GRANT THORNTON
Membre français de Grant Thornton International

ERNST & YOUNG Audit

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 2024

Statutory Auditors' report on the consolidated financial statements

GRANT THORNTON
Membre français de Grant Thornton International
Cité Internationale
44, quai Charles-de-Gaulle
CS 60095
69463 Lyon cedex 06
S.A.S. au capital de € 2 297 184
632 013 843 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles et du Centre

ERNST & YOUNG Audit
Immeuble Le Blasco
966, avenue Raymond Dugrand
CS 66014
34060 Montpellier
S.A.S. à capital variable
344 366 315 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles et du Centre

Altrad Investment Authority
A.I.A.

Year ended 31 August 2024

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 2024.

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 2024 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 2023 to the date of our report.

Observation

Without calling into question our opinion expressed hereabove, we draw your attention to Note 12.1 "Detail of net indebtedness" to the consolidated financial statements, which sets out the information concerning the maturity dates of the Group's financial debt regarding the breach of a contractual obligation of a syndicated loan agreement at year-end and the obtention of a waiver in the subsequent financial year.

Justification of Assessments

In accordance with the requirements of articles L. 821-53 and R. 821-180 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 redoing the calculations made.

■ **Measurement of goodwill and trademarks**

Note 4 "Goodwill" and section 5.2 "Impairment testing of non-amortizable intangible assets (excluding goodwill)" 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, for a net amount of €1,865m.

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 2024-2025 budget.

Valuation of provisions

As at 31 August 2023 and 31 August 2024 the Group recognized provisions further to tax reassessment notices from the French Tax Administration on 27 December 2023 and 19 December 2024, as described in Note 1.4 "Audit of accounting records" to the consolidated financial statements.

Our work consisted in familiarizing ourselves with the Management's analyses and conclusions, and using the information available to assess the data and assumptions used to calculate the provision.

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

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. 821-55-1 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 or refuse to certify the statements;

- 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, 4 April 2025

The Statutory Auditors

French original signed by

GRANT THORNTON
Membre français de Grant Thornton International

ERNST & YOUNG Audit

Helmi Ben Jezia

Amélie Van Elst

Lionel Denjean

ALTRAD GROUP

CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 AUGUST 2024

Altrad Investment Authority, S.A.S.

16, avenue de la Gardie

34510 FLORENSAC

RCS 529.222.879

CONSOLIDATED INCOME STATEMENT

INCOME STATEMENT *(in thousands of euros)*	**Notes**	**August 31, 2024**	**August 31, 2023**
Revenue from current activities	**22.1**	**5 452 243**	**5 285 513**
Cost of raw materials and merchandises	22.2	(1 101 546)	(1 057 816)
Personnel costs	22.3	(2 618 804)	(2 445 925)
Other external expenses	22.4	(1 054 120)	(1 116 728)
Depreciations and amortizations	23	(250 339)	(223 504)
Share of profit from associates accounted for under the equity method	7.2	2 570	7 415
Current operating profit		**430 004**	**448 955**
Other non-recurring revenues and expenses	24	(25 717)	(21 870)
Restructuring	25	(16 997)	(12 332)
Operating profit		**387 290**	**414 754**
Income from cash and cash equivalents	26	39 013	20 263
Cost of gross financial debt	26	(127 737)	(144 274)
Cost of net financial debt		**(88 724)**	**(124 012)**
Other financial products	26	98 185	97 748
Other financial expenses	26	(88 595)	(84 096)
Profit before tax		**308 156**	**304 395**
Income tax expense	8.1	(98 236)	(221 931)
Profit for the year from continuing operations		**209 921**	**82 464**
Profit/(loss) after tax for the year from discontinued operations		(0)	(0)
Profit for the year		**209 921**	**82 464**
Equity holders of the parent		***194 040***	***72 605***
Non-controlling interests		***15 881***	***9 859***
Basic, profit for the year attributable to ordinary equity holders of the parent (in Euros)	27	***57,11***	***21,40***
Diluted, profit for the year attributable to ordinary equity holders of the parent (in Euros)	27	***56,50***	***19,85***

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(In thousands of euros)	Notes	August 31, 2024	August 31, 2023
Consolidated net profit		**209 921**	**82 464**
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods		**(3 072)**	**(71 920)**
Exchange differences on translation of foreign operations		(3 072)	(71 920)
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods		**(233)**	**3 418**
Remeasurement gains (losses) on defined benefit plans - gross value		(340)	4 135
Remeasurement gains (losses) on defined benefit plans - tax effect		107	(717)
Total comprehensive income for the year, net of tax		**206 616**	**13 962**
Equity holders of the parent		***192 129***	***4 103***
Non-controlling interests		***14 487***	***9 859***

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – ASSETS

ASSETS *(in thousands of euros)*	Notes	August 31, 2024	August 31, 2023 (1)
		Net	**Net**
Goodwill	4	1 808 601	1 784 941
Others intangible assets	5	123 982	127 446
Property, plant and equipment	5	618 011	603 905
Right of use assets	6	229 985	222 842
Non-current financial assets and other non-current assets	7.1	31 632	27 781
Investments in associates	7.2	18 680	6 853
Deferred tax assets	8.3	83 207	118 716
Non-current assets		**2 914 098**	**2 892 484**
Inventories	10	227 225	246 008
Trade receivables and contract assets	11	1 223 101	1 280 584
Income tax receivable	11	28 808	18 345
Other current assets	11	229 059	235 958
Cash, restricted cash and cash equivalent	12.1	1 193 821	1 312 555
Current assets		**2 902 014**	**3 093 451**
Assets held for sale		0	77
Total assets		**5 816 111**	**5 986 012**

(1) Changes have been made to the 2023 financial statements as originally published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Prefal and Ausgroup. (see Note 2.4).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - LIABILITIES AND EQUITY

EQUITY & LIABILITIES *(in thousands of euros)*	Notes	August 31, 2024	August 31, 2023 (1)
Issued capital and other capital reserves	17.2	367 259	367 259
Other reserves		563 224	655 033
Profit for the period (Group share)		194 040	72 605
Non-controlling interests	17.3	4 754	5 921
Total equity		**1 129 277**	**1 100 818**
Others Shareholders' funds	12.3	20 700	47 110
Interest-bearing loans and borrowings, non-current	12.1	5 858	1 244 402
Lease liabilities, non-current	12.1	172 213	169 772
Reserve for risks and social engagement, non-current	18	457 716	489 161
Other non-current liabilities	20	112 843	139 526
Deferred tax liabilities	8.3	52 874	57 780
Non-current liabilities		**822 205**	**2 147 751**
Interest-bearing loans and borrowings, current	12.1	1 744 669	664 546
Lease liabilities, current	12.1	64 950	58 215
Reserve for risks and social engagement, current	18	72 690	98 301
Trade and other payables	19	981 958	1 011 220
Income tax payable	19	67 671	42 822
Other liabilities	19	932 693	862 340
Current liabilities		**3 864 631**	**2 737 443**

(1) Changes have been made to the 2023 financial statements as originally published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Prefal and Ausgroup. (see Note 2.4).

CONSOLIDATED CASH FLOW STATEMENT

In thousands of euros	Notes	August 31, 2024	August 31, 2023
OPERATING ACTIVITIES			
Net Profit - Attributable to equity holders of the parent		**194 040**	**72 605**
Non-controlling interests		15 881	9 859
Profit from associates accounted for under the equity method		(2 570)	(7 415)
Depreciation, amortisation and impairment of tangible and intangible assets		166 388	259 132
The change in fair value and discounting of derivative financial instruments		8 054	(23 538)
Gain / (Loss) on disposal		57 357	35 962
Other income and expenses with no cash impact		(20 664)	(880)
Deferred tax	8.3	16 120	7 194
Self-financing capacity		**434 606**	**352 919**
Current income tax	8.1	73 689	51 737
Income tax paid		(54 225)	(75 169)
Cost of net financial debt	26	88 724	128 159
Changes in inventories		*22 482*	*20 196*
Changes in trade receivables, contract assets and others receivables		*41 013*	*(102 208)*
Changes in trade payables, contract liabilities and others payables		*(8 865)*	*167 420*
Working capital adjustments	**9**	**54 631**	**85 394**
NET CASH FLOWS FROM OPERATING ACTIVITIES		**597 425**	**543 040**
INVESTING ACTIVITIES			
Purchase of intangible assets		(13 604)	(4 047)
Purchase of property, plant and equipment		(183 689)	(195 133)
Proceeds from sale of property, plant and equipment and intangible assets		14 084	16 888
Purchase of financial assets		(48)	(15)
Proceeds from sale of financial assets		(2 803)	(980)
Acquisition of a subsidiary, net of cash acquired	3.2	(24 600)	(49 848)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(210 661)**	**(233 134)**
FINANCING ACTIVITIES			
Capital increase of the parent company		5	12
Dividends paid to equity holders of the parent		(116 635)	(26 567)
Dividends paid to non-controlling interests		(15 750)	(3 535)
Interest paid		(86 907)	(123 336)
Proceeds from borrowings		2 917	137 115
Payment of the rent debt IFRS16	12.2	(78 392)	(62 161)
Repayment of borrowings	12.2	(172 995)	(306 191)
Others debts		(32 455)	(12 269)
NET CASH FLOW FROM (USED IN) FINANCING ACTIVITIES		**(500 213)**	**(396 932)**
NET INCREASE IN CASH AND CASH EQUIVALENT		**(113 254)**	**(129 184)**
Net foreign exchange difference		194	(42 158)
CASH AND CASH EQUIVALENTS AT OPENING*	**12**	**1 248 981**	**1 378 165**
CASH AND CASH EQUIVALENTS AT CLOSING*	**12**	**1 135 726**	**1 248 981**
Cash, restricted cash and cash equivalent	12	**1 193 821**	**1 312 562**
- deduction restricted cash		(47 626)	(42 793)
Positive Cash	12	**1 146 195**	**1 269 769**
Positive Cash		1 146 195	1 269 762
Negatve Cash		(10 469)	(20 781)
CASH AND CASH EQUIVALENTS AT CLOSING	12	**1 135 726**	**1 248 981**

(*) excluding restricted cash (see note 12.1); Closing cash and cash equivalents correspond to cash and cash equivalents of €1,146M, less restricted cash of €47.6M and bank overdrafts of €10M.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in thousands of euros)	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
RESTATED EQUITY AS OF SEPTEMBER 1, 2022	**339 782**	**27 477**	**(63 714)**	**828 773**	**1 132 317**	**21 753**	**1 154 069**
Profit for the period 2023	-	-	-	32 354	32 354	5 131	37 486
Other comprehensive income	-	-	(30 829)	-	(30 829)	(1 203)	(32 032)
Total comprehensive income for the year	**-**	**-**	**(30 829)**	**32 354**	**1 526**	**3 928**	**5 454**
Cash dividends on 2022 profit	-	-	-	(30 505)	(30 505)	(205)	(30 710)
Operation on equity	-	-	-	-	-	-	-
Operations between shareholders and non controlling interests	-	-	-	578	578	-	578
Other (1)	-	-	-	(2 076)	(2 076)	(23 073)	(25 149)
	-	-	-	-	-	-	-
EQUITY AS OF AUGUST 31, 2023	**339 782**	**27 478**	**(63 714)**	**855 913**	**1 159 456**	**21 753**	**1 181 208**
RESTATED EQUITY AS OF SEPTEMBER 1, 2022	**339 782**	**27 477**	**(63 714)**	**823 172**	**1 126 715**	**21 753**	**1 148 467**
Profit for the period 2023	-	-	-	72 605	72 605	9 859	82 464
Other comprehensive income	-	-	(71 920)	3 418	(68 502)	-	(68 502)
Total comprehensive income for the year	**-**	**-**	**(71 920)**	**76 023**	**4 103**	**9 859**	**13 962**
Cash dividends on 2022 profit	-	-	-	(32 586)	(32 586)	(3 535)	(36 121)
Operation on equity	-	-	-	-	-	-	-
Operations between shareholders and non controlling interests	-	-	(49)	108	59	-	59
Other (1)	-	-	241	(3 637)	(3 393)	(22 156)	(25 549)
	-	-	-	-	-	-	-
EQUITY AS OF AUGUST 31, 2023	**339 782**	**27 477**	**(135 442)**	**863 080**	**1 094 897**	**5 920**	**1 100 818**
Correction of opening balance sheet (*)	-	-	-	-	-	-	-
RESTATED EQUITY AS OF SEPTEMBER 1, 2023	**339 782**	**27 477**	**(135 442)**	**863 080**	**1 094 897**	**5 920**	**1 100 818**
Profit for the period 2024	-	-	-	194 040	194 040	15 881	209 921
Other comprehensive income	-	-	(1 678)	(233)	(1 911)	(1 394)	(3 305)
Total comprehensive income for the year	**-**	**-**	**(1 678)**	**193 807**	**192 129**	**14 487**	**206 616**
Cash dividends on 2023 profit (**)	-	-	-	(162 864)	(162 864)	(15 750)	(178 614)
Operation on equity	-	-	-	-	-	-	-
Operations between shareholders and non controlling interests	-	-	-	(0)	(0)	89	88
Other (1)	-	-	(398)	760	362	8	370
	-	-	-	-	-	-	-
EQUITY AS OF AUGUST 31, 2024	**339 782**	**27 477**	**(137 518)**	**894 782**	**1 124 524**	**4 754**	**1 129 277**

(*) Changes have been made to the 2023 financial statements as originally published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Prefal and Ausgroup which had no impact on consolidated net equity.

(**) Including €116,635K in dividends paid to parent company shareholders and €46,229K in dividends still to be paid at 31 August 2024.

(1) At 31 August 2024, the "Other" line corresponds to various individually insignificant transactions. The same applies to the "other" line at 31 August 2023. Other transactions involving controlling interests correspond to the acquisition of Babcock.

(2) Translation adjustments included in other components of comprehensive income comprise +€14.8M of translation adjustments on Group consolidation reserves, offset by -€16.3M of unrealised foreign exchange losses on long-term net investments abroad (notably in Angola and Nigeria), in application of IFRS9.

Description of the business

The Group's industrial services business now accounts for 84% of its turnover, while its equipment business, which includes the manufacture, rental and sale of equipment dedicated to the building market with 16% of its business.

For the services branch, Altrad's activities range from project engineering to installation maintenance in sectors as varied as hydrocarbons, electrical energy, process industries and construction. Altrad is expanding its role in the nuclear industry in Europe and the Middle East. With the acquisition of Endel in 2022, Altrad is recognised by the sector's major contractors as a strategic partner in the construction and maintenance of nuclear sites. Today, the Group is ideally positioned to support the development of this sector over the next two decades. Altrad is also actively involved in the energy transition by contributing to renewable energy projects, particularly in the hydrogen and nuclear fusion sectors. The trust placed in the Group to deploy its services, always in optimum safety conditions and in accordance with the most demanding international standards, reflects Altrad's reputation for operational excellence and quality of service.

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.

Basis of preparation of the IFRS consolidated financial statements

The consolidated financial statements of the Altrad Group as at 31 August 2024 were approved by the Board of Directors of Altrad Investment Authority on 04 April 2025. They will be submitted for the shareholders' approval at the Annual General Meeting of 04 April 2025.

Altrad Participations establishes consolidated financial statements under IFRS, including Altrad Investment Authority and all its subsidiaries.

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

1.1 Business combinations

Business combinations this year included the acquisition of the following companies: Edilservizi Piacenzsa SRL, Beerenberg

Acquisition of the Edilservizi Piacenzsa SRL Group

On 12 December 2023, the Altrad Group acquired 55% of the capital of Edilservizi Piacenzsa SRL, which had already been a long-standing customer, for over 20 years, of the Altrad Italia subsidiary as part of its services business, with design, hire, erection and dismantling of scaffolding on construction or maintenance sites. The company was renamed Altrad Services Italia.

The company is 100% consolidated in the Altrad Group's financial statements. The acquisition price of shares amounted to €8.1M (see Note 3.1)

This company also has a subsidiary called Treci Servizi Industrilai Srl, which was absorbed in June 2024.

Acquisition of the Beerenberg Group

On 5 July 2024, Altrad Investment Authority acquired 24.7% of the capital of the Norwegian company Beerenberg AS for €14.3M, thereby acquiring significant influence over this group.

It is a group specialising in industrial services, which also has a robotics business and manufactures high-quality insulation for the industrial sector.

Stork

In April 2024, the Altrad Group, through its subsidiary Altrad Uk, acquired Stork's UK business which has an annual turnover of £209M (€243M) and employs approximately 1,900 people providing a range of maintenance, inspection and asset integrity services both onshore and offshore. After obtaining the approval from the competition authorities, the acquisition was completed on 1 February 2025 for £58.6M (€70M).

1.2 Operations on the existing scope

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.

Deconsolidation in Russia

The sector-based sanctions that apply in Russia have resulted in the Group losing control of these entities, therefore requiring deconsolidation. This disposal generated a non-recurring loss of €8.8M corresponding to the disposal of the net asset value. These subsidiaries were not significant for the Group, representing €3M of sales at 31 August 2023 and €8.5M of cash recorded as a change in scope in the TFT at 31 August 2024 (see note 3.2). The recoverable amount of these investments does not represent a loss in value.

1.3 Altrad Group partnership

Altrad remains the main rugby union partner of the French and New Zealand rugby team. It is present on the official shirts of the national teams to promote the Altrad brand.

1.4 Audit of accounting records

With regard to the audit for the period from 1 September 2017 to 31 August 2020, as a reminder, on 27 December 2023, the tax authorities issued 'Altrad Investment Authority' with a tax adjustment notice for a total amount of €318M including the principal, surcharges and penalties.

In view of the arguments it has sent to the tax authorities, the Company contests the majority of the reassessments and penalties notified. Nevertheless, during the second half of the financial year ending 31 August 2023, the company booked a provision of €163M, in addition to the €9.7M already booked in the financial statements for the year ending 31 August 2022.

In February 2024, the company 'Altrad Investment Authority' received a notice of audit relating to the period September 2020 - August 2023 for a total amount of €13.3M including the principal, surcharges and penalties. Given the existing provisions, an additional provision of €8.4M has been recognised in 2024.
The company will enter into negotiation during the second quarter of 2025 with the tax authorities to consider an overall agreement to close these two issues potentially before the end of the 2025 financial year.

On 22 May 2024, 'Endel SAS' received an audit notice of verification relating to the period from January 2021 to August 2023.

On 9 April 2024, 'Prezioso SAS received an audit notice relating to the period September 2020-August 2023.

The authorities have begun their investigations and to date have not issued any notification. No provision has been recorded as the Group has not identified any significant risk.

1.5 Other events

In 2023, the Altrad Group received a report concerning one of its foreign subsidiaries involving potential non-compliant practices. This prompted the Group to launch an internal investigation and make a self-disclosure to the relevant authorities. The resulting impact on the contractual obligations of the syndicated loan dated May 2022 led to a reclassification of €1,068 million as current debt, as described in Note 12.1 "Details of net indebtedness."

In March 2025, the legal resolution of the matter—without any prosecution—along with the implementation of a two-year compliance monitoring program, resulted in the recognition of a non-recurring expense of €20.4 million. This amount is recorded as a short-term operating liability of €10.2 million and a long-term operating liability of €10.2 million in the financial statements as of August 31, 2024.

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 31 August 2024.

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://eur-lex.europa.eu/homepage.html?locale=fr

2.1.1 New standards and interpretations applicable for the year ended 31 August 2024

The accounting principles applied are the same as those used in preparing the consolidated financial statements for the year ended 31 August 2023 and notably for the going concern principle (see note 12.1), with the exception of the following new standards and interpretations having had no significant impact on the financial statements:

- 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.

IFRS applicable to financial years beginning on or after 01/01/2023 applicable for the financial year ending 31/08/2024:

- Amendment to IAS 1 "Disclosure of Accounting Policies";
- Amendments to IAS 8 "Definition of an Accounting Estimate";
- Amendment to IAS 12 "Deferred tax relating to assets and liabilities arising from the same transaction";
- Amendment to IAS 12 "Income Taxes - International Tax Reforms Pillar 2";
- IFRS 17 "Insurance Contracts - Recognition, Measurement, Presentation".

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

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 financial year ended, or they have not yet been adopted by the European Union, and their application has not been anticipated in the Group's financial statements:

The applicable standards include all standards and interpretations that came into force in the European Union before the balance sheet date.

Amendments and interpretations not yet adopted but whose content does not conflict with existing texts already adopted in Europe may be applied in advance of their adoption by the European Commission.

In this case, however, their adoption constitutes a change in accounting method in accordance with IAS 8.14, which must therefore be applied retrospectively, without the benefit of any specific transitional provisions that may be provided for in the IASB texts.

However, new standards and significant amendments to existing standards can only be applied early if they are adopted by the European Commission before the balance sheet date.

In all cases, IAS 8 requires disclosure of the estimated impact of applying standards that have been published but are not yet effective, or, if the impact cannot be reasonably estimated, a statement to that effect.

