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 2021

Statutory auditors' report on the consolidated financial statements

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Commissaire aux Comptes
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régionale de Versailles et du Centre

Altrad Investment Authority
A.I.A.

Year ended 31 August 2021

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 2021.

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 2021 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.

The audit opinion expressed above is consistent with our report to the Board of Directors performing the functions assigned to the Audit Committee.

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.

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■ **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 2020 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments – Key Audit Matters

Due to the global crisis related to the COVID-19 pandemic, the financial statements for this period have been prepared and audited under special circumstances. Indeed, this crisis and the exceptional measures taken in the context of the health emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties regarding their future prospects. Some of these measures, such as travel restrictions and remote working, have also had an impact on companies' internal organization and on the performance of audits.

It is in this complex, evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

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.

■ **Presentation and recognition of non-recurring items of operating income**

Risk identified	**Our response**
In order to facilitate communication on the level of its current operating performance, your Group chose to present an intermediary line in its profit and loss account entitled “Current operating income” so as to isolate the impacts of non-recurring items related to unusual, infrequent events. The presentation and recognition of non-recurring items constitute a key audit matter due to the degree of judgement required to identify and estimate the income and expenses to be presented and recognized as non-recurring items.	Firstly, we analyzed the definition of non-recurring items used by your Group as set out in Note 22 “Other non-current operating income and expenses” to the consolidated financial statements, to categorize the various types of costs and income that can be classed as non-recurring operating items. Then, within the scope of our work on the non-recurring items, we examined Management’s reasoning, assumptions and supporting documentation justifying the classification of these items as non-recurring income and expenses.

■ **Recognition of revenue and margins on contracts**

Risk identified	**Our response**

A significant share of your Group's revenue and operating income in the Services segment is generated by long-term contracts. The income from these contracts and the related costs are recognized as income and expenses respectively, depending on the stage of completion of the contract at the closing date, as set out in the section "Income from ordinary activities" in Note 2 "Accounting principles and methods" to the consolidated financial statements.

At each closing date, Management is required to perform certain estimates and adopt assumptions based on the following items:

- the determination of revenue upon completion, including variations in relation to the contracts (additional orders, claims and contract amendments);
- the determination of the revenue for the financial year according to the percentage of completion method based on costs or on technical progress;
- the estimation of the margin upon completion, including risks and unknown factors (technical, commercial, etc.) relating to the performance of the contracts.

The recognition of the revenue and the margin on these contracts constitutes a key audit matter in view of the degree of the estimates and judgements to be made by Management and the project teams of each entity. These estimates and judgements were prepared by Management on the basis of the items available as at the date of the close of the consolidated accounts for the year ended 31 August 2021, taking into account, where applicable, the impact of the crisis related to COVID-19 having resulted in the postponement or suspension of certain projects.

We conducted interviews with Management and with the project managers in order to assess the systems used, the controls designed and applied by your Group concerning the estimates of revenue, costs upon completion and the measurement of completion, as well as the revenue recognition process.

On a sample of major contracts selected on the basis of their financial impact and risk profile:

- We assessed how the contractual clauses were reflected in the accounts, notably concerning the revenue still to be recognized in respect of service obligations not yet performed in accordance with IFRS 15 "Revenue from Contracts with Customers";
- For these contracts, we assessed your Group's analyses that led it to conclude on the gradual passing of control or on completion and, if applicable, the identification of the various performance obligations;
- We reconciled the main assumptions concerning revenue and costs upon completion with costs incurred to date, the contractual data, the management data and correspondence with the client;
- We assessed the progress of projects and the operational risks by interviews with the project teams and the Management;
- We analysed the consistency of the revenue recognized for each contract and the other P&L and balance sheet items in relation to the stage of completion of the projects and to billing.
- We examined the appropriateness of the information disclosed in Notes 2.3 "Accounting principles" and 21.1 "Income from ordinary activities" to the consolidated financial statements.

Measurement of goodwill and trademarks

Risk identified	Our response

As at 31 August 2021, goodwill amounts to a net carrying amount of €1,400.2m and mainly relates to three acquisitions, Hertel, Prezioso and Cape. In addition, intangible assets (excluding goodwill) amount to €69.2m including €60.2m for trademarks. These trademarks are considered as non-amortizable intangible assets. The goodwill and trademarks recognized represent 35.3% of total assets in the consolidated accounts

In accordance with the accounting principles in force, your Group performs impairment tests once a year or whenever there is an indication of impairment. An impairment loss is recognized in the balance sheet whenever the recoverable amount of these assets is below their net carrying amount.

The recoverable amount of the goodwill is measured by reference to discounted cash flow projections and on the basis of the provisional operating budget for 2021/2022, extrapolated for the future periods of the companies concerned, for each cash generating unit to which the goodwill is allocated, as described in Note 4 "Goodwill" to the consolidated financial statements.

The recoverable amounts of the trademarks are measured by reference to discounted cash flow projections calculated using the royalty method, consisting in applying a royalty rate observed in the market for comparable trademarks to the revenue expected from the use of the trademark, as described in Note 5.2 "Impairment tests of non-depreciable intangible assets" to the consolidated financial statements.

The measurement of the goodwill and trademarks constitutes a key audit matter in view of the materiality of these items, and the high level of the estimates and judgements by Management in order to determine the various assumptions used, such as price and volume growth rates, discount rates, royalty rates and long-term growth rates. These assumptions, estimates and judgements were prepared by Management on the basis of the items available as at the date of the close of the accounts for the year ended 31 August 2021, in the changing context of the crisis related to COVID-19 and the difficulties in assessing its impacts and the business prospects.

Our procedures notably consisted in:

- assessing the processes and controls set up by your Group for the identification of indications of impairment and the performance of annual impairment tests, through discussion with Management;
- examining the valuation methods used by Management to estimate the recoverable amounts of the non-amortizable intangible assets and the goodwill;
- analyzing, together with our experts, the main data and assumptions on which the estimates are based, such as, for example, the long-term discount and growth rates, principally by comparison with external data, taking into account the conditions specific to the sectors and countries;
- assessing the operational assumptions used to prepare the cash flow projections, notably the assumptions adopted by Management to integrate the known and foreseeable impacts of the crisis related to COVID-19, and comparing these cash flow projections for the previous periods with the corresponding actual figures;
- testing, through sampling, the arithmetical accuracy of the calculation formulas used to estimate the values in use applied by Management.

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.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of A.I.A. by your general meeting of shareholders held on 29 February 2016 for GRANT THORNTON and by your articles of incorporation dated 23 December 2010 for ERNST & YOUNG Audit.

As at 31 August 2021, GRANT THORNTON was in its sixth year and ERNST & YOUNG Audit in its eleventh year of total uninterrupted engagement, including eight years since the company's securities were admitted to trading on a regulated market.

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 Board of directors performing the functions assigned to the Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

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

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

Objectives and audit approach

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

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

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

- ► Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ► Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- ► Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.

- ► Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- ► Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- ► Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

■ Report to the Audit Committee

We submit to the Board of Directors performing the functions assigned to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Board of Directors performing the functions assigned to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Board of Directors performing the functions assigned to the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code *(Code de commerce)* and in the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de commissaire aux comptes)*. Where appropriate, we discuss with the Board of Directors performing the functions assigned to the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Lyon and Montpellier, 24 February 2022

The Statutory Auditors

French original signed by:

GRANT THORNTON *Membre français de Grant Thornton International*		ERNST & YOUNG Audit	
Frédéric Jentellet	Helmi Ben Jezia	Amélie Van Elst	Lionel Denjean

ALTRAD GROUP

CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31st AUGUST 2021

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, 2021	August 31, 2020
Revenue from current activities	**21.1**	**2 696 971**	**2 588 985**
Cost of raw materials and merchandises		(572 159)	(510 501)
Personnel costs	21.2	(1 232 674)	(1 182 441)
Other external expenses		(476 296)	(503 540)
Depreciations and amortizations		(138 443)	(153 171)
Share of profit from associates accounted for under the equity method	7.2	(943)	(215)
Current operating profit		**276 456**	**239 117**
Other non-recurring revenues and expenses	22	(17 406)	(43 364)
Restructuring and underactivity costs	23	(14 902)	(38 037)
Operating profit		**244 148**	**157 716**
Income from cash and cash equivalents	24	893	1 365
Cost of gross financial debt	24	(38 195)	(43 134)
Cost of net financial debt		**(37 302)**	**(41 769)**
Other financial products	24	35 187	20 676
Other financial expenses	24	(5 891)	(19 920)
Profit before tax		**236 142**	**116 703**
Income tax expense	8	(60 949)	(29 441)
Profit for the year from continuing operations		**175 193**	**87 262**
Profit/(loss) after tax for the year from discontinued operations		4	0
Profit for the year		**175 197**	**87 262**
Equity holders of the parent		***169 856***	***83 965***
Non-controlling interests		***5 341***	***3 297***
Basic, profit for the year attributable to ordinary equity holders of the parent (in Euros)	25	***50,10***	***24,77***
Basic, profit from continuing operations attributable to ordinary equity holders of the parent (in Euros)	25	***50,10***	***24,77***
Diluted, profit for the year attributable to ordinary equity holders of the parent (in Euros)	25	***46,32***	***22,49***
Diluted, profit from continuing operations attributable to ordinary equity holders of the parent (in Euros)	25	***46,32***	***22,49***

ALTRAD

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(In thousands of euros)	Notes	August 31, 2021	August 31, 2020
Consolidated net profit		**175 197**	**87 262**
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods		**6 154**	**(22 793)**
Exchange differences on translation of foreign operations		6 154	(22 793)
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods		**2 516**	**(2 323)**
Remeasurement gains (losses) on defined benefit plans - gross value		3 559	(2 832)
Remeasurement gains (losses) on defined benefit plans - tax effect		(1 043)	509
Total comprehensive income for the year, net of tax		**183 866**	**62 146**
Equity holders of the parent		***177 391***	***58 389***
Non-controlling interests		***6 476***	***3 757***

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – ASSETS

ASSETS *(in thousands of euros)*	Notes	August 31, 2021			August 31, 2020 (1)
		Brut	Amortisation Depreciation	Net	Net
Goodwill	4	1 401 051	(890)	1 400 161	1 344 429
Others intangible assets	5	111 886	(42 664)	69 221	70 310
Property, plant and equipment	5	1 304 466	(912 497)	391 970	359 148
Right of use assets	6	216 359	(92 207)	124 152	131 425
Non-current financial assets and other non-current assets	7.1	26 872	(7 995)	18 877	4 986
Investments in associates	7.2	211	0	211	200
Deferred tax assets	8	49 266	0	49 266	64 897
Non-current assets		**3 110 111**	**(1 056 253)**	**2 053 858**	**1 975 395**
Inventories	9	188 525	(6 314)	182 212	132 722
Trade receivables and contract assets	10	704 110	(49 096)	655 015	562 439
Income tax receivable	10	4 017	0	4 017	8 092
Other current assets	10	117 997	(12 671)	105 326	81 571
Cash, restricted cash and cash equivalent	11	1 132 439	0	1 132 439	1 172 537
Current assets		**2 147 089**	**(68 081)**	**2 079 008**	**1 957 361**
Assets held for sale	14	2 378	0	2 378	2 378
Total assets		**5 259 578**	**(1 124 334)**	**4 135 244**	**3 935 132**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - LIABILITIES

EQUITY & LIABILITIES *(in thousands of euros)*	**Notes**	**August 31, 2021**	**August 31, 2020 (1)**
Issued capital and other capital reserves	16.2	367 260	366 725
Other reserves		444 360	351 060
Profit for the period (Group share)		169 856	83 965
Non-controlling interests	16.4	19 260	18 145
Total equity		**1 000 736**	**819 894**
Others Shareholders' funds	11.2	185 808	178 188
Interest-bearing loans and borrowings, non-current	11.1	964 010	1 168 334
Lease liabilities, non-current	11.1	90 020	92 703
Reserve for risks and social engagement, non-current	17	267 672	281 328
Other non-current liabilities	19	43 799	58 539
Deferred tax liabilities	8	24 751	25 297
Non-current liabilities		**1 576 061**	**1 804 389**
Interest-bearing loans and borrowings, current	11	467 073	373 285
Lease liabilities, current	11.1	34 982	39 225
Reserve for risks and social engagement, current	17	40 840	40 544
Trade and other payables	18	591 494	389 607
Income tax payable	18	27 805	17 898
Other liabilities	18	396 253	450 292
Current liabilities		**1 558 448**	**1 310 850**
Total equity and liabilities		**4 135 244**	**3 935 132**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

CONSOLIDATED CASH FLOW STATEMENT

In thousands of euros	Notes	August 31, 2021	August 31, 2020
OPERATING ACTIVITIES			
Net Profit - Attributable to equity holders of the parent		**169 856**	**83 965**
Non-controlling interests		5 341	3 297
Profit from associates accounted for under the equity method		943	215
Depreciation, amortisation and impairment of tangible and intangible assets		97 352	110 630
The change in fair value and discounting of derivative financial instruments		1 846	2 252
Gain / (Loss) on disposal		34 042	30 563
Income and expenses related to share-based payments		2 773	676
Deferred tax	8.1	21 369	6 999
Self-financing capacity		**333 521**	**238 596**
Current income tax	8.1	39 580	22 441
Income tax paid		(31 096)	(32 709)
Cost of net financial debt	24	38 055	41 577
Changes in inventories		*570*	*26 655*
Changes in trade receivables, contract assets and others receivables		*1 584*	*157 790*
Changes in trade payables, contract liabilities and others payables		*(1 658)*	*(161 282)*
Working capital adjustments		**(33 872)**	**23 163**
NET CASH FLOWS FROM OPERATING ACTIVITIES		**346 189**	**293 068**
INVESTING ACTIVITIES			
Purchase of intangible assets		(1 413)	(2 526)
Purchase of property, plant and equipment		(104 988)	(88 552)
Proceeds from sale of property, plant and equipment and intangible assets		3 532	4 276
Purchase of financial assets		(147)	(30)
Proceeds from sale of financial assets		5 106	(946)
Acquisition of a subsidiary, net of cash acquired	3.2	(54 992)	(1 957)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(152 902)**	**(89 734)**
FINANCING ACTIVITIES			
Capital increase of the parent company		0	0
Dividends paid to equity holders of the parent		(30 505)	0
Dividends paid to non-controlling interests		(5 843)	(3 222)
Interest paid		(35 232)	(27 756)
Proceeds from borrowings		248 622	209 903
Payment of the rent debt IFRS16		(54 636)	(44 534)
Repayment of borrowings		(352 792)	(70 588)
NET CASH FLOW FROM (USED IN) FINANCING ACTIVITIES		**(230 386)**	**63 803**
NET INCREASE IN CASH AND CASH EQUIVALENT		**(29 991)**	**248 135**
Net foreign exchange difference		7 107	(19 002)
CASH AND CASH EQUIVALENTS AT OPENING*	**11**	**1 111 393**	**863 259**
CASH AND CASH EQUIVALENTS AT CLOSING*	**11**	**1 081 402**	**1 111 393**

(*) excluding restricted cash (see Note 11)

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
Equity as at August 31, 2019	**338 921**	**27 804**	**(85 517)**	**510 274**	**791 481**	**17 625**	**809 106**
First application IFRIC 23 (*)	-	-	-	(17 175)	(17 175)	-	(17 175)
Correction of opening balance sheet - Pensions (**)	-	-	-	803	803	-	803
Restated Equity as at September 1, 2019	**338 921**	**27 804**	**(85 517)**	**493 902**	**775 109**	**17 625**	**792 733**
Profit for the period 2020	-	-	-	83 965	83 965	3 297	87 262
Other comprehensive income	-	-	(23 253)	(2 323)	(25 576)	460	(25 116)
Total comprehensive income for the year	***-***	***-***	***(23 253)***	***81 642***	***58 389***	***3 757***	***62 146***
Cash dividends on 2019 profit	-	-	-	(30 504)	(30 504)	(3 221)	(33 725)
Operation on equity	-	-	-	-	-	-	-
Operations between shareholders and non controlling interests (1)	-	-	-	(1 710)	(1 710)	-	(1 710)
Other (3)	-	-	-	329	329	(15)	314
Equity as at August 31, 2020	**338 921**	**27 804**	**(108 770)**	**543 659**	**801 613**	**18 145**	**819 758**
Correction of opening balance sheet - Adyard (***)	-	-	-	137	137	-	137
Restated Equity as at September 1, 2020	**338 921**	**27 804**	**(108 770)**	**543 797**	**801 749**	**18 145**	**819 894**
Profit for the period 2021	-	-	-	169 856	169 856	5 341	175 197
Other comprehensive income	-	-	5 019	2 516	7 535	1 135	8 670
Total comprehensive income for the year	***-***	***-***	***5 019***	***172 372***	***177 391***	***6 476***	***183 866***
Cash dividends on 2020 profit	-	-	-	,	-	(5 842)	(5 842)
Operation on equity (2)	104	431	-	-	535	(535)	-
Operations between shareholders and non controlling interests (1)	-	-	-	385	385	-	385
Other (3)	-	-	-	1 416	1 416	1 016	2 432
Equity as at August 31, 2021	**339 025**	**28 235**	**(103 751)**	**717 969**	**981 476**	**19 260**	**1 000 736**

(*) The restatements related to the adoption of IFRIC 23 "Uncertainty of Tax Treatment" from 1st September2019, are explained in Note 2.3.2 of the accounting principles.

