

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Altrad Investment Authority

A.I.A.

Year ended 31 August 2022

Statutory auditors' report on the consolidated financial statements

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Membre de la compagnie
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Altrad Investment Authority A.I.A.

Year ended 31 August 2022

Statutory auditors' report on the consolidated financial statements

To the Shareholders of A.I.A.,

Opinion

In compliance with the engagement entrusted to us by your general meeting of shareholders, we have audited the accompanying consolidated financial statements of A.I.A. for the year ended 31 August 2022.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 August 2022 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

■ Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

■ Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from 1 September 2021 to the date of our report.

Justification of Assessments

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the Key Audit Matters relating to risks of material misstatement that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

■ Recognition of revenue and margins on contracts for the “Services” segment

The “Revenue” section in Note 2.3 “Accounting principles” to the consolidated financial statements sets out the methods for recognizing income from and margin on contracts. In particular, income relating to the “Services” contracts is determined according to the percentage of completion of the contract at year-end.

Our work consisted notably in evaluating the methodology used by the group to estimate revenue and costs upon completion of the projects, on the basis of the information provided to us. We also reviewed the methods for measuring the progress of projects and verified the calculations made.

■ Measurement of goodwill and trademarks

Note 4 “Goodwill” and section 5.2 “Impairment testing of non-amortizable intangible assets” of Note 5 “Intangible and Tangible Fixed Assets” to the consolidated financial statements set out the methods for measurement of the goodwill and trademarks recognized in the balance sheet.

Our work consisted in assessing the valuation methods used by the group on the basis of the information provided to us, and verifying the consistency of the main data and assumptions used to perform the analyses with projected data established on the basis of the 2022-2023 budget.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of Directors’ management report.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

■ Objectives and Audit Approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit and furthermore:

- ▶ Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- ▶ Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.

- ▶ Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- ▶ Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Lyon and Montpellier, 28 February 2023

The Statutory Auditors

French original signed by:

GRANT THORNTON
Membre français de Grant Thornton International

ERNST & YOUNG Audit

Frédéric Jentellet

Helmi Ben Jezia

Amélie Van Elst

Lionel Denjean



ALTRAD GROUP

CONSOLIDATED FINANCIAL STATEMENTS FINANCIAL YEAR ENDED 31st AUGUST 2022

Altrad Investment Authority, S.A.S.

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CONSOLIDATED INCOME STATEMENT

INCOME STATEMENT (in thousands of euros)	Notes	August 31, 2022	August 31, 2021
Revenue from current activities	22.1	3 840 217	2 696 971
Cost of raw materials and merchandises	22.2	(826 607)	(572 159)
Personnel costs	22.3	(1 702 008)	(1 232 674)
Other external expenses	22.4	(788 254)	(476 296)
Depreciations and amortizations	23	(206 067)	(138 443)
Share of profit from associates accounted for under the equity method	7.2	361	(943)
Current operating profit		317 642	276 456
Other non-recurring revenues and expenses	24	(39 653)	(17 406)
Restructuring and underactivity costs	25	(14 695)	(14 902)
Operating profit		263 294	244 148
Income from cash and cash equivalents	26	5 607	893
Cost of gross financial debt	26	(53 246)	(38 195)
Cost of net financial debt		(47 639)	(37 302)
Other financial products	26	25 391	35 187
Other financial expenses	26	(39 976)	(5 891)
Profit before tax		201 070	236 142
Income tax expense	8	(54 521)	(60 949)
Profit for the year from continuing operations		146 550	175 193
Profit/(loss) after tax for the year from discontinued operations		3	4
Profit for the year		146 553	175 197
Equity holders of the parent		138 268	169 856
Non-controlling interests		8 285	5 341
Basic, profit for the year attributable to ordinary equity holders of the parent (in Euros)	27	40,77	50,10
Basic, profit from continuing operations attributable to ordinary equity holders of the parent (in Euros)	27	40,77	50,10
Diluted, profit for the year attributable to ordinary equity holders of the parent (in Euros)	27	37,44	46,32
Diluted, profit from continuing operations attributable to ordinary equity holders of the parent (in Euros)	27	37,44	46,32

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(In thousands of euros)	Notes	August 31, 2022	August 31, 2021
Consolidated net profit		146 553	175 197
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods		70 132	6 154
Exchange differences on translation of foreign operations		70 132	6 154
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods		8 237	2 516
Remeasurement gains (losses) on defined benefit plans - gross value		11 089	3 559
Remeasurement gains (losses) on defined benefit plans - tax effect		(2 851)	(1 043)
Total comprehensive income for the year, net of tax		224 922	183 866
<i>Equity holders of the parent</i>		<i>218 446</i>	<i>177 391</i>
<i>Non-controlling interests</i>		<i>6 476</i>	<i>6 476</i>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – ASSETS

ASSETS (in thousands of euros)	Notes	August 31, 2022			August 31, 2021 (1)
		Brut	Amortisation Depreciation	Net	Net
Goodwill	4	1 781 546	(815)	1 780 730	1 404 462
Others intangible assets	5	140 576	(62 786)	77 790	69 221
Property, plant and equipment	5	1 919 578	(1 362 000)	557 578	391 970
Right of use assets	6	339 536	(141 728)	197 807	124 152
Non-current financial assets and other non-current assets	7.1	50 633	(19 051)	31 583	18 877
Investments in associates	7.2	6 518	0	6 518	211
Deferred tax assets	8	88 296	0	88 296	49 736
Non-current assets		4 326 682	(1 586 380)	2 740 302	2 058 629
Inventories	9	286 540	(21 754)	264 786	182 212
Trade receivables and contract assets	10	1 219 617	(76 065)	1 143 552	655 993
Income tax receivable	10	9 261	0	9 261	4 017
Other current assets	10	220 075	(25 792)	194 283	105 326
Cash, restricted cash and cash equivalent	11	1 435 210	(8)	1 435 202	1 132 439
Current assets		3 170 702	(123 619)	3 047 084	2 079 986
Assets held for sale	14	77	0	77	2 378
Total assets		7 497 461	(1 709 999)	5 787 462	4 140 994

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5 August 2021 (see Note 2.4).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - LIABILITIES AND EQUITY

EQUITY & LIABILITIES (in thousands of euros)	Notes	August 31, 2022	August 31, 2021 (1)
Issued capital and other capital reserves	17.2	367 260	367 260
Other reserves		653 929	444 729
Profit for the period (Group share)		138 268	169 856
Non-controlling interests	17.4	21 752	19 260
Total equity		1 181 208	1 001 105
Others Shareholders' funds	11.2	195 549	185 808
Interest-bearing loans and borrowings, non-current	11.1	1 739 959	964 010
Lease liabilities, non-current	11.1	143 927	90 020
Reserve for risks and social engagement, non-current	18	384 568	267 672
Other non-current liabilities	20	80 953	43 799
Deferred tax liabilities	8	37 455	24 751
Non-current liabilities		2 582 411	1 576 061
Interest-bearing loans and borrowings, current	11	135 605	467 073
Lease liabilities, current	11.1	54 636	34 982
Reserve for risks and social engagement, current	18	126 314	45 241
Trade and other payables	19	951 183	591 494
Income tax payable	19	38 065	27 805
Other liabilities	19	718 040	397 232
Current liabilities		2 023 843	1 563 828
Total equity and liabilities		5 787 462	4 140 994

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5 August 2021 (see Note 2.4).

CONSOLIDATED CASH FLOW STATEMENT

<i>In thousands of euros</i>	Notes	August 31, 2022	August 31, 2021
OPERATING ACTIVITIES			
Net Profit - Attributable to equity holders of the parent		138 268	169 856
Non-controlling interests		8 285	5 341
Profit from associates accounted for under the equity method		(493)	943
Depreciation, amortisation and impairment of tangible and intangible assets		149 302	97 352
The change in fair value and discounting of derivative financial instruments		15 037	1 846
Gain / (Loss) on disposal		43 592	34 042
Income and expenses related to share-based payments		1 963	2 773
Other revenues & exp. without effect on cash flow		(1 595)	0
Deferred tax	8.1	6 859	21 369
Self-financing capacity		361 217	333 521
Current income tax	8.1	47 661	39 580
Income tax paid		(45 045)	(31 096)
Cost of net financial debt	26	51 703	38 055
Changes in inventories	9	(38 547)	570
Changes in trade receivables, contract assets and others receivables	10	112 056	1 584
Changes in trade payables, contract liabilities and others payables	19	40 920	(1 658)
Working capital adjustments		114 429	(33 872)
NET CASH FLOWS FROM OPERATING ACTIVITIES		529 965	346 189
INVESTING ACTIVITIES			
Purchase of intangible assets	5.1	(3 073)	(1 413)
Purchase of property, plant and equipment	5.3	(169 769)	(104 988)
Proceeds from sale of property, plant and equipment and intangible assets	5.1 & 5.3	9 542	3 532
Purchase of financial assets	7.1	(496)	(147)
Proceeds from sale of financial assets	7.1	1 090	5 106
Acquisition of a subsidiary, net of cash acquired	3.2	(268 807)	(54 992)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(431 513)	(152 902)
FINANCING ACTIVITIES			
Dividends paid to equity holders of the parent		(30 501)	(30 505)
Dividends paid to non-controlling interests		(2 193)	(5 843)
Interest paid		(49 773)	(35 232)
Proceeds from borrowings		1 959 274	248 622
Payment of the rent debt IFRS16		(66 483)	(54 636)
Repayment of borrowings		(1 651 375)	(352 792)
NET CASH FLOW FROM (USED IN) FINANCING ACTIVITIES		158 949	(230 386)
NET INCREASE IN CASH AND CASH EQUIVALENT		296 763	(29 991)
Net foreign exchange difference		39 361	7 107
CASH AND CASH EQUIVALENTS AT OPENING	11	1 081 402	1 111 393
CASH AND CASH EQUIVALENTS AT CLOSING	11	1 378 165	1 081 402
Positive cash		1 391 390	1 088 306
Negative cash		(13 225)	(6 904)
CASH AND CASH EQUIVALENTS AT CLOSING	11	1 378 165	1 081 402
		0	0
Cash, restricted cash and cash equivalent	11	1 435 202	1 132 439
- deduction restricted cash		(43 812)	(44 133)
Positive cash	11	1 391 390	1 088 306

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

<i>(in thousands of euros)</i>	Issued Capital	Other capital reserves	Foreign currency translation	Retained earnings	Shareholders' equity attributable to the owners of the parent company	Non controlling interests	Total shareholders' equity
Equity as at August 31, 2020	338 921	27 804	(108 770)	543 659	801 613	18 145	819 758
Correction of opening balance sheet - Adyard (*)	-	-	-	137	137	-	137
Restated Equity as at September 1, 2020	338 921	27 804	(108 770)	543 797	801 749	18 145	819 894
Profit for the period 2021	-	-	-	169 856	169 856	5 341	175 197
Other comprehensive income	-	-	5 019	2 516	7 535	1 135	8 670
Total comprehensive income for the year	-	-	5 019	172 372	177 391	6 476	183 866
Cash dividends on 2020 profit	-	-	-	-	-	(5 842)	(5 842)
Operation on equity (2)	104	431	-	-	535	(535)	-
Operations between shareholders and non controlling interests (1)	-	-	-	385	385	-	385
Other (3)	-	-	-	1 416	1 416	1 016	2 432
Equity as at August 31, 2021	339 025	28 235	(103 751)	717 969	981 476	19 260	1 000 736
Correction of opening balance sheet - Actavo (**)	-	-	-	369	369	-	369
Restated Equity as at September 1, 2021	339 025	28 235	(103 751)	718 339	981 845	19 260	1 001 105
Profit for the period 2022	-	-	-	138 268	138 268	8 285	146 553
Other comprehensive income	-	-	70 373	8 237	78 610	(241)	78 369
Total comprehensive income for the year	-	-	70 373	146 505	216 878	8 044	224 922
Cash dividends on 2021 profit	-	-	-	(30 507)	(30 507)	(2 194)	(32 700)
Operation on equity (2)	758	(758)	-	-	-	-	-
Operations between shareholders and non controlling interests (1)	-	-	-	(10 582)	(10 582)	(336)	(10 918)
Other (3)	-	-	(30 336)	32 158	1 822	(3 022)	(1 199)
Equity as at August 31, 2022	339 782	27 477	(63 714)	855 913	1 159 456	21 753	1 181 208

(*) Changes have been made to the 2020 financial statements as originally published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi LLC as at 1st April 2020.

(**) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5 August 2021 (see Note 2.4).

- (1) At 31st August 2022, the impact of changes in the scope is mainly analysed as follows:

- Purchase by Sparrow Offshore Services Limited of the 30% of shares held by the minority shareholders of the subsidiary Alpha Offshore Service A/S (see note 3.1). The impact on equity is €10,582K.

At 31st August 2021, the impact of changes in the scope is mainly analysed as follows:

- The purchase by Altrad Investment Authority of shares in NYX AG Partners (Altrad managers' company) and cancellation of the corresponding debt (see note 11.2).

- (2) At 31st August 2022, capital transactions correspond to a capital increase by deduction from the "Share premium, merger, contribution..." item of the parent company Altrad Investment Authority on 6th December 2021 and 1st July 2022 for a total amount of €758K by issuing a total of 7,576 new ordinary shares, under plan n^{os}. 2, 3 and 4 for the allocation of free shares.

At 31st August 2021, capital transactions correspond to a capital increase by deduction from the "Share premium, merger, contribution..." item of the parent company Altrad Investment

Authority on 12th September 2020 for a total amount of €104 K with an issue premium of €431K, by issuing a total of 1,037 new ordinary shares, under plan no. 1 for the allocation of free shares.

- (3) At 31 August 2022, the "Other" line mainly corresponds to two put options on the purchase of non-controlling interests for €514K related to the acquisition of Cides Congo and €619K related to the acquisition of Valmec.

At 31st August 2021, the "Other" line mainly corresponds to the revaluation of the fair value of the put option liabilities on non-controlling interests of Prezioso for €-2.7M and €0.8M for Irbal. A put option on the purchase of non-controlling interests was recognised for €1M related to the acquisition of Senegal Keni Painting.

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Description of the business

The Group has established itself as a leader in services to industry, which today represent 74% of its turnover, and remains a world leader in the manufacture, rental and sale of equipment dedicated to the building market with 26% of its business.

Altrad's service activities today range from project engineering to installation maintenance in sectors as varied as hydrocarbons, electrical energy, process industries and construction.

For the equipment branch, the activity is the manufacture of construction equipment, wheelbarrows and concrete mixers as well as scaffolding which are sold but also rented.

The Group has successfully implemented a strategy of geographic, business, sector and customer diversification to protect against geopolitical and economic cycles.

A significant proportion of turnover is recurrent, long-term, with stable and predictable margins and low exposure to contractual risks

In recent years, the Group has demonstrated a strong track record in preserving its margins, pursuing its M&A strategy and successfully integrating acquired companies, while maintaining a conservative financial policy.

Basis of preparation of the IFRS consolidated financial statements

The simplified joint-stock company (société par actions simplifiée) Altrad Investment Authority (A.I.A.) is subject to the legal obligation of consolidation in accordance with the Commercial Code.

The consolidated financial statements of the Altrad Group as at 31st August 2022 were approved by the Board of Directors of Altrad Investment Authority on 14th February 2023. They will be submitted for the shareholders' approval at the Annual General Meeting of 28th February 2023.

As of 1st September 2014, following a contribution by the majority shareholder of its shares to Altrad Participations, Altrad Participations became the majority shareholder of Altrad Investment Authority. Since the closing of 31st August 2015, Altrad Participations establishes consolidated financial statements under IFRS, including Altrad Investment Authority and all its subsidiaries. However, as Altrad Investment Authority issued debt securities (bonds) admitted to trading on the Euronext regulated market, it remains subject to the obligation to publish consolidated financial statements at its level, as in previous years, and cannot claim exemption as a sub-group.

The following explanatory notes accompany the presentation of the financial statements and are an integral part thereof.

NOTE 1 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The Group's performance is consistent, especially as Altrad had to overcome the persistent difficulties of Covid during the winter months, which impacted productivity in some markets, as well as difficulties associated with fluctuations raw material availability and the supply chain.

While the lasting effects of Covid are beginning to fade, in terms of health, the global economy is now facing the impact of the pandemic and government actions around the world, including prolonged supply chain disruption and persistent inflation developing almost everywhere. Moreover, the tragic conflict in Ukraine is compounding these problems.

Despite the threat of continued difficulties, the Group's resilience and prudent financial discipline allows it to identify opportunities for growth, even in complex markets, thereby mitigating the impact on the business while preserving gross margins, which bodes well for the future. The Russia/Ukraine conflict remains an issue for the group, which has operations in Russia. Cash and cash equivalents at 31st August 2022 include €3.3M of cash in Russia used by the subsidiary locally without restriction.

This year, external growth operations were marked by the acquisition of Cides Congo, RMD, Valmec, Muehlhan, Endel, FRP and Sparrows.

Acquisition of the RMD Kwikform group

On 6th October 2021, the Altrad Group acquired the RMD Kwikform group, one of the world's leading formwork / temporary structures and earthworks rental and sales companies. 1,300 new employees were welcomed into the Altrad Group.

The company has been 100% in the Altrad Group's financial statements since 1st October 2021. The acquisition price of shares amounted to £123.1M, or €144.8M (see Note 3.1).

Acquisition of the Valmec group

On 16th October 2021, the Altrad Group acquired the Valmec group, which is a leader in Australia in energy, resources and infrastructure services group providing engineering, construction, commissioning and maintenance services from design to decommissioning across the entire life cycle of assets. 300 new employees were welcomed into the Altrad Group.

The company has been 100% in the Altrad Group's financial statements since 1st October 2021. The acquisition price of shares amounted to AUD51.4M, or €31.8M (see Note 3.1).

1.1 External growth operations

Acquisition of Cides Congo

On 18th October 2021, the Altrad Group acquired Cides (Corde Industrielle et Développement Energie Solaire) Congo. It is a leading rope access and inspection company in Congo, particularly in the oil and gas market, but also active in other industries.

The company has been 100% in the Altrad Group's financial statements since 1st November 2021. The acquisition price of shares amounted to €0.8M (see Note 3.1)

Acquisition of two Muehlhan companies

On 31st December 2021, the Group acquired all the shares in MDK Energy A/S and Muehlhan Industrial Services Ltd. Muehlhan has over 20 years' experience in providing services such as surface treatment, insulation, scaffolding, passive fire protection, inspection, welding and mechanical services to the oil and gas industry. 750 new employees were welcomed into the Altrad Group.

The two companies have been 100% consolidated in the Altrad Group's financial statements since 1st January 2022. The acquisition price of shares amounted to €10.8M (see Note 3.1)

Acquisition of the Endel group

On 1st April 2022, the Altrad Group acquired the Endel Group, a leading French group with expertise and know-how in mechanical engineering and metallurgy, and unrivalled capabilities in many sectors, including the nuclear industry. Nearly 5,000 new employees have joined the Altrad Group.

The company has been 100% in the Altrad Group's financial statements since 1st April 2022. The acquisition price of shares amounted to €51.8M (see Note 3.1).

Acquisition of FRP Co Pte Ltd

On 9th May 2022, the Altrad Group acquired FRP Co Pte Ltd in Singapore. The company provides complete solutions in the field of industrial protection, coating application, providing in-house and niche end-to-end solutions in construction, maintenance and asset integrity services to the petrochemical, pharmaceutical, oil and gas, energy, water, infrastructure and resources sectors.

The company has been 100% consolidated in the Altrad Group's financial statements since 1st May 2022. The acquisition price of shares amounted to SGD21.2M, or €14.4M (see Note 3.1).

Acquisition of the Sparrows group

On 11th July 2022, the Altrad Group acquired the Sparrows Group which is a global provider of engineering, inspection, operation and maintenance services to the offshore energy, renewable energy and industrial sectors. 2,000 new staff members were welcomed into the Altrad Group.

The company has been 100% consolidated in the Altrad Group's financial statements since 11th July 2022. The acquisition price of shares amounted to £113.2M, or €134.0M (see Note 3.1).

In accordance with IFRS 3 "Business Combinations" for all of the above transactions, the Altrad Group assesses the fair value of the identifiable assets, liabilities and contingent liabilities acquired, based on the information available. This assessment is set out in Note 3.1.

1.2 Operations on the existing scope

Creations

As part of the development of the business, two companies were created and therefore included in the scope of consolidation (see Note 3.1). The creations have no impact on equity.

Streamlining of the Group's organisational structure

In order to rationalise the Group's organisational structure, liquidation and merger operations have been carried out (see Note 3.1). These operations have no impact on equity.

Acquisition of non-controlling interests

In July 2022, the Group negotiated the purchase of the 30% minority shareholding in Alpha Offshore A/S and Sparrows Denmark Aps for DKK95.8M or €11M. The acquisition took place after joining the Group and the impact on equity is €10.5K.

AIA was summoned on 31st January 2022 before the Paris Commercial Court, in connection with the exercise on 27th May 2021 of the promise to purchase signed on 19th May 2016 by the minority shareholders of the Prezioso Group. The corresponding amount was recorded as a current liability and an expert opinion confirmed the valuation. The fair value adjustment was recognised in non-current income for an amount of €6.4M.

1.3 Funding

On 2nd May 2022, the Group raised a new financing of EUR 2.4 billion to refinance its existing debt, finance acquisitions and for new general operating requirements (see note 11.1).

This financing has been accounted for as the issue of new debt. The related debt issue costs amounted to €14.5M. They have been recognised as deferred charges and are amortised on the basis of the effective interest rate of the loan.

In addition, the remaining debt issue costs for the debts that were repaid early were recognised in non-current operating income to the amount of €2.8M.

1.4 Capital transactions

Allocation of shares

On 6th December 2021, the Chairman registered the definitive allocation of 357 shares to beneficiaries meeting the conditions indicated in plan n°3 for the allocation of free shares.

The share capital of the parent company Altrad Investment Authority has been increased by €36K through the creation and issue of 357 shares with a nominal value of one hundred Euros (€100) each.

On 1st July 2022, the Chairman registered the definitive allocation of 7,219 shares to beneficiaries meeting the conditions indicated under plans n° 2 and 4 for the allocation of free shares.

The share capital of the parent company Altrad Investment Authority has been increased by €757.6K through the creation and issue of 7,576 shares with a nominal value of one hundred Euros (€100) each.

The capital is thus increased from €339,024,800 to €339,782.4K, by integrating €757.6K from the "Share premiums, merger premiums, contribution premiums, etc." account.

The accounting treatment of free shares is mentioned in note 2.3. €2.0M was recognised in personnel costs during the year in respect of the bonus share plans and the total debt at 31 August 2022 amounting to €7.9M in "Other shareholder funds".

1.5 Tax audit

The tax authorities have sent Altrad Investment Authority a notice of audit of its accounts for the financial years beginning from 1st September 2015.

The first meeting took place on 8 September 2021 and to date the audit is ongoing.

A first rectification proposal was received at the end of December 2022.

The company recorded a tax provision of €9.7M at the end of the financial statements, linked to the limitation of the deduction of financial charges relating to the OBSA ORA contracts. There is an increase in the base charged against the deficits; the provision does not relate to IFRIC23.

1.6 Altrad Group partnership

As of 1st January 2022, Altrad became the main global partner of the New Zealand Rugby XV (NZR) team, as the official shirt sponsor of the national teams aimed at promoting the Altrad brand, for a period of six years.

NOTE 2 ACCOUNTING PRINCIPLES AND METHODS

2.1 Accounting standards

The consolidated financial statements of the Altrad Group are established in accordance with the IFRS repository (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board) as adopted by the European Union on the date the accounts were approved by the Board of Directors and applicable at 31st August 2021.

The IFRS repository includes the IFRS standards, IAS (International Accounting Standards) and their interpretations (IFRIC and SIC) and is available on the website of the European Commission: https://ec.europa.eu/info/law/international-accounting-standards-regulation-ec-no-1606-2002/amending-and-supplementary-acts/acts-adopted-basis-regulatory-procedure-scrutiny-rps_fr.

2.1.1 New standards and interpretations applicable for the year ended 31st August 2022

The accounting principles applied are consistent with those used in preparing the consolidated financial statements for the year ended 31st August 2021, with the exception of the following new standards and interpretations:

- Benchmark interest rate reform - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

- Amendment to IFRS 16: Rent relief received by the tenant.

The application of these other new standards, amendments and interpretations had no significant impact on the financial statements for the year.

Standards whose application is not mandatory as at 31st August 2022:

In addition, the following standards, interpretations and amendments are not yet applied to the consolidated financial statements to the extent that they have been adopted by the European Union but their application is not mandatory for the year ended 31st August 2022, or they have not yet been adopted by the European Union, and their application has not been anticipated in the Group's financial statements:

	Standard / Interpretation	Expected date of	EU application date (financial years)
1	Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Effective date of amendments to IFRS10 and IAS 28	Delayed <u>sine die</u>	Suspended
2	IFRS 17 Insurance contracts	1/01/2023	1/01/2023
2bis	Amendments to IFRS17 Insurance contracts: Initial Application of IFRS17 and IFRS9 – comparative information	1/01/2023	01/01/2023
3	Amendments to IAS 1: Classification of Liabilities as Current or Non-current	1/01/2024	NC
3 bis	Non- current liabilities with covenants	1/01/2024	NC
4	Amendments to IAS 1 [and IFRS Practice Statement 2]: Disclosure of Accounting Policies	01/01/2023	01/01/2023
5	Amendments to IAS 8: Definition of Accounting Estimates	01/01/2023	01/01/2023
6	Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	01/01/2023	01/01/2023
7	Amendments to IFRS16 Leases: lease Liability in a Sale and Leaseback	01/01/2024	NC

The process for determining the potential impact of these standards and interpretations on the Group's consolidated financial statements is in progress.

In addition, the annual consolidated financial statements of the Altrad Group do not take into account draft standards and interpretations which still have the status of exposure drafts of the IASB and the IFRIC at the balance sheet date.

2.1.2 Options adopted by the Altrad Group when the IFRS provide for measurement or recognition options

Some IFRS standards provide for options concerning the measurement and recognition of assets and liabilities. The Group has therefore chosen:

- Measurement of property, plant and equipment and intangible assets (IAS 38 and IAS 16): fixed assets are measured at their depreciated historical cost. Therefore, no annual revaluation of property, plant and equipment and intangible assets is planned.
- Inventories are recognised according to the "First in, first out" method (IAS 2).
- For treatment of purchase options on minority interests within the framework of business groupings (put options), the Group opted, as of the takeover, for the recognition of a liability in the consolidated balance sheet in return for the non-recognition of minority interests (notably applicable on 31/08/2022 to the subsidiaries Trad, IRBAL, Dessa, Prezioso, Multi-Up and Senegal Keni Painting, Valmec and CIDES Congo). Subsequent changes in put option liabilities are recognised in reserves.

