3%	748.6	73.9%	+19.0%
<i>o/w scope effect</i>	-	-	60.4	-	-
International subsidiaries	266.0	29.7%	264.9	26.1%	-0.4%
<i>o/w scope effect</i>	-	-	17.1	-	-
TOTAL CONTRIBUTED REVENUE	895.3	100.0%	1,013.5	100.0%	+13.2%

Consolidated data at current exchange rate. At constant exchange rates, contributed revenue for the year ended December 31, 2022 came to €879.0 million, reflecting a negative foreign exchange effect of €(16.3) million.

Financial year 2023 confirmed a high level of activity in France, while internationally, the situation varied from one region to another, with a strongly negative foreign exchange effect primarily due to the devaluation in the South African rand against the euro:

- **In France**, contributed revenue rose sharply (by 19.0%) to €748.6 million, vs. €629.3 million as at December 31, 2022.

This increase includes a scope effect of €60.4 million. (See above.)

At constant scope, contributed revenue generated by the French subsidiaries amounted to €688.2 million, an increase of +9.4% year on year.

Séché Environnement benefited from industrial and local authority markets driven by the circular economy and services activities. This robust sales momentum allowed the Group to benefit from favorable volume and price effects, particularly in the non-hazardous waste division, where high permit utilization rates favored price increases. Energy recovery activities particularly benefited from the positive indexation of energy, steam and electricity sale prices, which contributed to additional revenue of around €12 million in 2023 compared with 2022 at constant volumes (and before taxation¹).

Sales in France accounted for 73.9% of contributed revenue as at December 31, 2023 (vs. 70.3% a year earlier);

- **Internationally**, contributed revenue amounted to €264.9 million, vs. €266.0 million as at December 31, 2022, a decrease of 0.4% on a reported basis.

International revenue included a scope effect of €17.1 million. (See above.) It also includes a strongly negative foreign exchange effect of €(16.3) million.

At constant scope, International revenue came to €247.8 million, representing organic growth of -0.8% over the period. This near-stability reflects varying situations across subsidiaries and geographical areas:

- Europe, excluding Solarca (revenue: €83.6 million, up 2.7%) including the growth of Mecomer's hazardous waste platform business in Italy, which is benefiting from the ramp-up of its new capacities, as well as the positive trend in UTM's business in Germany, while Valls Quimica's solvent regeneration business in Spain recorded a decline in activity as a result of the subsidiary's refocusing on higher value-added markets in the circular economy applied to chemical products.
- South Africa (revenue: €95.4 million, down 12.3%): Interwaste reported a slight increase in sales (+1.4%), this weaker growth resulting from the postponement of new business in Q3, which was not fully offset by the end of the year, while Spill Tech reported a decline in activity (-26.0%) compared to a particularly strong 2022 characterized by exceptionally large contracts.
- Latin America (revenue: €42.5 million, up 47.0%) recorded a strong rebound in robust markets, particularly in the services sector in Peru, despite the comparison with particularly strong results in 2022 due to exceptionally large environmental emergency contracts.
- Solarca – Europe and the rest of the world (revenue: €26.4 million – down -14.3%) was affected by a number of site delays at the start of the year, which were not offset by better sales dynamics in the 2nd half. These figures are compared with the strong results from 2022, which benefited from a record order book following the pandemic years.

Revenue earned by subsidiaries outside France accounted for 26.1% of contributed revenue for the year ended December 31, 2023 (vs. 29.7% one year earlier).

¹ Taxation following the capping on infra-marginal profits of electricity producers introduced by the French Finance Act for 2023.

Analysis of contributed revenue by activity

As at December 31	2022		2023		Gross change
	In € million	As a %	In € million	As a %	As a %
Services	405.9	45.3%	464.8	45.9%	+14.5%
<i>o/w scope effect</i>	-	-	53.2	-	-
Circular economy and decarbonization	286.0	32.0%	341.0	33.7%	+19.2%
<i>o/w scope effect</i>	-	-	24.3	-	-
Hazard management	203.4	22.7%	207.7	20.5%	+2.1%
<i>o/w scope effect</i>	-	-	-	-	-
TOTAL CONTRIBUTED REVENUE	895.3	100.0%	1,013.5	100.0%	+13.2%

Consolidated data at current exchange rate.

Growth was driven by activities linked to the Circular Economy and Decarbonization, as well as services.

Services activities posted revenue of €464.8 million for the year ended December 31, 2023, an increase of 14.5% (reported data).

This increase includes a €53.2 million scope effect linked to the contribution of acquired businesses in the sanitation and industrial effluent management markets, as well as the integration of Essac. (See above.)

At constant scope, services activities posted organic growth of 5.7% year on year, to €411.6 million. This includes:

- In France (revenue: €259.1 million, up 13.9%), the dynamic performance of key account services, in particular “comprehensive services,” which meet industrial clients’ growing needs to outsource their sustainable development issues, as well as the positive trend in environmental services (remediation, emergency response).
- Internationally (revenue: €152.5 million, down -5.7%): the decline of Spill Tech due to a particularly strong basis for comparison in 2022, and to a lesser extent Solarca (chemical cleaning) benefited from a particularly strong post-pandemic order book in 2022.

Services activities accounted for 45.9% of contributed revenue at December 31, 2023 (vs. 45.3% a year earlier).

Activities related to the Circular Economy and Decarbonization posted €341.0 million in revenue at December 31, 2023, an increase of +19.2% (reported data).

This increase includes the *pro rata* contribution of new scopes, namely All’Chem in France and Furia in Italy, at €24.3 million.

At constant scope, organic growth was 10.7%, at €316.7 million.

This increase reflects:

- In France (revenue: €230.6 million, up 11.1%), the robust performance of material recovery activities driven by the implementation of circular economy regulations, and in energy recovery activities buoyed up by rising energy prices. It should be noted that revenue from energy sales includes €9.4 million (vs. €5.8 million in 2022) in income from electricity sales at prices in excess of €175 per MWh, which were subject to taxation¹, recognized for the same amount under “Taxes and duties.”
- Internationally (revenue: €86.1 million, up 10.0% on an organic basis), the robust performance of Mecomer in Italy and UTM in Germany.

