

Touax[®]

Your operational leasing solution for sustainable transportation

Half-year report

June 30, 2023

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).

SOMMAIRE

1.	HALF-YEAR PROGRESS REPORT ON THE INTERIM FINANCIAL STATEMENTS TO JUNE 30, 2023	3
1.1.	KEY FIGURES.....	3
1.2.	REMINDER CONCERNING THE BUSINESSES.....	3
1.3.	RESTATEMENT OF REVENUE FROM ACTIVITIES.....	4
1.4.	VARIATION IN THE GROUP'S RESULTS.....	6
1.5.	OTHER ITEMS OF THE CONSOLIDATED RESULTS.....	6
1.6.	GROUP CONSOLIDATED BALANCE SHEET.....	7
1.7.	PRINCIPAL OUTSTANDING INVESTMENTS.....	7
1.8.	SIGNIFICANT EVENTS IN THE FIRST HALF OF 2023.....	8
1.9.	POST BALANCE SHEET EVENTS.....	8
1.10.	OUTLOOK.....	8
1.11.	RISKS AND UNCERTAINTIES REGARDING THE SECOND HALF-YEAR.....	8
1.12.	PRINCIPAL RELATED-PARTY TRANSACTIONS.....	8
2.	CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS	9
3.	ATTESTATION BY THE AUTHORS OF THE HALF-YEAR FINANCIAL REPORT	34
4.	STATUTORY AUDITORS' REPORT ON THE HALF-YEAR FINANCIAL REPORT	35

1. HALF-YEAR PROGRESS REPORT ON THE INTERIM FINANCIAL STATEMENTS TO JUNE 30, 2023

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, 2023 and June 30, 2022 and full-year 2022.

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>	06.2023	06.2022	12.2022
Revenue from activities	99,006	103,239	210,555
Restated revenue on owned activity (1)	73,898	72,145	150,525
Restated revenue on management activity (1)	5,154	6,171	10,923
Capital gains or losses on disposals unrelated to recurring activities	2		7
Total restated revenue from activities (1)	79,054	78,316	161,455
EBITDA (2)	28,930	29,493	57,947
Operating income	17,326	16,567	31,085
Consolidated net attributable income - Group's share	5,051	7,585	7,467
Earnings per share (euro)	0.72	1.08	1.07

(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) I'EBITDA corresponds to the current operating income restated by depreciation, amortization and impairment.

<i>(in thousands of euros)</i>	06.2023	12.2022	06.2022
Total assets	564,270	571,726	585,035
Gross tangible fixed assets (1)	525,760	528,540	488,374
Total non-current assets	381,219	394,600	353,200
Shareholders' equity - Group's share	83,757	90,703	112,581
Consolidated shareholder's equity	153,490	153,662	170,199
Minority interests	69,733	62,959	57,618
Gross financial debt	320,344	336,848	324,528
Net financial debt (2)	275,152	280,834	242,234

(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 €7.8 million at the end of June 2023.

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 €1.2 billion, TOUAX is one of the European leaders for leasing this type of equipment.

TOUAX achieved restated revenue from activities of €79.1 million in the first half of 2023, of which 99% was achieved outside France.

■ Freight Railcars division

TOUAX Rail Ltd, a wholly-owned subsidiary of TOUAX, operated circa 10,931 platforms (8,024 railcars) at the end of June 2023. 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 (70% of the managed fleet) and partly through third-party asset management (30% 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 107 barges at the end of June 2023 for its own and for third parties, representing a capacity of over 295,000 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 341,000 CEU at the end of June 2023, making it the leader in Continental Europe and the seventh 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.

68% 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 80% 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 95% on June 30, 2023.

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 2 regional offices (Singapore for Asia, Middle East, Europe and Africa, and Miami for the Americas) and representations in the following locations: Philadelphia, Chicago, Austin, Sao Paulo, Genoa, Aarhus and Shanghai.

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

The Modular Buildings 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 €0.7 million (equal to +1%), from €78.3 million in June 2022 to €79.1 million in June 2023. At constant scope and currency, revenue from activities increased by +1%. The dollar appreciated between the two periods, from \$1.0934 = €1 on the first semester of 2022 to \$1.0807 = €1 on the first semester of 2023.

- The Freight Railcars activity showed an increase of €1.5 million. This increase is mainly due to higher leasing revenue and ancillary services generated by owned assets.
- The River Barges activity decreased its turnover by -€0.1 million. This change is explained by the decrease in chartering business, offset by an increase in leasing revenue.
- The Containers activity decrease by -€6.2 million. Lower equipment sales were the main reason for this change. Leasing revenue continue to grow.

- The Modular Buildings activity increased by €5.6 million.

Owned equipment activity rose by €1.8 million. This rise is mainly due to the increase in leasing revenue common to all three divisions.

Management activity increased by €1 million. Fees on syndication in the Containers and Freight Railcars activities were down by €2 million. This change was partially offset by higher sales of used containers owned by investors.

■ Analysis by geographical area

Restated revenue from activities by geographical (in thousands of euros)	06.2023	06.2022	Variation June		12.2022
			2023/2022		
International	35,060	41,278	(6,218)	-15.1%	81,445
Europe	31,376	30,117	1,259	4.2%	65,694
Americas	1,549	1,354	195	14.4%	3,010
Africa	8,576	2,983	5,593	187.5%	6,100
Asia	2,493	2,584	(91)	-3.5%	5,206
TOTAL Restated revenue from activities	79,054	78,316	738	0.9%	161,455

For the Freight Railcars and River Barges activities, the services, markets, and clients are in identical locations.

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)	06.2023	06.2022	Variation June		12.2022
			2023/2022		
Freight Railcars	27,913	26,432	1,481	6%	56,142
Owned activity	26,822	25,069	1,753	7%	53,715
Management activity	1,091	1,363	(272)	-20%	2,427
River Barges	7,495	7,619	(124)	-2%	17,454
Owned activity	7,470	7,600	(130)	-2%	17,413
Management activity	25	19	6	32%	41
Containers	35,060	41,279	(6,219)	-15%	81,446
Owned activity	31,022	36,490	(5,468)	-15%	72,991
Management activity	4,038	4,789	(751)	-16%	8,455
Modular Buildings	8,575	2,983	5,592	187%	6,387
Owned activity	8,575	2,983	5,592	187%	6,387
Others	9	3	6	200%	18
Owned activity	9	3	6	200%	18
Total Restated revenue	79,052	78,316	736	1%	161,447
Capital gains or losses on disposals unrelated to recurring activities Modular Buildings	2		2		8
Total Capital gains or losses on disposals unrelated to recurring activities	2		2		8
Total Restated revenue from activities	79,054	78,316	738	1%	161,455

• Freight Railcars division

Restated revenue from activities in the Freight Railcar division increased by €1.5 million, from €26.4 million on 30 June 2022 to €27.9 million on 30 June 2023.

Owned activity rose by €1.8 million over the semester. Its revenue increased from €25.1 million in June 2022 to €26.8 million in June 2023. This increase is explained by more leasing revenue (+€1.1 million) and more ancillary services (+€0.8 million).

Management activity decreased by €0.3 million. Its revenue changed from €1.4 million in June 2022 to €1.1 million in June 2023. The absence of syndication (-€0.4 million) in the first half explains this variation. Management fees increased to €0.2 million.

• River Barges division

Restated revenue from activities in the River Barges division decreased by €0.1 million, changing from €7.6 million to €7.5 million. This variation is mainly due to the chartering activity, which reached an exceptional level in 2022, and explains the decrease in ancillary services in 2023.

• Containers division

Restated revenue from activities in the Containers division decreased by €6.2 million, changing from €41.3 million in June 2022 to €35.1 million in June 2023.

Owned activity decreased by €5.5 million. Its turnover changed from €36.5 million in June 2022 to €31 million in June 2023. The decrease in owned activity is explained by a decline in sales (-€4.6 million) and related ancillary services (-€1.7 million), this activity

having benefited from exceptional market opportunities in 2022. Conversely, leasing revenue benefited from investments and increased by €0.8 million.

