

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

Paris,
April 19, 2021,

Sir,

Please find enclosed, the free translation of the French statutory audit report in English, regarding Alis' annual accounts as of December 31st 2020, and dated March 17, 2021

Best regards

 **Olivier THIREAU**

Olivier Thireau
Partner MAZARS

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

For the year ended December 31, 2020

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, 2020.

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, 2020 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 1st, 2020 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.h 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 approved on March 25, 2020 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 17, 2021
The statutory auditor

French original signed by

M A Z A R S

OLIVIER THIREAU

AUTOROUTE DE LIAISON SEINE-SARTHE**Balance Sheet as at 31 DECEMBER 2020**

(in Euros)

| ASSETS | Gross | Depreciation Provisions | as at 31/12/2020 | as at 31/12/2019 |
|--|----------------------|-------------------------|----------------------|----------------------|
| CAPITAL SUBSCRIBED AND NOT PAID-IN | 0 | 0 | 0 | 0 |
| Capital subscribed and not paid-in | | | | |
| INTANGIBLE ASSETS | 2 123 808 | 631 678 | 1 492 129 | 1 566 937 |
| <i>FIXED ASSETS OWNED BY THE COMPANY</i> | | | | |
| Patents and similar rights | 102 519 | 49 245 | 53 274 | 72 795 |
| Goodwill | | | | |
| Other intangible fixed assets | 25 810 | 0 | 25 810 | 0 |
| <i>FIXED ASSETS ON CONCESSION</i> | | | | |
| Intangible assets | 1 809 909 | 582 434 | 1 227 475 | 1 409 573 |
| In-progress intangible assets | 185 570 | 0 | 185 570 | 84 568 |
| Deposits on intangible fixed assets | | | | |
| TANGIBLE ASSETS | 920 577 660 | 162 764 020 | 757 813 640 | 765 799 186 |
| Land | 37 701 | 0 | 37 701 | 37 701 |
| Buildings | 671 406 | 44 181 | 627 224 | 655 886 |
| Technical installations, equipments and tools | | | | |
| Other tangible assets | 108 773 | 66 922 | 41 851 | 49 252 |
| <i>FIXED ASSETS ON CONCESSION</i> | | | | |
| Other tangible assets | 918 898 908 | 162 652 917 | 756 245 991 | 764 691 277 |
| In progress tangible assets | 860 873 | 0 | 860 873 | 365 070 |
| Deposits on tangible fixed assets | 0 | 0 | 0 | 0 |
| | 506 | 0 | 506 | 0 |
| Investments in subsidiaries and affiliates | | | | |
| Receivables related to subsidiaries and affiliates | | | | |
| Other portfolio investments | | | | |
| Loans | | | | |
| Other financial fixed assets | 506 | 0 | 506 | 0 |
| FIXED ASSETS | 922 701 974 | 163 395 699 | 759 306 275 | 767 366 122 |
| INVENTORIES AND WORK-IN-PROGRESS | 31 208 | 0 | 31 208 | 35 491 |
| Goods | 31 208 | 0 | 31 208 | 35 491 |
| Raw material and consumables | | | | |
| DEPOSITS AND DOWNPAYMENTS | 7 961 | 0 | 7 961 | 3 846 |
| ACCOUNT RECEIVABLES | 8 969 382 | 0 | 8 969 382 | 10 967 276 |
| Trade debtors and related accounts | 7 850 651 | 0 | 7 850 651 | 9 917 762 |
| Other operating account receivable | 1 118 731 | 0 | 1 118 731 | 1 049 514 |
| OTHER ACCOUNT RECEIVABLES | 1 361 343 | 0 | 1 361 343 | 1 630 785 |
| CASH AND CASH EQUIVALENTS | 130 270 717 | 0 | 130 270 717 | 107 985 055 |
| CURRENT ASSETS | 140 640 611 | 0 | 140 640 611 | 120 622 452 |
| Deferred tax asset | 23 209 644 | 0 | 23 209 644 | 25 613 998 |
| Deferred expenses | 194 022 755 | 0 | 194 022 755 | 206 126 066 |
| Prepayments | 1 718 484 | 0 | 1 718 484 | 1 716 417 |
| Foreign currency translation adjustment | | | | |
| TOTAL ASSETS | 1 282 293 467 | 163 395 699 | 1 118 897 769 | 1 121 445 055 |