The following development does not include the guidance provided by the IASB (such as practice statements).

New standards and interpretations applicable to financial years beginning on or after 1 January 2024 in Europe

	Standard / Interpretation	Expected date of application by the IASB (financial years beginning on or after)	EU application date (No later than for financial years beginning on or after)
1	Amendments to IAS 1 Classification of liabilities as current or non-current	01/01/2024	01/01/2024
1bis	Amendments to IAS 1 Classification of non-current liabilities subject to covenants	01/01/2024	01/01/2024
2	Amendments to IFRS 16 Lease *"Rent debt in a sale and leaseback transaction".*	01/01/2024	01/01/2024
3	Amendments to IAS 7 and IFRS 7 *"Disclosure of financing arrangements with suppliers " .*	01/01/2024	01/01/2024

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;

1. Other published standards and amendments

	Standard / Interpretation	Expected date of application by the IASB (financial years beginning on or after)	EU application date (No later than for financial years beginning on or after)
1	Amendments to IAS 21 The effects of changes in foreign exchange rates: lack of convertibility	01/01/2025	NC*
2	Amendments to the classification and measurement of financial instruments (amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures)	01/01/2026	NC*
3	IFRS 18 Presentation and Disclosure in Financial Statements	01/01/2027	NC*
4	IFRS 19 Subsidiaries not subject to public accountability: disclosures	01/01/2027	NC

In December 2021, the Organisation for Economic Co-operation and Development (OECD) published a draft reform of international tax rules proposing, among other things, the introduction of a minimum 15% tax on profits made by multinational groups ("Global rules to combat erosion of the tax base" or "GloBE rules" under Pillar II). In December 2022, the European Union adopted the "Pillar II" Directive, which aims to transpose the GloBE Rules. France transposed the directive as at 31 December 2023 in the Finance Act for 2024. This new legislation will therefore be applicable for the financial year beginning on or after 1 September 2024.

The Group has applied the exemption in the amendment to IAS 12 "Income Taxes" relating to the recognition of deferred tax in connection with the effects of the European Pillar 2 Directive, which consists of not recognising deferred tax in connection with this reform. The impact of the application of Pillar 2, for the financial year beginning on or after 1 September 2024, on the current tax charge relating to the top-up tax payable under Pillar 2, is currently being analysed.

We plan not to apply the safe harbour transitional measures and consider that at present - and subject to the figures for the financial year beginning last 1 September - that we could be exposed to paying a top-up tax in a few jurisdictions identified to date (United Arab Emirates - Singapore - Ireland - Saudi Arabia) and on the scale of the taxes paid by the Group (€222M in 2023 and €98M in 2024 respectively, see Note 8), should not be significant.

In the context of this directive, the IASB has published an amendment to IAS 12 "Income Taxes" - International Tax Reform - Pillar 2 rules. This amendment provides for a temporary exemption from the recognition of deferred tax resulting from the implementation of this directive.

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 the treatment of purchase options on non-controlling 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 31/08/2024 to the subsidiaries IRBAL, Dessa, Prezioso, Multi-Up and Senegal Keni Painting, Valmec, Generation, Endel Reunion, Rancanti and CIDES Congo). Subsequent changes in put option liabilities are recognised in the income statement.

The Group does not expect these new standards to have a material impact on its financial statements.

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 11) and inventories (see Note 10);

- 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);

- 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. They are allocated per Business Segment, comprising two cash-generating units (CGUs). Goodwill 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 acquired outside of business combinations are valued at historical cost less accumulated depreciation and impairment. Property, plant and equipment acquired in business combinations are recognised at fair value at the date control is acquired and are depreciated over their estimated useful lives (see table below).

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		
Softwares		3 years
Concessions, Patents, licences		3 to 7 years
Other intangible assets		1 to 5 years
TANGIBLE ASSETS		
Buildings:		
- Structure (structural work)	60%	20 to 25 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		3 to 12 years
Transport equipment		3 to 5 years
Other capital assets		2 to 15 years

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 lessee). 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 1 September 2019 (transition date). It has not been updated since 31 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 in subsidiaries and affiliates acquired for the purpose of exercising long-term control over the issuing company, 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 12.4.

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 amount between the book value and the fair value, less selling costs. 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 IAS 2, 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 IAS 12.

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 31 August 2024:

Country	2023/2024	2022/2023
Germany	25,00%	30,00%
Australia	30,00%	30,00%
Saudi Arabia	20,00%	20,00%
Belgium	25,00%	25,00%
France	25,83%	25,83%
Netherlands	25,80%	25,00%
UK	25,00%	25,00%
Angola	25,00%	35,00%

Net indebtedness

The Group defines net debt as follows: Borrowings less cash, restricted cash and cash equivalents (see Note 12).

Financial debts include:

- Non-current financial liabilities: 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 as steady over the remaining term of the structured financing.
- Current financial liabilities: this includes the short-term portion of bank loans, lease-related debts and other miscellaneous financial debts as well as bank overdrafts.

Cash and cash equivalents include marketable securities, cash and cash equivalents and restricted cash. The liquid assets mainly consist of bank accounts and risk-free cash investments with a liquidity of less than 3 months. Restricted cash corresponds to cash reserves allocated to specific transactions. These 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 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 and the service rendered.

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. There is no plan for free shares during the financial year.

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 €52.1M 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 second-hand equipment in the course of operations and the net book value of the assets sold have a direct impact on operating cash flow under the heading "capital gains and losses on disposals".

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. 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:

Fixed costs x [1-((Quantity produced in N / Maximum productive capacity)/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 2 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 1 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.

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 mainly concerns subsidiaries in the Prezioso sub-group (Prezioso Angola, Prezioso do Brazil, Linjebygg Norway AS).

Below are the exchange rates of the currencies the most represented in the Group, at 31 August 2024:

		Opening rate	Average rate	Closing rate
AUD	Australian dollar	0,595770	0,607502	0,613459
AZM	Azerbaijani Manat	0,544339	0,544520	0,528896
GBP	British pound sterling	1,166616	1,166892	1,188778
USD	US dollar	0,920132	0,925284	0,901957
AOA	Angolan Kwanza	0,001117	0,001099	0,000998

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 31 August 2023

Finalisation of the allocation of fair values relating to the acquisition of Prefal

On 1 January 2023, Altrad acquired Prefal Isolamentos térmicos unipessoal Lda from the Bilfinger Group. 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.

The company has been 100% in the Altrad Group's financial statements since 1 January 2023. The acquisition cost of the securities amounted to €8.9M. The purchase agreement does not provide for a top-up payment.

As at 31 August 2023, 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 IFRS 3.

Therefore, the provisional goodwill was positive and amounted to €4.1M at 31 August 2023.

Calculation of the final goodwill of Prefal:

(In K€)	K€
Provisional goodwill as at August 31, 2023	**4 072**
Correction of opening balance sheet	2 750
Final goodwill as at August 31, 2024	**6 822**

The finalisation of the evaluation of fair values of assets and liabilities acquired resulted in a final goodwill of €6.8M at 31 August 2024. These retrospective adjustments mainly concern the provisions for contract losses.

No deferred tax was recognised on the measurement of fair values in the balance sheet.

Acquisition of Ausgroup

On 1 January 2023, Altrad acquired AusGroup, which 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.

The company has been 100% in the Altrad Group's financial statements since 1 January 2023. The acquisition price of shares amounted to AUD8M, or €5.5M.

As at 31 August 2023, 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 IFRS 3.

Therefore, the provisional goodwill was positive and amounted to AUD14.7M or €8.7M at 31 August 2023.

Calculation of the final goodwill of Ausgroup:

(In KAUD)	KAUD
Provisional goodwill as at August 31, 2023	**14 718**
Correction of opening balance sheet	2 864
Final goodwill as at August 31, 2024	**17 582**

The finalisation of the evaluation of fair values of assets and liabilities acquired resulted in a final goodwill of AUD17.5M (€10.5M) at 31 August 2024. These retrospective adjustments mainly concern the provisions for contract losses.

No deferred tax was recognised on the measurement of fair values in the balance sheet.

ASSETS *(in thousands of euros)*	Notes	August 31, 2023 Published			Finalization of the fair valuation of acquired assets and liabilities - IFRS3 retrospectively	August 31, 2023 Corrected
		Brut	Amortisation Depreciation	Net	Net	Net
Goodwill	4	1 780 659	(207)	1 780 452	4 489	1 784 941
Others intangible assets	5	248 244	(120 798)	127 446	0	127 446
Property, plant and equipment	5	1 998 931	(1 395 026)	603 905	0	603 905
Right of use assets	6	480 504	(257 663)	222 842	0	222 842
Non-current financial assets and other non-current assets	7.1	43 920	(16 139)	27 781	0	27 781
Investments in associates	7.2	6 853	0	6 853	0	6 853
Deferred tax assets	8.3	118 716	0	118 716	0	118 716
Non-current assets		**4 677 827**	**(1 789 832)**	**2 887 995**	**4 489**	**2 892 484**
Inventories	10	274 341	(28 333)	246 008	0	246 008
Trade receivables and contract assets	11	1 361 711	(81 126)	1 280 584	0	1 280 584
Income tax receivable	11	18 345	0	18 345	0	18 345
Other current assets	11	258 517	(22 559)	235 958	0	235 958
Cash, restricted cash and cash equivalent	12.1	1 312 563	(8)	1 312 555	0	1 312 555
Current assets		**3 225 476**	**(132 026)**	**3 093 451**	**0**	**3 093 451**
Assets held for sale		**77**		**77**		**77**
Total assets		**7 903 380**	**(1 921 857)**	**5 981 523**	**4 489**	**5 986 012**

ASSETS *(in thousands of euros)*	Notes	August 31, 2023 Published		PREFAL	AUSGROUP	August 31, 2023 Corrected
		Net				**Net**
Goodwill	4	1 780 452		2 750	1 739	1 784 941
Others intangible assets	5	127 446				127 446
Property, plant and equipment	5	603 905				603 905
Right of use assets	6	222 842				222 842
Non-current financial assets and other non-current assets	7.1	27 781				27 781
Investments in associates	7.2	6 853				6 853
Deferred tax assets	8.3	118 716				118 716
Non-current assets		**2 887 995**		**2 750**	**1 739**	**2 892 484**
Inventories	10	246 008				246 008
Trade receivables and contract assets	11	1 280 584				1 280 584
Income tax receivable	11	18 345				18 345
Other current assets	11	235 958				235 958
Cash, restricted cash and cash equivalent	12.1	1 312 555				1 312 555
Current assets		**3 093 451**		**0**	**0**	**3 093 451**
Assets held for sale		**77**				**77**
Total assets		**5 981 523**	**0**	**2 750**	**1 739**	**5 986 012**

EQUITY & LIABILITIES *(in thousands of euros)*	Notes	August 31, 2023 Published	Finalization of the fair valuation of acquired assets and liabilities - IFRS3 retrospectively	August 31, 2023 Corrected
Issued capital and other capital reserves	17.2	367 259	0	367 259
Other reserves		655 033	0	655 033
Profit for the period (Group share)		72 605	0	72 605
Non-controlling interests	17.3	5 921	0	5 921
Total equity		**1 100 818**	**0**	**1 100 818**
Others Shareholders' funds	12.3	47 110	0	47 110
Interest-bearing loans and borrowings, non-current	12.1	1 244 402	0	1 244 402
Lease liabilities, non-current	12.1	169 772	0	169 772
Reserve for risks and social engagement, non-current	18	489 161	0	489 161
Other non-current liabilities	20	139 526	0	139 526
Deferred tax liabilities	8.3	57 780	0	57 780
Non-current liabilities		**2 147 751**	**0**	**2 147 751**
Interest-bearing loans and borrowings, current	12.1	664 546	0	664 546
Lease liabilities, current	12.1	58 215	0	58 215
Reserve for risks and social engagement, current	18	93 812	4 489	98 301
Trade and other payables	19	1 011 220	0	1 011 220
Income tax payable	19	42 822	0	42 822
Other liabilities	19	862 340	0	862 340
Current liabilities		**2 732 954**	**4 489**	**2 737 443**
TOTAL EQUITY AND LIABILITIES		**5 981 523**	**4 489**	**5 986 012**

EQUITY & LIABILITIES (in thousands of euros)	Notes	August 31, 2023 Published	PREFAL	AUSGROUP	August 31, 2023 Corrected
Issued capital and other capital reserves	17.2	367 259			367 259
Other reserves		655 033			655 033
Profit for the period (Group share)		72 605			72 605
Non-controlling interests	17.3	5 921			5 921
Total equity		**1 100 818**	**0**	**0**	**1 100 818**
Others Shareholders' funds	12.3	47 110			47 110
Interest-bearing loans and borrowings, non-current	12.1	1 244 402			1 244 402
Lease liabilities, non-current	12.1	169 772			169 772
Reserve for risks and social engagement, non-current	18	489 161			489 161
Other non-current liabilities	20	139 526			139 526
Deferred tax liabilities	8.3	57 780			57 780
Non-current liabilities		**2 147 751**	**0**	**0**	**2 147 751**
Interest-bearing loans and borrowings, current	12.1	664 546			664 546
Lease liabilities, current	12.1	58 215			58 215
Reserve for risks and social engagement, current	18	93 812	2 750	1 739	98 301
Trade and other payables	19	1 011 220			1 011 220
Income tax payable	19	42 822			42 822
Other liabilities	19	862 340			862 340
Current liabilities		**2 732 954**	**2 750**	**1 739**	**2 737 443**
TOTAL EQUITY AND LIABILITIES		**5 981 523**	**2 750**	**1 739**	**5 986 012**

NOTE 3 CHANGES IN THE COMPOSITION OF THE GROUP

3.1 Changes in the scope of consolidation 2023/2024

As indicated in Note 1.1 Business combinations, the Group made several acquisitions during the 2024 financial year.

The Group applies the purchase method of accounting for business combinations.

At the acquisition date, goodwill corresponds to the sum of the consideration transferred (acquisition price) and non-controlling interests, less the net amount recognised (generally at fair value) in respect of identifiable assets acquired and liabilities assumed and, where applicable, the remeasurement at fair value of the previously held interest.

For each business combination, the revised IFRS 3 offers a choice between measuring non-controlling interests:

- at fair value (i.e. with goodwill allocated to them using the 'full goodwill' method); or
- their share of the fair value of the identifiable assets and liabilities of the acquired company only (i.e. without goodwill allocated to non-controlling interests, using the partial goodwill method).

The Group determines on a case-by-case basis which option it wishes to apply to account for these non-controlling interests.

Fair value is the price that would be received for the sale of an asset or paid for the transfer of a liability in a normal transaction between market participants at the measurement date.

Goodwill is allocated to the cash-generating unit (CGU) benefiting from the business combination or to the group of CGUs at the level of which the return on investment of the acquisitions is assessed (see Note 5.2).

Rights to non-controlling interests are recognised on the basis of the carrying amount of the items, as shown in the balance sheet of the acquired company.

The 2023/2024 financial year recorded the following changes in scope:

In thousands of euros	August 31, 2024
Acquisition	**Altrad Servizi Italia**
Date of acquisition of control	12/12/2023
Acquisition price	**8 141**
Intangible assets	16
Tangible assets	6 089
Rights of use	
Financial and other non-current assets	
Equity investments	
Deferred tax assets	
Non-current assets	**6 106**
Other current assets	5 339
Cash, restricted cash and cash equivalents (a)	4 066
Current assets	**9 405**
Non-current financial debts	
Non-current rent debt	
Provisions and fringe benefits	
Other non-current liabilities	
Deferred tax liabilities	
Non-current liabilities	**-**
Current borrowings	
Current rent debt	
Current provisions and benefits	716
Other current liabilities	6 318
Current liabilities	**7 034**
Minority interests	**6 661**
Total net assets at 100%	**1 816**
Goodwill	**6 325**

Acquisition of the Edilservizi Piacenzsa SRL Group

The acquisition cost of the securities amounted to €8.1M.

A call option on the 45% minority interests has been signed and has been recognised in debt for €6.7M.

The corresponding goodwill was provisionally assessed at €6.3M as at 31 August 2024. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by the revised IFRS 3.

The company's contribution to the turnover and the consolidated result group share amounted to €10.9M and €1.5M respectively as at 31 August 2024. It contributed over the period from 12 December 2023 to 31 August 2024.

Full transmission of Patrimoine Polygones Managers and Archimède Managers

By decisions dated 24 November 2023, published on 27 November 2023, Altrad Investment Authority decided to dissolve its two wholly owned subsidiaries Polygones Managers and Archimède Managers without liquidation and transfer all their assets and liabilities in accordance with the provisions of article 1844-5 paragraph 3 of the French Civil Code. Both subsidiaries were de-registered on 11 January 2024. These transactions have no impact on the financial statements for the year ended 31 August 2024.

Transfer

On 27 November 2023, Endel sold 40% of Endel Réunion for €732K. An option to buy out the Group's interests was signed at the same time and recognised as a liability in the amount of €732K, so there was no loss of control during the year.

Deconsolidation in Russia

See note 1.2 Operations on the existing scope.

3.2 Net cash on acquisitions 2024

in K€	August 31, 2024
Altrad Services Italia - Opening cash	4 067
Altrad Services Italia - Purchase price	(8 296)
Beerenberg - Purchase price	(14 273)
RMDK India - share buyback	2 251
RUSSIA- Outgoing entities	(8 469)
Other	121
Cash net /acquisitions & disposals of subsidiaries	**(24 600)**

3.3 Review of changes in scope during financial year 2022/2023

The 2022/2023 financial year recorded the following changes in scope:

In thousands of euros	August 31, 2023			
Acquisition	**Babcock**	**Ausgroup**	**Prefal**	**Remo interim**
Date of acquisition of control	09/25/2022	01/01/2023	01/01/2023	07/19/2023
Acquisition price	**31,6**	**5,5**	**8,9**	**1,82**
Intangible assets	2,4	0,6		
Tangible assets	7,2	3,0	3,1	0,0
Rights of use	18,6	3,1		
Financial and other non-current assets	3,7		2,6	
Equity investments				
Deferred tax assets	21,6	5,8		
Non-current assets	**53,5**	**12,5**	**5,7**	**0,0**
Other current assets	125,8	27,7		2,0
Cash, restricted cash and cash equivalents (a)	(11,3)	5,8		0,3
Current assets	**114,5**	**33,5**	**0,0**	**2,3**
Non-current financial debts				
Non-current rent debt	18,5	4,4		
Provisions and fringe benefits	14,6	0,4	0,7	
Other non-current liabilities	(78,2)	0,1		
Deferred tax liabilities	1,0	2,1		
Non-current liabilities	**(44,1)**	**7,0**	**0,7**	**0,0**
Current borrowings	34,1			
Current rent debt	2,4	1,1		
Current provisions and benefits	24,5	14,6		
Other current liabilities	207,9	27,5		1,7
Current liabilities	**268,9**	**43,2**	**0,0**	**1,7**
Minority interests	**(23,0)**			
Total net assets at 100%	**(33,8)**	**(4,2)**	**5,0**	**0,6**
Goodwill	**65,4**	**9,7**	**4,0**	**1,4**

a) Includes bank overdrafts and other bank overdrafts.

Acquisition of the Remo Interim group

On 19 July 2023, the Group acquired 70% of REMO INTERIM. Endel signed a purchase option on the 30% minority stake. The promise is not completed and therefore does not allow the subsidiary to be recognised at 100% in terms of the percentage held. However, the percentage of control can be set at 100% because the option can be exercised at any time.

The company has been fully consolidated in the Altrad Group's financial statements since 1 August 2023. The acquisition cost of the securities amounted to €1.8M.

No fair value adjustments were made to assets and liabilities, the opening net position amounts to €0.5M.

The corresponding goodwill was provisionally valued at 1.4 million on 31 August 2023. The final calculation of the goodwill has now been finalised in accordance with the deadline set by IFRS 3. No adjustment has been made to goodwill at 31 August 2024.

The contribution of Remo Intérim to the consolidated turnover and profit, group share, amounted respectively at 31 August 2023 to €0.1M, and €40K. It contributed over the last month of the financial year (19 July 2023 to 31 August 2023).

Acquisition of the Prefal Group

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

This transaction marked 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.

The company has been 100% in the Altrad Group's financial statements since 1 January 2023. The acquisition price of shares amounted to €8.9M (see Note 3.3). The purchase agreement does not provide for a top-up payment. On the acquisition date, the company had €0.2M in existing cash.

The opening balance sheet recorded in the Altrad scope has been corrected by €0.8M (cumulative impact on the net, to take into account in the fair value measurement of assets and liabilities. The opening net position is €4.8M.

The corresponding goodwill was provisionally assessed at €4.1M as at 31 August 2023. The final calculation of the goodwill is now finalised in accordance with the deadline granted by IFRS 3. No adjustment has been made to goodwill at 31 August 2024.

The contribution of Prefal to the consolidated turnover and profit, group share, amounted respectively at 31 August 2023 to €16M, and -€1M. It contributed over the last 8 months of the financial year (1 January 2023 to 31 August 2023).