Management activity decreased by €0.8 million. Its revenue decreased from €4.8 million in June 2022 to €4 million in June 2023. Syndication fees were down with lower volumes (disposal of 9,323 CEUs in June 2023 compared with 16,462 CEUs in June 2022). Sales fees rose by +€0.9 million, thanks to the return of leased containers now available for sale. Management fees fell by €0.1 million due to the contraction of the fleet.

- **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. The sale of equipment increased by €5.6 million in the first half of 2023.

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)	06.2023	06.2022	Variation June 2023/2022	12.2022
FREIGHT RAILCARS				
EBITDA	14,895	15,174	(279)	30,555
Segment-based current operating income	5,126	5,938	(812)	11,516
RIVER BARGES				
EBITDA	2,496	2,088	408	4,970
Segment-based current operating income	822	560	262	1,697
CONTAINERS				
EBITDA	8,835	12,557	(3,722)	22,844
Segment-based current operating income	6,516	10,948	(4,432)	19,413
TOTAL SEGMENTS (excluding Miscellaneous & eliminations)				
EBITDA (excluding Miscellaneous & eliminations)	26,226	29,819	(3,593)	58,369
Segment-based current operating income (excluding Miscellaneous & eliminations)	12,464	17,446	(4,982)	32,626
Miscellaneous & eliminations	2,265	(879)	3,144	(1,542)
Current operating income	14,729	16,567	(1,838)	31,084
Other operating revenues and expenses	2,597		2,597	
Operating income	17,326	16,567	759	31,084
Financial result	(9,763)	(6,758)	(3,005)	(15,399)
Profit before tax	7,563	9,809	(2,246)	15,685
Corporate income tax	(1,403)	(1,455)	52	(6,283)
CONSOLIDATED NET INCOME	6,160	8,354	(2,194)	9,402
Minority interests	1,109	769	340	1,936
CONSOLIDATED NET ATTRIBUTABLE INCOME	5,051	7,585	(2,534)	7,466

The **Freight Railcars** division reported a €0.8 million decrease in current operating income, mainly due to lower syndication volumes.

The **River Barges** division reported an increase of €0.3 million in current operating income compared with June 2022. Operating income improved thanks to investments made.

At June 30, 2023, operating income for the **Containers** division was down by €4.4 million. The Container division's operating income was down due to lower sales and pick-up charges on the one hand, and lower syndications fees on the other.

The **Modular Buildings** division and miscellaneous items reported an increase in operating income of €3.1 million at June 30, 2023, thanks to higher sales of modular buildings.

1.5. OTHER ITEMS OF THE CONSOLIDATED RESULTS

Financial result

The financial result showed an expense of €9.8 million at June 30, 2023 compared with €6.8 million at June 30, 2022. The financial result mainly comprises interest charges.

Net result – Group's share

The consolidated net income (Group's share) is at €5.1 million at June 30, 2023 compared to €7.6 million at June 30, 2022.

Net earnings per share amounted to €0.72 (€1.08 in June 2022).

1.6. GROUP CONSOLIDATED BALANCE SHEET

The total consolidated balance sheet at June 30, 2023 amounted to €564.3 million, compared with €571.7 million at December 31, 2022.

Non-current assets totalled €381.2 million (including property, plant and equipment worth €351.2 million) at June 30, 2023 compared with €394,6 million (including property, plant and equipment worth €363,4 million) at December 31, 2022.

Long-term financial assets amounted to €1 million at June 30, 2023 compared with €1.1 million at December 31, 2022.

Stocks at June 30, 2023 amounted to €101.6 million compared with €86.3 million at December 31, 2022.

Shareholders equity amounted to €153,5 million at June 30, 2023, compared with €153.7 million at December 31, 2022.

Non-current liabilities amounted to €277.5 million at June 30, 2023, compared with €315.9 million at December 31, 2022.

Consolidated net financial indebtedness (after deducting cash and marketable securities) amounted to €275.2 million (€280.8 million in December 2022).

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 €54.6 million (gross value).
 - Syndication of containers to investors, leading to a decrease in the value of the owned fleet for €13.7 million (gross value) and an increase in the value of the investor fleet for €13.9 million.

I Main net investments on TOUAX's own behalf

Net capital assets investments (in thousands of euros)	06.2023	06.2022	12.2022
Net intangible investments	276	20	45
Net tangible investments	(267)	(1,649)	36,845
Net financial investments	316	(12,223)	(12,120)
TOTAL NET INVESTMENTS IN ASSETS	325	(13,852)	24,770

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)	06.2023	06.2022	12.2022
Freight Railcars	13,516	6,594	23,066
River Barges	411	237	2,583
Containers	(13,700)	(20,708)	(872)
Miscellaneous	98	26	(7)
TOTAL NET INVESTMENTS IN ASSETS	325	(13,852)	24,770

I Firm investment commitments

Firm orders and investments at June 30, 2023 amounted to €62.1 million, consisting of €52.4 million for freight railcars and €9.7 million for containers.

1.8. SIGNIFICANT EVENTS IN THE FIRST HALF OF 2023

Buyout of minority interests:

The buyout of the minority shareholder in the Modular Constructions division in January 2023 had a positive impact of €3.5 million on income and a negative impact of €9 million on shareholders' equity, Group share.

Operating performance:

The first half of 2023 shows a sharp decline in container sales after an exceptional year in 2022. However, container sales are still performing well, ahead of budget.

This decline is offset by a recovery in modular construction sales.

Financing transaction:

On May 16, 2023, Touax SCA issued a €5.35 million bond. This issue (Tap) is an equivalent issue to the €PP 07/2027 of June 2022 (same residual maturity, same coupon and same maturity schedule). The bond was issued at 95.2% of par (i.e. €5.09 million).

1.9. POST BALANCE SHEET EVENTS

New financing

On July 27, 2023, Touax SCA signed a 4-year senior secured loan for €40 million.

- This financing extends the average maturity of the Group's debt and is in line with its growth and profitability strategy, with the aim of refinancing the senior secured loan maturing in June 2024 for the same amount.
- This financing was organized in the form of a bank club deal with Banque Internationale à Luxembourg and LCL as co-arrangers, and La Banque Postale, Banque Palatine and Crédit Agricole Île-de-France as participants.

1.10. OUTLOOK

From a structural point of view, freight transport markets continue to require the replacement of aging railcar fleets in Europe and container fleets worldwide. From an economic point of view, operators continue to turn to outsourcing their assets and seeking financial solutions through equipment leasing. The environment of rising interest rates is creating a temporary slowdown in fleet growth, with a more marked impact on containers after several years of exceptional opportunities. The container market has now normalized, with growth expected in 2024.

1.11. RISKS AND UNCERTAINTIES REGARDING THE SECOND HALF-YEAR

Risk management is detailed in the 2022 universal registration document filed with the AMF under number D.23-0212 dated 1st April 2023. TOUAX does not anticipate any changes to the risks as described in the 2022 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 33 of the Notes to the 2022 consolidated financial statements. There were no significant changes to related-party transactions during the first half of 2023.

2. CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

Consolidated income statement, presented by type <i>(in thousands of euros)</i>		06.2023	06.2022	12.2022
	note #			
Revenue from activities	5	99,006	103,239	210,555
Other purchases and external charges		(49,565)	(48,698)	(99,077)
Staff costs	6	(9,508)	(8,577)	(17,502)
Other operating revenues & expenses		652	1,067	1,095
Operating Provisions		602	172	(785)
Net distributions to investors	7	(12,257)	(17,710)	(36,339)
EBITDA		28,930	29,493	57,947
Depreciation, amortization and impairments		(14,201)	(12,926)	(26,862)
CURRENT OPERATING INCOME		14,729	16,567	31,085
Other revenues (expenses), net	8	2,597		
OPERATING INCOME		17,326	16,567	31,085
Interest income		71	78	113
Interest expense		(9,649)	(6,462)	(14,926)
Net interest expense		(9,578)	(6,384)	(14,813)
Other financial income (expenses), net		(185)	(374)	(586)
NET FINANCIAL EXPENSE	9	(9,763)	(6,758)	(15,399)
PROFIT BEFORE TAX		7,563	9,809	15,686
Income tax benefit (expense)	10	(1,403)	(1,455)	(6,283)
NET INCOME OF CONSOLIDATED COMPANIES		6,160	8,354	9,403
Non controlling interests (Minority interests)		1,109	769	1,936
CONSOLIDATED NET INCOME (LOSS)		5,051	7,585	7,467
Net earnings per share (euro)	11	0.72	1.08	1.07
Diluted net earnings per share (euro)	11	0.72	1.08	1.07

Statement of comprehensive income for the period (in thousands of euros)	06.2023	06.2022	12.2022
Profit (loss) for the financial year	6,160	8,354	9,403
Other items of the comprehensive income, net of taxes			
Differences on conversion	(1,404)	6,229	2,048
Gains and losses made on cash-flow hedging instruments (effective portion)	(494)	3,645	6,450
Tax on comprehensive income items	19	(256)	(449)
Other items of the comprehensive income that may be subsequently reclassified as net income	(1,879)	9,618	8,049
Pension liability (actuarial difference)			51
Other items of the comprehensive income that cannot be subsequently reclassified as net income			51
Total Other items of comprehensive income, net of taxes	(1,879)	9,618	8,100
of which non-controlling interests (minority interests)	(411)	1,849	1,789
of which Owners of the Group's parent company	(1,468)	7,769	6,311
	(1,879)	9,618	8,100
Net income for the year			
of which non-controlling interests (minority interests)	1,109	769	1,936
of which Owners of the Group's parent company	5,051	7,585	7,467
	6,160	8,354	9,403
Global income for the year			
of which non-controlling interests (minority interests)	698	2,618	3,725
of which Owners of the Group's parent company	3,583	15,354	13,778
GLOBAL PROFIT/LOSS	4,281	17,972	17,503

Provisions for pension liability are updated at December 31 of each financial year. These provisions are not material to the Group, and we do not anticipate any material impact on the provision as a result of the French pension reform.

Consolidated balance sheet (in thousands of euros)		06.2023	12.2022	06.2022
	note #			
ASSETS				
Goodwill	12	5,101	5,101	5,101
Intangible assets		903	582	663
Rental equipment & other property plant & equipment, net	13	351,150	363,401	322,789
Right of use	15	14,497	15,358	13,937
Long-term financial assets	14	998	1,060	4,952
Other non-current assets	14	8,570	9,098	5,529
Deferred tax assets				229
Total non-current assets		381,219	394,600	353,200
Inventory and work-in-progress	16	101,636	86,322	105,243
Trade receivables, net		27,264	28,708	32,333
Other current assets	17	8,959	6,082	11,965
Cash and cash equivalents	18	45,192	56,014	82,294
Total current assets		183,051	177,126	231,835
TOTAL ASSETS		564,270	571,726	585,035
LIABILITIES				
Share capital		56,092	56,092	56,092
Hybrid capital				18,100
Reserves and share premium		22,614	27,144	30,804
Profit (loss) for the fiscal year, Group's share		5,051	7,467	7,585
Equity attributable to the owners of the parent company and holders of hybrid securities		83,757	90,703	112,581
Non-controlling interests (Minority interests)		69,733	62,959	57,618
Consolidated shareholders' equity	20	153,490	153,662	170,199
Loans and borrowings	18	258,380	296,214	248,025
Long-term lease liabilities	19	10,509	11,540	10,516
Deferred tax liabilities		7,386	6,952	6,486
Employee benefits		481	481	484
Other long-term liabilities		706	749	577
Total non-current liabilities		277,462	315,936	266,088
Provisions	21	422	77	85
Short-term lease liabilities	19	1,950	1,806	1,598
Loans and borrowings	18	61,964	40,634	76,503
Trade payables		15,852	12,338	9,341
Other current liabilities	22	53,130	47,273	61,221
Total current liabilities		133,318	102,128	148,748
TOTAL LIABILITIES		564,270	571,726	585,035

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 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 Dividends				(907)				(907)		(907)
Hybrid Capital Coupon				(1,383)				(1,383)	(2,599)	(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
Situation on 1 July 2022	56,092	5,758	18,100	6,049	17,833	1,163	7,585	112,581	57,618	170,199
Other items of the comprehensive income that may be subsequently reclassified as net income					(2,858)	1,349		(1,509)	(60)	(1,569)
Other elements of the comprehensive income that cannot be subsequently reclassified as net income				51				51		51
Profit/loss for the period							(118)	(118)	1,167	1,049
TOTAL accounted expenses and income				51	(2,858)	1,349	(118)	(1,576)	1,107	(469)
Capital Increases									2,574	2,574
Reclassification of Capital Hybrid			(18,100)					(18,100)		(18,100)
Dividends									(5)	(5)
Hybrid Capital Coupon				(420)				(420)		(420)
Transaction with minority shareholders				(1,665)				(1,665)	1,665	
Change in the scope of consolidation and others				(67)				(67)		(67)
Treasury shares				(49)				(49)		(49)
On 31 December 2022	56,092	5,758		3,899	14,975	2,512	7,467	90,703	62,959	153,662
Situation on 1 January 2023	56,092	5,758		3,899	14,975	2,512	7,467	90,703	62,959	153,662
Other items of the comprehensive income that may be subsequently reclassified as net income					(1,335)	(133)		(1,468)	(411)	(1,879)
Other elements of the comprehensive income that cannot be subsequently reclassified as net income										
Profit/loss for the period							5,051	5,051	1,109	6,160
TOTAL accounted expenses and income					(1,335)	(133)	5,051	3,583	698	4,281
Appropriation of overall 2022 net income				7,467			(7,467)			
Statutory remuneration of general Dividends				(804)				(804)		(804)
Transaction with minority shareholders				(8,977)				(8,977)	8,942	(35)
Change in the scope of consolidation and others				(48)				(48)		(48)
Treasury shares				15				15		15
On 30 June 2023	56,092	5,758		837	13,640	2,379	5,051	83,757	69,733	153,490

In the first half of 2023, the Touax Group acquired the minority shares in the Modular Construction division.

Consolidated Cash Flow Statement <i>(in thousands of euros)</i>		06.2023	06.2022	12.2022
Net income from continuing activities		6,160	8,354	9,403
Depreciation and amortization		14,224	12,932	29,131
Change in deferred taxes		539	966	1,391
Capital gains & losses on disposals		(1,315)	(3,458)	(6,520)
Other non-cash income (expenses), net		(3,321)	1,049	1,755
Self-financing capacity after cost of net financial debt & tax payable		16,287	19,843	35,160
Net interest expense		9,577	5,650	13,104
Interests paid on lease agreement		190	138	373
Income tax payable		864	489	4,892
Self-financing capacity before cost of net financial debt & tax		26,918	26,120	53,529
Income tax paid / collected		(548)	(489)	(222)
Change in working capital (excluding changes in inventory)	A	11,740	1,694	5,230
Change in inventory	B	(18,157)	(12,194)	(15,062)
Change in working capital related to rental equipment purchases	C	(3,247)	(20,440)	(24,134)
Purchase of rental equipment		(13,995)	(7,853)	(52,923)
Proceed from sale of rental equipment		14,655	24,017	31,890
Net impact of finance leases granted to customers		29	178	211
	sub-total	(20,715)	(16,292)	(60,018)
CASH FLOW FROM OPERATING ACTIVITIES	(I)	17,395	11,033	(1,481)
Investing activities				
Acquisition of PPE and intangible assets		(308)	(370)	(314)
Acquisition of long-term financial assets				
Net change in financial fixed assets		(345)	447	(134)
Proceed from sale of property, plant and equipment		1		9
Cash flows from the subsidiaries (perimeter entries or exits)				
Proceeds from disposal of financial assets				
CASH FLOW FROM INVESTING ACTIVITIES	(II)	(652)	77	(439)
Financing transactions				
Receipt from borrowings		19,426	56,896	140,026
Repayments of borrowings		(33,639)	(23,635)	(92,733)
Net change in borrowings		(14,213)	33,261	47,293
Repayments of lease liabilities		(979)	1,802	844
Net increase in shareholders' equity (capital increase)			600	3,150
Decrease of Capital Hybrid			(8,475)	(26,575)
Net interest expense paid		(10,217)	(5,650)	(12,512)
Interests paid on lease agreement		(190)	(138)	(373)
Dividends to shareholders of Touax SCA				
Dividends to minority shareholders		(2,144)	(2,050)	(3,647)
General Partners' statutory compensation				(907)
Hybrid capital coupons			(1,383)	(1,803)
Others		(45)	33	(35)
Net sale (acquisition) of treasury shares		15	(3)	(52)
CASH FLOW FROM FINANCING TRANSACTIONS	(III)	(27,773)	17,997	5,383
Effect of exchange rate fluctuations		(99)	620	(28)
CASH FLOW FROM EXCHANGE RATE FLUCTUATIONS	(IV)	(99)	620	(28)
CHANGE IN NET CASH POSITION (I) + (II) + (III) + (IV)		(11,129)	29,727	3,435
Analysis of cash flow				
Cash position at start of year		56,001	52,566	52,566
Cash position at year end		44,872	82,293	56,001
CHANGE IN NET CASH POSITION		(11,129)	29,727	3,435

Net cash includes current bank facilities.

