

ALIS  
Administration & Finance  
Emilio Labrador  
ZAC de Maison Rouge  
27800 BOSROBERT

Paris,  
March 31, 2022

Sir,

Please find enclosed, the free translation of the French statutory audit report in English, regarding Alis' annual accounts as of December 31<sup>st</sup> 2021, and dated March 22, 2022

Best regards

 *Olivier THIREAU*

Olivier Thireau  
Partner MAZARS

# STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

*This is a free translation into English of the statutory auditors' report on the financial statements issued in French and it is provided solely for the convenience of English-speaking users.*

*The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.*

*This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to the shareholders.*

*This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.*

To the Shareholders of Autoroute de Liaison Seine-Sarthe,

## **Opinion**

In compliance with the engagement entrusted to us by your general meeting, we have audited the accompanying financial statements of Autoroute de Liaison Seine-Sarthe for the year ended December 31, 2021.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2021 and of the results of its operations for the year then ended in accordance with French accounting principles.

## **Basis for Opinion**

### ***Audit Framework***

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

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

### ***Independence***

We conducted our audit engagement in compliance with independence requirements of rules required by the French Commercial Code (code de commerce) and the French Code of ethics (code de déontologie) for statutory auditors for the period from January 1<sup>st</sup>, 2021 to date of our report.

## **Justification of Assessments**

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organisation and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the following matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

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

Note 3.c. iii of the financial statements describes the amortization method of tangible assets held under concession. We have assessed the appropriateness of these estimating methods and their correct application.

Notes 3.i and 9 of the financial statements describe the accounting method of bond issuance fees and cash payments made for the new debt incurred after refinancing. We have assessed the validity of the accounting method and the relevance of explanations provided in the notes.

Note 8 of the financial statements describes the accounting method of deferred tax, and the estimating methods used. We have assessed the validity of the accounting method and the relevance of explanations provided in the note. We have also assessed the appropriateness of these estimating methods and their correct application.

### **Specific verifications**

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

### ***Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to Shareholders***

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the board of directors and in the other documents with respect to the financial position and the financial statements provided to shareholders.

In accordance with French law, we report to you that the information relating to payment times referred to in Article D. 441-6 of the French Commercial Code (Code de commerce) is fairly presented and consistent with the financial statements.

### ***Information relating to corporate governance***

We attest that the corporate governance section of the management report sets out the information required by Article L.225-37-4 of the French Commercial Code.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The financial statements were approved by the board of directors.

## **Statutory Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in

the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

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

Courbevoie, on March 22, 2022  
The statutory auditor

French original signed by

**M A Z A R S**

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OLIVIER THIREAU

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**AUTOROUTE DE LIAISON SEINE-SARTHE****Balance Sheet as at 31 DECEMBER 2021**

( in Euros )

ASSETS	Gross	Depreciation Provisions	as at 31/12/2021	as at 31/12/2020
<b>CAPITAL SUBSCRIBED AND NOT PAID-IN</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Capital subscribed and not paid-in				
<b>INTANGIBLE ASSETS</b>	<b>2 441 277</b>	<b>646 806</b>	<b>1 794 471</b>	<b>1 492 129</b>
<i>FIXED ASSETS OWNED BY THE COMPANY</i>				
Patents and similar rights	15 652	4 187	11 465	53 274
Goodwill				
Other intangible fixed assets	0	0	0	25 810
<i>FIXED ASSETS ON CONCESSION</i>				
Intangible assets	2 352 700	642 619	1 710 081	1 227 475
In-progress intangible assets	72 925	0	72 925	185 570
Deposits on intangible fixed assets				
<b>TANGIBLE ASSETS</b>	<b>922 434 283</b>	<b>173 601 627</b>	<b>748 832 656</b>	<b>757 813 640</b>
Land	37 701	0	37 701	37 701
Buildings	671 406	74 508	596 898	627 224
Technical installations, equipments and tools				
Other tangible assets	105 275	14 406	90 869	41 851
<i>FIXED ASSETS ON CONCESSION</i>				
Tangible assets	920 454 918	173 512 713	746 942 205	756 245 991
In progress tangible assets	1 164 984	0	1 164 984	860 873
Deposits on tangible fixed assets	0	0	0	0
<b>FINANCIAL FIXED ASSETS</b>	<b>61 776 673</b>	<b>0</b>	<b>61 776 673</b>	<b>506</b>
Investments in subsidiaries and affiliates				
Receivables related to subsidiaries and affiliates				
Other portfolio investments				
Loans	61 776 673	0	61 776 673	
Other financial fixed assets	0	0	0	506
<b>FIXED ASSETS</b>	<b>986 652 233</b>	<b>174 248 433</b>	<b>812 403 800</b>	<b>759 306 275</b>
<b>INVENTORIES AND WORK-IN-PROGRESS</b>	<b>223 556</b>	<b>0</b>	<b>223 556</b>	<b>31 208</b>
Raw material and consumables	166 266	0	166 266	
Goods	57 290	0	57 290	31 208
<b>DOWNPAYMENTS TO SUPPLIERS</b>	<b>39 906</b>	<b>0</b>	<b>39 906</b>	<b>7 961</b>
<b>ACCOUNT RECEIVABLES</b>	<b>10 262 776</b>	<b>0</b>	<b>10 262 776</b>	<b>8 969 382</b>
Trade debtors and related accounts	9 577 803	0	9 577 803	7 850 651
Other operating account receivable	684 973	0	684 973	1 118 731
<b>OTHER ACCOUNT RECEIVABLES</b>	<b>1 113 295</b>	<b>0</b>	<b>1 113 295</b>	<b>1 361 343</b>
<b>CASH AND CASH EQUIVALENTS</b>	<b>101 804 753</b>	<b>0</b>	<b>101 804 753</b>	<b>130 270 717</b>
<b>CURRENT ASSETS</b>	<b>113 444 286</b>	<b>0</b>	<b>113 444 286</b>	<b>140 640 611</b>
Deferred tax asset	18 830 969	0	18 830 969	23 209 644
Deferred expenses	182 066 499	0	182 066 499	194 022 755
Prepayments	1 368 118	0	1 368 118	1 718 484
Foreign currency translation adjustment				
<b>TOTAL ASSETS</b>	<b>1 302 362 105</b>	<b>174 248 433</b>	<b>1 128 113 671</b>	<b>1 118 897 769</b>

