

Touax[®]

Your operational leasing solution for sustainable transportation

Half-year report

June 30, 2022

The present half-year financial report has been drawn up in accordance with Article L451-1-2-III of the French Monetary and Financial Code and Articles 222-4 and 222-6 of the General Regulations of the French Financial Market Authority (AMF).

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1. HALF-YEAR PROGRESS REPORT ON THE INTERIM FINANCIAL STATEMENTS TO JUNE 30, 2022

1.1. KEY FIGURES

The tables below show extracts from the income statements, statements of financial position and cash flow statements from the condensed consolidated financial statements for the six-month periods to June 30, 2022 and June 30, 2021 and full-year 2021.

The financial information given below must be understood in the light of the half-year condensed consolidated financial statements and the other information given in the half-year progress report given below.

<i>(in thousands of euros)</i>	06.2022	06.2021	12.2021
Revenue from activities	103,239	73,530	167,871
Restated revenue on owned activity (1)	72,145	48,768	116,396
Restated revenue on management activity (1)	6,171	3,699	8,010
Capital gains or losses on disposals unrelated to recurring activities		6	558
Total restated revenue from activities (1)	78,316	52,473	124,964
EBITDA (2)	29,493	21,345	53,073
Operating income	16,567	9,250	28,712
Consolidated net attributable income - Group's share	7,585	1,970	12,552
Earnings per share (euro)	1.08	0.28	1.79

(1) The reconciliation between the published figures and these aggregates is presented in note 4.1 of the condensed consolidated half-year financial statements

(2) EBITDA corresponds to the current operating income restated by depreciation charges and provisions for capital assets

<i>(in thousands of euros)</i>	06.2022	12.2021	06.2021
Total assets	585,035	552,402	480,344
Gross tangible fixed assets (1)	488,374	474,907	457,509
Total non-current assets	353,200	358,043	342,758
Shareholders' equity - Group's share	112,581	107,961	93,671
Consolidated shareholder's equity	170,199	164,960	145,651
Minority interests	57,618	56,999	51,980
Gross financial debt	324,528	285,458	269,264
Net financial debt (2)	242,234	231,641	227,446

(1) The gross tangible assets do not include the value of capital gains on internal disposals

(2) The net debt is the gross debt including cash assets and excluding derivative instruments asset. Derivative instruments asset amounted to €4.9 million at the end of June 2022.

1.2. REMINDER CONCERNING THE BUSINESSES

With operations across five continents, TOUAX leases and sells freight railcars, river barges and containers throughout the world, on its own behalf and on behalf of investors.

With managed assets worth €1.3 billion, TOUAX is one of the European leaders for leasing this type of equipment.

TOUAX achieved restated revenue from activities of €78.3 million in the first half of 2022, of which 99% was achieved outside France.

■ Freight Railcars division

TOUAX Rail Ltd, a wholly-owned subsidiary of TOUAX, operated circa 10,768 platforms (7,958 railcars) at the end of June 2022. The Group is specialized in 45', 60', 90' and 106' flat intermodal railcars, but also markets car-carrier railcars and hopper railcars.

The currency of the Freight Railcars division is the euro in Europe and the Indian rupee in India.

In Europe, the Group offers its leasing and maintenance services via a network of agencies and agents located in most of the European countries. TOUAX may also sell used and new railcars.

TOUAX offers complete hedging to all its clients.

The Group mainly operates railcars on its own behalf (69% of the managed fleet) and partly through third-party asset management (31% of the managed fleet in number of platforms).

■ River Barges division

The TOUAX Group is present in Europe and North and South America with a fleet of 101 barges at the end of June 2022 for its own and for third parties, representing a capacity of over 278,000 tons.

TOUAX provides its services:

- in France on the Seine and Rhone,

- in Northern Europe on the Rhine (Meuse, Moselle, Main),
- in Central Europe on the Danube,
- in North America on the Mississippi,
- in South America on the Paraná-Paraguay.

TOUAX offers its customers comprehensive expertise in the field of river transport, in particular with leasing and trade in river transport equipment.

The currency of the River Barges division is the dollar in the United States and South America, and the euro in Europe.

TOUAX's customers are river logistics operators and industrial companies.

■ Containers division

Through Touax Global Container Solutions, TOUAX managed a fleet of about 390,000 CEU at the end of June 2022, making it the leader in Continental Europe and the eight largest container leasing company in the world. The Group specializes in standard dry containers (20 feet, 40 feet, and 40 feet high capacity) which can be leased to all shipping companies worldwide. The average age of its fleet is of 11 years.

74% of the containers are managed on behalf of third-party investors, and the remainder belongs to the Group (number of CEU).

The Containers division deals in US dollars.

TOUAX Global Container Solutions offers a very extensive range of contracts:

- Short-term operational leasing (annually renewable master lease or one way leasing),
- Long-term operational leasing (3 to 10 years) with or without an option to buy (these contracts account for 79% of the fleet managed),
- Occasionally financial leasing (sale and leaseback and lease-purchase program).

TOUAX also sells new and used containers.

The Group's utilization rate was of 98.1% on June 30, 2022.

TOUAX Global Container Solutions works with various shipping companies, including the 25 largest shipping companies in the world, many of which have a history of leasing from us that dates back over 20 years.

The company is established internationally through a network of 3 regional offices (Singapore for Asia, Miami for the Americas and Hamburg for Europe, Middle East and Africa) and representations in the following locations: Philadelphia, Los Angeles, Houston, Austin, Sao Paulo, Genoa, Aarhus, Shanghai and Seoul.

With about 200 warehouses located in the main port zones in the world, TOUAX Global Container Solutions thereby offer a global cover to all its customers.

■ Modular Buildings division in Africa

The Modular Buildings activity continues in Africa. This activity is not significant in relation to the Group's other transportation activities and is presented in segment information in the miscellaneous category.

1.3. RESTATED REVENUE FROM ACTIVITIES

In order to enable a more detailed and more accurate reading of its activities, revenues from activities are restated in order to present owned activities separately from management activities (see note 4 of the condensed consolidated half-year financial statements). For management activities, leasing revenue from investor-owned equipment (active or passive) is replaced by management fees, which correspond to the net contribution of the leasing management activity to the Group's performance.

This presentation shows syndication fees, sales fees and management fees, grouped together under management activity, separate from owned activity.

■ Variation in restated revenue from activities

Total restated revenue from activities increased by €25.8 million (equal to +49%), from €52.5 million in June 2021 to €78.3 million in June 2022. At constant scope and currency, revenue from activities increased by +41%. The dollar appreciated between the two periods, from \$1.2053 = €1 on the first semester of 2021 to \$1.0934 = €1 on the first semester of 2022.

- The Freight Railcars activity showed an increase of €2.8 million. This increase is explained by the increase in leasing revenues.
- The River Barges activity increased its turnover by €2.5 million. This variation is mainly explained by an improvement in chartering revenues.
- The Containers activity grew by €25.2 million. The increase in sales of equipment mainly explains this variation. Leasing revenue continues to grow.
- The Modular Buildings activity decreased by €4.7 million.

Owned equipment activity rose by €23.4 million. This increase is mainly explained by the increase in sales of containers.

Management activity increased by €2.5 million and is mainly due to syndication fees, which increased in the Containers and Freight Railcars activities.

Analysis by geographical area

Restated revenue from activities by geographical (in thousands of euros)	06.2022	06.2021	Variation June		12.2021
			2022/2021		
International	41,278	16,042	25,236	157.3%	47,166
Europe	30,117	25,368	4,749	18.7%	56,707
Americas	1,354	1,495	(141)	-9.4%	2,880
Africa	2,983	7,645	(4,662)	-61.0%	13,871
Asia	2,584	1,923	661	34.4%	4,340
TOTAL Restated revenue from activities	78,316	52,473	25,843	49.3%	124,964

In the Freight Railcars and River Barges divisions, the services are provided in the sector where the markets and customers are located.

The Containers division is present at the international level, since the containers travel on hundreds of global trade routes.

Analysis by division

Restated revenue from activities by business (in thousands of euros)	06.2022	06.2021	Variation June		12.2021
			2022/2021		
Freight Railcars	26,432	23,629	2,803	12%	50,326
Owned activity	25,069	22,696	2,373	10%	47,932
Management activity	1,363	933	430	46%	2,394
River Barges	7,619	5,140	2,479	48%	12,816
Owned activity	7,600	5,128	2,472	48%	12,082
Management activity	19	12	7	62%	734
Containers	41,279	16,042	25,237	157%	47,658
Owned activity	36,490	13,288	23,202	175%	42,776
Management activity	4,789	2,754	2,035	74%	4,882
Modular Buildings	2,983	7,639	(4,656)	-61%	14,062
Owned activity	2,983	7,639	(4,656)	-61%	14,062
Others	3	17	(14)	-82%	(456)
Owned activity	3	17	(14)	-82%	(456)
Total Restated revenue	78,316	52,467	25,849	49%	124,406
Capital gains or losses on disposals unrelated to recurring activities Modular Buildings		6	(6)	-100%	558
Total Capital gains or losses on disposals unrelated to recurring activities		6	(6)	-100%	558
Total Restated revenue from activities	78,316	52,473	25,843	49%	124,964

Freight Railcars division

Restated revenue from activities in the Freight Railcar division increased by €2.8 million, from €23.6 million on 30 June 2021 to €26.4 million on 30 June 2022.

Owned activity rose by €2.4 million over the semester. Its revenue increased from €22.7 million in June 2021 to €25.1 million in June 2022. This increase is explained by more sales (+€3.3 million).