AUTOROUTE DE LIAISON SEINE-SARTHE

Balance Sheet as at 31 DECEMBER 2020

(in Euros)

| EQUITY AND LIABILITIES | as at 31/12/2020 | as at 31/12/2019 |
|---|-------------------------|-------------------------|
| Share capital | 2 850 000 | 2 850 000 |
| Retained earnings | (74 514 519) | (94 745 147) |
| NET INCOME OF PERIOD | 8 318 477 | 20 230 628 |
| Investment grants | 293 986 830 | 297 414 290 |
| NET EQUITY | 230 640 788 | 225 749 772 |
| Provisions for contingencies | 1 368 375 | 1 469 975 |
| Provisions for charges | 1 021 884 | 1 148 695 |
| PROVISIONS FOR CONTINGENCIES AND CHARGES | 2 390 259 | 2 618 670 |
| Other bonds | 877 691 237 | 886 912 469 |
| Loans and debts with financial institutions | 0 | 6 |
| Other financial loans and debts | 29 500 | 19 273 |
| FINANCIAL DEBTS | 877 720 737 | 886 931 747 |
| ADVANCES AND DEPOSITS RECEIVED ON ORDERS IN PROGRESS | 0 | 0 |
| ACCOUNTS PAYABLES | 8 020 695 | 5 261 190 |
| Trade payables and related accounts | 4 821 089 | 1 251 168 |
| Tax and social liabilities | 2 636 065 | 3 204 708 |
| Other payables | 563 541 | 805 314 |
| OTHER LIABILITIES | 83 778 | 842 207 |
| Liabilities on fixed assets and related accounts | 83 778 | 122 403 |
| Tax liabilities not related to operations | 0 | 719 804 |
| Other liabilities | 0 | 0 |
| NON FINANCIAL LIABILITIES | 8 104 473 | 6 103 397 |
| CURRENT CREDITS LINES AND CREDIT BALANCES IN BANK ACCOUNTS | 0 | 0 |
| Deferred income | 41 512 | 41 469 |
| Foreign Currency translation adjustment | 0 | 0 |
| TOTAL LIABILITIES | 1 118 897 769 | 1 121 445 055 |

AUTOROUTE DE LIAISON SEINE-SARTHE
PROFIT AND LOSS ACCOUNT FOR THE YEAR 2020

(in Euros)

| | 2 020 | 2 019 |
|--|---------------------|---------------------|
| Goods sold | 126 926 | 221 708 |
| Traffic toll revenues | 75 786 663 0 | 94 252 776 0 |
| REVENUES | 75 913 589 | 94 474 483 |
| Fixed assets capitalisation | | |
| Release of depreciation, amortizations and provision charges | 171 606 | 940 273 |
| Transfer of charges | 0 | 1 888 |
| Other ordinary income | 524 929 | 797 689 |
| TOTAL OPERATING INCOME | 76 610 124 | 96 214 333 |
| Purchase of goods | 98 666 | 180 475 |
| Changes in inventories of goods for resale | 4 283 | 12 158 |
| Purchase of raw materials and other supplies | | |
| Change in inventories | | |
| Other purchases and external charges | 16 829 544 | 14 427 366 |
| Expenses from third parties | 16 829 544 | 14 427 366 |
| Taxes, duties and similar payroll costs | 5 638 | 6 703 |
| Other taxes and duties | 6 920 300 | 8 284 976 |
| Taxes, duties and similar payments | 6 925 937 | 8 291 679 |
| Payroll | 700 428 | 615 750 |
| Social charges | 360 375 | 278 743 |
| Personnel charges | 1 060 803 | 894 492 |
| Fixed assets depreciation | 11 163 625 | 14 385 034 |
| Provisions on fixed assets | 0 | 0 |
| Current assets depreciation | 0 | 0 |
| Contingencies and charges depreciation | 44 795 | 171 606 |
| Total depreciation and provisions | 11 208 420 | 14 556 640 |
| Other operating expenses | 26 982 | 29 757 |
| TOTAL OPERATING EXPENSES | 36 154 636 | 38 392 567 |
| NET OPERATING INCOME | 40 455 488 | 57 821 766 |
| Income from investments | | |
| Income from other securities and receivables from fixed assets | | |
| Other interest and similar incomes | 4 716 | 3 530 |
| Provisions release | 101 601 | 0 |
| Foreign exchange gains | 0 | 0 |
| Net gains on sale of investment securities | | |
| Transfers of financial expenses | | |
| TOTAL FINANCIAL INCOME | 106 317 | 3 530 |
| Depreciation of capitalised financial charges | 10 153 793 | 10 520 488 |
| Interest and similar expenses | 21 489 126 | 21 936 229 |
| Foreign exchange losses | 0 | 0 |
| Net losses on sale of investment securities | 2 | |
| TOTAL FINANCIAL EXPENSES | 31 642 921 | 32 456 717 |
| NET FINANCIAL INCOME | (31 536 603) | (32 453 187) |
| RECURRENT INCOME BEFORE TAXES | 8 918 885 | 25 368 579 |
| Investment grants recognised as income for the period | 3 427 460 | 4 688 177 |
| Extraordinary income on operating activities | 0 | 0 |
| Extraordinary income on financial activities | | |
| Provisions released | | |
| Transfers of extraordinary expenses | | |
| TOTAL EXTRAORDINARY INCOME | 3 427 460 | 4 688 177 |
| Extraordinary expenses on operating activities | 5 | 19 |
| Extraordinary expenses on financial activities | 11 868 | 345 159 |
| Extraordinary depreciations | | |
| TOTAL EXTRAORDINARY EXPENSES | 11 873 | 345 178 |
| NET EXTRAORDINARY INCOME | 3 415 587 | 4 342 999 |
| Employee profit sharing | | |
| Income taxes | 4 015 995 | 9 480 950 |
| NET PROFIT | 8 318 477 | 20 230 628 |
| * including deferred taxes | 2 404 354 | 4 920 926 |