2.2 Use of estimates and assumptions

The preparation of financial statements requires that the management of the Altrad Group makes estimates and adopts certain assumptions that can have an impact on the amounts of assets and liabilities in the consolidated balance sheet and the amounts of income and expenses on the profit and loss account. Subsequent

actual results could therefore substantially differ from the estimates adopted by the Group according to the different conditions on the completion date.

The estimates and assumptions concern, in particular:

- Revenue recognition and assessment of the performance of contracts for which revenue is recognised progressively (over-time). The Group recognises revenue in accordance with IFRS 15. This requires judgement in determining precise estimates of the stage of completion of the contract and may involve estimates relating to the total cost of the contract, costs remaining to be incurred until completion, losses on completion, total contract revenue, contract risks and other evaluations (see Note 2.3.2);
- Estimate of provisions for risks related to ongoing litigation, restructuring plans and social benefits (see Note 18);
- Provisions for occupational illnesses (see Note 18.2).
- The evaluation of provisions for depreciation of trade receivables (see Note 10) and inventories (see Note 9);
- The recoverability of deferred tax assets relating to the probable future use of available tax loss carry forwards and the assessment of uncertainties relating to the treatment of income taxes (IFRIC 23)(see Note 8.3);

- Brand and goodwill impairment tests (IAS 36), sensitive to assumptions used to forecast future cash flows and for the discount rate (see Note 4 and Note 5);
- Share-based payment plans (see Notes 11.2 and 16.3);
- Calculation of the impact of under-activity on the measurement of the production cost of inventories and on the overall charge for under-activity on a separate line (see Note 2.3.2).

2.3 Accounting principles

2.3.1 Balance sheet elements

Business combinations and goodwill

Upon an acquisition, the assets, liabilities and possible liabilities of the subsidiary are recognised at fair value in an allocation period of twelve months, and retroactively on the acquisition date. Any additional acquisition cost compared to the buyer's share in the fair values of identifiable assets and liabilities acquired is recognised as goodwill. Any negative difference between the acquisition cost and the fair value of identifiable net assets acquired is recognised in income in the year of acquisition as Other non-current operating income and expenses" in the income statement (see Note 24).

Goodwill, assessed at its cost as described above, is, where appropriate, reduced by accumulated impairment losses. It is allocated by Business Divisions consisting of a group of cash-generating units (CGUs) that benefit from synergy in the context of the business combination. Goodwill is not depreciated and is subject to annual impairment tests. The accounting value of goodwill is compared to the fair value or value in use, whichever is higher. If this test confirms a loss in value, goodwill is written down.

Intangible fixed assets and property, plant and equipment

Land, buildings and industrial equipment are assessed at historical cost, less accumulated depreciation and impairment losses. The cost of assets may also include incidental expenses directly attributable to the asset. The Group has not retained any residual value for its capital assets. Industrial assets are supposed to be used until the end of their life and it is not generally planned to sell them before they are discarded.

The depreciation of property, plant and equipment is calculated on a straight-line basis according to the components and estimated useful lives.

	Breakdown by components	Depreciation period
INTANGIBLE ASSETS		
Concessions, patents, licences		1 to 11 years
Other intangible assets		1 to 5 years
TANGIBLE ASSETS		
Buildings:		
- Structure (structural work)	60%	17 to 30 years
- Façades, watertightness	15%	15 to 20 years
- General and technical facilities	15%	10 to 15 years
- Fixtures	10%	5 to 10 years
Welding robots:		
- Generator	7%	7 years
- Other	93%	15 years
Paint booth:		
- Booth	75%	15 years
- PLC & electronics	25%	10 years
Technical installations and equipment		5 to 15 years
Transport equipment		7 months to 5 years
Other capital assets		2 to 15 years

The range of depreciation periods for buildings is wide due to the different economic realities within the Group.

Rental contract

In the course of its activities, the Group has entered into a number of leases as a lessee, mainly concerning:

- land, buildings and offices,
- transport equipment,
- and the equipment and material necessary for the proper execution of its operations.

Contracts that meet the definition of a lease under IFRS 16 (contract giving the right to control the use of a specific asset for a specific period in return for consideration) result in the recognition of an asset by the lessee for the right to use the leased asset and a rental liability for the present value of commitments to pay future rentals.

The Group recognises assets for the right of use on the start date of the lease contract (date on which the underlying asset is available to the lessor). They correspond to the value equal to the sum of the discounted future lease payments. Where applicable, lease payments made before or on the date of the contract, initial direct costs and the estimated costs that the Group will have to incur for dismantling or restoring the asset are included in the value of the right of use less any lease inducements received. Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, assets with a recognised right of use are depreciated on a straight-line basis over the shorter of their estimated useful life and the term of the lease.

At the inception of the lease, the Group measures the lease obligation at the present value of the amount of future payments excluding variable rents that are not linked to an index or rate, less any lease inducements receivable and amounts that the lessee is expected to pay for the residual value of the guarantees given. Lease payments also include the exercise price of a purchase option that is reasonably certain to be exercised by the Group and the payment of penalties for termination of a lease, if the lease term reflects the Group's exercise of the termination option.

Variable rents that do not depend on an index or rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

The discount rate used is the interest rate implicit in the lease if it can be determined. Otherwise, the Group uses the marginal borrowing rate reflecting the credit risk specific to each currency, subsidiary and maturity at the start date of the lease.

After the initial recognition of the debt, the carrying amount of the lease debt is increased by the interest value and decreased by the lease payments. In addition, the book value of rental liabilities and rights of use is revalued in the event of a change in the lease term, future lease payments or a change in the assessment of an option to purchase the underlying asset.

In accordance with the options available under IFRS 16, the Group has chosen not to apply IFRS 16 to short-term contracts (12 months or less) and contracts with low underlying asset values. Payments relating to short-term rental contracts or relating to low-value assets are charged on a straight-line basis over the term of the contracts. Choice of not separating non-rental components.

For the first-time application of the standard, the Group has opted for the modified retrospective transition method.

The Group also used the following simplification measures in the context of the first-time application of IFRS 16:

- Use of hindsight to determine the rental period;
- Election to retain the exemption for leases with a residual term of less than 12 months at the date of first application, which are therefore not restated in accordance with IFRS 16;
- The Group has chosen not to apply retroactively the new definition of a lease for contracts in force at the date of first application. The Group has therefore applied the standard to contracts previously identified as leases in accordance with IAS 17 Leases and IFRIC 4;
- Use of a single discount rate for a portfolio of contracts with similar characteristics;
- The weighted average marginal borrowing rate used for the first-time adoption of IFRS 16 was 2.47% at 1st September 2019 (transition date). This was updated on 31st August 2022.
- Exclusion of initial direct costs in the valuation of the asset.

The Group also enters into lease agreements with its customers as lessor, mainly for the rental of scaffolding equipment within the Equipment division. These contracts meet the definition of an operating lease under IFRS 16 as they do not transfer all the risks and rewards of ownership of the underlying asset to the lessee. The Group therefore records payments received under operating leases as income from ordinary activities on a straight-line basis, or according to another systematic method if this is more representative of the sequence in which the benefit resulting from the use of the underlying asset is reduced.

Non-current financial assets

They include non-consolidated investments and other securities as well as other non-current assets: long-term loans, deposits and guarantees.

Changes in fair value may be recognised either through profit or loss or through other comprehensive income, see Note 11.3.

Tangible asset impairment

Property, plant and equipment are impaired when there exists an indication of loss of value or a decrease in estimated future cash flows from the use of these assets. An assessment at their fair value is then performed by an independent expert and the higher value between the fair value less transfer costs, or value in use, is then retained.

Assets and liabilities held for sale

Assets and liabilities immediately available for sale are classified in assets and liabilities held for sale. Assets held for sale are measured at the lower between the carrying amount and fair value less costs to sell. Tangible assets held for sale are no longer depreciated.

Associates

Associates are investments in which the Group has significant influence but not control (see note 31).

Associates are consolidated using the equity method. Under the equity method, the net assets and net profit of a company are recognised pro rata to the interest held by the parent company in the capital.

Joint Ventures

Joint ventures are partnerships in which the Group has joint control with one or more partners through a contractual agreement giving it rights to the net assets of the entity.

Joint ventures are consolidated using the equity method (see Note 31). Under the equity method, the net assets and net profit of a company are recognised pro rata to the interest held by the parent company in the capital.

Trade receivables

The Group applies the IFRS 9 approach, which consists of calculating the expected credit loss over the life of the trade receivable. This model makes it possible to determine an expected credit loss at maturity for all trade receivables as soon as they are recorded. Expected loss rates have been reviewed on the basis of historical losses in recent years, adjusted for any significant current and forecast factors likely to have an impact on the Group. An impairment loss is also recorded when there is objective evidence that the Group will not be able to collect all amounts due according to the terms of the original transaction.

Inventories

In accordance with IAS2, inventories are measured at the lower between the cost and net realisable value, according to the "first in, first out" method. The net realisable value is the estimated sale price in the normal course of business less estimated costs of completion and the estimated costs necessary to make the sale.

Deferred taxes

They are recognised using the balance sheet liability method for all temporary differences existing at the balance sheet date between the tax base of assets and liabilities and their carrying amount in the balance sheet, unless they result from differences between the carrying value of an asset or liability and its tax value resulting from the initial recognition of an asset or liability from a transaction that is not a business combination or which, at the date of the transaction, does not affect taxable income.

Deferred tax assets corresponding to temporary differences or loss carry-forwards are recognised to the extent that it is probable that a tax profit will be available and against which these elements can be charged.

These deferred taxes are not discounted in accordance with IAS12.

Under the liability method, deferred taxes are calculated at the latest tax rate enacted at the balance sheet date and applicable to the reversal period for temporary differences, i.e. for the most representative countries, at 31st August 2022:

Country	2021/2022	2020/2021
Germany	30%	30%
Australia	30,00%	30,00%
Saudi Arabia	20%	20%
Belgium	25,00%	25,00%
France	25,83%	25,83%
Netherlands	25,00%	21,7%
UK	19%	19%
Angola	35%	35%

Net indebtedness

The Group defines net debt as follows: Financial debt less cash and cash equivalents (see Note 11).

Financial debts include:

- **Long-term financial debts:** these include long-term bank loans and bonds along with liabilities related to finance leases and other financial debts and exclude Other shareholder equity. Regarding borrowing costs, the simplified method permitted by IFRS is applied: transaction fees are depreciated on a straight-line basis and interest expenses are recognised based on the variable rate observed, the additional margin rate being estimated steady over the remaining term of the structured financing.
- **Short-term financial debt:** this includes the short-term portion of bank loans, lease-related debts and other miscellaneous financial debts as well as bank overdrafts.

Cash includes marketable securities, liquid assets and restricted cash: they consist mainly of bank accounts and risk-free cash investments with an availability of less than 3 months. They are recognised at fair value and any change in fair value is recorded in the financial result for the year.

Interest-rate derivatives

The Group uses derivative financial instruments to manage and hedge its exposure to changes in interest rates on money borrowed through syndicated loans. These instruments are mainly interest rate caps. Derivative financial instruments are measured at fair value at the balance sheet date and according to the market positions evaluated by our financial partners and reviewed by the Group.

These instruments, which are not classified as hedging instruments within the meaning of the criteria defined by IAS 32/ IFRS 9, are recognised in the balance sheet at fair value and changes are recorded in the income statement under "other financial income" and "other financial expenses".

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that require a

substantial period of preparation before they can be used or sold, are added to the cost of those assets until the assets are substantially ready for their intended use or sale.

In the absence of qualifying assets, borrowing costs are recognised as an expense in the period in which they are incurred.

Employee benefits

Defined benefit plans: the Group's commitments relating to pension and retirement benefits are calculated using the method of projected unit credit upon retirement, taking into account the economic conditions observed and collective agreements and local regulations.

The liability recorded in the consolidated statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan assets.

Pension plan deficits or surpluses (to the extent that the surpluses are considered recoverable) are recorded in full and presented in the consolidated statement of financial position.

According to IFRIC 14, the recoverability of a surplus must be assessed in relation to the minimum funding requirements of the pension plan. Current and past service costs and interest costs are charged to operating income. In addition, interest on the net defined benefit obligation is recognised in the financial result and calculated using the discount rate used to measure the pension obligation.

The IFRIC interpretation dated April 2021 is applied by the Group. This changes the method of calculating the liabilities for certain defined benefit plans. To date, the cost of the estimated career-end benefits were spread over the entire career. Following this decision, the definitive acquisition of benefits is conditional on presence in the company until retirement age, the amount of benefits depends on seniority and the amount is capped at a certain number of consecutive years of service.

Actuarial gains and losses arising from changes in actuarial assumptions from one period to another in the valuation of commitments are recognised in other comprehensive income, in accordance with IAS 19 as revised.

Defined contribution plans: contributions paid under a defined contribution plan are recognised as expenses for the financial year.

Specific social benefits, such as termination benefits in accordance with specific agreements or national legal and regulatory provisions, are subject to a provision.

Share-based payment plans

The Group may implement stock option plans or free share plans, for which it receives services from its employees and managers in return.

The application of IFRS 2 "Share-based Payment" results in the recognition of an expense in respect of free share plans and other additional share-based compensation granted by the Group to its employees and managers.

The fair value of services rendered by employees and managers in exchange for the granting of these plans is recorded as an expense, in accordance with IFRS 2. The total amount to be recorded in personnel costs corresponds to the fair value of the instruments granted. Fair value is calculated by taking the share price on the day of the grant and the expected dividend yield.

Vesting conditions that are not market conditions or that are service conditions are included in the assumptions by the number of

instruments likely to become exercisable. The total expenditure is recognised over the vesting period, which is the period during which all the specified vesting conditions must be met. At the end of each financial year, the entity reviews the number of instruments likely to become exercisable. Where appropriate, it recognises the impact of the revision of its estimates in the income statement.

Equity-settled plans:

When the plans are equity-settled, the fair value of these plans at the grant date is recognised as an expense with a direct counterpart in equity over the period during which the benefit is vested.

When the instruments are exercised, the Company issues new shares. Amounts received when options are exercised are credited to Capital (nominal value) and Share premium, net of directly attributable transaction costs.

Plans settled in cash or for which the Group has a liquidity commitment:

When the plans are cash-settled, the fair value of these plans at the grant date is recognised as an expense with a corresponding entry in liabilities ("Other shareholders' funds"). When the instruments are exercised, the Company pays the amounts due in cash and reduces the corresponding debt. The inventory of plans is detailed in Note 18.3.

Provisions for risks

A provision is recorded when there is a legal or implied obligation towards a third party, resulting from past events, which can be reliably estimated and will ultimately result in an outflow of resources.

A provision for onerous contracts is recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The provision is measured at the current value of the lower amount between the expected costs for the termination of the contract and the estimated net costs for the completion of the contract. Before the provision is established, the Group recognises any impairment loss on the assets associated with this contract.

Within the framework of the acquisition of the Cape Group, the ALTRAD Group included provisions for occupational diseases in these accounts. A provision has been made for the costs that the Group expects to incur in respect of current and future claims for occupational diseases, to the extent that these costs can be reliably estimated. The provision includes the cost of claims that should be made under the Scheme of Arrangements and other occupational illness claims (See Note 2.2).

These provisions are discounted if the impact is significant. Provisions recorded during the year by the Group have not been discounted, apart from those concerning termination benefits recognised (in accordance with IAS 19 as amended) and occupational illnesses.

2.3.2 Items of the income statement

Segment information

In accordance with IFRS 8, segment information follows the internal organisation of the Group as presented to General Management. The Group has chosen to present the information by business Division and no additional grouping has been carried out in relation to internal reporting.

The information provided in the tables on segment information is presented using the same accounting principles as those used for the Group's consolidated financial statements.

Within the Altrad Group, it is possible to distinguish between two major Divisions corresponding to reporting segments: **The Services Division and the Equipment Division**

The Services Division is defined as follows:

- Recurring offer to the multi-service and multi-technique industry (new projects and maintenance to extend the life of existing assets)
- Offer of access, surface treatment, insulation, maintenance of mechanical systems, paint and coating solutions.

The Equipment Division is defined as follows:

- Design, manufacture, sale and rental of structures for building and public works, industry and local authorities.

The activities of Holdings (Corporate) do not meet the definition of operating segments and are therefore presented in reconciliation in the "Support" column.

Segment assets include "Non-current assets" (with the exception of "Deferred tax assets" and "Equity affiliates"), "Inventories and work in progress", "Trade receivables" and "Other non-current assets".

Segment liabilities include "Provisions and Employee Benefits", "Trade payables", "Other current liabilities" and "Other non-current liabilities".

The segment assets, liabilities and segment result directly include the elements attributable to each segment, to the extent that they can be allocated on a reasonable basis.

Turnover

In application of IFRS 15, revenue recognition must reflect the transfer of control of goods and services promised to customers for an amount corresponding to the remuneration that the seller expects to receive. Income should be recognised when control of the goods or services is transferred to the third party or as the obligations to provide the services are fulfilled when they are fulfilled progressively. Variable compensation is included in the amount of compensation when it is highly probable that there will be no significant downward adjustment in the future.

Within the Group's Equipment division, the main sources of revenue are sales of goods and income from rental contracts (treated in accordance with IFRS 16). Turnover from the sale of goods is recognised when there is a transfer of control of the goods to the buyer for an amount net of any discounts, rebates, annual lump-sum discounts and cash discounts granted. Customers generally have no right of return on products sold. The Group does not offer any additional or optional guarantee beyond the legal or usual guarantee covering design or manufacturing defects in the products delivered. Consequently, no separate performance obligation is recognised in this respect. Discounts, rebates, penalties or performance bonuses related to delays or volumes are taken into account in the contract price as soon as they are highly probable.

Income from operating leases is recognised in accordance with IFRS 16 on the lessor's side and is included in income on a straight-line basis over the term of the contract. Assets are maintained as property, plant and equipment, as leases do not transfer substantially all of the risks and rewards of the assets.

Within the Services division, the Group offers services under maintenance or construction and renovation contracts.

Revenue from maintenance contracts, whether they consist of one or more performance obligations, is recorded monthly on the basis of the services actually performed for the customer and the prices specified in the contracts. These contracts are generally subject to periodic (usually monthly) invoicing of the services performed for the client.

In connection with the provision of services related to construction and renovation contracts, the Group generally provides several highly interdependent services that constitute a single performance obligation. Income related to construction contracts and their associated costs are recognised respectively in revenue and expenses depending on the stage of completion of the activity of the contract on the balance sheet date of the period presented. Income from the contract includes the initial amount agreed in the contract plus changes in the works scheduled under the contract, claims and incentive payments, insofar as it is highly probable that they will result in income and that they can be reliably measured. The costs correspond to all expenses directly related to specific projects and an allocation of fixed and variable overhead expenses generated in the Group's contractual activities based on a normal operating capacity. The stage of completion is measured:

- Either by the ratio between the costs incurred for work performed up to the date considered and the total estimated costs of the contract
- Or by physical measures or studies to assess the volume of work or services actually performed.

The margin progressively achieved at each stage of contract completion is recorded only when it can be reliably measured. When total contract costs exceed total contract revenue, the Group recognises a loss on completion as an expense for the period, irrespective of the stage of completion and based on the best estimate of forecast results including, where applicable, additional revenue or claim rights, provided that they are highly probable and can be measured reliably. Provisions for losses on completion are presented as liabilities in the consolidated statement of financial position.

Customer complaints are claims made for work outside the contractual terms and conditions and, as such, are only recognised as revenue once accepted by the customer.

The financing component of contracts with the Group's customers is not significant due to the contracts implemented.

An asset under contract is a right of the company to obtain consideration in exchange for goods or services it has provided to a customer when this right is conditional on something other than the passage of time. They represent the amounts of services performed by the Group but not yet invoiced. These assets are mainly progress receivables from contracts recognised under the percentage of completion method. They are presented in the balance sheet under Trade receivables and Contract assets. A contract liability is an obligation of the company to provide a customer with goods or services for which the entity has received consideration from the customer. Current and non-current contract liabilities correspond mainly to amounts already paid by customers and for which the Group has not yet performed the services (prepaid liabilities). These liabilities are recognised in revenue when the Group has performed the services. They are presented under liabilities on the line "Other current liabilities". For each individual contract, the company must present a net amount as an asset or liability.

Sales of used equipment from the rental stock

In the consolidated income statement, income from the sale of used equipment initially leased to customers is recorded as income given that the Group considers that this forms an integral part of its activities. The net book value of these assets is recognised under costs of materials and goods consumed.

They also include scaffolding equipment for €10.5M during the year, which is newly rented by customers and was originally intended for sale in the balance sheet of the consolidated accounts. In these companies whose activity is hire-purchase, the accounting process in the consolidated accounts is to declare this equipment intended for sale as stock, and then, according to the necessary references, it is transferred to the rental stock as fixed assets.

In the consolidated cash flow statement, disposals of used equipment in the course of operations directly impact operating cash flows, and the net book value of the assets disposed of is added to the line +/- value of disposals of fixed assets.

Restructuring costs and treatment of under-activity

The continuing economic crisis has led to the restructuring and reorganisation of the activity to adapt the production tool to the new constraints of the market. However, by comparison between the actual activity and the normal activity, some of the group's entities are still subject to under-activity costs.

The effects of the under-activity have been quantified and restated in the consolidated accounts as indicated below, as in the previous year. The under-absorption of fixed costs in a production company of the Altrad Group can therefore be measured according to the evolution of the quantities produced.

The overall fixed cost of under-activity is determined according to the following formula:

$$\text{Fixed costs} \times [1 - ((\text{Quantity produced in N} / \text{Maximum productive capacity}) / \text{Standard rate})]$$

Where:

- Fixed costs, by opposition to variable costs, are costs which do not vary according to the level of activity;
- The quantity produced in N is expressed in tonnes or units;
- The maximum productive capacity corresponds to the quantity (expressed in tonnes or units) which would be produced by 3 teams each working 5 days out of 7 for 8 hours;
- The standard rate means the maximum utilisation rate of the production site taking into account the ongoing restructuring and weighted by the vagaries or technical restrictions than can intervene in the production process.

Restructuring costs include:

- Personnel costs: economic redundancy payments, costs of settlements with employees for their departure, partial unemployment costs
- Site closure costs: which include the cost of equipment, termination costs.

Other non-current income and expenses

To facilitate communication on its level of recurring operating performance, and in accordance with CNC Recommendation n° 2009-R-03 of 2nd July 2009, the Group has chosen to present an intermediate line in the profit and loss account entitled "Current operating income", allowing to isolate the impact of non-recurring operating income and expenses, corresponding to unusual and infrequent events.

Income taxes

The Group has applied IFRIC 23 "Uncertainty in the Treatment of Income Taxes" since 1st January 2019. This interpretation clarifies the application of the provisions of IAS 12 "Income Taxes" concerning the recognition, measurement and presentation of tax, when there is uncertainty about the accounting treatment in profit or loss. In accordance with the transition options offered by the interpretation, the Group has recognised the cumulative effect of the first-time application in equity.

The impact on the Group's financial statements was €32.9M on the date of first application of 1st September 2019 (see Statement of changes in shareholders' equity).

Earnings per share

Earnings per share are presented in accordance with IAS 33 "Earnings per share". The basic earnings per share is calculated by dividing the profit or loss attributable to the company's shareholders by the average weighted number of ordinary shares outstanding during the period.

The diluted earnings per share is calculated by dividing the net result attributable to owners of the Group's parent company adjusted by the weighted average number of shares outstanding during the period, plus any potential dilutive ordinary shares.

Potential dilutive ordinary shares include the OBSA and ORA issued by the Group during financial years 2014/2015 and 2015/2016 as well as outstanding allocations of free shares.

2.3.3 Cash flow statement

The cash flow statement is presented in accordance with IAS 7 "Cash flow statement" and provides a breakdown of cash flows between operational activities, investment activities and financing activities.

2.3.4 Translation of foreign currency transactions

The consolidated financial statements are presented in Euros which is the operating currency of the Group's parent company.

The accounts of foreign subsidiaries whose operating currency is different from that of the parent company are translated according to the closing rate method:

- The assets and liabilities are translated into Euros at the exchange rate prevailing at the balance sheet date;
- Equity is translated at historical rates;
- The income statement and cash flow statement items are translated into Euros at average rates for the period.

Translation differences arising from the application of this method are shown in a separate item of other elements in the global result.

Transactions in foreign currency are converted into Euros by applying the exchange rate in force on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted into Euros at the exchange rate prevailing at the balance sheet date,

the resulting exchange differences are recognised in the income statement as gains or losses.

Exchange differences relating to a monetary item which, in substance, forms part of the net investment in a consolidated foreign subsidiary, are recorded in equity (under "translation reserves") until the disposal or liquidation or repayment of this net investment. This treatment is applied for Prezioso Angola, Prezioso do Brazil and Linjebbygg Norway AS.

Below are the exchange rates of the currencies most frequently used in the Group, as at 31st August 2022:

		Opening rate	Average rate	Closing rate
AUD	Dollar Australien	0.618965	0.685355	0.653653
AZM	Azerbaijani Manat	0.492756	0.491964	0.497818
GBP	British pound sterling	1.164483	1.1623177	1.182399
USD	Dollar américain	0.845023	1.000000	0.911277
AOA	Angolan Kwanza	0.001333	0.002331	0.001869

Turnover by currency is detailed in Note 16.

2.4 Changes made to the balance sheet and consolidated income statement initially published for the financial year ended 31st August 2021

Finalisation of the allocation of fair values relating to the acquisition of Actavo Hire & Sales UK and Actavo Hire & Sales Ireland in the previous year

The Altrad Group acquired Actavo Hire & Sales UK and Actavo Hire and Sales Ireland on 5 August 2021 for €39.6M or €45.7M. The companies have been 100% consolidated since 1st August 2021.

As at 31st August 2021, the allocation of the fair values of assets and liabilities acquired, and the final calculation of goodwill, had not been finalised within the 12-month time limit granted by IFRS3. Therefore, the provisional goodwill was positive and amounted to €13.4M at 31st August 2020 (and €13.6M at the date of acquisition on 5th August 2021).

