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 2023

Statutory Auditors' report on the consolidated financial statements

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

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

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

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

Altrad Investment Authority
A.I.A.

Year ended 31 August 2023

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 2023.

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 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

Audit Framework

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

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

■ **Independence**

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code *(Code de commerce)* and the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de commissaire aux comptes)* for the period from 1 September 2022 to the date of our report.

Justification of Assessments

In accordance with the requirements of articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the Key Audit Matters relating to risks of material misstatement that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

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

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

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

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

■ **Measurement of goodwill and trademarks**

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

Our work consisted in assessing the valuation methods used by the group on the basis of the information provided to us, and verifying the consistency of the main data and assumptions used to perform the analyses with projected data established on the basis of the 2023-2024 budget.

■ **Valuation of Provisions**

As at 31 August 2023 the group recognized a provision further to a tax reassessment notice from the French Tax Administration on 27 December 2023, as described in Note 1.5 “Accounting Audit” to the consolidated financial statements.

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

Specific Verifications

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

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

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

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

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

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

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

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

As specified in article L. 821-55-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

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

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

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

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

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

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

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

Lyon and Montpellier, 28 February 2024

The Statutory Auditors

French original signed by

GRANT THORNTON
Membre français de Grant Thornton International

ERNST & YOUNG Audit

Helmi Ben Jezia

Amélie Van Elst

Lionel Denjean

ALTRAD GROUP

CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 AUGUST 2023

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, 2023	August 31, 2022 (1)
Revenue from current activities	**22.1**	**5 285 513**	**3 823 854**
Cost of raw materials and merchandises	22.2	(1 057 816)	(825 996)
Personnel costs	22.3	(2 445 925)	(1 699 444)
Other external expenses	22.4	(1 116 728)	(789 677)
Depreciations and amortizations	23	(223 504)	(208 188)
Share of profit from associates accounted for under the equity method	7.2	7 415	361
Current operating profit		**448 955**	**300 911**
Other non-recurring revenues and expenses	24	(21 870)	(26 617)
Restructuring and underactivity costs	25	(12 332)	(14 695)
Operating profit		**414 754**	**259 600**
Income from cash and cash equivalents	26	20 263	5 607
Cost of gross financial debt	26	(144 274)	(53 630)
Cost of net financial debt		**(124 012)**	**(48 023)**
Other financial products	26	97 748	25 391
Other financial expenses	26	(84 096)	(39 929)
Profit before tax		**304 395**	**197 039**
Income tax expense	8	(221 931)	(54 262)
Profit for the year from continuing operations		**82 464**	**142 776**
Profit/(loss) after tax for the year from discontinued operations		(0)	3
Profit for the year		**82 464**	**142 779**
Equity holders of the parent		***72 605***	***134 494***
Non-controlling interests		***9 859***	***8 285***
Basic, profit for the year attributable to ordinary equity holders of the parent (in Euros)	27	***21,40***	***39,65***
Basic, profit from continuing operations attributable to ordinary equity holders of the parent (in Euros)	27	***21,40***	***39,65***
Diluted, profit for the year attributable to ordinary equity holders of the parent (in Euros)	27	***19,85***	***36,43***
Diluted, profit from continuing operations attributable to ordinary equity holders of the parent (in Euros)	27	***19,85***	***36,43***

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(In thousands of euros)	Notes	August 31, 2023	August 31, 2022 (1)
Consolidated net profit		**82 464**	**147 462**
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods		**(71 920)**	**70 132**
Exchange differences on translation of foreign operations		(71 920)	70 132
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods		**3 418**	**8 237**
Remeasurement gains (losses) on defined benefit plans - gross value		4 135	11 089
Remeasurement gains (losses) on defined benefit plans - tax effect		(717)	(2 851)
Total comprehensive income for the year, net of tax		**13 962**	**225 832**
Equity holders of the parent		***4 103***	***219 356***
Non-controlling interests		***9 859***	***6 476***

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – ASSETS

ASSETS *(in thousands of euros)*	Notes	August 31, 2023			August 31, 2022 (1)
		Brut	Amortisation Depreciation	Net	Net
Goodwill	4	1 780 659	(207)	1 780 452	1 705 847
Others intangible assets	5	248 244	(120 798)	127 446	141 300
Property, plant and equipment	5	1 998 931	(1 395 026)	603 905	577 999
Right of use assets	6	480 504	(257 663)	222 842	197 807
Non-current financial assets and other non-current assets	7.1	43 920	(16 139)	27 781	29 965
Investments in associates	7.2	6 853	0	6 853	6 518
Deferred tax assets	8	118 716	0	118 716	91 323
Non-current assets		**4 677 827**	**(1 789 832)**	**2 887 995**	**2 750 759**
Inventories	9	274 341	(28 333)	246 008	260 619
Trade receivables and contract assets	10	1 361 711	(81 126)	1 280 584	1 127 497
Income tax receivable	10	18 345	0	18 345	9 261
Other current assets	10	258 517	(22 559)	235 958	193 424
Cash, restricted cash and cash equivalent	11	1 312 563	(8)	1 312 555	1 435 254
Current assets		**3 225 476**	**(132 026)**	**3 093 451**	**3 026 055**
Assets held for sale	14	77	0	77	77
Total assets		**7 903 380**	**(1 921 857)**	**5 981 523**	**5 776 890**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - LIABILITIES AND EQUITY

EQUITY & LIABILITIES *(in thousands of euros)*	**Notes**	**August 31, 2023**	**August 31, 2022 (1)**
Issued capital and other capital reserves	17.2	367 259	367 260
Other reserves		655 033	625 062
Profit for the period (Group share)		72 605	134 394
Non-controlling interests	17.4	5 921	21 752
Total equity		**1 100 818**	**1 148 467**
Others Shareholders' funds	11.2	47 110	195 549
Interest-bearing loans and borrowings, non-current	11.1	1 244 402	1 739 959
Lease liabilities, non-current	11.1	169 772	143 927
Reserve for risks and social engagement, non-current	18	489 161	357 198
Other non-current liabilities	20	139 526	82 740
Deferred tax liabilities	8	57 780	56 599
Non-current liabilities		**2 147 751**	**2 575 973**
Interest-bearing loans and borrowings, current	11	664 546	137 180
Lease liabilities, current	11.1	58 215	54 636
Reserve for risks and social engagement, current	18	93 812	126 831
Trade and other payables	19	1 011 220	985 789
Income tax payable	19	42 822	37 006
Other liabilities	19	862 340	711 009
Current liabilities		**2 732 954**	**2 052 452**
Total equity and liabilities		**5 981 523**	**5 776 890**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

CONSOLIDATED CASH FLOW STATEMENT

In thousands of euros	Notes	August 31, 2023	August 31, 2022
OPERATING ACTIVITIES			
Net Profit - Attributable to equity holders of the parent		**72 605**	**138 268**
Self-financing capacity		**352 919**	**361 217**
Current income tax	8.1	51 737	47 661
Income tax paid		(75 169)	(45 045)
Cost of net financial debt	24	128 159	51 703
Changes in inventories		*20 196*	*(38 547)*
Changes in trade receivables, contract assets and others receivables		*(102 208)*	*112 056*
Changes in trade payables, contract liabilities and others payables		*167 420*	*40 920*
Working capital adjustments		**85 394**	**114 429**
NET CASH FLOWS FROM OPERATING ACTIVITIES		**543 040**	**529 965**
INVESTING ACTIVITIES			
Purchase of intangible assets		(4 047)	(3 073)
Purchase of property, plant and equipment		(195 133)	(169 769)
Proceeds from sale of property, plant and equipment and intangible assets		16 888	9 542
Purchase of financial assets		(15)	(496)
Proceeds from sale of financial assets		(980)	1 090
Acquisition of a subsidiary, net of cash acquired	3.2	(49 848)	(268 807)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(233 134)**	**(431 513)**
FINANCING ACTIVITIES			
Capital increase of the parent company		12	0
Dividends paid to equity holders of the parent		(26 567)	(30 501)
Dividends paid to non-controlling interests		(3 535)	(2 193)
Interest paid		(123 336)	(49 773)
Proceeds from borrowings		137 115	1 959 274
Payment of the rent debt IFRS16		(62 161)	(66 483)
Repayment of borrowings		(318 460)	(1 651 375)
NET CASH FLOW FROM (USED IN) FINANCING ACTIVITIES		**(396 932)**	**158 949**
NET INCREASE IN CASH AND CASH EQUIVALENT		**(129 184)**	**296 763**
Net foreign exchange difference		(42 158)	39 361
CASH AND CASH EQUIVALENTS AT OPENING*	**11**	**1 378 165**	**1 081 402**
CASH AND CASH EQUIVALENTS AT CLOSING*	**11**	**1 248 981**	**1 378 165**
Positive Cash		1 269 763	1 391 390
Negatve Cash		(20 788)	(13 225)
CASH AND CASH EQUIVALENTS AT CLOSING	11	**1 248 975**	**1 378 165**
Cash, restricted cash and cash equivalent	11	**1 312 556**	**1 435 202**
- deduction restricted cash		(42 793)	(43 812)
Positive Cash	11	**1 269 763**	**1 391 390**

(*) excluding restricted cash and cash equivalents (see note 1); Closing cash and cash equivalents consist of €1,312.5m of restricted cash and cash equivalents less €42.8m of cash equivalents. The €20.7m of restricted cash and cash equivalents corresponds to bank overdrafts.

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, 2021	**339 025**	**28 235**	**(103 751)**	**717 969**	**981 476**	**19 260**	**1 000 736**
Correction of opening balance sheet - Actavo (**)	-	-	-	(1 447)	(1 447)	-	(1 447)
Restated Equity as at September 1, 2021	**339 025**	**28 235**	**(103 751)**	**718 339**	**981 847**	**19 260**	**1 001 105**
Profit for the period 2022	-	-	-	138 268	138 268	8 285	146 553
Other comprehensive income	-	-	70 373	8 237	78 610	(241)	78 369
Total comprehensive income for the year	**-**	**-**	***70 373***	***146 505***	***216 878***	***8 044***	***224 922***
Cash dividends on 2021 profit	-	-	-	(30 507)	(30 507)	(2 194)	(32 700)
Operation on equity (2)	758	(758)	-	-	-	-	-
Operations between shareholders and non controlling interests (1)	-	-	-	(10 582)	(10 582)	(336)	(10 918)
Other (3)	-	-	(30 336)	32 158	1 822	(3 022)	(1 199)
Equity as at August 31, 2022	**339 782**	**27 477**	**(63 714)**	**855 913**	**1 159 456**	**21 753**	**1 181 208**
Correction of opening balance sheet (*)	-	-	-	(32 741)	(32 741)	-	(32 741)
Restated Equity as at September 1, 2022	**339 782**	**27 477**	**(63 714)**	**823 172**	**1 126 715**	**21 753**	**1 148 467**
Profit for the period 2023	-	-	-	72 605	72 605	9 859	82 464
Other comprehensive income	-	-	(71 920)	3 418	(68 502)	-	(68 502)
Total comprehensive income for the year	-	-	(71 920)	76 023	4 103	9 859	13 962
Cash dividends on 2022 profit	-	-	-	(32 586)	(32 586)	(3 535)	(36 121)
Operation on equity (2)	-	-	-	-	-	-	-
Operations between shareholders and non controlling interests (1)	-	-	(49)	108	59	-	59
Other (3)	-	-	241	(3 637)	(3 393)	(22 156)	(25 549)
	-	-	-	-	-	-	-
Equity as August 31, 20223	**339 782**	**27 477**	**(135 442)**	**863 080**	**1 094 897**	**5 920**	**1 100 817**

(*) Changes have been made to the 2021 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of Altrad Kiel Industrial Services Gmbh as at 1st July 2021, and also Actavo Hire & Sales UK and Actavo Hire & Sales Ireland as at 5 August 2021 (see Note 2.4).
(**) Changes have been made to the 2022 financial statements as initially published, following finalisation of the allocation of fair values recognised in accordance with IFRS 3R in connection with the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries (see Note 2.4) and opening adjustments relating to Prezioso Angola and Generation.

(1) At 31 August 2022, the impact of changes in the scope of consolidation is mainly due to the purchase by Sparrow Offshore Services Limited of the 30% of shares held by the minority shareholders of the subsidiary Alpha Offshore Service A/S (see note 3.1). The impact on equity is €10,582K.

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

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

At 31 August 2023, the "Other" line corresponds to various individually insignificant transactions. Other transactions involving controlling interests correspond to the acquisition of Babcock.

ANNEX TO THE CONSOLIDATED FINANCIAL STATEMENTS IFRS

Description of the business

The Group has established itself as a leader in services to industry, which today represent 82% of its turnover, and remains a world leader in the manufacture, rental and sale of equipment dedicated to the building market with 18% of its business.

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

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

The Group has successfully implemented a strategy of geographic, business, sector and customer diversification to protect against geopolitical and economic cycles
A significant proportion of turnover is recurrent, long-term, with stable and predictable margins and low exposure to contractual risks

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

Basis of preparation of the IFRS consolidated financial statements

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

The consolidated financial statements of the Altrad Group as at 31 August 2023 were approved by the Board of Directors of Altrad Investment Authority on 21 February 2024. They will be submitted for the shareholders' approval at the Annual General Meeting of 28 February 2024.

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

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

NOTE 1 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

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

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

Despite the threat of continued difficulties, the Group's resilience and prudent financial discipline allows it to identify opportunities for growth, even in complex markets, thereby mitigating the impact on the business while preserving gross margins, which bodes well for the future.

1.1 Business combinations

Business combinations this year included the acquisition of Doosan Babcock Ltd, Ausgroup, Prefal and Remo.

Acquisition of the Doosan Babcock group

On 25 September 2022, the Altrad Group acquired the Doosan Babcock Ltd group. It is a UK-based provider of project design and construction, plant maintenance and asset integrity assessment to the global oil and gas, petrochemical, nuclear and renewable energy industries. 4,000 new employees have been welcomed into the Altrad Group, providing opportunities for knowledge and skills transfer.

The company has been 100% consolidated in the Altrad Group's financial statements since 1 October 2022. The acquisition price of shares amounted to £27.96 M, or €31.60M (see Note 3.1).

Acquisition of AusGroup group

On 1 January 2023, Altrad acquired the AusGroup group.

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

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

The company has been 100% consolidated in the Altrad Group's financial statements since 1 January 2023. The acquisition price of shares amounted to AUD8M, or €2.1M (see Note 3.1).

Acquisition of Prefal

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

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

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

The company has been 100% in the Altrad Group's financial statements since 1 January 2023. The acquisition price of shares amounted to €8.9M (see Note 3.1)

Acquisition of Remo Interim

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

The company has been fully consolidated in the Altrad Group's financial statements since 1 August 2023. The acquisition price of shares amounted to €1.8M (see Note 3.1)

1.2 Operations on the existing scope

Creations

As part of the development of the business, an entity was created and included in the scope of consolidation (see note 3.1). The creation has no impact on equity.

Streamlining of the Group's organisational structure

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

Acquisition of non-controlling interests

On 30 March 2023, the Group signed the acquisition of Generation shares in accordance with the 2018 commitments for £21m (€24m). This amount was paid on 20 September 2023.

On 3 April 2023, AIA acquired 100% of the shares held by Polygone Managers and Archimède Managers in the non-controlling interests of the Prezioso Group for €14,130k (including €3.7m of bond redemption by Archimède Managers). No impact on the change in shareholders' equity at 31.08.2023, as the valuation at 31.08.2022 was €14,130k.

Buyback of free shares

Altrad Investment Authority acquired the shares of NYX AG Partners (Managers Altrad) on 21 September 2022 for a total of €5.9M (see note 11.2).

Cash-settled free share allocation plan

AIA bought back 7,773 of its own shares on 21 September 2022 for a total amount of €7.3M. In accordance with IFRS2, €7.9 million of this amount was recognised in other shareholders' funds at 31 August 2022 (see note 11.2).

1.3 Capital transactions

Nil

1.4 Altrad Group partnership

Altrad remains the main rugby union partner of the French team, and of New Zealand, as a sponsor

Official national team jersey to promote the Altrad brand.

1.5 Audit of accounting records

During the year, the tax authorities continued their audit work, covering transactions for the period from 1 September 2017 to 31 August 2020, as well as the period from 1 September 2015 to 31 August 2017, pursuant to Article L169 paragraph 6 of the French Tax Procedures Code.
Post-closing, on 27 December 2023, it sent Altrad Investment Authority a proposed adjustment totalling €318m, including principal, surcharges and penalties.
In view of the arguments it intends to put forward in response to the tax authorities, the Company contests the majority of the reassessments and penalties notified. Nevertheless, for reasons of prudence, the company has posted a provision of €163m in the financial statements for the year ended 31 August 2023, in addition to the €9.7M already registered in the financial statements for the year ended 31 August 2022 in respect of the reassessment notified and accepted.
In February 2024, Altrad Investment Authority received an audit notice relating to the period September 2020-August 2023.

NOTE 2 ACCOUNTING PRINCIPLES AND METHODS

2.1 Accounting standards

The consolidated financial statements of the Altrad Group are established in accordance with the IFRS repository (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board) as adopted by the European Union on the date the accounts were approved by the Board of Directors and applicable at 31 August 2023.

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 31 August 2023

The accounting principles applied are consistent with those used in preparing the consolidated financial statements for the year ended 31 August 2023, with the exception of the following new standards and interpretations having had no significant impact on the financial statements:

- Benchmark interest rate reform - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.
- Amendment to IFRS 16: Rent relief received by the tenant.

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 the end of the financial year.

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

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

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

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

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

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

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

1. New standards and interpretations applicable to financial years beginning on or after 1 January 2023 in Europe

	Standard / Interpretation	**Expected date of application by the IASB (financial years beginning on or after)**	**Expected EU application date (No later than for financial years beginning on or after)**
1	IFRS 17 *Insurance contracts*	01/01/2023	01/01/2023
1bis	Amendments to IFRS17 *Insurance contracts*: Initial Application of IFRS17 and IFRS9 - comparative information	01/01/2023	01/01/2023
2	Amendments to IAS 1 *Presentation of Financial Statements* [and IFRS Practice Statement 2]: Disclosure of Accounting Policies	01/01/2023	01/01/2023
3	Amendments to IAS 8 *Accounting policies, changes in accounting estimates and Errors*: Definition of Accounting Estimates	01/01/2023	01/01/2023
4	Amendments to IAS 12 *Income Taxes*: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	01/01/2023	01/01/2023
5	Amendments to IAS 12 *Income Taxes*: International Tax Reform - Pillar Two Model Rules	Immediately	NC

(And 1bis) This standard replaces IFRS 4, which was published as an interim solution in 2004 pending completion of the project on accounting for insurance contracts. It comes into force for financial years beginning on or after 1 January 2023, with early application possible. In December 2021, the IASB published an amendment to add a transition option for comparative information on financial assets.

Specifies that the description of accounting policies should focus on "significant" accounting policies (i.e. those that are reasonably expected to influence the decisions of primary users of the financial statements), for example, by providing entity-specific information on areas where judgement has been applied, or on the options selected where the standards provide choices and the transactions involved are material. The amendment and the practice statement provide guidance for assessing whether an accounting principle is material.

Clarifies the distinction between changes in accounting policies and changes in estimates. An estimate is defined as an amount whose valuation is uncertain. It also specifies that a change in valuation technique is a change in estimate and not a change in method (unless it involves correcting an error).

Removes the "initial recognition exception" where a transaction gives rise to taxable and deductible differences of the same amounts. This amendment should lead to the systematic recognition of deferred tax in accordance with the general principles of IAS 12 on leases and decommissioning liabilities recognised in exchange for an increase in the cost of the asset.

This amendment to IAS 12 introduces a mandatory exception to the recognition of deferred tax associated with income taxes resulting from the implementation of Pillar 2 rules, in return for new disclosures in the notes to the financial statements. This amendment, applicable as soon as it is published in jurisdictions that do not have IFRS endorsement procedures, cannot be applied in the EU until it has been approved. Pending its approval, and given the specific features of the Pillar 2 framework, we believe it is acceptable for the groups concerned (i.e. those with subsidiaries in countries that have already adopted the Pillar 2 rules at the balance sheet date) to exercise their judgement and conclude that an accounting policy of not recognising deferred tax in a particular case is more appropriate. This accounting policy must be disclosed along with any other information deemed material for the reader of the financial statements. For further details, see audit flash 2023-06 of 5 June 2023.