(**) Changes have been made to the 2019 and 2020 accounts as initially published due to the change in the calculation of the pension provision following a decision by the IFRS IC (see Note 2.1.2).

(***) Changes have been made to the 2020 financial statements as originally published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4).

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

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

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

- Non-controlling interest buybacks of Prezioso for €0.4 M and Dessa for €1.6 M.

(2) At 31st August 2021, capital transactions correspond to a capital increase by deduction from the "Share premium, merger, contribution..." item of the parent company Altrad Investment Authority on 12th September 2020 for a total amount of €104 K with an issue premium of €431 K, by issuing a total of 1,037 new ordinary shares, under plan no. 1 for the allocation of free shares.

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

At 31st August 2020, the "Other" line is not significant.

ANNEX TO THE CONSOLIDATED FINANCIAL STATEMENTS

Description of the business

Altrad's service activities today range from project engineering to installation maintenance in sectors as varied as hydrocarbons, electrical energy, process industries and construction. For the equipment branch, the activity is the manufacture of construction equipment, wheelbarrows and concrete mixers as well as scaffolding which are sold but also rented.

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

Basis of preparation of the consolidated financial statements

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

The consolidated financial statements of the Altrad Group as at 31st August 2021 were approved by the Board of Directors of Altrad Investment Authority on 08th February 2022. They will be submitted for the shareholders' approval at the Annual General Meeting of 25th February 2022.

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

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

NOTE 1 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

1.1 Change in General Management

Mr Louis HUETZ resigned from his position as Chief Executive Officer and Administrator of the Company. By a written consultation of the partners dated 16th September 2020:

- Mr Ran OREN was appointed Managing Director and Administrator to replace Mr HUETZ,
- Jagico BVBA, represented by Mr Jan Vanderstraeten, was appointed Chief Executive Officer.

1.2 Health crisis Covid-19

Altrad's mission this year was the same as it was at the beginning of the pandemic, in 2020: to ensure the health, safety and well-being of our teams and populations, to guarantee the continuity of services to our clients - often by helping to set up national crisis infrastructures - and to achieve the objectives set.

Services, which represent 74% of Group revenue (78% in 2020), recorded a relatively stable performance despite the significant impact of the pandemic, resulting in the postponement and deferral of some projects. This perfectly illustrates the resilience of our diversified business model. Equipment, which accounts for 26% of the Group's turnover (22% in 2020) recorded a record performance, even exceeding the budget forecasts.

1.3 External growth operations

This year, external growth operations were marked by the acquisition of Kiel Industrial Services Gmbh, Actavo Hire & Sales, Actavo Hire & Sales Ireland and Senegal Keni Painting.

Altrad Kiel Industrial Services Gmbh

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

The company has been 100% in the Altrad Group's financial statements since 1st July 2021. The acquisition price of the shares amounts to €4m for Altrad Betriebsvorrichtungen Gmbh and €7.1 M for Altrad Kiel Industrial Services Gmbh (see note 3.1).

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

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

The company has been 100% consolidated in the Altrad Group's financial statements since 1st June 2021. The acquisition price of shares amounted to £39.6 M, or €45.7 M (see Note 3.1).

Acquisition of Senegal Keni Painting

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

The company has been 100% consolidated in the Altrad Group's financial statements since 1st June 2021. The acquisition price of shares amounted to €1.4 M (see Note 3.1)

1.4 Operations on the existing scope

Creations

As part of the development of the business, certain companies were created and therefore included in the scope of consolidation (see Note 3.1).

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).

1.5 Capital transactions

Free share allocation plan

On 12th September 2020, the Chairman noted the definitive allocation of 1,037 shares to beneficiaries meeting the conditions indicated.

The share capital of the parent company Altrad Investment Authority has been increased by €103,700 through the creation and issue of 1,037 Shares with a nominal value of one hundred Euros (€100) each.

The capital of Altrad Investment Authority is thus increased from 338,921,100 Euros to 339,024,800 Euros, by deducting 103,700 Euros from the "Share premiums, merger premiums, contribution premiums" account.

2.1 Accounting standards

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

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

2.1.1 New standards and interpretations applicable for the year ended 31st August 2021

The accounting principles applied are consistent with those used in preparing the consolidated financial statements for the year ended 31st August 2020, with the exception of the following new standards and interpretations:

- IFRIC decision on how to calculate the pension liabilities of certain benefit plans, defined in application of IAS 19.
- Amendments to IAS1 and IAS7: definition of "significant"
- Benchmark interest rate reform - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.
- Amendment to IFRS 16: Covid-19 rent relief.

The effects of the adoption of IFRS 16 and IFRIC 23 on the Group's financial statements are described in Note 2.1.2 "Impact of the new standards", below.

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

Standards whose application is not mandatory as at 31st August 2021:

In addition, the following standards, interpretations and amendments are not yet applied to the consolidated financial statements to the extent that they have been adopted by the European Union but their application is not mandatory for the year ended 31st August 2021, or they have not yet been adopted by the European Union, and their application has not been anticipated in the Group's financial statements:

	Standard / Interpretation	Expected date of	EU application date (financial years)
1	Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Effective date of amendments to IFRS10 and IAS 28	*Delayed sine die*	*Suspended*
2	IFRS 17 Insurance contracts	1/01/2023	1/01/2023
3	Amendments to IAS 1: Classification of Liabilities as Current or Non-current	1/01/2023	NC
4	Amendments to IAS 16: Property, Plant and Equipment— Proceeds before Intended Use	1/01/2022	01/01/2022
5	Amendments to IAS 37: Onerous Contracts—Cost of Fulfilling a Contract	1/01/2022	01/01/2022
6	Annual Improvements to IFRS 2018-2020[1]	1/01/2022	01/01/2022
6.1	IFRS 9 : Fees in the '10 per cent' Test for Derecognition of Financial Liabilities		
6.2	Illustrative Examples accompanying IFRS 16 Leases: lease incentives		
6.3	IAS 41: Taxation in Fair Value Measurements		
7	Amendments to IAS 1 [and IFRS Practice Statement 2]: Disclosure of Accounting Policies	01/01/2023	NC
8	Amendments to IAS 8 : Definition of Accounting Estimates	01/01/2023	NC
9	Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	01/01/2023	NC

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

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

2.1.2 Impact of the new standards

This note describes the new accounting methods applied from 1st September 2020 and explains the impact on the Group's financial statements of the adoption of the IFRIC decision on the IAS standard "Distribution of service costs related to a benefits regime".

The IFRIC issued a decision in April 2021 proposing a change in the method of calculating the liability 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.

The application of this new calculation method is retrospective, the pension liabilities have been recalculated where applicable from 1st September 2019. This results in a decrease in the provision of €1,077 K as at 31st August 2020 (€946 K as at 1st September 2019). The impact on net equity is €912 K as at 31st August 2020 (€803 K as at 1st September 2019) and is not significant within the perimeter of the Group.

ASSETS *(in thousands of euros)*	Notes	31/08/2020 Corrected	Pension - change of calculation method	31/08/2020 (1)
		Net	**Net**	**Net**
Goodwill	4	1 344 429		1 344 429
Others intangible assets	5	70 310		70 310
Property, plant and equipment	5	359 148		359 148
Right of use assets	6	131 425		131 425
Non-current financial assets and other non-current assets	7.1	4 986		4 986
Investments in associates	7.2	200		200
Deferred tax assets	8	65 063	(165)	64 897
Non-current assets		**1 975 560**	**(165)**	**1 975 395**
Inventories	9	132 722		132 722
Trade receivables and contract assets	10	562 439		562 439
Income tax receivable	10	8 092		8 092
Other current assets	10	81 571		81 571
Cash, restricted cash and cash equivalent	11	1 172 537		1 172 537
Current assets		**1 957 361**		**1 957 361**
Assets held for sale	14	**2 378**		**2 378**
Total assets		**3 935 297**	**(165)**	**3 935 132**

EQUITY & LIABILITIES *(in € thousands)*	Notes	31/08/2020 Corrected	Pension - change of calculation method	31/08/2020 (1)
Issued capital and other capital reserves	16.2	366 725		366 725
Other reserves		350 148	912	351 060
Profit for the period (Group share)		83 965		83 965
Non-controlling interests	16.4	18 145		18 145
Total equity		**818 982**	**912**	**819 894**
Others Shareholders' funds	11.2	178 188		178 188
Interest-bearing loans and borrowings, non-current	11.1	1 168 334		1 168 334
Lease liabilities, non-current	11.1	92 703		92 703
Reserve for risks and social engagement, non-current	17	282 405	(1 077)	281 328
Other non-current liabilities	19	58 539		58 539
Deferred tax liabilities	8	25 297		25 297
Non-current liabilities		**1 805 466**	**(1 077)**	**1 804 389**
Interest-bearing loans and borrowings, current	11	373 285		373 285
Lease liabilities, current	11.1	39 225		39 225
Reserve for risks and social engagement, current	17	40 544		40 544
Trade and other payables	18	389 607		389 607
Income tax payable	18	17 898		17 898
Other liabilities	18	450 292		450 292
Current liabilities		**1 310 850**		**1 310 850**
Total equity and liabilities		**3 935 298**	**(165)**	**3 935 132**

(2) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

2.1.3 Options adopted by the Altrad Group upon first-time adoption of IFRS

Within the framework of the first-time adoption of IFRS on the financial statements at 31/08/2008, the Altrad Group chose the following options:

- Measurement of property, plant and equipment and intangible assets: the option to measure these assets at fair value on the transition date was not adopted;
- Business groupings prior to 1st September 2006 have not been restated;
- Conversion of the accounts of foreign subsidiaries: translation reserves relating to the consolidation of subsidiaries in foreign currencies were cancelled on 1st September 2006 and offset against retained earnings.

2.1.4 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 minority interests within the framework of business groupings (put options), the Group opted, as of the takeover, for the recognition of a liability in the consolidated balance sheet in return for the non-recognition of minority interests (notably applicable on 31/08/2021 to the subsidiaries Trad, IRBAL, Dessa, Prezioso, Multi-Up and Senegal Keni Painting). Subsequent changes in put option liabilities are recognised in reserves.

2.2 Use of estimates and assumptions

The preparation of financial statements requires that the management of the Altrad Group makes estimates and adopts certain assumptions that can have an impact on the amounts of assets and liabilities in the consolidated balance sheet and the amounts of income and expenses on the profit and loss account. Subsequent actual results could therefore substantially differ from the estimates adopted by the Group according to the different conditions on the completion date.

The estimates and assumptions concern, in particular:

- Brand 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);

- Estimate of provisions for risks related to ongoing litigation, restructuring plans and social benefits (see Note 17);

- The evaluation of provisions for depreciation of trade receivables (see Note 10) and inventories (see Note 9);

- The recoverability of deferred tax assets relating to the probable future use of available tax loss carry forwards (see Note 8.3) and the assessment of uncertainties relating to the treatment of income taxes (IFRIC 23);

- 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);

- Share-based payment plans (see Notes 11.2 and 16.3);

- Provisions for occupational illnesses (see Note 17.2).

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.

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

Intangible fixed assets and property, plant and equipment

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

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

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

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

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

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

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

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

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

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

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

- Use of hindsight to determine the rental period;
- Election to retain the exemption for leases with a residual term of less than 12 months at the date of first application, which are therefore not restated in accordance with IFRS 16;
- The Group has chosen not to apply retroactively the new definition of a lease for contracts in force at the date of first application. The Group has therefore applied the standard to contracts previously identified as leases in accordance with IAS 17 Leases and IFRIC 4;
- Use of a single discount rate for a portfolio of contracts with similar characteristics;
- The weighted average marginal borrowing rate used for the first-time adoption of IFRS 16 was 2.47% at 1st September 2019 (transition date).
- Exclusion of initial direct costs in the valuation of the asset. This was updated on 31st August 2021.

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

Non-current financial assets

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

Tangible asset impairment

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

Assets and liabilities held for sale

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

Associates

Associates are interests in which the Group has significant influence (generally when the Group has a stake of more than 20%) but has no control.

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. 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

Trade receivables are recognised for the amount initially invoiced, less any provisions for the write-down of non-recoverable amounts.

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

Inventories

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

Deferred taxes

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

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

These deferred taxes are not discounted in accordance with IAS12.

Under the liability method, deferred taxes are calculated at the latest tax rate enacted at the balance sheet date and applicable to the reversal period for temporary differences, i.e. for the most representative countries, at 31st August 2021:

Country	2020/2021	2019/2020
Germany	30%	30%
Australia	30%	30%
Saudi Arabia	20%	20%
Belgium	25,00%	25,00%
France	25,83% ou 25%	25,83% ou 25%
Netherlands	21,70%	21,7%
UK	19%	19%
Angola	35%	30%

Net indebtedness

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

Financial debts include:

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

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

Interest-rate derivatives

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

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

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that require a substantial period of preparation before they can be used or sold, are added to the cost of those assets until the assets are substantially ready for their intended use or sale.

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

Employee benefits

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

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

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

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

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

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

<u>Defined contribution plans:</u> 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.

<u>Equity-settled plans:</u>

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.

<u>Plans settled in cash or for which the Group has a liquidity commitment:</u>

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.

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.

<u>2.3.2 Items of the income statement</u>

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. Similarly, the activities of SCIs do not meet the definition of operating segments and are therefore presented in reconciliation in the "Others" 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.

Income from ordinary activities

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 from ordinary activities 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 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.

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 from ordinary activities 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.

In the cash flow table, sales of used equipment impact the net cash flow generated by the activity.

Restructuring costs and treatment of under-activity

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

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

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

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 2nd July 2009, the Group has chosen to present an intermediate line in the profit and loss account entitled "Current operating income", allowing to isolate the impact of non-recurring operating income and expenses, corresponding to unusual and infrequent events.

Income taxes

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

The impact on the Group's financial statements was €17.2 M on the date of first application of 1st September 2019 (see Statement of changes in shareholders' equity).

Earnings per share

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

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

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

2.3.3 Cash flow statement

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

2.3.4 Translation of foreign currency transactions

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

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

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

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

Transactions in foreign currency are converted into Euros by applying the exchange rate in force on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted into Euros at the exchange rate prevailing at the balance sheet date, the resulting exchange differences are recognised in the income statement as gains or losses.

Exchange differences relating to a monetary item which, in substance, forms part of the net investment in a consolidated foreign subsidiary, are recorded in equity (under "translation reserves") until the disposal or liquidation or repayment of this net investment.

Below are the exchange rates of the currencies most frequently used in the Group, as at 31st August 2021:

		Opening rate	Average rate	Closing rate
AUD	Dollar Autralien	0.616751	0.628148	0.618965
AZM	Azerbaijani Manat	0.492756	0.491964	0.497818
GBP	British pound sterling	1.116009	1.139437	1.164483
USD	Dollar américain	0.837521	0.836596	0.845023
AOA	Angolan Kwanza	0.00141	0.0013	0.001333

2.4 Changes made to the balance sheet and consolidated income statement initially published for the financial year ended 31st August 2020

Finalisation of the allocation of fair values relating to the acquisition of Adyard Abu Dhabi Llc in the previous year

The Altrad Group acquired Adyard Abu Dhabi Llc on 20 April 2020 for €27.2 M, the company has been 100% consolidated since 1st April 2020.

As at 31st August 2020, the allocation of the fair values of assets and liabilities acquired, and the final calculation of goodwill, had not been finalised within the 12-month time limit granted by IFRS3. Therefore, the provisional goodwill was positive and amounted to €12.8 M at 31st August 2020 (and €13.9 M at the date of acquisition on 1st April 2020).