Activities related to the circular economy and decarbonization accounted for 33.7% of contributed revenue as at December 31, 2023 (vs. 32.0% a year earlier).

¹ Capping on infra-marginal profits of electricity producers introduced by the French Finance Act for 2023.

Hazard management activities generated revenue of €207.7 million, up 2.1% on a reported basis at constant exchange rates:

- In France, these activities grew by 2.3% to €198.5 million. They mainly benefited from favorable price effects in markets characterized by high utilization of thermal treatment facilities in the hazardous waste division, as well as saturation of permits in the final waste management business in the non-hazardous waste division;

- Internationally, at €9.2 million, these activities were down by -2.0% at current exchange rates and -2.8% at constant exchange rates, reflecting the weaker dynamics of hazardous final waste markets in Latin America compared with 2022, when they were buoyed by exceptionally large contracts.

Hazard Management activities accounted for 20.5% of contributed revenue at December 31, 2023 (vs. 22.7% a year earlier).

Breakdown of contributed revenue by division

As at December 31	2022		2023		Gross change
	In € million	As a %	In € million	As a %	As a %
Hazardous waste division	568.8	63.5%	686.3	67.7%	+20.7%
<i>o/w scope effect</i>	-	-	74.7	-	-
Non-hazardous waste division	326.5	36.5%	327.2	32.3%	+0.2%
<i>o/w scope effect</i>	-	-	2.8	-	-
TOTAL CONTRIBUTED REVENUE	895.3	100.0%	1,013.5	100.0%	+13.2%

Consolidated data at current exchange rate.

The **hazardous waste division** generated contributed revenue of €686.3 million, a significant increase of 20.7% compared with December 31, 2022.

The division recorded a scope effect of €74.7 million. (See above.)

At constant scope, organic growth for the division was 8.9%, driven by dynamic industrial markets in France:

- In France, this division generated €418.1 million in revenue, an increase of 11.5% from 2022. Over the period, the division was driven by circular economy activities (material and energy recovery) and its services activities (comprehensive services, environmental emergencies).
- Internationally, the division recorded €193.5 million in revenue, an organic increase of +3.8% compared to the previous year. This growth reflects the robust performance of the European material and energy recovery markets, offset by the downturn in services activities outside Europe (notably Spill Tech and Solarca).

The hazardous waste division accounted for 67.7% of contributed revenue in 2023, vs. 63.5% a year earlier.

The **non-hazardous waste** division posted contributed revenue of €327.2 million, which is stable compared to 2022 (up 0.2% on a reported basis).

This increase includes a scope effect of €2.8 million. (See above.)

At constant scope, the division recorded organic growth of 2.2%, reflecting:

- In France (revenue up 6.2% to €270.0 million), significant growth in activities linked to the circular economy (notably energy recovery, boosted by rising energy prices).
- Internationally (revenue down 14.3% organically to €54.4 million), the one-off decline in the non-hazardous waste business in South Africa.

The non-hazardous waste division accounted for 32.3% of contributed revenue in 2023, vs. 36.5% a year earlier.

2.3.2 COMMENTS ON THE CONSOLIDATED RESULTS FOR 2023

2.3.2.1 EBITDA

As at December 31, 2023, EBITDA amounted to €217.7 million, or 21.5% of contributed revenue, up +8.0% on a reported basis (vs. €201.6 million, or 22.6% of contributed revenue a year earlier).

The scope effect had a negative impact of €(0.7) million, while foreign exchange effects had a negative impact of €(3.3) million.

At constant scope, EBITDA posted organic growth of 10.1% over the period to €218.4 million, or 23.3% of contributed revenue.

The France scope was the primary contributor to this growth. The increase in EBITDA (by €16.8 million) is mainly due to:

- Negative volume and mix effects for €(12.7) million: the France scope posted positive volume and mix effects (up

€3.4 million), while international volumes were impacted by decreased activity in services businesses. (See above.)

- Positive price effects of €53.9 million, mainly due to the strong contribution of the France scope (€57.2 million), with the favorable price dynamic underpinned by high tool utilization. (See above.)

This increase was partially offset by the following increases:

- Variable operating expenses (up €5.6 million): note the positive contribution of the international scope (€8.0 million increase), as variable expenses decreased along with the declining volumes in this scope.
- Fixed costs (up €18.8 million), mainly due to increases in maintenance and payroll costs in France, whereas fixed costs are well under control internationally.

Breakdown of EBITDA by geographic scope

As at December 31 In millions of euros	2022			2023		
	Consolidated	France	International	Consolidated	France	International
Contributed revenue	895.3	629.3	266.0	1,013.5	748.5	265.0
EBITDA	201.6	148.7	52.9	217.7	174.1	43.6
% of contributed revenue	22.6%	23.6%	19.9%	21.5%	23.3%	16.5%

Consolidated data at current exchange rate.

For each geographic scope, the main changes were:

- **In the France scope**, EBITDA totaled €174.1 million, or 23.3% of contributed revenue, an increase of 17.0% (vs. €148.7 million, or 23.6% of contributed revenue in 2022).

This increase includes a scope effect of €(2.6) million corresponding to the *pro rata* contribution of activities consolidated in 2022 and 2023 (All'Chem, STEI, Séché 34 and Séché ARI).

At constant scope, EBITDA in France stands at €176.7 million, up +18.8% compared with 2022, bringing it to 25.7% of contributed revenue.

The increase in gross operating profitability to historically high levels illustrates the Group's ability to rapidly integrate new activities and raise their profitability to its high standards.

In particular, it is due to:

- Positive volume and mix effects, at €3.4 million, resulting mainly from the industrial efficiency policy on tool availability and process efficiency (logistics in particular).