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

2. Other published standards and amendments

	Standard / Interpretation	Expected date of application by the IASB (financial years beginning on or after)	EU application date (No later than for financial years beginning on or after)
1	Amendments to IAS 1 *Presentation of Financial Statements*: Classification of Liabilities as Current or Non-current	01/01/2024	NC
1bis	Non- current liabilities with covenants	01/01/2024	NC
2	Amendments to IFRS16 *Leases*: Lease Liability in a Sale and Leaseback	01/01/2024	NC
3	Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments*: *Disclosures*: Supplier Finance Arrangements	01/01/2024	NC

(And 1a) Clarifies that classification as non-current assumes the existence, at the balance sheet date, of a right to defer settlement of the liability for at least twelve months. This right does not have to be unconditional. The 2nd amendment published in October 2022 specifies that if this right is conditional on compliance with covenants, it is necessary to assess whether the covenant affects the existence of the right to defer settlement at the balance sheet date. A covenant assessed on the basis of the entity's financial position at 30 June N+1 has no impact on the assessment of the existence of a right to defer settlement at 31 December N, unlike a covenant assessed on the basis of the financial position at 31 December N (even if the calculation is performed after the balance sheet date). If a liability has been classified as non-current and the right to defer settlement for at least 12 months is conditional on compliance with covenants within 12 months of the balance sheet date, the amendment requires additional disclosures in the notes to the financial statements (nature of the covenants, carrying amount of the liabilities concerned, facts and circumstances that might suggest difficulties in meeting the covenants). Both amendments must be applied at the same time.

In a sale and leaseback transaction in which control of the asset is transferred to the lessor, the transaction must give rise to the recognition of a right of use equal to the carrying amount of the retained rights. Only the rights transferred can generate a disposal result, which means that a lease liability is recognised even when the lease-back payments are variable, including when this variability results from a subsequent amendment to the lease.

The amendment does not impose any method but adds an example illustrating two possible approaches to the subsequent measurement of this liability.

Following on from the IFRIC decision of December 2020 on reverse factoring transactions (see in particular the EY meeting in December 2020), this amendment to IAS7 and IFRS7 requires greater disclosure of the effects of reverse factoring arrangements, to enable readers of the financial statements to understand the effects of these contracts on the entity's liabilities, cash flows and exposure to liquidity risk, e.g. description of the arrangements, the carrying amounts/locations of the liabilities concerned (and those for which payments have already been received from suppliers), information enabling the maturities of the liabilities concerned to be compared with those of other trade payables, the effects on TFT, and additional information enabling any concentration of liquidity risk to be assessed.

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

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

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

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

- Measurement of property, plant and equipment and intangible assets (IAS 38 and IAS 16): fixed assets are measured at their depreciated historical cost. Therefore, no annual revaluation of property, plant and equipment and intangible assets is planned.
- Inventories are recognised according to the "First in, first out" method (IAS 2).
- For treatment of purchase options on minority interests within the framework of business groupings (put options), the Group opted, as of the takeover, for the recognition of a liability in the consolidated balance sheet in return for the non-recognition of minority interests

(notably applicable on 31/08/2023 to the subsidiaries IRBAL, Dessa, Prezioso, Multi-Up and Senegal Keni Painting, Valmec, Generation and CIDES Congo). Subsequent changes in put option liabilities are recognised in reserves.

2.2 Use of estimates and assumptions

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

The estimates and assumptions concern, in particular:

- Revenue recognition and assessment of the performance of contracts for which revenue is recognised progressively (over-time). The Group recognises revenue in accordance with IFRS 15. This requires judgement in determining precise estimates of the stage of completion of the contract and may involve estimates relating to the total cost of the contract, costs remaining to be incurred until completion, losses on completion, total contract revenue, contract risks and other evaluations (see Note 2.3.2);
- Estimate of provisions for risks related to ongoing litigation, restructuring plans and social benefits (see Note 18);
- Provisions for occupational illnesses (see Note 18.2).
- The evaluation of provisions for depreciation of trade receivables (see Note 10) and inventories (see Note 9);
- The recoverability of deferred tax assets relating to the probable future use of available tax loss carry forwards and the assessment of uncertainties relating to the treatment of income taxes (IFRIC 23)(see Note 8.3);
- Brand and goodwill impairment tests (IAS 36), sensitive to assumptions used to forecast future cash flows and for the discount rate (see Note 4 and Note 5);
- Share-based payment plans (see Notes 11.2 and 16.3);
- Calculation of the impact of under-activity on the measurement of the production cost of inventories and on the overall charge for under-activity on a separate line (see Note 2.3.2).

2.3 Accounting principles

2.3.1 Balance sheet elements

Business combinations and goodwill

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

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

Intangible fixed assets and property, plant and equipment

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

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

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

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

Rental contract

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

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

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

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

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

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

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

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

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

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

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

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

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

Non-current financial assets

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

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

Tangible asset impairment

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

Assets and liabilities held for sale

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

Associates

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

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

Joint Ventures

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

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

Trade receivables

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

Inventories

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

Deferred taxes

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

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

These deferred taxes are not discounted in accordance with IAS12.

Under the liability method, deferred taxes are calculated at the latest tax rate enacted at the balance sheet date and applicable to the reversal period for temporary differences, i.e. for the most representative countries, at 31 August 2023:

Country	2022/2023	2021/2022
Germany	30%	30%
Australia	30%	30,00%
Saudi Arabia	20%	20%
Belgium	25,00%	25,00%
France	25,83%	25,83%
Netherlands	25%	25,0%
UK	25%	19%
Angola	35%	35%

Net indebtedness

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

Financial debts include:

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

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

Interest-rate derivatives

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

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

Borrowing costs

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

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

Employee benefits

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

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

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

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

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

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

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

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

Share-based payment plans

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

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

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

Vesting conditions that are not market conditions or that are service conditions are included in the assumptions by the number of instruments likely to become exercisable. The total expenditure is recognised over the vesting period, which is the period during which all the specified vesting conditions must be met. At the end of each financial year, the entity reviews the number of instruments likely to become exercisable. Where appropriate, it recognises the impact of the revision of its estimates in the income statement.

Equity-settled plans:

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

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

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

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

Provisions for risks

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

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

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

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

2.3.2 Items of the income statement

Segment information

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

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

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

The Services Division is defined as follows:

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

The Equipment Division is defined as follows:

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

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

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

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

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

Turnover

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

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

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

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

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

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

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

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

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

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

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

Sales of used equipment from the rental stock

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

They also include scaffolding equipment for €9.7M during the year, which is newly rented by customers and was originally intended for sale in the balance sheet of the consolidated accounts. In these companies whose activity is hire-purchase, the accounting process in the consolidated accounts is to declare this equipment intended for sale as stock, and then, according to the necessary references, it is transferred to the rental stock as fixed assets.

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

Restructuring costs and treatment of under-activity

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

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

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

Fixed costs x [1-((Quantity produced in N / Maximum productive capacity)/Standard rate)]

Where:

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

Restructuring costs include:

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

Other non-current income and expenses

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

Income taxes

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

The impact on the Group's financial statements was €47M on the date of first application of 1 September 2019 (see Statement of changes in shareholders' equity).

Earnings per share

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

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

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

2.3.3 Cash flow statement

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

2.3.4 Translation of foreign currency transactions

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

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

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

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

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

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

Below are the exchange rates of the currencies the most represented in the Group, at 31 August 2023:

		Opening rate	Average rate	Closing rate
AUD	Dollar Autralien	0.653653	0.630028	0.59577
AZM	Azerbaijani Manat	0.497818	0.55537	0.544339
GBP	British pound sterling	1.182399	1.147505	1.166616
USD	Dollar américain	0.911277	0.943704	0.920132
AOA	Angolan Kwanza	0.001869	0.00175	0.001117

Turnover by currency is detailed in Note 16.

2.4 Changes made to the balance sheet and consolidated income statement initially published for the financial year ended 31 August 2022

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

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

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

As at 31 August 2022, 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 €91.4M at 31 August 2022.

Calculation of the final goodwill of Endel:

(En K€)	K€
Provisional goodwill as at August 31, 2022	**91 422**
Correction of opening balance sheet	- 12 166
Final goodwill as at August 31, 2023	**79 256**

The finalisation of the evaluation of fair values of assets and liabilities acquired resulted in a final goodwill of of €79.2M at 31 August 2023. These retrospective adjustments mainly concern valuation differences.

Finalisation of the allocation of fair values relating to the acquisition of the Valmec group

On 16 October 2021, the Altrad Group acquired the Valmec Group, which has been 100% consolidated in the Altrad Group's financial statements since 1 October 2021. The purchase price for the shares was AUD51.4M (€31.8M) and was paid in cash in the year ended 31 August 2022. The purchase agreement does not provide for a top-up payment.

As at 31 August 2022, 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 €35.2M at 31 August 2022.

Calculation of the final goodwill of Valmec:

(En K€)	KAUD	K€
Provisional goodwill as at August 31, 2022	**51 374**	**35 209**
Correction of opening balance sheet	- 5 235	-
Final goodwill as at August 31, 2023	**46 139**	**35 209**

The finalisation of the evaluation of fair values of assets and liabilities acquired resulted in a final goodwill of AUD46.1M at 31 August 2023. At 31 August 2022, there was no assessment of the fair value of the assets and liabilities acquired. These retrospective adjustments mainly concern contract assets and the statutory opening balance sheet.

Finalisation of the allocation of fair values relating to the acquisition of FRP Co PTE Ltd

On 9 May 2022, the Altrad Group acquired FRP Co Pte Ltd in Singapore. The company is 100% consolidated in the Altrad Group accounts from 1 May 2022. The purchase price for the shares was SGD21.2M (€14.4M) and was paid in cash in the year ended 31 August 2022. The purchase agreement provides for an earn-out based on EBITDA.

As at 31 August 2022, 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 SGD13.3M or €8.8M at 31 August 2022.

Calculation of the definitive goodwill of FRP Co PTE Ltd:

(En K€)	KSGD	K€
Provisional goodwill as at August 31, 2022	**12 313**	**8 814**
Correction of opening balance sheet	- 6 901	- 4 799
Final goodwill as at August 31, 2023	**5 412**	**4 015**

The finalisation of the evaluation of fair values of assets and liabilities acquired resulted in a final goodwill of SGD5.4M at 31 August 2023. These retrospective adjustments mainly concern restructuring provisions.

Finalisation of the allocation of fair values relating to the acquisition of Cides Congo

On 18 October 2021, the Altrad Group acquired Cides (Corde Industrielle et Développement Energie Solaire) Congo. The company has been 100% in the Altrad Group's financial statements since 1 November 2021. The purchase price for the shares was €0.8M and was paid in cash in the year ended 31 August 2022. The purchase agreement does not provide for a top-up payment.

As at 31 August 2022, 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 €0.5M at 31 August 2022.

(En K€)	K€
Provisional goodwill as at August 31, 2022	**508**
Correction of opening balance sheet	1 787
Final goodwill as at August 31, 2023	**2 295**

The finalisation of the evaluation of fair values of assets and liabilities acquired resulted in a final goodwill of €2.2M at 31 August 2023. These retrospective adjustments mainly concern the revaluation of minority interests.

Finalisation of the allocation of fair values relating to the acquisition of Sparrows group

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

As at 31 August 2022, 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 £191.8 M (€183.9M) at 31 August 2022.

Calculation of the final goodwill of Sparrows:

(En K€)	K£	K€
Provisional goodwill as at August 31, 2022	**191 866**	**223 009**
Correction of opening balance sheet	- 39 819	- 45 692
Final goodwill as at August 31, 2023	**152 047**	**177 317**

The finalisation of the evaluation of fair values of assets and liabilities acquired resulted in a final goodwill of £152M (€177.3M) at 31 August 2023. These retrospective adjustments mainly concern the recognition of assets on contracts.

Finalisation of the allocation of fair values relating to the acquisition of RMD group

On 6 October 2021, the Altrad Group acquired the RMD Kwikform group, the company has been 100% consolidated in the Altrad Group's financial statements since 1 October 2021. The purchase price for the shares was £123.1M (€144.8M) and was paid in cash in the year ended 31 August 2022 for €143.6M. The purchase agreement does not provide for a top-up payment.

As at 31 August 2022, 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 £14.6M (€16.9M) at 31 August 2022.

Calculation of the final goodwill of RMD Kwikform:

(En K€)	K£	K€
Provisional goodwill as at August 31, 2022	**14 626**	**16 999**
Correction of opening balance sheet	- 9 071	- 10 407
Final goodwill as at August 31, 2023	**5 555**	**6 592**

The finalisation of the evaluation of fair values of assets and liabilities acquired resulted in a final goodwill of £5.5 M (€6.6M) at 31 August 2023. These retrospective adjustments mainly concern the recognition of assets on contracts and the adjustment of depreciation on property, plant and equipment.

Acquisition of non-controlling interests of Generation

The Group's reserves have been adjusted in accordance with the commitment made on 19 January 2018 to Generation's minority shareholders for an amount of £21.3M or €24.4M.

Adjustment to Prezioso Angola's net worth

Analyses of supplier receivables led to the recognition of an accrued charge of €2.9M against reserves and €4.6M against 2022 profit.

ASSETS *(in thousands of euros)*	Notes	August 31, 2022 Published			Finalization of the fair valuation of acquired assets and liabilities	Prezioso ANGOLA	GENERATION	August 31, 2022 Corrected IFRS3 retrospectively
		Brut	**Amortisation Depreciation**	**Net**	**Net**	**Net**	**Net**	**Net**
Goodwill	4	1 781 546	(815)	1 780 730	(74 884)	0	0	1 705 847
Others intangible assets	5	140 576	(62 786)	77 790	63 510	0	0	141 300
Property, plant and equipment	5	1 919 578	(1 362 000)	557 578	20 422	0	0	577 999
Right of use assets	6	339 536	(141 728)	197 807	0	0	0	197 807
Non-current financial assets and other non-current assets	7.1	50 633	(19 051)	31 583	(1 618)	0	0	29 965
Investments in associates	7.2	6 518	0	6 518	0	0	0	6 518
Deferred tax assets	8	88 296	0	88 296	3 027	0	0	91 323
Non-current assets		**4 326 682**	**(1 586 380)**	**2 740 302**	**10 457**	**0**	**0**	**2 750 759**
Inventories	9	286 540	(21 754)	264 786	(4 167)	0	0	260 619
Trade receivables and contract assets	10	1 219 617	(76 065)	1 143 552	(16 055)	0	0	1 127 497
Income tax receivable	10	9 261	0	9 261	0	0	0	9 261
Other current assets	10	220 075	(25 792)	194 283	(859)	0	0	193 424
Cash, restricted cash and cash equivalent	11	1 435 210	(8)	1 435 202	52	0	0	1 435 254
Current assets		**3 170 702**	**(123 619)**	**3 047 084**	**(21 029)**	**0**	**0**	**3 026 055**
Assets held for sale	14	**77**		**77**		**0**	**0**	**77**
						0	0	
Total assets				**5 787 462**	**(10 572)**	**0**	**0**	**5 776 890**

ASSETS *(in thousands of euros)*	Finalization of the fair value measurement of acquired assets and liabilities - VALMEC	Finalization of the fair value measurement of acquired assets and liabilities - ENDEL	Finalization of the fair value measurement of acquired assets and liabilities - RMDK	Finalization of the fair value measurement of acquired assets and liabilities - CIDES	Finalization of the fair value measurement of acquired assets and liabilities - FRP	Finalization of the fair value measurement of acquired assets and liabilities - SPARROWS	Total Completion of Fair Value Measurement of Acquired Assets and Liabilities
							0
Goodwill	(3 606)	(12 167)	(10 407)	1 787	(4 799)	(45 692)	(74 884)
Others intangible assets	8 197	(616)	4 028			51 901	63 510
Property, plant and equipment	(53)	19 698	777				20 422
Right of use assets							0
Non-current financial assets and other non-current assets		(1 618)					(1 618)
Investments in associates							0
Deferred tax assets	(1 882)				(983)	5 891	3 027
Non-current assets	**2 656**	**5 298**	**(5 603)**	**1 787**	**(5 782)**	**12 100**	**10 457**
Inventories	(4 167)						(4 167)
Trade receivables and contract assets	(4 728)		(11 327)				(16 055)
Income tax receivable							0
Other current assets	(859)						(859)
Cash, restricted cash and cash equivalent	52						52
Current assets	**(9 702)**	**0**	**(11 327)**	**0**	**0**	**0**	**(21 029)**
Assets held for sale							**0**
							0
Total assets	**(7 045)**	**5 298**	**(16 930)**	**1 787**	**(5 782)**	**12 100**	**(10 572)**

EQUITY & LIABILITIES *(in thousands of euros)*	Notes	August 31, 2022 Published	Finalization of the fair valuation of acquired assets and liabilities	Prezioso ANGOLA	GENERATION	August 31, 2022 Corrected IFRS3 retrospectively
Issued capital and other capital reserves	17.2	367 260	0	0	0	367 260
Other reserves		653 929	(1 447)	(2 944)	(24 476)	625 062
Profit for the period (Group share)		138 268	809	(4 683)	0	134 394
Non-controlling interests	17.4	21 752	0	0	0	21 752
Total equity		**1 181 208**	**(638)**	**(7 627)**	**(24 476)**	**1 148 467**
Others Shareholders' funds	11.2	195 549	0	0	0	195 549
Interest-bearing loans and borrowings, non-current	11.1	1 739 959	0	0	0	1 739 959
Lease liabilities, non-current	11.1	143 927	0	0	0	143 927
Reserve for risks and social engagement, non-current	18	384 568	(27 369)	0	0	357 198
Other non-current liabilities	20	80 953	1 787	0	0	82 740
Deferred tax liabilities	8	37 455	19 144	0	0	56 599
Non-current liabilities		**2 582 411**	**(6 438)**	**0**	**0**	**2 575 973**
Interest-bearing loans and borrowings, current	11	135 605	1 575	0	0	137 180
Lease liabilities, current	11.1	54 636	0	0	0	54 636
Reserve for risks and social engagement, current	18	126 314	517	0	0	126 831
Trade and other payables	19	951 183	2 503	7 627	24 476	985 789
Income tax payable	19	38 065	(1 059)	0	0	37 006
Other liabilities	19	718 040	(7 030)	0	0	711 009
Current liabilities		**2 023 843**	**(3 495)**	**7 627**	**24 476**	**2 052 452**
Total equity and liabilities		**5 787 462**	**(10 572)**	**0**	**0**	**5 776 890**

EQUITY & LIABILITIES (in thousands of euros)	Finalization of the fair value measurement of acquired assets and liabilities - VALMEC	Finalization of the fair value measurement of acquired assets and liabilities - ENDEL	Finalization of the fair value measurement of acquired assets and liabilities - RMDK	Finalization of the fair value measurement of acquired assets and liabilities - CIDES	Finalization of the fair value measurement of acquired assets and liabilities - FRP	Finalization of the fair value measurement of acquired assets and liabilities - SPARROWS	Total Completion of Fair Value Measurement of Acquired Assets and Liabilities
Issued capital and other capital reserves							0
Other reserves	(1 447)						(1 447)
Profit for the period (Group share)	(11 571)	12 620	635	0		(874)	810
Non-controlling interests							0
Total equity	**(13 018)**	**12 620**	**635**	**0**	**0**	**(874)**	**(637)**
Others Shareholders' funds							0
Interest-bearing loans and borrowings, non-current	0						0
Lease liabilities, non-current							0
Reserve for risks and social engagement, non-current	6 630	(12 868)	(15 350)		(5 782)		(27 369)
Other non-current liabilities	0			1 787			1 787
Deferred tax liabilities	3 296	5 088	(2 215)			12 975	19 144
Non-current liabilities	**9 926**	**(7 780)**	**(17 565)**	**1 787**	**(5 782)**	**12 975**	**(6 438)**
Interest-bearing loans and borrowings, current	1 575						1 575
Lease liabilities, current							0
Reserve for risks and social engagement, current		517					517
Trade and other payables	2 503						2 503
Income tax payable	(1 059)						(1 059)
Other liabilities	(6 971)	(59)					(7 030)
Current liabilities	**(3 952)**	**458**	**0**	**0**	**0**	**0**	**(3 495)**
							0
Total equity and liabilities	**(7 044)**	**5 298**	**(16 930)**	**1 787**	**(5 782)**	**12 100**	**(10 572)**