Calculation of the definitive goodwill for Adyard Abu Dhabi Llc:

(En K€)		K$		K€
Provisional goodwill as at August 31, 2020		**15 299**		**12 813**
Correction of opening balance sheet	-	5 194	-	4 346
Final goodwill as at August 31, 2021		**10 105**	**-**	**8 539**

The finalisation of the evaluation of fair values of assets and liabilities acquired resulted in a final goodwill of $10.1 M at 31st August 2021, or €8.5 M on the basis of the EUR/USD conversion rate as at 31st August 2021. As at 31st August 2020, the fair value of the assets and liabilities acquired amounted to €9.7 million. These adjustments mainly concerned provisions on performance risks in the context of current contracts.

ASSETS *(in thousands of euros)*	Notes	August 31, 2020 Published	Finalization of the fair valuation of acquired assets and liabilities	August 31, 2020 Corrected
		Net		Net
Goodwill	4	1 348 818	(4 389)	1 344 429
Others intangible assets	5	70 310		70 310
Property, plant and equipment	5	360 535	(1 388)	359 148
Right of use assets	6	131 425		131 425
Non-current financial assets and other non-current assets	7.1	5 451	(466)	4 986
Investments in associates	7.2	200		200
Deferred tax assets	8	65 063		65 063
Non-current assets		**1 981 803**	**(6 243)**	**1 975 560**
Inventories	9	132 722		132 722
Trade receivables and contract assets	10	562 439		562 439
Income tax receivable	10	8 092		8 092
Other current assets	10	81 571		81 571
Cash, restricted cash and cash equivalent	11	1 172 537		1 172 537
Current assets		**1 957 361**	**0**	**1 957 361**
Assets held for sale	14	**77**	**2 301**	**2 378**
Total assets		**3 939 240**	**(3 942)**	**3 935 297**

EQUITY & LIABILITIES *(in thousands of euros)*	Notes	August 31, 2020 Published	Finalization of the fair valuation of acquired assets and liabilities	August 31, 2020 Corrected
Issued capital and other capital reserves	16.2	366 725		366 725
Other reserves		350 011	137	350 148
Profit for the period (Group share)		83 965		83 965
Non-controlling interests	16.4	18 145		18 145
Total equity		**818 845**	**137**	**818 982**
Others Shareholders' funds	11.2	178 188		178 188
Interest-bearing loans and borrowings, non-current	11.1	1 168 334		1 168 334
Lease liabilities, non-current	11.1	92 703		92 703
Reserve for risks and social engagement, non-current	17	286 484	(4 079)	282 405
Other non-current liabilities	19	58 539		58 539
Deferred tax liabilities	8	25 297		25 297
Non-current liabilities		**1 809 545**	**(4 079)**	**1 805 466**
Interest-bearing loans and borrowings, current	11	373 285		373 285
Lease liabilities, current	11.1	39 225		39 225
Reserve for risks and social engagement, current	17	40 544		40 544
Trade and other payables	18	389 607		389 607
Income tax payable	18	17 898		17 898
Other liabilities	18	450 292		450 292
Current liabilities		**1 310 850**	**0**	**1 310 850**
Total equity and liabilities		**3 939 240**	**(3 942)**	**3 935 298**

3.1 Changes in the scope of consolidation 2020/2021

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

Altrad Kiel Industrial Services Gmbh

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

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

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

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

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

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

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

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

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

Acquisition of Senegal Keni Painting

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

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

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

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

Creations

On 3rd September 2019, the Altrad Group created a joint venture ("SEP PZO Solorpec") to respond to a call for tenders for comprehensive site assistance services. This company is 50% controlled and consolidated in the Altrad Group's financial statements as at 31st August 2021.

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

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

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

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

Transfer

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

Liquidation

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

Merger

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

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

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

3.2 Net cash on acquisitions

en K€	31 août 2021
Actavo - Purchase price	45 664
Actavo - Opening treasury	(3 043)
Kiel - Purchase price	11 157
Kiel - Opening treasury	(25)
SNKP - Purchase price	1 326
SNKP - Opening treasury	(217)
Other	130
Tréso.net /acquisitions & disposals of subsidiarie	**54 992**

3.3 Review of changes in scope during financial year 2019/2020

Financial year 2019/2020 recorded the following changes in scope:

Acquisition of Adyard Abu Dhabi LLC

On 20 April 2020, the Altrad Group acquired Adyard Abu Dhabi Llc, one of the leading providers of services to energy sector industries in the United Arab Emirates for over 20 years.

The company has been fully consolidated in the Altrad Group's financial statements since 1st April 2020. The acquisition cost of the securities amounted to €27.2 M. On the acquisition date, the Prezioso Group had €13.3 M in existing cash.

The opening balance sheet recorded in the Altrad scope has been corrected by €9.7 M (cumulative impact on the net, to take into account in the fair value measurement of assets and liabilities, in particular:

- €9.1 M provision on performance risks in the context of current contracts.
- €0.6 M as part of the inclusion of the IFRS16 restatement on lease contracts in the consolidation of the ALTRAD Group.

The corresponding goodwill was provisionally assessed at €13.9 M as at 31st August 2020. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3 (see note 2.4 above).

The contribution of Adyard Abu Dhabi LLC to the consolidated turnover and profit, group share, amounted respectively at 31st August 2020 to €39.5 M, and €-1 M. It contributed over the last 5 months of the fiscal year (1st April 2020 to 31st August 2020).

Creation of SEP Blayais Golfech

On 3rd September 2019, the Altrad Group created a joint venture ("SEP Blayais Golfech") to respond to a call for tenders for comprehensive site assistance services. This company is controlled and fully consolidated in the Altrad Group's financial statements at 31st August 2020.

Exercise of the option to buy out Prezioso's minority shareholders

During the 2019/2020 financial year and in accordance with the agreement between the shareholders concluded on the acquisition of the Prezioso Group, the ALTRAD Group concluded the buyout of a minority shareholding in the Prezioso group for a total amount of €0.05 M and, at 31st August 2020, owned 91.99% of the Group, up from 91.95% in the previous year.

Exercise of the option to buy out Dessa's minority shareholders

During the 2019/2020 financial year and in accordance with the agreement between the shareholders concluded on the acquisition of Dessa, the ALTRAD Group concluded the buyout of a minority shareholding in Dessa for a total amount of €1.6 M and, at 31st August 2020, owned 88% of the Group, up from 76% in the previous year.

Liquidation

Liquidation of Altrad Profix BVBA and MWL Apparatebau Gmbh Grimma during the financial year ended 31st August 2020.

Merger

Merger of Hertel GmbH Dresden into Altrad Industrial Project & Maintenance GmbH effective 1st September 2019.

NOTE 4 GOODWILL

In thousands of euros	Gross Value	Depreciation and amortization	Net value
Balance August 31, 2020 (1)	**1 345 319**	**(890)**	**1 344 428**
Changes in scope during the year	31 480	-	31 480
Impact of exchange rate fluctuations	23 892	-	23 892
Others	360		360
Balance August 31, 2021	**1 401 051**	**(890)**	**1 400 160**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

The change in goodwill over the year is explained by the following acquisitions: Actavo Hire & Sales UK and Actavo Hire & Sales Ireland (+€13.6 M) in the Equipment division, Altrad Kiel Industrial Services Gmbh (+€15.5 M) and Senegal Keni Painting (€2.1 M) in the Services division, and the effects of exchange rate fluctuations, mainly due to the appreciation of the pound sterling (GBP) against the euro.

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

In thousands of euros	August 31, 2021			August 31, 2020
	Gross	**Depreciation**	**Net**	**Net**
Services division	1 296 646	-	1 296 646	1 257 335
Equipment division	104 331	(816)	103 515	87 062
Others	74	(74)	-	33
Total Group	**1 401 051**	**(890)**	**1 400 161**	**1 344 430**

(2) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

In accordance with IAS 36, goodwill was tested for impairment at 31st August 2021 to determine its recoverable amount. It was carried out according to the future discounted cash flows method, and on the basis of the forecast operating results for 2021/2022, 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 method extends over six years the cash flow of the following year's budget according to a specific growth rate for each Business Division, then to infinity according to a standard rate of 2%.
- The 2021/2022 operating forecasts were established on the basis of the 2021/2022 budget and were extrapolated for the period 2023/2028 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 2021/2022. Discount rates reached 10.1% for the CGUs that make up the Group's Services Division and 8.2% for the CGUs in the Group's Equipment Division (compared to 10.37% and 9.34% respectively in 2019/2020).

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

No impairment of goodwill was recorded for the financial year.

NOTE 5 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

In thousands of euros	August 31, 2021 Gross Value	Depreciation and amortization	Net value	August 31, 2020 (1) Net value
Intangible fixed assets	**111 886**	**(42 664)**	**69 221**	**70 310**
Land	24 391	(4 988)	19 403	19 395
Constructions	99 709	(60 371)	39 338	33 328
Technical facilities, plant and equipment	1 043 273	(734 560)	308 713	277 651
Other tangible fixed assets and assets under construction	137 093	(112 578)	24 515	28 773
Tangible fixed assets	**1 304 466**	**(912 497)**	**391 970**	**359 148**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

5.1 Variation in other intangible fixed assets

In thousands of euros	Gross value	Depreciation and amortization	Net value
Balance August 31, 2019	**98 681**	**(28 199)**	**70 482**
Impact of IFRS 16 Standard	(426)	0	(426)
Balance September 1rst, 2019	**98 255**	**(28 199)**	**70 056**
Acquisitions	2 533	-	2 533
Disposals, retirements	(188)	-	(188)
Impact of changes in the consolidation scope	1 459	(559)	900
Change in depreciations and amortisations	-	(7 361)	(7 361)
Impact of exchange rate fluctuations	87	213	300
Others	5 383	(1 313)	4 071
Balance August 31, 2020 (1)	**107 530**	**(37 219)**	**70 310**
Acquisitions	1 418	-	1 418
Disposals, retirements	(843)	807	(35)
Impact of changes in the consolidation scope	4 200	-	4 200
Change in depreciations and amortisations	-	(5 722)	(5 722)
Impact of exchange rate fluctuations	2 303	(527)	1 777
Others	(2 723)	(3)	(2 725)
Balance August 31, 2021	**111 886**	**(42 664)**	**69 221**

(1) *Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).*

Other intangible fixed assets, in net value, are mainly composed of patents and licences for €8.5 M, historical trademarks of the Group for €60.2 M, and other intangible fixed assets for €0.5 M.

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

5.2 Impairment tests on non-depreciable intangible assets

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

- The method extends over six years the cash flow of the following year's budget according to a specific growth rate for each Business Division, then to infinity according to a standard rate of 2%.
- The discount rate used corresponds to the weighted average cost of capital for financial year 2020/2021. Discount rates reached 10.1% for the CGUs that make up the Group's Services Division and 8.2% for the CGUs in the Group's Equipment Division (compared to 10.37% and 9.34% respectively in 2019/2020).

  The impairment tests carried out at 31st August 2021 led the Group to depreciate brands for €1.7 M over the financial year. This depreciation concerns the trademark of a French company.

  The tests were carried out on the basis of a 0.5 point increase which induce an additional depreciation of €1 M and a 1 point decrease in the growth rate resulting in additional depreciation of €0.3 M of the brands.

5.3 Changes in property, plant and equipment

In thousands of euros	Gross value	Depreciation and amortization	Net value
Balance August 31, 2019	**1 286 155**	**(858 370)**	**427 785**
Impact of IFRS 16 Standard	(74 487)	34 942	(39 544)
Balance September 1rst, 2019	**1 211 668**	**(823 428)**	**388 241**
Acquisitions	87 995	-	87 995
Disposals, retirements	(88 143)	56 380	(31 764)
Impact of changes in the consolidation scope	47 276	(42 530)	4 746
Change in depreciations and amortisations	-	(82 704)	(82 704)
Impact of exchange rate fluctuations	(24 261)	21 685	(2 576)
Others	18 249	(23 040)	(4 791)
Balance August 31, 2020 (1)	**1 252 784**	**(893 637)**	**359 148**
Acquisitions	104 672	-	104 672
Disposals, retirements	(113 321)	86 575	(26 746)
Impact of changes in the consolidation scope	54 694	(22 458)	32 237
Change in depreciations and amortisations	-	(76 374)	(76 374)
Impact of exchange rate fluctuations	13 785	(8 703)	5 082
Others	(8 149)	2 099	(6 049)
Balance August 31, 2021	**1 304 466**	**(912 497)**	**391 970**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

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

The acquisition tangible assets amounted to €104.7 M over the financial year ended 31st August 2021.

Changes in the scope of consolidation for the year ended 31st August 2021 mainly relate to the acquisition of Actavo Hire & Sales (+€27.9 M in net value) and Altrad Kiel Industrial Services Gmbh (+€4 M in net value).

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

5.4 Geographic distribution of gross property, plant and equipment

Gross Values *(In thousands of euros)*	Land	Buildings	Industrial Facilities	Other property and equipment	Assets under constructions	TOTAL
France	9 450	25 974	281 344	13 400	167	330 335
UK	452	18 707	287 465	21 241	1 525	329 390
Middle East	-	12 796	169 913	24 060	296	207 065
Benelux	1 227	2 785	119 450	5 699	98	129 259
Asia	-	4 953	54 845	12 482	107	72 386
Germany	5 859	13 666	65 158	17 233	171	102 087
Netherlands	-	6 281	4 675	4 308	-	15 264
Poland	946	5 807	12 038	12 696	263	31 750
Africa	387	462	19 888	2 940	161	23 838
Norway	-	-	5 098	17 207	-	22 305
Portugal	4 550	1 698	5 803	567	189	12 808
Spain	-	10	7 596	989	-	8 595
Caspian	-	-	-	9	-	9
Others	1 520	6 567	10 000	1 288	-	19 375
TOTAL	**24 391**	**99 709**	**1 043 273**	**134 117**	**2 976**	**1 304 466**

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, 2021			August 31, 2020 (1)
	Gross value	Depreciation and amortization	Net value	Net value
Land and constructions	129 158	(45 397)	83 761	88 248
Technical facilities, plant and equipment	16 355	(8 486)	7 869	9 763
Other tangible fixed assets and assets under construction	70 845	(38 323)	32 523	33 413
Right of use	**216 359**	**(92 207)**	**124 152**	**131 425**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

Change in rights of use during the year

In thousands of euros	Gross value	Depreciation and amortization	Net value
Balance September 1rst, 2019	**164 578**	**(18 280)**	**146 298**
Acquisitions	34 104	-	34 104
Disposals, retirements	(10 541)	9 390	(1 151)
Impact of changes in the consolidation scope	2 449	-	2 449
Change in depreciations and amortisations	-	(44 309)	(44 309)
Impact of exchange rate fluctuations	(4 973)	1 780	(3 193)
Others	13 959	(16 732)	(2 773)
Balance August 31, 2020 (1)	**199 575**	**(68 151)**	**131 425**
Acquisitions	33 459	-	33 459
Disposals, retirements	(29 265)	18 263	(11 001)
Impact of changes in the consolidation scope	12 664	(25)	12 639
Change in depreciations and amortisations	-	(44 492)	(44 492)
Impact of exchange rate fluctuations	2 560	(988)	1 571
Reclassification	(3 021)	3 202	181
Others	388	(16)	372
Solde 31 août 2021	**216 359**	**(92 207)**	**124 152**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

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

Changes in the scope of consolidation for the financial year ended 31st August 2021 relate to the acquisition of Actavo Hire & Sales (+€12.6 M in net value).

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, 2021			August 31, 2020 (1)
	Gross value	Depreciation	Net	Net
Deposits and Guarantees	4 089	(120)	3 969	3 097
Others	22 593	(7 875)	14 718	1 958
Shares of non consolidated companies	190	-	190	395
Total financial assets and other non-current assets	**26 872**	**(7 995)**	**18 877**	**4 986**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

Other financial assets and long-term assets correspond to an amount of €3 M in the UK, relative to investments (IAS19), €3.6 M to tax receivables and a trade receivable of €6.2 M ongoing in Germany with a maturity of more than one year.

Non-consolidated investments: these are companies which are excluded from the scope of consolidation because of their insignificant nature.

