FINANCIAL REPORT 2021

ATALIAN
GLOBAL SERVICES

FINANCIAL REPORT

LA FINANCIÈRE ATALIAN

INVESTORS REPORT

TWELVE MONTHS ENDED AS AT DECEMBER 31, 2021

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis summarises the significant factors affecting our results of operations and financial condition during the year ended 31 December 2021. The historical information discussed below for the Group is as of and for the year ended 31 December 2021 and is not necessarily representative of the Group's results of operations for any future period or our financial condition at any future date. We have prepared the audited consolidated financial statements for the Group from 1 January 2021 to 31 December 2021 included herein in accordance with IFRS.

The following discussion includes forward-looking statements based on assumptions about our future business. Our future results could differ materially from those contained in these forward-looking statements. Percentages may be calculated on non-rounded figures and therefore may vary from percentages calculated on rounded figures.

The "Group", "we", "our" and "us", unless otherwise indicated, collectively refer to La Financière ATALIAN S.A.S. and its consolidated subsidiaries.

1. OVERVIEW

We are a leading independent provider of outsourced building services. As at 31 December 2021, we operated in 36 countries, including France and the United Kingdom, our principal markets, serving a diverse range of more than 32,000 customers in the private and public sector. Originally established in 1944 as a provider of cleaning services in France, we began transforming ourselves into a multi-disciplinary provider of outsourced building services in 1999. Our comprehensive multi-service and multi-technical offering covers many market segments for outsourced building services. We provide our services by relying primarily on in-house expertise and resources. We are an important provider of the various types of outsourced building services in each of the countries in which we operate.

From 2009 to 2018, we experienced growth mainly through the acquisition both inside and outside of France of companies with services, expertise and geographical scope that are complementary to our own but also organically. In particular, in France, we significantly expanded our operations through the acquisitions in 2009 of Veolia Propreté Nettoyage et Multiservices ("VPNM"), a cleaning services provider with a significant portfolio of large corporate customers, and Eurogem, a multiservice provider of outsourced building services. Our expansion in France since 2014 included the acquisition of various entities specialising in cleaning services, including Vitsolnet, HEI, Net'Express, Facilicom Services GroupFrance SA ("Facilicom"), a French wholly owned subsidiary of the Dutch Facilicom group, and Clean Residences. Our expansion in France has recently continued, notably with the acquisition in 2018 of Limpa and BBA, two companies specialising in cleaning services. Our acquisitions have allowed us to expand our service offering and expertise to include a broad range of outsourced building services.

We have also used the business model developed in France to significantly grow our presence in international markets outside France, both in response to, and in anticipation of, our clients' needs. Since 2003, we have acquired approximately 300 entities in 36 countries (including France). Since 2015, we acquired companies in the United States, Central and Eastern Europe and expanded our operations into Southeast Asia and North and West Africa.

In 2018, we acquired the entire share capital of Servest Limited, a leading provider of facility management services in the United Kingdom ("Servest UK"). Servest UK provides a full suite of cleaning, building maintenance, catering, security, pest control, compliance and other facilities management services and solutions to over 2,200 public and private sector customers at thousands of clients across the United Kingdom.

In recent years, the Group has focused on the following three strategic pillars:

- driving sustainable and profitable growth;
- continuously improving operational performance; and
- deleveraging actions.

In line with this strategy, the Group refocused its strategy on its core businesses, and introduced a divestment program for non-core activities, as part of which it sold its Landscaping activities in 2019 and Ramky Cleantech in Singapore in 2020.

After a very challenging year in 2020 for most industries in light of the Covid-19 crisis with the Group experiencing a global slow-down in activity, primarily driven by interruptions in activities due to lockdowns and restrictions in certain end markets, the Group demonstrated its ability to rebound in 2021 driven by the successful deployment of the Integrated FM strategy and the strength of its commercial pipeline. In 2021, we had a total revenue of €2,945.7 million, a Recurring EBITDA (see Section 2 "Financial information – Management financial measures") of €210.5 million, and we recorded a net result of €(47.5) million.

2. FINANCIAL INFORMATION

We have corrected the financial statements reported for the financial year ended December 31, 2020. These corrections were the result of errors detected by the Group in the course of the internal controls that it has gradually deployed since 2019, along with the introduction of governance and compliance rules. Since 2019, the Group has been involved in a process of increasing the maturity of its internal control system, which has included the creation of compliance (2018), internal auditing and internal control functions (2019), with the progressive deployment of Key Controls since 2020. Furthermore, in Morocco, the United States and Indonesia, the Group has been able to reinforce the steering of its operations thanks to the appointment of new management teams, the buying out of minority holdings in subsidiaries and the introduction of new management rules. In this context and on the occasion of the 2021 closing of accounts, the Group carried out enhanced controls of the accounting packages and tax returns sent in by the subsidiaries and submitted some of them to examination by external specialists.

As a result, the Group corrected the financial statements reported for the financial year ended December 31, 2020 that led to negative impacts on 2020 Net income and Total Equity (as of January 1, 2020) of €20 million and €30 million respectively.

Management financial measures

We define Recurring EBITDA as operating profit, as reported in our consolidated financial statements, adjusted to exclude the following line items, each of which is as reported in our consolidated financial statements: depreciation and amortization, net; provisions and impairment losses, net; and other income and expenses.

Recurring EBITDA is not a specifically prescribed line item under IFRS, is not a measure of financial condition, liquidity or profitability and should not be considered as an alternative to the profit for the period determined in accordance with IFRS, cash flows generated by operating activities determined in accordance with IFRS or any other measure prescribed by IFRS. We believe that the inclusion of Recurring EBITDA in this report is useful to investors because it provides investors the same information that we use internally for purposes of assessing our operating performance. Recurring EBITDA has important limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results of operations. Because not all companies calculate Recurring EBITDA identically, this presentation of Recurring EBITDA may not be comparable to the similarly titled measure of other companies.

Overview of reporting segments

We have the three following reporting segments:

- **France:** This segment includes all the companies operating in France, either in Cleaning activity or the Other divisions (with notably Multitech and Security) entitled Facility Management. In 2021, our France segment generated €1,378.3 million, or 46.8% of group Net Sales.
  The two business lines that generated revenue in France were cleaning and facility management.
  We offer **cleaning and associated services**, which include periodic cleaning of offices and retail outlets and specialised cleaning services in the health, food-processing, transportation, manufacturing and other industries in France. In 2021, our cleaning business in France generated €993.9 million of revenue (an increase of 4.3% compared to €953.0 million in 2020).

Our **facility management businesses** include multi-technical and multi-service management, safety and security, reception services and others. We also offer bundled facility management services, while reception services are provided through our cooperation with City One. In 2021, our facility management business generated €384.5 million of revenue (an increase of 14.1% compared to €337.0 million in 2020).

- **UK:** This segment includes all the companies operating in the UK and Ireland. Our UK segment is a provider of Facility Management services operating the following main divisions: cleaning, catering, security, technical services and projects. In 2021, our UK segment generated €787.0 million, or 26.7% of group Net Sales.
- **International**: This segment comprises all companies outside France and UK. As of December 31, 2021, we operated in 33 countries outside of France and the United Kingdom and Ireland, in Europe, United States, Southeast Asia, Africa and Middle East, providing cleaning, multi-technical, security and bundled facility management services. In 2021, our International segment generated €782.3 million, or 26.6% of group Net Sales.

In addition, in our consolidated financial statements, we present in our segment information an additional item labelled "**Other**" which (i) includes the activities of our holding companies (except for UK), such as group-level management of finance, legal, accounting, procurement, human resources, fiscal and customer relations matters and (ii) reflects the elimination of intragroup transactions between reporting segments in consolidation. In 2021, Net Sales for "Other" amounted to €(2.0) million.

3. RESULTS OF OPERATIONS FOR FISCAL YEAR ENDED DECEMBER 31, 2020 AND DECEMBER 31, 2021

	For the twelve months ended 31 December	
in millions of euros	**2021 Actual**	**2020 Restated**
NET SALES	2,945.7	2,806.1
Raw materials & consumables used	(655.3)	(626.8)
External expenses	(127.0)	(106.3)
Staff costs	(1,930.6)	(1,835.1)
Taxes (other than on income)	(34.5)	(33.6)
Other recurring operating income and expenses	12.2	2.5
RECURRING EBITDA	210.5	206.9
Depreciation and amortization, net	(91.8)	(97.0)
Provisions and impairment losses, net	(21.1)	(15.8)
Other income & expenses	(28.4)	(13.0)
OPERATING PROFIT	69.2	81.1
Financial debt cost	(81.8)	(83.5)
Income from cash and cash equivalents	0.6	0.8
NET FINANCIAL DEBT COST	(81.2)	(82.7)
Other net financial income and expenses	(12.3)	(8.8)
NET FINANCIAL EXPENSES	(93.5)	(91.4)
Income tax expense	(23.2)	(15.2)
Share of loss of equity-accounted companies	0.0	0.0
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	(47.5)	(25.5)
Net loss from discontinued operations	-	-
INCOME (LOSS) FOR THE PERIOD	(47.5)	(25.5)
Attributable to owners of the company	(52.1)	(28.3)
Attributable to non-controlling shareholders	4.5	2.8

Net sales

The following table sets forth the breakdown of our Net Sales for the periods indicated by reporting segment:

in millions of euros	For the twelve months ended 31 December 2021 Actual	2020 Restated
France	1,378.3	1,289.9
UK	787.0	701.1
International	782.3	817.2
Other	(2.0)	(2.1)
TOTAL NET SALES	**2,945.7**	**2,806.1**

Net Sales increased by €139.6 million, or +5.0%, to €2,945.7 million in 2021 as compared to €2,806.1 million in 2020. This performance included the positive impact of currency movements for 0.1% and the scope effect was negative by 0.2% as the deconsolidation of Harta in Malaysia was partly offset by the consolidation of Aktrion Belgium. The increase of Net Sales like for like reached 5.0% in 2021. The improvement resulted from the relative basis of comparison as 2020 was impacted by the Covid-19 wave with like-for-like Net Sales growth of -3.8%, in a context of easing restriction measures across most geographies outside Asia, as well as the contribution of contract wins. The Group also continued to benefit from the contribution of special works related to Covid-19 sanitary measures although to a lesser extent than in 2020.

By segment:

France. In 2021, Net Sales increased by €88.4 million, or +6.9% (as reported and like-for-like), to €1,378.3 million, as compared to €1,289.9 million in 2020. Net Sales growth (LfL) was driven by dynamic commercial development and successful deployment of Integrated FM strategy which had a positive impact on all activities.

UK. In 2021, Net Sales increased by €85.9 million or 12.3%, to €787.0 million, as compared to €701.1 million in 2020. During 2021, Net Sales growth was 8.5% like-for-like versus 2020, driven by the good performance in Cleaning, Security (including COP26 project) and FM since easing of Covid-19 restrictions in early July 2021.

International. Net Sales decreased by €34.9 million, or -4.3%, to €782.3 million in 2021, as compared to €817.2 million in 2020. When excluding the negative effects of perimeter and foreign exchange rates, like-for-like Net Sales decreased by 0.8% in 2021. This performance mainly resulted from the 10.4% Net Sales decrease in the USA, partly offset by increases in all the other geographies.

Recurring EBITDA

The following table sets forth the breakdown of Recurring EBITDA for the periods indicated by reporting segments:

in millions of euros	For the twelve months ended 31 December 2021 Actual	2020 Restated
France [1]	155.5	144.0
UK	58.1	50.3
International [1]	45.9	53.6
Other [2]	(49.0)	(41.0)
RECURRING EBITDA	**210.5**	**206.9**

[1] *Excluding corporate holdings*
[2] *Corporate holdings and elimination of inter-segment transactions*

Recurring EBITDA increased by €3.6 million, or +1.7% to €210.5 million in 2021, as compared to €206.9 million in 2020. Like-for-like increase was +1.5%.

Recurring EBITDA margin was 7.1% in 2021, down 30 basis points compared to 2020, mainly reflecting integration challenges in the USA, the lower contribution of Covid-19 related extra works, the impact from the relative lower profitability at the start of new contracts wins, which all more than offset the performance actions taken in all regions. These factors could not offset the performance actions taken in all regions.

France. In 2021, Recurring EBITDA increased by €11.5 million, or +8.0%, to €155.5 million, as compared to €144.0 million in 2020. Recurring EBITDA margin reached 11.3%, up 10 basis points compared to 2020, despite the impact of the relatively low profitability at start of the major contracts won in 2021.

UK. In 2021, Recurring EBITDA increased by €7.8 million, or +15.5%, to €58.1 million, as compared to €50.3 million in 2020. Recurring EBITDA margin increased by 20 basis points to 7.4% compared to 7.2% in 2020, as reduction in Covid extra works and the non-recurring benefit from furlough scheme of 2020 were more than offset by higher margin projects.

International. In 2021, Recurring EBITDA decreased by €7.8 million, or -14.4%, to €45.8 million, as compared to €53.6 million in 2020. Recurring EBITDA margin went down by 70 basis points to 5.9% mainly reflecting integration challenges in the USA and lower margin in Asia as a result of Covid-19 related restrictions without the benefit of subsidies, partly offset by margin improvement in other regions thanks to cost efficiencies.

Others. "Others", which includes items that are not components of an operating segment, notably the operations of the Group's holding entities, increased in costs by €8.0 million to €(49.0) million in 2021, as compared to €(41.0) million in 2020.

Operating profit

Operating profit decreased by €11.9 million, or -14.7%, from €81.1 million in 2020 to €69.2 million in 2021. This decrease reflected the impact of higher Other income & expenses (net expenses of €28.4 million compared with net expenses of €13.0 million in 2020) as well as an increase in Provisions to €(21.1) million in 2021 versus €(15.8) million in 2020. Provisions in 2021 included the cost associated with the Judicial Public Interest Agreement ('CJIP') for €15.4 million. Those items were partly offset by higher Recurring EBITDA and lower Depreciation and amortization due to reduced capital expenditures in 2020 in the context of the Covid-19 crisis.

Net income (loss) for the period

Net income for the period was a loss of €47.5 million, as compared to a net loss of €25.5 million in 2020, for the reasons stated above, as well as the impact of the full depreciation of Harta stake in Malaysia and higher income tax charge as a result of higher taxable earnings in main geographies.

4. LIQUIDITY AND CAPITAL RESOURCES

Cash flows

The following table summarizes our consolidated cash flow statements for the periods indicated:

in millions of euros	For the twelve months ended 31 December	
	2021 Actual	2020 Restated
Net cash from (used in) operating activities	163.4	327.4
Net cash used in investing activities	(51.7)	(37.6)
Net cash used in financing activities	(188.3)	(145.7)
Exchange gains (losses) on cash and cash equivalents	2.3	(4.0)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(74.3)	140.2

Net cash from operating activities

in millions of euros	For the twelve months ended 31 December	
	2021 Actual	2020 Restated
Profit / (loss) from continuing operations	(47.5)	(25.5)
Adjustment for and elimination of non-cash items	128.8	124.0
Elimination of net finance costs	81.2	82.7
Elimination of income tax expense	23.2	15.2
Elimination of net other financial expenses	6.2	3.1
CASH GENERATED FROM OPERATIONS BEFORE FINANCIAL EXPENSES AND INCOME TAX	191.9	199.4
Change in working capital	(2.8)	149.0
Income tax paid	(26.6)	(20.2)
Change in factoring deposit	0.8	(0.7)
Cash from discontinued operations	0.0	(0.1)
NET CASH FROM OPERATING ACTIVITIES	163.4	327.4

We experienced a cash inflow of €163.4 million in 2021, as compared to an inflow of €327.4 million in 2020. As 2020 had the benefit of the deferred payment of social charges and taxes for €75.0 million, 2021 were impacted by the actual payment for €68.9 million and €6.1 million are due to be paid in 2022.

Net cash used in investing activities

in millions of euros	For the twelve months ended 31 December 2021 Actual	2020 Restated
Purchase of fixed assets [(1)]	(43.3)	(36.9)
Proceeds from sales of fixed assets	2.3	5.8
Purchase of consolidated companies (net of cash acquired)	(0.6)	(7.6)
Sales of consolidated companies (net of cash sold)	(7.2)	0.1
Other cash flows from investing activities	(2.9)	1.1
NET CASH USED IN INVESTING ACTIVITIES	**(51.7)**	**(37.6)**

[(1)] *Including change in net payables due on fixed assets.*

Net cash used in investing activities increased from €37.6 million in 2020 to €51.7 million in 2021, primarily due to a normalised level of capital expenditures after the cost containment measures of 2020 due to the Covid-19 pandemic.

Net cash used in financing activities

The following table sets out the principal components of our net cash flow used in financing activities for the periods indicated:

in millions of euros	For the twelve months ended 31 December 2021 Actual	2020 Restated
Proceeds from new borrowings	32.6	76.0
Repayments of borrowings	(118.9)	(142.2)
Finance costs, net [(1)]	(76.2)	(76.7)
Dividends	(5.0)	(0.0)
Operations in share capital	(12.4)	0.0
Other	(8.3)	(2.7)
NET CASH USED IN FINANCING ACTIVITIES	**(188.3)**	**(145.7)**

[(1)] *Amount net of capitalized interests and other non-cash interest expenses*

Net cash used in financing activities amounted to €188.3 million in 2021, primarily due to

- the repayment of borrowings of €118.9 million including €25 million relating to the PGE (balance of €25 million of the PGE to be reimbursed in two quarterly instalments by the end of the second quarter of 2022),
- the acquisition and subsequent cancellation of shares held by minority shareholders for €12.8 million.

Net Financial Debt Evolution

in millions of euros	For the twelve months ended 31 December 2021 Actual	2020 Restated
Cash and cash equivalents	157.0	230.7
Short-term bank loans and overdrafts	(3.8)	(3.2)
NET CASH AND CASH EQUIVALENTS	153.2	227.5
Non-current financial liabilities	1,309.5	1,271.2
Current financial liabilities	71.6	116.9
Financial instrument (liability)	2.2	1.5
DEBT	1,383.3	1,389.6
NET FINANCIAL DEBT	1,230.1	1,162.1

As of December 31, 2021, net financial debt was €1,230.1 million as compared to €1,162.1 million as of December 31, 2020. The increase in net financial debt was mainly attributable to the payment of social charges and taxes for €68.9 million (as explained here above under section "Net cash from operating activities). Net financial debt as of December 31, 2021 included immediate financing provided by deconsolidated receivables for €214 million, as compared to €166 million as of December 31, 2020.

5. OUTLOOK

Atalian demonstrated the robustness of its business-model through the pandemic. Based on the strength of the Group's commercial performance of 2021 and its solid commercial pipeline, the Group aims for like-for-like growth in net sales in 2022 in a range of 4% to 6%.

Although group's exposure to Russia, Belarus and Ukraine is modest (0.6% of Net Sales in Russia / Belarus, no exposure to Ukraine), the current macroeconomic and geopolitical environment is generating inflationary uncertainties. Against this backdrop, management is focusing on mitigating actions to sustain margins and operating performance. The progressive profitability improvement expected in the USA should lead to an increase in Recurring EBITDA margin to close to 7.5% in 2022 and circa 8.0% in 2023.

