

~~Financial~~ Fundamentals for Future General Managers



This is not a finance course!



Sept 2026



Marc LANDON

Co-founder, trainer, woodworker, gardener & father

55

years

20+

Years of training

1

Wonderful wife

3

kids

12

guitars...or more

10,000+

People trained

Marc has over 20 years' experience in the training field.

He firmly believes that dry subjects can easily be taught with a touch of laughter, even if they are serious.

Marc has created and runs integration, junior and graduate programs for major French banks and asset management companies, which have taken him to four continents.

He lectures on banks organizations and risks.

He is known for his ability to make complex issues understandable to a wide audience.

He worked at Sogemarc, Société Générale and First Finance before founding We Figure.

He was a professor at EDHEC business school for 5 years.

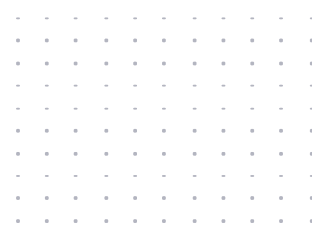
www.we-figure.com / marc@we-figure.com



PART 1 - WHY FINANCE MATTERS FOR A GENERAL MANAGER



What Keeps a General Manager Awake at Night?



Why Finance Matters



Operational Decision



Financial Consequence

Decision	Consequence
Hire	Cost
Delay Project	Margin Impact
Invest	Cash Impact
Win Contract	Revenue

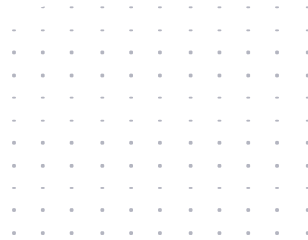


Finance as the Language of Business

Finance translates business reality into measurable outcomes.



Allocation of resources



Five Questions We Will Answer Today

- How does Egis create value?
- How do we measure profitability?
- Why can profitable companies run out of cash?
- Which KPIs matter most?
- How does finance improve decisions?



Exercise 1 – Project Profitability

Service Availability

Highway Operations Contract

Contract Requirement: **99.5% Availability**

Current Performance: **98.8% Availability**

Annual Contract Value: **€50 millions**

EBITDA : **€8 million**

Penalty: **€500,000 per 0.1% below target**

Question:

What is the financial impact of operating below target?

What actually caused this €3.5 million loss?

If you were the General Manager, what KPI would you monitor every week to avoid this situation?

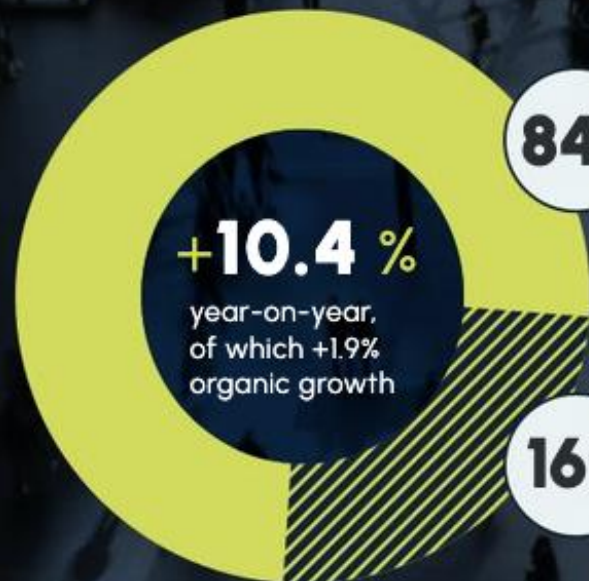


PART 2 - HOW EGIS CREATES VALUE



Revenue

€2,389m



84%

Architecture,
Consulting and
Engineering
(ACE)

16%

Operations
and Mobility
Services
(O&M)

Operating & Mobility Services



Qatar Strategic Highways O&M

QAR 3,5 milliards (≈ 967 M\$)

10 years



Egnatia Odos

Biggest PPP ever signed

35 years



Airports in French Polynesia

1,5 milliard F CFP ($\sim 12,5$ M€)

7 years



Understanding Cost Structure



Where is value created?
Where is value destroyed?
Which costs can managers influence?

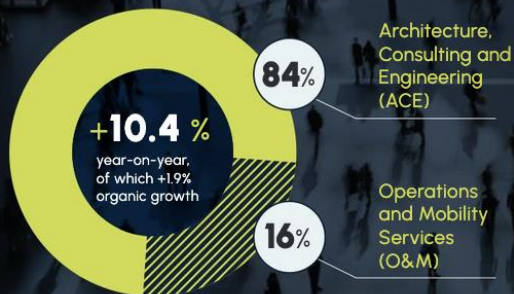


1.3. Our Value Creation in 2025

1.3.1. Financial Performance

Revenue

€2,389m



EBITDA

€285m

Margin EBITDA 13.7% of
net revenue

EBIT

€219m

Free cash flow

€10m

unlevered FCF

Net profit
Group share

€6m

0.3%

margin (as % of net revenue)

Net revenue

€2,074bn

ACE order backlog up

€3.0bn

at end-2025, representing 16
months of revenue

Days Sales Outstanding (DSO)

91 days

Financial leverage ratio

3.9x

according to the covenant
definition of a senior debt

From Revenue to Gross Margin

Gross Margin measures project (contract) quality.

