FIRST HALF 2022 FINANCIAL REPORT

SUMMARY

I. MANAGEMENT REPORT

1. H1 2022 HIGHLIGHTS

STRONG COMMERCIAL AND EXCEPTIONAL FINANCIAL PERFORMANCE

- Record net income (group share) up 72.2% at EUR 606.1 million
- Strong commercial performance in a disrupted environment: funded fleet at 1.45 million, up 5.4% vs end June 2021
- Leasing Contract and Services Margins at EUR 805.2 million, up 4.6% vs H1 2021 when adjusted for fleet revaluation and depreciation adjustments (EUR +103.2 million), the impact of hyperinflation accounting rules in Turkey (EUR +39.5 million) and a provision in Ukraine (EUR -26.8 million)
- Exceedingly favourable used car market: used car sales result per unit[1] at EUR 3,212 vs EUR 740 in H1 2021
- Operating expenses at EUR 404.3 million, including EUR 41.3 million preparation costs for the acquisition of LeasePlan
- Cost of Risk[2] at 16bps, stable compared to H1 2021
- Total Equity/Asset ratio at 17.8%, up from 16.7% at end June 2021

2. FINANCIAL REVIEW ON FIRST SIX MONTHS OF 2022

After the sharp rebound of economies observed in 2021, the environment became more uncertain in 2022, as the conflict between Russia and Ukraine exacerbated worldwide geopolitical tensions. The surge of commodities prices pushed inflation further up, prompting a rapid increase in interest rates by Central banks. While the global health situation stabilized towards the end of H1 2022, disruptions in supply chains continued, thus intensifying the shortage of new cars in Europe and pushing used car prices to high levels.

Against this backdrop, ALD recorded strong commercial dynamics and an exceptional financial performance in H1 2022

NAVIGATING THROUGH A FAST-CHANGING ENVIRONMENT

To mitigate the impacts of the changing environment and seize potential opportunities, ALD launched a tactical plan articulated around 4 objectives: i) securing car supplies; ii) maintaining the highest standards of service to customers; iii) preserving its margins and iv) reducing its risks.

With supply chains further disrupted by geopolitical tensions and lockdowns in China, ALD is securing its car supplies by increasing bulk purchases and anticipating orders, leveraging on its strong and long-standing partnerships with OEMs[3]. In parallel, the company continues to accompany its clients by extending existing contracts and promoting its flexible product offering as an alternative mobility solution in the current car shortage situation (ALD Flex, Used Car

[1] Management information
[2] Annualized Cost of Risk as a % of Average Earning Assets
[3] Original equipment manufacturer

Lease). The aim is to further reinforce the relationship with clients, while contributing to the reduction of residual value risk.

As major economies are slowing down, ALD is developing its multicycle lease offering while also closely monitoring its riskier client segments. In a less favourable macroeconomic context, the fundamental shift from ownership to usership remains a strong driving force for business development, mitigating the potential effects of a recession.

By systematically hedging its liquidity, interest rates and foreign exchange rates risk at contract origination, ALD continues to protect its margins. In the current context of rapid interest rates hikes, ALD's wide access to funding is a clear competitive advantage in the car leasing industry.

Taking account of rapidly rising inflation in its main markets, ALD is adjusting pricing parameters in new contracts more frequently. At the same time, in a context of higher fuel prices, ALD has reinforced customer advisory on more sustainable and innovative products, such as Electric Vehicles and multimodal mobility, in line with its Move 2025 strategic plan. ALD is well positioned to capture the opportunities arising from the powertrain transition to EV.

Finally, acknowledging the impact of the uncertain geopolitical environment, ALD announced on 11 April 2022 that it is no longer concluding any new commercial transactions in Russia, Kazakhstan and Belarus.

SHAPING THE WORLD OF MOBILITY

ALD's commitment to innovative and sustainable mobility and to shaping the future of the industry is further evidenced by the launch of ALD Move in France, which targets the Business to Business to Employees (BtBtE) channel. A cutting-edge mobile application allowing users to plan, book and pay multimodal transports, ALD Move's functionalities have been enriched thanks to Skipr, the Belgian Mobility-as-a-Service (MaaS) startup in which ALD acquired a 17% stake last year. ALD Move's potential customer base is much larger than that of traditional car leasing, as it targets all of its corporate clients' employees, including those not eligible for company cars. Providing users with a high number of flexible and adapted travel options, it leverages on multimodality, contributing to the reduction of the carbon footprint, within a dedicated budget. Highly suited to changing mobility needs and preferences, this product has had a promising start since it was launched in May 2022.