APPENDIX

1. Company Activity

The worrying development of the COVID-19 pandemic crises brought about a strict national lockdown of the population as of mid March, followed by more targeted measures, which over the months had a major negative impact on everyday traffic throughout France with private vehicles being much more affected than heavy goods vehicles.

The AADT (Annual Average Daily Traffic) on the Rouen – Alençon A28 motorway stands at 6 658 vehicles/day, a decrease of -26.9% compared to 2019 split in the following manner:

- -30.17% for Private and Light Commercial Vehicles,
- -13% for Heavy Goods Vehicles.

Toll revenue for the Company stands at 75.78 M€ which has decreased by -19.6% considering the drop in traffic and the increase in toll tariffs which came into effect as of 1st February 2020 (+ 3.14% on average).

Furthermore, 2020 was particularly marked by:

- The compliance with the debt service payments for the various obligations and debts of the A1 and A2 bonds in accordance with the financial documentation;
- The termination of the operation and maintenance contract with Routalis on 27th October 2020 to come into effect as at 1st May 2021. An indemnity estimated as at Compensation up to 31/12/2020 for early termination of the operation and maintenance contract as well as the eventual associated subsequent estimated mobilisation implementation costs have been accounted for taken into account in the operational costs caption of the profit and loss account together with the regular in addition to the costs of the operation and maintenance contract invoiced by Routalis during 2020.
- First steps in the implementation of the "internalisation" of the operation of the A28 within the concession company ALiS;
- The upgrading of 4 run-off water basins in accordance with the Law on Water;
- Progress of the ALiS toll plazas modernisation project (PMGA);
- Ongoing studies for the rest & service areas renovation;
- The start of a study phase for the implementation of an ALiS "Corporate Social Responsibility (ESG) policy.

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°3 on 31st January 2020 for an amount of 14.414 M€ of which 10.329M€ was interest.

In accordance with the A2 bond repayment schedule, the payment of the coupon of the A2 bond issue was made on 31st July 2020 for an inflated amount of 0.923M€ 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 31st December 2020 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 2020, it showed a balance of 17.845 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 2020 of 13.469 M€ corresponding to 30.65% of the indexed bond issue valued at 43.945 M€ as at 31st July 2020.

"Shareholder Distribution "reserve account

The "Shareholder Distribution" reserve accounts receives the excess sums of the "Operating Cash Account" At as at 31st December 2020, it showed a balance of 48.000 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 2020 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 year, 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 subjected 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.

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 subjected to depreciation calculated linearly over their expected lifecycle.