Revenue - Direct Costs = Gross Margin

ex :

- Project teams
- Subcontractors
- External experts
- Project-specific costs

From Gross margin to EBITDA

EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortization

Why EBITDA Matters

- Widely used by investors
- Used by lenders
- Measures operational performance
- Facilitates comparison between businesses

Example

- Revenue = €100m
- EBITDA = €15m
- EBITDA Margin = 15%



Exercise 2 - Toll Road Operations Contract

Revenue : €50m

Operating Staff : €18m

Maintenance : €10m

Subcontractors : €8m

Support Costs : €5m

Questions

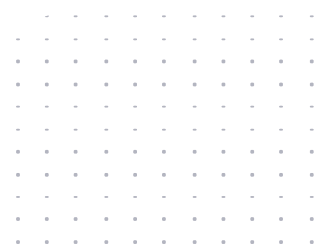
Calculate:

- Gross Margin
- EBITDA
- EBITDA Margin

Which actions could improve profitability?



Comparing EBITDA Margin



Group	Revenues	Net revenues	EBITDA Margin
EGIS	2 389 M€	2 074 M€	13.7%
WSP	18 285 M CAD 11382 M €	13 959 M CAD 8 689 M€	18.3%
AECOM	16 140 M \$ 13 984 M€	7 573 M \$ 6 561 M€	16.8%



From EBITDA to EBIT

Earnings Before Interest & Taxes

Formula

$\text{EBITDA} - \text{Depreciation} - \text{Amortization} = \text{EBIT}$

Depreciation

The accounting recognition of the wear and tear of **physical assets**.

Amortization

The accounting recognition of the consumption of **intangible assets**.



PART 3 - UNDERSTANDING FINANCIAL STATEMENTS

The Three Financial Statements Every GM Must Understand

Every business can ultimately be understood through three financial statements.

1. Income Statement

Measures performance over time.

2. Balance Sheet

Measures financial position at a specific date.

3. Cash Flow Statement

Explains movements in cash.



The income statement



Income Statement Overview

The Income Statement tells us whether the company created value during a period.

Revenue



Gross Margin



EBITDA



EBIT



Net Income

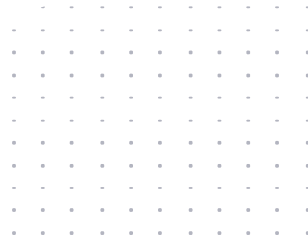
How much value remains after all costs have been paid?



The income statement

<i>In million euros</i>	2025	2024
Revenue	2,388.7	2,164.2
Personnel expenses	(1,283.8)	(1,147.2)
Other operating expenses	(1,027.5)	(877.3)
Depreciation	(113.2)	(85.2)
Gains (losses) on disposals	38.7	24.3
Other income from operations	78.0	60.7
Operating income	81.0	139.5
Income from equity affiliates	52.4	32.6
Operating income after income from equity affiliates	133.5	172.1
Cost of net financial debt	(71.5)	(54.5)
Other financial income and expenses	2.1	(0.2)
Net financial income	(69.3)	(54.6)
Income before tax	64.1	117.5
Tax expense	(45.6)	(29.1)
Consolidated net income	18.5	88.4
Broken down between	(6.0)	-
Net income share	12.5	88.4
Net income group share	6.1	77.2
Net income attributable to minority interests	6.4	11.2
Basic earnings per share (in euros)	1.3	16.4
Diluted net profit per share (in euros)	1.3	16.4



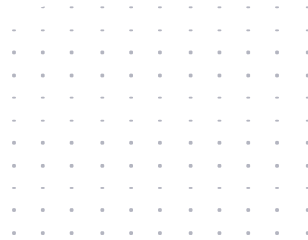


On the P&L statement

What reassures you?

What worries you?

The balance sheet



Balance Sheet Overview

The Balance Sheet is a snapshot of financial health.

Assets

What the company owns

Liabilities

What the company owes

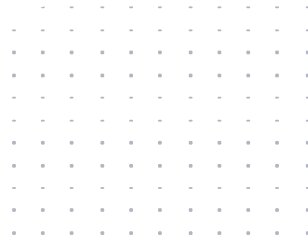
Equity

What belongs to shareholders

The balance sheet

Assets	Liabilities





The balance sheet

What is the size of the balance sheet?