# AUTOROUTE DE LIAISON SEINE-SARTHE

## Balance Sheet as at 31 DECEMBER 2021

( in Euros )

<b>EQUITY AND LIABILITIES</b>	<b>as at 31/12/2021</b>	<b>as at 31/12/2020</b>
Share capital	2 850 000	2 850 000
Retained earnings	(66 196 042)	(74 514 519)
Net income for the previous period to be distributed		
<b>NET INCOME OF PERIOD</b>	<b>23 010 281</b>	<b>8 318 477</b>
Investment grants	289 768 250	293 986 830
<b>NET EQUITY</b>	<b>249 432 490</b>	<b>230 640 788</b>
Provisions for contingencies	2 485 360	1 368 375
Provisions for charges	978 305	1 021 884
<b>PROVISIONS FOR CONTINGENCIES AND CHARGES</b>	<b>3 463 665</b>	<b>2 390 259</b>
Other bonds	865 852 714	877 691 237
Loans and debts with financial institutions	76	0
Other financial loans and debts	84 467	29 500
<b>FINANCIAL DEBTS</b>	<b>865 937 256</b>	<b>877 720 737</b>
<b>ADVANCES RECEIVED ON ORDERS IN PROGRESS</b>	<b>0</b>	<b>0</b>
<b>ACCOUNTS PAYABLES</b>	<b>6 226 106</b>	<b>8 020 695</b>
Trade payables and related accounts	2 225 745	4 821 089
Tax and social liabilities	3 307 926	2 636 065
Other payables	692 435	563 541
<b>OTHER LIABILITIES</b>	<b>3 012 605</b>	<b>83 778</b>
Liabilities on suppliers fixed assets and related accounts	358 763	83 778
Tax liabilities not related to operations	2 653 842	0
Other liabilities	0	0
<b>NON FINANCIAL LIABILITIES</b>	<b>9 238 711</b>	<b>8 104 473</b>
<b>CURRENT CREDITS LINES AND CREDIT BALANCES IN BANK ACCOUNTS</b>	<b>0</b>	<b>0</b>
Deferred income	41 550	41 512
Foreign Currency translation adjustment	0	0
<b>TOTAL LIABILITIES</b>	<b>1 128 113 671</b>	<b>1 118 897 769</b>

AUTOROUTE DE LIAISON SEINE-SARTHE

**PROFIT AND LOSS ACCOUNT FOR THE YEAR 2021**

(in Euros )