Acquisition of the Doosan Babcock group

On 25 September 2022, the Altrad Group acquired the Doosan Babcock Ltd group. 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. 4,000 new employees have been welcomed into the Altrad Group, providing opportunities for knowledge and skills transfer.

The company has been 100% consolidated in the Altrad Group's financial statements since 1 October 2022. The acquisition price of shares amounted to £27.96M, or €31.60M. The purchase agreement does not provide for a top-up payment. On the acquisition date, the company had a cash position of €-11.4M.

The opening balance sheet recorded in the Altrad perimeter has been corrected by €23.7M (cumulative impact on the net situation), to take into account in the fair value measurement of assets and liabilities, in particular a provision of €21.9M for restructuring.

As part of the implementation of its strategy, the Altrad Group does not value the brands of acquired companies, as these will gradually be replaced by the ALTRAD umbrella brand.

The fair value measurement of the identifiable assets and liabilities amounts to £-29M (€-33.8M). The corresponding goodwill was provisionally assessed at £56.9M (€65.4M) as at 31 August 2023. The final calculation of the goodwill is now finalised in accordance with the deadline granted by IFRS 3. No adjustment has been made to goodwill at 31 August 2024.

The contribution of the Babcock Group to the consolidated turnover and profit, group share, amounted respectively at 31 August 2023 to €493.6M, and to €10.1M. It contributed over the last 11 months of the financial year (1 October 2022 to 31 August 2023).

Acquisition of Ausgroup

On 1 January 2023, Altrad acquired AusGroup, which 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.

The company has been 100% in the Altrad Group's financial statements since 1 January 2023. The acquisition price of shares amounted to AUD8M, or €5.5M.

The opening balance sheet recorded in the Altrad consolidation scope has been adjusted by AUD 3M (cumulative impact on net equity), in order to eliminate the capital gain on the sale and leaseback agreement with Kwinana for AUD-3.1M net of deferred tax.

Goodwill at 31 August 2023 has therefore been provisionally calculated at AUD14.7M, i.e. €9.7M for the Ausgroup group. The final calculations have now been completed within the timeframe allowed by IFRS 3. A goodwill adjustment of AUD 2,864K (€1,740K) has been recorded, see note 2.4.

The contribution of Ausgroup to the consolidated turnover and profit, group share, amounted respectively at 31 August 2023 to €78.7M, and to €1M. It contributed over the last 8 months of the financial year 2023 (1 January 2023 to 31 August 2023).

Creations

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

Liquidation

Liquidation of UAB Armari, Bragagnolo and Workforce Logistics Pty during the financial year ending 31 August 2023. These transactions had no impact on the Group's equity.

Merger/ Partial Asset Contribution (PAC)

PAC of the Altrad Environmental Services Offshore & Onshore Limited companies to Altrad Services Limited on 30 June 2023.
PAC of Altrad Energy Support Services Limited to Altrad Support Services Limited on 31 May 2023.

PAC of Altrad York Lining Limited to Altrad Services Limited on 30 June 2023.

PAC of Altrad Engineering Services Limited to Altrad Services Limited on 31 August 2023.

PAC of NSG to Altrad Support Services on 31 August 2023.

PAC of RMD Ireland and Altrad Generation H&S (Ireland) Ltd on 31 October 2022.

Merger by absorption of Altrad Betriebsvorrichtungen GmbH into Altrad Kiel Industrial Services GmbH on 1 October 2022.
These transactions had no impact on the Group's equity.

3.4 Net cash on acquisitions 2023

in K€	August 31, 2023
BABCOCK- Purchase price	(32 808)
BABCOCK- Opening cash	(11 363)
AUSGROUP- Purchase price	(5 040)
AUSGROUP- Opening cash	5 834
REMO - Purchase price	(1 820)
REMO - Opening cash	388
PREFAL- Opening cash	2
MUEHLAN - Earn-out	(6 200)
Other	1 159
Cash net /acquisitions & disposals of subsidiaries	**(49 848)**

NOTE 4 GOODWILL

At 31 August 2024, goodwill was broken down as follows:

In thousands of euros	Net value
Balance August 31, 2023 (1)	**1 784 941**
Changes in scope during the year	6 325
Impact of exchange rate fluctuations	17 377
Others	(41)
Balance August 31, 2024	**1 808 601**

(1) *Changes have been made to the 2023 financial statements as originally published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Prefal and Ausgroup. (see Note 2.4).*

The change in goodwill over the period is explained by the acquisition of Altrad Services Italia (€6.3M) in the Services division. The effects of exchange rate fluctuations mainly concern the appreciation of the Pound Sterling (GBP) against the Euro.

At 31 August 2024, goodwill was broken down as follows:

In thousands of euros	August 31, 2024			August 31, 2023 (1)
	Gross	**Depreciation**	**Net**	**Net**
Services division	1 698 007	-	1 698 007	1 675 453
Equipment division	111 409	(815)	110 594	109 489
Total Group	**1 809 416**	**(815)**	**1 808 601**	**1 784 941**

(1) *Changes have been made to the 2023 financial statements as originally published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Prefal and Ausgroup. (see Note 2.4).*

In accordance with IAS 36, goodwill was tested for impairment at 31 August 2024 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 2024/2025, 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 the cash flow of the following year's budget over four years according to a specific growth rate for each Business Division, then to infinity according to a standard rate of 2%.
- The 2024/2025 operating forecasts were established on the basis of the 2024/2025 budget and were extrapolated for the period 2025/2029 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 2023/2024. Discount rates reached 9.30% for the activities of the Group's Services Division and 8.60% for the activities of the Group's Equipment Division (compared to 9.90% and 8.80% respectively in 2022/2023).

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 0.5 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. A discount rate of 20.76% on the Equipment and 17.79% on the Service would reduce the value in use to the book value.

No brand impairment was recorded for the year.

NOTE 5 INTANGIBLE AND TANGIBLE FIXED ASSETS

	August 31, 2024			August 31, 2023
In thousands of euros	**Gross Value**	**Depreciation and amortization**	**Net value**	**Net value**
Franchises/patents/similar rights	17 985	(17 825)	160	1 953
Softwares	73 524	(62 803)	10 721	9 124
Brand	72 729	(15 943)	56 786	57 027
Other intangible assets (1)	96 105	(39 790)	56 315	59 341
Intangible fixed assets	**260 343**	**(136 361)**	**123 982**	**127 446**
Land	27 897	(4 914)	22 983	22 915
Constructions	194 382	(136 235)	58 147	60 450
Technical facilities, plant and equipment	1 620 206	(1 137 050)	483 156	475 196
Other tangible fixed assets and assets under construction (2)	202 117	(148 392)	53 725	45 345
Tangible fixed assets	**2 044 602**	**(1 426 591)**	**618 011**	**603 905**
Total	**2 304 945**	**(1 562 952)**	**741 993**	**731 351**

(1) Other intangible assets include customer relationships, with a gross value of €71M and a net value of €51M.
(2) Other tangible fixed assets and work in progress include transport equipment, office equipment and computer equipment.

5.1 Variation in intangible fixed assets

In thousands of euros	Net value
Balance August 31, 2022	**141 300**
Acquisitions	3 908
Disposals, retirements	(25)
Impact of changes in the consolidation scope	3 024
Change in depreciations and amortisations	(21 405)
Impact of exchange rate fluctuations	501
Others	142
Balance August 31, 2023	**127 446**
Acquisitions	13 104
Disposals, retirements	(897)
Impact of changes in the consolidation scope	18
Change in depreciations and amortisations	(17 321)
Impact of exchange rate fluctuations	1 868
Others	(236)
Balance August 31, 2024	**123 981**

Acquisitions of €13.1M correspond mainly to investments in software and operating IT tools.

5.2 Impairment tests on non-amortizable intangible assets (excluding 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 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 the cash flow of the following year's budget over four years 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 2023/2024. Discount rates reached 9.30% for the brands in the Group's Services Division and 8.60% for those in the Group's Equipment Division (compared with 9.90% and 8.80% respectively in 2022/2023).

The impairment tests carried out at 31 August 2024 did not result in any impairment of the Group's brands.

5.3 Changes in property, plant and equipment

In thousands of euros	Net value
Balance August 31, 2022	**577 996**
Acquisitions	196 402
Disposals, retirements	(42 189)
Impact of changes in the consolidation scope	13 346
Change in depreciations and amortisations	(117 632)
Impact of exchange rate fluctuations	(13 902)
Others	(10 117)
Balance August 31, 2023	**603 905**
Acquisitions	183 830
Disposals, retirements	(50 268)
Impact of changes in the consolidation scope	5 660
Change in depreciations and amortisations	(128 560)
Impact of exchange rate fluctuations	510
Others	2 935
Balance August 31, 2024	**618 011**

Acquisitions of property, plant and equipment totalled €183.8M for the year ended 31 August 2024, mainly comprising scaffolding equipment (€169.1M), buildings used to store equipment, work in progress on the construction of an operating building and various fittings to meet the Group's needs (€14.7M).

The assets are then amortised over an average period of 8 years in the consolidated accounts (note 2.3.1).

Changes in the scope of consolidation for the year ended 31 August 2024 relate to the acquisition of Altrad Services Italia (+€6.5M in net value) and the deconsolidation of the subsidiary CAPE Sakhalin (-€0.5K 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 24)

5.4 Changes in property, plant and equipment

En K€	August 31, 2024	August 31, 2023
Property, plant and equipment acquisitions	-	196 402
Liabilities related to PPE acquisitions	(141)	(1 269)
Cash outflow / PPE acquisitions	**(141)**	**195 133**
Intangible asset acquisitions	13 104	3 908
Liabilities related to intangible acquisitions	500	139
Cash outflow / intangible asset acquisitions	**13 604**	**4 047**
Proceeds from disposal of PPE	16 327	14 113
Proceeds from disposal of intangible assets	(7)	-
Other	(2 236)	2 775
Cash inflow / disposals of intangible and tangible asset	**14 084**	**16 888**

Other movements include the cancellation of the €2.2M capital gain on Endel Réunion shares.

5.5 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
Africa	378	646	29 657	4 094	249	115	35 139
Germany	6 664	18 844	68 850	13 375	-	8 105	115 839
Asia	-	12 990	149 847	19 987	3 246	26 784	212 853
Other	1 933	14 207	125 119	5 035	283	8 066	154 644
Belgium	1 227	3 135	132 923	10 766	2 224	4 363	154 637
Caspian	-	-	-	-	-	-	-
Spain	-	49	4 092	1 568	-	853	6 562
France	11 431	79 135	359 368	25 194	7 410	52 255	534 792
Middle East	-	17 093	267 541	34 133	704	2 495	321 967
Norway	-	9	3 745	7 202	949	1 256	13 161
Netherlands	-	6 478	5 470	4 482	-	223	16 653
Poland	1 249	7 781	26 927	14 938	91	2 299	53 285
Portugal	4 550	2 010	14 139	6 519	288	935	28 441
UK	466	32 005	432 528	36 778	2 601	152 595	656 972
TOTAL	**27 897**	**194 382**	**1 620 206**	**184 071**	**18 046**	**260 343**	**2 304 945**

(*) Intangible assets mainly concern the Altrad Group's other brands (€73M), software (€73M) and customers (€71M)

NOTE 6 RIGHT OF USE

In accordance with the application of IFRS 16 applied as from 1 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, 2024	August 31, 2023
	Net value	Net value
Land and constructions	149 940	172 266
Technical facilities, plant and equipment	21 104	14 767
Other tangible fixed assets and assets under construction	58 941	35 808
Right of use	**229 985**	**222 842**

<u>Change in rights of use during the year</u>

In thousands of euros	Net value
Balance August 31, 2022	**197 807**
Acquisitions	64 476
Disposals, retirements	(7 903)
Impact of changes in the consolidation scope	22 718
Change in depreciations and amortisations	(65 134)
Impact of exchange rate fluctuations	(3 962)
Reclassification	7 943
Others	6 896
Balance August 31, 2023	**222 842**
Acquisitions	86 805
Disposals, retirements	(9 931)
Impact of changes in the consolidation scope	166
Change in depreciations and amortisations	(78 907)
Impact of exchange rate fluctuations	1 365
Reclassification	1 716
Others	5 931
Balance August 31, 2024	**229 985**

Changes in the scope of consolidation for the year ended 31 August 2023 mainly relate to the acquisition of the Babcock group (+€18.6M in net value) and the Ausgroup group (+€3.1M in net value). Changes in the scope of consolidation during the year ended 31 August 2024 were not material.

“Other" corresponds to the impact of leases with an effective date prior to the current financial year.

Geographical distribution of rights of use

In thousands of euros	Gross value	Depreciation and amortization	Net value
France	165 712	(120 739)	44 973
UK	148 294	(58 456)	89 839
Middle East	38 380	(25 911)	12 469
Benelux	21 419	(10 809)	10 609
Asia	33 541	(18 240)	15 301
Germany	40 285	(19 071)	21 215
Holland	11 136	(5 381)	5 756
Poland	11 686	(6 743)	4 942
Africa	7 215	(6 159)	1 057
Norway	6 800	(5 362)	1 438
Portugal	130	(78)	52
Spain	2 976	(1 770)	1 206
Others	36 224	(15 096)	21 128
TOTAL	**523 799**	**(293 814)**	**229 985**

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, 2024			August 31, 2023
	Gross value	Depreciation	Net	Net
Deposits and Guarantees	14 475	(153)	14 321	14 806
Shares of non consolidated companies	30 713	(13 626)	17 087	11 468
Other	1 505	(1 281)	223	1 507
Total financial assets and other non-current assets	**46 692**	**(15 061)**	**31 632**	**27 781**

The net value of other financial assets and non-current assets includes in particular €5.7M in the UK relating to investments (IAS19) and a receivable of €6.7M on ADYARD projects, which will be settled in more than one year, as well as tax receivables of €13.5M in Africa, which are 100% impaired. The balance corresponds to non-current prepaid expenses of €4.2M on Babcock's insurance charges.

Equity interests and related receivables on the balance sheet amount to €1.5M gross, and mainly concern a dormant Endel company in Morocco, a subsidiary of the ACE subsidiary, Jalmat Romania and a company in Russia. These equity investments are recognised at amortised cost and receivables from equity investments at their nominal value.

See accounting under IFRS 9 in Note 12.4.

7.2 Investments in equity affiliates

Shares in equity affiliates totalled €18,680K at 31 August 2024 (compared to €6,853K at 31 August 2023) and correspond to the following companies:

In thousands of euros	Control %	Equity contribution as at August 31, 2024	Net result contribution as at August 31, 2024	Total revenue (100%) as at August 31, 2024
Olio Cape Malaysia	50%	103	-	-
Endel Trihom, France	34%	2 067	897	25 562
Endel Dynamic, France	30%	1 036	504	4 247
Sparrow BSM Engenharia Ltd , Brazil	50%	1 230	376	9 899
Beerenberg	24,7%	14 244	-	-
Investments in associates and joint ventures		**18 680**	**1 777**	**39 708**
Prezioso-Emdad, United Arab Emirates	65%	(0)	793	23 614
Total		**18 680**	**2 571**	**63 322**

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 Altrad Group owns 49% of PZO Emdad and has a 65% stake. The company meets the definition of a joint venture under IFRS 11 and is therefore consolidated using the equity method. It has a negative security value, mainly due to losses on completion of contracts in the past. Prezioso Emdad had total sales of €23M at 31 August 2024. A provision for impairment of the subsidiary's current account of € 7M was recorded in the financial statements to reflect the negative contribution to shareholders' equity.

NOTE 8 INCOME TAX

8.1 Details of taxes recognised in the income statement

In thousands of euros	February 29, 2024	August 31, 2023
Current tax	(82 116)	(211 655)
Deferred tax	(16 120)	(10 275)
Tax charge	**(98 236)**	**(221 931)**

Current tax mainly comprises tax payable for the period of €82M, which relates to all the Group's subsidiaries, including income and expenses from tax consolidation in the countries where it applies (mainly France, the UK and Germany).

A further €4M relates to tax without a tax base, applicable to Group subsidiaries, and to countries where minimum taxation is compulsory even in the case of deficits.

In 2024, there was a sharp fall compared with the previous year, when a provision for tax, mainly in France, was recorded in respect of Altrad Investment Authority for €163M. At 31 August 2024, an additional provision for tax of €8.4M was recognised, see note 1.4.

Deferred tax is applied in the consolidated financial statements and corresponds to tax income and expenses that are expected to be payable in future or previous years. The increase in the deferred tax charge for the year was mainly due to the acquisitions made in 2023, which generated tax income to offset restructuring costs and the use of tax loss carry forwards previously capitalised.

8.2 Tax situation

In France, Altrad Investment Authority and Prezioso Linjebygg Group were, until 31 August 2023, the parent companies of two fiscally integrated groups.

During the financial year ended 31 August 2023, Altrad Participations indirectly acquired more than 95% of the share capital of the former parent companies.

As a result, the former integrated groups ceased to exist on 31 August 2023, leading to the exit of the member companies of the former integrated groups from that same date.

On 1 September 2023, Altrad Participations opted for the tax consolidation of all the entities making up the former integrated groups, as well as Archimede Managers, Polygones Managers, Endel, Endel SRA, Endel Reunion, Société Nouvelle Europipe, Teneo, Endel Logistics, Metal Control, SIRAE and Altrad Capico.

In France, therefore, this tax regime now applies to the non-consolidated parent company Altrad Participations.

The tax charge for AIA's subsidiaries and for AIA itself, as beneficiaries, takes into account the tax that would have been payable by the subsidiary if it had not been consolidated. Companies with a loss for the year do not record any tax income or expense.

In addition, as AIA is no longer the parent company, the receivables and payables of profitable and loss-making member companies are no longer eliminated on consolidation. In addition, the difference between these two amounts and the tax payable by the Group, corresponding to the tax saving generated by the tax consolidation, is no longer recognised in the Group's financial statements.

The foreign subsidiaries also apply similar options when permitted by local laws (in particular Germany, Australia, Netherlands and UK). The decrease in current tax for 2024 corresponds mainly to the tax provision of €163M booked in application of the principle of prudence in N-1 (see note 1.4).

8.3 Deferred taxes

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

In thousands of euros	August 31, 2024	August 31, 2023
Temporary tax differences	(4 293)	1 941
Net utilisation of tax loss carryforwards	(21 223)	17 113
IFRIC 23	15 179	(14 069)
Deferred tax on fair value of financial instruments	2 096	(6 114)
Other IFRS adjustments with tax impact	(7 879)	(9 147)
Deferred tax (expense) / Income	**(16 120)**	**(10 275)**

Temporary tax differences correspond to tax provisions, the income from which will only be recognised in future years.

The line "Net use of tax loss carry forwards" corresponds to the use of tax losses capitalised in prior periods by Group companies. 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).

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

In thousands of euros	August 31, 2024	August 31, 2023
Deferred tax assets	83 207	118 716
Deferred tax liabilities	(52 874)	(57 780)
Net deferred tax	**30 333**	**60 936**

Total deferred taxes at 31 August 2024 amount to €30.3M, and are broken down as follows:

In thousands of euros	August 31, 2024	August 31, 2023
Intangible assets	(27 033)	(32 327)
Tangible assets	6 617	7 116
Tax losses carried forward	43 330	80 397
Provisions	3 184	1 375
Provisions and employee benefits	3 372	6 242
Others temporary differences	862	(1 867)
Net deferred taxes on the balance sheet (1)	**30 333**	**60 936**

(1) assets: positive sign, liabilities: negative sign

Deferred tax assets on loss carry-forwards amounted to €43.3M at 31 August 2024 compared to €80.4M the previous year-end. Based on expected profits, deferred tax of €18.8M can be recognised on tax loss carry forwards up to 2029 in the United Kingdom and €6M in the United States. In France, the outlook for expected profits allowing recognition of deferred tax is to 2031 for €6M relative to long-term contracts and €12.5M for other French companies. Deficits carried forward decreased over the year due to new consumption.

Total unrecognised tax losses carried forward at 31 August 2024 amounted to €211.6 million and break down as follows:

In thousands of euros	August 31, 2024	August 31, 2023
UK	18 570	18 191
Asia	41 050	41 050
USA	7 607	5 926
France	101 775	101 775
Middle East - Africa	25 720	24 919
Eastern Europe and others countries	16 836	12 585
Tax losses carry-forwards not recognised	**211 558**	**204 446**

8.4 Reconciliation between the theoretical tax expense and the actual tax

In thousands of euros	August 31, 2024	August 31, 2023
Consolidated income before tax and discontinued operations	**308 573**	**304 395**
Tax rate in force	25,83%	25,83%
Theoretical tax expense	**(79 704)**	**(78 625)**
Impact of the difference in tax rates between countries (1)	8 672	(15 937)
Net unrecognised tax loss carryforwards (2)	(18 983)	(49 771)
Permanent differences (3)	5 092	(121 168)
ID N-1 Effect Fixes (4)	(10 390)	46 851
Miscellaneous	(2 923)	(3 281)
Tax expense recognised	**(98 236)**	**(221 931)**

(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 carry-forwards already recognised and used during the period.
(3) The permanent differences mainly relate to the provision for tax recorded in France (€163M, as at 31 August 2023 and €8.4M as at 31 August 2024, see note 1.4) and to exchange differences on non-taxed receivables and payables in Angola, which did not give rise to any tax savings, and to foreign tax deducted at source.
(4) This concerns the impact on the Group tax rate of recently acquired companies subject to tax adjustments during the allocation period.