The announced equity injection is expected to be finalised by Summer 2022.

This section "Outlook" contains forward-looking statements regarding the intent, belief or current expectations of the Group. These statements reflect the current views of the Group with respect to future events, are made in light of information currently available to the Group and are subject to various risks, uncertainties and assumptions that may be outside the Group's control.

LA FINANCIÈRE ATALIAN

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Audit Bugeaud

18, rue Spontini
75116 Paris
S.A.S. au capital de € 50 000 – 418 234 274 R.C.S. Paris

Commissaire aux Comptes
Membre de la compagnie régionale de Paris

ERNST & YOUNG Audit

Tour First – TSA 14444
92037 Paris-La Défense cedex
S.A.S. à capital variable – 344 366 315 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie régionale de Versailles
et du Centre

To the Shareholders of La Financière Atalian,

OPINION

In compliance with the engagement entrusted to us by the decisions of the Shareholders, we have audited the accompanying consolidated financial statements of La Financière Atalian for the year ended on 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.

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 the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1, 2021 to the date of our report.

EMPHASIS OF MATTER

We draw your attention to the matter described in Note “2.2. Restatement of financial statements previously reported” to the consolidated financial statements relating to the impacts on the 2020 consolidated financial statements of the corrections of errors accounted for in application of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. Our opinion is not modified in respect of this matter.

JUSTIFICATION OF ASSESSMENTS

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

It is in this complex, 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 assessments that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

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.

Your Company systematically carries out, at the end of the year, an impairment test on goodwill and assesses whether there is an indicator of impairment of non-current assets. We examined the procedures for implementing this impairment test as well as the assumptions used and the cash flow forecasts, the consistency of which we checked against the budgets and medium-term plans approved by Management. We have also checked that note "3.1 Goodwill" to the consolidated financial statements provides appropriate information.

Your company recognizes deferred tax assets according to the methods described in notes “2.1 Accounting policies” and "3.6 Non-current tax assets and liabilities" in the appendix to the consolidated financial statements. We have checked the overall consistency of the assumptions used as well as the calculation made by your company.

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 relating to the Group given in the President's management report. We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

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 enable 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 consolidated financial statements were approved by the President.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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 made 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 events 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.

Paris and Paris-La Défense, March 31, 2022

The Statutory Auditors
French original signed by

AUDIT BUGEAUD	ERNST & YOUNG Audit
Robert Mirri	Christine Staub

LA FINANCIÈRE ATALIAN

CONSOLIDATED FINANCIAL STATEMENTS (FOR THE 12 MONTHS YEAR ENDED 31 DECEMBER 2021)

CONSOLIDATED INCOME STATEMENT

in millions of euros

	Note	Period ended 31 December 2021	Period ended 31 December 2020 restated [1]
NET SALES	10	2,945.7	2,806.1
Raw materials & consumables used		(655.3)	(626.8)
External expenses		(127.0)	(106.3)
Staff costs	11	(1,930.6)	(1,835.1)
Taxes (other than on income)		(34.5)	(33.6)
Other operating income		20.5	26.6
Other operating expenses		(8.3)	(24.2)
OPERATING INCOME BEFORE DEPRECIATION, AMORTISATION, PROVISION AND IMPAIRMENT LOSS	10/11	210.5	206.9
Depreciation and amortisation, net	11	(91.8)	(97.0)
Provision and impairment loss, net		(21.1)	(15.7)
Other income & expenses	11	(28.4)	(13.0)
OPERATING PROFIT		69.2	81.1
Financial debt cost	12.1	(81.8)	(83.5)
Income from cash and cash equivalents	12.1	0.6	0.8
NET FINANCIAL DEBT COST	12.1	(81.2)	(82.7)
Other net financial expenses	12.2	(12.3)	(8.8)
NET FINANCIAL EXPENSES	12	(93.5)	(91.4)
Income tax expenses	14	(23.2)	(15.2)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS		(47.5)	(25.5)
NET INCOME FOR THE PERIOD		(47.5)	(25.5)
Attributable to owners of the company		(52.1)	(28.3)
Attributable to non-controlling interests		4.5	2.8

[1] *Refer to note 2.2.*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in millions of euros

	Period ended 31 December 2021	Period ended 31 December 2020 restated [1]
NET INCOME (LOSS) FOR THE PERIOD	(47.5)	(25.5)
OTHER ITEMS OF COMPREHENSIVE INCOME SUBSEQUENTLY RELEASED TO NET INCOME	18.2	(25.9)
Foreign exchange gains & losses	18.2	(25.9)
OTHER ITEMS OF COMPREHENSIVE INCOME SUBSEQUENTLY RELEASED TO NET INCOME	(0.1)	(3.3)
Acturial gains & losses on pension obligations	(0.1)	(3.3)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	18.1	(29.2)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	(29.4)	(54.6)
ATTRIBUTABLE TO OWNERS OF THE COMPANY	(33.8)	(56.1)
ATTRIBUTABLE TO NON-CONTROLLING INTEREST PARTIES	4.4	1.6

[1] *Refer to note 2.2.*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS in millions of euros	**Note**	**Period ended 31 December 2021**	**Period ended 31 December 2020 restated** [1]
Goodwill	3.1	1,062.8	1,032.5
Intangible assets	3.2 - 13	62.8	68.9
Property, plant and equipment	3.3 - 13	169.1	165.1
Other non-current financial assets	3.5	38.6	33.7
Investments in associates	3.4	0.3	1.9
Deferred tax assets	3.6	83.8	87.9
NON-CURRENT ASSETS		1,417.4	1,389.9
Inventories	4.1	47.8	48.9
Prepayment to suppliers	4.2	6.3	3.9
Trade receivables	4.3	342.6	338.6
Current tax assets		6.3	5.8
Other receivables	4.3	173.0	220.3
Cash and cash equivalents	4.5 - 8.1	157.0	230.7
CURRENT ASSETS		733.0	848.2
TOTAL ASSETS		2,150.3	2,238.1

[1] *Refer to note 2.2.*

EQUITY AND LIABILITIES in millions of euros	**Note**	**Period ended 31 December 2021**	**Period ended 31 December 2020 restated** [1]
Equity			
- Share capital	5.1	114.6	116.2
- Share capital premium		22.7	33.5
- Accumulated results		(319.8)	(278.0)
- Translation reserves	5.2	(3.9)	(22.2)
- Net income for the period		(52.1)	(28.3)
Equity attributable to owners of the company		(238.4)	(178.7)
Non-controlling interests		20.4	16.1
TOTAL EQUITY	5	(218.0)	(162.7)
Non current financial liabilities	7.4 - 8	1,309.5	1,271.2
Provisions for pensions	6.1	27.2	27.1
Provisions for other employee benefits	6.1	6.0	7.5
Deferred tax liabilities	3.6	9.5	9.9
NON-CURRENT LIABILITIES		1,352.1	1,315.8
Prepayment from customers	9.1	9.0	15.1
Trade payables	9.1	325.3	260.1
Other provisions	6.2	60.6	42.6
Other current liabilities	9.1	502.2	530.2
Liabilities related to payroll tax credit prefinancing	9.1	31.4	98.7
Current tax liabilities	9.1	10.0	16.7
Current portion of financial liabilities	7.4 - 8	71.6	116.9
Financial instruments	7.4 - 8	2.2	1.5
Shortterm bank loans and overdrafts	8 - 9.2	3.8	3.2
CURRENT LIABILITIES		1,016.2	1,085.0
TOTAL EQUITY AND LIABILITIES		2,150.3	2,238.1

[1] *Refer to note 2.2.*

CONSOLIDATED CASH FLOW STATEMENT

in millions of euros		Period ended 31 December 2021	Period ended 31 December 2020 restated [1]
A - NET CASH FROM OPERATING ACTIVITIES			
Net income (loss) from continuing activities		**(47.5)**	**(25.5)**
Elim. Operating depreciations, Amortisation, provisions & impairment losses		111.9	115.8
Elim. Gains/ losses on disposal		16.9	8.2
Operating cash flow before changes in working capital		**81.2**	**98.5**
Elim. Net finance costs		81.2	82.7
Elim. Income tax expense		23.2	15.2
Elim. Net other financial expenses		6.2	3.1
Operating cash flow before changes in working capital, net financial debts and income tax expenses		**191.9**	**199.4**
Change in operating working capital (including change in deconsolidated Factoring)		**(2.8)**	**149.0**
Increase/Decrease in Factoring deposit		**0.8**	**(0.7)**
Income taxes paid		**(26.6)**	**(20.2)**
Net operating cash from discontinued operations		**0.0**	**(0.1)**
NET CASH FROM OPERATING ACTIVITIES	A	163.4	327.4
B - NET CASH USED IN INVESTING ACTIVITIES			
Purchases of intangible assets, property, plant & equipment		(43.3)	(36.9)
Proceeds on disposal of intangible assets, property, plant & equipment		2.3	5.8
Purchases of consolidated companies (net of cash acquired)		(0.6)	(7.6)
Sales of consolidated companies (net of cash sold)		(7.2)	0.1
Other cash flows from investing activities		(2.9)	1.1
NET CASH USED IN INVESTING ACTIVITIES	B	(51.7)	(37.6)
C - NET CASH USED IN FINANCING ACTIVITIES			
Change in capital		(12.4)	0.0
Dividends paid during the year		(5.0)	(0.0)
Increase in borrowings		32.6	76.0
Decrease in borrowings		(118.9)	(142.2)
Net financial interest paid		(76.2)	(76.7)
Foreign exchange (losses)/gains on financing activities		(6.2)	(3.0)
Other cash flows from financing activities		(2.1)	0.3
NET CASH USED IN FINANCING ACTIVITIES	C	(188.3)	(145.7)
IMPACT OF FOREIGN EXCHANGE RATE CHANGES AND OTHERS	D	2.3	(4.0)
CHANGES IN NET CASH AND CASH EQUIVALENTS	(A + B + C + D)	(74.3)	140.2
NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		227.5	87.3
Net cash flows for the period		(74.3)	140.2
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		153.2	227.5

[1] *Refer to note 2.2.*

STATEMENT OF CHANGES IN EQUITY

	Share capital and share premium	Reserves/ Retained earnings	Consolidated net income	Foreign exchange reserves	EQUITY attributable to owners of the company	Non controlling interests	TOTAL EQUITY
AS OF 31 DECEMBER 2019 - RESTATED [1]	**149.7**	**(135.2)**	**(131.0)**	**2.4**	**(114.1)**	**14.5**	**(99.6)**
Net income			(28.3)		(28.3)	2.8	(25.5)
Income and expenses recognised directly in equity		(3.3)		(24.8)	(28.1)	(0.8)	(28.9)
TOTAL COMPREHENSIVE INCOME		**(3.3)**	**(28.3)**	**(24.8)**	**(56.4)**	**2.0**	**(54.4)**
Change in share capital & share premium							
Appropriation of FY 2019 Net income		(131.0)	131.0				
Dividends paid							
Changes in consolidation scope and transactions with non-controlling interests		(8.5)		0.2	(8.3)	(0.4)	(8.7)
AS OF 31 DECEMBER 2020 - RESTATED [1]	**149.7**	**(278.0)**	**(28.3)**	**(22.2)**	**(178.7)**	**16.1**	**(162.7)**
Net income			(52.1)		(52.1)	4.5	(47.5)
Income and expenses recognised directly in equity		(0.1)		18.3	18.2	(0.1)	18.1
TOTAL COMPREHENSIVE INCOME		**(0.1)**	**(52.1)**	**18.3**	**(33.9)**	**4.4**	**(29.5)**
Change in share capital & share premium	(12.4)				(12.4)		(12.4)
Appropriation of FY 2020 Net income		(28.3)	28.3				
Dividends paid		(5.0)			(5.0)		(5.0)
Changes in consolidation scope and transactions with non-controlling interests		(8.4)			(8.4)	(0.0)	(8.4)
AS OF 31 DECEMBER 2021	**137.3**	**(319.8)**	**(52.1)**	**(3.9)**	**(238.6)**	**20.4**	**(218.0)**

[1] *Refer to note 2.2.*

APPENDICES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1
GENERAL INFORMATION AND SIGNIFICANT EVENTS

The terms "the Atalian Group", "Atalian" and "the Group" refer to the parent company, La Financière Atalian, and its consolidated subsidiaries and equity method affiliates. The term "the Company" refers solely to the parent company, La Financière Atalian.

FJ International Invest SA, wholly owned by Mr. Franck Julien, is the Group ultimate controlling entity, whose registered office is located at 239 avenue Winston Churchill 1180 Brussels (Uccle) Belgium. La Financière Atalian is owned, in majority, by an intermediate holding: Atalian Holding Development and Strategy (AHDS).

La Financière Atalian – the Group holding company – is a simplified joint-stock company incorporated under French law (société par actions simplifiée), whose registered office is located at 56 rue Ampère, 75017 Paris, France. The Atalian Group provides cleaning services and other support services to companies and organisations, in France, in UK and internationally, in total in 36 countries.

The consolidated financial statements are presented in millions of euros unless otherwise specified.

At 31 December 2021, the Company's share capital was composed of 114,606,584 ordinary shares with a par value of €1 each. A breakdown of the Company's share capital is provided in Note 5 – "Equity".

The Group financial statements have been approved by the Chairman on 30 March 2022 and will be submitted for approval at the subsequent annual general meeting.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.

1.1. SIGNIFICANT EVENTS DURING 2021 FINANCIAL YEAR

1.1.1. Sanitary crisis Covid-19

Net sales of Atalian increased in 2021 in a context of progressive vaccination against Covid19 in all regions and restriction measures fading out. The Group won new contracts and continued to benefit from the contribution of special works related to Covid-19 sanitary measures, notably in the first half of the year and to a lesser extent in the second half of the year 2021.

The operations in countries and segments that generate significant revenues in catering, building project business, hotel and air travel were affected by the repeated lockdowns, border closures, travel restrictions and new routines such as working from home. On the other hand, in 2021, the company benefited from Covid 19 related special works allowing us to mitigate the negative impact of the pandemic and non recurring subsidies of 2020.

Moreover, the agility of the organisation and the strong set of actions taken have paid off and mitigated the impact of the sanitary crisis on the results. Atalian pro-actively reduced the cost base in line with any losses in revenue, mainly through the active management of the workforce and the supply chain.

The company benefited in several countries from government measures in response to Covid-19 facilities, arrangements and rulings provided by national authorities to assist companies through the crisis such as in France, a term loan guaranteed by the French State ("PGE"). Atalian benefited in 2020 from the postponement of the deadline for payment of social security contributions and / or taxes in several countries (mainly in France and in the UK) which was mostly paid in 2021. The liquidity position remained strong throughout 2021.

On the basis of the current business, management has the strong conviction that it is appropriate to prepare the financial statements under the going concern assumption.

1.1.2. Extension of the French State Guaranteed Loan (PGE)

Atalian exercised on 16 April 2021 the extension option for 1 additional year of the French State Guaranteed Loan of €50 million ('PGE'), the new maturity is June 2022. The loan is repaid in quarterly installments of €12.5 million each, the first 2 repayments occurred in September and December 2021.

1.1.3. Acquisitions and divestments

Deconsolidation of shareholding in Harta Maintenance Company (Malaysia)
A dispute and litigation between Atalian and its minority shareholder with regard to the shareholding of Harta Maintenance Company is ongoing. In light of the worsening of the dispute, the Group deconsolidated its shareholding in this entity as of 1st April 2021.

Deconsolidation of Northcom (The Philippines)
A dispute and litigation between Atalian and its minority shareholder with regard to the shareholding of Northcom is ongoing. In light of the worsening of the dispute, the Group deconsolidated its shareholding in this entity as of 1st December 2021.

1.1.4. Repurchase of minority shares

Following approval in the sharehoders' general meeting on 9 March 2021, the Company bought back 1,630,622 of its own shares for a total amount of €12.42 million and cancelled the repurchased shares. Following this capital reduction, AHDS holds 98.5% of La Financière Atalian.

1.1.5. Internal control reinforcement

As part of the strategic plan launched in 2019 and in the context of the Covid 19 crisis Atalian kept on reinforcing the internal control and compliance in the Group.

1.1.6. Minority interests

In the year 2021, the Group Atalian bought minority interests notably in Serbia, Croatia, Belgium, Indonesia, Belgium and in Morocco.

1.1.7. Legal structure

France
Legal mergers took place during 2021 to simplify and optimise the French legal structure organisation.

1.2. SIGNIFICANT EVENTS AFTER 31 DECEMBER 2021

1.2.1 Litigations

On 17 January 2022, the public prosecutor's office of Paris and the company La Financière Atalian (LFA) concluded a judicial convention of public interest (CJIP), in application to the articles 41-1-2 and 180-2 of the Code of Criminal Procedure. At the end of the public hearing of 7 February 2022, this convention was approved by way of an order by the President of the judicial tribunal. The facts, objects of the convention, were revealed in the framework of a judicial inquiry opened on 10 January 2015 and which qualify to laundering of the infringement stated and penalized under paragraph 1 of the article 1743 of the tax code, fraud and fraud attempt.

According to this convention, the company must, on one hand, pay to the public Treasury (Ministry of Finance) a penalty of general interest of an amount of €15 million within 4 months maximum, and on the other hand, has to abide by a compliance program under the control of the Anti-corruption French Agency (AFA) for 2 years. Subject to compliance with these obligations, the convention terminates the prosecution against the company LFA.

The validation decision of the CJIP does not bear a conviction declaration. In addition, concurrently with the conclusion of the CJIP, the ultimate shareholder has, in order to preserve the corporate interest of the Group, agreed to pay a sum of €8.5 million to LFA.

According to the convention, the company LFA must pay in addition €471,105 to redress for damage suffered by Vinci Energies France and Vinci SA, civil parties. A provision of €15.4 million has been made in 31 December 2021 financial statements (refer note 6).

1.2.2 Russia / Ukraine conflict

On 24 February 2022 Russia invaded Ukraine. Due both to these events themselves and the wide range of financial sanctions imposed on Russia, the impact of the crisis in Ukraine on the macroeconomic situation worldwide is highly uncertain. Atalian has no operations in Ukraine. In 2021, revenue from Russian operations represented approximately 0.6% of the Group's consolidated revenue. Further, as of December 31, 2021, Atalian did not own significant cash balances nor other assets in Russia. Atalian is currently reviewing the status of its operations in Russia. Atalian does not anticipate that the impact of the crisis in Ukraine on its Russian operations or any actions it takes locally in response to such events will have a material adverse impact on the consolidated results of operations of the Group. It is too early to assess the impact that any sustained increase in energy or raw materials prices resulting from the crisis would have on the Group's results of operations or financial condition.

NOTE 2
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (IFRS)

2.1. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the Group's consolidated financial statements for the year ended 31st December 2021 are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.
In compliance with Regulation (EC) No. 1606/2002 of the European Parliament and Council dated 19 July 2002, these consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union as at the preparation date, including IASs, IFRSs and the interpretations issued by IFRIC and its predecessor the SIC.