7.2 Entities accounted for using the equity method

Shares in equity affiliates totalled €211 M at 31st August 2021 (compared to €200 M at 31st August 2020) and correspond to the following companies:

In thousands of euros	Control %	Equity contribution as at August 31, 2021	Net result contribution as at August 31, 2021	Total revenue (100%) as at August 31, 2021
Ship Support Services Limited, UK	50%	(9)	-	164
Olio Cape Sdn BHD, Malaysia	49%	221	-	-
Prezioso-Emdad, United Arab Emirates	59,77%	(7 520)	(943)	14 276
Total		**(7 309)**	**(943)**	**14 440**

NOTE 8 INCOME TAX

8.1 Details of taxes recognised in the income statement

In thousands of euros	August 31, 2021	August 31, 2020
Current tax	(39 580)	(22 441)
Deferred tax	(21 369)	(6 999)
Tax charge	**(60 949)**	**(29 441)**

8.2 Tax situation

In France, Altrad Investment Authority is the parent company of the tax group. This regime applies to all French subsidiaries that meet all the option criteria. Previous deficits were partially charged to earnings during the year. In addition, the Prezioso Group also has a tax group in France, whose parent company is Prezioso Linjebygg Holding. This group is in deficit as at 31st August 2021.

The foreign subsidiaries also apply similar options when permitted by local laws (in particular Germany, Australia, Netherlands and UK).

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, 2021	August 31, 2020
Temporary tax differences	189	(363)
Net utilisation of tax loss carryforwards	(8 270)	(757)
Other consolidation restatements	(13 288)	(5 880)
Deferred tax (expense) / Income	**(21 369)**	**(7 000)**

The line "Net consumption of tax losses carried forward" corresponds to the use of tax losses mainly for France and the line "Other consolidation adjustments" is related to the decrease in deferred tax assets relating to provisions for the year ending 31st August 2021.

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

In thousands of euros	August 31, 2021	August 31, 2020 (1)
Deferred tax assets	49 266	64 897
Deferred tax liabilities	(24 751)	(25 297)
Net deferred tax	**24 515**	**39 766**

Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

Total deferred taxes at 31st August 2021 amount to €24.5 M and are broken down as follows:

In thousands of euros	August 31, 2021	August 31, 2020 (1)
Provisions and employee benefits	4 541	3 173
Tax losses carried forward	23 309	34 746
Intangible assets	(11 838)	(10 768)
Tangible assets	3 144	7 308
Provisions	7 012	6 835
Lease restatements IFRS16	(895)	(992)
Other consolidation restatements	(757)	(702)
Net deferred taxes on the balance sheet	**24 515**	**39 600**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

Deferred tax assets on loss carry-forwards amounted to €23.3 M at 31st August 2021 compared to €34.7 M the previous year-end. The perspective of expected profits enabled recognition of deferred taxes on loss carry-forwards in France for €6 M, principally for Prezioso France to 2025, in the United Kingdom for €16.5 M mainly for Altrad Services UK, and on other entities in other European countries for €1 M.

Tax losses carried forward decreased during the year due to the profitability of France and the United Kingdom, these were charged to the period.

Total unrecognised tax losses carried forward at 31st August 2021 amounted to €271 M, and are broken down as follows:

En K€	31 août 2021	31 août 2020
Royaume-Uni	79 080	77 385
Allemagne	14 400	16 945
Asie	37 432	34 915
France	99 894	96 149
Moyen Orient - Afrique	23 342	16 212
Autres pays d'Europe et reste du monde	16 802	3 224
Déficits reportables non activés	**270 949**	**244 830**

8.4 Reconciliation between the theoretical tax expense and the actual tax

In thousands of euros	August 31, 2021	August 31, 2020
Consolidated income before tax and discontinued operations	**236 142**	**116 703**
Tax rate in force	25,83%	25,83%
Theoretical tax expense	**(60 995)**	**(30 144)**
Impact of the difference in tax rates between countries	14 962	6 930
Net unrecognised tax loss carryforwards	10 669	(15 770)
Permanent differences	(24 794)	10 166
Dépréciation d'impôt différé actif	-	-
Miscellaneous	(791)	(622)
Tax expense recognised	**(60 950)**	**(29 441)**

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.

Net unrecognised tax losses carried forward correspond to consumptions of unrecognised tax losses carried forward plus loss carry-forwards generated over the period and already recognised.

The permanent differences are mainly related to non-taxable income.

NOTE 9 INVENTORIES

In thousands of euros	August 31, 2021			August 31, 2020 (1)
	Gross value	Depreciation	Net	Net
Inventories of raw materials	53 970	(2 288)	51 683	40 849
Work in progress	32 580	(1 056)	31 525	17 984
Inventories of semi-finished and finished products	11 556	(597)	10 959	8 687
Inventories of goods	90 418	(2 373)	88 045	65 202
Total net inventory	**188 525**	**(6 314)**	**182 212**	**132 722**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

The increase in inventories at 31.08.2021 is related to the management of the inventory levels of the Group's companies to be able to respond to customers and ongoing projects in relation to activity levels.

<u>Provisions for inventory write-downs</u>

In thousands of euros	August 31, 2020 (1)	Allowances	Write-backs	Impact of exchange rate fluctuations	Others	August 31, 2021
Impairment of Inventories of Raw Materials	(2 251)	(225)	132	(49)	105	(2 289)
Impairment of Work in Progress	(463)	(618)	34	(10)	-	(1 056)
Impairment of Inventories of Finished Products	(774)	(45)	77	(9)	155	(598)
Impairment of Inventories of Goods	(1 391)	(655)	119	(11)	(434)	(2 372)
Total Impairment of inventories	**(4 878)**	**(1 543)**	**361**	**(80)**	**(174)**	**(6 314)**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

NOTE 10 TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS

In thousands of euros	August 31, 2021	August 31, 2020 (1)
Net accounts receivable	464 569	389 478
Contract assets	190 446	172 960
Tax receivable	4 017	8 092
Net current assets	86 157	66 292
Advance payments	19 169	15 279
Total trade receivables and other current assets	**764 358**	**652 102**
o/w Provisions for doubtful receivables accounts and collection risk	*(49 096)*	*(48 210)*
o/w Provisions for other assets	*(12 671)*	*(8 233)*

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

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

The other net receivables item includes, in particular for the most significant amounts, tax liabilities (other than tax receivables) for €27 M, other receivables for €25.1 M and prepaid expenses for €28.1 M.

Trade receivables at 31 August 2021 are detailed by maturity in the table below:

In thousands of euros	August 31, 2021			August 31, 2020 (1)
	Gross Amount	Impairment Losses	Net Amount	Montant net
Trade receivables unmatured	**288 765**	**(3 419)**	**285 346**	**257 384**
Due	-	-	-	
- Less than 3 months	110 635	(5 483)	105 152	78 062
- Between 3 to 6 months	37 703	(4 364)	33 339	26 011
- More than 6 months	76 562	(35 829)	40 733	28 022
Trade receivables due	**224 900**	**(45 676)**	**179 223**	**132 095**
Total trade receivables	**513 665**	**(49 096)**	**464 569**	**389 478**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

Change in the provision for trade receivables

In thousands of euros	August 31, 2021	August 31, 2020 (1)
Provision on trade receivables N-1	**(48 210)**	**(39 371)**
Net provision	(2 571)	(15 287)
Reversal used	2 788	3 119
Change in scope	(1 101)	(439)
Impact of exchange rate fluctuations	(0)	3 767
Other movements	-	-
Provision on trade receivables N	**(49 096)**	**(48 210)**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

NOTE 11 CASH FLOW AND NET INDEBTEDNESS

11.1 Details of net indebtedness

In thousands of euros	August 31, 2021	Maturity						August 31, 2020 (1)
		- 1 year	August 31, 2022	August 31, 2023	August 31, 2024	August 31, 2025	+ 5 years	
Bond loans (1)	*(150 000)*	*(150 000)*	-	-	-	-	-	*(250 000)*
Syndicated loans (2)	*(854 625)*	*(284 625)*	*(370 000)*	*(200 000)*	-	-	-	*(1 103 083)*
State guaranteed loan (3)	*(159 500)*	*(19 140)*	*(19 140)*	*(19 140)*	*(19 140)*	*(82 940)*	-	*(159 500)*
Other loans	*(254 174)*	*(1 957)*	*(250 788)*	*(714)*	*(714)*	-	-	*(6 789)*
Borrowing costs	*4 467*	*2 035*	*1 665*	*631*	*90*	*45*	-	*5 034*
Borrowings	**(1 413 832)**	**(453 687)**	**(638 263)**	**(219 223)**	**(19 764)**	**(82 895)**	**-**	**(1 514 338)**
Lease liabilities (4)	(125 002)	(34 982)	(22 754)	(15 807)	(12 028)	(39 431)		(131 928)
Other borrowings (5)	(10 348)	(6 482)	(3 865)	-	-	-	-	(13 493)
Financial Debts	**(1 549 182)**	**(495 151)**	**(664 881)**	**(235 030)**	**(31 792)**	**(122 326)**		**(1 659 758)**
Cash equivalents	*101 290*	*101 290*	-	-	-	-	-	*127 549*
Cash	*987 017*	*987 017*	-	-	-	-	-	*997 633*
Cash restricted	*44 133*	*44 133*	-	-	-	-	-	*47 355*
Cash	1 132 439	1 132 439						1 172 537
Bank overdrafts	(6 904)	(6 904)	-	-	-	-	-	(13 789)
Net cash (6)	**1 125 535**	**1 125 535**	**-**	**-**	**-**	**-**	**-**	**1 158 748**
Net debt	**(423 647)**	**630 384**	**(664 881)**	**(235 030)**	**(31 792)**	**(122 326)**		**(501 010)**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

(1) Bond issues

In November 2013, the Group issued a non-convertible Euro-PP bond admitted to trading on the Euronext regulated market, which allowed it to raise funds in the amount of €100 M, repayable after 7 years. It is indexed at the fixed rate of 4.4%, with a coupon repayable annually. It was repaid on the scheduled maturity date of 12th November 2020.

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

Bonds are denominated in Euros.

(2) Syndicated loans

Bank loans are taken out in Euros and the main contracts are floating rate indexed to the 3-month Euribor rate.

The syndicated loans are as follows:

The syndicated loans are denominated in Euros.

Some bank borrowings taken out and in particular the contracts mentioned above, contain clauses requiring compliance with a financial ratio. This bank covenant covers the Group's net debt. Non-compliance with the ratio set gives the lenders concerned the right to demand early repayment of their loans. The net financial debt / EBITDA ratio must be less than 3. The Group complies with this ratio as at 31st August 2021.

Tranche	Amount (M€)	Purpose	Comments	Duration (years)	Amount remaining due at 31 August 2020 (M€)	Amount remaining due at 31 August 2019 (M€)
Syndicated loan signed in March 2015 of 500 M€						
A	115	Refinancing TA credit 2012		6	62	77
B	220	To (re)finance investments in property, plant and equipment and intangible assets and eligible acquisitions	Drawdowns by tranches	6	57	143
C	50	To finance the Group's general requirements (WCR)	Available reserve of 50M€	6	-	-
D	115	On behalf of the borrower, its subsidiaries and in case of Acquisition Hertel	Terminated on December 18, 2018 and replaced by a guarantee line of €150m.	N/A	N/A	N/A
TOTAL	**500**				**119**	**220**
Syndicated loan signed in March 2016 of 500 M€						
	500	To finance the acquisition of Prezioso Group	The repayments dates are : March 14, 2022 : €125m March 14, 2023 : €250m	7	375	500
TOTAL	**500**				**375**	**500**
Syndicated loan signed in July 2017 of 400 M€						
	400	To finance the acquisition of Cape Group	The repayments dates are : July 6, 2022 : €40m July 6, 2023 : €120m July 6, 2024 : €200m	6,5	360	400
TOTAL	**400**				**360**	**400**
TOTAL SYNDICATED LOANS	**1 400**				**854**	**1 120**

(3) <u>State-guaranteed loan (PGE)</u>

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

(4) <u>Rental debt</u>

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

Change in rental debt over the period

In thousands of euros	Lease liabilities - current	Lease liabilities - non current	Total
Balance august 31st 2019 (Debts according to IAS 17 standard)	**(14 681)**	**(20 856)**	**(35 537)**
First application of IFRS16 standard	(25 154)	(79 243)	(104 398)
Balance september 1st 2019	**(39 835)**	**(100 098)**	**(139 933)**
Increase without cash impacts	(10 607)	(26 311)	(36 918)
Repayment	42 236	2 298	44 534
Effects of perimeter variations	(301)	(1 695)	(1 997)
Impact of exchange rate fluctuations	768	1 323	2 092
Reclassments	(31 486)	31 781	295
Balance august 31st 2020 (1)	**(39 225)**	**(92 703)**	**(131 928)**
Increase without cash impacts	(7 075)	(26 077)	(33 153)
Repayment	35 500	19 136	54 636
Effects of perimeter variations	(2 304)	(10 525)	(12 829)
Impact of exchange rate fluctuations	(588)	(1 022)	(1 610)
Reclassments	(21 121)	21 618	498
Others	(168)	(447)	(616)
Balance august 31st 2021	**(34 982)**	**(90 020)**	**(125 002)**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

The amount presented under lease liabilities at 31st August 2019 corresponds to the liability recognised at that date in respect of the application of IAS 17 (before adoption of IFRS 16 as from 1 September 2019).

(5) Other borrowings

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

(6) Net cash

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

Current restricted cash and cash equivalents amounted to €44.1 M and mainly concerns the cash allocated to the provision for occupational illnesses in the United Kingdom (see Note 2.3) as part of a €42.6 M Scheme of Arrangement (legal agreement dedicated to the management of risks relating to occupational illnesses), the funds of which are available solely for this purpose. At 31/08/2020 it amounted to €47.4 M in the current account.

At 31st August 2021, cash and cash equivalents net of bank overdrafts amounted to €1,125.5 M at closing against and €1,158.7 M at opening. For the purposes of the cash flow statement, net cash and cash equivalents exclude €44.1 M of restricted cash and therefore amounted to €1,081.4 M at the end of the year, compared with €1,111 M at the beginning of the year.

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

11.2 Other shareholder funds

In thousands of euros		
Others shareholders' funds	**August 31, 2021**	**August 31, 2020 (1)**
ORA including interests	98 628	93 075
OBSA	70 000	70 000
Debt due to NYX AG Patners shareholder	11 275	11 856
Free share plans	5 905	3 255
Total	**185 808**	**178 188**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

OBSA and ORA issued on financial year 2015/2016:

On 29th August 2016, the Group issued to its minority shareholders a subordinated bond of a nominal amount of €20 M through the issue of 32,849 bonds with purchase warrants for ordinary shares ("OBSA") with a nominal value per unit of 608.85 Euros, maturing on 30th August 2024 and bearing interest at the rate of 6%, payable annually. Each bond is attached to a share purchase warrant ("BSA"). The bond is repayable in cash at maturity on 30th August 2024, except in case of the occurrence of certain early repayment events provided for in the contract. The Company cannot choose to proceed with an early repayment. A BSA is attached to each Bond. Each BSA entitles the holder to subscribe for one new ordinary share at a unit price of 608.85 €. The BSAs can be exercised during 18 months from 27th February 2023 at the initiative of their holder.

On 29th August 2016, the Group issued to its minority shareholders a subordinated bond of a nominal amount of €19.9 M through the issue of 40,422 bonds redeemable in ordinary shares ("ORA") with a nominal value per unit of 494.78 Euros, maturing on 30th 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 30th August 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 12th June 2015, the Group issued to its minority shareholders a subordinated bond of a nominal amount of €50 M through the issue of 105,506 bonds with purchase warrants for ordinary shares ("OBSA") with a denomination per unit of 473.91 Euros, maturing on 6th 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 6th August 20224, except in case of the occurrence of certain early repayment events provided for in the contract. The Company cannot choose to proceed with an early repayment. A BSA is attached to each Bond. Each BSA entitles the holder to subscribe for one new ordinary share at a unit price of €473.91. The BSAs can be exercised during 18 months from 12th December 2021 at the initiative of their holder.

On 12th June 2015, the Group issued to its minority shareholders a subordinated bond of a nominal amount of €50 M through the issue of 156,583 bonds redeemable in ordinary shares ("ORA") with a denomination per unit of 319.32 Euros, maturing on 6th August 2024, the interest on which will be fully capitalised and payable in cash on the final maturity date. The exchange ratio is set at 1 ORA for 1 share at maturity. In case of the occurrence of certain events provided for in the contract, bondholders may request full or partial repayment in cash. The bond is redeemable in shares at maturity on 6th August 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.