Calculation of the final goodwill of the Actavo:

(En K€)	K€	K€
Goodwill provisoire au 31 août 2021	11 547	13 446
Correction bilan d'ouverture	1 505	1 779
Goodwill définitif au 31 août 2022	13 052	15 171

The finalisation of the evaluation of fair values of assets and liabilities acquired resulted in a final goodwill of €13M at 31st August 2022, or €15.2M on the basis of the EUR/GBP conversion rate as at 31st August 2022. As at 31st August 2021, the fair value of the assets and liabilities acquired amounted to €1.8M. These adjustments mainly relate to provisions for restructuring.

Finalisation of the allocation of fair values relating to the acquisition of Altrad Kiel Industrial Services GmbH in the previous year

The Altrad Group acquired the company Altrad Kiel Industrial Services GmbH on 1st July 2021 for €7.1m. The company has been fully consolidated since 1st July 2021.

As at 31st August 2021, the allocation of the fair values of assets and liabilities acquired, and the final calculation of goodwill, had not been finalised within the 12-month time limit granted by IFRS3. Therefore, the provisional goodwill was positive and amounted to €11.3M at 31st August 2021.

Calculation of the final goodwill of Altrad Kiel Industrial Services GmbH:

(En K€)	K€
Goodwill provisoire au 31 août 2021	11 311
Correction bilan d'ouverture	2 522
Goodwill définitif au 31 août 2022	13 833

The finalisation of the evaluation of fair values of assets and liabilities acquired resulted in a final goodwill of €13.8M as at 31st August 2022

As at 31st August 2021, the fair value of the assets and liabilities acquired amounted to €13.1M. These adjustments mainly relate to provisions for restructuring.

ASSETS (in thousands of euros)	Notes	August 31, 2021 Published	Finalization of the fair valuation of acquired assets and liabilities	August 31, 2021 Corrected IFRS3 retrospectively
		Net		Net
Goodwill	4	1 400 161	4 301	1 404 462
Others intangible assets	5	69 221		69 221
Property, plant and equipment	5	391 970		391 970
Right of use assets	6	124 152		124 152
Non-current financial assets and other non-current assets	7.1	18 877		18 877
Investments in associates	7.2	211		211
Deferred tax assets	8	49 266	470	49 736
Non-current assets		2 053 858	4 772	2 058 629
Inventories	9	182 212		182 212
Trade receivables and contract assets	10	655 015	978	655 993
Income tax receivable	10	4 017		4 017
Other current assets	10	105 326		105 326
Cash, restricted cash and cash equivalent	11	1 132 439		1 132 439
Current assets		2 079 008	978	2 079 986
Assets held for sale	14	2 378		2 378
Total assets		4 135 244	5 750	4 140 994

EQUITY & LIABILITIES (in thousands of euros)	Notes	August 31, 2021 Published	Finalization of the fair valuation of acquired assets and liabilities	August 31, 2021 Corrected IFRS3 retrospectively
Issued capital and other capital reserves	17.2	367 260		367 260
Other reserves		444 360	369	444 729
Profit for the period (Group share)		169 856		169 856
Non-controlling interests	17.4	19 260		19 260
Total equity		1 000 736	369	1 001 105
Others Shareholders' funds	11.2	185 808		185 808
Interest-bearing loans and borrowings, non-current	11.1	964 010		964 010
Lease liabilities, non-current	11.1	90 020		90 020
Reserve for risks and social engagement, non-current	18	267 672	0	267 672
Other non-current liabilities	20	43 799		43 799
Deferred tax liabilities	8	24 751		24 751
Non-current liabilities		1 576 061	0	1 576 061
Interest-bearing loans and borrowings, current	11	467 073		467 073
Lease liabilities, current	11.1	34 982		34 982
Reserve for risks and social engagement, current	18	40 840	4 402	45 241
Trade and other payables	19	591 494		591 494
Income tax payable	19	27 805		27 805
Other liabilities	19	396 253	979	397 232
Current liabilities		1 558 448	5 380	1 563 828
Total equity and liabilities		4 135 244	5 750	4 140 994

NOTE 3 CHANGES IN THE COMPOSITION OF THE GROUP

3.1 Changes in the scope of consolidation 2021/2022

The 2021/2022 financial year recorded the following changes in scope:

Goodwills - in M€	August 31, 2022
RMD Kwikform	15
Valmec	31,8
Cides Congo	0,5
Muehlan Industrial Services Ltd	0,2
Endel	91,4
FRP Co Pte Ltd	7,3
Sparrows	225,6
Total	371,7
Badwill - MDK Energy A/S	(1,7)

Acquisition of the RMD Group

On 6th October 2021, the Altrad Group acquired the RMD Kwikform group, one of the world's leading formwork / temporary structures and earthworks rental and sales companies.

The company has been 100% consolidated in the Altrad Group's financial statements since 1st October 2021. The purchase price for the shares was £123.1M (€144.8M) and was paid in cash in the year ended 31st August 2022 for €143.6M.

The purchase agreement does not provide for a top-up payment. On the acquisition date, the company had €36.4M in existing cash.

The opening balance sheet recorded in the Altrad scope has been corrected by £-86.7M i.e. €-102M (cumulative impact on the net situation), to take into account in the fair value measurement of assets and liabilities, in particular:

- harmonisation of the methods and depreciation periods for the scaffolding fleet (8 years instead of 10 with a residual value equal to 30%) for an amount of €58.3M, i.e. 36% of the net book value;
- €21.1M in depreciation of certain unused property, plant and equipment at net book value;
- €12.3M provision for additional risk on trade receivables and additional impairment of trade receivables of €9.6M.
- the RMD brand has not been valued because the Group does not consider this brand to be a strategic asset, as it will be replaced by the Altrad brand. The Altrad Group's strategy is to acquire workforces, the workforces do not give rise to the recognition of an asset in the context of a PPA.

The fair value measurement of the identifiable assets and liabilities did not result in an adjustment to the opening balance

sheet and amounts to £108.4M (€127.6M). The corresponding goodwill was provisionally assessed at £12.8 M or €15M as at 31st August 2022. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

The contribution of the RMD Group to the consolidated turnover and profit, group share, amounted respectively at 31st August 2022 to €178.0M, and €-3.2M. It contributed over the last 11 months of the financial year (1st October 2021 to 31st August 2022).

Acquisition of the Valmec group

On 16th October 2021, the Altrad Group acquired the Valmec group, which is a leader in Australia in energy, resources and infrastructure services group providing engineering, construction, commissioning and maintenance services from design to decommissioning across the entire life cycle of assets. 300 new staff members were welcomed into the Altrad Group.

The company has been 100% consolidated in the Altrad Group's financial statements since 1st October 2021. The purchase price for the shares was AUD51.4M (€31.8M) and was paid in cash in the year ended 31st August 2022. The purchase agreement does not provide for a top-up payment. On the acquisition date, the company had €1.8M in existing cash.

The opening balance sheet recorded in the Altrad perimeter has been corrected by AUD-5.6M i.e. €-3.8M (cumulative impact on the net situation), to take into account in the fair value measurement of assets and liabilities, in particular a provision for risk of non performance of certain contracts.: The Valmec brand has not been valued because the Group does not consider this brand to be a strategic asset, as the Altrad brand will replace it. The Altrad Group's strategy is to acquire workforces; workforces do not give rise to the recognition of an asset in the context of a PPA.

The fair value measurement of the identifiable assets and liabilities amounts to AUD51.4M (€31.8M). The corresponding goodwill was provisionally assessed at AUD55.4M or €31.8M as at 31st August 2022. a call option on non-controlling interests has been recognised in liabilities for AUD1M or €0.7M at 31st August 2022. The end calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

The contribution of the Valmec Group to the consolidated turnover and profit, group share, amounted respectively at 31st August 2022 to €98.8M, and €1.5M. It contributed over the last 11 months of the financial year (1st October 2021 to 31st August 2022).

Acquisition of Cides Congo

On 18th October 2021, the Altrad Group acquired Cides (Corde Industrielle et Développement Energie Solaire) Congo. It is a leading rope access and inspection company in Congo, particularly in the oil and gas market, but also active in other industries.

The company has been 100% in the Altrad Group's financial statements since 1st November 2021. The purchase price for the shares was €0.8M and was paid in cash in the year ended 31st August 2022. The purchase agreement does not provide for a

top-up payment. On the acquisition date, the company had €0.1M in existing cash.

No fair value adjustments were made to assets and liabilities, the opening net position amounts to €0.8M. The Cides brand has not been valued because the Group does not consider this brand to be a strategic asset, as the Altrad brand will replace it. The Altrad Group's strategy is to acquire workforces; workforces do not give rise to the recognition of an asset in the context of a PPA.

The corresponding goodwill was therefore provisionally valued at €0.5M at 31st August 2022 and a call option on non-controlling interests was recognised as a liability for €0.5M at 31st August 2022. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

The contribution of Cides Congo to the consolidated turnover and profit, group share, amounted respectively at 31st August 2022 to €3.1M, and €0.6M. It contributed over the last 10 months of the financial year (1st November 2021 to 31st August 2022).

Acquisition of MDK Energy A/S and Muehlhan Industrial Services Ltd

On 31st December 2021, the Group acquired all the shares in MDK Energy A/S and Muehlhan Industrial Services Ltd. Muehlhan has over 20 years' experience in providing services such as surface treatment, insulation, scaffolding, passive fire protection, inspection, welding and mechanical services to the oil and gas industry.

The two companies have been 100% consolidated in the Altrad Group's financial statements since 1st January 2022. The purchase price of the shares amounts to €7.5M for MDK Energy A/S and €3.3M for Muehlhan Industrial Services Ltd and was paid in cash in the year ended 31st August 2022. The purchase agreement provides for an additional price of €6.2M, which was paid in February 2023. The net cash available of these two companies as at the acquisition date is €0.9M.

The opening balance sheet recorded in the Altrad scope has been corrected by €4.3M (cumulative impact on the net, to take into account in the fair value measurement of assets and liabilities, in particular €6.0M for customer relations and €1.4M for deferred tax liabilities). The Muehlhan brand has not been valued because the Group does not consider this brand to be a strategic asset, as the Altrad brand will replace it. The Altrad Group's strategy is to acquire workforces, the workforces do not give rise to the recognition of an asset in the context of a PPA.

The fair value measurement of the identifiable assets and liabilities amounts to DKK68.4M (€9.3M) for Altrad Service A/S and £2.6M (€3.1M) for Muehlhan Industrial Services Ltd. Each company has been separately valued within the framework of the SPA. At 31st August 2022, goodwill was provisionally calculated at €0.2M for Muehlhan Industrial Services Ltd and goodwill was provisionally estimated at €1.7M for MDK Energy A/S. The end calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

The contribution of MDK Energy A/S to the consolidated turnover and profit, group share, amounted respectively at 31st August 2022 to €51.2M, and €0.7M. The contribution of Muehlhan Industrial Services Ltd to the consolidated turnover and profit, group share, amounted respectively at 31st August 2021 to €12.6M, and €0.5M. It contributed over the last 8 months of the financial year (1st January 2022 to 31st August 2022).

Acquisition of the Endel group

On 1st April 2022, the Altrad Group acquired the Endel Group, a leading French group with expertise and know-how in mechanical engineering and metallurgy, and unrivalled capabilities in many sectors, including the nuclear industry.

The company has been 100% in the Altrad Group's financial statements since 1st April 2022. The purchase price for the shares was €51.8M and was paid in cash in the year ended 31st August 2022. The purchase agreement does not provide for a top-up payment. On the acquisition date, the company had €41.8M in existing cash.

The opening balance sheet recorded in the Altrad scope has been corrected by €-148.8M (cumulative impact on the net, to take into account in the fair value measurement of assets and liabilities, in particular:

- €94.4M in costs related to the separation of Endel and its subsidiaries from the Engie group,
- €38.5M of pre-acquisition goodwill cancellation,
- €16M cancellation of deferred tax assets due to the absence of a recovery assumption.
- The Endel brand has not been valued because the Group does not consider this brand to be a strategic asset, as the Altrad brand will replace it. The Altrad Group's strategy is to acquire workforces; workforces do not give rise to the recognition of an asset in the context of a PPA.

The fair value measurement of the identifiable assets and liabilities amounts to €-39.6M. The corresponding goodwill was provisionally assessed at €91.4M as at 31st August 2022. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

The contribution of the Endel Group to the consolidated turnover and profit, group share, amounted respectively at August 31st 2022 to €231.4M, and €17.3M. It contributed over the last 5 months of the financial year (1st April 2022 to 31st August 2022).

Acquisition of FRP Co Pte Ltd

On 9th May 2022, the Altrad Group acquired FRP Co Pte Ltd in Singapore. The company provides complete solutions in the field of industrial protection, coating application, providing in-house and niche end-to-end solutions in construction, maintenance and asset integrity services to the petrochemical, pharmaceutical, oil and gas, energy, water, infrastructure and resources sectors.

The company has been 100% consolidated in the Altrad Group's financial statements since 1st May 2022. The purchase price for the shares was SGD21.2M (€14.4M) and was paid in cash in the year ended 31st August 2022. The purchase agreement provides for an earn-out based on EBITDA, which the group has estimated to be zero as of 31st August 2022. On the acquisition date, the company had €4.5M in existing cash.

The opening balance sheet recorded in the Altrad perimeter has been corrected by SGD7.0M i.e. €4.7M (cumulative impact on the net situation), to take into account in the fair value measurement of assets and liabilities, in particular a provision of SGD8.4M (€5.7M) for restructuring. The FRP brand has not been valued because the Group does not consider this brand to be a strategic asset, as the Altrad brand will replace it. The Altrad

Group's strategy is to acquire workforces; workforces do not give rise to the recognition of an asset in the context of a PPA.

The fair value measurement of the identifiable assets and liabilities amounts to €6.0M. The corresponding goodwill was provisionally assessed at SGD12.3M or €7.3M as at 31st August 2022. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

The contribution of FRP Co Pte Ltd to the consolidated turnover and profit, group share, amounted respectively at 31st August 2022 to €5.3M, and €0.3M. It contributed over the last 4 months of the financial year (1st May 2022 to 31st August 2022).

Acquisition of the Sparrows group

On 11th July 2022, the Altrad Group acquired the Sparrows Group which is a global provider of engineering, inspection, operation and maintenance services to the offshore energy, renewable energy and industrial sectors.

The company has been 100% consolidated in the Altrad Group's financial statements since 11th July 2022. The purchase price for the shares was £113.2M (€134.0M) and was paid in cash in the year ended 31st August 2022 for €129.0M. The purchase agreement does not provide for a top-up payment. On the acquisition date, the company had €35.2M in existing cash.

The opening balance sheet recorded in the Altrad scope has been corrected by £-92.1M i.e. €-109M (cumulative impact on the net situation), to take into account in the fair value measurement of assets and liabilities, in particular:

- €88.1M of pre-acquisition goodwill cancellation,
- €12.2M provision for restructuring,
- €6.9M cancellation of deferred tax assets,
- The Sparrows brand has not been valued because the Group does not consider this brand to be a strategic asset, as the Altrad brand will replace it. The Altrad Group's strategy is to acquire workforces, the workforces do not give rise to the recognition of an asset in the context of a PPA.

The fair value measurement of the identifiable assets and liabilities amounts to €-93.0M. The corresponding goodwill was provisionally assessed at £190.8M or €225.6M as at 31st August 2022. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

The contribution of the Endel Group to the consolidated turnover and profit, group share, amounted respectively at 31st August 2022 to €44.0M, and €1.9M. It contributed over the last 2 months of the financial year (11th July 2022 to 31st August 2022).

Creations

In February 2023, the Group created the company Prezioso Linjebygg Mozambique. This company is 100% controlled and consolidated in the Altrad Group's financial statements at 31st August 2022.

Altrad Services Canada and Altrad Gixtaala JV, created in April 2021 in Canada, were consolidated for the first time at 31st August 2022.

The creations have no impact on the Group's equity.

Transfer/Disposal

Disposal: on 2nd February 2022, the Group sold the company RI Tracing for €150K with retroactive effect to 1st September 2021.

Liquidation

Liquidation of Linjebygg Norway AS, Prezioso Qatar, Cape (Group Services) Limited, Cape Calsil International Limited, Cape Overseas Limited, DBI Industrial Services Limited, Nuclear New Build Industrial Services Limited, Ship Support Services Limited, Cape Industrial Services Pty Limited, Cape Marine and Offshore Pty Limited, Total Corrosion Control Pty Limited, Cape Myanmar Company Limited, Cape Global Manpower Solutions Inc and T&H Investments & Holding Corporation during the year ended 31st August 2022. These transactions have no impact on the Group's equity.

Merger

Merger of Financière Guy Noel into Altrad Investment Authority on 28th August 2022.

Merger of the company Altrad Maintenance with Altrad Industrial Projects & Maintenance GmbH on 30th April 2022.

These transactions have no impact on the Group's equity.

Acquisition of non-controlling interests

See Note 1.2

3.2 Net cash on acquisitions 2022

<i>In thousands of euros</i>	<i>August 31, 2022</i>
RMDK - Purchase price	(143 653)
RMDK - Opening cash	36 388
Sparrows - Purchase price	(141 988)
Sparrows - Opening cash	35 160
Endel - Purchase price	(51 832)
Endel - Opening cash	41 790
Valmec - Purchase price	(31 836)
Valmec - Opening cash	1 847
FRP - Purchase price	(14 434)
FRP - Opening cash	4 534
Muehlhan - Purchase price	(4 589)
Muehlhan - Opening cash	928
Cides - Purchase price	(770)
Cides - Opening cash	63
Other	(413)
Cash net /acquisitions & disposals of subsidiaries	(268 807)

3.3 Review of changes in scope during financial year 2020/2021

The 2020/2021 financial year recorded the following changes in scope:

Altrad Kiel Industrial Services GmbH

On 1st July 2021, the Altrad Group acquired the Kiel Group, the German leader in piping and mechanical maintenance, founded in 1944.

The company has been 100% in the Altrad Group's financial statements since 1st July 2021. The purchase price of the shares amounts to €4M for Altrad Betriebsvorrichtungen GmbH and €7.1M for Altrad Kiel Industrial Services GmbH and was paid in cash in the year ended 31st August 2021. The purchase agreement does not provide for a top-up payment. The net cash available of these two companies as at the acquisition date is €25K.

The fair value measurement of identifiable assets and liabilities did not result in an adjustment to the opening balance sheet and amounted to € -0.1M. The corresponding goodwill was provisionally assessed at €11.3M as at 31st August 2021. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

The contribution of Altrad Kiel Industrial Services GmbH to the consolidated turnover and profit, group share, amounted respectively at 31st August 2021 to €26.1M, and €-0.6M. It contributed over the last 2 months of the financial year (1st July 2021 to 31st August 2021).

Acquisition of Actavo Hire & Sales UK and Actavo Hire & Sales Ireland

On 5th August 2021, the Altrad Group acquired Actavo Hire & Sales UK and Actavo Hire & Sales Ireland, two equipment rental and sales companies, offering, in particular, access, earthworks and shoring solutions, and temporary earthworks equipment.

The company has been 100% consolidated in the Altrad Group's financial statements since 1st June 2021. The purchase price for the shares was £38.8M (€45.7M) and was paid in cash in the year ended 31st August 2021. The purchase agreement does not provide for a top-up payment. The net cash available of these two companies as at the acquisition date is €3M.

The fair value measurement of the identifiable assets and liabilities did not result in an adjustment to the opening balance sheet and amounts to £27.3M (€32.1M). The corresponding goodwill was provisionally assessed at £11.5M or €13.6M as at 31st August 2021. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

The contribution of Actavo Hire & Sales UK to the consolidated turnover and profit, group share, amounted respectively at 31st August 2021 to €4.2M, and to €0.6M. The contribution of Actavo Hire & Sales Ireland to the consolidated turnover and profit, group share, amounted respectively at 31st August 2021 to €1.5M, and €0.5M. It contributed in the last month of the 2021 financial year.

Acquisition of Senegal Keni Painting

On 10th June 2021, the Altrad Group acquired 55% of Senegal Keni Painting, a company specialising in coatings, insulation and scaffolding in the onshore and offshore industrial sectors in Senegal.

The company has been 100% consolidated in the Altrad Group's financial statements since 1st June 2021. The purchase price for the shares was €1.4M and was paid in cash in the year ended 31st August 2021. The purchase agreement provides for an earn-out which was provisioned as at 31st August 2021 for an amount of €98K and was paid in November 2021. On the acquisition date, the company had €0.2M in cash.

The fair value measurement of identifiable assets and liabilities did not result in an adjustment to the opening balance sheet and amounts to €0.4M. The corresponding goodwill was therefore provisionally valued at €2.1M at 31st August 2021 and a call option on non-controlling interests was recognised as a liability for €1.1M at 31st August 2021. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

The contribution of Senegal Keni Painting to the consolidated turnover and profit, group share, amounted respectively at 31st August 2021 to €0.3M, and €0M. It contributed in the last month of the 2021 financial year. It contributed over the last 3 months of the financial year (1st June 2021 to 31st August 2021).

Creations

In April 2020, the Altrad Group created a joint venture ("SEP PZO Solorpec") to respond to a call for tenders for comprehensive site assistance services. This company is 50% controlled and consolidated in the Altrad Group's financial statements at 31st August 2021.

In September 2020, the Group established Altrad Services Pte Ltd in Singapore. This company is 100% controlled and consolidated in the Altrad Group's financial statements at 31st August 2021.

In November 2020, the Group created a joint venture ("SEP Altrad Services Nord") to respond to a call for tenders for comprehensive site assistance services. This company is 100% controlled and consolidated in the Altrad Group's financial statements at 31st August 2021.

In December 2020, the Group created the company Altrad Services Suisse. This company is 100% controlled and consolidated in the Group's financial statements as at 31st August 2021.

Altrad Employment Services was included in the scope of consolidation as at 31.08.2021; it was dormant and not significant as at 31.08.2020.

Transfer

On 1st January 2021, Altrad Industrial Projects & Maintenance sold its "Project" business at a net book value of €2M.

Liquidation

Liquidation of Socacen, Resa Prezioso Linjebygg, Spectra Scaffolding, Cape Global Manpower Solutions Inc, and T & H Investments & Holding Corporation in the year ending 31st August 2021.

Merger

Merger of Etais and Soframat Etem into Altrad Investment Authority on 31st August 2021.

Merger of the company PACA by the company Altrad Coffrage et Etalements on 31st August 2021.

Merger of Hertel Service NV with Altrad Services NV on 1st April 2020.

<i>In thousands of euros</i>	August 31, 2021
Actavo - Purchase price	45 664
Actavo - Opening cash	(3 043)
Kiel - Purchase price	11 157
Kiel - Opening cash	(25)
SNKP - Purchase price	1 326
SNKP - Opening cash	(217)
Other	130
Cash net /acquisitions & disposals of subsidiaries	54 992

3.4 Net cash on acquisitions 2021

NOTE 4 GOODWILL

<i>In thousands of euros</i>	Gross Value	Depreciation and amortization	Net value
Balance August 31, 2021 (1)	1 405 352	(890)	1 404 462
Changes in scope during the year	371 701	-	371 701
Impact of exchange rate fluctuations	4 831	-	4 831
Others	(338)	74	(264)
Balance August 31, 2022	1 781 546	(815)	1 780 730

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

The change in goodwill over the year was due to the following acquisitions: the RMD group (€15.0M) in the Equipment division, the Valmec group (€31.8M), Cides Congo (€0.5M), Altrad Energy Support Services (formerly Muehlhan Industrial Services Ltd) (€0.1M), the Endel group (€91.4M), FRP Co Pte Ltd (€7.3M) and the Sparrows group (€225.6M) in the Services division, and the effects of exchange rate fluctuations, mainly due to the appreciation of the pound sterling (GBP) against the Euro.

At 31st August 2021, goodwill was broken down as follows:

<i>In thousands of euros</i>	August 31, 2022			August 31, 2021 (1)
	Gross	Depreciation	Net	Net
Services division	1 153 375	-	1 153 375	1 299 168
Equipment division	628 171	(815)	627 356	105 294
Others	-	-	-	-
Total Group	1 781 546	(815)	1 780 730	1 404 462

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

In accordance with IAS 36, goodwill was tested for impairment at 31st August 2021 to determine its recoverable amount. It was carried out according to the future discounted cash flows method, and on the basis of the forecast operating results for 2022/2023, extrapolated for the future periods of the companies concerned. The assumptions of the impairment test were reviewed in light of the global health crisis and its impact on the Group's results during the year.

The impairment test was implemented with the following assumptions:

The assessment of the value in use is based on expected changes in cash flows discounted by Business Division. The Group considers its activities grouped into Divisions as reporting segments, each segment corresponding to a group of CGUs. Thus, two major Business Divisions are distinguished within the Altrad Group: The Services Division and the Equipment Division. Due to the multidisciplinary nature of the business lines and the synergies between CGUs within a single business division, it is not possible to define smaller identifiable groups of assets within the business divisions in the context of the annual impairment tests on goodwill. Goodwill is therefore tested annually in the Services and Equipment Divisions. The goodwill of entities acquired during the period has not been tested.

- The method extends over six years the cash flow of the following year's budget according to a specific growth rate for each Business Division, then to infinity according to a standard rate of 2%.

- The 2022/2023 operating forecasts were established on the basis of the 2022/2023 budget and were extrapolated for the period 2024/2029 based on a model of progressive return to levels of activity prior to the health crisis.

The discount rate used corresponds to the weighted average cost of capital for financial year 2022/2023. Discount rates reached 10.47% for the CGUs that make up the Group's Services Division and 9.05% for the CGUs in the Group's Equipment Division (compared to 10.1% and 8.2% respectively in 2020/2021).

Based on these assumptions, the impairment test calculations result in an excess recoverable amount compared to the value of the significant assets for both Business Divisions. A 0.5 point increase in the discount rate or a 1 point decrease in the growth rate would not result in additional impairment of goodwill. These results are in line with the Group's expectations, which does not anticipate any significant and definitive impairment in value in the long term as a result of the current health crisis. A discount rate of 25% on the Equipment and 12.25% on the Service would reduce the value in use to the book value.

No brand impairment was recorded for the year.

NOTE 5 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

In thousands of euros	August 31, 2022			August 31, 2021 (1)
	Gross Value	Depreciation and amortization	Net value	Net value
Franchises/patents/similar rights	16 631	(11 489)	5 142	292
Softwares	27 572	(19 816)	7 757	8 243
Brand	71 884	(13 056)	58 828	60 183
Other intangible assets (2)	24 489	(18 426)	6 063	503
Intangible fixed assets	140 577	(62 786)	77 790	69 221
Land	27 341	(4 957)	22 384	19 403
Constructions	175 000	(116 649)	58 351	39 338
Technical facilities, plant and equipment	1 522 174	(1 083 998)	438 359	308 713
Other tangible fixed assets and assets under construction (3)	195 063	(156 578)	38 484	24 515
Tangible fixed assets	1 919 578	(1 362 000)	557 578	391 970
Total	2 060 155	(1 424 786)	635 368	461 190

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

(2) Other intangible assets include customer relations for €6M. The change in the net value of this item over the period mainly concerns the consolidation of Altrad Services A/S for €4.5M and Altrad Energy Support for €1.5M.