NOTE 9 WORKING CAPITAL REQUIREMENTS

En K€	August 31, 2023	Change in working capital	exchange rate difference	Scope entering (1)	Other (2)	August 31, 2024
Inventories	246 008	(22 482)	1 129	(60)	2 631	227 225
Trade receivables, contract assets, and other receivables	1 527 167	(41 013)	(6 616)	3 084	(16 490)	1 466 131
Trade payables, contract liabilities, and other liabilities	(1 953 142)	8 865	(7 498)	(20 145)	(31 169)	(2 003 089)
Total	**(179 967)**	**(54 631)**	**(12 984)**	**(17 121)**	**(45 028)**	**(309 733)**

(1) Impact on the initial scope is relative to the acquisition of Altrad service Italia SRL.
(2) The impact on "Other" of trade receivables, contract assets and other receivables corresponds mainly to the re-evaluation of financial instruments at fair value.
The impact on "Other" of trade payables, contract liabilities and other liabilities corresponds to changes in tax (IFRIC 23) and financing (current account) flows.

NOTE 10 INVENTORIES

In thousands of euros	August 31, 2024			August 31, 2023
	Gross value	**Depreciation**	**Net**	**Net**
Inventories of raw materials	77 314	(16 136)	61 178	66 635
Work in progress	21 505	(19)	21 486	24 824
Inventories of semi-finished and finished products	13 431	(1 100)	12 332	19 199
Inventories of goods	141 942	(9 712)	132 230	135 349
Total net inventory	**254 193**	**(26 967)**	**227 225**	**246 008**

The cash effects of the TFT "Cash flow statement" on inventories are €22M, 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.

Provisions for inventory write-downs

In thousands of euros	August 31, 2023	Allowances	Write-backs	Impact of exchange rate fluctuations	Others	August 31, 2024
Impairment of Inventories of Raw Materials	(15 235)	(2 011)	1 026	(190)	274	(16 136)
Impairment of Work in Progress	(243)	(17)	228	(0)	12	(19)
Impairment of Inventories of Finished Products	(869)	(267)	134	(20)	(77)	(1 100)
Impairment of Inventories of Goods	(11 985)	(3 311)	910	(43)	4 717	(9 712)
Total Impairment of inventories	**(28 333)**	**(5 606)**	**2 299**	**(252)**	**4 925**	**(26 967)**

The depreciation of inventories of goods presented in Other for €4.7M results from a reclassification between gross inventories and the corresponding depreciation on German companies whose accounts were presented net.

NOTE 11 TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS

In thousands of euros	August 31, 2024	August 31, 2023
Net trade receivables	770 925	826 928
Contract assets	452 176	453 656
Current taxes	28 808	18 345
Other current assets	229 059	235 958
o/w Financial Instruments	*6 704*	*22 070*
o/w Advance payments	*37 547*	*42 947*
Total trade receivables and other current assets	**1 480 967**	**1 534 888**
o/w Provisions for doubtful receivables accounts and collection risk	*(81 625)*	*(81 126)*
o/w Provisions for other assets	*(21 710)*	*(22 559)*

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 current assets item includes, for the most significant amounts, tax receivables (other than current tax receivables) for €62M, other receivables for €73M and prepaid expenses for €36M.

The cash impact of the cash flow statement on trade receivables and other current assets was €41.0M over the period, mainly corresponding to an increase in trade receivables.

The fair values of trade and other receivables correspond to the book values.

Trade receivables at 31 August 2024 are detailed by maturity in the table below:

In thousands of euros	August 31, 2024			August 31, 2023
	Gross Amount	Impairment Losses	Net Amount	Net Amount
Trade receivables unmatured	**452 424**	**(2 884)**	**449 540**	**477 523**
Due				
- Less than 3 months	244 585	(5 152)	239 433	244 200
- Between 3 to 6 months	38 833	(2 478)	36 354	38 520
- More than 6 months	116 709	(71 111)	45 598	66 685
Trade receivables due	**400 126**	**(78 741)**	**321 385**	**349 405**
Total trade receivables	**852 550**	**(81 625)**	**770 925**	**826 928**

Receivables overdue by more than 6 months include €11.3M from the CAPE group, €7.6M from the Prezioso group and €23M from the RMDK group. Other receivables due for than 6 months for €3M are spread over the whole group.

Change in the provision for trade receivables

In thousands of euros	August 31, 2024	August 31, 2023
Provision on trade receivables N-1	**(81 126)**	**(64 590)**
Net provision	(23 467)	6 156
Reversal used	22 347	(10 753)
Change in scope	(1 151)	(18 274)
Impact of exchange rate fluctuations	1 771	6 336
Other movements	-	-
Provision on trade receivables N	**(81 625)**	**(81 126)**

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.

NOTE 12 CASH FLOW AND NET INDEBTEDNESS

12.1 Details of net indebtedness

In thousands of euros	August 31, 2024	Maturity: Current	Maturity: No current	Maturity: August 31, 2026	Maturity: August 31, 2027	Maturity: August 31, 2028	Maturity: August 31, 2029	Maturity: + 5 years	August 31, 2023
Syndicated loan (1)	*(1 628 000)*	*(1 628 000)*	-	-	-	-	-	-	*(1 758 000)*
State guaranteed loan (2)	*(102 080)*	*(102 080)*	-	-	-	-	-	-	*(121 220)*
Other loans	*(2 415)*	*(1 391)*	*(1 024)*	*(1 024)*	-	-	-	-	*(702)*
Bank overdrafts	*(10 469)*	*(10 469)*	-	-	-	-	-	-	*(20 781)*
Other financial debts (3)	*(15 437)*	*(10 603)*	*(4 834)*	*(4 834)*	-	-	-	-	*(19 099)*
Debt issuance costs	*7 882*	*7 882*	-	-	-	-	-	-	*10 862*
Borrowings	**(1 750 527)**	**(1 744 669)**	**(5 858)**	**(5 858)**					**(1 908 947)**
	-	-	-	-	-	-	-	-	-
Lease liabilities (4)	**(237 162)**	**(64 950)**	**(172 213)**	**(39 718)**	**(33 801)**	**(25 261)**	**(73 433)**		**(227 986)**
Financial Debts	**(1 987 690)**	**(1 809 619)**	**(178 071)**	**(45 576)**	**(33 802)**	**(25 261)**	**(73 433)**		**(2 136 933)**
Cash equivalents	*109 175*	*109 175*	-	-	-	-	-	-	*111 960*
Cash	*1 037 020*	*1 037 020*	-	-	-	-	-	-	*1 157 802*
Restricted cash	*47 626*	*47 626*	-	-	-	-	-	-	*42 793*
Cash, restricted cash and cash equivalent	**1 193 821**	**1 193 821**	-	-	-	-	-	-	**1 312 555**
Bank overdrafts	(10 469)	(10 469)							(20 781)
Net cash (5)	**1 183 352**	**1 183 352**							**1 291 774**
Net debt	**(793 869)**	**(615 798)**	**(178 071)**	**(45 576)**	**(33 802)**	**(25 261)**	**(73 433)**		**(824 379)**

At 31 August 2024, in accordance with IAS 1, the syndicated loans and the state guaranteed loan were presented as current financial liabilities due to a breach of a contractual obligation (see note 1.5) as defined in the syndicated loan agreement of May 2022 for which a waiver was obtained from the banking partners after the year-end. The waiver agreement was received on March 28, 2025 for the syndicated loan and on March 31, 2025 for the state guaranteed loan, this debt is now non-current for maturities of more than one year.

The syndicated bank loan detailed below includes a clause requiring compliance with a financial ratio (net financial debt/proforma EBITDA) of less than 3. Non-compliance with this ratio gives the lenders concerned the right to demand early repayment of their loans. At 31 August 2024, the Group was in compliance with this ratio (below 1.5).

On 21 March 2025, Altrad Investment Authority obtained a €1,140 million facility repayable at maturity on 21 March 2026 with a possible extension of 6 months + 6 months at the company's request.

Financial liabilities are presented below in accordance with the waiver agreement:

In thousands of euros	August 31, 2024	Maturity: Current	Maturity: No current	Maturity: August 31, 2026	Maturity: August 31, 2027	Maturity: August 31, 2028	Maturity: August 31, 2029	Maturity: + 5 years	August 31, 2023
Syndicated loan (1)	*(1 628 000)*	*(638 000)*	*(990 000)*	*(250 000)*	*(740 000)*	-	-	-	*(1 758 000)*
State guaranteed loan (2)	*(102 080)*	*(19 140)*	*(82 940)*	*(82 940)*	-	-	-	-	*(121 220)*
Other loans	*(2 415)*	*(1 391)*	*(1 024)*	*(1 024)*	-	-	-	-	*(702)*
Bank overdrafts	*(10 469)*	*(10 469)*	-	-	-	-	-	-	*(20 781)*
Other financial debts (3)	*(15 437)*	*(10 603)*	*(4 834)*	*(4 834)*	-	-	-	-	*(19 099)*
Debt issuance costs	*7 882*	*2 976*	*4 906*	*2 958*	*1 948*	-	-	-	*10 862*
Borrowings	**(1 750 527)**	**(676 635)**	**(1 073 892)**	**(335 840)**	**(738 052)**				**(1 908 947)**
	-	-	-	-	-	-	-	-	-
Lease liabilities (4)	**(237 162)**	**(64 950)**	**(172 213)**	**(39 718)**	**(33 801)**	**(25 261)**	**(73 433)**		**(227 986)**
Financial Debts	**(1 987 690)**	**(741 585)**	**(1 246 105)**	**(375 558)**	**(771 854)**	**(25 261)**	**(73 433)**		**(2 136 933)**
Cash equivalents	*109 175*	*109 175*	-	-	-	-	-	-	*111 960*
Cash	*1 037 020*	*1 037 020*	-	-	-	-	-	-	*1 157 802*
Restricted cash	*47 626*	*47 626*	-	-	-	-	-	-	*42 793*
Cash, restricted cash and cash equivalent	**1 193 821**	**1 193 821**	-	-	-	-	-	-	**1 312 555**
Bank overdrafts	(10 469)	(10 469)							(20 781)
Net cash (5)	**1 183 352**	**1 183 352**							**1 291 774**
Net debt	**(793 869)**	**452 236**	**(1 246 105)**	**(375 558)**	**(771 854)**	**(25 261)**	**(73 433)**		**(824 379)**

(1) Syndicated loans

Bank loans are taken out in Euros.

At 31 August 2024, financing breaks down as follows:

Tranche	Amount (M€)	Purpose	Comments	Duration (years)	Amount remaining due at August 31, 2024 (M€)	Amount remaining due at August 31, 2023 (M€)
Syndicated loan signed on May 2022 for 2,420 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	1 140	1 270
B	550	Bridge finance acquisitions	Drawdowns by tranches	2 + 1 year of extension of 6 months twice	488	488
C	200	Finance growth*	Drawdowns available 150 M€, repayment schedule : 75 M€ on May 2026 75 M€ on May 2027	5	Undrawn	Undrawn
D	300	Finance general working capital needs	Drawdowns by tranches, repayment in fine on May 2027	5	Undrawn	Undrawn
TOTAL	**2 420**				**1 628**	**1 718**

* The drawdown facility available to finance external growth was restructured in March 2025: the initial amount of €200 million was reduced to €150 million, with two equal maturities of €75 million in May 2026 and May 2027, as indicated above.

(2) State-guaranteed loan (PGE)

The Group obtained a State-guaranteed loan (PGE) on 20 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.

(3) Other borrowings

Other financial liabilities mainly comprise liabilities to partners outside the Group totalling €12.7M.

(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 31, 2022	**(54 636)**	**(143 927)**	**(198 562)**
Increase without cash impacts	(19 729)	(41 644)	(61 373)
Repayment	59 427	2 734	62 161
Effects of perimeter variations	(3 916)	(23 357)	(27 274)
Exited without cash impacts	5 349	-	5 349
Impact of exchange rate fluctuations	1 644	1 938	3 582
Reclassments	(44 727)	39 798	(4 929)
Others	(1 627)	(5 313)	(6 941)
Balance August 31, 2023	**(58 215)**	**(169 772)**	**(227 986)**
Increase without cash impacts	(25 361)	(60 202)	(85 563)
Repayment	67 380	9 066	76 445
Effects of perimeter variations	(218)	60	(157)
Exited without cash impacts	9 060	366	9 426
Impact of exchange rate fluctuations	(328)	(1 404)	(1 731)
Reclassments	(52 115)	50 620	(1 495)
Others	(5 153)	(947)	(6 101)
Balance August 31, 2024	**(64 950)**	**(172 213)**	**(237 162)**

The non-cash increase relates in particular to the RMD group for €10.2M, Generation for €5.5M, AusGroup for €5.3M, the Cape group for €12.1M and the Endel group for €9.9M.

(5) Net cash

Cash equivalents of €109M consist mainly of Term Deposits bearing interest at fixed or progressive rates depending on the term of the investment, including €79M for AIA, €7.8M for Australia and €20M for Angola.

Current restricted cash amounts to €47.6M and mainly relates to the cash allocated to the provision for occupational diseases in the United Kingdom (see Note 2.3) as part of a Scheme of Arrangement (a legal agreement dedicated to the management of risks relating to occupational diseases), the funds of which are available for this sole purpose. In August 31,2024 it amounted to €44.2M in current share for CAPE.

At 31 August 2024, cash and cash equivalents net of bank overdrafts amounted to €1,183.4M at closing and €1,291.7M at opening.

For the purposes of the cash flow statement, net cash and cash equivalents exclude €47.6M of restricted cash and therefore amounted to €1,136M at closing, compared to €1,249M at opening.

12.2 Change in borrowings

In thousands of euros	August 31, 2023	Cash flow	Change in scope	Translation adjustments	August 31, 2024
Current financial liabilities (A)	*(643 721)*	*(3 433)*	*-*	*65*	*(1 734 192)*
Non-current financial liabilities (B)	*(1 244 438)*	*146 241*	*-*	*5 456*	*(5 858)*
Lease liabilities	*(227 986)*	*78 392*	*(157)*	*(1 731)*	*(237 162)*
Gross debt	**(2 116 146)**	**221 200**	**(157)**	**3 790**	**(1 977 213)**
	-	-	-	-	-
Cash and cash equivalents (C)	**1 312 555**	**(118 734)**			**1 193 821**
Bank overdrafts (D)	**(20 781)**	**10 311**			**(10 469)**
	-	-	-	-	-
Net debt	**(824 379)**	**112 778**	**(157)**	**3 790**	**(793 869)**
Restricted cash deduction (E)	*42 793*	*4 833*	*-*	*-*	*47 626*
Cash variation - Cashflow statement (C + D - E)	**1 248 981**	**(113 254)**			**1 135 726**
Other equity funds (G)	*-*	*27 270*	*-*	*-*	*-*
Receipts and repayments of borrowings - Cashflow statement (A +		**170 078**			

(*): Other movements correspond, in accordance with IAS 1, to the reclassification as current debt of syndicated loan and PGEs amounting to €1,068m, as indicated in note 12.1. Following approval from the banks, this debt is now non-current.

12.3 Other shareholder funds

In thousands of euros Others shareholders' funds	August 31, 2024	August 31, 2023
ORA including interests	12 765	39 183
OBSA	7 935	7 927
Total	**20 700**	**47 110**

OBSA and ORA issued on financial year 2014/2015

On 12 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 3 May 2027 (according to the AGM decision on 26 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 3 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 could be exercised during 18 months from 12 December 2021 at the initiative of their holder.

On 12 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 denomination per unit of 319.32 Euros, maturing on 6 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 3 May 2027 (according to the AGM decision on 26 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 29 August 2016, the Group issued to its minority shareholders a subordinated bond of a nominal amount of €20M 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 30 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 3 May 2027 (according to the AGM decision on 26 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 could be exercised during 18 months from 27 February 2023 at the initiative of their holder.

On 29 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 3 May 2027 (according to the AGM decision on 26 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 3 May 2024, 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.

OBSA and ORA issued on financial year 2014/2015

On 30 September 2023, the final instalment relating to the redemption of 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) was redeemed for €27.3M.

The amount outstanding at 31 August 2024 corresponds to the part of Arkea that did not wish to make early repayment, and whose maturity date has been extended to May 2027.

Accounting treatment

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

12.4 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 defined by IFRS 9 at 31 August 2024 (in thousands of Euros):

	Financial Assets at fair value by classifications				Fair value determination		
Assets as at August 31, 2024	**Assets at fair value through profit or loss**	**Assets at fair value through reserve**	**Assets measured at amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Shares of non consolidated companies	223			**223**			223
Deposits and guarantees			14 321	**14 321**		N/A (2)	
Other non-current assets			17 087	**17 087**		N/A (2)	
Trade receivables, net			770 925	**770 925**		N/A (2)	
Other receivables			710 043	**710 043**		N/A (2)	
Derivatives	6 704			**6 704**		6 704	
Cash, restricted cash and cash equivalent			1 193 821	**1 193 821**		N/A (2)	
Total	**6 928**		**2 706 197**	**2 713 124**		**6 704**	**223**

	Financial liabilities at fair value by classifications				Fair value determination		
EQUITY & LIABILITIES as at August 31, 2024	**Liabilities at fair value through profit or loss**	**Liabilities at fair value through reserve**	**Financial liabilities measured at amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Other Shareholders' funds			20 700	**20 700**		N/A (2)	
Financial debts & Lease liabilities			1 987 690	**1 987 690**		N/A (2)	
Other non-current liabilities			100 858	**100 858**		N/A (2)	
Trade and other payables			981 958	**981 958**		N/A (2)	
Put option debts	13 050			**13 050**			13 050
Other liabilities and tax payables			999 299	**999 299**		N/A (2)	
Total	**13 050**		**4 090 505**	**4 103 555**			**13 050**

(1) *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.*

(2) *The level of fair value is not provided to the extent that the net carrying amount is a reasonable approximation of fair value.*

NOTE 13 OFF-BALANCE SHEET COMMITMENTS

13.1 Financial commitments

In thousands of euros	August 31, 2024	August 31, 2023
Guarantees in favour of third parties	293 132	288 853
Other commitments	106 500	106 300
Commitments given	**399 632**	**395 153**
Guarantees received (1)	396 124	417 481
Commitments received	**396 124**	**417 481**

(1) Guarantees received are available lines of credit taken out with financial institutions, including €150M on a syndicated line and €246M on other lines negotiated bilaterally, in order to deliver guarantees required to obtain and execute contracts (performance guarantees, advance payment cover, tender offer bids).

13.2 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 14 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 31 August 2024, the fair value of the CAPs remaining in place at the end of the year was €6M and as such was recognised in non-current liability derivatives. The decline in the fair value of CAPs is explained by the lower initial notional amount and the fall in the Euribor 3M rate over the year.

NOTE 15 ESG (ENVIRONMENT, SOCIAL AND GOVERNANCE)

The European Corporate Sustainability Directive (CSRD) requires companies like Altrad to report on ESG issues with a level of transparency and accountability that mirrors financial and audit reporting requirements.

In early 2024,we carried out a dual materiality assessment to identify our sustainability challenges and determine the areas of disclosure relevant to our business, providing a basis from which we can extend this assessment to external stakeholders as we work towards full compliance with the CSRD. .

Through ongoing assessments, management has gained valuable insights into the commercial and sustainable viability of our business, both in current and future markets. This helps us to define the initiatives needed to better manage our own operational impacts, while identifying investment opportunities to support our customers in their sustainable development efforts. The impact is all the greater because we provide essential services that support our customers in their own sustainability programmes, such as decarbonising operations and supplying renewable energy products. This financial contribution will be further assessed in accordance with the requirements of the EU taxonomy to determine the income, capital expenditure and operating expenditure of our sustainability activities in future years.

Our roadmap, based on the European Sustainability Reporting Standards (ESRS), guides us towards a future that is both prosperous and sustainable. This approach will not only ensure compliance with mandatory obligations and demonstrate effective risk management but also capture the potential positive impact of a multinational group committed to delivering responsible business outcomes for its customers, employees, suppliers, communities and society.

A full disclosure schedule and further details on CSRD alignment will be included in our first Sustainability Report 2024, which will be published in 2025.

Regulations

The European CSRD directive requires companies such as Altrad to publish non-financial information in accordance with a normative framework described in the ESRS. Although Altrad is not yet required to publish full information in accordance with this standard in the current reporting cycle, we have begun to align with the new regulations.