The payment of all amounts due under the 2015 OBSA, 2015 ORA, 2016 OBSA and 2016 ORA is subject to the repayment of the Syndicated Loans of 2015 (€500 M), 2016 (€500 M) and 2017 (€400 M) and to Senior Private Placement Debts- (Euro-PP 2013 bond for €100 M and 2015 bond for €150 M).

Debt to the shareholder NYX AG Partners (Altrad Managers)

Three capital increases in cash by the parent company Altrad Investment Authority on 16 August 2018, 26 July 2019 and 30 August 2019 were carried out for a total amount of €1,329,000 together with an issue premium of €10.8 M through the issue of a total of 13,286 new ordinary shares and were reserved for NYX AG Partners (Altrad managers' company).

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

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

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

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

The debt will be remeasured at fair value at each balance sheet date. For the financial year ended 31st August 2021, the Group recognised income of €0.1 M related to changes in the market value of shares and changes in the number of employees.

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

Cash-settled free share allocation plan

The Chairman of the Altrad Investment Authority decided on 12th September 2018 and 5th December 2019 to grant free shares to certain key Company officers and certain key Group executives. Altrad Investment Authority has made a commitment to provide liquidity from 30th September 2022. This resulted in the recognition of a debt of €5.9 M€ in Other shareholders' funds for the financial year ended 31st August 2021 and personnel costs of €2.7 M for the financial year.

See details in Note 16.3.

11.3 Financial assets and liabilities by category

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

The fair value is determined as:

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

The tables below show the net carrying amount and fair value of the Group's financial assets and liabilities, grouped according to the categories defined by IFRS 9 at 31st August 2021 (in thousands of Euros):

Assets as at August 31, 2021	Financial Assets at fair value by classifications: Assets at fair value through profit or loss	Assets at fair value through reserve	Assets measured at amortised cost	Total	Fair value determination: Level 1	Level 2	Level 3
Shares of non consolidated companies	190			190		190	
Deposits and guarantees			3 969	3 969		3 969	
Other non-current assets			14 718	14 718		14 718	
Trade receivables, net			464 569	464 569		464 569	
Other receivables			280 620	280 620		280 620	
Cash, restricted cash and cash equivalent	1 132 439			1 132 439	1 132 439		
Total	**1 132 629**		**763 876**	**1 896 505**	**1 132 439**	**764 066**	

EQUITY & LIABILITIES as at August 31, 2021	Financial liabilities at fair value by classifications: Liabilities at fair value through profit or loss	Liabilities at fair value through reserve	Financial liabilities measured at amortised cost	Total	Fair value determination: Level 1	Level 2	Level 3
Other Shareholders' funds	17 180		168 628	185 808		168 628	17 180
Financial debts & Lease liabilities			1 556 086	1 556 086	6 904	1 549 181	
Other non-current liabilities			41 379	41 379		41 379	
Trade and other payables			591 494	591 494		591 494	
Put option debts		25 181		25 181		25 181	
Derivative liability instruments	528			528	528		
Other liabilities and tax payables			400 770	400 770		400 770	
Total	**17 708**	**25 181**	**2 758 357**	**2 801 246**	**7 432**	**2 776 634**	**17 180**

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

NOTE 12 OFF-BALANCE SHEET COMMITMENTS

12.1 Financial commitments

In thousands of euros	August 31, 2021	August 31, 2020
Guarantees in favour of third parties	213 827	163 314
Pledges of goodwill, assets, shares	-	-
Property mortgages	-	-
Other commitments (1)	25 567	33 867
Commitments given	**239 394**	**197 181**
Market commitments	-	-
Guarantees received (2)	431 879	375 604
Commitments received	**431 879**	**375 604**

1.

(1) Other commitments given relate to partnership commitments, including a variable portion for an amount of €8.4 M.

(2) Guarantees received are available lines of credit taken out with financial institutions, including €150 M on a syndicated line and €225 M on other lines negotiated bilaterally.

12.2 Sales with retention of title

The general and special conditions of sale guarantee some Group companies the ownership of goods sold until full payment of the sums due to them. Therefore, some claims appearing in customer receivables and resulting from the sale of manufactured products and goods are accompanied by this clause.

NOTE 13 DERIVATIVE FINANCIAL INSTRUMENTS

During the year, Altrad Asia used financial instruments to hedge against foreign exchange risks incurred in its business. The currency hedges put in place by the Group related to highly probable future and identified transactions. The total fair value of these financial instruments amounts to €-528 K as at 31st August 2021 and is presented in other current liabilities.

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

NOTE 14 ASSETS HELD FOR SALE

In thousands of euros	August 31, 2021	August 31, 2020 (1)
Assets to be disposed of	2 378	2 378
Total	**2 378**	**2 378**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

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

NOTE 15 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: to build a sustainable world. • Continuous development of a CSR strategy and the importance of corporate citizenship.
Credit	• Counterparty risk related to business activities, particularly in emerging economies or during economic downturns.	• Prior authorisation required for opening customer accounts. • Monitoring of customer ratings. • Rigorous follow-up of unpaid debts, with proactive debtor management.
Customer focus	• Dependence on a small number of clients implying a high impact in the event of the loss of a major client.	• Diversification strategy in terms of customers, business sectors and geographical areas. • Key account management programs to maintain the strength and depth of relationships. • Majority of long-term relationships with long-term contracts. • Positioning as a first-tier supplier for major customers.
Ethics	• Risk of corruption and unethical and anti-competitive behaviour. • Risk of modern slavery within our teams or with our suppliers. • Criminal and financial penalties, damage to reputation.	• Comprehensive review of the Group's integrity and operational ethics reference framework. • Risk mapping, training and audit of compliance procedures and culture. • Targeted audits on modern slavery and the fight against corruption. • Definition of Key Performance Indicators (KPIs) as part of annual performance reviews.

External growth	• The group's strategic growth plans require sustained profitability and stable debt ratios.
	• Paradox of growth: growth is a necessity but involves integration and operational risks.
		• The Group maintains a gearing ratio, excluding the IFRS16 net / EBITDA impact, below 1.2.
		• The Group has developed expertise in the acquisition of entities via:
		  ○ The generation of synergies to achieve objectives and free up cash, while respecting the culture of the acquired companies.
		  ○ The integration of the Group's managers into the success of acquisitions and the Group's sustainable development.

Health, safety and environment	• Risk of personal injury to staff members. • Reputational and commercial risk in case of an accident. • Civil or criminal risks for managers.	• Safety teams in all operating units, with a dedicated HSEQ department at Group level to audit, supervise, train and ensure a strong safety culture within the Group. • Environmental policies and audits aimed at minimising the impact of activities on the environment.
Computer systems and cybersecurity	• Risks of piracy. • Regulatory obligations in terms of data and network protection. • System obsolescence. • Backup solutions.	• "*Cyber essentials*" certification. • Patch used on computer hardware. • Use of the latest antivirus software and URL filters. • Implementation of secure procedures for the validation of payments.

Interest and exchange rates.	• Interest and exchange rate risks.	• Currency risk is limited because cash flows are in the same currency for a given subsidiary. • The majority of the financial debt is at fixed rates or is located in stable markets where the risk of material fluctuations is limited. • Payment in Dollars or Euros is preferred in countries where the currency is not easily convertible or is subject to a significant risk of depreciation.
Liquidity	• Ability to finance all debt repayment obligations. • Need to finance the group's operating cycles. • Guarantee that liquidity is maintained in the holding company and not in the subsidiaries.	• The Group's overall debt is centralised within the holding company, which negotiates with the subsidiaries their medium and short-term financing. • Debt instruments are carefully managed to ensure a spread of maturities, with regular reviews of the debt structure. • Prudent cash management policy, with a free cash position of around 800 M€. • Centralised cash management and repatriation of cash to the holding company.
Pandemic	• Economic impact of the contraction in demand for services and products. • Impact of quarantines on productivity and the available workforce. • Health and safety of our teams.	• Monitoring of the main economic indicators and responsiveness to market changes. • Negotiating the costs of technical unemployment with clients; planning future mobilisation needs. • Maintaining a health/safety culture, compliance with health regulations, including quarantine and teleworking where appropriate.
Political and macroeconomic context	• Impact of commodity price changes on customer demand and spending. • Currency fluctuations. • Authoritarian acts / political instability / war / legislative and regulatory risk.	• Diversification strategy in terms of customers, business sectors and geographical areas. • Strategic focus on mandatory recurring maintenance expenditure, less subject to price variations. • Contracts concluded mainly in local currency and/or dollars, for local expenditure. • Regular review of political risks and warning in times of instability or war.
Raw materials	• Strong fluctuations in the prices of raw materials, including steel, aluminium and zinc.	• Management of forward purchases by a specialised team. • Dedicated Acquisitions Department to optimise purchases. • Adaptation of product pricing to fluctuations.

Interest rate sensitivity

As of 31st August 2021, the debt is broken down by rate category as follows:

In thousands of euros	August 31, 2021	August 31, 2020 (1)
Fixed-rate loans	*154 174*	*416 289*
Variable-rate loans (1)	*1 264 125*	*1 103 083*
Total	**1 418 299**	**1 519 372**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

The Group considers its exposure to interest rate risk to be limited. Variable-rate loans depend on the 3-month Euribor rate, which averaged -0.54% over the 2020/2021 financial year. The variation in the average 3-month Euribor rate must therefore be significant, i.e. by more than 0.40 points upwards, to have an impact on interest on loans.

Sensitivity to the conversion rate

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

In thousands of euros	August 31, 2021	August 31, 2020
Euro	*952 974*	*1 068 526*
Sterling	*752 269*	*700 833*
Australian dollar	*102 447*	*114 646*
Saudi arabian riyal	*80 293*	*110 371*
US Dollar	*254 117*	*101 016*
Other currencies	*554 871*	*493 593*
Total revenue from current activities	**2 696 971**	**2 588 985**

Management of the liquidity risk

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

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

Operational management of liquidity and financing is carried out by the Group's Finance Department. This management involves centralising significant financing in order to optimise liquidity and cash flow. The Group's overall debt is centralised within the holding company, which negotiates medium and short-term financing with the subsidiaries. Debt ratios are kept low and debt contracts are diversified. The Group negotiates maturities of more than 5 years and bullet loans. The Group maintains an available cash position of a minimum of €800 M.

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

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

In thousands of euros	August 31, 2021	August 31, 2020
Cash equivalents	101 290	127 549
Cash (excluding restricted cash, see note 11.1)	987 017	997 633
Bank overdrafts	(6 904)	(13 789)
TOTAL OF NET LIQUIDITY	**1 081 402**	**1 111 393**
Current financial liabilities (excluding bank overdrafts)	(495 151)	(398 721)
TOTAL OF CURRENT FINANCIAL DEBTS, NET LIQUIDITY	**586 251**	**712 672**

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

Capital management

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

NOTE 16 EQUITY

16.1 Distribution of dividends

Altrad Investment Authority did not distribute dividends to its shareholders for the 2019/2020 financial year. During the year, the Group paid dividends allocated in respect of the 2018/2019 financial year amounting to €30.5m. In the previous financial year, dividend distribution amounted to €30.4 M for the 2017/2018 financial year.

16.2 Composition of the share capital

	Number	Per Value	Amount (€)
Shares making up the share capital at the start of the financial year	**3 389 211**	**100 euros**	**338 921 100**
Shares issued during the financial year	1 037	100	103 700
Shares redeemed during the financial year	-	-	-
Shares making up the share capital at the end of the financial year	**3 390 248**	**100 euros**	**339 024 800**

The distribution of the capital as at 31st August 2021 is as follows:

Shareholders	August 31, 2021		August 31, 2020	
	Number of shares held	% of shares held	Number of shares held	% of shares held
Altrad Participations	2 625 634	77,45%	2 625 634	77,47%
BPI France	366 987	10,82%	366 987	10,83%
CM CIC capital	244 658	7,22%	244 658	7,22%
Arkéa Finances	81 552	2,41%	81 552	2,41%
BNP Paribas Développement	57 086	1,68%	57 086	1,68%
Altrad Managers (NYX AG Partners)	13 286	0,39%	13 286	0,39%
Others	1 045	0,03%	8	0,00%
TOTAL	**3 390 248**	**100,00%**	**3 389 211**	**100,00%**

16.3 Share-based payment plans: free share plans

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

The following table summarises the four free share plans granted:

Free shares	Plan n°1	Plan n°2	Plan n°3	Plan n°4
Grant date	September 12, 2018	September 12, 2018	December 5, 2019	December 5, 2019
End date of the acquisition period	September 12, 2020	July 01, 2022	December 5, 2021	July 01, 2022
Number of shares awarded	2 764	2 087	1 249	7 253
Number of shares canceled	(1 727)	-	(595)	(2 081)
Number of existing shares at August 31, 2019	**1 037**	**2 087**	**-**	**-**
Fair value of a share at August 31, 2019 (in €)	**1 096**	**1 096**	**-**	**-**
Expenses recognized at August 31, 2019 (in K€)	**1 322**	**582**	**-**	**-**
Number of existing shares at August 31, 2020	**1 037**	**2 087**	**654**	**5 172**
Fair value of a share at August 31, 2020 (in €)	**850**	**850**	**850**	**850**
Expenses recognized at August 31, 2020 (in K€)	**(455)**	**337**	**205**	**1 264**
Number of existing shares at August 31, 2021	**1 037**	**2 087**	**357**	**5 172**
Fair value of a share at August 31, 2021 (in €)	**912**	**912**	**912**	**912**
Expenses recognized at August 31, 2021 (in K€)	**79**	**568**	**78**	**1 926**

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

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

As a result, a personnel expense of €2.6 M was recognised for the financial year ended 31st August 2021 against the debt recognised in Other shareholders' funds (see Note 11.2).

16.4 Non-controlling interests

At 31st August 2021, taking into account the existence of clauses for the purchase of minority interests resulting in the non-recognition of related minority interests (see Note 2.1.4), the main contributions to this item are from:

	August 31, 2021			August 31, 2020		
In thousands of euros	% of Non contrlliong interests	Non controlling interests	o/w Net Income 2021	% of Non contrlliong interests	Non controlling interests	o/w Net Income 2020
Altrad Asia	20%	1 206	310	20%	896	193
Altrad Coffrages et étaiements	2%	253	14	2%	258	2
AlKhodari-Hertel	50%	(888)	(205)	50%	(644)	(230)
Hertel Yanda	49%	3 346	40	49%	3 067	(179)
Socar Cape LLC	51%	12 344	3 190	51%	14 173	4 220
Cape East Limited Co W.L.L	30%	2 056	952	30%	1 043	187
Others		943	1 040		(648)	(895)
Total Non controlling Interests		**19 260**	**5 342**		**18 146**	**3 299**

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

In thousands of euros	SOCAR Cape LLC	Cape East Limited Co W.L.L	Shanghai Hertel Yanda Installation Enginineering Co.Ltd.	SOCAR Cape LLC	Cape East Limited Co W.L.L	Shanghai Hertel Yanda Installation Enginineering Co.Ltd.
	August 31, 2021			August 31, 2020		
Revenue from current activities	50 643	28 985	18 750	52 012	69 692	15 680
Non-current assets	4 835	2 724	498	5 134	10 156	613
Current assets	28 571	43 860	14 123	26 784	46 314	13 565
Non current liabilities	-	3 758	146	-	5 692	216
Current liabilities	11 139	16 425	7 568	5 245	48 323	7 628

NOTE 17 PROVISIONS FOR RISKS

In thousands of euros	August 31, 2020	August 31, 2020 (1)
Provisions for employee benefits, non-current	41 958	42 857
Provisions for risks, non-current	225 714	238 471
Reserve for risks and social engagement, non-current	**267 672**	**281 328**
Provisions for employee benefits, current	1 727	1 611
Provisions for risks, current	39 113	38 933
Reserve for risks and social engagement, current	**40 840**	**40 544**
Total reserve for risks and social engagement	**308 512**	**321 872**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

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

The main items are detailed, in Note 17.1 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 17.2 below, on "Provisions for risks".

17.1 Change in provisions for social benefits

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

Certain assets of the Cape Group's defined benefit plans in the United Kingdom are held in funds administered by trustees. The Board of Trustees is responsible for the administration of the Plan's assets and the definition of the investment strategy. The last full valuation of the benefit plan was performed by independent qualified actuaries in September 2020 using the projected unit method. The valuation showed that the assets of the main benefit scheme had a market value of £176.3 M and were 97% funded. The balance of assets includes £95.2 M in insurance policies covering liabilities.