The standards and interpretations adopted by the European Union can be viewed on the European Commission's website at: https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en

Amendments

The Company's accounting policies and methods are unchanged compared to 31 December 2020. The implementation of other amended standards has no material impact on the Consolidated Financial Statements as of 31 December 2021.

Amendments to IFRS 9, IAS 39 and IFRS 7 "Interest Rate Benchmark Reform (Phase 2)"

Following the financial crisis, the reform and replacement of some benchmark interest rates such as LIBOR and other Interbank Offered Rates ("IBORs") has become a priority for global regulators. There is still uncertainty around the timing and precise nature of these changes. The Phase 2 Amendments are effective for annual periods beginning on or after 1 January 2021 on a retrospective basis.

The Group has assessed that the amendments did not materially impact the financial statements but will monitor closely any changes in the future to ensure contract continuity, address term and credit differences between LIBORs and alternative reference rates and impacts on systems, processes and risk and valuation models.

Amendment to IFRS 4 – deferral of IFRS 9

In June 2020 the IASSB published an amendment to IFRS 4 to extend the temporary exemption from applying IFRS 9 until annual periods beginning before 1 January 2023. This amendment maintains the alignment of the effective dates of IFRS 9 and IFRS 17 (insurance contracts). This amendment is not relevant for Atalian's Group financial statements and has no impact on them.

IFRIC clarification on attributing benefits to periods of service

The International Financial Reporting Interpretations Committee (IFRIC) has decided to change the rules for attributing benefits to periods of service for defined benefit plans that meet the following conditions

- employees are entitled to a lump-sum benefit when they reach a particular retirement age, provided they are employed by the entity when they reach that age; and
- the amount of the retirement benefit to which an employee is entitled depends on the employee's length of service before retirement age and is capped at a specified number of consecutive years of service.

For these plans, benefit entitlements are no longer spread over the entire period between the date of entry into the company and the date of retirement but rather over the period of service prior to retirement age which allows the capped entitlements to be obtained.
The impact of this decision is a decrease in the employer's liabilities and is non-material for the Group.

Use of estimates

The Group management prepares the consolidated financial statements by using certain estimates and assumptions that may have an impact on the reported values of assets and liabilities at the balance sheet date, and on items of income and expense for the period. These estimates and assumptions are reviewed on a continuous basis by reference to experience, as well as various other factors considered as reasonable which form the basis for assessing the carrying amount of assets and liabilities. Actual results could differ significantly from these estimates if different assumptions or circumstances apply.

The estimates and assumptions that may have a significant impact on the assets and liabilities and income and expense items in the consolidated financial statements are described below.

Leases

Some lease contracts entered into by the Group include extension options which require an assessment of whether such option will be exercised. If it is reasonably certain that an extension option will be exercised, the period covered by the extension option will be included in the lease liability. As part of such judgment, the Group considers all relevant facts and circumstances that create an economic incentive for it to exercise an extension option, including any expected changes in facts and circumstances from the start date until the exercise date of the option.

Revenue recognition
Mainly in our Multitech and Project business control of rendered services is transferred over time to the customer and therefore revenue is recognised over time, i.e. under the percentage of completion method. For the application of the over time method, the measurement of progress towards complete delivery of a contractual obligation is based on inputs, i.e. cost incurred.

Goodwill impairment testing
Goodwill is tested for impairment at least annually, at the same time each year, using the method described in Note 3.1 below. The recoverable amount of cash-generating units (CGUs) is determined using a discounted cash flow valuation method and is based on estimates of future cash flows.

Provisions for pension and other long-term employee benefit obligations
The present value of the Group's pension and other long-term employee benefit obligations depends on the actuarial assumptions adopted at each reporting date, including the discount rate. Changes in these assumptions affect the carrying amount of pension and other long-term employee benefit obligations.

At each reporting date the Group determines the discount rate to be used for measuring these obligations by reference to market yields on bonds issued by companies with high credit ratings assigned by well-known rating agencies, and which are denominated in the currency in which the benefits will be paid and have terms to maturity approximating the terms of the benefit obligations.
The Group also uses other assumptions that notably depend on market conditions (refer to Note 6).

Deferred tax assets
Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available to realize the related tax benefit, based on tax forecasts drawn up for each taxable entity or tax consolidation group (Refer to Note 3.6). As of 31 December 2021, the recoverability of deferred tax assets has been assessed based on the latest operating plan, which has also been used for the purposes of goodwill impairment testing.

Other provisions
These provisions mainly concern provisions for legal risks and restructuring costs.
A provision is recorded when the Group has a present obligation resulting from a past event, the amount of the obligation can be reliably estimated, and it is probable that an outflow of resources will be required to settle the obligation. The provisions are determined and updated based on assumptions made by the Group at each reporting date and are discounted if the time value of money is material. Provisions are incurred under the line item "Provision and Impairment loss, net" of the income statement.

2.2. RESTATEMENT OF FINANCIAL STATEMENTS PREVIOUSLY REPORTED

In application of the IAS 8 standard, the Company has corrected the financial statements reported for the financial year ended 31st December 2020.

These corrections are the result of errors detected by the Group in the course of the internal controls that it has gradually been deploying since 2019, along with the introduction of governance and compliance rules.

Since 2019, the Group has been involved in a process of increasing the maturity of its internal control system, which has included the creation of compliance (2018), internal auditing and internal control functions (2019), with the progressive deployment of Key Controls since 2020.

Furthermore, in Morocco, the United States and Indonesia, the Group has been able to reinforce the steering of its operations thanks to the appointment of new management teams, the buying out of minority holdings in subsidiaries and the introduction of new management rules.

In this context and on the occasion of the 2021 closing of accounts, the Group carried out enhanced controls of the accounting packages and tax returns sent in by the subsidiaries and submitted some of them to examination by external specialists.
The adjustments/restatements required to the financial statements reported for the financial year ended 31st December 2020 concern the following items:
- reduction of sales (untimely identification and recognition of credit notes and rebates granted to customers) amounting to €2.7 million for the American subsidiary. (Note 2.2.3 below)
- recognition of complementary provisions for impairment of trade receivables for €6.3 million and

for contingency and loss provisions for a total of €16.6 million as of 31 December 2020, resulting from a late identification of facts and circumstances existing at the 2020 reporting date that would have resulted in a different assessment of the risk. Corrections regarding provisions for contingency and loss mainly result from omissions in declarations or detections of errors within declarations to social protection bodies and tax authorities (Notes 2.2.2. and 2.2.3 below)

- increase in operating expenses for €8.7 million mainly related to the Moroccan and American subsidiaries (Note 2.2.3 below)
- write-off of unjustified asset values (capitalisation of costs that fail to comply with the criteria for an asset) in the United States, Morocco and Indonesia (Note 2.2.2 below).

The Group continues to roll out its internal control system. It has also taken the necessary measures as part of a remedial plan whose actions cover the following areas:

- continued provision of training on the policies, procedures and key controls for the operational and financial management in the countries and regions
- tests on the effectiveness of the controls introduced
- reinforced controls on the accounting packages and tax returns produced in accordance with the IFRS standards
- auditing of the statutory financial statements in an accelerated timeframe
- review and reinforcement of invoicing and turnover recognition procedures in the countries concerned
- review and reinforcement of payroll and declaration outsourcing procedures in the countries concerned
- updating and control of the application of the Manual of accounting and consolidation principles according to the IFRS standards, communication and training for the operational and financial management in the countries and regions
- evaluation and reinforcement of the finance functions (profiles, resources, skills).

2.2.1 Summary of the restatements

In accordance with IAS8 Accounting Policies, Changes in Accounting Estimates and Errors, for the presentation of the consolidated financial statements for the financial year ended 31st December 2021, the Group has restated the comparative information for 2020, compared to that reported as of 31 December 2020.

The amounts previously reported reflect those given in the annual financial statements for the financial year ended 31st December 2020. These amounts are identified as "reported" in the tables below. The amounts identified as "Restatements" correspond to the corrections necessary to record the appropriate accounting treatment.

The adjustments made have impacted the opening shareholders' equity at 1 January 2020, by €30.4 million, the results for the financial year ended 31st December 2020 by €(19.9) million and the balance sheet total at 31 December 2020 by €(19.3) million.

The tables that follow summarize the effects of the restatements on the consolidated financial statements for the financial year ended 31 December 2020:

2.2.2 Impact on the consolidated statement of financial position

		Impact of correction of errors		
ASSETS in millions of euros	**Note**	**As of 1st January 2020 previously reported**	**Adjustments**	**As of 1st January 2020 restated**
NON-CURRENT ASSETS	A1	1,461.1	(1.3)	1,459.8
Inventories		44.0	0.2	44.2
Prepayment to suppliers		7.0	(0.1)	6.9
Trade receivables	A3	388.8	(4.7)	384.1
Current tax assets		12.1	(1.5)	10.6
Other receivables	A5	248.9	(5.6)	243.3
Cash and cash equivalents		89.7	0.0	89.7
CURRENT ASSETS		790.6	(11.8)	778.8
Assets held for sale and discontinued operations		3.3	0.0	3.3
TOTAL ASSETS		2,255.0	(13.1)	2,241.9

		Impact of correction of errors		
ASSETS in millions of euros	**Note**	**Period ended 31 December 2020 as previously reported**	**Adjustments**	**Period ended 31 December 2020 restated**
NON-CURRENT ASSETS	A2	1,391.1	(1.2)	1,389.9
Inventories		48.8	0.1	48.9
Prepayment to suppliers		4.0	(0.1)	3.9
Trade receivables	A4	347.4	(8.8)	338.6
Current tax assets		7.3	(1.5)	5.8
Other receivables	A6	228.2	(7.9)	220.3
Cash and cash equivalents		230.7	0.0	230.7
CURRENT ASSETS		866.3	(18.2)	848.2
Assets held for sale and discontinued operations		0.0	0.0	0.0
TOTAL ASSETS		2,257.4	(19.3)	2,238.1

Note A1-A2 : *the adjustment relating to non-current assets mainly corresponds to the depreciation of a long term receivable in Indonesia, recognized at the opening on 1 January 2020.*

Note A3-A4 : *the adjustments relating to trade receivables mainly correspond to impairment loss for €6.3 million, of which €2.9 million were recognized at the opening on 1 January 2020, mainly on the American and Moroccan subsidiaries.*

Note A5-A6 : *the adjustments relating to other receivables mainly impact the opening on 1 January 2020 for €5.6 million, out of a total of €7.9 million as of 31 December 2020, and are mainly of a tax nature for €1.5 million and operational nature for €6.4 million.*

EQUITY AND LIABILITIES in millions of euros	Note	Impact of correction of errors As of 1st January 2020 previously reported	Adjustments	As of 1st January 2020 restated
Equity				
- Share capital		116.2	0.0	116.2
- Share capital premium		33.5	0.0	33.5
- Accumulated deficits		(110.2)	(25.0)	(135.2)
- Translation reserves		2.4	0.0	2.4
- Net income for the period		(131.0)	0.0	(131.0)
Equity attributable to owners of the company		(89.1)	(25.0)	(114.1)
Non-controlling interests		19.9	(5.4)	14.5
TOTAL EQUITY		(69.2)	(30.4)	(99.6)
NON-CURRENT LIABILITIES		1,383.3	(0.5)	1,382.8
Customers prepayment		3.9	0.0	3.9
Current portion of financial liabilities		87.6	0.0	87.6
Current tax liabilities		10.1	0.4	10.5
Trade payables		258.0	1.1	259.1
Current provisions	L1	25.7	13.5	39.2
Liabilities related to payroll tax credit prefinancing		130.3	0.0	130.3
Other current liabilities	L3	417.9	2.8	420.7
Bank overdrafts and other cash position items		2.5	0.0	2.5
Financial instruments		3.7	0.0	3.7
CURRENT LIABILITIES		939.7	17.8	957.5
Liabilities related to assets held for sale and discontinued operations		1.2	0.0	1.2
TOTAL EQUITY AND LIABILITIES		2,255.0	(13.1)	2,241.9

EQUITY AND LIABILITIES in millions of euros	Note	Impact of correction of errors Period ended 31 December 2020 as previously reported	Adjustments	Period ended 31 December 2020 restated
Equity				
- Share capital		116.2	0.0	116.2
- Share capital premium		33.5	0.0	33.5
- Accumulated deficits		(252.7)	(25.3)	(278.0)
- Translation reserves		(24.5)	2.3	(22.2)
- Net income for the period		(10.9)	(17.4)	(28.3)
Equity attributable to owners of the company		(138.3)	(40.4)	(178.8)
Non-controlling interests		23.8	(7.7)	16.1
TOTAL EQUITY		(114.5)	(48.2)	(162.7)
NON-CURRENT LIABILITIES		1,315.9	(0.2)	1,315.8
Customers prepayment		15.1	0.0	15.1
Current portion of financial liabilities		116.9	0.0	116.9
Current tax liabilities		15.7	1.0	16.7
Trade payables		258.3	1.8	260.1
Current provisions	L2	26.0	16.6	42.6
Liabilities related to payroll tax credit prefinancing		98.7	0.0	98.7
Other current liabilities	L4	520.6	9.6	530.2
Bank overdrafts and other cash position items		3.2	0.0	3.2
Financial instruments		1.5	0.0	1.5
CURRENT LIABILITIES		1,056.1	29.1	1,085.0
Liabilities related to assets held for sale and discontinued operations		0.0	0.0	0.0
TOTAL EQUITY AND LIABILITIES		2,257.4	(19.3)	2,238.1

Note L1-L2: *This adjustment is related to recognition of complementary provisions for risks amounting to €16.6 million as of 31 December 2020, including €13.5 million for prior years recognized at the opening on 1 January 2020, and results from a late identification of facts and circumstances existing at the reporting date that would have resulted in a different assessment of the risk. Those corrections mainly result from omissions in declarations or detections of errors within declarations to social protection bodies and tax authorities.*

Note L3-L4: *Adjustments made to other current liabilities for a total of €9.6 million at 31 December 2020, including €2.8 million related to prior years, recognized at the opening on 1 January 2020, are of a tax and social nature for €4.3 million and operational for €5.3 million and mostly related to cut-off issues.*

2.2.3 Impact on the consolidated income statement

		Impact of correction of errors		
in millions of euros	Note	Period ended 31 December 2020 as previously reported	Adjustments	Period ended 31 December 2020 restated
NET SALES	**R1**	**2,808.8**	**(2.7)**	**2,806.1**
Raw materials & consumables used		(626.8)	0.0	(626.8)
External expenses	R2	(103.6)	(2.7)	(106.3)
Staff costs	R3	(1,833.6)	(1.4)	(1,835.1)
Taxes (other than on income)		(33.6)	0.0	(33.6)
Other operating income		26.4	0.3	26.6
Other operating expenses	R4	(19.4)	(4.8)	(24.2)
OPERATING INCOME BEFORE DEPRECIATION, AMORTISATION, PROVISION AND IMPAIRMENT LOSS		**218.3**	**(11.4)**	**206.9**
Depreciation and amortisation, net		(97.0)	0.0	(97.0)
Provision and impairment loss, net	R5	(7.6)	(8.1)	(15.7)
CURRENT OPERATING PROFIT		**113.6**	**(19.5)**	**94.1**
Other operating income & expenses		(13.0)	0.0	(13.0)
OPERATING PROFIT		**100.6**	**(19.5)**	**81.1**
NET FINANCIAL DEBT COST		**(82.7)**	**0.0**	**(82.7)**
Other net financial expenses		(8.8)	0.0	(8.8)
NET FINANCIAL EXPENSES		**(91.4)**	**0.0**	**(91.4)**
Income tax expenses		(14.7)	(0.4)	(15.2)
Share of net income (loss) of other equity-accounted entities		-	0.0	0.0
NET INCOME (LOSS) FROM CONTINUING OPERATIONS		**(5.6)**	**(19.9)**	**(25.5)**
NET INCOME FOR THE PERIOD		**(5.6)**	**(19.9)**	**(25.5)**
Attributable to owners of the company		(10.9)	(17.4)	(28.3)
Attributable to non-controlling interests		5.3	(2.5)	2.8

Note R1: *reduction of sales (identification and untimely recognition of credit notes and customer discounts) amounting to €2.7 million for the US subsidiary.*

Note R2: *this impact reflects in particular external expenses attributable to 2020 financial year identified late within 2021 financial year for €1.2 million, and €1.2 million relating to legal expenses incurred by the Group that had been inappropriately offset by contingent assets.*

Note R3: *it is essentially a correction of the payroll taxes attributable to the 2020 financial year of the US subsidiary.*

Note R4: *adjustments to 'other operating expenses' are attributable to the Moroccan subsidiary for €2.4 million mainly due to the write-off of unjustified asset values and to the US subsidiary for €2.4 million.*

Note R5: *adjustments on 'provision and impairment loss, net' mainly correspond to provisions for risk for €3.7 million and allocations for impairment of receivables for €4.4 million (including €3.4 million related to trade receivables described in section 2.2.2 above).*

2.2.4 Impact on the statement of comprehensive income

in millions of euros	Period ended 31 December 2020 as previously reported	Impact of correction of errors Adjustments	Period ended 31 December 2020 restated
NET INCOME (LOSS) FOR THE PERIOD	(5.6)	(19.9)	(25.5)
OTHER ITEMS OF COMPREHENSIVE INCOME SUBSEQUENTLY RELEASED TO NET INCOME	(28.1)	2.2	(25.9)
Foreign exchange gains & losses	(28.1)	2.2	(25.9)
OTHER ITEMS OF COMPREHENSIVE INCOME NOT SUBSEQUENTLY RELEASED TO NET INCOME	(3.0)	(0.3)	(3.3)
Acturial gains & losses on pension obligations	(3.0)	(0.3)	(3.3)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	(31.1)	1.9	(29.2)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	(36.6)	(18.0)	(54.6)
ATTRIBUTABLE TO OWNERS OF THE COMPANY	(40.9)	(15.2)	(56.1)
ATTRIBUTABLE TO NON-CONTROLLING INTEREST PARTIES	4.3	(2.7)	1.6

Impacts on the statement of comprehensive income are mainly due to adjustments on the U.S. and Moroccan subsidiaries.

2.2.5 Impact on the consolidated statement of changes in equity

	Share capital and share premium	Reserves/ Retained earnings	Consolidate net income	Foreign exchange reserves	"EQUITY attributable to owners of the company"	Non controlling interests	TOTAL EQUITY
AS OF 1 JANUARY 2020 PREVIOUSLY REPORTED	149.7	(110.2)	(131.0)	2.4	(89.1)	19.9	(69.2)
Corrections	0.0	(25.0)	0.0	0.0	(25.0)	(5.4)	(30.4)
AS OF 1 JANUARY 2020 RESTATED	149.7	(135.2)	(131.0)	2.4	(114.1)	14.5	(99.6)
Net income	0.0	0.0	(28.3)	0.0	(28.3)	2.8	(25.5)
Income and expenses recognised directly in equity	0.0	(3.3)	0.0	(24.8)	(28.1)	(0.8)	(28.9)
TOTAL COMPREHENSIVE INCOME	0.0	(3.3)	(28.3)	(24.8)	(56.4)	2.0	(54.4)
Change in share capital & share premium	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Appropriation of FY 2019 Net income	0.0	(131.0)	131.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Changes in consolidation scope and transactions with non-controlling interests	0.0	(8.5)	0.0	0.2	(8.3)	(0.4)	(8.7)
AS OF 31 DECEMBER 2020 RESTATED	149.7	(278.0)	(28.3)	(22.2)	(178.8)	16.1	(162.7)

Impacts on statement of changes in equity are the result of those affecting the balance sheet and the income statement as explained in sections 2.2.2 and 2.2.3.