Meanwhile, ALD Flex, available in 32 countries, continues to be the perfect response to corporates' changing needs in a more uncertain environment. This is reflected in the size of the fleet, which reached more than 52 thousand vehicles at end June 2022, an 18%-increase compared to end December 2021. To service an increasing range of clients, the ALD Flex offering will be further rolled out in Sweden and Serbia by the end of the year.

Fleetpool, the #1 subscription company in Germany, which ALD acquired last year, operated 13 thousand vehicles at end June 2022. Operating through the 'like 2 drive' and 'eazycars' brands, it addresses private customers through a simple all-inclusive and fully digital subscription product. To leverage on its strong growth potential, it will be progressively rolled out across Europe.

Driven by more stringent environmental regulations as well as corporates' and individuals' rising interest in reducing their carbon footprint, the future of mobility is inevitably shifting towards electrification. Rising fuel prices also contribute to this movement. With a 27% EV share in its new car registrations[4] over the past 12 months, compared to the overall market which recorded less than 22%[5] over the same period, ALD positions itself as a leader in electrification. Demonstrating the strength of its commercial franchise, ALD was appointed in H1 2022 sole EV solution provider (advisory, fleet, charging) by a number of large corporate clients, among which Thales in Europe and Bayer in more than 10 of its markets. ALD is stepping up its expansion by deploying its ALD Electric offer, which includes charging, in 12 additional countries to reach a total of 34 markets by the end of the year.

In June 2022, ALD successfully issued a EUR 500 million green and positive impact bond which, in accordance with its recently updated framework, will be exclusively dedicated to the financing of Battery Electric Vehicles (BEV), a powertrain at the forefront of sustainability with zero gram of CO_2 tailpipe emissions. ALD thus confirms its commitment to the highest standards of sustainable development.

[4] In the European Union, UK, Norway and Switzerland; management information

[5] Source: ACEA

Consolidated income statement

in EUR million	Q2 2022[1]	Q2 2021	Q Var.	H1 2022[1]	H1 2021	H1 Var.
Leasing contract revenues [2,3]	1,209.3	1,114.9	8.5%	2,365.6	2,216.2	6.7%
Leasing Contract Costs - Depreciation	(882.1)	(891.5)	-1.0%	(1,827.1)	(1,780.2)	2.6%
Leasing Contract Costs - Financing	(50.8)	(31.9)	58.9%	(95.7)	(65.2)	46.8%
Unrealised Gains/Losses on Financial Instruments	34.8	(6.3)	-656.1%	36.8	(14.0)	-362.2%
Leasing Contract Margin[2]	**311.2**	**185.2**	**68.0%**	**479.6**	**356.8**	**34.4%**
Services Revenues	598.2	523.4	14.3%	1,156.7	1,056.7	9.5%
Cost of Services Revenues	(433.1)	(365.1)	18.6%	(831.0)	(741.9)	12.0%
Services Margin	**165.1**	**158.3**	**4.3%**	**325.7**	**314.7**	**3.5%**
Leasing Contract and Services Margins	**476.3**	**343.5**	**38.7%**	**805.2**	**671.6**	**19.9%**
Proceeds of Cars Sold	984.8	1,000.0	-1.5%	2,003.2	1,995.1	0.4%
Cost of Cars Sold	(767.4)	(913.0)	-15.9%	(1,570.5)	(1,869.8)	-16.0%
Used Car Sales result	**217.4**	**87.1**	**149.7%**	**432.7**	**125.3**	**245.3%**
GROSS OPERATING INCOME	**693.7**	**430.6**	**61.1%**	**1,237.9**	**796.9**	**55.3%**
Staff Expenses	(128.1)	(109.4)	17.1%	(244.5)	(214.5)	14.0%
General and Administrative Expenses	(72.8)	(39.7)	83.4%	(129.0)	(83.7)	54.2%
Depreciation and Amortisation	(15.6)	(17.0)	-8.1%	(30.7)	(31.7)	-3.1%
Total Operating Expenses	**(216.5)**	**(166.1)**	**30.4%**	**(404.3)**	**(329.9)**	**22.5%**
Cost/Income ratio (excl CSR)	*-45.5%*	*-48.3%*	**-6.0%**	*-50.2%*	*-49.1%*	**2.2%**
Impairment Charges on Receivables	(11.0)	(7.9)	39.3%	(18.9)	(16.6)	14.0%
Non-Recurring Income (Expenses)	(0.0)	(0.0)	NA	(0.0)	(0.0)	NA
OPERATING RESULT	**466.2**	**256.6**	**81.7%**	**814.7**	**450.3**	**80.9%**
Share of Profit of Associates and Jointly Controlled Entities	0.2	0.4	-48.4%	1.1	0.7	50.4%
Profit Before Tax	**466.4**	**257.0**	**81.5%**	**815.8**	**451.1**	**80.9%**
Income Tax Expense	(116.0)	(58.8)	97.2%	(207.9)	(95.6)	117.5%
Result for the period from discontinued operations	0.0	0.0		0.0	0.0	
Profit for the Period	**350.4**	**198.2**	**76.8%**	**607.8**	**355.4**	**71.0%**
Net Income	**350.4**	**198.2**	**76.8%**	**607.8**	**355.4**	**71.0%**
Non-Controlling Interests	*(0.5)*	*1.6*	-127.6%	*1.7*	*3.4*	-50.3%
Net Income Group share	**350.9**	**196.5**	**78.5%**	**606.1**	**352.0**	**72.2%**