Identifying and managing material risks

The directive's approach, known as 'double materiality', requires companies to assess sustainable development issues from two angles: impact materiality and financial materiality. This means assessing both the impact of Altrad's activities on the environment, society and the economy, and the way in which environmental, social, political or economic factors influence the company.

At the beginning of 2024, Altrad carried out a double materiality assessment to clarify its reporting obligations against this framework. The process included a two-day workshop with members of the management team, facilitated by our ESG advisers.

The Group's key executives were invited to review the ESRS themes in their entirety in order to identify issues relevant to Altrad.

GOVERNANCE

The Altrad Group is defined by its values of respect, courage, solidarity, humility and conviviality. Exemplifying these values of integrity in all its activities is a prerequisite for the Group's long-term stability and sustainability.

Framework and policies

The Group's Code of Ethics and Integrity emphasises Altrad's values and ambitions with a view to creating a strong ethical culture throughout the organisation. The framework is supported by a series of anti-corruption policies, including an anti-corruption and bribery policy, a whistleblowing policy, etc. These include Altrad's established procedures (such as risk mapping) and internal guides to help stakeholders identify and report non-compliance. The Code and its underlying policies are jointly applicable to all stakeholders, including suppliers, customers, partners and third parties.

The management system embodies these principles but also incorporates jurisdictional requirements in accordance with local regulations and the normative requirements of ISO37001.

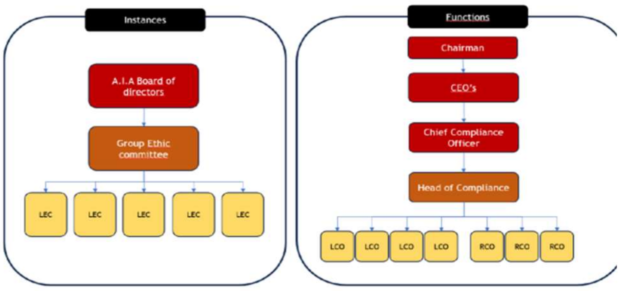
Delegation of responsibilities

Altrad's compliance hierarchy is designed to ensure strong oversight and alignment at all levels of the organisation. At the heart of this structure is the Group Ethics Committee, which is responsible for approving Altrad's integrity and ethics framework and overseeing key compliance decisions. The Chief Compliance Officer (CCO), who reports directly to the Board of Directors, leads the design and implementation of the anti-corruption management system. The Chief Compliance Officer assists the CCO by managing the Group Compliance Department, ensuring the roll-out of the programme and procedures and also being responsible for managing the work of the regional and local compliance officers (RCOs and LCOs). The RCOs coordinate the deployment of the compliance programme and the actions of the LCOs in the area assigned to them by the Head of At local levels, compliance is monitored by the local ethics committee, while the implementation of procedures is ensured by the local compliance officer (LCO) and his deputies. These teams are responsible for adapting the Group's compliance policies to local regulatory requirements and carrying out risk assessments to meet the challenges identified. In addition, local functions oversee the application of ISO 37001-compliant management systems, ensuring that anti-corruption and ethical standards are effectively applied across all entities.

However, there is still a close link between the subsidiaries and the management team at Group level. Each local compliance officer has a direct link with the Chief Compliance Officer, who is a member of the Group Ethics Committee.

This hierarchical approach reinforces accountability and ensures that compliance objectives are aligned with both local regulatory requirements and Altrad's global ethical standards.

To ensure consistency and accountability, Altrad conducts ongoing audits and provides regular training to compliance teams, ethics committee members and employees in high-risk roles. The compliance programme also includes rigorous monitoring of third-party relationships through due diligence processes and supplier audits. This multi-layered approach ensures that ethical practices are seamlessly integrated at all levels of the organisation.



Altrad's corruption risk mapping process is a key element of its compliance framework, designed to identify, assess and mitigate corruption risks across all entities. For all newly acquired companies, this is one of the fundamental compliance tasks undertaken by the local ethics committee (LEC). The process includes the identification of business unit processes and risk scenarios, followed by the assessment of risk levels and the definition of management action plans. The resulting local action plan is validated each year by the local Ethics Committee and aligned with the Group action plan approved by the Chief Compliance Officer. Local Compliance Officers (LCOs), with the support of the LEC, are responsible for implementing and monitoring these plans, ensuring that corruption risks are managed consistently across the organisation.

<u>Platform: Gan integrity</u>

The Altrad Group uses the GAN Integrity compliance platform to centralise and control its compliance processes. The platform supports a range of functionalities, including due diligence through compliance record keeping, management of gifts, hospitality and donations, monitoring of conflicts of interest and more. It also facilitates whistleblowing and investigations, policy management with signature campaigns, and employee training with e-learning modules and assessments.

<u>HEALTH AND SAFETY</u>

Sustainable development is not just about tackling climate change and the Group believes deeply in Altrad's power to support economies and employment, to contribute to the well-being of our communities and to help those in need through philanthropic commitments.

Altrad focuses on the health and safety of its workforce, with the overriding objective of maintaining an industry-leading safety performance that will support an outstanding safety culture. In addition, the Group actively promotes gender diversity across its global operations, ensuring alignment with the disclosure requirements outlined in the ESRS, particularly in relation to impacts on the workforce and consumers.

<u>Safety and continuous improvement</u>

Health and safety governance is an integral part of Altrad's activities, ensuring that the well-being of colleagues is protected. With 98% of the Group's companies certified to internationally recognised standards such as the International Organisation for Standardisation (ISO) and the Manuel d'Amélioration de la Sécurité des Entreprises (MASE), Altrad operates under a strict routine of compliance and regular audits.

This solid internal insurance structure not only ensures compliance with regulations, but also promotes continuous improvement in performance, based on a constantly changing risk profile. As the Group has expanded, particularly through acquisitions, new entities have been successfully integrated, reconciling global standards with the unique cultural and operational identities of local businesses. The "One Altrad" philosophy ensures the coherence of all the Group's activities through adapted key performance indicators, thus promoting a unified approach to safety.

<u>Statistics</u>

-Recordable accident frequency rate (TRIFR in French)

This rate increased slightly in 2024 (2023 0.21 and 2024: 0.24).

The increase in the number of recordable incidents is attributed to changes in risk profiles and the broadening of the scope of reporting, which has improved the visibility of safety performance measures across the Group. This is particularly evident in newly acquired entities, where additional time is required to fully integrate Altrad's safety protocols. Although these protocols demonstrate an ongoing commitment to improvement, they have not yet had sufficient time to produce measurable effects on performance in this reporting cycle.

The Group's objective is to achieve a 5% annual reduction in the rate of recordable accidents over the next five years.

-Lost time injury frequency rate (LFTIR in French)

Altrad's performance data for 2024 (0.30 / compared to 0.50 in 2023) shows a continuous improvement in lost time incidents per hour worked, resulting from the ongoing development of the Group's safety programme and the implementation of best practices. We present below the lost time injury frequency rate data for the Equipment PU business only, to demonstrate the downward trend in the lost-time accident rate (LTI).

For the year 2025, Altrad has adopted an ambitious target of a 25% reduction compared to its current performance.

<u>Reinforcing the "One ALTRAD" mindset</u>

After a period of growth through acquisition, the group implemented its "One Altrad" philosophy to encourage collaboration and unity between the different business units. A notable example in this area comes from the UK Equipment Division, where the Group has set up a team of local HSEQ-W relay points to run safety initiatives in four separate business units.

This collaborative approach has enabled the organisation to share best practice and improve safety performance across the board. Similarly, Altrad Sparrows has expanded its resource-sharing model to improve efficiency and strengthen the sense of unity within global operations. These examples highlight the tangible benefits of collaboration, showing how collective strength can lead to better safety outcomes.

<u>Leadership commitment and focus Well-being</u>

Altrad's Leadership Safety Tours initiative continued to grow, with a 31% increase in the number of tours organised compared to the previous year. This increase in engagement exceeded management's expectations, not only in terms of the quantity but also the quality of interactions. Managers now go beyond discussions about procedures to focus on morale, well-being and quality of life on site.

This change is part of a wider back-to-basics approach, ensuring that managers engage with workers on the issues that matter most to them, creating safer and healthier working environments.

Management teams have focused on employee well-being, with initiatives focusing on mental, physical and social health. By addressing these three key pillars, we are better equipped to support the holistic well-being of our staff. This year, steps have been taken to evaluate and refine these initiatives, to ensure that they remain aligned with the Group's strategic priorities and continue to deliver real benefits to employees.

Priorities for the future

Looking ahead to 2025, the Group will continue to prioritise visible leadership as the cornerstone of its health and safety strategy. By ensuring that managers are present, committed and accountable, the organisation can build trust and a strong safety culture throughout the Group. In addition, Altrad is committed to fostering a learning culture where open communication and transparency are encouraged and where mistakes are seen as opportunities for improvement. By avoiding a blame culture and focusing on systemic improvements, the Group aims to create an environment where continuous learning and safety go hand in hand.

Training and development

Due to the complexity of its operations, the Group requires task-specific health and safety training at all levels of the organisation. From scaffolding operators and engineers to technicians and drivers, every role within the Group requires a range of specialist skills to ensure safe working practices. Each business unit is responsible for delivering this training to the highest standards, ensuring that employees are fully equipped to meet the unique requirements of their respective environments. These training programmes are closely monitored and regularly reviewed through internal audits to ensure compliance and effectiveness.

At Altrad, health and safety training does not stop at induction. The Group is committed to fostering a learning culture where continuous improvement is a priority. In addition to initial training, Altrad offers refresher courses, toolbox talks and regular safety briefings to keep staff up to date with the latest regulations and best practice in health and safety. In several business units, innovative learning techniques have been incorporated, including virtual reality and fun learning modules, to improve engagement and retention of essential safety knowledge.

To complement formal training, Altrad also emphasises on-the-job learning through mentoring programmes and buddy systems. This approach allows employees, particularly those new to the organisation, to benefit from practical advice from experienced colleagues, ensuring that they develop practical health and safety skills in real-time working environments. These ongoing initiatives reinforce our commitment to maintaining a safe, skilled and well-prepared workforce.

Diversity

Altrad adheres to international human rights standards, including the Universal Declaration of Human Rights and the United Nations Sustainable Development Goals. The Code of Ethics clearly states that the Group prohibits any form of violence, harassment or discrimination based on origin, nationality, gender, age, disability, sexual orientation or any other characteristic. This commitment is an integral part of Altrad's corporate governance.

In 2022, Altrad created a "Progress Unit: Diversity" under the patronage of the CEO, which evolved in 2024 under the leadership of the Human Resources Director. This progress unit focuses on four key areas: data, HR policies, education and training, and communication. Monthly reviews ensure coordinated progress in these areas, with regular updates to senior management.

Leadership plays a key role in promoting a culture of safety and inclusion throughout Altrad's global operations. Regional managers discuss diversity and inclusion at regional and Group-wide seminars and ensure that these priorities are communicated throughout the organisation.

Management engages with employees on diversity, equity and inclusion through annual surveys and regular consultations with employee representatives. These surveys enable all employees, whatever their role or place of work, to express their experiences and concerns.

Altrad is committed to achieving 15% female representation by 2035 (2023: 6.8% / 2024: 7%). In 2024, the Group launched a number of initiatives to accelerate progress towards this goal, including Group-wide gender bias training and the inaugural 'Network of Women' event, as well as local STEM programmes and other initiatives. The programme continues to promote diversity through communications efforts including podcasts, newsletters and social media.

Recognition of the European Supplier Diversity Programme (ESDP)

In 2024, Altrad was certified by the European Supplier Diversity Programme (ESDP), recognising the group's position as a minority group and its ongoing commitment to diversity and inclusion.

ESDP certification underlines the Group's efforts to work with minority-owned businesses, promoting stronger relationships and more inclusive procurement practices. By promoting diversity throughout its operations, Altrad aims to strengthen the resilience and innovation of its supply chain, while contributing to wider societal goals.

Measuring employee commitment

Altrad regularly conducts employee engagement surveys, both locally and globally. Some regions supplement these surveys with their own personalised surveys. These surveys measure engagement and satisfaction, and the results are fed into local and global initiatives to improve employee satisfaction and well-being, as well as corporate standards.

While global engagement surveys show that there is still progress to be made, local efforts have led to tangible changes. For example, following surveys carried out in Australia, initiatives have been launched to improve work-life balance and well-being after acquisition.

Although there have been no major updates to the existing safety, diversity or inclusion policies this year, the group is in the process of finalising a human rights booklet, which will summarise all of Altrad's commitments and act as a reference point for future policy updates.

Altrad's whistleblowing system ensures that any breaches of our equal treatment, gender equality and non-discrimination policies are reported and dealt with. The Group's Human Resources and Compliance departments investigate all alerts, working closely with local Human Resources teams to ensure a fair and complete resolution.

Human Rights

ESRS S1 requires companies to report on how they respect human rights in relation to their own employees, including issues such as

- equal treatment and opportunities
- non-discrimination
- diversity and integration
- health and safety
- freedom of association and collective bargaining.

Altrad is committed to upholding human rights by promoting a respectful and inclusive workplace where all employees and social partners are treated fairly and ethically, reflecting the company's commitment to social responsibility as a responsible employer and as a committed member of society. The Group adheres to the following principles

1. The Universal Declaration of Human Rights

2. The principles set out in the fundamental conventions of the International Labour Organisation (ILO)

3. The United Nations Sustainable Development Goals (UN SDGs)

Altrad identifies human rights risks through internal assessments. A comprehensive risk mapping exercise in 2022, followed by the materiality assessment in 2024, improved understanding of key issues and gave Altrad a holistic view of its overall impacts as well as the financial relevance of each issue, enabling the group to make more informed and responsible decisions.

As part of its commitment to being a responsible employer and complying with CSRD regulations, Altrad will implement and actively follow all S1 Own Workforce guidelines. The Group is committed to supporting and enhancing the well-being, growth and inclusion of all its members:

- prohibiting all forms of forced labour, child labour and trafficking in human beings

- not tolerating any form of violence, harassment or discrimination

- taking the necessary measures to guarantee decent working conditions.

To address these risks, Altrad has created a governance framework to ensure that the Group meets its commitment to foster a respectful and inclusive environment where all people are treated fairly and ethically, in line with its commitment to upholding human rights.

To monitor progress and ensure that objectives are met, performance is measured using indicators. Measurements are provided by

- AIRS - Altrad's global reporting system used for non-financial reporting. All entities report all the required data every year

- Annual 'Pulse' surveys focusing on compliance, diversity and engagement.

In the next reporting cycle (financial year 2025), the Group will improve its data reporting by extending the scope of internal data capture. This expanded report will include a wider range of information collected through AIRS.

Modern slavery

Altrad fully complies with the standards of the International Labour Organisation (ILO) in all the countries where it operates and strictly prohibits the employment of people under the age of 15 and ensures that the minimum age for dangerous work is set at 18. The Group is particularly vigilant when it comes to preventing forced labour, especially in regions where there are large numbers of migrant workers. All work must be voluntary, with workers free to leave at any time, thus guaranteeing full payment of the remuneration due.

To reinforce its policy against modern slavery, the Group is in the process of

- publish a guideline for applying the policy on combating modern slavery to the supply chain

- Strengthen communication on recruitment practices at operational management level.

- Develop ongoing communication and campaigns relating to the whistleblowing policy and "Speak-up" procedures.

- Organise a follow-up to the 2022 assessment, including for newly acquired companies.

ENVIRONMENT

Taking the environment into account has long been at the heart of Altrad's service offering and is a key element of the ESRS, covering one mandatory area, climate change, and four non-mandatory areas of information. The assessment of the Group's materiality confirmed that climate change should be taken into account, as the other areas were not a priority according to the rating method based on impacts, risks and opportunities.

Whatever the case, Altrad strives to preserve the environment and limit the impact of its activities. In partnership with its customers, the Group carries out in-depth risk assessments and develops best practice in environmental protection. One of the long-standing objectives of Altrad's global activities is to manage the environment through vigilant and continuous improvement, as evidenced by the adherence to ISO 14001 environmental standards at some of the Group's sites.

Climate Change: Altrad is working to mitigate man-made climate change by reducing greenhouse gas emissions in all its activities. As part of the energy transition, Altrad provides services to support low carbon sectors, including nuclear and renewable energy.

The Group supports the Paris Agreement, which aims to keep the global temperature increase below 2°C and ideally to 1.5°C, recognising the importance of minimising the impact on the climate. Altrad's climate strategy focuses on three main areas:

1. **Climate risk management:** decarbonising our own activities.
2. **Industrial services for the energy transition:** helping customers to decarbonise their businesses.
3. **Specialised services for the green energy industry:** providing essential services to support renewable energy projects.

Climate risk management

Altrad has implemented several policies to manage the risks and opportunities associated with climate change. These policies are grouped together in the Group's global HSEQW policy, which represents a unified approach to environmental protection across all operations. This policy focuses on proactive measures such as preventing pollution, reducing the consumption of natural resources, minimising emissions and promoting waste reduction and recycling.

Although ISO 50001 certification does not yet cover the whole Group, several entities in the UK, Ireland and the Nordic countries have obtained certification, reinforcing our commitment to energy management and improving energy performance.

Carbon footprint 2023-2024

Now in its fourth year, Altrad's carbon footprint continues to evolve in scope and accuracy, contributing to a long-term decarbonisation strategy in line with ESRS guidance.

Altrad only reports on scopes 1 and 2 emissions at group level. However, efforts are underway to identify, collect and credibly assess the Group's Scope 3 emissions. In 2024, new categories making up scope 3 were collected. Altrad has chosen to continue working on improving the quality and reliability of its data.

Figures include a restatement of 2023 figures due to improved data capture of Scope 1 process emissions, demonstrating Altrad's commitment to transparency and accurate reporting.

Year	Scope 1 **(tCO_2e)**	Scope 2 **(tCO_2e)**
2023	72,000	21,000
2024	76,500	20,500

Decarbonisation plan

Altrad's transition plan is currently being developed and will form the cornerstone of the Group's overall sustainable development strategy, in line with frameworks such as the CSRD. This plan will be designed to mitigate the negative effects of Altrad's activities on the climate by addressing governance structures, conducting a comprehensive greenhouse gas (GHG) inventory and assessing related risks and opportunities.

The group aims to set firm emission reduction targets and clearly quantified, time-bound initiatives that are compatible with the 1.5°C trajectory outlined in the Paris Agreement. In addition, the Group's decarbonisation measures will comply in the shorter term with initiatives such as the Border Carbon Adjustment Mechanism (BCAM) and other European legislative requirements. Chairman Mohed Altrad's commitment to "building a sustainable future" will be reinforced by this plan, which outlines specific actions, timetables and milestones to achieve these climate goals.

The Group is first focusing on its directly controlled carbon emissions:

- Scope 1 - Green fleet strategy
- Scope 2 - Green energy contracts

Energy efficiency and reducing dependence on fossil fuels

Energy efficiency is a key area, with active initiatives in place to optimise energy use across the Group's facilities, supporting the reporting obligation linked to the E1 disclosure requirements of CSRD 1 - 5. Integrated renewable energy solutions are being implemented at several sites, with solar panels installed in France, Denmark, Portugal, Spain, Austria and the Netherlands. Regular environmental risk assessments also help to identify climate-related risks and inform adaptation and resilience initiatives.

To further reduce the Group's dependence on fossil fuels, Altrad has signed contracts with green energy suppliers. Since January 2024, all the electricity consumed by our subsidiaries in France has come from renewable sources. Similarly, subsidiaries in the UK, Belgium, Denmark and Norway have signed contracts to ensure that all electricity used comes from renewable sources.

Reducing pollution

Although it is not a subject that has a material impact on the Group, Altrad has put in place a series of policies focused on the management and reduction of pollution throughout its operations and supply chain. Recognising the environmental challenges posed by pollution, measures have been put in place to limit air, water and soil pollution, reduce emissions, improve waste management and prioritise the re-use of materials.

By working with its customers, Altrad can help them minimise their impact on the environment through tailor-made services and solutions designed to meet their sustainability objectives. The global workforce is actively contributing to efforts to reduce pollution and, as part of the worldwide commitment to protect the environment, Altrad teams have organised clean-up operations to tackle litter in the environment, reinforcing the ongoing commitment to tackle pollution.

The Group recognises its influential role in promoting sustainable business practices and focuses on creating a culture of responsible consumption by reducing, reusing and recycling materials -

particularly plastics - in all its activities. These efforts are at the heart of the Group's mission to make a positive contribution to a cleaner world.

As part of the Group's commitment to environmental protection and the celebration of World Environment Day, all Altrad teams have been invited to plan and organise a "ONE ALTRAD ONE WORLD" operation on 14 June 2024. The aim was to raise employee awareness of plastic pollution and the need to collect and sort waste. The campaign generated enthusiasm, involvement and a real desire to make a long-term commitment. It has strengthened team spirit and encouraged synergies, while highlighting the group's values of solidarity, respect and courage.