Notwithstanding the advice of the CNC (National Consumer board) with regards to the motorway concession companies accounting plan dated 11th October 1988, and in the interest of a better understanding by the financial community, the write-off of assets held under concession and depreciation are presented together in 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 deduction of assets to which they correspond.

d) Stocks

Stocks are valued at their purchase cost.

e) Trade debtors and other operating account receivables

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

f) Investment grants

Investments carried out as part of the construction of the motorway give rise to grants, recorded as 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.

g) 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.

ii. Provision for inflation

The provision for inflation, related to the repayment of the amount with inflation 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 contract.

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.

h) 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

| ASSETS (in K€) | Amount at start of financial year | Increases | | Decreases | | Amount at end of financial year |
|----------------------------|-----------------------------------|--------------|------------|---------------------------|------------|---------------------------------|
| | | Acquisitions | Transfers | Disposals and retirements | Transfers | |
| Intangible assets | 1 992 | 155 | 0 | 24 | 0 | 2 123 |
| · <u>Owned assets</u> | <u>115</u> | <u>25</u> | <u>0</u> | <u>12</u> | <u>0</u> | <u>128</u> |
| <i>in service</i> | 115 | | 0 | 12 | 0 | 103 |
| <i>in progress</i> | 0 | 25 | 0 | 0 | 0 | 25 |
| · <u>Concession assets</u> | <u>1 877</u> | <u>130</u> | <u>0</u> | <u>12</u> | <u>0</u> | <u>1 995</u> |
| <i>in service</i> | 1 792 | 17 | 0 | 0 | 0 | 1 809 |
| <i>in progress</i> | 85 | 113 | 0 | 12 | 0 | 186 |
| Tangible assets | 919 570 | 1 010 | 340 | 2 | 340 | 920 578 |
| · <u>Owned assets</u> | <u>816</u> | <u>4</u> | <u>0</u> | <u>2</u> | <u>0</u> | <u>818</u> |
| <i>in service</i> | 816 | 4 | 0 | 2 | 0 | 818 |
| <i>in progress</i> | 0 | 0 | 0 | 0 | 0 | 0 |
| · <u>Concession assets</u> | <u>918 754</u> | <u>1 006</u> | <u>340</u> | <u>0</u> | <u>340</u> | <u>919 760</u> |
| <i>in service</i> | 918 389 | 170 | 340 | 0 | 0 | 918 899 |
| <i>in progress</i> | 365 | 836 | 0 | 0 | 340 | 861 |
| Investments | 0 | 1 | 0 | 0 | 0 | 1 |
| Total | 921 562 | 1 166 | 340 | 26 | 340 | 922 702 |

| DEPRECIATION PROVISIONS (In k€) | Financial year variations | | | |
|---------------------------------|-----------------------------------|-----------------------|--|---------------------------------|
| | Amount at start of financial year | Increases and charges | Reductions, carry forward & retirement | Amount at end of financial year |
| Intangible assets | 425 | 219 | 12 | 632 |
| · <u>Owned assets</u> | <u>42</u> | <u>19</u> | <u>12</u> | <u>49</u> |
| · <u>Concession assets</u> | <u>383</u> | <u>200</u> | <u>0</u> | <u>583</u> |
| <i>of which write-offs</i> | 383 | 200 | 0 | 583 |
| <i>of which depreciations</i> | 0 | 0 | 0 | 0 |
| Tangible assets | 153 771 | 8 995 | 2 | 162 764 |
| · <u>Owned assets</u> | <u>73</u> | <u>40</u> | <u>2</u> | <u>111</u> |
| · <u>Concession assets</u> | <u>153 698</u> | <u>8 955</u> | <u>0</u> | <u>162 653</u> |
| <i>of which write-offs</i> | 145 412 | 8 809 | 0 | 154 221 |
| <i>of which depreciations</i> | 8 286 | 146 | 0 | 8 432 |
| Total | 154 196 | 9 214 | 14 | 163 396 |

5. Inventories and work-in-progress

An amount of 31.2 K€ was recorded as at 31st December 2020 after inventory of unsold fuel at the emergency fuel stop at the Domaine d'Harcourt rest and service area.