2.2.6 Impact on the consolidated cash flow statement

in millions of euros		Period ended 31 December 2020 as previously reported	Impact of correction of errors Adjustments	Period ended 31 December 2020 restated
A - NET CASH FROM OPERATING ACTIVITIES				
Net loss from continuing activities		(5.5)	(19.9)	(25.5)
Elim. Share of net income (loss) of equity-accounted companies		(0.0)	0.0	0.0
Elim. Operating depreciations, Amortisation, provisions & impairment losses		108.3	7.5	115.8
Elim. Gains/ losses on disposal		8.2	0.0	8.2
Elim. Other non-cash items		(0.0)	0.0	0.0
Operating cash flow before changes in working capital		111.0	(12.5)	98.5
Elim. Net finance costs		82.7	0.0	82.7
Elim. Income tax expense		14.7	0.4	15.2
Elim. Net other financial expenses		3.0	0.0	3.0
Operating cash flow before changes in working capital, net financial debts and income tax expenses		211.4	(12.0)	199.4
Changes in operating working capital (including change in deconsolidated Factoring)		137.1	11.9	149.0
Increase/Decrease in Factoring deposit		(0.7)	0.0	(0.7)
Income taxes paid		(20.4)	0.2	(20.2)
Net operating cash from discontinued operations		(0.1)	0.0	(0.1)
NET CASH FROM OPERATING ACTIVITIES	A	327.4	0.0	327.4
B - NET CASH USED IN INVESTING ACTIVITIES				
NET CASH USED IN INVESTING ACTIVITIES	B	(37.6)	0.0	(37.6)
C - NET CASH USED IN FINANCING ACTIVITIES				
NET CASH USED IN FINANCING ACTIVITIES	C	(145.7)	0.0	(145.7)
IMPACT OF FOREIGN EXCHANGE RATE CHANGES AND OTHERS	D	(4.0)	0.0	(4.0)
CHANGES IN NET CASH AND CASH EQUIVALENTS	(A + B + C + D)	140.2	0.0	140.2
NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		87.3	0.0	87.3
Net cash flows for the period		140.2	0.0	140.2
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		227.5	0.0	227.5

Impacts on the cash flow statement are the result of those affecting the balance sheet and the income statement as explained in sections 2.2.2 and 2.2.3.

2.3. CONSOLIDATION

2.3.1. Financial year-end

The Group's companies have been consolidated based on their financial statements for the twelve-month period ended 31 December 2021. However, companies acquired during the financial year have only been included in the income statement as from the date on which the Group effectively acquired control. Similarly, companies disposed of during the financial year have only been included in the income statement until the date on which the Group effectively lost control. The year ended 31 December 2021 consisted of twelve months.

2.3.2. Consolidation methods and scope of consolidation

Subsidiaries

Subsidiaries are the companies over which La Financière Atalian has control, either directly or indirectly. Control is characterised by power over the investee with the current ability to direct the relevant activities and an exposure or rights to variable returns with the ability to use its power over the investee to affect the amount of the investor's returns. They are consolidated with fully consolidated method, taking into account the existence and effect of the voting rights of non-controlling interests. Control is presumed to exist when the Group has the power to govern an entity's financial and operating policies so as to obtain benefits from its activities, generally as a result of a shareholding representing more than a half of the voting rights. Control may also arise when a contract exists entitling the Group to govern an entity's financial and operating policies, or when the Group is able to govern the financial and operating policies by virtue of de facto control. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated at consolidation level.

Subsidiaries are fully consolidated from the date when control is transferred to the Group and are deconsolidated from the date when control ceases.

The profit or loss of subsidiaries is allocated between the Group and non-controlling interests based on their percentage interest in the subsidiary concerned, even if this results in the recognition of negative amounts.

A list of La Financière Atalian's subsidiaries is provided in Note 18.

Associates

Associates are entities over which the Group has significant influence but not control.
Investments in associates are accounted for using the equity method. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill (net of any accumulated impairment losses) identified at the time of acquisition, which is not tested separately. If the Group's interest in an associate is reduced to zero, additional losses are provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations on behalf of the associate.

The Group's share of the profit or loss of associates is recognised in the consolidated income statement, and its share of movements in other comprehensive income is recognised in other comprehensive income. Unrealised gains on transactions between the Group and its associates are eliminated pro rata to the Group's interest in the associates concerned.

A list of the Group's associates is provided in Note 18.
Accounting policies of subsidiaries and associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Other investments

Shares in companies over which La Financière Atalian does not exercise any influence are recognised as investments in non-consolidated companies on the line "Other non-current financial assets" and measured at fair value, through the income statement.

Number of entities and changes in the scope of consolidation

	At 31/12/21	At 31/12/20
Fully consolidated companies	186	241
Companies accounted for by the equity method	3	5
	189	246

The change in the number of entities and in the scope of consolidation is mainly driven by the internal merger of Group entities, especially the simplification of the French legal structure organisation and the deconsolidation of Harta (Malaysia) and Northcom (Philippines).

2.3.3. Translation of the financial statements of foreign subsidiaries

The results and financial position of consolidated subsidiaries that have a functional currency other than euro are translated into euros as follows: (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet (except for equity which is translated at historical rates), and (ii) income and expenses and cash flow statement items are translated at average exchange rates for the year.

All resulting exchange differences are recognised under "currency translation reserve" in other comprehensive income.

In Lebanon the cumulative rate of inflation over the last three years is in excess of 100%, based on a combination of indices used to measure inflation in this country qualifying Lebanon as hyperinflationary economy.
The contribution to the Group financial statements of Atalian Lebanese subsidiaries as of 31 December 2021 is immaterial.

Main currencies as of 31 December 2021 and in average in FY 2021 are the followings:

		2021		2020	
Exchange Rates		**Average Rate**	**Closing Rate**	**Average Rate**	**Closing Rate**
Pound Sterling	↗	0.8598	0.8403	0.88958	0.89903
US Dollar	↘	1.1829	1.1326	1.1424	1.12271
CEE					
Czech Koruny	↗	25.6430	24.8580	26.4500	26.2420
Croatin Kuna	↗	7.5285	7.5156	7.5381	7.5519
Hungarian Forint	↘	358.54	369.19	351.20	363.89
Polish Zloty	↘	4.5651	4.5969	4.4425	4.5597
Russian Ruble	↘	87.178	85.300	82.703	91.467
New turkish Lira	↘	10.510	15.233	8.0541	9.1131
Asia					
Singapore Dollar	↘	1.5892	1.5279	1.5742	1.6218
Thai Baht	↘	37.834	37.653	35.704	36.727
Indonesian Rupiah (thousand IDR)	↘	16.922	16.100	16.626	17.241
Malaysian Ringgit	↘	4.9017	4.7184	4.7957	4.9340
Philippine Peso	↘	58.303	57.763	56.625	59.125
Africa & Middle East					
Moroccan Dirham	↗	10.627	10.519	10.821	10.899

↗ *On average (in 2021 versus 2020), Currency has strengthened against €*
↘ *On average (in 2021 versus 2020), Currency has weakened against €*

2.3.4. Translation of foreign-currency transactions

In application of IAS 21, the loans constituting in substance monetary items that are part of the net investment in foreign subsidiaries were analysed in order to identify the loans whose payment is neither planned nor probable in the foreseeable future.
In compliance with IAS 21.15 and 32, exchange differences relative to a loan are recognised in other comprehensive income (OCI) and must be reclassified later to profit or loss on disposal of the net investment. Financing which qualifies as a net investment in foreign subsidiaries (currencies) concerns subsidiaries in the UK.

Foreign-currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the closing rate. Any resulting exchange differences are recognised in the income statement under the financial expenses.

2.3.5. Financial risks

The local presence of the Group's activities limits its exposure to foreign exchange transactional risk. Regarding foreign exchange risk on assets, Group policy is, whenever possible to back net foreign investments with foreign currency financing (as for example, to hedge UK assets with GBP Bond). Nevertheless, some exposure remains not perfectly hedged.

The foreign exchange policy aims at centralising the foreign exchange risk at the holding level.

Certain Group entities use financial instruments for the purpose of reducing the impact of exchange rate fluctuations on their income statements.
Financial assets and liabilities are recognised in the Group's consolidated financial statements at the date of the transaction corresponding to the date when the Group becomes a party to the contractual provisions of the instrument.

The Group holds derivative financial instruments to hedge its foreign currency risk exposure. As of 31 December 2021, hedge accounting was applied for these derivatives.

The Group designates certain derivatives as fair value hedge, when their purpose is to eliminate the fair value risk of current cash accounts in local currency. They are recognised at their market value in the consolidated statement of financial position ("financial instruments"). The fair value changes of these derivatives are recognised in the income statement under the line item "Other net financial expenses".

At 31 December 2021, the following swap contracts against euro were in place:

Foreign Currency Fair Value Hedge

Breakdown of financial instruments designated as fair value hedges:

Financial instrument	Notional amount as of December31, 2021 by maturity				Fair value of derivatives	
in millions of euros	Amount	< 1 year	1 to 5 years	> 5 years	Total assets	Total liabilities
Buy Spot / Sell Fwd Currency (Borrowing currency)						
USD	44.4	44.4				
CZK	2.3	2.3			0.0	
GBP	3.6	3.6				0.0
HRK	3.3	3.3				0.0
HUF	1.1	1.1				0.0
MAD	2.5	2.5			0.0	
PLN	5.5	5.5			0.0	0.1
RUB	1.0	1.0				
SGD	2.2	2.2				0.0
THB	1.6	1.6			0.0	
TRY	0.6	0.6			0.1	
SUB-TOTAL	**68.1**	**68.1**			**0.2**	**0.1**
Sell Spot / Buy Fwd Currency (Lending currency)						
GBP	20.0	20.0			0.0	0.0
CZK	5.8	5.8			0.1	
HUF	0.3	0.3			0.0	
RON	0.7	0.7				
SUB-TOTAL	**26.8**	**26.8**			**0.1**	**0.0**
TOTAL FOREIGN CURRENCY DERIVATIVES	94.9	94.9			0.3	0.1

The fair value hedges presented above mainly consist of foreign currency swaps hedging balance sheet items and mainly hedges of internal financing.

Financial instruments are used purely for hedging purposes, are set up with first rank banks and do not present any risk of illiquidity if the hedges need to be unwound.

Reports are regularly provided to the management and supervisory bodies of the companies concerning the use of these instruments, the choice of counterparties, and more generally the exposure to currency risk.

The Group also designates certain derivatives or non-derivatives financial liabilities as hedges of foreign exchange risk of net investment in a foreign operation and qualifies as Net Investment Hedge (NIH).
The effective portion of changes in the fair value of these derivatives or foreign exchange gains and losses for non-derivatives is recognised in Other Comprehensive Income (OCI) and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on non- derivatives is recognised immediately in profit or loss. The amount recognised in OCI is fully or partially reclassified to profit or loss as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

Hedge of a net investment in a foreign operation

Financial instruments designated as net investment hedges break down as follows:

Financial instrument	Notional amount as of December31, 2021 by maturity				Fair value of derivatives	
in millions of euros	Amount	< 1 year	1 to 5 years	> 5 years	Total assets	Total liabilities
Buy Spot / Sell Fwd Currency (Borrowing currency)						
USD	21.9	21.9				2.3
TOTAL FOREIGN CURRENCY DERIVATIVES	**21.9**	**21.9**				**2.3**
GBP borrowings (bonds)	267.8		267.8			
TOTAL FINANCING	**267.8**		**267.8**			

The above swaps are short term but generally renewed at maturity.

Type of financial risks to which the Group is exposed and related risk management principles

Currency risk

In general, the Group's exposure to foreign exchange risk on current commercial transactions is limited. Contracts invoiced in foreign currency give rise to expenses which are mainly denominated in the same currency. This is particularly the case for most projects and services performed outside France, for which the portion of expenses denominated in local currency is much greater than the portion denominated in euros.

As the Group operates in 36 countries, all items in the financial statements are impacted by foreign currency translation and more specifically the change in Pound sterling and US dollar.

This conversion risk results from the consolidation in euros of the financial statements of subsidiaries with different functional currencies. Any fluctuation of the exchange rate of these currencies against Euro has an impact on the amount of the Group's financial statements. The Group's main exposures are the British pound and the US dollar:

- if Euro had strengthened by 10% in relation to the Pound sterling, sales and recurring operating profit before amortisation, depreciation and provisions published at 31 December 2021 would have been lower by €78.7 and €5.8 million respectively.
- if Euro had strengthened by 10% in relation to the US Dollar, sales and recurring operating profit before amortisation, depreciation and provisions published at 31 December 2021 would have been lower by €16.2 million and higher by €0.3 million respectively.

Interest-rate risk

The Group's interest-rate risk relates to variable-rate financial liabilities shown on the balance sheet. The Group's principal debt is a fixed-rate bond debt.

Counterparty risk

The Group periodically assesses counterparty risk. Consequently, only financial transactions with leading financial institutions are authorised.

Credit risk

Credit risk arises from the probability that the Group's customers may default, requiring a write-off of the related trade receivables.

The Group considers the credit risk on its trade receivables to be low as these receivables are spread over many customers in France and abroad, with no single customer accounting for more than 10% of consolidated revenue. Further details on the Group's trade receivables are provided in Note 4 – "Current assets."

Liquidity risk

The Group manages liquidity risk by using credit facilities set up with banks. The amounts and maturities of these facilities are adapted to ensure that the Group has sufficient cash to respect its commitments.
In addition, the Group finances a portion of its working capital through a trade receivables sale programme comprising factoring agreements which at the year-end represented a maximum of €284.3 million worth of factored receivables.
Detailed information on the Group's credit facilities and factoring is provided in Note 7 – "Long- and short-term financial liabilities".

2.3.6. Related parties

The parties considered as related to the Group, as well as the material transactions carried out with these parties during FY 2021, are as follows:

- The members of the Group's governance bodies (Management Board and Supervisory Board).
- The real estate companies (sociétés civiles immobilières) owned by the Group's ultimate shareholder that lease properties to the Group. Rental payments under these leases amounted to €0.5 million at year-end 2021.
- In addition, the security deposits paid to the non-trading property companies amounted to €0.3 million at the year-end 2021.
- €0.96 million in trademark fees and €11.2 million in (i) management fees, charged for top managers' compensation, as well as consulting and strategic services, by companies indirectly held by Group's ultimate shareholder, AHDS Management (ii) and other top management's compensation.
- The Group cooperates with City One, a company which provides reception and subcontracting services. Sophie Pécriaux-Julien, member of the Board of Directors of AHDS and Chairman of LFA Supervisory Board, is the controlling shareholder and Chairman of City One. Revenue generated from City One amounted to €1.6 million in FY 2021, and external expenses with this supplier amounted to €33.1 million in FY 2021.
- The Group has current cash account under the cash advance agreement with Atalian Holding Development & Strategy which is a component of cash and cash equivalents for €9.7 million (see Note 4.5).
- Associates as City Services in France, which are accounted for by the equity method (see Note 18).
- AHDS has signed cross puts and calls with certain minority shareholders of Atalian subsidiaries, some of which have presence clauses; consequently they may be employees of the Atalian Group. Any subsidiaries of the Atalian Group may substitute AHDS in all the puts and calls options at Atalian sole discretion if AHDS elects to assign such option to Atalian. The Group does not recognise any debt in relation with puts entered into by AHDS as it is not a party to these agreements from a legal standpoint.

2.3.7. Asset held for sales

In accordance with IFRS 5 "Non-current assets held for sale and discontinued operations", Non-current assets held for sale are presented separately in the statement of financial position as soon as the Group has decided to sell these assets and when the sale is considered to be highly probable. These assets are measured at the lower of the carrying amount and the fair value less costs to sell, and are therefore no longer subject to depreciation and amortisation. When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of this subsidiary shall be classified as held for sale. It is not applicable in 2021.

2.4. STATEMENT OF CASH FLOWS

The Group has opted to use the indirect method to present the consolidated statement of cash flows, which consists in determining cash flows from operating activities by adding back to or deducting from profit for the period all non-cash transactions and all cash flows relating to investing and financing activities.

Net cash and cash equivalents – whose movements are analysed in the statement of cash flows – are defined as cash and cash equivalents less short-term bank loans and overdrafts.

NOTE 3
NON-CURRENT ASSETS

3.1. GOODWILL

Acquisitions are accounted for under the acquisition method in accordance with IFRS 3. Under this method, the purchase price is allocated to the identifiable assets acquired and liabilities assumed based on their acquisition- date fair values.

Their fair values are calculated at the acquisition date and may be adjusted within twelve months of that date.

Cost directly related to the acquisition are expensed as incurred and are included in External charges in the consolidated income statement.

Goodwill corresponds to the excess of (i) the aggregate of the consideration transferred and the amount of any non-controlling interests in the acquiree, as measured at fair value, over (ii) the net of the acquisition-date fair values of the identifiable assets acquired and liabilities assumed. Positive goodwill is recognised in the balance sheet, under Goodwill and negative goodwill is recorded in the income statement in the year of the acquisition.

Goodwill is allocated to each Cash-Generating Unit (CGU) that is expected to benefit from the synergies of the business combination, depending on the level at which the return on investments is monitored. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of those generated by other assets of the entity.

Goodwill is tested for impairment at least annually, at the same time each year, and whenever there is an indication that it may be impaired.

An impairment loss is recognised if the net book value of the Cash-Generating Unit (CGU) is greater than its recoverable amount. If applicable, an impairment loss recognised in respect of one CGU is allocated first to the reduction in the carrying amount of any goodwill allocated to the CGU and then to the reduction in the carrying amount of the other assets of the CGU prorated to the book value of each asset in the CGU. Any impairment of goodwill is then definitive.

The recoverable amount of a CGU is the higher of its fair value less costs of disposal and its value in use. The value in use of each CGU is determined by estimating and discounting future cash flows. At 31 December 2021, the following principles were used for the related calculations:

- The discount rate for future cash flows was determined based on the weighted average cost of capital. The rates retained are disclosed in note 3.1.3.
- Cash flows projections were derived from the budget and the medium- term business plans drawn up by the country and regional management team of the tested CGU and approved by the Group Management Board. Key drivers of the cash flows projections are the relevant assumptions on organic growth, EBITDA margin ratio, working capital and capital expenditure. The budget and the medium-term business plans are prepared and approved once a year during the fourth quarter of the reporting year.
- Terminal value is extrapolated by applying to normative cash flows for subsequent years a growth rate to perpetuity (see note 3.1.3 for the rates applied at 31 December 2021 and at 31 December 2020). This growth rate reflects the expected long-term growth in the markets in which the Group’s CGUs operate.

