Touax®

YOUR LEASING SOLUTION FOR SUSTAINABLE TRANSPORT

2021 UNIVERSAL REGISTRATION DOCUMENT

including the Annual Financial Report

AMF

This is a translation into English of the (universal) registration document of the Company issued in French and it is available on the website of the Issuer.

This universal registration document was filed on March 31, 2022 with the AMF, in its capacity as competent authority under Regulation (EU) No. 2017/1129, without prior approval in accordance with Article 9 of this Regulation.

The universal registration document may be used for the purposes of a public offering of securities or the admission of securities to trading on a regulated market if it is supplemented by a note relating to securities and if applicable, a summary and any amendments made to the universal registration document. This is all approved by the AMF in accordance with Regulation (EU) No. 2017/1129.

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1. PERSONS RESPONSIBLE, INFORMATION FROM THIRD PARTIES, EXPERT REPORTS AND APPROVAL BY THE COMPETENT AUTHORITY

1.1. PERSONS RESPONSIBLE

Fabrice and Raphaël Walewski, Managing Partners.

1.2. DECLARATION OF RESPONSIBLE PERSONS

“We confirm that, to the best of our knowledge, the information in this document gives a true and fair view and does not contain any omission likely to change the scope thereof. We confirm that, to the best of our knowledge, the financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, financial position and profit or loss of the Company and all the companies included in its consolidation, and that the management report contained in this document presents a true and fair view of the development and performance of the business, profit or loss and financial position of the company and all the companies included in its consolidation, together with a description of the principal risks and uncertainties that it faces.”

31 March 2022

Fabrice and Raphaël WALEWSKI

Managing Partners

1.3. EXPERT STATEMENT OR REPORT

N/A

1.4. CERTIFICATE RELATING TO INFORMATION FROM A THIRD PARTY

N/A

2. STATUTORY AUDITORS

2.1. STATUTORY AUDITOR DETAILS

	Date first appointed	Mandate expiry
Principal Statutory Auditors		
DELOITTE & Associés Represented by Mr. Albert AÏDAN Tour Majunga 6, place de la Pyramide 92908 Paris La Défense CEDEX	Appointed at the Ordinary General Meeting on 6 June 2000, renewed at the Ordinary General Meeting on 21 June 2017.	Following the Ordinary General Meeting held in 2023 to approve the 2022 financial statements.
RSM PARIS Represented by Mr. Stéphane MARIE 26 rue Cambacérès 75008 Paris	Appointed by the Ordinary General Meeting held on 9 June 2016.	Following the Ordinary General Meeting held in 2022 to approve the 2021 financial statements.
Substitute Statutory Auditors		
FIDINTER 26 rue Cambacérès 75008 Paris	Appointed by the Ordinary General Meeting held on 9 June 2016.	Following the Ordinary General Meeting held in 2022 to approve the 2021 financial statements.

2.2. CHANGE IN STATUTORY AUDITORS

Not applicable

3. RISK FACTORS

TOUAX has carried out a review of its risk factors, taking into account their importance according to the probability of seeing these occur (frequency) and the estimated level of their negative impact (impact). In this new approach, the number of categories and, where applicable, sub-categories of risks has been reduced with, in each category and sub-category, the most significant risks presented first. The potential impact of each risk has been specified taking into account the risk management processes. The information has been reduced to include only significant risks specific to Touax (and/or its actions) and which are important for making an investment decision. These risks have been submitted to the Audit Committee.

The risks specific to the activity of Touax, on the date on which the universal registration document was filed, are therefore presented in compliance with article 16 of Regulation (EU) 2017/1129 called "Prospectus 3" of 14 June 2017, whose provisions relative to risk factors came into force on 21 July 2019, under 5 principal categories:

1. risks related to equipment;

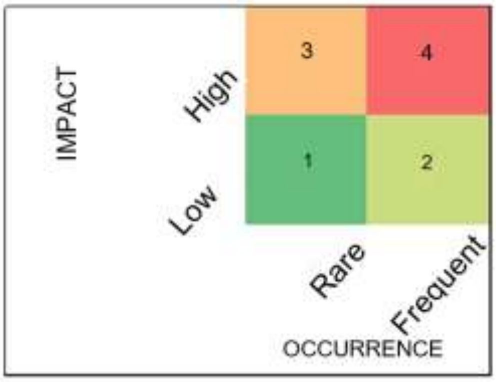
2. risks linked to dependence on our partners;

3. risks linked to the geopolitical and international context and world economy;

4. legal and regulatory risks;

5. financial risks ;

A risk assessment is carried out according to the following Frequency/Impact matrix:



This assessment, presented in the following table, is by nature subjective and should be read with caution.

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3.1. RISKS RELATED TO THE EQUIPMENT

3.1.1. Leasing rates are highly dependent on the purchase price of new equipment

When the purchase price of new equipment varies, customers also expect a variation in leasing prices for older equipment, as well as a variation in selling prices for used equipment. In a context of falling purchase prices for new equipment, the leasing prices or the resale value of used equipment could decrease and would have an impact on our business, income from our operations and our financial position, even if this price reduction also makes it possible to buy new equipment at a lower cost. The logistical disruptions generated by the COVID-19 health crisis have created very strong inflation in the price of new equipment in 2021. It is possible that these prices will decrease in 2022 if the logistical disruptions subside and that, as a result, pressures on leasing prices appear. The impact on average leasing rates has not been significant to date.

We have difficulties predicting how these trends will evolve over the medium term.

3.1.2. The margins associated with sales of used equipment can fluctuate

We sell used containers that we manage or that we buy for the purpose of selling them. The margins associated with sales of used equipment depend on sales volumes, selling prices and the book value of the equipment.

Containers are typically sold after taking into consideration earnings prospects, book value, remaining useful life, repair condition, suitability for leasing or other uses and the prevailing local sales price for containers.

Sales volumes may decrease if the supply of used containers is reduced because our customers continue to use this equipment for a longer period of time or because there is a shortage of equipment which does not allow us to buy the stock needed for resale.

The selling price of used containers varies in accordance with factors that are beyond our control such as raw steel prices, applicable maintenance standards, refurbishment needs, comparable new container costs, used container availability, used container demand, inflation rates, market conditions, materials and labour costs and container obsolescence and damages.

Changes in depreciation policies could change our depreciation expenses, as well as the gain or loss achieved upon disposal of equipment.

Sales of used containers and commissions obtained through the sale of containers under management at significantly lower prices or in lesser quantities may thus have a negative impact on our revenues, our operating results and our cash flows.

The COVID pandemic generated logistical disruptions and subsequently a shortage of containers generating an increase in the purchase prices of new containers, which in turn led to an increase in the selling prices of used containers. On the other hand, the shortage of containers generated a fall in the supply of used containers, which itself led to a drop in the sales volumes of used containers.

We cannot predict how these trends will evolve over the medium term.

3.1.3.We may incur significant expenses for non-leased equipment, including storage costs, making it difficult to make a profit

As part of the normal course of business, some of our equipment fleet is unused at one time or another. If we are unable to lease or sell equipment in a timely fashion, the size of our unused fleet may increase, which may generate significant storage and maintenance costs to prepare them for leasing that may not be able to be passed through to our customers through higher rents or sales prices. If such equipment remains unused for an extended period of time, it could fall into disrepair and/or any certificate or authorisation required to operate such equipment could expire or be revoked. The result of either of those events would be the partial or total loss of such equipment's residual value. If demand picks up for a particular asset class and we are unable to mobilise the equipment we have in stock in a timely fashion or if we are forced to write off all or a part of our inventory, we may lose market share to our competitors who are able to meet customers' needs more rapidly. The occurrence of any of these events could adversely affect our business, financial position, operating results and cash flows.

The use of equipment depends on macro and microeconomic factors that we cannot predict.

3.1.4. Our fleet is made up of a large quantity of equipment and it is therefore faced with numerous property risks. The increase in our own-owned fleet has led to an increase in our debt

Ownership of equipment entails greater risk than management of equipment for third-party investors. The amount of equipment in our owned fleet fluctuates over time as we purchase new equipment, sell used equipment into the secondary resale market, and acquire other fleets. In terms of gross book value, as of 31 December 2021, we owned 69% of our freight railcar fleet, 97% of our river barge fleet and 22% of our shipping container fleet. In general, any increase in the amount of owned equipment proportionately increases our ownership risk, which may result in increased exposure to financing costs and risks, re-leasing risks, changes in use, non-payment by lessees, risk of litigation with lessees, repositioning costs, depreciation charges, risks associated with rate changes and variations in resale prices during the transfer, particularly for containers. Additionally, the various additional costs associated with overcapacity such as the occurrence of additional storage and maintenance costs, as well as equipment deterioration and partial or total loss of its residual value, could harm our business, operating results and financial position.

Conversely, when we manage equipment for third-party investors, these risks are assumed by these investors.

As ownership of equipment in our fleet grows, we will likely have more capital at risk and may need to maintain higher debt balances. We will have debts after the financing of equipment and additional borrowings may not be available to us or we may not be able to refinance our existing debts, if necessary, on commercially reasonable terms or at all. We may need to raise additional debt or equity capital in order to fund our business, expand our sales activities or respond to competitive pressures. We may not have access to the capital resources we desire or need to fund our business or may not have access to financing on attractive terms. An inability to acquire additional assets would have an adverse impact on our business, operating results and financial position.

Ownership and financing risk is inherent in our activity as an operational lessor of transport equipment.

3.1.5. Poor design, manufacture, repair and maintenance of our equipment may result in impairment charges and potential litigation

We do not design, manufacture or repair the Equipment we lease in our Freight Railcars, River Barges and Shipping Container divisions. However, any defects generated by our suppliers in the design, manufacture, repair or maintenance of our equipment and the equipment that we manage for third-party investors expose us to possible litigation and depreciation of value.

We design and manufacture modular buildings in our factory in Morocco. If we do not appropriately manage the design or manufacture of our modular buildings, we will incur capital charges or expenses to rectify the faults.

These risks may also have a significant adverse effect on our future activities, operating results, financial position and cash flows.

3.1.6. We could be held liable for damages caused by the equipment that we lease or sell

The nature of our businesses and our assets potentially exposes us to significant personal injury and equipment damage claims and litigation. For example, our customers may use our equipment to transport hazardous materials, and an accident involving a shipping container, freight railcar or river barge carrying such materials could lead to litigation and subject us to significant liability, particularly where the accident involves serious personal injuries or the loss of life. In some countries, for example the United States, shipping container owners may be liable for any environmental damage caused as containers are unloaded. Our failure to maintain our equipment in compliance with governmental and industry regulations could also expose us to personal injury, property damage, and environmental claims. could also expose us to personal injury, property damage, and environmental claims. Moreover, a substantial adverse judgement against us could have a significant effect on our financial position, operating results and cash flow.

We obtain warranties from the manufacturers of our equipment. When defects in equipment occur, we work with the manufacturers to identify and rectify the problem. In the case of derailment, for example, the cause of the derailment is sought and its liability could be assigned to a defect on a railcar. However, there can be no assurance that manufacturers or maintenance workshops are able or willing to honour their warranty obligations. If defects are discovered in equipment that is not covered by manufacturer warranties, we could be required to spend significant sums of money to repair it, the useful lives of the equipment could be shortened and the value of the assets reduced. In addition, if equipment manufacturers do not honour warranties covering these defects, or if the defects occur after the warranty period expires, we could be required to expend significant amounts of money to repair or sell equipment earlier than expected, to rectify equipment or environmental damage caused by our equipment. This could have a significant adverse effect on our operating results and financial position.

These risks depend on the occurrence of events that cannot be predicted.

3.1.7. Certain liens may arise on our equipment in the ordinary course of our activities

Sometimes, depot operators, repairers and transporters may have a right of retention on our equipment from time to time and have sums due to them from the lessees or sub-lessees of the equipment. These cases are rare but have happened in the past during the bankruptcy of shipowners and in particular in warehouses in China, for small amounts. In the event of non-payment of those charges by the lessees or sub-lessees, we may be delayed in, or entirely barred from, repossessing the equipment, or be required to make payments or incur expenses to discharge liens on our equipment, which could have a significant adverse effect on our activity, financial position, operating results and cash flow.

3.2. RISKS LINKED TO DEPENDENCE ON OUR PARTNERS

3.2.1.We are dependent on the level of demand from our customers to lease or buy our equipment

We are reliant on customer demand for the freight railcars, river barges and shipping containers that we lease or sell as well as for the modular buildings that we sell from Morocco. Customer demand for our products and services may change based on many factors, including factors beyond our control, such as the choice of a different mode of transportation, a change in the supply chain, the availability of substitute products, a change in the volume of harvest or production, the development or postponement of infrastructure projects or other operational needs.

Cash flow generated from our equipment, which is principally derived from leasing, management fees and income from the sale of our owned equipment, are affected significantly by our ability to collect payments under leases and other usage contracts for the use of our equipment and our ability to replace cash flow that comes from terminating leases by re-leasing or selling equipment on favourable terms. When we purchase newly manufactured equipment, we typically lease it out under long-term leases (typically between three and ten years for freight railcars and river barges and between three and five years for shipping containers), at a lease rate that is correlated to the price paid for the asset. As these assets are not initially leased out for their full economic life, we face risks associated with re-leasing them after their initial long-term lease at a rate that continues to provide a reasonable economic return based on the initial purchase price of the asset. If prevailing asset lease rates decline significantly between the time the equipment is initially leased out and when its initial long-term lease expires, or if overall demand for this equipment declines, we may be unable to derive the expected return on our investment in our equipment through the re-leasing of equipment when the initial long-term lease on such equipment expires.

Other general factors affecting demand for equipment (including the utilisation rates), include the following:
- available supply and prices of new and used equipment;
- economic conditions and competitive pressures in our customers' industries;
- shifting trends and patterns of cargo traffic;
- the availability and terms of equipment financing;
- fluctuations in interest rates and foreign currency values;
- overcapacity or undercapacity of transport equipment manufacturers;
- the lead times required to purchase of materials, which may vary significantly and affect our ability to meet customer demand;
- the amount of equipment purchased by our competitors and lessees for their own equipment;
- equipment fleet overcapacity or under-capacity;
- the choice of a shipping company or logistics company to reposition its unused containers or railcars in higher-demand locations in lieu of leasing containers or railcars to meet this demand;
- consolidation or decrease in the number of equipment lessees in the shipping container, freight railcar and river barge industry; and
- natural disasters or health crises that are severe enough to affect local and global economies.

In our Freight Railcar, River Barges and Shipping Container divisions, where we derive the majority of our business from equipment leasing, our business model can be affected by a customer’s decision to simply buy equipment rather than to lease it. A customer’s decision to lease or buy equipment can be affected by a variety of factors, such as tax and accounting considerations, prevailing interest rates and the customer’s capital expenditure and other financial or operational flexibility. We believe that there is a trend towards increased leasing in both the shipping and rail freight transport industries, but we cannot guarantee that this trend will continue. A decrease in the marginal cost of shipping containers or freight railcars, which could be caused by oversupply by manufacturers or a drop in the price of steel, which is the primary raw material used in container and railcar construction, would make it less costly for companies to own such equipment outright and may encourage them to select ownership over leasing. Furthermore, consolidation of our customers in these divisions could create economies of scale and efficiency increases which would make it more attractive for them to buy equipment or to vertically integrate and manufacture equipment themselves.

All of these factors are inherently unpredictable and beyond our control. These factors vary over time, often quickly and unpredictably, and any change in one or more of these factors may have a significant adverse effect on our business, financial position, operating results and cash flow.

3.2.2. If, due to a misjudgement of demand for our equipment or a cancellation of a customer contract, we are unable to lease or sell new equipment shortly after we purchase it

We purchase new equipment in the ordinary course of our negotiating activities. In addition, we purchase new equipment so that our fleet meets customer demands.

Because of the dynamics of the shipping container industry and the relatively short lead time with which customers expect to be able to take delivery of a container once they have signed a sales agreement, we seek to have a supply of new containers available for immediate requests. We monitor the price of containers in order to purchase new containers opportunistically when prices are low. The price of containers depends largely on the price of steel, which is the major component used in their manufacture. The price at which we lease our containers is strongly correlated with the price at which we have purchased the containers, in order to optimise the return on our investment. The lead time between the moment we place our purchase order for new equipment with a manufacturer and when we receive such equipment depends on numerous factors beyond our control. If, in the meantime, prices fall further and customers manage to get containers at a lower price, we may not be able to sell the containers we reserved for future demand at a price that would allow us to obtain the expected return. Such a decline in new container prices, or our inability to sell our reserved containers could harm our business, operating results and financial position.

In relation to our leasing activity, we do not generally purchase new equipment for use in our Freight Railcar, River Barge and Shipping Container divisions unless we have signed a lease agreement with a customer. It is common practice to apply a longer period between the signing of a lease agreement and the delivery of the equipment when it is new. Despite this sourcing policy, we are nevertheless still at risk of having excess new inventory if a customer rescinds its agreement after we have made an irrevocable order for the new equipment or have taken delivery of such equipment. Furthermore, if market practices change and our customers demand significantly shorter lead times for the procurement of new equipment, we may have to change our sourcing policy and invest in new equipment without having corresponding leases signed in anticipation of such an investment. A discrepancy between our equipment supply and demand could cause an increase in our non-leased inventory and harm our business, operating results and financial position.

3.2.3. We face risks related to our management of a substantial portion of our freight railcar and shipping container fleets on behalf of third-party investors

We manage a significant portion of freight railcars and shipping containers on behalf of third parties. On 31 December 2021, 56% of our fleet of freight railcars and shipping containers under management (in terms of gross book value) were owned by third-party investors for whom we provided asset management services. We primarily seek out third-party investors to share the risks and rewards of equipment ownership, thus reducing our reliance on capital expenditure in order to grow our business. Asset management is a key part of our financing and business strategy going forward, and an inability to attract further investors could significantly and adversely affect our business. Management contracts govern the relationship between each of our investors and our Group. Although we do not guarantee any minimum returns on an investor's investment, an investor may terminate a management contract in specific circumstances, such as our significant non-fulfilment of our contractual obligations, our bankruptcy or winding up, our failure to pay revenues that we have collected and that are owing to the investors or a change in our majority shareholder. Our management contracts do not represent joint ventures, we do not lease equipment from investors and we do not act as partners with investors, we provide a management service remunerated by management fees that can disappear if investors terminate their contract.

3.3. RISKS LINKED TO THE GEOPOLITICAL, INTERNATIONAL AND GLOBAL CONTEXT

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

3.3.1. The international nature of the sectors in which we operate exposes us to geopolitical issues and compliance with local laws

For the year ended 31 December 2021, we generated 98% of our revenues outside France through transactions in numerous countries and across five continents. Our presence in many countries and our day-to-day international operations mean we bear the risks associated with these, and that weigh heavily on our operations abroad and our international strategy.

For instance, we are subject to constantly changing and complex laws and regulations which govern, among other things, employment, health and safety, financial reporting standards, corporate governance, tax, trade regulations, export controls, and competitive practices in each jurisdiction where we conduct our activity. We are also required to obtain permits and other authorisations or licences from governmental authorities for some of our operations and must protect our intellectual property worldwide. Furthermore, we need to comply with various local standards and practices of different regulatory, tax, judicial and administrative bodies, specific to each jurisdiction in which we operate.

There are multiple risks associated with the global nature of our activity, including political and economic instability, geopolitical regional conflicts, terrorist attacks, threat of war, political unrest, civil strife, acts of war, public corruption, epidemics and pandemics, as well as other economic or political uncertainties which could interrupt and negatively affect our business operations. Depending upon the severity, scope, and duration of these conditions or events, our financial position, operating results, and cash flows could be adversely affected. Any of these events may affect our employees, reputation, activity or financial results as well as our ability to meet our objectives.

These include the following business risks:
- negative economic developments in economies around the world;
- sudden changes in foreign currency exchange controls;
- discriminatory or conflicting tax policies;
- epidemics and pandemics, which may adversely affect our workforce and suppliers, and affect international transportation;
- • adverse changes in governmental policies, especially those affecting trade and investment;
- legislation or regulatory measures to enhance the safety of shipping containers, freight railcars and river barges against acts of terrorism that would affect the construction or operation of our assets; and debts or losses caused by acts of terrorism to our assets;
- inflation, recession, fluctuations in foreign currency exchange and interest rates, restrictive fiscal policies and transfer restrictions;
- threats that our operations or property could be subject to nationalisation and expropriation;
- difficulties enforcing contractual rights or foreclosing to obtain the return of our assets in certain jurisdictions;
- bad debts and longer collection cycles in some foreign countries;
- ineffective or delayed implementation of appropriate controls, policies, and processes across our diverse operations and for our employees; and
- nationalisation of properties by foreign governments, and imposition of additional or new tariffs, quotas, trade barriers, and similar restrictions on our international operations.

We may not be in full compliance at all times with the laws and regulations to which we are subject. Likewise, we may not have obtained or may not be able to obtain the permits and other authorizations or licenses that we need. We are also reliant on local managers to oversee the day-to-day functioning of our sites and to ensure their compliance with local laws, and, as a consequence, we may be subject to risk based on insufficient oversight.

In such cases, or if any of these international business risks were to materialise or be exacerbated, we could be fined or otherwise sanctioned by regulators, which could adversely affect our activity, financial position and operating results.

3.3.2.Any deceleration or reversal of the European or global economic recovery may have a significant negative impact

Our financial performance depends on the level of demand for the assets we lease, which is equally dependent on the underlying markets for our customers' products and services and the strength and growth of their businesses. Some of our customers operate in cyclical end-markets, such as the steel, chemical, agricultural and construction industries, which are susceptible to macroeconomic downturns and may experience significant changes in demand over time. We may not be able to predict the timing, extent or duration of the activity cycles in the markets in which we or our key customers operate. Each of these sectors is influenced by the state of the general global economy as well as by a number of more specific factors. A decline or slowed growth in any of these sectors in the markets or geographic regions where we operate and in other parts of the world may harm the leasing activity of some of our equipment, due to the lease of this not being renewed at the end of a lease term or being terminated as a result of a customer bankruptcy or default, which may have significant adverse effects on our business, operating results and financial position.

Demand for freight railcars, river barges and containers is linked to changes in traffic resulting from freight and goods transportation, as well as the total traffic generated by transport. Fluctuations depend on the level of global economic growth and of international trade. Economic downturns in one or more countries or regions, particularly in Europe, the United States, China and other consumer-oriented economies, or the establishment of customs barriers could result in a reduction in world trade growth and in the demand for our freight railcars, river barges and shipping containers. In addition, most of the investment programs under which we sell leased equipment portfolios (in particular freight railcars and shipping containers) employ a certain amount of debt in order to increase investor equity returns. Tighter credit markets make it more difficult for third-party investors wishing to access financing for future investment programs, which increases syndication risk and the probability that we may not be able to sell assets within investor programs in the future.

Failure to find investors to finance our equipment could have a significant adverse effect on our revenues, net income and cash flows, which would limit the level of growth in our operating fleet that we might otherwise be able to attain.

The United Kingdom exited the European Union under the terms of the withdrawal agreement and European Union law ceased to apply to the United Kingdom as of 31 December 2020. The departure of the United Kingdom from the European Union still presents uncertainties relating to the impact on the British and European economies. Several scenarios remain possible with very different consequences. It is likely that growth in the United Kingdom will be strongly affected by this departure for several years. It is also possible that the growth of the European Union decreases with more restrictive trade with the United Kingdom. The United Kingdom's relations with the rest of the world will also be put under duress as the United Kingdom re-establishes agreements with all the countries with which it trades. The decline in trade between the United Kingdom and the European Union, between the United Kingdom and the rest of the world and the decline in domestic consumption within the United Kingdom may have a negative impact on our activity and our financial situation. Uncertainty regarding future demand for our products in the United Kingdom, in the European union and worldwide could cause us to maintain excess equipment stocks and increase our capital expenditures beyond that which is necessary. In addition, the economic consequences of the departure of the United Kingdom from the European Union could generate volatility in the exchange rate of the British pound. This volatility could have a negative impact on our activity, financial position, operating results and cash flow. Also, as part of our strategic business plans, we constantly have to make decisions with respect to the type, model and technical characteristics of the equipment that we purchase. We must make these decisions based on present demand and our forecasts for future demand. A fall in demand can lead to lower profitability given the long life of these assets. We cannot guarantee that our strategic investment decisions based on our forecasts of demand will be successful in the future and that we will be able to implement our strategy of optimising utilisation of assets in accordance with our plans or at all.

Our Freight Railcar activity primarily targets European customers, our River Barge activity is European and American and our Container activity is global. In 2021, the European and global economy has undergone huge fluctuations linked to the COVID-19 pandemic and the various restrictions put in place locally around the world. We have seen contrasting effects in all activities with negative or positive consequences of disruptions to logistics and demand. For example, the reduction in passenger rail transport has freed up routes and allowed rail freight to improve its productivity, thus generating a lower demand for freight railcars. On the other hand, local lockdowns have blocked containers in many countries that could not be unloaded leading to a shortage of containers and a sharp rise in demand and prices.

The effects of fluctuations in the European and global economy are inherently unpredictable and beyond our control. These factors vary over time, often quickly and unpredictably, and any change in one or more of these factors may have a significant adverse effect on our business, financial position, operating results and cash flows.

3.3.3. We rely on title registries to evidence ownership of our assets. Failure to properly register or the lack of an international registry increases the risk of ownership disputes

There is no internationally recognised system of recording or filing to evidence our title to the types of equipment that we lease nor is there an internationally recognised system for filing security interests in the types of equipment that we lease. Although we have not experienced significant problems with respect to this lack of internationally recognised system in the past, the lack of an international title recording system with respect to containers could result in disputes with lessees, end-users, or third parties who may improperly claim ownership of the containers. Likewise, we may be subject to ownership disputes derived from unenforceable, voidable or void registration of our equipment due to our non-compliance with the required formalities. Failure to correctly record our properties in the appropriate registry could result in arbitration proceedings, litigation or ownership disputes, which could have a significant adverse effect on our activity, operating results and financial position.

3.4. LEGAL AND REGULATORY RISKS

3.4.1. We operate in many jurisdictions with highly complex and variable tax regimes, and any changes to tax rules and tax audits could have some effects

We conduct business around the world and are therefore subject to highly complex and often divergent tax laws and regulations, resulting in very challenging structuring and operational issues. The modification of tax regulations could have an impact on our financial results. The tax rates to which we are subject are variable. Our effective tax rate in any jurisdiction may depend on changes in the amount of our operating profit or in the applicable rate of taxation there, as well as on changes in estimated tax provisions due to new events. We currently have tax benefits in certain jurisdictions. These benefits may not be available in the future due to changes in relevant local tax regulations, which could cause our effective tax rate to increase and may result in an adverse effect on our activity, financial position and operating results.

In addition to tax losses carried forward, uncertainties may also result from disputes with local tax authorities about the transfer pricing of internal deliveries of goods and services or related to financing, acquisitions and disposals, the use of tax credits and permanent establishments. These uncertainties may have a significant impact on our local tax results. We also have various tax assets as a result of tax losses in certain legal entities. Tax authorities may challenge these tax assets. In addition, the value of the tax assets resulting from tax losses carried forward depends on our having sufficient taxable profits in the future. Although we believe that we have conducted our business in compliance with tax laws, if local authorities or an administrative court decide we have not been tax compliant, we can be subject to significant liability. Any or all of these tax issues could have an adverse effect on our activity, financial position and operating results.

Tax assets are also mentioned in the consolidated financial statements presented on page 54.

3.4.2. Our River Barges division is subject to the Jones Act

In the United States, our River Barges division is subject to the *Jones Act,* a U.S. federal cabotage law that allows domestic marine transportation in the United States only to vessels built and registered in the United States, and manned and owned by United States citizens. We believe we comply with the requirements of the *Jones Act.* However, a change in interpretation of the *Jones Act* or a change in cabotage law could have a significant adverse effect on our River Barges division in the United States. The requirements that our vessels be built in the United States and manned by United States citizens, the provisions relating to the crewing and equipment of the United States Coast Guard, as well as the application of United States labour and tax laws, increase the cost of United States flag vessels when compared with comparable foreign flag vessels.

3.4.3. Litigation to enforce our leases and recover our equipment has inherent uncertainties that are increased by the location of our equipment in jurisdictions that have less developed legal systems

Our ability to enforce lessees' obligations will be subject to applicable laws in the jurisdiction in which enforcement is sought. As our shipping containers and river barges are predominantly located on international waterways, it is impossible to predict, with any degree of certainty, the jurisdictions in which enforcement proceedings may be commenced. For example, repossessing our equipment from defaulting lessees may be difficult and more expensive in jurisdictions in which laws do not confer the same security interests and rights to creditors and lessors as those in the European Union and the United States, and in jurisdictions where recovery of containers from defaulting lessees is more onerous. As a result, the relative success and expedience of enforcement proceedings with respect to shipping containers and river barges in various jurisdictions cannot be predicted. Similarly, freight railcars can make journeys across several countries, which can make it difficult to predict with certainty which jurisdiction will initiate the enforcement procedures. Inability to enforce our lessees' obligations could have significant adverse affects on our activity, operating results, financial situation and cash flows.

3.4.4. We may be affected by climate change or market or regulatory responses to climate change

Climate change could affect us, as well as our customers, who transport goods using the barges, containers and railcars that we make available to them, and our suppliers, who produce our products and who may emit greenhouse gases during the production process. Our Shipping Containers division is particularly dependent on world trade. Any impact of climate change on world trade would have an impact on our activities. For example, a rise in temperatures could make new trade routes accessible near the North Pole, which would reduce the number of containers required for trade between Asia and Europe, and thus would negatively impact the demand for our products and services. Extreme weather conditions or natural disasters related to climate change could also have an impact on our activity, particularly in the River Barges division, where navigation can be disrupted due to drought, flooding or freezing conditions. Reduction in demand due to climate change could have an adverse effect on our activity, operating results and financial position.

Changes to laws, rules and regulations, or actions by authorities under existing laws, rules or regulations, to address greenhouse gas emissions and climate change could negatively impact our customers and our activity. For example, freight railcars and river barges that are used to carry fossil fuels, such as coal, could see reduced demand if new government regulations mandate a reduction in fossil fuel consumption. Potential consequences of laws, rules or regulations addressing climate change could have an adverse effect on our financial situation, operating results and cash flows.

Climate change is also discussed in the report on social and environmental responsibility, in section (v) page 169 of paragraph 22.2.

3.5. Financial risks

3.5.1.Liquidity risk

The TOUAX Group's top priorities for managing its liquidity risk are to ensure financial continuity, meet their due dates, and optimise the cost of debt. The Group has carried out a specific review of its liquidity risk, and considers it is able to meet its commitments at the future due dates.

Liquidity risk management is assessed according to the Group's requirements set forth in the notes to the consolidated financial statements, note 33.3. The list of principal borrowing containing specific clauses and commitments is mentioned in note 24.3 and note 32 of the notes to the consolidated financial statements.

3.5.2. Interest and exchange rate risk

The TOUAX Group relies on different types of loans both for its development requirements and its investment policy. A large share of these loans apply a variable interest rate. The latter thus represent the main part of the potential rate risk borne by the Group. In fact, variable rate loans, which, after taking into account hedging instruments, represent 34% of the Group's outstanding debt and have enabled the Group to benefit from the negative Euro rate environment. On the other hand, a return to a positive level of the reference rates would lead to an increase in the financial expenses related to the variable rate debts as well as the costs for the refinancing of the current debts and the issuance of new loans. In addition, given the TOUAX Group's debt, an increase in interest rates would have a negative impact on cash flows.

Interest rate risk management is described in the notes to the consolidated financial statements on note 33.4 page 97.

The TOUAX Group has a strong international presence and is therefore naturally exposed to fluctuations in currencies. The consolidated financial results are recorded in euros; if the Group records sales or income in other currencies, the conversion of these revenues into euros may give rise to large variations in the amount of such sales and income. Information on exchange rate risk and its management is provided in note 33.5 page 101 of the notes to the consolidated accounts.

For accounting purposes, the assets and liabilities of our foreign operations, where the local currency is the functional currency, are converted at the exchange rates prevailing at the end of the year and revenues and expenses of our foreign operations are converted at average exchange rates for each year. Accounting impacts may exist for companies whose main operational flows are carried out in a currency other than the currency of the company's accounting reporting.

These fluctuations may affect the results of the TOUAX Group when converting accounts in euros for the various subsidiaries outside the Euro zone. In addition, exposure to currency exchange risk is mainly due to fluctuations in the US dollar, the Moroccan dirham and, to a lesser extent, that of the Indian rupee against the euro. Based on the results for the year ended 31 December 2021, the Group estimates that a 10% decrease in the exchange rate of the US dollar against the euro would result in a 4.98% fall in current operating results. Nevertheless, these are estimates and future exchange rate fluctuations may have a greater positive or negative impact on current operating results compared to what TOUAX originally anticipated. The effect of strong fluctuations would lead to a significant impact on the Group, its financial situation and its operating results. Currency risk is hedged for intra-group loans/borrowings. However, as recorded in the past, the hedging may be ineffective or the provider providing the hedging may be in default.

In addition, currency risk exists when a Group entity enters into a purchase, sale or lease transaction using a currency other than the functional currency of the entity with which we carry out the transaction.

Finally, since future fluctuations in exchange rates and interest rates may have a negative impact on the Group's financial position and operating results, the Group Treasury and Finance Department manages and optimises these on a daily basis in order to reduce these potentially negative impacts.

3.5.3.The fair market value of our long-term assets may differ from the value of those assets reflected in our financial statements

Our assets primarily consist of long term assets which may have a book value in our financial statements that may sometimes differ from their fair market value. These valuation differences may be positive or negative and could be significant depending on market conditions and demand for certain assets. We review long-term assets for impairment in accordance with applicable rules, including whenever events or changes in circumstances indicate that the book value of the assets may not be recoverable. Recoverability of the assets is measured by a comparison of the book value of the assets to the future net income expected to be generated by the assets. The profitability of the assets is measured by a homogeneous group of assets and mainly by asset category. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the book value of the assets exceeds the fair value of the assets. Assets are booked at either book value or fair value (depending on which is the lowest), minus selling costs.

There are many assumptions and estimates underlying the determination of a possible loss in value or an impairment event. The assumptions and estimates include, but are not limited to, estimated fair market value of the assets and estimated future cash flows expected to be generated by these assets, which are based on additional assumptions such as utilisation rates, number of years that the asset will be used and its estimated residual value. Although we believe our assumptions and estimates are reasonable, deviations from the assumptions and estimates could produce a significantly different result, which could have an adverse effect on our financial position, operating results and cash flows.

3.5.4. Counterparty risk

Counterparty risk from cash and cash equivalents, as well as from derivative financial instruments under contract with banks and/or financial institutions, is managed centrally by the group's treasury and financing department. This risk is set out in the notes to the consolidated accounts note 33.3.

4. ISSUER INFORMATION

4.1. BUSINESS NAME AND COMMERCIAL NAME

The name of the company is TOUAX SGTR - CITE - CMTE - TAF - SLM - TOUAGE INVESTISSEMENT REUNIES, by abbreviation "TOUAX SCA".

4.2. PLACE, REGISTRATION NUMBER AND LEI

Registration under number 305 729 352 on the Nanterre trade and companies register.

SIRET: 305 729 352 00099.

LEI: 969500QZJBA9R36U9J48.

APE: 7010Z.

Listed on Euronext in Paris (TOUP) – Compartment C, ISIN Code: FR0000033003 - Reuters TETR.PA - Bloomberg TOUP: FP.

4.3. DATE OF INCORPORATION AND DURATION

The company was incorporated on 31 December 1898 and the incorporation will expire on 31 December 2104.

4.4. LEGAL STATUS AND LEGISLATION

- Company legal status

Partnership limited by shares under French law.

- Registered and administrative office

Tour Franklin – 23ème étage – 100-101 Terrasse Boieldieu – 92042 La Défense cedex – FRANCE.

Telephone: +33 1 46 96 18 00.

- Financial year

The financial year of TOUAX SCA commences on January 1 and ends on December 31.

- Share capital

On 31 December 2021 the company's capital comprised 7,011,547 shares with a par value of €8.

The capital is fully paid up.

- Company legislation

A partnership limited by shares, governed by the French Commercial Code.

- Viewing of the company's legal documents

Documents relating to TOUAX SCA can be consulted at the company's registered office.

- Information policy

A financial communication agreement has been signed with ACTIFIN – 76-78, rue Saint Lazare – 75009 – Paris – FRANCE.

This universal registration document, reference documents, annual reports, presentations to financial analysts and press releases are available in French and English on the Group's website (www.touax.com).

Significant news that may affect share prices is always broadcast through the press.

- Persons responsible for the financial information

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Managing Partners of TOUAX SCA
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Fax: + 33 1 46 96 18 18
e-mail: contact-touax@touax.com
www.touax.com

5. OVERVIEW OF ACTIVITIES

5.1. CORE BUSINESSES

5.1.1.Types of operations and core activities

TOUAX is a leading global corporate services provider specialising in the operational leasing, sale and management of mobile standardised equipment. We mainly operate in three sectors with each one corresponding to each type of assets that we lease and manage: freight railcars, river barges and shipping containers.

Our Group's history began over 168 years ago as an operator of barges on the Seine river in France in 1853. We became a listed company on the Paris Stock Exchange (now Euronext Paris) in 1906.

Each of our three divisions holds leading market positions in the key regions in which it operates. For shipping containers, we believe we are the 7th largest leasing company and the 3rd largest asset manager in the world, while in Western Europe we are the 1st largest leasing company and the largest manager of containers, and one of the largest lessors of intermodal railcars in Europe, with these positions being based on the size of our fleet. Finally, we believe we are the only operational lessor of dry river barges in Europe and in the Paraná-Paraguay basin in South America.

We offer a wide range of services related to our equipment, which we either own or manage for the account of third-party investors, to a variety of customers around the world, providing us with diverse and recurring revenue streams. In addition to operational leasing of equipment, we also offer financial leasing, *purchase and leaseback*, as well as sales of new and used equipment. We also provide services ancillary to our equipment leases, such as maintenance and trading.

We operate a global and highly diversified business model, with 3 divisions operating in a total of approximately 40 countries on 5 continents. Income from the activities of the Shipping Containers division, which is international in nature, represented 38% of our income from activities for the year ended 31 December 2021. Our other two activities generated 45% of our total income from activities in Europe (of which 2% was in France), 2% in the Americas and 4% in Asia. The other activities represent 11% of income from activities which is mainly produced in Africa.

Over the years we have developed an extensive platform comprising a global network of branches, offices and depots, as well as a first-rate reputation enabling us to build long-term relationships with our customers. We serve several thousand customers worldwide in a vast range of end-markets, including some of the biggest shipping transport companies, international industrial groups, railway companies and logistics providers, with some of which we have long-standing relationships.

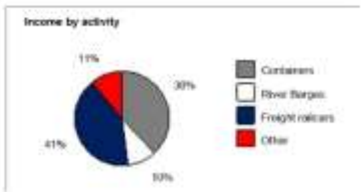
The key indicators of the Group's activity report are presented differently from the IFRS income statement to allow an understanding of the performance of the activities. For this, no distinction is made in management on behalf of third parties, which is presented in the exclusive form of an agent:

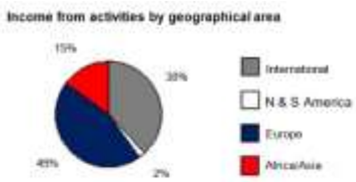
- Income from activities of €167.9 million is restated in order to present owned activities on the one hand and management activities on the other. Thus, restated income from activities is €125 million (see note 3 of the notes to the consolidated financial statements page 72).
- For management activities, leasing revenue from equipment held by investors is replaced by management fees, which correspond to the net contribution of leasing management activity to the performance of the Group.

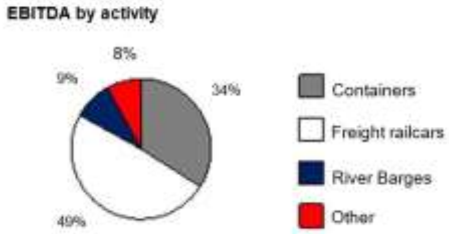
This presentation therefore allows direct reading of syndication commissions, sales commissions and henceforth management commissions, grouped together under management activity, distinct from owned activity.

The income from our activities at the end of December 2021 was €125 million and our EBITDA was €53.1 million.

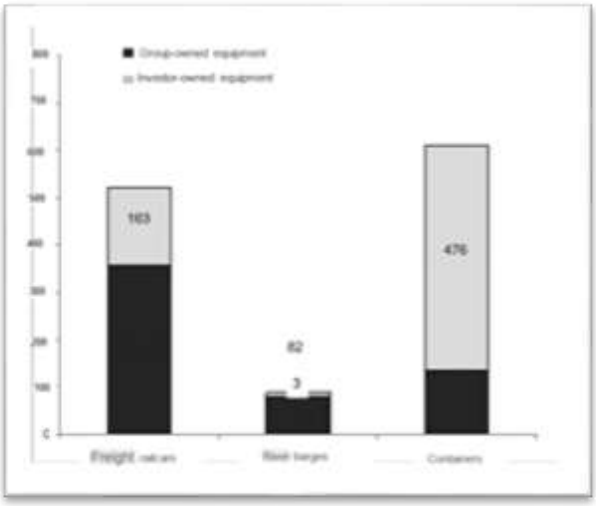
Below is a breakdown of our income by activity and by geographical area as well as our EBITDA at the end of December 2021:







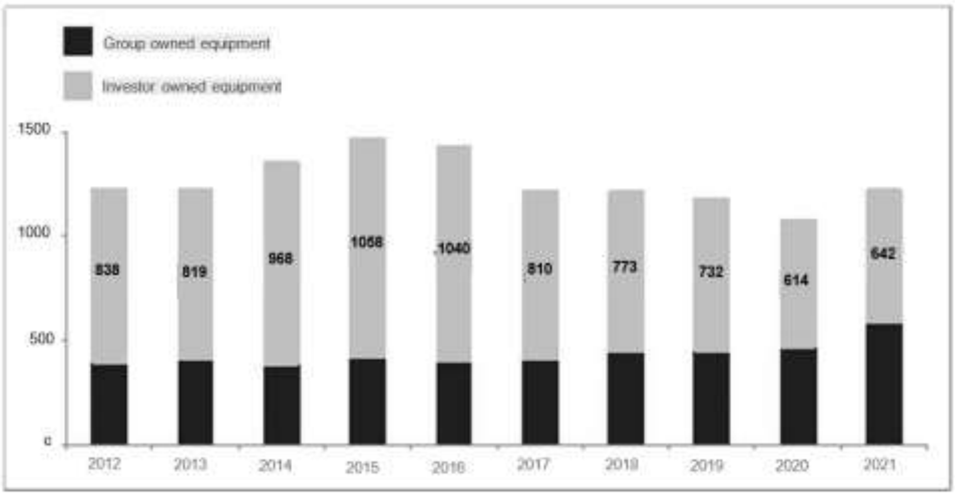
On 31 December 2021, we managed a fleet of assets with a total gross book value of approximately €1.2 billion, which are either directly owned by us or managed on behalf of third-party investors. This fleet comprises 12,110 freight railcars (platforms) of which 26% are managed on behalf of third-party investors, 99 river barges, of which 5 are managed on behalf of third-party investors and 393,064 containers tenty-foot equivalent units (TEU), of which 77% have been managed on behalf of third-party investors.



In millions of euros.

In connection with our asset management activity, we purchase and subsequently syndicate portfolios of equipment (mostly shipping containers and freight railcars) for sale to third-party institutional and private investors. We enter into long-term agreements to operationally manage the assets comprised within the relevant portfolios. We receive a syndication fee at the time of the sale of the portfolio to an investor, and through our management agreements (which tend to range from 12 to 15 years), we receive management fees based on the gross leasing revenue attributable to the managed portfolio. On 31 December 2021, our third-party investors owned 53% of the total gross book value of our leasing fleet.

The breakdown in terms of gross book value of our total fleet from the end of 2012 to the end of 2021 is as follows:



In millions of euros

Our diversified business model enables us to generate recurring revenue as a result of the standardised nature, long economic lifespan and low obsolescence rate of our assets. Our leasing revenue is generated by long-term lease agreements, securing long-term recurring income and predictable cash flows. Our asset management activity provides us with recurring revenue as a result of the long-term nature of our asset management contracts. These recurring streams are enhanced by opportunistic sales of used equipment, which we pursue based on prevailing market conditions.

As a Group engaged in an asset-based business, we resort to asset-backed financings to operate and grow our business. These assets were financed through a mix of equity, cash and debt.

Our competitive strengths

We benefit from long-lasting leading positions in markets which consolidates our experience and performance level

With our extensive network of sales offices, agencies and depots located in approximately 40 countries on five continents, we have achieved leading positions in most of the divisions and sectors in which we operate. Most of our markets being characterized by significant barriers to entry, these leading positions have historically allowed us to fully benefit from available growth opportunities.

We further believe we are one of the biggest lessors of intermodal railcars in Europe based on the size of our fleet, with a total fleet of 12,110 railcars (platforms) representing a gross book value of approximately €523 million as of 31 December 2021, of which 31% consisted of railcars that we managed on behalf of third-party investors.

Finally, we believe we are the only operational lessor of dry river barges in Europe and in the Paraná-Paraguay basin in South America. We are also present in the Mississippi and Missouri basins in the United States. Our fleet has 99 barges representing a gross book value of about 82 million euros at 31 December 2021, of which 5 barges are managed on behalf of third-party investors.

Lastly, we believe that we are the 7th biggest lessor and the 3rd biggest asset manager of shipping containers in the world, based on the size of our fleet, and the number 1 lessor and manager of shipping containers in continental Europe. Our shipping container fleet totalled 393,064 twenty-foot equivalent units (TEU), representing a gross book value of approximately €610 million as of 31 December 2021, of which 79% consisted of shipping containers that we managed on behalf of third-party investors.

Experience and scale constitute a critical competitive advantage in our markets and underlie the success of only the largest market participants. Because our business is capital intensive, building the appropriate inventory and platform to efficiently carry on our business requires significant financial resources, and constitutes significant barriers to entry for new participants.

Our experience and size have allowed us to develop over the years the significant platform, know-how and global presence required to achieve operational efficiency in a highly competitive environment. We benefit from the experience of our management teams in the various industrial sectors and geographical end-markets to which we market our products and services. Our depth of experience provides us with insights into dynamics that are critical to the success of our business, such as the timing of investments and divestments of assets in our leasing fleet, where, when and at what price to make these assets available to potential lessees, and trends in customer demand in all our end-markets.

Furthermore, we have a first-rate reputation for technical expertise and operational excellence, which enables us to meet the quality standards demanded by our customers, particularly in the areas of maintenance and customer assistance. Our successful track record in the asset management business has also allowed us to attract and develop strong relationships with investors in portfolios of equipment. Leveraging upon our expertise, we have been able not only to grow our fleet but also to manage it proactively in order to maximize utilisation rates and revenues.

Finally, we have created a unique and efficient platform based on proprietary IT systems and have built an extended network of branches, offices, depots, workshops and agents, which in turn has allowed us to maintain strong and stable client and supplier relationships in all our activities. We believe that the critical mass resulting from our platform and network enables us to achieve economies of scale and accordingly offer attractive pricing to customers, thereby providing us with an advantage over smaller competitors that may not be able to access financing or equipment at rates as favourable as ours.

We operate a diversified business model, serving a broad customer base in different types of markets

Our business profile is highly diversified, with three divisions operating in a total of approximately 40 countries on five continents. Each of these divisions serves a broad customer base and operates through several business models such as leasing, selling, trading and asset management.

Our divisions (Freight Railcars, River Barges and Shipping Containers) operate on different business cycles. This enables us to mitigate our exposure to certain market conditions, such as potential shifts in demand among freight transport alternatives, and to shift our exposure to more profitable customer categories and end-markets. In addition, we serve several thousand customers worldwide that are exposed to a vast range of industry drivers and end-market dynamics, such as the development of international trade and the tightening of regulatory frameworks. On 31 December 2021, our top 10 customers (excluding investors in our asset management programs) represented 39% of our total revenues.

Our activity is geographically diverse. Income from the shipping container activity, which we consider to be international in nature, accounted for 38% of our total revenues at the end of December 2021. Our other activities represented 45% of our total income from activities in Europe (of which 2% was in France), 2% in the Americas, 11% in Africa and 4% in Asia. Our geographic diversification reduces our exposure to the general economic conditions affecting any single region, country or currency, and provides for cost-effective coverage of smaller customers at a local level, while also addressing the needs of larger international customers.

Furthermore, we benefit from three different sources of revenue. Our main revenue stream consists of leasing revenue and we also sell new or used equipment based on our analysis of prevailing market conditions. Some of our customers may opt, on the basis of micro- and macroeconomic factors, to buy rather than to lease their equipment. Because we both lease and sell equipment, we reduce the risks associated with the decisions of our customers to select one solution rather than another. We also offer certain third-party investors the possibility of investing in and owning equipment that we manage on their behalf, and we derive additional sources of income through fees and commissions in connection with the syndication, leasing, management and resale of such equipment. This enables us to expand our fleet while limiting the risks and capital expenditure associated with equipment ownership.

We operate an asset-based business and manage a flexible and liquid asset base

We own and manage a fleet which on 31 December 2021 represented a total gross book value of approximately €1.2 billion, of which 47% is owned by us, and which is characterised by its quality, as well as its flexible and liquid nature. Our fleet is young and has a long lifespan. For example, on 31 December 2021, the average age (weighted by the gross value of the assets) of our fleet of freight railcars, river barges and shipping containers was 17.2 years, 13.2 years and 10.8 years, respectively. On the other hand, the useful life (in relation to the accounting life) of our equipment is generally between 30 to 50 years for freight railcars and river barges and 30 to 40 years for shipping containers (up to 15 years at sea and another 20 years on land for storage purposes).

The majority of our fleet is comprised of standardised and highly versatile equipment, thereby enabling us to meet customer needs and optimise fleet utilisation. In addition to providing leasing revenue, which is our main source of revenues, the quality and the flexible and liquid nature of our asset base allow us to ensure high residual asset value, actively manage our asset base and optimise revenue streams from opportunistic used sales. Finally, because of our limited maintenance capital expenditure requirements, due to the age and quality of our fleet, a significant portion of our capital expenditures is discretionary in nature, which gives us substantial flexibility to adjust or reallocate our investments based on our business needs and the prevailing economic conditions.

We are engaged in an asset-based business, and we use asset-backed financing to invest in equipment and grow the size of our fleet. We limit our total debt to sustainable levels in accordance with the commitment of these asset-backed financings and our internal targets. Since 2008, we have consistently maintained a ratio of total debt to total assets (excluding intangible assets) below 70% with a ratio of 52% as of 31 December 2021.

We are present in end-markets with positive long-term fundamentals

Most of the markets that we address benefit from positive underlying long-term trends.

Our markets are driven by global economic growth and growth in international trade volumes as well as the need for annual renewal of transportation equipment. Through our geographically diversified operations, we benefit from the macroeconomic growth of advanced, developing and emerging economies. The need for equipment renewal is particularly significant. We estimate that we have an annual requirement of 2 million 20-foot equivalent containers (for a market value of $6 billion) and 14,000 European railcars (for a market value of €1.4 billion.

We also believe that our Freight Railcars division will benefit from an improvement in market conditions. Following the economic slowdown in 2008 and 2009, demand for new equipment decreased sharply, which left a legacy of overcapacity in fleets intended for railcar leasing, including our company. Nevertheless, market conditions started to improve in Europe from 2014, when we saw some recovery in rail traffic and investments. The global pandemic then created a further one-off downturn in the need for freight railcars and demand picked up as the health situation improved. The growth of the European freight railcar industry is likely to be further reinforced by the structural mismatch between, on the one hand, railcar replacement needs due to the ageing of railcars and, on the other hand, a limited railcar production capacity due to the reduction in manufacturing that took place as a result of the economic downturn. We believe these factors will increase utilisation rates and favour lessors like us, who have younger fleets. The average age of our fleet was 17.2 years at the end of 2021.

Finally, our River Barges division is also affected by international trade flows and economic conditions in the countries along the river basins in which we operate. We have focused our efforts in markets showing good prospects in Europe and potential growth in terms of demand. The South American market is gradually improving (increase in cereal transport and resumption of iron ore transport) but is occasionally subject to climatic events (drought).

Finally, the Containers division is also linked to world trade. The Shipping Containers business remained resilient during the global financial crisis of 2008/2009 despite a slowdown in shipping activity that impacted most shipping companies and this was even greater during the pandemic. We believe this is due in part to the long-term nature of leases and to the fact that leasing is a flexible operational and financial solution for shipping lines. After a year in 2016 during which sales of used containers were significant, the following years were marked by a strong demand for shipping containers. This trend has continued in 2021 and is expected to continue with logistical disruptions and delays in the global supply chain.

We benefit from stable, recurring revenue streams

As a result of the standardised nature and low obsolescence rate of our equipment, we can generally enter into long-term leases, securing recurring income and cash flows. As a result, a large proportion of our leasing revenue is contractually locked in, thereby affording us significant visibility on revenue.

Our strong, flexible and liquid asset base, which generates recurring and stable revenue streams, enables us to implement syndication to finance a portion of our fleet under management.

We manage rental equipment for third-party investors to whom we sell the equipment. This enables us to serve our customers by further diversifying our business model and generating additional recurring revenue without incurring the operational, financial risks and investments risks associated with the ownership of equipment. Syndications thus also allow us to expand the size of our fleet of leasing equipment in order to serve new leasing customers and generate revenue from additional leasing contracts without increasing capital expenditures and incurring additional long-term indebtedness. We receive syndication fees at the beginning of our asset management relationships. Our asset management contracts, which tend to range from 12 to 15 years, provide us with recurring management revenues based on the performance of the assets in our portfolio. At the end of the useful life of equipment that is owned by an investor, we are often mandated by the investor to dispose of the asset, thereby providing us with a sales fee, which is another source of revenue.

We are led by an experienced management team

Supported by our Supervisory Board, our senior management has a proven track record of effectively managing our business over the years. Members of our top management are experienced in managing operations through the different economic cycles and each has at least 20 years' experience in the equipment sales and leasing business. Furthermore, each of our three divisions is led by a managing director. These managing directors have an average of approximately 20 years of experience in their respective industry.

Our management team's accumulated experience is an asset in identifying market dynamics and the right time to invest in a certain class of equipment in order to grow our business. Our managers' long-term relationships with many companies and individuals in the markets where we are present allow them to predict customer needs and identify key trends in our industrial and geographical end-markets. In a business where much of our success depends on providing our customers with what they want, where they want it and when they want it, our managers' ability to analyse market conditions to identify opportunities is critical. We believe that we will be able to continue to capitalize on their experience and their relationships to continue to grow our business and carry out our strategies.

We benefit from the long-term vision and support of our principal shareholders

We benefit from the strong entrepreneurial culture of the WALEWSKI family, which has managed our Group as a family business since the beginning of the 20th century and has developed it into a global business, that we consider to be a leading reference in each of the markets targeted by our 3 divisions. The WALEWSKI family is our principal shareholder. On 31 December 2021, members of the WALEWSKI family, Alexandre, Raphaël and Fabrice WALEWSKI, jointly owned approximately 31.41% of TOUAX shares. This is a testament to our shareholders' faith in our Group and demonstrates the alignment of our shareholders' interests with our long-term vision and growth prospects. We believe that our principal shareholders' experience and knowledge of the industry is a key factor in the continuing success of our business.

Our strategy

We intend to leverage our business expertise and unique platforms to continue to stand out from our competitors and to continue to grow our 3 activities. Through the implementation of our strategy, we intend to increase EBITDA while reinvesting positive free cash flow, by seeking additional financing and increasing syndication transactions with third-party investors. Thanks to our commercial actions, we intend to increase the utilisation rate of the existing fleet that we manage as well as leasing rates.

Consolidate our leading positions in mature markets

In mature markets, we intend to consolidate our leading positions by continuing to implement a well-structured differentiation strategy for each of our 3 divisions. We believe that differentiation is a key factor to enable us to maintain our broad customer base in highly competitive mature markets.

We intend to continue to differentiate ourselves by continuing to focus on our ability to understand our customer needs, build long lasting relationships and offer our equipment in the right place, at the right time and at the right price. In our Shipping Containers division, we will achieve this by relying on our in-depth business expertise, our top quality platform and our worldwide presence. For our other 2 divisions, we are developing our processes to minimise equipment downtime during revisions and therefore enable our customers to optimise their use at a higher level than our competitors' equipment. Maintenance services are also an essential element of our strategy to stand out from our competitors in the Freight Railcars and the River Barges divisions.

We also intend to continue to differentiate ourselves from our competitors by providing associated high-quality services to our customers. In our Freight Railcars and Shipping Containers divisions, we will continue to offer services related to the monitoring and sharing of information about our equipment to our customers via the Internet, as well as online restitution services.

Improve utilisation rates and operating efficiency to increase profitability and cash flow generation

We intend to increase the overall utilisation rate and the profitability of our existing fleet and continue to control our costs in order to increase our operating efficiency, improve our operating margins and reducing our leverage.

To increase our utilization rates in the Freight Railcars division, we are implementing more aggressive commercial policies in order to expand our customer base. More generally, we are seeking to further expand our commercial networks and strengthen our commercial teams across all divisions.

We also intend to improve operational efficiency of our 3 divisions as well as standardizing procedures. This enables our commercial teams to more readily adapt a particular asset to a specific customer need, thereby improving utilisation rates.

Control leverage through the continued pursuit of a sound financial strategy

We intend to continue our strategy of pursuing growth responsibly while focusing on controlling leverage. We believe we will be able to achieve such goal by pursuing initiatives aimed at increasing our utilisation rates, seeking out business opportunities and further improving our operational excellence in those markets in which we already have an established presence. We further believe we can continue taking advantage of our proven excellence in syndicating portfolios of assets in order to control investments and manage our levels of indebtedness. At the end of 2021, net debt amounted to €231 million and gross debt €285 million, bearing in mind that the Group's balance sheet held assets intended for sale to investors in 2022. EBITDA stood at €53.1 million in 2021 compared to €46.8 million in 2020.

Support the growth of our markets while controlling investments through asset management plans

Our objective is to support the growth of our markets and respond to customer demand without increasing investments or debt.

While maintaining the overall size of our owned fleet across our 3 divisions, we intend to keep a balanced owned asset portfolio among the divisions based on current and future market conditions. This balance in the composition of our asset base will provide us with a recurring source of revenues and will allow us to further optimise our asset mix and geographic positioning. This in turn will protect our overall business from severe market conditions that may from time to time affect some of our divisions.

We plan to expand the fleet that we manage for third-party investors through the further development of our asset management programs. We intend in particular to resume syndication of equipment in our Freight Railcars division. The syndication of new asset portfolios to third-party investors will enable us to finance the growth of our fleet, further strengthen our leading positions and develop further economies of scale. During 2021, the Group carried out syndications in the Freight Railcar, Shipping Container and River Barge activities and we hope to develop syndications in 2022 in all of these activities.

Grow our activities in emerging markets

We intend to grow our business by seeking business opportunities in emerging markets. We believe that the most efficient way to expand our business and increase the volume of our operations in emerging markets is to establish partnerships with well-known local partners, who know the particularities of the local market, help us to increase our operational capacity and share the financial costs and business risks associated with each project. In this way, we intend to limit any additional indebtedness or capital expenditure related to the pursuit of such new opportunities.

In the long term, we plan to strengthen our presence in emerging markets mainly in our Freight Railcars division in India through our partnership with the leading freight railcar manufacturer in the country.

* * *

TOUAX specialises in the leasing, management and sale of standard, mobile and flexible equipment used for the transportation of goods.

Specifically we:

- sell new and used equipment;
- lease (through both operating and finance leases) such equipment;
- manage fleets consisting of such equipment that are owned by third-party investors;
- provide services related to each of these activities.

We operate through 3 principal divisions, each centred on one type of managed asset:

- our Freight Railcars division, through which we lease, sell and maintain a fleet of railcars that are used for freight transportation and that we either own or manage for third parties;
- our River Barges division, which allows us to lease and sell barges that we own or manage for third parties; and

our Shipping Containers division, through which we lease and sell a fleet of standard containers that are used in maritime and overland transport and that we either own or manage for third parties.

In a more residual way, TOUAX has maintained a sales activity of modular buildings in Africa.

The breakdown in revenues for each activity and geographic area is described in the notes to the consolidated accounts paragraph 18.1 page 54. A presentation of the outlook given at the meeting of the French Society of Financial Analysts (SFAF) on 23 March 2022 is provided in paragraph 24.1 page 200.

1. Freight Railcar business

Generally speaking, market dynamics in the freight railcar industry vary significantly from one region to another. We now address two geographical markets with distinct characteristics and prospects: Europe mainly including the UK, and India.

Europe

The European freight railcar leasing market is estimated at around 700,000 freight railcars, out of which round 90 000 wagons in the UK, worth around 550 millions euros. We believe the average age of this fleet is around 32 years on average. The European market, particularly affected by the global economic crisis ten years ago, has since observed a steady recovery. The European rail freight market is expected to grow, in part thanks to market deregulation and the implementation of policies to promote rail freight and environmentally friendly forms of transport. The growth rate recovery of this market, and the ongoing need for renewal of freight railcar fleets will help meet existing demand. Due to lowered production levels in recent years and the reduction of manufacturing capacity, we believe that meeting replacement demand will be a challenge for European market operators, and that this situation will favour those with younger fleets. It appears that the number of Tonne Kilometers (TK) in 2020 stood at 400 billion (EU27) (Source: Eurostat, SCI Forecast – SCI Verkehr GmbH 24.02.2022).

After a small decline due to the pandemic in 2020, freight transport performance in Continental Europe is catching up again and will continue to grow in the next years. Rail freight transport in the UK has decreased in the last 10 years – Covid 19 has speeded up this trend – while a catch up is forecast in the next ten years.

India

Having been a core infrastructure in the Indian territory for over 150 years, rail transport is a key driver of the country's socio-economic development. They are also one of the leading modes of transport with 40% of freight transported by rail, an increase of tons kilometres (TK) from 708 billion to 720 billion TK to March 2021 (Source: Indian Railways Year book 2020-2021).

The creation of six lanes for freight ("Dedicated Freight Corridor") is the largest railway project ever launched by the Indian State and its national company Indian Railways, both in terms of the length of the network constructed and its cost (combined length of over 3,000 km). These new lines connect the main ports and the Indian cities of Delhi, Mumbai, Chennai and Calcutta. New dedicated corridors will be introduced in the coming years to increase the volume transported by rail.

The new freight corridors put into service in recent years may be used by different operators thanks to the tendering of Indian Railways. The Indian rail fleet in March 2021 has more than 303 550 freight railcars – up by +5% compared to last year (293 100 freight cars – owned almost exclusively by the Indian Railways (Source: Indian Railways Year book 2020-2021).

Principal Market Drivers

Macroeconomic conditions affecting demand for freight railcars

The demand for freight railcars is closely tied to the underlying factors affecting demand for rail transport, which depends on developments in global and regional trade. As a result, levels of freight railcar leasing are therefore subject to variation based on a host of macroeconomic factors such as industrial output, consumer demand and in 2020 and 2021 the Covid-19 pandemic. We believe that the effects related to Covid had a limited impact on the freight transport of goods which also benefited from the decline in passenger transport – and generally benefit to logistic companies in 2021.

Rail transport competes directly with other means of overland and inland freight transportation, particularly trucking. According to Eurostat, railways accounted for 18% of all inland freight transport in the European Union, whereas road traffic accounted for around 76%. This breakdown has remained stable for the past two decades. We believe that generally, rail will be favoured as companies are increasingly sensitive to environmental concerns and labour costs, as rail transportation is more environmentally friendly than trucking and requires less manpower.

Changes in the European regulatory landscape

We believe that the deregulation of the rail sector in Europe continues to have a beneficial impact on the overall demand for freight railcars, despite the Covid-19 pandemic.

Changes in European regulations have opened up railway transport to private companies, leading to a more flexible competitive landscape that challenges the dominance of incumbent state-owned railway companies. We believe that these changes will lead to an increased share of railcar supply being provided through leasing rather than through ownership. The reason for this development is that new entrants will likely be smaller and be less able to make significant capital expenditure necessary to build up a fleet of railcars. We believe that these companies will therefore favour leasing as a means of ensuring that they have a useful fleet at their disposal while being able to optimise capital expenditure levels. We estimate that in Europe, lessors represented approximately 20% of total freight railcar supply, whereas in the United States, where the railways have been deregulated for a longer time, lessors' share of the market is significantly higher.

In addition, the European Commission also approved several investments over the next few years that we expect will modernize and significantly improve railway transportation in Europe. Investments in infrastructure have continued to increase in order to renovate and improve the service. We believe that these initiatives will further stimulate investments in the development and renovation of rail infrastructure, which had previously languished for decades.

Additionally, we believe that the adoption of standardised rules regarding railcar maintenance have made regulatory compliance a more streamlined process than it was prior to this change. We believe that these shifts in the European regulatory landscape will lead to the further development of long-distance rail traffic that is more competitive compared with road transport.

Mismatch between production capacity and replacement needs

The economic slowdown ten years earlier was particularly difficult for manufacturers of railcars as demand for more equipment decreased. As a result, many manufacturers faced economic difficulty and a number were forced to go out of business. Since then, the improvement of the economic environment in Europe and market conditions in recent years has contributed to the increase in demand for additional equipment. Railcar manufacturers have become stronger by concentrating their operations and offering higher production capacity to absorb demand but with longer production lead times. This has been more true in the past two years.

During past decade, many old railcars went unused and were not maintained. We believe that it will be difficult and too costly to restore this equipment to good working order. As a result, we believe that market participants with younger fleets will be in a better position to meet new demand.

Shift to increased leasing over ownership

We believe that as newer, smaller companies enter the rail freight market in the wake of deregulation, and legacy companies are forced to compete more directly with leaner entrants, leasing a fleet of railcars will become more advantageous to the market as a whole. Leasing allows companies seeking to ship freight by rail to build up their fleet without incurring a significant capital expenditure. In addition, lessors can provide lessees with value-added services such as fleet maintenance, thereby enabling lessees to avoid the need for expensive, in-house maintenance teams. Furthermore, sale and lease-back transactions and finance leasing can allow companies to manage their balance sheet while outsourcing the management of their older railcars to lessors.

Competition

There are several large competitors operating in the freight railcar leasing industry. These companies tend to specialise in several types of railcars.

While we specialise in intermodal railcars and other dry goods transportation railcars, certain other market operators, such as GATX and ERMEWA, specialise more specifically in tank railcars.

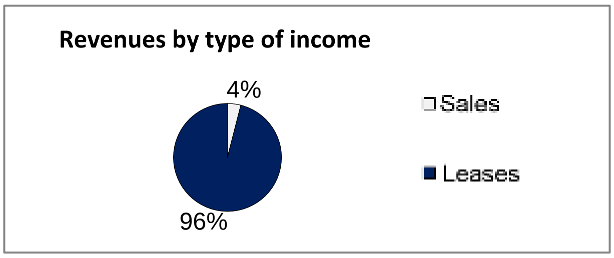
Our Freight Railcars division's key competitor in the intermodal railcar industry still is VTG.

General presentation of the business

We lease and sell freight railcars to logistics companies, railway operators and industrial groups in Europe including in the UK and Asia. We believe we are one of the largest lessors of intermodal freight railcars in Europe, in terms of the number of railcars in our fleet.

We also provide maintenance services as a certified Entity in Charge of Maintenance (ECM certified) under European regulations to customers in Europe. Our Freight Railcars division has offices and/or agents and covers about 20 countries in Europe.

Restated revenues (see page 72) are distributed, as follows:



Our freight railcar fleet

On 31 December 2021, our total fleet of railcars consisted of 12 110 platforms with a gross book value of approximately €523 million, of which 31% consisted of railcars that we managed on behalf of third-party investors. The average utilisation rate for our leasing fleet was above 85% for the year ended 31 December 2021. Our fleet consists of different types of railcars, including:

- intermodal wagons, which are used to transport standard containers used in maritime transport or swap bodies and which are exchangeable containers that are lightweight and non-stackable, making them ideal for rail and road transport)
- car carrier railcars, which are used to transport cars by rail
- coil carrying railcars, which are specially designed to transport large spools of steel, coils of cable or wire or other similarly spooled materials
- sliding wall wagons, which are loaded from the sides for palletised products; and
- hopper cars and powder railcars which are used to transport loose bulk items.

Within the freight railcar industry, railcars are counted in terms of platforms rather than individual railcars. A 45-foot and a 60-foot railcar are each considered to be one platform, while 80-foot, 90-foot, 106-foot and car transport railcars are each considered to represent 2 platforms. On 31 December 2021, our freight railcar fleet totalled 9 805 (or 12 110 platforms).

On 31 December 2021, in addition to our platforms under management, we keep providing technical and maintenance service for 1,504 platforms owned by two customers.

Freight railcars are particularly long-lived assets, which can typically be used for 30 to 50 years. The average age of our freight railcar fleet on 31 December 2021 was 16,9 years (excluding the ECM fleet). The average age including ECM fleet is 22,3 years.

Our Products and Services

Our Freight Railcars division offers three principal types of services to our customers: leasing and related services, railcar maintenance and asset management. To a limited extent, we also sell small components used in freight railcars.

Leasing and related services

We lease our fleet of freight railcars to logistics providers, railway companies and industrial groups in Europe, the United States and Asia. We also provide services related to our leased fleet, such as maintenance services. Restated revenue from leasing and related services accounted for €48.2 millions, or 96% of our overall Freight Railcars division restated revenue for the year ended 31 December 2021 (see page 72).

We provide four types of packages to our freight railcar lessees based on their specific operational needs:

- full service leases, pursuant to which we are responsible for maintenance and repairs of leased railcars
- net leases, pursuant to which our customer retains responsibility for the maintenance of and repairs to their leased freight railcars
- mixed leases, pursuant to which we are responsible for inspections and checks of the leased freight railcars and repair of their wheel sets while our customer is responsible for all other corrective and day-to-day maintenance; and
- sale and lease-back transactions, pursuant to which we purchase railcars from our customers and lease the fleet back to them. We may provide maintenance of the railcars through the leaseback arrangement if the customer so desires.

Lessees under our freight railcar lease contracts generally undertake to lease a fixed number of freight railcars for the duration of the lease at a fixed per diem rate, although some lease agreements may also provide for the leasing of freight railcars on a pay-as-you-go basis for spare railcars.

Furthermore, our lease agreements generally include a yearly mileage limitation clause, which establishes a supplement per kilometre applicable to the contractual leasing rate in the case the freight railcars have travelled more than the agreed mileage. The duration of these leases generally varies from 1 to 2 years, although in certain cases it could be for as long as 8 years. On 31 December 2021, the average term of our leases was approximately 4.00 years. Leases are often automatically renewed at the end of their initial term for an additional one year term unless either party to the lease agreement delivers a notice of redelivery to the other party at least 3 months prior to the expiration of the initial leasing period. Furthermore, contracts may not be terminated by the lessee unilaterally during the term of the lease.

Railcar maintenance

Since 2011, we were certified as an "Entity in Charge of Maintenance," or ECM, pursuant to European Regulation 445/2001/EC. This certification was renewed in December 2019 by external audit. Next external audit to renew our certification is scheduled in 2022. This regulation sets forth a mandatory compliance system designed to ensure the safety and reliability of freight transport by rail within the European Union, and prescribes standard guidelines similar to those of an ISO standard that must be applied in order for accreditation to be received. The promulgation of the regulation created a market in third-party maintenance providers to alleviate the time and cost burden of compliance by freight railcar holders.