INCOME STATEMENT *(in thousands of euros)*	Notes	August 31, 2022 Published	Total Completion of Fair Value Measurement of Acquired Assets and Liabilities	Prezioso ANGOLA	GENERATION	August 31, 2022 Corrected IFRS3 retrospectively
Revenue from current activities	**22.1**	**3 840 217**	**(16 362)**	**0**	**0**	**3 823 854**
Cost of raw materials and merchandises	22.2	(826 607)	5 294	(4 683)	0	(825 996)
Personnel costs	22.3	(1 702 008)	2 565	0	0	(1 699 444)
Other external expenses	22.4	(788 254)	(1 423)	0	0	(789 677)
Depreciations and amortizations	23	(206 067)	(2 121)	0	0	(208 188)
Share of profit from associates accounted for under the equity method	7.2	361	0	0	0	361
Current operating profit		**317 642**	**(12 047)**	**(4 683)**	**0**	**300 911**
Other non-recurring revenues and expenses	24	(39 653)	13 036	0	0	(26 617)
Restructuring and underactivity costs	25	(14 695)	0	0	0	(14 695)
Operating profit		**263 294**	**988**	**(4 683)**	**0**	**259 600**
Income from cash and cash equivalents	26	5 607	0	0	0	5 607
Cost of gross financial debt	26	(53 246)	(384)	0	0	(53 630)
Cost of net financial debt		**(47 639)**	**(384)**	**0**	**0**	**(48 023)**
Other financial products	26	25 391	0	0	0	25 391
Other financial expenses	26	(39 976)	47	0	0	(39 929)
Profit before tax		**201 070**	**651**	**(4 683)**	**0**	**197 039**
Income tax expense	8	(54 521)	258	0	0	(54 262)
Profit for the year from continuing operations		**146 550**	**910**	**(4 683)**	**0**	**142 776**
Profit/(loss) after tax for the year from discontinued operations		3	0	0	0	3
Profit for the year		**146 553**	**910**	**(4 683)**	**0**	**142 779**
Equity holders of the parent		***138 268***	***910***	***(4 683)***	***0***	***134 494***
Non-controlling interests		***8 285***	***0***	***0***	***0***	***8 285***
				0	**0**	
Basic, profit for the year attributable to ordinary equity holders of the parent (in Euros)	27	***40,77***				***39,65***
Basic, profit from continuing operations attributable to ordinary equity holders of the parent (in Euros)	27	***40,77***				***39,65***
Diluted, profit for the year attributable to ordinary equity holders of the parent (in Euros)	27	***37,44***				***36,43***
Diluted, profit from continuing operations attributable to ordinary equity holders of the parent (in Euros)	27	***37,44***				***36,43***

INCOME STATEMENT (in thousands of euros)	Finalization of the fair value measurement of acquired assets and liabilities - VALMEC	Finalization of the fair value measurement of acquired assets and liabilities - ENDEL	Finalization of the fair value measurement of acquired assets and liabilities - RMDK	Finalization of the fair value measurement of acquired assets and liabilities - CIDES	Finalization of the fair value measurement of acquired assets and liabilities - FRP	Finalization of the fair value measurement of acquired assets and liabilities - SPARROWS	Total Completion of Fair Value Measurement of Acquired Assets and Liabilities
Revenue from current activities	**(16 362)**						**(16 362)**
Cost of raw materials and merchandises	5 294						5 294
Personnel costs	2 565						2 565
Other external expenses	(1 423)						(1 423)
Depreciations and amortizations	(1 530)	(334)	775			(1 032)	(2 121)
Share of profit from associates accounted for under the equity method							0
Current operating profit	**(11 456)**	**(334)**	**775**	**0**	**0**	**(1 032)**	**(12 047)**
Other non-recurring revenues and expenses	168	12 868					13 036
Restructuring and underactivity costs							0
Operating profit	**(11 289)**	**12 534**	**775**	**0**	**0**	**(1 032)**	**988**
Income from cash and cash equivalents	(0)						(0)
Cost of gross financial debt	(384)						(384)
Cost of net financial debt	**(384)**	**0**					**(384)**
Other financial products							0
Other financial expenses	47						47
Profit before tax	**(11 625)**	**12 534**	**775**	**0**	**0**	**(1 032)**	**651**
Income tax expense	54	86	(140)			258	258
Profit for the year from continuing operations	**(11 571)**	**12 620**	**635**	**0**	**0**	**(774)**	**910**
Profit/(loss) after tax for the year from discontinued operations							0
Profit for the year	**(11 571)**	**12 620**	**635**	**0**	**0**	**(774)**	**910**

NOTE 3 CHANGES IN THE COMPOSITION OF THE GROUP

3.1 Changes in the scope of consolidation 2022/2023

As indicated in Note 1.1 Business combinations, the Group made several acquisitions during the 2023 financial year.

The Group applies the purchase method of accounting for business combinations. Implementing this method involves the following steps:

- identification of the purchaser;
- determining the acquisition date;
- determination of the purchase price transferred by the buyer to the seller in respect of the business combination ;
- identification, classification and measurement of assets acquired and liabilities assumed;
- valuation of minority interests
- recognition and measurement of goodwill or gain on bargain purchase;
- post-combination accounting.

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

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

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

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

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

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

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

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

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

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

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

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

a) Includes bank overdrafts and other bank overdrafts.

Acquisition of the Remo Interim group

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

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

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

The corresponding goodwill has therefore been provisionally valued as at 31 August 2023 at €1.4M. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

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

Acquisition of the Prefal Group

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

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

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

The company has been 100% in the Altrad Group's financial statements since 1 January 2023. The acquisition price of shares amounted to €8.9M (see Note 3.1) The purchase agreement does not provide for a top-up payment. On the acquisition date, the company had €0.2M in existing cash.

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

The corresponding goodwill was provisionally assessed at €4.1M as at 31 August 2023. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

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

Acquisition of the Doosan Babcock group

On 25 September 2022, the Altrad Group acquired the Doosan Babcock Ltd group. It is a UK-based provider of project design and construction, plant maintenance and asset integrity assessment to the global oil and gas, petrochemical, nuclear and renewable energy industries. 4,000 new employees have been welcomed into the Altrad Group, providing opportunities for knowledge and skills transfer.

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

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

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

The fair value measurement of the identifiable assets and liabilities amounts to £-29M (€-33.8M). The corresponding goodwill was provisionally assessed at £56.9M (€65.4M) as at 31 August 2023. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

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

Acquisition of Ausgroup

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

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

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

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

Goodwill at 31 August 2023 has therefore been provisionally calculated at AUD14.7M, i.e. €9.7M for the Ausgroup group. The end calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

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

Creations

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

Liquidation

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

Merger/ Partial Asset Contribution (PAC)

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

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

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

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

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

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

3.2 Net cash on acquisitions 2023

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

3.3 Review of changes in scope during financial year 2021/2022

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

In thousands of euros	August 31, 2023						
Acquisition	RMDK	VALMEC	Cides	Muehlhan	ENDEL	SPARROWS	FRP
Date of acquisition of control	OCTOBER 6, 2021	OCTOBER 16, 2021	OCTOBER 18, 2021	DECEMBER 31, 2021	APRIL 1, 2022	JULY 11, 2022	MAY 9, 2022
Acquisition price	**143,7**	**31,8**	**0,8**	**10,8**	**51,8**	**131,9**	**13,3**
Tangible assets			1	6,0	6,8	0,2	
Intangible assets	81,0	5,5		4,1	42,7	12,1	2,7
Rights of use	21,8	4,3		1,7	31,0	20,7	1,5
Financial and other non-current assets				0,2	11,1		
Equity investments					2,9	1,2	
Deferred tax assets	18,6	3,3			2,0	0,8	1,0
Non-current assets	**121,4**	**13,1**	**1**	**12,0**	**96,5**	**35,0**	**5,2**
Other current assets	107,9	24,8		16,6	365,1	91,6	5,9
Cash, restricted cash and cash equivalents (a)	36,4	1,8		0,9	44,9	35,2	4,5
Current assets	**144,3**	**26,6**	**-**	**17,5**	**410,0**	**126,8**	**10,4**
Non-current financial debts					0,2	115	
Non-current rent debt	15,3	3,2		1	23,6	16	1,3
Provisions and fringe benefits	3,4	5,0		-	134,3	12	5,7
Other non-current liabilities	5,4	3,4			1,2		
Deferred tax liabilities	1,5	2,7		2			0,1
Non-current liabilities	**25,6**	**14,3**	**-**	**2,9**	**159,3**	**143,0**	**7,1**
Current borrowings					5,6	13	
Current rent debt	6,3	0,9		0	7,1	5	0,2
Current provisions and benefits	10,0				49,5	1	
Other current liabilities	95,1	24,5		14	326,5	94	2,3
Current liabilities	**111,4**	**25,4**	**-**	**14,3**	**388,7**	**111,7**	**2,5**
Minority interests					**- 1,9**	**0,7**	
Total net assets at 100%	**128,7**	**- 0,0**	**0,7**	**12,3**	**- 39,6**	**- 93,6**	**6,0**
Goodwill	**15,0**	**31,8**	**0,2**	**- 1,5**	**91,4**	**225,6**	**7,4**

Acquisition of the RMD Group

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

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

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

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

- harmonisation of the methods and depreciation periods for the scaffolding fleet (8 years instead of 10 with a residual value equal to 30%) for an amount of €58.3M, i.e. 36% of the net book value;

- €21.1M in depreciation of certain unused property, plant and equipment at net book value;

- €12.3M provision for additional risk on trade receivables and additional impairment of trade receivables of €9.6M.

- the RMD brand has not been valued because the Group does not consider this brand to be a strategic asset, as it will be replaced by the Altrad brand. The Altrad Group's strategy is to acquire workforces, the workforces do not give rise to the recognition of an asset in the context of a PPA.

The fair value measurement of the identifiable assets and liabilities did not result in an adjustment to the opening balance sheet and amounts to £108.4M (€127.6M). The corresponding goodwill was provisionally assessed at £12.8M or €15M as at 31 August 2022. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

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

Acquisition of the Valmec group

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

The company has been 100% consolidated in the Altrad Group's financial statements since 1 October 2021. The purchase price for the shares was AUD51.4M (€31.8M) (see note 3.1) and was paid in cash in the year ended 31 August 2022. The purchase agreement does not provide for a top-up payment. On the acquisition date, the company had €1.8M in existing cash.

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

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

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

Acquisition of Cides Congo

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

The company has been 100% in the Altrad Group's financial statements since 1 November 2021. The purchase price for the shares was €0.8M and was paid in cash in the year ended 31 August 2022. The purchase agreement does not provide for a top-up payment. On the acquisition date, the company had €0.1M in existing cash.

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

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

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

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

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

The two companies have been 100% consolidated in the Altrad Group's financial statements since 1 January 2022. The purchase price of the shares amounts to €7.5M for MDK Energy A/S and €3.3M for Muehlhan Industrial Services Ltd and was paid in cash for €4.6M in the year ended 31 August 2022. The purchase agreement provides for an additional price of €6.2M, which was paid in February 2023. The net cash available of these two companies as at the acquisition date is €0.9M.

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

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

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

Acquisition of the Endel group

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

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

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

- €94.4M in costs related to the separation of Endel and its subsidiaries from the Engie group,

- €38.5M of pre-acquisition goodwill cancellation,

- €16M cancellation of deferred tax assets due to the absence of a recovery assumption.

- The Endel brand has not been valued because the Group does not consider this brand to be a strategic asset, as the Altrad brand will replace it. The Altrad Group's strategy is to acquire workforces; workforces do not give rise to the recognition of an asset in the context of a PPA.

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

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

Acquisition of FRP Co Pte Ltd

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

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

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

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

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

Acquisition of the Sparrows group

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

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

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

- €88.1M of pre-acquisition goodwill cancellation,

- €12.2M provision for restructuring,

- €6.9M cancellation of deferred tax assets,

- The Sparrows brand has not been valued because the Group does not consider this brand to be a strategic asset, as the Altrad brand will replace it. The Altrad Group's strategy is to acquire workforces; workforces do not give rise to the recognition of an asset in the context of a PPA.

The fair value measurement of the identifiable assets and liabilities amounts to €93.6M. The corresponding goodwill was provisionally assessed at £190.8M or €225.6M as at 31 August 2022. The final calculation of goodwill will be finalised in accordance with the 12-month period granted by IFRS 3.

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

Creations

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

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

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

Transfer

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

Liquidation

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

Merger

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

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

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

3.4 Net cash on acquisitions 2022

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

NOTE 4 GOODWILL

In thousands of euros	Gross Value	Depreciation and amortization	Net value
Balance August 31, 2022 (1)	**1 706 662**	**(815)**	**1 705 847**
Changes in scope during the year	77 770	-	77 770
Impact of exchange rate fluctuations	(3 774)	822	(2 952)
Others	-	(214)	(214)
Balance August 31, 2023	**1 780 658**	**(206)**	**1 780 452**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

The change in goodwill over the year was due to the following acquisitions: the Babcock group (€65.3M), the Ausgroup group (€9.7M), Prefal (€4M) and Remo Interom (€1.4M) in the Services division. The effects of exchange rate fluctuations mainly reflect the appreciation of the Australian dollar (AUD) against the Euro.

At 31 August 2023, goodwill was broken down as follows:

In thousands of euros	August 31, 2023			August 31, 2022 (1)
	Gross	**Depreciation**	**Net**	**Net**
Services division	1 476 575	850	1 477 425	1 088 898
Equipment division	110 359	(870)	109 489	616 948
Others	193 725	(186)	193 539	-
Total Group	**1 780 658**	**(206)**	**1 780 452**	**1 705 846**

(1) *Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).*

In accordance with IAS 36, goodwill was tested for impairment at 31 August 2023 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 2023/2024, extrapolated for the future periods of the companies concerned. The assumptions of the impairment test were reviewed in light of the global health crisis and its impact on the Group's results during the year.

The impairment test was implemented with the following assumptions:

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

- The method extends over six years the cash flow of the following year's budget according to a specific growth rate for each Business Division, then to infinity according to a standard rate of 2%.
- The 2023/2024 operating forecasts were established on the basis of the 2023/2024 budget and were extrapolated for the period 2024/2029 based on a model of progressive return to levels of activity prior to the health crisis.

The discount rate used corresponds to the weighted average cost of capital for financial year 2022/2023. Discount rates reached 9.90% for the CGUs that make up the Group's Services Division and 8.80% for the CGUs in the Group's Equipment Division (compared to 10.47% and 9.05% respectively in 2021/2022).

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. A discount rate of 25% on the Equipment and 12.25% on the Service would reduce the value in use to the book value.

No brand impairment was recorded for the year.

NOTE 5 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

In thousands of euros	August 31, 2023 Gross Value	Depreciation and amortization	Net value	August 31, 2022 (1) Net value
Franchises/patents/similar rights	18 389	(16 437)	1 953	5 142
Softwares	68 958	(59 834)	9 124	7 757
Brand	71 953	(14 926)	57 027	58 828
Other intangible assets (2)	88 944	(29 602)	59 341	69 573
Intangible fixed assets	**248 245**	**(120 798)**	**127 445**	**141 300**
Land	27 810	(4 895)	22 915	22 384
Constructions	190 711	(130 261)	60 450	58 341
Technical facilities, plant and equipment	1 576 085	(1 101 071)	475 196	458 795
Other tangible fixed assets and assets under construction (3)	204 326	(158 981)	45 345	38 477
Tangible fixed assets	**1 998 931**	**(1 395 026)**	**603 905**	**577 997**
Total	**2 247 176**	**(1 515 824)**	**731 351**	**719 297**

(1) *Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).*

(2) Other intangible assets include customer relations for €70M. The change in the net value of this item over the period mainly concerns the €50M contribution from Sparrows.

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

5.1 Variation in other intangible fixed assets

In thousands of euros	Gross value	Depreciation and amortization	Net value
Balance August 31, 2021 (1)	**111 886**	**(42 664)**	**69 221**
Acquisitions	3 299	-	3 299
Disposals, retirements	(1 059)	1 059	(0)
Impact of changes in the consolidation scope	24 245	(11 956)	12 289
Change in depreciations and amortisations	-	(8 273)	(8 273)
Impact of exchange rate fluctuations	954	(972)	(18)
Others	66 285	(1 503)	64 782
Balance August 31, 2022 (2)	**205 611**	**(64 309)**	**141 300**
Acquisitions	3 908		3 908
Disposals, retirements	(233)	209	(25)
Impact of changes in the consolidation scope	39 296	(36 272)	3 024
Change in depreciations and amortisations		(21 405)	(21 405)
Impact of exchange rate fluctuations	(728)	1 229	501
Others	391	(250)	142
Balance August 31, 2023	**248 245**	**(120 798)**	**127 445**

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

(2) *Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).*

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

The cash effects of the TFT "Cash Flow Statement" on intangible assets are €-4M, this corresponds mainly to €3.9m of payments on investments in software and operating IT tools and €0.2M of debts on fixed assets still to be paid.

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

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

- The method extends over six years the cash flow of the following year's budget according to a specific growth rate for each Business Division, then to infinity according to a standard rate of 2%.
- The discount rate used corresponds to the weighted average cost of capital for financial year 2022/2023. Discount rates reached 9.90% for the CGUs that make up the Group's Services Division and 8.80% for the CGUs in the Group's Equipment Division (compared to 10.47% and 9.05% respectively in 2021/2022).

The impairment tests carried out at 31 August 2023 led the Group to depreciate brands for €2.1M over the financial year. This depreciation concerns the trademark of a Hungarian company.

The tests were carried out on the basis of a 0.5 point increase which induce an additional depreciation of €6M and a 1 point decrease in the growth rate resulting in additional depreciation of €3M 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, 2021 (1)	**1 304 467**	**(912 497)**	**391 970**
Acquisitions	170 794	-	170 794
Disposals, retirements	(135 563)	92 498	(43 065)
Impact of changes in the consolidation scope	510 566	(362 226)	148 340
Change in depreciations and amortisations	-	(122 142)	(122 142)
Impact of exchange rate fluctuations	81 345	(63 637)	17 707
Others	8 772	5 620	14 392
Balance August 31, 2022 (2)	**1 940 381**	**(1 362 384)**	**577 996**
Acquisitions	196 402	-	196 402
Disposals, retirements	(117 798)	75 609	(42 189)
Impact of changes in the consolidation scope	120 917	(107 571)	13 346
Change in depreciations and amortisations	-	(117 632)	(117 632)
Impact of exchange rate fluctuations	(63 433)	49 532	(13 901)
Others	(77 536)	67 419	(10 117)
Balance August 31, 2023	**1 998 931**	**(1 395 026)**	**603 905**

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

(2) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

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

The acquisition tangible assets amounted to €196.4M over the financial year ended 31 August 2023.

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

Changes in the scope of consolidation for the year ended 31 August 2023 relate to the Babcock Group (+€80.9M in net value) Ausgroup (+€28.2M in net value) and Altrad Services Portugal (€10.9M in net value).

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

The cash effects of the TFT "Cash Flow Statement" on tangible fixed assets are €-169.8M, corresponding to €196.4M of acquisitions, mainly of scaffolding equipment (negative €158.2M), buildings used to store equipment, work in progress on the construction of operating buildings and various fittings for the Group's needs (negative €29.1m), €0.4M of fixed asset liabilities and €0.9M of other cash flows.

5.4 Geographic distribution of gross property, plant and equipment

Gross Values *(In thousands of euros)*	Land	Buildings	Industrial Facilities	Other property and equipment	Assets under constructions	Intangible assets*	TOTAL
Africa	380	676	28 046	3 672	161	115	33 049
Germany	6 660	18 851	70 183	15 108	-	8 028	118 831
Asia	-	13 356	204 297	18 604	2 080	26 022	264 356
Other	1 945	14 104	110 818	5 096	60	7 943	139 966
Belgium	1 227	2 978	128 290	9 284	114	4 157	146 050
Caspian	-	-	-	-	-	-	-
Spain	-	24	4 148	1 396	-	838	6 406
France	11 395	78 040	347 181	25 951	3 122	47 425	513 114
Middle East	-	17 297	149 057	33 550	210	2 450	202 563
Norway	-	-	6 229	16 198	-	2 506	24 933
Netherlands	-	6 449	5 085	4 356	-	127	16 017
Poland	1 195	7 456	24 716	14 483	98	2 210	50 157
Portugal	4 550	1 761	12 569	5 927	50	943	25 800
UK	457	29 720	485 467	40 509	4 377	145 403	705 934
TOTAL	**27 810**	**190 711**	**1 576 085**	**194 133**	**10 270**	**248 166**	**2 247 175**

(*) Intangible assets mainly concern the Altrad Group's other brands (€72m), software (€69m) and customers (€69M)

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, 2023			August 31, 2022
	Gross value	**Depreciation and amortization**	**Net value**	**Net value**
Land and constructions	282 136	(109 870)	172 266	146 855
Technical facilities, plant and equipment	98 416	(83 649)	14 767	9 133
Other tangible fixed assets and assets under construction	99 952	(64 144)	35 808	41 819
Right of use	**480 504**	**(257 663)**	**222 843**	**197 807**

Change in rights of use during the year

In thousands of euros	Gross value	Depreciation and amortization	Net value
Balance August 31, 2021 (1)	**216 359**	**(92 207)**	**124 152**
Acquisitions	50 975	-	50 975
Disposals, retirements	(26 619)	15 655	(10 964)
Impact of changes in the consolidation scope	41 164	(242)	40 922
Change in depreciations and amortisations	-	(56 990)	(56 990)
Impact of exchange rate fluctuations	11 104	(6 136)	4 968
Reclassification	6 782	(1 848)	4 934
Others	39 771	39	39 810
Balance August 31, 2022 (2)	**339 536**	**(141 728)**	**197 807**
Acquisitions	64 476	-	64 476
Disposals, retirements	(31 104)	23 202	(7 903)
Impact of changes in the consolidation scope	24 243	(1 526)	22 718
Change in depreciations and amortisations	-	(65 134)	(65 134)
Impact of exchange rate fluctuations	(9 647)	5 685	(3 962)
Reclassification	84 240	(76 297)	7 943
Others	8 760	(1 864)	6 896
Balance August 31, 2023	**480 505**	**(257 663)**	**222 841**

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

(2) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Ausgroup and its subsidiaries, Babcock and its subsidiaries, and Valmec and its subsidiaries (see Note 2.4).