Evolution of commitments and hedging assets

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

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)	**186 131**	**27 504**	**213 635**
Current service cost	1 306	1 240	**2 546**
Interest expense	2 768	16	**2 784**
Past service cost	259	-	**259**
Liabilities extinguished on settlements	407	-	**407**
Employees contribtion	-	-	**-**
Benefit paid	(8 237)	(969)	**(9 206)**
Actuarial (gains) / losses	6 592	30	**6 622**
Impact of changes in the consolidation scope	-	-	**-**
Impact of exchange rate fluctuations & others	(294)	(18 801)	**(19 095)**
Defined benefit obligation at end of period	**188 932**	**9 019**	**197 951**
Movement in fair value of plan assets			
Fair value of plan assets at start of period	**(195 097)**	**-**	**(195 097)**
Interest income	(46)	-	**(46)**
Actuarial (gains) / losses	(8 883)	-	**(8 883)**
Assets liquidated on settlements	-	-	**-**
Employees contribution	-	-	**-**
Employer contributions	(1 428)	-	**(1 428)**
Benefit paid	6 532	-	**6 532**
Impact of changes in the consolidation scope	-	-	**-**
Impact of exchange rate fluctuations & others	19 022	-	**19 022**
Fair value of plan assets at end of period	**(179 900)**	**-**	**(179 900)**
IFRIC14 adjustment (Effect of asset ceiling) at start of period (*)	25 634	-	**25 634**
IFRIC14 adjustment (Effect of asset ceiling) at end of period (*)	25 634		**25 634**
Net (Asset) / Liability	**34 665**	**9 019**	**43 684**
Provisions for employee benefits, non-current	*33 404*	*8 553*	***41 957***
Provisions for employee benefits, current	*1 260*	*467*	***1 727***

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

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

As at 31st August 2021, the contribution of the main geographic areas in the provision for retirement obligations shown in the balance sheet is as follows: UK 67%, France 30% and Poland 3%.

On the other hand, according to the decision published by IFRIS IC in April 2021 on: IAS 19 - Allocation of service cost associated with a defined benefit plan: the estimated cost of a defined benefit employee benefit plan should be spread over the last years of the employee's career (and not from the date of recruitment) when the final vesting of the benefits is conditional on the employee's presence in the company at the time of retirement, the amount of the benefits depends on the length of service and the amount is capped at a certain number of consecutive years of service.

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	34 665	68	1 192	1 051	32 354

Nature of investments

Plan assets composition at August 31, 2020	Pension commitment
Shares	1%
Bonds	33%
Cash	2%
Insurance annuities	53%
Property	3%
Others	8%

Key assumptions used

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

	August 31, 2021			August 31, 2020		
	France	Poland	UK	France	Poland	UK
Discount rate	0,68%	1,80%	1,70%	0,68%	1,30%	1,70%
Wage gross rate	2,50%	0%-3%	3,6% - 3,9%	2,50%	0%-3%	3,2% - 3,55%
Mobility rate	0-6,63%	4%-4,7%	N/A	0-6,63%	4%-4,7%	N/A
Mortality rate	INSEE 2020	2018 life expectency table (National Institute of Statistics)	CMI_2020 mortality table (Institue and Faculty of Actuaries)	INSEE 2019	2018 life expectency table (National Institute of Statistics)	CMI mortality table (Institue and Faculty of Actuaries)

Sensitivity analysis

The table below shows the sensitivity (in %) of the provision recognised at 31st August 2021 in respect of the defined benefit plans:

	August 31, 2021
Increase of 0.25% in the discount rate	**-0,89%**
Decrease of 0.25% in the discount rate	**0,09%**

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.

17.2 Changes in provisions for risks

In thousands of euros	August 31, 2020 (1)	Change in profit (loss)			Change in	Impact of exchange rate fluctuations	Others	August 31, 2021
		Allowances	Uses	Reversals	scope			
Provisions for risks	276 097	25 663	(50 079)	(4 085)	-	8 987	(672)	**255 910**
Provisions for restructuring	1 307	-	(291)	-	7 892	9	-	**8 916**
Total provisions for risks	**277 404**	**25 663**	**(50 370)**	**(4 085)**	**7 892**	**8 995**	**(672)**	**264 826**
Non-current value	*238 471*							*225 714*
Current value	*38 933*							*39 113*

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

Provisions for risks and charges of €255.9 M include:

- Provisions for occupational illness costs of €175.9 million (see paragraph 1 below) and relate to the Cape Group,
- Provisions for social costs (bonuses, settlements, URSSAF audit, etc.) for €19.5 M,
- Provisions for tax risks of €22.3 M, of which €21.5 M relates to the Cape group,
- Provisions for contract termination losses of €6.5 M,
- Provisions for litigation of €11.4 M, 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 €20.3 M.

1) Provisions for occupational illnesses

Provisions for occupational illness costs amount to €147.9 M and the costs of managing occupational illness claims are provided for to the amount of €28.0 M.

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 September 2020 for the year ended 31st August 2020 and the next full valuation is to be carried out for the year ending 31st August 2022. The amount of the provision has been estimated based on the discounting of certain assumptions such as the discount rate or the amount of indemnities paid over the period. The amount of the provision is based on historical trends in the number of claims and monetary settlements, as well as on published tables on the expected incidence of illness. The main assumptions used in assessing the appropriate level of provision include the period over which future claims can be expected, the nature of the claims received, the claim rate, the rate of settlement recorded and the future development of compensation payments and legal costs. Management continuously monitors claims received and any other factors that may require a change in assumptions or a full actuarial review during the year. In determining the appropriate level of provision, the management considered various types of potential or actual claims and relied on appropriate legal and professional advice. The total provision for occupational illnesses amounted to €147.9 M (£127 M, of which £11.9 M current and £115.1 M non-current) at 31st August 2021, compared to €157.9 M (£141.5 M, of which £25.5 M current and £130.9 M non-current) at the previous year end.

The provision for occupational diseases is discounted at a rate of 1.06% (2020: 1.33%) or the estimated risk-free rate at the balance sheet date, over the term of the liability, i.e. approximately 31 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.

Restructuring provisions of €8.9 M relate to:

Mainly the acquisition of the Kiel group for €7.8 M, as well as the Hertel companies in the Middle East for €1.1 M as at 31st August 2021.

NOTE 18 CURRENT LIABILITIES

In thousands of euros	August 31, 2021	August 31, 2020 (1)
Trade payables (2)	591 494	389 607
Contract Liabilities (3)	80 127	74 276
Tax debts	81 465	87 765
Social debts	128 903	148 606
Derivative financial instruments (Note 13)	528	82
Current tax liabilities	27 805	17 898
Other creditors (4)	105 231	139 564
Total current Liabilities	**1 015 553**	**857 797**

(1) Changes *have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).*

(2) Trade payables include €22.8 M of minority buyout interest debt as at 31st August 2021 (vs. €1.2 M as at 31st August 2020), of which €20.7 M for the Prezioso Group, which was recognised under other non-current liabilities as at 31st August 2020 for €23.4 M.

(3) Contract liabilities correspond to the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

(4) "Other accounts payable" includes, for €88 M: €60.9 M in current expense adjustments, €22.5 M in other operating liabilities, and €4.7 M in other liabilities, but also the current account with Altrad Participations is recognised at €15.8 M at 31st August 2021.

NOTE 19 OTHER NON-CURRENT LIABILITIES

In thousands of euros	August 31, 2021	August 31, 2020 (1)
Other non current liabilities (2)	30 031	22 145
Non-current fixed asset suppliers (3)	13 769	36 293
Non-current financial derivatives (4)	-	100
Total other non-current liabilities	**43 799**	**58 539**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

(2) Other non-current liabilities include €2.9 M€ in non-current social security liabilities at 31st August 2021 (€3.8 M at 31st August 2020) and liabilities relating to the application of IFRIC 23 "Uncertainty of Income Tax Treatments" for €26.4 M at 31st August 202& (€17.8 M at 31 August 2020).

(3) Non-current assets trade accounts payable includes at 31st August 2021, the fair value of put options on the repurchase of non-controlling interests relating to:

- PREZIOSO Group: 0 K€ vs. €23,347 K in N-1 (reclassified as current liabilities on 31st August 2021)
- DESSA: 1,236 K€ vs. 1184 K€
- Multi up: 100 K€ vs. 100 K€
- Senegal Keni Painting: €1,084 K recognised on entry into the scope of consolidation on 31st August 2021.

(4) Non-current financial instruments includes a hedging instrument for interest rate risks (see Note 13) at 31st August 2020.

NOTE 20 SEGMENT INFORMATION

20.1 Income statement

INCOME STATEMENT *(in thousands of euros)*	August 31, 2021	Equipment	Services	Support	Others
Revenue from current activities	**2 696 971**	**697 961**	**1 997 490**	**1 520**	**0**
Cost of raw materials and merchandises	(572 159)	(270 454)	(265 947)	(35 759)	0
Personnel costs	(1 232 674)	(118 531)	(1 106 822)	(7 321)	0
Other external expenses	(476 296)	(94 048)	(354 522)	(27 621)	(104)
Depreciations and amortizations	(138 443)	(46 553)	(85 181)	(6 646)	(64)
Share of profit from associates accounted for under the equity method	(943)	0	(943)	0	0
Operating operations IC	*0*	*(58 117)*	*(33 734)*	*91 660*	*191*
Current operating profit	**276 456**	**110 257**	**150 342**	**15 834**	**23**
Other non-recurring revenues and expenses	(17 406)	(2 767)	(21 345)	6 706	0
Restructuring and underactivity costs	(14 902)	(4 291)	(10 494)	(117)	0
Operating profit	**244 148**	**103 199**	**118 503**	**22 422**	**23**
Income from cash and cash equivalents	893	36	156	701	0
Cost of gross financial debt	(38 195)	(821)	(6 210)	(31 164)	0
Cost of net financiel debt	**(37 302)**	**(785)**	**(6 054)**	**(30 463)**	**0**
Other financial products	35 187	1 464	15 728	17 995	0
Other financial expenses	(5 891)	(1 803)	(14 496)	10 409	0
Financial operations IC	*0*	*4 009*	*(14 120)*	*10 213*	*(102)*
Profit before tax from continuing operations	**236 142**	**106 084**	**99 561**	**30 576**	**(79)**
Income tax expense	(60 949)	(26 635)	(23 665)	(10 618)	(31)
Profit for the year from continuing operations	**175 193**	**79 448**	**75 896**	**19 958**	**(110)**
Profit/(loss) after tax for the year from discontinued operations	4	0	4	0	0
Profit for the year	**175 197**	**79 448**	**75 900**	**19 958**	**(110)**

INCOME STATEMENT *(in thousands of euros)*	August 31, 2020 (1)	Equipment	Services	Support	Others
Revenue from current activities	**2 588 985**	**579 819**	**2 007 198**	**1 991**	**(23)**
Cost of raw materials and merchandises	(510 501)	(238 325)	(249 089)	(23 087)	0
Personnel costs	(1 182 441)	(101 800)	(1 075 175)	(5 466)	0
Other external expenses	(503 540)	(77 539)	(408 706)	(17 176)	(119)
Depreciations and amortizations	(153 171)	(48 215)	(104 266)	(625)	(66)
Share of profit from associates accounted for under the equity method	(215)	0	(215)	0	0
Operating operations IC	*0*	*(33 465)*	*(39 701)*	*72 950*	*216*
Current operating profit	**239 117**	**80 475**	**130 047**	**28 587**	**8**
Other non-recurring revenues and expenses	(43 364)	(2 363)	(42 212)	1 211	0
Restructuring and underactivity costs	(38 037)	(9 819)	(27 887)	(330)	0
Operating profit	**157 716**	**68 293**	**59 947**	**29 468**	**8**
Income from cash and cash equivalents	1 365	29	206	1 130	0
Cost of gross financial debt	(43 134)	(769)	(7 043)	(35 323)	1
Cost of net financiel debt	**(41 769)**	**(740)**	**(6 837)**	**(34 192)**	**1**
Other financial products	20 676	1 615	16 746	2 314	0
Other financial expenses	(19 920)	(1 266)	(23 499)	4 846	0
Financial operations IC	*0*	*(3 069)*	*(12 131)*	*15 019*	*181*
Profit before tax from continuing operations	**116 703**	**64 832**	**34 226**	**17 455**	**189**
Income tax expense	(29 441)	(18 428)	(13 502)	2 514	(23)
Profit for the year from continuing operations	**87 262**	**46 404**	**20 724**	**19 969**	**166**
Profit/(loss) after tax for the year from discontinued operations	0	0	0	0	0
Profit for the year	**87 262**	**46 404**	**20 724**	**19 969**	**166**

20.2 Balance sheet

ASSETS *(in thousands of euros)*	August 31, 2021	Equipment	Services	support	Others
Goodwill	1 400 161	102 433	1 296 645	1 083	0
Intangible assets	69 221	25 785	41 239	2 205	(8)
Property, plant and equipment	391 970	228 526	151 463	11 061	919
Right of use assets	124 152	52 094	71 871	187	
Non-current financial assets and other non-current assets	18 877	18 607	24 027	(23 757)	(0)
Investments in associates	211		211		
Deferred tax assets	49 266				
IC Eliminations	**2 053 858**	**431 931**	**1 632 771**	**(11 756)**	**912**
Non-current assets	182 212	141 523	40 803	(115)	
Inventories	655 015	126 639	527 354	1 015	7
Trade receivables and contract assets	4 017	508	2 322	1 187	
Income tax receivable	105 326	13 719	87 052	4 480	75
Other current assets	1 132 439	115 128	392 589	623 840	882
Cash, restricted cash and cash equivalent	**2 079 008**	**397 516**	**1 050 121**	**630 407**	**964**
Current assets	2 378		2 301	77	
Assets held for distribution					
TOTAL ASSETS	**4 135 244**	**829 447**	**2 685 193**	**618 728**	**1 876**

EQUITY & LIABILITIES *(in thousands of euros)*	August 31, 2021	Equipment	Services	support	Others
Total equity	1 000 735				
Others Shareholders' funds	185 808				
Interest-bearing loans and borrowings, non-current	964 010				
Non current lease liabilities	90 020				
Reserve for risks and social engagement, non-current	267 672	9 323	243 882	14 467	
Other non-current liabilities	43 799	2 080	3 455	38 266	(1)
Deferred tax liabilities	24 751				
Non-current liabilities	**1 576 061**	**11 403**	**247 336**	**52 733**	**(1)**
Interest-bearing loans and borrowings, current	467 073				
Current lease liabilities	34 982				
Reserve for risks and social engagement, current	40 840	3 569	37 271		
Trade and other payables	591 494	239 353	338 506	13 622	13
Income tax payable	27 805	4 414	20 101	3 285	6
Other liabilities	396 253	25 991	376 055	(5 840)	48
Current liabilities	**1 558 448**	**273 327**	**771 934**	**11 067**	**66**
TOTAL EQUITY & LIABILITIES	**4 135 244**	**284 730**	**1 019 270**	**63 800**	**65**

ASSETS *(in thousands of euros)*	August 31, 2020 (1)	Equipment	Services	support	Others
Goodwill	1 344 429	87 062	1 257 334	33	0
Intangible assets	70 310	37 974	29 942	2 402	(8)
Property, plant and equipment	359 148	186 869	161 069	10 226	984
Right of use assets	131 425	38 160	93 123	142	
Non-current financial assets and other non-current asset	4 986	14 733	9 590	(19 333)	(4)
Investments in associates	200		200		
Deferred tax assets	64 897				
IC Eliminations	**1 975 395**	**364 798**	**1 551 258**	**(6 530)**	**972**
Non-current assets	132 722	93 664	39 166	(108)	
Inventories	562 439	102 640	458 809	984	6
Trade receivables and contract assets	8 092	2 950	3 071	2 072	
Income tax receivable	81 571	8 728	62 353	10 423	67
Other current assets	1 172 537	139 649	489 617	542 696	576
Cash, restricted cash and cash equivalent	**1 957 361**	**347 630**	**1 053 015**	**556 068**	**648**
Current assets	2 378		2 301	77	
Assets held for distribution					
TOTAL ASSETS	**3 935 132**	**712 428**	**2 606 573**	**549 614**	**1 620**

EQUITY & LIABILITIES *(in thousands of euros)*	August 31, 2020 (1)	Equipment	Services	support	Others
Total equity	819 894				
Others Shareholders' funds	178 188				
Interest-bearing loans and borrowings, non-current	1 168 334				
Non current lease liabilities	92 703				
Reserve for risks and social engagement, non-current	281 328	8 574	251 891	20 862	
Other non-current liabilities	58 539	2 025	4 396	52 119	(1)
Deferred tax liabilities	25 297				
Non-current liabilities	**1 804 389**	**10 598**	**256 287**	**72 982**	**(1)**
Interest-bearing loans and borrowings, current	373 285				
Current lease liabilities	39 225				
Reserve for risks and social engagement, current	40 544	2 722	37 821		
Trade and other payables	389 607	109 439	266 384	14 394	(610)
Income tax payable	17 898	3 064	14 710	119	6
Other liabilities	450 292	73 841	340 216	36 146	90
Current liabilities	**1 310 850**	**189 066**	**659 130**	**50 659**	**(514)**
TOTAL EQUITY & LIABILITIES	**3 935 132**	**199 664**	**915 418**	**123 640**	**(516)**

(1) Changes have been made to the 2020 financial statements as initially published, following the finalisation of the allocation of fair values recognised under IFRS 3R in connection with the acquisition of Adyard Abu Dhabi Llc as at 1st April 2020 (see Note 2.4) and the change in the method of calculating the provision for retirement benefits following a decision by the IFRS IC (see Note 2.1.2).