6. Receivables

The operating receivables break down in the following manner (in K€):

| Account receivables | Due less than 1 | Due more than 1 | Total | of which to be received |
|---------------------------------------|-----------------|-----------------|---------------|-------------------------|
| Trade debtors and related accounts | 7 851 | 0 | 7 851 | 4 235 |
| Staff receivables | 0 | 0 | 0 | |
| Social security receivables | 2 | 0 | 2 | |
| Tax receivables | 1 083 | 0 | 1 083 | 968 |
| <i>of which VAT</i> | 115 | | 115 | |
| <i>of which other taxes</i> | 968 | | 968 | 968 |
| Other operating account receivables | 34 | 0 | 34 | |
| Other receivables | 1 361 | 0 | 1 361 | 840 |
| <i>of which insurance</i> | 840 | | 840 | 840 |
| <i>of which any other receivables</i> | 521 | | 521 | |
| Total | 10 331 | 0 | 10 331 | 6 043 |

7. Cash

The cash account amounts to 130 270.7 K€ and breaks down as follows:

- Current account: 31 360.7 K€
- Reserve accounts: 98 833.5 K€
- Other funds: 76.5 K€

8. Deferred tax

Deferred tax amounted to 25 614.0 K€ at the beginning of the 2020 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 2020 shall be completely absorbed over a period of 5 years.

The updating of profit forecasts at the end of 2020 requires the reassessment of the initial valuation of tax deficits, i.e. for the 2020 financial year, a reduction of the deferred tax of 478 K€

The deferred taxes have been evaluated as follows for the 2020 financial year (stated in K€):

| | |
|------------------------------|---------------|
| Financial year start: | 25 614 |
| Corporate tax asset | -3 538 |
| Updating of IDA | -478 |
| Corporate tax payable | 1 612 |
| Financial year end: | 23 210 |

9. Deferred 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.

During refinancing, ALIS identified an amount of 249 493.6 K€ of eligible costs spread over the duration of borrowed amounts depending on the sum outstanding including an amount of 208 292.6 K€ showing the difference between the preceding debt market value and its nominal value, the remaining costs amounting to 41 201.0 K€ corresponding to the net book value of the cost of the initial financing kept as an asset costs for the costs incurred on refinancing.

During the 2020 financial year, an amount 12 103.3K€ was depreciated giving a balance on the loan issue expenses of 194 022.8 K€ at the end of December 2020.

10. Prepayments

| | |
|----------------------------|---|
| • Property Occupation Fee: | 1 380.6 K€ |
| • IT services: | 121.2K€ |
| • Archiving: | 77.4K€ |
| • Insurance: | 65.8K€ |
| • Land management: | 28.3K€ |
| • Divers: | 45.2K€ |
| Total: | <u>1 718.5K€</u> of which 1 502.8K€ in less than one year |

11. Equity

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

| Shareholders | Shares | % held | Amount (in Euros) |
|-------------------------------------|------------------|----------------|----------------------|
| DIOMEDEA COOPERATIEF | 2 325 996 | 40.81% | 1 162 998 |
| MCIF | 1 955 114 | 34.30% | 977 557 |
| ABERDEEN INFRA N°2 LLP | 962 890 | 16.89% | 481 445 |
| EGIS INVESTMENT PARTNERS FRANCE III | 456 000 | 8.00% | 228 000 |
| Total | 5 700 000 | 100.00% | 2 850 000 |

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

| Changes in equity | Share Capital | Retained earnings | Income | Grants | Total equity |
|---------------------------------------|---------------|-------------------|---------------|----------------|----------------|
| Financial year start | 2 850 | - 94 745 | 20 231 | 297 414 | 225 750 |
| Increase in equity | | | | | |
| Distribution of retained earnings N-1 | | 20 231 | -20 231 | | |
| Income for financial year N | | | 8 318 | | |
| Carry forward of grants | | | | -3 427 | |
| Financial year end | 2 850 | -74 514 | 8 318 | 293 987 | 230 641 |

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 assets under concession are incorporated as income in 2020 for an amount of 3 427.5 K€, pro-rata amount of the financial year calculated in the same manner as for the write-off of assets held under concession and included in the income of the financial year to return these grants to a net asset value to zero at the expiration of the concession.

As at 31stDecember 2020, the aggregate amount included amounts stands at 60.7 M€ and the balance of grants remaining to be included stands at 294.0 M€.