Goodwill is tested at the level of groups of CGUs corresponding to the operating segments as below:

- A France CGU, comprising all of the companies located in France, excluding Aktrion entities.
- A UK CGU, comprising all companies located in the UK and Ireland, excluding Aktrion entities.
- An International CGU, comprising all companies outside France, UK and Ireland including the Aktrion sub-group.

3.1.1. Movements

in millions of euros	Gross	Impairment	Net
31 DECEMBER 2019	1,070.7	(4.3)	1,066.4
Goodwill finalisation	-	-	-
Impact of changes in Group structure and others	(2.1)	0.2	(1.9)
Impact of exchange rates	(32.0)	-	(32.0)
31 DECEMBER 2020	1,036.6	(4.1)	1,032.5
Goodwill finalisation	-	-	-
Impact of changes in Group structure and others	(5.1)	0.0	(5.1)
Impact of exchange rates	35.3	0.1	35.4
31 DECEMBER 2021	1,066.8	(4.0)	1,062.8

3.1.2. Breakdown of goodwill by CGU

in millions of euros	31/12/2021	31/12/2020
France	443.9	443.6
UK	429.9	400.8
International	189.0	188.2
TOTAL	1,062.8	1,032.5

3.1.3. CGU impairment testing

The assumptions used for determining the value in use of the CGUs were as follows:

in millions of euros

	31/12/2021	31/12/2020
FRANCE CGU		
Carrying value	€190 m	€179 m
Cash-flow projections	4 -year business plan + terminal value	4 -year business plan + terminal value
Discount rate	8.1%	8.0%
Long-term growth rate	2.0%	2.0%
UK CGU		
Carrying value	€486 m	€501 m
Cash-flow projections	4 -year business plan + terminal value	4 -year business plan + terminal value
Discount rate	8.3%	8.8%
Long-term growth rate	2.1%	2.0%
INTERNATIONAL CGU		
Carrying value	€214 m	€227 m
Cash-flow projections	4 -year business plan + terminal value	4 -year business plan + terminal value
Discount rate	8.4%	9.3%
Long-term growth rate	2.0%	2.0%

WACC assumptions

As specified by IAS 36, the cash flows derived by the CGU must be discounted to reflect the passage of the time. As the discount rate is usually not observable in the market, consequently a model needs to be used. The most applied being the weighted average cost of capital (WACC) using the Capital Asset Pricing Model (CAPM). An entity is usually funded by a mixture of debt and equity (equity shareholders being exposed to higher risks than debt holders) Atalian WACC represents the minimum

return that must be earned from its assets base to satisfy both its debt and shareholder.
WACC components include :
i. Cost of Equity which is determined based on the interaction of several parameters – CAPM model used to define it
ii. Risk free rate: based on the 10 years Yield where applicable of governmental bonds for CGU regions
iii. Beta: measures the systematic risk of the asset as compared to its market (ie correlation and magnitude)
iv. Equity, Country, size and company specific risk premium: determines the incremental return expected as compared to the risk-free rate depending on the country, size and specificity of the company environment.

IAS 36 is clear that the discount rate used must be independent of the entity current capital structure (D/E gearing). Consequently, the amounts and weighting of Debt and Equity must be based on those of a peer group of entities that are reflective of the capital structure that an investor would apply when investing in the entity or CGU (ie the "capital market structure"). Atalian used a peer group of 9 competitors.

Results
No impairment losses were recorded at 31 December 2021, as the recoverable amount of each CGU exceeded the carrying amount of their carrying value.
With all other factors remaining constant, in the event of a 0.50% increase in the discount rate or a 0.50% decrease in the long-term growth rate the value in use would be reduced, resulting in the value in use of the UK CGU exceeding its carrying value:

Sensitivity as of 31 December 2021 in millions of euros	**WACC Impact of +0.5%**	**Long-term growth Impact of -0.5%**
FR	(79.0)	(64.6)
UK	(37.9)	(31.0)
International	(48.7)	(39.7)

The Group is exposed to the economic developments in the United Kingdom. Our operations in the UK contributed €787.0 million to the Group Revenues and €58.1 million to the Operating Income before Depreciation, Amortisation, Provision and Impairment Loss and have been more impacted by the pandemic crisis due to a higher contribution from contracts with clients in the Catering. The Group believes that the Covid-19 pandemic has not structurally altered the long-term outlook of operations.

3.2. INTANGIBLE ASSETS

IAS 38 defines an intangible asset as an identifiable non-monetary asset without physical substance. The Standard states that an asset meets the identifiability criterion in this definition when it:
- is separable, i.e. capable of being sold, rented, exchanged independently or transferred; or
- arises from contractual or other legal rights, regardless of whether those rights are separable.

Expenditure on acquired software, trademarks, customer relationships, licences and other intangible assets are capitalized and amortised on a straight-line basis over their estimated useful lives as follows:
- Cleaning customer relationship of Servest: 11 years
- Customer relationship of TEMCO US: 10 years
- Catering and Security customer relationship of Servest: 9 years
- Technical services customer relationship of Servest: 8 years
- AKTRION customer relationship: 7 years.

GROSS in millions of euros	Software, licences, patents and similar rights	Other intangible assets	TOTAL
31 DECEMBER 2019	47.5	91.4	138.9
Currency Translation differences	(0.4)	(5.0)	(5.4)
Transfer and other movements	(4.5)	(0.0)	(4.5)
Changes in Group structure	(0.0)	(0.0)	(0.0)
Acquisitions	5.6	3.7	9.3
Disposals, reductions and others	(0.0)	(3.6)	(3.6)
31 DECEMBER 2020	48.1	86.5	134.6
Currency Translation differences	0.4	5.4	5.7
Transfer and other movements	0.5	(2.4)	(1.9)
Changes in Group structure	0.0	(0.2)	(0.2)
Acquisitions	3.0	6.5	9.5
Disposals, reductions and others	(1.9)	(0.0)	(1.9)
31 DECEMBER 2021	50.1	95.7	145.8

AMORTISATION AND IMPAIRMENT in millions of euros	Software, licences, patents and similar rights	Other intangible assets	TOTAL
31 DECEMBER 2019	(34.6)	(23.0)	(57.6)
Currency Translation differences	0.3	1.4	1.7
Transfer and other movements	1.7	(0.7)	1.0
Changes in Group structure	(0.0)	0.0	0.0
Disposals, reductions and others	0.0	3.6	3.6
Depreciation expense	(5.2)	(9.3)	(14.5)
31 DECEMBER 2020	(37.9)	(27.9)	(65.7)
Currency Translation differences	(0.1)	(2.0)	(2.1)
Transfer and other movements	0.4	(2.1)	(1.8)
Changes in Group structure	0.0	0.1	0.1
Disposals, reductions and others	1.7	0.0	1.7
Depreciation expense	(5.9)	(9.3)	(15.2)
31 DECEMBER 2021	(41.8)	(41.2)	(83.1)

NET in millions of euros	Software, licences, patents and similar rights	Other intangible assets	TOTAL
31 DECEMBER 2020	10.3	58.6	68.9
31 DECEMBER 2021	8.3	54.5	62.8

3.3. PROPERTY, PLANT AND EQUIPMENT

The cost of an item of property, plant and equipment consists of its purchase price, including import duties and non-recoverable taxes, after deducting trade discounts and rebates, as well as any costs directly attributable to bringing the asset to its required working condition.

Subsequent costs are recognised as expenses except when they improve the originally expected performance of the asset, increase its useful life, or reduce predefined operating costs.

After recognition as an asset, an item of property, plant and equipment is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated based on an asset's estimated useful life, which corresponds to the period over which the entity expects to use the asset.

Depreciable amount is the cost of an asset less any residual value. Residual value is the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life (excluding the effects of inflation).

The main estimated useful lives applied are as follows:
- Buildings: 20 years;
- Equipment and machinery: 3 to 5 years;
- Other items of property, plant and equipment: 4 to 10 years depending on the type of asset (vehicles, office furniture etc.).

These useful lives are reviewed annually and are adjusted if current estimated useful lives differ from previous estimates. Any such adjustments are treated as a change in an accounting estimate and are recognised prospectively.

Leases:
Right-of-use assets totaling €106.8 million held under leases were capitalized in property, plant and equipment. Further information on leases and related Right-of-use are disclosed in note 13.

GROSS in millions of euros	**Land, buildings, real estate**	**Plant and equipment**	**Vehicles and transport equipment**	**Others**	**Assets under construction and prepayments to suppliers**	**TOTAL**
31 DECEMBER 2019	**92.8**	**187.7**	**84.0**	**103.0**	**1.7**	**469.2**
Currency Translation differences	(1.8)	(4.3)	(2.3)	(2.9)	(0.1)	(11.5)
Modifications and reassesments of leases	(12.4)	2.2	(19.4)	(3.6)	(0.9)	(34.1)
Changes in Group structure	0.0	0.0	(0.0)	(0.0)	(0.0)	0.0
Acquisitions	17.2	16.6	25.8	14.3	1.1	75.0
Disposals, reductions and others	(5.6)	(13.1)	(3.7)	(10.2)	(0.1)	(32.6)
31 DECEMBER 2020	**90.2**	**189.2**	**84.3**	**100.5**	**1.8**	**466.0**
Currency Translation differences	1.3	2.4	1.6	2.2	0.0	7.5
Modifications and reassesments of leases	(11.5)	(9.7)	(11.7)	5.0	(0.7)	(28.5)
Changes in Group structure	(0.2)	(4.2)	(0.7)	(0.8)	(0.0)	(6.0)
Acquisitions	11.9	34.6	28.4	12.5	4.6	92.0
Disposals, reductions and others	(2.8)	(40.1)	(3.7)	(12.1)	(0.0)	(58.6)
31 DECEMBER 2021	**88.9**	**172.2**	**98.2**	**107.4**	**5.7**	**472.4**

DEPRECIATION AND IMPAIRMENT in millions of euros	**Land, buildings, real estate**	**Plant and equipment**	**Vehicles and transport equipment**	**Others**	**Assets under construction and prepayments to suppliers**	**TOTAL**
31 DECEMBER 2019	**(24.7)**	**(134.9)**	**(45.3)**	**(74.5)**	**(0.1)**	**(279.5)**
Currency Translation differences	0.4	2.8	1.1	1.8	0.0	6.1
Modifications and reassesments of leases	10.5	(1.3)	17.6	2.4	-	29.2
Changes in Group structure	(0.0)	(0.0)	0.0	0.0	-	0.0
Disposals, reductions and others	0.6	12.3	3.7	9.3	-	25.9
Depreciation expense	(14.3)	(26.9)	(24.6)	(16.8)		(82.7)
31 DECEMBER 2020	**(27.6)**	**(148.0)**	**(47.5)**	**(77.7)**	**(0.1)**	**(300.9)**
Currency Translation differences	(0.4)	(1.7)	(0.8)	(1.8)	(0.0)	(4.7)
Modifications and reassesments of leases	4.5	3.4	13.3	(2.8)	0.1	18.5
Changes in Group structure	0.1	2.9	0.6	0.7	-	4.3
Disposals, reductions and others	1.4	38.1	2.8	13.7	-	56.0
Depreciation expense	(12.8)	(24.1)	(25.3)	(14.5)	-	(76.6)
31 DECEMBER 2021	**(34.7)**	**(129.3)**	**(56.9)**	**(82.4)**	**0.0**	**(303.3)**

The lines modification and reassessment of Right of Use assets (both in Gross and Depreciation and Amortizations) are related to either early termination or amendment of value for Lease contracts under IFRS16 qualification.

NET in millions of euros	Land, buildings, real estate	Plant and equipment	Vehicles and transport equipment	Others	Assets under construction and prepayments to suppliers	TOTAL
31 DECEMBER 2020	62.6	41.2	36.8	22.8	1.7	165.1
31 DECEMBER 2021	54.2	42.9	41.3	24.9	5.8	169.1

3.4. INVESTMENTS IN ASSOCIATES

INVESTMENTS IN ASSOCIATES in millions of euros	TOTAL
31 DECEMBER 2020	1.9
Transfers, share issues and other movements	(1.6)
Translation of foreign subsidiaries differences	(0.0)
31 DECEMBER 2021	0.3

3.5. OTHER NON-CURRENT FINANCIAL ASSETS

Classification

Other non-current financial assets mainly comprise

- Factoring security deposits classified as amortised cost.
- Investments in non-consolidated companies and other long-term investments are classified at fair value. Changes in fair value of these financial assets – including unrealised gains and losses – are recognized in the income statement.
- Other financial assets, mainly composed of loans and receivables attached to equity interests are classified as amortised cost.

Recognition and measurement

Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Group commits to purchase or sell the asset.

A financial asset is derecognised when the Group's contractual rights to receive cash flows from the asset have expired or the Group has transferred the financial asset to a third party without retaining control or substantially all of the risks and rewards of ownership of the asset.

Financial assets are initially recognised at fair value plus, in the case of a financial asset not at fair value through profit, transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs for financial assets classified as at fair value through profit are expensed in the income statement.

A financial asset is classified as a current asset when the cash flows from the instrument are expected to be received within one year.

The amortised cost of a financial asset is the amount at which the asset was initially recognised minus principal repayments, plus or minus the cumulative amortisation calculated using the effective interest method of any difference between that initial amount and the maturity amount.

For instruments quoted in an active market, fair value corresponds to a market price. For instruments not quoted in an active market, fair value is determined using valuation techniques. Valuation techniques include using recent arm's length market transactions or transactions in other instruments that are substantially the same, discounted cash flow analysis and option pricing models. In so far as possible, they include inputs based on observable market data.

in millions of euros	Factoring security deposits	Investments in non-consolidated companies and related receivables	Other receivables	Total gross value	Amortisation and impairment	Net
31 DECEMBER 2019	21.8	0.1	20.0	41.9	(1.2)	40.7
Changes in Group structure	0.0	0.0	0.1	0.1	0.0	0.1
Currency Translation differences	(0.1)	(0.0)	(1.4)	(1.5)	0.0	(1.5)
Transfer and other movements	0.0	0.0	(0.5)	(0.5)	0.4	(0.2)
Disposals, reductions and others	(5.2)	(0.0)	(8.2)	(13.4)	(0.8)	(14.2)
Additions and reversals	5.9	0.0	1.4	7.3	1.4	8.7
31 DECEMBER 2020	22.4	0.1	11.4	33.9	(0.3)	33.7
Changes in Group structure	0.0	12.0	(0.8)	11.2	(0.0)	11.2
Currency Translation differences	0.3	0.5	(2.1)	(1.3)	(0.3)	(1.6)
Transfer and other movements	0.0	0.0	0.0	0.0	0.0	0.0
Disposals, reductions and others	(5.2)	0.0	(0.7)	(5.9)	(6.8)	(12.7)
Additions and reversals	4.4	0.0	3.4	7.8	0.2	8.0
31 DECEMBER 2021	21.9	12.6	11.2	45.6	(7.2)	38.6

Changes in Group structure reflect an increase in gross value in non-consolidated companies. These relate to (i) the investment in Harta Maintenance in Malaysia and its subsidiaries, deconsolidated on 1 April 2021 for €11.7 million and (ii) the investment in Northcom Security in the Philippines, deconsolidated on 1 December 2021 for €0.4 million. Both are presented as financial assets in the statement of financial position as the Atalian Group does not exercise a significant influence over these entities anymore.

These investments are offset by impairments recognized in 2021. These relate to (i) the impairment on the investment in the Harta entities for €6.2 million and (ii) the impairment on the investment in Northcom Security for €0.4 million. These impairments were made in order to adjust the financial assets to their fair value on 31 December 2021.

Factoring security deposits concern factoring contracts that transfer substantially all the risks and rewards of ownership of the underlying receivables to the factoring company (see Notes 7.1, 7.2 and 7.3).

Other non-current financial assets amount to €38.6 million as of 31 December 2021 and is mainly composed of factoring security deposits and other receivables.

3.6. NON-CURRENT TAX ASSETS AND LIABILITIES

Deferred taxes are determined for each taxable entity, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

A deferred tax asset/liability is recognised for all deductible/taxable temporary differences. However, deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available within a reasonable timeframe against which the temporary differences can be utilised.

Temporary differences between the tax bases of assets and liabilities and their carrying amounts may arise as a result of the following:

- Sources of future taxation (deferred tax liabilities): mainly corresponding to assets on which taxation has been deferred.
- Sources of future deductions (deferred tax assets): mainly relating to provisions that are temporarily non- deductible for tax purposes, as well as tax loss carry forwards where the realisation of the related tax benefit through future taxable profits is probable.

Income tax expense is recognised in the income statement except where it relates to items recognised directly in equity/other comprehensive income, in which case, the tax is also recorded in equity/other comprehensive income.

Deferred taxes are recognised at the tax rate prevailing at the reporting date, adjusted where appropriate to take into account the effect of any changes in tax laws. The effect of any change in rates of corporation tax is included in either the income statement or in equity, depending on the initial method of recognition of the deferred tax concerned.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

3.6.1. Main sources of deferred taxes by nature

in millions of euros	31/12/2021	31/12/2020
DEFERRED TAX ASSETS	83.8	87.9
. Tax loss carryforwards	74.6	78.9
. Employee benefits	6.0	6.0
. Other Temporary differences	2.7	2.5
. Other sources of deferred tax assets	0.6	0.6
DEFERRED TAX LIABILITIES	9.5	9.9
. Other sources of deferred tax liabilities	9.5	9.9
TOTAL	74.3	78.0

Deferred tax assets on tax loss carry forward relate mainly to France for €55.6 million, UK for €13.2 million and US for €5.8 million.

Deferred tax liabilities mainly related to customer relationships recognised as part of the acquisition of SERVEST UK and TEMCO US.

3.6.2. Recovery periods for deferred tax assets

in millions of euros	Recovery within 2 years	Recovery in 3 to 5 years	Recovery in 6 to 10 years	Total
Deferred tax assets (in €m)	20.5	40.5	22.8	83.8

The recovery periods for deferred tax assets are based on the Group's taxable profit forecasts on 31 December 2021.

3.6.3. Tax base of unrecognised deferred tax assets

in millions of euros	31/12/2021	31/12/2020
France (historical tax consolidation)	33.4	10.2
France (other and companies not included in the tax group)	36.4	60.4
International	88.9	88.9
TOTAL	158.7	159.5

NOTE 4
CURRENT ASSETS

4.1. INVENTORIES

Inventories are stated at the lower of cost and market price. Cost is determined using weighted average unit cost, except for UK entities using First In First Out method. An impairment loss is recognised when the cost of an item of inventory falls below its realisable value.

Work-in-progress inventories are mainly related to the costs incurred in our Multitech divisions in the UK and France.

INVENTORIES	31/12/2021			31/12/2020		
in millions of euros	Gross	Impairment	Net	Gross	Impairment	Net
Raw materials/supplies and finished products	9.0	(0.4)	**8.6**	8.5	(0.0)	**8.5**
Work-in-progress	39.2	-	**39.2**	40.4	-	**40.4**
TOTAL	48.2	(0.4)	47.8	49.0	(0.0)	48.9

4.2. PREPAYMENTS

PREPAYMENTS	31/12/2021			31/12/2020		
in millions of euros	Gross	Impairment	Net	Gross	Impairment	Net
Prepayments to suppliers	6.3		**6.3**	3.9	-	**3.9**
TOTAL	6.3		6.3	3.9		3.9

The prepayments are mainly related to Atalian's East European and African business.

