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Press release

Majorel Reports Double-Digit Performance in FY 2022

FY 2022: Group revenue +16% YOY | Net revenue +19% YOY | Operating EBITDA +18% YOY | EPS €1.69

Luxembourg, March 14, 2023: Majorel Group Luxembourg S.A. (Euronext Amsterdam ticker symbol: MAJ) ("Majorel", the "Company"), a global customer experience (CX) leader, today reports its audited results for the fiscal year 2022 ended December 31, 2022.

FINANCIAL HIGHLIGHTS 2022

- Group revenue of €2,100 million, +16% YOY (FY 2021: €1,811 million); net revenue¹ of €2,080 million, +19% YOY (FY 2021: €1,752 million), like-for-like net revenue² growth of +19% YOY
- Operating EBITDA³ of €369 million, +18% YOY (FY 2021: €313 million)⁴, Operating EBITDA margin⁵ of 17.8% (FY 2021: 17.9%)⁴
- Group profit of €170 million (FY 2021: €80 million). Earnings per share (EPS)⁶ of €1.69 (FY 2021: €0.8)
- Strong net cash position of €105 million at year end 2022 (+32% YOY)

BUSINESS HIGHLIGHTS 2022

- Growth with existing and new clients: net revenue retention⁷ of 115% and 60+ new logo wins
- Ongoing geographical expansion: 13 new countries added through M&A, organic growth, and expanded client partnership
- Progress in strategic KPIs: 52% of net revenue from Global Internet Clients (FY 2021: 45%), including 23% of net revenue from Majorel's Content Services, Trust & Safety line of business (FY 2021: 21%); Tech & Expert Services at 9% of net revenue (FY 2021: 9%). Offshore⁸ at 43% of net revenue (FY 2021: 39%); and the Telco sector at 9% of net revenue (FY 2021: 12%)
- Strong net revenue growth in all business Segments: EASA (Europe, Africa, and South America) €1,452 million, +13% YOY (FY 2021: €1,290 million); GEMS (Global English, Middle East, and Southeast Asia) €504 million, +38% YOY (FY 2021: €364 million); and CEA (China and East Asia) €124 million, +27% YOY (FY 2021: €98 million)

OUTLOOK 2023

- Based on current assumptions, Majorel expects its net revenue to grow to €2,150-2,250 million. Excluding COVID-19-related business in 2022, this would result in net revenue growth of +6% to +11%
- Further, Majorel expects its Operating EBITDA margin for 2023 to be between 16.5%-17.0%

Commenting on the strong results, Thomas Mackenbrock, CEO of Majorel, said: "In a complex and evolving market environment, Majorel has delivered excellent results in 2022 by remaining resourceful, agile and reliable for our clients. In 2022, we welcomed more than 13,000 new team members, added 13

new countries to our global footprint, grew with existing clients, won more than 60 new logos, and completed several strategic bolt-on acquisitions. In 2022, we have delivered, every quarter, year-over-year double-digit growth, and made strong progress on the core pillars of our strategy: expanding geographically, and growing with clients and through M&A.

Looking ahead, we expect shifting client needs, some softness in demand and continued inflation due to the challenging and more volatile environment. However, we remain confident that Majorel's relentless drive to go further, our operational expertise and our capability in developing deep, long-term relationships with our clients will be the basis for our continuing success.

I'd like to thank our clients for their trust in us and our 82,000 team members for their passion and commitment."

1. FINANCIAL OVERVIEW

CONTINUED STRONG TOPLINE GROWTH IN ALL SEGMENTS AND BUSINESS AREAS

Revenue for the Group in 2022 was €2,100 million, representing an increase of +16% (FY 2021: €1,811 million). We saw positive developments, in particular with clients in Global Internet, but also in Utilities, BFSI, and Consumer Goods. The growth was supported by the integration of the acquisitions, which largely compensated for the decline of COVID-19-related business.

Net revenue in 2022 was €2,080 million, which represents an increase of +19% compared to 2021 (€1,752 million). As with revenue, growth was supported by the contribution of the acquisitions of Mayen, Alembo, Findasense, and IST completed in 2022 (€47 million), which mostly compensated for the decline of COVID-19-related business (€50 million) compared to 2021.

Like-for-like net revenue growth corresponds to net revenue growth year-over-year, adjusted for certain specific non-recurring items. For 2022, we adjust for the decline in COVID-19-related business and the first-time consolidation of the acquisitions of Mayen, Alembo, Findasense, and IST. Taking these effects into account, like-for-like net revenue growth in 2022 was +19%.