This year, clean-up operations collected over 100 tonnes of waste, involving more than 5,600 people. In addition, more than 9,900 employees have been made aware of the problems of plastic pollution thanks to this campaign.

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. • In compliance with the requirements of the Sapin 2 law, the Group is required to carry out internal investigations in connection with any alerts, and may be required, where appropriate, to cooperate with the authorities. • 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 31 August 2024, the debt is broken down by rate category as follows:

In thousands of euros	August 31, 2024	August 31, 2023
Fixed-rate loans	*2 415*	*702*
Variable-rate loans (1)	*1 730 080*	*1 879 220*
Total	**1 732 495**	**1 879 922**

(1) The Group considers its exposure to interest rate risk to be limited. Variable-rate loans depend on the 3-month Euribor rate, which averaged 3.84% over the 2023/2024 financial year. The risk on variable interest rates is partly hedged by financial instruments, see Note 14.

Sensitivity to the conversion rate

Nearly 37% 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, 2024	August 31, 2023
Euro	*1 892 479*	*1 947 625*
Sterling	*1 648 165*	*1 503 396*
Australian dollar	*396 161*	*430 668*
Saudi arabian riyal	*128 680*	*129 246*
US Dollar	*193 684*	*177 285*
Other currencies	*1 193 074*	*1 097 293*
Total revenue from current activities	**5 452 243**	**5 285 512**

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 12 "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 €700M.

The Group is financed through national bond markets and syndicated bank loans (see Note 12 "Cash and net indebtedness"). The table presented in Note 12.1 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, 2024	August 31, 2023
Cash equivalents	109 175	111 960
Cash (excluding restricted cash, see note 11.1)	1 037 020	1 157 802
Bank overdrafts	(10 469)	(20 781)
TOTAL OF NET LIQUIDITY	**1 135 725**	**1 248 981**
Current financial liabilities (excluding bank overdrafts)	(1 799 150)	(681 156)
TOTAL OF CURRENT FINANCIAL DEBTS, NET LIQUIDITY	**(663 424)**	**567 825**

Some bank borrowings taken out and detailed in Note 12, contain clauses requiring compliance with a financial ratio (Net financial debt / EBITDA). Non-compliance with the ratio set gives the lenders concerned the right to demand early repayment of their loans. This ratio must be less than 3. At 31 August 2024, it is slightly higher than 1.

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's General Meeting of 29 September 2023 authorised the distribution of reserves amounting to €101.3M to its shareholders, i.e. €29.90 per share (3,389,211 shares entitled to dividends).

Altrad Investment Authority distributed an interim dividend of €30,503K at the Board meeting of 17 June 2024 and €30,503K at the Board meeting of 23 July 2024.

17.2 Composition of the share capital

	Number	Per Value	Amount (€)
Shares making up the share capital at the start of the financial year	**3 397 824**	**100 euros**	**339 782 400**
Shares issued during the financial year	-	- -	-
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 31 August 2024 is as follows:

Shareholders	August 31, 2024		August 31, 2023	
	Number of shares held	% of shares held	Number of shares held	% of shares held
Altrad Participations	2 625 634	77,27%	2 625 634	77,27%
Altrad Capico	668 731	19,68%	668 731	19,68%
Arkéa Capital Partenaire Slp	65 242	1,92%	65 242	1,92%
Tikeau Capital	16 310	0,48%	16 310	0,48%
Managers Altrad (NYX AG Partners)	13 286	0,39%	13 286	0,39%
Others	8 621	0,25%	8 621	0,25%
TOTAL	**3 397 824**	**100,00%**	**3 397 824**	**100,00%**

17.3 Non-controlling interests

At 31 August 2024, taking into account the existence of clauses for the purchase of minority interests resulting in the non-recognition of related minority interests (see Note 2.1.2), the main contributions to this item are from:

In thousands of euros	August 31, 2024			August 31, 2023		
	% of Non contrlliong interests	Non controlling interests	o/w Net Income 2024	% of Non contrlliong interests	Non controlling interests	o/w Net Income 2023
Altrad Asia	20%	2 037	568	20%	1 433	(355)
Altrad Coffrage & Etaiement	2%	311	(12)	2%	323	32
Hertel Yanda	49%	3 736	109	49%	3 599	219
Group Cape	N.A	12 012	6 290	N.A	21 079	6 460
Group Prezioso	N.A	(330)	2 169	N.A	(241)	1 007
Cerap	51%	4 657	4 960	51%	(755)	960,8
Insulation Painting & Engineering Services Limited	10%	271	(99)	10%	(382)	-112
MainTech AS	49%	1 583	120	49%	1 602	291
Babcock Gen. Contracing & M S	49%	(21 964)	(706)	49%	(21 692)	-106
Other		2 441	2 483		957	1 463
Total non contrlliong interests		**4 754**	**15 881**		**5 921**	**9 859**

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

In K€	SOCAR Cape LLC (1)	Cape East Limited Co W.L.L (2)	Shanghai Hertel Yanda Installation Engineering Co.Ltd. (3)	CERAP (4)
	August 31, 2024			
Revenue from current activities	48 959	609 398	19 896	28 481
Non-current assets	4 188	75 264	(9 704)	(783)
Current assets	20 311	266 185	17 029	11 063

In K€	SOCAR Cape LLC (1)	Cape East Limited Co W.L.L (2)	Shanghai Hertel Yanda Installation Engineering Co.Ltd. (3)	CERAP (4)
	August 31, 2023			
Revenue from current activit	51 332	110 675	23 357	31 759
Non-current assets	18 822	8 734	826 747	1
Current assets	18 822	28 242	3 093 450	8 449

(1) Socar Cape LLC paid dividends of €9.4M in 2024. The percentage of profit or loss attributable to non-controlling interests varies as a result of the partner's results and decisions.

(2) Cape East Limited Co W.L.L paid dividends of €5M as at 31 August 2024. The percentage of profit or loss attributable to non-controlling interests varies as a result of the partner's results and decisions.

(3) Hertel Yanda has seen a decline in its activity and net profit over the period.

(4) CERAP's sales will fall in 2024 as a result of the decline in the company's production volume due to the slowdown in activities related to the nuclear industry.

NOTE 18 PROVISIONS FOR RISKS

In thousands of euros	August 31, 2024	August 31, 2023 (1)
Provisions for employee benefits, non-current	71 362	69 523
Provisions for risks, non-current	386 354	419 637
o/w Provisions for occupational illnesses	*130 494*	*119 875*
o/w Provisions for contract terminaision losses	*849*	*1 274*
o/w Provisions for tax risks	*172 980*	*164 556*
o/w other provisions for risks and charges	*82 032*	*133 932*
Reserve for risks and social engagement, non-current	**457 716**	**489 161**
Provisions for employee benefits, current	3 461	3 244
Provisions for risks, current	69 230	95 052
o/w Provisions for occupational illnesses	*9 361*	*34 984*
o/w Provisions for contract terminaision losses	*24 484*	*37 772*
o/w Provisions for tax risks	*10 491*	*9 871*
o/w other provisions for risks and charges	*24 893*	*12 424*
Reserve for risks and social engagement, current	**72 690**	**98 295**
Total reserve for risks and social engagement	**530 407**	**587 456**

In thousands of euros	August 31, 2024	August 31, 2023 (1)
Provisions for employee benefits, non-current	71 362	69 523
Provisions for risks, non-current	386 354	419 637
Reserve for risks and social engagement, non-current	**457 716**	**489 161**
Provisions for employee benefits, current	3 461	3 244
Provisions for risks, current	69 230	95 052
Reserve for risks and social engagement, current	**72 690**	**98 295**
Total reserve for risks and social engagement	**530 407**	**587 456**

(1) Changes have been made to the 2023 financial statements as originally published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Prefal and Ausgroup (see Note 2.4).

The item "Provisions for employee benefits" includes the provisions recognised in consolidation in accordance with revised IAS 19 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 risk”.

18.1 Change in provisions of long-term employee benefits

At 31 August 2024, these commitments were remeasured on the basis of projections made at 31 August 2024 and were not materially different during the year. The impact of the reform of the French pension system at age 64 is not material to the amount already provisioned, and bringing the provisions of the Labour Code on paid leave into line with European law does not require an additional provision to be recorded in respect of the workforce of French companies in the Group.

Virgin Media case in the UK

In June 2023, the UK High Court ruled that the changes to the Virgin Media scheme were invalid because the scheme actuary had failed to provide the necessary Section 37 certificate. If upheld, the UK High Court's decision could have wider implications, affecting other schemes that were contracted out on a salary basis and changed between April 1997 and April 2016. Virgin Media has appealed the decision. On 25 July 2024, the Court of Appeal upheld the High Court's decision that written confirmation from the actuary was required for changes to future service benefits as well as past service benefits. If the actuary's written confirmation has not been obtained, the proposed amendment is null and void. The scheme was contracted out until 31 March 2010 and changes were made during the period. As such, this decision could have implications for the Group.

Following the decision, the Trustees will consider the implications for the Group and the scope of any investigation to be carried out in 2025 to determine the existence of Section 37 certificates and to obtain actuarial advice in this regard. The Group and the trustees of the Scheme will seek legal advice on the matter and act accordingly. The Group considers that the amount of any potential impact on the defined benefit obligation cannot be measured with sufficient reliability as at 31 August 2024 in the absence of actuarial investigation or advice and therefore presents this matter as a potential contingent liability at the end of the 2024 financial year.

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:

In thousands of euros	Pension commitments	Other employees benefit commitments	TOTAL
Movement in fair value of defined benefit obligation			
Defined benefit obligation at start of period (1)	**118 226**	**15 317**	**133 543**
Current service cost	2 266	1 972	**4 238**
Interest expense	6 255	26	**6 281**
Past service cost	-	-	**-**
Liabilities extinguished on settlements	-	-	**-**
Employees contribtion	(213)	(29)	**(242)**
Benefit paid	(9 127)	(2 437)	**(11 564)**
Actuarial (gains) / losses	6 544	(193)	**6 351**
Impact of changes in the consolidation scope	36	-	**36**
Impact of exchange rate fluctuations & others	3 066	(498)	**2 568**
Defined benefit obligation at end of period	**127 054**	**14 158**	**141 212**
Movement in fair value of plan assets			
Fair value of plan assets at start of period	**(85 360)**	**-**	**(85 360)**
Interest income	5 656	-	**5 656**
Actuarial (gains) / losses	(3 396)	-	**(3 396)**
Assets liquidated on settlements	-	-	**-**
Employees contribution	-	-	**-**
Employer contributions	(1 778)	-	**(1 778)**
Benefit paid	6 640	-	**6 640**
Impact of changes in the consolidation scope	-	-	**-**
Impact of exchange rate fluctuations & others	(16 057)	-	**(16 057)**
Fair value of plan assets at end of period	**(94 295)**	**-**	**(94 295)**
IFRIC14 adjustment (Effect of asset ceiling) at start of period (*)	26 796	-	**26 796**
IFRIC14 adjustment (Effect of asset ceiling) at end of period (*)	27 305	-	**27 305**
Net (Asset) / Liability	**60 064**	**14 758**	**74 822**
Provisions for employee benefits, non-current	*58 200*	*13 161*	***71 361***
Provisions for employee benefits, current	*1 864*	*1 597*	***3 461***

(*) 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.

As at 31 August 2024, the contribution of the main geographic areas in the provision for retirement obligations shown in the balance sheet is as follows: UK 41%, France 41% and Poland 3%.

Impact of pension commitments on future cash flows

In thousands of euros	TOTAL	Maturity expired	Maturity of one year of less	Maturity between 1 and 5 years	Maturity beyond 5 years
Defined benefit plans	64 549	141	1 723	9 115	53 570

Nature of investments

Plan assets composition at August 31, 2024	Pension commitment
Shares	0%
Bonds	3%
Cash	2%
Insurance annuities	76%
Property	6%
Others	14%

Key assumptions used/

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

	August 31, 2024			August 31, 2023		
	France	Poland	UK	France	Poland	UK
Discount rate	3,40%	5,30%	4,90%	3,62%	5,50%	5,40%
Wage gross rate	2,5%-4,5%	7,00%	3,70%	2,5%-4,5%	0%-3,6%	3,80%
Mobility rate	0-6,63%	4,50%	N/A	0-6,63%	4%-4,7%	N/A
Mortality rate	INSEE 2022	2020 life expectancy table (National Institute of Statistics)	CMI_2021 mortality table (Institue and Faculty of Actuaries)	INSEE 2022	2020 life expectancy table (National Institute of Statistics)	CMI_2021 mortality table (Institue and Faculty of Actuaries)

Sensitivity analysis

The table below shows the sensitivity (in %) of the provision recognised at 31 August 2024 in respect of the defined benefit plans:

	August 31, 2024
Increase of 0.25% in the discount rate	**0,45%**
Decrease of 0.25% in the discount rate	**-4,31%**

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, 2023 (1)	Change in profit (loss)			Change in	Impact of exchange	Others	August 31, 2024	*Of Which*	
		Allowances	Uses	Reversals	scope	rate fluctuations			*Non current*	*Current*
Provisions for risks	**500 628**	61 704	(71 983)	(43 013)	17	3 081	(1 212)	**449 221**	*382 106*	*67 116*
o/w Provisions for occupational illnesses	*154 859*	*12 040*	*(10 866)*	*(16 402)*	*-*	*224*	*-*	*139 856*	*130 494*	*9 361*
o/w Provisions for contract terminaision losses	*39 047*	*10 054*	*(24 114)*	*-*	*-*	*48*	*298*	*25 333*	*849*	*24 484*
o/w Provisions for tax risks	*174 427*	*9 238*	*(200)*	*-*	*-*	*7*	*0*	*183 471*	*172 980*	*10 491*
o/w other provisions for risks and charges	*132 296*	*30 372*	*(36 803)*	*(26 611)*	*17*	*2 802*	*(1 511)*	*100 562*	*77 783*	*22 779*
Provisions for restructuring	**14 060**	(180)	(7 317)	(101)	-	(21)	(79)	**6 363**	*4 249*	*2 114*
Total provisions for risks	**514 689**	**61 524**	**(79 300)**	**(43 114)**	**17**	**3 060**	**(1 291)**	**455 584**	**386 354**	**69 230**
Non-current value	*419 636*	*40 474*	*(36 258)*	*(41 749)*	*-*	*2 582*	*1 669*	*386 354*		
Current value	*95 053*	*21 050*	*(43 042)*	*(1 365)*	*17*	*478*	*(2 960)*	*69 230*		

(1) Changes have been made to the 2023 financial statements as originally published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Prefal and Ausgroup (see Note 2.4).

Provisions for risks and charges of €463.3M include:

Provisions for occupational illness costs of €139.9M relate to the Cape Group and the Babcock Group.

Provisions for occupational illness costs amount to €114.7M and the costs of managing occupational illness claims are provided for to the amount of €25.1M.

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 31 August 2022. The next full valuation is expected to be completed for the year ending 31 August 2025. 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 €110.14M (£92.7M, of which £7.9M current and £84.8M non-current) at 31 August 2024, compared to €128.2M (£110.5M, of which £9.1M current and £101.3M non-current) at the previous year end.

The provision for occupational diseases is discounted at a rate of 3.35% (2023: 2.18%) 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.

Provisions for contract termination losses of €25.3M. We reversed provisions of €18.1M at Endel but also made an allocation of €8.6M. The balance of €6M mainly comprises a provision of €2.6M at Adyard and €3M at CAPE Industrial Services and Qatar.

Provisions for tax risks (€183M)have been adjusted in accordance with the principle of prudence. See Note 1.4. It mainly concerns audits of Altrad Investment Authority's accounts.)

Other provisions for risks and charges (€100.6M) mainly include:

- Provisions for litigation of €21.7M, 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 €56.4M.

▪ Provisions for social costs (bonuses, settlements, Urssaf audit…) of €22.5M.

Restructuring provisions of €6.4M relate to: primarily the €5M acquisition of the Sparrows group.

NOTE 19 CURRENT LIABILITIES

In thousands of euros	August 31, 2024	August 31, 2023
Trade payables (1)	981 958	1 011 220
Contract Liabilities (2)	230 656	232 347
Tax debts	138 294	151 034
Social debts	285 623	280 789
Derivative financial instruments	-	246
Current tax liabilities	67 671	42 822
Other creditors (3)	278 121	197 925
Total current Liabilities	**1 982 322**	**1 916 382**

(1) Trade payables include €1.1M of interest debt on minority buyouts at 31 August 2024 (€28.1M as at 31 August 2023), including €1.1M for Irbal. The Generation put of €24.8M was paid during the year for €24.6M, as was the Dessa put for €2.2M.

(2) 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.

(3) "Other accounts payable" includes, for €768M: €152M in other operating liabilities, €20.8M in adjustments to current expenses and €82.0M in Altrad Participations' current account at 31 August 2024.

The cash effects of the TFT "Cash Flow Statement" on current liabilities are €4.5M for the year, which mainly corresponds to a reduction in trade payables and invoices not received.

NOTE 20 OTHER NON-CURRENT LIABILITIES

In thousands of euros	August 31, 2024	August 31, 2023
Other non current liabilities (1)	97 077	118 414
Non-current fixed asset suppliers (2)	15 766	21 111
Total other non-current liabilities	**112 843**	**139 526**

(1) Other non-current liabilities include non-current employee-related liabilities of €3.3M at 31 August 2024 (also €3.3M at 31 August 2023), a liability of €40M at 31 August 2024 (€47.1M at 31 August 2023) relating to the application of IFRIC 23 "Uncertainty of tax treatments", and a liability of €40M at Endel to ENGIE.

(2) Non-current assets trade accounts payable includes at 31 August 2024, the fair value of put options on the repurchase of non-controlling interests relating to:

- CIDES: €1,679K at 31 August 2024 (compared with €2,301K at 31 August 2023)
- Valmec: €613K at 31 August 2024, same as 31 August 2023,
- Senegal Keni Painting: €2,200K at 31 August 2024, same as 31 August 2023
- Altrad Servizi Italia: €6,661K as at 31 August 2024 (consolidation)
- Endel Reunion: €732K at 31 August 2024 (change in scope)
- Muti up: €100K at 31 August 2024, same as at 31 August 2023.