4.3. TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially recognised at fair value. If there is an objective indication of impairment or a risk that the Group may not be able to collect all of the contractual amounts of a receivable (principal plus interest) at the dates set in the contractual payment schedule, an impairment loss is recognised in the income statement. The amount of the impairment loss recorded represents the difference between the carrying amount of the asset and the estimated value of the future recoverable cash flows, discounted at the initial effective interest rate.

The Group sells receivables to factoring companies.

Factoring receivables for which substantially all the risks and rewards of ownership are transferred to the factoring companies are derecognised.

The details of these receivables as of 31 December 2021 are disclosed in note 7.3. "Factoring".

in millions of euros	31/12/2021 Gross	31/12/2021 Depreciation	31/12/2021 Net	31/12/2020 Gross	31/12/2020 Depreciation	31/12/2020 Net
TRADE RECEIVABLES [1]	368.4	(25.8)	342.6	365.3	(26.7)	338.6
OTHER RECEIVABLES:	173.0		173.0	220.3		220.3
- Employees	4.7		4.7	3.7		3.7
- Social security bodies	16.8		16.8	14.8		14.8
- Tax other than on income	98.7		98.7	150.5		150.5
Other operating receivables	120.2		120.2	168.9		168.9
Accrued Rebates from Suppliers	11.7		11.7	4.3		4.3
Other receivables	16.6		16.6	20.3		20.3
Prepaid expenses	24.5		24.5	26.7		26.7
TOTAL TRADE AND OTHER RECEIVABLES	541.4	(25.8)	515.7	585.6	(26.7)	558.9

[1] *Including certain factored trade receivables that have not been derecognised (see Note 7.3).*

The depreciation on trade receivables refers to allowances for doubtful receivables.

in millions of euros	Impairment 31/12/2021	Impairment 31/12/2020
Depreciation on trade receivables	(25.8)	(26.7)
France	(6.1)	(6.5)
UK	(3.6)	(2.3)
International	(14.3)	(16.3)
Corporate Holdings	(1.8)	(1.6)

International is mainly impacted by the depreciation on trade receivables in the US €(8.3) million (vs €(7.2) million in 2020) and in the CEE €(2.9) million (vs (4.3) million in 2020).

4.4. BREAKDOWN OF TRADE RECEIVABLES BETWEEN AMOUNTS PAST DUE AND AMOUNTS NOT PAST DUE AT 31 DECEMBER 2021

in millions of euros	Amounts not past due	Amounts past due < 12 months	Amounts past due > 12 months	Total
Trade receivables	330.8	26.4	11.3	**368.4**
TOTAL TRADE RECEIVABLES	330.8	26.4	11.3	368.4

4.5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and have a term of three months or less (notably units in money market mutual funds [OPCVM] carried at fair value through profit or loss). This item may also include cash deposits in term accounts that have terms of more than three months but which the Group can withdraw from at any time without incurring significant rate penalties.
The Group also has current cash account under the cash advance agreement with Atalian Holding Development & Strategy which is a component of cash and cash equivalents for €9.7 million as at 31 December 2021, as repayment can be requested at any time at Atalian's sole discretion.

	31/12/2021			31/12/2020		
in millions of euros	Gross	Impairment	Net	Gross	Impairment	Net
Cash	156.0		**156.0**	226.7		**226.7**
Marketable securities	1.0		**1.0**	4.0		**4.0**
TOTAL CASH AND CASH EQUIVALENTS	**157.0**		**157.0**	**230.7**		**230.7**

The Group's cash and cash equivalents are primarily in euros.

At 31 December 2021, cash and cash equivalent that are not available for use by the Group amounted to €11.4 million, mainly in Asia and Eastern Europe. Decrease in cash trapped further to the deconsolidation of Harta and Northcom.

Marketable securities mainly comprise money market mutual funds (OPCVM).

NOTE 5
EQUITY

5.1. SHARE CAPITAL AND SHARE CAPITAL PREMIUM

	31/12/2019	Decrease	Increase	31/12/2020
Shares (number)	116,237,206			116,237,206
Numbers of shares outstanding	**116,237,206**	-	-	**116,237,206**
Par value	€1			€1
SHARE CAPITAL IN €	116,237,206	-	-	116,237,206

	31/12/2020	Decrease	Increase	31/12/2021
Shares (number)	116,237,206	(1,630,622)		114,606,584
Numbers of shares outstanding	**116,237,206**	**(1,630,622)**	-	**114,606,584**
Par value	€1	€1		€1
SHARE CAPITAL IN €	116,237,206	(1,630,622)	-	114,606,584

At 31 December 2019 and 2020, the company's share capital was composed of 116,237,206 fully paid-up shares with a par value of €1 each.

Following the approval in the shareholders' general meeting on 9 March 2021, the Company has bought back 1,630,622 shares for €12.4 millions resulting in a decrease in share premium of €10.8 million.

At 31 December 2021, the company's share capital was composed of 114,606,584 fully paid-up shares with a par value of €1 each.

5.2. TRANSACTIONS RECOGNISED DIRECTLY IN EQUITY

5.2.1 Currency translation reserve

The main currency translation differences at 31 December 2021, attributable to equity holders of the Group, resulting from the conversion into euros of the financial statements of foreign subsidiaries were as follows:

in millions of euros

Currency	31/12/2020	Change	31/12/2021
Czech koruna	(1.0)	1.3	0.3
Indonesian rupiah	(0.2)	(0.9)	(1.1)
Turkish lira	(6.9)	(1.3)	(8.2)
Malaysian ringgit	(1.7)	0.8	(0.9)
US dollar	0.3	1.2	1.5
Pound sterling	(7.4)	20.0	12.6
Singapore dollar	0.1	(1.0)	(0.9)
Others	(5.4)	(1.8)	(7.2)
TOTAL	(22.2)	18.3	(3.9)

NOTE 6
PROVISIONS

6.1. PROVISIONS RELATED TO PENSIONS AND OTHER EMPLOYEE BENEFIT OBLIGATIONS

6.1.1. Provisions related to pensions

Employment benefits concerned are 'Post retirement pension plans' mainly in France, UK and Philippines.

The Group proposed defined contribution pension plans for which the Group's commitment is limited to the payment of contributions. The contributions paid constitute expenses for the financial year.
The evolution of Group's provisions related to pensions between 2020 and 2021 is an increase from €27.1 million to €27.2 million.

Retirement benefits (IFC) scheme in France:
In accordance with IAS 19R, the Group recognises a provision of €25.3 million related to the retirement indemnities receivable by employees on the day of their retirement which are not covered by insurance policies. It represents 93% of the total benefit obligations of the Group.

The lump sum paid corresponds to a number of months of salary depending on their seniority at the date of retirement.

The amount of provision is calculated using an actuarial valuation method based on projected end-of-career salaries (the projected unit credit method service prorate). According to IAS 19, the actuarial gains and losses generated, whether due to changes in assumptions or experience, are recognised in equity.

Mains actuarial assumptions used in 2021 are:

France	As of 31/12/2021	As of 31/12/2020
Discount rate*	0.90%	0.50%
Salary increase rate (including inflation rate)	2.0% for white collars and 1.5% for blue collars**	2.0% for white collars and 1.5% for blue collars**
Life expectancy	INSEE 2015-2017	INSEE 2014-2016

** The discount rate was determined by reference to market yields at the reporting date on bonds issued by companies with high credit ratings.*
*** For the blue collar concerned by concession contract, only participants expected to leave before the end of the contract have been considered.*

Pensions UK
The scheme granted by the Group in UK is a defined benefits pension scheme, which offers a fixed pension level at their retirement.
The amount of pension depends on the services provided by the employee to the Group until their retirement. The obligation is fully covered by the fair value of the plan assets and therefore the resulting provision is nil as of 31 December 2021.
The discount rate used in 2021 for the valuation of this scheme is 1.8% versus 1.5% in 2020.

Pensions Philippines
The scheme granted by the Group in the Philippines is a defined benefits pension scheme, which offers a fixed pension level at their retirement.

Pensions Indonesia
The scheme granted by the Group in Indonesia is a defined benefits pension scheme, which offers a fixed pension level at their retirement.

in millions of euros

CHANGE IN NET AMOUNT RECOGNISED	IFC France	Other countries	Total as of 31/12/2021	Total as of 31/12/2020
NET AMOUNT RECOGNISED AT THE BEGINNING OF PERIOD	26.1	1.0	27.1	23.3
Change of perimeter			-	-
Net periodic pension cost	1.6		1.6	1.6
OCI (Remeasurements)	(0.9)	1.1	0.1	3.4
Company contributions			-	-
Benefit paid	(1.6)	(0.3)	(1.8)	(1.1)
Acquisitions / Disposals			-	-
(Gains)/losses on exchange rates			-	-
NET AMOUNT RECOGNISED AT THE END OF PERIOD	25.3	1.8	27.2	27.1

The OCI (remeasurement in other currencies) of €1.1 million includes the changes in estimates of the plans in the Philippines.

in millions of euros

CHANGE IN BENEFIT OBLIGATION	IFC France	Other countries	Total as of 31/12/2021	Total as of 31/12/2020
PROJECTED BENEFIT OBLIGATION AT BEGINNING OF PERIOD	26.1	3.1	29.2	25.2
Change of perimeter			-	-
Current service cost	1.5	0.2	1.7	1.5
Net interest expense	0.1	0.0	0.2	0.2
Actuarial (gains)/losses on the DBO	(0.9)	1.2	0.3	3.4
Benefits paid	(1.6)		(1.6)	(1.2)
Past service cost			-	-
Settlements			-	0.0
Acquisitions / Disposals			-	-
(Gains)/losses on exchange rates		0.2	0.2	-
PROJECTED BENEFIT OBLIGATION AT END OF PERIOD	25.3	4.7	30.0	29.2

in millions of euros

CHANGE IN PLAN ASSETS	France	Other Countries*	Total as of 31/12/2021
FAIR VALUE OF PLAN ASSETS AT BEGINNING OF PERIOD	-	(3.2)	(3.2)
Net interest income		(0.1)	(0.1)
Company contributions		(0.2)	(0.2)
Benefits paid		0.0	0.0
Actuarial (gains)/losses on plan asset		0.2	0.2
Acquisitions / Disposals	-		-
(Gains)/losses on exchange rates		(0.2)	(0.2)
FAIR VALUE OF PLAN ASSETS AT END OF PERIOD	-	(3.4)	(3.4)

**UK Only*

in millions of euros

	UK
EFFECT OF ASSETS CEILING AT BEGINNING OF PERIOD	1.0
Net interest income	0.0
Actuarial (gains)/losses on the effect of assets ceiling	(0.4)
(Gains)/losses on exchange rates	0.1
EFFECT OF ASSETS CEILING AT END OF PERIOD	0.6

in millions of euros

EXPECTED BENEFIT PAYMENT	FRANCE
2022	4.2
2023	2.0
2024	2.2
2025	2.9
2026	3.7
2027 and beyond	10.3
TOTAL	25.3

SENSITIVITY ANALYSIS

The effect of a +/- 0.25% change in the discount rate on the 2021 Defined Benefit Obligations (DBO) in France is as follows:

IN FRANCE in millions of euros	Discount rate - 0.25%	Discount rate + 0.25%
DBO Impact	0.4	(0.4)

6.1.2. Provisions related to other employee benefits

The evolution of Group's provisions related to other employee benefits between 2020 and 2021 is a decrease from €7.5 million to €6.0 million.

Turkey

In accordance with existing social legislation (Turkish Labor Law), the Group are required to make lumps-sum termination indemnities to each employee who has completed one year of service within the Group and whose employment is terminated due to retirement or for reason other than resignation or misconduct.

The Group grants employee benefits to each employee who has qualified for such benefits as the employment ended.

This scheme is qualified as other long term liability provision with an amount of €0.5 million as of 31 December 2021 (€1.0 million as of 31 December 2020).

USA

The Group grants a work accident compensation to their employees in USA (Workers compensation – (WC) and recognises also a provision for General litigation (GL).

These schemes are qualified as a provision related to other employee benefits:

in millions of euros

	Total as of 31/12/2021	Total as of 31/12/2020
Provision for Workers Compensation	3.0	3.5
Provision for General Litigation	2.5	3.0
TOTAL PROVISION RELATED TO OTHER EMPLOYEES BENEFITS	5.5	6.5

6.2. OTHER PROVISIONS

In accordance with IAS 37 a provision is recognised when at the end of the financial year, there is a current obligation, legal or implicit, of the Group towards a third party resulting from past events and whose settlement should result for the Group in a probable outflow of resources representing economic benefits which can be reliably estimated.

in millions of euros	Legal and labour related cases	Other	TOTAL
31 DECEMBER 2019	**13.4**	**25.7**	**39.2**
Currency translation differences	(0.2)	(0.9)	(1.1)
Changes in accounting methods and Group structure	0.2	(0.1)	0.1
Allowances of the period	4.1	7.2	11.3
Releases	(5.1)	(1.7)	(6.8)
31 DECEMBER 2020	**12.3**	**30.2**	**42.6**
Currency translation differences	(0.2)	0.9	0.7
Changes in accounting methods and Group structure	0.2	(0.2)	0.0
Allowances of the period	6.7	20.4	27.1
Releases	(5.7)	(4.0)	(9.7)
31 DECEMBER 2021	**13.3**	**47.3**	**60.6**

Following split is provided by CGU:

in millions of euros	Legal and labour related cases	Other	TOTAL
France	11.7	8.9	20.6
UK	0.0	0.0	0.0
International	0.5	22.9	23.4
Corporate Holdings	1.1	15.5	16.6
31 DECEMBER 2021	**13.3**	**47.3**	**60.6**

International is mainly related to the US for €7.1 million mainly for trade unions provisions and in Morocco for €12.2 million for other risk provisions. Corporate Holdings is mainly related to the €15.4 million provision for judicial convention of public interest (CIJP) (see note 1.2 Significant events after 31 December 2021).

in millions of euros	Releases	Allowances
France	(8.4)	7.4
UK	0.0	0.0
International	(1.1)	3.0
Corporate Holdings	(0.1)	16.6
31 DECEMBER 2021	**(9.7)**	**27.1**

Use of provisions

When the risk materialises, or the cost is incurred, the provisions previously recognised are reversed and offset the incurred expense under operating profit before depreciation, amortization, provision and impairment loss.

In 2021, €1.6 million has been offset against staff cost and €1.1 million against other operating expenses.

NOTE 7
LONG- AND SHORT-TERM FINANCIAL LIABILITIES

7.1. BREAKDOWN OF INTEREST-BEARING BORROWINGS BY MATURITY

Financial liabilities	**Short-term**	**Long-term**		**Total**
in millions of euros	**Due within 1 year**	**Due in 1 to 5 years**	**Due beyond 5 years**	**31/12/2021**
– Bonds*	4.8	1,226.7	-	1,231.4
– RCF	-	-	-	-
– Bank borrowing guaranteed by the French Government (PGE)	25.1	-	-	25.1
– Finance lease liabilities	34.8	60.0	17.7	112.5
– Factoring loans	1.3	-	-	1.3
– Other borrowings and financial liabilities	5.8	5.1	-	10.8
TOTAL INTEREST-BEARING BORROWINGS AT 31/12/2021	**71.6**	**1,291.8**	**17.7**	**1,381.1**
TOTAL INTEREST-BEARING BORROWINGS AT 31/12/2020	**116.9**	**1,260.9**	**10.3**	**1,388.1**

** bonds net of issuance costs of €(16.1) million. Issuance costs expensed in 2021 amounted to €(4.8) million.*

On 2 June 2020, the Group concluded a Term Loan guaranteed by the French State ("PGE") of €50.0 million with its main banking partners. This €50.0 million term loan has an initial maturity of 1 year and was extended for 1 year to June 2022. The loan has been repaid in quarterly installments since September 2021. The last two instalments of €12.5 million each will take place in March and June 2022.

The Group has a revolving credit facility of €103.0 million maturing in April 2023. As of 31 December 2021, the RCF was not drawn.

As per RCF, LFA shall ensure that the Secured Debt incurred by any member of the Group shall not exceed at any time in aggregate higher of (i) €465.0 million or (ii) 17.5% of the Total Assets.

This financing is subject to a financial covenant based on the Group's consolidated accounts. Secured Leverage Ratio shall not exceed 1.75x. As of 31 December 2021 the financial covenant was respected.

On 5 May 2017, the Group issued a €625.0 million bond maturing on 15 May 2024 (i.e., 7 years) and bearing a coupon of 4.0%.
On 9 May 2018, with the acquisition of Servest, the Group issued two new bonds maturing on 15 May 2025 for €350.0 million and £225.0 million, respectively bearing a coupon of 5.125% and 6.625%.

These financings are subject to limited financial covenants based on the Group's consolidated accounts. As of 31 December 2021 all these financial covenants were respected.

7.2. CONFIRMED CREDIT LINES

in millions of euros	**Confirmed lines**	**Utilised lines**
Bonds*	1,242.8	1,242.8
Bank borrowings**	138.9	35.9
Factoring loans***	284.3	215.3
TOTAL	**1,666.0**	**1,494.0**

** Principal, excluding issuance costs. Based on an average market value as of 31 December 2021, the fair value would amount to €1,220.8 million. Accrued coupon (€4.8 million) must also be taken into account if one wants to compare fair market value with accounting value.*
*** of which RCF €103 million, PGE €25 million and €4.3 million bank debt ("Relance" & "Oxygène") in Morocco (Covid-19 governmental measures)*
**** Included €214.0 million of immediate financing from derecognised receivables*

7.3. FACTORING

Several of the Group's subsidiaries sell their trade receivables on a monthly basis under factoring contracts. In 2021, the UK factoring facility has been increased by £15.0 million from £35.0 million to £50.0 million.

The non-recourse facility of €220.0 million (covering France, Belgium, Czech Republic and Poland) was extended to September 2023.

As of 31 December 2021, 4 of these contracts involved the transfer of substantially all the risks and rewards of ownership of the receivables concerned to the factoring companies, enabling the sold receivables to be derecognised.

The amount of the derecognised receivables totalled €258.6 million at the year-end, providing the Group with €214.0 million of immediate financing with the difference corresponding to €21.9 million security deposit and €22.7 million to factor current account and client payments not yet deducted. The amount of immediate financing provided by deconsolidated receivables was €165.8 million as of 31 December 2020.

In addition, factored receivables for which the Group has not transferred substantially all the risks and rewards of ownership are not derecognised and remain recorded in the balance sheet under "Trade receivables", with the recognition of a corresponding financial liability. Immediate financing provided by these receivables totalled €1.2 million as of 31 December 2021 and €10.3 million as of 31 December 2020.

The Group has been mandated by the factoring companies to manage on their behalf the collection of the receivables that have been sold to them.