	2 021	2 020	2 019
Goods sold	155 778	126 926	221 708
Traffic toll revenues	92 319 175	75 786 663	94 252 776
<b>REVENUES</b>	<b>92 474 952</b>	<b>75 913 589</b>	<b>94 474 483</b>
Fixed assets capitalisation			
Operating grants	28 875		
Release of depreciation, amortizations and provision charges	48 579	171 606	940 273
Transfer of charges	42 758	0	1 888
Other ordinary income	60 813	524 929	797 689
<b>TOTAL OPERATING INCOME</b>	<b>92 655 977</b>	<b>76 610 124</b>	<b>96 214 333</b>
<b>Purchase of goods</b>	<b>152 624</b>	<b>98 666</b>	<b>180 475</b>
<b>Changes in inventories of goods for resale</b>	<b>-26 082</b>	<b>4 283</b>	<b>12 158</b>
Purchase of raw materials and other supplies	336 202		
Change in inventories	-166 266		
Other purchases and external charges	11 368 591	16 829 544	14 427 366
<b>Expenses from third parties</b>	<b>11 538 526</b>	<b>16 829 544</b>	<b>14 427 366</b>
Taxes, duties and similar payroll costs	20 074	5 638	6 703
Other taxes and duties	7 239 904	6 920 300	8 284 976
<b>Taxes, duties and similar payments</b>	<b>7 259 978</b>	<b>6 925 937</b>	<b>8 291 679</b>
Payroll	1 782 971	700 428	615 750
Social charges	593 468	360 375	278 743
<b>Personnel charges</b>	<b>2 376 439</b>	<b>1 060 803</b>	<b>894 492</b>
Fixed assets depreciation	13 310 373	11 163 625	14 385 034
Provisions on fixed assets	0	0	0
Current assets depreciation	0	0	0
Contingencies and charges depreciation	0	44 795	171 606
<b>Total depreciation and provisions</b>	<b>13 310 373</b>	<b>11 208 420</b>	<b>14 556 640</b>
<b>Other operating expenses</b>	<b>9 625</b>	<b>26 982</b>	<b>29 757</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>34 621 484</b>	<b>36 154 636</b>	<b>38 392 567</b>
<b>OPERATING INCOME</b>	<b>58 034 493</b>	<b>40 455 488</b>	<b>57 821 766</b>
Income from investments			
Income from other securities and receivables from fixed assets			
Other interest and similar incomes	209 298	4 716	3 530
Provisions release	0	101 601	0
Foreign exchange gains	0	0	0
Net gains on sale of investment securities			
Transfers of financial expenses			
<b>TOTAL FINANCIAL INCOME</b>	<b>209 298</b>	<b>106 317</b>	<b>3 530</b>
Depreciation of capitalised financial charges	11 152 409	10 153 793	10 520 488
Interest and similar expenses	21 296 120	21 489 126	21 936 229
Foreign exchange losses	0	0	0
Net losses on sale of investment securities			
<b>TOTAL FINANCIAL EXPENSES</b>	<b>32 448 529</b>	<b>31 642 921</b>	<b>32 456 717</b>
<b>FINANCIAL INCOME</b>	<b>(32 239 231)</b>	<b>(31 536 603)</b>	<b>(32 453 187)</b>
<b>RECURRENT INCOME BEFORE TAXES</b>	<b>25 795 262</b>	<b>8 918 885</b>	<b>25 368 579</b>
Investment grants recognised as income for the period	4 218 580	3 427 460	4 688 177
Extraordinary income on operating activities	0	0	0
Extraordinary income on financial activities	2 130 033		
Provisions released	0		
Transfers of extraordinary expenses			
<b>TOTAL EXTRAORDINARY INCOME</b>	<b>6 348 613</b>	<b>3 427 460</b>	<b>4 688 177</b>
Extraordinary expenses on operating activities	1 947	5	19
Extraordinary expenses on financial activities	449 522	11 868	345 159
Extraordinary impairments			
<b>TOTAL EXTRAORDINARY EXPENSES</b>	<b>451 469</b>	<b>11 873</b>	<b>345 178</b>
<b>EXTRAORDINARY INCOME</b>	<b>5 897 144</b>	<b>3 415 587</b>	<b>4 342 999</b>
Employee profit sharing	122 852		
Income taxes	8 559 273	4 015 995	9 480 950
<b>NET INCOME</b>	<b>23 010 281</b>	<b>8 318 477</b>	<b>20 230 628</b>
* including deferred taxes	4 378 675	2 404 354	4 920 926

## APPENDIX

### 1. Company Activity

The evolution of the COVID-19 pandemic crises brought lighter travel restrictions than those imposed in 2020. These measures continued to have a negative impact on the levels of traffic for the Company, especially during the first half of the year but nevertheless on a smaller scale than in 2020, and with a significant impact on the levels of traffic seen by the company in 2019, last full year before the start of the COVID-19 pandemic crises.

The AADT (Annual Average Daily Traffic) on the Rouen – Alençon A28 motorway stands at 8 127 vehicles/day, an increase of 22.1% compared to 2020, but still a decrease of -10.8% compared to 2019.

The increase in traffic in 2021 compared to 2020 is split in the following manner:

- + 24.7% for Private and Light Commercial Vehicles,
- + 13% for Heavy Goods Vehicles.

The decrease in traffic in 2021 compared to 2019 is split in the following manner:

- - 12.9% for Private and Light Commercial Vehicles,
- - 1.7 % for Heavy Goods Vehicles.

Heavy Goods Vehicle traffic in 2021 reached the levels of traffic in 2019, but private and light commercial vehicles continued to be below the levels of traffic of 2019.