NOTE 21 SEGMENT INFORMATION

21.1 Income statement

INCOME STATEMENT *(in thousands of euros)*	August 31, 2024	Equipment	Services	Support	Others
Revenue from current activities	**5 452 243**	**873 389**	**4 576 289**	**2 561**	**4**
Cost of raw materials and merchandises	(1 101 546)	(288 671)	(776 987)	(35 888)	0
Personnel costs	(2 618 804)	(180 778)	(2 430 239)	(7 788)	0
Other external expenses	(1 054 120)	(142 116)	(853 874)	(58 089)	(41)
Depreciations and amortizations	(250 339)	(91 635)	(150 934)	(7 769)	(1)
Share of profit from associates accounted for under the equity method	2 570	0	2 570	0	0
Operating operations IC	*0*	*(40 620)*	*(106 250)*	*146 768*	*102*
Current operating profit	**430 004**	**129 569**	**260 575**	**39 796**	**64**
Other non-recurring revenues and expenses	(25 717)	(15 181)	3 073	(13 457)	(151)
Restructuring costs	(16 997)	(8 742)	(8 154)	(242)	140
Operating profit	**387 290**	**105 646**	**255 495**	**26 096**	**52**
Income from cash and cash equivalents	39 013	3 489	4 350	30 251	924
Cost of gross financial debt	(127 737)	(6 723)	(16 096)	(104 918)	0
Cost of net financiel debt	**(88 724)**	**(3 234)**	**(11 746)**	**(74 667)**	**924**
Other financial products	98 185	2 243	62 170	33 167	605
Other financial expenses	(88 595)	3 306	(51 391)	(40 157)	(353)
Financial operations IC	*(0)*	*(12 576)*	*(16 238)*	*27 857*	*957*
Profit before tax from continuing operations	**308 156**	**95 386**	**238 290**	**(27 704)**	**2 185**
Income tax expense	(98 236)	(31 853)	(69 895)	3 898	(387)
Profit for the year from continuing operations	**209 921**	**63 533**	**168 396**	**(23 807)**	**1 798**
Profit/(loss) after tax for the year from discontinued operations	(0)	0	(0)	0	0
Profit for the year	**209 921**	**63 533**	**168 396**	**(23 807)**	**1 798**

INCOME STATEMENT *(in thousands of euros)*	August 31, 2023	Equipment	Services	Support	Others
Revenue from current activities	**5 285 513**	**942 681**	**4 342 738**	**89**	**5**
Cost of raw materials and merchandises	(1 057 816)	(329 094)	(699 156)	(29 566)	0
Personnel costs	(2 445 925)	(193 026)	(2 247 047)	(5 853)	0
Other external expenses	(1 116 645)	(157 391)	(912 362)	(46 824)	(68)
Depreciations and amortizations	(223 504)	(93 731)	(123 571)	(6 181)	(22)
Share of profit from associates accounted for under the equity method	7 415	0	7 415	0	0
Operating operations IC	*(83)*	*(39 369)*	*(72 235)*	*111 510*	*10*
Current operating profit	**448 955**	**130 071**	**295 783**	**23 176**	**(74)**
Other non-recurring revenues and expenses	(21 870)	6 992	(5 133)	(24 468)	739
Restructuring and underactivity costs	(12 332)	(3 361)	(8 154)	(817)	0
Operating profit	**414 754**	**133 702**	**282 495**	**(2 109)**	**665**
Income from cash and cash equivalents	20 263	3 430	4 946	11 886	0
Cost of gross financial debt	(144 274)	(4 052)	(16 403)	(123 819)	0
Cost of net financiel debt	**(124 012)**	**(622)**	**(11 456)**	**(111 933)**	**0**
Other financial products	97 748	2 081	75 988	18 401	1 278
Other financial expenses	(84 096)	(955)	(69 725)	(13 415)	0
Financial operations IC	*(0)*	*(7 374)*	*(17 017)*	*24 068*	*322*
Profit before tax from continuing operations	**304 395**	**126 832**	**260 285**	**(84 987)**	**2 265**
Income tax expense	(221 931)	(28 366)	(31 896)	(161 416)	(253)
Profit for the year from continuing operations	**82 464**	**98 465**	**228 389**	**(246 403)**	**2 013**
Profit/(loss) after tax for the year from discontinued operations	(0)	0	(0)	0	0
Profit for the year	**82 464**	**98 465**	**228 389**	**(246 403)**	**2 013**

21.2 Balance sheet

ASSETS *(in thousands of euros)*	August 31, 2024	Equipment	Services	Support	Others
Goodwill	1 808 601	109 500	1 504 676	194 295	130
Intangible assets	123 982	29 868	93 763	480	(130)
Property, plant and equipment	618 011	326 129	279 605	12 078	198
Right of use assets	229 985	99 825	130 021	80	58
Non-current financial assets and other non-current assets	31 632	16 612	909 930	(894 937)	27
Investments in associates	18 680		18 680		
Deferred tax assets	83 207				
Non-current assets	**2 914 098**	**589 530**	**3 020 062**	**(695 777)**	**283**
Inventories	227 225	169 959	57 506	(240)	
Trade receivables and contract assets	1 223 101	167 955	1 053 676	1 470	
Income tax receivable	28 808	9 737	11 695	7 376	
Other current assets	229 059	33 957	166 680	27 478	945
Cash, restricted cash and cash equivalent	1 193 821	137 839	628 452	426 977	552
Current assets	**2 902 014**	**519 447**	**1 918 009**	**463 061**	**1 497**
Assets held for distribution					
TOTAL ASSETS	**5 816 111**	**1 108 977**	**4 938 070**	**(232 716)**	**1 779**

EQUITY & LIABILITIES *(in thousands of euros)*	August 31, 2024	Equipment	Services	Support	Others
Total equity	1 129 276	81 442	147 719	899 518	597
Others Shareholders' funds	20 700			20 700	
Interest-bearing loans and borrowings, non-current	5 858	(7 847)	46 564	(32 859)	
Non current lease liabilities	172 213	74 318	97 862	32	
Reserve for risks and social engagement, non-current	457 716	15 356	250 533	191 828	
Other non-current liabilities	112 843	37 985	102 975	(28 119)	2
Deferred tax liabilities	52 874	20 692	51 341	(19 236)	78
Non-current liabilities	**822 205**	**140 504**	**549 275**	**132 345**	**79**
Interest-bearing loans and borrowings, current	1 744 669	31	11 076	1 733 561	
Current lease liabilities	64 950	24 591	40 360	(1)	
Reserve for risks and social engagement, current	72 690	4 987	55 852	11 751	100
Trade and other payables	981 958	496 634	857 224	(364 030)	(7 871)
IC Eliminations					
Income tax payable	67 671	8 304	38 759	20 204	404
Other current liabilities	932 693	(11 190)	873 256	69 640	987
Current liabilities	**3 864 630**	**523 358**	**1 876 527**	**1 471 125**	**(6 380)**
TOTAL EQUITY & LIABILITIES	**5 816 111**	**745 305**	**2 573 521**	**2 502 989**	**(5 704)**

ASSETS *(in thousands of euros)*	August 31, 2023 (1)	Equipment	Services	Support	Others
Goodwill	1 784 935	111 804	1 478 706	194 295	130
Intangible assets	127 446	30 241	96 978	358	(130)
Property, plant and equipment	603 905	328 726	263 112	11 997	71
Right of use assets	222 842	94 420	128 388	33	
Non-current financial assets and other non-current asset	27 781	19 599	31 587	(23 405)	
Investments in associates	6 853		6 853		
Deferred tax assets	118 716				
Non-current assets	**2 892 478**	**595 070**	**2 104 184**	**193 153**	**71**
Inventories	246 008	187 076	59 374	(442)	
Trade receivables and contract assets	1 280 584	185 361	1 093 672	1 552	
Income tax receivable	18 345	5 555	7 094	5 696	
Other current assets	235 958	28 451	171 226	36 268	13
Cash, restricted cash and cash equivalent	1 312 555	207 283	799 675	301 940	3 656
Current assets	**3 093 451**	**613 726**	**2 131 042**	**345 013**	**3 669**
Assets held for distribution	77			77	
TOTAL ASSETS	**5 986 006**	**1 208 796**	**4 235 226**	**538 243**	**3 740**

EQUITY & LIABILITIES *(in thousands of euros)*	August 31, 2023 (1)	Equipment	Services	Support	Others
Total equity	1 100 818	297 991	431 746	361 773	9 308
Others Shareholders' funds	47 110			47 110	
Interest-bearing loans and borrowings, non-current	1 244 402	(8 694)	44 246	1 208 850	
Non current lease liabilities	169 772	73 814	95 958	(0)	
Reserve for risks and social engagement, non-current	489 161	8 455	301 640	179 066	
Other non-current liabilities	139 526	43 759	163 078	(67 311)	
Deferred tax liabilities	57 780	14 447	43 304	0	29
Non-current liabilities	**2 147 751**	**131 780**	**648 226**	**1 367 716**	**29**
Interest-bearing loans and borrowings, current	664 510	167	22 808	641 535	
Current lease liabilities	58 215	21 246	36 986	(17)	
Reserve for risks and social engagement, current	98 295	5 171	83 273	9 751	100
Trade and other payables	1 011 220	514 030	1 759 436	(1 240 809)	(21 437)
Income tax payable	42 822	4 245	31 124	7 463	(10)
Other liabilities	862 336	37 567	643 845	180 891	33
Current liabilities	**2 737 398**	**582 426**	**2 577 472**	**(401 186)**	**(21 314)**
TOTAL EQUITY & LIABILITIES	**5 986 006**	**1 012 197**	**3 657 443**	**1 328 343**	**(11 977)**

(1) Changes have been made to the 2023 financial statements as originally published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Prefal and Ausgroup. (see Note 2.4).

NOTE 22 INFORMATION ON CURRENT OPERATING INCOME

22.1 Net sales

In thousands of euros	August 31, 2024	August 31, 2023
Turnover	5 430 487	5 256 728
Others income	21 756	28 785
Total revenue from current activities	**5 452 243**	**5 285 513**

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

In thousands of euros	August 31, 2024	August 31, 2023
Services Division	4 578 850	4 346 848
Equipment Division	873 393	938 665
Total revenue from current activities	**5 452 243**	**5 285 513**

The turnover is 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:

In thousands of euros	August 31, 2024	August 31, 2023
UK	1 648 130	1 444 819
Australia	396 161	430 660
France	1 093 691	1 116 106
Africa & Middle East	847 268	720 170
Germany	302 768	358 246
Belgium	213 649	211 484
Other countries of Europe	609 341	574 250
Other countries of the world	341 235	429 779
Total revenue from current activities	**5 452 243**	**5 285 513**

During the financial year ended 31 August 2024, €3.3Bn was recognised at a specific point in time, €1.8Bn progressively as performance obligations were met (over time) and €52.8M in respect of leases in accordance with IFRS 16. €230.656M of turnover for the period were included in contract liabilities at the previous year-end.

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 31 August 2024, revenue still to be recognised on these contracts is €343.3M, of which €238.5M within 12 months. At 31 August 2023, revenue still to be recognised on these contracts was €151M, of which €111.7M within 12 months.

22.2 Cost of materials and merchandise consumed

The rise in the cost of materials and goods consumed is due to business activity and represented 20.2% of sales at 31 August 2024 and 20.01% at 31 August 2023.

22.3 Staff costs

In thousands of euros	August 31, 2024	August 31, 2023
Total payroll	(2 535 574)	(2 368 942)
Others	(77 005)	(73 290)
Profit-sharing	(6 225)	(3 693)
Total staff costs	**(2 618 804)**	**(2 445 925)**

The increase in payroll is mainly due to the rise in business activity and the growing importance of the Services business, which is more labour-intensive within the Group. The section "other" includes, in particular, interim staff costs.

Group workforce at the end of the financial year

	August 31, 2024		August 31, 2023	
	Workforce	%	Workforce	%
Permanent employment contract	47 204	80%	47 208	80%
Fix-term employment contract	11 925	20%	11 890	20%
Total	**59 129**	**100%**	**59 098**	**100%**
France	9 461	16%	8 904	15%
Abroad	49 668	84%	50 194	85%
Total	**59 129**	**100%**	**59 098**	**100%**

Breakdown of the workforce

	August 31, 2024		August 31, 2023	
	Workforce	%	Workforce	%
Services Division	55 196	93%	55 026	93%
Equipment Division	3 933	7%	4 072	7%
Total	**59 129**	**100%**	**59 098**	**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 IFRS 16.

Note 23 Provisions and amortisation

"Provisions and amortisations" is detailed as follows:

In thousands of euros	August 31, 2024	August 31, 2023
Depreciation for amortisation of intangibles and tangibles assets	(229 951)	(217 883)
Net allowances of provisions	(20 388)	(5 621)
Total net allowances of provisions and amortisation	**(250 339)**	**(223 504)**

Net additions to provisions" at 31 August 2024 comprise the following items:

- The provision of €7.1M relating to the AIA quadri profit-sharing contract
- Provisions for losses on completion of €4.6M, mainly on Endel
- Impairment losses on trade receivables of €4.2M, mainly on Prezioso and Generation
- Inventory write-downs of €3.1M, mainly on equipment companies in Germany

Note 24 Other non-current operating income and expenses

Other non-recurring operating income and expenses" is a net expense of €25.3M and includes the following items at 31 August 2024:

- cancellation of the €12M earn-out provision for Adyard, which is no longer payable given the calculation methods set out in the SPA.
- reversals of unused provisions relating to Endel SAS, following the updating of opening balance sheet estimates, amounting to €+23.3M.
- provision for retirement indemnities relating to Cape for €-5.8M
- Exceptional depreciation of fixed and current assets for €-3.9M.
- Site losses net of provision reversals due to customer disputes amounting to €-3.1M, including €5M for Adyard and €2.3M for Endel.
- a provision of €-5M for a dispute between a German subsidiary and a former intermediary.
- €-7.5M in legal fees relating to ongoing proceedings.
- charges on the disposal of assets at 31.08.24, including the €-8.8M loss on the deconsolidation of Russia.

In 2023, other non-recurring operating income and expenses (net expenses of €21.9M) mainly included:

- A €3M reversal of provisions for tax risks at Cape's Algerian subsidiary Site losses net of provision reversals due to customer disputes amounting to €-13.8M at Adyard
- Reversals of €9M of provisions for occupational illness at Cape subsidiaries
- Losses of €-3.9M on a discontinued operation in Singapore
- A €-2.9M charge to provisions for occupational illness at the Babcock subsidiaries in the UK
- Exceptional depreciation of fixed and current assets for €-2.3M
- Acquisition costs for €-6.8M

NOTE 25 Restructuring 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" for a total amount of €17M compared to €12.3M at 31 August 2023.

The identified costs are of two 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 €12.6M (compared to €9.7M at 31 August 2023). 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 31 August 2024:

- France: €2.2M
- United Kingdom: €1.8M
- Africa, Middle East and Caspian: €2,2M
- Asia-Pacific: €3.3M
- Other European countries: €2.9M
- South America: €0.2M

These costs are mainly spread over the following geographical areas 31 August 2023:

- France: €3M
- United Kingdom: €0.8M
- Africa, Middle East and Caspian: €1,1M
- Asia-Pacific: €2.8M
- Other European countries: €1.6M
- South America: €0.3M

- 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 €4.4M (compared to €2.7M at August 31, 2023).

Note 26 Financial result

In thousands of euros	August 31, 2024	August 31, 2023
Income from cash and cash equivalents	39 013	20 263
Gross cost of financial indebtedness	(127 737)	(144 274)
Net cost of financial indebtedness	**(88 724)**	**(124 012)**
Other financial income (including exchange gains)	98 185	97 748
Other financial expenses (including exchange losses)	(88 595)	(84 096)
Total other financial income and expenses	**9 590**	**13 652**
Financial result	**(79 134)**	**(110 359)**

The cost of gross financial debt as at 31 August 2023 included a charge of €48M for the non-conversion premium relating to the OBSA/ORA bonds redeemed early.
The EURIBOR rate has fallen sharply since 2023, which also explains the fall in the value of hedging instruments (CAP) compared with 2023.

NOTE 27 EARNINGS PER SHARE

	August 31, 2024	August 31, 2023
Numerator (in K€)		
Net result - Group share	194 040	72 605
Net income from continuing operations	194 040	72 605
Diluted consolidated net income	194 040	74 156
Diluted consolidated net income from continuing operations	194 040	74 156
Denominator (number of shares)		
Weighted average number of shares	3 397 824	3 392 085
Total potential dilutive shares	36 453	342 936
OBSA	15 039	138 355
ORA	21 414	197 005
Weighted average number of shares- diluted	3 434 277	3 735 021
Consolidated net earnings per share, Group share (in €)	**57,11**	**21,40**
Diluted consolidated net earnings per share, Group share (in €)	**56,50**	**19,85**

NOTE 28 STATUTORY AUDITORS' FEES

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

Audit fees *(In thousands of euros)*	August 31, 2024		August 31, 2023	
	Ernst & Young	Grant Thornton	Ernst & Young	Grant Thornton
Audit and certification of stautory and consolidated accounts *(Parent company + controlled entities (1))*	4 740	1 479	2 280	1 301
Other services than audit and certitication of statutory and consolidated accounts (2) *(Parent company + controlled entities (1))*	-	-	56	-
TOTAL	**4 740**	**1 479**	**2 336**	**1 301**

(1) Controlled entities include fully consolidated subsidiaries and jointly controlled entities where fees are recognised in the consolidated income statement.

(2) The services provided cover ACSS required by legal and regulatory texts as well as ACSS provided at the request of the entity.

NOTE 29 EVENTS SUBSEQUENT TO THE CLOSE OF THE FINANCIAL YEAR

Acquisitions through external growth operations

Beerenberg

On 20 November 2024, following settlement of the takeover bid, Altrad acquired a total of 23,702,252 Beerenberg shares, bringing Altrad's total holding to approximately 96.47% of the outstanding shares.

On the same day, it proceeded to compulsorily acquire all the 867,748 shares (3.53%) that remained in circulation, thereby becoming the owner of 100% of all Beerenberg shares.

The price offered in the compulsory acquisition was equal to the public offer price, i.e. NOK 41.50 per share.

Stork

On 1er February 2025, the Altrad Group completed the acquisition of Stork TS Holdings Limited. See Note 1.

Heras Mobile Fencing & Security

Altrad Generation acquired the assets and business of Heras Mobile Fencing in the UK on 3 February 2025 for £2.1M (€2.5M). This transaction will enable Altrad Generation to significantly expand its presence in the country and strengthen its capabilities in the supply of temporary fencing and steel fencing solutions.

Acquisition of minority interests

On 21 February 2025, Altrad Investment Authority acquired the minority stake (20%) in the subsidiary Altrad Asia, a sourcing company based in Hong Kong. Following this transaction, the Group holds 100% of this subsidiary.

Subsidiary creation

The joint venture Altrad Impulse was established on December 20, 2024, in partnership with Epsa Growth. The Group holds 60% of the shares, while Epsa Growth holds 40%. The joint venture will centralize procurement in France.

Funding

As of August 31, 2024, in accordance with IAS 1, the syndicated loan and the state-guaranteed loan (PGE) were presented as current financial liabilities due to a breach of a contractual covenant as defined in the syndicated loan agreement dated May 2022. A waiver was obtained from the banking partners after the fiscal year-end. The waiver was received on March 28, 2025, for the syndicated loan, and on March 31, 2025, for the state guaranteed loan. As a result, this €1,068 million debt is now classified as non-current for maturities exceeding one year. See Note 12.1 – Details of net indebtedness.

On 21 March 2025, Altrad Investment Authority obtained a €1,140 million facility repayable at maturity on 21 March 2026 with a possible extension of 6 months + 6 months at the company's request.

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:

In K€	August 31, 2024	August 31, 2024 o/w entitie accounted for using the equity method	August 31, 2023	August 31, 2023 o/w entitie accounted for using the equity method
Balance sheet				
Other receivables	-	-	1 069	-
Trade receivables	1 703	1 703	1 325	1 325
Loan	-	-	-	-
Trade payables and other debts (1)	(91 323)	(1 129)	(36 237)	(1 190)
Total	**(89 620)**	**574**	**(33 843)**	**135**

In K€	August 31, 2024		August 31, 2023	
Income statement				
Sales	4 732	4 732	6 500	6 500
Costs (2)	(7 121)	(1 353)	(6 475)	(921)
Financial income	-	-	-	-
Financial cost (3)	(2 224)	-	(867)	-
Total	**(4 613)**	**3 379**	**(842)**	**5 579**

(1) Trade and other payables relate to the current account with Altrad Participation for €83.549K at 31 August 2023 vs. €34.766K at 31 August 2023.

(2) Operating expenses mainly relate to the Montpellier Hérault Rugby club for a sponsorship contract of €5,000K at 31 August 2024 and 31 August 2023.

(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:

In thousands of euros	August 31, 2024	August 31, 2023
Short-term benefits (1)	3 649	2 580
Long-term benefits (2)	393	375
Post-employment benefit (3)	7	5
Total executive compensation	**4 049**	**2 960**

(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.