EASA Segment: Europe, Africa and South America

Net revenue from the EASA Segment (Europe, Africa, South America) was €1,452 million in 2022 (2021: €1,290 million). The increase of +13% compared to 2021 was attributed to the contribution of the acquisitions completed in 2022 (Mayen, Alembo, Findasense, and IST; in total €47 million of net revenue), largely compensating for the decline of COVID-19-related business of (€51 million of net revenue in 2022; FY 2021: €102 million).

Like-for-like, excluding the contribution of the 2022 acquisitions and the decline of COVID-19-related business, net revenue in EASA increased by +13% in 2022. This growth was mainly driven by existing and new clients in Global Internet, as well as the strong development in our near- and offshore locations in Africa, Eastern Europe, and Latin America.

GEMS Segment: Global English, Middle East and Southeast Asia

Net revenue from the GEMS Segment (Global English, Middle East, Southeast Asia) was €504 million in 2022 (FY 2021: €364 million), an increase of +38%. The key driver for this growth was the strong increase of

net revenue with Global Internet clients, particularly in the Philippines, the US, Malaysia, Egypt, Canada, and Kenya.

CEA Segment: China and East Asia

The CEA Segment reported net revenue of €124 million in 2022 (FY 2021: €98 million), in line with the Company's guidance that the CEA Segment would contribute 5-7% of Group net revenue. The growth rate of +27% was driven by further expansion of the footprint in China as well as the new countries Japan and South Korea, and the continuing growth of digital engagement services, with a focus on consumer products and digital clients.

Net revenue per business Segment

	2022	2021	YOY change	Q4 2022*	Q4 2021*	YOY change*
EASA Segment	€1,452m	€1,290m	+13%	€387m	€337m	+15%
GEMS Segment	€504m	€364m	+38%	€141m	€103m	+36%
CEA Segment	€124m	€98m	+27%	€36m	€30m	+22%

*Q4 results are unaudited, not reviewed and are based on management reporting.

CONTINUED STRONG PROFITABILITY IN ALL BUSINESS SEGMENTS

For the full year 2022, Operating EBITDA increased by +18% to €369 million (FY 2021: €313 million restated)⁴. The Operating EBITDA margin was 17.8% (FY 2021:17.9%)⁴. The key drivers for the increase in Operating EBITDA were: overall business growth; operational excellence; more complex, value-added services; client portfolio management; improved global delivery mix; and the contribution of the acquisitions completed in 2022, partially compensating for the decline of COVID-19-related business and the reduction of work-from-home (WFH).

EBIT amounted to €239 million for the year ended December 31, 2022 (FY 2021: €105 million).

Group profit amounted to €170 million for 2022, representing a year-over-year increase of €90 million (FY 2021: €80 million). Earnings per share (EPS) was €1.69 (FY 2021: €0.8).

Our free cash flow⁹ was €141 million (2021: €118 million), and the cash conversion rate (CCR) was 38% for 2022. Excluding the effects relating to the IPO bonus with Equity Deferral, the CCR would be 50%¹⁰. The net cash position at the end of the year was €105 million (FY 2021: €79 million) allowing us strategic flexibility for inorganic growth.

A dividend payment, in line with the dividend policy of 30-50%, will be proposed at the annual general meeting (AGM) scheduled for June 2023.

Operating EBITDA and Operating EBITDA by Segment

in € million	2022	2021
EASA	245	223
<i>in% of net revenue</i>	16.9%	17.3%
GEMS	110	75
<i>in% of net revenue</i>	21.8%	20.6%
CEA	14	15
<i>in% of net revenue</i>	11.3%	15.3%
Other/minor activities	-	-
Total	369	313
in% of net revenue	17.8%	17.9%

EASA Segment: Europe, Africa and South America

Operating EBITDA for the EASA Segment amounted to €245 million at the end of 2022, increasing by +10% (FY 2021: €223 million). The Operating EBITDA margin slightly decreased from 17.3% in 2021 to 16.9% in 2022. The increase in Operating EBITDA is driven by our main profitability drivers, especially: continued operational excellence; more complex, value added services; client portfolio management; and an increasing share of offshore delivery. The companies acquired in 2022 (Mayen, Alembo, Findasense, and IST) also contributed to the Operating EBITDA in EASA in 2022, partially compensating for the decline in COVID-19-related business and reduction of work-from-home (WFH).