7.4. VARIATION OF CURRENT AND NON-CURRENT FINANCIAL DEBT

in millions of euros	31/12/2020	Cash impact (principal) Increase	Cash impact (principal) Decrease	Non-cash impact & Others	31/12/2021
NON-CURRENT FINANCIAL DEBT	1,271.2	25.0	(26.9)	40.2	1,309.5
of which debts from bonds	1,203.7	-	-	23.0	1,226.7
of which debts from RCF	-	25.0	(25.0)	-	-
of which debts from leasing	65.6	-	-	12.2	77.8
of which debts from factoring	-	-	-	-	-
of which debts from others	1.9	0.0	(1.9)	5.1	5.1
CURRENT FINANCIAL DEBT	116.9	7.6	(92.0)	39.2	71.6
of which debts from bonds	4.7	-	-	0.1	4.8
*of which debts bank borrowing and others**	56.3	6.2	(31.6)	-	30.9
of which debts from leasing	45.6	-	(49.4)	38.6	34.8
of which debts from factoring	10.3	1.4	(11.0)	0.5	1.2
Gross debt	**1,388.1**	**32.6**	**(118.9)**	**79.4**	**1,381.1**
Financial instrument	1.5	-	-	0.7	2.2
GROSS DEBT INCL. FINANCIAL INSTRUMENT	1,389.6	32.6	(118.9)	80.1	1,383.3

** French State guaranteed loan (PGE) of €37.6 million (including accrued interest) classified in current financial debt (amortized each quarter until 24 June 2022), end of December €25 million has been repayed.*
*** The non cash impact on debt from leasing is related to the new IFRS16 lease contracts in 2021 and from the reclassification from non-current to current of this payment due in 2022.*

NOTE 8
CHANGES IN NET DEBT

8.1. CHANGES IN NET DEBT

in millions of euros	31/12/2021	31/12/2020
Cash and cash equivalents	157.0	230.7
Short-term bank loans and overdrafts	(3.8)	(3.2)
NET CASH AND CASH EQUIVALENTS *	**153.2**	**227.5**
Non-current financial liabilities	(1,309.5)	(1,271.2)
of which debts from leasing	*(77.8)*	*(65.6)*
Current financial liabilities **	(71.6)	(116.9)
of which debts from leasing	*(34.8)*	*(45.6)*
GROSS DEBT	**(1,381.1)**	**(1,388.1)**
Financial instrument (liability)	(2.2)	(1.5)
DEBT	**(1,383.3)**	**(1,389.6)**
NET DEBT	**(1,230.1)**	**(1,162.1)**

** Net cash and cash equivalents as analysed in the statement of cash flows.*
*** Movements for the period mainly correspond to the change in debt resulting from the PGE and from factoring contracts not involving the transfer of substantially all the risks and rewards of ownership.*

Net debt after adding back immediate financing provided by the derecognised factoring contracts of €214.0 million as of 31 December 2021 (€165.8 million as of 31 December 2020) would amount to €(1,444.1) million as of 31 December 2021 (€(1,327.8) million as of 31 December 2020).

Government measures

In response to the Covid-19 pandemic, government implemented social, tax and economic stimulus measures to assist entities.
These measures included in France a French State guarantee scheme for Large Corporates. Atalian exercised on 16 April 2021 the extension option for 1 additional year of the French State Guaranteed Loan of €50 million ('PGE'), the new maturity is June 2022. The loan is repaid in quarterly installments of €12.5 million each, the first 2 repayments occurred in September and December 2021.

NOTE 9
OTHER CURRENT LIABILITIES

9.1. OTHER CURRENT LIABILITIES

in millions of euros	31/12/2021	31/12/2020
PREPAYMENTS FROM CUSTOMERS	9.0	15.1
TRADE PAYABLES	325.3	260.1
CURRENT TAX LIABILITIES	10.0	16.7
OTHER CURRENT LIABILITIES	502.2	530.2
LIABILITIES RELATED TO PAYROLL TAX CREDIT PREFINANCING	31.4	98.7
OTHER CURRENT LIABILITIES	502.2	530.2
Employee-related liabilities	*201.2*	*181.3*
Social Security payables	*113.0*	*155.4*
Other accrued taxes	*141.0*	*150.4*
Other current payables	*39.3*	*36.8*
Deferred income	*7.8*	*6.3*

Trade and other payables
Owing to their short-term nature, the historical amounts recognised in the consolidated financial statements for trade and other payables are reasonable estimates of their market value.

Customer prepayments
This item includes include advances and down payments received from clients for the commencement of building works contracts.

Liabilities related to payroll tax credit prefinancing (CICE)
Before the transformation of the CICE (tax credit for competitiveness and employment) in January 2019, the Group pre-financed its future CICE tax credit receivables through the Banque Publique d'Investissement (BPI) and sold to BPI its estimated future receivables as a guarantee for financing received from BPI.

Social security payables
As of 31 December 2021, most of the deferred payments linked to tax and social governmental measures in 2020 (Covid-19) have been paid.

9.2. SHORT-TERM BANK LOANS AND OVERDRAFTS

The Group's short-term bank loans and overdrafts – which are mainly denominated in euros – amounted to €3.8 million at 31 December 2021 compared with €3.2 million at 31 December 2020. Bank credit balances and current bank overdrafts are mainly held in euros.

NOTE 10
SEGMENT REPORTING

Identification of segments

These divisions are used for the management and internal reporting:
The group has identified three operating segments that correspond to the geographical location of the assets as follows:

- A "France" division, comprising all of the companies located in France.
- A "UK" division, comprising all UK and Ireland companies.
- An "International" division, comprising all the companies excluding France, UK and Ireland companies.

Segment indicators

For each of its operating segments, the Group presents the following income statement items:

- Revenue
- Operating profit before depreciation, amortisation, provisions and impairment losses.

The accounting methods applied for each operating segment are those used for preparing the consolidated financial statements.
The information presented for each operating segment corresponds to "contributive data", i.e. after eliminating inter-segment transactions.

Based on these principles, the Group's segment information is as follows:

	By operating segment				
in millions of euros	France	UK	International	Others (incl. Corp Holding)*	TOTAL GROUP
PERIOD ENDED 31 DECEMBER 2021					
Revenue	1,378.3	787.0	782.3**	(2.0)	2,945.7
Operating profit before depreciation, amortisation, provisions and impairment losses	155.5	58.1	45.8	(49.0)	210.5
* include inter-segment revenue					
** of which countries contributing to turnover > 10%					
United States			156.9		
Belgium			111.5		
PERIOD ENDED 31 DECEMBER 2020					
Revenue	1,289.9	701.1	817.1**	(2.0)	2,806.1
Operating profit before depreciation, amortisation, provisions and impairment losses	144.0	50.3	53.6	(41.0)	206.9
* include inter-segment revenue					
** of which countries contributing to turnover > 10%					
United States			181.2		
Belgium			106.8		
Czech Republic			86.6		

NOTE 11
OPERATING PROFIT

Turnover

The turnover is mainly generated by the provision of services to the occupants (cleanliness, security) or buildings (technical maintenance, energy management and the second work).
Our services are provided to the client daily over the duration of the contract and the client receives and uses the benefits provided by the Group at the same time.
Contracts include, in the vast majority of cases, only one performance obligation, the realisation of which is carried out as the contract progresses, so that the performance obligation is satisfied over time and generally invoiced on a monthly basis. These services are generally recognised using the billing method when the Group charges a fixed price for each hour of service provided.
Thus, revenue is recognised at the time the service is rendered, i.e. when the performance obligation is satisfied under IFRS 15.

The turnover of most building services activities is accounted for in accordance with IFRS15 using the percentage-of-completion method. As a result, the Group uses the method that most reliably measures the work performed: either the physical progress of the work or the percentage of completion of costs.
Margin at completion is estimated based on periodically revised cost and revenue analysed over the term of the contracts (the impact of changes in estimate is recorded in the period in which they are incurred):

- if the invoiced amount is greater than the recognised turnover, a contract liability is recognised.
- if the revenue is lower than the recognised turnover on the progress, a contract asset is then recorded.

When it is probable that the total cost of the contract will be greater than the total revenue of the contract, the expected loss is provisioned.

Revenue is recorded when it is probable that the future economic benefits will flow to the Group and that these products can be measured reliably. No revenue is recognised when there is significant uncertainty as to the recoverability of the consideration.

Turnover is the amount receivable for services provided in the normal course of business, except for amounts collected on behalf of third parties such as value-added taxes and other taxes.
Under the provisions of IFRS 15, the backlog is not presented because generally contracts run for less than one year and / or the performance obligations are recognised under the billing method. In addition, the costs of obtaining contracts are not significant.

In addition, the contracts have no funding component since the time between revenue recognition and payment is generally short. As a result, the Group does not adjust the transaction price based on the time value of money.

Operating profit before depreciation, amortisation, provisions and impairment losses

Operating profit before depreciation, amortisation, provisions and impairment losses includes revenue and related income less expenses directly attributable to operations and overheads costs, which mainly comprise purchases consumed, other external charges, payroll costs and taxes other than on income. It also includes other operating income and expenses.

Government measures

In response to the Covid-19 pandemic, government implemented social, tax and economic stimulus measures to assist entities. These measures include employment-related measures (e.g. temporary salary subsidies), additional tax deductions and credits, rental reductions or deferrals and below-market rate loans. The governments' measures primarily affecting the Group were temporary salary subsidies in Europe and Asia. The Group analysed all facts and circumstances in relation to these schemes, the impacts of these government measures are mainly recorded in staff costs.

Staff costs

in millions of euros	2021	2020
Wages and other employment- related expense - I	(1,924.3)	(1,829.4)
of which wages and salaries	*(1,606.8)*	*(1,528.6)*
of which employer social contributions	*(283.6)*	*(263.6)*
of which contributions to defined contribution plans	*(13.7)*	*(15.6)*
of which other employment related expenses	*(20.2)*	*(21.6)*
Profit-sharing and incentive plans - II	(6.3)	(5.6)
TOTAL	**(1,930.6)**	**(1,835.1)**

Depreciation and amortisation

in millions of euros	2021	2020
Intangible assets	(6.4)	(5.8)
Property, plant and equipment	(76.6)	(82.7)
of which D&A own property PP&E	*(28.0)*	*(36.2)*
of which amortisation of rights of use	*(48.6)*	*(46.5)*
D&A Acquired through business combination	(8.8)	(8.6)
TOTAL	**(91.8)**	**(97.0)**

Other income and expenses

Other income and expenses correspond to significant and non-recurring events that occurred during the period and have impacted on the performance of the Group. They are restructuring costs, specific and non-recurring items costs such as miscellaneous fees and due diligence.
In 2021, other operating expenses represented a charge of €28.4 million.

The breakdown by different types of costs and divisions is as below:

in millions of euros	TOTAL GROUP	France	UK	International	HOLD CORP
Restructuring costs	(1.9)	-	(0.9)	-	(1.0)
Profit/Loss on disposal of subsidiary	(8.1)	-	-	(8.1)	-
Other income and expenses and certain non-recurring items	(18.4)	(2.1)	(3.8)	(5.8)	(6.7)
TOTAL	**(28.4)**	**(2.1)**	**(4.7)**	**(13.9)**	**(7.7)**

Other income and expenses include:
In France, the expenses are related to redundancy costs.
In the UK, the other expenses are mostly related to restructuring costs and advisory / consulting fees.
International includes mostly non recurring charges in countries as Thailand and CEE. Corporate holdings include advisory and consulting fees. The impact of the deconsolidation of the Harta entities for €(8.1) million is presented on the line "Profit/Loss on disposal of subsidiary".

NOTE 12
FINANCE COSTS, NET & OTHER NET FINANCIAL INCOME AND EXPENSES

This line of the consolidated income statement reflects the impacts of the Group's financing transactions and comprises the following:

- Finance costs, net, which include interest paid on the Group's borrowings and interest received on available cash.
- Other financial income and expenses.

12.1. BREAKDOWN OF NET FINANCE DEBTS COST

in millions of euros	31/12/2021	31/12/2020
Financial expenses	(81.8)	(83.5)
Financial income	0.6	0.8
NET FINANCIAL DEBT COST	**(81.2)**	**(82.7)**
Analysis:		
– Net interest on borrowings	(73.5)	(75.2)
– Income from cash and cash equivalents	0.6	0.8
– Interest on leases	(8.3)	(8.2)
TOTAL	**(81.2)**	**(82.7)**

12.2. BREAKDOWN OF OTHER FINANCIAL INCOME AND EXPENSES

in millions of euros	31/12/2021	31/12/2020
Net (additions to)/reversals of provisions for financial items	(7.4)	(5.7)
Foreign exchange gains and losses	(1.8)	1.6
Other	(3.0)	(4.6)
OTHER FINANCIAL INCOME AND EXPENSES	**(12.3)**	**(8.8)**

Net addition to provisions for financial items mainly relate to (1) the impairment on Harta Malaysia for €(6.2) million and (2) the impairment on Northcom Security for € (0.4) million which have been deconsolidated in 2021 and are now classified as financial assets as described in note 3.5.

NOTE 13
LEASES

The Group has chosen to apply these two capitalization exemptions proposed by the standard:
- contracts with a lease term of less than 12 months
- contracts with value of underlying assets of less than €5,000. Expenses relating to contracts with a term of less than 12 months and/or with a value of less than €5,000 and (for which the Group has chosen exemptions which are provided for in IFRS 16) represent €15.6 million for the Group as a whole as at 31 December 2021.

The lessee is required to record:
- a non-current asset representing the right to use the lease asset (on the assets side of the consolidated statement of financial position)
- a financial debt represented the obligation to pay this right (on the liabilities side of the consolidated statement of financial position)
- depreciation expenses and interest expenses in the consolidated income statement.

Duration of assets assumptions:
The lease term for Real estate contracts corresponds to the non-cancellable period and is supplemented with the option of renewal (or termination) for certain contracts of which the exercise for the Group is considered reasonably certain.

Discount rate assumptions:
A unique discount rate is determined for each portfolio of homogeneous contracts. Discount rates are based on the marginal borrowing rate (or implicit rate of contracts where available) by currency, taking into account, in particular, the economic environments specific to each geographical area.

13.1. FIXED ASSETS

The tangible and intangible assets held by the Group are allocated as below:

in millions of euros	31/12/2021
Tangible assets excluding Right-of-use	62.3
Right-of-use	106.8
TOTAL	**169.1**
Intangible assets excluding right-of-use	62.8
TOTAL	**62.8**

The main leasing contracts include real estate, vehicles and materials & equipment.

13.2. BREAKDOWNS OF RIGHT-OF-USE

GROSS in millions of euros	**Real estate**	**Vehicles**	**Materials & equipment**	**Others**	**TOTAL**
31 DECEMBER 2020	76.1	61.8	37.0	2.0	176.9
Currency Translation differences	0.8	1.4	(0.1)	0.1	2.2
Amendments, terminations & transfers	(5.4)	4.1	0.6	0.0	(0.7)
Changes in Group structure	0.0	0.0	0.0	0.0	0.0
Acquisitions	11.8	26.7	20.0	0.7	59.3
Disposals, reductions and others	(7.1)	(15.9)	(4.7)	(1.1)	(28.8)
31 DECEMBER 2021	76.2	78.2	52.8	1.7	208.9

AMORTISATION AND LOSS OF VALUE in millions of euros	**Real estate**	**Vehicles**	**Materials & equipment**	**Others**	**TOTAL**
31 DECEMBER 2020	(21.0)	(27.8)	(22.3)	(0.9)	(72.1)
Currency Translation differences	(0.2)	(0.6)	(0.0)	(0.0)	(0.9)
Amendments, terminations & transfers	0.4	(0.2)	(0.0)	0.0	0.3
Changes in Group structure	0.0	0.0	0.0	0.0	0.0
Depreciation expense	(12.3)	(23.9)	(11.6)	(0.8)	(48.6)
Disposals, reductions and others	3.6	13.6	0.9	1.0	19.2
31 DECEMBER 2021	(29.6)	(38.9)	(33.0)	(0.7)	(102.1)

NET in millions of euros	**Real estate**	**Vehicles**	**Materials & equipment**	**Others**	**TOTAL**
31 DECEMBER 2020	55.1	34.0	14.7	1.1	104.8
31 DECEMBER 2021	46.7	39.3	19.8	1.1	106.8

NOTE 14
INCOME TAX EXPENSE

Tax based on a contribution on the added value in Frace – "CVAE"

In accordance with IAS 12, the Group classifies the CVAE contribution (a French tax based on a contribution on the added value) as an income tax and therefore presents it under the "Income tax expense" line in the consolidated income statement.

14.1. BREAKDOWN OT THE INCOME TAX EXPENSES

	31/12/2021			31/12/2020		
in millions of euros	France	Other countries	Total	France	Other countries	Total
Current income taxes	(5.6)	(6.0)	(11.5)	(5.9)	(11.2)	(17.1)
Deferred taxes	(5.7)	1.6	(4.1)	10.4	5.3	15.7
CVAE	(7.6)	-	(7.6)	(13.8)	-	(13.8)
TOTAL	(18.9)	(4.3)	(23.2)	(9.3)	(5.9)	(15.2)

14.2. RECONCILIATION BETWEEN THEORETICAL AND EFFECTIVE TAX CHARGE (TAX PROOF)

in millions of euros	2021	2020
Net income from continuing operations	(47.5)	(25.5)
Income taxes	(23.2)	(15.2)
Pre-tax income excl. Equity entities	(24.3)	10.3
French corporate income tax rate	28.40%	32.02%
THEORETICAL TAX EXPENSE	6.9	(3.3)
Difference between French and foreign income tax rates	0.4	(6.0)
Permanent differences*	(6.6)	1.3
Change in unrecognised deferred tax assets**	(17.2)	(1.7)
Other	3.0	(3.1)
INCOME TAX EXPENSE	(13.5)	(6.2)
Other taxes (CVAE)	(9.7)	(9.0)
TOTAL INCOME TAX EXPENSE	(23.2)	(15.2)

** Permanent differences include fines and penalties, tax treatment of dividends, non-deductible expenses etc. For the financial year 2021, the fine due in respect of the CJIP results in a tax effect of € (4.4m).*
*** A net operating losses leads to the recognition of tax loss carry-forwards. These net operating losses should generate a deferred tax asset in the consolidated accounts. When this losses are not recognised as deferred tax asset in the consolidated accounts, the tax proof shows the effects of this non recognition in the section : "unrecognised deferred tax assets".*

Under current French tax legislation, tax losses carried forward are only available to offset against the first €1 million of annual taxable profit, plus 50% of taxable profit exceeding that amount.

The portion that cannot be offset in a given year may, however, be carried forward to subsequent years in which the losses will be offset subject to the same conditions (i.e. offset against €1 million in taxable profit + 50% of taxable profit for the year > €1 million).

In the case of a tax consolidation group, this rule is applicable at the level of the head of the tax group.

The Atalian Group has three tax groups in France ("La Financière Atalian", "Atalian Cleaning", "Atalian Sécurité"), as well as tax groups in the UK and the US.

NOTE 15
OFF-BALANCE SHEET COMMITMENTS

The notes below provide a summary of the Group's guarantee commitments and other contractual commitments.