<i>(in thousands of euros)</i>		06.2023	06.2022	12.2022
Change in the operational working capital				
Decrease/(increase) in inventory		(18,157)	(12,194)	(15,062)
Change in inventory (2)	B	(18,157)	(12,194)	(15,062)
Decrease/(increase) in trade receivables		782	80	3,767
Decrease/(increase) in other current assets		726	1,338	3,339
(Decrease)/increase in trade payables		3,453	(3,533)	(402)
(Decrease)/increase in other liabilities		6,779	3,809	(1,474)
Change in operating working capital excluding change in inventory (1)	A	11,740	1,694	5,230
Change in the working capital (1)+(2)		(6,417)	(10,500)	(9,832)
Change in Working Capital for investment	C			
Decrease / (increase) in receivables / fixed assets				
Decrease / (increase) in liabilities / fixed assets		(3,247)	(20,440)	(24,134)
Change in Working Capital for investment		(3,247)	(20,440)	(24,134)

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, 2023

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 2022 available in the Group's 2022 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 2023 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, 2023 and the notes to these financial statements were approved on September 13, 2023 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 2023

The standards and interpretations that are mandatory from 1 January 2023 have no significant impact on the consolidated accounts of 30 June 2023.

- Amendment to IAS 1 "Information to be provided on accounting methods". The purpose of the amendment is to provide disclosures about significant accounting policies by guiding entities in applying the concept of materiality to better identify and present those accounting policies that provide material information for inclusion in the financial statements, and those that do not. There was no impact on the June 30, 2023 financial statements.
- Amendment to IAS 8 "Definition of accounting estimates". The amendment defines the notion of accounting estimate and aims to facilitate the distinction between changes in accounting policies and changes in accounting estimates. There was no impact on the June 30, 2023 financial statements.
- Amendment to IAS 12 "Deferred taxes related to assets and liabilities resulting from a single transaction". The amendment removes the exception to deferred tax recognition for transactions that simultaneously give rise to assets and liabilities with temporary differences in opposite directions. It requires the recognition of deferred taxes on leases and provisions for decommissioning. There was no impact on the June 30, 2023 financial statements.
- Amendment to IAS 12 "International Tax Reform, Pillar 2". The amendment treats the "Pillar 2" additional tax as an income tax; introduces a mandatory temporary exception to the deferred taxes that would result from these provisions; requires disclosure in the notes of the entity's exposure to the new tax consequences. The Group does not fall within the scope of Pillar 2".

These amendments have no impact on the condensed consolidated financial statements as of 30 June 2023.

I Standards and interpretations adopted by the IASB but not yet applicable on 30 June 2023

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 2023:

- Amendment to IAS 1 "Classification of current and non-current liabilities";
- Amendment to IAS 1 "Non-current liabilities with covenants";
- Amendment to IFRS 16 "Lease liability in a sale and leaseback transaction";
- Amendment to IAS 7 and IFRS7 "Supplier agreements and financing".

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 valuation of goodwill (see note 12), appraisal of any loss in value of tangible assets (see note 13), 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

These risks have been developed in the 2022 universal registration document in note 3.4.4 in the legal and regulatory risks section and note 22.2 of the RSE report.

note 2.1. INTEREST-RATE RISKS

The Touax Group uses debt to carry out its investment policy. Part of the Group's debt is at variable rates. Interest-rate risk is therefore mainly associated with these variable-rate loans.

In order to limit the negative impact of a rise in interest rates, the Group applies a non-speculative interest rate management policy, using standard derivatives (plain vanilla) and negotiating its new borrowings at fixed or variable rates, depending on whether it wishes to modify the fixed/floating rate split of its debt.

The hedges put in place do not necessarily modify the split between fixed and floating rates: the debt remains at floating rate, but the exposure is hedged. At the end of June 2023, 61% of variable-rate debt was hedged. This means that a total of 75% of the Group's debt is at fixed or hedged floating rates.

note 2.2. CLIMATE RISKS

Climate change could harm us, our customers who transport goods using the barges, containers and railcars we provide, and our suppliers, who produce our products and may emit greenhouse gases during the production process. A drop in demand caused by climate change could have a negative impact on our business, operating results and financial situation.

Changes in laws, legislation and regulations, and measures taken by the authorities under existing laws, aimed at regulating greenhouse gas emissions and climate change could harm our customers and our business. The potential consequences of laws, legislation or regulations to combat climate change could compromise our financial position, results of operations and cash flows. The Group has no knowledge of the future indirect effects of climate risk and has therefore not taken them into account in its estimates.

note 3. CHANGES IN THE SCOPE OF CONSOLIDATION

The Touax Rail Services (TRS) subsidiary is a newly-created entity which will carry most of the operational staff working for the Freight Wagons division.

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 2022).

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>	30.06.2023				30.06.2022			
	Published	Restatements		Restated	Published	Restatements		Restated
		Freight Railcars	Containers			Freight Railcars	Containers	
Leasing revenues on owned equipment	34,649			34,649	32,418			32,418
Ancillary services	11,637	(208)	(2,129)	9,301	15,211	(353)	(4,242)	10,616
Total leasing activity	46,286	(208)	(2,129)	43,950	47,629	(353)	(4,242)	43,034
Sales of owned equipment	29,948			29,948	29,111			29,111
Total sales of equipment	29,948			29,948	29,111			29,111
Total of owned activity	76,234	(208)	(2,129)	73,898	76,740	(353)	(4,242)	72,145
Leasing revenues on managed equipment	18,903	(6,258)	(12,645)		21,736	(5,487)	(16,249)	
Syndication fees	544			544	2,522			2,522
Management fees	752	635	652	2,039	556	542	866	1,964
Sales fees	2,571			2,571	1,685			1,685
Total of management activity	22,770	(5,623)	(11,993)	5,154	26,499	(4,945)	(15,383)	6,171
Capital gains or losses on disposals unrelated to recurring activities	2			2				
Revenue from activities	99,006	(5,831)	(14,122)	79,054	103,239	(5,298)	(19,625)	78,316
Cost of sales of equipment	(25,001)			(25,001)	(25,502)			(25,502)
Operating expenses	(19,564)	3,190	4,505	(11,869)	(18,246)	3,280	3,933	(11,033)
Sales, general and administrative expenses	(13,254)			(13,254)	(12,288)			(12,288)
Net distributions to investors	(12,257)	2,640	9,617		(17,710)	2,018	15,692	
EBITDA	28,930			28,930	29,493			29,493
OPERATING INCOME	17,326			17,326	16,567			16,567
CONSOLIDATED NET INCOME (LOSS)	5,051			5,051	7,585			7,585