- A positive price effect of €57.2 million, due to the high utilization rate of industrial facilities and the dynamic trend in energy sale prices over the financial year.

- A moderate rise in variable operating expenses (up €13.6 million), mainly due to subcontracting expenses, whereas the period was characterized by the reduced impact of energy purchases compared with the previous year. It should be noted that the decline in volumes in the non-hazardous final waste management business was accompanied by a significant reduction in variable costs.

- An increase in fixed costs (by €18.8 million), reflecting higher maintenance and payroll costs, due to an increase in the workforce as well as the Group's determination to support its employees in the current inflationary environment.

- The neutralization of the impact of the electricity sale price capping via income from property tax adjustments in the approximate amount of €(9.4) million, vs. €(5.8) million in 2022.

Internationally, EBITDA totaled €43.6 million, or 16.5% of contributed revenue.

This includes a scope effect of €1.8 million linked to the contributions of Furia and Essac over the last three months of the financial year. The foreign exchange effect was negative at €(3.3) million.

At constant scope, EBITDA came to €41.7 million, an organic decrease of (15.9)% to 16.8% of contributed revenue (vs. €52.9 million, or 19.9% of contributed revenue in 2022).

This change €(11.2) million mainly reflects:

- Negative volume and mix effects of €(16.1) million due to decreased activity in services businesses (notably Spill Tech and Solarca).
- Stable price effects excluding foreign exchange effects.
- Variable operating expenses down by €(8.0) million, reflecting lower volumes in the services business.
- Stable fixed costs.

Breakdown of current operating income by geographic scope

As at December 31 In millions of euros	2022			2023		
	Consolidated	France	International	Consolidated	France	International
Contributed revenue	895.3	629.3	266.0	1,013.5	748.5	265.0
Current operating income	91.3	61.7	29.6	101.2	80.8	20.4
% of contributed revenue	10.2%	9.8%	11.1%	10.0%	10.8%	7.7%

Consolidated data at current exchange rate.

For each geographic scope, the main changes were:

- **In the France scope**, current operating income totaled €80.8 million, or 10.8% of contributed revenue (vs. €61.7 million, or 9.8% of contributed revenue a year earlier), marking an increase of +39.0% compared with 2022. This increase includes a scope effect of €(5.1) million relating to the *pro rata* contribution of activities consolidated in 2022 and 2023 (All'Chem, STEI, Séché 34 and Séché ARI).

At constant scope, current operating income in France amounted to €85.9 million or 12.5% of contributed revenue. This excellent performance reflects organic growth in EBITDA (up €28.0 million), less depreciation and amortization expenses and provisions, which increased moderately thanks to tight control over investments and the quality of the trade receivables portfolio.

2.3.2.2 Current operating income

As at December 31, 2023, current operating income totaled €101.2 million, or 10.0% of contributed revenue, representing an increase of 10.8% on a reported basis on the previous year (€91.3 million, or 10.2% of contributed revenue).

It includes a negative contribution from new scopes of €(3.9) million, as well as a negative foreign exchange effect of €(2.1) million.

At constant scope, current operating income posted significant organic growth (17.8%) over the period, standing at €105.1 million, or 11.2% of contributed revenue. This improvement mainly reflects the organic increase in EBITDA (up €20.2 million) as well as the moderate rise in depreciation and amortization expenses in France and abroad, resulting from tight control of industrial investments.

- **In the international scope**, current operating income totaled €20.4 million, or 7.7% of contributed revenue. i.e., a (31.1)% fall over the period (vs. €29.6 million, or 11.1% of contributed revenue in 2022).

This contraction includes a scope effect of €1.3 million reflecting the contribution over three months of the acquisitions made at the end of 2023, as well as a negative foreign exchange effect of €(2.1) million.

At constant scope, current operating income came to €19.2 million, or 7.7% of contributed revenue, marking an organic decline of (30.2%) year on year.

This lower contribution primarily reflects the €(7.8) million organic decline in International EBITDA, as well as higher depreciation and amortization charges relating to Interwaste's new capacities (class A facilities at Klinkerstene, industrial effluent treatment facility etc.), among other factors.

2.3.2.3 Operating income

Operating income totaled €91.4 million, or 9.0% of contributed revenue, up 4.9% at constant exchange rates compared to the previous year (up 12.2% at constant scope and exchange rates).

This change primarily reflects growth in current operating income, less a provision for intangible assets of €7.1 million. This impairment is primarily related to the non-utilization of developments carried out as part of the implementation of the French ERP following the tests conducted by the pilot companies during the second half of 2023.

2.3.2.4 Net financial income

As at December 31, 2023, net financial income stood at €(22.2) million, compared with €(18.5) million at the end of 2022, a 20.0% increase year on year.

This change mainly reflects:

- The increase in **gross debt costs** to €(26.1) million, vs. €(17.8) million a year earlier, due to the rise in average gross debt costs to 3.49%, vs. 2.56% in 2022), as well as the increase in average gross debt;

- The improvement in **“Other financial income and expenses,”** at €0.5 million, vs. €(0.9) million in 2022, mainly due to the recognition of accretion income of €1.8 million on the thirty-year risk provision (vs. an expense of €(0.5) million a year ago).

2.3.2.5 Income tax

As at December 31, 2023, income tax expenses stood at €(17.8) million, vs. €(19.2) million in 2022, i.e., an effective tax rate of 25.8%, vs. 28.1%.

Income tax is broken down as follows:

- **In the France scope**, in the amount of €(14.8) million, of which €(7.9) million deferred, vs. €(12.1) million, of which €(5.6) million deferred in 2022;
- **In the International scope**, in the amount of €(3.1) million, of which +€2.0 million deferred, vs. €(7.1) million, of which +€1.2 million deferred in 2022.

2.3.2.6 Share of net income of equity-accounted entities

Income from associated companies mainly concerns the Group's share in the profits of Gerep, Sogad, La Barre-

Thomas and Solena Valorisation. It amounts to €(1.3) million at December 31, 2023, unchanged from the previous year.