Changes in the scope of consolidation for the year ended 31 August 2023 mainly relate to the acquisition of the Babcock group (+€18.6M in net value) and the Ausgroup group (+€3.1M in net value).

Geographical distribution of rights of use

In thousands of euros	Gross value	Depreciation and amortization	Net value
France	161 066	(111 745)	49 321
UK	137 452	(54 691)	82 761
Middle East	28 475	(16 677)	11 798
Benelux	17 324	(10 138)	7 186
Asia	33 462	(15 022)	18 440
Germany	38 432	(16 744)	21 688
Holland	9 571	(5 453)	4 118
Poland	10 648	(5 067)	5 581
Africa	7 046	(5 527)	1 520
Norway	8 631	(7 148)	1 482
Portugal	58	(54)	4
Spain	2 021	(1 440)	582
Others	26 318	(7 956)	18 362
TOTAL	**480 504**	**(257 663)**	**222 842**

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, 2023			August 31, 2022 (1)
	Gross value	Depreciation	Net	Net
Deposits and Guarantees	18 263	(3 457)	14 806	15 757
Others	24 149	(12 682)	11 468	12 423
Shares of non consolidated companies	1 507	-	1 507	1 785
Total financial assets and other non-current assets	**43 919**	**(16 139)**	**27 781**	**29 965**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Ausgroup and its subsidiaries, Babcock and its subsidiaries, and Valmec and its subsidiaries (see Note 2.4).

Other financial assets and long-term assets correspond to an amount of €5M in the UK, relative to investments (IAS19) and a trade receivable of €3.6M from ADYARD with a maturity of more than one year.

Non-consolidated investments: these are companies which are excluded from the scope of consolidation because of their insignificant nature. However, the amount of equity investments and related receivables in the balance sheet of €1.5M relates mainly to joint ventures and a subsidiary of the ACE Romania subsidiary. These equity investments are recognised on the date of acquisition at cost and receivables from equity investments at their nominal value.

See accounting under IFRS 9 in Note 11.3.

7.2 Entities accounted for using the equity method

Shares in equity affiliates totalled €6,853k at 31 August 2023 (compared with €6518k at 31 August 2022) and correspond to the following companies:

In thousands of euros	Control %	Equity contribution as at August 31, 2023	Net result contribution as at August 31, 2023	Total revenue (100%) as at August 31, 2023
Altrad Services LLC	50%	1 614	2 810	3 060
Endel Trihom, France	34%	1 783	683	21 360
Endel Dynamic, France	30%	1 994	1 408	36 062
Sparrow BSM Engenharia Ltd , Brazil	50%	(8 026)	682	7 749
Shares in equity		**6 853**	**5 583**	**68 231**
Prezioso-Emdad, United Arab Emirates	65%	(8 026)	1 832	17 917
Total		**(1 173)**	**7 415**	**86 148**

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

The negative equity of Prezioso-Emdad is mainly explained by a provision for loss on completion of a contract amounting to €2.5M at 31 August 2023.

Activities in Russia contribute €3M to sales and are operated independently of the rest of the Group. Cash and cash equivalents at 31 August 2023 include €8.5M of cash in Russia used by the subsidiary locally without restriction.

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

NOTE 8 INCOME TAX

8.1 Details of taxes recognised in the income statement

In thousands of euros	August 31, 2023	August 31, 2022
Current tax	(211 655)	(47 661)
Deferred tax	(10 275)	(6 859)
Tax charge	**(221 931)**	**(54 521)**

8.2 Tax situation

In France, Altrad Investment Authority is the parent company of the tax group for the year. This regime applies to all French subsidiaries that meet all the option criteria. In addition, the parent company of the tax group as from the next financial year will be Altrad Participations following the purchase of AIA shares through its subsidiary Altrad Capico. The Prezioso and ENDEL sub-groups will be part of this integration. The foreign subsidiaries also apply similar options when permitted by local laws (in particular Germany, Australia, Netherlands and UK). The increase in current tax for 2023 mainly corresponds to the tax provision of €163m recognised in application of the principle of prudence (see note 1.5) and to the companies newly included in the scope of consolidation in 2022 and 2023.

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, 2023	August 31, 2022 (1)
Temporary tax differences	1 941	(891)
Net utilisation of tax loss carryforwards	(24 594)	9 469
Other consolidation restatements	12 378	(15 438)
Deferred tax (expense) / Income	**(10 276)**	**(6 860)**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Ausgroup and its subsidiaries, Babcock and its subsidiaries, and Valmec and its subsidiaries (see Note 2.4).

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

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

The line "Other consolidation adjustments" mainly corresponds to the decrease in deferred tax assets relating to provisions for the year ended 31 August 2023.

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

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Deferred tax assets	118 716	91 323
Deferred tax liabilities	(57 780)	(56 599)
Net deferred tax	**60 936**	**34 724**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

Total deferred taxes at 31 August 2021 amount to60,9 M€, and are broken down as follows:

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Intangible assets	(32 327)	(8 652)
Tangible assets	7 116	8 020
Inventories	(379)	859
Lease restatements IFRS16	908	(949)
Tax losses carried forward	80 397	28 485
Provisions	1 375	(9 199)
Provisions and employee benefits	6 242	3 552
Temporary Differences	8 154	6 213
Other consolidation restatements	(10 549)	6 395
Net deferred taxes on the balance sheet (2)	**60 936**	**34 724**

(1) *Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).*

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

Deferred tax assets on loss carry-forwards amounted to €80.3M at 31 August 2023 compared to €28.4M the previous year-end. Based on expected profits, deferred tax can be recognised on tax loss carry forwards available up to 2027 for €11.1M in France, €37.9M in the UK and €17.1M at Babcock and CAPE respectively, €8.5M on entities in Australia and €5.7M in other countries .

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

Total unrecognised tax losses carried forward at 31 August 2023 amount to €221M, and are broken down as follows:

In thousands of euros	August 31, 2023	August 31, 2022
UK	18 191	47 693
Asia	41 050	24 146
USA	5 926	5 906
France	101 775	104 034
Middle East - Africa	24 919	24 919
Eastern Europe and others countries	12 585	40 773
Tax losses carry-forwards not recognised	**204 446**	**247 472**

8.4 Reconciliation between the theoretical tax expense and the actual tax

In thousands of euros	August 31, 2023	August 31, 2022
Consolidated income before tax and discontinued operations	**304 395**	**236 142**
Tax rate in force	25,83%	25,83%
Theoretical tax expense	**(78 625)**	**(60 995)**
Impact of the difference in tax rates between countries	(15 937)	14 962
Net unrecognised tax loss carryforwards	(49 771)	10 669
Permanent differences	(121 168)	(24 794)
ID N-1 Effect Fixes	46 851	6 429
Miscellaneous	(3 281)	(791)
Tax expense recognised	**(221 931)**	**(54 521)**

(1) The impact of the difference in tax rates between countries is explained by the profits made in geographical areas subject to a lower tax rate than in France.

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

(3) The permanent differences mainly relate to the provision for tax recorded in France (€163m, see note 1.5) and to exchange differences on non-taxed receivables and payables in Angola, which did not give rise to any tax savings, and to foreign tax deducted at source.

NOTE 9 INVENTORIES

In thousands of euros	August 31, 2023			August 31, 2022 (1)
	Gross value	Depreciation	Net	Net
Inventories of raw materials	81 871	(15 235)	66 635	72 060
Work in progress	25 068	(243)	24 824	24 173
Inventories of semi-finished and finished products	20 068	(869)	19 199	19 912
Inventories of goods	147 334	(11 985)	135 349	144 474
Total net inventory	**274 341**	**(28 333)**	**246 008**	**260 619**

(1) *Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).*

The cash effects of the TFT "Cash flow statement" on inventories are €20M, corresponding to increases and decreases in scaffolding equipment inventories for so-called "trading" purchase/sale operations, but also to reclassifications to fixed assets when the equipment is dedicated to rental.

Provisions for inventory write-downs

In thousands of euros	August 31, 2022 (1)	Allowances	Write-backs	Impact of exchange rate fluctuations	Others	August 31, 2023
Impairment of Inventories of Raw Materials	(12 802)	(3 465)	818	228	(14)	(15 235)
Impairment of Work in Progress	(647)	(6)	350	4	56	(243)
Impairment of Inventories of Finished Products	(614)	(248)	0	(3)	(4)	(869)
Impairment of Inventories of Goods	(8 102)	(5 117)	2 861	2	(1 629)	(11 985)
Total Impairment of inventories	**(22 165)**	**(8 836)**	**4 029**	**231**	**(1 592)**	**(28 333)**

(1) *Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).*

NOTE 10 TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Net accounts receivable	826 928	719 514
Contract assets	453 656	407 983
Tax receivable	18 345	9 261
Net current assets	170 941	137 974
Financial Instruments	22 070	5 643
Advance payments	42 947	49 806
Total trade receivables and other current assets	**1 534 888**	**1 330 182**
o/w Provisions for doubtful receivables accounts and collection risk	*(81 126)*	*(64 590)*
o/w Provisions for other assets	*(22 559)*	*(25 792)*

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

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

The other net receivables item includes, in particular for the most significant amounts, tax liabilities (other than tax receivables) for €67.6M, other receivables for €64.3M and prepaid expenses for €31.6M.

The cash effects of the cash flow statement on trade receivables and other current assets are €-102M for the year, which corresponds mainly to a decrease in trade receivables and invoices to be issued on work in progress.

Trade receivables at 31 August 2023 are detailed by maturity in the table below:

In thousands of euros	August 31, 2023			August 31, 2022 (1)
	Gross Amount	Impairment Losses	Net Amount	Net Amount
Trade receivables unmatured	**479 463**	**(1 939)**	**477 523**	**437 445**
Due	-	-	-	
- Less than 3 months	248 787	(4 587)	244 200	175 523
- Between 3 to 6 months	40 375	(1 855)	38 520	39 024
- More than 6 months	139 430	(72 745)	66 685	75 124
Trade receivables due	**428 592**	**(79 187)**	**349 405**	**289 671**
Total trade receivables	**908 055**	**(81 126)**	**826 928**	**727 116**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

The fair values of trade and other receivables correspond to the book values. As at 31 August 2023, trade receivables of €825M (31 August 2021: 743M€). The strong increase is mainly due to the group's new acquisitions during the year.

Receivables overdue by more than 6 months include €10.7m from the CAPE group, €15.3m from the SPARROWS group and €15m from the RMDK group. Other receivables due for than 6 months for €26M are spread over the whole group.

Change in the provision for trade receivables

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Provision on trade receivables N-1	**(64 590)**	**(48 096)**
Net provision	6 156	(3 949)
Reversal used	(10 753)	4 337
Change in scope	(18 274)	(9 474)
Impact of exchange rate fluctuations	6 336	(7 409)
Other movements	-	-
Provision on trade receivables N	**(81 126)**	**(64 590)**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

The receivables are individually impaired and relate to contracts in the Middle East region, the majority of which are due in more than one year. The net charge was positive due to the reversal of provisions for Cape Group customers.

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

The reversals used mainly concern entries to correct the opening balance sheet for RMDK.

NOTE 11 CASH FLOW AND NET INDEBTEDNESS

11.1 Details of net indebtedness

In thousands of euros	August 31, 2023	Maturity						August 31, 2022 (1)
		- 1 year	August 31, 2025	August 31, 2026	August 31, 2027	August 31, 2028	+ 5 years	
Syndicated loans (1)	*(1 758 000)*	*(618 000)*	*(150 000)*	*(250 000)*	*(740 000)*	-	-	*(1 718 000)*
State guaranteed loan (2)	*(121 220)*	*(19 140)*	*(19 140)*	*(82 940)*	-	-	-	*(140 360)*
Other loans	*(702)*	*(702)*	-	-	-	-	-	*(2 318)*
Borrowing costs	*10 862*	*2 980*	*2 976*	*2 958*	*1 948*	-	-	*13 797*
Borrowings	**(1 869 060)**	**(634 862)**	**(166 164)**	**(329 982)**	**(738 052)**	**-**	**-**	**(1 846 881)**
Lease liabilities (3)	(227 987)	(58 216)	(39 494)	(28 101)	(19 434)	(82 742)		(198 562)
Other borrowings (4)	(19 099)	(8 859)	(5 554)	(2 110)	(1 369)	(1 207)		(17 034)
Financial Debts	**(2 116 146)**	**(701 937)**	**(211 212)**	**(360 193)**	**(758 855)**	**(83 949)**		**(2 062 477)**
Cash equivalents	*111 960*	*111 960*	-	-	-	-	-	*109 195*
Cash	*1 157 802*	*1 157 802*	-	-	-	-	-	*1 282 239*
Restricted cash	*42 793*	*42 793*	-	-	-	-	-	*43 820*
Cash, restricted cash and cash equivalent	1 312 555	1 312 555						1 435 254
Bank overdrafts	(20 788)	(20 788)	-	-	-	-	-	(13 225)
Net cash (5)	**1 291 767**	**1 291 767**	**-**	**-**	**-**	**-**	**-**	**1 422 029**
Net debt	**(824 379)**	**589 830**	**(211 212)**	**(360 193)**	**(758 855)**	**(83 949)**		**(640 448)**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

(1) Syndicated loans

Bank loans are taken out in Euros.

At 31 August 2023, we drew down a new tranche on tranche B. The financing breaks down as follows:

Tranche	Amount (M€)	Purpose	Comments	Duration (years)	Amount remaining due at 31 August 2023 (M€)	Amount remaining due at 31 August 2022 (M€)
Syndicated loan signed on May 2022 for 2,400 M€						
A	1370	Refinance existing debt facilities	Full drawdowns on the signing, repayment schedule : 100 M€ on May 2023 130 M€ on May 2024 150 M€ on May 2025 250 M€ on May 2026 740 M€ on May 2027	5	1 270	1 370
B	550	Bridge finance acquisitions	Drawdowns by tranches	2 + 1 year of extension	488	348
C	200	Finance growth	Drawdowns by tranches, repayment schedule : 50 M€ on May 2025 50 M€ on May 2026 100 M€ on May 2027	5	Undrawn	Undrawn
D	115	Finance general working capital needs	Drawdowns by tranches, repayment in fine on May 2027	5	Undrawn	Undrawn
TOTAL	**2 420**				**1 758**	**1 718**

Bank borrowings detailed below contain clauses requiring compliance with a financial ratio. This bank covenant covers the Group's net debt. Non-compliance with the ratio set gives the lenders concerned the right to demand early repayment of their loans. The net financial debt / EBITDA ratio must be less than 3. The Group complies with this ratio as at 31 August 2023.

(2) State-guaranteed loan (PGE)

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

(3) Rental debt

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

Change in rental debt over the period

In thousands of euros	Lease liabilities - current	Lease liabilities - non current	Total
Balance august 31st 2021 (1)	**(34 982)**	**(90 020)**	**(125 002)**
Increase without cash impacts	(13 439)	(37 369)	(50 808)
Repayment	51 190	15 293	66 483
Effects of perimeter variations	(9 594)	(30 950)	(40 544)
Exited without cash impacts	-	-	-
Impact of exchange rate fluctuations	(1 305)	(3 010)	(4 314)
Reclassments	(36 917)	32 283	(4 633)
Others	(9 589)	(30 154)	(39 743)
Balance august 31st 2022	**(54 636)**	**(143 927)**	**(198 562)**
Increase without cash impacts	(19 729)	(41 644)	(61 373)
Repayment	59 427	2 734	62 161
Effects of perimeter variations	(3 916)	(23 357)	(27 274)
Exited without cash impacts	5 349	-	5 349
Impact of exchange rate fluctuations	1 644	1 938	3 582
Reclassments	(44 727)	39 798	(4 929)
Others	(1 627)	(5 313)	(6 941)
Balance august 31st 2023	**(58 215)**	**(169 772)**	**(227 986)**

(1) *Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).*

The non-cash increase relates in particular to the RMD group (€18.5M), Generation (€7.3M), Altrad Plettac France (€3.8M), the Prezioso group (€3.2M) and the Endel group (€2.9M).

(2) Other borrowings

Other financial debt mainly includes accrued interest not yet due on syndicated loans and bonds for €13M.

(3) Net cash

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

Current restricted cash and cash equivalents amount to €42.8M and mainly concern the cash allocated to the provision for occupational illnesses in the United Kingdom (see Note 2.3) as part of a €41.2M 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 31/08/2022 it amounted to €40.9M in the current account.

At 31 August 2023, cash and cash equivalents net of bank overdrafts amounted to €1,291.6M at opening and €1,422.0M at closing. For the purposes of the cash flow statement, net cash and cash equivalents exclude €42.8M of restricted cash and therefore amounted to €1,248.8M at closing, compared to €1,378.2M at opening.

11.2 Other shareholder funds

In thousands of euros Others shareholders' funds	August 31, 2023	August 31, 2022
ORA including interests	39 183	104 545
OBSA	7 927	71 861
Debt due to NYX AG Patners shareholder	-	11 275
Free share plans	-	7 868
Total	**47 110**	**195 549**

OBSA and ORA issued on financial year 2014/2015

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

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

OBSA and ORA issued on financial year 2015/2016:

On 29 August 2016, the Group issued to its minority shareholders a subordinated bond of a nominal amount of €20 M through the issue of 32,849 bonds with purchase warrants for ordinary shares ("OBSA") with a nominal value per unit of €608.85, maturing on 30 August 2024 and bearing interest at the rate of 6%, payable annually. Each bond is attached to a share purchase warrant ("BSA"). The bond is repayable in cash at maturity on 3 May 2027 (according to the AGM decision on 26 December 2022) , except in case of the occurrence of certain early repayment events provided for in the contract. The Company cannot choose to proceed with an early repayment. A BSA is attached to each Bond. Each BSA entitles the holder to subscribe for one new ordinary share at a unit price of 608.85 €. The BSAs can be exercised during 18 months from 27 February 2023 at the initiative of their holder.

On 29 August 2016, the Group issued to its minority shareholders a subordinated bond of a nominal amount of €19.9M through the issue of 40,422 bonds redeemable in ordinary shares ("ORA") with a nominal value per unit of €494.78, maturing on 3 May 2027 (according to the AGM decision on 26 December 2022), the interest on which will be fully capitalised and payable in cash on the final maturity date. The exchange ratio is set at 1 ORA for 1 share at maturity. In case of the occurrence of certain events provided for in the contract, bondholders may request full or partial repayment in cash. The bond is redeemable in shares at maturity on 3 May 2024, except in case of the occurrence of certain early share redemption events provided for in the contract. The Company cannot choose a cash repayment or decide on an early repayment.

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

Debt to the shareholder NYX AG Partners (Altrad Managers)

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

A reciprocal promise to buy and sell to maintain liquidity was made by Altrad Investment Authority and the partners of NYX AG Partners: Altrad Investment Authority undertakes to acquire (promise to purchase) at the request of each NYX associate (between 1 July 2022 and 30 September 2022), and each NYX associate undertakes to sell if Altrad Investment Authority so requests (promise to sell) (between 1 October 2022 and 31 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 (ie. resignation, termination of the contract for the provision of services at the partner's initiative, retirement not approved by the Chairman) or dismissal for corruption or fraud followed by a court judgement, the redemption price will be equal to the initial subscription price for NYX securities paid by the partner. In all other cases of termination of office (other dismissals, settlements, death, disability, dismissal, etc.), the redemption price is equal to the market value calculated on the date of termination of office.

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

Moreover, due to the presence of the termination clause described above, the benefit from the increase in value of NYX shares is conditional on the presence of the partners until 1 July

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

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

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

Cash-settled free share allocation plan

The Chairman of the Altrad Investment Authority decided on 12 September 2018 and 5 December 2019 to grant free shares to certain key Company officers and certain key Group executives.