Toll revenue for the Company stands at 92.31 m€ an increase of 21.81% considering the increase in traffic and the increase in toll tariffs which came into effect as of 1<sup>st</sup> February 2021 (+ 2.34% on average). The figure is very close to that of 2019, 94.47 m€ in 2019, i.e. a decrease of -2.28% compared to 2019.

Furthermore, 2021 was particularly marked by:

- The compliance with the debt service payments for the various obligations and debts of A1 and A2 bonds in accordance with the financial documentation;
- The internalisation of the operation of the motorway following the termination of the operation and maintenance contract with Rotalis on 27<sup>th</sup> October 2020. The termination came into effect as at 1<sup>st</sup> May 2021. The early termination indemnity was provisioned in the Company's accounts as at 31/12/2020 and paid in 2021. Rotalis filed a claim with the Paris Commercial Court. With regards to operations, the internalisation of operations activities has been a success without any particular difficulties with regards to day-to-day operations activities. Furthermore, the operations costs of the Company have been significantly reduced;
- The externalisation of administrative and support activities to the company ALiS Corporate;
- Progress of the ALiS toll plazas modernisation project (PMGA);
- The implementation of an ALiS "Corporate Social Responsibility (ESG) policy, which has allowed the Company to significantly improve its GRESB score.

## 2. Key events of the financial year

### a) A1 and A2 bond issues

In accordance with the A1 bond repayment schedule, the Company proceeded with the payment of repayment n°8 on 31<sup>st</sup> January 2021 for an amount of 15.10 m€ of which 10.27 m€ was interest.

As at 31<sup>st</sup> July 2021, for payment n°9, a sum of 17.09 m€ was paid of which 10.21 m€ was interest.

In accordance with the A2 bond repayment schedule, the payment of the coupon of the A2 bond issue was made on 31<sup>st</sup> July 2021 for an inflated amount of 0.94 m€ in interest.

### b) Situation regarding reserve accounts

#### Debt servicing reserve account

In accordance with the new financial documentation, the senior debt servicing reserve account had a balance as at 31<sup>st</sup> December 2021 of 19.520 m€. This amount corresponds to the maximum debt servicing for a period of six months during the first five years following issuing

#### "Heavy Maintenance" reserve account

In accordance with the financial documentation, the Company provisions a reserve account in order to finance future major maintenance expenditure. At the end of 2021, it showed a balance of 24.11 m€.

#### "A2 Bonds Redemption" reserve account

In accordance with the financial documentation, the A2 Bonds Redemption reserve account had a balance at the end of 2021 of 17.1 m€ corresponding to 38.40% of the indexed bond issue valued at 44.53 m€ as at 31<sup>st</sup> July 2021.

#### "Shareholder Distribution" reserve account

The "Shareholder Distribution" reserve account receives the excess sums of the "Operating Cash Account" and as at 31<sup>st</sup> December 2021, it showed a balance of 4.42 m€.

## 3. Accounting rules and methods

The accounts have been set up in accordance with prevailing accounting regulations, applicable in France.

### a) Change in method

There was no change in the accounting method during the 2021 financial year.

### b) Intangible assets

The intangible assets mainly consist of software and software licences amortised over periods of 1 to 5 years.

The licensed intangible assets concern the implementation of the payment chain and the PCI DSS solution which is amortised over 10 years, its planned lifecycle given the future development of existing technology.

### **c) Tangible assets**

Fixed assets recorded in the Company's balance sheets almost entirely correspond to assets held under concession; most of which will be returned to the State at no charge when the concession expires.

#### **i. Tangible assets not held under concession**

Tangible assets not held under concession are neither transferable assets nor returnable assets.

The tangible assets recorded in the Company's balance sheets in particular correspond to:

- a plot of land;
- a building and facilities depreciated over 25 years;
- built installations and fittings depreciated over 10 years;
- IT and office equipment depreciated over periods of between 3 and 5 years;
- office furniture depreciated over 10 years.

#### **ii. Tangible assets held under concession**

The concession includes all land, works & engineering structures and installations required for the construction, operation and maintenance of the motorway and secondary installations, including connections to existing roads and motorways, buildings and associated installations, directly required by motorists or executed in view to improve operation.

The fixed and movable assets provided by the State, acquired or executed by the concession holder, comprise of transferable assets and returnable assets:

- Returnable assets include land, buildings, works, installations and moveable objects required for the operation of the concession. These assets belong to the granting authority once completed, acquired or provided. At the end of the concession, these assets are obligatorily returned free of charge to the granting authority.
- Transferable assets include assets that can be transferred at the end of the concession by the granting authority in return for compensation.

The State and ALIS have agreed to jointly draw up an inventory of assets, determined by the granting authority and the company, in order to classify the assets under the three aforementioned categories.