2.3.2.7 Net consolidated income

After accounting for the **share of profit of associates**, i.e., €(1.3) million as at December 31, 2023, **net consolidated income** came to €50.0 million, vs. €47.9 million in 2022.

Profit of the period per share came to €6.13, vs. €5.72 as at December 31, 2022.

Net of the **share attributable to non-controlling interests** totaling €(2.2) million, **net Group income** amounted to €47.8 million, or 4.7% of contributed revenue as at December 31, 2023 (vs. 44.6 million, or 5.0% of contributed revenue in 2022).

The **dividend** will be increased from €1.10 to €1.20 per share and will be withdrawn on July 8, 2024 and paid from July 10, 2024¹. The payout ratio is up slightly on last year, at 19.6% of 2023 earnings per share, vs. 19.2%.

¹ Subject to approval by the General Meeting of Shareholders of April 26, 2024

2.4 COMMENTS ON CONSOLIDATED CASH FLOW AT DECEMBER 31, 2023

2.4.1 SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

<i>In millions of euros</i>	2022	2023
Cash flow from operating activities	148.1	187.3
Cash flows from investments	(189.5)	(168.7)
Cash flows from financing	(5.2)	18.8
<i>Change in cash from continuing operations</i>	(46.6)	37.3
<i>Change in cash from discontinued operations</i>	-	-
CHANGE IN CASH	(46.6)	37.3

Over the period, the change in cash was +€83,9 million, generating a positive cash flow of +37.3 million for the period.

This favorable trend primarily reflects:

- Higher cash flow from operating activities: €39.2 million;
- The decrease in cash flows related to investments: +€20.8 million;
- The contribution of cash flows related to financing: €24.0 million.

2.4.2 CASH FLOWS FROM OPERATING ACTIVITIES

In 2023, the Group generated €187.3 million in cash flow from operating activities (vs. €148.1 million a year earlier), an increase of €39.2 million.

This change reflects the combined effect of the following changes:

- **Cash flows from operating activities before tax and financial expenses** up €17.6 million, to €206.5 million (vs. €188.9 million in 2022), reflecting the increase in EBITDA over the period.
- **Working capital requirement**, at €(6.3) million, vs. €(25.1) million in 2022. The return of the change in working capital requirement to a level in line with business growth demonstrates the success of the Group's work on account receivables, despite the consequences of the spring 2023 cyber-attack on invoicing and payment collections.
- **Taxes paid** down by €(2.9) million to €(12.9) million, vs. €(15.8) million in 2022.

2.4.3 CASH FLOWS FROM INVESTMENTS

<i>(In millions of euros)</i>	2022	2023
Net industrial investments (excluding IFRIC 12 investments)	105.0	97.2
Net financial investments	0.2	0.0
NET INVESTMENTS RECOGNIZED	105.2	97.2
Net industrial investments	95.7	88.7
Net financial investments	(0.1)	0.1
Acquisition of subsidiaries – Net cash	80.7	62.3
INVESTMENTS PAID OUT	176.3	151.1

In 2023, **net industrial investments recognized** were down sharply, at €97.2 million, or 9.6% of contributed revenue (vs. €105.0 million, or 11.4% of contributed revenue in 2022).

These consist of:

- **Recurring (or maintenance) investments** of €68.2 million, or 6.7% of contributed revenue (vs. €57.4 million in 2022, i.e., 6.4% of contributed revenue), with this increase primarily resulting from periodic major maintenance and renewal expenses during the financial year.
- **Non-recurring (or development) investments** of €29.0 million, or 2.9% of contributed revenue (vs. €47.6 million, or 5.3% of contributed revenue in 2022). These mainly concern growth investments in services and in circular economy businesses.

By type, industrial investments recognized can be broken down as follows:

- €16.3 million in category two expenses for major maintenance and renewal (vs. €9.8 million in 2022);

- €35.8 million for hazard management businesses (vs. €49.7 million in 2022);
- €19.2 million for circular economy businesses (vs. €14.1 million in 2022);
- €20.0 million for services businesses (vs. €23.3 million in 2022);
- €5.9 million in other investments (vs. €8.1 million in 2022).

Investments made in anticipation of regulatory changes, as well as those related to health, safety and the environment, accounted for €20.9 million (21.5% of net investments recognized), vs. €16.0 million in 2022 (i.e., 15.2% of net investments recognized).

By division, industrial investments recognized (excluding IFRIC 12 investments) can be broken down as follows:

	2022		2023	
	€ million	%	€ million	%
Hazardous waste division	69.7	66.4%	65.3	67.2%
Non-hazardous waste division	35.3	33.6%	31.9	32.8%
Total	105.0	100.0%	97.2	100.0%

By geographic region, the breakdown of industrial investments (excluding IFRIC 12 investments) demonstrates the preponderance of investments made in France and

abroad and by the main subsidiaries in Italy, South Africa and Spain:

	2022		2023	
	€ million	%	€ million	%
France	78.7	75.0%	79.3	81.6%
Germany	0.1	0.1%	0.1	0.1%
Spain ¹	5.5	5.2%	4.5	4.6%
Italy	9.9	9.3%	(0.8)	(0.8)%
Chile	0.9	0.9%	1.6	1.7%
Mexico	ns	ns	0.3	0.3%
Peru	0.9	0.9%	2.4	2.5%
South Africa	9.0	8.6%	9.7	10.0%
International total	26.3	25.0%	17.9	18.4%
Consolidated total (excl. IFRIC 12)	105.0	100.0%	97.2	100.0%

In terms of future investments, management only makes firm commitments for investments in concessions, which are

financed by bank loans taken out by the entity that holds the public service delegation.

¹ Investments by Solarca are fully consolidated under "Spain."