AIA bought back 7,773 of its own shares on 21 September 2022 for a total amount of €7.3M.

Accounting treatment

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

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

The sale of the 4,061,759 NYX shares to AIA took place on 21 September 2022 for a total amount of €5.9M.

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

11.3 Financial assets and liabilities by category

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

The fair value is determined as:

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

The tables below show the net carrying amount and fair value of the Group's financial assets and liabilities, grouped according to the categories defined by IFRS 9 at 31 August 2023 (in thousands of Euros):

Assets as at August 31, 2023	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	1 507			**1 507**		1 507	
Deposits and guarantees			14 806	**14 806**		14 806	
Other non-current assets			11 468	**11 468**		11 468	
Trade receivables, net			826 928	**826 928**		826 928	
Other receivables			642 942	**642 942**		642 942	
Derivatives	22 070			**22 070**			
Cash, restricted cash and cash equivalent	1 312 555			**1 312 555**	1 312 555		
Total	**1 336 132**		**1 496 144**	**2 832 276**	**1 312 555**	**1 497 652**	

EQUITY & LIABILITIES as at August 31, 2023	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			47 110	**47 110**		47 110	
Financial debts & Lease liabilities			2 136 935	**2 136 935**	20 788	2 116 146	
Other non-current liabilities			134 330	**134 330**		134 330	
Trade and other payables			1 011 220	**1 011 220**		1 011 220	
Put option debts	33 328			**33 328**		33 328	
Derivatives	246			**246**			
Other liabilities and tax payables			876 784	**876 784**		876 784	
Total	**33 573**		**4 206 379**	**4 239 952**	**21 034**	**4 218 918**	

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, 2023	August 31, 2022
Guarantees in favour of third parties	288 853	278 023
Other commitments	106 300	143 825
Commitments given	**395 153**	**421 848**
Guarantees received (1)	417 481	437 217
Commitments received	**417 481**	**437 217**

(1) Guarantees received are available lines of credit taken out with financial institutions, including €150M on a syndicated line and €267M on other lines negotiated bilaterally, in order to deliver guarantees required to obtain and execute contracts (performance guarantees, advance payment cover, tender offer bids).

12.2 Sales with retention of title

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

NOTE 13 DERIVATIVE FINANCIAL INSTRUMENTS

In accordance with its hedging obligations under the 2022 syndicated loan agreements (at least 60% of assets over 36 months), the Group has 3 CAP contracts to guarantee 75% of debts in tranche 1 (€1,370M).

The characteristics of these CAP are as follows:

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

At 31 August 2023, the fair value of the CAPs remaining in place at the end of the year was €20M and as such was recognised in non-current liability derivatives.

During the year, Altrad Asia used financial instruments to hedge against foreign exchange risks incurred in its business. The currency hedges put in place by the Group related to highly probable future and identified transactions. The total fair value of these financial instruments amounts to €596K as at 31 August 2023 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, 2023	August 31, 2022
Assets to be disposed of	77	77
Total	**77**	**77**

At 31 August 2023, assets held for sale amounted to €77K.

NOTE 15 ESG (ENVIRONMENT, SOCIAL AND GOVERNANCE)

The Altrad Group is constantly improving its social and environmental responsibility. Continuing along this path is an integral part of the company's culture. The Group's solid and resilient performance enables us to make long-term commitments, to have a positive impact for the benefit of our employees, the environment and all stakeholders linked to the Group.

Our values

Humility: We are open to different points of view. Our decisions are taken in a spirit of inclusion.

Courage: We aspire to go beyond limits and boundaries: this means exploring innovative ways of thinking and doing.

Respect: We conduct our business to the highest standards of transparency, integrity and honesty.

Conviviality: We strive every day to create a working environment that reflects the very spirit of our teams, based on commitment and open-mindedness.

Solidarity: We collaborate and contribute to the various projects we undertake together, sharing ideas and opportunities, knowledge and resources.

The development of our business has as a corollary strong values, anchored in each and every one of the members who make up the group.

Altrad also supports diversity, equity and inclusion within the company. Operating on five continents, our teams are made up of people from many cultures and backgrounds, who enrich the Group as a whole every day and enable it to constantly expand its range of possibilities.

Identifying and managing our key ESG issues

To manage risk effectively and operate with the support of our stakeholders, we need to understand the issues that matter to them and that are most important to the Group and its business.

It is a constant process that evolves in response to changes in dynamic markets, the regulatory landscape and the diverse and varied environments in which we operate.

The main points of attention for the Altrad Group in terms of the environment, social policy and governance are:

Environment Preventing climate change: Building a sustainable future remains a priority for the Group, as our organisation, the industry sector and the countries in which we operate respond to the existential threat posed by climate change. We have undertaken our second carbon footprint audit, which has given us greater visibility over two years and will enable us to set carbon reduction targets in the course of next year.

Reducing pollution: We help our customers to reduce their environmental impact and, as a Group, we mobilise our staff to act in favour of the environmental cause worldwide, through initiatives to collect plastic waste where it can cause significant harm to the biosphere.

Social Protecting our employees: We pay constant attention to the health and safety of our workers, with the aim of monitoring and maintaining our safety indicators (TRIF indicator) at excellent levels, in order to develop and maintain a strong safety culture. Our aim is to reduce our TRIF by 5% a year over the next five years.

Promoting diversity: To create a more balanced and representative "employment experience", we are focusing on gender equality in very concrete ways: the launch of our "The pledge" and our commitment to multiplying our female workforce by 2.5 by 2035 (from 6.5% of the workforce being female in 2022 to 15% in 2035).

Supporting communities and territories: a minimum of 1% of the Group's net profits is committed to philanthropic donations. This initiative was launched in March 2023 through our newly created endowment fund, Altrad Solidarity, to strengthen the influence and coherence of the Altrad Group's philanthropic actions.

Governance Creating a culture of transparency: The key elements of Altrad's governance system are transparency of financial information, risk management that complies with the highest norms and standards, an absolute requirement in terms of professional ethics, reinforcement of the independence of directors in relation to the Chairman, and the transmission to shareholders of the best possible information, with the greatest possible visibility.

NOTE 16 DESCRIPTION OF THE MAIN RISKS

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

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

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

The Group's risk governance framework is determined by its Executive Committee. It has overall responsibility for risk management and establishes the Group's approach to risk, including the calibration of acceptable risk (Risk Appetite). It leads the methodology for managing, monitoring and mitigating risks, while being responsible for monitoring the effectiveness of the Group's risk management system. The Executive Committee benefits from the contribution of its own internal audit department, the Group Control department and the Group Treasury team. Its objective is to ensure that the Group's acceptable level of risk, weighted by its strategic and long-term objectives, is set at an appropriate level. The Executive Committee is fully aware of the Group's history and the prudent approach adopted by the Board of Directors and shareholders. It thus applies a policy of prudent risk management, particularly in areas identified as high risk, and more specifically: reputation and ethical risks; geographical and sectoral diversification of clients; cash management and prudence in terms of debt ratios. Risk managers are appointed within the organisation, and risk reduction and insurance structures are put in place when management considers that additional measures are necessary for adequate risk management.

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

Type of risk	Description	Mitigation and insurance measures
Competition	• Intense competition in equipment and service markets, intensifying during an economic downturn. • Reduced margins. • Loss of contracts and market share.	• Strategic focus on long-term recurring contracts. • To develop the multidisciplinary service offer, to innovate on products, in order to differentiate oneself. • Reinforce expenditure control in order to pass on the savings to customers.
Corporate Social Responsibility	• Growing importance of CSR in tenders and financial markets. • Damage to reputation.	• Highlighting the group's raison d'être: build a sustainable world. • Continuous development of a CSR strategy and the importance of corporate citizenship.
Credit	• Counterparty risk related to business activities, particularly in emerging economies or during economic downturns.	• Prior authorisation required for opening customer accounts. • Monitoring of customer ratings. • Rigorous follow-up of unpaid debts, with proactive debtor management.
Customer focus	• Dependence on a small number of clients implying a high impact in the event of the loss of a major client.	• Diversification strategy in terms of customers, business sectors and geographical areas. • Key account management programs to maintain the strength and depth of relationships. • Majority of long-term relationships with long-term contracts. • Positioning as a first-tier supplier for major customers.
Ethics	• Risk of corruption and unethical and anti-competitive behaviour. • Risk of modern slavery within our teams or with our suppliers. • Criminal and financial penalties, damage to reputation.	• Comprehensive review of the Group's integrity and operational ethics reference framework. • In compliance with the requirements of the Sapin 2 law, the Group is required to carry out internal investigations in connection with any alerts, and may be required, where appropriate, to cooperate with the authorities. • Risk mapping, training and audit of compliance procedures and culture. • Targeted audits on modern slavery and the fight against corruption. • Definition of Key Performance Indicators (KPIs) as part of annual performance reviews.

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

Health, safety and environment	• Risk of personal injury to staff members. • Reputational and commercial risk in case of an accident. • Civil or criminal risks for managers.	• Safety teams in all operating units, with a dedicated HSEQ department at Group level to audit, supervise, train and ensure a strong safety culture within the Group. • Environmental policies and audits aimed at minimising the impact of activities on the environment.
Computer systems and cybersecurity	• Risks of piracy. • Regulatory obligations in terms of data and network protection. • System obsolescence. • Backup solutions.	• "*Cyber essentials*" certification. • Patch used on computer hardware. • Use of the latest antivirus software and URL filters. • Implementation of secure procedures for the validation of payments.
Interest and exchange rates.	• Interest and exchange rate risks.	• Currency risk is limited because cash flows are in the same currency for a given subsidiary. • The majority of the financial debt is at fixed rates or is located in stable markets where the risk of material fluctuations is limited. • Payment in Dollars or Euros is preferred in countries where the currency is not easily convertible or is subject to a significant risk of depreciation.
Liquidity	• Ability to finance all debt repayment obligations. • Need to finance the group's operating cycles. • Guarantee that liquidity is maintained in the holding company and not in the subsidiaries.	• The Group's overall debt is centralised within the holding company, which negotiates with the subsidiaries their medium and short-term financing. • Debt instruments are carefully managed to ensure a spread of maturities, with regular reviews of the debt structure. • Prudent cash management policy, with a free cash position of around €500M. • Centralised cash management and repatriation of cash to the holding company.
Pandemic	• Economic impact of the contraction in demand for services and products. • Impact of quarantines on productivity and the available workforce. • Health and safety of our teams.	• Monitoring of the main economic indicators and responsiveness to market changes. • Negotiating the costs of technical unemployment with clients; planning future mobilisation needs. • Maintaining a health/safety culture, compliance with health regulations, including quarantine and teleworking where appropriate.
Political and macroeconomic context	• Impact of commodity price changes on customer demand and spending. • Currency fluctuations. • Authoritarian acts / political instability / war / legislative and regulatory risk.	• Diversification strategy in terms of customers, business sectors and geographical areas. • Strategic focus on mandatory recurring maintenance expenditure, less subject to price variations. • Contracts concluded mainly in local currency and/or dollars, for local expenditure. • Regular review of political risks and warning in times of instability or war. • Activities in Russia contribute €3M to sales and are operated independently of the rest of the Group.
Raw materials	• Strong fluctuations in the prices of raw materials, including steel, aluminium and zinc.	• Management of forward purchases by a specialised team. • Dedicated Acquisitions Department to optimise purchases. • Adaptation of product pricing to fluctuations.

Interest rate sensitivity

As of 31 August 2023, the debt is broken down by rate category as follows:

In thousands of euros	August 31, 2023	August 31, 2022
Fixed-rate loans	*702*	*2 318*
Variable-rate loans (1)	*1 879 220*	*1 858 360*
Total	**1 879 922**	**1 860 678**

(1) The Group considers its exposure to interest rate risk to be limited. Variable-rate loans depend on the 3-month Euribor rate, which averaged 2.647% over the 2022/2023 financial year. The risk on variable interest rates is partly hedged by financial instruments, see Note 13.

Sensitivity to the conversion rate

Nearly 37% of turnover was generated in the Euro zone. For other currencies, the exchange rate risk is limited because cash flows are mainly in the same currency for a given subsidiary. The table below shows the breakdown of turnover by currency.

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Euro	*1 947 625*	*1 521 547*
Sterling	*1 503 396*	*980 096*
Australian dollar	*430 668*	*248 330*
Saudi arabian riyal	*129 246*	*104 714*
US Dollar	*177 285*	*168 098*
Other currencies	*1 097 293*	*801 070*
Total revenue from current activities	**5 285 513**	**3 823 854**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

Management of the liquidity risk

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

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

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

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

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

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Cash equivalents	111 960	109 195
Cash (excluding restricted cash, see note 11.1)	1 157 802	1 282 188
Bank overdrafts	(20 788)	(13 225)
TOTAL OF NET LIQUIDITY	**1 248 974**	**1 378 158**
Current financial liabilities (excluding bank overdrafts)	(701 937)	(177 017)
TOTAL OF CURRENT FINANCIAL DEBTS, NET LIQUIDITY	**547 037**	**1 201 141**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

Some bank borrowings taken out and detailed in Note 11, contain clauses requiring compliance with a financial ratio (Net financial debt / EBITDA). Non-compliance with the ratio set gives the lenders concerned the right to demand early repayment of their loans. This ratio must be less than 3. At 31 August 2023, it is slightly higher than 1.

Capital management

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

NOTE 17 EQUITY

17.1 Distribution of dividends

Altrad Investment Authority distributed €30.5M of dividends to its shareholders for financial year 2021/2022. N.B. €30,5M in dividends were distributed during the 2020/2021 financial year.

17.2 Composition of the share capital

	Number	Per Value	Amount (€)
Shares making up the share capital at the start of the financial year	**3 397 824**	**100 euros**	**339 782 400**
Shares issued during the financial year	-	100	-
Shares redeemed during the financial year	-	-	-
Shares making up the share capital at the end of the financial year	**3 397 824**	**100 euros**	**339 782 400**

The distribution of the capital as at 31 August 2023 is as follows:

Shareholders	August 31, 2023 Number of shares held	% of shares held	August 31, 2022 Number of shares held	% of shares held
Altrad Participations	2 625 634	77,27%	2 625 635	77,27%
FPCI ETI 2020	-	0,00%	366 987	10,80%
Credit Mutuel Equity Scr	-	0,00%	244 658	7,20%
Altrad Capico	668 731	19,68%	-	0,00%
Arkéa Capital Partenaire Slp	65 242	1,92%	65 242	1,92%
BNP Paribas Développement	-	0,00%	57 086	1,68%
Tikeau Capital	16 310	0,48%	16 310	0,48%
Managers Altrad (NYX AG Partners)	13 286	0,39%	21 129	0,62%
Others	8 621	0,25%	777	0,02%
TOTAL	**3 397 824**	**100,00%**	**3 397 824**	**100,00%**

17.3 Share-based payment plans: free share plans

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

The following table summarises the four free share plans granted:

Free shares	Plan n°1	Plan n°2	Plan n°3	Plan n°4	TOTAL
Grant date	September 12, 2018	›ptember 12, 2018	December 5, 2019	December 5, 2019	
End date of the acquisition period	September 12, 2020	July 01, 2022	December 5, 2021	July 01, 2022	
Number of shares awarded	2 764	2 087	1 249	7 253	13 353
Number of shares canceled	(1 727)	-	(595)	(2 081)	(4 403)
Number of existing shares at August 31, 2021	**1 037**	**2 087**	**357**	**5 172**	**8 653**
Fair value of a share at August 31, 2021 (in €)	**912**	**912**	**912**	**912**	**912**
Expenses recognized at August 31, 2021 (in K€)	**79**	**568**	**78**	**1 926**	**2 650**
Debt in others shareholder's funds at August 31, 2021 (in K€)	**946**	**1 486**	**283**	**3 190**	**5 905**
Number of existing shares at August 31, 2022	**-**	**2 087**	**357**	**5 132**	**7 576**
Fair value of a share at August 31, 2022 (in €)	**940**	**940**	**940**	**940**	**940**
Expenses recognized at August 31, 2022 (in K€)	**(199)**	**475**	**53**	**1 634**	**1 963**
Debt in others shareholder's funds at August 31, 2022 (in K€)	**747**	**1 962**	**336**	**4 824**	**7 868**
Expenses recognized at August 31, 2023 (in K€)	**-**	**-**	**-**	**-**	**-**
Debt in others shareholder's funds at August 31, 2023 (in K€)	**-**	**-**	**-**	**-**	**-**

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 1 July 2022 and 30 September 2022), and each holder undertakes to sell if the company so requests (promise to sell) (between 1 October 2022 and 31 December 2022,) all of the shares of the company that he or she holds. The repurchase price is equal to the market value calculated on the date of notification of the request to exercise the promise, according to a formula defined in the plan. The existence of these liquidity clauses led to these plans being considered as cash-settled and not equity-settled, in application of IFRS 2.

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

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

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

17.4 Non-controlling interests

At 31 August 2023, taking into account the existence of clauses for the purchase of minority interests resulting in the non-recognition of related minority interests (see Note 2.1.4), the main contributions to this item are from:

In thousands of euros	August 31, 2023 % of Non contrlliong interests	Non controlling interests	o/w Net Income 2023	August 31, 2022 % of Non contrlliong interests	Non controlling interests	o/w Net Income 2022
Altrad Asia	20%	444	106	20%	1 788	582
Altrad Coffrages et étaiements	2%	1	0	2%	291	38
Hertel Yanda (3)	49%	1 433	(355)	49%	3 882	161
Cape Group	N.A	(73)	47	N.A		
Prezioso Group	N.A	(364)	7 685	N.A		
Socar Cape LLC (1)	51%	14 780	4 257	51%	14 780	4 257
Cape East Limited Co W.L.L (2)	30%	(14 853)	(4 210)	30%	4 450	2 153
Cerap (4)	51%	(80)	385	51%	(2 631)	200
Insulation Painting & Engineering Services Li	10%	4	(0)	10%	(1 044)	(82)
MainTech AS	49%	1 595	2 118	49%	1 751	284
Others		2 393	7 138		387	883
Total Non controlling Interests		**6 392**	**9 654**		**21 752**	**8 286**

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

In thousands of euros	SOCAR Cape LLC (1)	Cape East Limited Co W.L.L (2)	Shanghai Hertel Yanda Installation Engineering Co.Ltd. (3)	CERAP (4)
	August 31, 2023			
Revenue from current activities	51 332	110 675	23 357	31 759
Non-current assets	18 822	8 734	-	1
Current assets	18 822	28 242	-	8 449
Non current liabilities	-	-	54 379	54 379
Current liabilities	14 297	-	-	-

In thousands of euros	SOCAR Cape LLC (1)	Cape East Limited Co W.L.L (2)	Shanghai Hertel Yanda Installation Enginineering Co.Ltd. (3)	CERAP (4)
	August 31, 2022			
Revenue from current activities	59 002	84 660	32 116	11 409
Non-current assets	5 812	8 734	293	1 916
Current assets	39 984	48 442	22 236	13 706
	-	-	-	-
Non current liabilities	-	7 802	54 379	54 379
Current liabilities	14 297	34 702	-	-

(1) Socar Cape LLC did not pay a dividend in 2023 (£1.8M dividends as at 31 August 2022). The percentage of profit or loss attributable to non-controlling interests varies as a result of the partner's results and decisions.

(2) Cape East Limited Co W.L.L has not paid a dividend as at 31 August 2023 or 31 August 2022. The percentage of profit or loss attributable to non-controlling interests varies as a result of the partner's results and decisions.

(3) Hertel Yanda had a strong increase in activity and net income over the period.

(4) CERAP is an Endel Group entity whose increase in revenue in 2023 corresponds to a full year instead of 5 months in 2022.

NOTE 18 PROVISIONS FOR RISKS

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Provisions for employee benefits, non-current	69 523	72 382
Provisions for risks, non-current	419 637	284 816
o/w Provisions for occupational illnesses	*119 875*	*145 095*
o/w Provisions for contract terminaision losses	*1 274*	*2 968*
o/w Provisions for tax risks	*164 556*	*1 097*
o/w other provisions for risks and charges	*133 932*	*135 657*
Reserve for risks and social engagement, non-current	**489 161**	**357 198**
Provisions for employee benefits, current	3 244	4 236
Provisions for risks, current	90 569	122 595
o/w Provisions for occupational illnesses	*34 984*	*18 365*
o/w Provisions for contract terminaision losses	*35 022*	*45 967*
o/w Provisions for tax risks	*9 872*	*10 114*
o/w other provisions for risks and charges	*10 691*	*48 149*
Reserve for risks and social engagement, current	**93 812**	**126 831**
Total reserve for risks and social engagement	**582 973**	**484 029**

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Provisions for employee benefits, non-current	69 523	72 382
Provisions for risks, non-current	419 637	284 816
Reserve for risks and social engagement, non-current	**489 161**	**357 198**
Provisions for employee benefits, current	3 244	4 236
Provisions for risks, current	90 569	122 595
Reserve for risks and social engagement, current	**93 812**	**126 831**
Total reserve for risks and social engagement	**582 973**	**484 029**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

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

The main items are detailed, in Note 18.1 below, on "Provisions for employee benefits". The item "Provisions for risks" corresponds to various disputes or risks that the Group considered appropriate to provision for in accordance with prudential rules, and the related procedural costs and fees. The main items are detailed, in Note 18.2 below, on "Provisions for risk".