What are the 3 or 4 biggest items of the asset?

What are the 3 biggest items of the liabilities?

What is the company's equity?

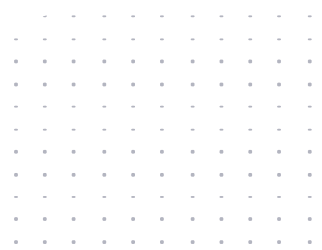
What is EGIS worth?

What is the impact of the net income on the balance sheet?



The balance sheet

Assets	Liabilities



The balance sheet

Assets <i>In million euros</i>	2025	2024*
Goodwill *	1,130.5	673.4
Intangible assets	265.1	128.4
Property, plant and equipment	78.2	57.5
Right-of-use leases	1,130.6	114.5
Equity affiliates	99.5	81.6
Investments in non-consolidated companies	79.8	69.9
Other non-current financial assets	155.8	130.8
Deferred tax assets	39.4	61.5
Total non current assets	1,979.0	1,317.6
Inventories and work-in-progress	5.5	6.7
Trade and other receivables *	1,400.0	1,182.4
Income tax receivables	22.7	24.8
Other current financial assets	7.4	10.0
Cash and cash equivalents	284.1	346.9
Total assets held for sale	69.1	177.3
Total current assets	1,788.8	1,748.1
Total assets	3,767.7	3,065.7

Liabilities <i>In million euros</i>	2025
Capital	78.0
Surplus and reserves	525.6
Profit for the year	6.1
Total equity	672.2
Equity attributable to the Group	609.7
Minority interests	62.5
Provisions for liabilities and charges	65.9
Non-current borrowings and financial liabilities	1,416.1
Other non-current financial liabilities	25.6
Non-current lease liabilities	111.4
Deferred tax liabilities	84.3
Total non-current liabilities	1,703.3
Provisions for liabilities and charges	37.9
Current borrowings and financial liabilities	20.5
Other current financial liabilities	31.1
Current lease liabilities	33.1
Income tax payables	55.1
Trade and other payables, advances and prepayments	1,178.5
Total liabilities held for sale	36.0
Total current liabilities	1,392.2
Total liabilities	3,767.7



Understanding Assets

Assets generate future economic benefits.

Examples

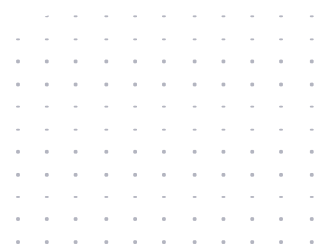
Cash

Receivables

Equipment

Infrastructure

Technology



Understanding Liabilities

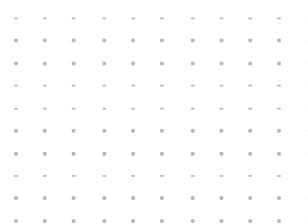
Liabilities represent obligations.

Bank Debt

Suppliers

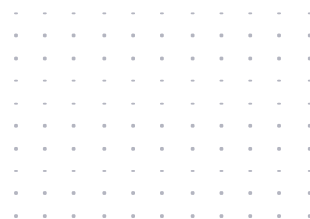
Taxes

Lease Obligations



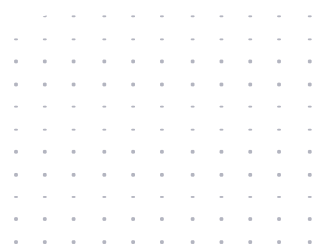
Understanding Equity

Equity represents ownership.
 $\text{Assets} - \text{Liabilities} = \text{Equity}$



Working Capital

Receivables – Payables = Working Capital



Exercise – Working Capital Challenge

Current situation:

Revenue = €100m

EBITDA = €18m

Receivables = €40m

Payables = €20m

DSO = 110 days

Why should a GM care?

Choose your first action

- A. Win more contracts
- B. Reduce DSO by 20 days
- C. Reduce headcount
- D. Increase prices

How much cash would be released if
DSO decreased by 20 days?



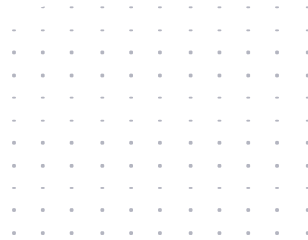
Leverage Ratio

Financial Leverage Ratio = Net Debt / EBITDA

Net Debt / EBITDA	Interpretation
< 1x	Very conservative
1x - 2x	Low leverage
2x - 3x	Moderate
3x - 4x	Significant
> 4x	High
> 5x	Potential concern

The cash flow statement





The cash flow statement

The income statement answers:

"Was the company profitable?"

The cash flow statement answers:

"Where did the cash come from and where did it go?"



The three components of the cash flow statement

Cash flow from operations → Engine !



Cash flow from investment → Perenity !



Cash flow from financing → Fuel !