GEMS Segment: Global English, Middle East and Southeast Asia

Operating EBITDA for the GEMS Segment amounted to €110 million for the year ended December 31, 2022, increasing by +47% (FY 2021: €75 million). The Operating EBITDA margin increased from 20.6% in 2021 to 21.8% in 2022. Margin improvement in GEMS has been driven by operational excellence, more complex, value-added services, client portfolio management, and a high share of offshore delivery.

CEA Segment: China and East Asia

Operating EBITDA for the CEA segment amounted to €14 million for 2022 (FY 2021: €15 million), the margin decreasing from 15.3% to 11.3%. The CEA results benefited from the continuing growth of digital consumer engagement services, the growth of consumer products and digital clients, as well as the growth with Global Internet clients, which partially balanced the negative impacts from the COVID-19 measures in China.

2. BUSINESS OVERVIEW – SUCCESSFUL STRATEGY EXECUTION

Majorel's proven strategy is driven across four dimensions, and 2022 has seen further improvement in all of them:

Geographical expansion

In 2022, Majorel further extended its global platform and added 13 new countries to its footprint, enabling us to offer even more flexible delivery options for our clients and to have access to new markets. This regional expansion was driven by a mix of organic development, acquisitions, and the expanded strategic partnership with one of our Global Internet clients. We are now present in 45 countries East-to-West on five continents.

Growth with clients

Our current client portfolio comprises more than 500 clients worldwide from a wide range of industries, with a particular focus on fast-growing Global Internet and vertical leaders across various industries – like BFSI. Retaining and growing the business with our existing clients is the bedrock of our success and remains a focus area for growth. In addition, the Company added 60+ new client logos in 2022 – a foundation for nurturing meaningful long-term client relationships for the future.

In December 2022, we launched Majorel X as a platform for CX transformation services to address increasing client demand for an integrated approach. Majorel X combines our strengths in CX Consulting, Technology and Design & Creative Services and is one of the growth drivers for Tech & Expert Services, which we will continue to develop organically and through selective M&A.

Across all our verticals, we continue to work in true partnership with our clients, and with deep roots built on mutual trust. In 2022, this resulted in net revenue retention (NRR) of 115% including the reduction of COVID-19-related business. Excluding this, NRR was 119% (FY 2021: 116%).

Majorel completed its expanded strategic partnership with one of its leading Global Internet clients in June 2022¹¹, supporting the Company's strategic goal of expanding into new territories and further consolidating its existing presence in current geographies too. This transformative agreement testifies to the benefits of developing deep, long-term relationships with clients.

Growth through M&A

In 2022, Majorel successfully completed several company acquisitions: Mayen, one of Turkey's leading nearshore CX providers (January 2022); Alembo, a CX and BPO company based in Suriname (June 2022); Findasense, a CX design and creative services company (September 2022); and IST, a leading full-service CX Technology Services provider (December 2022).

In September, Majorel announced it had discontinued discussions with Sitel regarding the potential merger of the two companies. Despite completed due diligence and validated synergies between the two companies, alignment could not be reached on the final structure of the transaction against the background of the prevailing macro environment.

Progress in all strategic KPI's

In 2022, 52% of net revenue was from Global Internet clients (FY 2021: 45%), achieving our mid-term target of >50% and including 23% of net revenue from Majorel's Content Services, Trust & Safety line of business (FY 2021: 21%), in line with our mid-term target of 20-25%.

Tech & Expert Services represented 9% of net revenue (FY 2021: 9%), compared to our mid-term target of 10-15% and, in line with our previous guidance. The net revenue share from the Telco vertical decreased to 9% of net revenue at the end of 2022 (FY 2021: 12%) in line with our mid-term target of ~10%.

Offshore delivery represented 43% of net revenue (FY 2021: 39%), compared to our mid-term target of 45-50%.

Celebrating our diversity and nurturing the best talent

Everyone at Majorel shares a very particular kind of drive that's captured in our Company tagline – "Driven to go further". This entrepreneurial culture unites our team members worldwide and is something that we cherish and will continue to nurture, since it's the very heart of the Majorel difference. And one of the key reasons why clients choose Majorel as their trusted long-term partner.

At the very heart of this unique spirit is our diversity, which is something that we leverage every day to drive our success. In 2022, we carried out our annual global employee survey for the first time in partnership with "Great Place to Work" (GPTW) and were particularly proud to have achieved GPTW Certification status in 26 of the 38 participating countries.