Management activity increased by €0.4 million. Its revenue rose from €0.9 million in June 2021 to €1.4 million in June 2022. The syndication (+€0.4 million) over the first half of the year explains this variation. Management fees are stables at €0.9 million.

River Barges division

Restated revenue from activities in the River Barges division increased by €2.5 million, changing from €5.1 million to €7.6 million. This variation can be explained by the increase in chartering revenue on the Rhine.

Containers division

Restated revenue from activities in the Containers division increased by €25.2 million, changing from €16 million in June 2021 to €41.3 million in June 2022.

Owned activity increased by €23.2 million. Its turnover increased from €13.3 million in June 2021 to €36.5 million in June 2022. This increase is explained by a significant increase in sales (+€18.8 million) and leasing activity (+€4.4 million).

Management activity increased by €2 million. Its revenue increased from €2.8 million in June 2021 to €4.8 million in June 2022. The syndication fees are rising (sales of 16,462 CEU on June 2022 compared to 10,131 CEU on June 2021). Sales fees also increased with a variation of +€0.7 million. Management fees increased by €0.2 million.

- **Miscellaneous**

The revenues in the Modular buildings division are grouped together in the miscellaneous & eliminations sector. The activity of the division is centred on the sale of modular buildings in Africa. The revenue decreased by €4.7 million in the first half of 2022.

1.4. VARIATION IN THE GROUP'S RESULTS

Segment information is presented in accordance with IFRS 8 based on internal management reports.

Result (in thousands of euros)	06.2022	06.2021	Variation June 2022/2021	12.2021
FREIGHT RAILCARS				
EBITDA	15,174	11,663	3,511	26,241
Segment-based current operating income	5,938	3,357	2,581	9,048
RIVER BARGES				
EBITDA	2,088	2,035	53	4,826
Segment-based current operating income	560	498	62	1,950
CONTAINERS				
EBITDA	12,557	5,915	6,642	17,829
Segment-based current operating income	10,948	4,283	6,665	14,809
TOTAL SEGMENTS (excluding Miscellaneous & eliminations)				
EBITDA (excluding Miscellaneous & eliminations)	29,819	19,613	10,206	48,896
Segment-based current operating income (excluding Miscellaneous & eliminations)	17,446	8,138	9,308	25,807
Miscellaneous & eliminations	(879)	1,154	(2,033)	2,947
Current operating income	16,567	9,292	7,275	28,754
Other operating revenues and expenses		(42)	42	(42)
Operating income	16,567	9,250	7,317	28,712
Financial result	(6,758)	(5,810)	(948)	(11,902)
Profit before tax	9,809	3,440	6,369	16,810
Corporate income tax	(1,455)	(213)	(1,242)	(1,046)
EARNINGS FROM RETAINED OPERATIONS	8,354	3,227	5,127	15,764
EARNINGS FROM DISCONTINUED OPERATIONS				
CONSOLIDATED NET INCOME	8,354	3,227	5,127	15,764
- non controlling interests (Minority interests) from retained operations	769	1,257	(488)	3,212
- non controlling interests (Minority interests) from discontinued operations				
CONSOLIDATED NET ATTRIBUTABLE INCOME	7,585	1,970	5,615	12,552

The **Freight Railcar** division presents a current operating income that has increased by €2.6 million. This increase is explained by the increase in leasing revenue of owned equipment combined with the decrease in operating expenses.

The **River Barges** division presents a current operating income that has increased by €63 thousand compared to June 2021.

The **Containers** division presents an increase in operating income of €6.7 million at 30 June 2022. Restated revenue from activities increased for owned and managed assets.

The Modular Buildings division and miscellaneous items reported operating income at 30 June 2022 down €2 million. The volume of business is slowing down.

1.5. OTHER ITEMS OF THE CONSOLIDATED RESULTS

Financial result

The financial result showed an expense of €6.8 million at June 30, 2022 compared with €5.8 million at June 30, 2021. The financial result mainly comprises interest charges.

Net result – Group's share

The consolidated net income (Group's share) remains positive with €7.6 million at June 30, 2022 compared to €2 million at June 30, 2021.

Net earnings per share amounted to €1.08 (€0.28 in June 2021).

1.6. GROUP CONSOLIDATED BALANCE SHEET

The total consolidated balance sheet at June 30, 2022 amounted to €585 million, compared with €552.4 million at December 31, 2021.

Non-current assets totalled €353.2 million (including property, plant and equipment worth €322.8 million) at June 30, 2022 compared with €358 million (including property, plant and equipment worth €322.5 million) at December 31, 2021.

Long-term financial assets amounted to €5 million at June 30, 2022 compared with €4.6 million at December 31, 2021.

Stocks at June 30, 2022 amounted to €105.2 million compared with €95.9 million at December 31, 2021.

Shareholders equity amounted to €170.2 million at June 30, 2022, compared with €165 million at December 31, 2021.

Non-current liabilities amounted to €266.1 million at June 30, 2022, compared with €232.4 million at December 31, 2021.

Consolidated net financial indebtedness (after deducting cash and marketable securities and short-term derivative instruments assets) amounted to €237.7 million (€230.6 million in December 2021).

1.7. PRINCIPAL OUTSTANDING INVESTMENTS

I Main net investments (non-group) of the fleet managed by Touax for third parties (investors)

- Containers:
 - Sale of second-hand containers from investors leading to a decrease in the value of the fleet for €7.9 million (gross value).
 - Syndication for €33.3 million.
- Freight Railcars:
 - Syndication for €11.8 million.

I Main net investments on TOUAX's own behalf

Net capital assets investments (in thousands of euros)	06.2022	06.2021	12.2021
Net intangible investments	20	57	123
Net tangible investments	(1,649)	13,230	21,912
Net financial investments	(12,223)	(1,868)	7,646
TOTAL NET INVESTMENTS IN ASSETS	(13,852)	11,418	29,681

These are acquisitions of fixed assets in gross value less the gross values of the transfers of fixed assets.

Breakdown by business of net capital assets investments (in thousands of euros)	06.2022	06.2021	12.2021
Freight Railcars	6,594	15,244	22,871
River Barges	237	469	1,914
Containers	(20,708)	(947)	8,409
Miscellaneous	26	(3,348)	(3,513)
TOTAL NET INVESTMENTS IN ASSETS	(13,852)	11,418	29,681

I Firm investment commitments

Firm orders and investments at June 30, 2022 amounted to €44.2 million, consisting of €15.6 million for freight railcars and €28.6 million for containers.

1.8. SIGNIFICANT EVENTS IN THE FIRST HALF OF 2022

TOUAX issued its first Sustainable Linked Bond on 28 June 2022 for an amount of €33.3 million and a duration of 5 years. Issued Euro-PP bonds are senior unsecured and listed on Euronext Access.

This transaction extends the maturity of TOUAX corporate debt by refinancing its 2025 Euro-PP bonds and reduces the cost of group's financial resources by €0.9 million per year, with the full repayment of its TSSDI (Undated Deeply Subordinated Bonds), repayment made in part on June 28, 2022, with the balance of the repayment being made on August 1, 2022. Financial covenants are limited to annual compliance with Loan-to-Value and Interest Coverage ratios, both well suited to the group's business.

1.9. POST BALANCE SHEET EVENTS

▪ **Financing in the Containers division**

TOUAX contracted on 18 July 2022 the asset-backed facilities of its Containers division for an amount of \$100.5 million. The funds of the new financing were used to repay the 2020 financing agreement (\$75 million), undrawn amounts will be used to finance growth.

This transaction allows the refinancing of Touax Container Asset Financing Ltd portfolio of assets over 4 years and the financing of the growth of the division (notably through the purchase of equipment for leasing). The documentation also provides for an additional \$15 million accordion option, allowing the capex line to be scaled up.

▪ **Reimbursement of the TSSDI (Undated Super Subordinated Notes) balance.**

In accordance with the Green bond issue announcement on 30 June 2022, the Group reimbursed the balance of the TSSDI at the beginning of August for a total of €18.1 million.

1.10. OUTLOOK

From a structural point of view, freight transport markets always require the replacement of ageing railcar fleets in Europe and containers around the world. In the short-term context, operators may opt to outsource their assets and seek financing solutions through the leasing of equipment.

In an uncertain geopolitical, economic and health environment, TOUAX could potentially generate growth in structurally promising renewal markets, and gradually increase its profitability by rebuilding its own asset base through the outsourcing of its clients' assets.

1.11. RISKS AND UNCERTAINTIES REGARDING THE SECOND HALF-YEAR

Risk management is detailed in the 2021 universal registration document filed with the AMF under number D.22-0229 dated 31 March 2022. TOUAX does not anticipate any changes to the risks as described in the 2021 universal registration document.

1.12. PRINCIPAL RELATED-PARTY TRANSACTIONS

The nature of the transactions carried out by the Group with related parties is described in Note 34 of the Notes to the 2021 consolidated financial statements. There were no significant changes to related-party transactions during the first half of 2022.

2. CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

Consolidated income statement, presented by type note # (in thousands of euros)		06.2022	06.2021	12.2021
5	Revenue from activities	103,239	73,530	167,871
	Other purchases and external charges	(48,698)	(26,901)	(63,699)
6	Staff costs	(8,577)	(8,263)	(16,031)
	Other operating revenues & expenses	1,067	(130)	(249)
	Operating Provisions	172	369	879
7	Net distributions to investors	(17,710)	(17,260)	(35,698)
	EBITDA	29,493	21,345	53,073
	Depreciation, amortization and impairments	(12,926)	(12,053)	(24,319)
	CURRENT OPERATING INCOME	16,567	9,292	28,754
8	Other revenues (expenses), net		(42)	(42)
	OPERATING INCOME	16,567	9,250	28,712
	Interest income	78	5	22
	Interest expense	(6,462)	(5,791)	(11,440)
	Net interest expense	(6,384)	(5,786)	(11,418)
	Other financial income (expenses), net	(374)	(24)	(484)
9	NET FINANCIAL EXPENSE	(6,758)	(5,810)	(11,902)
	PROFIT BEFORE TAX	9,809	3,440	16,810
10	Income tax benefit (expense)	(1,455)	(213)	(1,046)
	NET INCOME OF CONSOLIDATED COMPANIES	8,354	3,227	15,764
	Including portion attributable to:			
	- non controlling interests (Minority interests) from retained operations	769	1,257	3,212
	- non controlling interests (Minority interests) from discontinued operations			
	CONSOLIDATED NET INCOME (LOSS)	7,585	1,970	12,552
	Including earnings from retained operations	7,585	1,970	12,552
	Including earnings from discontinued operations			
11	Net earnings per share (euro)	1.08	0.28	1.79
11	Diluted net earnings per share (euro)	1.08	0.28	1.79

The EBE and Gross profit margin balances have been removed as they are no longer relevant after IFRS 16 was implemented in 2019.

Statement of comprehensive income for the period			
<i>(in thousands of euros)</i>	06.2022	06.2021	12.2021
Profit (loss) for the financial year	8,354	3,227	15,764
Other items of the comprehensive income, net of taxes			
Differences on conversion	6,229	1,822	5,334
Gains and losses made on cash-flow hedging instruments (effective portion)	3,645	(560)	(281)
Tax on comprehensive income items	(256)	38	18
Other items of the comprehensive income that may be subsequently reclassified as net income	9,618	1,300	5,071
Pension liability (actuarial difference)			116
Other items of the comprehensive income that cannot be subsequently reclassified as net income			116
Total Other items of comprehensive income, net of taxes	9,618	1,300	5,187
of which non-controlling interests (minority interests)	1,849	(28)	679
of which Owners of the Group's parent company	7,769	1,328	4,508
	9,618	1,300	5,187
Net income for the year			
of which non-controlling interests (minority interests)	769	1,257	3,212
of which Owners of the Group's parent company	7,585	1,970	12,552
	8,354	3,227	15,764
Global income for the year			
of which non-controlling interests (minority interests)	2,618	1,229	3,891
of which Owners of the Group's parent company	15,354	3,298	17,060
GLOBAL PROFIT/LOSS	17,972	4,527	20,951

Consolidated balance sheet		06.2022	12.2021	06.2021
note #	(in thousands of euros)			
ACTIF				
12	Goodwill	5,101	5,101	5,101
	Intangible assets	663	687	650
13	Rental equipment & other property plant & equipment, net	322,789	322,525	316,491
15	Right of use	13,937	11,481	13,832
14	Long-term financial assets	4,952	4,550	4,366
14	Other non-current assets	5,529	13,699	2,318
	Deferred tax assets	229		
Total non-current assets		353,200	358,043	342,758
16	Inventory and work-in-progress	105,243	95,899	52,678
	Trade receivables, net	32,333	30,964	33,541
17	Other current assets	11,965	13,679	9,549
18	Cash and cash equivalents	82,294	53,817	41,818
Total current assets		231,835	194,359	137,586
TOTAL ASSETS		585,035	552,402	480,344
LIABILITIES				
	Share capital	56,092	56,092	56,092
	Hybrid capital	18,100	25,936	25,936
	Reserves	30,804	13,381	9,673
	Profit (loss) for the fiscal year, Group's share	7,585	12,552	1,970
Equity attributable to the owners of the parent company and holders of hybrid securities		112,581	107,961	93,671
	Non-controlling interests (Minority interests)	57,618	56,999	51,980
20	Consolidated shareholders' equity	170,199	164,960	145,651
18	Loans and borrowings	248,025	218,043	243,010
19	Long-term lease liabilities	10,516	8,377	7,183
	Deferred tax liabilities	6,486	4,660	3,882
	Employee benefits	484	484	552
	Other long-term liabilities	577	792	956
Total non-current liabilities		266,088	232,356	255,583
21	Provisions	85	85	85
19	Short-term lease liabilities	1,598	1,509	3,150
18	Loans and borrowings	76,503	67,415	26,254
	Trade payables	9,341	12,621	10,629
22	Other current liabilities	61,221	73,456	38,992
Total current liabilities		148,748	155,086	79,110
TOTAL LIABILITIES		585,035	552,402	480,344

Change in consolidated shareholders' equity

	Share capital (2)	Premiums (2)	Hybrid capital	Consolidated reserves	Conversion reserves	Cash flow hedge (1)	Income for the period	Shareholders' equity attributable to owners of parent company	Non controlling interests (Minority interests)	TOTAL Shareholders' equity
<i>(in thousands of euros)</i>										
Situation on 1 January 2021	56,092	6,402	25,936	(8,868)	7,336	(501)	5,862	92,259	54,480	146,739
Other items of the comprehensive income that may be subsequently reclassified as net income					1,593	(265)		1,328	(28)	1,300
Other elements of the comprehensive income that cannot be subsequently reclassified as net income										
Profit/loss for the period							1,970	1,970	1,257	3,227
TOTAL accounted expenses and income					1,593	(265)	1,970	3,298	1,229	4,527
Capital increases									673	673
Repayment of shareholders' equity										
Appropriation of overall 2020 net income				5,862			(5,862)			
Statutory remuneration of general partners		(644)						(644)		(644)
Dividends									(4,402)	(4,402)
Hybrid Capital Coupon				(1,214)				(1,214)		(1,214)
Change in the scope of consolidation and others										
Treasury shares				(28)				(28)		(28)
On 30 June 2021	56,092	5,758	25,936	(4,248)	8,929	(766)	1,970	93,671	51,980	145,651
Situation on 1 January 2022	56,092	5,758	25,936	(3,604)	11,856	(629)	12,552	107,961	56,999	164,960
Other items of the comprehensive income that may be subsequently reclassified as net income					5,977	1,792		7,769	1,849	9,618
Other elements of the comprehensive income that cannot be subsequently reclassified as net income										
Profit/loss for the period							7,585	7,585	769	8,354
TOTAL accounted expenses and income					5,977	1,792	7,585	15,354	2,618	17,972
Capital increases									600	600
Decrease of Capital Hybrid			(8,475)					(8,475)		(8,475)
Reclassification of Capital Hybrid issuance fees			639	(639)						
Appropriation of overall 2021 net income				12,552			(12,552)			
Statutory remuneration of general partners				(907)				(907)		(907)
Dividends									(2,599)	(2,599)
Hybrid Capital Coupon				(1,383)				(1,383)		(1,383)
Change in the scope of consolidation and others				33				33		33
Treasury shares				(3)				(2)		(2)
On 30 June 2022	56,092	5,758	18,100	6,049	17,833	1,163	7,585	112,581	57,618	170,199

(1) The effective part of the cash flow hedge on interest rate instruments is recognised in shareholders' equity

(2) Including redeemable warrants and stock options

Consolidated Cash Flow Statement <i>(in thousands of euros)</i>		06.2022	06.2021	12.2021
	Net income from continuing activities	8,354	3,227	15,764
	Net income from discontinued operations			
	Depreciation and amortization	12,932	12,049	24,323
	Change in deferred taxes	966	419	1,107
	Capital gains & losses on disposals	(3,458)	(1,939)	(4,844)
	Other non-cash income (expenses), net	1,049	986	1,838
	Self-financing capacity after cost of net financial debt & tax payable	19,843	14,742	38,188
	Net interest expense	5,650	4,836	10,091
	Interests paid on lease agreement	138	205	353
	Income tax payable	489	(205)	(62)
	Self-financing capacity before cost of net financial debt & tax	26,120	19,578	48,570
	Income tax paid (collected)	(489)	205	62
A	Change in working capital (excluding changes in inventory)	1,694	(14,442)	(3,064)
B	Change in inventory	(12,194)	(19,985)	(60,053)
C	Change in working capital related to rental equipment purchases	(20,440)	4	20,029
	Purchase of rental equipment	(7,853)	(26,648)	(57,234)
	Proceed from sale of rental equipment	24,017	14,941	25,935
	Net impact of finance leases granted to customers	178	21	45
	Sub-total	(16,292)	(31,667)	(71,278)
	I - CASH FLOW FROM OPERATING ACTIVITIES	11,033	(26,326)	(25,710)
	Investing activities			
	Acquisition of PPE and intangible assets	(370)	(294)	(590)
	Acquisition of long-term financial assets		(141)	(141)
	Net change in financial fixed assets	447	2,051	2,271
	Proceed from sale of property, plant and equipment		6	559
	Cash flows from the subsidiaries (perimeter entries or exits)			1,106
	Proceeds from disposal of financial assets			
	II - CASH FLOW FROM INVESTING ACTIVITIES	77	1,622	3,205
	Financing transactions			
	Receipt from borrowings	56,896	24,048	48,692
	Repayments of borrowings	(23,635)	(8,753)	(22,141)
	Net change in borrowings	33,261	15,295	26,551
	Repayments of lease liabilities	1,802	(1,129)	(1,710)
	Net increase in shareholders' equity (capital increase)	600	661	4,745
	Decrease of Capital Hybrid	(8,475)		
	Net interest expense paid	(5,650)	(4,718)	(10,091)
	Interests paid on lease agreement	(138)	(206)	(354)
	Dividends to shareholders of TOUAX SCA			
	Dividends to minority shareholders	(2,050)	(3,983)	(3,978)
	General Partners' statutory compensation			(644)
	Hybrid capital coupons	(1,383)	(1,214)	(2,427)
	Others	33	2	1
	Net sale (acquisition) of treasury shares	(3)	(27)	(19)
	III - CASH FLOW FROM FINANCING TRANSACTIONS	17,997	4,681	12,074
	Effect of exchange rate fluctuations	620	253	1,658
	IV - CASH FLOW FROM EXCHANGE RATE FLUCTUATIONS	620	253	1,658
	CHANGE IN NET CASH POSITION (I) + (II) + (III) + (IV)	29,727	(19,770)	(8,773)
	Analysis of cash flow			
	Cash position at start of year	52,566	61,339	61,339
	Cash position at year end	82,293	41,569	52,566
	CHANGE IN NET CASH POSITION	29,727	(19,770)	(8,773)

Net cash includes current bank facilities.