The Group's ability to finance its own industrial investments (excluding investments in concessions, which are financed entirely by bank loans) improved over the period, as

illustrated by the improvement in the hedge rates of industrial and financial investments by operating cash flow:

(In millions of euros)	2022	2023
EBITDA	201.6	217.7
Rehabilitation and maintenance expenses for waste treatment facilities and assets under concession	(11.0)	(10.6)
Other operating income and expenses (including foreign exchange gain/loss)	(1.7)	(0.6)
Cash flow before tax and financing costs	188.9	206.5
Change in working capital requirement	(25.0)	(6.3)
Taxes paid	(15.8)	(12.9)
Operating cash flow (A)	148.1	187.3
Net investments paid out (B)	(95.7)	(88.7)
Operating balance	52.4	98.6
(A)/(B)	154%	212%
Net financial investments paid out (C)	(80.7)	(62.3)
Balance after investments	(28.3)	36.3
A/(B+C)	84%	124%

N.B. Investments in concessions (IFRIC 12 investments) are financed by specific secured financing lines.

2.4.4 CASH FLOW FROM FINANCING

Net cash used in financing activities amounted to +€18.8 million for the year ended December 31, 2023, up +€24.0 million year-on-year, mainly reflecting:

- **Cash flows from new borrowings:** +€163.5 million vs. +€104.8 million last year. These flows notably include the "Recovery" equity loan granted in July 2023 for an amount of €57.8 million and a term of 8 years.
- **Cash flows from loan repayments:** €(85.2) million, vs. €(60.7) million in 2022.
- **Interest charges paid out:** €(19.6) million, vs. €(14.6) million in 2022.
- **Flows from dividends** paid to the shareholders of the Company and non-controlling interests: €(9.9) million, vs. €(8.8) million in 2022.
- **Cash flows without gain of control:** €(0.6) million, vs. €(3.0) million in 2022.
- **Changes in treasury shares** amounted to €(0.1) million vs. €0.1 million in 2022.
- **Repayment of lease debts** in the amount of €(29.3) million, of which lease interest of €(3.6) million, vs. €(23.5) million, of which lease interest of €(2.4) million in 2022.

2.5 COMMENTS ON THE CONSOLIDATED FINANCIAL STRUCTURE AT DECEMBER 31, 2023

2.5.1 SIMPLIFIED CONSOLIDATED FINANCIAL STATEMENT

In millions of euros

	2022	2023
	Real	Real
Non-current assets	963.3	1,032.3
Current assets (excluding cash and cash equivalents)	315.0	391.2
Cash and cash equivalents	126.2	162.2
Assets held for sale	-	-
Equity (including non-controlling interests)	317.4	346.3
Non-current liabilities	660.8	731.0
Current liabilities	426.4	508.4
Liabilities held for sale	-	-

2.5.2 NON-CURRENT ASSETS

The increase in non-current assets (by €69.0 million compared to December 31, 2022) mainly reflects changes in the following items:

- **“Property, plant and equipment and intangible assets”**: up €65.4 million to €945.7 million, due to:
 - €39.2 million increase in intangible assets, primarily due to the increase in goodwill following the acquisitions of Furia and Essac;
 - The increase in property, plant and equipment (by €37.6 million), which includes an increase in scope of €11.9 million linked to the provisional recognition of Furia and Essac assets at fair value.

- **“Other non-current financial assets”**: €16.8 million increase; this item includes, among other items, the increase in concession operating receivables (up €12.2 million) for works carried out to modernize the Mo’UVE energy recovery facility in Montauban.
- **“Other non-current assets”**: down by €(4.6) million. This item mainly consists of the receivable due by Eurométropole de Strasbourg (EMS) to Sénerval.
- **“Deferred tax assets”**: down by €(4.9) million.

2.5.3 CURRENT ASSETS (EXCLUDING CASH AND CASH EQUIVALENTS)

Current assets excluding cash and cash equivalents amounted to €301.2 million, up €76.2 million compared to December 31, 2022.

This change mainly reflects changes in the following items:

- **“Clients”**: €62.3 million increase (of which €27.8 million related to changes in the consolidation scope).
- **“State receivables”**: €7.0 million increase, mainly for VAT.
- **“Current accounts receivable”**: €3.8 million increase representing advances to associates.

2.5.4 SHAREHOLDERS' EQUITY

The change in shareholders' equity (Group share) in 2023 breaks down as follows¹:

(In millions of euros)	Group	Attributable to non-controlling interests	Total equity
Equity as at January 1, 2023	310.1	7.3	317.4
Other comprehensive income	(11.0)	0.1	(10.9)
Income attributable to the Group	47.8	2.2	50.0
Capital increases	-	0.4	0.4
Dividends paid	(8.6)	(1.8)	(10.4)
Treasury shares	(0.1)	-	(0.1)
Business combinations	-	ns	-
Transactions between shareholders	-	-	-
Other changes	0.2	(0.2)	ns
EQUITY AS AT DECEMBER 31, 2023	338.3	8.0	346.3

2.5.5 CURRENT AND NON-CURRENT LIABILITIES

(In millions of euros)	2022			2023		
	Non-current	Current	TOTAL	Non-current	Current	TOTAL
Hedging instruments	10.3	-	10.3	5.9	-	5.9
Provisions	53.1	2.7	55.8	59.4	4.5	63.9
Other liabilities	4.8	311.2	316.0	7.1	364.8	371.9
Income tax payable	-	1.1	1.1	-	1.1	1.1
Total (excl. financial debts)	68.2	315.0	383.2	72.4	370.4	442.8
Financial debts	592.6	111.5	704.1	660.6	138.0	798.6
TOTAL	660.8	426.5	1,087.3	733.0	508.4	1,241.4

Current and non-current liabilities excluding financial debt amounted to €442.8 million, up +€59.6 million, reflecting mainly:

- €2.5 million increase in **“debts on acquisitions of fixed assets”**, corresponding to:
 - €(4.1) million for the earnout payment on the acquisition of the Chilean company Ciclo;
 - €0.7 million for the balance of the earnout payment for the Peruvian company ESSAC.
 - €0.8 million for the balance of the price of Veolia's Industrial Water business
 - The balance (€31.9 million) was due to an increase in debts on acquisitions of fixed assets linked to investment projects in France.
- The €7.5 million **“social security payables”** increase in due to the recognition of the employee liabilities of the acquired companies.
- The €13.4 million increase in **amounts payable to the State** (excluding income tax), including €7.0 million in VAT, and approximately €3.6 million for the contribution to cap the infra-marginal profits of electricity producers introduced by the French Finance Act for 2023.
- The balance reflects changes in other liabilities and more specifically in current liabilities such as **“Trade payables”** (€30.1 million increase).