Return on Average Equity[4]				***24.4%***	***16,7%***	

[1] ALD's Q2 22, and H1 22 results have been subject to a limited review by ALD's Statutory Auditors

[2] For the six months ended June 30, 2021 reclassification of EUR 14.8 million between "Cost of services revenues" and "Leasing contract revenues – operating leases". Volume rebates paid to customers, previously reported in the "Cost of services revenues", were reclassified to "Leasing contract revenues" as those rebates are driven by the levels of leasing revenues generated from customers and not services revenues. This reclassification has resulted in the reduction of "Leasing contract revenues" and subsequently "Leasing contract margin".

[3] For the six months ended June 30, 2021 reclassification of EUR 5.6 million between "Other Interest Income" and "Other Interest Charges". Interest Income received from financial instruments has been presented on a net basis with interest

costs on financial instruments where these instruments are embedded in the same structured funding transaction and are designed to remove market risk from this transaction.

[4] Annualised ratio: in the numerator quarterly figure multiplied by 4 or half-year figure multiplied by 2 or annual figure. In the denominator the arithmetic average of Equity attributable to owners of the parent at the beginning and end of the period

Funded fleet[6] grew by 5.4% compared to end June 2021, to 1,448 thousand vehicles at end June 2022, underpinned by strong organic growth of +3.1% despite continuing supply chain constraints. Total contracts stood at 1,761 thousand at end June 2022, up by 2.0% compared to end 2021.

The order book continued to edge higher in Q2 2022, due to continued disruptions in supply chains which are causing long delays in deliveries of new cars and greater anticipation of orders by clients. Supported by solid commercial dynamics, ALD's funded fleet grew by 1.5% since the beginning of the year, putting ALD on track to achieve its guidance of 2% to 4% funded fleet growth in 2022.

Total margins reached EUR 805.2 million in H1 2022, an increase of 19.9% compared to H1 2021. This number includes EUR +115.9 million of non-operating items impacting the Leasing contract margin, vs EUR +12.7 million in H1 2021:

- Depreciation adjustments: EUR +103.2 million vs EUR +12.7 million in H1 2021, reflecting the continued rising used car prices in H1 2022 and ALD's expectations that the highly favourable market conditions will last at least for the rest of the year. Two types of impacts were registered in H1 2022:
    - An income of EUR 40.5 million (vs EUR 12.7 million in H1 2021) based on the expected roll-off of the fleet portfolio and deriving from the usual fleet revaluation exercise,
    - A reduction in depreciation costs of EUR 62.7 million, driven by a change in the depreciation curve, reflecting exceptionally high used car prices in H2 2022. As a result, depreciation has been adjusted or stopped for those vehicles whose sales proceeds are forecast to be in excess of their net book value.