<i>(in thousands of euros)</i>	06.2022	06.2021	12.2021
Change in the operational working capital			
Decrease/(increase) in inventory	(12,194)	(19,985)	(60,053)
B Change in inventory (2)	(12,194)	(19,985)	(60,053)
Decrease/(increase) in trade receivables	80	(1,614)	1,526
Decrease/(increase) in other current assets	1,338	(760)	(5,553)
(Decrease)/increase in trade payables	(3,533)	306	2,141
(Decrease)/increase in other liabilities	3,809	(12,374)	(1,178)
A Change in operating working capital excluding change in inventory (1)	1,694	(14,442)	(3,064)
Change in the working capital (1)+(2)	(10,500)	(34,427)	(63,117)
C Change in Working Capital for investment			
Decrease / (increase) in receivables / fixed assets			
Decrease / (increase) in liabilities / fixed assets	(20,440)	4	20,029
Change in Working Capital for investment	(20,440)	4	20,029

NOTES TO THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

note 1. ACCOUNTING RULES AND METHODS

note 1.1. BASIS FOR PREPARING AND PRESENTING THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS FOR THE PERIOD TO JUNE 30, 2022

The consolidated financial statements of TOUAX SCA are presented in accordance with international standards (IFRS – International Financial Reporting Standards) approved by the European Union. The condensed consolidated half-year financial statements have been drawn up in accordance with IAS 34 "Interim Financial Reporting".

The condensed consolidated half-year accounts do not contain all of the information required for full annual financial statements and should be read in conjunction with the annual consolidated accounts for the year ended 31 December 2021 available in the Group's 2021 universal registration document.

The accounting principles and methods of assessment have been applied consistently for the periods presented. The interim financial statements have been drawn up in accordance with the same rules and methods used to draw up the annual financial statements, except for the changes from new standards applicable at 1 January 2022 and for the calculation of the current and deferred income tax expense. The income tax expense has been calculated by applying the estimated annual average tax rate for the current fiscal year for each entity or tax group, to the accounting income for the period.

The condensed consolidated half-year financial statements for the period to June 30, 2022 and the notes to these financial statements were approved on September 28, 2022 by the TOUAX SCA Management Board.

The condensed interim consolidated financial statements are presented in euros rounded up or down to the nearest thousand euros, unless otherwise stated.

■ Standards, amendments and interpretations adopted by the European Union and which must be applied from 1 January 2022

The standards and interpretations that are mandatory from 1 January 2022 have no significant impact on the consolidated accounts of 30 June 2022.

- Amendment to IAS 37 "Onerous contracts – Costs of fulfilling contracts": In May 2020, the IASB published an amendment to IAS 37 concerning the assessment of onerous contracts. This amendment clarifies the unavoidable costs to be included when an entity defines the "cost of fulfilling" the contract to determine whether it is an onerous contract. There was no impact on the accounts from 30 June 2022.
- Amendment to IAS 16 "Revenue in advance of intended use": In May 2020, the IASB published an amendment to IAS 16 concerning the reporting of revenue generated by an asset during its transfer to a location or its restoration. This amendment prevents an entity from deducting this revenue from the cost of the asset. The Group is not exposed to these types of revenue.
- IFRS IC conclusions on IAS 38 concerning the analysis of configuration and customisation costs related to the implementation of Software as a Service (SaaS). The Group is not exposed to this type of contract.
- IFRS 9 amendments "Financial Instruments": The amendment clarifies the fees to be taken into account when performing quantitative tests to determine whether a debt renegotiation is substantial or not. The only costs to be taken into account are therefore those incurred between the lender and the borrower.

These amendments have no impact on the consolidated financial statements as of 30 June 2022.

I Standards and interpretations adopted by the IASB but not yet applicable on 30 June 2022

The Group does not anticipate that any of the new standards and interpretations listed below may be relevant to it and the application of which is not mandatory on 1st January 2022:

- Amendement à IAS 1 « Informations à fournir sur les méthodes comptables » ;
- Amendement à IAS 1 « Classement des passifs en courant ou non courant » ;
- Amendement à IAS 8 « Définition d'une estimation comptable » ;
- Amendement à IAS 12 « Impôts différés liés à des actifs et passifs issus d'une unique transaction »

An analysis of the impacts and practical consequences of the application of these amendments to standards is under way. These amendments do not contain any provisions that are in conflict to the Group's current accounting practices.

The Group is currently being analysed but does not anticipate any major impact on the application of these amendments.

note 1.2. ESTIMATES

Drawing up financial statements in accordance with IFRS standards has led the management to make estimates and assumptions affecting the book value of certain assets and liabilities, income and expenses, as well as the information given in certain notes to the financial statements.

Since these assumptions are intrinsically uncertain, the actual figures may differ from the estimates. The Group regularly reviews its estimates and assessments in order to take past experience into account and factor in any elements considered relevant regarding economic conditions.

The financial assets and information subject to significant estimates concern in particular the appraisal of any loss in value of tangible assets, valuation of goodwill (see note 12), financial assets (see note 14), derivative financial instruments (see note 14), inventories and work in progress (see note 16), provisions for risks and charges (see note 21), deferred taxes (see note 10) and lease liabilities (see note 19).

note 1.3. SEASONAL NATURE OF THE BUSINESS

The Group's businesses do not show a marked seasonal activity.

note 2. SPECIFIC RISKS

note 2.1. CLIMATE RISKS

To the best of its knowledge the Group includes climate risks in the potential closure and incorporates their potential impact in the financial statements. These risks have been developed in the 2021 universal registration document in note 3.4.4 in the legal and regulatory risks section and note 22.2 of the RSE report.

note 2.2. CONFLICT BETWEEN UKRAINE AND RUSSIA

Touax is not directly exposed to the current Russian-Ukrainian conflict, having no subsidiaries, clients or leased transport assets (with the possible exception of a few containers in transit) in Ukraine or Russia. Indirectly, it is possible that the conflict creates inflation, a decline in European economic growth, logistical disruptions, a shortage of equipment, spare parts and raw materials in certain industrial sectors (including the railway sector) without currently being aware of future consequences.

note 3. CHANGES IN THE SCOPE OF CONSOLIDATION

None

note 4. SEGMENT INFORMATION

In accordance with IFRS 8 Operating Segments, the information presented below for each operating segment comes from the internal management discussion and analysis as that presented to the Group's management.

To facilitate understanding of business performance, the key indicators in the Group's business report are presented differently from the IFRS income statement. For this, no distinction is made in third party account management, which is presented in the exclusive form of an agent: leasing revenue from equipment owned by passive investors is replaced by management fees, which correspond to the net contribution of the leasing management activity to the Group's performance (see note 1.20 of the annual consolidated accounts appendix for the year ending 31 December 2021).

This presentation therefore allows direct reading of syndication fees, sales fees and management fees, grouped together under management activity, distinct from owned activity.

This presentation does not result in any differences in EBITDA operating and net income.

note 4.1. TABLE OF TRANSITIONS

Table showing transition of published figures to restated figures as presented in note 4.2:

Consolidated income statement, presented by function <i>(in thousands of euros)</i>	30.06.2022				30.06.2021			
	Published	Restatements		Restated	Published	Restatements		Restated
		Freight Railcars	Containers			Freight Railcars	Containers	
Leasing revenues on owned equipment	32,418			32,418	26,864			26,864
Ancillary services	15,211	(353)	(4,242)	10,616	7,030	(196)	(343)	6,491
Total leasing activity	47,629	(353)	(4,242)	43,034	33,894	(196)	(343)	33,355
Sales of owned equipment	29,111			29,111	15,413			15,413
Total sales of equipment	29,111	0	0	29,111	15,413			15,413
Total of owned activity	76,740	(353)	(4,242)	72,145	49,307	(196)	(343)	48,768
Leasing revenues on managed equipment	21,736	(5,487)	(16,249)	0	21,983	(6,718)	(15,265)	
Syndication fees	2,522			2,522	963			963
Management fees	556	542	866	1,964	322	677	788	1,787
Sales fees	1,685			1,685	949			949
Total of management activity	26,499	(4,945)	(15,383)	6,171	24,217	(6,041)	(14,477)	3,699
Capital gains or losses on disposals unrelated to recurring activities					6			6
Revenue from activities	103,239	(5,298)	(19,625)	78,316	73,530	(6,237)	(14,820)	52,473
Cost of sales of equipment	(25,502)			(25,502)	(10,805)			(10,805)
Operating expenses	(18,246)	3,280	3,933	(11,033)	12,584	2,963	834	(8,787)
Sales, general and administrative expenses	(12,288)			(12,288)	(11,536)			(11,536)
Net distributions to investors	(17,710)	2,018	15,692	0	(17,260)	3,274	13,986	
EBITDA	29,493			29,493	21,345			21,345
CONSOLIDATED NET INCOME (LOSS)	7,585			7,585	1,970			1,970