We employ specialised technicians that are able to analyse a fright railcar's technical issues remotely and recommend a detailed plan of action. The railcar is then dispatched to a nearby workshop to which we subcontract the actual repair work and whose mechanics are instructed to follow the recommendations of our technicians. We also progress ways to have the wagons repaired or serviced on site, means preventing sending wagons to workshop – whereas possible – to increase the availability rate of the wagons and as a result customer satisfaction, and lower our maintenance costs.

Our status as an ECM allows us to offer maintenance services as a certified ECM to third parties independently of whether the freight railcars are part of our fleet. We currently provide such services to freight railcars owned by an affiliate of SNCF, the French national railway company. We intend to use our status as an ECM to pursue other opportunities to provide freight railcar maintenance services on a standalone basis.

To improve our operational management of maintenance and lower associated costs, we gradually equip our wagon fleet with GPS system. It also allows granting our customers with a more performant service.

Asset management

As in our Shipping Containers division, we syndicate portfolios of freight railcars to third-party investors and operate as an asset manager for them. On 31 December 2021, our Freight Railcars division had assets under management for third parties with a gross book value of approximately €163 million, or 36% of our total fleet of freight railcars.

Our portfolio selection, tracking, syndication process and contracts are similar to those used in our Shipping Containers division. Following syndication, we manage the syndicated portfolio as if it were part of the assets we manage for our own account.

Sales

To a very limited extent, we also sell components used in freight railcars, such as axles. We also have from time to time sold portfolios of second-hand freight railcars when we believe it is financially attractive for us to do so, considering the location, sale price, cost of repair and possible repositioning expenses.

Procurement of our fleet

We rely on third-party manufacturers to supply the freight railcars that make up our fleet.

We generally do not purchase new equipment for use in our Freight Railcars division unless we have signed a lease or sale agreement with a customer. The equipment that we do purchase is selected based on our own internal ROI targets, which are affected by the price that we can charge under our leasing contract and the cost of financing the freight railcars.

We are particularly dependent on any one supplier of freight railcars to meet our needs. However, we note that the available capacity by wagon producers of new equipment dropped sharply due to an increased demand from the market for past two years.

Financing our fleet

We purchase freight railcars for use in our leasing fleet for the purpose of either owning them on our balance sheet or syndicating railcars to third-party investors for whom we manage such assets. On 31 December 2021, 31% of the gross book value of our freight railcar fleet was owned by third-party investors and 69% was owned by our Group.

When we purchase freight railcars to own on our balance sheet, we do so through cash on hand or drawings under our revolving credit facilities. When we purchase freight railcars, we use a credit line backed by our assets to finance these freight railcars. This finance line is a short-term revolving credit that is repaid when these railcars are syndicated.

Management of our fleet

Through our proprietary fleet management software platform, we are able to track our fleet of freight railcars as they are leased. Our platform allows us to provide monthly reports to our management and our investors on the status of our freight railcar fleet, leasing rates per type of railcar, utilisation rate, operating expenses and revenues attributable to a freight railcar, to a lessee or to an investor.

Freight railcars that are on lease but unused by our customers are stored in rail yards and sidings at their expense. We also store freight railcars that are not on lease at rail yards at our own expense. Our freight railcars are monitored by our trained technicians and are maintained by workshops or on site according to the instructions of our technicians.

Marketing

Our primary means of marketing our services is through our regular participation in requests for tenders from logistic companies, railway undertakings or industrial groups. In general, a potential customer will specify the number and type of freight railcars it will need, and where it will need them. Our decision to tender is based on our ability to purchase or furnish freight railcars at a price that will generate an attractive return on our investment.

The length of the tender offer process varies depending on the potential customer's need for freight railcars. If the company is seeking to fulfil a need that will arise in the immediate short-term, the process can be quite rapid, whereas companies that are seeking to fulfil projected future needs typically set forth a schedule that is longer. We negotiate terms such as price, payment terms, additional services to be included in the contract (such as maintenance) and the terms of delivery and return of the leased freight railcars.

Key Customers

Our Freight Railcars division caters primarily to three types of customers: logistic companies, railway operators and industrial groups. Our principal logistic company customers include GCA, Oceanogate, Hödlmayr, ARS Altmann. Our principal railway company customers include SNCF, Deutsche Bahn, SBB, Belgian Railways, Rail Cargo Austria and Rail Cargo Hungaria.

Our principal industrial sector customers include VW, BASF, Tata Steel and Solvay. During the year ended 31 December 2021, no single Freight Railcars leasing customer represented more than approximately 10% of our Freight Railcars leasing division revenue. Our ten largest equipment leasing customers represented approximately 50% of our Freight Railcars leasing division revenue for the year ended 31 December 2021.

2. River Barge business

Key Market Characteristics

Our River Barges division is installed in the Seine, the Rhine and the Danube river basins in Europe, the Mississippi and the Missouri river basins in the United States and the Paraná-Paraguay river basin in South America.

Inland waterway freight traffic is significant in each of our markets. For the French Waterways, 50.4 million tons of goods were transported in France during 2020. This represents a traffic of 6.5 billion tonnes.km. These figures have decreased by -10 and -11,5% respectively compared to 2019. This is mainly linked to the health crisis context which has had a strong impact on the economy. For 2021, the figures show a recovery in activity with a prospect of reaching the 2019 volumes by the end of the year.

According to the 2021 annual report from the Observation of the Inland Navigation Market in Europe, the tonnes of freight transported by inland waterways in the European Union in 2020 are decreasing mainly due to the important economic crisis. Inland waterway freight transport has however held up better than in previous crisis situations, most likely due to an uneven reduction in economic activity across sectors. On the 40,000 km of European inland waterways, this represents a total traffic of 276 million tonnes of goods and 132 billion tonnes per kilometre. In the United States, 578 million tons of goods were transported on inland waterways in 2020, according to the Waterways Council, a U.S. public body. This is a reduction of 5% compared to last year. This is explained by the decrease in coal volumes.

According to the World Bank, the traffic of goods in the Paraná-Paraguay Basin, our main market in South America, mainly consisting of grains and bulk minerals, estimated at around 13 million tons in 2020, declining since 2019 as a result of a persistent period of drought, that made water levels reach their lowest since 1944. Iron ore volumes, which had been drastically reduced since 2015, started to recover slowly in 2020 with an average of 3.5 million tons.

After the health crisis period, river barges are expected to remain an important component of inland freight transport in the future. The outlook is generally oriented towards a recovery for the period 2022-2024, due to an expected increase in industrial production in the main source markets for inland navigation (such as steel and chemical production, refining activity and high demand for petroleum products and construction activity). The economic activity should however remain below the levels reached at the end of 2019, and this until at least 2022. For example, according to the report "the Power of Inland Navigation" published by Blue Road, conservative estimates have river transport maintaining a share of 5% of all inland freight transportation in the EU from 2005 to 2040.

Principal Market Drivers

Macroeconomic factors affecting demand for freight traffic

The demand for the leasing and sale of river barges is closely linked to regulatory, political and macroeconomic factors affecting the transport of goods in the countries and regions where a particular river flows. These factors are for example: levels of aggregate industrial production and harvesting, local demand for goods, government policies related to the import and export of goods or the pattern of international trade.

We believe that demand for river barges will increase in the short term in Europe. Europe's largest seaports already make extensive use of inland water transportation in order to avoid road congestion and to address a lack of capacity in rail transportation or road infrastructure. We believe that river transport will continue to play an important role because of the steady increase in seaport traffic and the growing influence of the environmental constraints linked to greenhouse gas production. In South America, the economic slowdown in the region as well as the decline in prices of certain raw materials has led to a decrease in the requirements for barges. However transport of cereals has remained stable. According to the Paraguayan Chamber of Commerce, the food needs of the continent will lead to a doubling of volumes transported on the Paraná-Paraguay by 2025.

Cost efficiency and environmental concerns

We believe that river barges are one of the most energy-efficient means of inland transportation. With a growing global emphasis on "green" industries, the environmental benefits of river transportation over overland transportation are likely to become increasingly important market factors. We believe that river transportation is particularly cost effective, as it can transport large volumes of cargo while consuming fewer fossil fuels. It is estimated that river transportation is seven times cheaper than road transportation, requiring 3.7 times less petroleum consumption than the latter. For example, a convoy of two barges can hold 6,000 metric tons of cargo, which is the equivalent of the cargo capacity of approximately 240 trucks on the road. Market estimates indicate that one ton of bulk products can be carried 616 miles by inland barge on one gallon of fuel, compared with 478 miles by railcars or 150 miles by truck. Finally, river barges produce approximately three to four times less carbon dioxide than road transport, according to estimates by Voies Navigables de France, a French state organisation that manages France's navigable inland waterways

Competition

We believe that competition in the River Barges division is marked by a high degree of regional and local competition rather than competition from multinational companies. This results from the need for market participants to be familiar with the various regulations governing a particular river basin, the barge design constraints posed by a particular river and the locally concentrated customer base.

As an operating leasing company, we operate in a niche market and do not encounter significant competition from other lessors, who are more likely to be river operators with a different business model from ours.

General presentation of the business

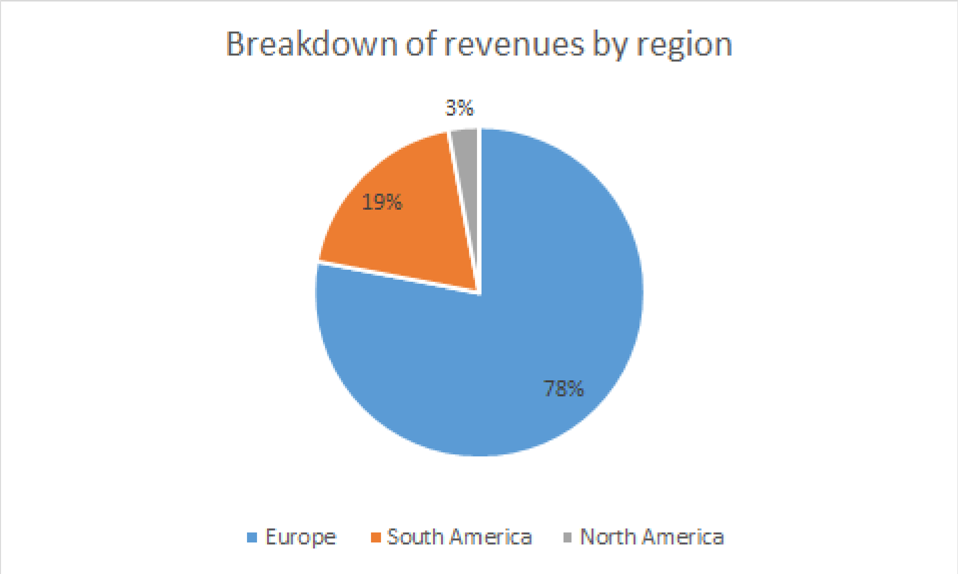
We lease and sell river barges to logistics companies and industrial groups in Europe, the United States and South America. In this niche market, we believe that we are the leading operational leasing company for bulk river barges in Europe and South America. Our barges operate along the Seine, Rhine and Danube river basins in Europe, the Mississippi and Missouri river basins in the United States and the Paraná-Paraguay river basin in South America.

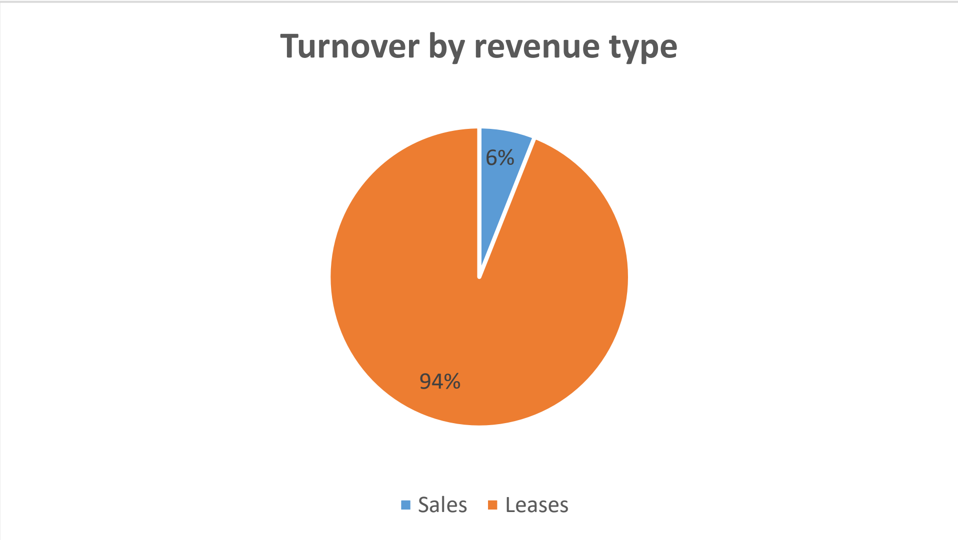
River barges are flat-bottomed boats that are built mainly for river and canal transport of bulk goods. To a large extent, river barges are not self-propelled and must be towed or pushed by a tow boat. River barges are particularly long-lived assets, which can typically be used for 30 to 50 years.

For the year ended 31 December 2021, our River Barges division accounted for €12.8 million of revenues, equal to 10% of our total revenues or 9% of our EBITDA.

Below is a breakdown of revenues in our River Barges division for the year ended 31 December 2021:

– revenues: €11m





Our fleet

We specialise in dry bulk river barges, which are primarily used to transport dry bulk goods such as coal, sand, gravel, steel, iron ore, grains, fertilisers, cement and clinker. On 31 December 2021, our river barge fleet consisted of 96 barges (excluding chartered barges). The gross book value is approximately 73 million euros. The average age of our river barge fleet on 31 December 2021 was 14.3 years. The average utilisation rate for our fleet was 97.1% for the year ended 31 December 2021.

Our Products and Services

We primarily lease river barges to logistics companies and industrial groups. However, we also sell barges from our own fleet from time to time. Although we are a historical operator of river barges, we have decided to refocus our business on leasing only. We do not operate the equipment we own, but instead lease it to operators.

We also offer our expertise for the preparation, construction monitoring and delivery of new barges for customers wishing to acquire or renew their fleet.

Leasing and related services

We offer operational leasing and sale and leaseback solutions for river barges. Some related services that we provide in connection with our leases include fleet management, transport of barges between different river basins, insurance and technical expertise regarding river transport. During the year ended 31 December 2021, revenue from leasing and related services accounted for €10.3 million, or 84% of our total revenues in the River Barges division.

We generally enter into long-term leases with our river barge lessees. These leases can last for up to 10 years. On 31 December 2021, the average term of our long-term river barge leases was approximately 6 years. Typically, our contracts can be renewed, either tacitly or through the express agreement of the parties thereto. Most of our leasing is usually on a "chartering" basis, which means that the lessee is responsible for recruiting their own crew, taking care of insurance and necessary repairs during the leasing period. Lessees agree to release us from the principles of liability associated with their use of our barges. Contracts may not be terminated by the lessee unilaterally during the term of the lease.

Trading and Sales

We engage in sales of second-hand river vessels from our own fleet from time to time when we believe it is financially attractive for us to do so, taking into account the location, sale price, cost of repair and possible repositioning expenses. During the financial year ended 31 December 2021, there was no trading, but sales of barges represented 7% of the total revenues in the River Barges division.

Procurement of our fleet

We rely on third-party manufacturers of river barges in order to build up our fleet. We generally do not purchase non-replacement new equipment for use in our River Barges division unless we have signed a lease agreement or a sale agreement with a customer.

The price of a new river barge depends heavily on the technical specifications to be met, the place of manufacture or delivery required for the barge as well as general market conditions influencing demand at the time of purchase. For a standard dry bulk cargo barge, the purchase price can range from approximately $650,000 to $1.5 million. It takes from 2 to 7 months from the signing of a purchase order for delivery of a new barge.

We do not believe we are dependent on any one supplier of river barges to meet our needs. However, the construction offer of river projects is dependent on the strength of the market.

Financing our fleet

Our main means of liquidity in this division is cash on hand, shareholders' equity or borrowings under asset-based bilateral credit agreements to finance our acquisitions of new equipment.

Management of our fleet

We manage our Seine, Danube and Mississippi river barge fleets centrally from our headquarters in Paris. Our fleets in other locations are managed locally. We do not actively manage our fleet, as our river barge operations are conducted by our lessees. However, we ensure that the administrative documents for our barges are up-to-date, that the navigation certificates are renewed regularly and we manage the processing of insurance premiums and claims and any modifications.

Marketing

We have offices dedicated to our River Barges division in Paris, Rotterdam, and Miami. Our marketing efforts are both centrally based (through our website and through brochures) and basin-based (through locally organised client events, appearances at trade fairs and advertisements in local publications). As our River Barges division is targeted at a niche market, we rely mainly on networking through our existing client base, advertisements, appearances at exhibitions and trade fairs and scouting prospects directly through our professional contacts as well as agents, to generate new business.

Principal customers

Our River Barges leasing business primarily caters to logistics companies and industrial groups. Our main customer in the river logistics sector include Trading Line, Miller, Welbeck (P&O Maritime Services), Imperial Shipping Paraguay, Cornamusa (ATRIA Logistics Group) and Rederij De Jong. Our main customers in the industrial sector include Cemex, ArcelorMittal and Chimpex. During the year ended 31 December 2021, no single customer represented more than 31% of our River Barges division leasing revenue.

3. Container business

Key characteristics of the container business

The shipping container market is by its nature international in scope. As a result, growth in the shipping container industry is linked to international trade volumes.

We believe that demand for shipping containers has been positively affected by the growth in international containerised traffic. In 2021, annual production of shipping containers was estimated to be approximately 6.9 million twenty-foot equivalent units (TEU).

Shipping lines will typically use a combination of owned containers and leased containers. At the end of 2021, it was estimated that shipping lines owned approximately 49% of the total worldwide shipping container fleet (48 million TEU) while 51% of the total worldwide shipping container fleet was managed by leasing companies. In addition, it is estimated that 48% of shipping containers produced in 2021 were ordered by lessors.

In general, lease pricing for new shipping containers is determined largely by the purchase price of a new shipping container. The purchase price can vary due to several factors, including the price of raw materials and particularly the price of steel, which is the main component of a container, and market demand.

Principal Market Drivers

Globalisation leading to increased trade volumes

We believe that trade flows resulting from globalisation constitute the main driver of growth in the underlying demand for shipping containers. As a greater proportion of industrial and consumer goods is traded internationally, we believe that it will become increasingly common to outsource labour-intensive processes such as manufacturing away from countries where the cost of labour is high to countries in the developing world with lower wages. This internationalisation of the production value chain means that goods will need to travel further afield from their place of manufacture to their end-markets. Over the past two decades, Asia (China in particular) has served as the main origin of the world’s exports, while markets in North America, Europe and Japan have seen net inflows of imported goods. We believe that this general trend will continue and, at the same time, countries will attempt to further correct the trade imbalance with their main bilateral partners, and especially China as the largest market. This scenario leads to a further increase in demand for long-haul containerized traffic.

To meet the increased demand for maritime cargo transport, shipping companies have added more vessels to their fleets in order to increase the frequency of their ocean crossings. In addition to vessel availability, container availability is key to the successful management of cargo space. Each container ship has a predetermined number of “slots,” which correspond to the space required for one twenty-foot equivalent unit (TEU) aboard the vessel. When a ship arrives at port, the containers on board are offloaded and are transported onward over land. A shipping company must therefore have containers already available at port for loading onto the vessel once it arrives to take on new cargo for the vessel’s onward journey. According to third-party market research, at the end of 2021 a shipping company required just under 2 containers per vessel slot to optimise its operations while minimising the unproductive time associated with not having a ready source of new containers at each port. This ratio is expected to remain relatively unchanged in 2022.

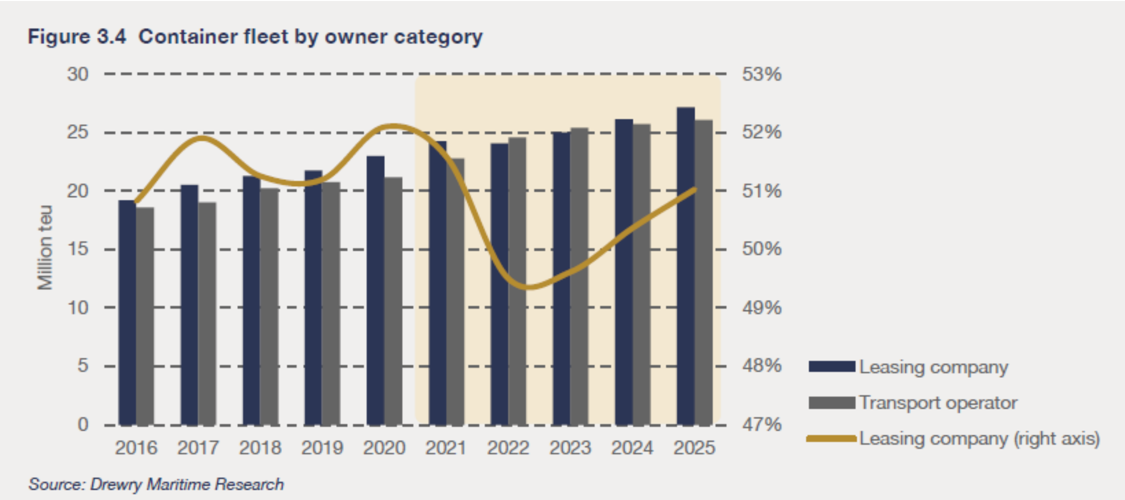
Increased shipping times leading to increased demand for shipping containers

Lengthier shipping times can have a positive effect on the demand for shipping containers, as it requires shipping companies to have access to a larger fleet of containers than what would have been necessary had turnaround times been more rapid. Several relatively recent developments have led to shipping lines moving goods more slowly than they have in the past. Firstly, the trend towards ever larger shipping vessels has meant that they are not able to physically pass through the Panama Canal and are thus forced to round the Cape Horn rather than take a more a direct route for intercontinental journeys. Furthermore, even if vessels can pass through the canals (Panama and Suez), there are significant charges imposed for their use, which can negate whatever cost advantage that may result from reduced shipping time and benefit to longer routes, such as the Cape of Good Hope. Secondly, shipping companies have voluntarily reduced the speed of their ships, a practice known as "slow steaming" or "extra-slow steaming", to reduce fuel costs. All of these factors have resulted in more time elapsing during a container’s round-trip between its port of origin and its port of destination. If a shipping company were to experience a spike in demand for shipments while its containers are still away from port on board a slower-moving ship and on a longer journey, it would need access to more containers to meet that demand. The risks of piracy have led some shipowners to pass by the Cape of Good Hope rather than taking a more direct route through the Suez Canal. Finally, COVID-19 pandemic was in 2021 the major factor in the disruption of supply chains which created a greater need for containers, as lead times increased due to the lack of staff dedicated to port operations or land transport service..

Shift to increased container leasing versus ownership

We believe that the growth in lessor-managed shipping containers is part of a general decrease in the share of shipping containers purchased by shipping companies. In the second half of 2021, shipping companies, thanks to the exceptional results of the year, preferred to increase their share of owned containers, but we believe that in the medium term the balance between rental and ownership will be maintained.

The chart below shows the change in the worldwide container fleet by owner category (expressed in millions of TEU), and the global share represented by lessors, from 2016 to 2025 (data from 2021 onwards is based on forecasts).



It should be noted that the leasing of containers remained relatively stable during the financial crisis of 2008, that of 2015 and recently during the health crisis of 2020and 2021. We believe this is due in part to the fact that leasing is advantageous to shipping lines for both operational and financial reasons. Because export volumes are subject to a host of different factors, it can be difficult for shipping lines to predict accurately their container requirements at different ports. Leasing allows shipping lines to lower their capital expenditures and to adjust their container fleets to match seasonal variation and short-term peaks in demand. The availability of a fleet of containers for lease at strategic ports around the world reduces the need for a shipping line to maintain excess container capacity and therefore reduces its investments and preserves cash. We believe that, following the gradual introduction of new environmental regulations concerning carbon dioxide emissions, carriers are now concentrating their investments on their main assets, the ships. The main shipping companies have also allocated their capital to strengthening their global presence, through the acquisition of competitors and port terminals, but also through a process of vertical integration of logistics and/or freight forwarding companies. Shipping lines can rely on container lessors for a long-term supply of assets at a fixed rate that reflects the benefits of scale available to lessors as purchasers of containers. Additionally, lessors are able to provide lessees with a variety of other value-added services, such as sale and leaseback transactions and/or finance leasing, enabling shipping lines to manage their balance sheets while effectively outsourcing to lessors the management of the disposal of their used containers.

Competition

The shipping container leasing sector is heavily consolidated: the top eight container leasing companies account for a significant proportion of the total containers in the world. The years 2015 and 2016 were marked by a concentration among the rental companies, with the disappearance of some big names among the top 10 worldwide. These giant mergers further extend the scope of operation of the rental companies, as well as the improvement of services and the value chain. Some smaller names have also disappeared or merged, thus reducing the share of companies outside the top ten to an even smaller percentage. In 2021 a new merger took place, with the takeover of CAI International, number six worldwide by Beacon Intermodal Leasing, number five.

Alongside this, the shipping industry has also been consolidating for a number of years, generating an increase in the share of revenues from major shipping companies in our customer portfolio. These two dynamics combine to create a highly competitive environment for lessors of shipping containers. In such a highly concentrated market, the key competitive advantage is to have a strong network and platform in order to ensure that the right asset is available at the right time, in the right place and at the right price. In addition, shipping lines allocate their supplies over a number of lessors to reduce concentration risk issues.

Our main competitors in the Shipping Container division include Triton International, Textainer group, Florens Container Leasing, Seaco, SeaCube Container Leasing, and Beacon Intermodal Leasing.

General presentation of the business

We manage a fleet of shipping containers that we own or manage on behalf of third-party investors. In addition, we sell used containers for mainly land-based purposes. Based on the information available from other publicly listed companies, we believe that we are the 3rd largest asset manager of shipping containers in the world and the largest manager of shipping containers in continental Europe. We believe we are the 7th largest lessor of shipping containers in the world and the leading lessor in continental Europe based on the size of our fleet on 31 December 2021. Our division has offices and/or representatives in several countries.

Shipping containers constitute highly standardised, and therefore highly liquid, equipment. Containers are designed and built to meet norms set forth by the International Organization for Standardization ("ISO") and the World Customs Organization ("WCO"), among other international organisations. The industry-standard measurement unit is the Twenty-Foot Equivalent Unit ("TEU"), which compares the length of a container to a standard twenty-foot container. For example, a 20-foot container is equivalent to one TEU and a 40-foot container is equivalent to two TEU. Each container is identified by a unique seven-digit number that is registered with the Bureau International des Containers et du Transport Intermodal, a non-governmental organisation that allocates codes to each container owner or operating company. These numbers, which are on a nameplate affixed to the doors of the container, enable the identification of the owner and the manufacturer of the container and the container's safe passage through customs under the mandate of the World Customs Organization.

For the year ended 31 December 2021, restated revenues from activities in our Shipping Containers division accounted for €47.7 millions, equal to 38% of our total restated revenues (see page 72). The EBITDA in our Shipping Containers division accounted for €17.8 millions, equal to 34% of our total EBITDA. The container leasing and sales businesses are denominated in U.S. dollars, and both acquisitions and leases are made in U.S. dollars.

Our container fleet

On 31 December 2021, we had a shipping container fleet of 393,064 TEU. The gross book value of our fleet was approximately €610 million as of 31 December 2021, of which 78% consisted of shipping containers that we managed on behalf of third-party investors.

The chart below shows the growth of our fleet of shipping containers from 31 December 2017 to 31 December 2021, in thousands of TEU:

	2021	2020	2019	2018	2017	2016
Number of new containers bought (in TEU*)	25.860	12.15	13.362	30.709	1.598	19.000
Number of containers sold (in TEU*)	13.169	57.408	41.638	40.428	68.786	76.271
Managed container fleet at December 31st (in TEU*)	393.064	382.626	434.816	463.732	475.007	553.269

TEU : Twenty foot Equivalent Unit

TEU: twenty-foot equivalent unit

The average utilisation rate for our shipping container fleet was close to 99,5% for the year ended 31 December 2021.

The majority of our fleet comprises standard dry freight shipping containers. Standard dry freight shipping containers are typically 8 feet wide, come in lengths of 20 feet, 40 feet or 45 feet and are either 8 or 9 feet high. These types of containers are constructed of steel sides, a roof, an end panel on one end and a set of doors on the other end, a wooden floor and a steel undercarriage. They are used to carry general cargo, such as manufactured component parts, consumer staples, electronics and apparel. On 31 December 2021, the average age of our shipping container fleet was 11 years. Our fleet consists of new containers, with a long useful leasing life and assets acquired from shipping companies through Purchase & Lease back contracts.

Containers tend to have high residual values even after their usefulness in the maritime context has ended, since they can be adapted to a wide variety of uses onshore, such as for storage or refuse of various materials. Shipping containers typically have useful lives of up to 15 years at sea and up to an additional 20 years of useful life on land. New containers are typically leased under long-term leases, followed by a series of shorter-term leases of used containers. Our ability to re-lease a container at the end of its first lease depends on our Shipping Containers team's market expertise and our global platform to ensure that containers that are off-lease are positioned in areas of high demand so that we are able to provide customers with products that meet their needs when and where they arise.

Our Products and Services

Our Shipping Containers division offers three principal types of services: leasing and related services, asset management and trading and sales, for our own equipment and on behalf of third-party investors.

Leasing and related services

We offer a range of different types of leasing solutions for shipping companies. In 2021, leasing and related services accounted for €20 millions of total restated revenues, or 42% of our restated revenues in the Shipping Containers division (see page 72).

- Long-term leases are designed for customers seeking to secure a steady supply of containers at a fixed price over the long-term. Lessees under these contracts undertake to lease a fixed number of containers for the duration of the lease at a fixed per diem rate. The initial term of these leases typically ranges from five to eight years. In 2021, some long-term contracts reached a tenor of around 12 years. On 31 December 2021, the average duration of our long-term leases, including renewals and extensions, was approximately 6.9 years. They are often renewed at the end of their initial term. Pricing is on a per diem basis and fixed for the duration of the lease. Our long-term lessees are typically responsible for the repair and maintenance of the shipping containers that they lease.

- Master leases are arrangements with customers that set up a flexible framework agreement whereby the customer may lease shipping containers on demand, with no minimum leasing period. These lease arrangements are designed to provide our customers with added flexibility. The terms and conditions set forth in a master lease are valid for a set period, typically one year, and provide the lessee with a more flexible arrangement than a long-term lease. For example, during the term of the framework agreement, the lessee can rent a container for one day only. To compensate for this flexibility, the per diem rate, which is fixed for the term of the lease, is typically higher for master leases than they are for long-term leases. Master leases are predominantly used by lessees to satisfy container needs within a single region and to a lesser extent for intercontinental needs.

- Finance leases are designed for customers that want to secure a steady supply of containers and finance their purchase in a different way from traditional bank loans. These leases can range in duration from three to ten years. At the end of the lease and upon making a final monthly payment, the customer becomes the owner of the shipping container.

In connection with our finance leases, we generally engage in back-to-back transactions with financial institutions to manage our exposure to a client's credit risk.

- One-way leases are spot leases provided on a one-time-only basis to customers for a given transport type. We seize the opportunities to offer this type of lease when it is advantageous for us to relocate a container to another port or as part of our new container trading business.
- Sale and leaseback contracts are contacts by which we purchase fleets from shipping companies in order to lease them back.

Our shipping container lessees are responsible for the maintenance of the containers they have leased, as well as for their insurance. We typically are not liable for any loss, damage to property (including cargo) owned by the lessee or third parties arising out of the possession or use of a leased container. Further, contracts may not be terminated by the lessee unilaterally during the term of the lease.

Asset management

We provide management of shipping container portfolios for private companies and other institutional investors. Through our dedicated asset management team, we identify and analyse investor objectives such as length of investment period, cost of financing, performance metrics, leverage level, dividend policy and asset and customer diversification preferences. The key metric for our investors is return on investment (“ROI”). When acquiring containers, our Shipping Container management team assembles a report that sets forth this analysis and the expected ROI levels to be derived from the shipment of containers.

We are mandated by our investor partners to build for them a portfolio of assets, which can comprise new shipping containers, existing containers in our leasing fleet or containers subject to sale and leaseback arrangements or any combination thereof, with the aim of meeting their return on investment objectives.

We enter into long-term management contracts with our investors, typically for a term of 12 to 15 years. Although we generally have already leased the containers to various lessees at the time we sell the portfolio to investors, generating a foreseeable cash flow stream for investors, we typically do not guarantee leasing rates or a rate of return on the portfolio to our investors.

During the life of the asset management contract, we manage the assets in the same manner that we manage our owned assets (that is, as if the assets in the portfolio did not belong to investors). At the start of the contract, we receive a syndication commission and then during the term of the management contract, the management commissions. When we sell the assets on behalf of the investor we receive sales commissions.

Asset pooling is a means of sharing both the risks and benefits of ownership of our leasing fleet. We include our owned assets and third-party owned assets of the same type and age in the same pool, in order to ensure our investors that our interests are aligned with theirs. Through this commingling, we are exposed to the danger of non-utilization of our assets to the same extent as our investors. In this way, our investors can take comfort that we are incentivised to manage syndicated equipment and manage our owned fleet in a similar manner.

We are able to track the performance of our assets under management through our proprietary fleet management platform. Our platform allows us to provide monthly reports to our investors on the status of our fleet, leasing rates per type of asset, utilisation rate, operating expenses and revenues attributable to an asset, to a lessee or to an investor. It also provides us with sophisticated tools that enable us to create “pools” of similar assets that allow the costs and revenues attributable to a particular unit to be distributed among various participants in a pool.

On 31 December 2021, our assets under management for third parties had a gross book value of approximately €477 million, accounting for 78,4% of the gross book value of the total fleet of shipping containers that we manage.

Trading and Sales

We sell second-hand containers from our fleet that have reached the end of their useful life in the shipping transport industry, as part of our fleet renewal life cycle or when we believe it is financially attractive for us to do so, taking into account the location, sale price, cost of repair and possible repositioning expenses. We sell these containers for other uses than shipping, our customers include companies such as Pac-Van, K-Tainer, AceCastle, Interport Maintenance, Arnal, among others. In 2021, sales of equipment represented 58% of the total restated revenues for the division (see page 72). Our experienced Shipping Containers management team enables us to actively manage our fleet and seize second-hand sales opportunities as they arise.

Procurement of our fleet

Consistent with market practice for all container lessors and the majority of shipping lines, we rely on third-party manufacturers to supply the shipping containers that make up our fleet. Production of shipping containers is highly concentrated. We estimate that three manufacturers serve about 81% of worldwide demand, with one manufacturer accounting for around 43% of the global production alone in 2021.

Because of the dynamics of the shipping container industry and the relatively short lead time with which customers expect to be able to take delivery of a container once they have signed a lease agreement, we seek to have a supply of new containers available for immediate leasing on demand. As a result, in addition to the purchase of new containers in the ordinary course of business to replace ageing assets, we also purchase new containers for our leasing fleet to meet expected increases in customer demand. We have a policy limiting such non-replacement purchases to a cap of $25 million outstanding at any given time. As the case may be, we only purchase new containers if we have a leasing contract or syndication agreement in place.

We monitor the price of containers in order to purchase new containers opportunistically when we consider prices are attractive. The price of containers depends largely on the price of steel, which is the major component used in their manufacture. The price at which we lease our containers is strongly correlated with the price at which we have purchased the containers, in order to optimise the return on our investment. Nevertheless, because we regularly purchase containers in order to have a sufficient stock of containers ready to be leased upon customer demand, any effect of periodic fluctuations in container prices on our activity tends to level out with time.

The procurement cycle for a container is generally short. Manufacturers are usually able to provide us with a quote for containers meeting our specifications within two days, regardless of the size of our order. We negotiate terms such as price, the location and timing for delivery and payment terms. We benchmark the prices quoted with our general market intelligence, prevailing rental rates, historical price statistics and a cost analysis (based on steel prices at the time of the order as well as the exchange rate of the U.S. dollar to the Chinese Yuan). If we are able to negotiate satisfactory terms, we can confirm our order with a delivery date of 30-45 days after signing a purchase agreement. Production times can vary due to a number of factors, including the size of the order itself, general demand volume and the time of year.

Occasionally, we enter into purchase and leaseback arrangements, through which we purchase used containers from our customers and lease these same containers back to them, thereby enabling our customers to continue using these containers while no longer carrying them on their balance sheets. Such arrangements also allow customers to effectively outsource the disposal of used containers to lessors, which tend to have a wider network of outlets for the sales of such containers. Lessees continue to be responsible for repair and maintenance of the containers they lease back.

Financing our fleet

We purchase containers for use in our leasing fleet for the purpose of either owning them on our balance sheet or syndicating them to third-party investors for whom we manage such assets. On 31 December 2021, 78,4% of the gross book value of our container fleet was owned by third-party investors and 21,6% was owned by our Group.

When we purchase containers for our owned equipment fleet, we finance such purchases through drawings under our revolving credit facilities or purchase it with cash on hand.

When we purchase containers for syndication, on the other hand, the financing process takes place in multiple steps. We have an asset-based revolving credit facility. We typically first either incur debt on our balance sheet to purchase a container for syndication through a temporary drawing under our revolving credit facilities or purchase it with cash on hand. Once the new container is leased, we then refinance the container through our asset financing line (TCAF) in anticipation of syndicating the container to a third-party investor, in effect a type of short-term bridge financing. The container will remain subject to the asset financing line (TCAF) until such time as we syndicate it to a third-party investor. Once the container is sold, the proceeds of the sale are used to repay of the credit line drawing.

Management of our fleet

We believe that our ability to offer containers at the right place at the right time and at the right price is key to our success as a lessor. One of the main reasons why a shipping company may choose to lease rather than buy their own containers is to satisfy an imbalance of supply at key ports around the world, as the availability of a fleet of containers for lease at strategic ports around the world reduces the need for a shipping line to maintain excess container capacity and therefore reduces its investments and preserve cash.

To that end, we have developed a network of third-party owned and operated depots worldwide from which we can meet our customers' needs. On 31 December 2021, we had over 180 of these depots serving our division in approximately 40 countries. The depots, which generally consist of a staging area, storage space for our containers and an area in which maintenance can be carried out, serve as a base from which we can deliver containers to a customer as well as a drop-off point for containers at the end of a lease. These depots are located close to ports, and at larger ports, we may have more than one depot.

We have a fleet management software platform that allows our lease customers to indicate when and where they will need to pick up a container for lease.

This system allows us to ensure that we are able to match our container fleet supply to demand at ports around the world. Upon the return of a container, our system automatically routes the container to the depot at that port, where it is evaluated. We are also able to effect repairs at our depots on returned containers to ensure that they are suitable for reuse. Any such repairs at the end of a lease are done at the expense of the lessee.

Business management

Our primary means of marketing our services is by periodically taking part in calls for tenders from shipping companies. In general, shipping companies put out calls for tenders in the fourth quarter of every year to address their anticipated container needs for the first half of the following year, and then again in May or June to fulfil their total requirements for the remainder of the year. Shipping companies will specify the number and type of containers they will need, and where they will need them. Our decision to tender is based on our existing stock levels and our ability to purchase containers (if needed) to meet the company's requirements.

The process of tendering and negotiating contracts usually takes between 2 and 4 weeks. We negotiate terms such as price, payment terms, the duration of the build-up period which is the period of time given to a customer to take delivery of its containers, the duration of the build-down period which is the period of time given to a customer to return its containers, handling charges, the replacement value of a lost container, the depreciation rate on the value of each container and the list of locations where the customer can return its containers at the end of the lease.

Our principal customers

We lease to numerous 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. These customers include CMA-CGM, Evergreen, Hapag-Lloyd Container Line, Maersk, Mediterranean Shipping Company, Hyundai Merchant Marine, ONE, Yang Ming and ZIM. In 2020, no single customer represented more than 25% of the leasing revenue in the division.

4. Residual sales activity of modular buildings

Since the disposal in 2017 of the European and American leasing and sale activities of modular buildings, our only modular and industrialised building activity is established in Morocco. We believe that a number of fundamental factors make Africa a prime geographic market for the sale of modular buildings for various end markets in the private and public education, health and industrial sectors. Furthermore, the growth in infrastructure (ports, dams, roads, social housing, for example) feeds the demand for industrialised modular buildings destined for use as they are or on construction sites. Industrialised modular buildings are typically used by customers in the construction industry for on-site facilities, such as offices, lodgings or changing rooms. They are also used by the industrial sector for offices and by the Education sector for classrooms or student accommodation. Modular and industrialised technology also seems ideal for the African continent by allowing it to very quickly have equipment at lower costs than traditional construction. Industrialised modular buildings are of an industrial quality that is more economical, greener, more flexible and installed more quickly than traditional buildings, allowing immediate use.

We manufacture and sell modular constructions, industrialised buildings and prefabricated elements to customers established in different regions in Africa.

Modular buildings are structures composed of such units assembled in varying configurations to meet the needs of each customer. A single structure can be used on a standalone basis, or combined with others to make larger, more complex buildings. Units are typically 3 meters in width and 6 meters in length, with steel frames that are mounted on a steel chassis. Once assembled, modular buildings are equipped with electricity, running water, heating and air conditioning. Industrialised buildings are made to measure according to our customers' plans. These industrialised buildings are made from a metal structure sitting on a base of posts on flooring or a slab with load-bearing trusses to support the roofs. This technology makes it possible to manufacture large assemblies at low costs. Modular buildings can also house the materials used in traditional construction (interior and exterior cladding, for example). Modular and industrialised buildings can be used for a variety of purposes, such as the construction of temporary or permanent offices, classrooms, sales offices, outhouses and accommodation. We sell new prefabricated elements, according to the specifications of our customers.

We supply our customers in Africa from our plant in Morocco, and which has a production capacity of approximately 100,000 buildings square meters per year.

5.1.2.New product or service

Not applicable.

5.2. KEY MARKETS

See paragraph5.1.1.

5.3. IMPORTANT EVENTS

Not applicable.

5.4. STRATEGIES AND OBJECTIVES

5.4.1.Operational Strategy: Improved performance and profitability

5.4.1.1 Leasing for sustainable transport: Organic and selective growth

Freight Railcars

Organic growth with investments in Europe and Asia financed by Touax Rail (accretive capital increase undertaken in 2020) and third-party investors.

Increase in revenues thanks to a strategy of (i) international diversification (Europe and Asia), (ii) flexible offers (leasing with and without maintenance, and sale & lease back) responding favourably to the trend towards outsourcing.

Strong need for renewal of the railcar fleet in a context of growth and a European objective of modal shift from road to rail with 30% market share.

Barges

Investments in barges for the transport of dry bulk in Europe.

Initiation of an increase in the fleet managed by Touax and held by third-party investors in order to increase management fees alongside property income.

Containers

Initiation of an increase in the fleet managed by Touax and held by third-party investors in order to increase management fees alongside property income.

5.4.1.2 Leasing for sustainable transport: Margin improvement and Resource Management

Very positive inflation return for leasing activities (revaluation of existing fleets, increase in leasing prices, utilisation rate and residual values).

Revenue growth and cost optimisation: three flexible and scalable management platforms with economies of scale (growth potential of leasing and trading activities at substantially equivalent cost scope)

Continuous improvement program at Group level ("Lean management") with 100% of Touax employees trained in 2021 (White and/or Yellow belt level).

Optimisation of the balance sheet: 50% of the hybrid capital was repaid at the end of 2020; the objective is to reduce the average interest rate despite the rise in rates.

5.4.1.3. Modular activity in Africa: valuation of the stake

Strategy to improve volumes and margins. Focus on value-added turnkey products in the education and health sector (schools, colleges and hospitals).

EBITDA and net income up slightly in 2021, leading to a better valuation of our 51% stake in Touax Africa.

5.4.2. Asset management: Strategy and performance analysis

5.4.2.1 Investments through funds:

Touax is the exclusive operating partner of two sub-funds of a Luxembourg regulated AIFM fund (Real Asset Income Fund S.C.A. SICAV-SIF) managed by Quamvest (alternative fund manager and risk management agent). Societe Generale Bank & Trust S.A. acts as custodian, paying agent, central administrative agent and domiciliary and transfer agent, while Deloitte acts as auditor.

The "Touax Transportation Asset Income EUR Sub Fund I" sub-fund was launched in July 2016 and has more than 50 investors (family offices and corporate investors). It is invested in two Irish SPVs holding 1,768 freight railcars and 3 barges (market value €127m). In the fourth quarter of 2021, a refinancing was completed, generating additional investment capacity of €40m.

The "Touax Transportation Asset Income USD Sub Fund I" was launched in 2018. In December 2021, it raised $25 million in equity from investors and owns shares in an Irish SPV with a portfolio of over 16,000 containers (CEUs). Financing of $35 million is in preparation to generate additional investment capacity (credit agreement obtained, documentation in preparation)

5.4.2.2. Direct investments/managed accounts:

Touax works directly with infrastructure funds and institutional investors who invest directly in tangible assets managed by the Touax Group.

In 2021, $32m of containers and €17m of railcars were syndicated. For 2022: an increase in additional syndication capacity is planned, to the order of €50 million for the railcar business and $50 million for the container business.

5.4.3. Freight Railcars - Medium-term prospects: growth of the entire managed fleet: 15,000 railcars, including 12,000 in Europe and 3,000 in Asia

5.4.3.1. Market:
Europe
Combined transport by rail recorded strong growth of 4.5% in the fourth quarter of 2021, which confirms the trend of the previous year (+6.77% in 2020) (1)
Strong growth in China traffic – Europe (1M Teus in 2021 and forecast of 1.7M Teus in 2024) (1)
The outsourcing trend continues, with the lessors' market share growing from 20% in 2004 to over 30% in 2021 (3)
Ambitious objective of the European Commission to reach 30% market share in 2030 (compared to 18% in 2021) which will require replacing the 400,000 railcars over 30 years old (4)
Positive impact of inflation (leasing price, utilisation rate and valuation of the existing stock).
Asia
GDP in India up 9% in 2021 and 2022 (2).
Demand for innovative railcars makes it possible to increase loading capacities, unclog the roads and reduce pollution and CO2 emissions.
Many infrastructure projects promote rail and containerised traffic: development of the Silk Roads between China and Europe and a new DFC (Dedicated Freight Corridor) in India.

Sources:
(1) UIRR – growth of intermodal rail transport
(2) IMF – January 2022 forecasts
(3) UIP
(4) ECVVR: 712,265 railcars registered in Europe (27 countries + United Kingdom, Switzerland and Norway) including 400,000 over 30 years old

5.4.3.2. Touax's ambition:

Europe:

Increase in utilisation rates on the existing fleet to 89.02% at the end of December 2021 (compared to 83.66% a year earlier) and growth in leasing revenues (+10%).

Organic growth (new railcars and sale & lease backs) to support the rebound in activity and the trend towards outsourcing by our customers.

Positive and future effects of the growth plan financed by Touax Rail's capital increase of €81.9m successfully carried out with the DIF infrastructure fund in September 2020.

The continuous improvement program (Lean) continues to bear fruit (better availability rate of the fleet and customer satisfaction, and optimisation of stocks).

Asia:

Maintain full employment (100% utilisation rate)

17 trains in circulation with the objective of adding 7 more in 2022. Maintain full employment (100% utilisation rate).

5.4.4. River barges - Medium-term prospects: Selective investments

5.4.4.1. Market:

Europe:

Demand for new river barges for the transport of aggregates (work sites in Greater Paris) and the transport of cereals and biomass (Rhine).

Awareness of European and governmental authorities on the ecological issues favourable to river transport.

Significant public and corporate investments to revive the sector.

United States:

Stable market (decline in coal transport partially offset by increases in grain transport). Touax is only positioned on the cereals market.

South America:

Low water level impacting cereal harvests. Recovery of iron ore transport.

5.4.4.2. Touax's ambition:

Europe:

Investments on the Rhine and the Seine in new barges for leasing.

Participation in numerous innovative studies

Touax is the dedicated partner of logistics providers and manufacturers wishing to develop river transport.

By managing barges for its own account and for third parties, Touax is the operational partner of major corporations and infrastructure funds wishing to invest in the sector.

N & S America:

Noting a recovery of activity and a utilisation rate of 95% to date, selective investments will be studied in the medium term.

5.4.5. Containers - Medium-term prospects: Own investments and trading growth

5.4.5.1. Market:

Strong recovery in containerised trade in 2021 (+6.5%) and +3.5% expected in 2022 (1).
Containers transport 52% of the world's cargo in value passing through maritime routes (2)
A lack of containers in 2021 leading to a shortage and a sharp increase in freight rates (from around $2000 to $8000/TEU) (3)
Strong improvement in the credit quality of our customers (record results for shipping companies).
Global increase in container production to meet demand (more than 6 million TEUs manufactured in 2021 compared to 2.8 million TEUs in 2020).
50% increase in new container prices since the beginning of the year leading to a utilisation rate of the existing fleet of over 99% for all operators, and an increase in leasing prices as well as an extension of the leasing period for new contracts (contractual commitments > 10 years).
Extension of existing leases over long-term contracts.
Few containers for sale driving up prices on used containers available for second hand sale allowing container fleet utilisation rates to remain high worldwide (>99%).

(1) Clarksons, January 2022 report
(2) Source: Harrison
(3) Source: Drewry

5.4.5.2. Touax's ambition:

The strategy to increase the owned fleet (the CEU ratio increased from 11% in 2018 to 27% in 2021) resulted in a significant incremental impact on EBITDA.

Growth in the trading activity of new and used containers, highly complementary to the leasing activity. The recent rise in the prices of new containers supports the activity.

Development of management on behalf of third parties with the signing of two partnerships with an American infrastructure fund and a European investment fund totalling $100M in containers to be ordered, delivered and leased over the next 12 months.

5.5. DEPENDENCE ON PATENTS, LICENCES AND CONTRACTS

Not applicable.

5.6. COMPETITIVE POSITION

See paragraph 5.1.1 page 16.

5.7. INVESTMENTS

5.7.1. Significant investments made

The Group's activity is the leasing of transport equipment (freight railcars, river barges and shipping containers). The Group also has the cross-functional activity of third-party asset management.

The Group's growth policy hinges on the signing of new equipment leasing contracts with customers requiring investments which are financed by the Group through its own financing resources and by increasing the equipment portfolio managed as part of management programs on behalf of third-party investors. In 2021, the share of assets owned by the Group had increased compared with 2020. The investment strategy of each division is described in the paragraph beginning on page 22 for Freight Railcars, page 26 for River Barges and page 29 for Containers ("purchase of the fleet" section).

The Group is keen to pursue growth by increasing the amount of new equipment on long-term lease agreements. In 2022, the Group will continue to share new investments between its own account and third-party investors. The aim is to strengthen economies of scale, and to increase the return on equity. The return on equity corresponds to the ratio of net profit/shareholders' equity This corresponds to the notion of *Return on Equity* or profitability of shareholders' equity usually calculated by financial analysts. These investments include Group-owned and third-party assets. To achieve these objectives, the Group balances out the ratio between managed and proprietary assets using a distribution rule that varies according to the business, and the owned and managed equipment. On 31 December 2021, the breakdown of managed assets stood at 47% owned equipment and 53% equipment belonging to a third-party. The assets held by fully consolidated subsidiaries are wholly included in the Group's assets, even if the Group has invested in partnership with minority stockholders.

The Group's strategy of investing mainly in new long-term contracts helps limit the risks of re-leasing and the sensitivity of the equipment's residual value. This strategy also facilitates the Group’s ability to find third-party investors and to finance itself in order to continue its development.

The Group's investment policy is to finance owned assets in compliance with an LTV (*Loan to Value*) of 70% maximum. This ratio is calculated by comparing the total assets (excluding intangible assets and goodwill) with gross debt. Debt is made up of recourse debt and "non recourse" debt whose reimbursement is only guaranteed with leasing income or the proceeds from selling the financed assets. Non-recourse financing is not guaranteed by the TOUAX SCA parent company. This type of financing supports the Group’s growth, while reducing risks for shareholders. The policy adopted by the Group is to maintain a debt-to-equity ratio (including non-recourse debt) of 2.5 to 1. This policy enables the Group to pre-finance assets to be sold to investors. Selling assets to investors is part of the Group’s strategy and it generates growth with limited recourse to debt. The Group’s growth generates economies of scale and increases margins.

The Group has access to all types of financing, short, medium and long-term loans, loans without recourse, operational leasing, leasing, factoring and assignment of receivables.

Lease agreements are classified as financial lease agreements when the Group benefits from the advantages and risks inherent in ownership. For example, clauses for the automatic transfer of ownership, options to buy at a value far below the estimated market value, equivalence between the lease term and the life of the asset or between the discounted value of future lease payments and the value of the asset are features that generally lead to leases being classified as finance contracts.

Since 2017 and until the arrival of the Covid-19 health crisis, European economic conditions for the Freight Railcar activity were favourable and we have seen increases in leasing prices and/or utilisation rates. Investors have continued to show an interest in assets managed by the Group, which has made it possible to sign new management schemes for railcars and containers.

5.7.2.Significant investments in progress or firm investment commitments

At 31 December 2021, orders and firm investments in operational assets from third parties amounted to 54.1 million euros, made up of 28.4 million euros in containers, 22.9 million euros in freight railcars and 2.8 million euros in river barges.
Firm investment commitments will be pre-financed via available credit lines. These investments will be sold, in part, to third-party investors as part of syndications mainly carried out within the Freight Railcar division.

5.7.3.Companies in which the issuer holds a share of capital likely to have a significant impact on its financial situation

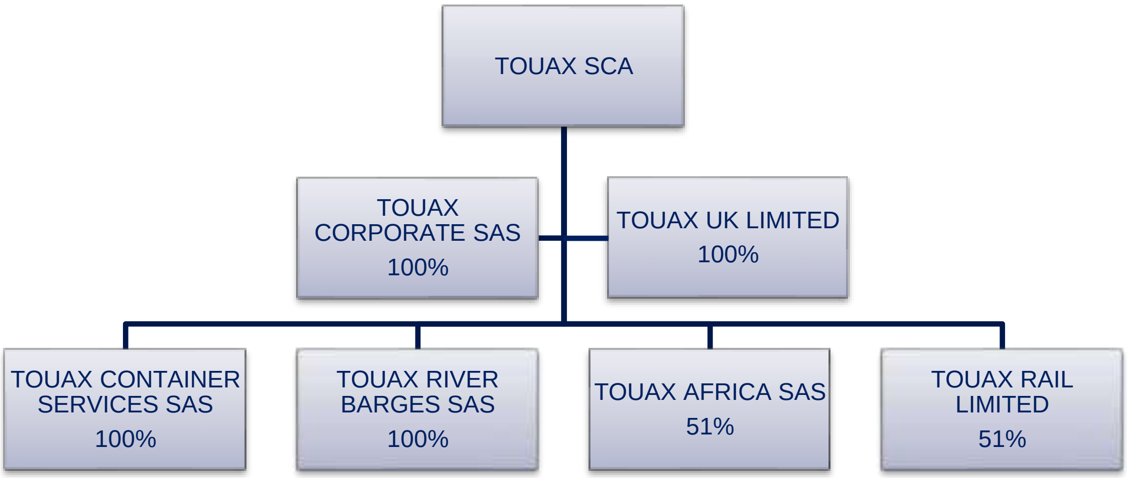
Not applicable.

5.7.4.Environmental issues that may influence the use of property, plant and equipment

Environmental issues that could influence the use of our property, plant and equipment are set out in section 3 "Risk factors" page 12 and in the environmental information of the Report on social, environmental and societal responsibility of this universal registration document on page 164.

6. ORGANISATIONAL STRUCTURE

6.1. SIMPLIFIED GROUP ORGANISATIONAL CHART



6.2. LIST OF MAJOR SUBSIDIARIES

A list of all the Group's consolidated subsidiaries is presented in note 2.2 page 71 of the notes to the consolidated financial statements. The subsidiaries of TOUAX SCA are described in the table of subsidiaries and shareholdings in note 26.6 page 116 of the notes to the company financial statements.

The Group's two major subsidiaries in terms of revenue are TOUAX Container Leasing Pte Ltd, a Singaporean company and TOUAX Rail Ltd, an Irish company. TOUAX Container Leasing Pte Ltd is a shipping container leasing business serving almost all of our customers throughout the world and it manages the TOUAX container fleet. Its business is significant in view of the large amount of equipment for leasing. TOUAX Rail Limited has a freight railcar leasing and sales business in Europe and it manages TOUAX's European freight railcar fleet.

The organisational chart below is a simplified organisational chart of the main operational companies of the Group classified by business activity. The percentages shown are rounded and correspond to the percentage of capital control, direct or indirect, of these entities by TOUAX SCA, parent company.

Freight Railcar activity			
TOUAX Rail Ltd	**Ireland**	**51%**	**Leasing and sale of freight railcars**
— TOUAX Texmaco Railcar leasing Pte	India	50%	Leasing of railcars
River Barge activity			
TOUAX River Barges SAS	**France**	**100%**	**Leasing and sale of river barges**
— TOUAX Leasing Corp.	USA	100%	Leasing and sale of river barges
— TOUAX Hydrovia Corp.	Panama	100%	Leasing and sale of river barges
— Eurobulk Transport Maatschappij BV	Netherlands	100%	Leasing/chartering of river barges
—— CS de Jonge BV	Netherlands	100%	Leasing/chartering of river barges
Container activity			
TOUAX Container Services SAS	**France**	**100%**	**Leasing and sale of shipping containers**
— TOUAX CONTAINER Leasing Pte Ltd	Singapore	100%	Container leasing
— TOUAX Container Investment Ltd	Hong Kong	100%	Sale of containers
— TOUAX Corp.	USA	100%	Leasing and sale of shipping containers
—— Gold Container Corp.	USA	100%	Leasing and sale of shipping containers
Modular Building activity			
TOUAX AFRICA SAS	**France**	**51%**	**Service company**
— TOUAX MOROCCO SARL	Morocco	100%	Sale of modular buildings
— RAMCO SARL	Morocco	100%	Leasing of modular building

7. Analysis of the Financial Position and Income

7.1. Financial position

7.1.1. Evolution and income from activities

The review of the Group and the company's financial position is presented in the management report paragraph 22.1 page 136.

7.1.2. Future development of activities and R&D

The review of the Group and the company's future evolution is presented in the management report paragraph 22.1 page136.

There are no R&D activities.

7.2. Operating results

The review of the Group and the company's financial position is presented in the management report paragraph 22.1 page136.

7.2.1. Important or unusual factors and new developments

Not applicable

7.2.2. Major changes

Not applicable

8. CASH AND CAPITAL

8.1. GROUP CAPITAL

The Group's financial resources and cash flow are detailed in the notes to the consolidated financial statements paragraph 18.1 in note 24 page 87 and in note 33.3 on liquidity risks and note 33.4 on interest rate risks.

8.2. CASH FLOW

The Group's cash flows are detailed and explained in the management report paragraph1.1.7.

8.3. FINANCE STRUCTURE AND REQUIREMENTS

The Group uses a wide range of instruments to meet its financing requirements:

- spot (364 days) and overdraft lines are used for one-time financing of working capital requirements;
- bond loans used for general purposes and the Group's medium-term business;
- medium long-term loans and asset financing lines with recourse (leasing, financial leasing, etc.) are used for financing assets kept by the Group;
- non-recourse credit lines are sometimes used for pre-financing assets (shipping containers and freight railcars) as well as the long-term financing of assets that the Group wishes to keep on its Balance Sheet.

Note 24 of the notes to the consolidated financial statements page 91 gives further details about borrowing conditions and the financing structure.

8.4. RESTRICTION ON THE USE OF CAPITAL THAT HAS HAD OR COULD HAVE A SIGNIFICANT DIRECT OR INDIRECT EFFECT ON THE ISSUER'S OPERATIONS

To the best of our knowledge, there are no restrictions on the cash flow of subsidiaries wholly-owned by the Group to the parent company, nor any restrictions on the use of this cash, with the exception of finance companies and subject to the compliance with certain financial ratios presented in note 24 of the notes to the consolidated financial statements on page 91.

The cash and cash equivalents balances on the Group's balance sheet on 31 December 2021 include (i) €25.2 million in cash from companies not owned at 100%, including €8.6 million in contractual reserves linked to asset financing and (ii) €0.6 million to contractual reserves linked to the financing of assets for companies owned at 100%.

8.5. EXPECTED SOURCES OF FINANCING IN ORDER TO MEET INVESTMENT COMMITMENTS

The financing sources are detailed in the firm investment commitments in paragraph 5.7 page 37.

9. REGULATORY ENVIRONMENT

Where applicable, the regulatory environment in which we operate and which may have a significant influence on our activities, measures or factors of an administrative, economic, budgetary, monetary or political nature that have had a significant impact or that may have a significant impact, directly or indirect, on our activities, are described in the section 3.4 "Risk Factors" of this universal registration document.

10. TREND INFORMATION

10.1. KEY TRENDS UP TO THE DATE OF THE UNIVERSAL REGISTRATION DOCUMENT

The main trends are detailed in the management report paragraph 22.1 page 136 and in the presentation of the Group's prospects presented at the SFAF meeting of 23 March 2022 detailed in paragraph 24.1 page 200.

10.2. KNOWN TRENDS, UNCERTAINTIES, REQUESTS, ANY COMMITMENTS OR EVENTS LIKELY TO SIGNIFICANTLY AFFECT THE CURRENT FINANCIAL YEAR

According to the IMF's January forecasts, global growth should reach 4.4% in 2022. This growth is dependent on the withdrawal of accompanying and support measures, the improvement of the health situation and the progression of the vaccination rate and the persistence of supply shortages. Inflation is also an influencing factor that looks set to persist with supply chain disruptions and high energy prices.

Since these forecasts, the situation in Ukraine has created new global geopolitical uncertainty and now makes it more difficult for central banks to act against inflationary pressures. The conflict is expected to have an impact on economic growth, particularly in Europe where a rate of +3.9% was expected at the start of 2022 according to the IMF, with rising energy prices and tensions on the prices of a number of industrial and agricultural raw materials. It is therefore possible that this new situation will accelerate the levelling off of growth in post-Covid European economies. Opposite effects are also likely to occur in some sectors, with price inflation as has been seen in the maritime transport sector during the health crisis due to logistical disruptions.

The Group's transport activities benefit from the leasing strategy on long-term contracts. At the date of writing this document, no significant impact on the Group's activities has therefore been observed. It is possible that these impacts will be felt in the more or less short term depending on the intensity of the crisis and its duration.

A presentation of the outlook for the Group given at the SFAF Meeting on 23 March 2022 is detailed in paragraph 24.1 200.

11. PROFIT FORECASTS OR ESTIMATES

11.1. FORECAST OR ESTIMATED PROFIT PUBLISHED

Not applicable

11.2. MAIN ASSUMPTIONS

Not applicable

11.3. BASIS FOR FORECAST

Not applicable.

12. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND THE GENERAL MANAGEMENT

12.1. CONTACT DETAILS FOR ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND THE GENERAL MANAGEMENT

The administrative, management and supervisory bodies are presented in the Report of the Supervisory Board in paragraph 23.2.4 page 182.

12.2. CONFLICTS OF INTEREST BETWEEN THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

Conflicts of interest are presented in the Report of the Supervisory Board in paragraph 23.2 page 181.

13. REMUNERATION AND BENEFITS

13.1. REMUNERATION PAID TO CORPORATE OFFICERS

13.1.1.Remuneration paid to executive directors

- **Terms for determining remuneration**

The remuneration of the Managing Partners is specified in article 11.5 of the articles of association, which stipulates:

"*Each Managing Partner's annual remuneration within the scope of the general social security scheme is determined as follows:*

A fixed gross portion amounting to €129,354, together with benefits in kind up to a limit of 15% of the fixed remuneration, it being specified that this amount does not include remuneration or repayments of expenses received by the Managing Partners in respect of corporate mandates or duties performed in any of the company's subsidiaries, up to a limit of €80,000 per Managing Partner

A gross amount of €850 per day during business trips outside France, as a family separation allowance

The General Partners may only adjust these amounts within the limit of the cumulative change in the annual inflation rate published by the French national institute of statistics and economic studies (INSEE).

A variable portion not exceeding 0.50% of the TOUAX Group's consolidated EBITDA, after deducting the leasing income due to investors. For the purposes of this calculation, it is specified that the EBITDA is the consolidated gross operating surplus after deducting the net operating provisions. »

The remuneration of the Managing Partners is revised annually in accordance with the provisions of the Articles of Association.

Any changes to their remuneration require the approval of the General Meeting of Shareholders and the express, written and unanimous agreement of the General Partners. »

The most recent change agreed at the General Meeting of 18 June 2008, was for the reduction of the variable portion of the Managing Partners' remuneration to 0.5% of the Group's consolidated EBITDA less the leasing revenues owed to investors, instead of the previous 1% rate.

The terms of remuneration of the Managing Partners are specified in the report of the Supervisory Board in paragraph 23.2.5 page 194.

- **Global remuneration**

Table summarising the remuneration, options and shares attributed to each director *(in thousands of euros)*	2021	2020
Raphaël WALEWSKI - Managing Partner		
Remuneration due for the financial year	735,4	605
Valuation of options granted during the financial year		
Valuation of performance-related shares granted during the financial year		
TOTAL	735,4	605
Fabrice WALEWSKI - Managing Partner		
Remuneration due for the financial year	688,2	583,2
Valuation of options granted during the financial year		
Valuation of performance-related shares granted during the financial year		
TOTAL	688,2	583,2

The details of the composition of the remuneration of each executive are specified in article 23.2.5.1 of this report.

Tableau récapitulatif des rémunérations de chaque dirigeant mandataire social				
Raphaël WALEWSKI **Gérant**	**2020** **(en milliers d'euros)**		**2021** **(en milliers d'euros)**	
	Montants dus	**Montants versés**	**Montants dus**	**Montants versés**
Rémunération fixe (1)	157,8	157,8	159,5	159,5
Rémunération variable annuelle (1) (2)	234,1	206,7	265,4	340,2
Prime d'éloignement pour déplacement	119,2	119,2	113,2	113,2
Jetons de présence et remboursement de frais	97,6	97,6	98,6	98,6
Avantages de toutes natures	23,7	23,7	23,9	23,9
TOTAL	**632,4**	**605**	**660,6**	**735,4**

Tableau récapitulatif des rémunérations de chaque dirigeant mandataire social				
Fabrice WALEWSKI **Gérant**	**2020** **(en milliers d'euros)**		**2021** **(en milliers d'euros)**	
	Montants dus	**Montants versés**	**Montants dus**	**Montants versés**
Rémunération fixe (1)	157,8	157,8	159,5	159,5
Rémunération variable annuelle (1) (2)	234,1	162,1	265,5	261,6
Prime d'éloignement pour déplacement	142,1	142,1	144,6	144,6
Jetons de présence et remboursement de frais	97,6	97,6	98,6	98,6
Avantages de toutes natures	23,6	23,6	23,9	23,9
TOTAL	**655,2**	**583,2**	**692,1**	**688,2**

TOUAX provides the Managing Partners with the necessary equipment to perform their duties (car, mobile phone, computer, etc.).

- **Stock purchase or subscription options granted**

No stock options were attributed to the executive directors

- **Free or performance-related shares**

No performance-related shares or free shares were attributed to executive directors during the financial year or in a previous financial year.

- **Stock warrants**

No equity warrants (free of charge) under Articles L.22-10-59 et seq. of the French Commercial Code were attributed to the executive directors during the financial year.

More generally, no equity securities, debt securities or securities giving access to capital or entitlement to the allocation of debt securities were allocated to the executive directors of the company or of the companies mentioned in Articles L.228-13 and L.228-93 of the French Commercial Code during the 2021 financial year. The Managing Partners are not shareholders of TOUAX SCA.

13.1.2.Remuneration paid to members of the supervisory board

Table of remuneration received by members of the supervisory board		
Members of the supervisory board	**Amounts paid in 2019 (in thousands of euros)**	**Amounts paid in 2020 (in thousands of euros)**
Jérôme Bethbeze		
Supervisory board	11.2	8,6
Audit Committee		1.5
François Soulet de Brugière		
Supervisory board	8.9	8,6
Audit Committee		
Marie Filippi		
Supervisory board	7.7	8,6
Audit Committee		
Sylvie Perrin		
Supervisory board	9.7	8,6
Audit Committee		1.5
Julie de GERMAY		
Supervisory board	7.7	8,6
Audit Committee		
Alexandre WALEWSKI		
Supervisory board	17.8	17
Other remuneration	192.7	192.7
TOTAL	**255.7**	**255.7**

The rules for distributing the remuneration allocated to the Supervisory Board are specified in the Supervisory Board's report page 194.

The members of the Supervisory Board and Audit Committee do not receive any other remuneration, apart from the fixed allowance that Alexandre WALEWSKI receives to cover expenses incurred in the course of his duties as Chair of the Supervisory Board. This allowance amounts to $48,175 per quarter in 2020, as it did in 2019.

No equity securities, debt securities or securities giving access to capital or entitlement to allocation of debt securities were allocated to the members of the Supervisory Board of the company or of the companies mentioned in Articles L.228-13 and L.228-93 of the French Commercial Code during the 2020 financial year.

13.2. Pensions, retirement and other benefits

The Managing Partners benefit from the same pension scheme as the other managers of the Group. The Group has no "umbrella" pension scheme. They do not have supplementary pension plans.

The Managing Partners shall not be entitled to any remuneration, indemnities or benefits due or likely to be due as a result of the taking, terminating or changing their position or subsequent thereto. The Managing Partners are also not entitled to any indemnities relating to a non-competition clause.

The Managing Partners have no labour contract with TOUAX SCA.

14. OPERATION OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

14.1. DURATION OF OFFICE

The operation of the supervisory and management bodies is presented in the Supervisory Board report paragraph 23.2 page 181.

14.2. REGULATED AGREEMENTS

Regulated agreements are listed in the management report page 152 and included in the auditors' report paragraph 18.3.3 page 128. Information about related parties appears in note 34 in the notes to the consolidated financial statements page 99.

14.3. INFORMATION ON THE VARIOUS COMMITTEES

The report by the Chair of the Supervisory Board sets out the functioning and organisation of the audit committee in paragraph 23.2 page186.

14.4. STATEMENT OF CONFORMITY WITH THE CORPORATE GOVERNANCE SCHEME

The statement of conformity with the company's governance system is presented in the Supervisory Board report paragraph 23.2.3 page 182, with the Group referring to the Middlenext Code.

14.5. SIGNIFICANT IMPACTS ON CORPORATE GOVERNANCE

The operation of the supervisory and management bodies is presented in the Supervisory Board report paragraph 23.2 page 181.

15. EMPLOYEES

15.1. BREAKDOWN OF THE WORKFORCE

The breakdown in employees by geographic location and activity as of 31 December 2021 is as follows:

	Freight railcars			River Barges			Containers			Modular Buildings			Central Services			TOTAL		
	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019
Europe	68	66	61	10	9	9	20	22	20				22	23	24	120	111	114
Asia							10	13	11							10	13	11
Africa										105	107	103				105	107	103
N & S America							8	6	7				3	3	3	11	9	10
TOTAL	**68**	**66**	**61**	**10**	**9**	**9**	**38**	**41**	**38**	**105**	**107**	**103**	**25**	**26**	**27**	**246**	**240**	**238**

Paragraph 1 in section 22.2 page 159 details the Group's social information.