      The reduction in depreciation costs is the difference between the contractual amortization costs and the revised amortization cost. It anticipates in Q2 2022 some Used car sales results which would otherwise be recorded later this year.

[6] Including ALD Flex and Used Car Lease

- Application of hyperinflation accounting rules[7] in Turkey: EUR +39.5 million, booked in Q2 2022;
- Provision in Ukraine: EUR -26.8 million booked in Q1 2022[8].

When adjusted for these items, Total Margins increased by 4.6% compared to H1 2021, with growth in Leasing contract margin underpinned by the shift to higher-value vehicles.

The contribution from Used Car Sales result reached EUR 432.7 million in H1 2022 vs EUR 125.3m in H1 2021. This record result is driven by exceedingly favorable conditions in used car markets, which continued to benefit from unprecedented supply shortages generating exceptional profits. Average sales margin on used vehicles[9] came in at EUR 3,212 per unit in H1 2022 vs EUR 740 per unit in H1 2021, reaching EUR 3,330 per unit in Q2 2022. ALD sold 135 thousand units[10] in H1 2022 vs 169 thousand in H1 2021. This decrease is explained by a higher number of contract extensions and Used Car Leases. The used car stock was at a low level at the end of the semester.

As a consequence, ALD's Gross Operating Income reached EUR 1,237.9 million in H1 2022, up 55.3% vs. H1 2021.

Operating Expenses amounted to EUR 404.3 million in H1 2022, including preparation costs for the acquisition of LeasePlan for EUR 41.3 million, the entry of Sabadell Renting and FFM UK in the consolidation perimeter for EUR 7.9 million and the rise in variable compensation accrual reflecting record Used Car Sales results. The Cost/Income Ratio (excl. UCS result) was 50.2% in H1 2022.

Impairment charges on receivables came in at EUR 18.9 million in H1 2022, including a EUR 2 million charge recorded in Ukraine in Q1 2022. The cost of risk[11] was stable compared to H1 2021 at 16 bps, a continued low default rate.

Income tax expense increased to EUR 207.9 million in H1 2022, up from EUR 95.6 million in H1 2021, outpacing the rise in profit before tax, due to the end of the benefit of the Italian Stability Law, the provision in Ukraine and hyperinflation in Turkey.

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[7] As per IAS 29 "Financial Reporting in Hyperinflationary Economies"

[8] Provisions representing 50% of rental fleet and customer receivables. Total assets net of provisions in Ukraine were EUR 44.9 million at end June 2022

[9] Management information

[10] Management information

[11] Annualized Cost of Risk as a % of average of Earning Assets.

ALD's Net Income (Group Share) reached a record level of EUR 606.1 million in H1 2022, up 72.2% from EUR 352.0 million in H1 2021. The impact of hyperinflation in Turkey accounted for EUR 27.5m in H1 2022.

Diluted Earnings per share[12] amounted to EUR 1.50 in H1 2022, vs EUR 0.87 in H1 2021.

SOLID BALANCE SHEET

Total fleet and selected balance sheet figures

in EUR million, except stated otherwise	30.06.2022	31.12.2021	Var%	30.06.2021	Var%
Total Fleet (in '000 of vehicles)	**1 761**	**1 726**	**+2,0%**	**1,761**	**+0,0%**
Total Assets	**28,827**	**26,991**	**+6.8%**	**25 909**	**+11.3%**
Earning Assets	**23,652**	**22,489**	**+5.2%**	**21 585**	**+9.6%**
Total Equity	**5,143**	**4,846**	**+6.1%**	**4 323**	**+18.9%**
Financial Debt[5]	**19,495**	**18,517**	**+5.3%**	**18 064**	**+7.9%**
Total Equity on Total Assets	*17,8%*	*18,0%[6]*		*16.7%*	

[5] Financial Debt: defined as Borrowings from Financial institutions, Bonds and Notes issued

[6] * Proforma total Equity / Asset ratio at 16.6% net of dividend paid in Q2 2022

Earning Assets increased by 5.2% at the end of June 2022 vs. the end of 2021, reaching EUR 23.7 billion, driven by funded fleet growth and the increasing share of higher value vehicles (EV) in new deliveries.