Consolidated income statement, presented by function <i>(in thousands of euros)</i>	31.12.2021			
	Published	Restatements		Restated
		Freight Railcars	Containers	
Leasing revenues on owned equipment	56,691			56,691
Ancillary services	20,879	(581)	(918)	19,380
Total leasing activity	77,570	(581)	(918)	76,071
Sales of owned equipment	40,325			40,325
Total sales of equipment	40,325			40,325
Total of owned activity	117,895	(581)	(918)	116,396
Leasing revenues on managed equipment	44,328	(12,951)	(31,377)	
Syndication fees	3,003			3,003
Management fees	721	1,292	1,627	3,641
Sales fees	1,366			1,366
Total of management activity	49,418	(11,659)	(29,750)	8,010
Capital gains or losses on disposals unrelated to recurring activities	558			558
Revenue from activities	167,871	(12,240)	(30,668)	124,964
Cost of sales of equipment	(28,887)			(28,887)
Operating expenses	(27,424)	5,787	1,424	(20,213)
Sales, general and administrative expenses	(22,790)			(22,790)
Net distributions to investors	(35,698)	6,454	29,245	
EBITDA	53,073			53,073
CONSOLIDATED NET INCOME (LOSS)	12,552			12,552

note 4.2. INCOME STATEMENT BY DIVISION

30/06/2022 (in thousands of euros)	Freight Railcars	River Barges	Containers	Miscellaneous & eliminations	Total
Leasing revenues on owned equipment	21,686	3,408	7,314	10	32,418
Ancillary services	3,035	4,192	3,395	(6)	10,616
Total leasing activity	24,721	7,600	10,709	4	43,034
Sales of owned equipment	348		25,781	2,982	29,111
Total sales of equipment	348	0	25,781	2,982	29,111
Total of owned activity	25,069	7,600	36,490	2,986	72,145
Syndication fees	447		2,075		2,522
Management fees	917	19	1,028		1,964
Sales fees			1,685		1,685
Total of management activity	1,364	19	4,788		6,171
Capital gains or losses on disposals unrelated to recurring activities					
RESTATED REVENUE FROM ACTIVITIES	26,433	7,619	41,278	2,986	78,316
Cost of sales of equipment	(265)		(22,206)	(3,031)	(25,502)
Operating expenses	(4,810)	(4,088)	(1,916)	(219)	(11,033)
Sales, general and administrative expenses	(6,184)	(1,443)	(4,599)	(62)	(12,288)
EBITDA	15,174	2,088	12,557	(326)	29,493
Depreciation, amortization and impairments	(9,236)	(1,528)	(1,609)	(553)	(12,926)
CURRENT OPERATING INCOME	5,938	560	10,948	(879)	16,567
Other revenues (expenses), net					
OPERATING INCOME	5,938	560	10,948	(879)	16,567
Net financial expense					(6,758)
Shares of profit/(loss) of associates					
PROFIT BEFORE TAX					9,809
Income tax benefit (expense)					(1,455)
NET INCOME OF CONSOLIDATED COMPANIES					8,354
Of which non-controlling interests (Minority interests) from retained businesses					769
Of which non-controlling interests (Minority interests) from discontinued operations					
CONSOLIDATED NET INCOME (LOSS), GROUP'S SHARE					7,585

30/06/2021 <i>(in thousands of euros)</i>	Freight Railcars	River Barges	Containers	Miscellaneous & eliminations	Total
Leasing revenues on owned equipment	18,376	3,433	5,039	16	26,864
Ancillary services	3,596	1,655	1,245	(5)	6,491
Total leasing activity	21,972	5,088	6,284	11	33,355
Sales of owned equipment	724	40	7,004	7,645	15,413
Total sales of equipment	724	40	7,004	7,645	15,413
Total of owned activity	22,696	5,128	13,288	7,656	48,768
Syndication fees			963		963
Management fees	933	12	842		1,787
Sales fees			949		949
Total of management activity	933	12	2,754		3,699
Capital gains or losses on disposals unrelated to recurring activities				6	6
RESTATED REVENUE FROM ACTIVITIES	23,629	5,140	16,042	7,662	52,473
Cost of sales of equipment	(276)	(9)	(5,155)	(5,365)	(10,805)
Operating expenses	(6,251)	(1,750)	(604)	(182)	(8,787)
Sales, general and administrative expenses	(5,439)	(1,346)	(4,368)	(383)	(11,536)
EBITDA	11,663	2,035	5,915	1,732	21,345
Depreciation, amortization and impairments	(8,306)	(1,537)	(1,632)	(578)	(12,053)
CURRENT OPERATING INCOME	3,357	498	4,283	1,154	9,292
Other revenues (expenses), net				(42)	(42)
OPERATING INCOME	3,357	498	4,283	1,112	9,250
Net financial expense					(5,810)
Shares of profit/(loss) of associates					
PROFIT BEFORE TAX					3,440
Income tax benefit (expense)					(213)
NET INCOME OF CONSOLIDATED COMPANIES					3,227
Of which non-controlling interests (Minority interests) from retained businesses					1,257
Of which non-controlling interests (Minority interests) from discontinued operations					
CONSOLIDATED NET INCOME (LOSS), GROUP'S SHARE					1,970

31/12/2021 <i>(in thousands of euros)</i>	Freight Railcars	River Barges	Containers	Miscellaneous & eliminations	Total
Leasing revenues on owned equipment	39,276	6,828	10,547	40	56,691
Ancillary services	7,131	5,213	7,538	(502)	19,380
Total leasing activity	46,407	12,041	18,085	(462)	76,071
Sales of owned equipment	1,525	41	24,691	14,068	40,325
Total sales of equipment	1,525	41	24,691	14,068	40,325
Total of owned activity	47,932	12,082	42,776	13,606	116,396
Syndication fees	570	710	1,723		3,003
Management fees	1,824	24	1,793		3,641
Sales fees			1,366		1,366
Total of management activity	2,394	734	4,882		8,010
Capital gains or losses on disposals unrelated to recurring activities				558	558
RESTATED REVENUE FROM ACTIVITIES	50,326	12,816	47,658	14,164	124,964
Cost of sales of equipment	(547)	(9)	(18,558)	(9,774)	(28,888)
Operating expenses	(12,427)	(5,259)	(2,116)	(411)	(20,213)
Sales, general and administrative expenses	(11,111)	(2,722)	(9,155)	198	(22,790)
EBITDA	26,241	4,826	17,829	4,177	53,073
Depreciation, amortization and impairments	(17,193)	(2,876)	(3,020)	(1,230)	(24,319)
CURRENT OPERATING INCOME	9,048	1,950	14,809	2,947	28,754
Other revenues (expenses), net				(42)	(42)
OPERATING INCOME	9,048	1,950	14,809	2,905	28,712
Net financial expense					(11,902)
Shares of profit/(loss) of associates					
PROFIT BEFORE TAX					16,810
Income tax benefit (expense)					(1,046)
NET INCOME OF CONSOLIDATED COMPANIES					15,764
Of which non-controlling interests (Minority interests) from retained businesses					3,212
Of which non-controlling interests (Minority interests) from discontinued operations					
CONSOLIDATED NET INCOME (LOSS), GROUP'S SHARE					12,552

note 4.3. BALANCE SHEET BY DIVISION

30/06/2022 <i>(in thousands of euros)</i>	Freight Railcars	River Barges	Containers	Miscellaneous & eliminations	TOTAL
ASSETS					
Goodwill	5,101				5,101
Intangible assets	439		148	76	663
Rental equipment & other PPE, net	215,664	37,417	67,392	2,316	322,789
Right of use	176	12,743	352	666	13,937
Long-term financial assets	716	13	4,064	159	4,952
Other non-current assets	4,962	51	516		5,529
Deferred tax assets				229	229
TOTAL non-current assets	227,058	50,224	72,472	3,446	353,200
Inventory and work-in-progress	47,161		56,440	1,642	105,243
Trade receivables, net	7,636	2,598	17,822	4,277	32,333
Other current assets	7,521	1,108	687	2,649	11,965
Cash and cash equivalents				82,294	82,294
TOTAL current assets	62,318	3,706	74,949	90,862	231,835
TOTAL ASSETS					585,035
LIABILITIES					
Share capital				56,092	56,092
Hybrid capital				18,100	18,100
Reserves				30,804	30,804
Profit (loss) for the fiscal year, Group's share				7,585	7,585
Equity attributable to the owners of the parent company				112,581	112,581
Non controlling interests (Minority interests)	65,943			(8,325)	57,618
Consolidated shareholders' equity				104,256	170,199
Loans and borrowings				248,025	248,025
Long-term lease liabilities				10,516	10,516
Deferred tax liabilities				6,486	6,486
Employee benefits				484	484
Other long-term liabilities	577				577
TOTAL non-current liabilities	577			265,511	266,088
Provisions				85	85
Short-term lease liabilities				1,598	1,598
Loans and borrowings				76,503	76,503
Trade payables	3,871	1,923	2,530	1,017	9,341
Other current liabilities	10,941	746	40,801	8,733	61,221
TOTAL current liabilities	14,812	2,669	43,331	87,936	148,748
TOTAL LIABILITIES					585,035
Tangible & intangible investments during the period					
	8,556	303	216	29	9,104
Workforce by business (FTE)					
	72	10	36	125	243