15.2. PROFIT-SHARING AND STOCK OPTIONS

The main profit sharing for the managing partners, general partners, and directors are detailed in chapter 0 page 50 of the universal reference document with the profit sharing of Alexandre Walewski (Chair of the Supervisory Board), Fabrice Walewski (Managing Partner), Raphaël Walewski (Managing Partner), SHGP (general partner), and SHGL (general partner).

The company has not issued any stock options.

15.3. EMPLOYEE PROFIT-SHARING IN THE CAPITAL

An employee profit-sharing agreement has been put in place for all French entities, which does not give entitlement to shares in the capital. No profit-sharing was paid in 2021.

TOUAX SCA does not have any profit-sharing agreements or employee shareholding plans.

16. MAIN SHAREHOLDERS

16.1. BREAKDOWN IN CAPITAL AND VOTING RIGHTS

There are no categories of shares or securities which do not represent capital. There is no treasury stock (TOUAX SCA shares held by its subsidiaries). The amount of TOUAX SCA shares held by TOUAX SCA is insignificant (0.09% on 31 December 2021).

Distribution of share capital and voting rights on 31 December 2021

Shareholders	No. of shares	of capital	Number of voting rights that can be exercised	of voting rights that can be exercised	of which double voting rights
Alexandre WALEWSKI	814,854	11.62%	893,474	10.80 %	154,620
SHGL	656,586	9.36%	1,203,998	14.55 %	547,412
SHGP	731,331	10.43%	1,348,737	16.30 %	617,406
Total Majority Group	2,202,771	31.41%	3,446,209	41.65 %	1,319,438
City Financial Absolute Equity Fund (OEIC)*	374,220	5.34%	374,220	4.52 %	0
IPConcept (Luxembourg) SA*	419,605	5.98%	419,605	5.07 %	0
Public - registered securities	67,902	0.97%	92,888	1.12 %	24,986
Public - bearer securities	3,940,784	56.20%	3,940,784	47.63 %	0
Treasury shares	6,265	0.09%	0	0.00%	0
TOTAL	7,011,547	**100.00%**	8,273,706	**100.00%**	**1,344,424**

** To the knowledge of TOUAX*

TOUAX SCA is controlled by Alexandre, Fabrice and Raphaël WALEWSKI. SHGL and SHGP are the two General Partners of TOUAX SCA and are respectively wholly owned by Raphaël and Fabrice WALEWSKI. The Managing Partners are not shareholders of TOUAX SCA.

It is commonly considered that Alexandre, Fabrice, Raphaël WALEWSKI, through the SHGL and SHGP act in concert, without any formal agreement having been concluded and that they jointly own 31.41% of TOUAX SCA, representing 41.65% of the voting rights as of 31 December 2021.

TOUAX SCA does not have an employee shareholding scheme.

The different types of voting rights are described in paragraph 16.2 below.

Breakdown of shares

On 31 December 2021, 32.38% of the shares issued by TOUAX SCA were registered, and the remainder were bearer shares. Around 97% of registered shares are held by persons residing outside France.

Number of shareholders

The company does not regularly ask for reports on identifiable bearer shares and therefore does not know the exact number of shareholders. On 31 December 2021, there were 61 registered shareholders. The attendance sheet of the last Combined General Meeting of 23 June 2021, certified accurate by the members of the board, shows that the shareholders present (including the general partners), represented or having voted by correspondence, together represent 2,939,510 shares and 4,056,597 voting rights, or 42.44% of the shares with voting rights.

Declarations and information to the AMF

In accordance with the Banking and Financial Regulation Act of 22 October 2010, the threshold for the obligation to file a draft takeover bid was lowered on 1 February 2011 from one third to 30% of the share capital and voting rights. A so-called grandfather clause applies for an unlimited period to shareholders who held between 30% and one third of the capital and voting rights on 1 January 2010: the previous threshold (33.33%) for a compulsory takeover bid will apply to these shareholders, provided that their interest remains between these two thresholds (Article 234-11 paragraph 1 of the General Regulation of the AMF).

The WALEWSKI family concert, comprising Alexandre WALEWSKI, SHGL and SHGP, which held an interest of between 30% and 33.33% on 1 January 2010 (31.13% of the share capital representing 35.75% of the voting rights on this date) is affected by the provisions of Article 234-11 paragraph 1 of the AMF General Regulation for its share capital holding and to this end made a shareholding declaration to the AMF published on 18 July 2011 in Notice No. 211C1275. In other words, if the alliance exceeds the threshold of one third of the capital, it will be obliged to file a compulsory draft takeover bid.

To the knowledge of TOUAX, all of the shareholders who hold more than 5% of the share capital or voting rights are mentioned in the table above.

Changes in the shareholding

Shareholders	31/12/2021		30/04/2021**		31/12/2020		31/12/2019	
	Capital %*	Voting rights %*	Capital %*	Voting rights %*	Capital %*	Voting rights %*	Capital %*	Voting rights %*
Alexandre WALEWSKI	11,62%	10,80%	11,62%	10,21%	11,62%	16,33%	11,62%	10,06%
SHGL	9,36%	14,55%	9,36%	14,79%	9,36%	10,75%	9,36%	14,84%
SHGP	10,43%	16,30%	10,43%	15,70%	10,43%	15,25%	10,43%	15,75%
Total WALEWSKI concert	**31,41%**	**41,65%**	**31,41%**	**40,71%**	**31,41%**	**42,33%**	**31,41%**	**40,65%**
Treasury shares	0,09%	0,00%	0,14%	0,00%	0,06%	0,00%	0,13%	0,00%
IPConcept (Luxembourg) SA	5,98%	5,07%	5,98%	5,16%	5,98%	5,01%		
City Financial Absolute Equity Fund (OEIC)	5,34%	4,52%	5,34%	4,60%	5,34%	4,47%	5,34%	4,62%
Public (nominative and bearer)	57,18%	48,76%	57,13%	49,53%	57,21%	48,19%	63,12%	54,73%
TOTAL	**100,00%**	**100,00%**	**100,00%**	**100,00%**	**100,00%**	**100,00%**	**100,00%**	**100,00%**

* to the knowledge of TOUAX ** calculation made on the basis of the revision of the voting rights of the Walewski concert

16.2. VARIOUS VOTING RIGHTS

Double voting rights

Double voting rights are granted for registered shares held at least five years by the same stockholder. Furthermore, free shares allocated on the basis of old shares with double voting rights also feature double voting rights. This clause is stipulated in the company's Articles of Association.

Limitation of voting rights

The company's shares do not have any limitation of voting rights, except where stipulated by law.

16.3. DESCRIPTION OF THE TYPE OF CONTROL

The TOUAX Group is a partnership limited by shares under French law which by nature is controlled by the general partners. It has two general partners: SHGP and SHGL. These two companies belong to Fabrice and Raphaël WALEWSKI respectively.

Furthermore, Alexandre WALEWSKI, SHGP and SHGL are deemed to have acted in concert in 2021. This alliance is a de facto alliance that was established in 2005 during the conversion into a partnership limited by shares under French law. In total, on 31 December 2021 this concert held 31.42% of the shares and 41.65% of the voting rights.

A change of control requires, therefore, a change in the composition of both general partners and limited partners.

The Supervisory Board provides ongoing supervision of the management of Managing Partners but cannot intervene in the management of the company.

The Group endeavours to comply with the governance rules recommended by the Middlenext Code.

The general partners cannot participate in the vote regarding the appointment of members of the Supervisory Board at an annual general meeting.

Finally, the Supervisory Board produces a report on the conduct of company affairs and on the financial statements at the Annual General Meeting.

16.4. AGREEMENT THAT MAY RESULT IN A CHANGE OF CONTROL

There is no shareholder pact type agreement providing preferential conditions for the sale or purchase of shares likely to be transmitted to the French Financial Markets Authority (AMF).

17. TRANSACTIONS WITH RELATED PARTIES

The Group has not entered into any significant transactions with related parties other than those described in the Notes to the consolidated financial statements paragraph 18.1 note 34 page 99 (see the auditors' report on regulated agreements and commitments, paragraph 18.3.3 page 127).

18. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND INCOME

18.1. HISTORICAL FINANCIAL INFORMATION

18.1.1.Consolidated financial statements

The consolidated accounts of TOUAX SCA are presented in accordance with international accounting standards (International Financial Reporting Standards – IFRS) as adopted by the European Union.

Consolidated income statement, presented by type at 31 December *(in thousands of euros)*	note no.	**2021**	2020
Revenue from activities	4	**167 871**	**163 408**
Purchases and other external expenses	5	(63 699)	(60 680)
Staff Costs	6	(16 031)	(15 817)
Other operating income and expenses	7	(249)	(922)
GROSS OPERATING PROFIT		**87 892**	**85 989**
Operating provisions	8	879	1 191
GROSS OPERATING MARGIN		**88 771**	**87 180**
Net distributions to investors	9	(35 698)	(40 359)
EBITDA		**53 073**	**46 821**
Depreciation and impairments	10	(24 319)	(23 524)
CURRENT OPERATING INCOME		**28 754**	**23 297**
Other operating income and expenses		(42)	(109)
OPERATING INCOME		**28 712**	**23 188**
Income in cash and cash equivalent		22	18
Gross cost of financial debt		(11 440)	(11 498)
Net cost of financial debt		**(11 418)**	**(11 480)**
Other financial income and expenses		(484)	(1 736)
NET FINANCIAL EXPENSE	11	**(11 902)**	**(13 216)**
Share in associate companies			
CURRENT INCOME BEFORE TAXES		**16 810**	**9 972**
Taxes on profits	12	(1 046)	(1 003)
Net income from retained activities		15 764	8 969
Net income from discontinued activities	13		(132)
GLOBAL CONSOLIDATED NET INCOME		**15 764**	**8 837**
Including portion attributable to:			
- Non-controlling interest (minority interests) in retained activities		3 212	2 975
- Non-controlling interest (minority interests) in discontinued activities			
GROUP SHARE OF NET INCOME		**12 552**	**5 862**
Of which net income from retained activities		12 552	5 994
Of which net income from discontinued activities			(132)
Net income per share (Euro)	14	**1,79**	**0,84**
Diluted net earnings per share (Euro)	14	**1,79**	**0,84**

In order to simplify the income statement, revenue from activities is detailed in note 4 of the appendix.

Statement of comprehensive income for the period *(in thousands of euros)*	**2021**	2020
Profit (loss) for the financial year	**15 764**	**8 837**
Other elements of the comprehensive income, net of taxes		
Differences on conversion	5 334	(5 151)
Gains and losses made on cash-flow hedging instruments (effective part)	(281)	46
Tax on comprehensive income items	18	(6)
Other elements of the comprehensive income that may be subsequently reclassified as net income	**5 071**	**(5 111)**
Pension liability (actuarial difference)	116	
Other elements of the comprehensive income that cannot be subsequently reclassified as net income	**116**	
Total Other items of comprehensive income, net of taxes	**5 187**	**(5 111)**
of which non-controlling interests (minority interests)	679	(930)
of which Owners of the Group's parent company	4 508	(4 181)
	5 187	**(5 111)**
Net income for the year		
of which non-controlling interests (minority interests)	3 212	2 975
of which Owners of the Group's parent company	12 552	5 862
	15 764	**8 837**
Global income for the year		
of which non-controlling interests (minority interests)	3 891	2 045
of which Owners of the Group's parent company	17 060	1 681
GLOBAL PROFIT/LOSS	**20 951**	**3 726**

Consolidated balance sheet on 31 December *(in thousands of euros)*	note no.	2021	2020
ASSETS			
Goodwill	15	5 101	5 101
Intangible assets	16	687	628
Tangible assets	17	322 525	307 963
Right of use	18	11 481	14 764
Long-term financial assets	19	4 550	4 831
Other non-current financial assets	19	13 699	1 216
Deferred tax assets	13		
TOTAL non-current assets		**358 043**	**334 503**
Inventories and Work in Progress	20	95 899	34 944
Trade receivables	21	30 964	31 320
Other current financial assets	22	13 679	10 888
Cash and cash equivalents	23	53 817	62 304
Total current assets		**194 359**	**139 456**
TOTAL ASSETS		**552 402**	**473 959**
LIABILITIES			
Share capital		56 092	56 092
Hybrid capital		25 936	25 936
Reserves		13 381	4 368
Income for the period, Group’s share		12 552	5 862
Shareholders' equity attributable to owners of the Group's parent company and holders of hybrid securities		**107 961**	**92 258**
Non controlling interests (Minority interests)		56 999	54 480
Shareholders’ equity	26	**164 960**	**146 738**
Loans and Financial liabilities	24	218 043	230 358
Long-term lease liability	25	8 377	7 840
Deferred tax liabilities	13	4 660	3 527
Pension and similar liabilities	28	484	552
Other long-term liabilities	29	792	1 343
Total non-current liabilities		**232 356**	**243 620**
Provisions	27	85	94
Short-term lease liability	25	1 509	3 587
Borrowings and current bank facilities	24	67 415	21 732
Trade payables	30	12 621	10 202
Other current liabilities	31	73 456	47 986
TOTAL current liabilities		**155 086**	**83 601**
TOTAL LIABILITIES		**552 402**	**473 959**

Change in consolidated shareholders' equity *(in thousands of euros)*	Share capital	Currency translation adjustment	Hybrid capital	Consolidated reserves	Conversion reserves	Cash flow hedge (1)	Net profit/loss for the period	Shareholders' equity attributable to owners of parent company	Non controlling interests (Minority interests)	TOTAL Shareholders' equity
Situation on 1 January 2020	**56 092**	**6 669**	**50 161**	**(23 476)**	**11 556**	**(540)**	**(2 698)**	**97 764**	**25 321**	**123 085**
Other elements of the comprehensive income that may be subsequently reclassified as net income					(4 219)	38		**(4 181)**	(930)	**(5 111)**
Other elements of the comprehensive income that cannot be subsequently reclassified as net income										
Profit/loss for the period							5 862	**5 862**	2 975	**8 837**
TOTAL accounted expenses and income					**(4 219)**	**38**	**5 862**	**1 681**	**2 045**	**3 726**
Capital increases*		102		24 562				**24 664**	24 483	**49 147**
Repayment of hybrid capital			(24 225)	484				**(23 741)**		**(23 741)**
Statutory remuneration of general partners		(369)						**(369)**		**(369)**
Appropriation of 2019 net income				(2 698)			2 698			
Dividends									(392)	**(392)**
Hybrid Capital Coupon				(4 954)				**(4 954)**		**(4 954)**
Change in the scope of consolidation				(2 748)				**(2 748)**	2 764	**16**
Other									259	**259**
Pension liability				(69)				**(69)**		**(69)**
Treasury shares				30				**30**		**30**
on 31 December 2020	**56 092**	**6 402**	**25 936**	**(8 869)**	**7 337**	**(502)**	**5 862**	**92 258**	**54 480**	**146 738**
Situation on 1 January 2021	**56 092**	**6 402**	**25 936**	**(8 869)**	**7 337**	**(502)**	**5 862**	**92 258**	**54 480**	**146 738**
Other elements of the comprehensive income that may be subsequently reclassified as net income					4 519	(127)		**4 392**	679	**5 071**
Other elements of the comprehensive income that cannot be subsequently reclassified as net income				116				**116**		**116**
Profit/loss for the period							12 552	**12 552**	3 212	**15 764**
TOTAL accounted expenses and income				**116**	**4 519**	**(127)**	**12 552**	**17 060**	**3 891**	**20 951**
Operation with minority shareholders				1 733				**1 733**	3 030	**4 763**
Stock warrant purchase								**0**		**0**
Statutory remuneration of general partners		(644)						**(644)**		**(644)**
Appropriation of 2021 net income				5 862			(5 862)			
Dividends									(4 402)	**(4 402)**
Hybrid Capital Coupon				(2 427)				**(2 427)**		**(2 427)**
Treasury shares				(19)				**(19)**		**(19)**
on 31 December 2021	**56 092**	**5 758**	**25 936**	**(3 604)**	**11 856**	**(629)**	**12 552**	**107 961**	**56 999**	**164 960**

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

* including €24,562 thousand relating to the capital increase in Touax Rail Ltd subscribed by DIF Core Infrastructure Fund II in 2020 (see note 1.3)

Table of consolidated cash flow on 31 December *(in thousands of euros)*		**2021**	2020
Net income from retained activities		15 764	8 969
Net income from discontinued activities			(132)
Depreciation and provisions		24 323	23 572
Change in deferred tax items		1 107	931
Capital gains and losses on disposal of fixed assets		(4 844)	(2 479)
Other non-cash income and expenses		1 838	1 016
Self-financing capacity after cost of net financial debt & tax		**38 188**	**31 877**
Financial interests		10 091	10 121
Interest paid on leases		353	382
Tax paid (collected)		(62)	72
Self-financing capacity before cost of net financial debt & tax		**48 570**	**42 452**
Tax paid (collected)		62	(72)
Change in working capital requirement related to activity excluding changes in invento	A	(3 064)	(12 066)
Stock variation	B	(60 053)	2 365
Change in investment working capital requirement	C	20 029	828
Acquisition of assets for leasing		(57 234)	(45 557)
Proceeds from the transfer of directly owned assets		25 935	10 751
Collection of finance leasing receivables		45	115
under - total		(71 278)	(31 498)
CASH FLOW GENERATED BY OPERATING ACTIVITIES	**(I)**	**(25 710)**	**(1 184)**
Investment Operations			
Acquisition of intangible & fixed assets		(590)	(395)
Acquisition of financial assets		(141)	
Net change in loans and advances		2 271	(225)
Proceeds from disposal of assets other than those intended for leasing		559	16
Change in the scope of consolidation (exit)		1 106	(20)
Proceeds from the transfer of securities			
CASH FLOWS RELATING TO OTHER INVESTMENT OPERATIONS	**(II)**	**3 205**	**(624)**
Financing Operations			
Receipts related to new borrowings		48 692	166 838
Repayment of loans		(22 141)	(148 979)
Net change in financial debts		**26 551**	**17 859**
Leasing liabilities		(1 710)	(1 788)
Net increase in shareholders' equity (capital increase)		4 745	25 576
Financial interest paid		(10 091)	(10 121)
Interest paid on leases		(354)	(382)
Distribution of dividends to TOUAX SCA shareholders			
Distribution of dividends to minority shareholders		(3 978)	(72)
Statutory remuneration of general partners		(644)	(369)
Hybrid capital payment coupons		(2 427)	(4 954)
Other		1	10
Disposal (acq.) Net treasury shares		(19)	31
CASH FLOW RELATED TO FINANCING OPERATIONS	**(III)**	**12 074**	**25 790**
Effect of exchange rate fluctuations		1 658	(1 217)
CASH FLOW RELATED TO EXCHANGE RATE CHANGES	**(IV)**	**1 658**	**(1 217)**
CHANGE IN NET CASH	**(I) + (II) + (III) + (IV)**	**(8 773)**	**22 765**
Analysis of cash flow change			
Cash at beginning of year		61 339	38 574
Cash at end of year		52 566	61 339
Change in net cash		**(8 773)**	**22 765**

(in thousands of euros)		**2021**	2020
Decrease / (Increase) in inventories and work in progress		(60 053)	2 365
Change in inventory	**B**	**(60 053)**	**2 365**
Decrease / (Increase) in trade receivables		1 526	(3 876)
Decrease / (Increase) in other current assets		(5 553)	(821)
(Decrease) / Increase in trade payables		2 141	753
(Decrease) / Increase in other liabilities		(1 178)	(8 122)
Change in WCR related to activity excluding inventory change	**A**	**(3 064)**	**(12 066)**
Decrease/(Increase) in receivables/fixed assets & related accounts			
(Decrease)/Increase in liabilities/fixed assets & related accounts		20 029	828
Change in investment WCR	**C**	**20 029**	**828**

The net change in cash presented in the cash flow statement corresponds to the change in cash and cash equivalents included on the balance sheet after deducting bank overdrafts. Bank overdrafts at 31 December 2021 totalled €1,251 thousand.

According to IFRS standards: *"cash payments to manufacture or acquire assets held for leasing to others and subsequently held for sale as described in paragraph 68A of IAS 16 "Property, plant and equipment" are cash flows resulting from operating activities. The cash receipts from leasing and subsequent sales of such assets are also cash flows from operating activities".*

Therefore, the cash flow statement shows the Group's investments in leasing equipment and the income from sales of leasing equipment under cash flow from operations instead of cash flows from investing activities, in accordance with IFRS. Similarly, repayments of finance lease receivables are presented in operating flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED ACCOUNTS

Significant facts for the Touax Group and post-balance sheet events

- **Significant events**

Container trading contributed in particular to the improvement in the results for the year 2021.

- **Post-balance sheet events**

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

NOTE 1. ACCOUNTING RULES AND METHODS

note 1.1. BASIS FOR PREPARATION AND PRESENTATION OF THE ANNUAL FINANCIAL STATEMENTS AS AT 31 DECEMBER 2021

- **Approval of the financial statements**

The annual financial statements to 31 December 2021 and the associated notes were approved by the TOUAX SCA Management Board on 22 March 2022 and presented to the Supervisory Board on 23 March 2022.

- **Accounting rules and methods**

Pursuant to Regulation No. 1606/2002 adopted on 19 July 2002 by the European Parliament and the European Council, the consolidated financial statements of the TOUAX Group for the 2021 financial year were prepared in accordance with IFRS (*International Financial Reporting Standards*) published by the IASB (*International Accounting Standards Board*) on the balance sheet date of 31 December 2021 as adopted by the European Union.

- **New standards, amendments and interpretations adopted by the European Union which must be applied from 1 January 2021**

- Amendments to IFRS 9, IAS 39 and IFRS 7: IBOR, phase 2: The amendment aims to help companies apply IFRS in the event of a change in contractual cash flows or hedging relationships induced by the reform of reference rates (IBOR) and to provide useful information. There was no impact of these amendments on the Group's accounts.

- **Standards and interpretations adopted by the IASB but not yet applicable on 31 December 2021**

The Group does not anticipate that any of the new standards, amendments and interpretations listed below may be relevant to it and the application of which is not mandatory on 1 January 2021:

- Amendment to IFRS 16 – Leasing and leasing concessions linked to COVID-19 beyond 30 June 2021: This amendment extends the previous amendment for one year which only applied to leases due before 30 June 2021. (Date of application 01/04/2021)
- Amendment to IFRS 3 – Company grouping: The amendment updated the references of the standard with regard to the Conceptual Framework published in 2018 to replace the old one. (Date of application: 01/01/2022)
- Amendment to IAS 16 – Tangible fixed assets: The amendment addresses revenue from products produced by an asset being prepared for commissioning. These revenues cannot be deducted from the cost of capital. They must be recorded in profit or loss, as well as the costs associated with them. (Date of application: 01/01/2022)
- Amendment to IAS 37 – Provisions, contingent liabilities and contingent assets: The amendment defines the unavoidable costs to be taken into account in measuring the provisions for deficit contracts. (Date of application: 01/01/2022)
- Amendment to IFRS 9 – Financial instruments: The amendment clarifies the fees to be taken into account when performing quantitative tests to determine whether a debt renegotiation is substantial or not. The only costs to be taken into account are therefore those incurred between the lender and the borrower. (Date of application: 01/01/2022)
- Amendment to IAS 1 – Classification of current and non-current liabilities: The amendment clarifies the conditions for classifying a liability as current or non-current. The classification should be based on whether or not a right is in existence at the end of the reporting period, to defer settlement of the liability. It is not affected by the entity's intentions for this payment or by the likelihood of it exercising its right to defer. (Date of application: 01/01/2023, subject to EU adoption)

- Amendment to IAS 1 – Information to be provided in relation to accounting principles: The purpose of the amendment is to provide information on significant accounting policies by guiding entities in applying the concept of materiality to better identify and present accounting policies that provide significant information to be included in the financial statements, other insignificant methods to be excluded. (Date of application: 01/01/2023)
- Amendment to IAS 8 – Definition of an accounting estimate: The amendment defines the notion of accounting estimate and aims to facilitate the distinction between changes in accounting methods and changes in accounting estimates. (Date of application: 01/01/2023)
- Amendment to IAS 12 – Deferred taxes related to assets and liabilities resulting from a single transaction: The amendment removes the exception to the recognition of deferred taxes for transactions which simultaneously give rise to assets and liabilities with temporary differences the other way around. It requires the recognition of deferred taxes on leasing contracts and provisions for decommissioning. (Date of application: 01/01/2023, subject to EU adoption)
- Amendment to IFRS 16 – Leases: The amendment removes from the wording of illustrative example 13 the payments made by the lessor for the fittings of the leased property.

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

note 1.2. USE OF ESTIMATES

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

Since these assumptions are intrinsically uncertain, actual information 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 accounts and information subject to significant estimates relate in particular to the assessment of any losses in value of property, plant and equipment, the valuation of goodwill (see note 15), financial assets (see note 19), derivative financial instruments (see note 24), stocks and work in progress (see note 20), provisions for risks and charges (see note 27), deferred taxes (see note 12.3) and lease liabilities (see note 25).

The interest rates used for barge leases are the financing rates, the weighted average of which is 3.08%.

The average interest rates used to calculate future rents are 4.25% for property leases and 2.45% for leases for equipment other than river barges.

- For property leases, the rate applied was determined on the basis of the historical borrowing rate.
- For equipment leases:
  At the Euribor rate corresponding to the length of each lease, a credit spread was applied to the Freight Railcar and Container operational entities established using the latest asset financings carried out. These spreads reflect the level at which the operational divisions could refinance over a period of 2 to 5 years.

note 1.3. CONSOLIDATION METHODS

IFRS 10 “Consolidated financial statements” applies to all aspects relating to control and consolidation procedures using the full consolidation method.

It defines the concept of control of an entity on the basis of three criteria:

- the power over the entity, that is, the ability to direct the activities that have the greatest impact on its profitability;
- exposure to the entity's variable returns, which may be positive, in the form of a dividend or any other economic advantage, or negative;
- and the ability to exercise power over the entity so as to affect the amount of the returns obtained.

Companies in which the Group directly or indirectly holds a majority of the voting rights at General Assembly, the Board of Directors or the Management Board, giving it the power to govern financial and operating policy are verified and consolidated by the global integration method. Additional analyses are carried out when agreements exist between shareholders in accordance with the recommendations of the standard.

IFRS 11 “Partnerships” applies to aspects relating to the accounting of entities under joint control.

Joint control is established when decisions about the relevant activities of the entity require the unanimous consent of the parties sharing control.

According to the standard, partnerships are classified into two categories (joint ventures and joint activities) depending on the nature of the rights and obligations held by each party. This classification is generally determined by the legal form of the legal vehicle employed to support the project.

- a joint venture (JV) is a partnership in which the parties (venturers) that have joint control over the entity have rights to the net assets of the latter. Joint ventures are consolidated using the equity method.

- A joint activity (joint operation) is a partnership in which the parties (venturers) have direct rights to the assets and direct obligations for the liabilities of the entity. Each venturer recognises its share of assets, liabilities, income and expenses related to its interests in the joint activity.

TOUAX is not in partnership with any of its subsidiaries.

The amended **IAS 28 standard** defines the concept of significant influence and describes the method of equity applicable to holdings in associates and joint ventures under the terms of IFRS 11. Associates are entities over which the Group has significant influence. Significant influence is presumed when the Group's holding is greater than or equal to 20%. It can nevertheless be proven in cases of lower holding percentages, especially where the Group is represented on the Board of Directors or in an equivalent governing body, that it contributes to the development of the entity's operational and financial policies as well as its strategic orientations.

No subsidiary is accounted for using the equity method.

The list of companies included in the consolidation appears below in note 2.2 as well as the method of consolidation.

Commercial and financial transactions and internal profits between consolidated companies are eliminated.

The entry into the capital of TOUAX Rail Ltd of DIF Core Infrastructure Fund II in 2020 did not modify the consolidation rules of TOUAX Rail Ltd. Touax SCA retains control of its subsidiary TOUAX RAIL Ltd and continues to consolidate it by full consolidation in accordance with IFRS 10.

To recall, in 2020, DIF Core Infrastructure Fund II contributed €81.9 million to the capital of TOUAX RAIL Ltd. The costs of the capital increase were recorded as a deduction from reserves totalling €2.4 million. TOUAX RAIL Ltd bought the minority shares in its subsidiaries (Touax Rail Finance 3 Ltd, SRFRL Ltd and TOUAX RAIL India Ltd) at the same time for €31.3 million. The net cash flow from this transaction in TRL's accounts is €48.2 million. This net cash flow benefits the equity group share (Touax Group) by 51% (€24.5 million) and minority interests (DIF Capital Partners) by 49%.

Likewise, TOUAX SCA retained control via its subsidiary Touax Rail Ltd in its sub-subsidiaries Touax Rail Finance 3 Ltd, SRFRL Ltd and Touax Rail India Ltd upon the repurchase of minority shares.

An Earn out of €3.4 million was paid by DIF Core Infrastructure Fund II in 2021 via a capital increase, without however changing the distribution of shares, i.e. 51% for Touax and 49% for DIF Core Infrastructure Fund II.

note 1.4. FOREIGN CURRENCY CONVERSION

note 1.4.1. CONVERSION OF CURRENCY FINANCIAL STATEMENTS FOR FOREIGN SUBSIDIARIES

The reporting currency of the Group is the euro.

The functional currency of subsidiaries is the currency in which the majority of the subsidiary's transactions are carried out.

Financial statements for the Group’s companies are prepared in their functional currency. Financial statements of companies are converted into the Group’s reporting currency (Euro) as follows:
- Assets and liabilities are converted into euros at the closing exchange rate;
- Shareholders’ equity, maintained at the historical rate, is converted at the closing exchange rate;
- The income and cash flow statements are converted at the average exchange rate for the period;
- Profits or losses resulting from the conversion of the financial statements are recognised in a conversion reserve included in the consolidated shareholders’ equity.

Goodwill generated during the acquisition of companies is recognised in the functional currency of the acquired company. The goodwill is then converted at the closing into the Group’s presentation currency. Any differences resulting from the conversion are recognised in the Consolidated Shareholders’ Equity.

Parity: Currency = 1 euro

Exchange rate of currencies	Closing rate		Average rate	
	2021	2020	2021	2020
American dollar (USD)	1,1326	1,2271	1,1828	1,1422
Moroccan dirham (MAD)	10,5165	10,9351	10,6314	10,8538
British pound (GBP)	0,8403	0,8990	0,8596	0,8897
Indian rupee (INR)	84,2292	89,6605	87,4449	84,6392

note 1.4.2. CONVERSION OF TRANSACTIONS IN FOREIGN CURRENCY

Foreign currency operations by consolidated companies have been converted into their functional currency at the exchange rates prevailing on the date of the transaction.

Monetary assets and liabilities in foreign currency have been converted at the exchange rates prevailing on the Balance Sheet date. Exchange rate differences resulting from this conversion (latent gains and losses) are recognised as net financial profit or loss.

Currency gains/losses arising from a monetary component, which is essentially an integral part of the net investment in a consolidated foreign subsidiary, are booked under shareholders' equity (under the item "conversion reserves") until the net investment has been sold or liquidated.

note 1.5. RECORDING OF ASSET COMPANIES OWNED BY INVESTORS

Third-party management enables the Group to increase its capacity as an operational lessor by calling on outside investors who acquire assets.

Analysis of asset companies owned by investors

In the case of asset companies owned by investors, the management of activities is sometimes governed by contractual agreements.

In this case analysis of the contractual agreements makes it possible to assess whether the investor has power over the entity. Some indicators in accordance with IFRS 10:
- The purpose and structuring of the entity: mode of decision making in relation to relevant activities, who has the ability to direct the activities, who receives the yields from these activities, who bears the risks etc;
- The rights given by the contractual agreements established during the creation;
- The commitment by the investor to ensure that the actual operation of the entity conforms to its original concept;
- The relationship between the investor and the entity: Managerial, technological or financial dependence.

Investors' asset companies are not consolidated if the Group does not hold executive authority over activities affecting their performance or assets.

note 1.6. GOODWILL

Goodwill corresponds, on the acquisition date, to the difference between:
- the fair value of the consideration transferred plus the amount of the minority interests in the company acquired and, in a merger of acquisition carried out in steps, the acquisition-date fair value of the acquirer’s previously-held holding in the company acquired, revalued by the income statement, and
- the net balance of the amounts of the identifiable assets acquired and liabilities taken over measured at acquisition-date fair value.

For significant acquisitions, this fair-value measurement is carried out by independent experts.

Minority interests are either valued at their fair value, or at their share in the net identifiable assets of the acquired company. This option is available on a case-by-case basis for each merger operation.

The direct costs in connection with the acquisition are recognised in the period's expenses and are entered under other operating income and expenses, in the consolidated income statement.

Possible price adjustments for the acquisition or merger are valued at the fair value on the date of acquisition even if it is improbable that resources will be needed to discharge that obligation. After the acquisition date, the price adjustment is valued at its fair value at each year-end closing. After twelve months from the acquisition date, any change in the fair value of this price adjustment will be recognised in the income statement if the price adjustment is a financial liability.

In accordance with IFRS 3 “Business Combinations”, goodwill assets are not depreciated.

In accordance with IAS 36 “Impairment of Assets”, they are subjected to an impairment test at least once a year, and at shorter intervals if there is any indication of a loss of value. The test is designed to ensure that the recoverable value of the cash-generating unit (CGU: usually the individual legal entity) to which the goodwill is applied is at least equal to its net book value (see notes to the consolidated financial statements, note 1.9). If an impairment is found, then an irreversible provision is charged to operating income, on a line of its own "Other operating income and expenses".

Should the TOUAX Group increase its percentage stake in an entity it already controls, the additional equity purchase is booked directly to shareholders’ equity as the difference between the price paid for the shares and the additional proportion of the entity acquired. The consolidated value of the entity's identifiable assets and liabilities, as well as the goodwill, remain unchanged.

In the event that shares are sold without loss of exclusive control, the difference between the shares' sale price and the share of consolidated equity at the date of the sale is noted as shareholders' equity (Group's share). The consolidated value of the entity's identifiable assets and liabilities, as well as the goodwill, remain unchanged.

In the event that shares are sold with loss of exclusive control, the income from the sale is calculated on the entire holding at the date of the operation. If there is residual interest, it is evaluated at its fair value in the income statement at the moment that exclusive control is lost.

note 1.7. INTANGIBLE ASSETS

Intangible assets mainly correspond to software and the licence to operate railcars in Asia. Depreciation of software is calculated on a straight-line basis over its useful life. Railcar operating licences are depreciable over 35 years.

note 1.8. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment mainly correspond to equipment (freight railcars, river barges, logistics containers) that are leased.

note 1.8.1. VALUATION AT COST NET OF AMORTISATION AND IMPAIRMENT

Except when acquired as part of a company takeover, property, plant and equipment are recorded at their acquisition or production cost. Gains resulting from intra-group transfers or purchases are eliminated in the consolidated accounts, as are revaluations due to mergers or partial takeovers. At the end of each financial period, the book value is reduced by cumulative amortisation and impairment calculated as required by IAS 36 Depreciation of Assets (see the notes to the consolidated financial statements, note 1.9).

The costs of borrowing used to finance assets defined by the amended IAS 23 are included in the cost of the assets involved. At present, no assets are eligible for application of the revised IAS 23.

note 1.8.2. "COMPONENT" APPROACH

IAS 16 "Property, plant and equipment" requires that an asset's main components with a useful lifetime shorter than that of the asset itself should be identified so as to be depreciated over its own useful lifetime.

The component approach is particularly applicable to the River Barges and Freight Railcar businesses. In the River Barges business, the purchase price of barges is split into hull and propulsion. In the Freight Railcar business, the railcars are divided between the railcar itself and the revisions.

note 1.8.3. DEPRECIATION

Tangible assets are depreciated and are calculated using the straight-line method over the asset's useful lifetime. Land is not depreciated.

- **Terms of depreciation of new goods acquired:**

Useful lifetimes for equipment acquired new are in the following brackets:

- Freight railcars 25 years old (India) to 36 years old (Europe)
- River barges (barges and pushers) 30 years
- Containers (of type "dry") 13 years

The railcars and their axles are reviewed according to a timetable specified by the European standards. By incorporating European standard VPI, revisions of railcars and their axles are depreciated over a period of 3, 6, 9 or 12 years depending on the type of revision.

The depreciation of the containers provides for a residual value, which varies according to the type of container, in accordance with industry standards:

- 20'DC: $1,000
- 40'DC: $1,200
- 40'HC: $1,400

No residual value is retained for freight railcars and river barges.

- **Terms of depreciation of used goods acquired:**

Equipment acquired second-hand is depreciated using the straight-line method over their remaining useful lifetime.

Useful lifetimes of second-hand barges depend on the construction date of the barge, the previous condition of use of the barges, and the materials carried (some materials being more corrosive than others).

note 1.9. IMPAIRMENT OF ASSETS

According to IAS 36 "Impairment of Assets", the recoverable value of Property, plant and equipment and Intangible Assets must be tested as soon as there is any indication of a loss of value (to the company or in the market), and is reviewed at the end of each financial period. This test is carried out at least once a year in the case of assets with an indefinite lifetime, which in the Group's case means goodwill.

For this test, fixed assets are grouped into Cash-Generating Units (CGUs). These are homogeneous groups of assets whose continuous use generates cash flows largely independent of the cash flows generated by other groups of assets. The recoverable value of these units is most often calculated from their value in use, i.e. from the discounted future net cash flows expected on the basis of business scenarios and on forecast operating budgets approved by senior management.

If a CGU's recoverable value is below its net book value, then an impairment is recorded. If the CGU contains an element of goodwill, the impairment is charged first against goodwill before any remaining impairment is charged to the CGU's other fixed assets.

The cash generating units in the Group are:

- The Freight Railcars business as a whole,
- The River Barge business as a whole,
- The Containers business as a whole,

- The Modular Buildings business in Africa as a whole.

Since right of use (property, vehicle) do not generate cash flows independent of those generated by other assets, the amount recoverable for this right of use cannot be determined individually. They are then tested for impairment at the level of the CGU to which they belong.

note 1.10. INVENTORIES

Inventories essentially consist of goods bought for resale in the Freight Railcars and Container divisions, and to a lesser extent in the Modular Buildings division. The inventory turnover period is under a year.

Inventories are valued at the lower of cost and net realizable value.

Net realizable value is the estimated price of a sale in the normal course of business, less estimated finishing and selling costs.

Stocks also include spare parts required for the maintenance of Freight railcars.

note 1.11. PROVISIONS FOR RISKS AND CHARGES

A provision is made in the accounts if, on the relevant Balance Sheet date, the Group has contracted an obligation (whether legally expressed or implicit) and it is probable that a reliably predictable amount of resources will be needed to discharge that obligation.

Provision is made for lawsuits and disputes (industrial, technical) as soon as there is an obligation by the Group to another party on the Balance Sheet date. The amount of the provision made depends on the best estimate of the foreseeable expense.

note 1.12. PENSION AND SIMILAR LIABILITIES

The Group’s pension commitments consist only of severance payments for its French companies’ employees which correspond, under the terms of IAS 19 "Employee Benefits" to "defined benefit plans". Under these schemes, the Group undertakes to pay benefits either on leaving the Group (severance payments) or during retirement. The Group’s schemes are not funded, and a provision is made for them in the accounts. The Group is not involved in any other significant defined benefit plan.

The Group accounts for these superannuation commitments according to the Projected Unit Credit method as required under IAS 19. The method calls for long term actuarial assumptions concerning demographic parameters (staff revenues, mortality) and financial parameters (salary increases, discount rate) to be taken into account. These parameters are reviewed annually. The effect on the amount of the commitment of any changes in the actuarial assumptions is entered under Actuarial Differences. In accordance with IAS 19, the Group recognises these actuarial gains and losses through shareholders' equity and service costs through profit or loss.

In April 2021, the IFRS-IC issued a final decision on how to attribute post-employment benefits to periods of service. Specifically, the interpretation committee concluded that the benefits afforded are granted only during the periods during which the employee renders the services which entitle them to these benefits and no benefit is granted outside of these periods, even if the employee renders services during this time.

The implementation of this decision resulted in insignificant impacts in the consolidated accounts.

note 1.13. SUBSIDIES

The Group has adopted as an accounting method, in accordance with IAS 20, to present public operating subsidies in the financial statements, as a deduction from the expenses to which they are linked, and investment subsidies less the assets concerned to be amortised over the same period.

The Touax group has benefited from energy saving certificates as part of the acquisition of new river barges. In the absence of precision in accounting standards and texts, the Touax Group applies French accounting rules and doctrines (ANC 2014-03 and CNCC chronicle) and therefore considers that these certificates are comparable to an investment subsidy.

note 1.14. SHARE-BASED PAYMENTS

Standard IFRS 2 “Share-based Payment”, imposes the evaluation of transactions remunerated by payment in shares and similar in the company's income and balance sheet. This standard applies to schemes granted after November 7, 2002. The three possible types of transactions specified in IFRS 2 are:
- Share-based transactions settled in equity instruments;
- Share-based transactions settled in cash;
- Share-based transactions settled in equity instruments or in cash.

Benefits are recognised as staff costs and spread over the acquisition period of the entitlements; a counter-entry is made in the form of an increase in shareholders’ equity.

note 1.15. LONG-TERM NON-CURRENT LIABILITIES

Other long-term liabilities record the share at more than one year of liabilities other than borrowings and financial liabilities.

note 1.16. TREASURY STOCK

The treasury stock held by the Group is registered at its acquisition cost as a deduction from shareholders' equity. Gains from the disposal of treasury stock are stated directly as an increase in shareholders' equity, such that capital gains or losses do not affect the consolidated result.

note 1.17. FINANCIAL INSTRUMENTS

note 1.17.1. FINANCIAL ASSETS NON-CASH AND CASH EQUIVALENTS

IFRS 9 is applicable from 1 January 2018:
- The provisions relating to the ranking and valuation of financial assets are now based on the joint analysis of the management model of each asset portfolio and the contractual characteristics of the financial assets;
- the impairment model is based on an approach that takes expected credit losses;
- the provisions for the classification and evaluation of financial liabilities now require changes in fair value related to credit risk for financial liabilities recognised at fair value through profit or loss to be isolated and recognised as non-recyclable reserves;
- provisions relating to hedge accounting, which the Group has chosen to apply from 1 January 2018:
    - make more strategies likely to be eligible for hedge accounting;
    - require that effectiveness be demonstrated by the existence of an economic relationship between the hedged item and the hedging instrument, the absence of domination of the effect of credit risk in the change in value of this economic relationship, the existence of a coverage ratio approaching that of management, knowing that any inefficiency is recorded in profit or loss.

- **Classification and valuation of financial assets**

IFRS 9 introduces a new model for the classification and measurement of financial assets, based on:
- the business model of the entity for the management of financial assets, and
- the characteristics of the contractual cash flows of the financial asset.

For a financial asset within the scope of IFRS 9, there are 3 types of economic models:
- The objective of the business model is to only hold financial assets to pay in contractual cash flows: if the financial asset is designed to pay solely principal and interest ('SPPI'), the financial asset is measured at amortized cost.
- The objective of the business model is both to hold financial assets to pay in contractual cash flows and to sell financial assets: when the characteristics of the financial asset are SPPI, the financial asset is measured at fair value through other global income.
- Interest rate financial assets that are not held in either of the two business models above are measured at fair value through profit or loss.

- **Impairment of financial assets**

A detailed analysis of the impairment model of financial assets, and in particular of receivables, has been carried out. The Group has opted for the simplified method proposed by IFRS 9 for measuring impairment losses on trade receivables, finance lease receivables and other assets recorded at amortised cost.

The Group's financial assets include the following:
- non-current financial assets in the scope of IFRS 9: guarantees and other deposits for equity securities of non-consolidated companies, loans, derivatives;
- non-current financial assets outside the scope of IFRS 9 for the classification and measurement part: the Group reports as assets those assets held under finance leasing in which it operates as a lessor and receivables with a maturity of more than one year;
- current financial assets including short-term trade receivables and finance lease receivables at less than one year.

note 1.17.2. CASH AND CASH EQUIVALENTS

The Cash and Cash Equivalents Balance Sheet item is made up of current bank account balances and cash-based UCITS holdings that can be liquidated in the short term.

UCITS holdings with a negligible risk of changing value are categorized as highly liquid short-term holdings and are evaluated at fair value.

The net cash position from the cash flow statement is determined on the basis of cash holdings, as defined above, less current bank advances and overdrafts.

note 1.17.3. FINANCIAL LIABILITIES

The Group's financial liabilities include bank loans, interest-bearing bonds, supplier debt and derivatives.

The loans are broken down into current liabilities (the part repayable within the twelve months following the balance sheet date) and non-current liabilities (with due dates of over twelve months).

Subsequently, they are subsequently evaluated at amortized cost using the effective interest rate method.

To date, only hedging instruments are valued at fair value.

Loans are initially recorded at fair value adjusted by directly attributable transaction costs. These other financial liabilities are measured at amortized cost.

note 1.17.4. DERIVATIVE FINANCIAL INSTRUMENTS

In 2021, the Group signed forward exchange contracts (maturity in 2022) to hedge foreign exchange risk exposure on the US dollar. Subscribed derivatives are recognised at fair value. Their impact on income fully or partially offsets gains and losses recorded in profit or loss on foreign currency exposure.

Some of the Group's operations are financed by variable-rate loans, some of which are hedged by interest rate derivatives, within the scope of the cash-flow hedges, in order to reduce the Group's exposure to interest rate risk.

Changes in the fair value of swap contracts are recognised as recyclable reserves for the effective part. The ineffective part is recognised directly in the financial result.

The Group believes that existing hedges and qualifying hedges meet the hedge accounting eligibility criteria in accordance with IFRS 9.

note 1.18. HYBRID CAPITAL (UNDATED SUPER SUBORDINATED NOTES)

The Group issued Undated Super Subordinated Notes (TSSDI). These open-ended securities give TOUAX the option of repaying them at par every three months from 1 August 2019. The coupon is payable quarterly by the company.

This financial instrument enhances the structure of the Group's balance sheet when considering the lifetime of its assets and its business financing requirements. Under IFRS, these securities are analysed as equity instruments under IAS 32.

note 1.19. TAXES ON PROFITS

Deferred taxes are recognised (undiscounted) according to the method of variable carrying-forward of the differences due to timing between the assets' and liabilities' values for tax purposes and their book values in the consolidated accounts. In this way each financial period is assigned its appropriate tax charge, particularly in view of the temporary discrepancies that may arise between the date when certain revenues and charges are booked and their effective date for tax purposes.

Any deferred tax assets resulting from these temporary differences or tax losses to be carried forward are only retained on the books to the extent that the companies or groups of companies consolidated for tax purposes are reasonably sure of realizing the benefits in subsequent years.

The rates used to calculate deferred taxes are the tax rates voted on the closing date of the accounts, which will be in force on the day the temporary differences are reversed.

Tax assets and liabilities applying to the same tax entity (or fiscally-consolidated group) are offset in the Balance Sheet.

Deferred tax is recognised as a revenue or charge in the Income Statement unless it relates to a transaction or event recognised directly in shareholders' equity.

Deferred taxes are presented on their own lines in the Balance Sheet, under Fixed Assets or Non-Current Liabilities, as the case may be.

note 1.20. REVENUE AND EXPENSES FROM ACTIVITIES

The Group is an operational lessor of standard sustainable transport equipment (Freight Railcars, River Barges, Logistics Containers). Leased equipment may be owned by the Group or by active or passive investors and managed by the Group under management contracts. In addition to its leasing activity, the group buys and sells Freight railcars, River barges and Logistics containers.

note 1.20.1. CLASSED AS AGENT OR PRINCIPAL.

In accordance with the requirements of IFRS 15, the Group must determine if it is acting as principal or agent in the provision of goods or services to a client.

The Group must meet the following criteria to qualify as principal, otherwise the Group will be classified as an agent and will have to record the margin or fee as revenues:

- The company has the primary responsibility for providing goods or services, for example by being responsible for the quality of goods and services ordered or sold to the client.
- The company bears the risks associated with holding stocks before the client order, during transportation or in case of return.
- The company is free to set selling prices, directly or indirectly.

The Group operates and manages equipment on behalf of third-parties as part of its container and freight railcar leasing businesses. Pools of equipment are sometimes put together for this purpose, bringing together several investors, including sometimes the Group. These pools correspond to a group of equipment usually of the same type and age. This organisation enables the pooling of revenues and expenses of equipment grouped in the same pool, governed within the scope of management contracts. These management contracts do not constitute joint ventures.

In the context of management on behalf of investors, the Group may act as principal or as agent depending on whether the investors are respectively passive or active. Investors are active when they make decisions on the conditions of use of their equipment. The new management contracts signed with investors since 2019 qualify the Group as agent, whereas the Group previously acted as principal.

Thus when the Group acts as “principal” for management on behalf of passive investors, it records:

- gross leasing income invoiced to its clients for equipment managed as leasing revenues
- the operating expenses of all the equipment managed are booked under Operating Expenses
- The share of net income distributed to investors is recorded under distributions to investors (see notes to the consolidated financial statements note 1.22).

When the Group acts as an “agent” for management on behalf of active investors, it only records the management fee as revenue. It should be noted that the management fee corresponds to gross leasing income, less operating expenses and distributions paid to investors.

Therefore, the accounting processes resulting from the designation of agent or principal have no impact on EBITDA or income. The only effect of these processes is a different presentation in the income statement, offset reversed in the case of principal and offset in the case of agent.

note 1.20.2. REVENUE FROM ACTIVITIES: THE DIFFERENT COMPONENTS

The Group therefore records leasing revenues in leasing activity (see note 1.20.1) which is broken down, for greater transparency, between equipment held directly, equipment held by passive investors and management fees relating to equipment held by active investors:

- Leasing revenues from equipment owned by the Group
- Leasing revenues from equipment owned by passive investors
- Management fees for assets held by active investors

When the Group leases equipment to its clients, it may invoice ancillary services (see note 1.20.4) like the repair of equipment if damaged by clients. The Group thus records:

- Ancillary Services

The Group also sells equipment (see note 1.20.5). When equipment is owned by the Group, it records the proceeds from the sale of this equipment. When the equipment is owned by investors, the Group records the margin generated between the sale price of the equipment and the price paid to the investor. This margin is generally called the sales fees. The Group thus records:

- Sales of owned equipment
- Sales fees of equipment held by investors.

For greater clarity, the Touax Group is mandated by the investor to sell its assets at the most opportune moment in the asset's life cycle and market conditions. The Touax Group's commission for selling these assets is determined when the management contract is signed with the investor. The sale of investor assets is always conditional on the investor's agreement on the sale and the sale price. As soon as the investor's agreement is given and the containers are transferred, the sale is considered perfect and the sales commission is due. The investor therefore no longer has any rights or interests in the transferred assets. The Touax group can then acquire these containers from the client without altering the previous sale between the investor and the client. In this case, the transfer commission relating to the sale between the investor and the client, due by the investor, is recorded immediately on the day of the sale in "sales fees".

In addition, the Group sells equipment to investors under third-party management agreements (see note 1.20.6). The Group purchases new equipment, carries it on its balance sheet and leases it to its clients. It may then sell some of its equipment managed concurrently under a management contract to investors. The sale of equipment to investors is known as syndication and is compensated by a margin equivalent to the difference between the equipment purchase and sale price. This margin is called the syndication fee. The Group thus records revenue from the following activities:

- Syndication fees.

Finally, the Group sometimes sells fixed assets that are not part of its recurring leasing activity. The difference between the sale price and the net book value of fixed assets is classed as a capital gain or loss on disposal. The group records revenue activities:

- Capital gains or losses on disposals unrelated to recurring activities

note 1.20.3. LEASING REVENUE AND LEASES

The Group purchases and leases standard mobile equipment to its clients. The vast majority of client leases are operating or finance leases if Group indicators qualify them as such.

Once the equipment is leased to clients, the Group may decide to sell certain equipment to investors, thereby transferring ownership of the leased equipment to them. Depending on whether the investors are active or passive, the group acts as an agent or as a principal.

These leases define the standard leasing terms: the price per day, duration, payment date, obligations and rights of the lessee. The vast majority of leases are operating leases. Contracts are categorised as operating or finance leases in accordance with the IFRS standard on the date the lease is signed. The qualification of contracts prior to 1 January 2019 was only reviewed for sublease contracts in accordance with the standard and resulted in an operating sub-lease classification.

As part of the management of equipment on behalf of passive investors, it was decided that the group was classified as an intermediate lessor according to IFRS 16. As part of the management of equipment on behalf of active investors, the group acting as an agent and IFRS 16 not being applicable, only the management fees for this equipment are recorded as leasing activity.

Thus, the income from the leasing activity, recorded in turnover, comes from:
- the leasing of equipment owned by the Group,
- and the leasing of equipment held by investors.

Leasing revenues from equipment owned by the group is recorded under the heading “leasing revenues from directly owned equipment". It should also be noted that interest income from finance leasing granted to clients is also recorded in leasing revenues from equipment held directly (€29 thousand in 2020, €54 thousand in 2019).

Leasing revenues from equipment owned by passive investors is recorded under the heading “leasing revenues from directly owned equipment".

Leasing revenue from equipment held by active investors is not recorded as revenue, only the management fee for this equipment being recorded in the section “Management fees”.

Changes in leasing revenues are therefore directly connected with the fleets and pools of equipment owned or managed by the Group, the leasing rates, and the utilisation rate of the equipment.

note 1.20.4. RE-INVOICING OF ANCILLARY SERVICES

Ancillary services are invoiced at the time of equipment leasing. Ancillary services also include revenue from the River Barges business resulting from chartering activities.

- Ancillary services to the leasing of containers:
  - Collection charges: costs charged to lessees for container removal;
  - Delivery costs: costs charged to lessees when returning containers to certain areas;
  - Repairs re-invoiced: costs re-invoiced to lessees for repairs to containers at the end of the lease period;
  - Handling re-invoiced: costs re-billed to lessees for handling fees paid to depots.
- Services ancillary to Freight Railcar leasing:
  - Repair costs: costs re-invoiced to lessees for repairs to railcars during or at the end of the lease period.
  - Transport costs: costs re-invoiced to lessees for transport costs incurred during the lease period and generated by repairs, for example in workshops.
- Ancillary services in the Barges Division:
  - Chartering: this activity includes organising the transport of goods or bulk goods by river (including loading and unloading) as a sub-contractor to river operators. The price of services is based on a price per tonne transported with variable components such as the price of diesel, water level.

The prices of the services provided to lessees are clearly defined in the leases leading to the recording of these separate re-invoices in accordance with IFRS 15, without any problem of price allocation between the lease and the provision of the service.

note 1.20.5. SALE OF EQUIPMENT

The sale of equipment to clients is a regular activity of equipment leasing companies. The Touax Group buys, leases and sells equipment but also carries out trading activities (buying/selling). The equipment sold may be new or used equipment belonging to the Touax Group or to investors.

a. Equipment belonging to the Touax Group (trading/used equipment activity)

The Touax Group sells its own equipment to end clients, whether this relates to new or used equipment. The transfer of the control of the asset takes place at the moment possession of the material is taken and payment is made by the client. The Group recognises this transaction as revenue for the amount invoiced and its write-off cost in the balance sheet as "Purchase cost of sales".

Sales of equipment owned include revenues generated by sales to end customers and from the transfer of assets held for leasing. The corresponding purchases of equipment and the net book values are booked under "External Purchases and Expenses" in the type-classified Income Statement, and under "Purchase cost of Sales" in the activity sector- and function-classified Income Statement as presented in note 3. Equipment purchased intended for sale and not yet resold appears in end-of-period stocks (see note 1.10).

b. Investor-owned materials (used equipment)

The Touax Group, acting as agent for investors in connection with the sale of their equipment, records the sales commission as revenue (see note 1.20.1).

c. Sale of modular buildings in Africa

The Group records sales of modular buildings either on completion or on a given date depending on the performance obligation it must meet.

To determine whether a performance obligation should be accounted for on completion or on a given date, contracts must be analysed according to the following criteria:

(i) the client benefits from the service as the entity's performance improves;

(ii) the client controls the asset as it is constructed by the entity;

(iii) the asset has no alternative purpose for the entity and the entity has, at any time, in the event of termination by the client, an enforceable right to payment for the value of work carried out to date.

If one of the three criteria is met, the performance obligation is accounted for by percentage of completion.

note 1.20.6. SYNDICATION FEES (SALES OF EQUIPMENT TO INVESTORS)

Within the scope of management on behalf of third parties, the Group buys new equipment, carries them on its balance sheet, leases them and can then sell certain equipment to investors. A management contract is then concluded between the Group and the investors. The transfer of equipment to investors is called syndication and is remunerated by a syndication commission. At the end of the management period, the Group sells equipment belonging to investors to end customers or other investors.

According to the criteria of IFRS standards, syndication entails the transfer to the investor of control over the asset. Syndication transactions previously carried out with passive investors fall within the scope of IFRS 16 of sale-leaseback transactions. In accordance with this standard, transactions prior to 1 January 2019 are not restated. No syndication transaction has been carried out with passive investors since that date. Syndication transactions carried out with active investors do not fall within the scope of IFRS 16. In this case, the syndication commission is analysed according to the criteria of IFRS 15 and recorded at the time of the transfer.

note 1.21. OPERATING PROVISIONS

This item mainly records allocations and reversals relating to provisions for bad debts.

The unrecoverable losses are presented in other operating income and expenses.

note 1.22. NET DISTRIBUTIONS TO INVESTORS

Net distributions to investors correspond to the net income paid to passive investors (variable lease payments in the accounting plan), within the framework of management contracts resulting from syndication transactions carried out before the 1 January 2019. As a reminder, under these contracts, the income from the leasing of such equipment by the Group to its clients, is paid to investors after deduction of the Group's management fees and equipment expenses incurred. No return is guaranteed to investors and the net income paid to investors is variable as it depends on the leasing of this equipment, the payment of these leases by clients and related equipment expenses.

As described previously, management contracts entered into prior to the application of IFRS 16 (1 January 2019) have been analysed as leases, taking into account the criteria of the standard, and net distributions to investors as totally variable lease payments not based on indices or rates. In accordance with the transition provisions (paragraph C18), these contracts are treated like any lease at the transition date without reassessing - as per the provisions of IFRS 16 - the treatment of the sale and leaseback transaction underlying it. Consequently, the right of use and the resulting lease debt are zero and net distributions to investors are recognised as expenses in the year in which they are incurred.

note 1.23. OTHER OPERATING INCOME AND EXPENSES

Significant, unusual or infrequent elements are presented separately in the income statement under Other operating income and expenses. As an example, this section includes goodwill impairment, acquisition costs of the equity investments, variations in the fair value of the additional amounts included in the prices agreed when acquiring stock and restructuring costs.

note 1.24. OPERATING INCOME

Operating income is the difference between pre-tax revenues and expenses, excluding those from financial activities, discontinued activities or activities being disposed of.

note 1.25. EBITDA

EBITDA (Earnings before interest, tax, depreciation and amortization) is an important indicator for the Group, allowing it to assess economic performance. It is the current operating income after depreciation and impairment losses restated under IAS 36 impairment tests (see note 1.8 and note 1.9).

note 1.26. SECTOR INFORMATION

In view of the basic structure of the Group’s internal organisation and management, the first level of sector information applied in accordance with IFRS 8 “Sector information” is that based on the Group’s activities.

The Group's business is the operational leasing of standard sustainable transport equipment. It conducts its main business in three areas: Freight Railcars, River Barges and Containers. The Modular Buildings, property and central costs activities that remain insignificant are grouped together in a single "miscellaneous" sector.

Geographic sectors depend on the location of markets and reflect asset locations.

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

In the Container business, markets are in other locations than those of the clients and services. The location of the markets and geographic zones of the Container business correspond to the location of the assets. Containers are moved regularly from country to country via international trade over hundreds of trading routes. The TOUAX Group has neither knowledge nor control over the location or movements of leased containers. Based on container leases in force at 31 December 2021, containers may be in the ports of over a hundred countries worldwide. As a result, it is not possible to break down the revenue or assets of the Container business by geographic zone. The Container business is categorised in the international zone. This presentation is consistent with the practices of the container industry.

note 1.27. THE IMPACT OF COVID-19 FOR THE TOUAX GROUP

Significant health measures have been implemented by many countries to limit the spread of the virus: travel restrictions, compulsory quarantine periods for people from affected regions, closing of borders, confinement of populations, closing of shops other than those selling basic necessities, closing of hotels, theatres, public places, etc. These measures are causing economic disruption with implications for international freight traffic and the financial health of many businesses. The repetition of such events could lead to the inability of the Group to lease equipment and make it impossible for Group tenants to meet their leasing payment obligations to Group companies, which, in turn, would have a significant adverse effect on the Group's financial results.

The Group was not significantly impacted by the health crisis during 2021 and leasing activities have shown some stability since the start of the year. We are unable to anticipate the impact on the Group for 2022 and subsequent periods due to the extreme unpredictability of these events.

NOTE 2. SCOPE OF CONSOLIDATION

note 2.1. CHANGES IN THE SCOPE OF CONSOLIDATION

Number of consolidated companies	2021	2020
French companies	5	5
Foreign companies	22	22
TOTAL	**27**	**27**
Of which perimeter entries		
Of which perimeter exits		2

note 2.2. LIST OF CONSOLIDATED COMPANIES IN 2021

Company name	Activity	Geographical area	Percentage of control	Percentage of share	Consolidation method
TOUAX SCA	Holding, parent company	Europe			
TOUAX CORPORATE SAS	Services	Europe	100%	100%	FC*
TOUAX UK LIMITED	Services	Europe	100%	100%	FC*
GOLD CONTAINER Corporation	Containers	North America	100%	100%	FC*
TOUAX CONTAINER Asset Financing Ltd	Containers	Europe	100%	100%	FC*
TOUAX CONTAINER Investment Ltd	Containers	Asia	100%	100%	FC*
TOUAX CONTAINER Leasing Pte Ltd	Containers	Asia	100%	100%	FC*
TOUAX CONTAINER SERVICES SAS	Holding of the division	Europe	100%	100%	FC*
TOUAX CORP	Containers	North America	100%	100%	FC*
TOUAX AFRICA SAS	Holding of the division	Europe	51%	51%	FC*
TOUAX Maroc Capital SARL	Modular Buildings	Africa	100%	51%	FC*
TOUAX MAROC SARL	Modular Buildings	Africa	100%	51%	FC*
RAMCO SARL	Modular Buildings	Africa	100%	51%	FC*
SRF RAILCAR LEASING Ltd	Freight Railcars	Europe	100%	51%	FC*
TOUAX RAIL Ltd	Holding of the division	Europe	51%	51%	FC*
TOUAX RAIL FINANCE Ltd	Freight Railcars	Europe	100%	51%	FC*
TOUAX RAIL FINANCE 2 Ltd	Freight Railcars	Europe	100%	51%	FC*
TOUAX RAIL FINANCE 3 Ltd	Freight Railcars	Europe	100%	51%	FC*
TOUAX RAIL INDIA Ltd	Freight Railcars	Europe	100%	51%	FC*
TOUAX RAIL ROMANIA SA	Freight Railcars	Europe	57,50%	29,33%	FC*
TOUAX TEXMACO RAILCAR LEASING Pte Ltd	Freight Railcars	Asia	50%+	25,50%	FC*
CS DE JONGE BV	River Barges	Europe	100%	100%	FC*
EUROBULK TRANSPORTMAATSCHAPPIJ BV	River Barges	Europe	100%	100%	FC*
TOUAX RIVER BARGES SAS	Holding of the division	Europe	100%	100%	FC*
TOUAX LEASING Corp	River Barges	North America	100%	100%	FC*
TOUAX HYDROVIA Corp	River Barges	South America	100%	100%	FC*
TOUAX HYDRO LEASE Corp	River Barges	South America	100%	100%	FC*

* Full Consolidation

NOTE 3. SECTOR INFORMATION

The key indicators of the Group's activity report are presented differently from the IFRS income statement to allow an understanding of the performance of the activities. For this, no distinction is made in management on behalf of third parties, which is presented in the exclusive form of an agent:

- Income from activities is restated in order to present owned activities on the one hand and management activities on the other.
- For management activities, leasing revenue from equipment held by investors is replaced by management fees, which correspond to the net contribution of leasing management activity to the performance of the Group.

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

note 3.1. TABLE OF TRANSITIONS

Table showing transition of published figures to restated figures as presented in note 3.2:

Consolidated income statement, presented by function	**31.12.2021**					**31.12.2020**				
		Restatements					Restatements			
(in thousands of euros)	Published	Freight railcars	Containers	River Barges	Restated	Published	Freight railcars	Containers	River Barges	Restated
Leasing revenues on owned equipment	56 691				56 691	52 344				52 344
Ancillary services	20 879	(581)	(918)		19 380	18 140	(539)	(4 826)		12 775
Total leasing activity	**77 570**	**(581)**	**(918)**	**0**	**76 071**	**70 484**	**(539)**	**(4 826)**	**0**	**65 119**
Sales of owned equipment	40 325				40 325	36 112				36 112
Total equipment sales activity	**40 325**				**40 325**	**36 112**				**36 112**
Total of owned activity	**117 895**	**(581)**	**(918)**	**0**	**116 396**	**106 596**	**(539)**	**(4 826)**	**0**	**101 231**
Leasing revenue from equipment held by investors	44 328	(12 951)	(31 377)			49 760	(13 557)	(36 202)		
Syndication fees		570	1 723	710	3 003		1 191	48	1 047	2 286
Management fees	721	1 292	1 627		3 641	381	1 338	1 914		3 633
Sales fees	1 366				1 366	4 369		23		4 392
Total of management activity	**46 415**	**(11 089)**	**(28 027)**	**710**	**8 010**	**54 510**	**(11 028)**	**(34 217)**	**1 047**	**10 311**
Syndication fees	3 003	(570)	(1 723)	(710)		2 286	(1 191)	(48)	(1 047)	
Capital gains or losses on disposals unrelated to recurring activities	558				558	16				16
Revenue from activities	**167 871**	**(12 240)**	**(30 668)**	**0**	**124 964**	**163 408**	**(12 758)**	**(39 092)**	**0**	**111 558**
Cost of equipment sales	(28 887)				(28 887)	(27 169)				(27 169)
Operating expenses	(27 424)	5 787	1 424		(20 213)	(27 211)	6 332	5 160		(15 719)
Sales, general and administrative expenses	(22 790)				(22 790)	(21 848)				(21 848)
GROSS OPERATING MARGIN (EBITDAR)	**88 771**	**(6 454)**	**(29 245)**	**0**	**53 073**	**87 180**	**(6 427)**	**(33 932)**	**0**	**46 821**
Net distributions to investors	(35 698)	6 454	29 245			(40 359)	6 427	33 932		
EBITDA	**53 073**	**0**	**0**	**0**	**53 073**	**46 821**	**0**	**0**	**0**	**46 821**
GROUP SHARE OF NET INCOME	**12 552**	**0**	**0**	**0**	**12 552**	**5 862**	**0**	**0**	**0**	**5 862**

note 3.2. INCOME STATEMENT BY ACTIVITY, PRESENTED BY FUNCTION

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

2020 *(in thousands of euros)*	Freight Railcars	River Barges	Containers	Miscellaneous & Eliminations	Total
Leasing revenues on owned equipment	36 086	6 655	9 548	55	52 344
Ancillary services	6 211	4 067	2 777	(280)	12 775
Total leasing activity	**42 297**	**10 722**	**12 325**	**(225)**	**65 119**
Sales of owned equipment	2 096	56	21 010	12 950	36 112
Total equipment sales activity	**2 096**	**56**	**21 010**	**12 950**	**36 112**
Total of owned activity	**44 393**	**10 778**	**33 335**	**12 725**	**101 231**
Syndication fees	1 192	1 046	48		2 286
Management fees	1 608		2 025		3 633
Sales fees			4 392		4 392
Total of management activity	**2 800**	**1 046**	**6 465**		**10 311**
Capital gains or losses on disposals unrelated to recurring activities				16	16
RESTATED REVENUE FROM ACTIVITIES	**47 193**	**11 824**	**39 800**	**12 741**	**111 558**
Cost of equipment sales	(1 109)		(17 745)	(8 315)	(27 169)
Operating expenses	(8 637)	(4 041)	(2 084)	(957)	(15 719)
General and administrative expenses	(10 899)	(2 622)	(8 405)	78	(21 849)
EBITDA	**26 548**	**5 161**	**11 566**	**3 547**	**46 821**
Depreciation and impairments	(15 520)	(3 253)	(3 508)	(1 243)	(23 524)
Current operating income	**11 028**	**1 908**	**8 058**	**2 303**	**23 297**
Other operating income and expenses	(13)		10	(106)	(109)
OPERATING INCOME	**11 015**	**1 908**	**8 058**	**2 197**	**23 188**
Financial profit or loss					**(13 216)**
Share of income in associate companies					
CURRENT INCOME BEFORE TAX					**9 972**
Corporate tax					(1 003)
Net income from retained activities					8 969
Net income from discontinued activities					(132)
NET INCOME					**8 837**
Of which non-controlling interest in retained activities (minority)					2 975
of which non-controlling interest in discontinued activities					
GROUP SHARE OF NET INCOME					**5 862**
Of which net income from retained activities					5 994
Of which net income from discontinued activities					(132)

note 3.3. BALANCE SHEET BY DIVISION

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

31 December 2020 *(in thousands of euros)*	**Freight Railcars**	**River Barges**	**Containers**	**Miscellaneous & Eliminations**	**TOTAL**
ASSETS					
Goodwill	5 101				5 101
Intangible assets	426	9	142	51	628
Tangible assets	210 153	34 384	60 480	2 946	307 963
Right of use	240	12 779	301	1 444	14 764
Long-term financial assets	1 300	13	3 413	105	4 831
Other non-current financial assets	1 081	131	4		1 216
Deferred tax assets					
TOTAL non-current assets	**218 301**	**47 316**	**64 340**	**4 546**	**334 503**
Inventories and Work in Progress	24 576	2	8 416	1 950	34 944
Trade receivables	15 108	3 396	8 986	3 830	31 320
Other current financial assets	2 692	463	1 115	6 618	10 888
Cash and cash equivalents				62 304	62 304
TOTAL current assets	**42 376**	**3 861**	**18 517**	**74 702**	**139 456**
TOTAL ASSETS					**473 959**
LIABILITIES					
Share capital				56 092	56 092
Hybrid capital				25 936	25 936
Reserves				4 368	4 368
Income for the period, Group's share				5 862	5 862
Shareholders' equity attributable to owners of the Group's parent company				**92 258**	**92 258**
Non-controlling interests (Minority interests)	62 730			(8 250)	54 480
Total shareholders' equity				**84 008**	**146 738**
Loans and Financial liabilities				230 358	230 358
Long-term lease liability				7 840	7 840
Deferred tax liabilities				3 527	3 527
Pension and similar liabilities		48	63	441	552
Other long-term liabilities	1 343				1 343
TOTAL non-current liabilities		**48**	**63**	**242 166**	**243 620**
Provisions			25	69	94
Short-term lease liability				3 587	3 587
Borrowings and current bank facilities				21 732	21 732
Trade payables	5 001	705	1 621	2 875	10 202
Other current liabilities	14 231	1 266	21 136	11 353	47 986
TOTAL current liabilities	**19 232**	**1 971**	**22 782**	**39 616**	**83 601**
TOTAL LIABILITIES					**473 959**
Intangible & tangible investments, during the period	24 565	3 070	18 152	166	45 952
Workforce by activity (FTE)	**65**	**8**	**42**	**132**	**247**

note 3.4. GEOGRAPHICAL INFORMATION

(in thousands of euros)	**International**	**Europe**	**N & S America**	**Other**	**TOTAL**
2021					
Revenue from activities	77 834	68 948	2 880	18 210	167 872
Intangible and tangible investments	20 161	19 569		7 230	46 960
Total Non-current assets	78 840	219 549	23 281	36 373	358 043
2020*					
Revenue from activities	78 624	65 780	2 846	16 158	163 408
Intangible and tangible investments	18 152	24 970		2 830	45 952
Total Non-current assets	64 340	219 873	22 612	27 678	334 503

The Container activity has been grouped in the International column.