The safety, wellbeing, and personal development of our team members remains a primary objective, enabled by Majorel Feel Good, our global wellbeing and resiliency (W&R) program. We continuously strive to improve our operations and processes and have further strengthened this program, which receives high praise from both our team members, clients, and industry commentators.

W&R is a key feature of our Content Services, Trust & Safety operations, which continue to be a significant part of our differentiated offer. We strongly believe that the value-added services we provide to our clients in this area - like content moderation services, data labelling, data tagging, advertisement checks, and policy adherence - support our clients in making the internet a safer place for everyone.

Our contribution to society

Corporate Responsibility (CR) is a fundamental part of Majorel's DNA and a natural extension of the Company's core values – Creativity, Excellence and Respect. We have made progress towards our CR goals in 2022, making a positive contribution to the wellbeing and prosperity of our team members, our local communities, our environment, and wider society. Amongst our many CR initiatives in 2022, Majorel has continued to expand its Majorel Women (who account for 56%¹² of our workforce) program, and also the Majorel Impact Sourcing Standard (which is playing an increasingly important part in Majorel's recruitment strategy, giving disadvantaged groups career opportunities that lead to economic self-sufficiency, skills development, and professional advancement).

SUBSEQUENT EVENTS

In February 2023, the earthquakes in Türkiye directly affected four of our sites - Adana, Diyarbakır, Kayseri, and Elazığ - which are, fortunately, undamaged. Naturally, many of our team members and their families were affected, which means that production at these sites has been interrupted. Majorel is in the process of assessing the financial impact in operating activities, which is expected to be insignificant.

INVESTOR RELATIONS

On the basis of feedback from investors, Majorel has stepped up its investor relations activities, in relation to both present and future investors. In that context, Majorel is continuously exploring options to increase the liquidity of the stock to attract a broader shareholder base.

OUTLOOK

This outlook is based on Majorel's current assessment on the development of the business in 2023 and the general CX market, combined with economic and labor market conditions in the Company's global geographic footprint.

For 2023, we expect shifting client needs, some softness in demand, absence of COVID-19-related business, and continued (wage) inflation due to the challenging and more volatile environment. Moreover, ongoing macro-economic uncertainties, the evolving situation in Ukraine, and the recent earthquakes in Türkiye and Syria, all serve to highlight the importance of ongoing vigilance.

Therefore, based on current assumptions, we expect to grow our net revenue to €2,150-2,250 million. Excluding COVID-19-related business in 2022, this would result in net revenue growth of around +6% to +11%.

Further, the Company expects its Operating EBITDA margin for 2023 to be between 16.5%-17.0%, also factoring in the above-mentioned effects.

We will continue to execute our proven strategy, driven by the expertise and commitment of our people, and built on the trust and loyalty of our long-term clients.

Please find below in the Appendix, the primary Consolidated Financial Statements: Profit and Loss; Comprehensive Income; Financial Position; Cash Flow; and Changes in Equity.

INVESTOR AND ANALYST CONFERENCE CALL

A webcasted conference call for investors and analysts will be hosted on Tuesday, March 14, 2023 at 14:00hrs CET.

If you would like to participate in the conference call, please pre-register by clicking [here](#) and you will then receive the dial-in details.

To follow the presentation, participants of the conference call can use the following link (only slides, no audio): <https://www.webcast-egs.com/majorel-fy2022/no-audio>

If you'd like to follow the presentation without participating in the conference call, you can follow the webcast via livestream and you will receive the audio via your Internet browser. No dial-in to the conference call is required. <https://www.webcast-egs.com/majorel-fy2022>

The presentation of the FY 2022 results is currently available on the Investor Relations section of Majorel's website (ir.majorel.com).

FINANCIAL CALENDAR (INDICATIVE)

Q1 2022 Trading Update	May 3, 2023
Annual General Meeting	June 2023

ABOUT MAJOREL

We're a global CX leader. Clients say that our agile culture makes us special, which means that doing business with us is easy. As experts in customer experience management, we've seen it all, so we're able to ensure the reliability our clients need and the care their customers deserve. Our team members love nothing more than to just get things done, secure in the knowledge that we strive to be the best home for their talent. Our spirit is resourceful, resilient, and relentless, and this is what drives us to go further.