Total funding at the end of June 2022 stood at EUR 19.5 billion (up from EUR 18.5 billion at the end of 2021) of which 68% consisted of loans from Societe Generale.

As part of its active liquidity management strategy, ALD further diversified its funding through a EUR 700 million senior unsecured bond issuance in February 2022. In June 2022, ALD successfully issued a EUR 500m green and positive impact senior unsecured bond, which settled early July 2022. Both bond issues confirmed the market's solid appetite for ALD debt instruments.

The Group's Total Equity to Total Assets ratio stood at 17.8% at the end of June 2022, up from 16.6% net of dividend end 2021, reflecting record earnings.

[12] Calculated according to IAS 33. Basic EPS for H1 2022 also at EUR 1.50.

GUIDANCE FOR 2022

ALD expects the shortage of new cars as well as the highly favourable supply/demand situation in used car markets to continue into H2 2022. In this context, ALD is maintaining its previously announced guidance for 2022:

- ✓ **Funded fleet** growth between 2% and 4%;
- ✓ **Used Car Sales result per vehicle** above EUR 2,000 on average in 2022;
- ✓ **Dividend payout ratio** between 50% and 60%.

ALD continued to prepare for the acquisition of LeasePlan, with a closing planned for end 2022[13]. Preparation costs linked to the upcoming transition to regulatory status and the finalization of a smooth and efficient integration plan ramped-up during H1 2022 as indicated at the beginning of the year. ALD estimates the full-year 2022 impact of these costs at c. EUR 100 million.

3. KEY STRATEGIC INITATIVES & OPERATIONAL DEVELOPMENTS

Launch of ALD Move in France

This product is the most innovative and digital solution to manage the daily mobility of corporate clients' employees. While "Crédit Mobilité" applies to those employees eligible for a company car by allowing them to convert the benefit of this car into a sum which can be spent in both professional and personal multi-modal trips, "Forfait Mobilités Durables" provides those employees not eligible for a company car with a budget allocation which can be spent on the multi-modal transport options of their choice between home and work. This product allows users to plan, book and pay mobility, while actively managing the collective efforts to reduce the carbon footprint. It thereby enhances employee attraction and retention and promotes quality of life at work.

In particular, it provides corporates with:

- ✓ A centralized administrative management platform to define and control employees' mobility budgets and expenses
- ✓ A CO_2 emissions report to quantify the reduction of their carbon footprint
- ✓ A dedicated team as a support in the implementation of their mobility strategy.

Employees benefit from:

- ✓ A payment card for mobility services
- ✓ A mobile application to help them plan their multi-modal trips

[13] Cf ALD press release dated 6 January 2022

- ✓ A web interface to manage their mobility budget.

4. RISK FACTORS

ALD's factors of risk are described in Chapter 4 of the Universal Registration Document filed on 22 April 2022. These factors of risk have not changed since this date.

5. RELATED PARTY TRANSACTIONS

Related party transactions are described in Note 34 to the Group's consolidated financial statements for the financial year ended 31 December 2021 and in Note 23 to the Group's interim consolidated financial statements for the six months ended 30 June 2022. These transactions relate mainly to key management compensation, sales of goods and services, information technology services, premises, brokerage, insurance policy, corporate services, loans and tax consolidation. There have not been any substantial changes in the related party transactions since that date.