NOTES REGARDING THE INCOME STATEMENT

NOTE 4. REVENUE FROM ACTIVITIES

Breakdown by type *(in thousands of euros)*	2021	2020	Variation 2021/2020	
Leasing revenues on owned equipment	56 691	52 344	4 347	8,3%
Ancillary services	20 879	18 140	2 739	15,1%
Total leasing activity	**77 570**	**70 484**	**7 086**	**10,1%**
Sales of owned equipment	40 325	36 112	4 213	11,7%
Total equipment sales activity	**40 325**	**36 112**	**4 213**	**11,7%**
Total of owned activity	**117 895**	**106 596**	**11 299**	**10,6%**
Leasing revenue from equipment held by investors	44 328	49 760	(5 432)	-10,9%
Syndication fees	3 003	2 286	717	31,4%
Management fees	721	381	340	89,2%
Sales fees	1 366	4 369	(3 003)	-68,7%
Total of management activity	**49 418**	**56 796**	**(7 378)**	**-13,0%**
Capital gains or losses on disposals unrelated to recurring activities	558	16	542	3387,5%
Total Revenue from activities	**167 871**	**163 408**	**4 463**	**2,7%**

Revenue from activities increased by €4.5 million (or +2.7%) from €163.4 million in 2020 to €167.9 million in 2021. On a constant consolidation and currency basis, revenue from activities increased by 4.4 %.

- **Owned activity**

Leasing activity includes leasing income, chartering income, income from the provision of services associated with the leasing of equipment, financial income from finance leases (€24 thousand in 2021, €29 thousand in 2020) in which the Group is lessor.

Leasing activity increased by €7.1 million from €70.5 million in 2020 to €77.6 million in 2021, representing a +10.1% increase. This change is mainly due to the increase in utilisation rates and daily leasing rates. The change in the leasing activity at constant exchange rate and scope of consolidation was +11.3% (depreciation of the average US dollar rate): €1.1422 in 2020, €1.1828 in 2021).

Equipment sales include sales of new or used equipment to end clients.

The equipment sales activity increased by €4.2 million (therefore +11.7%), rising from €36.1 million in 2020 to €40.3 million in 2021, and mainly relates to Containers and Modular Buildings.

- **Management activity**

Management activity decreased by 13% and is explained by a reducing fleet (mainly in the Container activity, in number of CEUs).

Syndication fees amounted to €3 million compared to €2.3 million in 2020, an increase of €0.7 million.

NOTE 5. PURCHASES AND OTHER EXTERNAL EXPENSES

Purchases and other external expenses increased by €3 million or +5% in 2021. The costs of sales increased by €1.9 million, in line with sales revenues (see note 4). Other external services increased by €1.2 million, mainly explained by the increase in maintenance costs.

Operating expenses for assets held by active investors are not recorded in other external expenses (see note 1.20.1).

NOTE 6. STAFF COSTS

(in thousands of euros)	2021	2020	Variation 2021/2020	
Salaries & social security contributions	(16 031)	(15 817)	(214)	1,4%
WORKFORCE (FTE*) AS AT 31 DECEMBER	**249**	**247**	**2**	**0,8%**

* FTE = full-time equivalent employee

In order to enable the employees of the French economic and social unit (which includes the companies TOUAX Corporate, TOUAX Container Services and TOUAX River Barges) to share in the Group's performance, a compulsory profit-sharing agreement allows the payment to be made to employees which they can invest in the Company Savings Plan. The formula adopted is the legal calculation formula. Half of the amount is distributed in proportion to attendance time in the company during the financial year, and half is distributed in proportion to the salary of each beneficiary during the financial year concerned. No profit share payments were made in 2021.

NOTE 7. OTHER OPERATING INCOME AND EXPENSES

(in thousands of euros)	2021	2020	Variation 2021/2020	
Other operating income	400	912	(512)	-56,1%
Other operating expenses	(649)	(1 834)	1 185	-64,6%
TOTAL OTHER OPERATING INCOME AND EXPENSES	**(249)**	**(922)**	**673**	**-73,0%**

In 2021, other operating income and expenses recorded losses on bad debts of €0.5 million (€1.7 million in 2020). Some receivables written off were provisioned and the reversal of these provisions appears under the heading Operating provisions (see note 8).

NOTE 8. OPERATING PROVISIONS

(in thousands of euros)	**2021**	2020	Variation 2021/2020	
Reversals of operating impairment	1 209	4 182	(2 973)	-71,1%
Operating impairment	(330)	(2 991)	2 661	-89,0%
TOTAL OPERATING PROVISIONS	**879**	**1 191**	**(312)**	**-26,2%**

In 2021, net reversals of operating provisions amounted to +€0.9 million and corresponded to net reversals of impairment and bad debts.

In 2020, net reversals of operating provisions amounted to +€1.2 million and corresponded to net reversals of impairment and bad debts.

NOTE 9. NET DISTRIBUTIONS TO INVESTORS

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

(in thousands of euros)	**2021**	2020	Variation 2021/2020	
Freight railcars	(6 454)	(6 427)	(27)	0,4%
Containers	(29 244)	(33 932)	4 688	-13,8%
TOTAL	**(35 698)**	**(40 359)**	**4 661**	**-11,5%**

Net distributions to investors correspond to the variable payments of the net income of expenses and the management commission of the assets belonging to investors who are managed by the Group and leased to its clients. The majority of these assets are containers. Containers are denominated in US dollars and leased in US dollars.

On a constant currency basis, distributions to investors decreased by €3.6 million or -9% due to the decrease in the fleet.

The share of net income returned to active investors is not recorded as distributions to investors (see note 1.20.1).

- **Freight Railcars**

The Group managed 2,242 railcars (equivalent to 3,106 platforms) in Europe and the United States in 2021 on behalf of third parties, compared with 2,120 railcars (2,861 platforms) in 2020.

- **Containers**

On 31 December 2021, the Group managed 281,405 CEUs for third parties, compared with 305,882 CEUs on 31 December 2020. The decrease in distribution to investors is explained by the reduction in the fleet of containers under management with passive investors, following the disposal of older containers.

NOTE 10. DEPRECIATION AND IMPAIRMENTS

(in thousands of euros)	**2021**	2020	Variation 2021/2020	
Allocation to depreciation of assets	(22 615)	(21 550)	(1 065)	
Allocation to depreciation of rights of use	(1 657)	(1 930)	273	
Allocations to depreciation	**(24 272)**	**(23 480)**	**(792)**	**3,4%**
Other provisions	(47)	(44)	(3)	
TOTAL	**(24 319)**	**(23 524)**	**(795)**	**3,4%**

In 2021, the increase of €0.8 million in allocations to depreciation and impairment of assets is mainly explained by the depreciation of capitalisations of overhauls, spare parts in the Freight Railcar division.

NOTE 11. FINANCIAL PROFIT OR LOSS

(in thousands of euros)	**2021**	2020	Variation 2021/2020	
Income in cash and cash equivalent	**22**	**18**		
Interest charges on financing operations	(11 440)	(11 498)		
Gross cost of financial debt	(11 440)	(11 498)		
Net cost of financial debt	**(11 418)**	**(11 480)**	**62**	**-0,5%**
Gains and losses related to the discharge of debts	380	(232)		
Dividends received	27	17		
Interest paid on leases	(393)	(387)		
Discounted financial income and expenses	(36)	17		
Financial income and expenses	(462)	(1 151)		
Other financial income and expenses	**(484)**	**(1 736)**	**1 252**	**-72,1%**
FINANCIAL PROFIT/LOSS	**(11 902)**	**(13 216)**	**1 314**	**-9,9%**

The net expense is broken down into the cost of net financial debt and other financial income and expenses.

- The cost of financial debt was stable between the two periods and is explained by an increase in the average debt and a fall in the average debt rate.
- Other financial income and expenses increased by €1.3 million, mainly due to the foreign exchange result and the drop in other financial expenses.
  IFRS 16 has an impact on other financial income and expenses of €0.4 million in 2021, stable compared to 2020.

NOTE 12. TAXES ON PROFITS

note 12.1. ANALYSIS OF THE TAX CHARGE RECOGNISED IN THE INCOME STATEMENT

Taxes on profits consist of taxes currently payable by Group companies and deferred tax arising from tax losses and temporary discrepancies between consolidated income shown in the Group's Financial Statements and income established for tax purposes.

The Group has opted for the tax consolidation system in the United States, France and the Netherlands and has formed the following groups:

- TOUAX Corp. and Gold Container Corp.: American tax group;
- TOUAX SCA, TOUAX Container Services SAS, TOUAX Corporate SAS and TOUAX River Barges SAS: French tax group;
- Eurobulk Transport Maatschappij BV and CS de Jonge BV: Dutch tax group.

note 12.1.1. BREAKDOWN OF THE INCOME TAX

The tax expense recorded in profit or loss for the year amounted to €1 million (stable compared to 2020). It is broken down as follows:

	2021			2020		
(in thousands of euros)	Current	Deferred	TOTAL	Current	Deferred	TOTAL
Europe	(24)	(194)	(218)	754	(576)	178
USA		(2)	(2)	40		40
Other	86	(911)	(825)	(866)	(355)	(1 221)
TOTAL	**62**	**(1 107)**	**(1 045)**	**(72)**	**(931)**	**(1 003)**

note 12.1.2. RECONCILIATION BETWEEN THE GROUP'S THEORETICAL TAX CHARGE AND THE TAX CHARGE ACTUALLY RECOGNISED

(in thousands of euros)		2021	2020
Current net income before global tax		**16 810**	**9 840**
Theoretical tax at the current French rate of taxation	26,50%	(4 455)	(2 755)
Restrictions on deferred tax items		(2 248)	(496)
Permanent differences		1 469	(1 099)
Use of deficits		770	2 133
Difference in tax rate		3 286	1 503
Other taxes, miscellaneous		95	(286)
Adjustment		38	(3)
EFFECTIVE TAX INCOME	6,22%	**(1 045)**	**(1 003)**

The balance of French deferred tax assets not recorded in the accounts is estimated at €33.9 million, or an unrecognised deficit stock of €121.1 million. The balance of Dutch deferred tax assets not recorded in the accounts is estimated at €1.1 million for the River Barge division, or an unrecognised deficit stock of €4.5 million. The balance of deferred tax assets not recorded in the accounts is estimated at €4 million for the Freight Railcar division, or an unrecognised deficit stock of €32.4 million.

note 12.2. TAXES RECOGNISED DIRECTLY IN SHAREHOLDERS' EQUITY

Deferred taxes are recorded as shareholders' equity for the evaluation of swaps and forward purchases.

(in thousands of euros)	2020	Equity variation	2021
Redeemable stock warrants	(54)		(54)
Evaluation of derivative instruments	73	18	91
TOTAL	**19**	**18**	**37**

note 12.3. DEFERRED TAX ASSETS AND LIABILITIES

The positions of deferred tax assets and liabilities is as follows:

(in thousands of euros)	2021	2020
Deferred tax assets		
Deferred tax liability	(4 660)	(3 527)
TOTAL	**(4 660)**	**(3 527)**

Net deferred tax liabilities are broken down as follows:

(in thousands of euros)	**2021**	2020
Impairment of non-current assets	(19 755)	(19 255)
Deferred losses	14 811	15 819
Discounted financial fixed assets	(8)	(19)
Other	292	(72)
NET BALANCE	**(4 660)**	**(3 527)**

NOTE 13. NET INCOME FROM DISCONTINUED OPERATIONS

In 2020, net income from discontinued operations recorded legal fees of €132 thousand, related to the sale of the Modular Building Europe and United States activity in 2017.

NOTE 14. NET INCOME PER SHARE

Basic earnings per share are calculated by dividing the company's net income by the weighted mean number of shares in circulation during the financial year. The shares held by the company are deducted.

Diluted income per share is calculated by adjusting the weighted mean number of shares in circulation so as to take account of the conversion of all the Shareholders' equity instruments that could dilute this figure.

	2021	2020
Net income in euros	**12 552 078**	**5 862 163**
Shares in circulation at 31 December	7 011 547	7 011 547
Weighted average number of shares in circulation	7 003 676	7 002 436
Weighted mean number of shares for calculating diluted income per share	**7 014 043**	**7 002 436**
NET INCOME PER SHARE		
- basic	1,79	0,84
- diluted	1,79	0,84

NOTES RELATING TO THE BALANCE SHEET

ASSETS

NOTE 15. GOODWILL

Changes in goodwill were as follows:

(in thousands of euros)	2020	Decreases	Conversion adjustment	Change in the scope of consolidation	2021
Freight Railcars	**5 101**				**5 101**

No change in Goodwill was recorded in 2021.

Impairment tests

Impairment tests have been carried out for each cash-generating unit (CGU) for which goodwill is presented in the accounts. The recoverable value is based on the unit's value in use, equal to the amount of future cash flow, discounted using the weighted average cost of capital. Future cash flows are based on a three-year forecast and a terminal value assessed from the cash flow forecast.

The table below describes the main assumptions for the CGUs presenting goodwill:

(in thousands of euros)	Value of associated goodwill	2020 discount rate	Indefinite growth rate 2020	2021 discount rate	Indefinite growth rate 2021
Freight railcars	5 101	6,47%	1,99%	7,20%	2,00%
TOTAL	**5 101**				

The discount rates used in 2021 correspond to the estimated cost of capital.

The growth rate used of 2% corresponds to the internal growth objectives for the European zone of the Freight Railcar division based on the rate of inflation.

Analyses of the sensitivity of the recoverable value to a possible change in a key assumption (including variation of +/-50 base points in the discount rate; variation of + /- 50 basis points of the perpetual growth rate and variation of + /- 50 basis points of the forecast cash flows integrated into the terminal value) were realised on the freight railcar CGU with an asset with an indefinite useful life.

These sensitivity analyses showed that a change of 50 base points in the hypotheses of discount rates, growth rates or in projected cash-flows would not result in the accounting of an impairment in the Group's consolidated financial statements on 31 December 2021.

(in millions of Euros)	**Rate sensitivity**				**Flow level sensitivity**	
	Discount rate		Indefinite growth rate		Change in future cash flows from terminal value	
	+50 bp	-50 bp	+50 bp	-50 bp	+50 bp	-50 bp
Freight Railcars	(18,7)	22,7	21,4	(17,8)	(18,7)	22,7

NOTE 16. INTANGIBLE ASSETS

(in thousands of euros)	**2020**	Purchases	Disposals	Allocations during the year	Exchange rate variations	Reclassifications and changes in the scope of consolidation	**2021**
Freight Railcars	426			(16)	26		436
River Barges	9			(9)			
Containers	143	72		(100)		32	147
Other	50	51		(54)	2	55	104
TOTAL	**628**	**123**		**(179)**	**28**	**87**	**687**

Intangible assets mainly record licences and software.

NOTE 17. PROPERTY, PLANT AND EQUIPMENT

note 17.1. BREAKDOWN BY TYPE

	2021			2020
(in thousands of euros)	Gross value	Deprec.	Net value	Net value
Land and buildings	5 533	(3 226)	2 307	2 485
Equipment	457 350	(141 335)	316 015	301 542
Other Property, plant and equipment	8 537	(7 821)	716	629
Property, plant and equipment (WIP)	3 487		3 487	3 307
TOTAL	**474 907**	**(152 382)**	**322 525**	**307 963**

note 17.2. CHANGE BY TYPE

(in thousands of euros)	**2020**	Purchases	Depreciation	Disposal	Exchang	Reclassification	**2021**
Land and buildings	5 294	32			207		5 533
Equipment	419 463	40 855		(24 541)	10 164	11 409	457 350
Other Property, plant and	8 243	436		(385)	177	66	8 537
Property, plant and equipment (WIP)	3 307	5 516			106	(5 442)	3 487
TOTAL (GROSS VALUES)	**436 307**	**46 839**		**(24 926)**	**10 654**	**6 033**	**474 907**
Land and buildings	(2 809)		(305)		(112)		(3 226)
Equipment	(117 921)		(21 726)	2 826	(1 747)	(2 767)	(141 335)
Other Property, plant and	(7 614)		(404)	385	(166)	(22)	(7 821)
Property, plant and equipment (WIP)							
TOTAL (DEPRECIATION)	**(128 344)**		**(22 435)**	**3 211**	**(2 025)**	**(2 789)**	**(152 382)**
Land and buildings	2 485	32	(305)		95		2 307
Equipment	301 542	40 855	(21 726)	(21 715)	8 417	8 642	316 015
Other Property, plant and	629	436	(404)		11	44	716
Property, plant and equipment (WIP)	3 307	5 516			106	(5 442)	3 487
TOTAL (NET VALUES)	**307 963**	**46 839**	**(22 435)**	**(21 715)**	**8 629**	**3 244**	**322 525**

(in thousands of euros)	**2019**	Purchases	Depreciation	Disposals	Exchange	Reclassifications and changes in the scope of consolidation	**2020**
Land and buildings	5 377	1		(1)	(83)		5 294
Equipment	395 327	45 373		(12 125)	(11 391)	2 279	419 463
Other Property, plant and	8 403	310		(305)	(145)	(20)	8 243
Property, plant and equipment (WIP)	5 627	184			(474)	(2 030)	3 307
TOTAL (GROSS VALUES)	**414 734**	**45 868**		**(12 431)**	**(12 093)**	**229**	**436 307**
Land and buildings	(2 536)		(314)	1	40		(2 809)
Equipment	(107 646)		(21 209)	3 819	1 753	5 362	(117 921)
Other Property, plant and	(7 696)		(380)	305	137	20	(7 614)
Property, plant and equipment (WIP)							
TOTAL (DEPRECIATION)	**(117 878)**		**(21 903)**	**4 125**	**1 930**	**5 382**	**(128 344)**
Land and buildings	2 841	1	(314)		(43)		2 485
Equipment	287 681	45 373	(21 209)	(8 306)	(9 638)	7 641	301 542
Other Property, plant and	707	310	(380)		(8)	0	629
Property, plant and equipment (WIP)	5 627	184	0		(474)	(2 030)	3 307
TOTAL (NET VALUES)	**296 856**	**45 868**	**(21 903)**	**(8 306)**	**(10 163)**	**5 611**	**307 963**

Acquisitions concern the Freight Railcar activity for €23.5 million, the River Barge activity for €3.2 million and the Container activity for €20.1 million.

Disposals (gross value) relate to the Freight Railcar activity for €0.8 million, the River Barge activity for €1.2 million and the Container activity for €22.6 million.

The Group's Property, plant and equipment are made up of leasing equipment (freight railcars, river barges and containers). Unit values of Freight railcars range from €10,000 for used 60-ft railcars to €150,000 for new, articulated intermodal 80-ft railcars. The unit values of river barges range from €150,000 for used barges (1,700-ton), to over €1 million for new barges (2,800-ton). The unit values of containers (20 feet) do not generally exceed $3,800.

NOTE 18. RIGHT OF USE

The assets leased varied as follows:

Right of use *(in thousands of euros)*	Property	Barges	Equipment	Vehicles and copiers	TOTAL
Amount at 31/12/2019	**2 392**	**13 368**	**54**	**326**	**16 141**
Increases				263	263
Depreciation	(749)	(1 002)	(6)	(172)	(1 929)
Exchange rate fluctuations	(27)		(1)	(7)	(35)
Other		328		(4)	324
Amount at 31/12/2020	**1 616**	**12 694**	**47**	**406**	**14 764**
Increases				147	147
Reductions		(1 751)	(44)		(1 795)
Depreciation	(743)	(732)	(5)	(177)	(1 657)
Exchange rate fluctuations	14		1	7	22
Amount at 31/12/2021	**887**	**10 211**	**(1)**	**383**	**11 481**

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

Right of use	2021			2020
(in thousands of euros)	Gross value	Deprec.	Net value	Net value
Freight Railcars Division	**285**	**(88)**	**197**	**241**
Real estate lease	187	(66)	121	148
Equipment lease on vehicle	98	(22)	76	93
River Barges Division	**16 096**	**(5 811)**	**10 285**	**12 778**
Real estate lease	61	(52)	9	25
Equipment leases on barges	15 929	(5 716)	10 213	12 696
Equipment lease on vehicle	106	(43)	63	57
Containers Division	**755**	**(634)**	**121**	**302**
Real estate leases	644	(544)	100	260
Equipment leases on vehicles and copier	111	(90)	21	42
Modular Buildings Africa Division	**255**	**(177)**	**78**	**164**
Equipment leases on equipment			0	47
Equipment leases on vehicles	255	(177)	78	117
Corporate Division	**2 459**	**(1 659)**	**800**	**1 279**
Real estate lease	2 235	(1 578)	657	1 183
Equipment leases on vehicles and copiers	224	(81)	143	96
TOTAL	**19 850**	**(8 369)**	**11 481**	**14 764**

NOTE 19. FINANCIAL ASSET INSTRUMENTS

Fair value of financial asset instruments

Financial assets valued at fair value by the corresponding income consist mainly of negotiable securities, which are carried at fair value. Long-term financial assets are discounted at the rate for risk-free lending (government bonds). The effects of financial instruments on income are shown in note 24.5 below.

Financial risk management policy is described in note 33.

Both swaps and cash and cash equivalents are valued at their fair value. For trade receivables, the book value is used for the fair value, as these credits are all very short term.

Other non-current financial assets are valued at their depreciated cost calculated using the effective interest rate.

Other non-current financial assets and other non-current fixed assets undergo impairment tests on the basis of the estimated future income streams.

note 19.1. NON-CURRENT FINANCIAL ASSETS

Financial asset at fair value *(in thousands of euros)*	**2021**	2020
Opening total	900	903
Increases	141	
Decreases	(1 040)	
Conversion adjustment		(3)
Closing total	**1**	**900**

Other non-current financial assets - Gross value *(in thousands of euros)*	**2021**	2020
Opening total	3 931	4 347
Increases	611	100
Decreases	(394)	(150)
Conversion adjustment	325	(361)
Other changes	77	(5)
Closing total	**4 550**	**3 931**

Other non-current financial assets - Impairment in income statement *(in thousands of euros)*	**2021**	2020
Opening total		
Conversion adjustment		
Other changes		
Closing total		

Other non-current financial assets - Net value *(in thousands of euros)*	**2021**	2020
Opening total	**3 931**	**4 347**
Closing total	**4 550**	**3 931**

- **Financial asset at fair value**

In 2021, the TOUAX Group sold its residual stake in the capital of TXRF4 (Railcar asset company).

- **Other non-current financial assets**

Other non-current financial assets mainly consisting of government securities for €3.5 million and other securities for the balance.

note 19.2. OTHER NON-CURRENT FINANCIAL ASSETS

Finance lease receivables - Gross value *(in thousands of euros)*	**2021**	2020
Opening total	131	176
Increases	10 414	
Decreases	(52)	(45)
Conversion adjustment	462	
Closing total	**10 955**	**131**

Finance lease receivables - Impairment in income statement *(in thousands of euros)*	**2021**	2020
Opening total		
Closing total		

Finance lease receivables - Net value *(in thousands of euros)*	**2021**	2020
Opening total	131	176
Closing total	**10 955**	**131**

Asset derivative instruments at fair value *(in thousands of euros)*	**2021**	2020
Opening total	211	
Increases		241
Change in fair value	796	(33)
Conversion adjustment	1	
Other changes	(6)	3
Closing total	**1 002**	**211**

Other non-current assets - Gross value *(in thousands of euros)*	**2021**	2020
Opening total	874	928
Increases	812	35
Decreases		
Conversion adjustment	86	(100)
Other changes	(30)	11
Closing total	**1 742**	**874**

Other non-current assets - Impairment in income statement *(in thousands of euros)*	**2021**	2020
Opening total		
Closing total		

Other non-current assets - Net value *(in thousands of euros)*	**2021**	2020
Opening total	874	**928**
Closing total	**1 742**	**874**

TOTAL Other non-current financial assets	**13 699**	**1 216**

The Group’s assets include assets held under lease-purchase agreements, in which it acts as lessor, amounting to a net book value of €11.5 million (€11 million in other non-current assets) with a historical cost of €11.7 million.

(in thousands of euros)	**Future payments (min.)**	**Discounted minimum future payments**
For less than one year	1 198	521
Between one and five years	4 608	2 264
Over five years	11 570	8 691
TOTAL	**17 376**	**11 476**
Discounted finance leases	5 901	
DISCOUNTED MINIMUM FUTURE PAYMENTS	**11 475**	**11 476**
Presentation of finance lease credits in the Balance Sheet		
Other current assets		521
Other non-current assets		10 955
TOTAL		**11 476**

The interest rate applied to lease-purchase contracts is determined on the day the contract is signed. The average rate of interest used was 6.1% at 31 December 2021. The interest income from lease-purchase contracts is recorded under leasing revenues (€24 thousand in 2021 compared with €29 thousand in 2020).

EBITDA

For the Group, EBITDA corresponds to recurring operating income restated for depreciation and provisions. EBITDA is a non-accounting concept but is particularly used by financial analysts, investors and other users of financial statements to measure the operational performance of the activity. Users of the Group's Financial Statements would find the restated EBITDA shown below to be a better measure of this performance.

Restated EBITDA

Restated EBITDA is EBITDA plus the capital repayments of the net investment in finance leasing granted to clients, amounting to €45 thousand on 31 December 2021.

(in thousands of euros)	Freight Railcars	River Barges	Containers	Other	2021
EBITDA	**26 241**	**4 826**	**17 829**	**4 177**	**53 073**
Principal payments of finance-lease receivables received		45			45
Restated EBITDA	**26 241**	**4 871**	**17 829**	**4 177**	**53 118**

Operating leases restated for accounting purposes according to IFRS standards are not re-included in this calculation.

NOTE 20. INVENTORIES AND WORK IN PROGRESS

Inventories and WIP include equipment to be sold as well as spare parts. The equipment is mainly intended to be sold to investors under asset management programs.

	2021			2 020	
(in thousands of euros)	Gross value	Prov.	Net value	Net value	Change
Equipment	75 427	(153)	75 274	11 192	64 082
Spare parts	20 625		20 625	23 752	(3 127)
TOTAL	**96 052**	**(153)**	**95 899**	**34 944**	**60 955**

The inventory of the Freight Railcar division holds spare parts stocks of €19.4 million and railcars totalling €26.1 million.

The inventory of containers corresponds to about 15,586 CEUs worth a total of €48.6 million.

The Modular Buildings business in Africa has an inventory of goods or goods in production worth €0.4 million and raw materials worth €1.3 million.

NOTE 21. TRADE RECEIVABLES

Trade receivables - Gross value *(in thousands of euros)*	**2021**	2020
Opening total	37 084	35 572
Change	(2 409)	2 635
Conversion adjustment	1 264	(1 100)
Other changes		(23)
CLOSING TOTAL	**35 939**	**37 084**

Trade receivables - Impairment in income statement *(in thousands of euros)*	**2021**	2020
Opening total	(5 764)	(7 098)
Increases	(308)	(2 931)
Decreases	1 191	4 170
Conversion adjustment	(94)	95
Other changes		
CLOSING TOTAL	**(4 975)**	**(5 764)**

Trade receivables - Net value *(in thousands of euros)*	**2021**	2020
Opening total	31 320	28 474
CLOSING TOTAL	**30 964**	**31 320**

On first booking, trade receivables are recognised at their fair value which corresponds to their nominal value. On 31 December 2021, outstanding trade receivables totalled €31 million on the balance sheet. This is a reasonable estimate of the fair value.

Before a new client is accepted, the Group checks its solvency with credit rating agencies and determines the applicable credit limits.

On 31 December 2021 the Group recorded net overdue receivables of €11.5 million, the vast majority of which is outstanding for less than six months compared to €6.7 million on 31 December 2020.

Aged balance 2021 *(in thousands of euros)*	Trade receivables, gross	Impairment	Trade receivables
Unmatured	19 458		19 458
0 - 6 months	10 146	(358)	9 788
6 -12 months	518	(342)	176
>1 year	5 817	(4 275)	1 542
TOTAL	**35 939**	**(4 975)**	**30 964**

NOTE 22. OTHER CURRENT FINANCIAL ASSETS

(in thousands of euros)	**2021**	2020
Deferred expenses	719	1 800
Taxes	11 888	4 604
Finance leasing receivables of less than one year	521	45
Other	551	4 439
TOTAL	**13 679**	**10 888**

Other current assets are all recoverable within one year.

Taxes and Duties are mainly made up of VAT at the end of period.

NOTE 23. CASH AND CASH EQUIVALENTS

Cash and cash equivalents *(in thousands of euros)*	**2021**	2020
Investments of less than three months	7 091	8 392
of which, Negotiable securities	*1 593*	*392*
Cash	46 726	53 912
CLOSING TOTAL	**53 817**	**62 304**

The cash and cash equivalents balances on the Group's balance sheet on 31 December 2021 include (i) €25.2 million in cash from companies not owned at 100%, including €8.6 million in contractual reserves linked to asset financing and (ii) €0.6 million to contractual reserves linked to the financing of assets for companies owned at 100%.

NOTE 24. FINANCIAL LIABILITIES

Non-current and current financial liabilities are classified as "Borrowings and Financial Debts" and "Borrowings and Current Bank Facilities". Lease liabilities are no longer included in liabilities since the application of IFRS 16 on 1 January 2019 (see note 26).

note 24.1. ANALYSIS OF FINANCIAL LIABILITIES BY CATEGORY

	2021			2020		
(in thousands of euros)	**Non-current**	**Current**	**TOTAL**	**Non-current**	**Current**	**TOTAL**
Bonds	26 458	948	27 406	26 417	1 078	27 495
Medium/long-term loans with recourse	46 468	3 196	49 664	45 318	8 216	53 534
Renewable lines of credit with recourse						
Debts without recourse	145 117	61 747	206 864	158 623	10 900	169 523
Bank overdrafts payable with recourse		1 162	1 162		877	877
Bank overdrafts payable without recourse		90	90		89	89
Derivative instruments with recourse						
Derivative instruments without recourse		272	272		572	572
TOTAL FINANCIAL LIABILITIES	**218 043**	**67 415**	**285 458**	**230 358**	**21 732**	**252 090**

Non-recourse debts are not guaranteed by the Group's parent company, TOUAX SCA. This relates to:

- Asset financing, for which the debt must be serviced by the income generated from the assets financed (from leasing income and sale proceeds);
- Financing is granted to consolidated subsidiaries even if not 100% owned by the Group.

According to IAS 7, changes in net financial debt are presented in the table below:

2021 *(in thousands of euros)*	Opening	Net cash flow	Non cash "variations" Exchange rate effects	Fair value changes	Other variations	Total "Non cash"	Closing
Bonds	27 495	(130)			41	41	**27 406**
Medium/long-term loans with recourse	53 534	(426)	489		(3 933)	(3 444)	**49 664**
Renewable lines of credit with recourse							
Debts without recourse	169 523	27 107	4 545		5 689	10 234	**206 864**
Derivative instruments with and without recourse	572			(293)	(7)	(300)	**272**
Sub-total	**251 125**	**26 551**	**5 034**	**(293)**	**1 790**	**6 531**	**284 207**
Bank overdrafts payable with and without recourse	966	282	4			4	**1 252**
Total financial liabilities	**252 090**	**26 833**	**5 038**	**(293)**	**1 790**	**6 535**	**285 458**

2020 *(in thousands of euros)*	Opening	Net cash flow	Non cash "variations" Exchange rate effects	Fair value changes	Other variations	Total "Non cash"	Closing
Bonds	27 063	297			135	135	**27 495**
Medium/long-term loans with recourse	52 550	(337)	(838)		2 159	1 321	**53 534**
Renewable lines of credit with recourse	3 000	(3 000)					
Debts without recourse	154 427	20 899	(4 834)		(969)	(5 803)	**169 523**
Derivative instruments with and without recourse	850		(1)	(281)	4	(278)	**572**
Sub-total	**237 891**	**17 859**	**(5 673)**	**(281)**	**1 329**	**(4 625)**	**251 125**
Bank overdrafts payable with and without recourse	704	263	(1)			(1)	**966**
Total financial liabilities	**238 594**	**18 122**	**(5 674)**	**(281)**	**1 329**	**(4 626)**	**252 090**

According to IFRS 7.8 defines the following categories of financial instruments:

On 31 December 2021

Financial liabilities categories *(in thousands of euros)*	Consolidated financial statements	Measured at fair value	% diff.	Sensitivity: +1%	diff. with fair value
Financial liabilities valued at depreciated cost	285 186	290 716	1,94%	288 878	-0,63%
Financial liabilities valued at fair value*	272	272	0,00%		0,00%
TOTAL	**285 458**	**290 988**	**1,94%**	**288 878**	**-0,73%**

* Financial liabilities measured at fair value relate only to derivative instruments.

On 31 December 2020

Financial liabilities categories *(in thousands of euros)*	Consolidated financial statements	Measured at fair value	% diff.	Sensitivity: +1%	diff. with fair value
Financial liabilities valued at depreciated cost	251 518	257 978	2,57%	254 009	-1,54%
Financial liabilities valued at fair value	572	572	0,00%		0,00%
TOTAL	**252 090**	**258 549**	**2,56%**	**254 009**	**-1,76%**

Applying the fair value principle would value financial liabilities at €291 million, using the average rate of fixed-rate debt at 31 December 2021.

The fair value of fixed-rate debt is determined for each borrowing by discounting future cash-flows. The discount rate used is the average rate of fixed-rate debt considered representative of the financing rate for the Group's risk class in the absence of listed securities (credit derivatives or bond yields).

The net book value of variable-rate debt (both long-term and short-term) provides a reasonable approximation of their fair value.

Derivative liabilities are assessed using the values obtained from first-rate financial institutions.

note 24.2. BREAKDOWN BY DUE DATE OF LOANS AND PAYMENTS ON 31 DECEMBER 2021

(in thousands of euros)	2022	2023	2024	2025	2026	+ 5 years	TOTAL
Non-recourse bond issues	948	16 633		9 825			27 406
Medium/long-term loans with recourse	3 197	952	40 993	193	675	3 654	49 664
Revolving credits and other debts with recourse	1 162						1 162
Debts without recourse	62 108	9 259	9 720	119 654	2 847	3 638	207 226
TOTAL CAPITAL FLOW ON LOANS	**67 415**	**26 844**	**50 713**	**129 672**	**3 522**	**7 292**	**285 458**
Future interest flow on loans	10 254	8 530	5 922	4 035	526	687	29 954
TOTAL FLOW ON LOANS	**77 669**	**35 374**	**56 635**	**133 707**	**4 048**	**7 979**	**315 412**

For variable rate loans, the future interest payable is estimated based on the interest rates applicable on 31 December 2021.

Borrowing maturities include the regular annual depreciation of loans up to their extension and the depreciation of certain loans. As of 31 December 2021, the amount of lines to be renewed in 2022 amounted to €56.1 million, €53.9 million for the Containers division and €2.2 million for the Barges division.

To ensure its ability to repay these debts in fine, the Group particularly monitors the loan-to-value ratio and the amounts of assets to be refinanced or that are free of finance which enable it to refinance these lines.

Work is already underway to refinance these lines, as specified in note 33.3.

note 24.3. COMMITMENTS AND SPECIFIC CLAUSES OF THE LOANS

The default clauses on non-compliance with financial ratios (financial covenants) of recourse debts concern medium-term bank and obligatory loans (€PP). They entitle credit institutions and/or investors to insist on early repayment if the terms of these are not met.

The financial covenants calculated on the Group's consolidated financial statements are presented in the following table:

Borrower	Touax Hydrovia Corp	Touax SCA	Touax SCA	Touax SCA
Type of facility	bilateral	Private Euro Placement	Private Euro Placement	Loan
Period and issue mode	7 year long-term redeemable debt	5 years in fine	5 years and 6 months	5 years
Maximum amount	$22.3 m	€16.6m	€10m	€40m
Outstanding 31/12/21	$2.5 m	€16.6m	€10m	€40m
Scope of calculation	TOUAX SCA consolidated financial statements	consolidated financial statements TOUAX SCA	consolidated financial statements TOUAX SCA	TOUAX SCA consolidated financial statements
Gearing (net financial debt with recourse/shareholders' equity)	Below 1.9			
Loan to Value		less than or equal to 70%	less than or equal to 70%	less than or equal to 67%
Interest Coverage (restated EBITDA after distribution / Net financial expenses)	greater than 1.5	greater than or equal to 2	greater than or equal to 2	greater than or equal to 2
Asset Valuation Ratio (FMV/NBV)				greater than 1.0 (annual)
Net Leverage Ratio (net financial debt/restated Ebitda)				less than or equal to 7 (semi-annual)
Frequency of covenant calculations	Semi-annual	Annual	Annual	Semi-annual / Annual
Loan maturity date	30/06/2022	31/07/2023	01/02/2025	21/06/2024
Guarantees	package of guarantees	no	no	package of guarantees
Cross-default clauses	**default on a debt greater than €5 million within the scope of calculation**	**default on a debt greater than €5 million within the scope of calculation**	**default on a debt greater than €5 million within the scope of calculation**	**default on a debt greater than €5 million within the scope of calculation**

Financing of assets and acquisitions borne by dedicated companies also include financial covenants that may result in compulsory prepayment of the loans concerned.

The financial covenants calculated on the Group's consolidated financial statements were respected on 31 December 2021.

Within the legal documentation, clauses requiring control of the Group by the WALEWSKI family have also been included.

Note that the TOUAX Group has no official financial credit rating and that in the financing agreements there is no advanced repayment clause which could be triggered by a lower credit rating.

note 24.4. ANALYSIS OF THE DEBT

Consolidated net financial debt is as follows:

(in thousands of euros)	**2021**	2020
Financial liabilities	285 458	252 090
Asset derivative instruments	1 002	211
Negotiable securities & other investments	7 091	8 392
Liquid assets	46 726	53 912
CONSOLIDATED NET FINANCIAL DEBT	**230 639**	**189 575**
Debt without recourse	207 225	170 184
FINANCIAL INDEBTEDNESS EXCLUDING DEBT WITHOUT RECOURSE	**23 414**	**19 391**

Recourse debt corresponds to asset financing for which TOUAX SCA does not collateralize. The lenders are secured primarily by the assets being financed and their underlying leases.

Financial liabilities broken down by currency

(in thousands of euros)	**2021**	2020
Euro (EUR)	187 436	170 597
US dollar (USD)	57 539	46 226
Pound (GBP)	24 321	23 067
Other	16 162	12 200
TOTAL	**285 458**	**252 090**

Fixed rate breakdown – variable rate of the gross debt (including hedging instruments)

The 2020 comparative column has been corrected for an inversion of "Fixed rate" and "Variable rate" data published in the accounts relating to the financial year ended 31 December 2020.

Breakdown before cover:

(in thousands of euros)	**2021**	2020
Fixed rate	96 535	96 461
Variable rate	188 923	155 629
TOTAL	**285 458**	**252 090**

Breakdown after cover:

(in thousands of euros)	**2021**	2020
Fixed rate	196 166	184 097
Variable rate	89 292	67 993
TOTAL	**285 458**	**252 090**

Average rate of gross debt by currency

	2021	2020
Average debt rate in Euro (EUR)	3.64%	3.91%
Average debt rate in US dollar (USD)	2.56%	3.51%
Average debt rate in pounds (GBP)	2.50%	2.28%
Average debt rate in other currencies	8.66%	8.87%
AVERAGE RATE OF OVERALL GROSS DEBT	**3.61%**	**3.92%**

note 24.5. EFFECT OF FINANCIAL INSTRUMENTS ON NET INCOME

(€ thousands)	Financial assets measured at amortized cost	Financial instruments at fair value	2021
Dividends received		27	27
Financial expenses	(11 837)	50	(11 787)
Interest paid on leases	(393)		(393)
Effect on income	**(12 230)**	**77**	**(12 153)**
Currency gain/loss			380
Effect of present value adjustment,			(36)
Earnings from cash deposits			22
Other			(115)
FINANCIAL PROFIT OR LOSS			**(11 902)**

(€ thousands)	Financial assets measured at amortized cost	Financial instruments at fair value	2020
Dividends received		17	17
Financial expenses	(11 098)	(248)	(11 346)
Interest paid on leases	(387)		(387)
Effect on income	**(11 485)**	**(231)**	**(11 716)**
Currency gain/loss			(232)
Effect of present value adjustment,			17
Earnings from cash deposits			18
Other			(1 303)
FINANCIAL PROFIT OR LOSS			**(13 216)**

In 2020, the “Miscellaneous” item includes various bank charges, non-use charges, fees for modifying financial documentation.

NOTE 25. LEASE LIABILITIES

Lease liabilities by sector and by type

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

Lease liabilities	2021			2020		
(in thousands of euros)	Non current	Current	Total	Non current	Current	Total
Freight Railcars Division	**163**	**41**	**204**	**205**	**40**	**245**
Real estate lease	102	25	127	128	25	153
Equipment lease on vehicles	61	16	77	77	15	92
River Barges Division	**7 948**	**717**	**8 665**	**6 746**	**2 731**	**9 477**
Real estate lease		9	9	9	18	27
Equipment leases on barges	7 905	686	8 591	6 696	2 696	9 392
Equipment lease on vehicles	43	22	65	41	17	58
Containers Division	**9**	**119**	**128**	**108**	**207**	**315**
Real estate leases		106	106	98	174	272
Equipment leases on vehicles and copier	9	13	22	10	33	43
Modular Buildings Africa Division	**30**	**52**	**82**	**56**	**78**	**134**
Equipment leases on equipment					12	12
Equipment leases on vehicles	30	52	82	56	66	122
Corporate Division	**227**	**580**	**807**	**725**	**531**	**1 256**
Real estate lease	136	527	663	663	496	1 159
Equipment leases on vehicles and copiers	91	53	144	62	35	97
TOTAL	**8 377**	**1 509**	**9 886**	**7 840**	**3 587**	**11 427**

Breakdown by due date of lease liability

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

(in thousands of euros)	2021
Less than a year	1 509
From 1 to 5 years	972
More than 5 years	7 405
TOTAL	**9 886**

Variation in lease liabilities according to IAS 7

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

2021 *(in thousands of euros)*	Opening	Net cash flow	Non cash "variations" Exchange rate effects	 Other variations	Closing
Real estate leases	1 610	(720)	15		**905**
Equipment leases for barges and other equipment	9 404	(813)			**8 591**
Equipment leases for vehicles and copiers	413	(177)	7	147	**390**
Total lease liabilities	**11 427**	**(1 710)**	**22**	**147**	**9 886**

2020 *(in thousands of euros)*	Opening	Net cash flow	Non cash "variations" Exchange rate effects	 Other variations	Closing
Real estate leases	2 350	(712)	(28)		**1 610**
Equipment leases for barges and other equipment	10 312	(908)			**9 404**
Equipment leases for vehicles and copiers	330	(170)	(7)	260	**413**
Total lease liabilities	**12 992**	**(1 790)**	**(35)**	**260**	**11 427**

NOTE 26. SHAREHOLDERS' EQUITY

Details of Shareholders' Equity are given in the Schedule of Changes in Shareholders' Equity (see page 4; note 1.3).

Management of capital

The Group's objective in managing its Shareholders' equity is to maximise the company's value by arranging for an optimal capital structure that minimises the cost of capital and ensures the best possible return to shareholders.

The Group manages the structure of its financing by optimising the equity mix – debts in view of changes in economic conditions, its objectives and the 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.

The Group manages its equity mix – debts with the gearing ratio as an indicator. This ratio corresponds to the net debt with and without recourse divided by Shareholders' Equity. The debt/equity ratios are as follows:

(in thousands of euros)	2021
Debts with recourse	78 233
Debts without recourse	207 225
Total shareholders' equity	164 960
Debt ratio (excluding debt without recourse)	0,47
Debt ratio of debt without recourse	1,26
DEBT RATIO	1,73

Hybrid securities

The Group made two issues of Undated Super Subordinated Notes (TSSDI) in 2013 and another in 2014, constituting a single stub to the amount of €50.8 million. In accordance with IFRS and as indicated in Note 1.18, these securities are accounted as equity. This financial instrument enhances the structure of the Group's balance sheet when considering the lifetime of the Group's assets and its business development financing requirements.

The Group will have the option to pay them back at par value from August 2019. In November 2020, the Group bought back part of the super-subordinated bonds for a nominal amount of €24.2 million. The outstanding bonds amount to €26.6 million. This operation enables the group's capital structure to be optimised and the related costs to be reduced.

Hybrid Securities *(in thousands of euros)*	**TOTAL**
Issue price	50 800
Net costs	(639)
Hybrid securities net of issue costs	**50 161**
Share buyback (nominal)	(24 225)
TOTAL	**25 936**

Non-controlling interests (minority interests)

Minority interests amounted to €57 million. They correspond to the shareholding of financial partners, mainly in the Freight Railcar division for €64.6 million and the Africa group for -€7.6 million.

NOTE 27. PROVISIONS

(in thousands of euros)	2020	Allocation	Reversal used	Reversal not used	Exchange	Reclassification	**2021**
Other (Africa and Holding)	94			(9)			85
Provision for Risks	**94**			**(9)**			**85**

Risk provisions are for industrial risk.

NOTE 28. PENSION AND SIMILAR LIABILITIES

Changes in superannuation commitments can arise from:

- of personnel movements (arrivals of new personnel and departures),
- acquisition of entitlement by staff members during their employment within the business,
- changes in pay, and other actuarial assumptions.

(in thousands of euros)	2020	Allocation	REVERSAL	Change in the scope of consolidation	Change in exchange rate	Reserves	**2021**
River Barges	48	6				(8)	46
Containers	63	69	(63)			(6)	63
Other	441	36				(102)	375
TOTAL	**552**	**111**	**(63)**			**(116)**	**484**

Actuarial study *(in thousands of euros)*	**TOTAL**
Commitment as of 31/12/2020	**552**
IFRIC transition	(91)
Service cost for the 2021 financial year	46
Interest cost for the 2021 financial year	2
IDRs settled in 2021	
Actuarial deviations from assumptions	(31)
Actuarial differences in experience	6
Commitment as of 31/12/2021	**484**

The following assumptions were made to assess superannuation commitments:

- Employees' predicted length of service upon retirement is calculated according to age,
- A discount rate of 0.9%,
- Pay rises of 2.03%,
- Changes in assumptions set the retirement age at 62 for non-executives and 65 for executives.
- Collective agreement: Metallurgy
- INSEE mortality table F2016-2018
- Charge rate 49%

NOTE 29. OTHER LONG-TERM LIABILITIES

(in thousands of euros)	**2021**	2020
Freight railcars	792	1 343
TOTAL	**792**	**1 343**

The other long-term liabilities represented the maturity in more than one year of the debts related to the purchase of railcars and to a security deposit.

NOTE 30. TRADE PAYABLES

(in thousands of euros)	**2021**	2020
Freight Railcars	4 936	5 001
River Barges	1 540	705
Containers	2 857	1 621
Other	3 288	2 875
TOTAL	**12 621**	**10 202**

All Trade Payables are due within one year.

NOTE 31. OTHER CURRENT LIABILITIES

(in thousands of euros)	**2021**	2020
Trade payables of assets	32 215	10 380
Tax and social debts	14 189	8 712
Operating liabilities	15 834	21 241
Deferred income	374	1 257
Other current liabilities	10 844	6 396
TOTAL	**73 456**	**47 986**

In 2021, supplier asset-liability debt accounted for €28.5 million for the purchase of containers and €3.7 million for the purchase of railcars. In 2020, it represented €0.9 million for the purchase of containers and €9.4 million for the purchase of railcars.

Operating liabilities mainly represent debts related to the distribution to investors of leasing and sales activities. The variation is mainly due to the Containers activity.

Other current liabilities mainly include the amounts due to investors in respect of compensation paid by clients in relation to lost or damaged equipment.

NOTE 32. CONTINGENT LIABILITIES AND POTENTIAL TAX RISKS

note 32.1. TAX AUDIT

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

note 32.2. GUARANTEE OF LIABILITIES

As part of the transfer of the European modular buildings activity in 2017, an assets and liabilities guarantee was agreed with the purchaser, WH BIDCO. The escrow account for an outstanding amount of €3.3 million, paid under this liability guarantee has been reimbursed in full at the start of 2021.

NOTE 33. RISK MANAGEMENT

note 33.1. MARKET RISK

Financial and market risks include currency risk, interest-rate risk, equity risk, and counterparty risk.

Interest rate and currency risks are monitored through monthly reporting and are managed centrally within the Group Treasury and Finance department, which reports them to the Management Committee on a monthly basis.

This reporting includes loans from financial institutions as well as loans made between Group subsidiaries under treasury agreements. The information is checked, analysed, consolidated and forwarded to the Executive Committee.

note 33.2. CREDIT RISK

Credit risk is described in note 21.

note 33.3. LIQUIDITY RISK AND COUNTERPARTY RISK

- **Liquidity risk**

Liquidity risk is managed by the Treasury and Financing Department, which reports to the General Administration and Finance Department. Overall cash flow management at Group level allows compensation for surplus cash and cash requirements in order to limit the use of financial borrowing.

Liquidity risk management is assessed based on the Group's 5-year plan, the annual cash flow budget and quarterly, monthly, weekly and daily cash-flow forecasts. These forecasts reflect the anticipated operating cash flows of each of the divisions and the Group's debt maturities. They therefore make it possible to define the financial strategy established with the executive committee. The objective is to meet the Group's maturities, to best back the service of debts to the income generated by the assets, while trying to optimise the financial cost of the debt and to finance, if necessary, the Group's growth.

To this end, the Group has credit lines confirmed by its financial partners, mainly in the form of (i) medium-long-term loans, (ii) asset financing lines (borrowing and finance leasing) and (iii) bond borrowing.

All of the loans are negotiated or approved by the Treasury and Finance Department after agreement from the Group's management in order to control the legal and financial commitments (both on and off the balance sheet) made by the Group.

Some loans include drawdown conditions (asset eligibility) and others include financial commitments (ratios) that the Group must comply with, as indicated in note 24.3.

To meet its borrowing obligations, the Group has cash flows available from asset leasing and sales, and is establishing a program to refinance assets for renewing or refinancing end of term redeemable lines as detailed in note 24.2.

A liquidity risk can occur if the Group does not have sufficient resources to meet its short-term needs, particularly its loan maturity dates. The liquidity risk of the group thus largely depends on its ability to refinance the in fine lines coming to maturity.

The group's refinancing capacity depends on the amount of unfunded assets and the group's loan to value ratio, which stood at 52% at the end of 2021, relatively stable against 54% at the end of 2020. Where appropriate, the Group may have to implement larger syndications or disposals of assets in the short or medium term.

At the end of December 2021, the Group also had €53.8 million in cash, including €5.5 million invested, and €7 million in undrawn available lines.

The Group's future maturities are detailed in note 24.2. The breakdown of 2022 with recourse and non-recourse debt maturities is as follows:

(in millions of Euros)	**2022**
Maturities of medium long-term credit with recourse	3,2
Maturities of bonds with recourse	0,9
Non-recourse debt maturities	62,1
Annually revolving credit terms	1,2
TOTAL	**67,4**
Financial costs (estimated)	10,3
TOTAL	**77,7**

The amount of depreciation, amortisation and repayment of medium and long-term recourse loans of €3.2 million corresponds mainly to asset financing (barges) for €3.1 million.

The amortisation of non-recourse debt of €62.1 million mainly corresponds to asset financing of €53.6 million for the Container division and €8.5 million for the Freight Railcar division.

The Group intends to refinance these outstanding liabilities through new financing of long-term assets and/or corporate as well as by the transfers (syndications) of assets to investors. The Group believes that it is able to cope with these refinancings thanks to favourable Loan to Value levels of this financing.

The timetable of dates when the Group’s debt falls due is as follows:

(in millions of Euros)	**TOTAL**	2022	2023	2024	2025	2026	+5 years
Debts with recourse	78,3	5,3	17,6	41,0	10,0	0,7	3,7
Debts without recourse	207,2	62,1	9,3	9,7	119,7	2,8	3,6
TOTAL	**285,5**	**67,4**	**26,9**	**50,7**	**129,7**	**3,5**	**7,3**

Counterparty risk for the Group

It consists of the following 3 main risks:

- cancellation of approved credit lines following the default of a lender;
- counterparty default in the unwinding of an over-the-counter derivative;
- non-repayment of cash surpluses invested in spot or futures markets with a financial institution or as part of an investment.

The Group prefers financial institutions with first-rate banks, in other words institutions with excellent credit ratings from international credit rating agencies, for both renewable credit facilities and over-the-counter trading of hedging derivatives.

The Group only invests its surpluses in non-dynamic monetary investment products with first-rate banks in spot or futures markets.

Accordingly, the TOUAX Group believes that its exposure to counterparty risk remains limited. The Group therefore does not use any derivative instruments to manage this counterparty risk.

note 33.4. INTEREST-RATE RISK

To carry out its investment policy, the TOUAX Group uses debt. A part of the Group's debt is concluded at variable rates. Interest rate risk is thus mainly linked to these variable rate loans.

To limit the negative impact of a rise in short-term rates (although certain reference rates were negative in 2021) the Group's policy is not to speculate on interest rates and use plain vanilla derivatives. The Group negotiates new fixed-rate or variable-rate loans according to its ability to vary the fixed- variable rate distribution of its debt.

At the end of 2021, fixed-rate debt (after hedging operations) represented 69% of total debt, compared with 73% at the end of 2020.

Hedging of Interest Rate Risk

The Group obtains financing at both variable and fixed rates, and uses interest rate derivatives in order to reduce its net exposure to interest rate risk. It should be recalled that these instruments are never held for speculative purposes.

These instruments are interest rate swaps or interest rate options (CAP). These instruments are traded over-the-counter with first-rate bank counterparties.

Off balance sheet financial instruments had the following characteristics at 31 December 2021:

(in thousands of euros)	Nominal amount	Nominal amount distributed by maturity < 1 year	from 1 to 5 years	> 5 years	Valuation on 31/12/21
Fixed rate borrower/fixed rate lender rate swaps					
EUR Euribor / fixed rate	29 253	2 160	27 093		
USD Euribor / fixed rate					
GBP Euribor / fixed rate					
TOTAL INTEREST RATE HEDGING	**29 253**	**2 160**	**27 093**		**722**

In accordance with the lenders' requirements, the Group has set up the following hedging instruments:

- In 2020, during the refinancing of the asset lines of its Containers division for a total of $75 million, a CAP was put in place, aimed at hedging against an increase in interest rates.
- In 2020, during the refinancing of the Freight Railcars division for a total of €180 million (denominated in euros and pounds sterling), including a five-year ecological loan of €120 million and a confirmed credit line of €60 million, the SWAPs implemented on TRF and TRF2 in 2018 and adjusted in 2019 were transferred to the new TRL borrower (Novation). These Swaps aim to hedge fluctuations in the variable interest rate (EURIBOR). Caps were also put in place totalling €36 million and 14.8 million pounds sterling aimed at hedging against a rise in interest rates.

The fair value of these hedges was €722 thousand at 31 December 2021.

The impact of derivative instruments on the gross debt per currency is presented below:

(in thousands of euros)	Amounts on 31 December 2021 before hedging operations	Impact of derivatives	after hedging operations
Euro at fixed rate	76 857	65 253	142 110
Euro at variable rate	110 579	(65 253)	45 326
Dollar at fixed rate	3 605	17 658	21 263
Dollar at variable rate	53 933	(17 658)	36 275
Pound at fixed rate		16 720	16 720
Pound at variable rate	24 321	(16 720)	7 601
Other currencies at fixed rate	16 073		16 073
Other currencies at variable rate	90		90
TOTAL fixed rate debt	96 535	99 631	196 166
TOTAL variable rate debt	188 923	(99 631)	89 292
TOTAL DEBT	**285 458**		**285 458**

Sensitivity to changes in interest rates

A 1% increase in short-term interest rates would have a direct impact on the Group's financial charges of approximately €0.88 million, or approximately 8.5% of theoretical financial expenses on 31 December 2021. This theoretical calculation is determined after taking into account derivatives, on the assumption that gross debt remains stable over the coming financial year.

note 33.5. CURRENCY RISK

₪ Operational currency risk

The TOUAX Group has an international presence and activity. It is therefore exposed to currency fluctuations. Indeed, the US dollar represented nearly 50% of the Group's business revenue in 2021 (mainly in the container and river barge divisions).

Despite this significant exposure to currencies, the Group considers that it is subject relatively little to operational currency risk because most of its expenses are denominated in the same currency as income. In addition, financings at Group subsidiary level are generally made in local currency.

However, the Group may need to set up hedges for its budget or for orders when operational currency risks are identified. In this case, the hedging instruments used are forward sales or purchases, or plain vanilla options.

The Group's main identified operational currency risks are related to:

- the structure of overheads for the Containers activity, which are mostly in euros or Singapore dollars while revenues are in US dollars;
- the production of modular buildings, where the Moroccan dirham is the main currency but sales are in euros or foreign currencies.

Operational currency risk was not hedged to 31 December 2021.

₪ Financial currency risk

The Group's objective is to minimise financial currency risks, i.e. risks related to financial operations in a currency whose fluctuations would affect financial income. Balance sheet positions in foreign currency are tracked monthly and reported to the Executive Committee. On 31 December 2021, these positions mainly include current account positions with subsidiaries, particularly on the US dollar, which are therefore hedged satisfactorily by futures.

As part of its overall cash flow management, the Group is led to change surpluses of a currency into euros, in order to minimise financial expenses and recourse to bank debt. As part of this multi-currency cash management, the Group regularly sets up forward buying/selling contracts making it possible to offset variations in the value of inter-company loans. These forward contracts are taken out with first-rate banking counterparts.

₪ Currency risk on Investments

Due to its presence in various countries, the Group is subject to currency risks related to its investments in foreign subsidiaries. This risk arises in the changes in the Group's equity (net investment rule) and in the conversion of the subsidiary's income into euros in the parent company.

The Group does not hedge the foreign exchange risk weighing on its shareholders' equity or the risk of translation into euros of the results in foreign currencies of its subsidiaries.

₪ Hedging of Currency Risk

The Group therefore sets up forward exchange transactions in order to hedge its exposure linked to managing its cash in foreign currencies.

The following describes the foreign currency forward exchange transactions portfolio at 31 December 2021:

(in thousands of euros)	Nominal amount	Maximum term
Term Sale Portfolio USD	9 500	28/01/2022
TOTAL TERM SALE PORTFOLIOS	**9 500**	

› Currency risk management

(in thousands of euros)	2021
Change in fair value of hedge	14
Change in fair value of hedged item	6
NET IMPACT ON GROUP INCOME FROM HEDGES OF FAIR VALUE	20

₪ Impact of the exchange rate on the operating income and on shareholders' equity

The Group's exposure to fluctuations in exchange rates is mainly concentrated on shifts in the US dollar, the Moroccan Dirham and the Indian Rupee. other foreign currencies are insignificant. The parity used to convert foreign currency accounts of subsidiaries into euros has the following impact on the Group's income and shareholders' equity - Group share – if it depreciated by 10%.

	Impact on current operating income as at 31.12.2021	Impact on Shareholders' equity - group share at 31.12.2021
10% fall in the US dollar	-4,98%	-5,08%
10% fall in the Moroccan Dirham	-0,78%	0,51%
10% fall in the Indian rupee	-0,93%	-0,38%

The Modular Buildings activity in Africa is mainly denominated in euros and Moroccan dirhams. The River Barge and Freight Railcar activities are mainly denominated in euros in Europe, in US dollars in the United States and South America (for barges), and in Indian rupees in India (for railcars). The leasing and sale of Containers is international, and is mostly denominated in US dollars.

For long-term assets and liabilities, the Group's policy is to correlate fixed assets labelled in foreign currency with borrowings in the same currency, so as to avoid exposure to a currency risk.

note 33.6. EQUITY RISK

Equity risk is the risk of an adverse change in the price of equity securities held by the Group.

The Group's investment strategy provides for only investing surplus liquidity in cash-based mutual funds (UCITS) for short periods. The Group has no dealings on the financial stock markets.

The main equity risk concerns the liquidity agreement that the Group signed with an investment services provider. The amounts currently invested do not represent a significant risk for the Group.

note 33.7. RAW MATERIAL PRICES RISK

This risk is further explained under risk factors, paragraph 3.1.1 of the universal registration document.

note 33.8. TAX RISK

See note 32.1 on contingent liability in the notes to the consolidated financial statements.

note 33.9. EMPLOYMENT RISK

See note 32.2 on contingent liability in the notes to the consolidated financial statements.

NOTE 34. RELATED PARTIES AS DEFINED IN IAS 24

The definition used for related parties is that given in IAS 24. Related parties are the key management personnel of TOUAX SCA, i.e. those who have authority and responsibility for planning, managing, and controlling the Group's activities. The officers who fit this description are Fabrice and Raphaël WALEWSKI, the Managing Partners of TOUAX SCA, as well as Société Holding de Gestion et de Participation (SHGP) and Société Holding de Gestion et de Location (SHGL), General Partners. Members of the Supervisory Board, in view of their control function, are also regarded as related parties.

The amount paid to the General Partners during 2021 for their 2020 statutory remuneration in accordance with the articles of association was €644 thousand.

A related party has a significant influence if it is able to take part in financial and operational policy decisions, without however exerting control over these policies. This influence is deemed to be significant if a physical person, legal entity or group of persons holds over 20% of the voting rights: Alexandre, Fabrice and Raphaël WALEWSKI acting together hold directly and indirectly over 20 % of the shares.

The Group has not concluded any significant transactions with related parties.

The remuneration of corporate officers is detailed in chapters 13 and 23.2.5 of the universal registration document. The total remuneration of corporate officers in 2021 was €1,353 thousand to which is added 193 thousand US dollars.

A transaction was indirectly concluded between TOUAX SCA and its Managing Partners, through a real estate investment trust, relating to the leasing of its premises in the Tour Franklin for a total of €0.8 million per year. This lease is subject to an IFRS 16 restatement for €0.7 million in right of use and lease liabilities.

The remuneration of members of the Supervisory Board is detailed in chapter 13 of the universal registration document. It amounted to €63 thousand.

Relations between the parent company and its subsidiaries are explained in section 6.2 of the universal registration document, in note 2 of the notes to the consolidated accounts and in note 26.2 to the financial statements.

NOTE 35. IFRS 16

Summary

- The accounting principle and method are presented in note 1.20.3.
- The leases are presented in note 1.20.3 (lessor side).
- Revenue from activities are presented in note 1.20 and note 4.
- Net distributions to investors are presented in note 1.22 and note 9 (lessee side).
- The allocation for depreciation for right-of-use assets is presented in note 10.
- Interest paid on leases is presented in note 11.
- The right of use is described in note 18.
- The lease liability is presented in note 25.
- Leases exempt from the standard (whose term is less than 1 year or whose asset value is less than $5,000) are presented in note 36.1.

- **Lease payments**

The total amount of lease payments made in 2021 was €1.8 million:

note no.	*(in thousands of euros)*	2021
25	Lease payments related to real estate leases	720
25	Lease payments related to equipment leases for barges and other equipment	813
25	Lease payments related to equipment leases for vehicles and copiers	177
36.1	Lease payments related to short-term leases or for low-value goods	124
	TOTAL	**1 834**

The amount disbursed does not differ significantly from the lease expenses.

Note also the payment of €35.698 million in distributions to investors corresponding to the net income generated by their equipment managed by the Group, which could be assimilated to variable rents under IFRS 16.

NOTE 36. OFF-BALANCE SHEET COMMITMENTS

The presentation made does not omit any significant off-balance sheet commitments according to current accounting standards.

note 36.1. NON-CAPITALISED OPERATING LEASES

According to IFRS 16, most operating leases are now capitalised. The group has retained the exemption proposed by the standard not to activate short-term or low-value contracts.

The table below therefore presents the leases whose term is less than 1 year or whose underlying asset has a value of less than $5,000 when new:

(in thousands of euros)	Freight Railcars	River Barges	Containers	Other	TOTAL
Leases on property contracts	65			47	112
Leases relating to non-operating property leases			4	8	12
Total leasing charges in 2021	**65**		**4**	**55**	**124**
Leases on property contracts	74			47	121
Leases relating to non-operating property leases			4	8	12
Total leasing commitments in 2022	**74**		**4**	**55**	**133**

note 36.2. OTHER COMMITMENTS MADE

- **Bank guarantees issued to Group subsidiaries as of 31 December 2021**

(in thousands of euros)	Amount	Maximum term
Bank guarantees	**290**	
River barges	160	2 025
Modular Buildings Africa	130	2 022

- **Firm orders of equipment from external suppliers**

At 31 December 2021, orders and firm investments in operational assets from third parties amounted to €54.1 million, made up of €28.4 million in containers, €22.9 million in freight railcars and €2.8 million in river barges.

OTHER COMMITMENTS RECEIVED

- **Fixed-term operating leases**

The minimum receivable future payments under operating leases totalled €220.4 million.

(in thousands of euros)	Freight railcars	River Barges	Containers	Other	2021
0 - 6 months	22 917	3 406	16 133		42 456
6 months - 1 year	19 323	3 409	14 554		37 286
1 - 2 years	22 310	5 687	23 389		51 386
2 - 3 years	12 092	5 032	13 170		30 294
3 - 4 years	7 837	3 035	6 029		16 901
4 - 5 years	4 588	2 843	4 206		11 637
More than 5 years	4 958	11 422	14 058		30 438
TOTAL OPERATIONAL RENTS	**94 025**	**34 834**	**91 539**		**220 398**

(in thousands of euros)	Freight railcars	River Barges	Containers	Other	2020
0 - 6 months	23 196	3 701	14 369		41 266
6 months - 1 year	19 687	3 523	10 397		33 607
1 - 2 years	21 511	6 123	15 391		43 025
2 - 3 years	13 091	5 816	11 304		30 211
3 - 4 years	9 873	6 630	6 886		23 389
4 - 5 years	7 361	6 345	5 562		19 268
More than 5 years	9 950	11 598	8 525		30 073
TOTAL OPERATIONAL RENTS	**104 669**	**43 736**	**72 434**		**220 839**

note 36.3. SECURED DEBT PROVIDED

To guarantee the loans granted to finance the Group's proprietary assets (apart from leasing agreements), the Group's subsidiaries have granted the following security interests:

			31 December 2021		
(in thousands of euros)	Commencement	Maturity	Pledged asset (original collateral value)	Balance Sheet item gross value	%
Mortgages (river barges)					
	2012	2025	5 033		
	2012	2022	9 853		
	2013	2022	9 853		
TOTAL			**24 740**	**59 891**	**41,3%**
Tangible assets pledged					
Freight Railcars			**192 752**	**376 254**	
	2020	2025	192 752		
Containers			**94 286**	**122 339**	
	2020	2022	94 286		
TOTAL			**287 039**	**498 592**	**57,6%**

The security interests granted (mortgages, pledges and others guarantees) can be redeemed by repayment of the borrowings.

note 36.4. SECURITY AND GUARANTEES

The security and guarantees are issued by the parent company in return for bank loans granted to its subsidiaries.

Subsidiaries concerned *(in thousands of euros)*	Year of implementation of guarantees	Original amount of guarantees granted	Guarantees maturing in less than one year	Guarantees maturing between 1 and 5 years	Guarantees maturing in over 5 years	**Outstanding capital balance at 31/12/2021**
	2021	3 500			3 427	3 427
	Before 2021	9 200			7 292	7 292
TOUAX River Barges SAS		**12 700**			**10 719**	**10 719**
	2021					
	Before 2021	2 013		1 438		1 438
TOUAX LEASING Corp		**2 013**		**1 438**		**1 438**
	2021					
	Before 2021	19 707	2 171			2 171
TOUAX Hydrovia Corp.		**19 707**	**2 171**			**2 171**
GENERAL TOTAL OF GUARANTEES GRANTED		**34 420**	**2 171**	**1 438**	**10 719**	**14 328**

The original amount of the guarantees given with regard to the above bank loans was €34.4 million. The bank loans to which these securities and guarantees relate are included in the debt with recourse.

NOTE 37. FEES OF THE STATUTORY AUDITORS

2021 *(in thousands of euros)*	Deloitte Statutory Auditor (Deloitte & Associés)	Network	RSM Statutory Auditor (RSM Paris)	Network
Certification and semi-annual limited review of individual and consolidated accounts				
• Issuer	73		83	
• Fully consolidated subsidiaries	55	182	30	15
Sub-total	128	182	113	15
Services other than certification of accounts				
• Issuer	27		18	
• Fully consolidated subsidiaries	20	89	36	
Sub-total	47	89	54	
TOTAL	**175**	**271**	**167**	**15**

18.1.2.Financial statements

The financial statements of TOUAX SCA are presented in accordance with the accounting principles generally applied in France.

Income Statement

note no.	*(in thousands of euros)*	**2021**	2020
3	Revenues	1 485	1 632
4	Reversal of provisions and transfer of expenses	0	0
5	Other income	553	0
	TOTAL Operating Income	2 037	1 632
6	Other operating expenses	(1 687)	(2 292)
7	Taxes	(10)	(22)
8	Staff Costs	(66)	(71)
9	Depreciation allocations	(505)	(473)
10	Allocations for operating provisions	0	0
	TOTAL operating expenses	(2 268)	(2 857)
	NET OPERATING INCOME	(231)	(1 225)
	Income attributed to joint operations		
	Financial income from equity	6 201	5 000
	Income from other securities and receivables from fixed assets	1 335	7 053
	Reversals of provisions and transfer of charges	481	7 574
	Other financial income	42	537
	TOTAL financial income	8 059	20 164
	Financial allowances for depreciation and provisions		
	Interest and similar expenses (6)	6 680	11 224
	Other financial expenses	174	119
	TOTAL financial expenses	6 854	11 343
11	FINANCIAL PROFIT OR LOSS	1 205	8 821
	Current income before tax	974	7 596
12	EXTRAORDINARY PROFIT OR LOSS	0	0
13	Taxes on profits	98	73
	NET INCOME FOR THE YEAR	**1 072**	**7 669**

Notes accompanying the appendix form an integral part of the company's financial statements

Balance sheet note no.	(in thousands of euros)	2021	2020
	ASSETS		
14	Gross intangible assets		
	Intangible asset depreciation		
	Net intangible assets		
15	Gross tangible assets	114	122
	Tangible asset depreciation	(87)	(89)
	Net tangible assets	27	33
16	Long-term investments	200,603	140,091
	Long-term investment provisions	(7,360)	(7,820)
	Net long-term investments	193,243	132,272
	TOTAL fixed assets	193,270	132,305
17	Trade receivables	3,717	3,330
18	Other operating receivables	3,853	530
	Investment securities	11,016	8,060
19	Deferred expenses	191	211
	TOTAL circulating assets	18,776	12,131
19	Prepayments and accruals	1,190	1,714
	TOTAL ASSETS	213,236	146,149
	LIABILITIES		
	Share capital	56,092	56,092
	Revaluation difference	67,572	0
	Reserves	9,167	9,811
	Balance brought forward	(22,900)	(30,569)
	Profit or loss for the financial year	1,072	7,669
20	Shareholders' equity	111,003	43,003
	Share issues	26,982	26,990
21	Other shareholders' equity	26,982	26,990
	Provisions for risk	0	20
	Provisions for charges	0	0
22	TOTAL provisions for risk and charges	0	20
23	Financial indebtedness	74,384	74,645
24	Operating liabilities	691	1,304
25	Prepayments and accruals	176	186
	TOTAL LIABILITIES	213,236	146,149

Notes accompanying the appendix form an integral part of the company's financial statements

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

Unless otherwise provided, all the figures are given in thousands of euros.