82,000+ team members; 70+ languages; 45 countries; end-to-end CXM; tech-human augmentation; global and local. Majorel: Driven to go further. www.majorel.com

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Notes

¹ Net revenue for the Group corresponds to revenues as reported in our management reporting less certain direct, order-related external costs which are part of external expenses and costs of materials and consist mainly of cost of services purchased (subcontracted or outsourced services). Net revenue for each Segment corresponds to the according Segment revenues less certain direct, order-related inter-Segment and external costs. Management reporting data excludes revenues from minor activities (primarily the Sonopress Business) outside Majorel Group's core business which are reported in the Condensed Consolidated Interim Financial Statements (the "Sonopress Business" is defined as certain non-core business activities historically carried out by Arvato de Mexico, S.A. de C.V., which was wound down in 2021). For details see APM section of the Annual Report 2022.

² Like-for-like net revenue growth corresponds to net revenue growth year over year, adjusted for certain specific non-recurring items. For FY 2022 to FY 2021 like-for-like net revenue comparison, the contribution of the first-time consolidation of the acquisition of Mayen, Alembo, Findasense, and IST and the reduction of COVID-19-related business FY 2022 vs. FY 2021 were adjusted. For details see APM section of the Annual Report 2022.

³ Operating EBITDA is defined as EBIT (earnings before interest and taxes) adjusted for amortization and depreciation, impairment and reversal on intangible assets, property, plant and equipment and right-of-use assets, adjusted for (i) impairment on goodwill and other intangible assets with indefinite useful life as well as gains from business combinations, (ii) impairment on carrying amounts on assets held for sale, (iii) impairment/reversals on other financial assets at amortized cost, (iv) impairment/reversals on investments accounted for using the equity method, (v) results from disposals of investments, (vi) fair value measurement of investments, (vii) results from disposals of intangible assets and property, plant and equipment, (viii) operating realized and unrealized forex gains and losses including on derivatives, (ix) expenses on long-term incentive programs and (x) further adjustments such as restructuring, acquisition-related and integration expenses, and other special items. The Operating EBITDA definition has been updated with effect from January 2022. Prior year data have been restated accordingly to allow comparison. For details see APM section of the Annual Report 2022.

⁴ Operating EBITDA reported for FY 2021 (€316 million) is restated to €313 million with the difference for €1 million of operating realized and unrealized forex gains including on derivatives and €2 million of acquisition-related and other special items to allow comparison with prior year based on the updated Operating EBITDA definition. For more information see APM section of the Annual Report 2022.

⁵ We define Operating EBITDA margin as Operating EBITDA divided by net revenue. For details see APM section of the Annual Report 2022.

⁶ Basic earnings per share (EPS) is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held as treasury shares and the shares held under the liquidity program, if any. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There is currently no category of dilutive potential ordinary shares.

⁷ Net revenue retention 2022 is defined as net revenue generated by clients in FY 2022 divided by net revenue generated by the same cohort of clients in FY 2021 (excluding net revenue contributed by Mayen, Alembo, Findasense and IST that were acquired during 2022). For details see APM section of the Annual Report 2022.

⁸ We define "Offshore" as net revenue from the following countries (even if some local business is included): Armenia, Colombia, Costa Rica, Croatia, Egypt, Estonia, Georgia, Ghana, Greece, India, Ivory Coast, Kenya, Lithuania, Malaysia, Mexico, Morocco, North Macedonia, Peru, Philippines, Poland, Portugal, Romania, Senegal, Suriname, Togo, and Turkey.

⁹ Free cash flow is defined as Operating EBITDA less adjustments minus increase/plus decrease in net working capital after net cash out from pensions, payments from leases and net investments in property, plant and equipment and intangible assets excluding net payments from acquisitions and disposals of financial assets. For details see APM section of the Annual Report 2022.

¹⁰ For more information see APM section of the Annual Report 2022.

¹¹ Please see press release of June 9, 2022, for further details. In accordance with IFRS 3, Booking.com CX centers were integrated as a business combination in the consolidated financial statements.

¹² Source: Majorel Employee Survey, November 2022

DISCLAIMER

This announcement is released by Majorel Group Luxembourg S.A. ("Company") and contains information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (MAR). This announcement is made for the purposes of MAR and pursuant to Article 2 of Commission Implementing Regulation (EU) 2016/1055.