During the construction period, assets held under concession were recorded on the balance sheet at their historical cost price including:

- Amounts paid to the GIE ConstructeursA28;
- Financial costs;
- Costs of studies;
- Allocated company overheads, incurred up until the opening of the motorway in October 2005;
- Commissions and fees paid to banks and other advisors.

Following the refinancing at the beginning of August 2016, financial costs as well as commissions and fees were removed from fixed assets.

#### **iii. Depreciation of tangible assets held under concession**

Assets held under concession are subject to depreciation calculated by applying to the motorway book value, the ratio between the volume of traffic recorded for the year in question and the estimated volume of traffic for the whole duration of the concession.

The estimations for the total volume traffic for the whole duration of the concession were updated in 2021 and the level of depreciation has been recalculated accordingly.

This depreciation is not designed to record the technical depreciation but to return its net asset value to zero at the expiration of the concession in 2067.

Renewable assets, which have a shorter lifecycle than the concession period, are subject to depreciation calculated on a straight line basis over their expected lifecycle.

Notwithstanding, following the advice of the CNC (National Consumer board) with regards to the motorway concession companies accounting plan dated 11<sup>th</sup> October 1988, and in the interest of a better understanding by the financial community, the cumulated depreciations of fixed assets held under concession and the cumulated depreciation of the renewable fixed assets are presented together under the same headings for both the income statement and the balance sheet.

In the income statement, they constitute an operational expenditure whereas on the balance sheet they are presented as a deduction of fixed assets to which they correspond.

**d) Financial fixed assets**

Financial fixed assets recorded on the balance sheet correspond to loans granted to ALiS Corporate for a total gross value of 175 487 K€:

- A first loan was signed on 30/04/2021 for 5 000 K€, payment took place in May 2021.
- A second loan was signed on 30/08/2021 for 170 487 K€. The first release took place in September 2021 for 56 603 K€. The balance of the loan will be partially released over the following years until 2031.

These loans are amortized over a period of 15 years and end in 2036.

In accordance with the loan contracts, interest is calculated at the annual rate of 1%.

Receivables related to interest to be received have been recognized prorate temporis and amount to 174 K€ as at 31/12/2021.

**e) Inventories**

Inventories are valued at their purchase cost employing the FIFO method (first-in, first-out).

**f) Trade debtors and other operating account receivables**

The receivables are valued at their nominal cost; those that present uncertainty as to their collection being the object of a provision for depreciation.

**g) Investment grants**

Investments carried out as part of the construction of the motorway give rise to grants, recorded as net equity and shown on the income statement, in the same manner as the assets held under concession depreciated in accordance to the volume of traffic.

**h) Provisions for contingencies and charges**

**i. Provision for renewable assets**

This provision, used to ensure the renewal of concession held renewable assets, is equal to the difference between the asset purchase cost and its replacement cost; the latter being estimated on the basis of the asset's initial cost and inflation over its lifecycle.

The balance of this provision at year end amounts to 977 K€. The release of this provision started in 2021 after the acquisition of fixed assets covered by the ALiS Toll Plazas Modernisation Programme (PMGA). The provision has been proportionally released following the same depreciation period of the fixed assets to which the provision relate. Future releases of the provision will take place at the same rhythm of the acquisition and depreciation periods of the fixed assets covered by the PMGA.

#### **ii. Provision for inflation**

The provision for inflation, related to the repayment of the amount including the inflation adjustment of the principal amount of the A2 bond issue, is updated every year, according to the change in the rate of inflation as set out in the financing documentation.

#### **iii. Provision for contingencies**

The provisions for contingencies is aimed at covering litigation with owners of property in proximity to the A28 and are updated in accordance to the evolution of litigation through the relevant courts or tribunals, i.e. an estimation of damages the company may have to settle.

#### **iv. Provision for expenses**

The provisions for expenses are aimed at covering expenditure which, having to be borne at a later date, originate from unforeseen events occurring during the financial year.

#### **i) Deferred loans and expenses**

Loan issue expenses and the early redemption fee resulting from the refinancing and associated to the new debt incurred during the refinancing are depreciated according to the outstanding debt.