NOTE 1. SIGNIFICANT EVENTS, FREE REVALUATION, INCIDENCE OF COVID 19 AND POST-BALANCE SHEET EVENTS

- Significant events

None.

- Revaluation of property, plant and equipment and financial assets as of 31 December 2021

At the end of the financial year, the company carried out the free revaluation of its tangible and financial fixed assets, in application of the accounting option provided for by the French Commercial Code (c. com. Art. L. 123-18, 4th paragraph) and by the French accounting principles (Plan comptable général, PCG art. 214-27).

The effect of this operation was to increase the book value of equity securities held by the company, with, in counterpart, an increase in shareholders' equity through the creation of a revaluation difference in the amount of €67,572,000.

The reassessed value of Property, plant and equipment and financial assets other than equity investments corresponding to their net book value on the date of the revaluation, the latter having had no impact on the company's financial statements.

In application of article 31 of the finance law for 2021 (law 2020-1721 of 29 December 2020), the company has opted for the deferred tax regime in accordance with article 238 bis JB of the general tax code. This regime allows the deferral of the taxation of this revaluation difference until the date of sale of the revalued equity securities and therefore generated no tax cost in 2021.

The terms of this free revaluation are detailed in the balance sheet notes to this appendix.

- Incidence of COVID-19

The Covid-19 health crisis continues to create uncertainties about future activities, although given the company's activity, the health crisis has not had a material impact to date on the financial statements for the year.

- Post-balance sheet events

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

ACCOUNTING PRINCIPLES

The annual accounts are drawn up in accordance with general accounting standards, in accordance with the amended regulation ANC 2014-03 of 5 June 2014, with regulations at end year date and the Commercial Code. They comply with the recommendations of the Accounting Standards Authority (Autorité des normes comptables,), the Association of Chartered Accountants (Ordre des Experts Comptables) and the National Company of Auditors Compagnie Nationale des Commissaires aux Comptes).

The Company accounts were approved by the Management Board of TOUAX SCA on 22 March 2022. In accordance with French law, the financial statements will be considered final once they have been approved by the shareholders of the Group at the Ordinary General Shareholders' Meeting to be held on 22 June 2022.

The methods used to prepare the accounts for 2021 remain unchanged from those of the previous year.

The general accounting conventions have been applied in accordance with the basic assumptions:

- Continuity of operation,
- Consistency of accounting methods from one financial year to another,
- Independence of financial years.

These financial statements are presented in euros, the operational currency of Touax SCA. All figures are expressed in euros rounded to the nearest thousand.

note 2.1. INTANGIBLE ASSETS

Intangible assets are recognised at their acquisition cost and include software programs acquired. These assets are depreciated using the straight-line method over their remaining useful lifetime.

note 2.2. PROPERTY, PLANT AND EQUIPMENT

The ANC 2014-03 regulation requires that an asset's main components with a useful lifetime shorter than that of the asset itself should be identified so as to be depreciated over its own useful lifetime.

Property, plant and equipment are recorded at their acquisition cost. Depreciation is calculated using the straight-line method without deducting a residual value. The depreciation periods retained depend on the assets' estimated useful lifetimes. The depreciation periods of significant fixed assets are reviewed at the end of each financial year. The initial useful lifetime is extended or reduced if deemed necessary by the conditions of use of the item in question.

The useful lifetimes are as follows:

- Administrative and commercial buildings 20 years
- Fixtures and fittings 10 years
- Office and computer equipment 4 years
- Office furniture 5 years

note 2.3. FINANCIAL FIXED ASSETS

The gross value is comprised of the purchase cost excluding incidental costs.

The revaluation of the financial fixed assets was carried out at the end of the financial year with the help of an independent expert, on the basis of appropriate methods such as the "Discounted Cash Flow" (DCF) method, the comparable transactions method and the market multiples method. It uses valuations based on estimates and assumptions that take into account the particularities of assets and markets and that are corroborated by sensitivity tests and ranges of results established by the expert.

This revaluation led to the modification or confirmation of the book value of the equity investments. In addition, the historical gross value, after deduction of depreciation (if any), of other financial fixed assets has been confirmed by this revaluation.

When the inventory value of equity securities is lower than the gross value, a depreciation is made up of the amount of the difference. This depreciation is reversed when the inventory value rises.

The value in use of equity securities is determined by using the highest value between:

- the share of shareholders' equity of the subsidiary,
- the share of shareholders' equity of the sub-group possibly formed by the subsidiary or,
- the company value, less debts or the transaction value obtained by the "Discounted Cash Flow" (DCF) method.

Receivables related to investments are subject to impairment tests at closing, and a depreciation is recorded if the balance sheet value is lower than the book value, particularly when recovery of the debt is no longer certain.

Equity stock is recorded as financial assets at historical cost. At the end of the financial year, this item represents 6,265 shares for a value of 42,294 euros.

A depreciation is constituted when the closing price is less than the purchase value.

note 2.4. RECEIVABLES

Receivables are valued at their nominal value. A depreciation is recorded when the balance sheet value is less than the net book value.

With regard to current accounts of subsidiaries, a depreciation is noted when recovery of these receivables is no longer certain.

note 2.5. INVESTMENT SECURITIES

Investment securities are evaluated at their acquisition cost.

Upon sale of similar stock (conferring the same rights), the value of the stock sold is determined using the first in, first out method.

If the price on the last day of the financial year is less than the purchase price of the stock, an impairment is recorded to cover the latent capital loss.

note 2.6. SHAREHOLDERS' EQUITY

Capital increase expenses are deducted from the issue premium.

note 2.7. PROVISIONS FOR RISKS AND CHARGES

Risks with a provision under this section include mainly the employment, tax and exchange rate risks.

The calculation of provisions for risks and charges takes into account the provisions of ANC Regulation 2014-03 concerning liabilities.

note 2.8. FOREIGN CURRENCY OPERATIONS

Payables and receivables denominated in foreign currencies are converted at the rates applicable at 31 December of the financial year.

- Covered receivables and liabilities generate no impact on income given the symmetrical revaluation of foreign currency hedging.
- Differences resulting from the conversion of debts and receivables in unhedged foreign currency are accounted for as exchange rate differences.

In accordance with the precautionary principle, unrealized losses are subject to a provision for risks. Unrealized gains have no impact on net income.

note 2.9. PENSION AND OTHER RETIREMENT LIABILITIES

Provisions for pension compensation is calculated according to the evaluation rules of the revised IAS 19 standard. Variation of provisions are entered in the income statement. For TOUAX, this compensation only refers to the retirement packages of employees.

note 2.10. FISCAL CONSOLIDATION

The company has chosen to use the group tax system set out in article 223 A of the French general tax code. In accordance with the integration agreement:

- The company is accountable to the Tax Office for corporation tax calculated on the total consolidated fiscal income;
- the group employs the 'neutrality' method for the calculation of applicable taxation. This method involves posting the tax owed by the consolidated subsidiaries as if they were taxed separately.
- TOUAX SCA records the group's additional corporation tax expense or corporation tax savings according to the applicable method.

note 2.11. EXPENSES TO BE DISTRIBUTED

The expenses to be distributed concern the loan issue expenses. They are subject to a linear depreciation over the term of the loan, in equal proportion.

NOTES REGARDING THE INCOME STATEMENTREVENUES BY ACTIVITY

(in thousands of euros)	2021	2020
Property	46	53
Intra-group services	1,439	1,579
TOTAL	1,485	1,632

- **Property**

The property activity refers to the leasing of buildings for private or office use.

- **Intra-group services**

Intra-group services represent the sub-leasing of offices and consulting services provided by TOUAX to the French companies within the Group.

NOTE 4. REVERSAL OF PROVISIONS AND TRANSFER OF EXPENSES

None.

NOTE 5. OTHER INCOME

(in thousands of euros)	2021	2020
Other income	553	0
TOTAL	553	0

This line shows a total property sale value of 553 thousand euros.

NOTE 6. OTHER OPERATING EXPENSES

(in thousands of euros)	2021	2020
Purchases of goods and consumables	1	2
TOTAL	1	2
Leasing and property leasing fees	810	780
Maintenance and repairs	3	8
Insurance premium	134	116
TOTAL	946	904
Remuneration of intermediaries and fees	636	677
Advertising and Publications	14	21
Bank charges	54	127
Other	2	11
TOTAL	706	836
Bad debts	0	88
Attendance fees	29	63
Other management expenses	5	399
TOTAL	34	550
TOTAL OTHER OPERATING EXPENSES	1,687	2,292

Leasing and property leasing fees

This item mainly concerns the leasing of offices. Most of the leasing expenses were invoiced to the subsidiaries occupying the offices (see 0).

Insurance premiums

This item includes insurance premiums for insurance policies covering the property leased by the company and to cover the third party liability of managers working under contract.

Payment of intermediaries and fees

The payment of intermediaries and fees concerns the fees paid to third parties for their legal, assistance and consulting assignments.

NOTE 7. TAXES

(in thousands of euros)	2021	2020
On remuneration	5	7
Territorial economic contributions and property taxes	2	8
Other taxes	4	7
TOTAL	10	22

NOTE 8. STAFF COSTS

(in thousands of euros)	2021	2020
Salaries and wages	45	45
Social contributions	21	26
TOTAL	66	71

The average workforce over the year is 2 people.

NOTE 9. ALLOCATIONS TO DEPRECIATION

(in thousands of euros)	2021	2020
Property	1	1
Expenses to be distributed	504	472
TOTAL	505	473

The depreciation provision of the operating expenses to be distributed refers to the loan issue expenses distributed over the period of the corresponding loans.

NOTE 10. ALLOCATIONS FOR OPERATING PROVISIONS

None.

NOTE 11. FINANCIAL PROFIT OR LOSS

(€ thousands)	2021	2020
Dividends and other equity products	6,201	5,000
FINANCIAL EXPENSES AND INCOME		
Financial income	1,366	7,539
Income from transfer of V.M.P	(12)	23
Financial expenses	(6,680)	(11,224)
Net financial costs	(5,326)	(3,662)
PROVISIONS		
Reversals	481	7,574
Allocations	0	0
Net change	481	7,574
CURRENCY GAINS/LOSSES		
Positive	0	0
Negative	(151)	(91)
Net exchange rate difference	(151)	(91)
FINANCIAL PROFIT OR LOSS	1,205	8,821

note 11.1. DIVIDENDS AND PROFIT SHARE

The amount of investment income received during the financial year corresponds to dividends paid by the Touax Rail Ltd and Touax Conteneur Services SAS subsidiaries.

note 11.2. FINANCIAL EXPENSES AND REVENUES

Financial revenues consist mainly of financial interest received by the company under long-term loan agreements with its subsidiaries.

Provision reversal

The financial expenses for the financial year mainly include the following:

- €4,132k of financial interest on loans entered into with credit institutions;
- €2,419k of coupons paid and to be paid on Undated Super Subordinated Notes;
- €128k of financial interest paid on advances which were directly or indirectly made available to the company by the Group's companies.

note 11.3. PROVISIONS AND DEPRECIATIONS

The reversal of the provision for the financial year corresponds, for €460k, to a reversal of the provision for depreciation of equity interests held in the French subsidiary Touax Corporate SAS to take into account a positive return on its equity.

note 11.4. CURRENCY GAIN/LOSS

Over the year, the exchange rate result is a net exchange loss of €151k and corresponds to the impact of the variation over the year of the US dollar against the Euro.

NOTE 12. EXTRAORDINARY PROFIT OR LOSS

None.

NOTE 13. TAXES ON PROFITS

As stated in note 2.10, the Group has adopted the so-called "neutrality" method to account for corporation tax.

The company's accounting revenues before tax is a profit of €1.1 million. In view of fiscal reintegrations and deductions, the taxable income for the financial year, before allocation of deficits, shows a taxable loss of €5.4 million.

In accordance with the consolidation agreement, TOUAX SCA recorded a tax saving of €98k for the fiscal Group in the income statement for the financial year.

At the end of the financial year, the amount of tax losses carried forward for the group formed by the company and its French subsidiaries was €124.5 million.

As shown in note 1, the revaluation of tangible and financial assets carried out at the end of the financial year did not generate any additional tax expense for the financial year. For tax purposes, this revaluation difference is tax-deferred until the day of the sale of the equity securities, in accordance with article 31 of the finance law for 2021.

NOTES ON THE BALANCE SHEET

ASSETS

NOTE 14. INTANGIBLE ASSETS

None.

NOTE 15. PROPERTY, PLANT AND EQUIPMENT

note 15.1. DISTRIBUTION OF PROPERTY, PLANT AND EQUIPMENT

	2021			2020
(€ thousands)	Gross value	Depreciation	Net value	Net value
Land and buildings	103	76	27	27
Other Property, plant and equipment	11	10	1	6
TOTAL	**114**	**87**	**27**	**33**

Movements related to property, plant and equipment are indicated in note 15.2 and note 15.3.

The free revaluation of property, plant and equipment carried out at the end of the financial year (see note 1) had no impact on the value of the latter, their revalued value corresponding to their net book value

note 15.2. PURCHASES IN 2021

No acquisition of property, plant and equipment during the year.

note 15.3. DISPOSALS AND REDUCTIONS IN 2021

Given that all the property sold during the year was fully depreciated, this sale did not lead, in net book value, to a reduction in the company's property, plant and equipment.

NOTE 16. LONG-TERM INVESTMENTS

	2021			2020
(€ thousands)	Gross value	Depreciation	Net value	Net value
Holdings	169,555	4,329	165,226	97,194
Loans and receivables on holdings	30,951	3031	27,921	31,688
Other loans and financial assets	95	0	95	3,389
TOTAL	**200,602**	**7,360**	**193,242**	**132,271**

note 16.1. EQUITY INVESTMENTS

	2021			
(in thousands of euros)	Gross value	Revaluation	Depreciation	Net value
Europe				
TOUAX RAIL Ltd	40,007	34,699		74,706
TOUAX River Barges SAS	38,129	0		38,129
TOUAX CONTAINER SERVICES SAS	19,057	32,873		51,930
TOUAX CORPORATE SAS	2,591	0	(2,131)	460
TOUAX AFRICA SAS	2,198	0	(2,198)	0
Other	1	0		1
International				
TOUAX UK	0	0		0
TOTAL	**101,983**	**67,572**	**(4,329)**	**165,226**

note 16.2. LOANS AND RECEIVABLES ON HOLDINGS

(in thousands of euros)	2021 Gross value	2021 Depreciation	2021 Net value	2020 Net value
TOUAX AFRICA SAS	16,607	(3,031)	13,576	13,576
TOUAX RAIL Ltd	10,194		10,194	13,592
TOUAX River Barges SAS	4,150		4,150	4,149
TOUAX UK Ltd	0		0	370
TOTAL	**30,951**	**(3,031)**	**27,921**	**31,688**

This item records the long-term portion of intra-group loans at year-end. These intra-group loans were subject to a specific intra-group treasury agreement.

As shown in note 2.3, the free revaluation carried out at the end of the financial year had no impact on the value of loans and receivables attached to equity investments, since their revalued value corresponds to their net book value.

These receivables are all over one year old.

note 16.3. OTHER LONG-TERM INVESTMENTS

Other long-term investments totalled a gross value of €95k The significant decrease in this item is explained by the reimbursement, for €3.3 million, of the balance of the escrow account relating to the guarantee given to the buyer of Touax Solutions Modulaires SAS.

As shown in note 2.3, the free revaluation carried out at the end of the financial year had no impact on the value of other long-term investments, since their revalued value corresponds to their net book value.

NOTE 17. BREAKDOWN OF RECEIVABLES AND RELATED ACCOUNTS BY BUSINESS ACTIVITY

(in thousands of euros)	2021 Gross value	2021 Impairment	2021 Net value	2020 Gross value	2020 Impairment	2020 Net value
Intra-group	3 713		3 713	3 323		3 323
Other	8	5	3	12	5	7
TOTAL	**3 722**	**5**	**3 717**	**3 335**	**5**	**3 330**

The miscellaneous item is comprised of receivables from third parties due within one year.

Intra-group receivables correspond to the invoicing of services provided by the company to companies within the Group. These intra-group receivables will mature within one year of the financial year end.

NOTE 18. OTHER OPERATING RECEIVABLES

(in thousands of euros)	2021 Gross value	2021 Depreciation	2021 Net value	2020 Gross value	2020 Depreciation	2020 Net value
State and social institutions	189		189	138		138
Intra-group receivables	3,593		3,593	302	0	302
Miscellaneous debtors	71		71	89		89
TOTAL	**3,853**	**0**	**3,853**	**530**	**0**	**530**

Other receivables are mainly all due within one year.

note 18.1. STATE AND SOCIAL INSTITUTIONS

This item mainly includes VAT to be recovered by the company.

note 18.2. INTRA-GROUP RECEIVABLES

The intragroup receivables item includes the share of intragroup loans of at least one year granted by the company to its subsidiaries.

NOTE 19. PREPAYMENTS AND ACCRUALS

(in thousands of euros)	2021	2020
Expenses to be distributed	1,190	1,694
Deferred expenses	191	211
Unrealised exchange rate gains/losses	0	20
TOTAL	**1,381**	**1,925**

Deferred expenses are mainly composed of office rents and insurance premiums for the share pertaining to the 2022 financial year.

The charges to be distributed correspond, at the end of the financial year, to the loan issue costs remaining to be spread over the term of the corresponding loans.

NOTE 20. SHAREHOLDERS' EQUITY

note 20.1. CHANGE IN SHAREHOLDERS' EQUITY

(in thousands of euros)	01.01.2021	Appropriation of the 2020 income	Revaluation	Other changes	31.12.2021
Share capital	56,092				56,092
Issue and merger premiums	6,402	(644)			5,758
Revaluation adjustment			67,572		67,572
Legal reserve	3,410				3,410
Other reserves	0				0
Carried forward to	(30,569)	7,669			(22,900)
Profit or loss for the financial year	7,669	(7,669)		1,072	1,072
Statutory remuneration of general partners		644			
Dividends paid					
TOTAL	**43,004**	**0**	**67,572**	**1,072**	**111,004**

note 20.2. CHANGE IN THE CAPITAL STOCK

The value of capital is €56,092k at the end of the financial year.

(in Euros)	Number of shares making up the capital	Nominal share value	Total amount of capital
Share capital at 31.12.2016	7,011,547	8	56,092,376
Share capital at 31.12.2017	7,011,547	8	56,092,376
Share capital at 31.12.2018	7,011,547	8	56,092,376
Share capital at 31.12.2019	7,011,547	8	56,092,376
Share capital at 31.12.2020	7,011,547	8	56,092,376
Share capital at 31.12.2021	**7,011,547**	**8**	**56,092,376**

note 20.3. REVALUATION DIFFERENCE

The free revaluation operation of all Property, plant and equipment and financial assets led to the recognition of a revaluation difference, totalling €67.6 million recorded in the company's shareholders' equity.

NOTE 21. OTHER SHAREHOLDERS' EQUITY

The other shareholders' equity item includes an amount of €26.6 million at year end following the issue in 2013 and 2014 of Undated Super Subordinated Notes (TSSDI).

The company has a quarterly call option and the coupon is at a variable rate, also quarterly and remains in the hands of the company.

The company paid a coupon for the amount of €2.4 million over the financial year.

The company recorded an amount of €407k at the year end for coupons accrued over the year. The coupons will be paid in 2022.

NOTE 22. PROVISIONS FOR RISKS AND CHARGES

(in thousands of euros)	Provisions at 01/01/2021	Allocations during the year	Reversals during the year	Provisions at 31/12/2021
Conversion adjustment	20	0	(20)	0
TOTAL	20	0	(20)	0

These provisions were recorded in the accounts in accordance with the ANC 2014-3 regulation.

No situation has been identified where the company is committed to bear the losses of a subsidiary with negative equity and which would require the recognition of a provision for risks in this regard.

There is no provision for retirement commitments at the end of the financial year.

NOTE 23. FINANCIAL INDEBTEDNESS

note 23.1. ANALYSIS BY CATEGORY OF DEBT

(in thousands of euros)	2021		2020
Bonds	66,633		66,633
Medium-term loans from credit institutions	4,400		4,400
Short-term loans	0		0
Bank overdrafts and accrued interest payable	1,016	(1)	1,967
TOTAL loans	**72,049**		**73,000**
Intra-group debts	2,276		1,586
Collateral deposits received from customers	6		6
Collateral deposits received Intra group	52		52
TOTAL of other liabilities	2,335		1,645
TOTAL	74,384		74,645

(1) including €10 m of accrued interest

Medium-term loans from credit institutions correspond in full to a loan guaranteed by the State.

Intra-group debts correspond to intra-group loans entered into with group companies.

note 23.2. BREAKDOWN BY REPAYMENT DUE DATE

(€ thousands)	2021	2020
2021		1,967
2022	1,016	
2023	16,633	16,633
2024	40,000	40,000
2025	10,000	10,000
2026	4,400	4,400
More than 5 years	0	
TOTAL	72,049	73,000

Loan payments include regular annual depreciation up to their extension and the depreciation of certain loans at end of term.

note 23.3. BREAKDOWN BY REPAYMENT CURRENCY

The financial debt is denominated in euros.

note 23.4. NET DEBT VARIATION

(in thousands of euros)	2021	2020
Banking debts (loans)	72,049	73,000
Investment securities	(5,498)	(8,000)
Liquid assets	(5,518)	(60)
BANK DEBT	61,033	64,940

(in thousands of euros)	2021	2020
Net bank debt	61,033	64,940
Other bank debts	2,335	1,645
Operating liabilities	486	254
Inventories and trade receivables	(3,717)	(3,330)
NET DEBT	60,137	63,509

note 23.5. INFORMATION ON INTEREST RATES

(in thousands of euros)	2021		2020
Fixed rate loans	71,033		71,033
Variable rate loans	0		0
FINANCIAL DEBTS	71,033	(1)	71,033
AVERAGE ANNUAL VARIABLE INTEREST RATE	0.0%		0.0%

excluding accrued interest for the year

NOTE 24. OPERATING LIABILITIES

note 24.1. BREAKDOWN OF OPERATING LIABILITIES

(in thousands of euros)	2021	2020
Other	394	99
Intra-Group accounts receivable	39	20
TOTAL accounts receivable and related accounts	**432**	**119**
Tax and social debts	54	135
Other intra-group operating liabilities	175	987
Other liabilities	30	63
TOTAL other operating liabilities	**259**	**1,185**
TOTAL	**691**	**1,304**

Operating debts are mainly due within one year.

NOTE 25. PREPAYMENTS AND ACCRUALS

(in thousands of euros)	2021	2020
Deferred income	0	186
TOTAL	**0**	**186**

NOTE 26. OTHER INFORMATION

note 26.1. OFF-BALANCE SHEET COMMITMENTS

(in thousands of euros)	2021
Securities given in return for bank overdrafts	
used by the subsidiaries and other guarantees of less than a year	2,171
From 1 to 5 years	1,438
More than 5 years	10,719
TOTAL securities	**14,328**
Property leasing fees still to be paid	0
TOTAL fees	**0**
TOTAL	**14,328**

The original amount of the guarantees given with regard to the above bank loans was €34.4 million.

In 2019, Touax SCA issued loan securities, within the scope of a loan worth 40 million euros, on the shares of its subsidiaries Touax Rail Limited, Touax River Barges SAS and Touax Container Services SAS.

note 26.2. PROPERTY LEASING COMMITMENTS

TOUAX SCA has no property leasing commitments at the end of the financial year.

note 26.3. HEDGING OF CURRENCY RISK

During the course of the financial year, the company did not have to exercise any hedging options against the exchange rate risk of converting profits in the consolidated accounts into euros.

The Group's objective is to minimise financial currency risk on operations in a currency whose fluctuations would affect financial income.

During the financial year, the company therefore contracted purchases and sales of foreign currencies, mainly US dollars, to cover temporary cash advances in US dollars given to its foreign subsidiaries.

At the end of the financial year, the amount of forward sales in foreign currencies was $3.5 million.

note 26.4. CONTINGENT LIABILITIES

As part of the sale of the European modular buildings activity in 2017, an assets and liabilities guarantee was agreed with the purchaser.

The guarantee of assets and liabilities, granted for potential corporate and commercial litigation is still applicable. No provision has been made for this guarantee in the accounts at 31 December 2021 in the absence of evidence of a possible financial impact.

The escrow account for an outstanding amount of €3.3 million, paid under this liability guarantee has been reimbursed in full at the start of 2021.

note 26.5. REMUNERATION OF CORPORATE OFFICERS

The remuneration of corporate officers, Managing Partners and members of the Supervisory Board, paid by the company in 2021 totalled €74 thousand.

note 26.6. TABLE OF SUBSIDIARIES AND HOLDINGS

Company or group of companies	Capital	Shareholders' equity other than capital and before appropriation of income	Share of capital held in %	Book value of securities held after revaluation		Loans and advances granted by the parent company and not yet repaid	Amount (1) of guarantees and endorsements given by the company	Revenues	Results from the last financial year	Dividends recorded by the parent company during the previous financial year
				Gross	Net					
1. SUBSIDIARIES (+50% owned)										
a. French subsidiaries										
TOUAX RIVER BARGES SAS	€10,785k	€2,263k	100%	€38,129k	€38,129k	€4,150k		€4,003k	€547k	
TOUAX CONTAINER SERVICES SAS	€8,251k	€4,117k	100%	€51,930k	€51,930k			€4,960k	€18,902k	€2,121k
TOUAX CORPORATE SAS	€2,591k	-€2,372k	100%	€2,591k	€460k			€9,833k	€375k	
TOUAX AFRICA SAS	€11,970k	-€11,319k	51%	€2,198k	€0K	€16,607k		€196k	-€961k	
TOTAL FRENCH SUBSIDIARIES				€94,848k	€90,519k	€20,757k				€2,121k
b. Foreign subsidiaries										
TOUAX RAIL Ltd	€0.4k	€113,295k	51%	€74 706k	€74,706k	€10,194k		€105,437k	-€2,171k	€4,080k
TOUAX UK	£1	£24k	100%	€0k	€0k	€184k		£1274k	£136k	
TOTAL FOREIGN SUBSIDIARIES				€74,706k	€74,706k	€10,378k				€4,080k
TOTAL SUBSIDIARIES				€169,554k	€165,225k	€31,135k				€6,201k

note 26.7. CONSOLIDATED FINANCIAL STATEMENTS

Touax SCA is subject to the obligation to publish consolidated accounts. These are available on the company's website.

18.2. INTERIM FINANCIAL REPORTS AND OTHER REPORTS

Not applicable

18.3. Audit of historical annual financial information

18.3.1.Statutory auditors’ report on the consolidated financial statements

This is a translation into English of the statutory auditors’ report on the financial statements of Touax SCA, a partnership limited by shares, issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors’ report includes information required by French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

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

For the year ended December 31st, 2021

To the Annual general meeting of TOUAX SCA,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of TOUAX SCA for the year ended December 31, 2021.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2021 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

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

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

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from the 1st of January 2021 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments – Key Audit Matters

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. The 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 organization 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 key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

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

Value of tangible assets and Right of use relating to rental equipment

Key Audit Matter

The Touax Group is an operational lessor of standard sustainable transport equipment. The main Cash Generating Units, “CGUs”, identified by the Group are the Freight Railcars business, the Containers business and the River Barges business. The CGUs correspond to the divisions of the Group whose assets consist mainly of the rental equipment classified as tangible assets and rights of use.

As of December 31, 2021, the value of tangible assets and the right of use relating to rental equipment represent 59% of the Group's consolidated assets and consisted respectively of equipment recorded in tangible assets for 316 million euro and in rights of use for 10.2 million euro.

As described in Note 1.9 to the consolidated financial statements and in application of IAS 36, the Group performs impairment tests on tangible assets and rights of use based on the recoverable value whenever there are internal and external indications of an impairment loss, reviewed at each closing date. The recoverable value of these units is generally assessed on the basis of the value in use, determined using the discounted cash flow valuation method, taking into account business assumptions and operating budget forecast approved by management.

As of December 31, 2021, management performed its impairment tests based, in particular, on the discounted future net cash flows of the divisions, which were approved by an independent external party appointed in the context of the revaluation operations of tangible and financial assets.

Given their significant contribution to the Touax Group consolidated financial statements and the importance of assumptions, in particular regarding future operating performance and return rates, and the judgments made in measuring the recoverable amounts, we consider the value of rental equipment recorded in the Group's consolidated assets to be a key audit matter.

Audit response

We learned about the evaluation process as well as the controls put in place by management for the evaluation of rental equipment.

Our work included:

- examining the performance indicators of the CGUs by analyzing the evolution of the key operational performance indicators for the year, in particular the evolution of the utilization rates, prices and more generally of the results of the CGUs in comparison with the data of the previous years;

- obtaining knowledge of the nature and extent of the work to be carried out by the external expert appointed by the Group resulting from the instructions given by management and assess the competence and independence of the expert;

- participating in meetings with external experts and management. During these meetings, the values of the divisions and the key parameters retained were subject to critical analysis.

- verifying, with the support of our valuation specialists, the reasonable nature of the information used as well as the assumptions used and the accuracy of the calculations made by the external expert.

  This information was put into perspective with our knowledge of the entities (historical performance, current contractual data, investment strategy and debt capacity), their environment (state of the rental markets, etc.) and the process for preparing the budget data of the concerned divisions.

- examining finally the appropriateness of the information provided in Notes 1.9, 15, 17 and 18 to the consolidated financial statements on the valuation of tangible assets and rights of use, underlying assumptions and sensitivity analyses.

Specific Verifications

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

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

Other Legal and Regulatory Verifications or Information

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor over the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Management Board complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. Our work included verifying that the tagging of these consolidated financial statements complies with the format defined in the regulation cited above.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of TOUAX SCA by the annual general meeting held on June 6, 2000 for Deloitte & Associés and on June 9, 2016 for RSM Paris.

As of December 31, 2021, Deloitte & Associés and RSM Paris have been engaged by TOUAX SCA for 22 years and 6 years respectively.

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

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

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

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Management Board.

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

Objectives and audit approach

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

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

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

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

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

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and event2s in a manner that achieves fair presentation.

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

Report to the Audit Committee

We submit a report to the Audit Committee which includes the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics (code de déontologie) for statutory auditors.

Paris and Paris-La Défense, March 31st, 2022

The Statutory Auditors

French original signed by

RSM Paris	Deloitte & Associés
Stéphane MARIE	Albert AIDAN

18.3.2.Statutory auditors’ report on the financial statements

This is a translation into English of the statutory auditors’ report on the financial statements of Touax SCA issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors’ report includes information required by French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

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

For the year ended December 31, 2021

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To the Annual general meeting of TOUAX SCA,

Opinion

In compliance with the assignment entrusted to us by the Annual General Meeting, we have audited the accompanying financial statements of TOUAX SCA for the year ended December 31, 2021.

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

The opinion expressed above is consistent with the contents of our report to the Audit Committee.

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 these standards are set out in the section "Statutory Auditors’ Responsibilities in the Audit of the Annual Accounts" of this report.

Independence

We conducted our audit in accordance with the independence rules set out in the French Commercial Code and in the Code of Ethics for Statutory Auditors for the period from 1 January 2021 to the date of our report, and specifically we did not provide any prohibited non-audit services referred by Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments – Key Audit Matters

The global crisis linked to the COVID-19 pandemic creates conditions for the preparation and audit of this year's accounts. Indeed, this crisis and the exceptional measures taken within the framework of the state of health emergency have had multiple consequences for companies, particularly on their activity and financing, as well as increased uncertainties on their prospects.

Some of these measures, such as travel restrictions and teleworking, have also had an impact on the internal organisation of companies and on the way, audits are carried out.

It is in this complex and evolving context that, in accordance with the provisions 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 bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgement, were the most important for the audit of the financial statements for the financial year, as well as the responses we have provided to these risks.

These assessments were addressed in the context of our audit of the financial statements taken as a whole and the formation of our opinion expressed above. We do not provide a separate opinion on specific items of the financial statements.

Valuation of equity investments and investments in associates

Key Audit Matter

Touax SCA (the "Company") holds tangible assets relating to real estate as well as equity interests in companies whose main business is the leasing and management of standardised sustainable transport equipment (freight wagons, river barges and logistics containers).

As of December 31, 2021, equity investments and investments in associates recorded on the balance sheet represented net carrying amounts of €165.2 million and €27.9 million, respectively, or 90.6% of total assets.

As disclosed in notes 1, 2.3 and 16.1 to the financial statements, during the year, the Company revalued tangible and financial assets. The value adjustments resulting from these revaluations amount to €67.6 million euros, consisting of €34.7 million euros on the shares of Touax Rail Ltd and €32.9 million euros on the shares of Touax Container Services SAS recorded as an increase in financial assets with a corresponding increase in the Company's equity at 31 December 2021.

As also disclosed in Note 2.3 to the financial statements, management has used an independent expert to value the equity investments. The valuations involve the use of different methods which depend on estimates, assumptions and judgements made by management and the Company's appointed valuer.

The valuations take into consideration the particularities of the assets and the market conditions.

The revaluation of tangible and financial assets is a key audit issue because of the level of judgement required in the valuations and the significance of these assets in the financial statements and the effect of these revaluations on the Company's equity.

Audit Response

- We familiarised ourselves with the valuation process and the controls implemented by management for the valuation of tangible and financial assets.
- We also familiarised ourselves with the nature and scope of the work to be carried out by the expert mandated by the Company as a result of the instructions given by management and we have assessed the expert's competence and independence.
- We participated in meetings with external experts and management. During these meetings, the values of the tangible and financial assets and the key parameters used were critically reviewed.
- With the support of our valuation specialists, we ensured the relevance of the valuation methodologies used, the reasonableness of the information used and the assumptions made and the accuracy of the calculations made by the external expert.
  This information was put into perspective with our knowledge of the subsidiaries whose shares are revalued (historical performance, current contractual data, investment strategy and debt capacity), their environment (state of the rental market, ...) and the process of preparing the budgetary data of the companies concerned.
- We assessed the choice of estimates made by management by examining the sensitivity tests and the ranges of reasonably possible results established by the external expert.
- Finally, we examined the appropriateness of the information relating to the revaluation of assets provided in Notes 1, 2.3 and 16.1 to the financial statements.

Specific verifications

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

Information given in the management report and in the other documents on the financial situation and the financial statements sent to the 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 Management Board and in the other documents with respect to the financial position and the financial statements provided to shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code (code de commerce).

Report on corporate governance

We attest that the Supervisory Board's report on corporate governance sets out the information required by Articles L. 225-37-4, L.22-10-10 et L.22-10-9 of the French Commercial Code (code de commerce).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (code de commerce) relating to salaries and benefits received by or awarded to the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled enterprises included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (code de commerce), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information

Other Information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Other Legal and Regulatory Verifications or Information

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of Management Board, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of TOUAX SCA by the Annual General Meeting held on June 6, 2020, for Deloitte & Associés and on June 9, 2016, for RSM Paris.

As of December 31, 2021, Deloitte & Associés and RSM Paris have been engaged by TOUAX SCA for 22 years and 6 years respectively.

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 Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures. The financial statements were approved by b the Management Board.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

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, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

In the context of an audit conducted in accordance with professional standards applicable in France, the auditor exercises professional judgement throughout the audit. In addition:

- The auditor identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures to address those risks, and obtains audit evidence that the auditor believes is sufficient and appropriate to provide a basis for the audit opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error, because fraud may involve collusion, falsification, intentional omissions, misrepresentation, or circumvention of internal control;

- obtaining 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 internal control

- it assesses the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as the related disclosures in the annual accounts

- it assesses the appropriateness of management's application of the going concern accounting policy and, based on the information gathered, the existence or not of a significant uncertainty related to events or circumstances that could call into question the company's ability to continue as a going concern. This assessment is based on information gathered up to the date of the report, bearing in mind that subsequent events or circumstances could call into question the company's ability to continue as a going concern. If the auditor concludes that there is a material uncertainty, he draws the attention of the readers of his report to the information provided in the financial statements concerning this uncertainty or, if this information is not provided or is not relevant, he issues a qualified opinion or a refusal to certify.

- evaluating the overall presentation of the financial statements and assessing whether the financial statements present fairly the underlying transactions and events.

Report on corporate governance

We submit a report to the Audit Committee which includes the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822- 14 of the French Commercial Code and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris and Paris-La Défense, March 31,2022,

The Statutory Auditors

French original signed by

RSM Paris

Stéphane MARIE

Deloitte & Associés

Albert AIDAN

18.3.3.Statutory Auditors’ special report on regulated agreements

This is a free translation into English of the statutory auditors’ special report on regulated agreements and commitments issued in the French language and is provided solely for the convenience of English speaking readers. This report on regulated agreements should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

It should be understood that the agreements and commitments reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

Annual General Meeting held to approve the financial statements
for the year ended December 31, 2021

To the Touax SCA Annual General Meeting,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such commitments and agreements are in the Company’s interest, without expressing an opinion on their usefulness and appropriateness or identifying other such agreements and commitments, if any. It is your responsibility, pursuant to Article R. 226-2 of the French Commercial Code (Code de Commerce), to assess the interest involved in respect of the conclusion of these agreements and commitments for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R. 226-2 of the French Commercial Code relating to the implementation during the past year of agreements previously approved by the Annual General Meeting, if any.

We performed the procedures that we considered necessary with regard to the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to this engagement. These procedures consisted in agreeing the information provided to us with the relevant source documents.

AGREEMENTS SUBMITTED TO THE APPROVAL OF THE ANNUAL GENERAL MEETING

We hereby inform you that we have not been advised of any agreements authorized and entered into during the past fiscal year that should be submitted to the approval of the Shareholders' Meeting pursuant to the provisions of Article L. 226-10 of the Commercial Code.

AGREEMENTS PREVIOUSLY APPROVED BY THE ANNUAL GENERAL MEETING

Agreements approved in prior years that remained in force during the year

Pursuant to Article R. 226-2 of the French Commercial Code, we have been informed that the following agreement, previously approved by Annual General Meetings of prior years, has remained in force during the year.

With the real estate investment company SCI FRANKLIN LOCATION

Persons involved: Messrs. Fabrice and Raphaël WALEWSKI (Managers of TOUAX SCA and Managers and shareholders of the real estate investment company SCI FRANKLIN LOCATION)

Nature and purpose: Sublease agreement relating to commercial premises

Terms and conditions:

By agreement authorized by the Supervisory Board on 11 September 2019 and concluded on 31 October 2019, your company and SCI Franklin Location agreed to sublet commercial premises located Tour Franklin in La Défense. The leased premises consist of an office area on the 23rd floor, an archive area in the 7th basement and the right to use 8 parking spaces.

The sublease is granted for a period of 9 full and consecutive years, including three firm years, starting on March 25, 2020 and expiring on March 24, 2029.

The expense recorded between January 1 and December 31, 2021 corresponding to the lease and occupancy expenses amounted to €794 477 excluding VAT.

Paris and Paris-La Défense, March 31st, 2022,

The Statutory Auditors

French original signed by

RSM Paris	Deloitte & Associés
Stéphane MARIE	Albert AIDAN

18.4. PRO FORMA FINANCIAL INFORMATION

Not applicable.

18.5. DIVIDEND POLICY

The dividend has no set distribution rule such as a fixed percentage of net income or of the share price.

Dividends that remain unclaimed 5 years after the payment date will lapse and be paid to the state.

financial year concerned *(in Euros)*	payment date	statutory remuneration of general partners	dividend per share	number of shares remunerated	total of the distribution
2018	1 July 2019	256 970			256 970
2018 TOTAL					**256 970**
2019	1 July 2020	368 990			368 990
2019 TOTAL					**368 990**
2020	1 July 2021	644 075			644 075
TOTAL 2020					**644 075**

18.6. LEGAL AND ARBITRATION PROCEEDINGS

No governmental, legal or arbitration proceedings (including all proceedings that the Group is aware of that are pending or with which it is threatened) have had or could have material effects on the financial situation or profitability of the Group in the last twelve months apart from the proceedings mentioned in note 33.8 of the notes to the consolidated financial statements page 99.

18.7. SIGNIFICANT CHANGE IN THE FINANCIAL POSITION OF THE ISSUER

No significant change has taken place in the Group's financial or trading situation since the end of the last financial year for which audited financial statements have been published.

19. ADDITIONAL INFORMATION

19.1. SHARE CAPITAL

LOG OF THE SHARE CAPITAL ON 31 DECEMBER 2020

Year	Share capital (€)	Issue premium (€)	Accumulated number of shares	Par value	Transaction type
2017	56,092,376		7,011,547	€8	
2018	56,092,376		7,011,547	€8	
2019	56,092,376		7,011,547	€8	
2020	56,092,376		7,011,547	€8	
2021	56,092,376		7,011,547	€8	

The share capital is composed as of 31 December 2021 of 7,011,547 fully paid-up shares with a par value of 8 euros, representing 8,355,971 theoretical voting rights and 8,273,706 exercisable voting rights (after deduction of shares deprived of voting rights). The breakdown of TOIJAX SCA's capital and voting rights is detailed in paragraph 16.1 page 51.

INFORMATION CONCERNING ISSUE AUTHORISATIONS IN FORCE ON 31 DECEMBER 2021

The General Meeting of shareholders of 24 June 2020, with the unanimous agreement of the General Partners, delegated the following issue authorisations to the Management Board.

Description of authorisations	authorisation date	due date	authorised ceilings	use during 2021	total amount used
Increase the share capital by the issue of shares and/or securities giving immediate or future access to the capital of the company with retention of preferential subscription rights	Combined General Meeting of 24 June 2020 (18th resolution)	23 August 2022	maximum nominal amount of capital increases that may be realised immediately and/or in the future: **€20 million (1)**	not used	none
Increase the share capital by the issue of shares and/or securities giving immediate or future access to the capital of the company with suppression of preferential subscription rights by offer to the public but with a priority time period	Combined General Meeting of 24 June 2020 (19th resolution)	23 August 2022	maximum nominal amount of capital increases that may be realised immediately and/or in the future: **€20 million (1)**	not used	none
Increase the share capital resulting from excess demands	Combined General Meeting of 24 June 2020 (20th resolution)	23 August 2022	maximum of 15% of the initial issue	not used	none

(1) Ceiling of €20 million authorised for all share capital increases in par value.
(2) Independent ceiling.

These authorizations cancel any previous delegations for the same purpose.

All financial instruments giving access to capital resulting in dilution are presented in paragraph 19.1.4 below.

19.1.1.Issued capital

The capital is fully subscribed and paid-up.

19.1.2.Securities not representing capital

There are no securities not representing capital.

19.1.3.Capital held by the issuer itself

The share of capital held by TOUAX SCA on 31 December 2021 is detailed in chapter 16 page 51. No subsidiary holds a stake in TOUAX SCA.

19.1.4.Potential capital

The Group has issued warrants to subscribe to Company shares ("stock warrants"), the characteristics of which are as follows:

Instruments	Stock warrant
Date of General Meeting	24/06/2020
Date of the Management Board	11/09/2020
Total number of financial instruments issued	142 600
Conversion starting point for the Instruments	30/10/2020
Expiration date	31/12/2025
Issue price	0,72 €
Parity	1 stock warrant for 1 share

19.1.5.Capital authorised but not issued

Not applicable

19.1.6.Option or conditional or unconditional agreement relating to share capital

Not applicable

19.1.7.Log of the capital

See paragraph19.1 above.

19.2. CONSTITUTIVE ACTS AND ARTICLES OF ASSOCIATION

19.2.1.Object of the partnership

Object of the partnership (Article 2)

The object of the partnership is in particular, in all countries:

- to purchase, lease, finance, sell, operate and maintain any standardized, mobile equipment, including shipping or storage containers, modular buildings, river barges and freight railcars
- to operate river push-towing, towing, haulage, transport and chartering services on all waterways,
- to design, build, fit out, repair, purchase, sell, operate directly or indirectly and lease modular and industrialized buildings, and all industrial, mobile and transportable equipment in general,

- to acquire holdings in and operate any business or enterprise of an identical, similar or related nature, whether by forming new companies, capital contributions, subscribing or purchasing shares or other rights in such enterprises, by merger, association, or in any other way
- to acquire, obtain and sell all types of patents, patents of addition and licenses of patents and processes
- to acquire interests of any kind in any industrial, financial or commercial corporation, any corporation dealing in real or movable property, in existence now or in the future, in France or abroad
- to acquire, operate, build or in any way develop any kind of land or buildings,
- the option to carry out services of any kind for the Touax Group, relating to the aforementioned objectives and any similar or related objectives which may further the development of the business operations of the company and its subsidiaries
- in general, to carry out any commercial, industrial or financial transaction involving real or movable property directly or indirectly related to the above objects which may further the development of the partnership's business.
-

19.2.2.Existing share categories

A double voting right than that conferred to other shares, with regard to the share capital they represent, is allocated to all fully paid-up shares for which there will be proof of registered registration for at least five years in the name of the same shareholder.

The conversion to the bearer of a share, the transfer of its property makes the share lose the aforementioned double voting right.

In addition, in the event of a capital increase through the incorporation of reserves, profits or issue premiums, double voting rights shall be granted, from the date of issue, to registered shares allotted free of charge to shareholders on the basis of existing shares for which they have double voting rights.

19.2.3.Provisions of a charter or a regulation limiting the change of control or changes in capital

Not applicable

20. SIGNIFICANT CONTRACTS

There are no significant contracts other than those entered into in the normal course of business.

There are no contracts other than those entered into in the normal course of business, concluded by a member of the Group and including provisions imposing on any member of the Group a significant obligation or commitment for the Group as a whole, at the date of registration of the document.

21. DOCUMENTS ACCESSIBLE TO THE PUBLIC

Available on the website www.touax.com in particular are the following documents:

• the reference documents in the form of annual reports, and their updates, as well as the universal registration document, filed with the AMF
• financial press releases published by the Group.

Copies of this universal registration document are available, free of charge, from TOUAX SCA, Tour Franklin – 23rd floor – 100-101 Terrasse Boieldieu – 92042 La Défense cedex, FRANCE, as well as on the TOUAX website: www.touax.com and on the website of the French Financial Markets Authority (www.amf-france.org).

22. Reports of the Managing Partners

22.1. Management report

Dear Shareholders,

This management report was filed on 22 March 2022.

TOUAX is a business services Group, specialised in operational leasing and the sale of standardised mobile equipment with a long service life (15 to 50 years). On 31 December 2021, the Group mainly manages 3 types of equipment through 3 distinct divisions:

- freight railcars used for freight transport for major rail, logistics and industrial groups in Europe, the United States and Asia. The Group manages a fleet of about 12,110 railcars including 1,504 railcars, for which it provides technical management services,
- river barges intended for leasing in Europe, the USA and South America. The Group is the leader in Europe and South America with 99 barges, and
- shipping containers with a fleet of about 393,064 TEU (measurement of container size in twenty-foot equivalent units) distributed all over the world, giving the Group 1st position in continental Europe, and 3rd position worldwide.
- TOUAX is ideally placed to cater for the rapid growth in outsourcing by companies of their non-strategic assets and their use of leasing, which makes it possible to offer:
- a flexible contract for the short or long term;
- no capital expense for the customer,
- subcontracted maintenance;
- rapid availability.

Since TOUAX is a partnership limited by shares (SCA), it is stated that the joint decisions of the shareholders, apart from those relating to the appointment and dismissal of members of the Supervisory Board, only enter into force and become enforceable against the shareholders, the company and third parties, once it has been ascertained that the decision of the General Partners complies with the vote of the Limited Partner Shareholders at the Annual General Meeting.

1. The TOUAX Group

The Group's origins date back to 1853. The TOUAX Group was set up on 31 December 1898 and has been listed on the Paris Stock Exchange since 7 May 1906.

1.1. Group situation and analysis of the 2021 consolidated accounts

1.1.1. International accounting standards

The consolidated accounts on 31 December 2021 and comparative data have been prepared according to IFRS accounting standards, in accordance with the regulations in force.

1.1.2. Scope of consolidation

The complete list of companies consolidated by TOUAX is mentioned in note 2.2 of the notes to the consolidated accounts page 71 of the universal registration document.

1.1.3. Factors affecting our operating results

Our operating results and operating indicators examined below have been, and may continue to be, affected by certain determinants discussed below as well as certain historical events and facts.

Macroeconomic conditions and volume of international trade

We are subject to the effects of cyclical macroeconomics and general economic conditions. Global economic growth can have a major impact on the demand for goods and services provided by our various activities. Although periods of economic downturn or recession have had, and may in the future have, a negative impact on the demand and prices of our products and services, the diversification of our activities in 3 divisions and our global presence help to mitigate the impact of a downturn in a particular sector or market.

Our Freight Railcar, River Barge and Shipping Container divisions are all affected by changes in the volume of goods, but also largely benefit from a high demand for equipment replacement.

Freight railcar demand underlies demand for freight rail transportation and the need for replacement of older freight railcars. Freight rail transport depends on the evolution of trade worldwide and in a specific region. Levels of freight railcar leasing are therefore subject to variation based on a host of macroeconomic factors such as industrial output and consumer demand. In Europe, the need for annual freight railcar replacement is estimated at 14,000 railcars, equal to an annual market of around €1.4 billion.

The demand for river barges is closely linked to the regulatory, political and macroeconomic factors affecting the transportation of goods across different river basins, such as levels of industrial production, harvest level, local demand for goods, government policy relating to imports and exports of goods and the structure of international trade.

The Shipping Containers market is by its very nature an international market. As a result, growth in the shipping container industry is linked to international trade volumes. We consider that a significant demand is related to the need for annual renewal of the fleet estimated at 2 million containers (twenty-foot equivalent unit) or a replacement market of about $6 billion.

Paragraph 5.1 of the universal registration document page 17 gives a thorough analysis of the macroeconomic conditions and other market factors that affect demand for our products and services.

Size of leasing stock, utilisation rate and leasing rates

The three essential factors that affect our leasing turnover are the quantity of equipment, the utilisation rate of the equipment and the prices charged to our lessees.

Fluctuations in utilisation rates directly affect our operating results in two ways. First, any change in the utilisation rate has a direct effect on our leasing revenue: thus, a rising utilisation rate increases our turnover. Secondly, the variation in the utilisation rate can have an inverse effect on our operational expenses: a drop in the utilisation rate can lead to an increase in storage costs. We are particularly affected by any variation in the utilisation rate in our Freight Railcar and River Barge divisions, since a significant proportion of this equipment belongs to us. When we invest in an asset and keep it on our balance sheet, we bear all the risks and benefits associated with that property, as opposed to assets under management, for which a decline in revenues or increase in costs reflects in lower distributions to investors and less significantly in our management fees.

We calculate the utilisation rate of our leasing fleet over a period by dividing (i) the number of days that the lessee leased the equipment by (ii) the number of days that this equipment was available for leasing. The utilisation rate of our Containers division excludes new containers manufactured but not yet leased with a first lease, as well as containers sold and lost.

The table below shows the quantity of equipment in our leasing fleet at the end of the year and the average utilisation rate of our leasing equipment for each of our divisions for the years ended 31 December 2020 and 2021:

	For the entire year ended 31 December	
	2021	2020
Freight railcars		
Number of railcars under management (end of year, platforms)*	10,606	9,805
Average utilisation rate	85.4%	84.4%
River Barges		
Number of barges under management (end of year)**	99	99
Average utilisation rate	97.1%	95.1%
Containers		
Number of containers under management (at the end of the year, in TEUs)	393,064	382,626
Average utilisation rate	99.6%	96.4%

*excluding railcars under management for maintenance

** excluding chartered barges

Changes in the demand for our leasing equipment affect both the utilization rate and the prices we can charge. The demand for our products and services is subject to change based on a number of factors, including but not limited to the macroeconomic conditions affecting demand in the end markets to which we supply our products and services. Other factors affecting the utilization rate of our fleet include:

- the supply available in new and used equipment, the location and prices of this equipment;
- the decision of a client to own their equipment rather than lease it;
- changing trends and patterns in freight transport trends;
- the availability and financing of equipment;
- the lead times required to purchase equipment, which may vary significantly and affect our ability to meet customer demand;
- the quantity of equipment purchased by our competitors and the amount that the lessees themselves possess;
- the decision of a shipping line or logistics company to reposition unused containers or railcars in higher demand locations, instead of leasing containers or railcars to meet the demand;
- the consolidation of lessees of equipment and a lower demand for leased equipment because of the economic viability, for concentrated players, of buying their own fleets of equipment; and
- disasters serious enough to harm the local and global economy.

Many of these factors are out of our control. To a certain extent, we can influence utilization rates by optimising our fleet of leasing equipment or by adjusting our leasing rates. In addition, for our Shipping Container division, we can also influence utilisation rates by limiting the locations where lessees can return containers at the end of the lease, so that our containers are where the leasing demand is highest.

The change in the size of our fleet has an impact on our operating results, either by increasing our fleet through purchases or by reducing our fleet through disposals. We purchase new equipment in the ordinary course of business to replace ageing assets.

Because of the dynamics of the shipping container industry and the relatively short lead time with which customers expect to be able to take delivery of a container once they have signed a lease agreement, we seek to have a supply of new containers immediately available for leasing. We closely monitor the price of equipment to seize the opportunity to buy new assets when prices are low. The price of containers depends largely on the price of steel, which is the major component used in their manufacture. In contrast with our Shipping Containers division, we generally do not purchase new equipment for use in our Freight Railcar and River Barges divisions if we have not signed a lease agreement with a customer.

We carry out two types of sales: syndications to investors and sales to end customers. Depending on the market situation and our liquidity needs, we sell equipment to investors with whom we establish an asset management relationship and we sell equipment to end customers, corresponding either to a sale of equipment or to a purchase option by a customer at the end of a lease agreement with an option to purchase (rare situation).

The assets that make up our leasing fleet are long-term assets and generally retain a significant portion of their value on the second-hand market. When we sell an asset, we book the amount of the sale in income from activities, which can increase our income from activities over the period during which the sale took place. When an asset in our leasing fleet is sold to a client, we will no longer be able to benefit from its leasing income, which may subsequently result in lower revenues and cash flow. As a general rule, our sales levels may vary considerably from one period to another depending on the sale of our equipment, which explains a change in our sales revenues and total revenues. Syndications are sales of equipment to third-party investors. In this case we record a syndication fee in the income from activities. When the investor is active and we take on the role of agent, we only record a management fee in our revenues. When the investor is passive and we remain in the Principal role, we continue to record the recurring revenues related to the leasing of this asset for the entire duration of the asset management contract that we enter into with these passive third party investors.

Our income from activities, operating margins and EBITDA are also dependent on the age of the equipment we sell in syndication or in simple sales. The more we depreciate our equipment over time, the greater our margins resulting from their sale. The breakdown of our sales between old equipment and new equipment tends to be determined by market prices, the demand of our investors and the availability of equipment.

Lastly, our leasing rates also have a direct impact on our operating results as our rates affect our leasing revenue. The leasing rates we charge our customers are directly correlated with the price at which we buy the equipment to optimise our return on investment. Since much of our leasing is long-term, we are able to contractually set rates despite the price fluctuations of new equipment on the market. However, in the event of a lasting reduction in the purchase price of new equipment resulting in a lower leasing rate or resale value on the market for all existing equipment, we may encounter difficulties in releasing equipment at a profitable price, even if a sustained reduction in prices would allow us to buy new equipment at a lower cost. Daily leasing rates in the container leasing industry are currently experiencing significant inflation due to rising steel prices and the consequent rise in the purchase price of new containers, as well as a significant shortage of equipment on the market. Leasing rates in the railcar leasing industry have been under more pressure in Europe since the start of the global pandemic with lower railcar utilisation rates. We cannot predict whether this trend will continue in the short term.

Property and management

Our main activity is the leasing of mobile and standardized equipment. We increase the size of our leasing fleet in two ways: by financing the equipment itself through financial debt and/or equity or by syndicating equipment to third-party investors.

The total gross book value of our leasing fleet was approximately €1.2 billion euros on 31 December 2021. We own 47% of our total leasing fleet, with the remaining 53% held by third-party investors. The table below provides a breakdown of the gross book value of our assets under management for our own account and for third-party investors on 31 December 2020 and 2021.

(in thousands of euros)	On 31 December			
	2021		2020	
	Owned by the Group	Owned by third-party investors	Owned by the Group	Owned third-party investors
Freight Railcars	359,338	163,365	311,726	146,995
River Barges ¹	79,039	2,540	67,883	12,005
Containers	133,683	476,578	76,353	455,612
Other	8,041		7,754	
TOTAL	**580,101**	**642,483**	**463,716**	**614,612**

(1) The river barges owned by third-party investors correspond to the barges used for the chartering activity.

We buy freight railcars, river barges and shipping containers from supplier plants. We sell the equipment on the second-hand market or we destroy them at the end of their life cycle, when we believe that it is financially beneficial for us to do so, taking into account the location, the sales price, repair costs and any repositioning fees.

We syndicate part of our fleet to third-party investors who buy equipment directly from us. We generally finance the purchase of materials for syndication through revolving credits (warehouse), before selling this equipment to investors. These investors are wealth managers, financial companies or other investment companies who want to diversify their investments with recurring returns on real, tangible and long-lived assets. These investors enter into a management contract at the time of the acquisition of this equipment, under which we undertake, without guarantee, to lease and manage their equipment and, in return, to distribute to them the revenues from the leasing of this equipment, minus any management fees. The equipment is managed in pools of assets, which consist of a mix of syndicated assets and owned assets. By managing the equipment in this way, we are able to ensure that we treat our leasing fleet equally for TOUAX and investors and ensure that we share the same benefits. We never form joint ventures with investors.

We achieve fees on our fleet under management in many ways. First, we record syndication fees on our fleet under management at the time of purchase of equipment by the investor, which can represent 2% to 5% of the book value of the syndicated equipment. During the leasing period of the equipment, we collect management fees representing generally 5% to 10% of the gross leasing revenues. We receive profit-sharing for the duration of the contract until the targeted return on investment objectives are achieved. When disengaging an investor, we have several choices: we repackage the syndication portfolio to a new investor, sell the assets on the second-hand market or buy the portfolio for ourselves. If we sell the assets at the request of the investor, we generally receive a sales commission of between 5% and 15% of the selling price.

The accounting processing of income from activities is shown in the note 1.20 of the notes to the consolidated financial statements page 67 of the universal registration document.

We are continually looking for opportunities to syndicate new assets. Syndication offers a way for us to grow without increasing our debt. When we retain the equipment on our balance sheet, we bear the associated risks (such as the risk of non-use and therefore a lower return on investment than expected), but are also able to take advantage of all of the profits that can be derived from the equipment, as opposed to syndication that requires us to distribute a significant portion of these profits to our investors. As a result, we benefit from a lower EBITDA and margins for equipment we manage for third parties than we generate with our owned fleet. We believe that syndication opportunities will continue to be open to us in the future, primarily because of our success in managing assets on behalf of our third-party investors and TOUAX's asset management expertise.

We finance our purchases of equipment through various means, including whether or not we intend to keep this equipment on our balance sheet or syndicate it to a third-party investor. We use a combination of drawings on our revolving credit facilities, our asset lines and our financial leasing lines to finance our acquisitions.

Operational performance

Our operating income is significantly affected by our operating performance. We believe that our diversified business model allows us to generate revenue and recurring operating margins reflecting the quality of our standardized, flexible and liquid assets. Our day-to-day leasing and sales operations are enhanced by our dynamic equipment management enabling us to generate additional revenue through syndication and opportunistic sales of second-hand equipment.

Operating profitability of the transport activities improved in 2021. While the performance of our Freight Railcars activity declined slightly due to lower volumes and as a result syndication fees, despite increased leasing activity, the performance of our River Barges activity remained stable and that of our Container business progressed with the resumption of investments (own and on behalf of third parties) since 2018 and the development of container trading.

Exchange rate fluctuations

We operate internationally and are therefore exposed to various currency exchange risks. Although the presentation currency is the euro, the functional currency of each of our subsidiaries is generally the local currency. Nevertheless, when it comes to international commercial practice, the sales of shipping containers and the leasing rates charged for them are exclusively denominated in US dollars. As a result, the results of our Shipping Containers division may be particularly affected by changes in the exchange rate between the euro and the US dollar. Similarly, our River Barge division may also be particularly affected by a changing exchange rate between the euro and the US dollar, since leasing rates for river barges in North and South America are denominated in US dollars. Based on our results for the year ended 31 December 2021, we estimate that the 10% decrease in the exchange rate of the US dollar against the euro would result in a decline in our current operating income of 4.98%.

The sensitivity of our shareholders' equity and current operating income to exchange rate fluctuations is presented in the note 33.5 of the consolidated financial statements for the year ended 31 December 2021, page 98 of the universal registration document.

➢ *Conversion risk*

The conversion risk is the risk that the value of our income from activities, costs, assets and liabilities reported in foreign currencies and converted into euros for the preparation of our consolidated income statement and balance sheet will fluctuate due to changes in exchange rates. For example, the weakening of the Euro against the US dollar will result in an increase in our income from activities and costs published in euros. Given that a number of our subsidiaries operate in markets other than those in the euro zone and our Shipping Container division operates exclusively in US dollars, these effects can be significant.

- *Transaction risk*

Historically, our business has benefited from natural hedging against a significant portion of our transactional foreign exchange risk, as we generate in principle both income and expenses in the same currency, and we finance our assets in the same currency as the revenues they generate. There are some exceptions to this rule, such as the fact that certain costs related to our Shipping Containers division are incurred in euros or Singapore dollars, for example, while our revenues are expressed exclusively in US dollars.

We are most exposed when we exchange currencies in the normal course of our cash management and centralization. In order to avoid major exchange rate risks, we occasionally carry out hedging transactions to reduce our transactional foreign exchange risk. We generally use forward sales, purchase contracts or conventional options (*"plain vanilla*"). On 31 December 2021, there was no operational currency risk hedging.

- *Exchange rate variation in accounting*

Our Railcar leasing business in the UK is conducted in Pound Sterling and financed in Pound Sterling. We have no currency risk on this activity, as income flows in sterling allow us to repay the financial debt in sterling. On the other hand, we can record fluctuations in the accounting exchange rate of revaluation in euros of the financial debt. This revaluation is not offset by the revaluation of the assets, the railcars, which are recorded in the balance sheet in euros at historical cost. Cash flow hedging has been established and exchange differences have since been recorded in shareholders' equity.

Acquisitions, disposals and joint ventures

At the end of September 2020, a capital increase of €81.9 million for Touax Rail Ltd was subscribed by the DIF Core Infrastructure Fund II managed by DIF Capital Partners.

Following this transaction, Touax SCA remains the majority shareholder with 51% of the capital of Touax Rail Ltd and 49% are currently held by DIF Capital Partners, through its DIF Core Infrastructure Fund II.

The operation was immediately accretive for TOUAX SCA and notably made it possible to finance the purchase of minority interests in the entities holding the assets (TRF3 and SRFRL) and in Touax Rail India Ltd. The partnership with DIF Capital Partners is part of Touax Rail Limited's growth strategy.

We continually assess the viability and strategic liquidity needs of our businesses and may, from time to time, sell minority interests in our divisions to obtain cash.

Debt and financial structure

Financial debt dominates our financial structure due to the significant capital requirements of our businesses, impacting our future results and, in particular, our net financial expenses.

1.1.4. Description of the main income statement items

Income from activities is made up of the leasing activity, equipment sales activity, syndication fees and capital gains (or losses) from disposals not linked to recurring activities.

Leasing revenue mainly records the rents received on the operational leasing of equipment that we manage, on our own account or on behalf of passive third-party investors, management fees for equipment belonging to active investors as well as additional services. invoiced under leases, such as repairs, transport. In our River Barges division, leasing revenues also include our chartering and storage activities in this sector. Interest income on finance leases granted to our customers is also recorded in our leasing revenue.

Since 2020, leasing revenues from syndicated assets in 2019, 2020 and 2021 from active investors is not recorded as income from activities. Only the management fees of the containers of active investors are recorded in Revenues.

Equipment sales correspond to the revenues generated by (i) the sale of new equipment as part of our trading activity (purchase of new equipment for resale), (ii) the sale of equipment that we manufacture in our Moroccan factory in the modular buildings business (production of new equipment for sale), (iii) the sale of used equipment which appears on our balance sheet (iv) and the sales commission of used equipment belonging to investors. With regard to the sale of equipment with the exception of that relating to equipment belonging to investors, the total amount of the sale price of the asset is recorded in the sale of equipment, as is the price of certain associated services, such as transport. Equipment sales also include the disposal of receivables on the finance lease, as well as certain fees invoiced to our customers within the scope of our activity.

In the case of sales of equipment to investors (syndication), only the syndication fee is recorded in the income from the activities.

In accordance with IFRS, revenues generated by disposals of assets other than freight railcars, river barges and shipping containers is not recorded in the equipment sales item, but in plus (or minus) disposal values not linked to recurring activities.

The **cost of equipment sales** includes all costs related to the sale. The cost of sales includes in particular (i) the purchase price of new equipment purchased for resale in the course of our trading activities, (ii) the cost of producing equipment that we manufacture for sale to third parties in the context of our Modular Buildings Africa business (in particular the cost of raw materials and production personnel costs) and (iii) the net book value of the equipment we sell and which appeared on our balance sheet as Property, plant and equipment or in stock at the time of the sale and all costs associated with these sales.

Operational expenses correspond to the costs incurred as part of our leasing activity. These operational expenses include maintenance and repair costs, transportation costs, storage costs, and other costs incurred in the leasing of equipment. Operational expenses also include personnel costs related to our agency teams and our operational teams, such as logistics and technical teams. In addition, operational expenses record operating provisions for bad debts. Finally, we record the value added contribution of companies (or "CVAE") for French entities as an operational expense. **Overheads and administrative expenses** include general operating expenses, such as head office support staff costs, including our administrative staff, other administrative and IT expenses, property rents, and consulting or legal fees. Operating expenses for assets held by active investors are not recorded in other external expenses

Depreciation, amortization and impairments mainly correspond to the straight-line depreciation of assets held by our Group, the depreciation of equipment belonging to the Group and financed by finance leases, as well as impairment (excluding goodwill impairment).

Net distribution to third-party investors corresponds to the leasing revenues generated by the equipment we manage on behalf of third-party investors, less management fees and other operating expenses incurred in the management of this equipment, which is distributed to third-party investors according to the distribution rules of our management programs. Distributions may vary for a number of reasons, including a decrease in leasing revenue or an increase in the costs associated with the leasing fleet owned by a third-party investor. The net distribution to third-party investors does not concern active investors for whom only the management fee is recorded in revenues. The share of net income returned to active investors is not recorded as distributions to investors

Other income (expenses), net amount, includes non-current operating income and expenses.

In particular, this section includes the goodwill impairment, the acquisition costs of the equity investments, the variations in the fair value of the additional amounts included in the prices agreed when acquiring stock and the restructuring costs.

Net financial expenses mainly list the interest payable on financial debt, minus any financial income from interest products as well as the mark to market *valuation* for derivatives and the convertible bond when this is recorded in the income statement.

Corporation tax consists of current taxes payable by our Group and deferred taxes calculated on tax losses and temporary differences between the consolidated results in our financial statements and the tax results.

1.1.5. Group operating results

The accounts for 31 December 2021 as well as the comparative data are presented in accordance with IFRS.

The Group acts as an agent in its relations with active investors. This results in the following accounting:

- syndication fees are recorded as income from activities.
- equipment management fees are recorded as income from ordinary activities under the leasing activity heading.

It should be noted that under IFRS 16, transactions carried out before 2019 do not require retrospective treatment.

To allow a better understanding of its activities, the income statement and income from activities are restated in order to present the activities under ownership on the one hand and the activities under management on the other hand. For management activities, leasing revenue from equipment held by investors is replaced by management fees, which correspond to the net contribution of leasing management activity to the performance of the Group. This presentation therefore allows direct reading of syndication fees, sales commissions and management fees, grouped together under management activity, distinct from owned activity (see note 3 of the notes to the consolidated accounts page 72).

The table below presents certain items in our income statement for the years ended 31 December 2020 and 2021.

(in thousands of euros)	Financial year ended 31 December	
	2021	**2020**
Leasing activity	76,071	65,119
Equipment sales activity	40,325	36,112
Total Group-owned activity	116,396	101,231
Total activity under management	8,010	10,311
Capital gains or losses on disposals unrelated to recurring activities	558	16
Restated income from activities	**124,964**	**111,558**
Cost of equipment sales	(28,887)	(27,169)
Operating expenses	(20,214)	(15,719)
General and administrative expenses	(22,790)	(21,849)
EBITDA	**53,073**	**46,821**
Depreciation and impairments	(24,319)	(23,524)
Current operating income	28,754	23,297
Other operating income and expenses	(42)	(109)
Operating income	28,712	23,188
Financial profit or loss	**(11,902)**	**(13,216)**
Income from companies accounted for by the equity method		
Current income before tax	16,810	9,972
Taxes on profits	(1,046)	(1,003)
Net income from continuing activities	**15,764**	**8,969**
Net income from discontinued activities		(132)
Net income	**15,764**	**8,837**
of which non-controlling interests (minority interests) in continuing activities	3,212	2,975
of which non-controlling interests (minority interests) in discontinued activities		
CONSOLIDATED NET INCOME (GROUP SHARE)	**12,552**	**5,862**
Of which net income from continuing activities	12,552	5,994
Of which net income from discontinued activities		(132)

1.1.6. Year ended 31 December 2021 compared to the year ended 31 December 2020

Restated income from activities

The table below shows the breakdown of our income from activities for the years ended 31 December 2021 and 2020:

Restated income from activities *(in thousands of euros)*	**Financial year to 31 December 2021**	**Financial year to 31 December 2020**	**Variation 2021/2020**	
Total leasing activity	46,407	42,298	4,109	9.7%
Total equipment sales activity	1,525	2,096	(571)	-27.2%
Total owned equipment activity	**47,932**	**44,394**	**3,538**	**8.0%**
Total managed equipment activity	**2,394**	**2,799**	**(405)**	**-14.5%**
Freight Railcar total	**50,326**	**47,193**	**3,133**	**6.6%**
Total leasing activity	12,041	10,722	1,319	12.3%
Total equipment sales activity	41	56	(15)	-26.8%
Total owned equipment activity	**12,082**	**10,778**	**1,304**	**12.1%**
Total managed equipment activity	**734**	**1,046**	**(312)**	**-29.8%**
Total River Barges	**12,816**	**11,824**	**992**	**8.4%**
Total leasing activity	18,085	12,325	5,760	46.7%
Total equipment sales activity	24,691	21,010	3,681	17.5%
Total owned equipment activity	**42,776**	**33,335**	**9,441**	**28.3%**
Total managed equipment activity	**4,882**	**6,465**	**(1,583)**	**-24.5%**
Total Containers	**47,658**	**39,800**	**7,858**	**19.7%**
Total leasing activity	(462)	(226)	(236)	104.4%
Total equipment sales activity	14,068	12,951	1,117	8.6%
Total owned equipment activity	**13,606**	**12,725**	**881**	**6.9%**
Total Other	**558**	**16**	**542**	**3387.5%**
Total Miscellaneous & eliminations	**14,164**	**12,741**	**1,423**	**11.2%**
Total restated Income from activities	**124,964**	**111,558**	**13,406**	**12.0%**

Restated income from activities

Restated income from activities increased by €13.4 million (or +12%), from €111.6 million in June 2020 to €125 million in June 2021. At constant currency and scope, the change is +13.5%. The dollar depreciated between the two periods, going from $1.1422 = €1 (2020 average rate) to $1.1828 = €1 (2021 average rate).