NOTE 21 INFORMATION ON CURRENT OPERATING INCOME

21.1 Income from ordinary activities

The revenues from ordinary activities by branch of activity is broken down as follows.

In thousands of euros	August 31, 2021	August 31, 2020
Services Division	2 116 971	2 008 985
Equipment Division	580 000	580 000
Total revenue from current activities	**2 696 971**	**2 588 985**

These are not broken down by type of service as multidisciplinary services are provided to a majority of clients. Revenues from ordinary activities are therefore broken down below by location of the revenue-generating entity:

In thousands of euros	August 31, 2021	August 31, 2020
UK	755 440	700 584
Australia	102 448	114 646
France	501 797	437 879
Africa	500 202	501 157
Germany	284 430	303 436
Belgium	188 307	187 607
Other countries of Europe	288 955	260 754
Other countries of the world	75 392	82 922
Total revenue from current activities	**2 696 971**	**2 588 985**

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

During the financial year ended 31st August 2021, €2 Bn was recognised at a specific point in time, €502 M progressively as performance obligations were met (over time) and €96 M in respect of leases in accordance with IFRS 16. €43.8 M of revenue was included in contract liabilities at the previous year-end. Contract assets and liabilities amount to €93 M.

Transaction price allocated to performance obligations: This information required in the context of the application of IFRS 15 corresponds to confirmed turnover as contracted with customers and for which the services or performances have not yet been, or are only partially, performed at the end of the financial year. After taking into account the exceptions provided for in the standard (contracts with a total term of less than one year, and service contracts for which revenue is recognised on the basis of the services actually performed for the customer and the prices specified in the contracts, which are the subject of periodic (generally monthly) invoicing of services performed for the customer), this concept essentially corresponds to revenue from long-term construction or renovation contracts recognised using the percentage-of-completion method. At 31st August 2021, revenue still to be recognised on these contracts was €637 M, of which €449 M within 12 months. At 31st August 2020, revenue still to be recognised on these contracts was €527 M, of which €338 M within 12 months.

21.2 Staff costs

In thousands of euros	August 31, 2021	August 31, 2020
Total payroll	(1 177 724)	(1 132 779)
Others	(49 479)	(47 224)
Profit-sharing	(2 713)	(1 763)
Cost related to IFRS 2 (Share-based Payment)	(2 757)	(676)
Total staff costs	**(1 232 674)**	**(1 182 441)**

The decrease in payroll is mainly due to the change in business activity in connection with the health crisis during the year. On the other hand, part of the wage bill has been covered by government support programmes.

The section "other" includes, in particular, interim staff costs.

Group workforce at the end of the financial year

	August 31, 2021		August 31, 2020	
	Workforce	**%**	**Workforce**	**%**
Permanent employment contract	28 296	73%	27 335	78%
Fix-term employment contract	10 285	27%	7 849	22%
Total	**38 581**	**100%**	**35 184**	**100%**
France	3 515	9%	3 904	11%
Abroad	35 066	91%	31 280	89%
Total	**38 581**	**100%**	**35 184**	**100%**

Breakdown of the workforce

	August 31, 2021		August 31, 2020	
	Workforce	**%**	**Workforce**	**%**
Services Division	35 259	91%	32 148	91%
Equipment Division	3 322	9%	3 036	9%
Total	**38 581**	**100%**	**35 184**	**100%**

21.3 OTHER EXTERNAL EXPENSES

Other external expenses consist mainly of subcontracting, rental and transport costs.

The lease expenses presented in this item correspond to contracts that do not fall within the scope of IFRS16.

NOTE 22 OTHER NON-CURRENT OPERATING INCOME AND EXPENSES

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

In thousands of euros	August 31, 2021	August 31, 2020
Other net income / (expenses) on management transactions	(18 886)	(40 804)
Net income / (expenses) on disposals of assets	1 480	(2 566)
Total Other non-current operating income and expenses	**(17 406)**	**(43 370)**

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

- Construction site losses of €5.2 M (mainly in Asia for €4.5 M and in Europe for €0.7 M);

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

In 2020, other net expenses on management transactions mainly include:

- Construction site losses of €6.8 M (mainly in Asia for €4.6 M and in Europe for €1.7 M);
- The impact of tax and social security disputes and changes in taxes relating to transactions carried out in previous years or whose impact has not yet been passed on to customer contracts, amounting to €8.4 M;
- The impact of the change in the actuarial assumptions of the provision for occupational illnesses for €4.1 M;
- Expenses related to disputes with customers and suppliers for €6.9 M;
- The impact of the liquidation of the subsidiary Altrad Profix BVBA for €1.6 M.

NOTE 23 RESTRUCTURING AND UNDER-ACTIVITY COSTS

As in the previous year, the consolidated financial statements were approved according to the following option, i.e. costs arising from restructuring operations and under-activity costs relating to industrial sites (Note 2.3.2) were identified for each entity and isolated on a specific line of the income statement "restructuring costs and total cost of under-activity" for a total amount of €14.9 M compared to €38 M at 31st August 2020.

Restructuring and under-activity costs amounted to €14.9 M in 2021 compared to €38 M in 2020. The identified costs are of three different types and can be analysed as follows:

- Costs incurred to adapt the structure of the Group to the current level of economic activity totalled €12.3 M (compared to €33.8 M at 31st August 2020). They correspond to redundancy costs and restructuring costs. The variation is mainly due to the restructuring implemented as part of the integration of new companies into the Group in order to align their structure to that of the Altrad Group and by the continuing optimisation of structures in relation to the defined strategy, targeted projects and reorganisation of the level of activity.

  These costs are mainly spread over the following geographical areas 31st August 2021:

  - United Kingdom: €4.2 M
  - Africa, Middle East and Caspian: €2.1 M
  - Asia-Pacific: €0.8 M
  - Other European countries: €5.3 M

  At 31st August 2020, these costs were spread over the following geographical areas:

  - United Kingdom: €11.6 M
  - Africa, Middle East and Caspian: €6. 4 M
  - Asia-Pacific: €8.7 M
  - Other European countries: €7.1 M

- Despite the restructuring operations carried out in several phases during the last four years, the Group has experienced periods of under-activity that it has restated. The total cost of under-activity not absorbed given the level of activity of the financial year compared to a standard level was calculated for each entity and presented on the line "restructuring costs and total cost of under-activity" for an amount of €2.6 M (compared to €3.6 M at 31st August 2017).

- Furthermore, the production cost of inventories of manufactured products at the balance sheet date was also restated for the share of unabsorbed fixed costs. It was excluded from the production cost and recognised in expenses for the year for an amount of €0.3 M (compared to €0.6 M at 31st August 2017) on the line "restructuring costs and total cost of under-activity".

NOTE 24 FINANCIAL RESULT

In thousands of euros	August 31, 2021	August 31, 2020
Income from cash and cash equivalents	893	1 365
Gross cost of financial indebtedness	(38 195)	(43 134)
Net cost of financial indebtedness	**(37 302)**	**(41 769)**
Other financial income (including exchange gains)	35 187	20 676
Other financial expenses (including exchange losses)	(5 891)	(19 920)
Total other financial income and expenses	**29 297**	**756**
Financial result	**(8 006)**	**(41 013)**

NOTE 25 EARNINGS PER SHARE

	August 31, 2021	August 31, 2020
Numerator (in thousands of euros)		
Net result - Group share	169 856	83 965
Net income from continuing operations	169 852	83 965
Diluted consolidated net income	172 971	83 965
Diluted consolidated net income from continuing operations	172 967	83 965
Denominator (number of shares)		
Weighted average number of shares	3 390 219	3 389 211
Total potential dilutive shares	344 013	344 310
OBSA	138 355	138 355
ORA	197 005	197 005
ALTRAD free share allocation plan (1)	8 653	8 950
Weighted average number of shares- diluted	3 734 232	3 733 521
Consolidated net earnings per share, Group share (in €)	**50,10**	**24,77**
Diluted consolidated net earnings per share, Group share (in €)	**46,32**	**22,49**
Earnings per share from continuing operations, Group share (in €)	**50,10**	**24,77**
Diluted earnings per share from continuing operations, Group share (in €)	**46,32**	**22,49**

(1) See 15.3 "Share-based payment plans: free share plan"

NOTE 26 STATUTORY AUDITORS' FEES

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

Audit fees *(In thousands of euros)*	August 31, 2021		August 31, 2020	
	Ernst & Young	Grant Thornton	Ernst & Young	Grant Thornton
Audit and certification of stautory and consolidated accounts *(Parent company + controlled entities (1))*	2 078	601	2 078	546
Other services than audit and certitication of statutory and consolidated accounts (2) *(Parent company + controlled entities (1))*	14	-	258	2
TOTAL	**2 092**	**601**	**2 336**	**548**

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

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

NOTE 27 EVENTS SUBSEQUENT TO THE CLOSE OF THE FINANCIAL YEAR

Acquisitions through external growth operations

Endel - France: In August 2021, the group entered into exclusive negotiations with the Engie Group to acquire Endel. Endel is a company specialising in industrial maintenance and services in the energy sector. Endel's know-how in the field of mechanics and metallurgy, the Group's solid network in France and its strategic positioning across the entire value chain enable it to offer unique services to its customers.

This acquisition project aims to strengthen and diversify the industrial offer in mechanical engineering and services. The transaction is expected to be completed in the first quarter of 2022, subject to regulatory approval and customary conditions precedent, and after consultation with employee representative bodies.

CIDES - Congo: on 18th October 2021, the Group finalised the acquisition of a majority stake in CIDES Congo for €0.8 M. It is a leading rope access and inspection company in Congo, particularly in the oil and gas market, but also active in other industries. The acquisition cost of the securities amounted to €1.4 M. With our combined strengths, we see real opportunities to deepen our relationships with existing customers, increase our market share and expand our offering beyond national borders.

Valmec - Australia: The acquisition of Valmec for AUD51.4 M or €32.7 M was officially finalised on 15th October 2021. Valmec employs approximately 300 people and is a leading energy, resources and infrastructure services group providing engineering, construction, commissioning and maintenance services from design to decommissioning across the entire life cycle of assets. Turnover amounted to AUD 112 million or €67.9 M at 30th June 2020. This acquisition allows the Group to expand Altrad's service offering with complementary services.

RMD Kwikform - International: acquired on 6th October 2021 from Interserve Group for £123.1 M and £24.7 M of debt repayments. £133.8 M was paid in October and December, or €163.8 M. RMD Kwikform is one of the world's leading formwork / temporary structures and earthworks rental and sales companies. RMD Kiwkform's turnover was £142.2 M or €162.2 M at 31st December 2020. In addition to having a large asset base that can be deployed internationally, RMD Kwikform is differentiated by its design and engineering services, which enable it to provide unparalleled input to the most complex infrastructure projects. Its international network is also particularly useful for expanding Altrad's product portfolio into new markets.

Muehlhan - UK and Denmark: on 31st December 2021, the Group acquired all the shares in MDK Energy A/S and Muehlhan Industrial Services Ltd for €6.1 M, with an additional consideration of up to €6.2 M. The turnover of these two companies at 31st December 2020 was €55.1 M.

Allocation of shares

On 06 December 2021, the Chairman noted the definitive allocation of 357 shares to beneficiaries meeting the conditions indicated.

The share capital of the parent company Altrad Investment Authority has been increased by 35,700€ through the creation and issue of 357 Shares with a nominal value of one hundred Euros (100€) each.

The capital of Altrad Investment Authority is thus increased from 339,024,800 Euros to 339,060,500 Euros, by deducting 35,700 Euros from the "Share premiums, merger premiums, contribution premiums, etc." account.

Acquisition of non-controlling interests: AIA was summoned on 31st January 2022 before the Paris Commercial Court, in connection with the exercise on 27th May 2021 of the promise to purchase signed on 19th May 2016 by the minority shareholders of the Prezioso Group. The corresponding amount has been recorded as current debt. An expert appraisal is underway to confirm the valuation.

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

Altrad Group partnership:

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

NOTE 28 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 thousands of euros	August 31, 2021	August 31, 2020
Balance sheet		
Other receivables	896	1 178
Trade receivables	2 074	2 598
Loan	(30)	-
Trade payables and other debt:	(17 078)	(18 370)
Total	**(14 138)**	**(14 594)**

in thousands of euros	August 31, 2021	August 31, 2020
Income statement		
Sales	30	320
Costs	(6 539)	(5 767)
Financial income	-	0
Financial cost	(579)	(579)
Total	**(7 088)**	**(6 025)**

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, 2021	August 31, 2020
Short-term benefits (1)	2 303	2 611
Long-terme benefits (2)	465	-
Post-employment benefit (3)	(7)	6
Expenses recognized for the free share plans (4)	682	941
Total executive compensation	**3 443**	**3 557**

(1) Short-term benefits include fixed compensation, variable compensation, benefits in kind and directors' fees. The executive compensation policy takes market practices into account. It has a significant variable component depending on the achievement of results objectives and individual contribution.

(2) Long-term benefits include the variable compensation corresponding to the multi-year management incentive program.

(3) Post-employment benefits correspond to the provisions recognised for pension obligations.

(4) Compensation under free share plans corresponds to personnel expenses recognised in accordance with IFRS 2 (see Note 16.3).