Some of the Company's financial information presented in this announcement is unaudited, unreviewed, has been derived from the management accounts of the Company and are not presented in accordance with IFRS. Such financial measures are not measures of financial performance in accordance with IFRS and may exclude items that are significant in understanding and assessing Majorel's financial results. Therefore, these measures should not be considered in isolation or as an alternative to loss for the period or other measures of profitability, liquidity, or performance under IFRS. You should be aware that the presentation of these measures may not be comparable to similarly titled measures used by other companies, which may be defined and calculated differently. This financial information is subject to updating, revision, amendment, verification, correction, completion and change without notice. It does not purport to contain all information required to evaluate the Company or the Majorel group and/or its financial position. The information does not constitute a recommendation regarding any loans or securities of the Company.

In providing access to this announcement, neither the Company nor any other person undertakes any obligation to provide you with access to any additional information or to update the information as part of this announcement or to correct any inaccuracies in any such information. No representation, warranty or undertaking, express or implied, is made by the Company or any other person as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained therein or any other statement made or purported to be made in connection with the Company or any of the Company's respective affiliates, for any purpose whatsoever, including but not limited to any investment considerations. In addition, no duty of care or otherwise is owed by the Company or any of the Company's respective affiliates to recipients of the information within this announcement or any other person in relation to the information.

This announcement include(s) forward looking statements. All statements other than statements of historical or current facts contained in this announcement, including statements regarding the Company's future results of operations and financial position, industry dynamics, business strategy and plans and its objectives for future operations, are forward-looking statements. These statements represent management's opinions, expectations, assumptions, beliefs, intentions, estimates or strategies regarding the future, which may not be realized. Forward looking statements are often indicated by terms such as "anticipate," "believe," "could," "estimate," "expect," "forecast," "goal," "intend," "look forward to," "may," "plan," "potential," "predict," "project," "should," "target" "will," "would" and/or the negative of these terms or other similar expressions that are intended to identify forward-looking statements. The forward-looking statements included in this announcement are based largely on Majorel's current expectations and projections about future events and financial trends that Majorel believes may affect its financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements involve known and unknown risks, uncertainties and assumptions that are difficult to predict or are beyond Majorel's control, and actual results may differ materially from those expected or implied as forward looking statements. For a detailed description of these factors and uncertainties, please refer to the "Risk Factors" section of Majorel's Prospectus, available at <https://www.bourse.lu/issuer/MajorelGroupSA/105258>. Majorel undertakes no obligation to publicly update or revise any of these forward looking statements.

Moreover, new risks emerge from time to time. It is not possible for the Company's management to predict all risks, nor can it assess the impact of all factors on Majorel's business or the extent to which any factor, or combination of factors, may cause actual results to differ from those contained in any forward-looking statements. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this announcement may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Majorel cautions you therefore against relying on these forward-looking statements, and Majorel qualifies all of its forward-looking statements by these cautionary statements.

The forward-looking statements included in this announcement are made only as of the date hereof. Although Majorel believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Neither Majorel nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Moreover, neither Majorel nor any other person undertakes any obligation to update any forward-looking statement to reflect events or circumstances after the date of this announcement or otherwise. You should read this announcement with the understanding that Majorel's actual future results, levels of activity, performance and events and circumstances may materially differ from what Majorel expects.

This announcement does not constitute an offer of securities for sale or a solicitation of an offer to purchase the securities described in this announcement in the United States. In particular, any securities referred to in this announcement have not been and will not be registered under the US Securities Act of 1933 (the Securities Act), or under the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or delivered, directly or indirectly, in or into the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offering of securities in the United States.

Appendix: Consolidated Financial Statements

Consolidated statement of profit and loss

in € millions	2022	2021
Revenues	2,100	1,811
Other operating income	48	37
External expenses and costs of materials	(397)	(423)
Personnel costs	(1,398)	(1,236)
Amortization/depreciation, impairment and reversals on intangible assets, property, plant and equipment and right-of-use assets	(115)	(85)
Results from investments accounted for using the equity method	1	1
EBIT (earnings before interest and taxes)	239	105
Interest income	1	1
Interest expenses	(4)	(3)
Other financial income	-	2
Other financial expenses	(15)	(5)
Financial result	(18)	(5)
Earnings before taxes	221	100
Income tax expense	(51)	(20)
Group profit or loss	170	80
attributable to:		
Majorel shareholders	169	80
Non-controlling interests	1	-
Earnings per share (in €)		
- Basic	1.69	0.80
- Diluted	1.69	0.80