- The Freight Railcars activity shows an increase of €3.1 million. This increase is explained by the growth in the owned equipment leasing activity.
- The River Barges activity increased its revenues by €1 million. This variation is explained by an improvement in leasing revenues.
- The Containers activity increased by €7.9 million. Owned equipment activity increased by €9.4 million euros, managed equipment activity decreased by €1.6 million.
- The Modular Buildings activity increased by €1.1 million.

Owned equipment activity rose by €15.2 million. This increase is explained by the leasing activity but also by the increase in sales of containers and modular buildings.

Managed equipment activity fell by €2.3 million. This decrease is explained by the decrease in sales of used containers and syndication commissions.

Restated income from activities in the Freight Railcar division

Restated income from activities in the Freight Railcar division increased by €3.1 million from €47.2 million on 31 December 2020 to €50.3 million on 31 December 2021.

Owned equipment activity increased by €3.5 million. Its revenues increased from €44.4 million in December 2020 to €47.9 million in December 2021. This change is due to growth in leasing activity with an increase in average leasing rates and utilisation rates.

Managed equipment activity decreased by €0.4 million. Its revenues changed from €2.8 million in December 2020 to €2.4 million in December 2021. The fall in syndication fees (-€0.6 million euros) explains this change, although there is an increase in management fees (+€0.2 million euros).

Restated income from activities in the River Barges division

Restated income from the activities of the River Barges division increased by €1 million, from €11.8 million to €12.8 million. This variation is explained by increased leasing revenues.

Restated income from activities in the Containers division

Restated income from activities in the Freight Railcar division increased by €7.9 million from €39.8 million on 31 December 2020 to €47.7 million on 31 December 2021.

Owned equipment activity rose by €9.4 million. Its revenues changed from €33.3 million in December 2020 to €42.8 million in December 2021. This growth can be seen both in leasing activity (increase in utilisation rates) and in sales activity.

Managed equipment activity decreased by €1.6 million. Its revenues changed from €6.5 million in December 2020 to €4.9 million in December 2021. The decline in used container sales for €3 million mainly explains this variation. A utilisation rate of the fleet close to 100% explains why this is unavailable for sale. The realisation of syndications has a positive impact on managed equipment activity, recording a variation in the syndication commission of €1.7 million. Management fees were down €0.2 million falling from €2 million in December 2020 to €1.8 million in December 2021.

Revenues in the Modular Buildings division in Others & eliminations sectors

Revenues from the Modular Buildings division only shows companies in North Africa and is grouped in the Others & eliminations segment. The activity of these subsidiaries is mainly focused on the sale of modular buildings manufactured by the Moroccan plant. In 2021, revenues increased by €1.1 million (€13 million at 31 December 2020).

Cost of equipment sales

The table below shows the breakdown of cost of sales by division.

Cost of sales per division	2021.12	As a % of divisional sales of equipment	2020.12	As a % of divisional sales of equipment	Change	
	(in thousands of euros)	*(As a %)*	*(in thousands of euros)*	*(As a %)*	*(in thousands of euros)*	*(As a %)*
Railcars	(547)	36%	(1,109)	53%	562	-51%
River Barges	(9)	21%	0	0%	(9)	
Containers	(18,558)	75%	(17,745)	84 %	(813)	5%
Modular Buildings - Africa	(9,774)	69%	(8,315)	64%	(1,458)	18%
Miscellaneous and eliminations	(9,774)	69%	(8,315)	64%	(1,458)	
TOTAL COST OF SALES	**(28,887)**		**(27,169)**		**(1,718)**	**6%**

The total cost of sales increased by €1.7 million (or +6%), changing from €27.2 million in December 2020 to €28.9 million in December 2021.

The total sales margin (excluding syndication) amounted to €12.8 million compared to €13.3 million in December 2020, an increase of €0.5 million.

Cost of sales in the Freight Railcars division

The cost of sales in the Freight Railcar division decreased by €0.6 million from €1.1 million in December 2020 to €0.5 million in December 2021. The sales margin increased from 47% in 2020 to 64% in 2021.

Cost of sales in the River Barges division

No sales were made over the two periods. The scrapping of a barge generated a margin of €32 k.

Cost of sales in the Shipping Containers division

The cost of sales in the Containers division increased by €0.8 million (or +5%), changing from €17.7 million in December 2020 to €18.6 million in December 2021. The margin on all owned equipment sales increased by €2.9 million compared to December 2020.

Cost of sales of Modular Buildings (Africa) in the Other and Eliminations sectors

The cost of sales in the Containers division increased by €1.5 million (or +18%), changing from €8.3 million in December 2020 to €9.8 million in December 2021. This variation is explained by the increase in sales. The sales margin fell by €0.3 million.

Operating expenses

The table below shows the breakdown of operating expenses by division.

Operating expenses	2021.12	of total revenues	2020.12	of total revenues	Change	
	(in thousands of euros)	*(As a %)*	*(in thousands of euros)*	*(As a %)*	*(in thousands of euros)*	*(As a %)*
Railcars	(12,427)	25%	(8,637)	18%	(3,790)	44%
River Barges	(5,259)	41%	(4,041)	34%	(1,218)	30%
Containers	(2,116)	4%	(2,084)	5%	(32)	2%
Modular Buildings - Africa	(422)	3%	(914)	7%	492	-54%
Corporate	(0)	0%	(55)	1%	55	-100%
Inter-sector elimination	10	0%	12		(2)	-15%
Others and eliminations	(411)	3%	(957)	8%	53	-6%
TOTAL	**(20,214)**	**16%**	**(15,719)**	**14%**	**(4,495)**	**29%**

Operating expenses increased by €4.5 million (or +29%), rising from €15.7 million in December 2020 to €20.2 million in December 2021.

Operating expenses in the Freight Railcars division

Operating expenses in the Freight Railcar division increased by €3.8 million, rising from €8.6 million in December 2020 to €12.4 million in December 2021.

This variation is explained for €3.2 million by the increase in maintenance expenses. The 2020 accounts were impacted for €0.6 million by a non-recurring product.

Operating expenses in the River Barges division

The operating expenses of the River Barges division increased by €1.2 million, in correlation with the chartering activity.

Operating expenses in the Shipping Containers division

Operating expenses for the Containers division were stable at €2.1 million over the two periods.

Operating expenses of Modular Buildings (Africa) in the Others and Eliminations sectors

Operating expenses for Modular Buildings were down €0.5 million. An allowance for bad debt was recorded in 2020 and no depreciation was taken in 2021.

General and administrative expenses

The table below shows the breakdown of our general and administrative expenses by division.

General and administrative expenses	2021.12	of total revenues	2020.12	of total revenues	Change	
	(in thousands of euros)	*(As a %)*	*(in thousands of euros)*	*(As a %)*	*(in thousands of euros)*	*(As a %)*
Railcars	(11,111)	22%	(10,900)	23%	(211)	2%
River Barges	(2,722)	21%	(2,622)	22%	(101)	4%
Containers	(9,155)	19%	(8,405)	21%	(750)	9%
Modular Buildings - Africa	(1,119)	8%	(1,150)	9%	31	-3%
Corporate	(7,580)	90%	(7,043)	87%	(537)	8%
Inter-sector elimination	8,897	100%	8,271	100%	627	8%
Others and eliminations	199	-1%	77	-1%	121	n.a.
TOTAL	**(22,790)**	**18%**	**(21,849)**	**20%**	**(941)**	**4%**

General expenses and administrative expenses increased by 4%, rising from €21.8 million in December 2020 to €22.8 million in December 2021.

General and administrative expenses in the Freight Railcars division

General and administrative expenses incurred by the Freight Railcars division increased by €0.2 million changing from €10.9 million on 31 December 2020 to €11.1 million on 31 December 2021. This variation is explained by an increase in personnel costs.

General and administrative expenses in the River Barges division

General and administrative expenses for the River Barges division increased by €0.1 million, rising from €2.6 million in 2020 to €2.7 million in 2021. No significant variation in any of the items.

General and administrative expenses in the Shipping Containers division

The general and administrative expenses incurred in the Shipping Containers division increased by €0.7 million (or +9%) changing from €8.4 million in 2020 to €9.2 million in 2021.

The variation is mainly due to an increase in personnel costs (+€0.5 million) and IT costs (+€0.2 million).

General and administrative expenses of the Modular Constructions division (Africa) in the Others and Eliminations sectors

General and administrative expenses for the Modular Buildings division were stable at €1.1 million over the two periods.

Central costs

The Group's central costs increased by €0.5 million. Consulting fees account for most of this variation.

Net distributions to investors

The distribution is deducted from income from assets belonging to investors in the management fee item.

Depreciation and impairments

Depreciation and amortisation increased by €0.8 million, or +3%, changing from €23.5 million in 2020 to €24.3 million in 2021.

The Freight Railcars division contributed €1.7 million to this increase.

Depreciation in the River Barges division decreased by €0.4 million.

Depreciation in the Shipping Containers division decreased by €0.5 million.

Other operating income and expenses

In 2021, other operating expenses amounted to €42 k in the Modular Buildings division.

In 2020, other operating income and expenses of €0.1 million consisted in Morocco of a special “covid” social security contribution tax and a tax penalty. These charges are not recurring.

Financial profit or loss

The net financial expense decreased by €1.3 million (or -10%), changing from an expense of -€13.2 million in 2020 to an expense of -€11.9 million in 2021. The net financial expense is broken down into the cost of net financial debt and other financial income and expenses.

- The cost of financial debt is stable (an increasing average debt offset by a falling average rate).
- Other financial income and expenses increased by €1.3 million and is mainly explained by the foreign exchange result and other financial income and expenses (waiver fees in 2020, less non-utilisation fees in 2021). IFRS 16 has an impact on other financial income and expenses of €0.4 million in 2021, stable compared to 2020.

Taxes on profits

Taxes on profits records a tax expense of €1 million for pre-tax income before tax of €16.8 million. It breaks down into deferred tax income of -€1.1 million and a current tax charge of €0.1 million.

1.1.7. Cash flow

The following table summarises our cash flows for the years ended 31 December 2021 and 2020.

(in thousands of euros)	**31.12.2021**	**31.12.2020**
CASH FLOWS GENERATED BY OPERATING ACTIVITIES	(25,710)	(1,184)
CASH FLOWS RELATING TO OTHER INVESTMENT OPERATIONS	3,205	(624)
CASH FLOWS RELATED TO FINANCING OPERATIONS	12,074	25,790
Effect of exchange rate fluctuations	1,658	(1,217)
CASH FLOWS RELATED TO EXCHANGE RATE CHANGES	1,658	(1,217)
CHANGE IN NET CASH (I) + (II) + (III) + (IV)	(8,773)	22,765
Analysis of cash flow change		
Cash at beginning of year	61,339	38,574
CASH AT END OF YEAR	52,566	61,339
Change in net cash	(8,773)	22,765

› Cash generated by (used for) operating activities

The following table presents the components of our cash flows generated by (used for) operating activities for the years ended 31 December 2021 and 2020.

(in thousands of euros)	Financial year ended 31 December	
	2021	2020
Self-financing capacity before cost of net financial debt and taxes	48,570	42,452
Current tax expense	62	(72)
Change in working capital requirement related to activity excluding changes in inventories	(3,064)	(12,066)
Stock variation	(60,053)	2,365
Change in investment working capital requirement	*20,029*	*828*
Acquisition of assets for leasing	*(57,234)*	*(45,557)*
Proceeds from disposal of assets	*25,935*	*10,751*
Net impact of finance leasing to clients	*45*	*115*
Subtotal (1)	*(71,278)*	*(31,498)*
CASH FLOWS GENERATED BY OPERATING ACTIVITIES	**(25,710)**	**(1,184)**

(1) The sum of inventory changes, changes in working capital requirement, the acquisition of lease assets, income from the sale of assets and the net impact of lease financing granted to customers is the net impact of equipment purchases and sales over a period of time.

Our cash flow generated by (used for) operational activities is primarily influenced by the operating profitability of our activities minus any taxes paid, changes in working capital requirements related to activity outside inventory variations and cash flow linked to our acquisitions and disposals of assets.

Cash flow generated by our investment in leasing equipment and the income from activities generated by the sale of this equipment are presented as cash flows from operating activities rather than as cash flow linked to investment operations, compliant with the IFRS referential. Similarly, repayments of loans granted under finance leases granted to our customers are included in cash flows from operating activities rather than in cash flows linked to investment operations.

› Description of the main cash flow components generated by operating activities

Self-financing capacity before cost of net financial debt and taxes

Self-financing capacity before cost of net financial debt and taxes corresponds to our operating results, adjusted for depreciation and provisions, provisions for deferred taxes, plus or minus values on transfers of fixed assets and other assets and non-cash income and expenses, before the cost of net financial debt and any taxes paid.

Taxes paid

Taxes paid include corporation taxes paid in each jurisdiction within which our Group operates, in particular, in France, the Territorial Economic Contribution, which includes the contribution on the value added of companies for French entities (CVAE), recorded on our revenue declaration as operating expenses, and the property contribution of companies.

Change in working capital requirement related to activity excluding stock variation

The change in the working capital requirement linked to the activity, excluding stock variation, corresponds mainly to the net changes in trade receivables, commercial payables and other current assets and liabilities, which are not related to the transfer of fixed assets or to investments.

Stock variation

Stock variation reflects the change in our inventory, mainly composed of leasing equipment that we have kept for less than a year, spare parts and raw materials. We generally syndicate the assets of the stock to third-party investors within one year of their acquisition.

Change in investment working capital requirement

The change in investment working capital requirement is the net change in accounts payable and receivable related to assets we hold as capital assets, which relates primarily to leasing equipment that we maintain on our own behalf and that we intend to keep, or that we can syndicate, but have kept on our balance sheet for a long time (over a year).

Acquisition of assets for leasing

Acquisition of assets for leasing corresponds to the funds expended for the purchase of equipment for our leasing fleet recorded as fixed assets and which are not acquired for the purpose of syndication to third-party investors.

Proceeds from disposal of assets

Proceeds from the disposal of assets correspond to the cash obtained from sales of equipment previously recorded as fixed assets on our balance sheet.

Net impact of finance leasing to clients

The net impact of finance leasing granted to customers corresponds to the cash impact of the repayments received during a given period of loans granted to our tenant customers within the scope of finance leasing.

- **Comparison between the year ended 31 December 2021 and the year ended 31 December 2020**

Cash flows generated by operating activities amounted to -€25.7 million on 31 December 2021, compared to cash flows generated by operating activities of -€1.2 million for the year ended 31 December 2020, representing a decrease of €24.5 million. These operating flows include €71.3 million of investments in 2021 and €31.5 million of investments in 2020.

- Self-financing capacity improved, moving from €42.5 million in 2020 to €48.6 million in 2021.
- Investments in 2021 are €39.8 million higher than in 2020.

- **Cash flows relating to investment operations**

The following table presents the components of our cash flow linked to investment operations for the years ended 31 December 2021 and 2020.

(in thousands of euros)	Financial year to 31 December	
	2021	2020
Acquisitions of property, plant and equipment and intangible assets	(590)	(395)
Acquisitions of equity investments	(141)	
Net change in loans and advances	2,271	(225)
Income from the transfer of assets other than those intended for leasing	559	16
Cash flow of subsidiaries entering or leaving the scope		(20)
Proceeds from the transfer of securities	1,106	
CASH FLOWS FROM INVESTING OPERATIONS	3,205	(624)

In 2021, the investment flow presents income from the sale of securities held by the Rail division for €1.1 million. The change in long-term investments is explained by the reimbursement of the liability guarantee account set up during the sale of the Europe modular buildings division in 2017 for €3.3 million. This change is also explained by new bank guarantee deposits and an increase in the recoverable VAT receivable over more than one year.

- **Cash flow related to financing operations**

The following table presents the components of our cash flows linked to financing operations for the years ended 31 December 2021 and 2020.

(in thousands of euros)	Financial year to December 31	
	2021	2020
Receipts related to new borrowings	48,691	166,838
Repayment of loans	(22,141)	(148,979)
Net change in financial debts	**26,550**	**17,859**
Lease liabilities	(1,710)	(1,788)
Net increase in Shareholders' equity	4,745	25,576
Interest paid	(10,091)	(10,121)
Interest paid on leases	(354)	(382)
Distribution of dividends to minority shareholders	(3,978)	(72)
Statutory remuneration of general partners	(644)	(369)
Interest payment on hybrid capital	(2,427)	(4,954)
Net sale (acquisition) of own shares	(19)	30
Other	2	10
CASH FLOW RELATED TO FINANCING OPERATIONS	12,074	25,789

Cash flows from financing operations was -€12.1 million on 31 December 2021, compared with cash flows of -€25.8 million on 31 December 2020.

In 2020, the Shipping Container and Freight Railcar divisions refinanced their debts. The capital increase of Touax Rail Ltd made it possible to buy out minority interests in three of its subsidiaries, the net impact of this transaction being €25.3 million.

1.1.8. Investments

As a company specialising in the leasing of standardised mobile equipment, we make investments in fixed assets as part of our ongoing operations. We look to acquire fleets of new or used equipment in order to increase our revenues. The choice of investing or not in new equipment is subject to analysis by each division based on a series of factors that allow them to calculate an estimate of the return on investment, including:

- The price at which the equipment is purchased;
- The expected price at which we will be able to lease this equipment;
- The expected leasing period for this equipment; and
- Counterparty risk expected.

Most of our capital expenditures are discretionary. As a result, our investment rate varies year by year.

We intend to continue to invest as we have in the past in new equipment as part of our third-party growth strategy.

1.1.9. Commitments received under non-cancellable operating leases

A substantial portion of our leasing fleet in all of our 3 activities is leased under lease agreements, the terms of which do not allow for termination at the option of the lessee without payment of penalties. This type of contract requires our lessees to keep the equipment for the duration of the contract; therefore, we have a certain degree of visibility on the minimum turnover generated in the future by this type of short-term and long-term contract.

Commitments received under operating leases are detailed in 0 of the notes to the consolidated financial statements page 100 of the universal registration document.

1.1.10. Off-balance sheet commitments

Off-balance sheet commitments are detailed in the note 36 of the notes to the consolidated financial statements page 100 of the universal registration document.

1.1.11. Quantitative and qualitative information relating to market risks

Interest rate and exchange rate fluctuations linked to foreign currencies are the main source of exposure to market risks. They are detailed on note 33.1 page 95 of our audited consolidated financial statements for the year ended 31 December 2021.

1.1.12. Accounting policies and critical assessments

The preparation of our consolidated financial statements requires us to make judgements, assessments and assumptions regarding, in particular, future events that may have an impact on the carried forward amounts of certain items in the financial statements. These estimates and assessments are revised at each reporting date, and the underlying assumptions are adjusted, as appropriate, based on actual results, experience and any other relevant factors given the economic circumstances. The effects of such adjustments are recognised once carried out. Items carried forward in our consolidated financial statements in the future may differ from current estimates due to changes in assumptions and economic circumstances on the date of the report. The main assumptions relating to future events and other sources of uncertainty in the assessments on the reporting date that could result in a significant risk of equipment adjustment in relation to the book value of assets and liabilities are presented below.

Note 1 of the notes to the consolidated accounts page 60 of the universal registration document explains the accounting policies and critical assessments.

1.2. Situation of the company and analysis of the financial statements

- **Situation and results of the company and foreseeable developments**

The fall in revenues compared to 2020 is explained by the decrease in operating expenses making up the basis for re-invoicing of services provided by the company to group companies. In 2020, significant exceptional fees were incurred in connection with specific files.

As a reminder, the invoicing method used for services delivered by the company is the “Cost +” method, that is to say that any expenses incurred to undertake these services are re-invoiced with a mark-up of 5%.

The “Other income” item includes €553,000 of the sale price of property, sale carried out at the end of the financial year.

The item “Other purchases and external charges” fell over the year by €90 k. This decrease is mainly explained by exceptional fees incurred in 2020.

The “Depreciation and amortisation” item mainly includes the amortisation of external borrowing costs contracted by the company.

The financial profit/loss of +€1.2m is mainly due to the following elements:

- dividends received from Touax Rail Ltd and Touax Conteneur Services SAS subsidiaries for €6.2 million,
- an interest charge on external debt for the amount of -€6.6m,
- a positive net amount of €1.2m corresponding to the financial interest on inter-company loans/borrowings,
- a reversal of the provision for depreciation of Touax Corporate SAS equity interests totalling €0.5 million to take into account a positive return on equity in this subsidiary.

The positive amount of corporation tax (€98 k) corresponds to the tax savings made over the year as a result of tax consolidation. This amount corresponds to the corporation tax that Touax Container Services SAS would have paid if it had not been a member of the tax consolidation,

The after-tax profit for the year is a profit of €1.1m.

There are no expenses and charges that are not deductible from profits over the financial year (articles 39-4 and 39-5 of the general tax code.

The balance sheet of TOUAX SCA totalled €213.2m compared with €146.2m in 2020.

The balance sheet of the company at the end of the financial year is composed mainly of assets by:

- equity investments with a net book value of €165.2 million.
  The significant increase in this item is explained by the completion at the end of the financial year of a free revaluation operation of the company's Property, plant and equipment and financial fixed assets in application of the accounting option provided for by the Commercial Code (c .com. Art. L. 123-18, 4th paragraph) and by the French accounting principles (Plan comptable général, PCG art. 214-27).
  The effect of this operation was to increase the book value of equity securities held by the company, with, in counterpart, an increase in shareholders' equity through the creation of a revaluation difference in the amount of €67,572,000.
  The net book value of equity investments takes into account at the end of the financial year a depreciation of the equity interests of Touax Africa totalling €2.2 million as well as of Touax Corporate SAS totalling €2.0 million .

- intragroup loans granted by the company to its subsidiaries totalling €27.9m.

The liabilities on the company's balance sheet are mainly composed of:

- shareholders' equity for an amount of totalling 111.0 million increased, as a result of the free revaluation of equity securities which led to the recognition of a revaluation difference of totalling 67.5 million, a difference recorded in the company's shareholders' equity,

- hybrid debt, classified as “Other equity” for €27.0 million, including accrued interest,

- external financial debt for €72.0 million (Tokyo + €PP PGE),

Note 23 of the notes to the individual financial statements details the company's debt page 113 of the universal registration document.

The company does not have R&D business activities.

Since TOUAX SCA's activity is mainly a consultancy activity with its subsidiaries, the management does not anticipate any particular changes in services with a cost structure for 2022, in line with 2021.

- **Results of the company during the last five financial years (individual financial statements)**

	(in Euros)	2021	2020	2019	2018	2017
I	CAPITAL AT YEAR END					
	a) Share capital	56,092,376	56,092,376	56,092,376	56,092,376	56,092,376
	b) Number of existing ordinary shares	7,011,547	7,011,547	7,011,547	7,011,547	7,011,547
II	OPERATIONS AND RESULTS FOR THE FINANCIAL YEAR					
	a) Revenues excluding taxes	1,484,673	1,631,668	1,348,876	2,074,125	2,728,725
	b) Profit before tax and depreciation and provisions	997,761	494,677	(7,530,227)	(4,444,624)	(2,737,281)
	c) Corporation tax	97,923	73,018	956,131	559,132	(701,574)
	d) Employee profit sharing due for the year					
	e) Profit after tax and depreciation and provisions	1,072,136	7,669,080	(6,815,095)	2,951,953	(26,705,880)
	f) Distributed income				-	-
III	EARNINGS PER SHARE					
	a) Profit after tax but before depreciation and provisions	0.13	0.06	-1.21	-0.71	-0.49
	B) Profit after tax and depreciation and provisions	0.15	1.09	-0.97	0.42	-3.81
	c) Net dividend per share			-	-	-
IV	WORKFORCE					
	a) Average number of employees during the year	2	2	2	2	2
	b) Amount of payroll	44,929	44,745	44,687	44,072	43,688
	c) Amount of sums paid for social benefits (Social Security, social works, etc.)	21,373	26,005	19,403	18,328	19,417

Significant events

None.

Revaluation of property, plant and equipment and financial assets as of 31 December 2021

At the end of the financial year, the company carried out the free revaluation of its tangible and financial fixed assets, in application of the accounting option provided for by the French Commercial Code (c. com. Art. L. 123-18, 4th paragraph) and by the French accounting principles (Plan comptable général, PCG art. 214-27).

The effect of this operation was to increase the book value of equity securities held by the company, with, in counterpart, an increase in shareholders' equity through the creation of a revaluation difference in the amount of €67,572,000.

The reassessed value of Property, plant and equipment and financial assets other than equity investments corresponding to their net book value on the date of the revaluation, the latter having had no impact on the company's financial statements.

In application of article 31 of the finance law for 2021 (law 2020-1721 of 29 December 2020), the company has opted for the deferred tax regime in accordance with article 238 bis JB of the general tax code. This regime allows the deferral of the taxation of this revaluation difference until the date of sale of the revalued equity securities and therefore generated no tax cost in 2021.

The terms of this free revaluation are detailed in the balance sheet notes to this appendix.

Incidence of COVID-19

The Covid-19 health crisis continues to create uncertainties about future activities, although given the company's activity, the health crisis has not had a material impact to date on the financial statements for the year.

Post-balance sheet events

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

- **Main risks and uncertainties**

The main risks are detailed in chapter 3 (risk factors) of the universal registration document, more particularly in paragraph 3.5 page 13 for rate, market and equity risks and other financial instruments, as well as in the notes to the consolidated financial statements in note 33 page 95.

note 26.4 of the notes to the individual financial statements page 115 mentions contingent liabilities.

- **Objectives and policy of hedging transactions**

note 26.3 of the notes to the Individual financial statements page 115 details the hedging of foreign exchange and rate risks.

- **Activity of subsidiaries and controlled companies**

The activity of the subsidiaries is presented through each division. A general presentation of the activities is described in chapter 5 of the universal registration document, page 16 et seq. The activity of the subsidiaries is presented via each division, in note 3 of the notes to the consolidated financial statements page 72.

The organisational chart for the company's main subsidiaries is detailed in the universal registration document in paragraph 6.1 of the universal registration document page 39.

1.3. Annual approval of the individual financial statements

- **Appropriation of the income (1st and 4th resolutions)**

The Management Board submits to the next Ordinary General Meeting of 22 June 2022 the proposal for the Appropriation of the result as well as the remuneration of the general partners, as follows:

Net profit for the year ended 31 December 2021	1,072,136
Allocation to the legal reserve	
Statutory remuneration of the general partners deducted from the distribuable profit	907,292
Allocation of the balance of distribuable profit to carry forward	164,844

- **Dividend distribution policy**

The company has paid a dividend almost non-stop since its inception in 1898, except in recent years. The dividend has no set distribution rule, such as a fixed percentage of net income or of the quoted market price. The company does not anticipate a dividend payment in 2021.

A log of the distribution policy is presented in paragraph 1.3 page 152 of the universal registration document.

The dividend amounts distributed for the three previous years were as follows:

financial year concerned *(in Euros)*	payment date	statutory remuneration of general partners	dividend per share	number of shares remunerated	total of the distribution
2018	1 July 2019	256 970			256 970
2018 TOTAL					**256 970**
2019	1 July 2020	368 990			368 990
2019 TOTAL					**368 990**
2020	1 July 2021	644 075			644 075
TOTAL 2020					**644 075**

- **Regulated agreements (5th resolution)**

We present to you the status of the agreements referred to in articles L 225-38 et seq. of the French Commercial Code, concluded and duly authorised by the Supervisory Board of our Company. The person concerned is Fabrice Walewski, managing partner of Touax SCA and manager and partner of SCI Franklin Location.

We advise you of the continuation of the sublease agreement authorised by the Supervisory Board of 11 September 2019, entered into on 31 October 2019, effective 25 March 2020 and expiring on 24 March 2029, and relating to the rental by TOUAX SCA of commercial premises located at Tour Franklin in La Défense.

These commercial premises serve as the headquarters of all the French entities of the Touax Group and accommodate around one hundred Group employees.

The amount of rents and charges excluding taxes recorded in the 2021 accounts is €794,476.57 between 1 January and 31 December 2021.

You are asked to approve the special report from the statutory auditors.

1.4. Main features of the internal control and risk management procedures

The internal control procedure is defined and implemented by the company, and aims to ensure:
- compliance with applicable laws and regulations,
- application of instructions and business policies set by General Management,
- that its internal processes work properly, particularly those that concern the preservation and security of its assets,
- that financial information is reliable.

And more generally, internal control is a system that helps to control its businesses and enhances the efficiency of its operations and use of its resources. The Group applies the guidelines for mid caps and small caps published by the AMF in July 2010.

The company's internal control procedures are intended to ensure that:
- the administrative acts, performance of operations and behaviour of the staff comply with the company's business policies defined by the corporate bodies, applicable laws and regulations, and the values, standards and internal procedures of the company,
- the accounting, financial and management information communicated to the corporate bodies gives a true and fair view of the company’s activity and situation,
- The procedures ensure compliance with management policies, the preservation and security of assets, prevention and detection of fraud and errors, the reality and exhaustiveness of accounting records, and the establishing of reliable accounting and financial information within the time allowed.

The company’s internal control system cannot however completely guarantee that the objectives set will be achieved, since no procedure is infallible.

2.3.1 The fundamental elements of internal control

- **The organisation of the Group**

The TOUAX Group is organised around three operational divisions (Freight Railcars, River Barges and Shipping Containers) to which the Group's operating entities are attached as well as a residual stake of Modular Buildings in Africa.

The management of the operating divisions is in charge, across its perimeter, of the management of the operations within the framework of the strategic objectives set by the Group Management and reviewed by the Group's management committee. The Group's Executive Committee is made up of 7 people and is described in paragraph 23.2.4 of the report of the Supervisory Board page 182 of the universal registration document.

The functional departments of the Group bring their expertise to the operational departments and assist the General Management in the definition of the standards and the principles and the control of their application. The functional departments of the Group include the Legal Department (including financial communication, corporate social responsibility and Group insurance), the Accounting and Tax Department (in charge of statutory compliance and statutory accounting), the Consolidation Department (in charge of reporting and international economic accounting compliance), the Finance and Treasury Department, the Information Systems Department - with these divisions being grouped together within the General Administration and Finance Department - as well as the Human Resources Department and the General Asset Management Department.

The Internal Control and Internal Audit system is based on this organisation and covers the processes of fully-consolidated entities and entities accounted for by the equity method. The system of internal control put in place by the Group is appropriate for its size.

- **The main components of internal control**

The main internal control policies are determined according to the company’s objectives. The Group’s objectives are defined by the Managing Partners. They concern not only its economic performance but also the areas in which the Group aims to achieve a particular level of excellence. These objectives are specified for each entity and are clearly explained to the employees so that they understand and adhere to the organization's risk and control policy.

The Group's internal control and risk management systems are structured around this three-tier organisation - holding, operational divisions and operational entities - where each level is directly involved and accountable in line with the degree of centralisation decided by General Management.

The main components of internal control are (i) the control environment, (ii) risk management, (iii) internal control activities and regulations, and (iv) management and reporting activities. Ongoing monitoring of the system is carried out around the governance of the activities described above.

2.3.2 The control environment

- **Values and ethics**

The Group's control environment relies first and foremost on the Group's Ethical Charter, which, in addition to safety, guides our actions and our daily choices, beyond the Group's values, as a responsible employee, as a responsible company, and as a responsible manager. Our values are formalised on our website and the Ethical Charter is formalised in a guide distributed to all employees.

Respect for our values and our ethics develops and maintains our trusting relationships within the Group between all employees and all the Group's stakeholders.

- **Structure of internal control and responsibilities**

The structure of internal control is based on three levels:
- (1) operational management, responsible for the implementation of internal control
- (2) support functions (such as Finance, Legal, Human Resources, etc.) which prescribe the internal control systems, monitor their implementation and effectiveness, assist the operational staff; and
- (3) governance bodies that oversee the review and effectiveness of the control system through activity committees, *Board meetings* for the activities and *Board meetings* for the companies.

- **Players involved in internal control**

Internal control concerns everyone within the company, from the management bodies to each member of staff. The players involved in internal control are described below:

> **Management Board**

The Management Board defines, promotes and supervises the internal control system that is the best suited to the Group's situation and business.

In this scope, the Managing Partners keep themselves regularly informed of any malfunctions, inadequacies or implementation difficulties and ensure that the necessary corrective action is taken.

The management informs the Supervisory Board of any important points.

> **Supervisory Board**

It is the responsibility of management to give an account to the Board of the essential features of the internal control system.

The Supervisory Board may use its general powers to carry out the controls and checks that it considers fit, and to take any other action it considers appropriate in this respect.

Within the Supervisory Board, an audit committee has been set up, which monitors the process of preparing financial information, monitors the effectiveness of the company's internal control and risk management systems, the monitoring of the statutory audit of the annual accounts and consolidated accounts and the review and monitoring of the independence of the statutory auditors. The Audit Committee reports on its work to the Supervisory Board.

> **Operational divisions**

The operational divisions are wholly responsible for the use of the system within their remit and its proper functioning. The functioning and effectiveness of the internal control system are assessed by the financial controllers of each division on the basis of requests made by management as well as during the periodic review of companies and activities within the various governance bodies with mainly the monthly review of accounts, the monthly review of cash flow forecasts, half-yearly or quarterly *board meetings*, half-yearly *board meetings* for the activities and half-yearly supervisory board for the activities.

> **The Group's employees**

All employees have the knowledge and information required for setting up, operating and monitoring the internal control system at their level of responsibility, according to the targets they are set.

In particular, the Group's Human Resources policy aims to ensure that employees' skills are properly aligned with their roles. Job descriptions within the different entities of the Group specify the skills and expertise required to enable employees to carry out their responsibilities effectively. In addition, the Human Resources Department regularly organises and updates policies to improve these skills through training, evaluation and staff retention policies (individual annual interviews, training programs, remuneration policies and careers management).

2.3.3 Risk control activities

The risk in the company is that of not achieving the objectives set. For the implementation of its strategy, the General Management defines the objectives in terms of operational fulfilment, reporting and compliance that are applied at the different levels of the organisation.

The operational objectives emphasise the definition and efficient use of human, material and financial resources. They are formalised most notably during the forecasting exercises (budget and periodic forecasting) and the long-term plan (business plan). They are regularly monitored as part of the self-assessment process. Monitoring of operational objectives (financial and non-financial) enables decision-making and monitoring of the performance of activities at each level of the organization. Risk management aims to identify and limit risks to the company's assets, resources, personnel, continued existence, profitability, reputation and its values in the broad sense of the term. The risk management activities are implemented on a daily basis by all members of staff, while performing their duties. The Administrative and Financial Department is responsible for managing the overall risk management and control system, in particular the monitoring of financial risks as well as those related to the preparation and processing of financial and accounting information.

To ensure better monitoring of financial and accounting risks, the Administrative and Financial Department relies on a number of functional departments (Legal and Financial Communication, Finance and Treasury, Consolidation, Reporting, Accounting and Taxation, Information Systems) and its operational finance departments (one per activity). The operational finance departments all have a twofold relationship with the Chief Executive Officer of the division and the Group's Chief Financial Officer. The financial departments of the subsidiaries also have a twofold connection with the CFO of the division and the general manager of the subsidiary.

This organisation combines business expertise and technical expertise to better assess risks and limit conflicts of interest.

These risks are identified in chapter 3 (Risk factors) page 5 of the universal registration document. One or more of these risks, or other risks not yet identified or considered as immaterial by TOUAX, could have an adverse effect on the its businesses, financial situation, profits or share price.

- **Financial risks**

The financial risks are market risks (interest rate and foreign exchange risks), liquidity and/or counterparty risk, and equity risk. They are described in paragraph 3.5 of the universal registration document (risk factors) page 13.

Financial risk management is an integral part of the Group's financial management. All the financial files are supervised centrally by the Finance and Treasury Department, with support, in particular, from a financing plan, a monthly cash flow statement and a daily cash flow forecast. This information is reviewed on a monthly basis by the Group's Executive Committee.

The aim of the Administration and Finance Department is to rapidly produce accounting and financial information that is reliable and pertinent, pass on this information, monitor risk, in particular financial, operational and counterparty risks, put in place administrative, accounting and financial procedures, provide legal and fiscal monitoring of the Group, consolidate the accounts and respect the applicable rules and the accounting standards and implement the Group's financial policy and provide cash management.

- **Other risks**

Responsibility for monitoring risks is delegated to the various operational and functional departments who implement this risk management at operational level. The operational and functional departments are accountable for the risks inherent in their businesses and give an account to General Management of these risks and the action plans put in place to reduce their exposure. Two functional divisions also exist to better assess the procedures and risks of activities; the human resources department and the information systems department. The Group's Administrative and Financial Department is involved in the management and control of these other risks.

2.3.4 Steering and reporting activities

- **Internal control procedures**

Internal control is based on formalized procedures, the information systems, and the competence and training of the staff.

The main procedures in force at Group level concern, in financial areas, asset tracking, investments, financing and treasury, budgetary control and financial reporting.

In the operational areas, these procedures mainly concern directives, regulations or recommendations in the fields of health, general safety, industrial safety and IT, environment, sustainable development, integrity and the prevention of fraud and corruption.

In terms of operating entities, control activities are organised around the main operational cycles of leasing and sales, purchases, investments, production, fixed assets and inventories, human resources, financing and cash, as well as the process of closing the accounts.

Among other things, operational financial services are responsible for the follow-up of administrative and accounting procedures and the periodic reporting of financial information. The role of the financial departments is part of a process of continuous improvement of internal control and mainly involves reviewing the procedures in place, checking the implementation of the Group's internal control standards and recommending improvements for reducing risks.

- **Procedures for preparing and processing financial and accounting information**

Administrative and accounting procedures are in place to ensure that transactions recorded in the annual accounts meet the objectives regarding their true and fair nature. These procedures, which are integrated into internal control, are based on:

- an integrated management and accounting system (with the use of a reporting package with uniform accounting methods approved by the consolidation department),
- a segregation of duties (in so far as the department and company size allows),
- supervision and control by the functional departments and general management.

All financial and accounting information is reported each month to the Consolidation Department, which checks in detail the flows and the methods used. Activity management control activities verify the consistency of the data and provide monitoring. The

Consolidation Department then carries out monthly economic consolidation of the results and a full consolidation according to IFRS standards every quarter. These accounts are reviewed by the Group's General Management.

Monthly monitoring of the results and commitments of the subsidiaries and the Group enables General Management to check the financial effects of the business strategies pursued, and to compare the results with the Group's budgetary commitments and objectives.

The consolidated financial statements are produced on the basis of consistent accounting standards within a supervised process.

The consistency of the standards is ensured by the Consolidation Department, which supervises and centralises the interpretation and dissemination of the applicable accounting standards and ensures their effective implementation through a regular and formalised communication process with the financial managers of the subsidiaries and divisions.

The process of closing the accounts is governed by consistent monthly financial reporting and a closing schedule shared by all subsidiaries. This reporting and the consolidated financial statements use an identical framework and standards. Financial reporting and individual accounts are systematically analysed for discrepancies. Off-balance sheet commitments are part of this process. The closing process also relies on the formalisation of economic assumptions, judgements, estimates, processing of complex accounting transactions, centralised and supervised by the Consolidation Department, the General Administration and Accounting Department and General Management.

The procedures put in place for reporting, consolidation and budgetary monitoring are also aimed at ensuring the aggregation of the other information necessary for drawing up the universal registration document.

- **Assessment of internal control**

Internal control procedures and those related to the drawing up of accounting and financial data are continually identified, assessed and managed and did not change significantly in 2020. Internal control is currently assessed by the various reviews of the Group's and subsidiaries' financial statements conducted at internal meetings addressing each of the activities and the Audit Committee.

1.5. Social and environmental information

The TOUAX Group publishes social, environmental and corporate (CSR) information in paragraph 22.2 page 159.

This report describes how TOUAX takes into account the social and environmental consequences of its activity, including the impact of its activity and use of the goods and services it produces on climate change, as well as its commitments for sustainable development, the circular economy, the fight against food waste and combating discrimination and promoting diversity.

1.6. Other information

- **Cross-shareholding and ownership**

There is no cross-stockholding (holding of securities of TOUAX SCA by its subsidiaries). The Group's simplified organisational chart is explained in paragraph 6.1 of the universal registration document page 39 and the exhaustive list of consolidated subsidiaries is presented in note 2.2 of the notes to the consolidated financial statements page 71.

- **Share buyback program and treasury shares**

The Group has made purchases and sales of its own shares through its liquidity contract managed by an investment services provider (ISP), resulting from the share buy-back program voted by the Combined General Meeting of 23 June 2021. On 31 December 2021, the company held 6,265 of its own shares.

- **Status of employee participation in the company's share capital on 31 December 2021**

An employee profit-sharing agreement has been put in place for all French entities, which does not give entitlement to shares in the capital. No profit-sharing was paid in 2021. The company does not have a stock option or a free share allocation scheme.

- **Payment period of the company**

In the following table, we present the breakdown on 31 December 2021 (it being specified that these are only non-group receivables).

In euros	Invoices received and outstanding at the financial year end which are due						Invoices issued and outstanding at the financial year end which are due					
	Day 0 (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and above	Total (1 day and above)	Day 0 (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and above	Total (1 day and above)
Late payment bracket												
Number of invoices concerned	7					7	2					2
Total amount of invoices concerned (excl tax)	€216,937.73	€0.00	€0.00	€0.00	€0.00	€216,937.73	€2,957.07	€0.00	€0.00	€0.00	€0.00	€2,957.07
Percentage of the total amount of the purchases for the year (excl. tax)	13.12%	0.00%	0.00%	0.00%	0.00%	13.12%						
Percentage of revenues for the financial year (HT)							5.47%	0.00%	0.00%	0.00%	0.00%	6.47%

- **Securities transactions carried out by directors, senior executives or persons to whom they are closely related as well as general partners**

To the company's knowledge, SOCIETE HOLDING DE GESTION ET DE LOCATION and SOCIETE HOLDING DE GESTION ET DE PARTICIPATION subscribed each to 28,500 BSA, and the members of the Management Committee (excluding Managing Partners) subscribed to a total of 85,600 BSA, at a unit price of €0.72 in October 2020.

Adjustment of the conversion bases of the securities giving access to the share capital.

None

- **Acquiring significant stakes in companies with head offices in France**

None

- **Existing branches**

None

- **Operating a classified facility**

None

- **Amount of loans granted to micro-enterprises, SMEs or middle-market companies**

None

- **Injunctions or sanctions for anti-competitive practices**

None

1.7. Information on other ordinary resolutions submitted to the vote of the shareholders

- **Approval of the remuneration policy for corporate officers (6th and 7th resolutions)**

In accordance with the provisions of article L. 22-10-76 II of the French Commercial Code, the Managing Partners ask that with the vote on the 6th and 7th resolutions, you approve the remuneration policy for corporate officers applicable to Managing Partners (6th resolution) and to members of the Supervisory Board (7th resolution). The remuneration policy for the Managing Partners is in accordance with the articles of association.

The remuneration policy for Touax SCA's corporate officers is described in the Supervisory Board's report on company governance.

- **Approval of information relating to all the remuneration of corporate officers for the financial year ended 31 December 2021 (8th resolution)**

In accordance with the provisions of article L. 22-10-77 I of the French Commercial Code, it is proposed to you, by the vote of the 8th resolution, to approve the information mentioned in article L. 22-10-9 I of the French Commercial Code relating to all the remuneration of corporate officers, including corporate officers whose term of office has ended and those newly appointed during the past financial year, described in the Supervisory Board's report on company governance.

- **Approval of the elements of individual remuneration paid or awarded to the executive corporate officers for the year ended 31 December 2021 (9th, 10th and 11th resolutions)**

In accordance with the provisions of article L. 22-10-77 II of the French Commercial Code, you are asked, with the vote on the 9th, 10th and 11th resolutions, to approve the fixed, variable and exceptional elements making up the total remuneration and benefits of any kind paid during the financial year ended 31 December 2021 or allocated for the same financial year to executive corporate officers.

The remuneration elements relate to the Managing Partners, Messrs. Fabrice and Raphaël Colonna Walewski, and to the Chair of the Supervisory Board, Mr. Alexandre Colonna Walewski.

These elements are described in the Supervisory Board's report on company governance.

- **Determination of the remuneration of the members of the Supervisory Board (12th resolution)**

We propose that you allocate attendance fees to the members of the Supervisory Board for a total of €64,500.

- **Renewal of two mandates as members of the Supervisory Board (13th and 14th resolutions)**

The company's Supervisory Board was made up of 5 members (3 men and 2 women) in 2021. The term of office of the members is 3 years. It is proposed that you renew the mandate of two member as follows :

- Mr Alexandre COLONNA WALEWSKI	Duration of 3 years, namely until the Annual General Meeting called to approve the financial statements for 2024
- Mrs Sylvie PERRIN	Duration of 3 years, namely until the Annual General Meeting called to approve the financial statements for 2024

A detailed presentation of these members whose terms of office you are asked to renew is given in paragraph 23.2.4 page 182 of the report from the Supervisory Board.

It is stated that, in accordance with the law, the General Partners who are shareholders cannot take part in the vote to renew the terms of office of the members of the Supervisory Board.

- **Appointment of two new members of the Supervisory Board (15th and 16th resolutions)**

It is also proposed to the General Meeting to appoint two new members of the Supervisory Board.

- **Appointment of a joint statutory auditor or Renewal of a joint statutory auditor (17th resolution)**

Depending on the outcome of the current call for tenders, it will be proposed to renew the mandate of RSM Paris for six years or to appoint a new co-statutory auditor for six years.

- **Non-renewal and non-replacement of an alternate joint statutory auditor (18th resolution)**

The appointment of a substitute is no longer mandatory, it is proposed not to renew it and not to replace it.

- **Renewal of the authorisation of a share buyback scheme (19th resolution)**

We propose that you renew the scheme to authorise the share buyback scheme in our company.

It should be noted that this scheme only concerns TOUAX shares listed for trading on Compartment C of the NYSE Euronext Paris regulated market under the code ISIN FR0000033003.

The previous share buyback scheme was authorised by the Ordinary General Meeting of 23 June 2021 and has been reported half-yearly to the AMF. The purpose of the scheme was to:

- carry out market making and ensure the liquidity of the TOUAX SCA share through a liquidity agreement with an investment services provider, in accordance with the Code of Practice recognised by the French Financial Markets Authority (AMF)
- grant stock options and/or allot bonus shares to employees and managers of the company and/or of TOUAX Group companies
- grant coverage for securities that entitle the holder to receive shares in the partnership under the regulations currently in force
- keep the shares bought, and use them later for trading or as payment in possible corporate acquisitions, though the shares acquired for this purpose may not exceed 5 % of the share capital
- proceed to their cancellation.

The scheme was set up for the sole purpose of conducting transactions so as to enhance activity and liquidity in the market for the shares. These purchase and sale transactions were carried out via a liquidity agreement concluded on 17 October 2005 and its additional clause on 19 December 2018, in accordance with the code of ethics approved by the AMF, with the investment services provider GILBERT DUPONT.

On 31 December 2021 the company held 6,265 of its own shares, it being stated that during the 2021 financial year it bought 61,831 shares and sold 63,050 shares under the liquidity agreement, the sole purpose of which was market making and ensuring the liquidity of the TOUAX share.

The average purchase price stood at €7.96 and the average price was €7.95. As this is a liquidity contract, there is no transaction fee.

The nominal value of the shares held on 31 December 2021 equals €8.

The transactions are summarised in the following table:

Statement by TOUAX SCA on the transactions carried out on its own shares as of 31 December 2021	
Percentage of share capital directly or indirectly held	0,09%
Number of shares cancelled during the last 24 months:	
Number of securities held in portfolio:	6 265
Book value of portfolio (€)	50 120
Market value of portfolio (€)	42 351

TOUAX has not used derivatives in connection with its previous share buyback scheme.

The renewal of this scheme is in line with articles L. 225-209 of the French Commercial Code and will be submitted to the Annual General Meeting of shareholders on 22 June 2022.

Our company wants to implement this share buyback scheme with the same aims as those adopted by the Annual General Meeting of 23 June 2021.

Regarding the aim of managing the share price, the company's shares will be bought on its behalf by an investment services provider acting under a liquidity agreement and in accordance with the code of ethics approved by the French Financial Markets Authority (AMF).

These shares may be acquired, sold, transferred or exchanged on one or more occasions, by any means including, where appropriate, by private agreement, block sale of holdings or the use of derivatives. These transactions may be carried out at any time, including during a takeover bid, subject to the regulations in force.

The program concerns the possibility of buying back a maximum of 10% of the capital stock under the following conditions:

• Maximum purchase price per share: €30

• Maximum amount: €21,034,641

• Length of the scheme: 18 months from the authorisation granted by the Ordinary General Meeting of 22 June 2022, i.e. until 21 December 2023.

We ask you to approve the draft resolutions which are submitted for your approval.

La Défense, 22 March 2022
Fabrice and Raphaël WALEWSKI
Managing Partners

22.2. Report on corporate, social and environmental responsibility

TOUAX publishes non-financial information (quantitative and qualitative) of a social, environmental and corporate nature in its management report (excluding all other media).

1. Corporate information

(i) Employment

Total workforce and breakdown of employees by sex, age and geographic zone

The Group's workforce includes 246 employees worldwide as of 31 December 2021.

The breakdown in employees by geographic location and activity as of 31 December 2021 is as follows:

	Freight railcars			River Barges			Containers			Modular Buildings			Central Services			TOTAL		
	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019
Europe	68	66	61	10	9	9	20	22	20				22	23	24	120	120	114
Asie							10	13	11							10	13	11
Afrique										105	107	103				105	107	103
Amériques							8	6	7				3	3	3	11	9	10
TOTAL	**68**	**66**	**61**	**10**	**9**	**9**	**38**	**41**	**38**	**105**	**107**	**103**	**25**	**26**	**27**	**246**	**249**	**238**

Across the average workforce in 2021, 29% are located in France, 19% elsewhere in Europe, 43% in Africa, 5% in North and South America and 4% in Asia.

Geographical breakdown	2021	2020
France	28%	27%
International	72%	73%
Breakdown by gender	**2021**	**2020**
Men	71%	69%
Woman	29%	31%
	2021	**2020**
Managers	17%	18%
Employees	83%	82%
Age pyramid	**2021**	**2020**
Under 26	4%	2%
26 to 40	30%	33%
41 to 50	32%	33%
51 and over	34%	32%
Years of service	**2021**	**2020**
Less than one year	11%	5%
1 to 5 years	39%	44%
6 to 10 years	14%	16%
More than 10 years	36%	35%
Type of contract	**2021**	**2020**
Number of employees on fixed term contracts	1%	1%
Number of employees on permanent contracts	99%	99%

Appointments and departures

There were the following appointments and departures in 2021:

	2021	2020
Total number of departures during the year	26	13
- whose reason is dismissal	2	2
Total number of entries during the year	37	29
Turnover in %	13%	8,4 %

The workforce is stable 2021 as compared to 2020.

The Group applies a recruitment procedure, whose main objectives are:

- Define recruitment needs as accurately as possible in terms of level, qualifications, skills, experience, etc. in order to match the candidate with the position to be fulfilled,
- To validate the expense commitment,
- Clarify the roles of each participant, the resources to be implemented and the recruitment process.

This procedure concerns all recruitment (permanent, fixed-term, temporary and trainees), both for France and internationally.

The various recruitment stages at TOUAX are:

- The definition of the desired profile,
- Verification of the allocated budget,
- Search for candidates,
- The selection of the candidate
- The drawing up of the employment contract,
- Welcome and induction of the employee.
- Salaries and salary rises

Salaries and salary rises

As of 31 December 2021, the Group's personnel costs represented €16,031,052 an increase compared to personnel costs in 2020 which amounted to €15,816,864.

Average remuneration in Euros (gross wages)	2021	2020
Geographic breakdown		
- France	69 625	69 851
- Outside of France	44 043	37 794
Breakdown by category		
- Managers	120 028	108 312
- Employees	34 951	31 679

(ii) Organisation of work

Organisation of working hours

On 31 December 2021, 2% of the Group's employees worked part time.

Working hours are organised differently depending on the country. The French entities can be distinguished from the rest of the world.

In France, the working hours are displayed and are visible on the compulsory notice board. The reference working hours within the TOUAX economic and social unit (such as the ESU is defined in paragraph below) are as follows:

Monday to Thursday: 8:45 AM to 12 noon and 1:15 PM to 5:45 PM, with a 75-minute lunch break,

Friday: 8:45 AM to 12 noon and 1:15 PM to 4:15 PM, with a 75-minute lunch break.

The working week comprises 37.25 hours (37 hours and 15 minutes). The difference between the working hours of 37 hours and 15 minutes and the legal limit of 35 working hours is offset by days' leave for the reduction of working hours.

In 2021, there were 14 days off in lieu for all employees of TOUAX UES subject or not subject to a fixed-day contract.

For our foreign entities, a 40-hour working week generally applies. Each subsidiary has the autonomy and flexibility to set its reference schedule according to its own constraints and the culture of each country and for some countries these regulations are given in the Internal Rules signed in partnership with staff representatives. For the others, this is provided within work contracts.

Absenteeism

The total rate of absenteeism for the TOUAX Group was 1,6% in 2021, representing a total of 1,157 working days of absence.

The following table gives a breakdown of days of absence by grounds:

Detail of absences by reason	2021
Maternity	30
Illness	352
Accident at work (including commuting accident)	-
Authorised absences (family events, sick children)	102

(iii) Labour relations

Organisation of social dialogue, in particular procedures for informing and consulting employees and negotiating with them

- Organisation of social dialogue in France

The Economic and Social Unit (ESU) has a Social and Economic Committee (SEC) comprising of 2 elected staff representatives.

The staff representatives are informed and consulted, on an ad hoc basis and periodically (according to a projected schedule), in particular concerning the organization and running of the company, the workforce, working time and training.

Minutes are drawn up at the end of each meeting of the Social and Economic Committee and passed on to all employees of the economic and social unit.

These representatives attend Social and Economic Committees with General Management. The main topics dealt with are social issues concerning the company, such as private health insurance or the organisation of working time.

- Organisation of social dialogue in our foreign entities

Strictly speaking, the organization of social dialogue is not as structured abroad as it is in France, particularly since local labour law does not require companies to set up specific structures.

Our entity in Morocco (TOUAX Morocco) is nevertheless different from the other foreign entities. It has 4 staff representatives elected by all employees. Elections are held every 6 years, supervised by the Senior Management and the labour inspectorate.

In general, social dialogue takes place at individual and/or collective meetings between the employees and the management.

- **Assessment of the collective agreements**

No collective agreement was signed by the French and foreign entities of TOUAX in 2021.

(iv) Health and safety

- **Health and safety conditions at work**

- Management of the health crisis

In the context of the global health crisis in operation since the start of 2020, the Group monitors the health protocols prescribed by the governments of the countries where employees are located. Consequently, the more widespread practice of working from home has been implemented on a global scale in order to protect our employees from the risk of infection, with the exception of our factory in Morocco where this was not possible.

At the same time, additional disinfection measures are regularly applied in our premises.

Finally, Group employees were supplied with washable masks and doses of hydro-alcoholic gel.

- Health and safety conditions at work in France

The role of the CSE is to help to protect the physical and mental health and the safety of workers, and to improve their working conditions. It can propose preventive measures and seek the assistance of an expert in certain circumstances. It should be noted that at the head office of the French entities, all of which are located in the Tour Franklin, the company doctor, the head of safety in the Tour Franklin, the labour inspector and the representative of the regional health insurance fund (CRAMIF) are invited to these meetings.

The TOUAX Group meets its legal obligations regarding health and safety at work, for example:
- By updating the single document,
- By planning medical examinations for employees.

In addition to its legal obligations, for several years the Group has implemented initiatives concerning emergency aid by training certain employees as First Aid Officers. This training includes learning how to use defibrillator devices.

Finally, in order to increase awareness among travelling employees, the Driver's Charter has been updated and it is signed by each new employee concerned.

- Health and safety conditions at work outside France

The size of the structure and the activity of the entities often determine the level of requirements for health and safety at work. The Modular Buildings business located in Morocco will therefore have higher requirements than other entities.

- **Assessment of the agreements signed with the trade unions or staff representatives regarding health and safety at work**

- Assessment of the agreements signed in France and abroad

No agreements concerning health and safety at work were signed by TOUAX in France and its foreign entities in 2021. The Single Document for the Assessment of Professional Risks is regularly updated in conjunction with managers.

- **Industrial accidents, in particular their frequency and seriousness, and occupational diseases**

In 2021, the only reported commuting accident did not result in a work stoppage.

(v) Training

- **Training policies implemented**

- The policy implemented at Group level

The Group has set up a Strategic Workforce Planning Approach. As such, a projection to 2023 was made in order to understand the skills needs in relation to the expectations of our customers and our markets.

In this respect, orientations for the development of strategic skills have been determined and mandatory training actions are organised.

A Digital Learning platform is available to support these development objectives.

> Policies implemented in France

In response to the legislation in force in France, the training interview has been replaced by the "professional interview" which is a meeting between the employee and their manager dedicated to career development prospects, particularly in terms of qualifications and employment. This interview is not about evaluating the employee's work.

> Policies implemented abroad

The Group's training policy supports skills development as part of its Strategic Workforce approach. In this respect, training orientations are identified. There are mainly two axes:

- mandatory trainings imposed by local regulations, particularly in terms of workplace safety,
- trainings aimed at developing the employees skills and validated by local management during interviews between the employee and his or her superiors. Training sub-orientations are then identified (business trainings, soft skills and strategic skills at Group level).

In Morocco, our companies distinguish themselves through a more formalized human resources process than other foreign entities. Indeed, an annual training plan providing for the development of skills is drawn up in January and submitted to the training office no later than April 30 of each year.

Total number of training hours

In 2021, the TOUAX Group spent €72,131 on training courses at global level, representing 1193 training hours. The Group trained 154 employees during the year, equal to 61% of the average workforce during the year. The establishment of an e-learning platform has made it possible to reach a large part of the population optimising our skills development work.

(vi) Equal treatment

Measures taken to promote equality between men and women

Of the Group's total workforce as of 31 December 2021, 29% are women. Of the total number of managers, 23% are women.

Since March 1, 2020, Touax group companies in France must calculate and communicate their index relating to professional equality between men and women in accordance with the provisions of the Labor Code. The score for the UES Touax France is 58/100 for the year 2021, down compared to 2020 when it was 86/100. This drop is due in particular to demographic transfers in the age categories compared, which induce significant changes in the statistical balance of the small population concerned (some 70 employees of UES Touax France) and the departure of female employees. This score is published on the website http://www.touax.com on March 31 of each year. It has also been duly communicated to the competent Labor Inspectorate.

In accordance with the requirements of the legislation in force, the Touax group in France will ensure that it returns to a minimum score of 75/100 within 3 years. To do this, the group will continue its historic approach to equity and equal pay and will continue to encourage the feminization of its workforce. In addition, other demographic transfers should make it possible to fill the gap.

Measures taken to promote the employment and integration of disabled workers

The Group encourages the employment of disabled workers through partnerships with recruitment agencies that specialise in placing workers with disabilities as well as the purchase of certain supplies and services from the E.S.A.T (Établissements et Services d'Aide par le Travail).

The Group continues to pay all of its apprenticeship tax to schools that specialising in special needs education and continues to promote the integration of workers with a disability as far as possible. Since 2007 in France, TOUAX has chosen to pay most of the apprenticeship tax to the following training centres that specialise in the integration of people with a disability into working life: Institut Medico Professionnel de Morhange (57), Institut Medico Éducatif André Beule de Nogent Le Rotrou (28), IME Léonce Malecot De Saint Cloud Saint Cloud (92), Institut National Des Jeunes Sourds de Paris (75).

Anti-discrimination policy

All TOUAX Group companies respect local regulations regarding discrimination and comply with the law.

In 2011, the Group introduced an ethical charter which was given to all French employees and translated and passed on to all foreign entities. The charter has a section that deals with the issue of "respect for employees and industrial relations".

It is specified that all employees must "*refrain from all forms of discrimination in particular on the grounds of gender, handicap, marital status, sexual orientation, age, political opinion, religious beliefs, trade union activity or race…* ". It is also specified that "these commitments apply at the time of recruitment, but also to all decisions regarding training, promotion, continuation in employment and working conditions".

This charter makes it possible to increase employees' awareness of discriminatory practices and prevent as far as possible this type of inappropriate behaviour. It should be noted that, due to its international nature, the Group welcomes numerous different cultures and nationalities within the various French entities.

In addition, a charter specifically dedicated to the prevention of discrimination has been promulgated to reinforce the ethical charter. It contains precise definitions on the subject of discrimination at work and indicates a process for escalating complaints on this subject.

(vii) Promotion of and respect for the fundamental conventions of the International Labour Organization

- **Respect for freedom of association and the right to collective bargaining**

The TOUAX Group respects the principles of freedom of association and the right to collective bargaining.

Furthermore, the ethical charter specifies that all employees must "r*efrain from all forms of discrimination on the grounds of trade union activity*" and that "*these commitments apply at the time of recruitment, but also to all decisions regarding training, promotion, continuation in employment and working conditions*".

- **Elimination of discrimination regarding employment and profession**

The ethical charter has a section presenting the anti-discrimination policy

- **Elimination of forced or compulsory labour and effective abolition of child labour**

The ethical charter does not expressly deal with this issue, but does deal with the choice and fair treatment of suppliers. All employees must "*be extremely vigilant with regard to suppliers that do not respect the Group's ethics, the labour laws in force in the countries concerned, or the health, safety and environmental protection regulations*".

The TOUAX Group informs its employees of the ethical issues involved when choosing suppliers.

(viii) Appendix to the corporate information

Methodological note

The employment section contains qualitative and quantitative information. A matrix developed in house is sent by the Human Resources Department every year to each person identified within each business activity in order to obtain the data that appears in the report. This information is then supplemented by interviews.

- Note concerning calculation of the workforce

This includes all employees who have a fixed-term or permanent employment contract with the TOUAX Group on 31 December 2021. It therefore also includes employees whose employment contract has been suspended (paid leave, sickness, maternity leave, parental leave, sabbatical leave, individual training leave etc.) and apprentices who receive a pay slip. Expatriates are included in the workforce of the company where their mission is performed on the basis of the local contract. Temporary workers and interns are not included in the calculation of the workforce.

- Group scope of consolidation applied

The scope of consolidation for the corporate information includes all TOUAX Group's consolidation entities that employ staff. This includes the following entities:

ACTIVITY	COMPANIES
Containers	Touax Container Services
	Gold Container Corp.
	Touax Container Leasing Pte Ltd
Modular Buildings	TOUAX Morocco
River Barges	Touax River Barges
	Eurobulk Transport Maatschappij BV
Freight railcars	Touax Corporate
	Touax Rail Limited
Central Services	Touax Corporate
	TOUAX UK Ltd
	Touax Corp

The scope of consolidation for corporate indicators therefore includes the entire workforce of the TOUAX Group.

The scope of consolidation is reviewed and updated after each internal or external growth operation communicated by the management.

For some indicators, the data was not available for all subsidiaries. The scope of consolidation for each indicator is specified in the following section, "Coverage rate of the indicators published".

- Note concerning the idea of the "manager" and "employee" categories

We have decided to introduce manager and employee categories throughout the Group.

According to the definition adopted, a manager is someone who supervises at least two people for foreign subsidiaries and since 2014 this criterion is also used for France.

- Note concerning the calculation of seniority

Seniority is calculated from the date of the first contract signed by the employee with a company belonging to the TOUAX Group, and does not take into account changes of position within the Group.

- Note concerning calculation of staff turnover

This is the total number of departures during the year + the total number of entries during the year divided by 2 divided by the average number of employees during the year. The average workforce is calculated by dividing by 2 the sum of the workforce at the start of the year and the workforce at the end of the year.

- Note concerning calculation of the rate of absenteeism

This indicator is calculated by dividing the total number of working days of absence (excluding paid leave) during the year by the number of days worked during the year.

Coverage rate of the indicators published

The Group selected the scope of consolidation for which the indicators have been published. The coverage rate is the ratio for each indicator between the perimeter actually concerned and the Group perimeter adopted. This rate is calculated in relation to the total workforce of the Group at the end of the year.

2. Environmental information

(i) General environmental policy

As a result of its services activity, the Group has not identified any environmental risk.

- **The organisation of the company to take into account environmental issues and, where appropriate, environmental assessment or certification procedures**

Section 2.5 of the TOUAX ethical charter emphasizes "environmental responsibility" and raises the awareness of all employees to this issue. Employees must ensure that they:

- contribute to the TOUAX environmental initiatives,
- think about their behaviour, in all areas of activity that have an impact on the environment, in order to minimise the impact whenever possible (number of trips, saving energy, saving water, reducing waste), and
- immediately inform their line manager of any unusual discharge or emission into the ground, air or water.

Each of the Group's businesses involves different environmental issues, which we will present separately.

- **Freight railcars**

The Freight Railcar business contributes to sustainable development through its soft method of transport, in the same way as the River Barge and Shipping Container divisions. According to a study by the French Environment and Energy Management Agency (ADEME), in France, rail freight transport is the method of transport that emits the lowest level of CO_2, at 5.75 grams per ton of transported goods/kilometre. Next comes water transport (applicable to river barges) with 37.68 grams, then road transport with 133.11 grams.

As a member of trade associations, TOUAX Rail Ltd helps to promote and defend rail freight transport among government and European organizations. It helps to promote combined rail transport and consequently contributes directly to sustainable development and the quality of the environment at European level.

The division has also had Entity in Charge of Maintenance (ECM) status for 10 years and this certification was renewed in December 2019. Some of the partner workshops to which maintenance of the railcar fleet is subcontracted have ISO 14001 certification, but this is not a requirement within the rail sector. In addition, the railcar maintenance workshops and railcar manufacturers comply with the environmental standards in force in their country.

- **River Barges**

The River Barge business uses existing and natural waterways. It is a safe, low-polluting method of transport. A barge can transport far more goods than a truck or a railcar. For example, on average, a convoy of 12 barges transports the equivalent of 1,100 truckloads. This business helps to promote sustainable development by emitting comparatively less gas emissions (30% less) than other more conventional methods of freight transport such as road transport, according to a comparative study of CO_2 emissions by different methods of freight transport by the French Environment and Energy Management Agency (ADEME).

It should be noted that the general insurance policy of the European fleet covers risks of pollution. The leases require the lessees to comply with navigation rules and expressly mention the ban on transporting radioactive products and waste.

- **Containers**

Shipping containers can only be loaded and transported on ships designed for that purpose, called container carriers. Most current container carriers have a container capacity of 500 to 24,000 TEU (Twenty-foot Equivalent Unit). In recent years, shipping companies have adopted new LNG technology engines on their vessels or have redesigned the hull of their vessels to consume less fuel.

With effect from 1 January 2020, the International Maritime Organisation (IMO) will cap the sulphur emission rate of fuel oil used by vessels operating outside emission control (ECA) at 0.50% m/m (mass per mass). This measure will significantly reduce sulphur oxide emissions from ships. It should also have very positive effects on the environment and health, especially for people living near ports and coasts. Until 31 December 2019, the sulphur content ceiling for fuel used by ships operating outside emission control zones will be 3.50%. To meet this new threshold, ships use low-sulphur compliant fuel oil. Once ignited, the gas emits only a negligible amount of sulphur oxide. This is why, as mentioned above, more and more ships are also using it as fuel. This fact was recognised when the IMO developed the International Code of Safety for Ships Using Gases and Other Low Flashpoint Fuels (IGF Code) adopted in 2015. Methanol is another fuel alternative for some short journeys. Ships can also meet SOx emission requirements using approved equivalent methods. For example, "scrubbers" are exhaust gas cleaning devices that "clean" emissions before they are released into the atmosphere. In this case, the equivalent arrangement must be approved by the administration to which the ship belongs, in other words by the Flag State.

Even though the business only makes containers available to its customers, it indirectly contributes to sustainable development by promoting soft transport of goods which emits less CO2 per ton/kilometre.

A typical container in the Group's fleet is made of 77% steel, 14% wood and 9% miscellaneous products (paint, joints etc.). The business has no constraints regarding recycling of materials since the containers are sold before the end of their life cycle. It is nevertheless easy to recycle containers at the end of their life given the large amount of steel they contain. In addition, the business supports research into technical solutions (through the Institute of International Container Lessors - IICL) for developing environmentally friendly components for manufacturing containers, e.g. combinations of wood and steel for the floor in order to strengthen the latter and minimize wood consumption. After several conclusive tests, we have decided to introduce in 2021 the OSB (Oriented Strand Board) floor for our new containers for trading. This floor is produced with cultivated fast-growing secondary woods (5-6 years) from reasonable recycle of planting, protecting the wild wood resources. It has already been approved by the various global certification bodies, such as BV / CCS / ABS, ISO 90001-2008/14001-2004, GB/T28001-2011/OHSAS180001, CARB (California Air Resources) Board, FDS, FSC/FM (Forest Stewardship Council/Forest Management Certificate), FSC/COC (Forest Stewardship Council/Chain of Custody), PEFC (Programme for the Endorsement of Forest Certification).

- **Other Modular Buildings activity**

The Group operates a modular building plant in Morocco. The module assembly process on the customer's site is a dry process which does not consume water on site or pollute the soil, and reduces all the problems of traditional construction. Unlike traditional construction, the modules are solutions that can be quickly and easily moved from one site to another, with less environmental impact. The activity has triple ISO 9001 certification (Quality Management System), ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System).

- **Training and information provided for employees regarding environmental protection**

In 2021, no employee of the Freight Railcars, River Barges or Shipping Containers divisions received training on environmental issues.

- **The means devoted to preventing environmental risks and pollution**

In 2019, we installed on board barges equipped with bow thrusters, small metal bins for the selective sorting of any waste, such as greasy rags, special liquid and solid waste.

It should be noted that the general insurance policy of the European fleet covers risks of pollution. The contracts require the lessees to comply with navigation rules and expressly mention the ban on transporting radioactive products and waste as well as corrosive materials.

- **The amount of the provisions and guarantees for environmental risks, provided that this information is not likely to cause serious harm to the company in a current dispute**

In 2021, there were no provisions or guarantees for environmental risks within the TOUAX Group. The environmental risks likely to affect the company's assets or income are insignificant, since the Group is mainly a service provider.

(ii) Pollution

- **The measures for preventing, reducing and correcting discharges into the air, water and soil that have a serious environmental impact**

The Group optimises its fleet of trucks and consequently respects the environment by reducing carbon emissions in the atmosphere. The means implemented are in particular:

- Regular checks of freight railcars and pushers,
- Subcontracting of transport to specialized companies and/or
- Streamlining of deliveries/returns in order to avoid unnecessary travel.

Generally speaking, by ensuring that its assets are in good condition, the Group helps to respect the environment.

- **Freight Railcars and Shipping Containers**

There is no policy for discharges in these divisions which do not represent any specific risk in this regard, since TOUAX does not manufacture containers or freight railcars.

TOUAX, with regard to its Freight Railcars business, has planned ahead for changes to the European standard for reducing waste that can damage the soil by choosing to equip its new European railcars with a less polluting type of sole. Soles made from composite material have replaced cast iron soles.

In addition, TOUAX Rail ensures that its equipment is maintained in good condition through periodic revisions thanks to the thirty or so maintenance workshops certified for TOUAX maintenance rules. Each railcar undergoes a full service. Each railcar normally has between 2 and 8 axles, given that an axle comprises a central pin and two wheels, one at each end. Work on the railcars in the maintenance workshops is divided into two separate flows:

- a flow for the axles, and
- a flow for the railcars.