6. EVENTS SUBSEQUENT TO 30 JUNE 2022

None

II. STATUTORY AUDITORS' REVIEW REPORT ON THE HALF-YEARLY FINANCIAL INFORMATION

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

DELOITTE & ASSOCIES	ERNST & YOUNG et Autres
6, place de la Pyramide	Tour First
92908 Paris-La Défense cedex	TSA 14444
S.A.S. au capital de € 2 188 160	92037 Paris-La Défense cedex
572 042 041 R.C.S. Nanterre	S.A.S. à capital variable
	438 476 913 R.C.S. Nanterre
Société de Commissariat aux Comptes inscrite à la Compagnie Régionale de Versailles et du Centre	Société de Commissariat aux Comptes inscrite à la Compagnie Régionale de Versailles et du Centre

ALD

Statutory auditors' review report on the half-yearly financial information

For the period from January 1st to June 30th, 2022

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meetings and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code (*"code monétaire et financier"*), we hereby report to you on:

- the review of the accompanying interim condensed consolidated financial statements of ALD, for the period from January 1st to June 30th, 2022,
- the verification of the information presented in the half-yearly management report.

These interim condensed consolidated financial statements are the responsibility of board of directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

We draw your attention to the Notes 8 and 10 to the interim condensed consolidated financial statements that describe the presentation corrections applied. Our conclusion is not modified in respect of this matter.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the interim condensed consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the interim condensed consolidated financial statements.

Paris – La Défense, August, 4th 2022

The Statutory Auditors

French original signed by

DELOITTE & ASSOCIES	ERNST & YOUNG et Autres
Pascal Colin	Vincent Roty

III. STATEMENT OF THE PERSON RESPONSIBLE FOR THE HALF YEAR FINANCIAL REPORT

I certify, to the best of my knowledge, that the interim condensed financial statements for the six months ended 30 June 2022 have been prepared in accordance with applicable accounting standards and give a fair view of the assets, liabilities and financial position and profit or loss of the company and all the undertakings included in the consolidation, and that the interim management report, to be found in the first part of this Report, presents a fair review of the important events that have occurred during the first six months of the financial year, their impact on the financial statements, major related-party transactions, and a description of the principal risks and uncertainties for the remaining six months of the financial year.

Paris, 4 August 2022

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Mr Tim Albertsen
Chief Executive Officer of ALD SA

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Person responsible for financial information
Mr Gilles Momper
Chief Financial Officer of ALD SA

IV. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2022

SUMMARY

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

(In EUR million)	Notes	For the six months period ended June 30, 2022	June 30, 2021
Leasing contract revenues [1][2]	10a,10d	2,365.6	2,216.2
Leasing contract costs - depreciation	10a	(1,827.1)	(1,780.2)
Leasing contract costs - financing [2]	10a	(95.7)	(65.2)
Unrealised gains/losses on financial instruments and other	10a	36.8	(14.0)
Leasing contract margin		**479.6**	**356.8**
Services revenues	10b,10d	1,156.7	1,056.7
Cost of services revenues[1]	10b	(831.0)	(741.9)
Services margin		**325.7**	**314.7**
Proceeds of cars sold	10c,10d	2,003.2	1,995.1
Cost of cars sold	10c	(1,570.5)	(1,869.8)
Used car sales result		**432.7**	**125.3**
GROSS OPERATING INCOME		**1,237.9**	**796.9**
Staff expenses		(244.5)	(214.5)
General and administrative expenses		(129.0)	(83.7)
Depreciation and amortisation		(30.7)	(31.7)
Total operating expenses		**(404.3)**	**(329.9)**
Impairment charges on receivables		(18.9)	(16.6)
OPERATING RESULT		**814.7**	**450.3**
Share of profit of associates and jointly controlled entities		1.1	0.7
Profit before tax		**815.8**	**451.1**
Income tax expense	11	(207.9)	(95.6)
Profit for the period from continuing operations		**607.8**	**355.4**
Net income		**607.8**	**355.4**
Net income attributable to:			
Owners of the Company		**606.1**	**352.0**
Non-controlling interests		1.7	3.4

[1] Consolidated Income statement for the period ended June 30, 2021 has been restated due to reclassification of EUR 14.8 million between "Leasing contract revenues" and "Leasing contract costs - financing" for correct finance lease revenues presentation. Impact of this reclassification on "Leasing Contract Margin" is negative EUR 14.8 million with an offsetting positive impact in "Services Margin". Details of this restatement is disclosed in Note 10 Revenues and Cost of Revenues.