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:

				August 31, 2024			August 31, 2023		
Denomination	**Country**	**Note**	**Currency**	**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., Dubaï	Dubai	B	USD	FC	100,00	100,00	FC	100,00	100,00
Equipment									
ACE Coffrages et Etaiements	France	A	EUR	FC	100,00	98,36	FC	100,00	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 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	99,99	99,99
Altrad Energy Support Services Ltd (Ex Muehlhan Industrial Services Ltd) (9)	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 (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	99,99	99,99
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 (3)	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 (3)	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	99,99	99,99
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

Denomination			Currency	August 31, 2024 Method	Interest %	Control %	August 31, 2023 Method	Interest %	Control %
Equipement (following)									
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	99,99	99,99
Altrad Services A/S (Ex MDK Energy A/S)	Denmark	A	DKK	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 Holding Ltd	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Bragagnolo	Italy		EUR	NC	0,00	0,00	NC		
Dessa	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
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 (2)	Portugal	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Multi Up (2)	Portugal	A	EUR	FC	51,00	51,00	FC	51,00	51,00
PT RAPID METAL DEVELOPMENT IND	Indonesia	A	IDR	FC	100,00	100,00	FC	100,00	100,00
RAPID METAL DEVELOPMENTS (NZ) LTD	New-Zeland	A	NZD	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM(AUSTRALIA) PROPRIETARY LTD	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
RMD COLOMBIA SAS	Colombia	B	COP	FC	100,00	100,00	FC	100,00	100,00
RMD INDIA PRIVATE LTD	India	B	INR	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM IRELAND LTD	Ireland	A	EUR	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM (AL MAHA) QATAR WLL	Qatar	B	QAR	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM ALMOAYED BAHRAIN	Bahrein	B	BHD	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM CHILE SA	Chile	B	CLP	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM GUAM, LLC	USA	B	USD	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM HOLDINGS LTD	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM HONG KONG LTD	Hong Kong	A	HKD	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM LTD	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM MIDDLE EAST LLC	United Arab Emirates	B	AED	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM NORTH AMERICA HOLDINGS INC.	USA	A	USD	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM NORTH AMERICA INC.	USA	A	USD	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM OIL & GAS SERVICES LLC	United Arab Emirates	A	AED	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM OMAN LLC	Oman	B	OMR	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM PERU SAC	Peru	B	PES	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM PHILIPPINES, INC	Philippines	B	PHP	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM SAUDI ARABIA LLC	Saudi Arabia	B	SAR	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM SINGAPORE PTE LTD	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
RMDK BIDCO Limited	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Samia Devianne	France	A	EUR	FC	99,98	99,98	FC	99,98	99,98
Trad Hire & Sales (2)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
VAD Collectivités	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00

Denomination			Currency	August 31, 2024 Method	August 31, 2024 Interest %	August 31, 2024 Control %	August 31, 2023 Method	August 31, 2023 Interest %	August 31, 2023 Control %
Services									
Altrad Arnholdt	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Australia Pty Ltd	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Altrad Babcock Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Babcock Energy Services (Overseas) Ltd	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Babcock for Oil and Gas Services WLL (ex Doosan Babcock W.L.L (Qatar JV))	Qatar	A	QAR	FC	100,00	49,00	FC	100,00	49,00
Altrad Babcock Power Systems Overseas Invest Ltd (Hold Co) (9)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Engineering Services Limited (ex Cape Engineering Services Limited) (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Environmental Services Offshore Limited (ex Cape Environmental Services Offshore Limited) (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Projects & Maintenance (ex Hertel GmbH Leipzig) (3)	Germany	A	EUR	FC	100,00	100,00	NC	-	-
(*)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 Netherland 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) (1)	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
Abdhulah 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
Equipement (following)									
Altrad Employment Sces LTD	UK	B	GBP	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 Germany GmbH (ex Hertel GmbH Germany) (3)	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad GIXTAALA JV	Canada	A	CAD	FC	100,00	100,00	FC	100,00	100,00
Altrad Industrial Services (3)	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Alpha Offshore Service A/S	Denmark	B	DKK	FC	100,00	100,00	FC	100,00	100,00
Altrad Nsg (9)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Pacific Shared Services Inc (1)	Philippines	A	PHP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Piping Mechanical GmbH (ex Altrad Kiel Industrial Services GmbH) (3)	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Power Systems Americas LLC	USA	A	USD	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	Canada	A	CAD	FC	100,00	100,00	FC	100,00	100,00
Altrad Services Algérie (ex : SAEIP) (2)	Algeria	B	DZD	FC	99,95	99,95	FC	99,95	99,95
Altrad Services Italia SRL (10) (2)	Italy	A	EUR	FC	100,00	100,00	NC	0,00	0,00
Altrad Services Italia TRECI (10) (2)	Italy	A	EUR	FC	100,00	100,00	NC	0,00	0,00
Altrad Services NV (ex : Altrad Balliauw Multiservices)	Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Services Portugal Unipessoal Lda (7)	Portugal	A	EUR	FC	100,00	100,00	FC	100,00	100,00

Denomination			Currency	August 31, 2024 Method	Interest %	Control %	August 31, 2023 Method	Interest %	Control %
Services (following)									
Altrad Services Pte Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Altrad Services Pty Ltd, (ex Cape Australia Onshore Pty Limited) (1)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Altrad Services Suisse	Switzerland	B	CHZ	FC	100,00	100,00	FC	100,00	100,00
Amb Hertel L.L.C.	Abu Dhabi	A	AED	FC	100,00	100,00	FC	100,00	100,00
AREVA PROJET NCPF	France	A	EUR	IP	50,00	50,00	IP	50,00	50,00
ArranCo 3 Limited	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
ArranCo 4 Limited	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
ArranCo US LLC	USA	B	USD	FC	100,00	100,00	FC	100,00	100,00
ATRON METROLOGY	France	A	EUR	FC	51,00	100,00	FC	51,00	100,00
AGC Industries Pty Ltd (5)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Ausgroup Companies Pty Ltd (5)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
AusGroup People Pty Ltd (5)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Babcock Gen. Contracting & M S	Dubai	A	AED	FC	49,00	100,00	FC	49,00	100,00
Beerenberg Holding AS (12)	Norway	B	NOK	MEE	24,70	24,70	NC	0,00	0,00
Beerenberg Services AS (12)	Norway	B	NOK	MEE	24,70	24,70	NC	0,00	0,00
Remotion AS (12)	Norway	B	NOK	MEE	24,70	24,70	NC	0,00	0,00
Beerenberg Industri AS (12)	Norway	B	NOK	MEE	24,70	24,70	NC	0,00	0,00
Beerenberg Poland Ltd (12)	Poland	B	PLN	MEE	24,70	24,70	NC	0,00	0,00
Beerenberg Singapore Ltd (12)	Singapore	B	SGD	MEE	24,70	24,70	NC	0,00	0,00
Beerenberg Korea Ltd (12)	Korea	B	KRW	MEE	24,70	24,70	NC	0,00	0,00
Beerenberg Holding (Thailand) Ltd (12)	Thailand	B	THB	MEE	11,76	11,76	NC	0,00	0,00
Beerenberg (Thailand) Co., Ltd (12)	Thailand	B	THB	MEE	11,76	11,76	NC	0,00	0,00
Beerenberg UK Ltd (12)	UK	B	GBP	MEE	24,70	24,70	NC	0,00	0,00
Beerenberg Brasil Ltda (12)	Brazil	B	BRL	MEE	24,70	24,70	NC	0,00	0,00
Cape Australia Holdings Pty Limited (1)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Cape Building Products Limited (1)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape BVI (No1) Limited (1)	British Virgin Islands	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Calsil Group Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Calsil Systems Limited (1)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Cayman (No.2) Ltd (1)	Cayman Islands	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Claims Services Limited (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Contracts International Limited (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Durasteel Limited (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape East & Partners LLC (1)	Oman	B	OMR	FC	100,00	100,00	FC	100,00	100,00
Cape East (Holdings) Limited (1)	Thailand	B	THB	FC	100,00	100,00	FC	100,00	100,00
Cape East (Thailand) Limited (1)	Thailand	A	THB	FC	100,00	100,00	FC	100,00	100,00
Cape East (UK) Limited (1)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape East Algeria SARL (1)	Algeria	B	EUR	FC	100,00	100,00	FC	100,00	100,00
Cape East Egypt LLC (1)	Egypt	B	USD	FC	100,00	100,00	FC	100,00	100,00

Denomination			Currency	August 31, 2024 Method	August 31, 2024 Interest %	August 31, 2024 Control %	August 31, 2023 Method	August 31, 2023 Interest %	August 31, 2023 Control %
Services (following)									
Cape East General Contracting Company W.L.L (1)	Kuwait	B	KWD	FC	100,00	100,00	FC	100,00	100,00
Cape East Jusik Hoesa (1)	Korea	B	KRW	FC	100,00	100,00	FC	100,00	100,00
Cape East Libya Limited (1)	Malta	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Cape East Limited (1)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape East Limited Company W.L.L (1)	Qatar	A	USD	FC	100,00	100,00	FC	100,00	100,00
Cape East Limited LLC (1)	Abu Dhabi	B	AED	FC	100,00	100,00	FC	100,00	100,00
Cape East Philippines Inc (1)	Philippines	A	PHP	FC	100,00	100,00	FC	100,00	100,00
Cape East Pte Ltd (1)	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Cape East Sdn Bhd (1)	Malaysia	A	MYR	FC	100,00	100,00	FC	100,00	100,00
Cape East SPC (1)	Bahrein	A	BHD	FC	100,00	100,00	FC	100,00	100,00
Cape HoldCo Limited (1)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Hong Kong Fuji Limited (1)	China	B	HKD	FC	100,00	100,00	FC	100,00	100,00
Cape Hong Kong Limited (1)	China	B	HKD	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Company Limited (1)	Saudi Arabia	A	SAR	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services Europe Limited (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services Group Limited (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services Limited (Jordan) (1)	Jordan	B	USD	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services LLC (1) (11)	Russia	B	RUB	NC	0,00	0,00	MEE	50,00	50,00
Cape Industrial Services (Sakhalin) LLC (1) (11)	Russia	A	RUB	NC	0,00	0,00	FC	100,00	100,00
Cape Industrial Services Private Limited (1)	India	A	INR	FC	100,00	100,00	FC	100,00	100,00
Cape Insulation Limited (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Intermediate Holdings Limited (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape International Holdings Pte Limited (1)	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Cape International Sdn Bhd (1)	Brunei	B	BND	FC	100,00	100,00	FC	100,00	100,00
Cape Libya Industrial Services, Security and Safety Joint Company (1)	Libya	B	USD	FC	100,00	100,00	FC	100,00	100,00
Cape PCH LLC (1)	Azerbaidjan	B	USD	FC	100,00	100,00	FC	100,00	100,00
Cape Pension Trustees Limited (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape plc (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Regional Services DMCC (1)	Dubai	A	AED	FC	100,00	100,00	FC	100,00	100,00
Cape Specialist Coatings Limited (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape UK Holdings Newco Limited (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape UK Limited (1)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Vietnam LLC (1)	Vietnam	B	VND	FC	100,00	100,00	FC	100,00	100,00
CERAP	France	A	EUR	FC	51,00	100,00	FC	51,00	100,00
CERAP ADVANCE	France	A	EUR	FC	51,00	100,00	FC	51,00	100,00
CERAP SUISSE	Switzerland	A	CHF	FC	51,00	100,00	FC	51,00	100,00
CERAP UK (4)	UK	A	GBP	FC	51,00	51,00	FC	51,00	51,00
CG Purchasing Pte Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
CIDES CONGO (2)	Congo	A	XAF	FC	100,00	100,00	FC	100,00	100,00

Denomination			Currency	August 31, 2024 Method	August 31, 2024 Interest %	August 31, 2024 Control %	August 31, 2023 Method	August 31, 2023 Interest %	August 31, 2023 Control %
Services (following)									
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
Decalog	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Doosan Babcock Energy Germany GmbH	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Doosan Babcock Energy Polska SA	Poland	A	PLN	FC	98,88	98,88	FC	98,88	98,88
DYNAMIC	France	A	EUR	MEE	30,00	30,00	MEE	30,00	30,00
EFTIC	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Encore Australia Holdings Pty Ltd	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
ENDEL	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
ENDEL REUNION (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
ENDEL SRA	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Energy Cranes International Limited	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
ENTREPOSE NAVIBORD	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
EUROPIPE	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
FRP PRODUCTS CO., PTE. LTD.	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Geo Project (2)	South Africa	B	ZAR	FC	100,00	100,00	FC	100,00	100,00
(*)Hawk Engineering Lifting Solutions Lda (Hawco Engineering Lifting Solutions Lda)	Angola	B	AOA	FC	100,00	100,00	FC	100,00	100,00
Hawk Bidco (US) Inc	USA	B	USD	FC	100,00	100,00	FC	100,00	100,00
Hawk Debtco Limited	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Hawk Holdco Limited	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Hawk Newco Limited	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Hawk Noteco Limited	UK	B	GBP	FC	100,00	100,00	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.	Azerbaidjan	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.	Bahrein	A	BHD	FC	100,00	100,00	FC	100,00	100,00
Ipes (2)	Nigeria	B	NGN	FC	90,00	90,00	FC	90,00	90,00
Kok Chang Engineering Pte. Ltd	Singapore	A	SGD	NC	0,00	0,00	FC	100,00	100,00
Kok Chang Marine Service Pte Ltd	Singapore	A	SGD	NC	0,00	0,00	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 (ex :Prezioso Linjebygg AS)	Norway	A	NOK	FC	100,00	100,00	FC	100,00	100,00
Linjebygg Norway AS	Norway	A	NOK	FC	100,00	100,00	FC	100,00	100,00

Denomination			Currency	August 31, 2024 Method	Interest %	Control %	August 31, 2023 Method	Interest %	Control %
Services (following)									
Linjebygg INC	USA	A	USD	FC	100,00	100,00	FC	100,00	100,00
Maintech	Norway	A	NOK	FC	50,80	50,80	FC	50,80	50,80
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	FC	100,00	100,00
MEVI	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Mtd	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Olio Cape Sdn Bhd (1)	Malaysia	A	MYR	FC	100,00	100,00	FC	100,00	100,00
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	Nigeria	B	NGN	FC	49,00	49,00	FC	49,00	49,00
Prezioso Angola Partnerships	Angola	B	AOA	FC	75,00	100,00	FC	75,00	100,00
Prezioso Angola	Angola	B	AOA	FC	100,00	100,00	FC	100,00	100,00
Prezioso Congo	Congo	B	XOF	FC	100,00	100,00	FC	100,00	100,00
Prezioso do Brasil	Brazil	A	BRL	FC	100,00	100,00	FC	100,00	100,00
Prezioso Holding	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Prezioso (France)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Prezioso Linjebygg (2)	Ivory Coast	B	XOF	FC	100,00	100,00	FC	100,00	100,00
Prezioso Linjebygg Mozambique	Mozambique	B	MZD	FC	100,00	100,00	FC	100,00	100,00
Prezioso Linjebygg Group	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Prezioso Linjebygg Guinée Equatoriale	Equatorial Guinea	B	XOF	FC	65,00	65,00	FC	59,79	58,55
Prezioso Linjebygg Holding	France	A	EUR	FC	100,00	100,00	FC	91,99	90,08
Prezioso Technilor Gabon	Gabon	B	XOF	FC	100,00	100,00	FC	100,00	100,00
Prezioso-Emdad	United Arab Emirates	A	AED	MEE	65,00	49,00	MEE	65,00	49,00
Professional Construction Hire (PCH) W.L.L	Qatar	B	USD	FC	100,00	100,00	FC	100,00	100,00
PT Cape East Indonesia Limited	Indonesia	B	IDR	FC	100,00	100,00	FC	100,00	100,00
PT PCH Indonesia	Indonesia	B	IDR	FC	100,00	100,00	FC	100,00	100,00
Pt Sparrows Offshore	Indonesia	B	INR	FC	100,00	100,00	FC	100,00	100,00
PT Sparrows Services Batam	India	B	INR	FC	100,00	100,00	FC	100,00	100,00
PZO Technilor Unipessoal	Portugal	A	EUR	FC	100,00	100,00	FC	100,00	100,00
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
REC Maintenance & Construction Pty Ltd (5)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Remediation Rectification Works Pty. Ltd	Australia	A	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
Ridgebay Holdings Pty Limited	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Rig Source	South Africa	B	ZAR	FC	100,00	100,00	FC	100,00	100,00

Denomination			Currency	August 31, 2024 Method	August 31, 2024 Interest %	August 31, 2024 Control %	August 31, 2023 Method	August 31, 2023 Interest %	August 31, 2023 Control %
Services (following)									
Rope Acces Angola	Angola	B	NAD	FC	87,50	55,00	FC	87,50	55,00
Rope Access Namibie	Namibia	B	NAD	FC	90,00	90,00	FC	90,00	90,00
Ropetec Congo	Congo	B	XOF	FC	100,00	100,00	FC	100,00	100,00
Ropetec Ghana	Ghana	B	GHS	FC	100,00	100,00	FC	100,00	100,00
Ropetec International	Dubai	A	USD	FC	100,00	100,00	FC	100,00	100,00
Ropetec Rigworld Ghana	Ghana	B	GHS	FC	85,00	85,00	FC	85,00	85,00
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	France	A	EUR	FC	51,00	100,00	FC	51,00	100,00
SENEGAL KENI PAINTING (2)	Sengal	A	XAF	FC	100,00	100,00	FC	100,00	55,00
SEP Altrad Services Nord	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
SEP Baumert Prezioso	France	A	EUR	IP	50,00	50,00	IP	50,00	50,00
SEP Blayais Golfech	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
SEP ENDEL MARCOULE PHENIX	France	A	EUR	IP	50,00	50,00	IP	50,00	50,00
SEP ENT.NAV./MEDIACO	France	A	EUR	IP	50,00	50,00	IP	50,00	50,00
SEP Prezioso Solorpec	France	A	EUR	IP	50,00	50,00	IP	50,00	50,00
SEP Prezioso-Lassarat	France	A	EUR	IP	60,00	60,00	IP	60,00	60,00
SEP Prezioso-Technilor / SN-SGC	France	A	EUR	IP	60,00	60,00	IP	60,00	60,00
SEP RJH	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Servtech Limited	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Servtech UK Limited	UK	B	GBP	FC	100,00	100,00	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	UK	A	GBP	FC	100,00	100,00	NC	-	-
SOCAR-Cape LLC (1)	Azerbaidjan	B	USD	FC	100,00	100,00	FC	100,00	100,00
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	Dubai	B	AED	FC	100,00	100,00	FC	100,00	100,00
Sparrows Global Ressources Pte Ltd	Singapore	B	SGD	FC	100,00	100,00	FC	100,00	100,00
Sparrows BSM Engenharia Ltda	Brazil	B	BRL	MEE	50,00	50,00	MEE	50,00	50,00
Sparrows (Equatorial Guinea) Ltd	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Sparrows Holdings Australia Pty Ltd	Australia	B	AUD	FC	100,00	100,00	FC	100,00	100,00
Sparrows India 1 Limited	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Sparrows India 2 Limited	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Sparrows Offshore International Group Limited	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Sparrows Offshore LLC	USA	B	USD	FC	100,00	100,00	FC	100,00	100,00
Sparrows Offshore Services (Singapore) Pte Limited	Singapore	B	SGD	FC	100,00	100,00	FC	100,00	100,00
Sparrows Offshore Services India Private Limited	India	B	IND	FC	100,00	100,00	FC	100,00	100,00
Sparrows Offshore Services Ltd	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Sparrows Saudi Arabia LLC	Saudi Arabia	B	SAR	FC	100,00	100,00	FC	100,00	100,00

Denomination			Currency	August 31, 2024 Method	Interest %	Control %	August 31, 2023 Method	Interest %	Control %
Services (following)									
Sparrows Services Australia Pty Ltd	Australia	B	AUD	FC	100,00	100,00	FC	100,00	100,00
SS AO Lifting Solutions Lda	Angola	B	AOA	FC	100,00	100,00	FC	100,00	100,00
Technilor (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Tenaga Sparrows Sdn Bhd	Brunei	B	BND	FC	100,00	100,00	FC	100,00	100,00
TENEO	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
TES	France	A	EUR	FC	65,05	100,00	FC	65,05	100,00
Trad Group (2)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Trad Hire & Sales Midlands (2)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Trad Hire & Sales Nothern (2)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Trad Hire & Sales Scotland (2)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Trad Safety Systems (2)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Trad Scaffolding (2)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
TRIHOM	France	A	EUR	MEE	34,00	34,00	MEE	34,00	34,00
Valmec Australia Pty Ltd (4) (2)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Valmec Limited (4) (2)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Valmec Plant and Equpment Ltd (2)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Valmec Services Pty Ltd (2)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Willich Service & Construction Co. Ltd.	Thailand	B	THB	FC	99,90	99,90	FC	100,00	100,00
Woodlands Park Property Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
MAS Australasia Pty Ltd (5)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Nüsam Limited (4)	Dubai	A	AED	FC	51,00	51,00	FC	51,00	51,00
Resource People Pty Ltd (5)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Seagate Structural Engineering Pty Ltd (5)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Specialist People Pty Ltd (5)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Workforce Logistics Pty Ltd (8)	Australia	A	AUD	NC	0,00	0,00	FC	100,00	100,00
SEP REMELEC (4)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
SEFC FORMA3MIL (4)	France	A	EUR	FC	51,00	51,00	FC	51,00	51,00
REMO INTERM (4)	France	A	EUR	FC	70,00	70,00	FC	70,00	70,00
Others									
ARCHIMEDE MANAGERS (6) (9)	France	A	EUR	NC	0,00	0,00	FC	100,00	100,00
NYX AG Partners	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
POLYGONES MANAGERS (6) (9)	France	A	EUR	NC	0,00	0,00	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

Méthod:

FC : Full Consolidation

MEE : Equity method

IP : Proportional consolidation

NC : Not consolidated

Méthod:

FC : Full Consolidation

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(1) 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.
The Cape Group's Russian subsidiary (Sakhalin) is accounted for using the equity method in the Group's accounts, as it is a joint venture in which the Altrad Group has a 50% stake.

(2) 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.

(3) Companies that apply section 264 (3) of the HGB (German Commercial Code).

(4) Companies consolidated during the financial year ended 31 August 2023. These are subsidiaries of ENDEL, FORMA3MIL, Remelec, Nusam, Rémo and Cerap UK.

(5) Companies joining on 01/01/2023 following the acquisition of the Ausgroup group by Altrad Services Australia Pty.

(6) Companies joining the group on 24/03/2023 following the purchase of minority interests in the PREZIOSO group by Altrad Investments Authority. These companies have a solely financial activity.

(7) Companies joining on 01/01/2023 following the acquisition of the subsidiary PREFAL from the Bilfinger Group by Altrad Investments Authority.

(8) Incoming company in 2023 but will be wound up in 2024 as it has ceased trading. Company liquidated in 2023. These transactions have no impact on the Group's equity.

(9) Companies entering the 2023 financial year are subject to a partial transfer of assets within the Altrad Group, these transactions have no impact on the Group's shareholders' equity.

(10) Companies included in the consolidation scope on 12 December 2023 following the acquisition of Altrad Services Italia SRL and Altrad Services Italia TRECI.

(11) Company deconsolidated on 31 August 2024 following the deconsolidation of companies based in Russia

(12) Companies joining the group on 01/07/2024 following the purchase of a shareholding in the Beerenberg Group by Altrad Investments Authority.