(3) Other property, plant and equipment includes transport equipment, office equipment and computer equipment.

5.1 Variation in other intangible fixed assets

<i>In thousands of euros</i>	Gross value	Depreciation and amortization	Net value
Balance September 1st, 2020	107 530	(37 219)	70 310
Acquisitions	1 418	-	1 418
Disposals, retirements	(843)	807	(35)
Impact of changes in the consolidation scope	4 200	-	4 200
Change in depreciations and amortisations	-	(5 722)	(5 722)
Impact of exchange rate fluctuations	2 303	(527)	1 777
Others	(2 723)	(3)	(2 725)
Balance August 31, 2021 (1)	111 886	(42 664)	69 221
Acquisitions	3 299	-	3 299
Disposals, retirements	(1 059)	1 059	(0)
Impact of changes in the consolidation scope	24 245	(11 956)	12 289
Change in depreciations and amortisations	-	(8 273)	(8 273)
Impact of exchange rate fluctuations	954	(972)	(18)
Others	1 251	20	1 272
Balance August 31, 2022	140 577	(62 786)	77 790

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

Within the framework of the first-time adoption of IFRS 16, assets previously recognised under finance leases in accordance with IAS 17 have been reclassified as rights of use (€-426K in net value) as of 1st September 2019 for the accounts closing on 31st August 2020.

The cash effects of the TFT "Cash Flow Statement" on intangible assets are €-3.1M, this corresponds mainly to payments on investments in software and operating IT tools for €3.3M and €-0.2M of debts on fixed assets still to be paid.

5.2 Impairment tests on non-depreciable intangible assets (not including goodwill)

To the extent that the Group's trademarks are fixed assets with an undefined useful life, they are not depreciated but are subject to a systematic annual impairment test and whenever there is an indication of impairment. The impairment test is performed annually. The recoverable values of the trademarks are assessed by reference to discounted future cash flows calculated using the royalty method consisting in applying to the turnover expected by the use of the mark a royalty rate observed on the market for comparable brands.

- The method extends over six years the cash flow of the following year's budget according to a specific growth rate for each Business Division, then to infinity according to a standard rate of 2%.
- The discount rate used corresponds to the weighted average cost of capital for financial year 2021/2022. Discount rates reached 10.47% for the CGUs that make up the Group's Services Division and 9.05% for the CGUs in the Group's Equipment Division (compared to 10.1% and 8.2% respectively in 2020/2021).

The impairment tests carried out at 31st August 2021 led the Group to depreciate brands for €1.4M over the financial year. This depreciation concerns the trademark of a French company.

The tests were carried out on the basis of a 0.5 point increase which induce an additional depreciation of €6.5M and a 1 point decrease in the growth rate resulting in additional depreciation of €3.3 M of the brands.

5.3 Changes in property, plant and equipment

<i>In thousands of euros</i>	Gross value	Depreciation and amortization	Net value
Balance September 1st, 2020	1 252 784	(893 637)	359 148
Acquisitions	104 672	-	104 672
Disposals, retirements	(113 321)	86 575	(26 746)
Impact of changes in the consolidation scope	54 694	(22 458)	32 237
Change in depreciations and amortisations	-	(76 374)	(76 374)
Impact of exchange rate fluctuations	13 785	(8 703)	5 082
Others	(8 149)	2 099	(6 049)
Balance August 31, 2021 (1)	1 304 467	(912 497)	391 970
Acquisitions	170 794	-	170 794
Disposals, retirements	(135 563)	92 498	(43 065)
Impact of changes in the consolidation scope	510 566	(362 226)	148 340
Change in depreciations and amortisations	-	(122 142)	(122 142)
Impact of exchange rate fluctuations	80 568	(63 633)	16 935
Others	(11 254)	6 000	(5 254)
Balance August 31, 2022	1 919 578	(1 362 000)	557 578

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

Within the framework of the first-time adoption of IFRS 16, assets previously recognised under finance leases in accordance with IAS 17 have been reclassified as rights of use (€-39.5 M in net value) as at 31st August 2020.

The acquisition of tangible assets amounted to €170.8M over the financial year ended 31st August 2022.

The assets are then depreciated for a period of 8 years in the consolidated accounts.

Changes in the scope of consolidation for the financial year ended 31st August 2022 relate to the acquisition of RMD (+€70.9M in net value) and Endel (+€51.06M in net value).

The net results of disposals and outflows of assets other than of rental stock are recorded in "other non-recurring operating expenses". (see Note 22)

The cash effects of the TFT "Cash Flow Statement" on tangible fixed assets are €-169.8M, corresponding mainly to scaffolding equipment for an amount of €-150.1M, constructions inherent in the storage of equipment and work in progress for the construction of operating buildings and various fittings for the needs of the group for a total amount of €-20.6M and €0.9M of debts on fixed assets.

5.4 Geographic distribution of gross property, plant and equipment

Gross Values (In thousands of euros)	Land	Buildings	Industrial Facilities	Other property and equipment	Assets under constructions	Intangible assets*	TOTAL
France	11 501	68 102	376 354	27 883	8 134	47 731	539 705
UK	806	26 747	350 020	29 217	2 718	58 476	467 985
Middle East	63	18 396	253 024	31 256	59	1 862	304 659
Benelux	1 227	2 920	119 646	6 695	137	3 544	134 169
Asia	28	14 702	145 981	18 864	595	7 994	188 164
Germany	5 859	13 387	64 112	14 712	2 298	7 755	108 124
Netherlands	-	6 385	4 950	4 325	-	94	15 754
Poland	906	5 709	32 541	4 357	167	96	43 777
Africa	407	998	11 801	12 532	32	1 233	27 004
Norway	-	-	7 052	18 758	-	2 859	28 669
Portugal	4 550	1 723	6 507	1 082	196	901	14 959
Spain	-	11	4 430	1 265	-	821	6 528
Others	1 994	15 919	145 757	9 330	450	7 210	180 660
TOTAL	27 341	175 000	1 522 175	180 277	14 786	140 576	2 060 155

(*) Intangible assets mainly relate to other Altrad Group brands.

NOTE 6 RIGHT OF USE

In accordance with the application of IFRS 16 applied as from 1st September 2019, contracts meeting the definition of a lease under IFRS 16 (contract giving the right to control the use of a specific asset for a specified period in return for consideration) result in the recognition in the Group's financial statements of an asset in respect of the right to use the leased asset.

The rights of use recorded in the accounts mainly concern land, buildings and offices, transport materials and equipment necessary for the proper execution of operations.

Breakdown by type:

In thousands of euros	August 31, 2022			August 31, 2021 (1)
	Gross value	Depreciation and amortization	Net value	Net value
Land and constructions	220 648	(73 793)	146 855	83 761
Technical facilities, plant and equipment	22 055	(12 921)	9 133	7 869
Other tangible fixed assets and assets under construction	96 833	(55 014)	41 819	32 523
Right of use	339 536	(141 728)	197 809	124 152

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

Change in rights of use during the year

<i>In thousands of euros</i>	Gross value	Depreciation and amortization	Net value
Balance August 31, 2020	199 575	(68 151)	131 425
Acquisitions	33 459	-	33 459
Disposals, retirements	(29 265)	18 263	(11 001)
Impact of changes in the consolidation scope	12 664	(25)	12 639
Change in depreciations and amortisations	-	(44 492)	(44 492)
Impact of exchange rate fluctuations	2 560	(988)	1 571
Reclassification	(3 021)	3 202	181
Others	388	(16)	372
Balance August 31, 2021 (1)	216 359	(92 207)	124 152
Acquisitions	50 975	-	50 975
Disposals, retirements	(26 619)	15 655	(10 964)
Impact of changes in the consolidation scope	41 164	(242)	40 922
Change in depreciations and amortisations	-	(56 990)	(56 990)
Impact of exchange rate fluctuations	11 104	(6 136)	4 968
Reclassification	6 782	(1 848)	4 934
Others	39 771	39	39 811
Balance August 31, 2022	339 536	(141 728)	197 807

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

At 1st September 2019, the balance of the right of use (€146.3M) corresponds to the reclassification of assets under finance leases previously recognised under property, plant and equipment for €40M and operating leases recognised as part of the first-time application of IFRS 16 for €106.3M.

Changes in the scope of consolidation for the year ended 31st August 2021 mainly relate to the acquisition of Sparrows (+€20.7M in net value), RMD (+€18.2M in net value) and Altrad Services A/S (+1.7M€ in net value).

Geographical distribution of rights of use

<i>In thousands of euros</i>	Gross value	Depreciation and amortization	Net value
France	79 439	(26 007)	53 433
UK	104 303	(41 061)	63 242
Middle East	27 104	(13 417)	13 687
Benelux	18 413	(9 416)	8 997
Asia	27 047	(12 753)	14 294
Germany	34 032	(14 103)	19 929
Hollande	9 129	(5 679)	3 451
Poland	2 333	(1 308)	1 025
Africa	10 724	(6 714)	4 011
Norway	8 626	(5 863)	2 763
Portugal	58	(40)	17
Spain	2 228	(1 401)	828
Others	16 098	(3 967)	12 131
TOTAL	339 536	(141 728)	197 807

NOTE 7 FINANCIAL ASSETS, OTHER NON-CURRENT ASSETS AND EQUITY AFFILIATES

7.1 Financial and other non-current assets

In thousands of euros	August 31, 2022		August 31, 2021 (1)	
	Gross value	Depreciation	Net	Net
Deposits and Guarantees	15 914	(157)	15 757	3 097
Others	32 934	(18 894)	14 041	1 958
Shares of non consolidated companies	1 785	-	1 785	395
Total financial assets and other non-current assets	50 633	(19 051)	31 583	18 877

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

Other financial assets and long-term assets correspond to an amount of €6.1M in the UK, relative to investments (IAS19) and a trade receivable of €7.5M ongoing in Germany with a maturity of more than one year.

Non-consolidated investments: these are companies which are excluded from the scope of consolidation because of their insignificant nature. However, the amount of equity investments and related receivables in the balance sheet of €1.7M relates mainly to joint ventures in the United Arab Emirates and a subsidiary of the ACE Romania subsidiary. These equity investments are recognised on the date of acquisition at cost and receivables from equity investments at their nominal value.

See accounting under IFRS 9 in Note 11.3.

7.2 Entities accounted for using the equity method

Shares in equity affiliates totalled €6,518K at 31st August 2021 (compared to €211M at 31st August 2021) and correspond to the following companies:

In thousands of euros	Control %	Equity contribution as at August 31, 2022	Net result contribution as at August 31, 2022	Total revenue (100%) as at August 31, 2022
Cape (Sakhalin) LLC - RUB, Russia	50%	1 571	1 467	7 535
Endel Trihom, France	34%	1 780	(102)	7 164
Endel Dynamic, France	30%	1 776	765	16 613
Sparrow BSM Engenharia Ltd , Brazil	50%	1 390	-	344
Shares in equity		6 517	2 130	31 656
Prezioso-Emdad, United Arab Emirates	65%	(10 671)	(1 769)	17 689
Total		(4 154)	361	49 345

All companies accounted for using the equity method are an extension of the Group's operational activity and are therefore included in one of the two operating segments.

The negative equity of Prezioso-Emdad is mainly explained by a provision for loss on completion of a contract amounting to €2.5M at 31st August 2022.

An impairment loss in the amount of the negative contribution to equity has been recognised in the accounts.

NOTE 8 INCOME TAX

8.1 Details of taxes recognised in the income statement

In thousands of euros	August 31, 2022	August 31, 2021
Current tax	(47 661)	(39 580)
Deferred tax	(6 859)	(21 369)
Tax charge	(54 521)	(60 949)

8.2 Tax situation

In France, Altrad Investment Authority is the parent company of the tax group. This regime applies to all French subsidiaries that meet all the option criteria. In addition, the Prezioso Group and sub-group ENDELL also has a tax group in France which has posted a loss as at 31st August 2022. The foreign subsidiaries also apply similar options when permitted by local laws (in particular Germany, Australia, Netherlands and UK). The increase in current tax in 2022 corresponds mainly to companies newly included in the scope in 2021 and 2022.

8.3 Deferred taxes

The changes in deferred taxes recognised in the income statement primarily result from the following elements:

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
Temporary tax differences	4 687	189
Net utilisation of tax loss carryforwards	2 276	(8 270)
Other consolidation restatements	(13 822)	(13 288)
Deferred tax (expense) / Income	(6 860)	(21 369)

The line Temporary tax differences corresponds to tax provisions with a maturity of less than one year.

The line "Net consumption of tax losses carried forward" corresponds to losses activated during the period by subsidiaries or by country. Where tax planning shows a shortfall in results in relation to remaining deficits, the latter are considered unrecognised. Deficiencies not recognised in the consolidated accounts are not recognised as receivables; however, these deficits remain potentially available for offset against future results (see country breakdown below).

The line "Other consolidation adjustments" mainly corresponds to the decrease in deferred tax assets relating to provisions for the year ended 31st August 2022.

Deferred taxes recognised in the balance sheet are broken down as follows:

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021 (1)
Deferred tax assets	88 296	49 736
Deferred tax liabilities	(37 455)	(24 751)
Net deferred tax	50 841	24 985

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

Total deferred taxes at 31st August 2021 amount to €50.8M, and are broken down as follows:

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021 (1)
Provisions and employee benefits	3 552	4 541
Tax losses carried forward	28 485	23 309
Intangible assets	(8 652)	(11 838)
Tangible assets	8 020	3 144
Provisions	3 443	7 482
Lease restatements IFRS16	(949)	(895)
Inventories	859	-
Other consolidation restatements	16 084	(757)
Net deferred taxes on the balance sheet	50 841	24 985

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

Deferred tax assets on loss carry-forwards amounted to €28.4M at 31st August 2022 compared to €23.3M at the previous closing. The perspective of expected profits enabled recognition of deferred taxes on loss carry-forwards in France for €9M, principally for Prezioso France to 2026, in the United Kingdom for €13.7M mainly for Altrad Services UK, and on other entities in other European countries for €6M.

Deferred losses increased during the year due to new acquisitions and the loss-making results generated during the period.

Total unrecognised tax losses carried forward at 31st August 2022 amount to €247M, and are broken down as follows:

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
UK	75 903	79 080
Germany	-	14 400
Asia	24 146	37 432
USA	5 906	
France	104 034	99 894
Middle East - Africa	24 919	23 342
Eastern Europe and others countries	12 584	16 802
Tax losses carry-forwards not recognised	247 493	270 949

8.4 Reconciliation between the theoretical tax expense and the actual tax

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
Consolidated income before tax and discontinued operations	201 070	236 142
Tax rate in force	25,83%	25,83%
Theoretical tax expense	(51 936)	(60 995)
Impact of the difference in tax rates between countries	10 781	14 962
Net unrecognised tax loss carryforwards	(8 328)	10 669
Permanent differences	(8 680)	(24 794)
Miscellaneous	3 643	(791)
Tax expense recognised	(54 521)	(60 950)

- (1) The impact of the difference in tax rates between countries is explained by the profits made in geographical areas subject to a lower tax rate than in France.
- (2) Net unrecognised tax losses carried forward correspond to consumptions of unrecognised tax losses carried forward plus loss carryforwards generated over the period and already recognised.
- (3) The permanent differences are mainly related to the tax provision of €9M which did not result in any tax savings and to foreign withholding tax.

NOTE 9 INVENTORIES

<i>In thousands of euros</i>	August 31, 2022			August 31, 2021 (1)
	Gross value	Depreciation	Net	Net
Inventories of raw materials	89 029	(12 802)	76 227	51 683
Work in progress	24 821	(647)	24 173	31 525
Inventories of semi-finished and finished products	20 527	(614)	19 912	10 959
Inventories of goods	152 164	(7 691)	144 474	88 045
Total net inventory	286 540	(21 754)	264 786	182 212

- (1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

The cash effects of the TFT "Cash flow statement" on inventories are €-38M, corresponding to increases and decreases in scaffolding equipment inventories for so-called "trading" purchase/sale operations, but also to reclassifications to fixed assets when the equipment is dedicated to rental. On the other hand, the increase in total stocks in 2022 comes from the new acquisitions in the Altrad group.

Provisions for inventory write-downs

<i>In thousands of euros</i>	August 31, 2021 (1)	Allowances	Write-backs	Impact of exchange rate fluctuations	Others	August 31, 2022
Impairment of Inventories of Raw Materials	(2 288)	688	579	(215)	(11 566)	(12 802)
Impairment of Work in Progress	(1 056)	(11)	543	(120)	(3)	(647)
Impairment of Inventories of Finished Products	(597)	(113)	95	5	(3)	(614)
Impairment of Inventories of Goods	(2 373)	(4 656)	195	(142)	(714)	(7 691)
Total Impairment of inventories	(6 314)	(4 092)	1 411	(473)	(12 287)	(21 754)

- (1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

NOTE 10 TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS

In thousands of euros	August 31, 2022	August 31, 2021 (1)
Net accounts receivable	743 171	465 547
Contract assets	400 381	190 446
Tax receivable	9 261	4 017
Net current assets	138 833	86 157
Advance payments	49 806	19 169
Total trade receivables and other current assets	1 341 452	765 336
<i>o/w Provisions for doubtful receivables accounts and collection risk</i>	<i>(76 065)</i>	<i>(48 096)</i>
<i>o/w Provisions for other assets</i>	<i>(25 792)</i>	<i>(12 671)</i>

- (1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

In accordance with IFRS 15, contract assets correspond to the Group's right to obtain consideration in exchange for goods or services it has provided to a customer when this right is conditional on something other than the passage of time (e.g. the performance of another performance obligation).

The other net receivables item includes, in particular for the most significant amounts, tax liabilities (other than tax receivables) for €28.9M, other receivables for €44.4M and prepaid expenses for €33.4M.

The cash effects of the cash flow statement on trade receivables and other current assets are +€112M for the year, which corresponds mainly to a decrease in trade receivables and invoices to be issued on work in progress. The sharp increase in total asset accounts in 2022 is mainly due to the Altrad group's consolidation.

Trade receivables at 31st August 2022 are detailed by maturity in the table below:

In thousands of euros	August 31, 2022			August 31, 2021 (1)
	Gross Amount	Impairment Losses	Net Amount	Montant net
Trade receivables unmatured	455 355	(1 855)	453 500	285 346
Due	-	-	-	-
- Less than 3 months	180 602	(5 079)	175 523	105 152
- Between 3 to 6 months	52 328	(13 304)	39 024	33 339
- More than 6 months	130 951	(55 827)	75 124	41 711
Trade receivables due	363 881	(74 210)	289 671	180 201
Total trade receivables	819 236	(76 065)	743 171	465 547

- (1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

The fair values of trade and other receivables correspond to the book values. As at 31st August 2022, trade receivables of €743M (31st August 2021: €465M). The strong increase is mainly due to the group's new acquisitions during the year.

Receivables overdue for more than 6 months relate to receivables from Sonangol, a state-owned company in Angola, for €17.2M, and a number of receivables from the RMDK group, which joined the group during the year, for €24M. Other receivables due for than 6 months for €14.6M are spread over the whole group. The receivables of the RMDK group, which entered the group, have been subject to a provision for risk in the group's accounts since the first financial year.

Change in the provision for trade receivables

In thousands of euros	August 31, 2022	August 31, 2021 (1)
Provision on trade receivables N-1	(48 096)	(48 210)
Net provision	(3 949)	(2 571)
Reversal used	4 337	3 788
Change in scope	(20 949)	(1 101)
Impact of exchange rate fluctuations	(7 409)	(0)
Other movements	-	-
Provision on trade receivables N	(76 065)	(48 096)

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

The receivables are individually impaired and relate to contracts in the Middle East region, the majority of which are due in more than one year.

The Group applies the approach of IFRS 9 to measure expected credit losses, which are reported as an allowance for impairment of receivables. Expected loss rates have been reviewed on the basis of historical losses in recent years, adjusted for any significant current and forecast factors likely to have an impact on the Group.

The write downs are "S. Al-Hajri Corporation at RB Hilton Saudi Arabia", a subsidiary of the CAPE sub-group, for €2.2M and the English and French Hire & Sales companies for €2M. They cover losses on receivables that have become irrecoverable during the year.

NOTE 11 CASH FLOW AND NET INDEBTEDNESS

11.1 Details of net indebtedness

In thousands of euros	August 31, 2022	Maturity						August 31, 2021 (1)
		- 1 year	August 31, 2024	August 31, 2025	August 31, 2026	August 31, 2027	+ 5 years	
Bond loans (1)	-	-	-	-	-	-	-	(150 000)
Syndicated loans (2)	(1 718 000)	(100 000)	(478 000)	(150 000)	(250 000)	(740 000)	-	(854 625)
State guaranteed loan (3)	(140 360)	(19 140)	(19 140)	(19 140)	(82 940)	-	-	(159 500)
Other loans	(2 318)	(875)	(714)	(730)	-	-	-	(254 174)
Borrowing costs	13 797	2 993	2 980	2 976	2 958	1 890	-	4 467
Borrowings	(1 846 881)	(117 022)	(494 874)	(166 894)	(329 982)	(738 110)	-	(1 413 832)
Lease liabilities (4)	(198 562)	(54 636)	(37 209)	(26 951)	(19 443)	(60 324)	-	(125 002)
Other borrowings (5)	(15 459)	(5 359)	-	(4 323)	-	(5 776)	-	(10 348)
Financial Debts	(2 060 902)	(177 017)	(532 082)	(198 168)	(349 425)	(804 211)	-	(1 549 182)
Cash equivalents	109 195	109 195	-	-	-	-	-	101 290
Cash	1 282 188	1 282 188	-	-	-	-	-	987 017
Restricted cash	43 820	43 820	-	-	-	-	-	44 133
Cash, restricted cash and cash equivalent	1 435 203	1 435 203	-	-	-	-	-	1 132 439
Bank overdrafts	(13 225)	(13 225)	-	-	-	-	-	(6 904)
Net cash (6)	1 421 978	1 421 978	-	-	-	-	-	1 125 535
debt	(638 925)	1 244 961	(532 082)	(198 168)	(349 425)	(804 211)	-	(423 647)

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

(1) Bond issues

On 5th May 2015, the Group issued a non-convertible bond admitted to trading on the Euronext Free Market, which allowed it to raise funds in the amount of €150M, repayable after 7 years. It is indexed at the fixed rate of 3.3%, with a coupon repayable annually. It was repaid on the scheduled maturity date of 5th May 2022.

(2) Syndicated loans

Bank loans are taken out in Euros and the main contracts are floating rate indexed to the 3-month Euribor rate. They were repaid when the new financing was implemented on 2nd May 2022.

Tranche	Amount (M€)	Purpose	Comments	Duration (years)	Amount remaining due at 31 August 2022 (M€)	Amount remaining due at 31 August 2021 (M€)
Syndicated loan signed in March 2015 of 500 M€						
A	115	Refinancing TA credit 2012		6	-	62
B	220	To (re)finance investments in property, plant and equipment and intangible assets and eligible acquisitions	Drawdowns by tranches	6	-	57
C	50	To finance the Group's general requirements (WCR)	Available reserve of 50M€	6	-	-
D	115	On behalf of the borrower, its subsidiaries and in case of Acquisition Hertel	Terminated on December 18, 2018 and replaced by a guarantee line of €150m.	N/A	N/A	N/A
TOTAL	500				-	119
Syndicated loan signed in March 2016 of 500 M€						
	500	To finance the acquisition of Prezioso Group	The repayments dates are : March 14, 2022 : €125m March 14, 2023 : €250m	7	-	375
TOTAL	500				-	375
Syndicated loan signed in July 2017 of 400 M€						
	400	To finance the acquisition of Cape Group	The repayments dates are : July 6, 2022 : €40m July 6, 2023 : €120m July 6, 2024 : €200m	6,5	-	360
TOTAL	400				-	360
TOTAL SYNDICATED LOANS	1 400				-	854

The Group's new financing implemented on 2nd May 2022 is broken down as follows

Tranche	Amount (M€)	Purpose	Comments	Duration (years)	Amount remaining due at 31 August 2022 (M€)	Amount remaining due at 31 August 2021 (M€)
Syndicated loan signed on May 2022 for 2,400 M€						
A	1370	Refinance existing debt facilities	Full drawdowns on the signing, repayment schedule : 100 M€ on May 2023 130 M€ on May 2024 150 M€ on May 2025 250 M€ on May 2026 740 M€ on May 2027	5	1 370	
B	550	Bridge finance acquisitions	Drawdowns by tranches	2 + 1 year of extension	348	
C	200	Finance growth	Drawdowns by tranches, repayment schedule : 50 M€ on May 2025 50 M€ on May 2026 100 M€ on May 2027	5	Undrawn	
D	115	Finance general working capital needs	Drawdowns by tranches, repayment in fine on May 2027	5	Undrawn	
TOTAL	2420				1 718	

Bank borrowings detailed below contain clauses requiring compliance with a financial ratio. This bank covenant covers the Group's net debt. Non-compliance with the ratio set gives the lenders concerned the right to demand early repayment of their loans. The net financial debt / EBITDA ratio must be less than 3. The Group complies with this ratio as at 31st August 2022.

(3) State-guaranteed loan (PGE)

The Group obtained a State-guaranteed loan (PGE) on 20th May 2020, representing €159.5M. The Group has chosen the repayment option as follows: 12% of the capital for 5 years from the financial year 2021/2022 and the remaining 40% in the sixth year.

(4) Rental debt

In accordance with IFRS 16, contracts that meet the definition of a lease under IFRS 16 (contract giving the right to control the use of a specific asset for a specified period in return for consideration) result in the recognition of a rental liability (lease liability) by the lessee for the present value of commitments to pay future rentals.