Consolidated statement of comprehensive income

in € millions	2022	2021
Group profit or loss	170	80
Items that will not be reclassified subsequently to profit or loss		
Remeasurement component of defined benefit plans	13	9
Items that will be reclassified subsequently to profit or loss when specific conditions are met		
Exchange differences		
– changes recognized in other comprehensive income	(23)	12
Other comprehensive income net of tax	(10)	21
Group total comprehensive income	160	101
attributable to:		
Majorel shareholders	159	101
Non-controlling interests	1	-

Consolidated statement of financial position

in € millions	12/31/2022	12/31/2021
Assets		
Non-current assets		
Goodwill	196	94
Other intangible assets	44	20
Property, plant and equipment and right-of-use assets	282	245
Investments accounted for using the equity method	4	3
Trade and other receivables	9	1
Deferred tax assets	41	38
	576	401
Current assets		
Trade and other receivables	526	467
Other financial assets	2	11
Other non-financial assets	70	68
Current income tax receivables	12	18
Cash and cash equivalents	245	238
	855	802
	1,431	1,203
Equity and liabilities		
Equity		
Subscribed capital	1	1
Capital reserve	231	255
Retained earnings	316	138
Majorel shareholders' equity	548	394
Non-controlling interests	10	5
	558	399
Non-current liabilities		
Provisions for pensions and similar obligations	32	43
Other provisions	11	8
Deferred tax liabilities	6	2
Financial debt	132	70
Lease liabilities	91	80
Trade and other payables	20	-
Other non-financial liabilities	18	-
	310	203
Current liabilities		
Other provisions	45	30
Financial debt	8	89
Lease liabilities	49	45
Trade and other payables	179	156
Other non-financial liabilities	252	261
Current income tax payables	30	20
	563	601
	1,431	1,203

Consolidated statement of cash flow

in € millions	2022	2021
Earnings before interest and taxes	239	105
Amortization, depreciation and write-ups of non-current assets	115	85
Gains from business combinations	(3)	-
Change in provisions for pensions and similar obligations	(3)	(1)
Change in other provisions	(1)	11
Change in net working capital	(74)	24
Taxes paid	(43)	(40)
Other effects	6	1
Cash flow from operating activities	236	185
Investments in:		
- intangible assets	(4)	(4)
- property, plant and equipment	(76)	(57)
- purchase prices for consolidated investments (net of acquired cash)	(19)	(56)
- prepaid consideration for business acquisition	(5)	(58)
- other investments and financial assets	-	(5)
Disposals of other fixed assets	8	6
Cash flow from investing activities	(96)	(174)
Proceeds from/redemption of financial debt	(23)	105
Redemption of lease liabilities	(52)	(46)
Interest paid	(8)	(6)
Dividends to Majorel shareholders	(32)	(19)
Dividends to non-controlling interests	(1)	-
Other effects	(5)	(8)
Cash flow from financing activities	(121)	26
Change in cash and cash equivalents	19	37
Exchange rate effects and other changes in cash and cash equivalents	(12)	6
Cash and cash equivalents as of 1/1	238	195
Cash and cash equivalents as of 12/31	245	238

Consolidated Statement of Changes in Equity

in € millions	Subscribed capital ^{a)}	Capital reserve	Retained earnings	Major shareholders' equity	Non-controlling interests	Total
Balance as of 1/1/2021	-	275	37	312	5	317
Group profit or loss	-	-	80	80	-	80
Other comprehensive income	-	-	21	21	-	21
Group total comprehensive income	-	-	101	101	-	101
Dividend distributions	-	(19)	-	(19)	-	(19)
Transfer	1	(1)	-	-	-	-
Equity transactions with shareholders	1	(20)	-	(19)	-	(19)
Balance as of 12/31/2021	1	255	138	394	5	399
Balance as of 1/1/2022	1	255	138	394	5	399
Group profit or loss	-	-	169	169	1	170
Other comprehensive income	-	-	(10)	(10)	-	(10)
Group total comprehensive income	-	-	159	159	1	160
Dividend distributions	-	(24)	(8)	(32)	(1)	(33)
Acquisition of subsidiary with non-controlling interests	-	-	-	-	5	5
Equity transactions with shareholders	-	(24)	(8)	(32)	4	(28)
Hyperinflation impact	-	-	27	27	-	27
Balance as of 12/31/2022	1	231	316	548	10	558

a) As of January 1, 2021, the subscribed capital amounts to €404 thousand.