13. Provisions for risks and charges

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

| Provisions for risks and charges | Amount at start of financial year | Provisions | Carry over | Amount at end of financial year |
|--|-----------------------------------|------------|------------|---------------------------------|
| Neighbouring property owners' claims | 5 | | | 5 |
| A2 bonds inflation rate IPC 10/2018 index | 1 465 | | 102 | 1 363 |
| Repair on the network after declared accidents | 172 | 45 | 172 | 45 |
| Equipment renewal IPC 12/2015 index | 977 | | | 977 |
| Total | 2 619 | 45 | 274 | 2 390 |

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.

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 | Between 1 and 5 years | More than 5 years | Total | Of which expenses to be paid |
|-------------------------|---------------|-----------------------|-------------------|----------------|------------------------------|
| Shareholder advances | | | | 0 | |
| A1 bonds | 11 727 | 51 602 | 762 928 | 826 257 | |
| A1 bonds interest | 8 546 | | | 8 546 | 8 546 |
| A2 bonds | | | 42 500 | 42 500 | |
| A2 bonds interest | 389 | | | 389 | 389 |
| Deposits and guarantees | 29 | | | 29 | |
| Crédit Mutuel | | | | 0 | |
| Total | 20 691 | 51 602 | 805 428 | 877 721 | 8 935 |

The A1 and A2 debts are guaranteed by security interests.

15. Non financial debts

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

| Non financial debts | Less than 1 | Between 1 and 5 years | More than 5 years | Total | Of which expenses to be paid |
|--|--------------|-----------------------|-------------------|--------------|------------------------------|
| Supplier liabilities & ass. accounts | 4 821 | | | 4 821 | 4 391 |
| Social contributions | 273 | | | 273 | 230 |
| Tax payments | 2 363 | | | 2 363 | 3 |
| <i>of which VAT</i> | 2 179 | | | 2 179 | |
| <i>of which other taxes</i> | 184 | | | 184 | 3 |
| Other operational liabilities | 563 | | | 563 | |
| Total operational liabilities | 8 020 | 0 | 0 | 8 020 | 4 624 |
| Fixed asset liabilities | 84 | | | 84 | 7 |
| Tax liabilities excl. operations (IS) | | | | 0 | |
| Total | 8 104 | 0 | 0 | 8 104 | 4 631 |

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: 74 962.9 K€
- Revenue from sale of fuel excluding VAT: 126.9 K€
- Other revenue: 823.8 K€
- Total turnover: 75 913,6 K€

18. Extraordinary income

It amounts to 3 427.5K€ and essentially corresponds to the pro-rata of investment grants counted as income for the financial year.

19. Extraordinary expenses

It amounts to 11.9 K€ and corresponds to the release of ongoing capitalised expenses incurred regarding the SET project.

20. Personnel

At the end of 2020, the Company comprised of a staff of 13, 9 managers and executives and 4 employees and supervisors.

21. Executive compensation

The total amount of indirect and indirect compensation of any kind, received from French and foreign companies by the executives (Managing Director), amounts to 209.8 K€, (including social contributions and provisions).

No attendance fees were allotted to board members and non-voting members during the 2020 financial year.

22. Off balance sheet commitments

a) Commitments given

NA.

a) Commitments received

- As part of the carriageway renewal, a performance contract was signed on 19th 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. 11th 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 acceptance and use of toll cards to pay toll and user charges as well as for secured heavy goods vehicles parking areas on concession motorways in France, an agreement was signed between ALIS and MS EUROPE BV effective as of 16th July 2018.

In accordance with the conditions as set out in article 4 of the agreement, ALIS received a bank guarantee payable on first demand of 5 600 € and reduced to 5 500 € following the amendment N°1 dated 31st July 2019 and extended until 31st July 2021 in accordance with amendment N°2.

23. Events subsequent to closing

Lockdowns have been implemented in many countries throughout the world in order to limit the spread of the COVID-19 virus. The effects can be seen on the accounts closed as at 31st December 2020. In view of the evolving pandemic crisis since the beginning of 2021, the activity follows on from that of 2020 and remains in line with revenue, income and cash-flow forecasts which are regularly updated. The relative stability and management of the evolving pandemic crisis reinforces the ability of the company to meet its financing obligations.

24. Transactions with related parties

NA.

25. Consolidation

NA.

26. Auditors Remuneration

The audit fees for the auditing of the accounts as at 31st December 2020, amount to 26.132 K€ excl. VAT.