#### 4. Fixed assets

FIXED ASSETS (in k€)	Beginning of year amount	Increases		Decreases		Year end amount
		Acquisitions	Peer to peer transfers	Assignment put into service	Peer to peer transfers	
<b>Intangible assets</b>	<b>2 123</b>	<b>965</b>	<b>0</b>	<b>636</b>	<b>11</b>	<b>2 441</b>
. <u>Owned by the company</u>	<u>128</u>	<u>186</u>	<u>0</u>	<u>298</u>	<u>0</u>	<u>16</u>
<i>Of wich in service</i>	103	16	0	103	0	16
<i>Of wich in progress</i>	25	170	0	195	0	0
. <u>On concession</u>	<u>1 995</u>	<u>779</u>	<u>0</u>	<u>338</u>	<u>11</u>	<u>2 425</u>
<i>Of wich in service</i>	1 809	769	0	226	0	2 352
<i>Of wich in progress</i>	186	10	0	112	11	73
<b>Tangible assets</b>	<b>920 578</b>	<b>3 205</b>	<b>299</b>	<b>650</b>	<b>998</b>	<b>922 434</b>
. <u>Owned by the company</u>	<u>818</u>	<u>149</u>	<u>0</u>	<u>153</u>	<u>0</u>	<u>814</u>
<i>Of wich in service</i>	818	127	0	153	0	792
<i>Of wich in progress</i>	0	22	0	0	0	22
. <u>On concession</u>	<u>919 760</u>	<u>3 056</u>	<u>299</u>	<u>497</u>	<u>998</u>	<u>921 620</u>
<i>Of wich in service</i>	918 899	1 754	299	497	0	920 455
<i>Of wich in progress</i>	861	1 302	0	0	998	1 165
<b>Financial fixed assets</b>	<b>1</b>	<b>61 777</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>61 777</b>
<b>Total</b>	<b>922 702</b>	<b>65 947</b>	<b>299</b>	<b>1 287</b>	<b>1 009</b>	<b>986 652</b>

DEPRECIATIONS PROVISIONS (in k€)	Yearly movements			
	Beginning of year	Increases due to depreciation of the year	Decreases due to sale or disposal of fixed assets	Year end amount
<b>Intangible assets</b>	<b>631</b>	<b>214</b>	<b>198</b>	<b>647</b>
. <u>Owned by the company</u>	<u>49</u>	<u>11</u>	<u>56</u>	<u>4</u>
. <u>On concession</u>	<u>582</u>	<u>203</u>	<u>142</u>	<u>643</u>
<i>of wich depreciations</i>	582	203	142	643
<i>of wich impairment</i>	0	0	0	0
<b>Tangible assets</b>	<b>162 764</b>	<b>11 172</b>	<b>335</b>	<b>173 601</b>
. <u>Owned by the company</u>	<u>111</u>	<u>49</u>	<u>72</u>	<u>88</u>
. <u>On concession</u>	<u>162 653</u>	<u>11 123</u>	<u>263</u>	<u>173 513</u>
<i>Of wich property granted</i>	154 221	10 958	0	165 179
<i>Of wich renewable assets</i>	8 432	165	263	8 334
<b>Total</b>	<b>163 395</b>	<b>11 386</b>	<b>533</b>	<b>174 248</b>

#### 5. Inventories and work-in-progress

- Goods: an amount of 57 K€ was recorded as at 31<sup>st</sup> December 2021 after inventory of unsold fuel at the emergency fuel stop at the Domaine d'Harcourt rest and service area.
- Other stocks: an amount of 138 K€ of salt and an amount of 28 K€ of fuel for the needs of the operations centre was recorded.

## 6. Receivables

The operating receivables break down as follows (in K€):

Receivables	Less than 1 year	Over 1 year	Total	Of wich accrued income
Trade debtors and related accounts	9 578	0	9 578	5 309
Staff receivables	0	0	0	
Social receivables	11	0	11	5
Tax receivables	653	0	653	307
<i>Of wich TVA</i>	346		346	
<i>Of wich others taxes</i>	307		307	307
Other operating receivables	21	0	21	
Other account receivables	1 113	0	1 113	624
<i>Of wich insurance</i>	597		597	597
<i>Of wich other account receivables</i>	516		516	27
<b>Total</b>	<b>11 376</b>	<b>0</b>	<b>11 376</b>	<b>6 245</b>

## 7. Cash

The cash account amounts to 101 804.8 K€ and breaks down as follows:

- Current account: 36 592.5 K€
- Reserve accounts: 65 151.4 K€
- Other funds: 60.9 K€

## 8. Deferred tax

Deferred tax amounted to 23 209.6 K€ at the beginning of the 2021 financial year arising from the valuing for an amount of 40 398.8 K€ of tax deficits of the Company amounting to 136 397 K€ at the end of 2015.

On the basis of future tax results, the deficit end of 2021 shall be completely absorbed over a period of 4 years.

The updating of profit forecasts at the end of 2021 requires the reassessment of the initial valuation of tax deficits, i.e. for the 2021 financial year, an increase of the deferred tax of 101 K€.

The deferred taxes have been evaluated as follows for the 2021 financial year (stated in K€):

<b>Beginning of year :</b>	<b>23 210</b>
Corporate Income Taxes charge	-8 660
Actualization of deferred taxes	100
Corporate Income Taxes due	4 181
<b>Year end :</b>	<b>18 831</b>

## 9. Deferred expenses

A1 and A2 bond issuance costs and the early redemption fee resulting from the 2016 refinancing associated to the new debt incurred during the 2016 refinancing are depreciated according to the A1 and A2 bonds outstanding debt.