The railcars are serviced about every 3 years In 2021, 1 273 wagons were serviced River Barges

Each unit complies with the standards for registration (registration, flag, measurement) and safety for each river basin. They are registered with the waterway administration that issues registration and navigation certificates. These navigation permits are issued after inspection(s) by an approved company and renewed at regular intervals, every 5 or 7 years, depending on the basin. The category certificates are valid for a period of 5 years with an intermediate inspection carried out every two and a half years. To renew the certificate, it may be necessary to dry-dock the barge for inspection and repair work.

All barges are therefore monitored and maintained in good condition in order to meet environmental and safety standards for their respective basin.

- **Other Modular Buildings activity**

The activity does not produce any significant polluting emissions and is certified ISO 14001 (Environmental Management System), ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System).

- **Procedures for dealing with noise disturbance and all other forms of pollution specific to an activity**

The Group's businesses have the advantage of producing very little noise disturbance. Nevertheless, since 2010, the Freight Railcar activity has had new railcars manufactured that are fitted with composite brake wear plates, which are quieter and comply with European standards for reducing noise levels emitted by railway systems. Beginning in 2017, TOUAX began bringing its fleet of equipment into line with the latest standards concerning the sound level of railcars, in order to promote rail transport as a sustainable mode of transport.

In July 2020, the modular building industrial site located in Morocco commissioned analyses on interior air, brightness and noise; the results were compliant with the regulatory limits.

The only industrial site remaining in the Group, in Morocco, for the Modular Buildings activity recorded no complaints in 2021.

(iii) Circular economy: Waste prevention and management

- **Measures for prevention, recycling, reuse, other forms of recovery and disposal of waste**

- **Freight railcars**

The service life of a railcar varies between 30 and 50 years. At the end of their life cycle, railcars are never dumped. All railcars that are no longer used are either sold or scrapped (process similar to the barge recycling process).

A railcar comprises:

- 99.5% of recyclable metals, and
- 0.5% of spare parts (rubber tightness seals in the braking system, rubber buffer in the shock and traction systems) and liquid waste (axle grease).

The axle grease is cleaned with detergents in the maintenance workshops and then all the parts are recycled in accordance with local regulations for the workshop.

After recovering any re-usable spare parts, all scrapped railcars are recycled.

River Barges

Each unit complies with the standards for registration (registration, flag, measurement) and safety for each river basin. They are registered with the waterway administration that issues registration and navigation certificates. These navigation permits are issued after inspection(s) by an approved company and renewed at regular intervals, every 5 or 7 years, depending on the basin. The category certificates are valid for a period of 5 years with an intermediate inspection carried out every two and a half years. To renew the certificate, it may be necessary to dry-dock the barge for inspection and repair work.

All barges are therefore monitored and maintained in good condition in order to meet environmental and safety standards for their respective basin.

Since 2021, the regulations for fine particle and NOx emissions for combustion engines have been changing, so the two new barges built in 2021 are equipped with Diesel engines that comply with these new standards.

Containers

The service life of a shipping container is around 15 years and the service life of a storage container varies between 20 and 40 years.

At the end of the life cycle, used containers are sold on the after market for many uses (transport, storage, processing, spare parts). They are therefore rarely discarded by the TOUAX Group, except in the case of a particularly damaged container that can no longer be repaired being returned.

In the event of destruction of the container, it is almost entirely recyclable, because of its composition that is mainly made of steel.

When Touax buys new containers, it applies manufacturing standards that are increasingly respectful of the environment. The division now uses water-based solvent-based seals for its containers instead of silicon-containing chemical seals and bamboo flooring instead of wood. In addition, all container manufacturers have been using water-based paints on containers since April 2017 and after a test period to significantly reduce volatile organic compounds, which are organic compounds that can easily be found in gaseous form in the atmosphere and which were harmful to health.

Action to combat food waste

Employees at headquarters using the collective catering services have been made aware of the fight against food waste.

(iv) Sustainable use of resources

Water consumption and supply according to local constraints

By their nature, the TOUAX Group's businesses consume little water. Consumption mainly corresponds to the daily use of offices for service activities. This information is not relevant given the diversity of the Group's sites.

Consumption of raw materials and measures taken to improve efficiency of their use

Freight railcars

	2021	2020
Number of wagons purchased	587	370
Number of wagons sold	81	200
Platforms under management on 31 December	12110*	9 805
Steel equivalent of the new wagons purchased (in tons)	15 888	6 299

*including 1,504 in technical maintenance

River Barges

	2021	2020
Number of new barges bought (excluding service boats and pushboats)	2	2
Number of barges sold (excluding service boats and pushboats)	2	3
Fleet of boats under management on 31 December	96	96
Steel equivalent of the new barges bought in tonnes (excluding service boats and pushboats)	880	880

> **Containers**

	2021	2020
Number of new containers bought (in TEU*)	25.860	12.150
Number of containers sold (in TEU*)	13.169	57.408
Managed container fleet at December 31st (in TEU*)	392.649	382.626
Steel equivalent of new containers bought (in tons)	39.088	17.033
Wood equivalent of new containers bought (in tons)	6.980	3.22

*TEU : Twenty foot Equivalent Unit

> **Other Modular Buildings activity**

	2021	2020
Buildings manufactured by the Moroccan factory in m²	61 135	64 328
Buildings sold by the Moroccan factory in m²	57 634	60 600
Fleet of modules under management on 31 December	0	0
Steel equivalent of the modules manufactured by the Moroccan factory (in tons)	1 708	1 712

* data for the Moroccan factory is for illustrative purposes only.

Energy consumption and measures taken to improve energy efficiency and the use of renewable energy

By their nature, the TOUAX Group's activities consume little water. Consumption mainly corresponds to the daily use of offices for service activities.

> **Other Modular Buildings activity,**

The fuel consumption of our modular building assembly site linked to logistics (forklift trucks, site machinery) was 9,859.7 litres in 2021.

The energy consumption of this site was as follows:

Moroccan factory	2021	2020
Electricity consumption in GWh	0.40	0.38
Gas consumption in M3	5,493	5,588

Land use

In view of issues faced by our various businesses, this information is not applicable.

(v) Climate change

The risk factors outline the impact of climate change in paragraph 3.4.4 of the universal registration document page 12.

The significant amounts of greenhouse gas emissions generated as a result of the company's activity, in particular the use of the goods and services it produces

The Group's various business activities produce little pollution and emit very little greenhouse gas, since the Group's main activity is as a leasing company. The issue of emissions may arise at the level of our stakeholders, such as:

- our customers, who transport goods using the barges, containers and railcars that we make available to them, and
- our suppliers who produce our products and who may emit greenhouse gases during the production processes.

TOUAX contributes to the development of alternative forms of transport to road transport with its Shipping Container, Freight Railcar and River Barge business activities. A calculator has been established to measure the reduction in CO2 emissions on the www.ecotransit.org website.Our road-user clients were asked to compare their CO2 emissions according to their road-use and tonnes transported. Thanks to the equipment leased by TOUAX, customers can achieve significant reductions in CO2 emissions that they can measure in an efficient way.

Adapting to the consequences of climate change

Freight railcars

In theory, climate change, and in particular the rise in temperatures favours the Freight Railcar business by replacing polluting methods of transport (road) with cleaner methods such as rail.

River Barges

Climatic incidents occur frequently, but it is not possible to determine whether their frequency is due to climate change. Our customers are directly affected by of the hazards of navigation, such as drought, floods or ice sheets. Between 2019 and 2021, there were long periods of low water on the Rhine.

Likewise, in South America, the drought period at the end of 2019 is still present today and results in a sharp slowdown and even an interruption in river activity on the Paraná.

Containers

The Shipping Container business is dependent on world trade. Any impact of climate change on world trade would have an impact on this business. For example, the rise in temperature could make new trade routes accessible in the North Pole, which would reduce the number of containers required for trade between Asia and Europe.

(vi) Protection of biodiversity

Measures taken to protect or develop biodiversity

Out of concern for the future of the planet, the TOUAX Group decided to introduce a system for collecting documents (newspapers, magazines, paper, cardboard) and computer media (CDs, DVDs, hard drives and diskettes) at the head office in La Défense. Containers are made available to employees near the printers.

These high-performance blades shred documents, computer media and cardboard boxes which are then squashed into bundles and directly sent for recycling to be made into second grade paper. The company which provides this service, gives us an environmental certificate at the start of each calendar year showing the number of trees saved thanks to our contribution. In 2021, 17 trees were saved.

More generally, the businesses of the TOUAX Group do not have a direct impact on biodiversity. Consequently, no concrete measures were taken to protect or develop biodiversity in 2021.

(vii) Appendix to the environmental section

The environmental section contains qualitative and quantitative information. A matrix developed in house is sent every year to each person identified within each business activity in order to obtain the information that appears in the report. This information is then supplemented by interviews. Information is fed back to the Group's Finance Department under the supervision of each local finance department.

Methodological note

- Group scope of consolidation applied

The quality information published concerns all of the consolidated entities of the TOUAX Group that employ personnel. This is the same scope as that of the social part above on page 159, it being specified that the information does not concern modular buildings that were transferred in 2017.

- Note concerning the calculation of the steel equivalent of new railcars

This calculation is based the average weight of an empty railcar of 23.1 tonnes, of which on average 99.5% is made of steel. The average weight was calculated by the TOUAX technical department based on the technical data for each railcar (including the tare or unloaded weight) in our information system. The calculation is the ratio between the sum of the unladen weights of all of the railcars in the fleet, and the number of railcars in the fleet at a given date.

However for the 2020 data, the steel weight of each railcar purchased is known, allowing for the total steel equivalent of all the railcars purchased to be calculated with precision.

- Note concerning the calculation of the steel equivalent of new barges (excluding service boats and push boats)

The weight of the steel of each barge bought is known to the nearest kilogram, which makes it possible to calculate the total steel equivalent of all of the barges bought.

- Note concerning the calculation of the steel equivalent of new containers

The weight of steel and wood in containers purchased by the Group varies depending on the type of container.

- Note concerning calculation of the steel equivalent of the modules produced

The weight of the steel of the modules produced corresponds to a standard unit module regardless of its dimensions as well as the surfaces of the specific productions compared to a 6x3 equivalent in m².

- **Coverage rate of the indicators published**

This section specifies the scope of consolidation for which the indicators have been published.

The coverage rate is the ratio for each indicator between the scope actually concerned and the scope adopted (Group, division, industrial site, etc.). This rate is calculated in relation to the total workforce of the Group at the end of the year. TOUAX undertakes to increase as far as possible its coverage rate each year.

Due to the diversity of the TOUAX Group's businesses and the current organization of reporting, the indicators (except for the provisions and resources devoted to environmental protection) are not consolidated at Group level but by business. The scope of consolidation of each indicator is specified in the text. When the indicators are consolidated by business, the contributing entities are those presented in the table concerning the scope of the data.

3. Information regarding the social commitments to promote sustainable development

(i) Territorial, economic and social impact of the company's activity

- **Regarding employment and regional development**

The Group mainly employs people with office jobs, all located in major cities around the world. Its modular activity in Morocco is located more than 20 kilometres from Casablanca, and the vast majority of the employees working here come from the neighbourhood, which helps to boost the local employment pool.

- **Regarding surrounding or local communities**

Under the apprenticeship tax, the Group has paid just under a thousand euros to the French association "ZYVA" whose aim is to facilitate the integration of young people into society by setting up activities enabling the care of young people in vulnerable situations.

(ii) Relations with people and organizations concerned by the company's business, in particular associations that promote integration, teaching institutions, environmental associations, consumers associations and the surrounding communities

- **Conditions for dialogue with these people or organizations**

The relations formed with many organisations helps the group to share best practices with other businesses and prepare for changes in regulations and standards, particularly in relation to the environment.

In general, people or organisations interested by the business activities of each division can obtain information on their products and services on each relevant website. To obtain an element of information on the TOUAX Group, the interested people or organizations can go to the www.touax.com website.

- **Partnership and sponsorship initiatives**

Section 2.4 of the ethical charter, "Charitable activities and sponsorship" specifies that the TOUAX Group "authorises sponsorships and contributions to charitable activities provided that they are in the general interest and contribute effectively to the social action specified by the Group. *These actions or contributions are subject to the prior written approval of the director of the division concerned, the Managing Partners and the Human Resources Department. They are duly listed to ensure the coherence of the Group's general humanitarian policy*. »

The TOUAX Group has provided support to humanitarian initiatives through recognized NGOs. In 2017, our Moroccan entity was the partner of the "*Morocco sailing challenge*", a project aiming to provide financial support to a team circumnavigating Morocco by yacht to promote ecological water sports, protection of the coastline and sports education of orphans.

(iii) Subcontracting and suppliers

- **Consideration of environmental and social issues in the purchasing policy**

Section 3.4 of the ethical charter addresses the issue of the choice and fair treatment of suppliers. It stipulates that all employees in contact with suppliers must "*be extremely vigilant with regard to suppliers who do not respect the Group's ethics, the labour laws in force in the countries concerned, or the health, safety and environmental protection regulations.* »

The TOUAX Group informs its employees of the ethical issues involved when choosing suppliers. At present, there are no clauses concerning social and environmental criteria in our purchasing policy. However it is worth noting that some suppliers enforce their own CSR criteria.

Our Freight Railcars business pays special attention to the consideration of social and environmental issues, especially as an Entity in Charge of Maintenance (ECM) for railcars under our own management as well as railcars operated by other providers for which we are the ECM. The ECM must plan, develop, control and monitor the maintenance carried out on the fleet. The suppliers referred to for scheduled maintenance are selected based on their certificates but also their audit results. Monitoring is established and traceability is ensured by the Quality systems and ECM Monitoring in order to ensure that any suppliers found to be in breach are removed.

In the Shipping Container division, when purchasing containers, the TOUAX Group holds interviews with suppliers and visits factories. More generally, a study is underway to integrate social and environmental issues into the purchasing process.

- **The importance of subcontracting and the consideration of social and environmental responsibility in relations with suppliers and subcontractors**

The TOUAX Group intends to conduct a study in the next few years and introduce initiatives aimed at giving greater consideration to its social and environmental responsibility in its relations with suppliers and subcontractors.

(iv) Loyalty

- **Action taken to prevent corruption**

The TOUAX Group's ethics charter has several sections on preventing corruption. Section 1.5 deals with gifts and invitations, section 1.6 deals with corruption and section 1.7 deals with conflicts of interests. Each section provides recommended ethical behaviour to be adopted in these situations. Measures are therefore taken to increase the awareness of Group employees of the fight against corruption.

- **Measures taken to promote consumer health and safety**

  - **Freight railcars**

User manuals and maintenance guides are provided for each customer to improve user safety.

  - **River Barges**

All our barges comply with safety standards. All persons on board must comply with the safety standards (life jacket, safety footwear and hard hat where appropriate). The river police ensure the correct application of navigation regulations.

On certain acquisitions, we undertook the installation of anti-slip paint on the work areas of the decks of each barge. Handrails around coamings have been restored, in order to guarantee optimum safety for convoy crews. We have put in place sticker signage to alert crews to the principles to be observed on board in matters of occupational health and safety.

- **Other initiatives in favour of human rights**

To date, the TOUAX Group has not subscribed to the international standards concerning the respect for human rights. Nevertheless, the ethical charter makes employees aware of this issue.

(v) Appendix to the social section

The social section provides 100% qualitative data. The quality information published concerns all of the consolidated entities of the TOUAX Group that employ personnel. The scope of consolidation is the same as that used in the social section, shown above on page 159.

A matrix developed in house is sent every year to each person identified within each business activity in order to obtain the information that appears in the report. This information is then supplemented by interviews. Information is fed back to the Group's Finance Department under the supervision of each local finance department.

La Défense, 22 March 2022

Fabrice and Raphaël WALEWSKI

Managing Partners

22.3. MANAGING PARTNERS' REPORT TO THE EXTRAORDINARY GENERAL MEETING

Dear Shareholders,

We have invited you to an Extraordinary General Assembly to ask you to, in particular, to make a decision:

(i) on the reduction of the share capital by a nominal amount of €21,827,808.68 by way of a reduction in the nominal value with a view to clearing the losses;

(ii) on the capital increase of a nominal amount of €21,827,808.68 by incorporation of reserves by raising the nominal value;

(iii) on a delegation of authority to the Management Board for the purpose of issuing ordinary company shares and securities, with retention of the preferential subscription right of the shareholders, for a period of 26 months;

(iv) on a delegation of authority to the Management Board for the purpose of issuing ordinary company shares and securities, by way of a public offer, with cancellation of the preferential subscription right of the shareholders but with a mandatory subscription priority time period, for a period of 26 months;

(v) on a delegation of authority to the Management Board to increase the issue of ordinary company shares and securities, in the event of excess demand, for a period of 26 months

(vi) on a delegation of authority to the Management Board for the purpose of increasing the share capital for the benefit of the Group's employees, with cancellation of the preferential subscription right, for a period of 26 months;

(vii) on an authorisation to be given to the Management Board in order to cancel all or part of the shares purchased by the company under the provisions of Article L. 225-209 of the French Commercial Code, for a period of 18 months.

The General Meeting of shareholders of 24 June 2020, with the unanimous agreement of the General Partners, delegated the following issue authorisations to the Management Board.

Description of authorisations	authorisation date	due date	authorised ceilings	use during 2021	total amount used
Increase the share capital by the issue of shares and/or securities giving immediate or future access to the capital of the company with retention of preferential subscription rights	Combined General Meeting of 24 June 2020 (18th resolution)	23 August 2022	maximum nominal amount of capital increases that may be realised immediately and/or in the future: **€20 million (1)**	not used	none
Increase the share capital by the issue of shares and/or securities giving immediate or future access to the capital of the company with suppression of preferential subscription rights by offer to the public but with a priority time period	Combined General Meeting of 24 June 2020 (19th resolution)	23 August 2022	maximum nominal amount of capital increases that may be realised immediately and/or in the future: **€20 million (1)**	not used	none
Increase the share capital resulting from excess demands	Combined General Meeting of 24 June 2020 (20th resolution)	23 August 2022	maximum of 15% of the initial issue	not used	none

(1) Ceiling of €20 million authorised for all share capital increases in par value.
(2) Independent ceiling.

I - FREE REVALUATION OF THE COMPANY'S ASSETS PURSUANT TO THE PROVISIONS OF ARTICLES L. 123-18 OF THE COMMERCIAL CODE AND 238 BIS JB OF THE GENERAL TAX CODE (20TH AND 21ST RESOLUTIONS)

The Management has requested the opinion of the Supervisory Board as part of the project for the free revaluation of the Company's assets in application of the provisions of Article L. 123-18 of the French Commercial Code. This revaluation would be implemented at the end of the financial year ended 31 December 2021 in order to benefit from the temporary mechanism for neutralising the tax consequences of this operation provided for in Article 238 bis JB of the General Tax Code, introduced by Article 31 of law no. 2020-1721 of 29 December 2020 on finance for 2021.

Pursuant to the provisions of Article L. 123-18 of the French Commercial Code, any company may decide to revalue all of its Property, plant and equipment and financial assets, intangible assets being excluded from this system.

The revaluation of assets allows companies to offer a truer image of their assets by updating the value of fixed asset elements, recorded in principle on their balance sheet at their historical value. The improvement in the presentation of the company accounts that may result helps to give a truer image of the company's financial solidity and, a fortiori, to increase its financing capacities.

In principle, when a company carries out a revaluation of all of its assets in accordance with the provisions of article L. 123-18 of the Commercial Code, the revaluation difference observed is taken into account for the determination of the taxable result of the financial year in respect of which the company carries out the revaluation at the rate of common law in application of 2 of article 38 of the General tax code.

In order to enable companies affected by the economic consequences of the COVID-19 pandemic to improve their financial situation and strengthen their equity, Article 238 bis JB of the General Tax Code, authorises a company which carries out an overall revaluation of its Property, plant and equipment and financial assets under the conditions provided for in Article L.123-18 of the Commercial Code to have the option of not taking into account the difference in revaluation that it observes for the determination of the taxable result for the financial year in respect of which it carries out this revaluation. This option is available on condition that the company undertakes:

- to calculate the capital gains or losses realised on the subsequent sale of non-depreciable fixed assets according to their non-revalued value; and
- to reinstate the revaluation difference relating to depreciable fixed assets in its taxable profits, in equal parts, over a period of fifteen or five years depending on the nature of the fixed asset.

This temporary mechanism for neutralising the tax consequences of the revaluations of all tangible and financial fixed assets is applicable to the first revaluation operation carried out at the end of a financial year ending from 31 December 2020 and to 31 December 2022.

Such an operation would allow the Company to generate a revaluation difference of €67.572 million as of 31 December 2021.

In accordance with the provisions of Article 214-27 of the PCG, the amount of the revaluation difference, consisting of the difference between (i) the revalued value of the assets and (ii) the net book value, would be recorded in the equity under item 105 "Revaluation difference".

Pursuant to the provisions of Articles L.123-18 of the French Commercial Code and Article 214-27 of the PCG, the amount of the revaluation difference cannot be used to offset the Company's losses, but it may be incorporated in whole or in part into the share capital. Furthermore, it cannot be distributed to shareholders. However, in the event of a subsequent sale of a revalued fixed asset, the income from the sale, excluding costs, which exceed the net book value of the fixed asset before revaluation, may, in whole or in part, be transferred to a distributable reserve account at the residual amount of the revaluation recorded as a liability on the balance sheet, according to the rules of common law.

The revaluation of all Property, plant and equipment and financial assets, and the two operations on the share capital (20th and 21st resolutions) would make it possible to strengthen the equity of the Company, to give a truer image of the financial solidity of the Company and, a fortiori, to increase its financing capacities, and to resume a policy of distribution of dividends in the future.

On 16 December 2021, after deliberation, the Supervisory Board, noting that the asset revaluation project is in line with the corporate interest and the interest of shareholders, approved the revaluation of all the Company's property, plant and equipment and financial assets for the 2021 financial year.

By voting on the 20th resolution, we propose that you reduce the share capital by an amount equal to the amount of cumulative losses as of 31 December 2021 by reducing the nominal value of each of the shares making up the share capital.

By voting on the 21st resolution, we propose that you increase the share capital by the same amount, as provided for in the resolution above, by increasing the nominal value of each of the shares making up the share capital by incorporating this sum deducted from the "Revaluation differences" item.

II - DELEGATION OF AUTHORITY TO THE MANAGEMENT BOARD TO AUTHORISE CAPITAL INCREASES (22ND, 23RD AND 24TH RESOLUTIONS)

TOUAX is a diversified Group in 3 business areas (freight railcars, river barges and shipping containers), and specialises in the operational leasing of mobile and standardised equipment. The Group is resolutely internationally-focused.

You will find all the information on the progress the company and the Group is making in the management report for the year ended 31 December 2021, on page 136 of the 2021 universal registration document, available on the website www.touax.com.

The purpose of the financial authorisations submitted to you is to offer the Management Board the greatest flexibility in the choice of potential issuances and to adapt, when the time comes, the nature of the financial instruments to be issued depending on the status of and opportunities in the financial markets, in order to respond quickly to current market developments.

The amounts raised make it possible to seize and finance investment opportunities in accordance with the defined strategy, to refinance part of Touax Group's existing financing, or to consolidate its shareholders' equity so it can continue its growth.

You are therefore requested to authorise the Management Board to undertake:

(i) the issue of ordinary shares and/or securities giving access to the share capital or the allocation of debt securities with retention of preferential subscription rights and

(ii) the issue of ordinary shares and/or securities giving access to the share capital or the allocation of debt securities with cancellation and replacement of preferential subscription rights, by way of a priority subscription period for the benefit of shareholders.

The Management Board wishes to propose to the general meeting of 22 June 2022 the renewal of the authorisations granted by the general meeting of 24 June 2020.

The resolutions presented at this meeting would enable your Board to decide to issue securities giving access to the Company's capital, either by issuing new shares such as bonds that are convertible or redeemable in shares, or bonds combined with a subscription of shares, or by remittance of existing shares such as "OCEANE" (bonds convertible into shares to be issued or exchangeable into existing shares). These securities could be in the form of debt securities as in the above examples, or equity securities, for example, shares combined with equity warrants. However, in accordance with the law, equity securities that are convertible or convertible into debt securities may not be issued.

Securities giving access to capital in the form of debt securities (for example, convertible bonds or bonds redeemable in shares, or bonds with equity warrants) could give access, either at any time or during fixed periods or on fixed dates, to the allocation of shares (within the ceiling mentioned below). This allocation could be made by conversion (for example, bonds convertible into shares), redemption (for example, bonds redeemable in shares), exchange (for example, bonds exchangeable for shares) or presentation of a warrant (for example, bonds with equity warrants) or in any other manner, during the term of the loans, whether or not the preferential subscription right of the shareholders to the securities thus issued is retained.

The policy of the Management Board is to prioritise, as a matter of principle, the conventional capital increase with the retention of shareholders' preferential subscription rights (22nd resolution).

However, depending on the market conditions, the nature of the investors involved in the issue and the type of securities issued, it may be preferable, if not necessary, to cancel the preferential subscription right, in order to place securities in the best conditions, particularly when the speed of the operations is an essential condition for their success. Such a cancellation may result in a larger capital pool due to more favourable issuing conditions. With a capital increase with cancellation of the preferential subscription right (23rd resolution), the Management Board would thus be able to take advantage of the opportunities offered by the financial markets in certain circumstances, it being specified that the resolution provides for a priority period for existing shareholders to subscribe to shares or securities giving access to the capital that would be issued.

The delegations provided for by these resolutions aim to increase the capital by issuing shares and securities giving access to the capital up to an overall limit of 20 million euros in nominal value, which does not take into account any increases that may be required to preserve the rights of holders of securities giving access to capital and capital increases in the event of excess demand. This overall ceiling is common to the 22nd and 23rd resolutions. A capital increase with cancellation of preferential subscription rights decided by virtue of the 23rd resolution would therefore be deducted from the ceiling of the 22nd resolution.

Delegation of authority to the management board to increase the share capital with retention of preferential subscription rights (22nd resolution)

You are hereby requested to confer to the Management Board the powers necessary to proceed with the issuance, with retention of the preferential subscription right of the shareholders, on one or more occasions, in the proportions and at the times that it will assess, on the French and/or international market, either in euros, or in foreign currencies or in any other account unit established by reference to a set of currencies:

- ordinary shares, and/or
- equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities, and/or
- more generally securities giving access to equity securities to be issued by the company or giving right to the allocation of debt securities,

of any kind whatsoever, whether in return for payment or free of charge, it being specified that the subscription of the shares and other securities may be made either in cash or by offsetting with certain, liquid and payable receivables.

In accordance with Article L. 228-93 of the French Commercial Code, the securities to be issued may give access to ordinary shares of any company which directly or indirectly owns more than half of the capital or of which it directly or indirectly owns more than half of the capital.

It is specified that the total nominal amount of the capital increases that may be carried out immediately and in the future is set at twenty million (20,000,000) euros, subject to the resolution concerning excessive demand. Added to the above ceiling, if applicable, is the nominal amount of the issues that may be required to preserve, in accordance with the law, the rights of the holders of securities giving access to the capital in accordance with the legal and regulatory provisions as well as the contractual stipulations.

In the event of this delegation being used, the Management Board, the shareholders, will have, in proportion to the amount of their shares, a preferential subscription right to the securities that would be issued pursuant to this delegation. The Management Board may establish, where applicable, a subscription right on a reducible basis, for new non-subscribed capital shares that the shareholders may exercise proportionately to the subscription rights available to them and, in any case, within the limits of their demands

In accordance with the provisions of Article L. 225-134 of the French Commercial Code, the Management Board may, in such order as it deems appropriate, allocate the shares, debt securities and/or securities not subscribed in whole or in part for the benefit of the people of its choice, offer the public all or part of the non-subscribed securities and/or limit the issue to the amount of subscriptions received as soon as they reach at least ¾ of the issue decided upon.

If you consent to the delegation, the latter will bring, for the benefit of the holders of the issued securities, an express waiver by the shareholders of their preferential subscription right to the new shares to which the securities issued by virtue of this delegation may give entitlement.

The Management Board would have all the powers to decide upon and carry out the capital increase(s) that it deems appropriate.

This authorisation would be given for a period of 26 months and it will cancel and replace the authorisation given by the annual general meeting of 24 June 2020 in its 18th resolution.

Delegation of authority to the management board to increase the share capital with cancellation of preferential subscription rights but with a priority period for the benefit of existing shareholders (23rd resolution)

You are hereby requested to confer to the Management Board the powers necessary to proceed with the issuance by offer to the public with cancellation of the preferential subscription right, on one or more occasions, in the proportions and at the times that it will assess, on the French and/or international market, either in euros, or in foreign currencies or in any other account unit established by reference to a set of currencies:

- ordinary shares, and/or
- equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities, and/or
- more generally securities giving access to equity securities to be issued by the company,

of any kind whatsoever, whether in return for payment or free of charge, it being specified that the subscription of the shares and other securities may be made either in cash or by offsetting with certain, liquid and payable receivables.

It is specified that the total nominal amount of capital increases that may be carried out immediately and in the future is set at twenty million (20,000,000) euros subject to the resolution relating to excess demand, it being specified that the nominal amount of the shares that may be issued under this delegation will be deducted from the ceiling referred to in the 19th resolution. Added to this ceiling, if applicable, will be the additional nominal amount of ordinary shares to be issued to retain, in accordance with the law and any applicable contractual stipulations providing for other cases of adjustment, the rights of the holders of securities or holders of other rights giving entitlement to equity securities of the company.

You are requested to grant the shareholders a mandatory priority subscription period for all such issues, not giving rise to the creation of negotiable rights, exercisable in proportion to the number of shares held by each shareholder and, where applicable, on a reducible basis. The management board shall have the power to set the duration and the terms thereof in accordance with legal and regulatory provisions.

The cancellation of preferential subscription rights should make it possible to facilitate public offering transactions and attract new investors if necessary, although it is specified that shareholders would be favoured over new entrants by way of priority instituted to their profits.

The issue price of the equity securities will be at least equal to the minimum price provided for by the legal and regulatory provisions applicable on the day of setting the issue price (namely on this date, at the weighted average of the last three sessions prior to its fixing, possibly reduced by a maximum discount of 5%).

The issue price of the securities giving access to the capital of the company shall be such that the amount received immediately by the company, plus any additional fees that may be collected by the company, is, for each share issued as a result of the issue of these securities, at least equal to the issue price.

In the event of insufficient subscriptions, the management board may use, in the order it determines, one or both of the options set forth in Article L. 225-134 of the French Commercial Code, namely:

(i) shares or financial securities not subscribed for may be allocated in whole or in part by the board of managers for the benefit of the persons of its choice, in accordance with the legal and regulatory provisions in force,

(ii) such shares or financial securities may be offered to the public, or

(iii) the issue may also be limited to the quantity of subscriptions actually received, provided these amount to at least ¾ of the issue decided upon.

If you consent to the delegation, this will bring, for the benefit of the holders of the securities giving access to the capital, the express cancellation of the shareholders' preferential right to subscribe to the new shares to which these securities entitle them.

The Management Board would have all the powers to decide upon and carry out the issues of shares or securities that it deems appropriate.

It is specified that the Management Board may, in the context of the implementation of this delegation, modify, during the life of the securities concerned, the terms and conditions referred to above, in compliance with the applicable formalities.

This authorisation would be given for 26 months and it will cancel and replace the authorisation given by the annual general meeting of 24 June 2020 in its 19th resolution.

- **Delegation of authority to the Management Board to increase the amount of issues in the event of excess demand (24th resolution)**

You are hereby requested to authorise the Management Board to decide, within the time and within the limits provided for by the law and regulations applicable on the day of the issue, for each of the issues decided upon pursuant to the 22nd and 23rd resolutions, to increase the number of securities to be issued, subject to compliance with the ceiling provided for in the resolution under which the issue is decided.

This authorisation will be for a period of 26 months and it will cancel and replace the authorisation given by the annual general meeting of 24 June 2020 in its 20th resolution.

I- DELEGATION OF AUTHORITY TO THE MANAGEMENT BOARD WITH A VIEW TO INCREASING THE SHARE CAPITAL FOR THE BENEFIT OF THE GROUP'S EMPLOYEES WITH CANCELLATION OF PREFERENTIAL SUBSCRIPTION RIGHTS (25TH RESOLUTION)

In accordance with articles L.3332-18 to 3332-24 of the Labour Code and articles L. 225-129-6 and L.225-138-1 of the French Commercial Code, our company presents to you a draft resolution tending to delegate to the Management Board its authority to proceed, on one or more occasions, under the conditions set forth in Article L. 3332-18 et seq. of the French Labour Code, to an increase in the share capital in cash of up to €600,000 reserved for employees of the company and its related companies pursuant to Article L. 225-180 of the French Commercial Code, members of a company savings plan.

The purpose of this provision is to promote the shareholding of all employees.

The total number of shares that could be subscribed by the employees could not be greater than 3% of the share capital on the day of the Management Board's decision and the subscription price of the shares would be fixed in accordance with the provisions of article L.3332 -18 et seq. of the Labour Code.

This authorisation will be granted for a period of 26 month.

II - AUTHORISATION TO BE GIVEN TO THE MANAGEMENT BOARD IN ORDER TO CANCEL ALL OR PART OF THE SHARES PURCHASED BY THE COMPANY UNDER THE PROVISIONS OF ARTICLE L. 22-10-62 OF THE FRENCH COMMERCIAL CODE (26TH RESOLUTION)

You are also asked to authorise the Management Board to reduce the share capital, on one or more occasions, by a maximum of 10% of the share capital per period of twenty-four months, by cancelling some or all of the treasury shares acquired under the stock redemption programme adopted by the company's shareholders at the present Annual General Meeting, or at a previous or subsequent Annual General Meeting.

This authorisation will be granted for a period of 18 months.

The cancellation of Company shares held by the latter may respond to various financial objectives, such as active capital management, balance sheet optimisation or offsetting the dilution resulting from capital increases.

The Management Board could allocate the difference between the repurchase price of the cancelled shares and their par value at the time of cancellation, to the premiums and free reserves.

The Management Board shall have all powers to determine the terms and conditions of these cancellations, in order to amend, where appropriate, the Company's articles of association, make any declarations, carry out any other formalities, and in general do whatever is necessary.

This authorisation would cancel and replace the authorisation granted by the Extraordinary General Meeting of 23 June 2021, in its 16th resolution, which has not been used at all.

* * * *

You will also hear the reading of the auditors' reports.

We ask you to approve all the resolutions.

The Managing Partners remain at your disposal to give you any additional information or explanations that you might require.

La Défense, 22 March 2022

Fabrice and Raphaël WALEWSKI

Managing Partners

23. Reports of the Supervisory Board

23.1. Report of the Supervisory Board on its brief to continuously monitor the Group's management

Dear Shareholders,

In addition to the Management Report, which details the activities and results of each division of the Group, the Supervisory Board presents its report pursuant to Article L. 226-9 of the French Commercial Code, on its brief to continuously monitor the Group's management and presents its opinion on the main resolutions proposed for your votes today.

The Supervisory Board met 4 times in 2021 and exercised its supervisory duties completely independently. It considers that it received the documents and information required for it to properly carry out its brief, particularly in relation to the accounts, financial commitments and risks inherent in the business and its environment. The Managing Partners provide regular information about the changes in each division and its future prospects in the context of the strategy defined by the Management Board as well as the overall situation of the Group.

Through its Chair, the Supervisory Board takes part in divisional supervisory committees. These committees are organised by the Managing Partners and the operational departments, and their purpose is to present the business strategies, in particular the changes in market strategy, competitive positioning and a perspective with regard to previous strategies. Their purpose is also to study significant events occurring during the period in question. In 2021, the action plans of each division were presented to the Supervisory Board.

The Supervisory Board continued to pay particular attention to the Group's debt. Net debt changed from €190 million in 2020 to €231 million in 2021 and TOUAX SCA's bank ratios were respected at the end of December 2021. The leverage ratio increased to 4.34 (from 4.04 in 2020), and the loan-to-value (LTV) ratio decreased (52% in 2021 from 54% in 2020) taking hybrid capital into account. These changes are explained by the Group's growth policy and the investments in new equipment made in 2021.

In terms of governance, since 2015 the Company has referred to the Middlenext Code and examined the situation of each member in terms of their independence.

The audit committee met 2 times prior to the Supervisory Board meeting. In particular, it reviewed the consolidated financial statements and risks and submitted a report about its brief to the Supervisory Board.

* * *

Regarding the main financial data for 2021 and without going back to the detailed comments of Management on this subject, we remind you that the financial statements of 31 December 2021 and comparative data are presented in accordance with IFRS.

The accounts on 31 December 2021 relating to the retained activities show that:

- The group share of net profit was €12.6 million, an improvement of €6.7 million compared to a profit of +€5.9 million a year earlier. It includes, in addition to the results of the railcar, barge and container divisions, (i) €0.6 million in profit on the modular constructions business in Africa, and (ii) taxes of €1 million (current income before tax of +€16.8 million) which break down into a deferred tax of -€1.1 million euros and a current tax charge of +€0.1 million. The recognition of deferred tax assets (tax credit offset tax income) is limited to deferred tax liabilities (tax debt).

The key indicators of the Group's activity report are presented differently from the IFRS income statement to allow an understanding of the performance of the activities. For this, no distinction is made in management on behalf of third parties, which is presented in the exclusive form of an agent:

- Income from activities of €167.9 million is restated in order to present owned activities on the one hand and management activities on the other. Thus, restated income from activities is €125 million.
- For management activities, leasing revenue from equipment held by investors is replaced by management fees, which correspond to the net contribution of leasing management activity to the performance of the Group.

This presentation therefore allows direct reading of syndication commissions, sales commissions and henceforth management commissions, grouped together under management activity, distinct from owned activity.- Restated income from activities increased by 12% to €125 million (€126.6 million at constant currency and scope) compared to €111.6 million in 2020. Revenues from owned equipment activity amounted to €116.4 million compared to €101.2 million in 2020. Revenues from managed equipment activity amounted to €8 million compared to €10.3 million in 2020.

- EBITDA totalled €53.1 million, an improvement of 13% compared to the previous year.

EBITDA in the Freight Railcar division amounted to €26.2 million compared to €26.5 million in 2020, a decrease explained by a decrease in syndication volume and consequently the commission on syndication, with leasing activity increasing.

The River Barge division recorded an EBITDA of €4.8 million over the year compared to €5.2 million in 2020 with the decrease also being explained by a decrease in syndication volume and therefore in the syndication commission.

EBITDA in the Container division increased to €17.8 million due to the recovery of investments and the increased trading in new and used containers. The strategy of increasing the share of owned assets has a favourable impact on the variation in leasing revenue from assets held by the Group. The utilisation rate is up at 99.6% on average over the year (96.4% in 2020).

EBITDA in other activities amounted to €4.2 million, showing an increase (+€0.7 million) compared to 2020 with the Modular Buildings activity in Africa, which continued to perform.

- The operating result totalled €28.7 million, +24% compared to 2020 (€23.2 million).

- Total shareholders' equity on 31 December 2021 rose to €165 million compared to €146.7 million on 31 December 2020.

The highlights in 2021 are as follows:

- Increase in EBITDA (+13%) at €53.1 million, operating result (+24%) at €28.7 million and net profit at €12.6 million

- good resilience in the face of the COVID 19 pandemic thanks to its strategic orientation on the long-term leasing activities of sustainable transport equipment

- good resilience of its intrinsic value with a significant tangible asset base with a market value, Group share of €338 million

The Management Board's Annual Report and the financial information documents provided to you show the developments in the Group's activities and results during the 2021 financial year. The Statutory Auditors have reported the findings of their audits. We have no observations to make regarding the consolidated individual financial statements of the last financial year.

* * *

The main resolutions submitted to you on an ordinary basis relate in particular to the approval of the financial statements, the allocation of results, the compensation of corporate officers, the renewal and appointment of members of the Supervisory Board and of a co-statutory auditor, as well as the authorization to operate on the shares.

Extraordinary resolutions concern the free revaluation of the Company's assets and authorizations to increase the capital. It is also subject to an authorization to be given to the Board of Managers to cancel the capital in the context of share buybacks.

The Board requests your approval of all of the resolutions submitted to you.

La Défense, 23 March 2022

The Supervisory Board

23.2. Report from the Supervisory Board on corporate governance

Dear Shareholders,

Pursuant to Article L.22-10-78 of the French Commercial Code, this report sets out the corporate governance.

This report was discussed at the meeting of the Supervisory Board on 23 March 2022.

23.2.1.Specific characteristic of the Partnership limited by shares under French law

Presentation of the partnership limited by shares

TOUAX is a partnership limited by shares, governed by French law, governed by articles L.226-1 to L.226-14 and L. 22-10-74 to L. 22-10-78 of the French Commercial Code and, insofar as they are compatible with the articles referred to above, by the provisions relating to limited partnerships and public limited companies, with the exception of articles L.225- 17 to L. 225-93 and L. 22-10-3 to L. 22-10-30, and the third paragraph of article L. 236-6. It is also governed, within the context of the law, by the specific characteristics of its Articles of Association.

This legal structure includes two categories of partners:

- limited partners (the shareholders), whose status is the same as that of the shareholders of a public limited company: their shares are negotiable under the same conditions and their liability is limited to the amount of their contributions;
- general partners, who are in the same legal position as the partners in a general partnership: they act as business people and are jointly and severally liable for social debts on their own property. Their rights within the Company (realised in the form of shares) are not freely transferable, they require the unanimous approval of the partners and of the extraordinary general meeting of the limited partners. The general partners may, however, hold shares if they have made contributions or if they have purchased securities; in this case, they then combine the two qualities of general partners and limited partners. Given the existence of two categories of partners, collective decisions require a double consultation: That of the limited partners gathered in General Assembly and that of the general partners. However, the general partners are not involved in the appointment of members of the Supervisory Board, the latter being the responsibility of the limited partners only (not general).

The Company also has a Supervisory Board representing the limited partners. It ensures permanent control over the management of the Company.

The Company is managed by one or several managing partners, natural or legal persons, chosen from the general partners or third parties. Managing Partners may be statutory or appointed subsequently during the course of the corporation's existence. Any appointment or re-election of a managing partner is the responsibility of the general partners.

The law and the specific details of the TOUAX Articles of Association make the limited partnership a modern structure that is perfectly adapted to the principles of good governance:

- a clear separation of powers between the Management Board, which runs corporate affairs and the Supervisory Board, made up of shareholders responsible for supervising the management and accounts;
- the unlimited liability of the general partner for their own property, which reflects the balance established between investment commitment, power and responsibility; and
- assignment to the Supervisory Board of the same powers and rights of communication and investigation as those devolved to the Auditors.

Factors likely to have an impact in the event of a takeover bid

The TOUAX Group is a partnership limited by shares under French law which by nature is controlled by the general partners. This legal form is generally considered to protect the company from public offerings because of the two categories of shareholders, the limited partners and the general partners.

It has two general partners: SHGP and SHGL. These two companies belong respectively to Fabrice and Raphaël WALEWSKI. General Partners have rights in the appointment and dismissal of Managing Partners, which make it difficult to change control.

There may be clauses in some finance agreements that require repayment of financing in the event of changes of control as a result of the change of general partners.

Alexandre WALEWSKI, Fabrice WALEWSKI, Raphaël WALEWSKI, SHGP and SHGL are deemed to have acted in concert in 2021, as they have since 2005. This alliance is a de facto alliance that was established in 2005 during the conversion into a partnership limited by shares under French law. In total, on 31 December 2021 this concert held 31.41% of the shares and 41.65% of the voting rights.

There is no shareholder agreement, providing for preferential conditions for the sale or acquisition of shares.

A change of control requires, therefore, a change in the composition of both general partners and limited partners.

23.2.2.General statements

To our knowledge, during the past five years,

No general partner, no managing partner, no member of the Supervisory Board has been convicted of fraud;

No general partner, no managing partner, no member of the Supervisory Board has been associated with any bankruptcy, receivership or liquidation or placement of companies into administration;

No general partner, no managing partner, no member of the Supervisory Board has been subject to any incrimination or official sanction;

No general partner, no managing partner, no member of the Supervisory Board has been prevented by a court from acting as a member of an administrative, management or supervisory body monitoring an issuer or intervening in the management or conduct of the affairs of an issuer.

In addition, to the best of our knowledge there are:

No potential or actual conflicts of interest between the duties, with regard to TOUAX SCA, of one of the members of the Supervisory Board, members of the Management Board, one of the general partners and their private interests or other duties, it being specified that there is a regulated agreement involving the Managing Partners;

There are no arrangements or agreements between any of the members of the Supervisory Board or the Management Board, or between a General Partner and any of the main shareholders, customers or suppliers;

No restrictions on transfer by the members of the Supervisory Board within a certain period of time of their stake in the share capital of TOUAX SCA;

No restriction on the transfer by the Managing Partners or a general partner within a certain period of time of their stake in the share capital of TOUAX, with the exception of the intervention rules on the securities provided for by the legal provisions in force;

No service contract binding the members of the Supervisory Board or the Management Board of TOUAX SCA or binding any of the general partners with any of the subsidiaries of TOUAX and providing for the granting of benefits under such a contract;

There are no family ties between the members of the Supervisory Board.

23.2.3.Application of the Middlenext code

In addition to the legal requirements, the Group has chosen to refer, as of 2015, to the governance rules recommended by the Middlenext Corporate Governance Code for Medium and Small Values (in its latest version dated September 2021 available on www.middlenext.com).

The Middlenext code contains points for vigilance that recall the questions that the Supervisory Board should ask in order to promote the proper functioning of governance.

23.2.4.Governance of TOUAX SCA

Mention of agreements under Article L.22-10-10 of the French Commercial Code

We advise you of the continuation of the sublease agreement authorised by the Supervisory Board of 11 September 2019, entered into on 31 October 2019, effective 25 March 2020 and expiring on 24 March 2029, and relating to the rental by TOUAX SCA of commercial premises located at Tour Franklin in La Défense.

These commercial premises serve the headquarters for all the French entities of the Touax Group and around a hundred of the Group's employees work here.

The amount of rents and charges excluding taxes recorded in the 2021 accounts is €794,476.57 between 1 January and 31 December 2021. In addition, a procedure falling within the framework of the provisions of article L. 22-10-12 (formerly L. 225-39) of the French Commercial Code, as amended by law no. 2019-486 of 22 May 2019 relating to the growth and transformation of companies (known as the “Pacte” law), was approved by the Supervisory Board on 25 March 2020.

This procedure aims, on the one hand, to recall the regulatory framework applicable to regulated agreements, and on the other hand, to identify and qualify the agreements to be submitted to the regulated agreements procedure in order to distinguish them from free agreements, known as "current agreements concluded under normal conditions", which must be subject to a regular assessment with regard to the provisions of the "Pacte" law.

(i) The General Partners

TOUAX is a partnership limited by shares which has two general partners as mentioned in the statutory provisions.

The General Partners are SHGP, held and managed by Fabrice WALEWSKI and SHGL, held and managed by Raphaël WALEWSKI. The general partners own 19.79% of the share capital of TOUAX as of 31 December 2021. They are therefore also limited partners.

The general partners approved all the resolutions submitted to the shareholders' vote at the Combined General Meeting of 23 June 2021, and did not take part in the resolutions concerning the members of the supervisory board, in accordance with the law.

The remuneration of the General Partners is provided for under Article 11.5 of the articles of association and voted on by the Extraordinary General Meeting. It represents a gross fixed part equal to the sum of €129,354, supplemented by benefits in kind within the limit of 15% of the fixed remuneration, it being specified that this amount is not subjected to deductions for remuneration and reimbursements of fees received by managing partners in respect of corporate offices and positions held in all of the Company's subsidiaries, up to a limit of €80,000 per managing partner, as well as a gross sum of €850 each day of professional travel, as a family separation allowance, and finally a variable part equal to a maximum of 1% of the consolidated EBITDA of the TOUAX Group minus the leasing revenues due to investors. From the financial year 2007, the variable part will be equal to a maximum of 0.5% of the TOUAX Group's consolidated EBITDA less the leasing income due to investors. For the purposes of this calculation, it is specified that the EBITDA is the consolidated gross operating surplus after deducting the net operating provisions.

It increased in 2021 compared to the 2020 financial year, to €322 thousand respectively for SHGP and SHGL. Since the General Partners are themselves corporations, no provisions have been set aside or recognized in respect of pensions or other benefits.

(ii) Management Board

Since 28 July 2005 the company has been managed and administered by a Management Board made up of the two Managing Partners, Fabrice and Raphaël WALEWSKI. They were appointed at the Extraordinary General Meeting of 30 June 2005 for an unlimited period. In accordance with the powers of the Supervisory Board and the Annual General Meeting, the powers of the Managing Partners are not limited.

Alexandre WALEWSKI (Chair of the Supervisory Board), Raphaël WALEWSKI and Fabrice WALEWSKI are first-degree relatives.

In discharging their duties the Managing Partners are assisted by an Executive Committee and the senior management of the operational departments.

Meetings of the Management Board

The Management Board met 6 times in 2021. The main purpose of these meetings was:

- issuing a documentary credit
- the closing of the annual corporate and consolidated accounts;
- the decision to hold the general assembly behind closed doors;
- the sale of a building;
- the closing of the half-year corporate and consolidated accounts;
- the examination of a project for the free revaluation of the assets of the Company in application of the provisions of Articles L. 123-18 of the Commercial Code and 238 bis JB of the General Tax Code.

Mandates and positions of Raphaël WALEWSKI, Managing Partner (business address: Touax, Kensington Pavilion, 96 Kensington High Street, London W8 4SG, United Kingdom and Touax, Tour Franklin, 100-101 Terrasse Boieldieu, Paris La Défense, France)

Took office at TOUAX SA: director in 1994 (term of office expired on 28 July 2005),

Director General, Deputy Chief Executive Officer or President of TOUAX SA between 1998 and 2005,

Managing Partner of TOUAX SCA since 2005,

Age 55,

Swiss nationality.

Mandates and positions held during the 2021 financial year:

Within the TOUAX Group from 31 December 2021	TOUAX SCA, TOUAX Corporate SAS, TOUAX UK Ltd, Touax Corporation, Gold Container Corp, Touax Container Leasing Pte Ltd, TOUAX Africa SAS TOUAX Maroc Capital SARL, TOUAX MAROC SARL RAMCO SARL, TOUAX Rail Finance Ltd, TOUAX River Barges SAS, TOUAX Leasing Corp., TOUAX Hydrovia Corp., Eurobulk Transport Maatschappij BV, CS de Jonge BV, TOUAX Hydro Lease Corp.

Former mandates	TOUAX Solutions Modulaires SAS, TOUAX Module Asset SARL, TOUAX Espana SA, TOUAX SRO, TOUAX SK Sro, TOUAX BV, TOUAX NV, TOUAX Sp.zo.o, TOUAX Assets BV, SIKO Containerhandel GmbH, TOUAX Panama SA, TOUAX Modular Building USA, Llc TOUAX Ivory Coast, TOUAX Modular Industry Algeria SPA, TOUAX Rom SA Touax Rail Ltd, TOUAX Rail Finance 2 Ltd, TOUAX Rail India Ltd, TOUAX Rail India Finance Ltd, Touax Container Financing Pte Ltd
Other	SSHGL, SCI Franklin Location (up to 30 October 2019), Real Asset Capital Partners Sàrl (RACP) formerly "Touax Management Sàrl"

Raphaël WALEWSKI did not directly hold any shares in TOUAX SCA on 31 December 2021.

Mandates and positions of Fabrice WALEWSKI, Managing Partner (business address: Touax, Kensington Pavilion, 96 Kensington High Street, London W8 4SG, United Kingdom and Touax, Tour Franklin, 100-101 Terrasse Boieldieu, Paris La Défense, France)

Took office at TOUAX SA: director in 1994 (term of office expired on 28 July 2005),

Director General, Deputy Chief Executive Officer or President of TOUAX SA from 1998 to 2005,

Managing Partner of TOUAX SCA since 2005,

Age 53,

French citizen.

Mandates and positions held during the 2021 financial year:

Within the TOUAX Group from 31 December 2021	TOUAX SCA, TOUAX Corporate SAS, TOUAX UK Ltd, Touax Corporation, Gold Container Corp, Touax Container Leasing Pte Ltd, Touax Container Investment Ltd, TOUAX Container Services SAS, TOUAX Africa SAS, TOUAX Rail Ltd, TOUAX Rail Finance Ltd, TOUAX Rail Finance 2 Ltd, TOUAX Rail Finance 3 Ltd, TOUAX Rail India Ltd, TOUAX Rail India Finance Ltd, TOUAX Texmaco Railcar Leasing Pte, SRF Railcar Leasing Ltd, TOUAX Hydrovia Corp., TOUAX Container Asset Financing Ltd, TOUAX Hydro Lease Corp.
Former mandates	TOUAX Espana SA, TOUAX NV, TOUAX Sp. zo.o, TOUAX Modular Building USA, Llc, DV 01, Touax Container Financing Pte Ltd
Other	SHGL, SCI Franklin Location, Real Asset Capital Partners Sàrl (RACP) formerly "Touax Management Sàrl" Dunavagon S.r.o.

Fabrice WALEWSKI did not directly hold any shares in TOUAX SCA on 31 December 2021.

Powers of the Managing Partners

Article 11.4 of the Articles of Association defines the powers of the Managing Partners.

(iii) The Executive Committee

Composition

In 2021, the management committee was made up of seven members:

Raphaël WALEWSKI	Managing Partner (joined in June 1994)
Fabrice WALEWSKI	Managing Partner (joined in June 1994)
Stephen Ponak	Managing Director – Asset Management (since January 1998)
Thierry Schmidt de La Brelie	General Manager - Administration and Finance (joined in March 2005)
Marco POGGIO	General Manager of the Shipping Containers Division (joined in September 2017)
Jérôme LE GAVRIAN	General Manager of the Freight Railcars division (joined in June 2014)
Didier BACON	General Manager of the River Barges division (joined in October 2017)

Functioning

The management committee ensures the effective management and steering of the Group through regular meetings, generally held twice a month.

Its main missions are:
- to develop the Group's strategy and investment and financial strategies,
- to monitor and control the Group's businesses,
- to monitor and manage risks,
- to monitor investment and transfer decisions made by the decision-making bodies of the subsidiaries.

Financial committee meetings of a technical nature are also held among certain members of the committee.

Diversity policy

Members of various nationalities (Swiss, French, American and Italian) give the Committee a multicultural dimension.

In addition, the fight against discrimination and the promotion of diversity are strong commitments of the Company, implemented through an ethical charter. This charter is an integral part of the company's internal regulations and is published on the company website https://www.touax.com/sites/touax/files/document/TOUAX_CHARTE_ETHIQUE.pdf

It has been sent to all French employees and has been translated and distributed to all foreign entities.

Touax has also adopted a Prevention Charter for discrimination at work. It should be noted that, due to its international nature, the Group welcomes numerous different cultures and nationalities within its various entities : 246 employees throughout the world, 29% of whom are located in France, 19% in Europe (excluding France), 43% in Africa, 5% in the Americas and 4% in Asia.

This Charter is our way of making an even stronger commitment to our values when it comes to diversity, and we see it as a key asset, essential for the dynamic growth and evolution of the Touax Group. The diverse origins of our Collaborators stimulate creativity and allow us to better understand our customers.

This charter has been communicated to all of our employees and translated into French and English. It contains specific definitions on the concept of discrimination, whether direct or indirect.

It covers the 25 usual grounds of discrimination adopted by the laws that apply to our employees around the world (ethnicity, religion, sex, political opinion, age, disability, etc.). By extension, reminders are given about the concept of harassment in the workplace.

To reinforce this commitment to diversity, the Charter establishes a formal process for handling complaints related to acts of discrimination or harassment.

These principles are also incorporated into the internal regulations of our legal entities in order to give them all the binding force required for their protection.

The directors are convinced that diversity, in other words, the variety of human profiles, is a driver of innovation, performance and quality of life within the company and therefore seeks to diversify the talent profiles that accompany the growth of the group.

The Company also encourages more women in executive roles. Since 1 March 2020, the companies of the Touax group in France must calculate and communicate their index relating to professional equality between men and women in accordance with the provisions of the Labour Code.

The score for the UES Touax France is 58/100 for the year 2021, down compared to 2020 when it was 86/100. This drop is due in particular to demographic transfers in the age categories compared, which induce significant changes in the statistical balance of the small population concerned (some 70 employees of UES Touax France) and the departure of female employees. This score is published on the website www.touax.com on March 31 of each year. It has also been duly communicated to the competent labor inspectorate.

In accordance with the requirements of the legislation in force, the Touax group in France will ensure that it returns to a minimum score of 75/100 within 3 years. To do this, the group will continue its historic approach to equity and equal pay and will continue to encourage the feminization of its workforce. In addition, other demographic transfers should make it possible to fill the gap.

(iv) The Supervisory Board

Diversity policy

The Supervisory Board examines the review of its composition and proposals for renewal submitted to the Annual Meeting of Shareholders for approval, on the desirable balance of its composition and that of the Audit Committee, established within it, particularly in terms of diversity.

This diversity, a source of growth and performance, ensures the quality of the Board's debates and decisions and contributes to the effectiveness of the Committee's work.

To achieve this, the Board has put in place a policy for the composition of governance bodies aimed at:

- A balanced representation of men and women on the Supervisory Board (60/40);
- Bringing together the skills required for the development and implementation of the Company's strategy;
- Securing the continuity of the Board, through regular staggering of the mandates;
- A high proportion of independent members (80%), guaranteeing freedom of speech and independence of judgement;
- Promoting a diversity of skills and experiences;
- A balance between ages and seniority, with members who have been in office for a number of years and with in-depth knowledge of the group, and members who bring a new experience that can serve the interests of the group and in particular its growth.

The Board shall ensure that each change in its composition and, wherever possible, that of the Audit Committee is consistent with this policy.

In particular, the Board ensures that the skills of its members are varied, complementary and balanced, allowing for a thorough understanding of the Company's development issues and informed, independent and quality decision-making.

These skills are detailed in the biographies of the Board members which also describe the experience and expertise of each of them.

In view of the elements set out above and with regard to the diversity policy implemented by the Company, the Supervisory Board considers that its composition for the 2021 financial year is relevant.

Balanced composition of the Supervisory Board

In accordance with legal provisions and the Articles of Association, the Supervisory Board comprises a minimum of three and a maximum of twelve members, appointed by the Annual General Meeting of Shareholders. The term of office of the members of the Supervisory Board starts from the Annual General Meeting of 21 June 2017 and lasts 3 years, it being specified that the renewal of the members of the Board is now staggered.

Each member must hold at least 250 shares in TOUAX SCA, in accordance with article 12.2 of the articles of association.

Selecting members of the Supervisory Board

When each member of the Supervisory Board is appointed or re-appointed, information on their experience and skills is provided to shareholders.

At the date of the report, the Supervisory Board was made up of 5 members.

The Group does not fulfil the conditions for appointing a member representing the employees pursuant to article L.22-10-24 of the French Commercial Code.

There is no representative member of the Supervisory Board.

On 31 December 2021, the members of the Supervisory Board do not belong to the Group's workforce and do not have other duties within the Group.

Proportion of women on the Supervisory Board

On 31 December 2021, there were two women among the five members of the Board, which makes TOUAX lawful in terms of the representation of women.

Qualification of independence of members

The Middlenext Code specifies that a member of the Supervisory Board must not hold a "*financial, contractual, family relationship or one of significant proximity that is likely to affect the independence of the judgement*".

In order to qualify one of its members as independent, the Board reviews the status of each member with regard to the following criteria:

- not being an employee or corporate officer of the company or a company in its Group and not having been this in the last 5 years;
- not having a significant business relationship with the company or its group (customer, supplier, service provider, creditor, banker, etc.) and not having had this in the past 5 years;
- not being a reference shareholder of the Company or holding a significant percentage of voting rights;
- not having any close family ties with a corporate officer or shareholder;
- not having been an auditor of the company in the past 6 years.

The appointment as an independent member of the Supervisory Board was discussed by the Supervisory Board on 24 March 2021. The situation of each member was examined. The Supervisory Board concluded that out of the 6 in post 5 of them were considered independent. The independent members are listed below.

Work of the Supervisory Board

The Board wishes to point out that it conducts its work above all in a collegiate manner, with respect for ethical values, the law, regulations and recommendations.

In accordance with legal provisions and the Articles of Association, the Supervisory Board continually monitors the management of the company. The work of the Board is organised by its Chair. The main topics for which the Board met in 2021 include:

Monitoring of the Group's principal orientations	- Review of the action plans of each division - Assessment of various financial opportunities (funding and various projects) - Business market
Financial position and cash	- 2022 Budget - 2020 annual and 2021 half-yearly consolidated financial statements - 2020 annual individual financial statements - Evolution of the activity, the financial position and the statement of net financial debt of the company and the Group and review of the action plans - Review of press releases relating to annual and interim financial statements
Company administration and internal control	- Adoption of the report of the Chair of the Supervisory Board on the 2020 company administration and internal control and risk management procedures - Adoption of the 2020 report of the Supervisory Board - Review of the classification of independence of the members of the Supervisory Board
Other topics	- Examination of a project for the free revaluation of the Company's assets in application of the provisions of Articles L. 123-18 of the Commercial Code and 238 bis JB of the General Tax Code - Presentation of the resolutions at the general meeting - Deliberation on gender equality - Annual review of regulated agreements

The Chair:

- receives the documents prepared by TOUAX internal departments under the authority of the Managing Partners;
- organises and manages the work of the Supervisory Board;
- ensures that the members of the Board are able to carry out their brief, and in particular makes sure that they have the information and documents needed to carry out their brief.

Participation of members

The Supervisory Board is convened by its Chair or the Management Board subject to one weeks' notice by email except in an emergency. The Supervisory Board met 4 times during the 2021 financial year. The attendance rate was 100%.

Attendance of the members of the Supervisory Board at Board meetings in 2021:

Member of the Supervisory Board	Number of sessions attended
Jerôme Bethbeze	4, equal to 100%
François SOULET DE BRUGIERE	4, equal to 100%
Alexandre WALEWSKI	4, equal to 100%
Julie de GERMAY*	1, equal to 100%
Marie FILIPPI	4, equal to 100%
Sylvie PERRIN	4, equal to 100%

* resignation following the Supervisory Board meeting of March 24, 2021

The statutory auditors are invited to the meetings of the Supervisory Board that inspect the annual or half-year financial statements.

The regulations applicable to securities transactions by insiders apply to members of the company's Supervisory Board.

Rules of procedure of the Supervisory Board

The work of the Supervisory Board is governed by rules of procedure that are intended to complete the laws, regulations and Articles of Association, which the Board and its members do of course respect.

The internal regulations specify in particular the operating procedures of the Board and that of its audit committee, the composition of the Board, the information given, the duties and the code of ethics of the members.

These rules are likely to be amended by the Board, in view of changes in the law and regulations, and also in its own method of functioning. It will be amended in 2022 to take into account the new requirements of the Middlenext Code of September 2021.

Rules of ethics of the members of the Supervisory Board

Each member of the Supervisory Board is made aware of their responsibilities at the time of their appointment and is encouraged to observe the rules of conduct relating to their mandate, namely, in particular, to comply with the legal rules relating to multiple directorships, to inform the board in case of a conflict of interest arising after obtaining their mandate, to attest to their diligence at board meetings and annual general meetings, to ensure they have all the information necessary in relation to the agenda of board meetings before making any decision and to respect professional confidentiality.

The internal regulations provide that "*generally, the Board must regularly review members' conflicts of interest and, at least once a year or when they are appointed, request a declaration from each member on situations of conflict of interest.* »

Informing members of the Supervisory Board

Documents allowing members of the Supervisory Board to vote in full knowledge of the items on the agenda are communicated electronically to members of the Supervisory Board at least one week before the board meeting. However, it may be that certain documents are sent closer to the date of the board meeting.

In addition, members of the Supervisory Board are regularly informed between meetings whenever the Group's current situation warrants this.

Minutes of the meetings of the Supervisory Board

The Supervisory Board appoints a secretary at each meeting. The secretary draws up the minutes of the meeting which are validated by the Chair and submitted for approval to the next Board meeting. They are then signed by the Chair and a member of the Board, and included in the minute book.

Assessment of the functioning of the Supervisory Board

The members of the Board discussed the functioning of the Board and the preparation of its work through a written evaluation, the summary of which was presented to the Board on 23 March 2022. Since the last written evaluation carried out in 2014, the functioning of the Supervisory Board has improved globally and more particularly in relation to the duration of meetings and the information given to the members. Board members have nonetheless stated that one area for improvement is better management of the deadlines for sending documents prior to Board meetings. They consider that they have total freedom of judgement. This freedom of judgement enabled them to take part in the Board's work and collective decisions with total independence.

The Supervisory Board considers that it is in a position to exercise its supervisory mission in a constructive manner.

The remuneration of the Supervisory Board amounted to €63,000 in the 2021 financial year as detailed below.

The Ordinary General Meeting of 2é June 202é will be invited to approve remuneration of €64,500 for the 2022 financial year, to take into account the remuneration relating to the new CSR committee, which will be created in accordance with the Middlenext Code revised in September 2021.

The audit committee set up by the Supervisory Board

The Supervisory Board has elected to be assisted by an audit committee.

Creation

The Audit Committee was created at the meeting of the Supervisory Board of January 30, 2006. Its brief began with the 2005 financial statements.

The audit committee is made up of 3 members, Mrs Sylvie PERRIN, Chair of the Audit Committee, and Messrs Alexandre COLONNA WALEWSKI and Jérôme BETHBEZE, members of the Supervisory Board. The background and experience of the three members is described below. These three members were selected for their financial and legal expertise and their experience of the TOUAX Group.

The audit committee has two independent members who are Sylvie PERRIN and Jérôme BETHBEZE.

Functioning

The Audit Committee met twice in 2021, prior to the Board Meetings. The attendance rate was 100%.

It dealt with the following matters in particular:

- review of the 2020 consolidated financial statements and the 2021 half-yearly financial statements;
- checking that the accounting and financial reporting process complies with legal and statutory requirements;
- the effectiveness of internal control and risk management systems, particularly financial;
- examining the Statutory Auditors' annual audit programmes.

During its meetings the Audit Committee held discussions with, in particular, the Statutory Auditors, the Administration and Finance Officer and the Managing Partners. The documents transmitted include the report of the Statutory Auditors on their work. The Audit Committee can have recourse to external advice.

Only independent members of the Audit Committee receive remuneration linked to their actual attendance at meetings.

Introduction of the 6 members of the Supervisory Board

Alexandre COLONNA WALEWSKI – Chair of the Supervisory Board and member of the Audit Committee

(business address: Touax, Tour Franklin, 100-101 Terrasse Boieldieu, Paris La Défense, France)

Date of 1st appointment to TOUAX SCA and mandates fulfilled	**Director from 1966 to 30 June 2005** **Chief Executive Officer from July 1977 to December 1997** **Member of the Supervisory Board since 30 June 2005** **Chair of the Supervisory Board since 29 September 2005**
Expiry of term of office as member of the Supervisory Board	End of term at the General Meeting called to approve the financial statements for the 2021 financial year. That meeting will be asked to renew her term of office for a further three years.
Independent member	No Family relationship with the Managing Partners Holds 11.62% of the share capital and 10.80% of the voting rights of TOUAX SCA on 31 December 2021 and is part of the WALEWSKI concert
Member of a Committee	Member of the Audit Committee
Mini CV	Alexandre COLONNA WALEWSKI was the director of the Group for 20 years
Age:	87
Nationality:	French
Number of TOUAX shares held on 31 December 2021	814,854 shares
Mandates and positions held in any company during the 2021 financial year (other than TOUAX SCA)	None

Jérôme BETHBEZE – member of the Supervisory Board and member of the Audit Committee

(business address: Quilvest Banque Privée SA, 243 boulevard Saint Germain, 75007 Paris, France)

Date of 1st appointment to TOUAX SCA and mandates fulfilled	Director from 28 June 2004 to 30 June 2005 Member of the Supervisory Board since 30 June 2005
Expiry of term of office as member of the Supervisory Board	End of term at the General Meeting called to approve the financial statements for the 2022 financial year.
Independent member	Yes
Member of a Committee	Member of the Audit Committee
Mini CV	Jérôme Bethbèze has gained financial expertise, thanks to over 25 years' experience working in financial institutions. For about twenty years he has carried out various management duties in the Quilvest group
Age:	60
Nationality:	French
Number of TOUAX shares held on 31 December 2021	417 shares
Mandates and positions held in any company during the 2021 financial year (other than TOUAX SCA)	Member of the Management Board and employee of Quilvest Banque Privée

François SOULET DE BRUGIERE, member of the Supervisory Board

(business address: Dauphin Vert AE, 19 avenue des Pinsons, 33 115 Pyla sur Mer, France)

Date of 1st appointment to TOUAX SCA and mandates fulfilled	Member of the Supervisory Board since 18 June 2008
Expiry of term of office as member of the Supervisory Board	End of term at the General Meeting called to approve the financial statements for the 2022 financial year.
Independent member	Yes
Member of a Committee	No
Mini CV	François Soulet de Brugière has spent almost all his career in the shipping industry, and has very extensive knowledge of the issues in this sector.. He has also held management positions for very many years.
Age:	68
Nationality:	French
Number of TOUAX shares held on 31 December 2021	422 shares
Mandates and positions held in any company during the 2021 financial year (other than TOUAX SCA)	Member of the Supervisory Board of the Grand Port Maritime of Dunkirk - non salaried Chair of Dunkirk Port Center - non salaried Member of the Board of Directors of the AUTF in charge of the maritime sector (Association of Freight Transport Users) - non salaried Member of the technical committee of Zéphyr et Borée - non salaried Member of the board of the Fondation Hermione - La Fayette - non salaried Chairman of the board of directors of the integration company Envol 33 - non salaried Secretary of the Arcachon Committee of the Société de la Légion d'Honneur - non salaried

Marie FILIPPI, member of the Supervisory Board

(business address: PIASA, 118 rue du Faubourg Saint Honoré, 75008 Paris, France)

Date of 1st appointment to TOUAX SCA and mandates fulfilled	Member of the Supervisory Board since 9 June 2016
Expiry of term of office as member of the Supervisory Board	Period of three years with effect from the Ordinary General Meeting of 23 June 2021.
Independent member	Yes
Member of a Committee	No
Mini CV	For more than 25 years, Marie Filippi has acquired financial expertise in banking and financial institutions, both in France and the United Kingdom. She currently works as a Senior Advisor at Piasa. She also holds an MBA from HEC.
Age:	58
Nationality:	French
Number of TOUAX shares held on 31 December 2021	1,000 shares
Mandates and positions held in any company during the 2021 financial year (other than TOUAX SCA)	Managing Director of Piasa SA Director of the SLGP PRIGEST PERLES SICAV - Swiss Life Private Banking

Sylvie PERRIN, member of the Supervisory Board and Chair of the Audit Committee

(business address: De Gaulle Fleurance & Associés, 9 rue Boissy d'Anglas, 75008 Paris, France)

Date of 1st appointment to TOUAX SCA and mandates fulfilled	Member of the Supervisory Board since 9 June 2016
Expiry of term of office as member of the Supervisory Board	Period of three years with effect from the Ordinary General Meeting of 24 June 2019. End of term at the General Meeting called to approve the financial statements for the 2021 financial year. That meeting will be asked to renew her term of office for a further three years.
Independent member	Yes
Member of a Committee	President of the Audit Committee and of the future CSR Committee
Mini CV	Sylvie Perrin is a partner in the law firm De Gaulle Fleurance & Associés. She specialises in all areas related to project and asset financing. She has extensive experience in financing in the fields of renewable energy, rail and road transport and industrial infrastructure. She works on both French and international projects.
Age:	55
Nationality:	French
Number of TOUAX shares held on 31 December 2021	500 shares
Mandates and positions held in any company during the 2021 financial year (other than TOUAX SCA)	Partner of the firm De Gaulle Fleurance & Associés

(v) Annual general meetings

Participation in the Annual General Meetings is limited to the shareholders of TOUAX SCA, regardless of the number of shares that they hold. Articles 16 to 18 of the Articles of Association contain the provisions on the collective decisions of the general partners and the limited partners.