18.1 Change in provisions of long-term employee benefits

The Group operates, for the benefit of employees and former employees, schemes that may be defined contribution or defined benefit plans in accordance with the regulatory environment specific to each country. The Group's main pension plans are located in the United Kingdom, France and Poland. Certain assets of the Cape Group's defined benefit plans in the United Kingdom are held in funds administered by trustees. The Board of Trustees is responsible for the administration of the Plan's assets and the definition of the investment strategy. The last full valuation of the benefit plan was performed by independent qualified actuaries in April 2022 using the projected unit method. The valuation showed that the assets of the main benefit scheme had a market value of €85.3M and were 97% funded. The balance of insurance policy assets covering liabilities.

Virgin Media case in the UK

In June 2023, the UK High Court ruled that the changes to the Virgin Media scheme were invalid because the scheme actuary had failed to provide the necessary Section 37 certificate. If upheld, the UK High Court's decision could have wider implications, affecting other schemes that were contracted out on a salary basis and were amended between April 1997 and April 2016.The scheme was contracted out until 31 March 2010 and amendments were made during the period under review. As such, this decision could have implications for the Group.

Uncertainty remains with a Court of Appeal hearing for the case scheduled for 25 June 2024, as well as the possibility of introducing overriding government legislation. As a result, the Group and the Scheme Trustees have not yet considered in detail the potential implications for the Group's accounts.

As the detailed investigation has not yet been carried out, the Group considers that the extent of the potential impact on the defined benefit obligation cannot be measured with sufficient reliability. We are therefore disclosing this as a potential contingent liability at the end of the 2023 financial year and will review it again at the end of the 2024 financial year, when we expect further clarification to be available. The Group and the Scheme administrators will continue to seek legal advice on the matter and act accordingly.

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)	**143 774**	**17 879**	**161 652**
Current service cost	2 961	1 536	**4 498**
Interest expense	6 019	28	**6 047**
Past service cost	-	-	**-**
Liabilities extinguished on settlements	-	-	**-**
Employees contribtion	(9)	-	**(9)**
Benefit paid	(9 145)	(2 392)	**(11 537)**
Actuarial (gains) / losses	(25 155)	(202)	**(25 357)**
Impact of changes in the consolidation scope	(2 179)	414	**(1 765)**
Impact of exchange rate fluctuations & others	1 960	(1 946)	**14**
Defined benefit obligation at end of period	**118 226**	**15 317**	**133 543**
Movement in fair value of plan assets			
Fair value of plan assets at start of period	**(112 249)**	**(2 900)**	**(115 149)**
Interest income	5 997	-	**5 997**
Actuarial (gains) / losses	41 868	-	**41 868**
Assets liquidated on settlements	-	-	**-**
Employees contribution	-	-	**-**
Employer contributions	(1 828)	-	**(1 828)**
Benefit paid	6 700	-	**6 700**
Impact of changes in the consolidation scope	-	-	**-**
Impact of exchange rate fluctuations & others	(25 848)	2 900	**(22 948)**
Fair value of plan assets at end of period	**(85 360)**	**(0)**	**(85 360)**
IFRIC14 adjustment (Effect of asset ceiling) at start of period (*)	26 697	-	**26 697**
IFRIC14 adjustment (Effect of asset ceiling) at end of period (*)	27 440	-	**27 440**
Net (Asset) / Liability	**60 306**	**15 317**	**75 623**
Provisions for employee benefits, non-current	*58 740*	*13 640*	***72 380***
Provisions for employee benefits, current	*1 566*	*1 677*	***3 244***

(*) 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 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

As at 31 August 2023, the contribution of the main geographic areas in the provision for retirement obligations shown in the balance sheet is as follows: UK 51%, France 48% and Poland 1%.

Impact of pension commitments on future cash flows

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	55 676	41	1 526	2 749	51 361

Nature of investments

Plan assets composition at August 31, 2023	Pension commitment
Shares	2%
Bonds	1%
Cash	2%
Insurance annuities	84%
Property	7%
Others	15%

Key assumptions used/

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

	August 31, 2023			August 31, 2022		
	France	Poland	UK	France	Poland	UK
Discount rate	3,12%	6,20%	4,15%	0,68%	1,80%	1,70%
Wage gross rate	2,50%	0%-3,6%	3,6% - 4,0%	2,50%	0%-3%	3,6% - 3,9%
Mobility rate	0-6,63%	4%-4,7%	N/A	0-6,63%	4%-4,7%	N/A
Mortality rate	INSEE 2022	2020 life expectency table (National Institute of Statistics)	CMI_2021 mortality table (Institue and Faculty of Actuaries)	INSEE 2021	2020 life expectency table (National Institute of Statistics)	CMI_2021 mortality table (Institue and Faculty of Actuaries)

Sensitivity analysis

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

	August 31, 2023
Increase of 0.25% in the discount rate	**-22,11%**
Decrease of 0.25% in the discount rate	**18,26%**

Exposure to risks for the Group

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

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

18.2 Changes in provisions for risks

In thousands of euros	August 31, 2022 (1)	Change in profit (loss)			Change in	Impact of exchange rate fluctuations	Others	August 31, 2023	*Of Which*	
		Allowances	Uses	Reversals	scope				*Non current*	*Current*
Provisions for risks	**385 591**	41 487	(119 748)	(3 954)	33 657	(978)	160 090	**496 145**	*411 460*	*84 685*
o/w Provisions for occupational illnesses (2)	*163 460*	8 042	(12 091)	(15 776)	10 209	(145)	1 160	154 859	*119 875*	*34 984*
o/w Provisions for contract terminaision losses (3)	*48 935*	18 156	(37 392)	-	7 112	(510)	(4)	36 297	*1 274*	*35 022*
o/w Provisions for tax risks (4)	*11 212*	163 132	(243)	-	-	0	326	174 427	*164 556*	*9 872*
o/w other provisions for risks and charges (5)	*161 985*	(147 843)	(70 022)	11 822	16 336	(323)	158 608	130 562	*125 755*	*4 807*
Provisions for restructuring	**21 821**	3 174	(28 840)	-	20 197	(234)	(2 057)	**14 060**	*8 177*	*5 884*
Total provisions for risks	**407 412**	**44 661**	**(148 588)**	**(3 954)**	**53 854**	**(1 212)**	**158 033**	**510 205**	***419 637***	***90 569***
Non-current value	*284 816*	*14 328*	*(71 397)*	*(2 768)*	*14 202*	*(26)*	*180 482*	*419 637*		
Current value	*122 596*	*30 333*	*(77 191)*	*(1 185)*	*39 652*	*(1 186)*	*(22 448)*	*90 569*		

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

Provisions for risks and charges of €510.2M include:

(2) Provisions for occupational illness costs of €154.9m relate to the Cape Group and the Babcock Group.

Provisions for occupational illness costs amount to €145.3M and the costs of managing occupational illness claims are provided for to the amount of €9.6M.

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

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

- Insofar as these costs can be reliably estimated at closing, a provision has been set aside for the costs that the Group expects to bear in respect of the claims for compensation for occupational illnesses that are filed or to come for which the Board considers that the Group is liable for alleged exposure to previously manufactured asbestos products. The last full actuarial valuation was carried out in August 2022 for the year ended 31 August 2022. The next full valuation is expected to be completed for the year ending 31 August 2025. The amount of the provision has been estimated based on the discounting of certain assumptions such as the discount rate or the amount of indemnities paid over the period. The amount of the provision is based on historical trends in the number of claims and monetary settlements, as well as on published tables on the expected incidence of illness. The main assumptions used in assessing the appropriate level of provision include the period over which future claims can be expected, the nature of the claims received, the claim rate, the rate of settlement recorded and the future development of compensation payments and legal costs. Management continuously monitors claims received and any other factors that may require a change in assumptions or a full actuarial review during the year. In determining the appropriate level of provision, the management considered various types of potential or actual claims and relied on appropriate legal and professional advice. The total provision for occupational illnesses amounted to €128.2M (£110.5M, of which £9.1M current and £101.3M non-current) at 31 August 2023, compared to €139.5M (£118.1M, of which £15.8M current and £102.3M non-current at the previous year end.

The provision for occupational diseases is discounted at a rate of 2.18% (2022: 1.07%) or the estimated risk-free rate at the balance sheet date, over the term of the liability, i.e. approximately 30 years. Management believes that, assuming no significant deterioration in business performance and no material change in legal precedence or judgements, the Group will be able to fund its subsidiary Cape Claims Services Limited to meet all claims to be settled under the Scheme of Arrangement settlement plan and will be sufficiently funded to satisfy all other UK claims settled outside the Scheme of Arrangement.

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

(3) Provisions for contract termination losses of €36.2M. The €7.1M entry into the scope of consolidation concerns the entities of the Babcock group. We reversed provisions of €19.8M at Endel and €9.7M at Adyard.

(4) Provisions for tax risks have been adjusted in accordance with the principle of prudence.

(5) Other provisions for risks and charges mainly include:
- Provisions for litigation of €12.8M, including:
  - Termination fees for lease contracts;
  - Site disputes of leasing subsidiaries;

- Labour disputes;
- Supplier disputes;
- Disputes relating to the acquisition of subsidiaries.

▪ Other provisions for risks and charges of €99.3M.

Provisions have been made in the context of assessing the fair values of the assets and liabilities of these companies to cover the risks of separation from their former parent group: €56M for Endel, €2.7M for Prezioso, €5.6M for Valmec.

▪ Provisions for social costs (bonuses, settlements, Urssaf audit…) of €22.9M.

Restructuring provisions of €14m mainly relate to: mainly the acquisition of the Sparrows group for €4.5M, the acquisition of the Babcock group for €2.6M and the Hertel group for €1.6M at 31 August 2023.

NOTE 19 CURRENT LIABILITIES

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Trade payables (2)	1 011 220	985 789
Contract Liabilities (3)	232 347	148 332
Tax debts	151 034	139 297
Social debts	280 789	247 596
Derivative financial instruments (Note 13)	246	(0)
Current tax liabilities	42 822	37 006
Other creditors (4)	197 925	175 784
Total current Liabilities	**1 916 382**	**1 733 805**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

(2) Trade payables include €28.1M of minority buyout interest payable at 31 August 2023 (compared with €17.1M at 31 August 2022), of which €24.8M relates to the Generation Group (contract signed in 2018 which should have been recognised when signed). Adjustment of the opening balance sheet for this amount, impact on reserves at 31 August 2022. Prezioso no longer had any interest-bearing debt vs €14.2M at 31 August 2022.

(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 €172M: €129.5M in other operating liabilities, €40.1M operating charge adjustments, and €2.4M in other liabilities, but also the current account with Altrad Participations is recognised at €34.7M as at 31 August 2023.

The cash effects of the TFT "Cash Flow Statement" on current liabilities is €192M for the year, which mainly corresponds to an increase in trade payables and invoices not received. The strong increase in the amount of current liabilities in 2023 comes from the new acquisitions of the Altrad group, more specifically contract liabilities.

NOTE 20 OTHER NON-CURRENT LIABILITIES

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Other non current liabilities (2)	118 414	57 714
Non-current fixed asset suppliers (3)	21 111	25 026
Total other non-current liabilities	**139 526**	**82 740**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

(2) Other non-current liabilities include non-current employee-related liabilities of €3.3M at 31 August 2023 (€3.6m at 31 August 2022), a liability of €47.1M at 31 August 2023 (€33.1M at 31 August 2022) relating to the application of IFRIC 23 "Uncertainty of tax treatments", and a liability of €40M at Endel to ENGIE.

(3) Non-current assets trade accounts payable includes at 31 August 2023, the fair value of put options on the repurchase of non-controlling interests relating to:

- Valmec: €596K recognised as at 31 August 2023 vs. €685K recognised on entry into the scope of consolidation on 31 August 2021.

- CIDES: €2301K recognised as at 31 August 2023 vs. €514K recognised at 31 August 2022 on entry into the consolidation scope,
- DESSA: reclassification of €1,625K under current liabilities,
- Multi up: 100 K€ vs. €100K on 31 August 2022,
- Senegal Keni Painting: €2,200K as at 31 August 2023

NOTE 21 SEGMENT INFORMATION

21.1 Income statement

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

INCOME STATEMENT *(in thousands of euros)*	**August 31, 2022 (1)**	**Equipment**	**Services**	**Support**	**Others**
Revenue from current activities	**3 823 854**	**1 037 665**	**2 781 800**	**4 375**	**15**
Cost of raw materials and merchandises	(825 996)	(374 342)	(409 216)	(42 437)	0
Personnel costs	(1 699 444)	(196 919)	(1 497 917)	(4 607)	0
Other external expenses	(789 673)	(156 099)	(583 499)	(50 061)	(14)
Depreciations and amortizations	(208 188)	(106 884)	(95 191)	(6 131)	18
Share of profit from associates accounted for under the equity method	361	0	361	0	0
Operating operations IC	*(4)*	*(69 563)*	*(43 553)*	*113 127*	*(15)*
Current operating profit	**300 911**	**133 858**	**152 784**	**14 266**	**4**
Other non-recurring revenues and expenses	(38 646)	(6 278)	(16 682)	(15 910)	224
Restructuring and underactivity costs	(2 882)	(2 882)	0	0	0
Operating profit	**259 383**	**124 698**	**136 102**	**(1 644)**	**228**
Income from cash and cash equivalents	5 607	168	4 658	781	0
Cost of gross financial debt	(53 630)	(1 223)	(12 144)	(40 222)	(41)
Cost of net financiel debt	**(48 023)**	**(1 055)**	**(7 487)**	**(39 441)**	**(41)**
Other financial products	25 391	2 658	20 989	1 745	0
Other financial expenses	(39 654)	(1 578)	(31 245)	(6 871)	41
Financial operations IC	*(275)*	*(5 428)*	*(11 151)*	*16 116*	*188*
Profit before tax from continuing operations	**196 822**	**119 294**	**107 208**	**(30 095)**	**416**
Income tax expense	(54 262)	(36 274)	(20 177)	2 304	(116)
Profit for the year from continuing operations	**142 560**	**83 020**	**87 031**	**(27 791)**	**300**
Profit/(loss) after tax for the year from discontinued operations	3	0	3	0	0
Profit for the year	**142 779**	**83 020**	**87 250**	**(27 791)**	**300**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

21.2 Balance sheet

ASSETS *(in thousands of euros)*	August 31, 2023	Equipment	Services	Support	Others
Goodwill	1 780 452	111 804	1 474 223	194 295	130
Intangible assets	127 446	30 241	96 978	358	(130)
Property, plant and equipment	603 905	328 726	263 112	11 997	71
Right of use assets	222 842	94 420	128 388	33	
Non-current financial assets and other non-current assets	27 781	19 599	31 587	(23 405)	
Investments in associates	6 853		6 853		
Deferred tax assets	118 716				
IC Eliminations	**2 887 995**	**595 070**	**2 099 701**	**193 153**	**71**
Non-current assets	246 008	187 076	59 374	(442)	
Inventories	1 280 584	185 361	1 093 672	1 552	
Trade receivables and contract assets	18 345	5 555	7 094	5 696	
Income tax receivable	235 958	28 451	171 226	36 268	13
Other current assets	1 312 555	207 283	799 675	301 940	3 656
Cash, restricted cash and cash equivalent	**3 093 451**	**613 726**	**2 131 042**	**345 013**	**3 669**
Current assets	77			77	
Assets held for distribution					
TOTAL ASSETS	**5 981 523**	**1 208 796**	**4 230 743**	**538 243**	**3 740**

EQUITY & LIABILITIES *(in thousands of euros)*	August 31, 2023	Equipment	Services	Support	Others
Total equity	1 100 818	297 991	431 746	361 773	9 308
Others Shareholders' funds	47 110			47 110	
Interest-bearing loans and borrowings, non-current	1 244 402	(8 694)	44 246	1 208 850	
Non current lease liabilities	169 772	73 814	95 958	(0)	
Reserve for risks and social engagement, non-current	489 161	8 455	301 640	179 066	
Other non-current liabilities	139 526	43 759	163 078	(67 311)	
Deferred tax liabilities	57 780	14 447	43 304	0	29
Non-current liabilities	**2 147 751**	**131 780**	**648 226**	**1 367 716**	**29**
Interest-bearing loans and borrowings, current	664 510	167	22 808	641 535	
Current lease liabilities	58 215	21 246	36 986	(17)	
Reserve for risks and social engagement, current	93 812	5 171	78 790	9 751	100
Trade and other payables	1 011 220	514 030	1 759 436	(1 240 809)	(21 437)
Income tax payable	42 822	4 245	31 124	7 463	(10)
Other liabilities	862 336	37 567	643 845	180 891	33
Current liabilities	**2 732 915**	**582 426**	**2 572 989**	**(401 186)**	**(21 314)**
TOTAL EQUITY & LIABILITIES	**5 981 523**	**1 012 197**	**3 652 960**	**1 328 343**	**(11 977)**

ASSETS *(in thousands of euros)*	August 31, 2022 (1)	Equipment	Services	Support	Others
Goodwill	1 705 847	114 494	1 396 927	194 295	130
Intangible assets	141 301	30 449	108 518	2 464	(130)
Property, plant and equipment	577 999	324 244	242 189	11 103	463
Right of use assets	197 807	77 529	120 205	73	
Non-current financial assets and other non-current assets	29 965	19 063	34 299	(23 396)	
Investments in associates	6 518		6 518		
Deferred tax assets	91 323	19 741	65 723	5 859	(0)
IC Eliminations	**2 750 760**	**585 520**	**1 974 378**	**190 397**	**464**
Non-current assets	260 619	207 095	53 591	(67)	
Inventories	1 127 497	188 586	937 227	1 684	
Trade receivables and contract assets	9 261	1 218	7 579	463	
Income tax receivable	193 424	18 653	153 156	21 580	36
Other current assets	1 435 254	202 342	688 720	543 726	467
Cash, restricted cash and cash equivalent	**3 026 055**	**617 893**	**1 840 273**	**567 386**	**503**
Current assets	77				77
TOTAL ASSETS	**5 776 892**	**1 203 413**	**3 814 652**	**757 783**	**1 043**

EQUITY & LIABILITIES *(in thousands of euros)*	August 31, 2022 (1)	Equipment	Services	Support	Others
Total equity	1 148 467				
Others Shareholders' funds	195 549				
Interest-bearing loans and borrowings, non-current	1 739 959				
Non current lease liabilities	143 927				
Reserve for risks and social engagement, non-current	357 198	(5 576)	346 964	15 811	
Other non-current liabilities	82 740	7 375	78 742	(3 377)	
Deferred tax liabilities	56 599				
Non-current liabilities	**2 575 973**	**1 799**	**425 706**	**12 434**	
Interest-bearing loans and borrowings, current	137 180				
Current lease liabilities	54 636				
Reserve for risks and social engagement, current	126 831	24 232	92 747	9 751	100
Trade and other payables	985 789	288 252	687 323	10 207	7
Income tax payable	37 006	6 038	20 467	10 497	3
Other liabilities	711 011	50 042	603 967	56 984	18
Current liabilities	**2 052 453**	**368 564**	**1 404 505**	**87 439**	**128**
TOTAL EQUITY & LIABILITIES	**5 776 892**	**370 363**	**1 830 211**	**99 873**	**128**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

22.1 Income from ordinary activities

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Turnover	5 256 728	3 810 343
Others income	28 785	13 511
Total revenue from current activities	**5 285 513**	**3 823 854**

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

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Services Division	4 346 848	3 034 733
Equipment Division	938 665	789 121
Total revenue from current activities	**5 285 513**	**3 823 854**

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

In thousands of euros	August 31, 2023	August 31, 2022 (1)
UK	1 444 819	1 453 487
Australia	430 660	112 519
France	1 116 106	770 210
Africa	720 170	305 744
Germany	358 246	391 355
Belgium	211 484	203 530
Other countries of Europe	574 250	402 210
Other countries of the world	429 779	184 800
Total revenue from current activities	**5 285 513**	**3 823 854**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

During the financial year ended 31 August 2023, €3.5Bn was recognised at a specific point in time, €1.6Bn progressively as performance obligations were met (over time) and €58M in respect of leases in accordance with IFRS 16. €41.6 M of revenue was included in contract liabilities at the previous year-end. Contract assets and liabilities amount to €221M.