During the 2016 refinancing, ALIS identified an amount of 249 493.6 K€ of eligible costs to be spread over the duration of the borrowed amounts and amortized according to the outstanding amount of debt at year end. Total amount to be amortized amounted to 208 292.6 K€, i.e. the difference between the preceding total debt market value and its nominal value at the date of the refinancing. The remaining costs amounting to 41 201.0 K€ corresponding to the net book value of the cost of the initial financing costs plus the lawyer and banking fees costs directly incurred on the 2016 refinancing.

During 2021, an amount of 11 956.3 K€ was depreciated giving a balance on the deferred expenses of 182 066.5 K€ as at the end of December 2021.

## 10. Prepayments

- Property Occupation Fee: 1 341.1 K€
- Others: 27.0 K€

Total : 1 368.1 K€ of which 1 368.1 K€ in less than one year

## 11. Net Equity

The share capital of 2 850 000€, divided into 5 700 000 shares of 0.50€ nominal each, breaks down as follows:

Actionnariat	Actions	% détention	Montant (en euros)
DIOMEDEA COOPERATIEF (UA) - PGGM	41	0,00072%	21
CORE INFRASTRUCTURE FUND I SCS - Vauban	26	0,00046%	13
CORE INFRASTRUCTURE FUND II SCS - Vauban	8	0,00014%	4
Aberdeen Infrastructure (No2) LLP	13	0,00023%	6
Aberdeen European Infrastructure Partners III LP	4	0,00007%	2
EGIS Investment Partners France III	8	0,00014%	4
Alis Corporate	5 699 900	99,99825%	2 849 950
<b>Total</b>	<b>5 700 000</b>	<b>100,00%</b>	<b>2 850 000</b>

Net equity has evolved as follows during the financial year (stated in K€):

Change in net equity	Share capital	Retained earnings	Net income of period	Investment grants	Net equity
<b>Beginning of year :</b>	<b>2 850</b>	<b>-74 514</b>	<b>8 318</b>	<b>293 987</b>	<b>230 641</b>
Capital increase					
Distirbution of income N-1		8 318	-8 318		
Net income of period N			23 010		
Investment grants recognised as income				-4 219	
<b>Year end :</b>	<b>2 850</b>	<b>-66 196</b>	<b>23 010</b>	<b>289 768</b>	<b>249 432</b>

## 12. Investment grants

Under the concession agreement, at the end of December 2009, an amount of 354 675.9 K€ of call for funds was addressed to the various Public Bodies, the remaining sums due being received during 2010.

The grants received for the partial financing of fixed assets under concession have been released in the profit and loss in 2021 for an amount of 4 218.6 K€, pro-rata to the amount calculated following the same

principle as for the deprecation of the related fixed assets held under. The grants will have a net book value of zero at the expiration of the concession.

As at 31<sup>st</sup> December 2021, the aggregate amount recognised as income amounts to 64.9 m€ and the balance of grants remaining to be recognised as income in the profit and loss account stands at 290.0 m€.

### 13. Provisions for risks and charges

The provisions for risks and charges have evolved as follows during the financial year (stated in K€):

Provisions for contingencies et charges	Beginning of year	Additions	Release	Year end amount
Local disputes	5		5	0
Indexation bond loan A2 indice IPC 10/2018	1 363	1 122		2 485
Network restoration declared claims	45		39	6
Toll plazas modernisation project indice IPC 12/2015	977		5	972
<b>Total</b>	<b>2 390</b>	<b>1 122</b>	<b>49</b>	<b>3 463</b>

The contingences and charges depreciation are identified in order to adhere to contractual obligations. Provisions for repair and renovation of the network and associated equipment are to be considered as less than one year. Provisions for renewal shall cover the toll lanes modernisation project initiated in 2019 and scheduled to be completed during 2023. They are released at the same rhythm as for the depreciation of related fixed assets.

Provision for inflation value the A2 bond issue of 42.5 M€ reimbursed at the end of July 2032.

### 14. Financial debts

The financial debt breaks down in the following manner (stated in K€):

Financial debts	Less than 1 year	More than 1 year, 5 years at most	Over 5 years	Total	Of wich accrued charges
Shareholders advances				0	
Bond debt A1	13 327	52 398	748 804	814 529	
Interests bond debt A1	8 425			8 425	8 425
Bond debt A2			42 500	42 500	
Interests bond debt A2	399			399	399
Deposits and guarantees received	84			84	
Crédit Mutuel	0			0	
<b>Total</b>	<b>22 235</b>	<b>52 398</b>	<b>791 304</b>	<b>865 937</b>	<b>8 824</b>

The A1 and A2 debts are guaranteed with pledges over Alis and Alis Corporate shares.