Consolidated income statement, presented by function <i>(in thousands of euros)</i>	31.12.2022			
	Published	Restatements		Restated
		Freight Railcars	Containers	
Leasing revenues on owned equipment	67,127			67,127
Ancillary services	32,729	(1,323)	(6,794)	24,612
Total leasing activity	99,856	(1,323)	(6,794)	91,739
Sales of owned equipment	58,786			58,786
Total sales of equipment	58,786			58,786
Total of owned activity	158,642	(1,323)	(6,794)	150,525
Leasing revenues on managed equipment	44,399	(11,634)	(32,765)	
Syndication fees	2,737			2,737
Management fees	1,286	1,159	2,257	4,702
Sales fees	3,484			3,484
Total of management activity	51,906	(10,475)	(30,508)	10,923
Capital gains or losses on disposals unrelated to recurring activities	7			7
Revenue from activities	210,555	(11,798)	(37,302)	161,455
Cost of sales of equipment	(50,239)			(50,239)
Operating expenses	(41,006)	5,952	6,809	(28,245)
Sales, general and administrative expenses	(25,024)			(25,024)
Net distributions to investors	(36,339)	5,846	30,493	
EBITDA	57,947			57,947
OPERATING INCOME	31,085			31,085
CONSOLIDATED NET INCOME (LOSS)	7,467			7,467

note 4.2. INCOME STATEMENT BY DIVISION

30/06/2023 <i>(in thousands of euros)</i>	Freight Railcars	River Barges	Containers	Miscellaneous & eliminations	Total
Leasing revenues on owned equipment	22,739	3,764	8,137	9	34,649
Ancillary services	3,875	3,701	1,725		9,301
Total leasing activity	26,614	7,465	9,862	9	43,950
Sales of owned equipment	208	5	21,160	8,575	29,948
Total sales of equipment	208	5	21,160	8,575	29,948
Total of owned activity	26,822	7,470	31,022	8,584	73,898
Syndication fees			544		544
Management fees	1,091	25	923		2,039
Sales fees			2,571		2,571
Total of management activity	1,091	25	4,038		5,154
Capital gains or losses on disposals unrelated to recurring activities				2	2
RESTATED REVENUE FROM ACTIVITIES	27,913	7,495	35,060	8,586	79,054
Cost of sales of equipment	(103)	(34)	(19,457)	(5,407)	(25,001)
Operating expenses	(6,362)	(3,481)	(1,865)	(161)	(11,869)
Sales, general and administrative expenses	(6,553)	(1,484)	(4,903)	(314)	(13,254)
EBITDA	14,895	2,496	8,835	2,704	28,930
Depreciation, amortization and impairments	(9,769)	(1,674)	(2,319)	(439)	(14,201)
CURRENT OPERATING INCOME	5,126	822	6,516	2,265	14,729
Other revenues (expenses), net				2,597	2,597
OPERATING INCOME	5,126	822	6,516	4,862	17,326
Net financial expense					(9,763)
Shares of profit/(loss) of associates					
PROFIT BEFORE TAX					7,563
Income tax benefit (expense)					(1,403)
NET INCOME OF CONSOLIDATED COMPANIES					6,160
Of which non-controlling interests (Minority interests) from retained businesses					1,109
CONSOLIDATED NET INCOME (LOSS), GROUP'S SHARE					5,051

30/06/2022 <i>(in thousands of euros)</i>	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		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
CONSOLIDATED NET INCOME (LOSS), GROUP'S SHARE					7,585

31/12/2022 <i>(in thousands of euros)</i>	Freight Railcars	River Barges	Containers	Miscellaneous & Eliminations	Total
Leasing revenues on owned equipment	44,746	7,098	15,263	20	67,127
Ancillary services	7,418	10,299	6,896	(1)	24,612
Total leasing activity	52,164	17,397	22,159	19	91,739
Sales of owned equipment	1,550	16	50,831	6,389	58,786
Total equipment sales activity	1,550	16	50,831	6,389	58,786
Total of owned activity	53,714	17,413	72,990	6,408	150,525
Syndication fees	447		2,290		2,737
Management fees	1,981	41	2,680		4,702
Sales fees			3,484		3,484
Total of management activity	2,428	41	8,454		10,923
Capital gains or losses on disposals unrelated to recurring activities				7	7
RESTATED REVENUE FROM ACTIVITIES	56,142	17,454	81,444	6,415	161,455
Cost of equipment sales	(667)		(43,418)	(6,154)	(50,239)
Operating expenses	(12,456)	(9,717)	(5,536)	(536)	(28,245)
General and administrative expenses	(12,464)	(2,767)	(9,647)	(146)	(25,024)
EBITDA	30,555	4,970	22,843	(421)	57,947
Depreciation and impairments	(19,039)	(3,273)	(3,431)	(1,119)	(26,862)
Current operating income	11,516	1,697	19,412	(1,540)	31,085
Other operating income and expenses					
OPERATING INCOME	11,516	1,697	19,412	(1,540)	31,085
Financial profit or loss					(15,399)
Share of income in associate companies					
CURRENT INCOME BEFORE TAX					15,686
Corporate tax					(6,283)
NET INCOME					9,403
Of which non-controlling interest in continuing activities (minority)					1,936
GROUP SHARE OF NET INCOME					7,467

note 4.3. BALANCE SHEET BY DIVISION

30/06/2023 <i>(in thousands of euros)</i>	Freight Railcars	River Barges	Containers	Miscellaneous & eliminations	TOTAL
ASSETS					
Goodwill	5,101				5,101
Intangible assets	755		87	61	903
Rental equipment & other PPE, net	241,195	36,774	71,013	2,168	351,150
Right of use	133	12,241	441	1,682	14,497
Long-term financial assets	647	12	126	213	998
Other non-current assets	7,007		1,563		8,570
Deferred tax assets					
TOTAL non-current assets	254,838	49,027	73,230	4,124	381,219
Inventory and work-in-progress	32,322		65,134	4,180	101,636
Trade receivables, net	6,876	1,455	13,218	5,715	27,264
Other current assets	3,205	913	266	4,575	8,959
Cash and cash equivalents				45,192	45,192
TOTAL current assets	42,403	2,368	78,618	59,662	183,051
TOTAL ASSETS					564,270
LIABILITIES					
Share capital				56,092	56,092
Reserves and share premium				22,614	22,614
Profit (loss) for the fiscal year, Group's share				5,051	5,051
Equity attributable to the owners of the parent company				83,757	83,757
Non controlling interests (Minority interests)	69,733				69,733
Consolidated shareholders' equity				83,757	153,490
Loans and borrowings				258,380	258,380
Long-term lease liabilities				10,509	10,509
Deferred tax liabilities				7,386	7,386
Employee benefits	206	52	62	161	481
Other long-term liabilities	509	141		56	706
TOTAL non-current liabilities	715	193	62	276,492	277,462
Provisions				422	422
Short-term lease liabilities				1,950	1,950
Loans and borrowings				61,964	61,964
Trade payables	7,656	1,507	2,975	3,714	15,852
Other current liabilities	5,665	516	39,083	7,866	53,130
TOTAL current liabilities	13,321	2,023	42,058	75,916	133,318
TOTAL LIABILITIES					564,270
Tangible & intangible investments during the period	13,300	514	377	112	14,303
Workforce by business (FTE)	66	9	36	131	242

31 December 2022 (in thousands of euros)	Freight Railcars	River Barges	Containers	Miscellaneous & Eliminations	TOTAL
ASSETS					
Goodwill	5,101				5,101
Intangible assets	401		124	57	582
Property, plant and equipment	238,442	38,002	84,856	2,101	363,401
Right of use	154	12,669	564	1,971	15,358
Long-term financial assets	709	13	127	211	1,060
Other non-current financial assets	7,642	18	1,438		9,098
Deferred tax assets					
TOTAL non-current assets	252,449	50,702	87,109	4,340	394,600
Inventories and Work in Progress	23,153		61,001	2,168	86,322
Trade receivables	7,608	2,314	15,166	3,620	28,708
Other current financial assets	2,454	846	396	2,386	6,082
Cash and cash equivalents				56,014	56,014
TOTAL current assets	33,215	3,160	76,563	64,188	177,126
TOTAL ASSETS					571,726
LIABILITIES					
Share capital				56,092	56,092
Reserves and share premium				27,144	27,144
Income for the period, Group's share				7,467	7,467
Shareholders' equity attributable to owners of the Group's parent company				90,703	90,703
Non-controlling interests (Minority interests)	71,961			(9,002)	62,959
Total shareholders' equity				81,701	153,662
Loans and Financial liabilities				296,214	296,214
Long-term lease liability				11,540	11,540
Deferred tax liabilities				6,952	6,952
Pension and similar liabilities		52	62	367	481
Other long-term liabilities	575	117		57	749
TOTAL non-current liabilities		169	62	315,130	315,936
Provisions			25	52	77
Short-term lease liability				1,806	1,806
Borrowings and current bank facilities				40,634	40,634
Trade payables	6,171	1,817	2,918	1,432	12,338
Other current liabilities	5,801	820	32,190	8,462	47,273
TOTAL current liabilities	11,972	2,637	35,133	52,386	102,128
TOTAL LIABILITIES					571,726
Intangible & tangible investments, during the period	25,323	2,717	25,077	120	53,237
Workforce by activity (FTE)	70	9	39	124	242