Change in rental debt over the period

In thousands of euros	Lease liabilities - current	Lease liabilities - non current	Total
Balance august 31st 2020	(39 225)	(92 703)	(131 928)
Increase without cash impacts	(7 075)	(26 077)	(33 153)
Repayment	35 500	19 136	54 636
Effects of perimeter variations	(2 304)	(10 525)	(12 829)
Impact of exchange rate fluctuations	(588)	(1 022)	(1 610)
Reclassments	(21 121)	21 618	498
Others	(168)	(447)	(616)
Balance august 31st 2021 (1)	(34 982)	(90 020)	(125 002)
Increase without cash impacts	(13 439)	(37 369)	(50 808)
Repayment	51 190	15 293	66 483
Effects of perimeter variations	(9 594)	(30 950)	(40 544)
Impact of exchange rate fluctuations	(1 305)	(3 010)	(4 314)
Reclassments	(36 917)	32 283	(4 633)
Others	(9 589)	(30 154)	(39 743)
Balance august 31st 2022	(54 636)	(143 927)	(198 562)

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

The increase in cash without impact concerns in particular Altrad Lescha Atika GmbH for €9M, the Prezioso group for €5.5M, the Cape group for €5M, the RMD group for €4.6M and the Endel group for €1.6M

(5) Other borrowings

Other financial debt mainly includes accrued interest not yet due on syndicated loans and bonds for €5.6M.

(6) Net cash

Investment securities consist primarily of term deposits paid at fixed or progressive rates depending on the investment periods.

Current restricted cash and cash equivalents amount to €44.1M and mainly concern the cash allocated to the provision for occupational illnesses in the United Kingdom (see Note 2.3) as part of a €40.9M Scheme of Arrangement (legal agreement dedicated to the management of risks relating to occupational illnesses), the funds of which are available solely for this purpose. At 31/08/2021 it amounted to €44.1M in the current account.

At 31st August 2022, cash and cash equivalents net of bank overdrafts amounted to €1,422.0M at closing compared to €1,125.5M at closing. For the purposes of the cash flow statement, net cash and cash equivalents exclude €43.8M of restricted cash and therefore amounted to €1,378.2M at closing, compared to €1,081.4M at opening.

Angolan currencies which are liquid and available within the country, and which are subject to restrictions due to the exchange controls applicable in Angola, represent €8M (liquid assets).

11.2 Other shareholder funds

<i>thousands of euros</i>		
Others shareholders' funds	August 31, 2022	August 31, 2021 (1)
ORA including interests	104 545	98 628
OBSA	71 861	70 000
Debt due to NYX AG Partners shareholder	11 275	11 275
Free share plans	7 868	5 905
Total	195 549	185 808

(1) *Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).*

Other shareholder funds were not recognised against reserves with the exception of €12.2M for the debt to shareholder NYX AG Partners.

OBSA and ORA issued on financial year 2014/2015

On 12th June 2015 the Group issued to its minority shareholders a subordinated bond of a nominal amount of €50M through the issue of 105,506 bonds with purchase warrants for ordinary shares ("OBSA") with a nominal value per unit of €473.91, maturing on 3rd May 2027 (according to the AGM decision on 26th December 2022) and bearing interest at the rate of 6%, payable annually. Each bond is attached to a share purchase warrant ("BSA"). The bond is repayable in cash at maturity on 3rd May 2027, except in case of the occurrence of certain early repayment events provided for in the contract. The Company cannot choose to proceed with an early repayment. A BSA is attached to each Bond. Each BSA entitles the holder to subscribe for one new ordinary share at a unit price of €473.91. The BSAs can be exercised during 18 months from 12th December 2021 at the initiative of their holder.

On 12th June 2015 the Group issued to its minority shareholders a subordinated bond of a nominal amount of €50M through the issue of 156,583 bonds redeemable in ordinary shares ("ORA") with a nominal unit value of €319.32, maturing on 6th August 2024, the interest on which will be fully capitalised and payable in cash on the final maturity date. The exchange ratio is set at 1 ORA for 1 share at maturity. In case of the occurrence of certain events provided for in the contract, bondholders may request full or partial repayment in cash. The bond is redeemable in shares at maturity on 3rd May 2027 (according to the AGM decision on 26th December 2022) except in case of certain early share redemption events provided for in the contract. The Company cannot choose a cash repayment or decide on an early repayment.

OBSA and ORA issued on financial year 2015/2016:

On 29th August 2016, the Group issued to its minority shareholders a subordinated bond of a nominal amount of €20 M through the issue of 32,849 bonds with purchase warrants for ordinary shares ("OBSA") with a nominal value per unit of €608.85, maturing on 30th August 2024 and bearing interest at the rate of 6%, payable annually. Each bond is attached to a share purchase warrant ("BSA"). The bond is repayable in cash at maturity on 3rd May 2027 (according to the AGM decision on 26th December 2022), except in case of the occurrence of certain

early repayment events provided for in the contract. The Company cannot choose to proceed with an early repayment. A BSA is attached to each Bond. Each BSA entitles the holder to subscribe for one new ordinary share at a unit price of €608.85. The BSAs can be exercised during 18 months from 27th February 2023 at the initiative of their holder.

On 29th August 2016, the Group issued to its minority shareholders a subordinated bond of a nominal amount of €19.9M through the issue of 40,422 bonds redeemable in ordinary shares ("ORA") with a nominal value per unit of €494.78, maturing on 3rd May 2027 (according to the AGM decision on 26th December 2022), the interest on which will be fully capitalised and payable in cash on the final maturity date. The exchange ratio is set at 1 ORA for 1 share at maturity. In case of the occurrence of certain events provided for in the contract, bondholders may request full or partial repayment in cash. The bond is redeemable in shares at maturity on 3rd May 2027, except in case of the occurrence of certain early share redemption events provided for in the contract. The Company cannot choose a cash repayment or decide on an early repayment.

On 30th September 2022, Altrad Investment Authority bought back 89.1% of the OBSA, ORA 2015 and OBSA, ORA 2016, held by its holders (FPCI ETI 2020, Crédit Mutuel Equity SCR, BNP Paribas Développement and Crédit Mutuel Capital) for an amount of €206.4M (including interest) payable as follows: €179.2M maturing in September 2022 and €27.3M in September 2023.

Debt to the shareholder NYX AG Partners (Altrad Managers)

Three capital increases in cash by the parent company Altrad Investment Authority on 16th August 2018, 26th July 2019 and 30th August 2019 were carried out for a total amount of €1.329K together with an issue premium of €10.8M through the issue of a total of 13,286 new ordinary shares and were reserved for NYX AG Partners (Altrad managers' company).

A reciprocal promise to buy and sell to maintain liquidity was made by Altrad Investment Authority and the partners of NYX AG Partners: Altrad Investment Authority undertakes to acquire (promise to purchase) at the request of each NYX associate (between 1st July 2022 and 30th September 2022), and each NYX associate undertakes to sell if Altrad Investment Authority so requests (promise to sell) (between 1st October 2022 and 31st December 2022,) all the NYX securities it holds. The repurchase price is equal to the market value calculated on the date of notification of the request to exercise the promise, according to a formula defined from the outset.

In addition, the partners of NYX have signed a promise of sale in the event of termination of their functions: in the event of termination of their functions between 03/08/2018 and 01/07/2022, the partners of NYX undertake to sell the NYX shares they hold to Altrad Investment Authority (promise of sale) if the latter so wishes and within a period of 6 months. In the event of voluntary departure (i.e. resignation, termination of the contract for the provision of services at the partner's initiative, retirement not approved by the Chairman) or dismissal for corruption or fraud followed by a court judgement, the redemption price will be equal to the initial subscription price for NYX securities paid by the partner. In all other cases of termination of office (other dismissals, settlements, death, disability, dismissal, etc.), the redemption price is equal to the market value calculated on the date of termination of office.

Upon the exercise of these clauses, Altrad Investment Authority would thus find itself the holder of NYX shares, and thus indirectly the holder of its own shares. The liquidity clause is therefore in substance equivalent to a commitment to buy back own shares. The capital increases subscribed by NYX were therefore reclassified upon subscription as debt (Other shareholder funds), with a corresponding reduction in reserves (Group share) for a total amount of €12.2M.

Moreover, due to the presence of the termination clause described above, the benefit from the increase in value of NYX shares is conditional on the presence of the partners until 1st July 2022. A personnel expense in respect of share-based payments (IFRS 2) has therefore been measured and recognised, corresponding to the increase in value associated with holding the shares (difference between the market value and subscription price of NYX shares). The recognition of the IFRS 2 expense (personnel costs) in respect of these plans is spread over the vesting period due to a condition of presence. The Group has therefore recognised a personnel expense of €0.4M for the financial year ended 31st August 2019 against a liability in Other shareholders' funds.

In view of the above-mentioned buyback commitments and the fact that NYX's sole corporate purpose is to hold AIA shares and that the Chairman of NYX is ex officio the CEO of AIA, NYX AG Partner was fully consolidated as of 31st August 2019.

In order to simplify the exercise of promises to purchase and promises to sell, in July 2022, Altrad Investment Authority and the partners of NYX signed a notice of joint exercise of liquidity promises. The sale of the 4,061,759 NYX shares to AIA took place on 21st September 2022 for a total amount of €5.9M.

Cash-settled free share allocation plan

The Chairman of the Altrad Investment Authority decided on 12th September 2018 and 5th December 2019 to grant free shares to

certain key Company officers and certain key Group executives. Altrad Investment Authority has made a commitment to provide liquidity from 30th September 2022. This resulted in the recognition of a debt of €7.9M€ in Other shareholders' funds for the financial year ended 31st August 2022 and personnel costs of €2.0M for the financial year.

In order to simplify the exercise of the promises to purchase and promises to sell, in July 2022, Altrad Investment Authority and the AGM holders signed a notification of joint exercise of liquidity promises. AIA bought back 7,773 of its own shares on 21st September 2022 for a total amount of €7.3M.

Accounting treatment

- The **OBSA/NRS** are posted at amortised cost.

- **Debt to shareholder NYX AG Partners:** the initial valuation was made against equity for €12.2M. The debt is then assessed.

The debt will be remeasured at fair value at each balance sheet date. For the financial year ended 31st August 2022, the Group did not register charges or income related to changes in the market value of shares and changes in the number of employees.

- **Free share allocation plan :** when the plans are cash-settled, the fair value of these plans at the grant date is recognised as an expense with a corresponding entry in liabilities ("Other shareholders' funds"). When the instruments are exercised, the Company pays the amounts due in cash and reduces the corresponding debt. See Note 17.3.

11.3 Financial assets and liabilities by category

The measurement and recognition of financial assets and liabilities are defined by IFRS 9. Fair value corresponds to the price that would be received for the sale of an asset or paid for the transfer of a liability in a normal transaction.

The fair value is determined as:

- Based on prices quoted on an active market (level 1);
- Based on internal valuation techniques using standard mathematical calculation methods incorporating observable market data (forward prices, yield curves, etc.), the valuations derived from these models are adjusted to take into account a reasonable change in the Group's or counterparty's credit risk (level 2);
- Based on internal valuation techniques incorporating parameters estimated by the Group in the absence of observable data (level 3).

The tables below show the net carrying amount and fair value of the Group's financial assets and liabilities, grouped according to the categories

Assets as at August 31, 2022	Financial Assets at fair value by classifications			Total	Fair value determination		
	Assets at fair value through profit or loss	Assets at fair value through reserve	Assets measured at amortised cost		Level 1	Level 2	Level 3
Shares of non consolidated companies	1 785			1 785		1 785	
Deposits and guarantees			15 757	15 757		15 757	
Other non-current assets			14 041	14 041		14 041	
Trade receivables, net			743 171	743 171		743 171	
Other receivables			548 475	548 475		548 475	
Instruments dérivés actifs	5 643			5 643			
Cash, restricted cash and cash equivalent	1 435 202			1 435 202	1 435 202		
Total	1 442 630		1 321 444	2 764 074	1 435 202	1 323 229	

EQUITY & LIABILITIES as at August 31, 2022	Financial liabilities at fair value by classifications			Total	Fair value determination		
	Liabilities at fair value through profit or loss	Liabilities at fair value through reserve	Financial liabilities measured at amortised cost		Level 1	Level 2	Level 3
Other Shareholders' funds	19 143		176 406	195 549		176 406	19 143
Financial debts & Lease liabilities			2 074 127	2 074 127	13 225	2 060 902	
Other non-current liabilities			75 822	75 822		75 822	
Trade and other payables			951 183	951 183		951 183	
Put option debts	22 231			22 231		22 231	
Other liabilities and tax payables			739 005	739 005		739 005	
Total	41 374		4 016 542	4 057 916	13 225	4 025 548	19 143

defined by IFRS 9 at 31st August 2022 (in thousands of Euros):

- (1) Other shareholders' funds recognised at fair value through profit or loss include €7.9M of bonus shares and €11.3M which were initially recognised against reserves for €12.2M and then adjusted to €11.3M through the income statement.

The fair values of trade receivables, current trade payables, cash and cash equivalents, deposits and guarantees paid, and current financial debts with maturities of less than one year are considered to be a good approximation of their carrying amount.

NOTE 12 OFF-BALANCE SHEET COMMITMENTS

12.1 Financial commitments

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
Guarantees in favour of third parties	278 023	213 827
Other commitments (1)	143 825	25 567
Commitments given	421 848	239 394
Market commitments	-	-
Guarantees received (2)	437 217	431 879
Commitments received	437 217	431 879

(1) Other commitments given relate to partnership commitments, including a variable portion for an amount of €4.9M.

(2) Guarantees received are available lines of credit taken out with financial institutions, including €150M on a syndicated line and €287M on other lines negotiated bilaterally, in order to deliver guarantees required to obtain and execute contracts (performance guarantees, advance payment cover, tender offer bids).

12.2 Sales with retention of title

The general and special conditions of sale guarantee some Group companies the ownership of goods sold until full payment of the sums due to them. Therefore, some claims

appearing in customer receivables and resulting from the sale of manufactured products and goods are accompanied by this clause.

NOTE 13 DERIVATIVE FINANCIAL INSTRUMENTS

In accordance with its hedging obligations under the 2022 syndicated loan agreements (at least 60% of assets over 36

months), the Group has 3 CAP contracts to guarantee 75% of debts in tranche 1 (€1,370M).

The characteristics of these CAP are as follows:

	CAP	CAP	CAP
Subscription date	29/06/2022	29/06/2022	29/06/2022
Period guaranteed	02/05/2022-02/05/2025	02/05/2022-02/05/2025	02/05/2022-02/05/2025
Notional	€342.5M	€342.5M	€342.5M
Rate guaranteed	1.5%	1.5%	1.5%
Market rate	EUR3M	EUR3M	EUR3M
Premium paid	0.7145% premium smoothed according to the quarterly schedule	0.7145% premium smoothed according to the quarterly schedule	0.7102% premium smoothed according to the quarterly schedule

At 31st August 2022, the fair value of the CAPs remaining in place at the end of the year was €5M and as such was recognised in non-current liability derivatives.

During the year, Altrad Asia used financial instruments to hedge against foreign exchange risks incurred in its business. The currency hedges put in place by the Group related to highly probable future and identified transactions. The total fair value

of these financial instruments amounts to €622K as at 31st August 2022 and is presented in other current liabilities.

None of these instruments are subject to hedging accounting in the Group's financial statements.

NOTE 14 ASSETS HELD FOR SALE

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021 (1)
Assets to be disposed of	77	2 378
Total	77	2 378

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

As at 31st August 2021, assets held for sale amounted to €2.4M, mainly a workshop held by Adyard Abu Dhabi LLC in Fujairah for €2.3M which was sold on 1st January 2022 for €2.3M.

NOTE 15 ESG (ENVIRONMENT, SOCIAL AND GOVERNANCE)

Since its creation, Altrad has been built on a set of fundamental values: humility, courage, respect, conviviality and solidarity. Today, these values are reflected in a strong desire to build a

sustainable world. Mindful of the long-term challenges facing future generations, Altrad relies on all its stakeholders and, thanks to the commitment of its staff, its expertise and its capacity for

innovation, the Group strives to make a positive contribution. In doing so, Altrad supports its clients in their energy transition objectives.

Altrad's Environmental, Social and Governance (ESG) framework is an integral part of its raison d'être.

Altrad's ambitions are implemented through our focus on four core commitments. As these commitments are the foundations of our raison d'être, we remain acutely aware that our ability to achieve our ambitions requires us to ensure resilient and sustainable financial performance. With a strong set of management principles, clearly articulated financial discipline and an understanding of our business risks and opportunities, Altrad can make long-term commitments and have a lasting positive impact on its communities and the environment.

Altrad's commitments, and their associated objectives, are to develop our people, protect our environment, ensure sound governance and engage in a meaningful philosophy. Each of our commitments is supported by targets and their associated KPIs which are reviewed regularly.

Developing our personnel

The development of our personnel in a safe and healthy environment is essential to the development of our business and our communities.

Objectives

- Ensuring that we achieve industry-leading training targets and actively encourage employment in local communities across our international operations.
- Provide career development opportunities for all our staff.
- Promote a multicultural organisation that respects all backgrounds and beliefs.
- Ensure gender diversity through a strategy to increase gender representation.
- Prevent all workplace accidents through our dedicated Beyond Zero safety strategy.

Protecting our environment

We only have one planet and we must play an active and responsible role in preserving its resources.

Objectives

- Achieve carbon neutrality by 2050.
- Provide reliable service, innovation and partnerships to our customers to help them achieve their own energy transition goals.

- Aim for zero consumption of single-use plastics.
- Continuously pursue initiatives, including staff training, to reduce the environmental impacts of our business and staff through innovation, technology, recycling, partnerships, etc.

Ensuring strong governance

Our governance process must ensure that we operate a robust business that meets the highest standards expected of an international organisation.

Objectives

- Implement and maintain the highest international standards of ethical behaviour.
- Prevent all forms of modern slavery.
- Assess key business risks and implement associated actions to mitigate risks.
- Maintain a balanced and independent board to ensure accountability of the management team.

Philanthropy that makes sense

Commitment through our Altrad Solidarity Endowment Fund to philanthropic activities that support our corporate objectives, aligned with some of the United Nations Sustainable Development Goals (SDGs): (2) No Poverty, (3) Health and Well-being, (4) Quality Education, (5) Gender Equality, (7) Clean and Affordable Energy and (13) Climate Action.

Objectives

- Contribute at least 1% of Altrad's annual net profit to the United Nations' Sustainable Development objectives.
- Enable employees to devote time to the UN's Sustainable Development goals.
- To contribute through sport, particularly rugby, to the provision of opportunities for all age groups (community rugby, community development, educational initiatives, work opportunities...).

NOTE 16 DESCRIPTION OF THE MAIN RISKS

Given the nature of its activities, the macro-economic context in which it operates and its significant international footprint, the Group is determined to successfully manage the existing and emerging risks it faces. This is a prerequisite for the long-term sustainable development of our activities and strategic objectives. Risk management involves the acceptance of a reasonable degree of risk, from which no company is exempt, within a governance framework that manages risk to reduce its potential impact.

The Group's risk management system is regularly reviewed as it matures and becomes increasingly intrinsic to all the organisation's activities. The main operational risks are controlled through our matrix organisational structure, which integrates several levels of inspection and management. With the Group's streamlined operational structure, our open lines of communication and daily cross-functional interactions, the flow of relevant information is assessed throughout the year to take into account changes in risks and corrective plans.

While the Group has a comprehensive risk governance framework, our operating subsidiaries also implement their own risk management plans. This duplication enables a global approach to be implemented at Group level, while taking localised, country-specific or market-specific measures.

The Group's risk governance framework is determined by its Executive Committee. It has overall responsibility for risk management and establishes the Group's approach to risk, including the calibration of acceptable risk (Risk Appetite). It leads the methodology for managing, monitoring and mitigating risks, while being responsible for monitoring the effectiveness of the Group's risk management system. The Executive Committee benefits from the contribution of its own internal audit department, the Group Control department and the Group Treasury team. Its objective is to ensure that the Group's

acceptable level of risk, weighted by its strategic and long-term objectives, is set at an appropriate level. The Executive Committee is fully aware of the Group's history and the prudent approach adopted by the Board of Directors and shareholders. It thus applies a policy of prudent risk management, particularly in areas identified as high risk, and more specifically: reputation and ethical risks; geographical and sectoral diversification of clients; cash management and prudence in terms of debt ratios. Risk managers are appointed within the organisation, and risk reduction and insurance structures are put in place when management considers that additional measures are necessary for adequate risk management.

The table below identifies the main risks that the Group must take into account, indicating the mitigation and insurance measures to be taken.

Type of risk	Description	Mitigation and insurance measures
Competition	- Intense competition in equipment and service markets, intensifying during an economic downturn. - Reduced margins. - Loss of contracts and market share.	- Strategic focus on long-term recurring contracts. - To develop the multidisciplinary service offer, to innovate on products, in order to differentiate oneself. - Reinforce expenditure control in order to pass on the savings to customers.
Corporate Social Responsibility	- Growing importance of CSR in tenders and financial markets. - Damage to reputation.	- Highlighting the group's raison d'être: build a sustainable world. - Continuous development of a CSR strategy and the importance of corporate citizenship.
Credit	Counterparty risk related to business activities, particularly in emerging economies or during economic downturns.	- Prior authorisation required for opening customer accounts. - Monitoring of customer ratings. - Rigorous follow-up of unpaid debts, with proactive debtor management.
Customer focus	Dependence on a small number of clients implying a high impact in the event of the loss of a major client.	- Diversification strategy in terms of customers, business sectors and geographical areas. - Key account management programs to maintain the strength and depth of relationships. - Majority of long-term relationships with long-term contracts. - Positioning as a first-tier supplier for major customers.
Ethics	- Risk of corruption and unethical and anti-competitive behaviour. - Risk of modern slavery within our teams or with our suppliers. - Criminal and financial penalties, damage to reputation.	- Comprehensive review of the Group's integrity and operational ethics reference framework. - Risk mapping, training and audit of compliance procedures and culture. - Targeted audits on modern slavery and the fight against corruption. - Definition of Key Performance Indicators (KPIs) as part of annual performance reviews.
External growth	- The group's strategic growth plans require sustained profitability and stable debt ratios. - Paradox of growth: growth is a necessity but involves integration and operational risks.	- The Group maintains a gearing ratio, excluding the IFRS16 net / EBITDA impact, below 1.2. - The Group has developed expertise in the acquisition of entities via: - The generation of synergies to achieve objectives and free up cash, while respecting the culture of the acquired companies. - The integration of the Group's managers into the success of acquisitions and the Group's sustainable development.
Health, safety and environment	- Risk of personal injury to staff members. - Reputational and commercial risk in case of an accident. - Civil or criminal risks for managers.	- Safety teams in all operating units, with a dedicated HSEQ department at Group level to audit, supervise, train and ensure a strong safety culture within the Group. - Environmental policies and audits aimed at minimising the impact of activities on the environment.

Computer systems and cybersecurity

- Risks of piracy.
- Regulatory obligations in terms of data and network protection.
- System obsolescence.
- Backup solutions.
- “Cyber essentials” certification.
- Patch used on computer hardware.
- Use of the latest antivirus software and URL filters.
- Implementation of secure procedures for the validation of payments.

Interest and exchange rates.

- Interest and exchange rate risks.
- Currency risk is limited because cash flows are in the same currency for a given subsidiary.
- The majority of the financial debt is at fixed rates or is located in stable markets where the risk of material fluctuations is limited.
- Payment in Dollars or Euros is preferred in countries where the currency is not easily convertible or is subject to a significant risk of depreciation.

Liquidity

- Ability to finance all debt repayment obligations.
- Need to finance the group's operating cycles.
- Guarantee that liquidity is maintained in the holding company and not in the subsidiaries.
- The Group's overall debt is centralised within the holding company, which negotiates with the subsidiaries their medium and short-term financing.
- Debt instruments are carefully managed to ensure a spread of maturities, with regular reviews of the debt structure.
- Prudent cash management policy, with a free cash position of around €500M.
- Centralised cash management and repatriation of cash to the holding company.

Pandemic

- Economic impact of the contraction in demand for services and products.
- Impact of quarantines on productivity and the available workforce.
- Health and safety of our teams.
- Monitoring of the main economic indicators and responsiveness to market changes.
- Negotiating the costs of technical unemployment with clients; planning future mobilisation needs.
- Maintaining a health/safety culture, compliance with health regulations, including quarantine and teleworking where appropriate.

Political and macroeconomic context

- Impact of commodity price changes on customer demand and spending.
- Currency fluctuations.
- Authoritarian acts / political instability / war / legislative and regulatory risk.
- Diversification strategy in terms of customers, business sectors and geographical areas.
- Strategic focus on mandatory recurring maintenance expenditure, less subject to price variations.
- Contracts concluded mainly in local currency and/or dollars, for local expenditure.
- Regular review of political risks and warning in times of instability or war.

Raw materials

- Strong fluctuations in the prices of raw materials, including steel, aluminium and zinc.
- Management of forward purchases by a specialised team.
- Dedicated Acquisitions Department to optimise purchases.
- Adaptation of product pricing to fluctuations.

Interest rate sensitivity

As of 31st August 2022 the debt is broken down by rate category as follows:

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021 (1)
<i>Fixed-rate loans</i>	2 318	154 174
<i>Variable-rate loans (2)</i>	1 858 360	1 264 125
Total	1 860 678	1 418 299

- (1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi LLC as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).
- (2) The Group considers its exposure to interest rate risk to be limited. Variable-rate loans depend on the 3-month Euribor rate, which averaged 0.654% over the 2021/2022 financial year. The risk on variable interest rates is partly hedged by financial instruments, see Note 13.

Sensitivity to the conversion rate

Nearly 42% of turnover was generated in the Euro zone. For other currencies, the exchange rate risk is limited because cash flows are mainly in the same currency for a given subsidiary. The table below shows the breakdown of turnover by currency.

In thousands of euros	August 31, 2022	August 31, 2021
Euro	1 521 547	952 974
Sterling	980 096	752 269
Australian dollar	264 692	102 447
Saudi arabian riyal	104 714	80 293
US Dollar	168 098	254 117
Other currencies	801 070	554 871
Total revenue from current activities	3 840 217	2 696 971

Management of the liquidity risk

Liquidity risk corresponds to the Group's ability to have financial resources to meet its commitments. The gross liquidity of the company is defined as the total net cash available. Net liquidity subtracts current financing requirements from gross liquidity. The Group could be exposed to a liquidity risk and not have the financial resources to meet its contractual commitments (debt repayment) and finance its operating and investment cycle.

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due (see Note 11 "Cash and net indebtedness"). The Group's approach to liquidity management is to ensure that it will always have sufficient liquidity to meet its commitments when due, under normal and deteriorated conditions, without incurring unacceptable losses or damaging the Group's reputation. The Group has estimated its anticipated contractual cash outflows, including interest payable on its bank loans and leases.

Operational management of liquidity and financing is carried out by the Group's Finance Department. This management involves centralising significant financing in order to optimise liquidity and cash flow. The Group's overall debt is centralised within the holding company, which negotiates medium and short-term financing with the subsidiaries. Debt ratios are kept low and debt contracts are diversified. The Group negotiates maturities of more than 5 years and bullet loans. The Group maintains an available cash position of a minimum of €500M.