Transaction price allocated to performance obligations: This information required in the context of the application of IFRS 15 corresponds to confirmed turnover as contracted with customers and for which the services or performances have not yet been, or are only partially, performed at the end of the financial year. After taking into account the exceptions provided for in the standard (contracts with a total term of less than one year, and service contracts for which revenue is recognised on the basis of the services actually performed for the customer and the prices specified in the contracts, which are the subject of periodic (generally monthly) invoicing of services performed for the customer), this concept essentially corresponds to revenue from long-term construction or renovation contracts recognised using the percentage-of-completion method. At 31 August 2023, revenue still to be recognised on these contracts was €151M, of which €111.7M within 12 months. At 31 August 2021, revenue still to be recognised on these contracts was €105M, of which €98.7M within 12 months.

22.2 Cost of materials and merchandise consumed

By 2022, the Group had also begun to feel the impact of global inflation and was forced to implement action plans to mitigate its effects and maintain its gross margins. The Group, in particular our Equipment Division, has had to react quickly to pass on costs and maintain margins, which will remain an ongoing objective given the continued market volatility despite the fall in raw material prices in 2023 compared with 2022. As for the increase in energy costs, this will continue to have repercussions on sales prices.

22.3 Staff costs

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Total payroll	(2 368 942)	(1 630 955)
Others	(73 290)	(63 919)
Profit-sharing	(3 693)	(2 607)
Cost related to IFRS 2 (Share-based Payment)	-	(1 963)
Total staff costs	**(2 445 925)**	**(1 699 444)**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

The increase in payroll is mainly due to the acquisition of new companies during the period and the recruitment policy implemented, representing a change of €677,842K. The section "other" includes, in particular, interim staff costs.

Group workforce at the end of the financial year

	August 31, 2023		August 31, 2022	
	Workforce	**%**	**Workforce**	**%**
Permanent employment contract	47 208	80%	40 662	69%
Fix-term employment contract	11 890	20%	11 641	20%
Total	**59 098**	**100%**	**52 303**	**100%**
France	8 904	15%	8 223	14%
Abroad	50 194	85%	44 080	75%
Total	**59 098**	**100%**	**52 303**	**100%**

Breakdown of the workforce

	August 31, 2023		August 31, 2022	
	Workforce	**%**	**Workforce**	**%**
Services Division	55 026	93%	48 015	81%
Equipment Division	4 072	7%	4 288	7%
Total	**59 098**	**100%**	**52 303**	**100%**

22.4 OTHER EXTERNAL EXPENSES

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

NOTE 23 PROVISIONS AND AMORTISATION

"Provisions and amortisations" is detailed as follows:

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Depreciation for amortisation of intangibles and tangibles assets	(217 883)	(199 770)
Net allowances of provisions	(5 621)	(8 418)
Total net allowances of provisions and amortisation	**(223 504)**	**(208 188)**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

NOTE 24 OTHER NON-CURRENT OPERATING INCOME AND EXPENSES

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

In thousands of euros	August 31, 2023	August 31, 2022 (1)
Other incomes on management transactions	29 997	40 803
Other expenses on management transactions	(53 909)	(69 460)
Incomes on disposals of assets	14 102	9 730
Expenses on disposals of assets	(12 059)	(9 378)
Badwill / New acquisitions	-	1 687
Total Other non-current operating income and exp.	**(21 870)**	**(26 617)**

(2) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

In 2023, other net expenses on management transactions mainly include:

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

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

- Losses on construction sites net of provision reversals due to customer disputes for €39.8M (mainly in the Middle East for €13.9M, Endel for €26M and Germany for €0.3M);
- The impact of the change in the actuarial assumptions of the provision for occupational illnesses for €1.8M;
- Exceptional depreciation of fixed and current assets for €3.6M
- Provisions for tax risks for €10.3M
- Badwill of €1.7M further to the acquisition of MDK Energy A/S (Muehlhan).
- Acquisition costs for €8.8M

NOTE 25 RESTRUCTURING AND UNDER-ACTIVITY COSTS

As in the previous year, the consolidated financial statements were approved according to the following option, i.e. costs arising from restructuring operations and under-activity costs relating to industrial sites (Note 2.3.2) were identified for each entity and isolated on a specific line of the income statement "restructuring costs and total cost of under-activity" for a total amount of €12.3M compared to €14.7M at 31 August 2022.
The identified costs are of two different types and can be analysed as follows:

- Costs incurred to adapt the structure of the Group to the current level of economic activity totalled 9.7 M€ (compared to €11.8M at 31 August 2022). They correspond to redundancy costs and restructuring costs. The variation is mainly due to the restructuring implemented as part of the integration of new companies into the Group in order to align their structure to that of the Altrad Group and by the continuing optimisation of structures in relation to the defined strategy, targeted projects and reorganisation of the level of activity.

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

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

At 31 August 2022, these costs were spread over the following geographical areas:

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

- 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 €2.7M (compared to 2.9 M at 31 August 2022).

NOTE 26 FINANCIAL RESULT

In thousands of euros	August 31, 2023	August 31, 2022
Income from cash and cash equivalents	20 263	5 607
Gross cost of financial indebtedness	(144 274)	(53 630)
Net cost of financial indebtedness	**(124 012)**	**(48 023)**
Other financial income (including exchange gains)	97 748	25 391
Other financial expenses (including exchange losses)	(84 096)	(39 929)
Total other financial income and expenses	**13 652**	**(14 538)**
Financial result	**(110 359)**	**(62 561)**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

(2) The cost of gross financial debt includes a charge of €48M for the non-conversion premium relating to the OBSA/ORA contracts redeemed early

NOTE 27 EARNINGS PER SHARE

	August 31, 2023	August 31, 2022
Numerator (in thousands of euros)		
Net result - Group share	72 605	134 494
Net income from continuing operations	72 605	134 491
Diluted consolidated net income	74 156	136 045
Diluted consolidated net income from continuing operations	74 156	136 042
Denominator (number of shares)		
Weighted average number of shares	3 392 085	3 391 728
Total potential dilutive shares	342 936	342 936
OBSA	138 355	138 355
ORA	197 005	197 005
ALTRAD free share allocation plan (1)	7 576	7 576
Weighted average number of shares- diluted	3 735 021	3 734 664
Consolidated net earnings per share, Group share (in €)	**21,40**	**39,65**
Diluted consolidated net earnings per share, Group share (in €)	**19,85**	**36,43**
Earnings per share from continuing operations, Group share (in €)	**21,40**	**39,65**
Diluted earnings per share from continuing operations, Group share (in €)	**19,85**	**36,43**

(1) Changes have been made to the 2022 financial statements as originally published, upon finalisation of the allocation of fair values recognised under IFRS 3R related to the acquisition of ENDEL and its subsidiaries, RMDK and its subsidiaries, Sparrows and its subsidiaries, Cides, FRP, Valmec and its subsidiaries and opening adjustments relating to Prezioso Angola and Generation (see Note 2.4).

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

NOTE 28 STATUTORY AUDITORS' FEES

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

Audit fees *(In thousands of euros)*	August 31, 2023		August 31, 2022	
	Ernst & Young	Grant Thornton	Ernst & Young	Grant Thornton
Audit and certification of stautory and consolidated accounts *(Parent company + controlled entities (1))*	2 280	1 301	2 280	1 172
Other services than audit and certitication of statutory and consolidated accounts (2) *(Parent company + controlled entities (1))*	56	-	56	-
TOTAL	**2 336**	**1 301**	**2 336**	**1 172**

(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 29 EVENTS SUBSEQUENT TO THE CLOSE OF THE FINANCIAL YEAR

EVENTS SUBSEQUENT TO THE CLOSE OF THE FINANCIAL YEAR

Buyback of the remaining free shares and NYX AG Partners shares

On 14 September 2023, Altrad Investment Authority bought back the remaining 69 bonus shares and 20,958 NYX shares.

Full transmission of Patrimoine Polygones Managers and Archimède Managers

By decisions dated 24 November 2023, published on 27 November 2023, Altrad Investment Authority decided to dissolve its two wholly-owned subsidiaries Polygones Managers and Archimède Managers without liquidation and transfer all their assets and liabilities in accordance with the provisions of article 1844-5 paragraph 3 of the French Civil Code. Both subsidiaries were de-registered on 11 January 2024.

Acquisitions through external growth operations

Umacon

On 1 September 2023, the Altrad Group, via its subsidiaries Irbal and Altrad Plettac Iberica, acquired the assets (in particular the brand, machinery, stocks, etc.) of Umacon, a Spanish company specialising in the manufacture of concrete mixers and lifting equipment (in particular electric hoists and winches), for €1.2 million.

Edilservici Piacensa

On 13 December 2023, Altrad finalised the purchase of 55% of the shares of Edilservizi Piacensa S.r.l., subsequently renamed Altrad Servizi Italia S.R.L. This company had already been a customer of our subsidiary Altrad Italia for 20 years as part of its service activity, with the design, hire, erection and dismantling of scaffolding on construction and maintenance sites.

This company also has a subsidiary called Treci Servizi Industrilai Srl.

Sponsorship contract

On 30 January 2024, Altrad Hub signed a new partnership contract with the French Rugby Federation, for a period of 2 and a half years.

NOTE 30 INFORMATION ON RELATED PARTIES

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

in thousands of euros	August 31, 2023	August 31, 2023 o/w entitie accounted for using the equity method	August 31, 2022
Balance sheet			
Other receivables	1 069	-	104
Trade receivables	1 325	1 325	2 204
Loan	-	-	-
Trade payables and other debts (1)	(36 237)	(1 190)	(25 607)
Total	**(33 843)**	**135**	**(23 299)**

in thousands of euros	August 31, 2023		August 31, 2022
Income statement			
Sales	6 500	6 500	2 501
Costs	(6 475)	(921)	(5 856)
Financial income	-	-	-
Financial cost	(867)	-	(608)
Total	**(842)**	**5 579**	**(3 963)**

(1) Trade and other payables relate to the current account with Altrad Participation for €34,766K at 31 August 2023 vs. €24,628K at 31 August 2022.

(2) Operating expenses mainly relate to the Montpellier Hérault Rugy club for a sponsorship contract of €5,000K at 31 August 2023 and 31 August 2022.

(3) Financial expenses correspond to interest on the current account of Altrad Participations.

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

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

The amounts recognised as expenses under this heading amount to:

In thousands of euros	August 31, 2023	August 31, 2022
Short-term benefits (1)	2 580	2 739
Long-term benefits (2)	375	475
Post-employment benefit (3)	5	(42)
Expenses recognized for the free share plans (4)	-	583
Total executive compensation	**2 960**	**3 755**

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

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

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

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

NOTE 31 SCOPE OF CONSOLIDATION

The duration of the financial year is 12 months for all consolidated companies. Certain Group entities close their annual accounts at 31/12 and prepare an interim closing at 31/08 for the purpose of preparing the Group's consolidated accounts.
All transactions, reciprocal assets and liabilities and significant intra-group income between fully consolidated companies are eliminated.
The list of consolidated companies is as follows:

				August 31, 2023			August 31, 2022		
Denomination	Country	Note	Currency	Method	Interest %	Control %	Method	Interest %	Control %
Support									
Altrad Investment Authority	France	A	EUR	Parent			Parent		
Altrad Asia	China	A	EUR	FC	80,00	80,00	FC	80,00	80,00
Altrad Hub DMCC	Dubai	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad UK	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Hertel Asia Holding Pte Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Hertel Australia Holding Pty	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Hertel Holding Co. Ltd	Thailand	B	THB	FC	100,00	100,00	FC	100,00	100,00
Hertel Middle East Holding Ltd., Dubaï	Dubai	B	USD	FC	100,00	100,00	FC	100,00	100,00
Equipment									
ACE Coffrages et Etaiements	France	A	EUR	FC	# 100,00	98,36	FC	# 100,00	98,36
Actavo Hire & Sales Uk	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Alucon	Hungary	A	HUF	FC	100,00	100,00	FC	100,00	100,00
Altrad Australia Pty Ltd (4) (6)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Altrad Baumann	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Beaver 84	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Benelux	Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Cedria	Tunisia	A	TND	FC	100,00	100,00	FC	100,00	100,00
Altrad Collectivités	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Equipement	France	A	EUR	FC	99,99	99,99	FC	99,99	99,99
Altrad Energy Support Services Ltd (Ex Muehlhan Industrial Services Ltd) (4) (16)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Famea ECA	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Fort	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Generation H&S (Ireland) Ltd	Ireland	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Hofmaninger	Austria	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad International	France	A	EUR	FC	99,99	99,99	FC	99,99	99,99
Altrad Italie	Italy	A	EUR	FC	99,93	100,00	FC	99,93	100,00
Altrad Konskie	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
Altrad Lescha Atika	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Limex	Croatia	A	HRK	FC	100,00	100,00	FC	100,00	100,00
Altrad Liv	Slovenia	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Mostostal	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
Altrad Mostostal Montaz	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
Altrad Plettac	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Plettac Assco	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Plettac Iberica	Spain	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Plettac Production	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Poland (Spomasz)	Poland	A	PLN	FC	99,99	99,99	FC	99,99	99,99
Altrad Pomorze	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
Altrad Prymat	Poland	A	PLN	FC	100,00	100,00	FC	100,00	100,00
Altrad Richard Fraisse	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Romania	Romania	A	RON	FC	100,00	100,00	FC	100,00	100,00
Altrad Saint-Denis	France	A	EUR	FC	99,99	99,99	FC	99,99	99,99
Altrad Services A/S (Ex MDK Energy A/S) (4)	Denmark	A	DKK	IG	100,00	100,00	IG	100,00	100,00
Avon	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Belle Engineering	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Belle Equipos	Spain	B	EUR	FC	100,00	100,00	FC	100,00	100,00
Belle France	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Belle Holding Ltd	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Bragagnolo (15)	Italy	A	EUR	NC	0,00	0,00	FC	100,00	100,00

Denomination			Currency	August 31, 2023			August 31, 2022		
				Method	Interest %	Control %	Method	Interest %	Control %
Equipement (following)									
Defiant	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Dessa (6)	UK	A	GBP	FC	88,00	88,00	FC	88,00	88,00
Errut	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Generation	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Irbal (6)	Portugal	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Multi Up (6)	Portugal	A	EUR	FC	51,00	51,00	FC	51,00	51,00
Panther	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
PT RAPID METAL DEVELOPMENT IND (1)	Indonesia	A	IDR	FC	100,00	100,00	FC	100,00	100,00
RAPID METAL DEVELOPMENTS (NZ) LTD (1)	New-Zeland	A	NZD	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM(AUSTRALIA) PROPRIETARY LTD (1)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
RMD COLOMBIA SAS (1)	Colombia	B	COP	FC	100,00	100,00	FC	100,00	100,00
RMD INDIA PRIVATE LTD (1)	India	B	INR	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM IRELAND LTD (1) (16)	Ireland	A	EUR	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM (AL MAHA) QATAR WLL (1)	Qatar	B	QAR	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM ALMOAYED BAHRAIN (1)	Bahrein	B	BHD	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM CHILE SA (1)	Chile	B	CLP	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM GUAM, LLC (1)	USA	B	USD	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM HOLDINGS LTD (1)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM HONG KONG LTD (1)	Hong Kong	A	HKD	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM LTD (1)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM MIDDLE EAST LLC (1)	United Arab Emirates	B	AED	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM NORTH AMERICA HOLDINGS INC. (1)	USA	A	USD	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM NORTH AMERICA INC. (1)	USA	A	USD	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM OIL & GAS SERVICES LLC (1)	United Arab Emirates	A	AED	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM OMAN LLC (1)	Oman	B	OMR	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM PERU SAC (1)	Peru	B	PES	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM PHILIPPINES, INC (1)	Philippines	B	PHP	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM SAUDI ARABIA LLC (1)	Saudi Arabia	B	SAR	FC	100,00	100,00	FC	100,00	100,00
RMD KWIKFORM SINGAPORE PTE LTD (1)	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
RMDK BIDCO Limited (1)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Samia Devianne	France	A	EUR	FC	99,98	99,98	FC	99,98	99,98
Trad Hire & Sales (6)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
VAD Collectivités	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Services									
(*)Altrad Engineering Services Limited (ex Cape Engineering Services Limited) (5) (16)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Environmental Services Offshore Limited (ex Cape Environmental Services Offshore Limited) (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Industrial Projects & Maintenance (ex Hertel GmbH Leipzig) (7)	Germany	A	EUR	NC	-	-	NC	-	-
(*)Altrad Logistics Benelux NV (ex : Stellingbouw Balliauw)	Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Motherwell Bridge Limited (ex Motherwell Bridge Limited)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Multiservices BV (ex :Altrad Balliauw BV)	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Nederland BV (ex : Hertel Services Netherland B.V.)	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Services BV (ex : Hertel B.V.)	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Services Insulation BV (ex : Altrad Profix B.V.)	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Services Ireland Limited (ex Hertel Ireland Ltd)	Ireland	A	EUR	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Services Limited (ex Cape Industrial Services Limited) (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Services Singapore Pte Ltd (ex: Hertel Singapore Pte Ltd.)	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad Support Services Limited (ex Hertel UK Ltd)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
(*)Altrad York Linings Limited (ex York Linings International Limited)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
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

Denomination			Currency	August 31, 2023 Method	Interest %	Control %	August 31, 2022 Method	Interest %	Control %
Equipement (following)									
Altrad Betriebsvorrichtungen GmbH	Germany	A	EUR	NC	0,00	0,00	FC	100,00	100,00
Altrad Employment Sces LTD	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Euroscaff	Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad GIXTAALA JV (4)	Canada	A	CAD	FC	100,00	100,00	FC	100,00	100,00
Alpha Offshore Service A/S (3)	Denmark	B	DKK	FC	100,00	100,00	FC	100,00	100,00
Altrad Industrial Projects & Maintenance (8)	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Industrial Services (8)	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Kiel Industrial Services GmbH (8)	Germany	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Nsg (16)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Altrad Pacific Shared Services Inc (5)	Philippines	A	PHP	FC	100,00	100,00	FC	100,00	100,00
Altrad Rodisola	Spain	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Services Ltd (4)	Canada	A	CAD	FC	100,00	100,00	FC	100,00	100,00
Altrad Services Algérie (ex : SAEIP) (6)	Algeria	B	DZD	FC	99,95	99,95	FC	91,94	44,09
Altrad Services NV (ex : Altrad Balliauw Multiservices)	Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Altrad Services Pte Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Altrad Services Pty Ltd, (ex Cape Australia Onshore Pty Limited) (5)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Altrad Services Suisse	Switzerland	B	CHZ	FC	100,00	100,00	FC	91,99	90,08
Amb Hertel L.L.C.	Abu Dhabi	A	AED	FC	100,00	100,00	FC	100,00	100,00
AREVA PROJET NCPF (2)	France	A	EUR	IP	50,00	50,00	IP	50,00	50,00
ArranCo 3 Limited (3)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
ArranCo 4 Limited (3)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
ArranCo US LLC (3)	USA	B	USD	FC	100,00	100,00	FC	100,00	100,00
ATRON METROLOGY (2)	France	A	EUR	FC	51,00	100,00	FC	51,00	100,00
Cape Australia Holdings Pty Limited (5)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Cape Building Products Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape BVI (No1) Limited (5)	British Virgin Islands	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Calsil Group Limited (7)	UK	A	GBP		0,00	0,00		0,00	0,00
Cape Calsil Systems Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Cayman (No.2) Ltd (5)	Cayman Islands	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Claims Services Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Contracts International Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Durasteel Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape East & Partners LLC (5)	Oman	A	OMR	FC	100,00	100,00	FC	100,00	100,00
Cape East (Holdings) Limited (5)	Thailand	B	THB	FC	100,00	100,00	FC	100,00	100,00
Cape East (Thailand) Limited (5)	Thailand	B	THB	FC	100,00	100,00	FC	100,00	100,00
Cape East (UK) Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape East Algeria SARL (5)	Algeria	B	EUR	FC	100,00	100,00	FC	100,00	100,00
Cape East Egypt LLC (5)	Egypt	B	USD	FC	100,00	100,00	FC	100,00	100,00
Cape East General Contracting Company W.L.L (5)	Kuwait	B	KWD	FC	100,00	100,00	FC	100,00	100,00
Cape East Jusik Hoesa (5)	Korea	B	KRW	FC	100,00	100,00	FC	100,00	100,00
Cape East Libya Limited (5)	Malta	B	EUR	FC	100,00	100,00	FC	100,00	100,00
Cape East Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape East Limited Company W.L.L (5)	Qatar	B	USD	FC	100,00	100,00	FC	100,00	100,00
Cape East Limited LLC (5)	Abu Dhabi	A	AED	FC	100,00	100,00	FC	100,00	100,00
Cape East Philippines Inc (5)	Philippines	B	PHP	FC	100,00	100,00	FC	100,00	100,00
Cape East Pte Ltd (5)	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Cape East Sdn Bhd (5)	Malaysia	A	MYR	FC	100,00	100,00	FC	100,00	100,00
Cape East SPC (5)	Bahrein	A	BHD	FC	100,00	100,00	FC	100,00	100,00
Cape (Group Services) Limited (7)	UK	A	GBP	NC	-	-	NC	-	-
Cape HoldCo Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Hong Kong Fuji Limited (5)	China	B	HKD	FC	100,00	100,00	FC	100,00	100,00
Cape Hong Kong Limited (5)	China	B	HKD	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Company Limited (5)	Saudi Arabia	B	SAR	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services Europe Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services Group Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00