31/12/2021 <i>(in thousands of euros)</i>	Freight Railcars	River Barges	Containers	Miscellaneous & eliminations	TOTAL
ASSETS					
Goodwill	5,101				5,101
Intangible assets	436		146	105	687
Rental equipment & other PPE, net	217,016	39,031	63,989	2,489	322,525
Right of use	197	10,284	121	879	11,481
Long-term financial assets	748	12	3,683	107	4,550
Other non-current assets	2,715	80	10,901	3	13,699
Deferred tax assets					0
TOTAL non-current assets	226,213	49,407	78,840	3,583	358,043
Inventory and work-in-progress	45,537		48,616	1,746	95,899
Trade receivables, net	7,806	2,849	15,745	4,564	30,964
Other current assets	8,869	1,356	720	2,734	13,679
Cash and cash equivalents				53,817	53,817
TOTAL current assets	62,212	4,205	65,081	62,861	194,359
TOTAL ASSETS					552,402
LIABILITIES					
Share capital				56,092	56,092
Hybrid capital				25,936	25,936
Reserves				13,381	13,381
Profit (loss) for the fiscal year, Group's share				12,552	12,552
Equity attributable to the owners of the parent company				107,961	107,961
Non controlling interests (Minority interests)	64,626			(7,627)	56,999
Consolidated shareholders' equity				100,334	164,960
Loans and borrowings				218,043	218,043
Long-term lease liabilities				8,377	8,377
Deferred tax liabilities				4,660	4,660
Employee benefits		46	63	375	484
Other long-term liabilities	792				792
TOTAL non-current liabilities	792	46	63	231,455	232,356
Provisions			25	60	85
Short-term lease liabilities				1,509	1,509
Loans and borrowings				67,415	67,415
Trade payables	5,636	1,756	3,307	1,922	12,621
Other current liabilities	17,456	864	47,540	7,596	73,456
TOTAL current liabilities	23,092	2,620	50,872	78,502	155,086
TOTAL LIABILITIES					552,402
Tangible & intangible investments during the period	23,456	3,193	20,161	151	46,960
Workforce by business (FTE)	69	11	38	131	249

30/06/2021 (in thousands of euros)	Freight Railcars	River Barges	Containers	Miscellaneous & eliminations	TOTAL
ASSETS					
Goodwill	5,101				5,101
Intangible assets	424	5	146	75	650
Rental equipment & other PPE, net	216,047	34,641	62,973	2,830	316,491
Right of use	218	12,253	218	1,143	13,832
Long-term financial assets	712	14	3,524	116	4,366
Other non-current assets	2,203	107	8		2,318
Deferred tax assets					
TOTAL non-current assets	224,705	47,020	66,869	4,164	342,758
Inventory and work-in-progress	39,436		11,258	1,984	52,678
Trade receivables, net	5,461	1,439	22,640	4,001	33,541
Other current assets	5,237	743	307	3,262	9,549
Cash and cash equivalents				41,818	41,818
TOTAL current assets	50,134	2,182	34,205	51,065	137,586
TOTAL ASSETS					480,344
LIABILITIES					
Share capital				56,092	56,092
Hybrid capital				25,936	25,936
Reserves				9,673	9,673
Profit (loss) for the fiscal year, Group's share				1,970	1,970
Equity attributable to the owners of the parent company				93,671	93,671
Non controlling interests (Minority interests)	59,763			(7,783)	51,980
Consolidated shareholders' equity				85,888	145,651
Loans and borrowings				243,010	243,010
Long-term lease liabilities				7,183	7,183
Deferred tax liabilities				3,882	3,882
Employee benefits				552	552
Other long-term liabilities	956				956
TOTAL non-current liabilities	1,201			254,627	255,583
Provisions				85	85
Short-term lease liabilities				3,150	3,150
Loans and borrowings				26,254	26,254
Trade payables	6,640	664	876	2,449	10,629
Other current liabilities	10,116	910	18,669	9,297	38,992
TOTAL current liabilities	16,756	1,574	19,545	41,235	79,110
TOTAL LIABILITIES					480,344
Tangible & intangible investments during the period	13,843	544	12,473	84	26,944
Workforce by business (FTE)	64	9	40	133	246

note 4.4. GEOGRAPHICAL SEGMENT REPORTING

(in thousands of euros)	International	Europe	Americas	Other	TOTAL
06.2022					
Restated revenue from activities	41,278	30,117	1,354	5,567	78,316
Tangible & intangible investments	216	7,096		911	8,223
Sectoral non-current assets	72,473	219,125	24,739	36,634	352,971
06.2021					
Restated revenue from activities	16,042	25,368	1,495	9,568	52,473
Tangible & intangible investments	16,251	3,608	2	7,083	26,944
Sectoral non-current assets	15,058	274,179	17,798	35,723	342,758
12.2021					
Sectoral non-current assets	47,166	56,707	2,880	18,211	124,964
Tangible & intangible investments	20,161	19,569		7,230	46,960
Sectoral non-current assets	78,840	219,549	23,281	36,373	358,043

The geographical segments correspond to the location of Group companies, except for the Containers business which reflects the location of the assets, which is international by nature (international zone).

NOTES TO THE INCOME STATEMENT

note 5. REVENUE FROM ACTIVITIES

Breakdown by type (in thousands of euros)	06.2022	06.2021	Variation June 2022/2021	12.2021
Leasing revenues on owned equipment	32,418	26,864	20.7%	56,691
Ancillary services	15,211	7,030	116.4%	20,879
Total leasing activity	47,629	33,894	40.5%	77,570
Sales of owned equipment	29,111	15,413	88.9%	40,325
Total sales of equipment	29,111	15,413	88.9%	40,325
Total of owned activity	76,740	49,307	55.6%	117,895
Leasing revenues on managed equipment	21,736	21,983	-1.1%	44,328
Syndication fees	2,522	963	161.9%	3,003
Management fees	556	322	72.7%	721
Sales fees	1,685	949	77.6%	1,366
Total of management activity	26,499	24,217	9.4%	49,418
Capital gains or losses on disposals unrelated to recurring activities		6	-100.0%	558
TOTAL Revenue from activities	103,239	73,530	40.4%	167,871

note 6. PAYROLL EXPENSE

(in thousands of euros)	06.2022	06.2021	12.2021
Salaries and social security charges	(8,577)	(8,263)	(16,031)
Workforce (FTE)	243	246	249

note 7. NET DISTRIBUTIONS TO INVESTORS

Net distributions to investors are broken down by division as follows:

(in thousands of euros)	06.2022	06.2021	Variation June 2022/2021	Variation (%)	12.2021
Freight Railcars	(2,018)	(3,274)	1,256	-38.4%	(6,454)
Containers	(15,692)	(13,986)	(1,706)	12.2%	(29,244)
TOTAL	(17,710)	(17,260)	(450)	2.6%	(35,698)

They represent the payment of the leasing revenues from equipment belonging to investors minus the management costs of this equipment (repair, storage, overhaul, etc.). These amounts are variable.

note 8. OTHER OPERATING REVENUES (EXPENSES), NET

None on 2022.

Not significant over 2021.

note 9. NET FINANCIAL EXPENSE

(in thousands of euros)	06.2022	06.2021	Variation June 2022/2021	12.2021
Interest income	78	5	73	22
Interest expense	(6,462)	(5,791)	(671)	(11,440)
Cost of loans and borrowings	(6,462)	(5,791)	(671)	(11,440)
Net interest expense	(6,384)	(5,786)	(598)	(11,418)
Profit and loss on debt extinguishment	104	213	(109)	380
Dividends		27	(27)	27
Interest paid on leases	(183)	(230)	47	(393)
Financial income and charges from discounting	(241)	(27)	(214)	(36)
Other	(54)	(7)	(47)	(462)
Other financial income (expenses), net	(374)	(24)	(350)	(484)
NET FINANCIAL EXPENSE	(6,758)	(5,810)	(948)	(11,902)

note 10. INCOME TAX EXPENSE

The income tax expense included on the income statement is broken down as follows:

(in thousands of euros)	06.2022			06.2021			12.2021		
	Payable	Deferred	Total	Payable	Deferred	Total	Payable	Deferred	Total
Europe	(51)	(455)	(506)	(10)	(203)	(213)	(24)	(194)	(218)
United States					2	2		(2)	(2)
Other	(438)	(511)	(949)	215	(217)	(2)	86	(911)	(825)
TOTAL	(489)	(966)	(1,455)	205	(418)	(213)	62	(1,107)	(1,045)

Income tax records a tax expense of €1.5 million. It breaks down into deferred tax income of -€1 million and a current tax revenue of -€0.5 million.

note 11. NET EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the company's net income by the weighted average number of outstanding shares during the period. Treasury shares are accounted in deduction.

Diluted income per share is calculated by adjusting the weighted average number of outstanding shares, to take into account the conversion of all potentially dilutive equity instruments. In 2020, the Group issued warrants which are potentially dilutive.