The Group is financed through national bond markets and syndicated bank loans (see Note 11 "Cash and net indebtedness"). The table presented in Note 11.1 provides a breakdown of future net debt maturities by maturity date.

The table below details cash and cash equivalents net of current financial debts:

In thousands of euros	August 31, 2022	August 31, 2021 (1)
Cash equivalents	109 195	101 290
Cash (excluding restricted cash, see note 11.1)	1 282 188	987 017
Bank overdrafts	(13 225)	(6 904)
TOTAL OF NET LIQUIDITY	1 378 158	1 081 402
Current financial liabilities (excluding bank overdrafts)	(177 017)	(495 151)
TOTAL OF CURRENT FINANCIAL DEBTS, NET LIQUIDITY	1 201 141	586 251

- (1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

Some bank borrowings taken out and detailed in Note 11, contain clauses requiring compliance with a financial ratio. This bank covenant covers the Group's net debt. Non-compliance with the ratio set gives the lenders concerned the right to demand early repayment of their loans. The net financial debt / EBITDA ratio must be less than 3.

Capital management

The Group's policy is to maintain a healthy capital base to support future growth and maximise shareholder value. In order to maintain or adjust the capital structure, the Group may, under certain conditions, adjust the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

NOTE 17 EQUITY

17.1 Distribution of dividends

Altrad Investment Authority distributed €30.5M of dividends to its shareholders for financial year 2020/2021. N.B., no dividends were distributed during the 2019/2020 financial year.

17.2 Composition of the share capital

	Number	Per Value	Amount (€)
Shares making up the share capital at the start of the financial year	3 390 248	100 euros	339 024 800
Shares issued during the financial year	7 576	100	757 600
Shares redeemed during the financial year	-	-	-
Shares making up the share capital at the end of the financial year	3 397 824	100 euros	339 782 400

The distribution of the capital as at 31st August 2022 is as follows:

Shareholders	August 31, 2022		August 31, 2021 (1)	
	Number of shares held	% of shares held	Number of shares held	% of shares held
Altrad Participations	2 625 635	77,27%	2 625 635	77,45%
FPCI ETI 2020	366 987	10,80%	366 987	10,82%
Credit Mutuel Equity Scr	244 658	7,20%	244 658	7,22%
Arkéa Capital Partenaire Slp	65 242	1,92%	65 242	1,92%
BNP Paribas Développement	57 086	1,68%	57 086	1,68%
Tikeau Capital	16 310	0,48%	16 310	0,48%
Managers Altrad (NYX AG Partners)	21 129	0,62%	13 553	0,40%
Others	777	0,02%	777	0,02%
TOTAL	3 397 824	100,00%	3 390 248	100,00%

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

17.3 Share-based payment plans: free share plans

On 12th September 2018 and 5th December 2019, the Chairman of Altrad Investment Authority decided to grant free shares for the benefit of certain key corporate officers of the Company and certain key employees of the Group under the conditions specified in the regulations of the allocation plan established, and in accordance with the provisions of Articles L.225-197-1 et seq. of the Commercial Code.

The following table summarises the four free share plans granted:

Free shares	Plan n°1	Plan n°2	Plan n°3	Plan n°4	TOTAL
Grant date	September 12, 2018	September 12, 2018	December 5, 2019	December 5, 2019	
End date of the acquisition period	September 12, 2020	July 01, 2022	December 5, 2021	July 01, 2022	
Number of shares awarded	2 764	2 087	1 249	7 253	13 353
Number of shares canceled	(1 727)	-	(595)	(2 081)	(4 403)
Number of existing shares at August 31, 2021	1 037	2 087	357	5 172	8 653
Fair value of a share at August 31, 2021 (in €)	912	912	912	912	912
Expenses recognized at August 31, 2021 (in K€)	79	568	78	1 926	2 650
Debt in others shareholder's funds at August 31, 2021 (in K€)	946	1 486	283	3 190	5 905
Number of existing shares at August 31, 2022	-	2 087	357	5 132	7 576
Fair value of a share at August 31, 2022 (in €)	940	940	940	940	940
Expenses recognized at August 31, 2022 (in K€)	(199)	475	53	1 634	1 963
Debt in others shareholder's funds at August 31, 2022 (in K€)	747	1 962	336	4 824	7 868

A reciprocal promise to buy and sell for liquidity was made by Altrad Investment Authority and the beneficiaries of the free share plans: the company undertakes to buy (promise to buy) from each holder of free shares who so requests (between 1st July 2022 and 30th September 2022), and each holder undertakes to sell if the company so requests (promise to sell) (between 1st October 2022 and 31st December 2022,) all of the shares of the company that he or she holds. The repurchase price is equal to the market value calculated on the date of notification of the request to exercise the promise, according to a formula defined in the plan. The existence of these liquidity clauses led to these plans being considered as cash-settled and not equity-settled, in application of IFRS 2.

The recognition of the IFRS 2 expense (personnel costs) in respect of these plans is spread over the vesting period due to a condition of presence. The debt will be remeasured at fair value at each balance sheet date.

As a result, a personnel expense of €2.0M was recognised for the financial year ended 31st August 2022 against the debt recognised in Other shareholders' funds (see Note 11.2).

In order to simplify the exercise of the promises to purchase and promises to sell, in July 2022, Altrad Investment Authority and the AGM holders signed a notification of joint exercise of liquidity promises. AIA bought back 7,773 of its own shares on 21st September 2022 for a total amount of €7.3M.

17.4 Non-controlling interests

At 31st August 2022, taking into account the existence of clauses for the purchase of minority interests resulting in the non-recognition of related minority interests (see Note 2.1.4), the main contributions to this item are from:

In thousands of euros	August 31, 2022			August 31, 2021		
	% of Non controlling interests	Non controlling interests	o/w Net Income 2022	% of Non controlling interests	Non controlling interests	o/w Net Income 2021
Altrad Asia	20%	1 788	582	20%	1 206	310
Altrad Coffrages et étalements	2%	291	38	2%	253	14
AlKhodari-Hertel	50%	(1 901)	(190)	50%	(888)	(205)
Hertel Yanda (3)	49%	3 882	161	49%	3 346	40
Socar Cape LLC (1)	51%	14 780	4 257	51%	12 344	3 190
Cape East Limited Co W.L.L. (2)	30%	4 450	2 153	30%	2 056	952
Cerap (4)	51%	(2 631)	200	N/A	N/A	N/A
Insulation Painting & Engineering Services Li	10%	(1 044)	(82)	N/A	N/A	N/A
MainTech AS	49%	1 751	284	N/A	N/A	N/A
Others		387	883		943	1 040
Total Non controlling Interests		21 752	8 285		19 260	5 341

The following table presents information relating to companies in which the group recognises significant non-controlling interests.

<i>In thousands of euros</i>	SOCAR Cape LLC (1)	Cape East Limited Co W.L.L (2)	Shanghai Hertel Yanda Installation Engineering Co.Ltd. (3)	CERAP (4)	SOCAR Cape LLC (1)	Cape East Limited Co W.L.L (2)	Shanghai Hertel Yanda Installation Engineering Co.Ltd. (3)	CERAP (4)
	August 31, 2022				August 31, 2021			
Revenue from current activities	59 002	84 660	32 116	11 409	50 643	28 985	18 750	N/A
Non-current assets	5 812	8 734	293	1 916	4 835	2 724	498	N/A
Current assets	39 984	48 442	22 236	13 706	28 571	43 860	14 123	N/A
Non current liabilities	-	7 802	32	14 868	-	3 758	146	N/A
Current liabilities	14 297	34 702	14 499	8 555	11 139	16 425	7 568	N/A

- (1) Socar Cape LLC paid £1.8M of dividends in the 2022 financial year (£4.9m of dividends as at 31st August 2021). The percentage of profit or loss attributable to non-controlling interests varies mainly due to the exchange rate.
- (2) Cape East Limited Co W.L.L has not paid a dividend as at 31st August 2022 or 31st August 2021. The percentage of profit or loss attributable to non-controlling interests varies mainly due to the exchange rate.
- (3) Hertel Yanda had a strong increase in activity and net income over the period.
- (4) CERAP is an entity of the Endel Group.

NOTE 18 PROVISIONS FOR RISKS

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
Provisions for employee benefits, non-current	72 382	41 958
Provisions for risks, non-current	312 186	225 714
<i>o/w Provisions for occupational illnesses</i>	145 095	134 032
<i>o/w Provisions for contract termination losses</i>	2 968	3 815
<i>o/w Provisions for tax risks</i>	4 277	21 868
<i>o/w other provisions for risks and charges</i>	165 781	73 629
Reserve for risks and social engagement, non-current	384 568	267 672
Provisions for employee benefits, current	3 719	1 727
Provisions for risks, current	122 595	43 514
<i>o/w Provisions for occupational illnesses</i>	18 365	13 857
<i>o/w Provisions for contract termination losses</i>	45 967	2 901
<i>o/w Provisions for tax risks</i>	10 115	369
<i>o/w other provisions for risks and charges</i>	48 148	26 387
Reserve for risks and social engagement, current	126 314	45 241
Total reserve for risks and social engagement	510 882	312 913

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

The item "Provisions for employee benefits" includes the provisions recognised in consolidation in accordance with revised IAS19 for employee post-employment benefits, such as pension commitments, long-service awards, jubilees, etc.

The main items are detailed, in Note 18.1 below, on "Provisions for employee benefits". The item "Provisions for risks" corresponds to various disputes or risks that the Group considered appropriate to provision for in accordance with

prudential rules, and the related procedural costs and fees. The main items are detailed, in Note 18.2 below, on "Provisions for risks".

18.1 Change in provisions of long-term employee benefits

The Group operates, for the benefit of employees and former employees, schemes that may be defined contribution or defined benefit plans in accordance with the regulatory environment specific to each country. The Group's main pension plans are located in the United Kingdom, France and Poland.

Certain assets of the Cape Group's defined benefit plans in the United Kingdom are held in funds administered by trustees. The Board of Trustees is responsible for the administration of the Plan's assets and the definition of the investment strategy. The last full valuation of the benefit plan was performed by independent qualified actuaries in April 2022 using the projected unit method. The valuation showed that the assets of the main benefit scheme had a market value of £108.9M and were 97% funded. The balance of assets includes £62.9M in insurance policies covering liabilities.

Evolution of commitments and hedging assets

The actuarial value of the benefits accumulated in defined benefit plans and the value of pre-financing included in the consolidated financial statements can be analysed as follows:

<i>In thousands of euros</i>	Pension commitments	Other employees benefit commitments	TOTAL
Movement in fair value of defined benefit obligation			
Defined benefit obligation at start of period (1)	188 932	9 019	197 951
Current service cost	2 159	3 557	5 715
Interest expense	3 000	12	3 011
Past service cost	7	-	7
Liabilities extinguished on settlements	724	-	724
Employees contribution	-	-	-
Benefit paid	(10 639)	(2 140)	(12 779)
Actuarial (gains) / losses	(55 627)	(129)	(55 756)
Impact of changes in the consolidation scope	29 785	5 590	35 375
Impact of exchange rate fluctuations & others	(14 579)	1 341	(13 238)
Defined benefit obligation at end of period	143 761	17 250	161 011
Movement in fair value of plan assets			
Fair value of plan assets at start of period	(179 900)	-	(179 900)
Interest income	3 137	-	3 137
Actuarial (gains) / losses	50 697	-	50 697
Assets liquidated on settlements	-	-	-
Employees contribution	-	-	-
Employer contributions	(1 480)	-	(1 480)
Benefit paid	7 744	-	7 744
Impact of changes in the consolidation scope	-	-	-
Impact of exchange rate fluctuations & others	7 554	-	7 554
Fair value of plan assets at end of period	(112 249)	-	(112 249)
IFRIC14 adjustment (Effect of asset ceiling) at start of period (*)	25 634	-	25 634
IFRIC14 adjustment (Effect of asset ceiling) at end of period (*)	27 339	-	27 339
Net (Asset) / Liability	58 851	17 250	76 101
<i>Provisions for employee benefits, non-current</i>	<i>55 721</i>	<i>16 661</i>	<i>72 382</i>
<i>Provisions for employee benefits, current</i>	<i>3 130</i>	<i>589</i>	<i>3 719</i>

(*) In accordance with IFRIC 14 "IAS 19 - The limit on the defined benefit asset, the minimum funding requirements and their interaction", no "surplus" assets have been recognised in the Group's consolidated financial statements.

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

As at 31st August 2022, the contribution of the main geographic areas in the provision for retirement obligations shown in the balance sheet is as follows: UK 51%, France 48% and Poland 1%.

Impact of pension commitments on future cash flows

<i>In thousands of euros</i>	TOTAL	Maturity expired	Maturity of one year of less	Maturity between 1 and 5 years	Maturity beyond 5 years
Defined benefit plans	58 851	41	3 090	2 749	52 972

Nature of investments

Plan assets composition at August 31, 2022	Pension commitment
Shares	2%
Bonds	15%
Cash	2%
Insurance annuities	65%
Property	5%
Others	12%

Key assumptions used

The main actuarial assumptions used to assess retirement benefits are as follows:

	August 31, 2022			August 31, 2021		
	France	Poland	UK	France	Poland	UK
Discount rate	3,12%	6,20%	4,15%	0,68%	1,80%	1,70%
Wage gross rate	2,50%	0%-3,6%	3,6% - 4,0%	2,50%	0%-3%	3,6% - 3,9%
Mobility rate	0-6,63%	4%-4,7%	N/A	0-6,63%	4%-4,7%	N/A
Mortality rate	INSEE 2021	2020 life expectancy table (National Institute of Statistics)	CMI_2021 mortality table (Institute and Faculty of Actuaries)	INSEE 2020	2019 life expectancy table (National Institute of Statistics)	CMI_2020 mortality table (Institute and Faculty of Actuaries)

Sensitivity analysis

The table below shows the sensitivity (in %) of the provision recognised at 31st August 2022 in respect of the defined benefit plans:

	August 31, 2022
Increase of 0.25% in the discount rate	-22,11%
Decrease of 0.25% in the discount rate	18,26%

Exposure to risks for the Group

As pension liabilities are adjusted for inflation, the pension plan is exposed to inflation, interest rate risks and changes in the life expectancy of retirees.

In the United Kingdom within the Cape Group, where the plan assets relating to the main plan include investments in listed shares of manufacturing and consumer products securities, the Group is also exposed to equity market risk. More than 50% of the plan's assets are invested in insurance annuities. Insurance annuities effectively mitigate the risk of changes in inflation rates. Any investment in assets involves a counterparty risk.

18.2 Changes in provisions for risks

In thousands of euros	August 31, 2021 (1)	Change in profit (loss)			Change in scope	Impact of exchange rate fluctuations	Others	August 31, 2022	Of Which	
		Allowances	Uses	Reversals					Non current	Current
Provisions for risks	257 432	70 427	(74 320)	(20 427)	174 998	1 477	(755)	408 833	294 187	114 646
o/w Provisions for occupational illnesses (2)	175 950	591	(10 330)	(2 720)	-	(1 569)	1 537	163 460	145 095	18 365
o/w Provisions for contract termination losses (3)	6 715	33 103	(26 265)	-	37 047	1 108	(2 773)	48 935	2 968	45 967
o/w Provisions for tax risks (4)	22 237	9 871	(126)	(17 463)	-	287	(414)	14 392	4 277	10 115
o/w other provisions for risks and charges (5)	52 529	26 862	(37 599)	(244)	137 950	1 652	896	182 046	145 734	40 199
Provisions for restructuring	11 796	2 418	(16 393)	-	27 804	348	(25)	25 948	17 999	7 950
Total provisions for risks	269 228	143 272	(165 033)	(40 853)	377 799	3 302	(1 535)	434 781	312 186	122 595
Non-current value	225 714	24 015	(37 511)	(18 564)	126 696	1 021	(9 186)	312 186		
Current value	43 514	48 830	(54 624)	(709)	76 106	764	8 714	122 595		

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5 August 2021 (see Note 2.4).

Provisions for risks and charges of €434.8M include:

(2) Provisions for occupational illness costs of €165.9M relating to the Cape Group,

Provisions for occupational illness costs amount to €139.5M and the costs of managing occupational illness claims are provided for to the amount of €26.1M.

There is a history of claims against the Cape Group for compensation resulting from alleged exposure to previously manufactured products containing asbestos. Within the framework of the acquisition of the Cape Group in 2017, the ALTRAD Group included provisions for occupational diseases in these accounts. These provisions are limited exclusively to 13 companies of the Cape Group under a "Scheme of Arrangement" (legal agreement dedicated to the management of risks related to occupational diseases).

The "Scheme" is a court-ordered scheme created to provide compensation to individual claimants for asbestos-related occupational diseases contracted as a result of the Cape Group's historical use of asbestos in its manufacturing processes and which are not eligible for compensation under the insurance policies.

Insofar as these costs can be reliably estimated at closing, a provision has been set aside for the costs that the Group expects to bear in respect of the claims for compensation for occupational illnesses that are filed or to come for which the Board considers that the Group is liable for alleged exposure to previously manufactured asbestos products. The last full actuarial valuation was carried out in August 2022 for the year ended 31st August 2022. The amount of the provision has been estimated based on the discounting of certain assumptions such as the discount rate or the amount of indemnities paid over the period. The amount of the provision is based on historical trends in the number of claims and monetary settlements, as well as on published tables on the expected incidence of illness. The main assumptions used in assessing the appropriate level of provision include the period over which future claims can be expected, the nature of the claims received, the claim rate, the rate of settlement recorded and the future development of compensation payments and legal costs. Management continuously monitors claims received and any other factors that may require a change in assumptions or a full actuarial review during the year. In determining the appropriate level of provision, the management considered various types of potential or actual claims and relied on appropriate

legal and professional advice. The total provision for occupational illnesses amounted to €139.5M (£118.1M, of which £15.8M current and £102.3M non-current) at 31st August 2022, compared to €147.9M (£127M, of which £11.9M current and £115.1M non-current) at the previous year end.

The provision for occupational diseases is discounted at a rate of 1.07% (2021: 1.06%) or the estimated risk-free rate at the balance sheet date, over the term of the liability, i.e. approximately 30 years. Management believes that, assuming no significant deterioration in business performance and no material change in legal precedence or judgements, the Group will be able to fund its subsidiary Cape Claims Services Limited to meet all claims to be settled under the Scheme of Arrangement settlement plan and will be sufficiently funded to satisfy all other UK claims settled outside the Scheme of Arrangement.

The Group continues to receive claims, both from individuals and insurance companies, in connection with alleged historical asbestos exposure. When claims are found to be well-founded, costs are provisioned and the claims are settled, otherwise the claims are defended by the Group. Given that legal precedent in the area of industrial disease claims continues to evolve, new developments and new types of claims create inherent uncertainty both about the future level of asbestos-related disease claims and the legal and other costs arising from such claims. If such claims were to succeed, they could lead to future claims against the Group, which could result in significant additional liability beyond that recognized under the current provision.

(3) Provisions for contract termination losses of €48.9M. The €37M entry into the scope of consolidation concerns the entities of the Endel group.

(4) Provisions for tax risks of €22.3M, of which €4.3M relates to the Cape group, Altrad Investment Authority has provided €9.8M in relation to the tax audit (see note 1.5).

(5) Other provisions for risks and charges mainly include:

- Provisions for litigation of €16.8M, including:
 - Termination fees for lease contracts;
 - Site disputes of leasing subsidiaries;
 - Labour disputes;
 - Supplier disputes;
 - Disputes relating to the acquisition of subsidiaries.
 - Other provisions for risks and charges of €124.3M.
- Provisions have been made in the context of assessing the fair



values of the assets and liabilities of these companies to cover the risks of separation from their former parent group: €100.1M for Endel, €17.4M for RMD.

- Provisions for social costs (bonuses, settlements, Urssaf audit...) pour €23.7M.

Restructuring provisions of €25.9M relate to: mainly the acquisition of the Sparrows group for €12M and FRP for €6M at 31st August 2022.

NOTE 19 CURRENT LIABILITIES

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021 (1)
Trade payables (2)	951 183	591 494
Contract Liabilities (3)	148 332	80 127
Tax debts	139 297	81 465
Social debts	251 962	128 903
Derivative financial instruments (Note 13)	(0)	528
Current tax liabilities	38 065	27 805
Other creditors (4)	178 448	105 231
Total current Liabilities	1 707 287	1 015 553

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

- (2) Trade payables include €17.1M of minority buyout interest debt as at 31st August 2021 (vs. €22.8M as at 31st August 2020), of which €14.2M for the Prezioso Group (vs €20.7M as at 31st August 2021). The valuation of the debt is confirmed by an expert in the context of the exercise of the repurchase agreement of 27 May 2021, signed on 19th May 2016 by the minority shareholders of the Prezioso Group. An expert opinion confirmed the valuation.
- (3) Contract liabilities correspond to the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.
- (4) "Other accounts payable" includes, for €142.1M: €87.6M in other operating liabilities, €47.5M operating charge adjustments, and €7.0M in other liabilities, but also the current account with Altrad Participations is recognised at €24.6M as at 31st August 2022.

The cash effects of the TFT "Cash Flow Statement" on current liabilities is €41m for the year, which mainly corresponds to an increase in trade payables and invoices not received. The strong increase in the amount of current liabilities in 2022 comes from the new acquisitions of the Altrad group.

NOTE 20 OTHER NON-CURRENT LIABILITIES

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021 (1)
Other non current liabilities (2)	57 714	30 031
Non-current fixed asset suppliers (3)	23 239	13 769
Total other non-current liabilities	80 953	43 799

(1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

- (2) Other non-current liabilities include €3.6M in non-current social security liabilities at 31st August 2022 (€2.9M at 31st August 2021) and liabilities relating to the application of IFRIC 23 "Uncertainty of Income Tax Treatments" for €33.1M at 31st August 2022 (€26.4M at 31 August 2021) and a liability of €10M with Endel.

- (3) Non-current assets trade accounts payable includes at 31st August 2022, the fair value of put options on the repurchase of non-controlling interests relating to:
- Valmec: €685K recognised on entry into the scope of consolidation on 31st August 2021.
 - CIDES: €514K recognised at 31st August 2022 on entry into the consolidation scope,
 - DESSA: €1,625K vs. €1,236K at 31st August 2021,
 - Multi up: €100K vs. €100K at 31st August 2021,
 - Senegal Keni Painting: €2,200K at 31st August 2022 vs. €1,084K recognised on entry into the scope of consolidation on 31st August 2021.