The summary

Cash flow from operations (a)	85.2
Cash flow from investments (b)	(668.7)
Cash flow from financing activities (c)	537.8
Net cash change	-46M

Egis generated €85 million in cash from its operations, invested nearly €670 million, mainly in acquisitions, and financed this growth through debt and a capital increase.

Cash flow from operations

Is the net income cash?

<i>In million euros</i>	2025	2024*
Net comprehensive income	12.5	88.4
Depreciation	113.9	85.2
Calculated income and expenses (amortisation and depreciation)	(8.3)	6.1
Capital gains or losses on disposals	(38.7)	(24.3)
Share of profit or loss of equity affiliates	(52.4)	(32.6)
Dividends received from equity affiliates	21.1	20.4
Dividends received from non-consolidated companies net of dividends recognized	(0.2)	1.3
Cost of net financial debt	71.5	54.5
Income and expenses from investment activities	9.5	(8.7)
Tax expense (including deferred tax)	45.6	29.1
Tax paid	(36.0)	(23.2)
Change in working capital requirements	(53.3)	(9.0)
Cash flow from operations (a)	85.2	187.2

The income statement



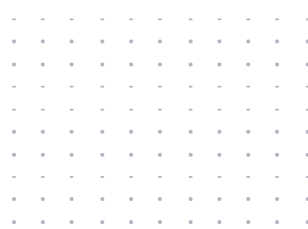
In million euros	2025	2024
Revenue	2,388.7	2,164.2
Personnel expenses	(1,283.8)	(1,147.2)
Other operating expenses	(1,027.5)	(877.3)
Depreciation	(113.2)	(85.2)
Gains (losses) on disposals	38.7	24.3
Other income from operations	78.0	60.7
Operating income	81.0	139.5
Income from equity affiliates	52.4	32.6
Operating income after income from equity affiliates	133.5	172.1
Cost of net financial debt	(71.5)	(54.5)
Other financial income and expenses	2.1	(0.2)
Net financial income	(69.3)	(54.6)
Income before tax	64.1	117.5
Tax expense	(45.6)	(29.1)
Consolidated net income	18.5	88.4
Broken down between	(6.0)	-
Net income share	12.5	88.4
Net income group share	6.1	77.2
Net income attributable to minority interests	6.4	11.2
Basic earnings per share (in euros)	1.3	16.4
Diluted net profit per share (in euros)	1.3	16.4



Cash flow from operations

<i>In million euros</i>	2025	2024*
Net comprehensive income	12.5	88.4
Depreciation	113.9	85.2
Calculated income and expenses (amortisation and depreciation)	(8.3)	6.1
Capital gains or losses on disposals	(38.7)	(24.3)
Share of profit or loss of equity affiliates	(52.4)	(32.6)
Dividends received from equity affiliates	21.1	20.4
Dividends received from non-consolidated companies net of dividends recognized	(0.2)	1.3
Cost of net financial debt	71.5	54.5
Income and expenses from investment activities	9.5	(8.7)
Tax expense (including deferred tax)	45.6	29.1
Tax paid	(36.0)	(23.2)
Change in working capital requirements	(53.3)	(9.0)
Cash flow from operations (a)	85.2	187.2





Where did the money go?

EBITDA : 285m



Operating Cash Flow : 85m



Cash Conversion : 30%

Where did the other €200m go???



Questions

Which item is most under the control of a General Manager?

- A. Tax Paid
- B. Working Capital
- C. Interest Expense
- D. Exchange Rate Movements

How could you influence the working capital ?

- invoicing faster;
- reducing DSO;
- collecting claims;
- managing contract assets;
- controlling inventory.



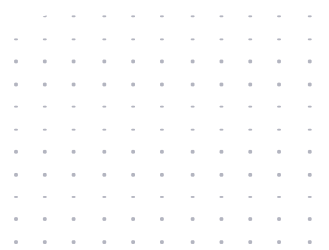
Cash flow from investments

85M€ of cash flow from operations... 668 M€ of cash flow from investments...

Cash payments on acquisitions of intangible assets and property, plant and equipment	(38.6)
Net cash receipts from disposals of intangible assets and property, plant and equipment	2.9
Cash payments on acquisition of shares in non-consolidated companies	(17.6)
Cash receipts on disposal of shares in non-consolidated companies	120.4
Impact of changes in consolidation scope	(721.2)
Cash payments or receipts from financial receivables	(14.4)
Cash flow from investments (b)	(668.7)

This is not a maintenance year, this is a transformation year...





8 acquisitions completed

Objectives:

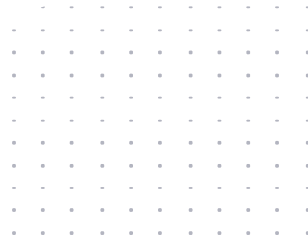
- Expand geographically (North America, UK, Australia/NZ)
- Strengthen transport infrastructure capabilities
- Expand water and environmental expertise
- Develop energy activities
- Accelerate digital asset management capabilities

Flagship transaction:

Lochner (USA, ~1,100 employees), the largest acquisition in Egis' history.