Shareholder credentials

Registered stockholders

Holders of registered shares do not have to carry out any formalities to prove that they are stockholders.

Holders of bearer shares

Holders of bearer shares must prove their ownership by requesting a certificate of stockholder status from their financial intermediary (bank or stockbroker which manages the securities account in which the TOUAX shares are registered). This certificate must be submitted together with an admission card to the TOUAX SCA legal department.

The shares must have been registered or the certificate submitted no later than midnight (Paris time) at least two working days before the date of the Annual General Meeting.

Proof of identity must be shown on entering the General Meeting.

Voting rights

Stockholders may exercise their voting rights in one of four ways:

- **by attending the General Meeting in person**: an admission card must be requested from the Company Secretary's depart¬ment of TOUAX SCA. If, however, this admission card is not received in time, holders of bearer shares may nevertheless attend the meeting provided that they present a certificate of shareholder status issued by the intermediary holding the account within the 3 days preceding the General Meeting;
- **giving proxy to the Chair of the Meeting**;
- **giving proxy to any person of their choice** (spouse, partner with whom a civil solidarity pact has been concluded, another TOUAX SCA shareholder or any other physical person or legal entity of their choice);
- **by postal vote**.

For those unable to attend the General Meeting in person, a single form for postal or proxy voting is available to shareholders on request by registered letter with acknowledgement of receipt received at the registered office at least six days before the meeting.

To be valid this form must be filled in, signed, and have reached the registered office at least three days before the meeting. Owners of bearer shares must enclose their certificate of stockholder status with the form.

However, if the sale of securities takes place before 0.00 a.m. CET on the third working day preceding the Meeting, the company will invalidate or modify accordingly, depending on the case, the postal vote, the proxy, the admission card or the certificate of participation. For this purpose, the authorised intermediary holding the account will notify the company of the sale and give it the necessary information. If the shares are sold after that time, the certificate of shareholder status will remain valid, and the assignor's vote will be counted.

Delegations granted by the Annual General Meeting and used in 2021

The General Meeting of shareholders of 24 June 2020, with the unanimous agreement of the General Partners, delegated the following issue authorisations to the Management Board.

Description of authorisations	authorisation date	due date	authorised ceilings	use during 2021	total amount used
Increase the share capital by the issue of shares and/or securities giving immediate or future access to the capital of the company with retention of preferential subscription rights	Combined General Meeting of 24 June 2020 (18th resolution)	23 August 2022	maximum nominal amount of capital increases that may be realised immediately and/or in the future: **€20 million (1)**	not used	none
Increase the share capital by the issue of shares and/or securities giving immediate or future access to the capital of the company with suppression of preferential subscription rights by offer to the public but with a priority time period	Combined General Meeting of 24 June 2020 (19th resolution)	23 August 2022	maximum nominal amount of capital increases that may be realised immediately and/or in the future: **€20 million (1)**	not used	none
Increase the share capital resulting from excess demands	Combined General Meeting of 24 June 2020 (20th resolution)	23 August 2022	maximum of 15% of the initial issue	not used	none

(1) Ceiling of €20 million authorised for all share capital increases in par value.
(2) Independent ceiling.

23.2.5.Remuneration of corporate officers

23.2.5.1. Remuneration policy for corporate officers ("ex-ante vote")

As part of the *ex-ante* vote provided for in article L. 22-10-76 II. of the French Commercial Code, the remuneration policy applicable to Managing Partners and members of the Supervisory Board is subject to draft resolutions (6th and 7th) subject to the approval of the Combined General Meeting of 22 June 2022 and to the unanimous agreement of the general partners. This policy will be submitted each year and at each significant change in the remuneration policy to the vote of the General Meeting and to the unanimous agreement of the general partners.

Remuneration policy applicable to Managing Partners, Messrs. Fabrice and Raphaël Colonna Walewski

Composition of the remuneration of the Managing Partners

In accordance with article 11.5 of the Company's articles of association, the annual remuneration allocated to each managing partner under the general social security system is set as follows:

- a fixed gross portion amounting to €129,354, together with benefits in kind up to a limit of 15% of the fixed remuneration, it being specified that this amount does not include remuneration or repayments of expenses received by the Managing Partners in respect of corporate mandates or duties performed in any of the company's subsidiaries, up to a limit of €80,000 per Managing Partner;
- A gross amount of €850 per day during business trips, as a family separation allowance.

The General Partners may only adjust these amounts within the limit of the cumulative change in the annual inflation rate published by the French national institute of statistics and economic studies (INSEE).

- A variable portion not exceeding 1% of the TOUAX Group's consolidated EBITDA, after deducting the leasing income due to investors. From the financial year 2007, the variable part will be equal to a maximum of 0.5% of the TOUAX Group's consolidated EBITDA less the leasing income due to investors. For the purposes of this calculation, it is specified that the EBITDA is the consolidated gross operating surplus after deducting the net operating provisions.

The General Partners are free to determine the methods of payment of the Managing Partners' remuneration, and may limit its amount. The variable portion is paid, following the General Partners' decision, within sixty (60) days of the General Meeting called to approve the financial statements,

This remuneration may be modified at any time by decision of the General Meeting of Shareholders on the proposal of the General Partners after consulting the Supervisory Board, provided both General Partners agree.

All travel and hospitality expenses incurred by a Managing Partner in the interests of the company will be paid by the company.

In addition, it is specified, in application of article R. 22-10-40 of the French Commercial Code, that the Managing Partners do not benefit from:

● any remuneration in shares

● any element of remuneration, indemnities or benefits due or likely to be due as a result of the termination or a change of functions, or subsequent thereto, or conditional rights granted under retirement commitments

● any conditional commitment or right

● any commitment relating to the granting of a non-competition indemnity.

The Managing Partners are appointed for an unlimited period. They are revocable at any time without reason, by unanimous decision of the general partners.

This remuneration respects the corporate interest of the Company and therefore contributes to its sustainability.

Decision-making process for determining, reviewing and implementing the remuneration of the Managing Partners

The current remuneration of the Managing Partners was fixed at the Combined General Meeting of shareholders on 18 June 2008 (from financial year 2007), it was applied consistently and has not been subject to modification since then.

In accordance with Article L. 22-10-76 of the French Commercial Code, the elements of this remuneration policy applying to Managing Partners have been approved by the general partners, following an advisory opinion from the Supervisory Board held on 23 March 2022.

In addition, it is specified, in application of article R. 22-10-40 of the French Commercial Code, that:

● the Company does not have a Remuneration Committee, taking into account the statutory remuneration of the Managing partners, however any change in this remuneration must be the subject of a prior opinion of the Supervisory Board

● the decision-making process implemented within the Company involving a double level of approval, after prior opinion of the Supervisory Board as mentioned above, by the general partners and the General Meeting, prevents any potential conflicts of interest

● similarly to the overall budget for the increase in employees of Touax Group entities, the fixed salaries of managers and the level of daily allowances for travel are revalued up to the level of inflation observed in the countries where these sums are paid.

Remuneration policy applicable to members of the Supervisory Board

Composition of the remuneration of the members of the Supervisory Board

Members of the Supervisory Board can receive annual remuneration determined by the General Meeting amounting to €63,000.

The distribution of the global budget granted by the General Assembly is divided into a fixed part worth half and a variable part for the other half. The variable part is distributed among its members according to their attendance at Board meetings.

This remuneration is double for the Chair of the Supervisory Board, for the fixed and variable part.

The independent member(s) of the audit committee are also paid out of this overall budget based on their attendance at meetings of the audit committee.

The members of the Supervisory Board may also receive exceptional remuneration, in accordance with article L. 22-10-28 of the French Commercial Code, for specific missions or mandates entrusted by the Board, as well as for reimbursement of travel and travelling expenses incurred by them during these specific assignments or mandates.

Participation in meetings of the Supervisory Board

Annual fixed share allocated to the Chair*	€10,000
Annual fixed share allocated to each member*	€5,000
Variable share allocated to the Chair**	€10,000
Variable share allocated to each member**	€5,000

**On average for a Board of 5 people*

*** On average for a Board of 5 people and for 100% attendance*

Participation in Audit Committee meetings

Annual fixed share allocated to each independent member	€750
Annual variable share allocated to each independent member*	€750

**For 100% attendance*

The following elements are specified :

● the variable part is paid even in the event of participation in a meeting by video conference or telecommunication means

● following their appointment and /or resignation, the member of the Board or of the Committee receives the fixed part of their remuneration at pro rata temporis over the year

● tax and social security contributions are paid directly by the Company to the tax authorities.

In accordance with the provisions of the Internal Regulations, the members of the Supervisory Board may also receive exceptional remuneration, in accordance with Article L. 22-10-28 of the French Commercial Code, for specific missions or mandates entrusted by the Board, as well as for reimbursement of travel and travelling expenses incurred by them during these specific assignments or mandates.

The remuneration policy applicable to members of the Supervisory Board does not provide for the possibility of derogating from its application in the event of exceptional circumstances or, for the Company, requesting the return of variable remuneration. It also does not provide for any deferral periods or performance criteria.

In addition, it is specified, in application of article R. 22-10-40 of the French Commercial Code, that the members of the Supervisory Board do not benefit from:

● any remuneration in shares

● any element of remuneration, indemnities or benefits due or likely to be due as a result of the termination or a change of functions, or subsequent thereto, or conditional rights granted under retirement commitments

● any conditional commitment or right

● any commitment relating to the granting of a non-competition indemnity.

The remuneration allocated to the members of the Board compensates their participation in the work of the Supervisory Board and the Audit Committee set up within it, as well as their responsibility for controlling the Company. Its objective is to attract and retain quality professionals, capable of maintaining the desired balance in the skills and expertise deemed necessary to exercise relevant control over the Company and in accordance with the diversity policy adopted by the Supervisory Board.

Their term of office is three years at most. It ends at the end of the Ordinary General Meeting which decides on the accounts of the past financial year and held in the year during which their mandate expires; members of the Supervisory Board are eligible for re-election. The members of the Supervisory Board may be dismissed under the conditions provided for by law.

Decision-making process for determining, reviewing and implementing the remuneration of members of the Supervisory Board

The remuneration policy for members of the Supervisory Board, including the methods for distributing the remuneration, are defined in Article 13 of the Board's Internal Regulations. It is adopted by the Supervisory Board, which determines the maximum overall amount of the remuneration to be submitted for approval to the General Meeting of shareholders.

The maximum annual amount for the budget is authorised by the General Meeting.

The Ordinary and Extraordinary General Meeting of 23 June 2021 allocated to the Supervisory Board a maximum total gross annual sum of €63,000 for the 2021 financial year. The methods for distributing this remuneration to the members of the Board were adopted by the Supervisory Board on 29 March 2017.

In accordance with Article L. 22-10-76 of the French Commercial Code, the elements of this remuneration policy applying to members of the Supervisory Board were approved by the Supervisory Board which was held on 23 March 2022, which proposes to increase this total maximum gross annual sum to €64,500 for the 2022 financial year.

In addition, it is specified, in application of article R. 22-10-40 of the French Commercial Code, that:

● the decision-making process implemented within the Company involving a double level of approval by the general partners and the General Meeting, prevents any potential conflicts of interest

● similarly to the overall budget for the increase in employees of Touax Group entities, the fixed salaries of managing partners and the level of daily allowances for travel are revalued up to the level of inflation observed in the countries where these sums are paid.

23.2.5.2. Implementation of the remuneration policy for corporate officers for the year ended 31 December 2020 ("*ex-post* global" vote)

As part of the *ex-post*≪ global vote provided for in article L. 22-10-77 I. of the French Commercial Code, the information mentioned in I of article L. 22-10-9 of the French Commercial Code is subject to a draft resolution (8th) submitted for the approval of the Combined General Meeting of 22 June 2022 and to the agreement of the general partners acting unanimously.

Remuneration paid and/or allocated to Managing Partners on a consolidated scope for the year ended 31 December 2021

Information mentioned in I of article L. 22-10-9 of the French Commercial Code

	Remunerations paid in 2021 in €					
	Fixed	*Variable paid for 2021*	*Variable paid for 2020*	*Total paid in 2021*	*of which paid by TOUAX SCA*	*of which paid by other group companies*
Raphaël Walewski	*€395,292.3*	*€163,409.36*	*€176,694.68*	*€735,396.34*	*€27,825.04*	*€707,571.3*
Fabrice Walewski	*€426,732.3*	*€107,579.96*	*€153,878.87*	*€688,191.13*	*€26,946.52*	*€661,244.61*

2021 ANNUAL REPORT Paid									
	Statutory Fixed Salary	*Reimbursement of statutory fees*	*Statutory benefit*	*Statutory Travel Bonus*	*Statutory variable*	*Total of in 2021*	*Total paid in 2021*	*of which variable balance paid in 2021 for 2020*	*Variable balance payable in 2021 in respect of 2020*
Raphaël Walewski	*€159,522*	*€98,658*	*€23,928.3*	*€113,184.00*	*€265,364.61*	*€660,656.91*	*€735,396.34*	*€-176,694.68*	*€101,955.25*
Fabrice Walewski	*€159,522*	*€98,658*	*€23,928.3*	*€144,624.00*	*€265,364.61*	*€692,096.91*	*€688,191.13*	*€-153,878.87*	*€157,784.65*

Total executive corporate officers of TOUAX SCA - consolidated scope = €1,352,753.82

The statutory variable remuneration is around 40% of the total statutory remuneration in 2021.

The following presentation was made in accordance with the provisions of Ordinance no 2019-1234 and its implementing decree no 2019-1235, transposing the European Directive of 17 May 2017 on the long-term commitment of shareholders ("SRD II") and supplementing the system implemented by the so-called "Sapin II" law, in order to ensure immediate compliance with the new transparency requirements in terms of remuneration of corporate officers.

It takes account of the ratio between the remuneration of the Managing Partners and the average and median remuneration on a full-time equivalent basis of the employees of Touax SCA, other than corporate officers, over the past 5 years:

	2021 financial year	2020 financial year	2019 financial year	2018 financial year	2017 financial year	2016 financial year
Raphaël Walewski	735 396	605 069	499 909	515 400	410 600	436 300
Ratio on average remuneration	26,9	22,2	20,9	22,7	17,0	16,7
Ratio on median remuneration	27,3	22,5	21,4	23,4	17,6	18,7
Annual SMIC ratio	39,4	32,8	27,4	28,7	23,1	24,8
Fabrice Walewski	688 191	583 227	556 839	544 400	437 900	444 800
Ratio on average remuneration	25,1	21,4	23,2	24,0	18,1	17,0
Ratio on median remuneration	25,5	21,7	23,9	24,7	18,8	19,1
Annual SMIC ratio	36,9	31,6	30,5	30,3	24,7	25,3
Average remuneration	27,4	27,3	23,9	22,6	24,2	26,1
EBITDA	53,01M	46,8 M	36,9M	25,7M	26,9M	44,1M

This year there was a change to the method. In accordance with article L22-10-9 of the French Commercial Code, only the remuneration paid by Touax SCA is taken into account. Previous financial years have been restated accordingly.

Remuneration paid or allocated to members of the Supervisory Board by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code (5 of article L. 22-10-9 I. of the French Commercial Code)

Alexandre Walewski received an expenses reimbursement package of $48,175 thousand per quarter as part of his trips to carry out his brief as chair of the Supervisory Board, for a total of $192,700 in 2021.

23.2.5.3. Remuneration paid and/or allocated to the Chair of the Supervisory Board and to the Managing Partners (individual "ex-post vote ")

As part of the *ex-post*≪ individual vote provided for in article L. 22-10-77 II. of the French Commercial Code, the fixed, variable and exceptional elements making up total remuneration and the benefits of any kind, paid during the financial year ended 31 December 2020 or allocated for the same financial year, to the Chair of the Supervisory Board and to the Managing Partners of the Company are subject to separate draft resolutions (9th, 10th and 11th) submitted for the approval of the Combined General Meeting of 23 June 2021 and the unanimous agreement of the general partners.

Remuneration paid and/or allocated to the Chair of the Supervisory Board for the year ended 31 December 2020

Remuneration (ex attendance fees)	€18,214.29
Travel expense reimbursement	USD 192,700

Remuneration paid and/or allocated to Fabrice Colonna Walewski, Managing Partner, for the year ended 31 December 2021

In accordance with the remuneration policy applicable to Managing Partners presented above, for the year ended 31 December 2021, Fabrice Colonna Walewski, on account of his mandate as Managing Partner exercised within the Company was paid:

	Remunerations paid in 2021 in €					
	Fixed	*Variable paid for 2021*	*Variable paid for 2020*	*Total paid in 2021*	*of which paid by TOUAX SCA*	*of which paid by other group companies*
Fabrice Walewski	*€426,732.3*	*€107,579.96*	*€153,878.87*	*€688,191.13*	*€26,946.52*	*€661,244.61*

2021 ANNUAL REPORT Paid									
	Statutory Fixed Salary	*Reimbursement of statutory fees*	*Statutory benefit*	*Statutory Travel Bonus*	*Statutory variable*	*Total of in 2021*	*Total paid in 2021*	*of which variable balance paid in 2021 for 2020*	*Variable balance payable in 2022 in respect of 2021*
Fabrice Walewski	*€159,522*	*€98,658*	*€23,928.3*	*€144,624.00*	*€265,364.61*	*€692,096.91*	*€688,191.13*	*€-153,878.87*	*€157,784.65*

Remuneration paid and/or allocated to Raphael Colonna Walewski, Managing Partner, for the year ended 31 December 2021

In accordance with the remuneration policy applicable to Managing Partners presented above, for the year ended 31 December 2021, Raphael Colonna Walewski, on account of his mandate as Managing Partner exercised within the Company was paid:

	Remunerations paid in 2021 in €					
	Fixed	*Variable paid for 2021*	*Variable paid for 2020*	*Total paid in 2021*	*of which paid by TOUAX SCA*	*of which paid by other group companies*
Raphaël Walewski	*€395,292.3*	*€163,409.36*	*€176,694.68*	*€735,396.34*	*€27,825.04*	*€707,571.3*

2021 ANNUAL REPORT Paid									
	Statutory Fixed Salary	*Reimbursement of statutory fees*	*Statutory benefit*	*Statutory Travel Bonus*	*Statutory variable*	*Total of in 2021*	*Total paid in 2021*	*of which variable balance paid in 2021 for 2020*	*Variable balance payable in 2022 in respect of 2021*
Raphaël Walewski	*€159,522*	*€98,658*	*€23,928.3*	*€113,184.00*	*€265,364.61*	*€660,656.91*	*€735,396.34*	*€-176,694.68*	*€101,955.25*

La Défense, 23 March 2022

The Supervisory Board

24. RECENTLY RELEASED INFORMATION

24.1 PRESENTATION OF PROSPECTS GIVEN DURING THE SFAF MEETING ON 23 MARCH 2022

Chapter 5 on the description of the activities, paragraph 10.2 on known trends and section 1.2 of the management report (paragraph 22.1) on the foreseeable evolution of the activities are supplemented by the following information, presented on the occasion of the announcement of the Group's annual results. This presentation is available on the Group's website (https://www.touax.com/fr/documents).

Touax has many strengths, excluding cyclical effects, with a trend towards recovery and higher inflation:

- Recurring nature of TOUAX's business model,
- Opportunity to increase the fleet under management,
- Increase in residual values and therefore the asset value of owned and managed assets.

Structurally,

- Expansion of e-commerce and intermodal logistics; Infrastructure development (favouring container, rail and river transport),
- Strong support of consumers, the public authorities and financial players for green transport,
- Trend towards client outsourcing that favours leasing and the development of Touax group services.

Touax aims to:

- increase its profitability gradually by expanding its base of owned and managed assets and achieving economies of scale,
- continue to expand structurally in its leasing activities for environmentally friendly transport solutions.

Touax innovations at the heart of sustainable transportation:

- Freight railcars: In the second half of 2021, launch of the final “Green” transformation phase of all coal hopper cars into cars dedicated to the transport of aggregates in the UK (48 railcars). Rollout of digital solutions to accelerate preventive maintenance, in order to reduce the impact of empty transport and the associated CO2 emissions for our clients,
- River barges: On two new barges commissioned in 2021, Touax worked closely with a Dutch shipyard to supply and develop bow thruster installations that eliminate most of the nitrogen oxides resulting from engine combustion,
- Containers: Search for new and more environmentally friendly materials with the introduction in 2021 of a new OSB (Oriented Strand Board) floor for our new containers dedicated to the trading activity,
- Modular buildings ISO 14001 environmental certification for the Quality Safety Environment integrated management system of our plant in Morocco.

24.2 Press release of 23 March 2022

2021 RESULTS

Growth in activity and confirmation of profitability momentum

- **Significant growth in EBITDA (+13%), to €53.1 million**
- **Group share of Net Profit: €12.6 million (+114%)**
- **Increase in the net book value per share (+23.7%) and NAV (revalued net asset value) per share (+42%)**
- **Long-term value-creating investments**

"The excellent results for 2021, following the strong figures for 2020, confirm the recurring nature of the group's performance. The year was marked by a steady rate of asset purchases in order to meet our clients' needs, and by our adaptation to the shortage of containers. 2021 demonstrated the relevance of our growth strategy in long-term leasing for sustainable transportation," said Fabrice and Raphaël Walewski, Managing Partners of TOUAX SCA.

Despite the complex environment linked to the health crisis, in 2021 the group confirmed the recurring nature of its business model and its agility. Touax both continued to capitalise on the strategic, operational and financial measures taken in recent years to consolidate and improve its profitability, while developing its long-term investment programme, and adapted to the tensions created by the logistics disruptions linked to the recovery.

Touax confirmed its profitability momentum in 2021, with a Group share of Net Profit of €12.6 million, and observes an overall growth across all of its operational performance indicators.

Its net book value per share stood at €11.70[1], up 23.7% compared with 31 December 2020. Based on the market value of our assets, the revalued net asset value[2] (« NAV ») per share came to €20.22[2], up 42% on 31 December 2020. The sharp rise in the NAV was driven by commodity price inflation.

The consolidated financial statements for the period ended 31 December 2021 were approved by the Management Board on 22 March 2022 and were submitted to the Supervisory Board on 23 March 2022. The auditing of these statements is underway.

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1 Excluding Undated Deeply Subordinated Bonds

2 The market value is calculated by independent experts, based 50% on the replacement value and 50% on the value-in-use for railcars, the value-in-use for containers and the replacement value for river barges with the exception of a long-term contract in South America for which the value-in-use was used. This market value is substituted for the net book value when calculating the net asset value.

KEY FIGURES

Key Figures *(in million euros)*	**2021**	**2020**
Restated revenue from activities (*)	**125.0**	**111.6**
Freight railcars	50.3	47.2
River Barges	12.8	11.8
Containers	47.7	39.8
Others	14.2	12.7
EBITDA	53.1	46.8
Current operating income	28.8	23.3
Operating Income	28.7	23.2
Profit before tax	16.8	10.0
Consolidated net profit (loss) (Group's share)	**12.6**	**5.9**
Including income from retained operations	12.6	6.0
Including income from discontinued operations	0.0	-0.1
Net earnings per share (€)	1.79	0.84
Total non-current assets	358.0	334.5
Total Assets	552.4	474.0
Total shareholders' equity	165.0	146.7
Net Financial Debt (1)	230.6	189.6
Operating cash flow (2)	-25.7	-1.2
Loan to Value	52 %	54 %

(1) Including €207.2 million of non-recourse debt at 31 December 2021

(2) Operating flows included €71.3 million of net equipment purchases (€31.5 million in 2020)

(*) *The key indicators in the group's activity report are presented differently from the IFRS income statement, to enable an understanding of the activities' performance. As such, no distinction is made in third-party management, which is presented solely in agent form: the 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.*

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

This new presentation has no impact on EBITDA, operating income or net income. The accounting presentation of revenue from activities is presented in the appendix to the press release.

STRONG BUSINESS GROWTH IN 2021

The utilisation rates at the end of December 2021 for Freight Railcars (89.0%), River Barges (92.3%) and Containers (99.2%) were high, due to the economic recovery and the sustained level of international trade.

Over the full-year 2021, restated revenue from activities totalled €125.0 million (€126.6 million at constant scope and currency), up 12% compared with 2020.

This increase was due to the buoyancy of the owned activity, which amounted to €116.4 million at the end of 2021, up 15%. The owned activity benefited particularly from the development of container trading, generating margins on sales and pick-up charges.

For the management activity, syndication fees came to €3.0 million, up €0.7 million, and management fees for investor fleets were stable at €3.6 million.

On the other hand, investor equipment sales fees fell steeply (-€3.0 million compared with 2020), mainly reflecting the low level of containers available for sale in a context of global shortages in 2021.

ANALYSIS OF CONTRIBUTION BY DIVISION

Restated revenue from the **Freight Railcars** division reached €50.3 million in 2021, an increase of 6.6%.

Revenue from the leasing activity increased by 9.7% to €46.4 million over the period, as the new assets purchased generated additional revenue, and investor fleet management fees grew by 13.4% to €1.8 million.

Owned equipment sales and syndication fees decreased, however, by a total amount of €1.2 million.

Restated revenue from the **River Barges** division was up 8.4% to €12.8 million in 2021, driven by the leasing activity (revenues linked to the increase in chartering in the Rhine basin). The average utilisation rate for the division over the period rose to 97.1% (versus 95.1% in 2020).

Restated revenue from the **Containers** division came to €47.7 million at the end of December 2021, an increase of 19.7%.

2021 was an exceptional year. In an environment with an utilisation rate of more than 99%, leasing revenue grew by 10.5% (+€1.0 million). The following positive effects were also seen:

- The rise in owned equipment sales (+€3.7 million year-on-year), with the development of the container trading activity
- The +€4.8million growth in ancillary services (one-way trading container delivery between Asia and the United States)

Syndication fees, up €1.7 million, with two major transactions over the financial year, did not offset the €3.0 million decrease in sales fees on containers owned by investors due to the continued shortage of containers available for sale.

Finally, revenue from the Modular Building activity in Africa, presented in the “miscellaneous” line, rose by €1.1 million over the period to €14.1 million.

A SHARP INCREASE IN PROFITABILITY

EBITDA came to €53.1 million, an increase of 13.4%.

The **Freight Railcars** division’s EBITDA was stable at €26.2 million, compared with €26.5 million in 2020.

Against a backdrop of a gradual rise in utilisation rates (89% at the end of December 2021), the division is continuing to make investments and recorded an increase in its operating expenses (maintenance expenses) to anticipate forthcoming rentals.

The **River Barges** division posted EBITDA of €4.8 million over the year, down slightly, by €0.3 million, mainly due to the €0.3 million decrease in syndication fees.

The **Containers** division’s EBITDA increased significantly, by €6.3 million, to €17.8 million (+54.1%), driven by the controlled development of trading, an activity that generated strong margins in 2021. Note that this level of performance, which was partly due to logistics disruptions affecting shipping containers worldwide, was extraordinary by an estimated €5 million. However, this positive impact could continue into 2022.

EBITDA for other activities, including Modular Building in Africa, grew to €4.2 million (+€0.6 million).

Operating income reached €28.7 million, an increase of 23.8% versus 2020.

Financial income came to -€11.9 million, compared with -€13.2 million in 2020. This €1.3 million improvement may be attributed to the decrease in financing fees and the reduction of foreign exchange impacts (particularly with the implementation of a cash flow foreign exchange hedging in 2021).

Profit before tax came to €16.8 million, compared with €10.0 million in 2020.

Group share of Net Profit stood at €12.6 million, a very sharp increase versus 2020 (€5.9 million). All of the group’s operating divisions made a positive contribution to the global consolidated Net Income.

A SOLID FINANCIAL STRUCTURE

The balance sheet showed a total of €552 million at 31 December 2021, compared with €474 million at 31 December 2020.

Tangible fixed assets and inventories amounted to €418 million, compared with €343 million at the end of December 2020, mainly due to investments within the Freight Railcars and Containers divisions.

Shareholders' equity rose sharply, thanks to the net profitability for the year. Total shareholders' equity stood at €165.0 million (versus €146.7 million in 2020) and the Group share of shareholders' equity totalled €108 million (+17% year-on-year).

Cash flow from operating activities came to -€25.7 million due to a steady rate of equipment purchases amounting to €71.3 million of net purchases and changes in inventories (note that investments relating to operating lessors are classified under cash flow from operating activities).

Gross debt came to €285.5 million, of which 73% non-recourse debt. The group's net debt amounted to €230.6 million, with a comfortable cash position of €53.8 million.

The loan-to-value ratio fell by two points, to 52%.

IMPACT OF THE ARMED CONFLICT BETWEEN RUSSIA AND UKRAINE

Touax is not directly exposed to the current Russia-Ukraine conflict, as it has no subsidiaries, customers or leased transport assets (with the possible exception of a few non-significant containers in transit) in Ukraine or Russia. Indirectly, it is possible that the conflict will create inflation, a fall in European economic growth, logistical disruptions, and a shortage of equipment, spare parts and raw materials in certain industrial sectors (including the rail sector), whose consequences are as yet unknown.

OUTLOOK

The 2021 results validate the Touax group's strategy of refocusing on its three business lines consisting of the long-term leasing of environmentally-friendly equipment for sustainable transportation.

The group is continuing to invest to grow its activities with a view to sustainable value creation. At 31 December 2021, firm orders for and investments in productive assets with third parties amounted to €54.1 million, consisting of €28.4 million of containers, €22.9 million of railcars and €2.8 million of river barges.

In the **Freight Railcar** sector, the European Commission has set an ambitious target of reaching a 30% freight transportation market share by 2030 (versus 18% in 2021), which will require the replacing of 400,000 railcars that are over 30 years old. The tendency towards outsourcing, which is favourable to lessors, is continuing in Europe, and combined rail transportation is still growing.

In Asia, the market is guided by the need for innovative railcars in order to increase loading capacity, diminishing road traffic and reducing CO_2 emissions, as well as by the numerous infrastructure projects promoting rail and containerised traffic.

The **River Barge** sector is experiencing stability in the Americas and a positive trend in Europe. Demand for new barges is aimed at transporting aggregates for construction, biomass and cereals. European and government bodies are aware of the ecological advantages of river transportation. Substantial public and institutional investments should be made to reinvigorate the sector and Touax is positioned to benefit from the effects of these stimulus packages.

After an excellent 2021, the **Containers** division wishes to continue its strategy of investment to increase its critical size and meet its customers' demands, while still developing its third-party investor management activity (two major partnerships have been signed with US and European funds).

The growth of the container trading activity, which very much complements the leasing activity, should also continue, and the division is constantly working to enhance its offer.

In the **Modular Building activity in Africa**, the group is continuing its investment to improve volumes and margins, and by focusing on increasing its sales of high value added turnkey products in order to maximize value.

Subject to the development of the situation in Ukraine and its potential impacts (particularly on the group's trading activities), the business outlook for long-term equipment leasing for sustainable transportation is positive. Our various asset classes are benefiting from the development of infrastructure, e-commerce and intermodal logistics, as well as the support of public authorities, consumers, lenders and investors for green transport.

The group's holding company (Touax SCA) carried out an independent revaluation of its tangible and financial assets, showing a revaluation difference of €67.6 million at 31 December 2021. The Management Board will propose to the General Meeting of Shareholders of June 2022 the conducting of a technical operation on its share capital (€21.8 million reduction followed by an increase of the same amount through the incorporation of the revaluation difference) in order to be in a position to resume a dividend distribution policy in the future.

APPENDICES

1 - ANALYSIS OF THE RESTATED REVENUE FROM ACTIVITIES

Restated Revenue from activities (in € thousand)	Q1 2021	Q2 2021	Q3 2021	Q4 2021	TOTAL 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	TOTAL 2020
Leasing revenue on owned equipment	13,229	13,633	14,479	15,350	**56,691**	13,426	13,336	13,011	12,572	**52,345**
Ancillary services	2,745	3,747	5,530	7,358	**19,380**	3,044	2,997	3,838	2,895	**12,774**
Total leasing activity	**15,974**	**17,380**	**20,009**	**22,708**	**76,071**	**16,470**	**16,333**	**16,849**	**15,467**	**65,119**
Sales of owned equipment	7,085	8,328	9,132	15,780	**40,325**	5,872	7,216	10,917	12,108	**36,113**
Total sales of equipment	7,085	8,328	9,132	15,780	**40,325**	5,872	7,216	10,917	12,108	**36,113**
Total of owned activity	**23,059**	**25,708**	**29,141**	**38,488**	**116,396**	**22,342**	**23,549**	**27,766**	**27,575**	**101,232**
Syndication fees	17	946	48	1,992	**3,003**	232	231	13	1,809	**2,285**
Management fees	897	891	894	959	**3,641**	937	919	898	879	**3,633**
Sales fees	591	358	181	236	**1,366**	2,128	882	793	589	**4,392**
Total of management activity	**1,505**	**2,195**	**1,123**	**3,187**	**8,010**	**3,297**	**2,032**	**1,704**	**3,277**	**10,310**
Other capital gains on disposals	0	6	0	552	**558**	15	0	0	1	**16**
Total Others	**0**	**6**	**0**	**552**	**558**	**15**	**0**	**0**	**1**	**16**
Total Restated Revenue from activities	**24,564**	**27,909**	**30,264**	**42,227**	**124,963**	**25,654**	**25,581**	**29,470**	**30,853**	**111,558**

2 - TABLE SHOWING THE TRANSITION FROM THE ACCOUNTING PRESENTATION TO THE RESTATED PRESENTATION

Revenue from activities (in € thousand)	2021	Restatement	Restated 2021	2020	Restatement	Restated 2020
Leasing revenue on owned equipment	56,691		**56,691**	52,345		**52,345**
Ancillary services	20,879	-1,499	**19,380**	18,140	-5,366	**12,774**
Total leasing activity	**77,570**	**-1,499**	**76,071**	**70,485**	**-5,366**	**65,119**
Sales of owned equipment	40,325		**40,325**	36,113		**36,113**
Total sales of equipment	**40,325**	**0**	**40,325**	**36,113**	**0**	**36,113**
Total of owned activity	**117,895**	**-1,499**	**116,396**	**106,598**	**-5,366**	**101,232**
Leasing revenue on managed equipment	44,328	-44,328	**0**	49,759	-49,759	**0**
Fees on syndications	3,003		**3,003**	2,285		**2,285**
Management fees on managed assets	721	2,920	**3,641**	381	3,252	**3,633**
Margins on sale of managed equipment	1,366		**1,366**	4,369	23	**4,392**
Total of management activity	**49,418**	**-41,408**	**8,010**	**56,794**	**-46,484**	**10,310**
Other capital gains on disposals	558		**558**	16		**16**
Total Others	**558**	**0**	**558**	**16**	**0**	**16**
Total Restated Revenue from activities	**167,871**	**-42,907**	**124,963**	**163,408**	**-51,850**	**111,558**

3 - BREAKDOWN OF THE RESTATED REVENUE FROM ACTIVITIES BY DIVISION

Restated Revenue from activities (in € thousand)	**Q1 2021**	**Q2 2021**	**Q3 2021**	**Q4 2021**	**TOTAL 2021**	**Q1 2020**	**Q2 2020**	**Q3 2020**	**Q4 2020**	**TOTAL 2020**
Leasing revenue on owned equipment	9,152	9,223	10,122	10,779	39,276	9,199	9,118	8,910	8,860	36,087
Ancillary services	1,873	1,724	1,950	1,584	7,131	1,462	2,044	1,680	1,025	6,211
Total leasing activity	**11,025**	**10,947**	**12,072**	**12,363**	**46,407**	**10,661**	**11,162**	**10,590**	**9,885**	**42,298**
Sales of owned equipment	320	403	162	640	1,525	939	662	354	141	2,096
Total sales of equipment	**320**	**403**	**162**	**640**	**1,525**	**939**	**662**	**354**	**141**	**2,096**
Total of owned activity	**11,345**	**11,350**	**12,234**	**13,003**	**47,932**	**11,600**	**11,824**	**10,944**	**10,026**	**44,394**
Syndication fees	0	0	0	570	570	214	231	0	746	1,191
Management fees	463	470	451	440	1,824	373	395	406	434	1,608
Total of management activity	**463**	**470**	**451**	**1,010**	**2,394**	**587**	**626**	**406**	**1,180**	**2,799**
Total Freight railcars	**11,808**	**11,820**	**12,685**	**14,013**	**50,326**	**12,187**	**12,450**	**11,350**	**11,206**	**47,193**
Leasing revenue on owned equipment	1,688	1,745	1,770	1,625	6,828	1,636	1,626	1,755	1,638	6,655
Ancillary services	683	972	1,286	2,272	5,213	1,246	439	1,062	1,320	4,067
Total leasing activity	**2,371**	**2,717**	**3,056**	**3,897**	**12,041**	**2,882**	**2,065**	**2,817**	**2,958**	**10,722**
Sales of owned equipment	41	0	0	0	41	0	0	0	56	56
Total sales of equipment	**41**	**0**	**0**	**0**	**41**	**0**	**0**	**0**	**56**	**56**
Total of owned activity	**2,412**	**2,717**	**3,056**	**3,897**	**12,082**	**2,882**	**2,065**	**2,817**	**3,014**	**10,778**
Syndication fees	0	0	0	710	710	0	0	0	1,046	1,046
Management fees	6	6	5	7	24	0	0	0	0	0
Total of management activity	**6**	**6**	**5**	**717**	**734**	**0**	**0**	**0**	**1,046**	**1,046**
Total River barges	**2,418**	**2,723**	**3,061**	**4,614**	**12,816**	**2,882**	**2,065**	**2,817**	**4,060**	**11,824**
Leasing revenue on owned equipment	2,384	2,654	2,572	2,937	10,547	2,578	2,581	2,335	2,054	9,548
Ancillary services	191	1,054	2,297	3,996	7,538	285	642	1,098	752	2,777
Total leasing activity	**2,575**	**3,708**	**4,869**	**6,933**	**18,085**	**2,863**	**3,223**	**3,433**	**2,806**	**12,325**
Sales of owned equipment	3,480	3,524	5,991	11,696	24,691	4,064	4,192	6,344	6,410	21,010
Total sales of equipment	**3,480**	**3,524**	**5,991**	**11,696**	**24,691**	**4,064**	**4,192**	**6,344**	**6,410**	**21,010**
Total of owned activity	**6,055**	**7,232**	**10,860**	**18,629**	**42,776**	**6,927**	**7,415**	**9,777**	**9,216**	**33,335**
Syndication fees	17	946	48	712	1,723	18	0	13	17	48
Management fees	428	415	438	512	1,793	564	524	492	445	2,025
Sales fees	591	358	181	236	1,366	2,128	882	793	589	4,392
Total of management activity	**1,036**	**1,719**	**667**	**1,460**	**4,882**	**2,710**	**1,406**	**1,298**	**1,051**	**6,465**
Total Containers	**7,091**	**8,951**	**11,527**	**20,089**	**47,658**	**9,637**	**8,821**	**11,075**	**10,267**	**39,800**
Leasing revenue on owned equipment	5	11	15	9	40	13	11	11	20	55
Ancillary services	(2)	(3)	(3)	(494)	(502)	51	(128)	(2)	(202)	(281)
Total leasing activity	**3**	**8**	**12**	**(485)**	**(462)**	**64**	**(117)**	**9**	**(182)**	**(226)**
Sales of owned equipment	3,244	4,401	2,979	3,444	14,068	869	2,362	4,219	5,501	12,951
Total sales of equipment	**3,244**	**4,401**	**2,979**	**3,444**	**14,068**	**869**	**2,362**	**4,219**	**5,501**	**12,951**
Total of owned activity	**3,247**	**4,409**	**2,991**	**2,959**	**13,606**	**933**	**2,245**	**4,228**	**5,319**	**12,725**
Other capital gains on disposal	0	6	0	552	558	15	0	0	1	16
Total Others	**0**	**6**	**0**	**552**	**558**	**15**	**0**	**0**	**1**	**16**
Total Miscellaneous and eliminations	**3,247**	**4,415**	**2,991**	**3,511**	**14,164**	**948**	**2,245**	**4,228**	**5,320**	**12,741**
Total Restated Revenue from activities	**24,564**	**27,909**	**30,264**	**42,227**	**124,963**	**25,654**	**25,581**	**29,470**	**30,853**	**111,558**

25. DRAFT RESOLUTIONS AT THE GENERAL MEETING OF 22 JUNE 2022

On first notice of meeting, the Ordinary General Meeting can only validly proceed if the shareholders present in person or by proxy hold at least one fifth of the shares to which voting rights are attached. Motions pass by simple majority of votes cast.

FIRST RESOLUTION (APPROVAL OF THE FINANCIAL STATEMENTS FOR THE 2021 FINANCIAL YEAR)

The Annual General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, after reviewing the report from the Management Board, the reports from the Supervisory Board and the Statutory Auditors' report for the financial year ended 31 December 2021, approves the annual financial statements for the year ended 31 December 2021, as presented to it, showing a net book profit of €1 072 136.

The Annual General Meeting approves the expenses and charges not deductible from profits as specified in Article 39-4 and 39-5 of the General Tax Code amounting to €0.00, as well as a tax saving of €97,923 resulting from fiscal consolidation.

SECOND RESOLUTION (APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE 2021 FINANCIAL YEAR)

The Annual General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, after reviewing the report from the Management Board, the reports from the Supervisory Board and the Statutory Auditors' report, approves the consolidated financial statements for the financial year ended 31 December 2021 as they have been presented and the transactions reflected in these accounts, showing a Group share of net income of €12,552,078.

THIRD RESOLUTION (DISCHARGE OF MANDATES)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, grants the Management Board, the Supervisory Board and the Statutory Auditors discharge from the execution of their respective mandates for the 2021 financial year.

FOURTH RESOLUTION (ALLOCATION OF PROFIT)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having approved the proposals of the Board of Directors, decides to assign the profit as follows:

Net profit for the year ended 31 December 2021	1,072,136
Allocation to the legal reserve	
Statutory remuneration of the general partners deducted from the distribuable profit	907,292
Allocation of the balance of distribuable profit to carry forward	164,844

In accordance with Article 243-bis of the General Tax Code, the General Meeting notes that the dividends distributed for the three previous financial years were as follows:

financial year concerned	payment date	statutory remuneration of general partners in €	dividend per share in €	number of shares remunerated	total of the distribution in €
2018	1 juillet 2019	256 970			256 970
2018 TOTAL					**256 970**
2019	1 juillet 2020	368 990			368 990
2019 TOTAL					**368 990**
2020	1 juillet 2021	644 075			644 075
20209 TOTAL					**644 075**

FIFTH RESOLUTION (REGULATED AGREEMENTS)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, after having read the special report of the Statutory Auditors on the agreements referred to in article L. 226-10 of the French Commercial Code, and the report of the Management Board, takes note of said report.

SIXTH RESOLUTION (APPROVAL OF THE REMUNERATION POLICY APPLICABLE TO MANAGING PARTNERS)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, taking note of the Supervisory Board's report on corporate governance established in accordance with article L. 22-10-78 of the French Commercial Code describing in particular the elements of the remuneration policy for corporate officers, approves, in application of article L. 22-10-76 II. of the French Commercial Code, the remuneration policy applicable to the Managing Partners which is presented therein, and appearing in paragraph 23.2.5.1 of the Company's 2021 universal registration document.

SEVENTH RESOLUTION (APPROVAL OF THE REMUNERATION POLICY APPLICABLE TO MEMBERS OF THE SUPERVISORY BOARD)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, taking note of the Supervisory Board's report on corporate governance established in accordance with article L. 22-10-78 of the French Commercial Code describing in particular the elements of the remuneration policy for corporate officers, approves, in application of article L. 22-10-76 II. of the French Commercial Code, the remuneration policy applicable to the Members of the Supervisory Board which is presented therein, and appearing in paragraph 23.2.5.1 of the Company's 2021 universal registration document.

EIGHTH RESOLUTION (APPROVAL OF THE INFORMATION REFERRED TO IN ARTICLE L. 22-10-77 I. OF THE FRENCH COMMERCIAL CODE RELATING TO ALL THE REMUNERATION OF CORPORATE OFFICERS)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, taking note of the Supervisory Board's report on corporate governance established in accordance with article L. 22-10-78 of the French Commercial Code, approves, in application of article L. 22-10-77 I. of the French Commercial Code, the information mentioned in article L. 22-10-9 I. of the French Commercial Code which is presented therein relating to all the remuneration of the corporate officers, and appearing in paragraph 23.2.5.2 of the Company's 2021 universal registration document.

NINTH RESOLUTION (APPROVAL OF THE FIXED, VARIABLE AND EXCEPTIONAL ELEMENTS MAKING UP THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 OR ALLOCATED FOR THE SAME FINANCIAL YEAR TO MR. ALEXANDRE COLONNA WALEWSKI AS CHAIR OF THE SUPERVISORY BOARD)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, taking note of the Supervisory Board's report on corporate governance established in accordance with article L. 22-10-78 of the French Commercial Code, approves, in application of article L. 22-10-77 II. of the French Commercial Code, the fixed, variable and exceptional elements making up the total remuneration and benefits of any kind paid during the financial year ended 31 December 2020 or allocated for the same financial year to Mr. Alexandre Colonna Walewski in his capacity as Chair of the Supervisory Board, as described in said report, and appearing in paragraph 23.2.5.3 of the Company's 2021 universal registration document.

TENTH RESOLUTION (APPROVAL OF THE FIXED, VARIABLE AND EXCEPTIONAL ELEMENTS MAKING UP THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 OR ALLOCATED FOR THE SAME FINANCIAL YEAR TO MR. FABRICE COLONNA WALEWSKI AS MANAGING PARTNER)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, taking note of the Supervisory Board's report on corporate governance established in accordance with article L. 22-10-78 of the French Commercial Code, approves, in application of article L. 22-10-77 II. of the French Commercial Code, the fixed, variable and exceptional items making up the total remuneration and benefits of any kind paid during the financial year ended 31 December 2020 or allocated for the same financial year to Mr. Fabrice Colonna Walewski in his capacity as Managing Partner, as described in said report, and appearing in paragraph 23.2.5.3 of the Company's 2021 universal registration document.

ELEVENTH RESOLUTION (APPROVAL OF THE FIXED, VARIABLE AND EXCEPTIONAL ELEMENTS MAKING UP THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 OR ALLOCATED FOR THE SAME FINANCIAL YEAR TO MR. RAPHAËL COLONNA WALEWSKI AS MANAGING PARTNER)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, taking note of the Supervisory Board's report on corporate governance established in accordance with article L. 22-10-78 of the French Commercial Code, approves, in application of article L. 22-10-77 II. of the French Commercial Code, the fixed, variable and exceptional items making up the total remuneration and benefits of any kind paid during the financial year ended 31 December 2020 or allocated for the same financial year to Mr. Raphael Colonna Walewski in his capacity as Managing Partner, as described in said report, and appearing in paragraph 23.2.5.3 of the Company's 2021 universal registration document.

TWELFTH RESOLUTION (SETTING THE ANNUAL REMUNERATION TO BE ALLOCATED TO THE SUPERVISORY BOARD)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, fixes the total amount of annual remuneration to be allocated to the Supervisory Board at €64,500.

THIRTEENTH RESOLUTION (RENEWAL OF THE SUPERVISORY BOARD MEMBER'S MANDATE OF MR. ALEXANDRE COLONNA WALEWSKI)

The Annual General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having considered the report from the Management Board, declaring that the term of office as member of the Supervisory Board of Mr. Alexandre COLONNA WALEWSKI expires at the end of this Meeting, renews it for a period of three years which will end at the end of the Annual General Meeting called to approve the financial statements for the year ended 31 December 2024.

FOURTEENTH RESOLUTION (RENEWAL OF THE SUPERVISORY BOARD MEMBER'S MANDATE OF MRS. SYLVIE PERRIN)

The Annual General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having considered the report from the Management Board, declaring that the term of office as member of the Supervisory Board of Mrs. Sylvie PERRIN expires at the end of this Meeting, renews it for a period of three years which will end at the end of the Annual General Meeting called to approve the financial statements for the year ended 31 December 2024.

FIFTEENTH RESOLUTION(APPOINTMENT OF XXX AS A MEMBER OF THE SUPERVISORY BOARD)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, after having read the report of the Management Board, appoints XXX for a period of two years which will end at the end of the meeting of the General Meeting to approve the financial statements for the year ending 31 December 2023.

SIXTEENTH RESOLUTION (APPOINTMENT OF YYY AS A MEMBER OF THE SUPERVISORY BOARD)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, after having read the report of the Management Board, appoints YYY for a period of one year which will end at the end of the General Meeting to approve the financial statements for the year ending 31 December 2022.

SEVENTEENTH RESOLUTION (RENEWAL OF A CO-STATUTORY AUDITOR [OR] APPOINTMENT OF A CO-STATUTORY AUDITOR)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report from the Management Board and having noted that the term of office of the statutory auditor of RSM Paris expires at the end of this General Meeting, resolves to renew [or appoint] as co-statutory auditor, for a period of six financial years, namely until the end of the annual Ordinary General Meeting held in the year 2028, approving the financial statements for the year ending 31 December 2027.

EIGHTEENTH RESOLUTION (NON-RENEWAL AND NON-REPLACEMENT OF A REPLACEMENT AUDITOR)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, after having reviewed the report of the Management Board, and having noted that the mandate of replacement Statutory Auditor of the company FIDINTER expired at the end of this General Meeting, resolves not to renew the term of office of replacement Statutory Auditor of FIDINTER and not to replace him.

NINETEENTH RESOLUTION (AUTHORISATION OF A SHARE BUYBACK PROGRAM)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, after having taken note of the report of the Management Board, authorises the Management Board, in accordance with article L. 22-10-62 of the French Commercial Code, to acquire, on one or more occasions at the times determined by it, a number of shares representing up to 10% of the share capital under the following conditions:

Maximum purchase price per share: €30

Maximum amount (as an indication): €21,034,641

This maximum amount may be adjusted, if necessary, to take into account any capital increase or reduction operations that may occur during the period of the scheme.

In accordance with Article L. 225-210 of the French Commercial Code, the acquisition of company shares must not bring the shareholders' equity below the level of the capital plus non-distributable reserves.

These shares may be acquired, sold, transferred or exchanged, on one or more occasions, by any means, including where appropriate by mutual agreement, by block transfer or by use of derivatives, with a view to the realization of one or more purposes provided for by law, including:

- carrying out market making and ensuring the liquidity of the TOUAX SCA share through a liquidity agreement with an investment services provider acting independently, in accordance with the AMAFI Code of Practice recognised by the French Financial Markets Authority (AMF);
- granting stock options and/or granting bonus shares for the benefit of the employees and officers of the company and/or companies related to it as well as all allocations of shares under a company or group savings plan, in respect of sharing the company's profits and/or any other form of allocation of shares to employees and/or corporate officers of the group;
- granting coverage for securities that entitle the holder to receive shares in the partnership under the regulations currently in force;
- keep the shares bought, and use them later for trading or as payment in possible corporate acquisitions, though the shares acquired for this purpose may not exceed 5 % of the share capital; and/or
- to cancel them, pursuant to the 26th resolution of the Annual General Meeting on 22 June 2022.

For the first objective, the company shares will be bought on its behalf by an investment services provider acting under a liquidity agreement and in accordance with the AMAFI Code of Practice approved by the French Financial Markets Authority (AMF).

These transactions may be carried out at any time, including during a takeover bid, subject to the regulations in force.

This authorisation enters into effect upon its acceptance by the present General Meeting. It is granted for a period of 18 months. It cancels and replaces the authorisation granted by the Annual General Meeting of 23 June 2021, in its 14th resolution.

The General Meeting grants all powers to the Management Board or any person duly appointed thereby, to decide when to implement this authorisation and to determine its terms and conditions, and in particular to adjust the above purchase price in case of transactions that modify the shareholders' equity, the share capital or the par value of the shares, to place any orders on the stock exchange, conclude any agreements, make all declarations, carry out all formalities and in general do everything that is required.

TWENTIETH RESOLUTION (REDUCTION OF SHARE CAPITAL BY A NOMINAL AMOUNT OF 22,899,944.83EUROS BY WAY OF REDUCTION OF THE NOMINAL VALUE IN ORDER TO CLEAR THE LOSSES)

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings and in accordance with the provisions of Article L. 225-204 of the French Commercial Code, after having reviewed the report of the Management Board and the report of the Statutory Auditors and after noting that the "Balance brought forward" item amounts to a debit balance of 22,899,944.83 euros, resolves, subject to the suspensive condition of the approval of the 21st resolution below, to make it possible to resume a dividend distribution policy in the future:

- to reduce the share capital by a nominal amount of 22,899,944.83 euros by reducing the nominal value of each of the 7,011,547 shares making up the share capital from 8 euros to 4.73396686494436 euros;
- to allocate the entire amount of the capital reduction to the "Balance brought forward" item, which will therefore be reduced to 0 euros.

The capital will therefore be reduced from 56,092,376 euros to 33,192,431.17 euros and as a result will be divided into 7,011,547 shares with a par value of 4.73396686494436 euros each.

TWENTY-FIRST RESOLUTION (CAPITAL INCREASE OF A NOMINAL AMOUNT OF 22,899,944.83 EUROS BY INCORPORATION OF RESERVES BY RAISING THE NOMINAL VALUE)

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings and in accordance with the provisions of Article L. 225-130 of the Commercial Code, after having reviewed the report of the Management Board and after having noted the approval of the 20th resolution above, decides, in order to allow a dividend distribution policy to be resumed in the future, to increase the share capital by a nominal amount of 22,899,944.83 euros by incorporating this amount deducted from the "Revaluation differences" item.

It resolves that the capital increase will be carried out by raising the nominal value of each of the 7,011,547 euros making up the share capital from 4.73396686494436 euros to 8 euros.

The share capital will therefore be increased to 56,092,376 euros divided into 7,011,547 shares with a par value of 8 euros each.

As a result of the adoption of this resolution and the twentieth resolution above, the general meeting notes that there is no need to modify article 6 "share capital" of the articles of association, nor to adjust the rights of holders of securities giving access to the company's capital.

TWENTY-SECOND RESOLUTION (DELEGATION OF AUTHORITY TO THE MANAGEMENT BOARD FOR THE PURPOSE OF ISSUING ORDINARY COMPANY SHARES AND SECURITIES GIVING ACCESS TO OTHER SECURITIES OF THE COMPANY TO ISSUE OR GIVING THE RIGHT TO THE ALLOCATION OF DEBT SECURITIES, WITH RETENTION OF PREFERENTIAL SUBSCRIPTION RIGHTS FOR THE SHAREHOLDERS, FOR A PERIOD OF 26 MONTHS)

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having reviewed the report from the Management Board and the special report from the Statutory Auditors and in accordance with the provisions of Articles L. 225-129, L. 225-129-2 and L. 228-92 of the French Commercial Code:

1) decides to confer to the Management Board the powers to decide, upon its sole deliberations, on the issuance, with retention of the preferential subscription right of the shareholders, on one or more occasions, in the proportions and at the times that it will assess, on the French and/or international market, either in euros, or in foreign currencies or in any other account unit established by reference to a set of currencies:

- ordinary shares, and/or
- equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities, and/or
- more generally securities giving access to equity securities to be issued by the company or giving right to the allocation of debt securities,

of any kind whatsoever, whether in return for payment or free of charge, it being specified that the subscription of the shares and other securities may be made either in cash or by offsetting with certain, liquid and payable receivables.

In accordance with Article L. 228-93 of the French Commercial Code, the securities to be issued may give access to equity securities to be issued by the company and/or any company which directly or indirectly owns more than half of the capital or of which it directly or indirectly owns more than half of the capital.

2) Decides that the issue of preference shares and the issue of any securities giving access to preference shares is excluded from this delegation.

3) Decides that the maximum nominal amount of capital increases that may be carried out immediately and in the future pursuant to this delegation, is set at twenty million (20,000,000) euros, subject to the 23rd resolution. To the above ceiling shall be added, where applicable, the nominal amount of the issues that may be required to preserve, in accordance with the law and, where appropriate, the contractual stipulations providing for other cases of adjustment, the rights of the holders of securities giving access to the capital of the company.

4) Decides that the shareholders will have, in proportion to the amount of their shares, a preferential subscription right to the securities that would be issued pursuant to this delegation.

5) Decides that the Management Board may establish, where applicable, a subscription right on a reducible basis, for new non-subscribed capital shares that the shareholders may exercise proportionately to the subscription rights available to them and, in any case, within the limits of their demands.

6) Decides that if subscriptions on an irreducible and, where applicable, reducible basis have not absorbed the entirety of an issue, the Management Board may use, under the conditions laid down by law and in the order that it will determine, one and/or the other faculties hereafter:

- freely distribute all or part of the non-subscribed securities for the benefit of the persons of their choice,
- offer to the public all or part of the non-subscribed securities, and/or
- limit the amount of subscriptions received as soon as they reach at least ¾ of the issue decided upon.

7) Notes that this delegation entails the express waiver by shareholders of their preferential subscription right to the new shares to which these securities entitle them to the benefit of the holders of the securities.

8) Gives all powers to the Management Board to decide and carry out the capital increase(s) that it deems appropriate and:

- determine the conditions of the issue (s), and in particular the forms and characteristics of the shares and/or securities, determine the amount to be issued within the limits referred to above, the issue price and the amount of the issue premium, set the dates of the opening and closing of subscriptions,
- record the realisation of these capital increases and to amend the Articles of Association accordingly,
- charge, on its sole initiative, the costs of the capital increases to the amount of the premiums related thereto and deduct from this amount the sums necessary to bring the legal reserve to one-tenth of the new capital after each increase, and more generally, to undertake what is required in such a matter, and
- more generally to take all measures, to conclude all agreements, to carry out all necessary formalities and to take the necessary steps to attain and successfully complete the issues envisaged under this delegation.

This delegation is given for a period of 26 months from the date of this Meeting, it cancels and replaces the authorisation given by the Annual General Meeting of 24 June 2020 in its 18th resolution.

TWENTY-THIRD RESOLUTION (DELEGATION OF AUTHORITY TO THE MANAGEMENT BOARD FOR THE PURPOSE OF ISSUING ORDINARY COMPANY SHARES AND SECURITIES GIVING ACCESS TO OTHER CAPITAL SHARES OF THE COMPANY TO ISSUE OR GIVING THE RIGHT TO THE ALLOCATION OF DEBT SECURITIES, BY WAY OF A PUBLIC OFFER, WITH REMOVAL OF PREFERENTIAL SUBSCRIPTION RIGHTS FOR THE SHAREHOLDERS, BUT WITH A MANDATORY SUBSCRIPTION PRIORITY TIME PERIOD, FOR A PERIOD OF 26 MONTHS)

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having reviewed the report from the Management Board and the special report from the Statutory Auditors and noted that the capital is fully paid-up, in accordance with the provisions of Articles L. 225-129-2, L. 22-10-51, L. 22-10-52, L. 228-91 and L. 228-92 of the French Commercial Code:

1) decides to confer to the Management Board the powers to decide, upon its sole deliberations, on the issuance, on one or more occasions, in the proportions and at the times that it will assess, on the French and/or international market, either in euros, or in foreign currencies or in any other account unit established by reference to a set of currencies:

- ordinary shares, and/or
- equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities, and/or
- more generally securities giving access to equity securities to be issued by the company,

of any kind whatsoever, whether in return for payment or free of charge, it being specified that the subscription of the shares and other securities may be made either in cash or by offsetting with certain, liquid and payable receivables.

2) Decides that the issue of preference shares and the issue of any securities giving access to preference shares is excluded from this delegation.

3) Decides that the total nominal amount of capital increases that may be carried out immediately and in the future under this delegation is set at twenty million (20,000,000) euros subject to the 22nd resolution, it being specified that the nominal amount of the shares that may be issued under this delegation will be deducted from the ceiling referred to in the 22nd resolution. To the above ceiling shall be added, where applicable, the nominal amount of the issues that may be required to preserve, in accordance with the law and, where appropriate, the contractual stipulations providing for other cases of adjustment, the rights of the holders of securities giving access to the capital of the company.

4) Decides to cancel the shareholders' preferential subscription right to ordinary shares and securities giving access to the capital and/or debt securities that are the subject of this resolution.

5) Decides to grant shareholders a mandatory subscription priority time period for all such issues, not giving rise to the creation of negotiable rights, exercisable in proportion to the number of shares held by each shareholder and, where applicable, on a reducible basis, and consequently delegates to the Management Board the power to set the duration and the terms thereof in accordance with the legal and regulatory provisions.

6) Notes that this delegation entails the express waiver by shareholders of their preferential subscription right to the new shares to which these securities entitle them to the benefit of the holders of the securities.

7) Decides that

- the issue price of the equity securities will be at least equal to the minimum price provided for by the legal and regulatory provisions applicable on the day of setting the issue price.
- The issue price of other securities shall be such that the amount received immediately by the company, plus any additional fees that may be collected by the company, is, for each share issued as a result of the issue of these securities, at least equal to the issue price defined in the previous paragraph.

8) Decides that in the event of insufficient subscriptions, the Management Board may use, under the conditions set out by law and in the order in which it determines, one or both of the following powers:

- freely distribute all or part of the non-subscribed securities for the benefit of the persons of their choice,
- offer to the public all or part of the non-subscribed securities, and/or
- limit the amount of subscriptions received as soon as they reach at least ¾ of the issue decided upon when the primary security is a share.

9) Gives all powers to the Management Board to decide and carry out the issue(s) of shares or securities which it deems appropriate, and in particular:

• determine the conditions of the issue(s), and in particular the forms and characteristics of the shares and/or securities, determine the amount to be issued within the limits referred to above, the issue price and the amount of the issue premium, set the dates of the opening and closing of subscriptions,

• record the realisation of these capital increases and amend the Articles of Association accordingly,

• make any adjustments to take into account the impact of the transaction on the capital of the company and set the terms and conditions under which the preservation of the rights of the holders of financial securities ultimately giving access to the share capital will be ensured in accordance with the provisions of the applicable laws and regulations and, where appropriate, contractual stipulations providing for other adjustments,

- charge, on its sole initiative, the costs of the capital increases to the amount of the premiums related thereto and deduct from this amount the sums necessary to bring the legal reserve to one-tenth of the new capital after each increase, and more generally, to undertake what is required in such a matter, and
- more generally to take all measures, to conclude all agreements, to carry out all necessary formalities and to take the necessary steps to attain and successfully complete the issues envisaged under this delegation.

It is specified that the Management Board may, in the context of the implementation of this delegation, modify, during the life of the securities concerned, the terms and conditions referred to above, in compliance with the applicable formalities.

This delegation is given for a period of 26 months from the date of this Meeting, it cancels and replaces the authorisation given by the Annual General Meeting of 24 June 2020 in its 19th resolution.

TWENTY-FOURTH RESOLUTION (DELEGATION OF AUTHORITY TO THE MANAGEMENT BOARD FOR THE PURPOSE OF ISSUING ORDINARY COMPANY SHARES AND SECURITIES GIVING ACCESS TO OTHER SECURITIES OF THE COMPANY TO ISSUE OR GIVING THE RIGHT TO THE ALLOCATION OF DEBT SECURITIES, IN THE CASE OF EXCESS DEMAND, FOR A PERIOD OF 26 MONTHS)

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having reviewed the report from the Management Board and the special report from the Statutory Auditors and ruling in compliance with the provisions of Articles L. 225-135-1 of the French Commercial Code, authorises the Management Board to decide, within the time and within the limits provided for by the law and regulations applicable on the day of the issue (to date, within thirty days of the closing of the subscription, within the limit of 15% of the initial issue and at the same price as that used for the initial issue), for each of the issues decided pursuant to the 22nd and 23rd resolutions, to increase the number of securities to be issued, subject to compliance with the ceiling provided for in the resolution pursuant to which the issue is decided.

This delegation is given for a period of 26 months with effect from the date of this Meeting, it cancels and replaces any authorisation with the same object given previously.

TWENTY-FIFTH RESOLUTION (DELEGATION OF AUTHORITY TO THE MANAGEMENT BOARD FOR THE PURPOSE OF ISSUING SHARES FOR THE BENEFIT OF THE GROUP'S EMPLOYEES, WITH CANCELLATION OF THE PREFERENTIAL SUBSCRIPTION RIGHT, FOR A PERIOD OF 26 MONTHS)

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having considered the report of the Management Board and the special report of the Statutory Auditors, ruling under Articles L.3332-18 to 3332-24 of the Labour Code and Articles L. 225-129-6 and L. 225-138-1 of the French Commercial Code:

1) Delegates to the Management Board its competence to proceed, on one or more occasions, under the conditions set out in Article L. 3332-18 et seq. of the French Labour Code, an increase in the share capital in cash of up to €600,000 reserved for employees of the company and its related companies who, under the terms of Article L. 225-180 of the French Commercial Code, members of a company savings plan;

2) Decides that this delegation is granted for a period of twenty-six months from today;

3) Decides that the total number of shares that may be subscribed by the employees may not exceed 3% of the share capital on the day of the Management Board's decision, this amount being independent of any other ceiling on the delegation of capital;

4) Decides that the subscription price of the shares will be set in accordance with the provisions of Article L. 3332-19 et seq. of the Labour Code;

5) Grants the Management Board full powers to implement the present authorisation and, to that end:

- to set the number of new shares to be issued and the vesting date;
- to set the issue price for the new shares, having considered the special report of the Statutory Auditors; and to set the deadlines for employees to exercise their rights;
- to decide when and how the new shares shall be freed of restrictions;
- to record the corresponding capital increase(s), and to amend the Articles of Association accordingly;
- to complete all necessary transactions and formalities entailed by the capital increase(s).

This authorisation shall also constitute the existing shareholders' express waiver of their right of first refusal to the shares to be issued, in favour of the above employees.

This delegation is given for a period of 26 months from the date of this Meeting, it cancels and replaces the authorisation given by the Annual General Meeting of 24 June 2020 in its 24th resolution.

TWENTY-SIXTH RESOLUTION (AUTHORISATION TO BE GIVEN TO THE MANAGEMENT BOARD IN ORDER TO CANCEL ALL OR PART OF THE SHARES PURCHASED BY THE COMPANY UNDER THE PROVISIONS OF ARTICLE L. 22-10-62 OF THE FRENCH COMMERCIAL CODE, FOR A PERIOD OF 18 MONTHS)

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, after having read the report of the Management Board as well as the report of the Statutory Auditors, and in accordance with article L.22-10-62 of the French Commercial Code,

- authorises the Management Board, for a period of eighteen months from this General Meeting, to reduce the share capital on one or more occasions, by a maximum of 10% of the share capital, calculated on the day of the cancellation, per period of twenty-four months, by cancelling some or all of the treasury shares acquired under the share buyback scheme adopted by the company's shareholders at, before or after this General Meeting;

- authorises the Management Board to allocate the difference between the buyback price of the cancelled shares and their par value at the time of cancellation, to the premiums and free reserves;

- gives all powers to the Management Board to determine the terms and conditions of the cancellation(s), in order to amend, where appropriate, the Company's Articles of Association, make any declarations, carry out any other formalities, and in general do anything necessary.

This authorisation enters into effect upon its acceptance by the present General Meeting. It cancels and replaces the delegation granted by the General Meeting of 23 June 2021, in its 16th resolution.

TWENTY-SEVENTH RESOLUTION (POWERS)

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, grants full powers to the bearer of a copy or extract of the minutes of this Meeting with a view to completing the legal and regulatory formalities.

26. INCLUSION BY REFERENCE

Pursuant to Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Board of 14 June 2017, the following documents are included by reference in this universal registration document:

- The consolidated financial statements for the year ended 31 December 2019, as well as the report of the statutory auditors relating thereto, appearing in paragraphs 18.1.1 and 18.3.1 of the universal registration document filed with the AMF on 30 April 2020 under number D20-0419:

https://www.touax.com/sites/touax/files/document/FR%202019%20TOUAX%20URD%2020200430_0.pdf

https://www.touax.com/sites/touax/files/document/ENG%20TOUAX%20-%20URD%202019%2020200520.pdf

- The consolidated financial statements for the year ended 31 December 2020, as well as the report of the statutory auditors relating thereto, appearing in paragraphs 18.1.1 and 18.3.1 of the universal registration document filed with the AMF on 23 April 2021 under number D.21-0346:

https://www.touax.com/sites/touax/files/document/2021%2004%2023%20TOUAX%20SCA%20URD%202020.pdf

https://www.touax.com/sites/touax/files/document/2021%2005%2019%20TOUAX%20SCA%20URD%202020%20VA.pdf

27. GLOSSARY

River barge: non-motorised metallic flat-bottomed vessel used to transport goods by river.

Container: standard sized metallic freight container.

Modular building: building made of standard elements (modules), installed unmodified at a site by stacking and/or juxtaposition.

EBITDA: Earnings Before Interest, Tax, Depreciation and Amortization. The EBITDA used by the Group corresponds to current operating income restated for allowances for depreciation and provisions for fixed assets.

EBITDAR: Earnings Before Interests, Tax, Depreciation, Amortization and Rent.

Gross debt: it consists of :

• long-term financial liabilities : capital borrowing operations carried out with the public (bonds for example) or with banks or financial institutions (medium or long-term loans, leases, etc, …) ;

• short-term financial liabilities of the same type as above

• fair value hedging financial instruments entered in the balance sheet relating to the liabilities constituting gross financial debt described above ;

• accrued interest on the balance sheet items constituting gross financial debt.

Net debt: gross debt less cash and cash equivalents.

EVP (Equivalent vingt pieds): see TEU.

Free cash flow: Free cash flow can be assimilated to Capacity for self-financing before cost ofnet financial debt and taxes.

Gearing (or net debt ratio): ratio between the net debt and the Shareholders' equity of the whole.

Loan to value (or LTV): ratio between gross debt and total assets less goodwill and intangible assets.

Operational leasing: unlike financial leasing, operational leasing does not transfer almost all the risks and benefits of the asset’s ownership to the lessee.

Pool: equipment grouping.

Pusher, push-tug: motorised vessel used to push river barges.

Operating income: all charges and income not resulting from financial activities, companies accounted for using the equity method, discontinued activities and taxes.

Current operating income: operating profit restated for other operating income and expenses which correspond to very limited, unusual, abnormal and infrequent income or expenses.

TEU (Twenty-Foot Equivalent Unit): Twenty-Foot Equivalent Unit - measurement unit for containers This unit may be physical (one 40’ container is the equivalent of two 20’ containers) or financial (the price of a 40’ container is equal to 1.6 times the price of a 20’ container). The measurement unit used in this report is the physical unit (TEU), unless otherwise indicated (financial unit = CEU). A 20-foot container is worth 1 TEU and a 40-foot container counts for 2 TEUs.

Intermodal transport: the carriage of goods using more than one means of transport, integrated over long distances and in the same container.

Freight railcar: Railcar used to transport goods.

UNIVERSAL REGISTRATION DOCUMENT CONCORDANCE TABLE

In accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Board of 14 June 2017 and in order to facilitate the reading of the annual report filed as a universal registration document, the table below refers to Annexes 1 and 2 of the delegated regulation (EU) 2019/980 of 03/14/2019 and on the pages of the corresponding universal registration document.

CONCORDANCE TABLE FOR THE ANNUAL FINANCIAL REPORT

Nature of the information Pages

CONCORDANCE TABLE FOR THE REPORT TO THE ANNUAL GENERAL MEETING

Nature of the information Pages