NOTE 21 SEGMENT INFORMATION

21.1 Income statement

INCOME STATEMENT (in thousands of euros)	August 31, 2022	Equipment	Services	Support	Others
Revenue from current activities	3 840 217	1 037 665	2 798 162	4 375	15
Cost of raw materials and merchandises	(826 607)	(374 342)	(409 828)	(42 437)	0
Personnel costs	(1 702 008)	(196 919)	(1 500 482)	(4 607)	0
Other external expenses	(788 251)	(156 099)	(582 077)	(50 061)	(14)
Depreciations and amortizations	(206 067)	(107 659)	(92 295)	(6 131)	18
Share of profit from associates accounted for under the equity method	361	0	361	0	0
<i>Operating operations IC</i>	<i>(4)</i>	<i>(69 563)</i>	<i>(43 553)</i>	<i>113 127</i>	<i>(15)</i>
Current operating profit	317 642	133 083	170 290	14 266	4
Other non-recurring revenues and expenses	(39 653)	(6 278)	(29 501)	(15 910)	224
Restructuring and underactivity costs	(14 695)	(2 882)	0	0	0
Operating profit	263 294	123 923	140 788	(1 644)	228
Income from cash and cash equivalents	5 607	168	4 658	781	0
Cost of gross financial debt	(53 246)	(1 223)	(11 760)	(40 222)	(41)
Cost of net financial debt	(47 639)	(1 055)	(7 102)	(39 441)	(41)
Other financial products	25 391	2 658	20 989	1 745	0
Other financial expenses	(39 701)	(1 578)	(31 292)	(6 871)	41
<i>Financial operations IC</i>	<i>(275)</i>	<i>(5 428)</i>	<i>(11 151)</i>	<i>16 116</i>	<i>188</i>
Profit before tax from continuing operations	201 070	118 519	112 231	(30 095)	416
Income tax expense	(54 521)	(36 134)	(20 575)	2 304	(116)
Profit for the year from continuing operations	146 550	82 385	91 656	(27 791)	300
Profit/(loss) after tax for the year from discontinued operations	3	0	3	0	0
Profit for the year	146 553	82 385	91 659	(27 791)	300

INCOME STATEMENT (in thousands of euros)	August 31, 2021	Equipment	Services	Support	Others
Revenue from current activities	2 696 971	697 961	1 997 490	1 520	0
Cost of raw materials and merchandises	(572 159)	(270 454)	(265 947)	(35 759)	0
Personnel costs	(1 232 674)	(118 531)	(1 106 822)	(7 321)	0
Other external expenses	(476 296)	(94 048)	(354 544)	(27 621)	(82)
Depreciations and amortizations	(138 443)	(46 553)	(85 198)	(6 646)	(47)
Share of profit from associates accounted for under the equity method	(943)	0	(943)	0	0
<i>Operating operations IC</i>	<i>0</i>	<i>(58 117)</i>	<i>(33 618)</i>	<i>91 660</i>	<i>76</i>
Current operating profit	276 456	110 257	150 419	15 834	(54)
Other non-recurring revenues and expenses	(17 406)	(2 767)	(21 345)	6 706	0
Restructuring and underactivity costs	(14 902)	(4 291)	(10 494)	(117)	0
Operating profit	244 148	103 199	118 580	22 422	(54)
Income from cash and cash equivalents	893	36	156	701	0
Cost of gross financial debt	(38 195)	(821)	(6 210)	(31 164)	0
Cost of net financial debt	(37 302)	(785)	(6 054)	(30 463)	0
Other financial products	35 187	1 464	15 728	17 995	0
Other financial expenses	(5 891)	(1 803)	(14 496)	10 409	0
<i>Financial operations IC</i>	<i>0</i>	<i>4 009</i>	<i>(14 087)</i>	<i>10 213</i>	<i>(135)</i>
Profit before tax from continuing operations	236 142	106 084	99 671	30 576	(188)
Income tax expense	(60 949)	(26 635)	(23 660)	(10 618)	(36)
Profit for the year from continuing operations	175 193	79 448	76 010	19 958	(224)
Profit/(loss) after tax for the year from discontinued operations	4	0	4	0	0
Profit for the year	175 197	79 448	76 014	19 958	(224)

21.2 Balance sheet

ASSETS (in thousands of euros)	August 31, 2022	Equipment	Services	support	Others
Goodwill	1 780 730	124 901	1 461 404	194 295	130
Intangible assets	77 790	26 421	49 035	2 464	(130)
Property, plant and equipment	557 578	323 468	222 544	11 103	463
Right of use assets	197 807	77 529	120 205	73	
Non-current financial assets and other non-current assets	31 583	19 063	35 916	(23 396)	
Investments in associates	6 518		6 518		
Deferred tax assets	88 296				
IC Eliminations	2 740 302	591 123	1 958 318	190 397	464
Non-current assets	264 786	207 095	57 758	(67)	
Inventories	1 143 552	199 913	941 956	1 684	
Trade receivables and contract assets	9 261	1 218	7 579	463	
Income tax receivable	194 283	18 653	154 014	21 580	36
Other current assets	1 435 202	202 342	688 668	543 726	467
Cash, restricted cash and cash equivalent	3 047 084	629 220	1 849 975	567 386	503
Current assets	77				
Assets held for distribution					
TOTAL ASSETS	5 787 462	1 220 343	3 808 293	757 783	966

EQUITY & LIABILITIES (in thousands of euros)	August 31, 2022	Equipment	Services	support	Others
Total equity	1 181 208				
Others Shareholders' funds	195 549				
Interest-bearing loans and borrowings, non-current	1 739 959				
Non current lease liabilities	143 927				
Reserve for risks and social engagement, non-current	384 568	9 773	358 983	15 811	
Other non-current liabilities	80 953	7 375	76 955	(3 377)	
Deferred tax liabilities	37 455				
Non-current liabilities	2 582 411	17 148	435 939	12 434	
Interest-bearing loans and borrowings, current	135 605				
Current lease liabilities	54 636				
Reserve for risks and social engagement, current	126 314	24 232	92 231	9 751	100
Trade and other payables	951 183	288 252	652 716	10 207	7
Income tax payable	38 065	6 038	21 527	10 497	3
Other liabilities	718 040	50 042	610 997	56 984	18
Current liabilities	2 023 843	368 564	1 377 471	87 439	128
TOTAL EQUITY & LIABILITIES	5 787 462	385 713	1 813 409	99 873	128

ASSETS (in thousands of euros)	August 31, 2021	Equipment	Services	support	Others
Goodwill	1 404 463	106 735	1 296 645	1 083	0
Intangible assets	69 221	25 785	41 239	2 205	(8)
Property, plant and equipment	391 970	228 526	151 650	11 061	733
Right of use assets	124 152	52 094	71 871	187	
Non-current financial assets and other non-current assets	18 877	18 607	24 031	(23 757)	(4)
Investments in associates	211		211		
Deferred tax assets	49 736				
IC Eliminations	2 058 630	436 703	1 632 962	(11 756)	721
Non-current assets	182 212	141 523	40 803	(115)	
Inventories	655 993	127 617	527 361	1 015	0
Trade receivables and contract assets	4 017	508	2 322	1 187	
Income tax receivable	105 326	13 719	87 072	4 480	55
Other current assets	1 132 439	115 128	392 589	623 840	882
Cash, restricted cash and cash equivalent	2 079 986	398 494	1 050 147	630 407	938
Current assets	2 378		2 301	77	
Assets held for distribution					
TOTAL ASSETS	4 140 994	835 197	2 685 410	618 728	1 659

EQUITY & LIABILITIES (in thousands of euros)	August 31, 2021	Equipment	Services	support	Others
Total equity	1 001 105				
Others Shareholders' funds	185 808				
Interest-bearing loans and borrowings, non-current	964 010				
Non current lease liabilities	90 020				
Reserve for risks and social engagement, non-current	267 672	9 323	243 882	14 467	
Other non-current liabilities	43 799	2 080	3 453	38 266	
Deferred tax liabilities	24 751				
Non-current liabilities	1 576 061	11 403	247 335	52 733	
Interest-bearing loans and borrowings, current	467 073				
Current lease liabilities	34 982				
Reserve for risks and social engagement, current	45 242	7 971	37 271		
Trade and other payables	591 494	239 353	338 507	13 622	12
IC Eliminations					
Income tax payable	27 805	4 414	20 101	3 285	6
Other liabilities	397 231	26 969	376 080	(5 840)	23
Current liabilities	1 563 828	278 707	771 959	11 067	41
TOTAL EQUITY & LIABILITIES	4 140 994	290 110	1 019 294	63 800	41

- (1) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services GmbH as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5th August 2021 (see Note 2.4).

NOTE 22 INFORMATION ON CURRENT OPERATING INCOME

22.1 Income from ordinary activities

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
Turnover	3 826 705	2 687 585
Others income	13 511	9 386
Total revenue from current activities	3 840 217	2 696 971

The turnover by branch of activity is broken down as follows:

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
Services Division	3 051 096	2 116 971
Equipment Division	789 121	580 000
Total revenue from current activities	3 840 217	2 696 971

These are not broken down by type of service as multidisciplinary services are provided to a majority of clients. Income is broken down below by location of the revenue-generating entity:

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
UK	1 453 487	755 440
Australia	128 882	102 448
France	770 210	501 797
Africa	305 744	500 202
Germany	391 355	284 430
Belgium	203 530	188 307
Other countries of Europe	402 210	288 955
Other countries of the world	184 800	75 392
Total revenue from current activities	3 840 217	2 696 971

During the financial year ended 31st August 2022, €3Bn was recognised at a specific point in time, €693M progressively as performance obligations were met (over time) and €53M in respect of leases in accordance with IFRS 16. €37.16M of revenue was included in contract liabilities at the previous year-end. Contract assets and liabilities amount to €113M.

During the financial year ended 31st August 2021, €2Bn was recognised at a specific point in time, €411M progressively as performance obligations were met (over time) and €96M in respect of leases in accordance with IFRS 16. €39.60M of revenue was included in contract liabilities at the previous year-end. Contract assets and liabilities amount to €119.7M.

Transaction price allocated to performance obligations: This information required in the context of the application of IFRS 15 corresponds to confirmed turnover as contracted with customers and for which the services or performances have not yet been, or are only partially, performed at the end of the financial year. After taking into account the exceptions provided for in the standard (contracts with a total term of less than one year, and service contracts for which revenue is recognised on the basis of the services actually performed for the customer and the prices specified in the contracts, which are the subject of periodic (generally monthly) invoicing of services performed for the customer), this concept essentially corresponds to revenue from long-term construction or renovation contracts recognised using the percentage-of-completion method. At 31st August 2021, revenue still to be recognised on these contracts was €105M, of which €98.7M within 12 months. At 31st August 2021, revenue still to be recognised on these contracts was €637M, of which €449M within 12 months.

22.2 Cost of materials and merchandise consumed

The Group has begun to feel the impact of global inflation and has put in place action plans to mitigate the effects and maintain gross margins. Commodity prices were highly volatile in the first half of 2022 due to the war in Ukraine. The Group, in particular our Equipment Division, has had to react quickly to pass on costs and maintain margins, which will remain an ongoing objective given the continued market volatility due to high raw material and energy prices and supply chain disruptions.

22.3 Staff costs

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
Total payroll	(1 633 520)	(1 177 724)
Others	(63 919)	(49 479)
Profit-sharing	(2 607)	(2 713)
Cost related to IFRS 2 (Share-based Payment)	(1 963)	(2 757)
Total staff costs	(1 702 008)	(1 232 674)

The increase in payroll is mainly due to the acquisition of new companies during the period for €256,893K. The section "other" includes, in particular, interim staff costs.

Group workforce at the end of the financial year

	August 31, 2022		August 31, 2021	
	Workforce	%	Workforce	%
Permanent employment contract	40 662	78%	28 296	73%
Fix-term employment contract	11 641	22%	10 285	27%
Total	52 303	100%	38 581	100%
France	8 223	16%	3 515	9%
Abroad	44 080	84%	35 066	91%
Total	52 303	100%	38 581	100%

Breakdown of the workforce

	August 31, 2022		August 31, 2021	
	Workforce	%	Workforce	%
Services Division	48 015	92%	35 259	91%
Equipment Division	4 288	8%	3 322	9%
Total	52 303	100%	38 581	100%

22.4 OTHER EXTERNAL EXPENSES

Other external expenses consist mainly of subcontracting, rental and transport costs.
The lease expenses presented in this item correspond to contracts that do not fall within the scope of IFRS16.

NOTE 23 PROVISIONS AND AMORTISATION

"Provisions and amortisations" are detailed as follows:

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021 (1)
Depreciation for amortisation of intangibles and tangibles assets	(197 649)	(123 230)
Net allowances of provisions	(8 418)	(15 214)
Total net allowances of provisions and amortisation	(206 067)	(138 443)

NOTE 24 OTHER NON-CURRENT OPERATING INCOME AND EXPENSES

"Other non-current operating income and expenses" are detailed as follows:

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
Other incomes on management transactions	40 803	15 783
Other expenses on management transactions	(82 496)	(34 670)
Incomes on disposals of assets	9 730	3 521
Expenses on disposals of assets	(9 378)	(2 040)
Badwill / New acquisitions	1 687	
Total Other non-current operating income and exp.	(39 653)	(17 406)

In 2022, other net expenses on management transactions mainly include:

- Losses on construction sites net of provision reversals due to customer disputes for €27.0M (mainly in the Middle East for €13.9M, Endel for €13.2M and Germany for €0.3M);
- The impact of the change in the actuarial assumptions of the provision for occupational diseases for €1.8M;
- Exceptional depreciation of fixed and current assets for €3.6M
- Provisions for tax risks for €10.3M
- Acquisition costs for €8.8M
- Badwill of €1.7M further to the acquisition of MDK Energy A/S (Muehlhan). As the integration into the Group has been finalised by 31st August 2022, we do not expect any adjustment to the opening balance sheet within the allocation period.

In 2021, other net expenses on management transactions mainly include:

- Construction site losses of €5.2M (mainly in Asia for €4.5M and in Europe for €0.7M);
- The impact of tax and social security litigation and changes in taxes relating to transactions carried out in previous years or whose impact has not yet been passed on to customer contracts, amounting to €3M;
- The impact of the change in the actuarial assumptions of the provision for occupational diseases for €6.2M;
- Expenses related to disputes with customers and suppliers for €1.6M;
- Acquisition costs for €1.5M.

NOTE 25 RESTRUCTURING AND UNDER-ACTIVITY COSTS

As in the previous year, the consolidated financial statements were approved according to the following option, i.e. costs arising from restructuring operations and under-activity costs relating to industrial sites (Note 2.3.2) were identified for each entity and isolated on a specific line of the income statement "restructuring costs and total cost of under-activity" for a total amount of €14.7M compared to €14.9M at 31st August 2021.

The identified costs are of three different types and can be analysed as follows:

- Costs incurred to adapt the structure of the Group to the current level of economic activity totalled €11.8M (compared to €12.3M at 31st August 2021). They correspond to redundancy costs and restructuring costs. The variation is mainly due to the restructuring implemented as part of the integration of new companies into the Group in order to align their structure to that of the Altrad Group and by the continuing optimisation of structures in relation to the defined strategy, targeted projects and reorganisation of the level of activity.

These costs are mainly spread over the following geographical areas 31st August 2022:

- o France: €2.3M
- o United Kingdom: €2.0M
- o Africa, Middle East and Caspian: €4.0M
- o Asia-Pacific: €0.5M
- o Other European countries: €2.8M
- o South America: €0.2M

At 31st August 2021, these costs were spread over the following geographical areas:

- United Kingdom: €4.2M
 - Africa, Middle East and Caspian: €2.1M
 - Asia-Pacific: €0.8M
 - Other European countries: €5.3M
- Despite the restructuring operations carried out in several phases during the last four years, the Group has experienced periods of under-activity that it has restated. The total cost of under-activity not absorbed given the level of activity of the financial year compared to a standard level was calculated for each entity and presented on the line "restructuring costs and total cost of under-activity" for an amount of €2.9 M (compared to €2.6M at 31st August 2021).

NOTE 26 FINANCIAL RESULT

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
Income from cash and cash equivalents	5 607	893
Gross cost of financial indebtedness	(53 246)	(38 195)
Net cost of financial indebtedness	(47 639)	(37 302)
Other financial income (including exchange gains)	25 391	35 187
Other financial expenses (including exchange losses)	(39 976)	(5 891)
Total other financial income and expenses	(14 585)	29 297
Financial result	(62 224)	(8 006)

NOTE 27 EARNINGS PER SHARE

	August 31, 2022	August 31, 2021
Numerator (in thousands of euros)		
Net result - Group share	138 268	169 856
Net income from continuing operations	138 265	169 852
Diluted consolidated net income	139 819	172 971
Diluted consolidated net income from continuing operations	139 815	172 967
Denominator (number of shares)		
Weighted average number of shares	3 391 728	3 390 219
Total potential dilutive shares	342 936	344 013
OBSA	138 355	138 355
ORA	197 005	197 005
ALTRAD free share allocation plan (1)	7 576	8 653
Weighted average number of shares- diluted	3 734 664	3 734 232
Consolidated net earnings per share, Group share (in €)	40,77	50,10
Diluted consolidated net earnings per share, Group share (in €)	37,44	46,32
Earnings per share from continuing operations, Group share (in €)	40,77	50,10
Diluted earnings per share from continuing operations, Group share (in €)	37,44	46,32

(1) See 17.3 "Share-based payment plans: free share plan"

NOTE 28 STATUTORY AUDITORS' FEES

The fees of the Group's Statutory Auditors are as follows:

Audit fees (In thousands of euros)	August 31, 2022		August 31, 2021	
	Ernst & Young	Grant Thornton	Ernst & Young	Grant Thornton
Audit and certification of statutory and consolidated accounts (Parent company + controlled entities (1))	2 280	1 172	2 078	601
Other services than audit and certification of statutory and consolidated accounts (2) (Parent company + controlled entities (1))	56	-	14	-
TOTAL	2 336	1 172	2 092	601

(1) Entities included are made of subsidiaries fully consolidated and joint arrangement companies since audit fees are booked in the consolidated income statement.

(2) Services rendered are services outside the scope of audit and certification of statutory and consolidated accounts legally requested as well as services rendered on demand of the entities.

NOTE 29 EVENTS SUBSEQUENT TO THE CLOSE OF THE FINANCIAL YEAR

OBSA / ORA and exit of financial shareholders

On 30th September 2022, Altrad Investment Authority bought back 89.1% of the OBSA, ORA 2015 and OBSA, ORA 2016, held by its holders (FPCI ETI 2020, Crédit Mutuel Equity SCR, BNP Paribas Développement and Crédit Mutuel Capital) for an amount of €206.4M (including interest) payable as follows: €179.2M maturing in September 2022 and €27.3M in September 2023.

On 26th December 2022, the holders of the remaining BSAs and NRSs unanimously decided to authorise the extension of their term until 3rd May 2027. The warrants may be exercised until this new maturity date.

Debt to the shareholder NYX AG Partners (Altrad Managers)

In order to simplify the exercise of the promises to purchase and promises to sell referred to in note 11.2, in July 2022, Altrad Investment Authority and the partners of NYX signed a notice of joint exercise of liquidity promises. The sale of the 4,061,759 NYX shares to AIA took place on 21st September 2022 for a total amount of €5.9M.

Buy back within the framework of the cash-settled free share allocation plan

In order to simplify the exercise of the promises to purchase and promises to sell referred to in note 11.2, in July 2022, Altrad Investment Authority and the AGM holders signed a notice of joint exercise of liquidity promises. AIA bought back 7,773 of its own shares on 21st September 2022 for a total amount of €7.3M.

Acquisitions through external growth operations

Doosan Babcock Limited (June 2022) - United Kingdom

In June 2022, Altrad signed the SPA for the acquisition of Doosan Babcock Limited for £33.5M (€37.9M). This acquisition was completed on 25th September 2023. It is a UK-based provider of project design and construction, plant maintenance and asset integrity assessment to the global oil and gas, petrochemical, nuclear and renewable energy industries.

- Complementary capabilities and extensive resources improve results for the Group's clients
- Adding valuable engineering skills to the Group as a whole
- 4,000 new employees have been welcomed into the Altrad Group, providing opportunities for knowledge and skills transfer.

Ausgroup

On 1st January 2023, Altrad acquired the AusGroup for AUD8M. Ausgroup has offices throughout Western Australia and provides a range of manufacturing, access, construction and maintenance services to the energy, resources, industrial and utility sectors. Its specialist services include integrated maintenance, construction and fabrication, mechanical work, scaffolding and rope access, industrial insulation, painting and fire protection, electrical and instrumentation and specialist welding.

With over 1,000 employees and a turnover of AUD200M (€130.7M), and with the acquisition of Valmec in 2021, we now have an even greater footprint and strength in Australia, allowing us to expand our service offering and further strengthen our relationships with our customers.

Prefal

On 1st January 2023, Altrad acquired Prefal Isolamentos térmicos unipessoal Lda from the Bilfinger Group for €8.9M. It is one of the most active and dynamic companies in the industrial insulation and scaffolding industry, operating in Portugal and France.

This transaction marks a new stage in Altrad's development, as this acquisition will strengthen the Group's industrial offering in insulation, passive fire protection and scaffolding.

The company has been operating for more than six decades and, on average, its activities generate an annual turnover of around €20M with 250 employees.

Altrad / Laporte case

On 13th December 2022, a French court handed down a judgement against Mr Altrad with suspended sentences. The latter contests all the complaints against him and has appealed against the judgement.

The Altrad Group manages its activities with the utmost ethics and integrity. It should be noted that no Group company has been accused of any wrongdoing.

NOTE 30 INFORMATION ON RELATED PARTIES

The main transactions with related parties (mainly equity affiliates, unconsolidated subsidiaries and related companies) and receivables and payables with respect to these parties are as follows:

<i>In thousands of euros</i>	August 31, 2022	August 31, 2022 o/w entitle accounted for using the equity method	August 31, 2021	August 31, 2021 o/w entitle accounted for using the equity method
Balance sheet				
Other receivables	104	-	-	896
Trade receivables	2 204	2 185	2 074	-
Loan	-	-	-	(30)
Trade payables and other debts (1)	(25 607)	(684)	(17 078)	-
Total	(23 299)	1 501	(14 138)	-

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
Income statement		
Sales	2 501	2 501
Costs	(5 856)	(424)
Financial income	-	-
Financial cost	(608)	(579)
Total	(3 963)	2 077

- (1) Trade and other payables relate to the current account with Altrad Participation for €24,628K at 31st August 2022 vs. €15,830K at 31st August 2021.
- (2) Operating expenses mainly relate to the Montpellier Hérault Rugby club for a sponsorship contract of €5,000K at 31st August 2022 and 31st August 2021.
- (3) Financial expenses correspond to interest on the current account of Altrad Participations.

Remuneration paid to members of the Board of Directors and management bodies

The remuneration of the Group's executive officers includes the remuneration allocated to the members of the Board of Directors and the management bodies of the Company for their duties in all the consolidated companies, in respect of the financial year both for their salaried positions and for their duties as corporate officer. The management bodies of the Company include all the members of General Management as well as the main managers (Group Financial and Legal Department, Progress Units Managers).

The amounts recognised as expenses under this heading amount to:

<i>In thousands of euros</i>	August 31, 2022	August 31, 2021
Short-term benefits (1)	2 739	2 303
Long-term benefits (2)	475	465
Post-employment benefit (3)	(42)	(7)
Expenses recognized for the free share plans (4)	583	682
Total executive compensation	3 755	3 443

- (1) Short-term benefits include fixed compensation, variable compensation, benefits in kind and directors' fees. The executive compensation policy takes market practices into account. It has a significant variable component depending on the achievement of results objectives and individual contribution.
- (2) Long-term benefits include the variable compensation corresponding to the multi-year management incentive program.
- (3) Post-employment benefits correspond to the provisions recognised for pension obligations.
- (4) Compensation under free share plans corresponds to personnel expenses recognised in accordance with IFRS 2 (see Note 16.3

NOTE 31 SCOPE OF CONSOLIDATION

The duration of the financial year is 12 months for all consolidated companies. Certain Group entities close their annual accounts at 31/12 and prepare an interim closing at 31/08 for the purpose of preparing the Group's consolidated accounts.

All transactions, reciprocal assets and liabilities and significant intra-group income between fully consolidated companies are eliminated. The list of consolidated companies is as follows:

Denomination	Country	Note	Currency	August 31, 2022			August 31, 2021		
				Method	Interest %	Control %	Method	Interest %	Control %
Support									
Altrad Investment Authority	France	A	EUR	Parent			Parent		
Altrad Asia	China	A	EUR	FC	80,00	80,00	FC	80,00	80,00
Altrad Hub DMCC	Dubai	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad UK	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Hertel Asia Holding Pte Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Hertel Australia Holding Pty	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Hertel Holding Co. Ltd	Thailand	B	THB	FC	100,00	100,00	FC	100,00	100,00
Hertel Middle East Holding Ltd., Dubai	Dubai	B	USD	FC	100,00	100,00	FC	100,00	100,00
Equipment									
ACE Coffrages et Etalements	France	A	EUR	FC	98,36	98,36	FC	98,36	98,36
Actavo Hire & Sales Uk	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Alucon	Hungary	A	HUF	FC	100,00	100,00	FC	100,00	100,00
Altrad Australia Pty Ltd (6)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Altrad Baumann	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Beaver 84	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Benelux	Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Cedria	Tunisia	A	TND	FC	100,00	100,00	FC	100,00	100,00
Altrad Collectivités	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Equipement	France	A	EUR	FC	99,99	99,99	FC	99,97	99,97
Altrad Energy Support Services Ltd (Ex Muehlhan Industrial Services Ltd)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Famea ECA	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Fort	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Generation H&S Solutions Ireland Ltd	Ireland	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Hofmaninger	Austria	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad International	France	A	EUR	FC	99,99	99,99	FC	99,97	99,97
Altrad Italie	Italy	A	EUR	FC	99,93	100,00	FC	99,93	100,00
Altrad Konskie	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
Altrad Lescha Atika	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Limex	Croatia	A	HRK	FC	100,00	100,00	FC	100,00	100,00
Altrad Liv	Slovenia	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Mostostal	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
Altrad Mostostal Montaz	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
Altrad Plettac	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Plettac Assco	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Plettac Iberica	Spain	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Plettac Production	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Poland (Spomasz)	Poland	A	PLN	FC	99,99	99,99	FC	99,70	99,70
Altrad Pomorze	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
Altrad Prymat	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
Altrad Richard Fraisse	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Romania	Romania	A	RON	FC	100,00	100,00	FC	100,00	100,00
Altrad Saint-Denis	France	A	EUR	FC	99,99	99,99	FC	99,89	99,89
Altrad Services A/S (Ex MDK Energy A/S)	Denmark	A	DKK	IG	100,00	100,00	IG	100,00	100,00
Avon	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Belle Engineering	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Belle Equipos	Spain	B	EUR	FC	100,00	100,00	FC	100,00	100,00
Belle France	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Belle Holding Ltd	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Bragagnolo	Italy	A	EUR	FC	100,00	100,00	FC	100,00	100,00

				August 31, 2022			August 31, 2021		
Denomination			Currency	Method	Interest %	Control %	Method	Interest %	Control %
Equipment (following)									
Defiant	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Dessa (6)	UK	A	GBP	FC	88,00	88,00	FC	88,00	88,00
Errut	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Generation	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Irbal (6)	Portugal	A	EUR	FC	100,00	100,00	FC	96,62	96,50
Multi Up (6)	Portugal	A	EUR	FC	51,00	51,00	FC	25,50	25,50
Panther	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
PT RAPID METAL DEVELOPMENT IND (1)	Indonesia	A	IDR	FC	100,00	100,00	-	-	-
RAPID METAL DEVELOPMENTS (NZ) LTD (1)	New-Zeland	A	NZD	FC	100,00	100,00	-	-	-
RMD KWIKFORM(AUSTRALIA) PROPRIETARY LTD (1)	Australia	A	AUD	FC	100,00	100,00	-	-	-
RMD COLOMBIA SAS (1)	Colombia	B	COP	FC	100,00	100,00	-	-	-
RMD INDIA PRIVATE LTD (1)	India	B	INR	FC	100,00	100,00	-	-	-
RMD KWIKFORM IRELAND LTD (1)	Ireland	A	EUR	FC	100,00	100,00	-	-	-
RMD KWIKFORM (AL MAHA) QATAR WLL (1)	Qatar	B	QAR	FC	100,00	100,00	-	-	-
RMD KWIKFORM ALMOAYED BAHRAIN (1)	Bahrain	B	BHD	FC	100,00	100,00	-	-	-
RMD KWIKFORM CHILE SA (1)	Chilie	B	CLP	FC	100,00	100,00	-	-	-
RMD KWIKFORM GUAM, LLC (1)	USA	B	USD	FC	100,00	100,00	-	-	-
RMD KWIKFORM HOLDINGS LTD (1)	UK	B	GBP	FC	100,00	100,00	-	-	-
RMD KWIKFORM HONG KONG LTD (1)	Hong Kong	A	HKD	FC	100,00	100,00	-	-	-
RMD KWIKFORM LTD (1)	UK	B	GBP	FC	100,00	100,00	-	-	-
RMD KWIKFORM MIDDLE EAST LLC (1)	Middle East	B	AED	FC	100,00	100,00	-	-	-
RMD KWIKFORM NORTH AMERICA HOLDINGS INC. (1)	USA	A	USD	FC	100,00	100,00	-	-	-
RMD KWIKFORM NORTH AMERICA INC. (1)	USA	A	USD	FC	100,00	100,00	-	-	-
RMD KWIKFORM OIL & GAS SERVICES LLC (1)	Middle East	A	AED	FC	100,00	100,00	-	-	-
RMD KWIKFORM OMAN LLC (1)	Oman	B	OMR	FC	100,00	100,00	-	-	-
RMD KWIKFORM PERU SAC (1)	Peru	B	PES	FC	100,00	100,00	-	-	-
RMD KWIKFORM PHILIPPINES, INC (1)	Philippines	B	PHP	FC	100,00	100,00	-	-	-
RMD KWIKFORM SAUDI ARABIA LLC (1)	Saudi Arabia	B	SAR	FC	100,00	100,00	-	-	-
RMD KWIKFORM SINGAPORE PTE LTD (1)	Singapore	A	SGD	FC	100,00	100,00	-	-	-
RMDK BIDCO Limited (1)	UK	B	GBP	FC	100,00	100,00	-	-	-
Samia Devianne	France	A	EUR	FC	99,98	99,98	FC	99,95	99,95
Trad Hire & Sales (6)	UK	A	GBP	FC	100,00	100,00	FC	95,00	95,00
Vedif Collectivités	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Services									
(*)Altrad Engineering Services Limited (ex Cape Engineering Services Limited) (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Environmental Services Offshore Limited (ex Cape Environmental Services Offshore Limited) (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Industrial Projects & Maintenance (ex Hertel GmbH Leipzig)	Germany	A	EUR	NC	-	-	FC	100,00	100,00
(*)Altrad Logistics Benelux NV (ex : Stellingbouw Balliauw)	Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Motherwell Bridge Limited (ex Motherwell Bridge Limited)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Multiservices BV (ex: Altrad Balliauw BV)	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Nederland BV (ex : Hertel Services Nederland B.V.)	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Services BV (ex : Hertel B.V.)	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Services Insulation BV (ex : Altrad Profix B.V.)	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Services Ireland Limited (ex Hertel Ireland Ltd)	Ireland	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Services Limited (ex Cape Industrial Services Limited) (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Services Singapore Pte Ltd (ex: Hertel Singapore Pte Ltd.)	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Support Services Limited (ex Hertel UK Ltd)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad York Linings Limited (ex York Linings International Limited)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Abdulah Abdul Mohsen Al Kodhari Sons and Hertel Industrial Services L.L.C., Saudi Arabia	Saudi Arabia	B	SAR	FC	50,00	50,00	FC	50,00	50,00