Discussion Question

Why would an O&M General Manager care about acquisitions?



Question

If Egis generated only €85m of operating cash, how was it able to spend €721m on acquisitions?

Cash flow from financing

Amounts received from shareholders in respect of capital increases	196.1
Purchase and sale of treasury shares	(7.5)
Repayment of financial liabilities	(219.4)
Increase in financial liabilities	712.2
Repayment of lease liabilities and related financial interests	(44.1)
Financial interests paid	(69.5)
Change in other payables and receivables	-
Repayment of debts with shareholders	0.0
Dividends paid	(30.2)
paid to shareholders of the parent company	(28.2)
paid to minority shareholders of consolidated companies	(2.0)
Cash flow from financing activities (c)	537.8

Where Did The Cash Go?

Client Situation

A public authority delayed approval of invoices.

DSO increased from:

90 days

to

115 days

Maintenance Situation

The operations team increased spare parts inventory.

Inventory increased by:

€1m

Choose Your Top 3 Actions

- A. Improve invoice validation process
- B. Reduce spare parts inventory
- C. Negotiate shorter payment terms
- D. Improve collection follow-up
- E. Delay maintenance investments

Which department created the cash problem?



The Cash Conversion Challenge

Before

EBITDA = 15m

Cash Flow = 8m

Cash Conversion = 53%

Target

Cash Conversion > 80%

Question

How much additional cash would that generate?



PART 4

**CORPORATE FINANCE FOR NON-
FINANCIAL MANAGERS**

Why Companies Need Funding

Every Growth Strategy Requires Funding

Examples:

- ✓ New projects
- ✓ New equipment
- ✓ Acquisitions
- ✓ New offices
- ✓ Digital transformation
- ✓ International expansion

Where does the money come from ?



AND NOW FOR
SOMETHING
COMPLETELY
DIFFERENT





Cash Is a Corporate Resource!!

The cash generated by each entity contributes to the overall liquidity of the Group.

Why?

Because the Group finances:

- investments;
- acquisitions;
- debt repayments;
- working capital requirements;
- growth opportunities.

A large international group cannot operate if every entity keeps its cash for itself.

Why Centralize Cash?

Benefits of Cash Centralization

- ✓ Better liquidity management
- ✓ Lower borrowing costs
- ✓ Better risk management
- ✓ More efficient capital allocation
- ✓ Stronger financial resilience

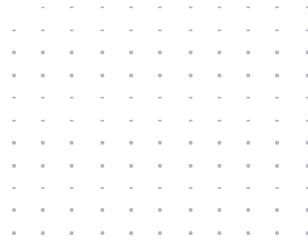
Example:

Entity A: +20M

Entity B: -10M

Entity C: -5M





The GM's Role in Cash Management

A GM influences cash through:

Billing

Collections

Contract negotiation

Working Capital

Project execution

But the GM does not decide:

Treasury allocation

Debt structure

Group financing strategy



Debt Financing

Debt accelerates growth but increases financial risk.

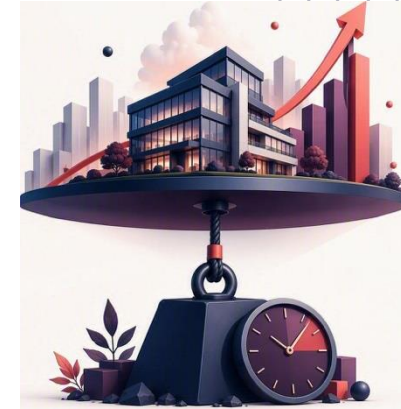
- Bank Loans
- Revolving Credit Facilities (RCF)
- Bonds
- Leasing

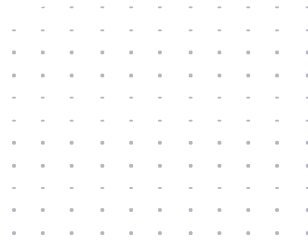
Advantages

- ✓ No dilution
- ✓ Lower cost than equity
- ✓ Tax benefits

Risks

- ⚠ Repayment obligations
- ⚠ Interest costs
- ⚠ Financial leverage





Egis debt financings

1. Syndicated Bank Loan

Egis had a syndicated loan arranged in 2023, part of which was due to mature in June 2028. During its 2026 bond offering, the group announced its intention to prepay €100 million of this loan.

2. Sustainability-Linked Loan (SLL)

In June 2024, Egis arranged a Sustainability-Linked Loan with its partner banks. The mechanism links the cost of financing to ESG KPIs:

- reduction in GHG emissions;
- proportion of eco-designed projects;
- employee training in eco-design.