## 15. Non financial debts

The non-financial debts break down in the following manner (stated in K€):

Non financial debts	Less than 1 year	More than 1 year, 5 years at most	Over 5 years	Total	Of wich accrued charges
Trade payables and related accounts	2 226			2 226	455
Social liabilities	637			637	546
Taxes liabilities	2 671			2 671	164
<i>Of wich TVA</i>	2 267			2 267	
<i>Of wich others taxes</i>	402			402	164
Other payables	692			692	29
<b>Total accounts payables</b>	<b>6 226</b>	<b>0</b>	<b>0</b>	<b>6 226</b>	<b>1 194</b>
<b>Liabilities on fixed assets</b>	<b>359</b>			<b>359</b>	<b>7</b>
<b>Taxes liabilities (Income taxes)</b>	<b>2 654</b>			<b>2 654</b>	
<b>Total</b>	<b>9 239</b>	<b>0</b>	<b>0</b>	<b>9 239</b>	<b>1 201</b>

## 16. Deferred income

- Optical fibre rental: 38.0 K€ less than one year
- Telecom pylons rental: 4.0 K€ less than one year

## 17. Revenue

- Revenue excluding VAT resulting from toll transactions: 91 237.0 K€
- Revenue from sale of fuel excluding VAT: 155.8 K€
- Other revenue: 1082.2 K€

**Total turnover: 92 475.0 K€**

## 18. Extraordinary income

It amounts to 6 348.6 K€ and essentially corresponds to the pro-rata of investment grants recognised as income for the financial year amounting to 4 218.6 K€ and the proceeds from the sale of fixed assets to ALiS Corporate amounting to 2 130 K€.

## 19. Extraordinary expenses

It amounts to 451.5 K€ and corresponds to the sale of fixed assets transferred to ALiS Corporate.

## 20. Personnel

The Company counts 63 employees comprised of 58 employees with permanent contracts and 5 employees on fixed term contracts:

Supervising staff: 17  
Operational staff: 46

The non-taxable staff incentive scheme for the 2021 financial year stands at 50.7 K€.

The non-taxable employee profit sharing scheme stands at 122.9 K€.

## **21. Executive compensation**

The total amount of direct and indirect compensation of any kind, received from French and foreign companies by the executives (Managing Director), amounts to 120.3 K€, (including social contributions and provisions) as at 30<sup>th</sup> April 2021.

As of 1<sup>st</sup> May 2021, the mandate of the Managing Director is no longer remunerated.

No attendance fees were allotted to board members and non-voting members during the 2021 financial year.

## **22. Off balance sheet commitments**

### **a) Commitments given**

NA.

### **b) Commitments received**

- As part of the carriageway renewal, a performance contract was signed on 19<sup>th</sup> July 2013 between ALIS, infrastructure owner, and the Contractor.

To guarantee full completion of works and the payment of penalties as set out in the Contract, ALIS received a joint surety limited to a maximum amount of 4 477 629 € from the GIE Constructeurs. The GIE is comprised of Colas Grand Travaux and Le Foll Travaux Publics. The said Contract Amount is updated and revised in accordance with the terms as set out in article 9 of the Contract.

The Guarantee shall end on expiry of a period of one year after the date at which it came into effect, i.e. 11<sup>th</sup> July 2021 at the latest. After this deadline, no request for the possible use of the Guarantee shall be taken into account by the Joint Surety.

- As part of the concession contract between ALiS and the oil company SHELL signed on 27<sup>th</sup> May 2021 for the renovation and operation of service areas at the “Les Haras” and “Domaine d’Harcourt” rest and service areas on the A28 motorway providing the following services:

- Fuel distribution;
- Shop sales;
- Catering and associated services.

ALIS received a bank guarantee of 200 000 €. The guarantee shall remain in effect for the whole duration of the contract i.e. up until 14<sup>th</sup> June 2036.

The purpose of the guarantee is to ensure payment by the concession holder of all and any sums due to the beneficiary, under the above aforementioned contract.

### **c) Commitments on retirement indemnities for employees**

Commitments on retirement indemnities for employees are estimated to 60 000 € as at 31/12/2021. No provision has been recorded in the Company books and no payment has been made during the year relating to this commitment. .

### **23. Events subsequent to closing**

There have been no significant events subsequent to closing.

### **24. Transactions with related parties**

The provision of services under the support services contracts by ALiS CORPORATE to ALiS in 2021 amounts to 4 311 479.67 Euros.

### **25. Consolidation**

The company consolidates the accounts with ALiS Corporate SAS, company with a share capital of 280 777 393,5 €. The headquarters of this company are located in ZAC de Maison Rouge 27800 Bosrobert. ALiS Corporate holds 99,99825% of the share capital of the Company.

### **26. Auditors Remuneration**

The audit fees for the auditing of the accounts as at 31<sup>st</sup> December 2021 amount to 26.508 K€ excl. VAT.