¹ See Note 3.2.4.13 of this document.

2.5.6 DEBT AND FUNDING STRUCTURE

The table below shows the change in net debt in 2023:

<i>(in millions of euros)</i>	2022	2023
Bank loans (excl. non-recourse bank loans)	186.5	211.2
Non-recourse bank loans	24.3	21.5
Bond debts	415.8	421.1
Lease debts	65.4	70.7
Derivatives	9.6	5.5
Other financial debts (including interest accrued but not due)	2.3	61.8
Factoring debts	7.0	9.2
Short-term bank borrowings	2.7	3.1
TOTAL FINANCIAL DEBT (current and non-current)	713.6	804.1
Cash balance	(126.2)	(162.2)
NET FINANCIAL DEBT	587.4	641.9
<i>o/w due in less than one year (1)</i>	<i>(14.8)</i>	<i>(24.2)</i>
<i>o/w due in over one year</i>	<i>602.2</i>	<i>666.1</i>

(1) The cash balance is considered over less than one year

Gross financial debt amounted to €804.1 million as at December 31, 2023, compared with €713.6 million one year earlier.

This increase of €90.5 million mainly reflects:

- The **scope effect** related to the consolidation of companies acquired in 2023: €8.6 million increase, including 3.8 million increase in lease liabilities.

And at **constant scope**, mainly changes in:

- Bank loans: +€18.1 million, including €(2.8) million in non-recourse bank loans to finance IFRIC 12 investments in Mo'Uve;
- Bond debt: €5.4 million increase, mainly due to changes in the fair value of derivatives.

- Derivatives: €(4.1) million increase due to changes in fair value.
- Lease debts: €1.5 million increase.
- Miscellaneous financial liabilities (including ICNE): €59.5 million increase, mainly due to the eight-year, €57.8 million "Relance" equity loan granted in July 2023.
- Factoring liabilities: €2.2 million increase.

As at December 31, 2023, the proportion of gross financial debt, including lease debts and after taking into account fixed-rate hedging instruments, stood at 74% (vs. 73% in 2022). As a percentage of net financial debt, the **hedging ratio** reached 93% (vs. 89% in 2022).

The breakdown of gross financial debt (excluding financial instruments) **by currency** is as follows:

As at December 31	2022		2023	
	€ million	%	€ million	%
Euros	679.5	95.2%	761.3	95.3%
ZAR (South Africa)	15.5	2.2%	14.7	1.8%
PEN (Peru)	14.3	2.1%	16.8	2.1%
USD (USA)	2.1	0.3%	2.2	0.3%
SGD (Singapore)	1.3	0.2%	1.2	0.2%
QAR (Qatar)	0.3	< 0.1%	0.1	< 0.1%
GBP (UK)	0.3	< 0.1%	0.1	< 0.1%
CLP (Chile)	0.2	< 0.1%	2.2	< 0.1%
Other currencies	0.1	< 0.1%	ns	ns
CONSOLIDATED TOTAL	713.6	100.0%	798.6	100.0%

By maturity, the **remaining contractual maturity** of gross debt – excluding lease debts and hedging instruments – is broken down as follows:

<i>In millions of euros</i>	Balance sheet value	2024	2025	2026	2027	2028	>2028
Gross financial debt	727.8	128.2	46.8	96.7	49.1	320.3	94.6

As at December 31, 2023, **cash balance** stood at €162.2 million, vs. €126.2 million a year earlier, marking a significant increase of €36.0 million.

On the same date, the Group's **net financial debt** stood at €641.9 million (vs. €587.4 million a year earlier), marking an increase of €54.5 million, of which €35.5 million reflected non-cash effects and €62.3 million external growth operations:

<i>In millions of euros</i>	12/31/2022	12/31/2023
Net financial debt at opening	474.9	587.4
Cash flows from operating activities	(148.1)	(187.3)
Net disbursed industrial investments	95.7	88.7
Net disbursed financial investments	(0.1)	0.1
Dividends	8.8	9.9
Net interest payments (including interest on lease debts)	17.0	23.2
Change in other financial loans and receivables	16.1	22.2
Capital increase or decrease	0.6	-
Change in net debt at constant scope (before non-cash effects)	464.9	544.1
Scope effect	80.7	62.3
Non-cash variation in debt	41.8	35.5
Net financial debt at closing	587.4	641.9

Financial leverage stood at 2.9 times EBITDA, vs. 2.8 times EBITDA a year earlier, reflecting the financing of external

growth at the end of the financial year. Excluding these acquisitions, it would have been 2.7 times EBITDA.

2.6 EXPECTED DEVELOPMENTS, FUTURE PROSPECTS AND SIGNIFICANT POST-BALANCE SHEET EVENTS

2.6.1 POST-BALANCE SHEET EVENTS

At the time of writing, the Group was not aware of any other post-balance sheet events likely to have a significant impact on its assets, financial structure or operating income.

As far as the Group is aware, there were no legal disputes, arbitration or exceptional events occurring after the balance sheet date that are likely to have or to have had in the recent past a significant effect on the financial structure, earnings, activity or assets of the Company or the Group.

2.6.2 OUTLOOK FOR 2024 TO 2026

Séché Environnement has published its financial and non-financial roadmap for financial years 2024 to 2026¹.