30/06/2022 (in thousands of euros)	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 and share premium				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	1,201			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

note 4.4. GEOGRAPHICAL SEGMENT REPORTING

(in thousands of euros)	International	Europe	Americas	Other	TOTAL
06.2023					
Revenue from activities	49,182	37,207	1,548	11,069	99,006
Tangible & intangible investments	377	7,640	6	6,280	14,303
Sectoral non-current assets (without deferred tax assets)	73,230	245,367	22,419	40,203	381,219
06.2022					
Revenue from activities	60,903	35,414	1,354	5,568	103,239
Tangible & intangible investments	216	7,096		911	8,223
Sectoral non-current assets (without deferred tax assets)	72,473	219,125	24,739	36,634	352,971
12.2022					
Revenue from activities	118,747	77,492	3,010	11,306	210,555
Tangible & intangible investments	25,077	25,278		2,882	53,237
Sectoral non-current assets (without deferred tax assets)	92,220	243,380	23,463	35,537	394,600

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)	Variation June			
	06.2023	06.2022	2023/2022	12.2022
Leasing revenues on owned equipment	34,649	32,418	6.9%	67,127
Ancillary services	11,637	15,211	-23.5%	32,729
Total leasing activity	46,286	47,629	-2.8%	99,856
Sales of owned equipment	29,948	29,111	2.9%	58,786
Total sales of equipment	29,948	29,111	2.9%	58,786
Total of owned activity	76,234	76,740	-0.7%	158,642
Leasing revenues on managed equipment	18,903	21,736	-13.0%	44,399
Syndication fees	544	2,522	-78.4%	2,737
Management fees	752	556	35.3%	1,286
Sales fees	2,571	1,685	52.6%	3,484
Total of management activity	22,770	26,499	-14.1%	51,906
Capital gains or losses on disposals unrelated to recurring activities	2			7
TOTAL Revenue from activities	99,006	103,239	-4.1%	210,555

note 6. PAYROLL EXPENSE

(in thousands of euros)	06.2023	06.2022	12.2022
Salaries and social security charges	(9,508)	(8,577)	(17,502)
Workforce (FTE)	242	243	242

note 7. NET DISTRIBUTIONS TO INVESTORS

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

(in thousands of euros)	06.2023	06.2022	Variation June 2023/2022	Variation (%)	12.2022
Freight Railcars	(2,640)	(2,018)	(622)	30.8%	(5,846)
Containers	(9,617)	(15,692)	6,075	-38.7%	(30,493)
TOTAL	(12,257)	(17,710)	5,453	-30.8%	(36,339)

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

As part of the buyout of the minority shareholding in the modular construction division, the Group bought out the receivable of the minority shareholder in the modular construction division, generating a positive impact on income of €3.5 million.

A court in the USA ruled against Touax for USD 1 million following a road trailer accident in August 2016 involving the liability of our Touax Modular Building subsidiary in the USA at the time. As the assets of the US subsidiary were sold in 2017, Touax was unaware of this lawsuit or of the judgement against it until very recently, and will be challenging both the form of the judgement and its substance.

None on 2022.

note 9. NET FINANCIAL EXPENSE

(in thousands of euros)	06.2023	06.2022	Variation June 2023/2022	12.2022
Interest income	71	78	(7)	113
Interest expense	(9,649)	(6,462)	(3,187)	(14,926)
Cost of loans and borrowings	(9,649)	(6,462)	(3,187)	(14,926)
Net interest expense	(9,578)	(6,384)	(3,194)	(14,813)
Profit and loss on debt extinguishment	315	104	211	80
Interest paid on leases	(190)	(183)	(7)	(373)
Financial income and charges from discounting	(294)	(241)	(53)	12
Other	(16)	(54)	38	(305)
Other financial income (expenses), net	(185)	(374)	189	(586)
NET FINANCIAL EXPENSE	(9,763)	(6,758)	(3,005)	(15,399)

note 10. INCOME TAX EXPENSE

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

(in thousands of euros)	06.2023			06.2022			12.2022		
	Payable	Deferred	Total	Payable	Deferred	Total	Payable	Deferred	Total
Europe		(231)	(231)	(51)	(455)	(506)		(348)	(348)
Other	(864)	(308)	(1,172)	(438)	(511)	(949)	(4,892)	(1,043)	(5,935)
TOTAL	(864)	(539)	(1,403)	(489)	(966)	(1,455)	(4,892)	(1,391)	(6,283)

Income tax records a tax expense of €1.4 million. It breaks down into deferred tax expense of -€0.5 million and a current tax expense of -€0.9 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.

	06.2023	06.2022	12.2023
Net earnings in euros	5,050,683	7,585,267	7,466,762
Outstanding shares	7,011,547	7,011,547	7,011,547
Weighted average number of outstanding ordinary shares	7,001,996	7,003,006	7,002,763
Weighted average number of shares for calculation of the diluted earning per share	7,001,996	7,003,006	7,014,043
NER EARNINGS PER SHARE			
- basic	0,72	1,08	1,07
- diluted	0,72	1,08	1,07

NOTES TO THE BALANCE SHEET

note 12. GOODWILL

There is no variation in goodwill:

(in thousands of euros)	06.2022	12.2022	Increase	Reduction	Currency translation	Discontinued operations	06.2023
Freight Railcars	5,101	5,101					5,101

At 30 June 2023, 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)	06.2023			12.2022	06.2022
	Gross value	Depreciation	Net value	Net value	Net value
Land and buildings	5,205	(3,246)	1,959	1,939	2,172
Equipment	506,932	(165,729)	341,203	356,108	318,836
Other tangible fixed assets	5,835	(5,635)	200	409	305
Current tangible fixed assets	7,788		7,788	4,945	1,476
TOTAL	525,760	(174,610)	351,150	363,401	322,789

note 13.2. CHANGES IN GROSS VALUE, BY TYPE

<i>(in thousands of euros)</i>	Opening	Purchase	Depreciation	Disposals	Variation in conversion	Reclassification and others	06.2023
Land and buildings	5,052			(3)	156		5,205
Equipment	510,122	10,076		(14,206)	(2,753)	3,693	506,932
Other tangible assets	8,421	33		(12)	32	(2,639)	5,835
Tangible assets in progress	4,945	3,919			(48)	(1,028)	7,788
TOTAL (GROSS VALUES)	528,540	14,028		(14,221)	(2,613)	26	525,760
Land and buildings	(3,113)		(39)	3	(96)		(3,246)
Equipment	(154,014)		(13,054)	899	518	(78)	(165,729)
Other tangible assets	(8,012)		(138)	12	(29)	2,532	(5,635)
Tangible assets in progress							
TOTAL (AMORTIZATION)	(165,139)		(13,231)	914	392	2,454	(174,610)
Land and buildings	1,939		(39)		59		1,959
Equipment	356,108	10,076	(13,054)	(13,307)	(2,235)	3,615	341,203
Other tangible assets	409	33	(138)		3	(107)	200
Tangible assets in progress	4,945	3,919			(48)	(1,028)	7,788
TOTAL (NET VALUES)	363,401	14,028	(13,231)	(13,307)	(2,221)	2,480	351,150