Denomination				Currency		August 31, 2022			August 31, 2021		
						Method	Interest %	Control %	Method	Interest %	Control %
Equipment (following)											
Altrad Betriebsvorrichtungen GmbH		Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00	
Altrad Employment Sces LTD		UK	A	EUR	FC	100,00	100,00	FC	100,00	100,00	
Altrad Euroscaff		Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00	
Altrad GIXTAALA JV (4)		Canada	A	CAD	FC	100,00	100,00	-	-	-	
Alpha Offshore Service A/S (3)		Danemark	B	DKK	FC	100,00	100,00	-	-	-	
Altrad Industrial Projects & Maintenance (8)		Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00	
Altrad Industrial Services (8)		Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00	
Altrad Kiel Industrial Services GmbH (8)		Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00	
Altrad Nsg		UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00	
Altrad Pacific Shared Services Inc (5)		Philippines	A	PHP	FC	100,00	100,00	FC	100,00	100,00	
Altrad Rodisola		Spain	A	EUR	FC	100,00	100,00	FC	100,00	100,00	
Altrad Services Ltd (4)		Canada	A	CAD	FC	100,00	100,00	-	-	-	
Altrad Services Algérie (ex : SAEIP) (6)		Algeria	B	DZD	FC	91,94	44,09	FC	91,94	44,09	
Altrad Services NV (ex : Altrad Balliauw Multiservices)		Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00	
Altrad Services Pte Ltd		Singapore	A	EUR	FC	100,00	100,00	FC	100,00	100,00	
Altrad Services Pty Ltd, (ex Cape Australia Onshore Pty Limited) (5)		Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00	
Altrad Services Suisse		Switzerland	B	DZD	FC	91,99	90,08	FC	91,99	90,08	
Amb Hertel L.L.C.		Abu Dhabi	A	AED	FC	100,00	100,00	FC	100,00	100,00	
AREVA PROJET NCPF (2)		France	A	EUR	IP	50,00	50,00	-	-	-	
ArranCo 3 Limited (3)		UK	B	GBP	FC	100,00	100,00	-	-	-	
ArranCo 4 Limited (3)		UK	B	GBP	FC	100,00	100,00	-	-	-	
ArranCo US LLC (3)		USA	B	USD	FC	100,00	100,00	-	-	-	
ATRON METROLOGY (2)		France	A	EUR	FC	51,00	100,00	-	-	-	
Cape Australia Holdings Pty Limited (5)		Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00	
Cape Building Products Limited (5)		UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00	
Cape BVI (No1) Limited (5)		British Virgin Islands	B	GBP	FC	100,00	100,00	FC	100,00	100,00	
Cape Calsil Group Limited (7)		UK	A	GBP				FC	100,00	100,00	
Cape Calsil Systems Limited (5)		UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00	
Cape Cayman (No.2) Ltd (5)		Cayman Islands	B	GBP	FC	100,00	100,00	FC	100,00	100,00	
Cape Claims Services Limited (5)		UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00	
Cape Contracts International Limited (5)		UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00	
Cape Durasteel Limited (5)		UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00	
Cape East & Partners LLC (5)		Oman	A	OMR	FC	100,00	100,00	FC	65,00	65,00	
Cape East (Holdings) Limited (5)		Thailand	B	THB	FC	100,00	100,00	FC	49,00	49,00	
Cape East (Thailand) Limited (5)		Thailand	B	THB	FC	100,00	100,00	FC	49,00	49,00	
Cape East (UK) Limited (5)		UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00	
Cape East Algeria SARL (5)		Algeria	B	EUR	FC	100,00	100,00	FC	99,00	99,00	
Cape East Egypt LLC (5)		Egypt	B	USD	FC	100,00	100,00	FC	100,00	100,00	
Cape East General Contracting Company W.L.L (5)		Kuwait	B	KWD	FC	100,00	100,00	FC	49,00	49,00	
Cape East Jusik Hoesa (5)		Korea	B	KRW	FC	100,00	100,00	FC	100,00	100,00	
Cape East Libya Limited (5)		Malta	B	EUR	FC	100,00	100,00	FC	100,00	100,00	
Cape East Limited (5)		UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00	
Cape East Limited Company W.L.L (5)		Qatar	B	USD	FC	100,00	100,00	FC	70,00	70,00	
Cape East Limited LLC (5)		Abu Dhabi	A	AED	FC	100,00	100,00	FC	49,00	49,00	
Cape East Philippines Inc (5)		Philippines	B	PHP	FC	100,00	100,00	FC	100,00	100,00	
Cape East Pte Ltd (5)		Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00	
Cape East Sdn Bhd (5)		Malaysia	A	MYR	FC	100,00	100,00	FC	100,00	100,00	
Cape East SPC (5)		Bahrain	A	BHD	FC	100,00	100,00	FC	100,00	100,00	
Cape (Group Services) Limited (7)		UK	A	GBP	NC	-	-	FC	100,00	100,00	
Cape HoldCo Limited (5)		UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00	
Cape Hong Kong Fuji Limited (5)		China	B	HKD	FC	100,00	100,00	FC	80,00	80,00	
Cape Hong Kong Limited (5)		China	B	HKD	FC	100,00	100,00	FC	100,00	100,00	
Cape Industrial Company Limited (5)		Saudi Arabia	B	SAR	FC	100,00	100,00	FC	100,00	100,00	
Cape Industrial Services Europe Limited (5)		UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00	
Cape Industrial Services Group Limited (5)		UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00	

Denomination				Currency		August 31, 2022			August 31, 2021		
						Method	Interest %	Control %	Method	Interest %	Control %
Services (following)											
Cape Industrial Services Limited (Jordan) (5)	Jordan	A	USD	FC	100,00	100,00	FC	100,00	100,00		
Cape Industrial Services LLC (5)	Russia	B	RUB	FC	100,00	100,00	FC	100,00	100,00		
Cape Industrial Services (Sakhalin) LLC (5)	Russia	B	RUB	MEE	50,00	50,00	FC	100,00	100,00		
Cape Industrial Services Private Limited (5)	India	A	INR	FC	100,00	100,00	FC	100,00	100,00		
Cape Industrial Services Pty Limited (7)	Australia	A	AUD	NC	-	-	FC	100,00	100,00		
Cape Insulation Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00		
Cape Intermediate Holdings Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00		
Cape International Holdings Pte Limited (5)	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00		
Cape International Sdn Bhd (5)	Brunei	A	BND	FC	100,00	100,00	FC	100,00	100,00		
Cape Libya Industrial Services, Security and Safety Joint Company (5)	Libya	B	USD	FC	100,00	100,00	FC	65,00	65,00		
Cape Marine and Offshore Pty Limited (7)	Australia	A	AUD	NC	-	-	FC	100,00	100,00		
Cape PCH LLC (5)	Azerbaijan	B	USD	FC	100,00	100,00	FC	100,00	100,00		
Cape Pension Trustees Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00		
Cape plc (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00		
Cape Regional Services DMCC (5)	Dubai	A	AED	FC	100,00	100,00	FC	100,00	100,00		
Cape Specialist Coatings Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00		
Cape UK Holdings Newco Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00		
Cape UK Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00		
Cape Vietnam LLC (5)	Vietnam	B	VND	FC	100,00	100,00	FC	100,00	100,00		
CERAP (2)	France	A	EUR	FC	51,00	100,00	-	-	-		
CERAP ADVANCE (2)	France	A	EUR	FC	51,00	100,00	-	-	-		
CERAP SUISSE (2)	Suisse	A	CHF	FC	51,00	100,00	-	-	-		
CG Purchasing Pte Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00		
CIDES (3)	Congo	A	XAF	FC	100,00	100,00	-	-	-		
Cleton Continental Europe BV	Netherlands	B	EUR	FC	100,00	100,00	FC	100,00	100,00		
Cleton Insulation BV	Netherlands	B	EUR	FC	100,00	100,00	FC	100,00	100,00		
Comi Service	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00		
Datadeep Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00		
DBI Endecon Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00		
DBI Industrial Services Limited	UK	A	GBP	NC	-	-	FC	100,00	100,00		
Decalog (2)	France	A	EUR	FC	100,00	100,00	-	-	-		
DYNAMIC (2)	France	A	EUR	MEE	30,00	30,00	-	-	-		
EFTIC (2)	France	A	EUR	FC	100,00	100,00	-	-	-		
Encore Australia Holdings Pty Ltd	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00		
ENDEL (2)	France	A	EUR	FC	100,00	100,00	-	-	-		
ENDEL REUNION (2)	France	A	EUR	FC	100,00	100,00	-	-	-		
ENDEL SRA (2)	France	A	EUR	FC	100,00	100,00	-	-	-		
Energy Cranes International Limited (3)	UK	B	GBP	FC	100,00	100,00	-	-	-		
ENTREPOSE NAVIBORD (2)	France	A	EUR	FC	100,00	100,00	-	-	-		
EUROPIPE (2)	France	A	EUR	FC	100,00	100,00	-	-	-		
FRP PRODUCTS CO., PTE. LTD. (3)	Singapor	A	SGD	FC	100,00	100,00	-	-	-		
Geo Project (6)	South Africa	B	ZAR	FC	100,00	100,00	FC	91,99	90,08		
Hawco Engineering Lifting Solutions Lda (3)	Angola	B	AOA	IG	100,00	100,00	-	-	-		
Hawk Bidco (US) Inc (3)	UK	B	USD	FC	100,00	100,00	-	-	-		
Hawk Debtco Limited (3)	UK	B	GBP	FC	100,00	100,00	-	-	-		
Hawk Holdco Limited (3)	UK	B	GBP	FC	100,00	100,00	-	-	-		
Hawk Newco Limited (3)	UK	B	GBP	FC	100,00	100,00	-	-	-		
Hawk Noteco Limited (3)	UK	B	GBP	FC	100,00	100,00	-	-	-		
Hertel Beheer B.V.	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00		
Hertel Holding B.V.	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00		
Hertel Industrial Services B.V.	Azerbaijan	A	AZM	FC	100,00	100,00	FC	100,00	100,00		
Hertel LLC	Oman	A	OMR	FC	99,00	99,00	FC	99,00	99,00		
Hertel Malaysia Sdn Bhd	Malaysia	A	MYR	FC	100,00	100,00	FC	100,00	100,00		
Hertel Modern Pty. Ltd	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00		
Hertel MSL L.L.C.	Qatar	A	QAR	FC	98,00	98,00	FC	98,00	98,00		
Hertel W.L.L.	Barhain	A	BHD	FC	100,00	100,00	FC	100,00	100,00		
Ipes (6)	Nigeria	B	NGN	FC	90,00	90,00	FC	82,79	81,07		
Kok Chang Engineering Pte. Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00		
Kok Chang Marine Service Pte Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00		
Kok Chang Scaffolding Pte. Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00		
Linjebygg AS	Norway	A	NOK	FC	100,00	100,00	FC	91,99	90,08		
Linjebygg INC (6)	United States	A	USD	FC	91,99	90,08	FC	91,99	90,08		
Linjebygg Norway AS (ex : Prezioso Linjebygg Norway AS) (6)	Norway	A	NOK	NC	-	-	FC	91,99	90,08		
Maintech (6)	Norway	A	NOK	FC	50,80	50,80	FC	46,70	45,73		
MB Engineering Services Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00		
METAL CONTROL	France	A	EUR	FC	100,00	100,00	-	-	-		
MEVI	France	A	EUR	FC	100,00	100,00	-	-	-		
Mtd	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00		

Denomination				August 31, 2022			August 31, 2021		
				Method	Interest %	Control %	Method	Interest %	Control %
Services (following)									
Nuclear New Build Industrial Services Limited (7)	UK	A	GBP	NC	-	-	FC	100,00	100,00
Olio Cape Sdn Bhd (5)	Malaysia	A	MYR	IG	100,00	100,00	MEE	49,00	49,00
Overseas Technical Coatings & Services Company L.L.C	Saudi Arabia	A	SAR	FC	100,00	100,00	FC	100,00	100,00
PCH Offshore Pty Limited	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
PCH Thailand Co Limited	Thailand	B	THB	FC	49,00	49,00	FC	49,00	49,00
Poujaud SAS	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Predart Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Prezicon (6)	Nigeria	B	NGN	FC	49,00	49,00	FC	45,08	44,14
Prezioso Angola (6)	Angola	B	AOA	FC	100,00	100,00	FC	91,99	90,08
Prezioso Congo (6)	Congo	B	XOF	FC	100,00	100,00	FC	91,99	90,08
Prezioso do Brasil (6)	Brazil	A	BRL	FC	100,00	100,00	FC	91,99	90,08
Prezioso Holding (6)	France	A	EUR	FC	100,00	100,00	FC	91,99	90,08
Prezioso Linjebygg (6)	France	A	EUR	FC	100,00	100,00	FC	91,99	90,08
Prezioso Linjebygg (6)	Ivory Coast	B	XOF	FC	100,00	100,00	FC	91,99	90,08
Prezioso Linjebygg Mozambique (4)	Mozambique	B	MZD	FC	100,00	100,00	-	-	-
Prezioso Linjebygg Group (6)	France	A	EUR	FC	100,00	100,00	FC	91,99	90,08
Prezioso Linjebygg Equatorial Guinea (6)	Equatorial Guinea	B	XOF	FC	59,79	58,55	FC	59,79	58,55
Prezioso Linjebygg Holding (6)	France	A	EUR	FC	91,99	90,08	FC	91,99	90,08
Prezioso Qatar (6)	Qatar	A	QAR	NC	-	-	FC	45,08	44,14
Prezioso Technilor Gabon (6)	Gabon	B	XOF	FC	100,00	100,00	FC	91,99	90,08
Prezioso-Emdad (6)	United Arab Emirates	A	AED	MEE	65,00	65,00	MEE	59,79	44,14
Professional Construction Hire (PCH) W.L.L	Qatar	B	USD	FC	100,00	100,00	FC	49,00	49,00
PT Cape East Indonesia Limited	Indonesia	B	IDR	FC	100,00	100,00	FC	90,00	90,00
PT PCH Indonesia	Indonesia	B	IDR	FC	100,00	100,00	FC	100,00	100,00
Pt Sparrows Offshore(3)	Indonesia	B	INR	FC	100,00	100,00	-	-	-
PT Sparrows Services Batam (3)	India	B	INR	FC	100,00	100,00	-	-	-
PZO Technilor Unipessoal (6)	Portugal	A	EUR	FC	100,00	100,00	FC	91,99	90,08
R.B. Hilton Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
R.B. Hilton Saudi Arabia	Saudi Arabia	B	SAR	FC	100,00	100,00	FC	100,00	100,00
Remediation Rectification Works Pty. Ltd	Australia		AUD	FC	100,00	100,00	FC	100,00	100,00
Remove Insul N.V.	Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00
RI Tracing GmbH	Germany	A	EUR	NC	-	-	FC	100,00	100,00
Ridgebay Holdings Pty Limited	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Rig Source (6)	South Africa	B	ZAR	FC	100,00	100,00	FC	91,99	90,08
Rope Acces Angola (6)	Angola	B	NAD	FC	87,50	55,00	FC	80,49	49,54
Rope Access Namibia (6)	Namibia	B	NAD	FC	90,00	90,00	FC	82,79	81,07
Ropetec Congo (6)	Congo	B	XOF	FC	100,00	100,00	FC	91,99	90,08
Ropetec Ghana (6)	Ghana	B	GHS	FC	100,00	100,00	FC	91,99	90,08
Ropetec International (6)	Dubai	A	USD	FC	100,00	100,00	FC	91,99	90,08
Ropetec Rigworld Ghana (6)	Ghana	B	GHS	FC	85,00	85,00	FC	78,19	76,57
SC Hertel Industrial Services SRL	Romania	A	RON	FC	100,00	100,00	FC	100,00	100,00
SC Hertel SRL	Romania	A	RON	FC	100,00	100,00	FC	100,00	100,00
SEFC (2)	France	A	EUR	FC	51,00	100,00	-	-	-
SENEGAL KENI PAINTING	Sengal	A	XAF	FC	100,00	55,00	FC	100,00	55,00
SEP Altrad Services Nord	France	A	EUR	IP	100,00	100,00	IP	46,00	45,04
SEP Baumert Prezioso (6)	France	A	EUR	IP	50,00	50,00	IP	46,00	45,04
SEP Blayais Golfech	France	A	EUR	FC	100,00	100,00	FC	96,00	95,04
SEP ENDEL MARCOULE PHENIX (2)	France	A	EUR	IP	50,00	50,00	-	-	-
SEP ENT.NAV./MEDIACO (2)	France	A	EUR	IP	50,00	50,00	-	-	-
SEP Prezioso Solorpec	France	A	EUR	IP	50,00	50,00	IP	46,00	45,04

Denomination		Currency	August 31, 2022			August 31, 2021			
			Method	Interest %	Control %	Method	Interest %	Control %	
Services (following)									
SEP Prezioso-Lassarat (6)	France	A	EUR	IP	60,00	60,00	IP	55,19	54,05
SEP Prezioso-Technilor / SN-SGC (6)	France	A	EUR	IP	60,00	60,00	IP	55,19	54,05
SEP RJH (2)	France	A	EUR	FC	100,00	100,00	-	-	-
Servtech Limited (3)	UK	B	GBP	FC	100,00	100,00	-	-	-
Servtech UK Limited (3)	UK	B	GBP	FC	100,00	100,00	-	-	-
Shanghai Hertel Yanda Installation Engineering Co.Ltd.	China	A	CNY	FC	51,00	51,00	FC	51,00	51,00
Ship Support Services Limited (7)	UK	A	GBP	NC	-	-	MEE	50,00	50,00
SOCAR-Cape LLC (5)	Azerbaijan	B	USD	FC	100,00	100,00	FC	49,00	49,00
Somewatch Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Somewin Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Sparrows FZE (3)	Dubai	B	AED	IG	100,00	100,00	-	-	-
Sparrows Global Ressources Pte Ltd (3)	Singapor	B	SGD	IG	100,00	100,00	-	-	-
Sparrows BSM Engenharia Ltda (3)	Brasil	B	BRL	MEE	50,00	50,00	-	-	-
Sparrows (Equatorial Guinea) Ltd (3)	UK	B	GBP	FC	100,00	100,00	-	-	-
Sparrows Holdings Australia Pty Ltd (3)	Australia	B	AUD	FC	100,00	100,00	-	-	-
Sparrows India 1 Limited (3)	UK	B	GBP	FC	100,00	100,00	-	-	-
Sparrows India 2 Limited (3)	UK	B	GBP	FC	100,00	100,00	-	-	-
Sparrows Offshore International Group Limited (3)	UK	B	GBP	IG	100,00	100,00	-	-	-
Sparrows Offshore LLC (3)	US	B	USD	IG	100,00	100,00	-	-	-
Sparrows Offshore Services (Singapore) Pte Limited (3)	Singapor	B	SGD	IG	100,00	100,00	-	-	-
Sparrows Offshore Services India Private Limited (3)	India	B	IND	IG	100,00	100,00	-	-	-
Sparrows Offshore Services Ltd (3)	UK	B	GBP	IG	100,00	100,00	-	-	-
Sparrows Saudi Arabia LLC (3)	Saudi Arabia	B	SAR	IG	100,00	100,00	-	-	-
Sparrows Services Australia Pty Ltd (3)	Australia	B	AUD	IG	100,00	100,00	-	-	-
SS AO Lifting Solutions Lda (3)	Angola	B	AOA	IG	100,00	100,00	-	-	-
Tenaga Sparrows Sdn Bhd (3)	Brunei	B	BND	IG	100,00	100,00	-	-	-
Technilor (6)	France	A	EUR	FC	100,00	100,00	FC	91,99	90,08
TENEO (2)	France	A	EUR	FC	100,00	100,00	-	-	-
TES (2)	France	A	EUR	FC	65.05	100,00	-	-	-
Total Corrosion Control Pty Limited (7)	Australia	A	AUD	NC	-	-	FC	100,00	100,00
Trad Group (6)	UK	A	GBP	FC	100,00	100,00	FC	95,00	95,00
Trad Hire & Sales (6)	UK	A	GBP	FC	100,00	100,00	FC	95,00	95,00
Trad Hire & Sales Midlands (6)	UK	A	GBP	FC	100,00	100,00	FC	95,00	95,00
Trad Hire & Sales Nothern (6)	UK	A	GBP	FC	100,00	100,00	FC	95,00	95,00
Trad Hire & Sales Scotland (6)	UK	A	GBP	FC	100,00	100,00	FC	95,00	95,00
Trad Safety Systems (6)	UK	A	GBP	FC	100,00	100,00	FC	95,00	95,00
Trad Scaffolding (6)	UK	A	GBP	FC	100,00	100,00	FC	95,00	95,00
TRIHOM (2)	France	A	EUR	MEE	34,00	34,00	-	-	-
UAB Armari	Lituania	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Valmec Australia Pty Ltd (6)	Australia	A	AUD	FC	100,00	100,00	-	-	-
Valmec Limited (6)	Australia	A	AUD	FC	100,00	100,00	-	-	-
Valmec Plant and Equipment Ltd (6)	Australia	A	AUD	FC	100,00	100,00	-	-	-
Valmec Services Pty Ltd (6)	Australia	A	AUD	FC	100,00	100,00	-	-	-
Willich Service & Construction Co. Ltd.	Thailand	B	THB	FC	100,00	100,00	FC	100,00	100,00
Woodlands Park Property Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Others									
Financière Guy Noël	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
NYX AG Partners	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Poujaud Altrad	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
SCI Gros Chêne	France	B	EUR	FC	99,99	99,99	FC	99,99	99,99
SCI Les Pres Sapin	France	B	EUR	FC	100,00	100,00	FC	100,00	100,00

Note:

Note A : accounting closing date 31 August

Note B : accounting closing date 31 December, an interim financial statement is established as at 31 August

(*) these entities have changed their name during the period

Méthod:

FC : Full Consolidation

MEE : Equity method

IP : Proportional consolidation

NC : Not consolidated

- (1) Companies included in the scope of consolidation as a result of the acquisition of the RMD Group in October 2021.
- (2) Companies included in the scope of consolidation as a result of the acquisition of the Endel Group in April 2022.
- (3) Companies included in the scope of consolidation as a result of the acquisition of the Sparrows Group in July 2022.
- (4) Companies consolidated during the financial year ended 31st August 2022. These are Altrad Australia Pty Ltd, Valmec Australia Pty Ltds, Valmec Limited, Valmec Plant and Equipment Ltd, Valmec Services Pty Ltd, Altrad Energy Support Services Ltd, Altrad Services A/S, Altrad Gixtaala, Altrad Services Ltd, FRP Products Co, Cides Congo, Prezioso Linjebygg Mozambique.
- (5) The Altrad Group incorporates 100% of the Cape Group in its consolidated financial statements as of 31.08.2018. Under the Scheme of Arrangement, Scheme Shares have been established in CCS, CIH and Cape plc and are held by an independent third party on behalf of the creditors of the Scheme of Arrangement. These shares have special rights allowing the Scheme of Arrangement shareholder to protect the interests of creditors. The special voting share of Cape plc is held by Law Debenture Trust Corporation plc on behalf of the creditors of the Scheme of Arrangement. The rights attached to this share are designed so that the assets of the Scheme of Arrangement are used only to settle its claims and costs. It does not confer any right to receive a dividend distribution or a refund of surplus reserves. The holder will, however, have the right to demand the redemption of the Company's share at its nominal value at any time after the end of the Scheme of Arrangement. The share carries two voting rights for each voting right that the holders of the other classes of outstanding shares are entitled to exercise over any proposed resolution during the term of the Scheme of Arrangement which commits the company to certain activities specified in its Articles of Association. The Company will not be permitted to perform certain activities specified in its Articles of Association without the prior consent of the holder of the share. Any distribution that Cape plc proposes to make to its shareholders may not, without the consent of the Scheme of Arrangement Shareholder, exceed the greater of the following two amounts: (i) 50% of the consolidated adjusted operating income of the Cape Group for the prior year and (ii) the total authorised dividends earned in the prior year. This restriction therefore imposes a cap on the amount of dividends that Cape plc can pay each year.
- (6) In accordance with the accounting treatment adopted, the Group opted for the companies concerned, as of the takeover, for the recognition of a liability in the consolidated balance sheet in return for the non-recognition of minority interests.
At 31st August 2022, the unexercised options concerned the entities TRAD, IRBAL, MULTI UP, DESSA, Vamec, SNKP, Cides and the PREZIOSO Group.
- (7) Companies consolidated during the financial year ended 31st August 2022. Linjebygg Norway AS, Prezioso Qatar, Cape (Group Services) Limited, Cape Calsil International Limited, Cape Overseas Limited, DBI Industrial Services Limited, Nuclear New Build Industrial Services Limited, Ship Support Services Limited, Cape Industrial Services Pty Limited, Cape Marine and Offshore Pty Limited and Total Corrosion Control Pty Limited have been wound up
These transactions have no impact on the Group's equity.
Other exits from the scope: Financière Guy Noel and Altrad Industrial Projects & Maintenance were merged into other consolidated subsidiaries during the 2021 - 2022 financial year.
- (8) Companies that apply section 264 (3) of the HGB (German Commercial Code).