

Acquisition of Derichebourg Multiservices: Signing of the Investment Agreement and the Contribution Agreement

- Important milestone reached in creating a new contract catering and multiservices leader. Shareholders' Meeting scheduled to approve the transaction on April 18, 2023.
- Independent directors to play a stronger role in Elior Group's governance, ensuring a balanced Board of Directors once the transaction is completed.
- BDL Capital Management, Permian Investment Partners, FSP, and EMESA—representing in total approximately 24.4% of Elior Group ownership—will vote in favor of the contribution.

Bernard Gault, Chairman and CEO of Elior Group, commented:

“With the signing of the Derichebourg Multiservices acquisition agreement, we have taken a decisive step in our project to create a new leader in contract catering and multiservices. This project lays out a new ambition for the Elior Group, one that will create value for its employees, customers, and shareholders.

I personally ensured that this project will be supported by a new governance structure that meets the highest standards in terms of balance and independence over the long term. This new structure will enable all stakeholders to benefit from Elior's development and success.

I would like to thank Derichebourg SA and all the other shareholders who are supporting us in this process, particularly those who have already pledged their support at the upcoming General Meeting on April 18, where shareholders will vote on the transaction.”

Elior Group ("the Group") announced today that it has signed an Investment Agreement and a Contribution Agreement with Derichebourg SA, following on from the press release of December 20, 2022, regarding the proposed acquisition of Derichebourg Multiservices by Elior Group. This is a major milestone in creating a new contract catering and multiservices leader.

This signing, which was unanimously approved by the Boards of Directors of Elior Group and Derichebourg, confirms the financial terms of the transaction as communicated on December 20, 2022.

The transaction remains subject to the satisfaction of customary conditions precedent, in particular the European Commission's approval under its merger control procedures and the AMF waiver from filing a public offer based on Article 234-9 3° of the AMF General Regulation and free and clear of any claims. The transaction will have to be approved by Elior's Combined Shareholders' Meeting scheduled for April 18, 2023. It should be noted that Derichebourg will not be able to vote on the resolution concerning the contribution in accordance with Article L225-10 of the French Commercial Code. The transaction is expected to be completed on that date.

BDL Capital Management, Permian Investment Partners, FSP, and EMESA—representing approximately 24.4% of Elior Group ownership and voting rights—support this new chapter in the Group's strategy and will vote in favor of the contribution of Derichebourg Multiservices SA's activities to Elior.

New Governance for the Elior Group

In conjunction with the transaction, a new governance structure is being put into place, in line with the highest standards for balance and independence over the long term:

- i. The board will be made up of 12 members: 5 Derichebourg appointees, 5 independents, and 2 employee representatives.
- ii. A supermajority of 8 out of 12 directors, with a majority of independent directors' votes, will be required for the most important decisions.
- iii. Only independent directors will be allowed to participate in the independent director selection process.
- iv. Derichebourg's voting rights on any resolution concerning independent directors at the Annual General Meeting will be limited to 30%.
- v. Derichebourg pledges to maintain its stake at the level reached on transaction completion.

The details:

On the transaction completion date, Elior Group and Derichebourg will enter into a governance agreement for a period of five years, the terms of which are as follows:

- i. The Board of Directors will have 12 members: 5 Derichebourg SA appointees, including Mr. Daniel Derichebourg as Chairman and Chief Executive Officer (4-year term), 5 independent members, and 2 directors representing the employees. The future composition of the Board (including the new appointments) will be detailed in the notice of the Combined General Meeting to be convened on April 18.
- ii. Mr. Daniel Derichebourg undertakes to resign from all of his operational positions at Derichebourg SA, to fully focus on the development of the Elior Group.
- iii. Extended rights for the Lead Independent Director: the rights the internal bylaws previously granted to the Vice President of Elior Group will be combined with those of the Lead Independent Director. The Lead Independent Director will be expressly responsible for organizing meetings at least twice a year with the independent directors only and at least twice a year with the Group's key executives. Mr. Gilles Auffret will remain as Lead Independent Director until the General Meeting of Shareholders held to approve the financial statements for the year ending September 30, 2023.
- iv. The most strategic decisions (in particular significant acquisitions or disposals, capital increases, listing of subsidiaries on the stock exchange) must be approved by a supermajority of 8 out of 12 directors, including at least 3 out of 5 independent directors.
- v. Decisions relating to the annual budget, the strategic plan, and key executives of the Elior Group will have to be approved by a qualified majority requiring a simple majority that must include at least one Derichebourg director.
- vi. Derichebourg pledges to maintain its stake at the level reached on transaction completion (lockup).

- vii. An ad hoc committee composed solely of independent directors will be created to oversee Derichebourg's commitments pursuant to the transaction (liability guarantees, agreements between Elior and Derichebourg, governance agreement).

During this five-year period, Derichebourg commits to (i) vote in favor of the resolutions approved by the Board of Directors at the General Meeting and (ii) vote in favor of the appointment of independent directors from among the candidates selected by the Nominating and Compensation Committee.

Derichebourg has also committed to a five-year standstill on its stake.