<i>(in thousands of euros)</i>	Opening	Purchase	Depreciation	Disposals	Variation in conversion	Reclassification and others	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)		(165,585)
Land and buildings	2,307	0	(124)	0	(11)	0	2,172
Equipment	316,015	6,612	(11,823)	(8,961)	8,488	8,505	318,836
Other tangible assets	716	351	(71)	0	4	(695)	305
Tangible assets in progress	3,487	1,241	0	0	26	(3,278)	1,476
TOTAL (NET VALUES)	322,525	8,204	(12,018)	(8,961)	8,507	4,532	322,789

<i>(in thousands of euros)</i>	Opening	Purchase	Depreciation	Disposals	Variation in conversion	Reclassification and others	12.2022
Land and buildings	5,533			(175)	(306)		5,052
Equipment	457,350	48,142		(16,164)	4,889	15,905	510,122
Other tangible assets	8,537	270		(9)	(30)	(347)	8,421
Tangible assets in progress	3,487	4,781			(182)	(3,141)	4,945
TOTAL (GROSS VALUES)	474,907	53,193		(16,348)	4,371	12,417	528,540
Land and buildings	(3,226)		(245)	174	184		(3,113)
Equipment	(141,335)		(24,364)	2,829	(980)	9,836	(154,014)
Other tangible assets	(7,821)		(225)	9	25		(8,012)
Tangible assets in progress							
TOTAL (AMORTIZATION)	(152,382)		(24,834)	3,012	(771)	9,836	(165,139)
Land and buildings	2,307		(245)	(1)	(122)		1,939
Equipment	316,015	48,142	(24,364)	(13,335)	3,909	25,741	356,108
Other tangible assets	716	270	(225)		(5)	(347)	409
Tangible assets in progress	3,487	4,781			(182)	(3,141)	4,945
TOTAL (NET VALUES)	322,525	53,193	(24,834)	(13,336)	3,600	22,253	363,401

At 30 June 2023, 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, 2023 totalled €1 million compared to €1.1 million at December 31, 2022. Financial assets mainly consist of security deposits.

Other non-current assets totalled €8.6 million at June 30, 2023 compared to €9.1 million at December 31, 2022.

They include derivative instruments assets totalling €7.8 million and a VAT receivable totalling €0.8 million.

note 15. RIGHT OF USE

Leased assets have changed as follows:

Right of use (in thousands of euros)	Real estate	Barges	Vehicles and copiers	06.2023	06.2022	12.2022
Amount at opening	2,273	12,621	464	15,358	11,481	11,481
Increases	55		29	84	3,252	5,698
Decrease		(35)		(35)		
Depreciation	(369)	(437)	(101)	(907)	(819)	(1,813)
Exchange rate fluctuations	(9)		6	(3)	23	(8)
Amount at closing	1,950	12,149	398	14,497	13,937	15,358

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

Right of use (in thousands of euros)	06.2023			12.2022	06.2022
	Gross value	Depreciation	Net value	Net value	Net value
Freight Railcars Division	284	(152)	133	154	175
Property lease	187	(105)	81	94	108
Property leases on vehicles	98	(46)	52	60	68
River Barges Division	19,301	(7,061)	12,241	12,669	12,743
Property lease	55		55		
Property leases on barges	19,134	(6,983)	12,151	12,622	12,691
Property leases on vehicles	113	(77)	35	47	52
Containers Division	654	(213)	441	564	353
Property leases	572	(167)	405	510	279
Property leases on vehicles and copiers	82	(46)	36	54	74
Modular Constructions Division	322	(112)	210	213	155
Property leases on vehicles	322	(112)	210	213	155
Corporate Division	3,985	(2,513)	1,472	1,758	510
Property lease	3,773	(2,364)	1,409	1,669	394
Property leases on vehicles and copiers	213	(150)	63	89	116
TOTAL	24,547	(10,050)	14,497	15,358	13,937

note 16. INVENTORIES AND WORK IN PROGRESS

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

(in thousands of euros)	06.2023			12.2022	06.2022
	Gross value	Depreciation	Net value	Net val.	Net val.
Equipment	79,026	(1,482)	77,544	66,423	84,751
Spare parts	24,092		24,092	19,899	20,492
TOTAL	103,118	(1,482)	101,636	86,322	105,243

The Railcars division is increasing its inventories by €9.2 million. The stock at the end of the period represents 107 railcars.

The Containers division shows a variation of +€4.1 million. The stock at the end of the period represents 29,281 CEU.

Modular building stocks are increasing by €2 million.

note 17. OTHER CURRENT ASSETS

<i>(in thousands of euros)</i>	06.2023	12.2022	06.2022
Accrued expenses	1,560	727	1,307
Taxes & duties	5,456	4,570	9,882
Receivables due within 1 year - Finance lease	50	61	56
Other	1,893	724	720
TOTAL	8,959	6,082	11,965

The "Other" line corresponds to prepayments on orders and customs consignment fees due in less than one year.

note 18. FINANCIAL LIABILITIES

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

I Analysis of financial liabilities by category

The table below shows the group's debt on 30 June 2023.

<i>(in thousands of euros)</i>	Non-current	Current	TOTAL	Non-current	Current	TOTAL	Non-current	Current	TOTAL
Bond	38,023	(189)	37,834	32,898	15,919	48,817	49,310	875	50,185
Medium-term loans with recourse	14,065	41,441	55,507	53,957	1,795	55,752	53,885	1,735	55,620
Renewable credit without recourse	206,292	19,966	226,257	209,359	22,274	231,633	144,831	73,467	218,297
Current bank facilities with recourse		319	319		4	4			
Current bank facilities without recourse					9	9			
Derivative liabilities without recourse		427	427		633	633		426	426
TOTAL FINANCIAL LIABILITIES	258,380	61,964	320,344	296,214	40,634	336,848	248,025	76,503	324,528

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).

At June 30, 2023, the Group's parent company TSCA debt stood at €81.9 million.

Changes in financial debt are presented in the table below:

June 30, 2023			Non cash "variations"				Closing
<i>(in thousands of euros)</i>	Opening	Cash flow	Exchange rate effects	Fair value changes	Other variations	Total "Non cash"	
Bond issue	48,817	(11,091)			108	108	37,834
Medium/long-term loans with recourse	55,752	(301)	(162)		218	56	55,507
Debt without recourse	231,633	(2,821)	(1,595)		(960)	(2,555)	226,257
Liabilities on derivatives with and without recourse	633		(11)		(195)	(206)	427
Subtotal	336,835	(14,213)	(1,768)		(829)	(2,597)	320,025
Bank overdrafts payable with and without recourse	13	306					319
TOTAL FINANCIAL LIABILITIES	336,848	(13,907)	(1,768)		(829)	(2,597)	320,344

June 30, 2022			Non cash "variations"				Closing
<i>(in thousands of euros)</i>	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

December 31, 2022		Non cash "variations"				Closing		
(in thousands of euros)		Opening	Cash flow	Exchange rate effects	Fair value changes		Other variations	Total "Non cash"
Bonds	27,406	21,214				197	197	48,817
Medium/long-term loans with recourse	49,664	5,540	157			391	548	55,752
Debts without recourse	206,864	20,539	2,457			1,773	4,230	231,633
Derivative instruments with and without recourse	272		(8)			369	361	633
Sub-total	284,207	47,293	2,606			2,730	5,336	336,836
Bank overdrafts payable with and without recourse	1,252	(1,236)	(3)				(3)	13
Total financial liabilities	285,458	46,057	2,603			2,730	5,333	336,848

The change in rental liabilities is presented in note 20.

Change in indebtedness

On 30 June 2023, consolidated net indebtedness is as follows:

(in thousands of euros)	06.2023	12.2022	06.2022
Financial liabilities (gross financial debt)	320,344	336,848	324,528
Cash assets & Negotiable securities	45,192	56,014	82,294
Consolidated net financial indebtedness*	275,152	280,834	242,234
Non-recourse debt	226,685	232,275	218,297
Financial indebtedness excluding non-recourse debt	48,467	48,559	23,937

*The net financial debt is the gross financial debt including cash assets and excluding derivative instruments asset. Derivative instruments asset amounted to €7.8 million at the end of June 2023.