2.6.2.1 Strengthened position in robust ecological transition and sustainable development markets

Operating in highly regulated ecological transition and sustainable development markets in France and abroad, Séché Environnement benefits from the trend towards tighter regulatory constraints imposed on economic players in order to reduce their ecological footprint.

Buoyed up by its capacity for Group innovation and the dynamism of its markets, Séché Environnement's activities are focused on adding value to the value chain of its circular economy, hazard management and environmental services businesses. Its environmental performance, as much as its capacity for innovation in research and development or its organization focused on industrial efficiency, is one of the foundations of its growth strategy.

Indeed, Séché's activities address the long-term issues facing economic players in terms of ecological transition, and in particular climate change, the depletion of natural resources and the protection of biodiversity.

Through its activities in the valorization of rare resources and the production of recovered energy, the Group also

provides answers to the short-term challenges faced by local communities and manufacturers in terms of access to raw materials, water and energy, by producing these resources, regenerated and low-carbon, available locally and at competitive prices.

For all these reasons, they boast strong visibility, sustained growth, high and rising operating margins, and proven resilience.

Séché backs up this strategy of organic growth with an active policy of external growth, both in France and internationally, where the Group has taken leading commercial positions in certain geographical areas, such as Northern Italy and Southern Africa.

The breadth of its offering, the resulting cross-selling synergies, and the regulatory changes impacting its markets, have enabled the Group to anticipate post-organic growth rates over the period significantly higher than forecast GDP growth rates in the geographical areas in which it operates.

2.6.2.2 Financial roadmap to 2026

Pursuit of strong organic growth over the period from 2024 to 2026

Drawing on its expertise in complex waste management and industrial infrastructure safety, and positioned at the heart of environmental and sustainability issues for territories and industrial companies, Séché will continue to deploy its range of high value-added environmental solutions in France and abroad.

In France, the Group's business should be buoyed up by the dynamic circular economy and, above all, industrial services markets.

In the circular economy markets, Séché will focus on developing its capacities in the field of energy recovery from non-hazardous waste, against a backdrop of declining treatment capacities, and material recovery from hazardous waste.

¹ See press release of December 11, 2023

In the services markets, Séché will benefit from a buoyant regulatory environment and from the growth dynamic resulting from its new offer in the industrial water cycle businesses and from the expected cross-fertilization with the Group's other activities and customer bases. The Group will also benefit from the growth momentum of its "global offers," a delegated management service for industrial customers.

Outside France, the Group is confident in its ability to maintain solid growth, particularly:

- In Italy, where the new Mecomer-Furia group offers powerful commercial and industrial synergies, making Séché one of the leading operators in hazardous waste.
- In Southern Africa (South Africa and Namibia), where the Group offers the most comprehensive range of waste management and environmental safety solutions for industrial customers through its subsidiaries with complementary skills: Interwaste, Spill Tech and Rent-A-Drum.

The Group is also confident in its ability to take advantage of the positive trend in its Latin American markets, where it has recently strengthened its position in emergency environmental services with the recent acquisition of Essac in Peru.

For 2024, Séché Environnement anticipates organic revenue growth of around 5% compared with adjusted 2023 contributed revenue (€985m), to which will be added the contribution of the scopes acquired in 2023, amounting to around €60 million, to achieve revenue of around €1,100 million.

By 2026, and on this basis, Séché anticipates adjusted contributed revenue of around €1,200 million, representing an average organic growth rate of around +5% over the period.

Improvement in gross and recurring operating profitability between 2024 and 2026

The Group will pursue its strategy of industrial efficiency, based on rigorous requirements in terms of safety, regulatory compliance and operational excellence.

In this context, the Group is implementing a productivity plan which enables it to anticipate:

- Improving the utilization rate of its industrial and logistics facilities.
- Control of industrial investments: this should stabilize over the period at around 2023 levels, i.e., between €100 and €110 million per year.

In 2026, the normalized investment rate will stand at around 9% of contributed revenue (vs. 10% previously), of which around 3% relates to maintenance investment, around 2% to safety and regulatory capital expenditure (i.e., a total of around 5% maintenance capital expenditure), and around 4% to development capital expenditure.

Séché will implement further drivers to improve its gross and current operating profitability, such as optimizing the profitability of its new business scopes (particularly in the industrial water cycle businesses), pursuing its industrial efficiency plan, and controlling its operating costs through a savings plan worth around €20 million over the period (at constant scope).

Lastly, the preponderance of services activities in the business mix should lead to faster growth in current operating income than EBITDA over the period.

For 2024, Séché Environnement anticipates EBITDA of around €230 million and adjusted COI of around €105 million.

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By 2026, the Group is aiming for:

- EBITDA of between €265 and €275 million, i.e., a gross operating profitability rate of between 22% and 23% of contributed revenue;
- COI of between €132 and €144 million, i.e., a current operating profitability rate of between 11% and 12% of contributed revenue.

Maximized free cash flow generation

Séché Environnement will strive to maximize its free cash flow generation¹ by controlling its investments around their current level, neutralizing its change in working capital requirements on average over the period, and an appropriate dividend policy.

For 2024, Séché Environnement anticipates a financial leverage ratio of less than 2.7 X EBITDA (excluding acquisitions).

Over the period from 2024 to 2026, the Group intends to generate free cash flow of at least €250 million (excluding acquisitions).

2.6.2.3 New 2026 non-financial commitments

On the strength of its ability to combine economic growth with a reduction in its customers' environmental impact, Séché Environnement has announced new non-financial targets for 2026:

- **Continue to decarbonize its activities:** -13% greenhouse gas emissions² (in line with the target validated by SBTⁱ in early 2023).
- **Consolidate capacity to decarbonize its customers** by increasing material recycling activities: +50% of greenhouse gases avoided.
- **Improving energy efficiency:** -12% in energy consumption.
- **Increasing energy resilience:** 310% energy self-sufficiency.
- **Reduce water consumption** by its activities: -13% in water consumption.
- **Preserve biodiversity:** 80% progress in its Act4Nature action plan.