	06.2022	06.2021	12.2021
Net earnings in euros	7,585,267	1,970,468	12,552,078
Outstanding shares	7,011,547	7,011,547	7,011,547
Weighted average number of outstanding ordinary shares	7,003,006	7,004,097	7,003,676
Weighted average number of shares for calculation of the diluted earning per share	7,003,006	7,022,555	7,014,043
NER EARNINGS PER SHARE			
- basic	1.08	0.28	1.79
- diluted	1.08	0.28	1.79

NOTES TO THE BALANCE SHEET

note 12. GOODWILL

There is no variation in goodwill:

(in thousands of euros)	06.2021	12.2021	Increase	Reduction	Currency translation	Discontinued operations	06.2022
Freight Railcars	5,101	5,101					5,101

At 30 June 2022, the Group has not identified any indication of impairment of goodwill.

note 13. FIXED ASSETS

Fixed assets mainly record leasing equipment.

note 13.1. BREAKDOWN BY TYPE

(in thousands of euros)	06.2022			12.2021	06.2021
	Gross value	Amort.	Net value	Net value	Net value
Land and buildings	5,509	(3,337)	2,172	2,307	2,410
Equipment	473,088	(154,252)	318,836	316,015	309,955
Other tangible fixed assets	8,301	(7,996)	305	716	685
Current tangible fixed assets	1,476		1,476	3,487	3,441
TOTAL	488,374	(165,585)	322,789	322,525	316,491

note 13.2. CHANGES IN GROSS VALUE, BY TYPE

<i>(in thousands of euros)</i>	01.01.2022	Purchases	Amort.	Sales	Variation in conversion	Reclassification	06.2022
Land and buildings	5,533				(24)		5,509
Equipment	457,350	6,612		(9,852)	10,591	8,387	473,088
Other tangible assets	8,537	351			108	(695)	8,301
Tangible assets in progress	3,487	1,241			26	(3,278)	1,476
TOTAL (GROSS VALUES)	474,908	8,204		(9,852)	10,701	4,414	488,374
Land and buildings	(3,226)		(124)		13		(3,337)
Equipment	(141,335)		(11,823)	891	(2,103)	118	(154,252)
Other tangible assets	(7,821)		(71)		(104)		(7,996)
Tangible assets in progress							
TOTAL (AMORTIZATION)	(152,382)		(12,018)	891	(2,194)	118	(165,585)
Land and buildings	2,307		(124)		(11)		2,172
Equipment	316,015	6,612	(11,823)	(8,961)	8,488	8,505	318,836
Other tangible assets	716	351	(71)		4	(695)	305
Tangible assets in progress	3,487	1,241			26	(3,278)	1,476
TOTAL (NET VALUES)	322,525	8,204	(12,018)	(8,961)	8,507	4,532	322,789

At 30 June 2022, the Group has not identified any indication of impairment of tangible fixed assets.

note 14. NON-CURRENT FINANCIAL ASSETS

Long-term financial assets at June 30, 2022 totalled €5 million compared to €4.6 million at December 31, 2021.

Financial assets mainly consist of:

- Security deposits with tax authorities for €3.9 million.
- Other security deposits for the balance.

Other non-current assets totalled €5.5 million at June 30, 2022 compared to €13.7 million at December 31, 2021. The change primarily concerns the assignment of a financial leasing receivable to investors in the shipping container division, in accordance with the criteria for derecognition of financial assets according to IFRS 9 (paragraph 3.2).

They include derivative instruments assets totalling €4.4 million and a VAT receivable totalling €1.1 million.

note 15. RIGHT OF USE

Leased assets have changed as follows:

<i>Right of use (in thousands of euros)</i>	Real estate	Barges	Vehicles and copiers	TOTAL
Amount at 31/12/2021	887	10,212	382	11,482
Increases	239	2,835	178	3,252
Depreciation	(363)	(356)	(100)	(819)
Exchange rate fluctuations	18		4	22
Other				
Amount at 30/06/2022	781	12,691	464	13,937

The table below presents the right of use by sector and by type:

Right of use <i>(in thousands of euros)</i>	06.2022			12.2021	06.2021
	Gross value	Amort.	Net value	Net value	Net value
Freight Railcars Division	284	(109)	175	197	218
Property lease	187	(79)	108	121	134
Property leases on vehicles	98	(30)	68	76	84
River Barges Division	18,931	(6,188)	12,743	10,285	12,252
Property lease	61	(61)		9	17
Property leases on barges	18,764	(6,073)	12,691	10,213	12,186
Property leases on vehicles	106	(54)	52	63	49
Containers Division	817	(464)	353	121	218
Property leases	731	(452)	279	100	181
Property leases on vehicles and copiers	86	(12)	74	21	37
Africa Modular Constructions Division	293	(138)	155	78	133
Property leases on equipment					45
Property leases on vehicles	293	(138)	155	78	87
Corporate Division	2,448	(1,938)	510	800	1,010
Property lease	2,235	(1,841)	394	657	920
Property leases on vehicles and copiers	213	(97)	116	143	90
TOTAL	22,773	(8,837)	13,937	11,481	13,832

note 16. INVENTORIES AND WORK IN PROGRESS

Inventories and WIP include equipment to be sold as well as spare parts.

<i>(in thousands of euros)</i>	06.2022			12.2021	06.2021
	Gross value	Depreciation	Net value	Net val.	Net val.
Equipment	84,911	(160)	84,751	75,274	29,848
Spare parts	20,492		20,492	20,625	22,830
TOTAL	105,403	(160)	105,243	95,899	52,678

The Railcars division is increasing its inventories by €1.5 million. The stock at the end of the period represents 222 railcars.

The Containers division shows a variation of +€7.8 million. The stock at the end of the period represents 17,915 CEU.

Modular building stocks are stable.

note 17. OTHER CURRENT ASSETS

<i>(in thousands of euros)</i>	06.2022	12.2021	06.2021
Accrued expenses	1,307	719	1,012
Taxes & duties	9,882	11,888	6,596
Receivables due within 1 year - Finance lease	56	521	48
Other	720	551	1,893
TOTAL	11,965	13,679	9,549

note 18. FINANCIAL LIABILITIES

Non-current and current financial liabilities correspond to “loans and borrowings” and “current bank loans”.

■ Analysis of financial liabilities by category

The table below shows the group's debt on 30 June 2022.

<i>(in thousands of euros)</i>	06.2022			12.2021			06.2021		
	Non-current	Current	TOTAL	Non-current	Current	TOTAL	Non-current	Current	TOTAL
Bond	49,310	875	50,185	26,458	948	27,406	26,409	1,126	27,535
Medium-term loans with recourse	53,885	1,735	55,620	46,468	3,197	49,665	45,212	4,100	49,312
Renewable credit with recourse									
Renewable credit without recourse	144,831	73,467	218,297	145,117	61,747	206,863	171,389	20,369	191,758
Current bank facilities with recourse					1,162	1,162			
Current bank facilities without recourse					90	90		249	249
Derivative liabilities without recourse		426	426		272	272		410	410
TOTAL FINANCIAL LIABILITIES	248,025	76,503	324,528	218,043	67,415	285,458	243,010	26,254	269,264

Debts "without recourse" are not secured by TOUAX SCA the parent company of the Group. They concern financing of assets for which the debt must be serviced from income generated by the assets (both leasing revenue and proceeds from sale).

Changes in financial debt are presented in the table below:

<i>(in thousands of euros)</i>	June 30, 2022		Non cash "variations"				Closing
	Opening	Cash flow	Exchange rate effects	Fair value changes	Other variations	Total "Non cash"	
Bond issue	27,406	22,674			105	105	50,185
Medium/long-term loans with recourse	49,664	5,168	614		174	788	55,620
Revolving lines of credit with recourse							
Debt without recourse	206,864	5,419	5,509		505	6,014	218,297
Liabilities on derivatives with and without recourse	272		21	405	(272)	154	426
Subtotal	284,206	33,261	6,144	405	512	7,061	324,528
Bank overdrafts payable with and without recourse	1,251	(1,250)	(1)			(1)	
TOTAL FINANCIAL LIABILITIES	285,457	32,011	6,143	405	512	7,060	324,528

<i>(in thousands of euros)</i>	June 30, 2021		Non cash "variations"				Closing
	Opening	Cash flow	Exchange rate effects	Fair value changes	Other variations	Total "Non cash"	
Bond issue	27,495	47			(7)	(7)	27,535
Medium/long-term loans with recourse	53,534	(309)	228		(4,141)	(3,913)	49,312
Revolving lines of credit with recourse							
Debt without recourse	169,523	15,555	1,463		5,217	6,680	191,758
Liabilities on derivatives with and without recourse	572			(154)	(8)	(162)	410
Subtotal	251,123	15,293	1,691	(154)	1,061	2,598	269,014
Bank overdrafts payable with and without recourse	965	(721)	5			5	249
TOTAL FINANCIAL LIABILITIES	252,088	14,572	1,696	(154)	1,061	2,603	269,264

The table for 30 June 2021, published in the accounts for the year ending 30 June 2021, has been corrected for a formula error.

The change in rental liabilities is presented in note 20.

■ Change in indebtedness

On 30 June 2022, consolidated net indebtedness is as follows:

<i>(in thousands of euros)</i>	06.2022	12.2021	06.2021
Financial liabilities	324,528	285,458	269,264
Cash assets & Negotiable securities	82,294	53,817	41,818
Consolidated net financial indebtedness*	242,234	231,641	227,446
Non-recourse debt	218,297	207,225	192,416
Financial indebtedness excluding non-recourse debt	23,937	24,416	35,030

*The net debt is the gross debt including cash assets and excluding derivative instruments asset. Derivative instruments asset amounted to €4.9 million at the end of June 2022.

All contractual financial ratios existing on certain short and medium term bank loans are respected at 30 June 2022.