3. Euro PP Sustainability-Linked

On July 25, 2024, Egis completed its first Euro PP Sustainability-Linked issuance:

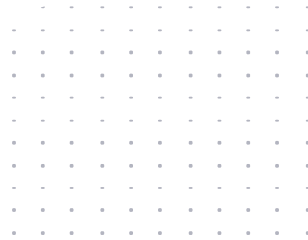
Amount: €124 million

Maturity: 6 years

The proceeds were to be used for:

- the group's general needs;
- financing growth;
- pursuing the acquisition strategy.





Egis debt financings

Bridge loans

Financing of Lochner

To finance this transaction, Egis used a:

Bridge Facility = Bridge Loan of: €300 million

4. First Public Bond Offering

In May 2026, Egis entered the public bond market.

Amount: €450 million

Maturity: 5 years

Fixed coupon: 5.125%

Senior Unsecured



The link between financial statements

Balance Sheet : Financial debt

€1.416 million



Income statement : Cost of net financial debt

€71.5 million



Cash Flow statement : Increase in financial liabilities

€712.2 million

Repayment of financial liabilities

€219.4 million



Equity Financing

Equity provides flexibility but reduces ownership concentration.

Equity Sources

- Existing shareholders
- New investors

Advantages

- ✓ No repayment obligation
- ✓ Stronger balance sheet
- ✓ Greater financial flexibility

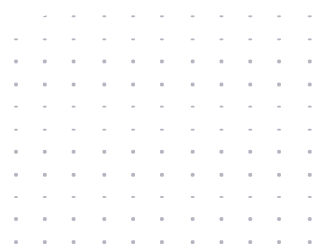
Risks

- ⚠ Dilution
- ⚠ Lower return per shareholder
- ⚠ Higher investor expectations





Hybrid Financing



Some financing instruments combine debt and equity characteristics.

Examples

Convertible Bonds

Hybrid Debt

Preferred Shares

Purpose

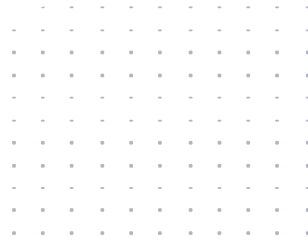
Provide flexibility between debt and equity.

Key Takeaway

Managers do not need technical expertise.

They need conceptual understanding.





Investment Decisions

Every investment decision is a trade-off.

Questions Every Manager Should Ask

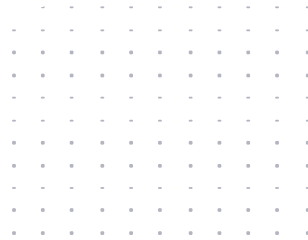
What is the expected return?

What are the risks?

How much capital is required?

How long before value is created?





Exercise – Airport Expansion Project

Financing decisions always involve trade-offs.

Scenario

Egis Mobility Services has the opportunity to invest in a major airport expansion.

Investment Required: €200 million

Expected Revenue Growth: +15%

Expected EBITDA Growth: +20%

Discussion

How would you finance the project?