NOTE 29 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:

				31 août 2021			31 août 2020		
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									
Actavo Hire & Sales Uk **(2)**	UK	A	GBP	FC	100,00	100,00	NC	-	-
Actavo Hire & Sales Ireland **(2)**	Ireland	A	EUR	FC	100,00	100,00	NC	-	-
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	99,97	99,97	FC	99,97	99,97
Altrad Etais **(4)**	France	A	EUR	NC	-	-	FC	99,95	99,95
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 Hofmaninger	Austria	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad International	France	A	EUR	FC	99,97	99,97	FC	99,97	99,97
Altrad Italie	Italy	A	EUR	FC	99,93	100,00	FC	99,93	100,00
Altrad Lescha Atika (ex Atika)	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Limex	Croatia	A	HRK	FC	100,00	100,00	FC	100,00	100,00
Altrad Liv	Slovenia	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Mostostal	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
Altrad Mostostal Montaz	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
Altrad PACA **(4)**	France	A	EUR	NC			FC	100,00	100,00
Altrad Plettac	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Plettac Assco	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Plettac Iberica	Spain	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Plettac Production	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Poland (Spomasz)	Poland	A	PLN	FC	99,70	99,70	FC	99,70	99,70
Altrad Richard Fraisse	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Romania	Romania	A	RON	FC	100,00	100,00	FC	100,00	100,00
Altrad Saint-Denis	France	A	EUR	FC	99,89	99,89	FC	99,89	99,89
Altrad Soframat Etem **(4)**	France	A	EUR	NC			FC	100,00	100,00
Altrad Konskie	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
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
Avon	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00

				31 août 2021			31 août 2020		
Denomination			Currency	Method	Interest %	Control %	Method	Interest %	Control %
Equipement (following)									
ACE Coffrages et Etaiements (Ex Jalmat)	France	A	EUR	FC	98,36	98,36	FC	98,36	98,36
Belle Engineering	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Belle Equipos	Spain	B	EUR	FC	100,00	100,00	FC	100,00	100,00
Belle France	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Belle Holding Ltd	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Bragagnolo	Italy	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Defiant	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Dessa **(5)**	UK	A	GBP	FC	88,00	88,00	FC	76,00	76,00
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 **(5)**	Portugal	A	EUR	FC	96,62	96,50	FC	96,62	96,50
Multi Up **(5)**	Portugal	A	EUR	FC	25,50	25,50	FC	25,50	25,50
Panther	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Samia Devianne	France	A	EUR	FC	99,95	99,95	FC	99,95	99,95
Socacen **(1)**	France	A	EUR	NC			FC	100,00	100,00
Trad Hire & Sales **(5)**	UK	A	GBP	FC	95,00	95,00	FC	95,00	95,00
Vedif Collectivités	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Services									
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
Adyard Abu Dhabi LLC	Abu Dhabi	A	AED	FC	100,00	100,00			
Altitude Scaffolding Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Arnholdt	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Betriebsvorrichtungen GmbH **(2)**	Germany	A	EUR	FC	100,00	100,00	NC		
(*)Altrad Engineering Services Limited (ex Cape Engineering Services Limited)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Environmental Services Offshore Limited (ex Cape Environmental Services Offshore Limited)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Employment Sces LTD	UK	A	EUR	FC	100,00	100,00	NC		
Altrad Euroscaff	Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Germany GmbH (ex Hertel GmbH Germany)	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Industrial Projects & Maintenance (ex Hertel GmbH Leipzig)	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Industrial Services (ex Hertel Industrie Service GmbH)	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Kiel Industrial Services GmbH **(2)**	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 Maintenance GmbH (ex Hertel GmbH)	Germany	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	IG	100,00	100,00
Altrad Nsg	UK	A	GBP	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 Algeria (ex : SAEIP) **(5)**	Algeria	B	DZD	FC	91,94	44,09	FC	91,94	44,09
(*)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 Limited (ex Cape Industrial Services Limited)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Balliauw Multiservices	Belgium	A	EUR	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 Services Switzerland **(2)**	Switzerland	B	DZD	FC	91,94	90,08	NC		

Denomination			Currency	31 août 2021 Method	Interest %	Control %	31 août 2020 Method	Interest %	Control %
Services (following)									
Altrad Services Pte Ltd **(2)**	Singapore	A	EUR	FC	100,00	100,00			
Altrad Services Pty Ltd, (ex Cape Australia Onshore Pty Limited)	Australia	A	AUD	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 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
Amb Hertel L.L.C.	Abu Dhabi	A	AED	FC	100,00	100,00	FC	100,00	100,00
Cape plc **(3)**	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape (Group Services) Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Australia Holdings Pty Limited	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Cape Building Products Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape BVI (No1) Limited	British Virgin Islands	B	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 International Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Calsil Systems Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Cayman (No.2) Ltd	Cayman Islands	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Claims Services Limited **(3)**	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Contracts International Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Durasteel Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape East & Partners LLC	Oman	A	OMR	FC	65,00	65,00	FC	65,00	65,00
Cape East (Holdings) Limited	Thailand	B	THB	FC	49,00	49,00	FC	49,00	49,00
Cape East (Thailand) Limited	Thailand	B	THB	FC	49,00	49,00	FC	49,00	49,00
Cape East (UK) Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape East Algeria SARL	Algeria	B	EUR	FC	99,00	99,00	FC	99,00	99,00
Cape East Egypt LLC	Egypt	B	USD	FC	100,00	100,00	FC	100,00	100,00
Cape East General Contracting Company W.L.L	Kuwait	B	KWD	FC	49,00	49,00	FC	49,00	49,00
Cape East Jusik Hoesa	Korea	B	KRW	FC	100,00	100,00	FC	100,00	100,00
Cape East Libya Limited	Malta	B	EUR	FC	100,00	100,00	FC	100,00	100,00
Cape East Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape East Limited Company W.L.L	Qatar	B	USD	FC	70,00	70,00	FC	70,00	70,00
Cape East Limited LLC	Abu Dhabi	A	AED	FC	49,00	49,00	FC	49,00	49,00
Cape East Philippines Inc	Philippines	B	PHP	FC	100,00	100,00	FC	100,00	100,00
Cape East Pte Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Cape East Sdn Bhd	Malaysia	A	MYR	FC	100,00	100,00	FC	100,00	100,00
Cape East SPC	Bahrain	A	BHD	FC	100,00	100,00	FC	100,00	100,00
Cape Global Manpower Solutions Inc **(1)**	Philippines	B	PHP	NC			FC	25,00	25,00
Cape HoldCo Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Hong Kong Fuji Limited	China	B	HKD	FC	80,00	80,00	FC	80,00	80,00
Cape Hong Kong Limited	China	B	HKD	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Company Limited	Saudi Arabia	B	SAR	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services Europe Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services Group Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services Limited (Jordan)	Jordan	A	USD	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services LLC	Russia	B	RUB	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services (Sakhalin) LLC	Russia	B	RUB	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services Private Limited	India	A	INR	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services Pty Limited	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00

Denomination			Currency	31 août 2021 Method	Interest %	Control %	31 août 2020 Method	Interest %	Control %
Services (following)									
Cape Industries Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Insulation Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Intermediate Holdings Limited **(3)**	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape International Holdings Pte Limited	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Cape International Sdn Bhd	Brunei	A	BND	FC	100,00	100,00	FC	100,00	100,00
Cape Libya Industrial Services, Security and Safety Joint Company	Libya	B	USD	FC	65,00	65,00	FC	65,00	65,00
Cape Marine and Offshore Pty Limited	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Cape Myanmar Company Limited	Myanmar	B	MMK	NC			FC	100,00	100,00
Cape Oversears Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Papua New Guinea Limited	Papua New Guinea	A	PGK	FC	100,00	100,00	FC	100,00	100,00
Cape PCH LLC	Azerbaijan	B	USD	FC	100,00	100,00	FC	100,00	100,00
Cape Pension Trustees Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Regional Services DMCC	Dubai	A	AED	FC	100,00	100,00	FC	100,00	100,00
Cape Specialist Coatings Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape UK Holdings Newco Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape UK Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Vietnam LLC	Vietnam	B	VND	FC	100,00	100,00	FC	100,00	100,00
CG Purchasing Pte Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Cleton Continental Europe BV	Netherlands	B	EUR	FC	100,00	100,00	FC	100,00	100,00
Cleton Insulation BV	Netherlands	B	EUR	FC	100,00	100,00	FC	100,00	100,00
Comi Service	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Datadeep Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
DBI Endecon Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
DBI Industrial Services Limited	UK	A	GBP	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
Geo Project **(5)**	South Africa	B	ZAR	FC	91,99	90,08	FC	91,99	90,08
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 Services N.V. (Ex Hertel Services Belgium) (4)	Belgium	A	EUR	NC			FC	100,00	100,00
Hertel W.L.L.	Barhain	A	BHD	FC	100,00	100,00	FC	100,00	100,00
Ipes **(5)**	Nigeria	B	NGN	FC	82,79	81,07	FC	82,79	81,07
Kok Chang Engineering Pte. Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Kok Chang Marine Service Pte Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Kok Chang Scaffolding Pte. Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Linjebygg AS (ex :Prezioso Linjebygg AS) **(5)**	Norway	A	NOK	FC	91,99	90,08	FC	91,99	90,08
Linjebygg INC **(5)**	United States	A	USD	FC	91,99	90,08	FC	91,99	90,08
Linjebygg Norway AS (ex : Prezioso Linjebygg Norway AS) **(5)**	Norway	A	NOK	FC	91,99	90,08	FC	91,99	90,08
Maintech **(5)**	Norway	A	NOK	FC	46,70	45,73	FC	46,70	45,73
MB Engineering Services Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Mtd	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00

Denomination			Currency	31 août 2021			31 août 2020		
				Method	Interest %	Control %	Method	Interest %	Control %
Services (following)									
Nuclear New Build Industrial Services Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Olio Cape Sdn Bhd	Malaysia	A	MYR	MEE	49,00	49,00	MEE	49,00	49,00
Overseas Technical Coatings & Services Company L.L.C	Saudi Arabia	A	SAR	FC	100,00	100,00	FC	100,00	100,00
PCH Offshore Pty Limited	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
PCH Thailand Co Limited	Thailand	B	THB	FC	49,00	49,00	FC	49,00	49,00
Poujaud SAS	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Predart Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Prezicon **(5)**	Nigeria	B	NGN	FC	45,08	44,14	FC	45,08	44,14
Prezioso Angola **(5)**	Angola	B	AOA	FC	91,99	90,08	FC	91,99	90,08
Prezioso Congo **(5)**	Congo	B	XOF	FC	91,99	90,08	FC	91,99	90,08
Prezioso do Brasil **(5)**	Brazil	A	BRL	FC	91,99	90,08	FC	91,99	90,08
Prezioso Holding **(5)**	France	A	EUR	FC	91,99	90,08	FC	91,99	90,08
Prezioso Linjebygg **(5)**	France	A	EUR	FC	91,99	90,08	FC	91,99	90,08
Prezioso Linjebygg **(5)**	Ivory Coast	B	XOF	FC	91,99	90,08	FC	91,99	90,08
Prezioso Linjebygg Group **(5)**	France	A	EUR	FC	91,99	90,08	FC	91,99	90,08
Prezioso Linjebygg Equatorial Guinea **(5)**	Equatorial Guinea	B	XOF	FC	59,79	58,55	FC	59,79	58,55
Prezioso Linjebygg Holding **(5)**	France	A	EUR	FC	91,99	90,08	FC	91,99	90,08
Prezioso Polska **(5)**	Poland	A	PLN	NC			FC	91,99	90,08
Prezioso Qatar **(5)**	Qatar	A	QAR	FC	45,08	44,14	FC	45,08	44,14
Prezioso RESA **(1)**	Spain	B	EUR	NC			FC	50,59	49,54
Prezioso Technilor Gabon **(5)**	Gabon	B	XOF	FC	91,99	90,08	FC	91,99	90,08
Prezioso-Emdad **(5)**	United Arab Emirates	A	AED	MEE	59,79	44,14	MEE	59,79	44,14
Professional Construction Hire (PCH) W.L.L	Qatar	B	USD	FC	49,00	49,00	FC	49,00	49,00
PT Cape East Indonesia Limited	Indonesia	B	IDR	FC	90,00	90,00	FC	90,00	90,00
PT PCH Indonesia	Indonesia	B	IDR	FC	100,00	100,00	FC	100,00	100,00
PZO Technilor Unipessoal **(5)**	Portugal	A	EUR	FC	91,99	90,08	FC	91,99	90,08
R.B. Hilton Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
R.B. Hilton Saudi Arabia	Saudi Arabia	B	SAR	FC	100,00	100,00	FC	100,00	100,00
Remediation Rectification Works Pty. Ltd	Australia		AUD	FC	100,00	100,00	FC	100,00	100,00
Remove Insul N.V.	Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00
RI Tracing GmbH	Germany	A	EUR	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 **(5)**	South Africa	B	ZAR	FC	91,99	90,08	FC	91,99	90,08
Rope Acces Angola **(5)**	Angola	B	NAD	FC	80,49	49,54	FC	80,49	49,54
Rope Access Namibia **(5)**	Namibia	B	NAD	FC	82,79	81,07	FC	82,79	81,07
Ropetec Congo **(5)**	Congo	B	XOF	FC	91,99	90,08	FC	91,99	90,08
Ropetec Ghana **(5)**	Ghana	B	GHS	FC	91,99	90,08	FC	91,99	90,08
Ropetec International **(5)**	Dubai	A	USD	FC	91,99	90,08	FC	91,99	90,08
Ropetec Rigworld Ghana **(5)**	Ghana	B	GHS	FC	78,19	76,57	FC	78,19	76,57
SC Hertel Industrial Services SRL	Romania	A	RON	FC	100,00	100,00	FC	100,00	100,00
SC Hertel SRL	Romania	A	RON	FC	100,00	100,00	FC	100,00	100,00
SENEGAL KENI PAINTING **(2)**	Sengal	A	XAF	FC	100,00	55,00	NC	-	-
SEP Prezioso Solorpec **(2)**	France	A	EUR	IP	46,00	45,04	NC	-	-
SEP Altrad Services Nord **(2)**	France	A	EUR	IP	46,00	45,04	NC		
SEP Baumert Prezioso **(5)**	France	A	EUR	IP	46,00	45,04	IP	46,00	45,04

				31 août 2021			31 août 2020		
Denomination			Currency	Method	Interest %	Control %	Method	Interest %	Control %
Services (following)									
SEP Blayais Golfech **(3)**	France	A	EUR	FC	96,00	95,04	IG	96,00	95,04
SEP Prezioso-Lassarat **(5)**	France	A	EUR	IP	55,19	54,05	IP	55,19	54,05
SEP Prezioso-Technilor / SN-SGC **(5)**	France	A	EUR	IP	55,19	54,05	IP	55,19	54,05
Shanghai Hertel Yanda Installation Enginineering Co.Ltd.	China	A	CNY	FC	51,00	51,00	FC	51,00	51,00
Ship Support Services Limited	UK	A	GBP	MEE	50,00	50,00	MEE	50,00	50,00
SOCAR-Cape LLC	Azerbaijan	B	USD	FC	49,00	49,00	FC	49,00	49,00
Somewatch Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Somewin Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Spectra Scaffolding **(1)**	UK	A	GBP	NC			FC	100,00	100,00
T&H Investments & Holding Corporation **(1)**	Philippines	B	PHP	NC			FC	40,00	40,00
Technilor **(5)**	France	A	EUR	FC	91,99	90,08	FC	91,99	90,08
Total Corrosion Control Pty Limited	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Trad Group **(5)**	UK	A	GBP	FC	95,00	95,00	FC	95,00	95,00
Trad Hire & Sales **(5)**	UK	A	GBP	FC	95,00	95,00	FC	95,00	95,00
Trad Hire & Sales Midlands **(5)**	UK	A	GBP	FC	95,00	95,00	FC	95,00	95,00
Trad Hire & Sales Nothern **(5)**	UK	A	GBP	FC	95,00	95,00	FC	95,00	95,00
Trad Hire & Sales Scotland **(5)**	UK	A	GBP	FC	95,00	95,00	FC	95,00	95,00
Trad Safety Systems **(5)**	UK	A	GBP	FC	95,00	95,00	FC	95,00	95,00
Trad Scaffolding **(5)**	UK	A	GBP	FC	95,00	95,00	FC	95,00	95,00
UAB Armari	Lituania	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Willich Service & Construction Co. Ltd.	Thailand	B	THB	FC	100,00	100,00	FC	100,00	100,00
Woodlands Park Property Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Autres									
Financière Guy Noël	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
NYX AG Partners	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Poujaud Altrad	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
SCI Gros Chêne	France	B	EUR	FC	99,99	99,99	FC	99,99	99,99
SCI Les Pres Sapin	France	B	EUR	FC	100,00	100,00	FC	100,00	100,00

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

Méthod:
FC : Full Consolidation
MEE : Equity method
IP : Proportional consolidation
NC : Not consolidated

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

(1) Companies consolidated during the financial year ended 31st August 2021. Spectra Scaffolding, Prezioso REZA, T&H Investments & Corporation, Cape Global Manpower Solutions Inc, Socacen were liquidated.

(2) Companies consolidated during the financial year ended 31st August 2021. These are Altrad Betriebsvorrichtungen GmbH & Altrad Kiel Industrial Services GmbH, Actavo Hire & Sales UK, Actavo Hire & Sales Ireland and Senegal Keni Painting (SNKP), by acquisition, Altrad Services Switzerland, Altrad Services Singapore, as well as SEP Solorpec, SEP Altrad Services Nord by a shared partnership between Group subsidiaries. Altrad Employment Services UK was a dormant company that was re-consolidated on 31st August 2021.

(3) 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.

(4) Other exits from the perimeter: These are the companies Hertel Services N.V., Etais, Soframat, PACA, which were merged into other consolidated subsidiaries in the financial year 2020 - 2021.

(5) In accordance with the accounting treatment adopted, the Group opted for the companies concerned, as of the takeover, for the recognition of a liability in the consolidated balance sheet in return for the non-recognition of minority interests.
At 31 August 2021, the unexercised options concerned the entities UP, IRBAL, MULTI UP, DESSA and the PREZIOSO Group.
On the other hand, the incoming company (SNKP) enters the list of companies with an option.