				August 31, 2023			August 31, 2022		
Denomination			Currency	Method	Interest %	Control %	Method	Interest %	Control %
Services (following)									
Cape Industrial Services Limited (Jordan) (5)	Jordan	A	USD	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services LLC (5)	Russia	B	RUB	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services (Sakhalin) LLC (5)	Russia	B	RUB	MEE	50,00	50,00	MEE	50,00	50,00
Cape Industrial Services Private Limited (5)	India	A	INR	FC	100,00	100,00	FC	100,00	100,00
Cape Industrial Services Pty Limited (7)	Australia	A	AUD	NC	-	-	NC	-	-
Cape Insulation Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Intermediate Holdings Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape International Holdings Pte Limited (5)	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Cape International Sdn Bhd (5)	Brunei	A	BND	FC	100,00	100,00	FC	100,00	100,00
Cape Libya Industrial Services, Security and Safety Joint Company (5)	Libya	B	USD	FC	100,00	100,00	FC	100,00	100,00
Cape Marine and Offshore Pty Limited (7)	Australia	A	AUD	NC	-	-	NC	-	-
Cape PCH LLC (5)	Azerbaidjan	B	USD	FC	100,00	100,00	FC	100,00	100,00
Cape Pension Trustees Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape plc (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Regional Services DMCC (5)	Dubai	A	AED	FC	100,00	100,00	FC	100,00	100,00
Cape Specialist Coatings Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape UK Holdings Newco Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape UK Limited (5)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Cape Vietnam LLC (5)	Vietnam	B	VND	FC	100,00	100,00	FC	100,00	100,00
CERAP (2)	France	A	EUR	FC	51,00	100,00	FC	51,00	100,00
CERAP ADVANCE (2)	France	A	EUR	FC	51,00	100,00	FC	51,00	100,00
CERAP SUISSE (2)	Switzerland	A	CHF	FC	51,00	100,00	FC	51,00	100,00
CG Purchasing Pte Ltd	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
CIDES CONGO (4) (6)	Congo	A	XAF	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 (7)	UK	A	GBP	NC	-	-	NC	-	-
Decalog (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
DYNAMIC (2)	France	A	EUR	MEE	30,00	30,00	MEE	30,00	30,00
EFTIC (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Encore Australia Holdings Pty Ltd	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
ENDEL (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
ENDEL REUNION (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
ENDEL SRA (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Energy Cranes International Limited (3)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
ENTREPOSE NAVIBORD (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
EUROPIPE (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
FRP PRODUCTS CO., PTE. LTD. (4)	Singapore	A	SGD	FC	100,00	100,00	FC	100,00	100,00
Geo Project (6)	South Africa	B	ZAR	FC	100,00	100,00	FC	100,00	100,00
Hawco Engineering Lifting Solutions Lda (3)	Angola	B	AOA	IG	100,00	100,00	IG	100,00	100,00
Hawk Bidco (US) Inc (3)	USA	B	USD	FC	100,00	100,00	FC	100,00	100,00
Hawk Debtco Limited (3)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Hawk Holdco Limited (3)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Hawk Newco Limited (3)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Hawk Noteco Limited (3)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Hertel Beheer B.V.	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Hertel Holding B.V.	Netherlands	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Hertel Industrial Services B.V.	Azerbaidjan	A	AZM	FC	100,00	100,00	FC	100,00	100,00
Hertel LLC	Oman	A	OMR	FC	99,00	99,00	FC	99,00	99,00
Hertel Malaysia Sdn Bhd	Malaysia	A	MYR	FC	100,00	100,00	FC	100,00	100,00
Hertel Modern Pty. Ltd	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Hertel MSL L.L.C.	Qatar	A	QAR	FC	98,00	98,00	FC	98,00	98,00
Hertel W.L.L.	Bahrein	A	BHD	FC	100,00	100,00	FC	100,00	100,00
Ipes (6)	Nigeria	B	NGN	FC	90,00	90,00	FC	90,00	90,00
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) (6)	Norway	A	NOK	FC	100,00	100,00	FC	100,00	100,00
Linjebygg INC (6)	USA	A	USD	FC	91,99	90,08	FC	91,99	90,08
Linjebygg Norway AS (7)	Norway	A	NOK	NC	-	-	NC	-	-
Maintech (6)	Norway	A	NOK	FC	50,80	50,80	FC	50,80	50,80
MB Engineering Services Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
METAL CONTROL (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
MEVI (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Mtd	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00

Denomination			Currency	August 31, 2023 Method	Interest %	Control %	August 31, 2022 Method	Interest %	Control %
Services (following)									
Nuclear New Build Industrial Services Limited (7)	UK	A	GBP	NC	-	-	NC	-	-
Olio Cape Sdn Bhd (5)	Malaysia	A	MYR	IG	100,00	100,00	IG	100,00	100,00
Overseas Technical Coatings & Services Company L.L.C	Saudi Arabia	A	SAR	FC	100,00	100,00	FC	100,00	100,00
PCH Offshore Pty Limited	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
PCH Thailand Co Limited	Thailand	B	THB	FC	49,00	49,00	FC	49,00	49,00
Poujaud SAS	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Predart Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Prezicon (6)	Nigeria	B	NGN	FC	49,00	49,00	FC	49,00	49,00
Prezioso Angola Partnerships	Angola	B	AOA	FC	75,00	100,00	FC	75,00	100,00
Prezioso Angola (6)	Angola	B	AOA	FC	100,00	100,00	FC	100,00	100,00
Prezioso Congo (6)	Congo	B	XOF	FC	100,00	100,00	FC	100,00	100,00
Prezioso do Brasil (6)	Brazil	A	BRL	FC	100,00	100,00	FC	100,00	100,00
Prezioso Holding (6)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Prezioso Linjebygg (6)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Prezioso Linjebygg (6)	Ivory Coast	B	XOF	FC	100,00	100,00	FC	100,00	100,00
Prezioso Linjebygg Mozambique (4)	Mozambique	B	MZD	FC	100,00	100,00	FC	100,00	100,00
Prezioso Linjebygg Group (6)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Prezioso Linjebygg Guinée Equatoriale (6)	Equatorial Guinea	B	XOF	FC	59,79	58,55	FC	59,79	58,55
Prezioso Linjebygg Holding (6)	France	A	EUR	FC	91,99	90,08	FC	91,99	90,08
Prezioso Qatar (7)	Qatar	A	QAR	NC	-	-	NC	-	-
Prezioso Technilor Gabon (6)	Gabon	B	XOF	FC	100,00	100,00	FC	100,00	100,00
Prezioso-Emdad (6)	United Arab Emirates	A	AED	MEE	65,00	49,00	MEE	65,00	49,00
Professional Construction Hire (PCH) W.L.L	Qatar	B	USD	FC	100,00	100,00	FC	100,00	100,00
PT Cape East Indonesia Limited	Indonesia	B	IDR	FC	100,00	100,00	FC	100,00	100,00
PT PCH Indonesia	Indonesia	B	IDR	FC	100,00	100,00	FC	100,00	100,00
Pt Sparrows Offshore(3)	Indonesia	B	INR	FC	100,00	100,00	FC	100,00	100,00
PT Sparrows Services Batam (3)	India	B	INR	FC	100,00	100,00	FC	100,00	100,00
PZO Technilor Unipessoal (6)	Portugal	A	EUR	FC	100,00	100,00	FC	100,00	100,00
R.B. Hilton Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
R.B. Hilton Saudi Arabia	Saudi Arabia	B	SAR	FC	100,00	100,00	FC	100,00	100,00
Remediation Rectification Works Pty. Ltd	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Remove Insul N.V.	Belgium	A	EUR	FC	100,00	100,00	FC	100,00	100,00
RI Tracing GmbH	Germany	A	EUR	NC	-	-	NC	-	-
Ridgebay Holdings Pty Limited	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Rig Source (6)	South Africa	B	ZAR	FC	100,00	100,00	FC	100,00	100,00
Rope Acces Angola (6)	Angola	B	NAD	FC	87,50	55,00	FC	87,50	55,00
Rope Access Namibie (6)	Namibia	B	NAD	FC	90,00	90,00	FC	90,00	90,00
Ropetec Congo (6)	Congo	B	XOF	FC	100,00	100,00	FC	100,00	100,00
Ropetec Ghana (6)	Ghana	B	GHS	FC	100,00	100,00	FC	100,00	100,00
Ropetec International (6)	Dubai	A	USD	FC	100,00	100,00	FC	100,00	100,00
Ropetec Rigworld Ghana (6)	Ghana	B	GHS	FC	85,00	85,00	FC	85,00	85,00
SC Hertel Industrial Services SRL	Romania	A	RON	FC	100,00	100,00	FC	100,00	100,00
SC Hertel SRL	Romania	A	RON	FC	100,00	100,00	FC	100,00	100,00
SEFC (2)	France	A	EUR	FC	51,00	100,00	FC	51,00	100,00
SENEGAL KENI PAINTING	Sengal	A	XAF	FC	100,00	55,00	FC	100,00	55,00
SEP Altrad Services Nord	France	A	EUR	IP	100,00	100,00	IP	100,00	100,00
SEP Baumert Prezioso (6)	France	A	EUR	IP	50,00	50,00	IP	50,00	50,00
SEP Blayais Golfech	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
SEP ENDEL MARCOULE PHENIX (2)	France	A	EUR	IP	50,00	50,00	IP	50,00	50,00
SEP ENT.NAV./MEDIACO (2)	France	A	EUR	IP	50,00	50,00	IP	50,00	50,00
SEP Prezioso Solorpec	France	A	EUR	IP	50,00	50,00	IP	50,00	50,00

Denomination			Currency	August 31, 2023			August 31, 2022		
				Method	Interest %	Control %	Method	Interest %	Control %
Services (following)									
SEP Prezioso-Lassarat (6)	France	A	EUR	IP	60,00	60,00	IP	60,00	60,00
SEP Prezioso-Technilor / SN-SGC (6)	France	A	EUR	IP	60,00	60,00	IP	60,00	60,00
SEP RJH (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
Servtech Limited (3)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Servtech UK Limited (3)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Shanghai Hertel Yanda Installation Engineering Co.Ltd.	China	A	CNY	FC	51,00	51,00	FC	51,00	51,00
Ship Support Services Limited (7)	UK	A	GBP	NC	-	-	NC	-	-
SOCAR-Cape LLC (5)	Azerbaidjan	B	USD	FC	100,00	100,00	FC	100,00	100,00
Somewatch Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Somewin Limited	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Sparrows FZE (3)	Dubai	B	AED	IG	100,00	100,00	IG	100,00	100,00
Sparrows Global Ressources Pte Ltd (3)	Singapore	B	SGD	IG	100,00	100,00	IG	100,00	100,00
Sparrows BSM Engenharia Ltda (3)	Brazil	B	BRL	MEE	50,00	50,00	MEE	50,00	50,00
Sparrows (Equatorial Guinea) Ltd (3)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Sparrows Holdings Australia Pty Ltd (3)	Australia	B	AUD	FC	100,00	100,00	FC	100,00	100,00
Sparrows India 1 Limited (3)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Sparrows India 2 Limited (3)	UK	B	GBP	FC	100,00	100,00	FC	100,00	100,00
Sparrows Offshore International Group Limited (3)	UK	B	GBP	IG	100,00	100,00	IG	100,00	100,00
Sparrows Offshore LLC (3)	USA	B	USD	IG	100,00	100,00	IG	100,00	100,00
Sparrows Offshore Services (Singapore) Pte Limited (3)	Singapore	B	SGD	IG	100,00	100,00	IG	100,00	100,00
Sparrows Offshore Services India Private Limited (3)	India	B	IND	IG	100,00	100,00	IG	100,00	100,00
Sparrows Offshore Services Ltd (3)	UK	B	GBP	IG	100,00	100,00	IG	100,00	100,00
Sparrows Saudi Arabia LLC (3)	Saudi Arabia	B	SAR	IG	100,00	100,00	IG	100,00	100,00
Sparrows Services Australia Pty Ltd (3)	Australia	B	AUD	IG	100,00	100,00	IG	100,00	100,00
SS AO Lifting Solutions Lda (3)	Angola	B	AOA	IG	100,00	100,00	IG	100,00	100,00
Tenaga Sparrows Sdn Bhd (3)	Brunei	B	BND	IG	100,00	100,00	IG	100,00	100,00
Technilor (6)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
TENEO (2)	France	A	EUR	FC	100,00	100,00	FC	100,00	100,00
TES (2)	France	A	EUR	FC	65,05	100,00	FC	65,05	100,00
Total Corrosion Control Pty Limited (7)	Australia	A	AUD	NC	-	-	NC	-	-
Trad Group (6)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Trad Hire & Sales (6)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Trad Hire & Sales Midlands (6)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Trad Hire & Sales Nothern (6)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Trad Hire & Sales Scotland (6)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Trad Safety Systems (6)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
Trad Scaffolding (6)	UK	A	GBP	FC	100,00	100,00	FC	100,00	100,00
TRIHOM (2)	France	A	EUR	MEE	34,00	34,00	MEE	34,00	34,00
UAB Armari (15)	Lituania	A	EUR	NC	0,00	0,00	FC	100,00	100,00
Valmec Australia Pty Ltd (4) (6)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Valmec Limited (4) (6)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Valmec Plant and Equpment Ltd (4) (6)	Australia	A	AUD	FC	100,00	100,00	FC	100,00	100,00
Valmec Services Pty Ltd (4) (6)	Australia	A	AUD	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
Nüsam Limited (9)	Dubai	A	AED	FC	51,00	51,00	-	-	-
Babcock Gen. Contraccing & M S (10)	Dubai	A	AED	FC	100,00	49,00	-	-	-
Ausgroup Companies Pty Ltd (11)	Australia	A	AUD	FC	100,00	100,00	-	-	-
Seagate Structural Engineering Pty Ltd (11)	Australia	A	AUD	FC	100,00	100,00	-	-	-
Specialist People Pty Ltd (11)	Australia	A	AUD	FC	100,00	100,00	-	-	-
MAS Australasia Pty Ltd (11)	Australia	A	AUD	FC	100,00	100,00	-	-	-
AusGroup People Pty Ltd (11)	Australia	A	AUD	FC	100,00	100,00	-	-	-
Resource People Pty Ltd (11)	Australia	A	AUD	FC	100,00	100,00	-	-	-
AGC Industries Pty Ltd (11)	Australia	A	AUD	FC	100,00	100,00	-	-	-
Workforce Logistics Pty Ltd (14)	Australia	A	AUD	FC	100,00	100,00	-	-	-
REC Maintenance & Construction Pty Ltd (11)	Australia	A	AUD	FC	100,00	100,00	-	-	-
Doosan Babcock Energy Germany GmbH (10)	Germany	A	EUR	FC	100,00	100,00	-	-	-
SEP REMELEC (9)	France	A	EUR	FC	100,00	100,00	-	-	-
SEFC FORMA3MIL (9)	France	A	EUR	FC	51,00	51,00	-	-	-
REMO INTERM (9)	France	A	EUR	FC	70,00	70,00	-	-	-
CERAP UK (9)	UK	A	GBP	FC	51,00	51,00	-	-	-
Altrad Babcock Limited (10)	UK	A	GBP	FC	100,00	100,00	-	-	-
Altrad Babcock Energy Services (Overseas) Ltd (10)	UK	A	GBP	FC	100,00	100,00	-	-	-
Altrad Babcock Power Systems Overseas Invest Ltd (Hold Co) (10)	UK	A	GBP	FC	100,00	100,00	-	-	-
Doosan Babcock Energy Polska SA (10)	Poland	A	PLN	FC	100,00	98,88	-	-	-
Altrad Services Portugal Unipessoal Lda (13)	Portugal	A	EUR	FC	100,00	100,00	-	-	-
Altrad Babcock for Oil and Gas Services WLL (ex Doosan Babcock W.L.L (Qatar JV)) (10)	Qatar	A	QAR	FC	100,00	49,00	-	-	-
Altrad Power Systems Americas LLC (10)	USA	A	USD	FC	100,00	100,00	-	-	-
Others									
Financière Guy Noël (7)	France	A	EUR	-	-	-	-	-	-
ARCHIMEDE MANAGERS (12)	France	A	EUR	FC	100,00	100,00	-	-	-
POLYGONES MANAGERS (12)	France	A	EUR	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

(1) Companies included in the scope of consolidation as a result of the acquisition of the RMD Group in October 2021.

(2) Companies included in the scope of consolidation as a result of the acquisition of the Endel Group in April 2022.

(3) Companies included in the scope of consolidation as a result of the acquisition of the Sparrows Group in July 2022.

(4) Companies consolidated during the financial year ended 31 August 2022. These are Altrad Australia Pty Ltd, Valmec Australia Pty Lts, Valmec Limited, Valmec Plant and Equipment Ltd, Valmec Services Pty Ltd, Altrad Energy Support Services Ltd, Altrad Services A/S, Altrad Gixtaala, Altrad Services Ltd, FRP Products Co, Cides Congo, Prezioso Linjebygg Mozambique.

(5) The Altrad Group incorporates 100% of the Cape Group in its consolidated financial statements as of 31.08.2018. Under the Scheme of Arrangement, Scheme Shares have been established in CCS, CIH and Cape plc and are held by an independent third party on behalf of the creditors of the Scheme of Arrangement. These shares have special rights allowing the Scheme of Arrangement shareholder to protect the interests of creditors. The special voting share of Cape plc is held by Law Debenture Trust Corporation plc on behalf of the creditors of the Scheme of Arrangement. The rights attached to this share are designed so that the assets of the Scheme of Arrangement are used only to settle its claims and costs. It does not confer any right to receive a dividend distribution or a refund of surplus reserves. The holder will, however, have the right to demand the redemption of the Company's share at its nominal value at any time after the end of the Scheme of Arrangement. The share carries two voting rights for each voting right that the holders of the other classes of outstanding shares are entitled to exercise over any proposed resolution during the term of the Scheme of Arrangement which commits the company to certain activities specified in its Articles of Association. The Company will not be permitted to perform certain activities specified in its Articles of Association without the prior consent of the holder of the share.
Any distribution that Cape plc proposes to make to its shareholders may not, without the consent of the Scheme of Arrangement Shareholder, exceed the greater of the following two amounts: (i) 50% of the consolidated adjusted operating income of the Cape Group for the prior year and (ii) the total authorised dividends earned in the prior year. This restriction therefore imposes a cap on the amount of dividends that Cape plc can pay each year.
The Cape Group's Russian subsidiary (Sakhalin) is accounted for using the equity method in the Group's accounts, as it is a joint venture in which the Altrad Group has a 50% stake

(6) In accordance with the accounting treatment adopted, the Group opted for the companies concerned, as of the takeover, for the recognition of a liability in the consolidated balance sheet in return for the non-recognition of minority interests.
At 31 August 2022, the unexercised options concerned the entities TRAD, IRBAL, MULTI UP, DESSA, Vamec, SNKP, Cides and the PREZIOSO Group.

(7) Companies consolidated during the financial year ended 31 August 2022. Linjebygg Norway AS, Prezioso Qatar, Cape (Group Services) Limited, Cape Calsil International Limited, Cape Overseas Limited, DBI Industrial Services Limited, Nuclear New Build Industrial Services Limited, Ship Support Services Limited, Cape Industrial Services Pty Limited, Cape Marine and Offshore Pty Limited and Total Corrosion Control Pty Limited have been wound up
These transactions have no impact on the Group's equity.
Other exits from the scope: Financière Guy Noel and Altrad Industrial Projects & Maintenance were merged into other consolidated subsidiaries during the 2021 - 2022 financial year.

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

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

(10) Incoming companies on 25/09/2022 following the acquisition of the Doosan group by Altrad Uk.

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

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

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

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

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