These various objectives will make it possible to reduce Séché Environnement's environmental impacts, as well as those of its customers, reinforcing the Group's positioning as a key player in the ecological transition.

2.7 PRESENTATION OF CORPORATE FINANCIAL STATEMENTS AND APPROPRIATION OF INCOME**2.7.1 PRESENTATION OF SÉCHÉ ENVIRONNEMENT SA'S INCOME STATEMENT**

(In thousands of euros)	2022	2023	Change
Revenue	17,834	19,881	+11.5%
Operating income	(8,086)	(12,352)	-52.8%
Net financial income	45,581	37,487	-17.8%
Non-recurring income	16	45	ns
Income tax (including tax consolidation)	(14,364)	(18,860)	+31.3%
Net income for the period	51,875	44,039	-15.1%

Séché Environnement SA's net income for the period came to €44.0 million as at December 31, 2023, down €(7.9) million, or 15.1%, from the net income reported a year earlier (€51.9 million).

While revenue rose by €2.0 million, this was mainly due to a €(4.3) million decline in operating income, a €(7.1) million decline in net financial income, and a higher corporate income tax charge (up €4.5 million).

¹ Free cash flow: EBITDA - Rehabilitation & GER expenses - Industrial Capex - Change in WCR - Interest paid - Tax paid - Dividends

² Scopes 1 and 2

2.7.2 PAYMENT TERMS

Pursuant to the provisions of Article 441 of the French Commercial Code, information about client and supplier payment deadlines is as follows:

	Invoices received and due but not settled at the balance sheet date						Invoices issued and due but not settled at the balance sheet date					
	0 days (indication)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 days (indication)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payment details												
Number of invoices concerned	0					11	0					94
Amount including tax of invoices concerned (€ thousand)	0	76	0	0	0	76	0	87	70	87	2,627	2,871
Percentage of total amount of purchases including tax made during the financial year (€ thousand)	0	0.2%	0.0%	0.0%	0.0%	0.2%						
Percentage of revenue including tax for the financial year							0.0%	0.3%	0.3%	0.3%	10.3%	11.2%
(B) Invoices excluded from (A) concerning disputed liabilities or receivables or those not recognized												
Number of invoices excluded	11						None					
Total amount of invoices excluded (€ thousand)	143						None					
The reference payment terms used are those set out in contracts or legal terms.												

2.7.3 ALLOCATION OF EARNINGS

After noting the profit for the period of €44,039,341.37, the Board of Directors will propose the following allocation to the General Meeting of Shareholders on April 26, 2024:

- Dividend payout of €9,429,278.40.

The dividend payment for the year would therefore be €1.20 per share.

The ex-dividend date is set at July 8, 2024 and the dividend will be paid from July 10, 2024.

When it is paid to natural persons domiciled for tax purposes in France, the dividend is subject to a flat-rate deduction from the gross dividend at the flat rate of 12.8% (Article 200 A of the French Tax Code) and to social security contributions at the rate of 17.2%.

This flat-rate withholding tax is not a discharge the income tax liability but constitutes an interim income tax deducted from the tax due the following year. On the taxpayer's express, irrevocable request, applicable to all dividends, the dividend may be taxed according to the progressive income tax scale after application of a 40% allowance (Article 200 A, 2, and 158 3-2° of the French Tax Code).

- Allocation of the sum of €34,610,062.97 to the "Retained earnings" account, which will be increased to €183,100,847.38 before payment, on the dividend payment date, of the sums corresponding to dividends not paid on shares held by the Company on the ex-dividend date.

2.7.4 FIVE-YEAR FINANCIAL SUMMARY

(In euros)	2019	2020	2021	2022	2023
Share capital at year-end					
Share capital	1,571,546	1,571,546	1,571,546	1,571,546	1,571,546
Number of ordinary shares outstanding	7,857,732	7,857,732	7,857,732	7,857,732	7,857,732
Operations and income for the financial year					
Pre-tax revenue	12,434,447	11,466,046	13,557,238	17,833,949	19,881,057
Income before tax, employee profit-sharing, depreciation and amortization expenses and provisions	19,280,638	31,341,958	18,730,057	38,409,558	26,118,261
Income taxes	(9,153,472)	(10,385,595)	(13,700,689)	(14,363,802)	(18,859,853)
Income after tax, employee profit-sharing, depreciation and amortization expenses and provisions	33,387,735	45,515,574	30,880,011	51,874,968	44,039,341
Income paid to shareholders	7,464,845	7,464,845	7,857,732	8,643,505	9,429,278
Earnings per share					
Income before tax, employee profit-sharing, before depreciation and amortization expenses and provisions	3.62	5.31	4.13	4.89	3.32
Income after tax, employee profit-sharing, depreciation and amortization expenses and provisions	4.25	5.79	3.93	6.60	5.60
Dividend per share	0.95	0.95	1.00	1.10	1.20
Staff					
Average number of employees during the financial year	28	28	29	29	28
Payroll for the financial year	3,183,525	3,062,385	3,149,564	3,264,843	3,259,431
Amounts paid for employee benefits during the financial year (social security, social projects)	1,307,225	1,244,415	1,286,437	1,336,634	1,336,739

2.8 INFORMATION ON DIVIDENDS

Dividends are paid annually at the time and locations stipulated by the General Meeting, within nine months of the close of the financial year. Shareholders cannot be required to return dividends, except in the event of the distribution of fictitious dividends or fixed or interim interest, which is prohibited by law. Dividends remaining unclaimed within five

years of their allocation for payment are transferred to the State.

Dividends per share paid in respect of the past three financial years and the corresponding tax allowance are shown below:

Financial year	Income eligible for the 40% allowance		Income not eligible for the 40% allowance
	Dividends	Other distributed income	
2020	€7,464,845.40 or €0.95 per share	None	-
2021	€7,857,732.00 or €1.00 per share	None	-
2022	€8,643,505.20 or €1.10 per share	None	-