For a period of eight years, this governance agreement provides for the following:

- i. The Nominating and Compensation Committee will be exclusively responsible for the independent director selection process (with the support of a specialized recruitment firm). The members nominated by Derichebourg will not be allowed to participate in the selection process.
- ii. A statutory ceiling will cap Derichebourg's voting rights at 30% for resolutions relating to (i) the appointment, renewal, and removal of independent members of the Board of Directors and (ii) the amendment of this statutory provision.

The Contribution Agreement as well as the other documents relating to it and the information mentioned in article R. 225-73-1 of the French Commercial Code will be made available to shareholders in due course on the Company's website (www.eliorgroup.com) in the "Investors" section.

Advisors

Morgan Stanley & Co International and Crédit Agricole Corporate and Investment Bank are acting as financial advisors to Elior Group, and Darrois Villey Maillot Brochier and Actance are acting as legal advisors.

Rothschild & Co delivered a fairness opinion to the Board of Directors, which met on March 3, and concluded that the consideration to be offered by Elior Group for the contribution of DMS was fair, from a financial point of view.

D.F. King Ltd. is acting as proxy solicitor for voting on the transaction at the combined shareholders' meeting to be held on April 18, 2023. Questions regarding the transaction and voting can be directed to D.F. King: elior@dfkingltd.co.uk.

Financial Calendar :

- Tuesday April 18, 2023: Combined shareholders' meeting
- Wednesday May 17, 2023: First-half 2022-2023 results – pre-opening press release and conference call
- Thursday July 27, 2023: Revenue for the first nine months of fiscal 2022-2023 – pre-opening press release
- Wednesday November 22, 2023: Annual results for fiscal 2022-2023 – pre-opening press release and conference call

Founded in 1991, Elior Group has grown into one of the world's leading operators in contract catering and support services and has become a benchmark player in the business & industry, education, health & welfare, and leisure markets. With strong positions in 5 key countries, the Group generated €4.45 billion in revenue in fiscal 2020-2021. Our 97,000 employees feed over 3 million people on a daily basis in 20,250 restaurants on three continents and offer services at 2,400 sites in France. Innovation and social responsibility are at the core of our business model. Elior Group has been a member of the United Nations Global Compact since 2004, reaching the GC Advanced Level in 2015.

For further information please visit our website <http://www.eliorgroup.com> or follow us on Twitter at: @Elior_Group

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The press release is neither a prospectus, product disclosure statement, or other offering document for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended from time to time and implemented in each member state of the European Economic Area and in accordance with French laws and regulations.

This press release includes certain projections and forward-looking statements with respect to the anticipated future performance of Elior Group, post completion of the proposed acquisition of DMS.

Such information is sometimes identified by the use of the future tense, the conditional mode and forward-looking terms such as "estimates", "targets", "forecasts", "intends", "should", "has the ambition to", "considers", "believes", "could", and other similar expressions. This information is based on data, assumptions, or estimates that Elior Group believes are reasonable. Actual future results may differ materially from those projected or forecast in the forward-looking statements, in particular due to a number of risks, uncertainties and factors that are beyond Elior Group's control, including but not limited to: the failure of Elior Group's shareholders to approve the proposed transaction, the reaction of Elior Group's and DMS's customers, employees and suppliers to the proposed transaction, the possibility that the synergies and value creation from the proposed transaction will not be realized in the expected time frame, the risk that the businesses will not be successfully integrated, the possibility that the proposed transaction will not receive the necessary approvals, that the anticipated timing of such approvals will be delayed or will require actions that will adversely affect the anticipated benefits of the transaction, the possibility that the proposed transaction will not be completed, and those risks described in disclosures that have been made or may be made with regulatory authorities such as the French Autorité des Marchés Financiers (the "AMF"). All forward-looking statements contained in this press release are expressly qualified in their entirety by the cautionary statements contained or referred to in this disclaimer.

Each forward-looking statement speaks only at the date of this press release. Elior Group makes no undertaking to update or revise any information or the objectives, outlook, and forward-looking statements contained in this press release or that Elior Group otherwise may make, except pursuant to any statutory or regulatory obligations applicable to Elior Group.

No statement in this press release is intended as a profit forecast or estimate for any period. Persons receiving this press release should not place undue reliance on forward-looking statements. This document includes supplemental financial measures that are not clearly defined under IFRS and that are or may be non-GAAP financial measures. These supplemental financial measures should not be viewed in isolation or as alternatives to measures of Elior Group's net assets and financial position or results of operations as presented in accordance with IFRS in its consolidated financial statements. Other companies that report or describe similarly titled supplemental financial measures may calculate them differently.

Additional information

In connection with the proposed transaction, Elior Group may file with the AMF a document for prospectus exemption and other relevant documents in connection with the proposed transaction. INVESTORS AND SECURITY HOLDERS ARE URGED TO CAREFULLY READ ALL RELEVANT DOCUMENTS FILED WITH THE AMF, INCLUDING THE DOCUMENT FOR PROSPECTUS EXEMPTION WHEN IT BECOMES AVAILABLE, BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Those documents, when filed, may be obtained free of charge from Elior Group's website at <http://www.eliorgroup.com>.