All contractual financial ratios existing on certain short and medium term bank loans are respected at 30 June 2023.

The primary consolidated financial ratios on 30 June 2023 are as follows:

- 3.19 for the Interest Coverage Ratio over a rolling 12-month period (= Restated EBITDA of €57.4 million / Net cost of financial debt of €18 million)
- 57.4 % for Loan-to-Value (= Gross financial debt of €320.3 million / Total assets adjusted for goodwill and intangible assets of €558.3 million)
- 4,79 for the Net Leverage Ratio (= Net financial debt of €275.2 million / Restated EBITDA of €57.4 million)

Restated EBITDA is EBITDA plus the capital repayments of the net investment in finance leasing granted to clients.

Transactions on existing financing:

- On May 16, 2023, Touax SCA completed a €5.35-million CLO to complement the €33.3 million Sustainable Linked Bond issue of June 28, 2022, originally issued for a 5-year term in unsubordinated and unsecured Euro-PP format. This financing was not issued at par;
- During the first half of 2023 Touax SCA also finalized the redemption of its 2018 Euro-PP bond issue for a notional amount of €14.63 million.

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 <i>(in thousands of euros)</i>	06.2023			12.2022			06.2022		
	Non current	Current	Total	Non current	Current	Total	Non current	Current	Total
Freight Railcars Division	98	44	142	120	43	163	146	35	181
Property lease	61	27	89	75	27	102	91	22	113
Property leases on vehicles	37	16	53	45	16	61	55	13	68
River Barges Division	9,217	1,084	10,301	9,714	1,058	10,772	10,008	889	10,897
Property lease	42	13	55						
Property leases on barges	9,158	1,052	10,210	9,688	1,036	10,724	9,974	870	10,844
Property leases on vehicles	17	19	36	26	22	48	34	19	53
Containers Division	246	205	451	357	213	570	199	158	357
Property leases	224	190	414	327	188	515	160	123	283
Property leases on vehicles and copiers	22	15	37	30	25	55	39	35	74
Modular Constructions Division	127	79	206	138	74	212	99	59	158
Property leases on vehicles	127	79	206	138	74	212	99	59	158
Corporate Division	820	538	1,359	1,211	418	1,629	64	457	521
Property lease	793	502	1,294	1,170	367	1,537		403	403
Property leases on vehicles and copiers	28	37	65	41	51	92	64	54	118
TOTAL	10,509	1,950	12,459	11,540	1,806	13,346	10,516	1,598	12,114

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>	06.2023	12.2022	06.2022
Less than a year	1,950	1,806	1,597
From 1 to 5 years	5,317	5,840	4,034
More than 5 years	5,192	5,700	6,483
TOTAL	12,459	13,346	12,114

I Variation in lease liabilities according to IAS 7

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

June 30, 2023 <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	2,154	(362)	(9)	69	60	1,852
Equipment leases for barges and other equipment	10,724	(512)		(2)	(2)	10,210
Equipment leases for vehicles and copiers	468	(105)	6	28	34	397
Total lease liabilities	13,346	(979)	(3)	95	92	12,459

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

December 31, 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	(745)		1,993	1,994	2,154
Equipment leases for barges and other equipment	8,591	1,793		340		10,724
Equipment leases for vehicles and copiers	390	(204)	(9)	291	282	468
Total lease liabilities	9,886	844	(8)	2,624	2,276	13,346

note 20. SHAREHOLDERS' EQUITY

Details of Shareholders' Equity are given in the Schedule of consolidated changes in Shareholders' Equity.

The Touax Group has distributed a dividend of €715,415 to its shareholders, to be paid in July 2023.

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

Touax SCA no longer has any hybrid capital, having fully redeemed its deeply subordinated perpetual notes on August 1, 2022.

note 21. PROVISIONS

<i>(in thousands of euros)</i>	Opening	Allocation	Reversal used	Reversal not used	Exchange rate fluctuations	06.2023
Containers	25		(25)			
Other (Modular Buildings and Holding)	52	370				422
Total	77	370	(25)			422

<i>(in thousands of euros)</i>	Opening	Allocation	Reversal used	Reversal not used	Exchange rate fluctuations	06.2022
Others (Modular Buildings and Holding)	85					85
Total	85					85

<i>(in thousands of euros)</i>	Opening	Allocation	Reversal used	Reversal not used	Exchange rate fluctuations	12.2022
Others (Modular Buildings and Holding)	85	52	(60)			77
Total	85	52	(60)			77

note 22. OTHER CURRENT LIABILITIES

<i>(in thousands of euros)</i>	06.2023	12.2022	06.2022
Capital creditors	6,972	10,321	13,675
Tax and social security liabilities	5,958	6,861	11,514
Accounts payable	30,584	19,262	21,557
Other current liabilities	9,104	9,967	13,900
Deferred revenue	512	862	575
TOTAL	53,130	47,273	61,221

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, 2023

<i>(in thousands of euros)</i>	Amount	Maturity date
Bank guarantee	3,061	
River Barges	120	2025
Modular Buildings	2,941	2023

Firm orders for equipment

Firm orders and investments at June 30, 2023 amounted to €62.1 million, including €52.4 million for freight railcars and €9.7 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 2023		
			Asset pledged (gross value)	Total of balance sheet item (gross value)	%
Mortgages (River Barges)			16,660	61,716	27.0%
	2012	2025	5,246		
	2022	2027	8,282		
	2022	2031	1,532		
	2022	2032	1,000		
	2023	2033	600		
Tangible assets pledged			315,149	552,530	57.0%
Freight Railcars			196,112	401,693	
	2020	2025	196,112		
Containers			119,037	150,837	
	2020	2026	119,037		
TOTAL GROUP			331,809	614,246	

<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	

<i>(in thousands of euros)</i>	Commencement	Maturity	31 December 2022		
			Asset pledged (gross value)	Total of balance sheet item (gross value)	%
Mortgages (River Barges)			16,314	61,914	26.3%
	2012	2025	5,344		
	2022	2027	8,438		
	2021	2031	1,532		
	2022	2032	1,000		
Tangible assets pledged			334,974	543,012	61.7%
Freight Railcars			192,752	382,670	
	2020	2025	192,752		
Containers			142,222	160,342	
	2022	2026	142,222		
TOTAL GROUP			351,288	604,926	

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	06.2023
Securities given to banks in consideration of bank loans used by the subsidiaries - remaining capital	319	8,392	12,712	21,423

<i>(in thousands of euros)</i>	less than one year	1 to 5 years	more than 5 years	06.2022
Securities given to banks in consideration of bank loans used by the subsidiaries - remaining capital		9,791	12,872	22,663

<i>(in thousands of euros)</i>	less than one year	1 to 5 years	more than 5 years	12.2022
Securities given to banks in consideration of bank loans used by the subsidiaries - remaining capital		9,044	13,314	22,358

note 23.1. CONTINGENT LIABILITIES

I 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 company and tax administration have continued to disagree, the case was presented to the courts for an initial ruling, given in June 2020. In late 2022, the Court of First Instance adjudicated in favour of the tax authority and the Group consequently depreciated the total of its Tax Reserve Certificates in its accounts, recorded under taxes. However, the group has appealed this decision and a new hearing has been set for November 2, 2023.

I 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. To date, there is no indemnity payment to anticipate.

note 24. POST BALANCE SHEET EVENTS

Financing :

On July 27, 2023, Touax SCA signed and put in place a €40 million senior secured loan with a 4-year maturity. This financing extends the average maturity of the Group's debt and is in line with its growth and profitability strategy, with the aim of replacing the senior secured loan maturing in June 2024 for the same amount. This financing was organized in the form of a bank club deal with Banque Internationale à Luxembourg and LCL as co-arrangers, and La Banque Postale, Banque Palatine and Crédit Agricole Île-de-France as participants.

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 13, 2023

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 of TOUAX SCA

In compliance with the assignment entrusted to us by the 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 TOUAX SCA, for the period from January 1st to June 30th, 2023,
- 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.

I- 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 of 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.

II- 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 13, 2023

The Statutory Auditors

French original signed by

RSM Paris

Régine STEPHAN

Deloitte & Associés

Albert AIDAN