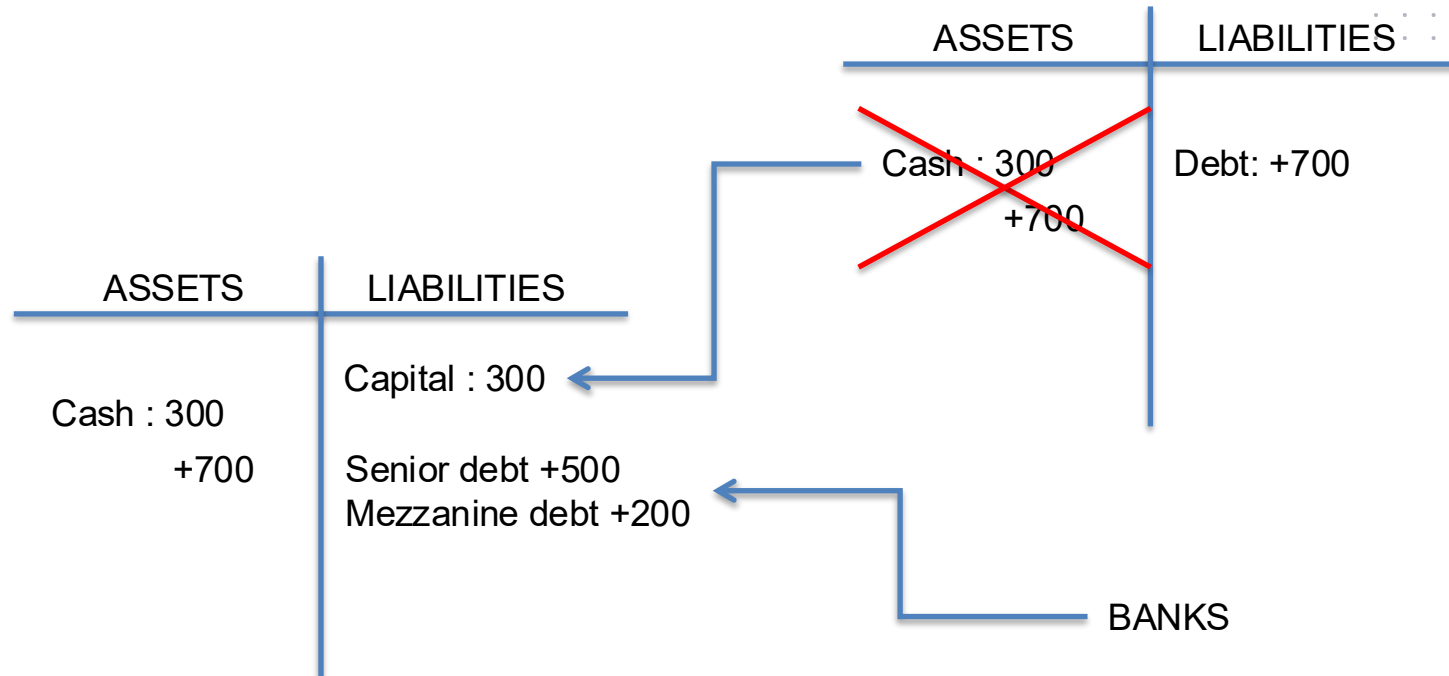
A. Debt

B. Equity

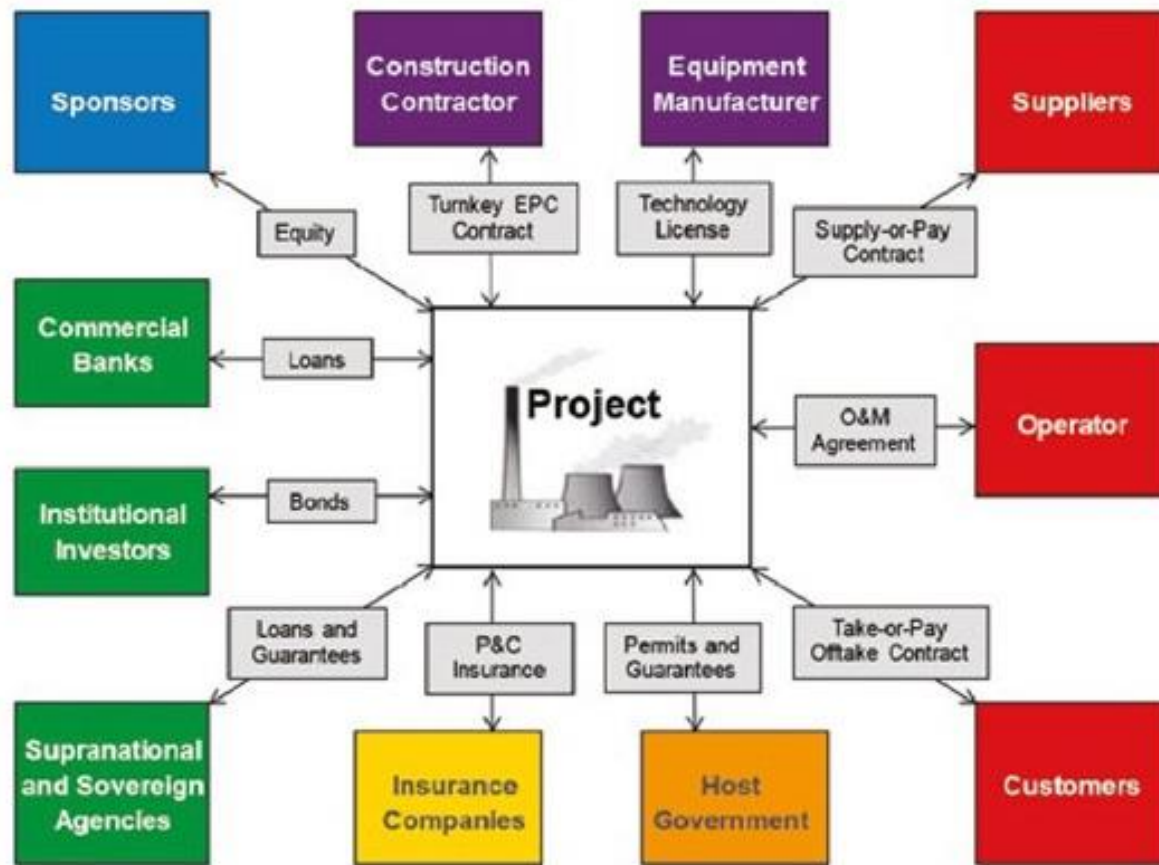
C. Combination



Project finance vs direct financing



Counterparts to the project



KPIs

What Makes a Good KPI?