The primary consolidated financial ratios on 30 June 2022 are as follows:

- 5.11 for the Interest Coverage Ratio (= restated EBITDA/Net cost of financial debt)
- 56% for Loan-to-Value (= Gross financial debt/Total assets adjusted for goodwill and intangible assets)
- 3.87 for the Net Leverage Ratio (= Net financial debt/Restated EBITDA)

Transactions on existing financing:

- The new loan of Touax Hydrovia on 18 January 2022 from BAC Bank for \$9 million over 5 years, was partly used to repay the Mass Mutual loan of \$2.5 million.
- Touax SCA completed a €33.3 million Sustainable Linked Bond issue on 28 June 2022 over 5 years in an unsubordinated and unsecured Euro-PP format.
- On 28 June 2022, Touax SCA completed a senior unsecured Euro PP bond issue at a nominal amount of €10 million with a maturity date of 1 February 2025.
- Touax Container Asset Financing Ltd exercised the accordion option on 28 February 2022 to borrow an additional \$10 million on its revolving line of credit.

note 19. LEASE LIABILITIES

I Lease liabilities by segment and by type

The table below presents the lease liability by segment and by type:

Lease liabilities	06.2022			12.2021			06.2021		
	Non current	Current	Total	Non current	Current	Total	Non current	Current	Total
<i>(in thousands of euros)</i>									
Freight Railcars Division	146	35	181	163	41	204	184	41	225
Property lease	91	22	113	102	25	127	115	25	140
Property leases on vehicles	55	13	68	61	16	77	69	16	85
River Barges Division	10,008	889	10,897	7,948	717	8,665	6,461	2,317	8,778
Property lease					9	9			18
Property leases on barges	9,974	870	10,844	7,905	686	8,591	6,429	2,281	8,710
Property leases on vehicles	34	19	53	43	22	65	32	18	50
Containers Division	199	158	357	9	119	128	49	181	230
Property leases	160	123	283		106	106	39	153	192
Property leases on vehicles and copiers	39	35	74	9	13	22	10	28	38
Africa Modular Constructions Division	99	59	158	30	52	82	31	64	95
Property leases on equipment								3	3
Property leases on vehicles	99	59	158	30	52	82	31	61	92
Corporate Division	64	457	521	227	580	807	458	547	1,005
Property lease		403	403	136	527	663	403	511	914
Property leases on vehicles and copiers	64	54	118	91	53	144	55	36	91
TOTAL	10,516	1,598	12,114	8,377	1,509	9,886	7,183	3,150	10,333

I Breakdown by due date of lease liabilities

Future payments relating to lease debts are broken down by due date as follows:

<i>(in thousands of euros)</i>	6.2022
Less than a year	1,597
From 1 to 5 years	4,034
More than 5 years	6,483
TOTAL	12,114

Variation in lease liabilities according to IAS 7

As per IAS 7, variations to lease liability are presented in the table below:

June 30, 2022 <i>(in thousands of euros)</i>	Opening	Net cash flow	"non-cash" variations			Closing
			Exchange rate effects	Other variations	Total "non cash"	
Real estate leases	905	(364)	18	240	258	799
Equipment leases for barges and other equipment	8,591	2,268		(15)	(15)	10,844
Equipment leases for vehicles and copiers	390	(102)	4	179	183	471
Total lease liabilities	9,886	1,802	22	404	426	12,114

June 30, 2021 <i>(in thousands of euros)</i>	Opening	Net cash flow	"non-cash" variations			Closing
			Exchange rate effects	Other variations	Total "non cash"	
Real estate leases	1,610	(354)	8		8	1,264
Equipment leases for barges and other equipment	9,404	(691)				8,713
Equipment leases for vehicles and copiers	413	(84)	5	21	26	355
Total lease liabilities	11,427	(1,129)	13	21	34	10,332

note 20. SHAREHOLDERS' EQUITY

Details of Shareholders' Equity are given in the Schedule of Changes in Shareholders' Equity.

Management of capital

The Group manages its borrowing structure by optimizing its debt/equity ratio in the light of changes in economic conditions, its own objectives, and management of its risks. It assesses its working capital requirements and its expected return on investment, in order to control its financing requirements. Depending on the growth of its market and expectations of managed assets' profitability, the Group decides whether to issue new equity or to sell assets to reduce its debt.

Hybrid capital

The Group made two issues of Undated Super Subordinated Notes (TSSDI) in 2013 and another in 2014, constituting a single issue to the amount of €50.8 million. The Touax Group partially repurchased these hybrid securities for a nominal value of €24.2 million in November 2020 and €8.5 million on 28 June 2022. The balance of these hybrid securities appearing on the balance sheet as of 30 June 2022 is €18.1 million. In accordance with IFRS standards, these securities are recorded as capital stock. This financial instrument, which has optimised the balance sheet structure in terms of the life of the Group's assets and its growth financing requirements, is fully repaid on 1 August 2022.

note 21. PROVISIONS

<i>(in thousands of euros)</i>	2021	Allocation	Reversal used	Reversal not used	Exchange rate fluctuations	Reclassification	06.2022
Other (Africa and Holding)	85						85
TOTAL	85						85

note 22. OTHER CURRENT LIABILITIES

<i>(in thousands of euros)</i>	06.2022	12.2021	06.2021
Capital creditors	13,675	32,215	10,884
Tax and social security liabilities	11,514	14,189	8,337
Accounts payable	21,557	15,834	11,475
Other current liabilities	13,900	10,844	7,796
Deferred revenue	575	374	500
TOTAL	61,221	73,456	38,992

Accounts payable mainly constitute income due to investors from the Containers and Freight Railcars businesses.

note 23. OFF-BALANCE SHEET COMMITMENTS

Bank guarantees issued on the Group's behalf at June 30, 2022

<i>(in thousands of euros)</i>	Amount	Maturity date
Bank guarantee	442	
River Barges	160	2025
Modular Buildings Africa	194	2022
Modular Buildings Africa	88	Undated

Firm orders for equipment

Firm orders and investments at June 30, 2022 amounted to €44.2 million, including €15.6 million for freight railcars and €28.6 million for containers.

Secured debt provided

To guarantee the loans granted to finance the Group's proprietary assets or assets under management, TOUAX SCA and its subsidiaries have granted the following security interests:

<i>(in thousands of euros)</i>	Commencement	Maturity	30 June 2022		%
			Asset pledged (gross value)	Total of balance sheet item (gross value)	
Mortgages (River Barges)			15,946	60,565	26.3%
	2012	2025	5,589		
	2022	2027	8,825		
	2022	2031	1,532		
Tangible assets pledged			307,876	520,839	59.1%
Freight Railcars			191,944	385,161	
	2020	2025	191,944		
Containers			115,932	135,678	
	2020	2022	115,932		
TOTAL GROUP			323,822	581,404	

The security interests granted (mortgages, pledges and others guarantees) can be redeemed by repayment of the borrowings. No other special conditions apply.

Guarantees

Guarantees are given by the parent company in return for the bank loans granted to its subsidiaries.

<i>(in thousands of euros)</i>	less than one year	1 to 5 years	more than 5 years	TOTAL
Securities given to banks in consideration of bank loans used by the subsidiaries - remaining capital		9,791	12,872	22,663

note 23.1. CONTINGENT LIABILITIES

Tax audit

Touax Container Investment Ltd has been audited by the tax authorities since 2012. This audit resulted in numerous requests for information to which we responded in a precise and documented manner. In continuance of the adversarial procedure, the Group was legally obliged to buy Tax Reserve Certificates (equivalent to \$4 million since the beginning of the procedure and to date). Since the company and tax administration have continued to disagree, the case was presented to the courts for an initial ruling, given in June 2020. To date, the court has still not delivered its decision, resulting in the possibility of appeal for both parties. Our analysis shows that the administration's position is unfounded, so no current or deferred tax adjustment has been recorded in the accounts to date.

Guarantee of Liabilities

As part of the transfer of the European modular buildings activity in 2017, an assets and liabilities guarantee was agreed with the purchaser, WH BIDCO. The escrow account for an outstanding amount of €3.3 million, paid under this liability guarantee has been reimbursed in full.

note 24. POST BALANCE SHEET EVENTS**▪ Financing in the Containers division**

TOUAX contracted on 18 July 2022 the asset-backed facilities of its Containers division for an amount of \$100.5 million. The funds of the new financing were used to repay the 2020 financing agreement (\$75 million), undrawn amounts will be used to finance growth.

This transaction allows the refinancing of Touax Container Asset Financing Ltd portfolio of assets over 4 years and the financing of the growth of the division (notably through the purchase of equipment for leasing). The documentation also provides for an additional \$15 million accordion option, allowing the capex line to be scaled up.

▪ Reimbursement of the TSSDI (Undated Super Subordinated Notes) balance

In accordance with the Green bond issue announcement on 30 June 2022, the Group reimbursed the balance of the TSSDI at the beginning of August for a total of €18.1 million.

3. ATTESTATION BY THE AUTHORS OF THE HALF-YEAR FINANCIAL REPORT

"We certify that, to the best of our knowledge, the condensed consolidated half-year financial statements for the past half year have been drawn up in accordance with the applicable accounting standards and give a true and fair view of the assets, financial situation and results of the company and of all of the companies included in the consolidation perimeter, and that the half-year progress report gives a true and fair view of the important events that occurred during the first six months of the financial year, their impact on the financial statements, the main related-party transactions as well as a description of the main risks and uncertainties for the remaining six months of the financial year."

September 28, 2022

Fabrice and Raphaël Walewski,

Managing Partners

4. STATUTORY AUDITORS' REPORT ON THE HALF-YEAR FINANCIAL REPORT

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by annual general meeting and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code ("*code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of the company Touax SCA, for the period from January 1 to June 30, 2022,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Management Board. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily with persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris et Paris-La Défense, September 28, 2022

The Statutory Auditors

French original signed by

RSM Paris

Deloitte & Associés

Stéphane MARIE

Albert AIDAN