15.1. GUARANTEE COMMITMENTS

in millions of euros	31/12/2021	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Pledges, mortgages and collateral	1.9	0.0	0.0	1.9
Guarantees and endorsements given	53.3	44.8	7.5	1.0
TOTAL GUARANTEE COMMITMENTS GIVEN	**55.2**	**44.8**	**7.5**	**3.0**

When the expiry date of guarantees and endorsements given is not specified, they have been classified as "due within 1 year".
Atalian Financial's senior notes issued in May 2017 and May 2018 are guaranteed by certain subsidiaries for the amount they received for each issue.

Senior notes	Issuer	Amounts	Guarantor *
Senior Notes 2025 (issue 2018)	La Financière Atalian	€350 million & £225 million	Atalian SASU Atalian Europe SA Atalian Servest Holding Ltd
Senior Notes 2024 (issue 2017)	La Financière Atalian	€625 million	Atalian SASU Atalian Propreté** Atalian Europe SA Atalian Servest Holding Ltd

** amount of the limited guarantee to the portion of the amount of the issue for which the subsidiary concerned has benefited*
*** Previously named Atalian Cleaning SAS*

15.2. MISCELLANEOUS CONTRACTUAL COMMITMENTS

in millions of euros	31/12/2021	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Commitments from factoring companies [1]	284.3	0.0	284.3	0.0
RCF [2]	103.0	0.0	103.0	0.0
TOTAL MISCELLANEOUS CONTRACTUAL COMMITMENTS RECEIVED	**387.3**	**0.0**	**387.3**	**0.0**

[1] of which €215.3 million have been used
[2] not drawn as at 31 December 2021

15.3. COLLATERAL GRANTED

The shares held by Atalian SASU in the capital of Atalian Propreté, which represent 90.5% of the share capital, are pledged to Atalian SASU's lenders of the RCF under the syndicated loan agreement entered into by Atalian SASU for an initial amount of €75.0 million. This amount was increased to €98.0 million on 24 July 2018 and then to €103.0 million on 9 January 2019.

NOTE 16
HEADCOUNT

AVERAGE NUMBER OF EMPLOYEES (FULL-TIME EQUIVALENT)

	2021	2020
- Managers	716	713
- Supervisors	6,231	6,509
- Other employees	25,450	24,538
TOTAL FRANCE	**32,397**	**31,760**
UK*	**16,564**	**16,666**
INTERNATIONAL	**44,448**	**52,359**
TOTAL AVERAGE NUMBER OF EMPLOYEES	**93,408**	**100,785**

**UK headcount calculation is not based on full-time equivalent during the period but the number of employees as at 31 December including part-time employees.*

In International, the reduction of FTE is mainly issued from the deconsolidation of Harta in Malaysia and Northcom in the Philippines.

NOTE 17
OTHER NOTES

17.1. BREAKDOWN OF STATUTORY AUDITORS' FEES

2021 Audit Fees for the Statutory Auditors and members of their networks for their audit of the consolidated financial statements of La Financière Atalian and its subsidiaries can be analysed as follows.

	31/12/2021			31/12/2020		
in millions of euros	**Bugeaud**	**EY**	**Total**	**Bugeaud**	**EY**	**Total**
Audit of individual or consolidated accounts by the Statutory Auditors or members of their network						
- La Financière ATALIAN	0.4	0.4	**0.8**	0.3	0.3	**0.6**
- Subsidiaries	0.5	2.7	**3.2**	0.6	2.4	**3.0**
Services other than auditing provided by the Statutory Auditors or members of their network*						
- La Financière ATALIAN	-	0.6	**0.6**	-	-	**-**
- Subsidiaries	-	1.6	**1.6**	-	-	**-**
TOTAL	0.9	5.3	6.2	0.9	2.7	3.6
- La Financière ATALIAN	0.4	1.0	**1.4**	0.3	0.3	**0.6**
- Subsidiaries	0.5	4.3	**4.8**	0.6	2.4	**3.0**

Audit of individual or consolidated accounts by the Statutory Auditors or members of their network
Services other than auditing provided by the Statutory Auditors or members of their network *

** Non-audit services mainly include services required by legal and regulatory texts; services relating to agreed-upon procedures; certifications; services provided during the acquisition or disposal of entities; and technical consultations on accounting, taxation or any other audit-related topic.*

17.2. LITIGATION AND CLAIMS

In the ordinary course of the business, Atalian is involved in a certain number of judicial proceedings. Atalian is also subject to certain claims and lawsuits which fall outside the scope of ordinary course of its business, the most significant of which is summarized below:

A dispute and litigation between Atalian and its minority shareholder with regard to the shareholding of Harta Maintenance Company is ongoing. Atalian deconsolidated Harta Maintenance in Malaysia on 1 April 2021 (see note 3.5).

Further, the amount of provisions made is based on Atalian's assessment of the level of risk on a case by case basis and depends on its assessment of the basis for the claims, the stage of the proceedings and the arguments in its defense, it being specified that the occurence of events during proceeding may lead to a reappraisal of the risk at any moment.

NOTE 18
LIST OF CONSOLIDATED ENTITIES

Companies	Country	% INTEREST Dec-21	Method of consolidation
FULLY CONSOLIDATED COMPANIES			
FRANCE			
STRUCTURE			
LA FINANCIÈRE ATALIAN	France	100	FC
ATALIAN	France	100	FC
ATALIAN SERVICES INFORMATIQUES	France	100	FC
SCI SAINT APOLLINAIRE	France	100	FC
SCI AMPÈRE LA MAINE	France	100	FC
SCI FJ PART INVEST France	France	100	FC
CLEANING			
DRX	France	90.5	FC
TNEX	France	90.5	FC
ATALIAN PROPRETÉ	France	90.5	FC
EPPSI	France	90.5	FC
USP NETTOYAGE	France	90.5	FC
CARRARD SERVICES	France	90.5	FC
PROBUS	France	90.5	FC
TFS	France	90.5	FC
ATALIAN FACILITIES	France	100	FC
DPS	France	90.5	FC
FINANCIÈRE DES SERVICES	France	90.5	FC
LIMPA	France	90.5	FC
BBA	France	90.5	FC
SECURITY			
ATALIAN SÉCURITÉ	France	100	FC
LANCRY PROTECTION SÉCURITÉ (LPS)	France	100	FC
ATALIAN SÛRETÉ	France	94.84	FC
AIRPORT PASSENGERS & FREIGHT SECURITY	France	94.13	FC
ATALIAN SÉCURITÉ TECHNOLOGIQUE	France	94.84	FC
SURVEILLANCE HUMAINE ATALIAN PREMIUM	France	100	FC
APFS Lyon	France	94.13	FC
MULTITECHNICAL			
ATALIAN INGÉNIERIE DES SERVICES	France	100	FC
MAINTENANCE TECHNIQUE OPTIMISÉE (MTO)	France	100	FC
EUROGEM	France	100	FC
ETS DIDIER BERNIER	France	100	FC
ERGELIS	France	100	FC
GROUPE CADIOU	France	100	FC
ARCEM	France	100	FC
BEI	France	100	FC
CEI	France	100	FC
CEI LORIENT	France	100	FC

Companies	Country	% INTEREST Dec-21	Method of consolidation
SEI	France	100	FC
PPR			
TFN PPR	France	100	FC
LETUVE	France	100	FC
GERMOT	France	100	FC
INTERNATIONAL			
EUROPE			
BE-ATALIAN HOLDING BELGIUM	Belgium	100	FC
BE-ATALIAN MANAGEMENT SERVICES NV	Belgium	100	FC
BE-TEMCO REAL ESTATE BVBA	Belgium	100	FC
BE-ATALIAN SA	Belgium	100	FC
BE - GREEN KITCHEN	Belgium	100	FC
BE - ATALIAN Building SOLUTIONS NV	Belgium	100	FC
BE - ATALIAN GLOBAL SERVICES HOLDING	Belgium	100	FC
LU-ATALIAN GLOBAL SERVICES Luxembourg	Luxembourg	100	FC
LU-ATALIAN EUROPE	Luxembourg	100	FC
LU-MTO Luxembourg	Luxembourg	100	FC
LU-CITY ONE Luxembourg	Luxembourg	50	FC
LU-ATALIAN INTERNATIONAL	Luxembourg	99	FC
LU-ATALIAN AFRIQUE	Luxembourg	99	FC
NL-ATALIAN SCHOONMAAK ZW BV	Netherlands	99	FC
NL-VISSCHEDIJK BV	Netherlands	99	FC
NL-ATALIAN FACILITAIR BV	Netherlands	99	FC
NL-GREEN KITCHEN BV	Netherlands	99	FC
NL-ATALIAN SCHOONMAAK NO BV	Netherlands	99	FC
NL-ATALIAN SCHOONMAAK+ BV	Netherlands	99	FC
CZ-ATALIAN CZ sro	Czech Republic	100	FC
CZ-ATALIAN SERVIS CZ sro	Czech Republic	100	FC
CZ-AGUA PRAGUE sro	Czech Republic	100	FC
CZ-AIRE Brno sro	Czech Republic	100	FC
HU-ATALIAN GLOBAL SERVICES HUNGARY	Hungary	100	FC
HU-ATALIAN FACILITY MANAGEMENT & GLOBAL SERVICES	Hungary	100	FC
HR-ATALIAN GLOBAL SERVICES	Croatia	96.81	FC
HR - TEHINSPEKT	Croatia	73.57	FC
RO-ATALIAN ROMANIA	Romania	100	FC
RO-IQ REAL ESTATE	Romania	100	FC
RO-MT&T PROPERTY MANAGEMENT SRL	Romania	99	FC
SK-ATALIAN	Slovakia	100	FC
PL-ATALIAN POLAND	Poland	100	FC
PL-ASPEN HOLDING	Poland	100	FC
PL-ASPEN Sp. Z.o.o.	Poland	100	FC
PL-ASPEN SERWIS	Poland	100	FC
PL-ATALIAN SERVICE	Poland	100	FC
TR-ATALIAN ENTEGRE TESIS YONETIMI HIZMETLERI A.S	Turkey	99	FC
TR-EKOL TEKNIK TEMIZLIK BAKIM YÖNETIM HIZMETLERI ve TICARET A.S	Turkey	99	FC
TR-E GRUP GÜVENLIK HIZMETLERI Ltd. STI	Turkey	99	FC

Companies	Country	% INTEREST Dec-21	Method of consolidation
TR-EVD ENERGY	Turkey	99	FC
RU-ATALIAN GLOBAL SERVICES	Russia	97.02	FC
RU-ATALIAN ENGINIEERING	Russia	97.02	FC
RU-ESPRO ENGINIEERING	Russia	97.02	FC
RU-NOVY DOM	Russia	91.2	FC
RU-CLEANING PROFI	Russia	91.2	FC
RU-PROF KLIM	Russia	91.2	FC
RU-AFM2	Russia	97.02	FC
BY - ATALIAN	Belarus	64.35	FC
RS-ATALIAN LTD BELGRADE	Serbia	99	FC
RS-ATALIAN GLOBAL SERVICES - RS DOO BEOGRAD	Serbia	99	FC
RS-MOPEX TEKUCE ODRZAVANJE D.o.o.	Serbia	99	FC
BA-ATALIAN GLOBAL SERVICES BH d.o.O. Sarajevo	Bosnia	96.81	FC
BA-ATALIAN GLOBAL SERVICES Banja Luka	Bosnia	96.81	FC
GB - AKTRION HOLDINGS ltd	United Kingdom	100	FC
GB - AKTRION GROUP Ltd	United Kingdom	100	FC
GB - AKTRION MANUFACTURING SUPPORT SERVICES Ltd	United Kingdom	100	FC
GB - AKTRION GASSER UK Ltd	United Kingdom	100	FC
GB - QE INTERNATIONAL Ltd	United Kingdom	100	FC
FR - AKTRION FRANCE SAS	France	100	FC
BE - AKTRION BELGIUM	Belgium	100	FC
ES - AKTRION IBERIA SRL	Spain	100	FC
HU - AKTRION HUNGARY Kft	Hungary	100	FC
RO - AKTRION ROMANIA SRL	Romania	100	FC
SK - AKTRION SLOVAKIA s.r.o.	Slovakia	100	FC
PL - AKTRION POLAND Sp Z.o.o.	Poland	100	FC
PT - AKTRION PORTUGAL	Portugal	100	FC
DE - AKTRION GmbH	Germany	100	FC
USA			
US-ATALIAN GLOBAL SERVICES INC	United States	99	FC
US-ATALIAN US NORTHEAST LLC	United States	99	FC
US-ATALIAN US SHARED SERVICES LLC	United States	99	FC
US-SPARTAN SECURITY SERVICES INC	United States	99	FC
US-ATALIAN US OHIO VALLEY INC	United States	99	FC
US-ATALIAN US NEW ENGLAND LLC	United States	99	FC
US-ATALIAN US MIDWEST LLC	United States	99	FC
ASIA			
SG-ATALIAN GLOBAL SERVICES VIETNAM Pte Ltd	Singapore	50.49	FC
SG-ATALIAN SINGAPORE HOLDING Pte Ltd	Singapore	99	FC
SG-CLEANING EXPRESS Pte Ltd	Singapore	69.3	FC
SG-EXPRESS PEST SOLUTION Pte Ltd	Singapore	69.3	FC
SG-GREENSERVE & LANDSCAPE Pte Ltd	Singapore	69.3	FC
SG-ATALIAN ASIA HOLDING LIMITED	Singapore	99	FC
HK-ATALIAN ASIA HOLDING LIMITED	Hong-Kong	99	FC
TH- ATALIAN HOLDING THAILAND	Thailand	99	FC
TH-ATALIAN FACILITIES MANAGEMENT Co	Thailand	92.81	FC

Companies	Country	% INTEREST Dec-21	Method of consolidation
TH-AGS THAILAND	Thailand	99	FC
TH-ATALIAN PGS SECURITY THAILAND CO Ltd	Thailand	99	FC
TH-THE GUARDS	Thailand	99	FC
TH-PS GUARDS HOLDING SECURITY GUARD Co Ltd	Thailand	99	FC
TH-PSS CLEANING AND SERVICE	Thailand	99	FC
TH-SECURITY GUARD ARM PROTECTION Co. Ltd	Thailand	99	FC
ID-PT ATALIAN INDONESIA	Indonesia	99	FC
ID-AGS INDONESIA	Indonesia	99	FC
ID-ATALIAN FACILITY SERVICES	Indonesia	99	FC
ID-RAFINDO ANUGRAH SUKSES	Indonesia	99	FC
ID-AGS CENTRAL JAVA	Indonesia	99	FC
ID-ATALIAN PEST MANAGEMENT	Indonesia	99	FC
MY-ATALIAN MALAYSIA	Malaysia	99	FC
MY-ATALIAN MANAGEMENT SERVICES ASIA Sdn Bhd	Malaysia	99	FC
MY-ATALIAN GLOBAL SERVICES Sdn Bhd	Malaysia	69.3	FC
PH-ATALIAN PHILIPPINES HOLDING Ltd	Philippines	98.99	FC
PH-AGS PHILIPPINES	Philippines	66.33	FC
PH-ABLE	Philippines	59.39	FC
MM-AGS	Myanmar	50.49	FC
MM-MYANMAR ASSURANCE Co Ltd	Myanmar	50.49	FC
VN-ATALIAN GLOBAL	Vietnam	50.49	FC
VN-ATALIAN COMPANY LTD	Vietnam	99	FC
KH-AGS CAMBODIA	Cambodia	70.29	FC
KH - AFM CAMBODIA	Cambodia	81.55	FC
IN - AGS FACILITIES PRIVATE LTD	India	99	FC
IN - RAMKY ATALIAN PVT LTD	India	69.3	FC
AFRICA			
MU-ATALIAN INTERACTIVE	Mauritius	99	FC
MA-ATALIAN MAROC	Morocco	99	FC
MA- OPUS RH SARL	Morocco	99	FC
MA-ATALIAN SURVEILLANCE	Morocco	99	FC
MA-AGS MOROCCO HOLDING	Morocco	79.2	FC
MA-CLEAN-CO SERVICES CENTURY	Morocco	79.2	FC
MA-CLEAN-CO SERVICES VIGILANCE	Morocco	79.2	FC
MA-CLEAN-CO SERVICES ENVIRONNEMENT	Morocco	79.2	FC
MA-EXPERT ENVIRONNEMENT (groupe CLEAN-CO)	Morocco	79.2	FC
MA-MEN' EXPERTS ACADEMY	Morocco	79.2	FC
CI-ATALIAN COTE D IVOIRE	Ivory Coast	63.36	FC
CI-QUICK NET AGS	Ivory Coast	63.36	FC
SN-AXESS	Senegal	71.28	FC
SN-AGS SENEGAL	Senegal	59.4	FC
LB-MTO SAL MAINTENANCE	Lebanon	99.14	FC
LB-ATALIAN SWITCH GROUP	Lebanon	51	FC
LB-AGS HOLDING LIBAN	Lebanon	100	FC
UK			
GB - ATALIAN SERVEST HOLDINGS LIMITED	United Kingdom	100	FC

Companies	Country	% INTEREST Dec-21	Method of consolidation
GB - ATALIAN SERVEST GROUP HOLD Ltd	United Kingdom	100	FC
GB - ATALIAN SERVEST GROUP Ltd	United Kingdom	100	FC
GB - SERVEST GROUP Ltd (cleaning)	United Kingdom	100	FC
GB - SERVEST PEST CONTROL Ltd	United Kingdom	100	FC
GB - ATALIAN SERVEST SECURITY Ltd	United Kingdom	100	FC
GB - ATALIAN SERVEST FOOD CO Ltd	United Kingdom	100	FC
GB - ATALIAN SERVEST AMK Ltd	United Kingdom	100	FC
GB - THERMOTECH SOLUTIONS Ltd	United Kingdom	100	FC
GB - ENSCO 1194 Ltd	United Kingdom	100	FC
GB - FIRE AND AIR SERVICES Ltd	United Kingdom	100	FC
GB - OAKWOOD TECHNOLOGY GROUP Ltd	United Kingdom	100	FC
GB - OAKWOOD AIR CONDITIONING Ltd	United Kingdom	100	FC
GB - THERMOTECH FIRE PROTECTION Ltd	United Kingdom	100	FC
GB - THERMOTECH MECHANICAL SERVICES Ltd	United Kingdom	100	FC
GB - SERVEST AKTRION Ltd	United Kingdom	100	FC
GB - ALPHA FACILITIES MANAGEMENT	United Kingdom	100	FC
GB - ATALIAN SERVEST INTEGRATED SOLUTIONS Ltd	United Kingdom	100	FC
GB - ATALIAN SERVEST Ltd	United Kingdom	100	FC
IE - SERVEST IRELAND Ltd	Ireland	100	FC
COMPANIES ACCOUNTED BY EQUITY METHOD			
CITY SERVICES	France	50	EA
LU - BOTEGA INVESTCO SARL (GETRONICS)	Luxembourg	27.18	EA
RO-FIRST FACILITY IMOBILE SRL	Romania	44.55	EA

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