A good KPI should be:

- ✓ Relevant
- ✓ Actionable
- ✓ Timely
- ✓ Understandable
- ✓ Linked to decisions

Not all metrics are KPIs.

KPIs



Engineering & Consulting

Growth Engine

Backlog

Book-to-Bill

Utilization

Gross Margin

EBITDA Margin

DSO

Revenue per Employee

Operations & Maintenance

Stability Engine

Contract Renewal

Asset Availability

Service Levels

Safety

EBITDA Margin

Cash Conversion

Customer Satisfaction



The 10 KPIs Every GM Should Know

KPI	Formula	Why it matters
Asset Availability	$\text{Available Time} \div \text{Total Time}$	customer satisfaction contract compliance revenue protection
Service Level Compliance		Failure can trigger: penalties disputes contract termination
Maintenance Compliance	$\text{Completed PM Tasks} \div \text{Scheduled PM Tasks}$	Poor maintenance today creates failures tomorrow
EBITDA Margin	$\text{EBITDA} \div \text{Revenue}$	Measures operational profitability
Cash Conversion	$\text{Operating Cash Flow} \div \text{EBITDA}$	Cash funds: investments growth resilience



The 10 KPIs Every GM Should Know

KPI	Formula	Why it matters
DSO (Days Sales Outstanding)	How quickly are customers paying us	A major driver of working capital
Contract Renewal Rate	$\frac{\text{Renewed Contracts}}{\text{Contracts Expiring}}$	O&M businesses rely heavily on long-term relationships
Customer Satisfaction	NPS Client surveys Satisfaction score	A leading indicator of future revenue
Safety (LTIFR)	LTIFR Recordable incidents Near misses	Safety incidents destroy value
Major Incident Rate	How often do critical service failures occur? Examples Tunnel closure System outage Airport operational disruption	Direct impact on: reputation availability customer confidence

Days Sales Outstanding

$$\text{DSO} = \text{Trade Receivables} \div \text{Revenue} \times 365$$

From the Egis accounts:

Revenue = **€2,388.7m**

Trade & Other Receivables = **€1,400.0m**

Calculation:

$$\text{DSO} = 1,400 \div 2,388.7 \times 365 = 213.9 \text{ days}$$

Result

DSO $\approx$ 214 days

Would you rather improve DSO from 91 to 80 days, or increase EBITDA from €285m to €295m?



Cash Conversion

Cash Conversion = Operating Cash Flow $\div$ EBITDA

From Egis:

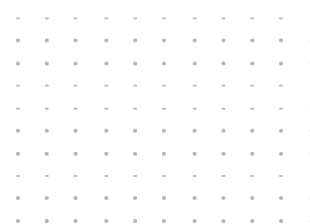
Operating Cash Flow = **€85.2m**

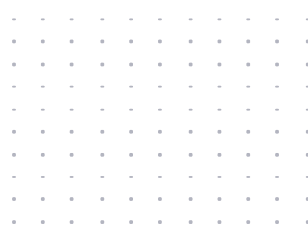
EBITDA = **€285m**

Calculation: $85.2 \div 285 = 29.9\%$

Result

Cash Conversion $\approx 30\%$





Build Your Executive Dashboard

A dashboard should help managers make decisions, not create reporting overload.

You have just been appointed General Manager.

You can monitor a maximum of:

8 KPIs

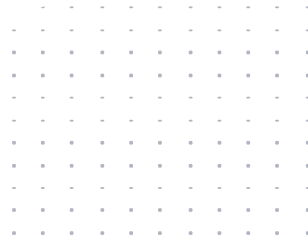
Select:

Your 8 KPIs

Their priority

Your rationale





Discussion: What Would You Remove?

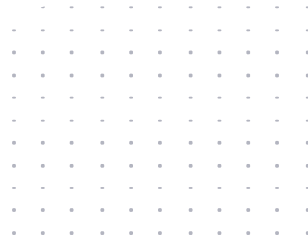
Prioritization is a leadership skill.

If you had to remove two KPIs from this dashboard:

Which would they be?

Why?

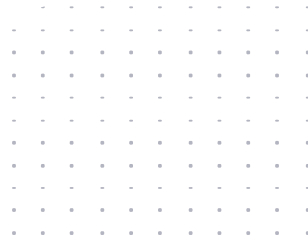




Three Key Takeaways

The session can be summarized in three ideas.

1. Profitability Matters
2. Cash Is Critical
3. Value Creation Drives Long-Term Success



Final Message

Finance is a leadership tool.

Finance is not about accounting.

Finance is about understanding value creation and making better decisions.

Final Thought

A General Manager is not paid to understand accounting standards.

A General Manager is paid to make sound decisions.