[2] Consolidated Income Statement for the period ended June 30, 2021 has been restated due to a reclassification of EUR 5.6 million between "Leasing Contract Revenues" and "Leasing Contract Costs - Financing" for correct interest charges presentation. Impact of the reclassification on "Leasing Contact Margin" is EUR 5.6 million. Details of this restatement is disclosed in Note 10 Revenues and Cost of Revenues.

Earnings per share from net income attributable to the owners of the parent:			
Basic earnings per share (in cents)	22	1.50	0.87
Diluted earnings per share (in cents)	22	1.50	0.87

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in EUR million)	Notes	For the six months period ended June 30, 2022	June 30, 2021
Net income		**607.8**	**355.4**
Items that may be reclassified subsequently to profit or loss		**126.1**	**27.8**
Changes in cash flow hedges, before tax[1]		24.4	14.3
Deferred tax on cash flow hedges		(4.2)	(3.7)
Net gain on debt instruments at fair value through other comprehensive income[2]		(12.8)	–
Currency translation differences[3]		118.6	17.1
Other comprehensive income for the period, net of tax		**126.1**	**27.8**
Total comprehensive income for the period		**733.9**	**383.2**
Attributable to			
Owners of the Company		732.5	379.9
Non-controlling interests		1.4	3.4
Total comprehensive income attributable to owners of the parent			
- Continuing operations		732.5	379.9

[1] Level 2 valuation of derivatives obtained from third parties (see Note 18 for further details)

[2] Net gain on debt instruments at fair value through other comprehensive income relates to the corporate bond in Ireland Re DAC subsidiary

[3] Currency translation reserves have been positively impacted by the application of hyperinflation accounting in the Group's subsidiary in Turkey

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

(in EUR million)	Notes	June 30, 2022	December 31, 2021
ASSETS			
Rental fleet	14	22,912.2	21,711.3
Other property and equipment		89.6	85.0
Right-of-use assets		114.7	117.3
Goodwill		631.1	576.0
Other intangible assets		100.2	88.7
Investments in associates and jointly controlled entities		8.3	7.9
Derivative financial instruments		73.0	21.1
Deferred tax assets		164.9	195.1
Other non-current financial assets	15	306.7	402.5
Non-current assets		**24,400.7**	**23,205.0**
Inventories		313.6	296.4
Receivables from clients and financial institutions	16	2,100.5	1,827.6
Current income tax receivable		114.6	76.9
Other receivables and prepayments		1,266.1	1,034.6
Derivative financial instruments		2.8	17.5
Other current financial assets	15	348.8	380.7
Cash and cash equivalents	17	279.9	152.7
Current assets		**4,426.4**	**3,786.4**
Total assets		**28,827.0**	**26,991.4**
EQUITY AND LIABILITIES			
Share capital		606.2	606.2
Share premium		367.0	367.0
Other Equity		(15.9)	(13.2)
Retained earnings and other reserves		3,542.0	2,978.8
Net income		606.1	873.0
Equity attributable to owners of the parent		**5,105.4**	**4,811.8**
Non-controlling interests		37.4	33.8
Total equity		**5,142.8**	**4,845.6**
Borrowings from financial institutions	20	9,345.9	9,407.1
Bonds and notes issued	20	3,721.7	3,228.8
Derivative financial instruments		81.5	10.3
Deferred tax liabilities		597.1	518.0
Lease liabilities		80.0	97.4
Retirement benefit obligations and long term benefits		18.8	18.7
Provisions		141.4	129.4
Non-current liabilities		**13,986.4**	**13,409.9**
Borrowings from financial institutions	20	4,851.1	4,441.5
Bonds and notes issued	20	1,576.6	1,439.9
Trade and other payables	21	2,908.3	2,573.3
Lease liabilities		38.2	23.9
Derivative financial instruments		3.6	0.8
Current income tax liabilities		156.1	104.3
Provisions		164.0	152.3
Current liabilities		**9,697.9**	**8,736.0**
Total liabilities		**23,684.3**	**22,145.8**
Total equity and liabilities		**28,827.0**	**26,991.4**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in EUR million)	Attributable to equity holders of the company											
	Share capital	Share premium	Other equity	Translation reserves	Hedging reserve	Actuarial gain/(loss) reserve	Other reserves	Retained earnings	Net income	Equity attributable to the owners of the parent	Non-controlling interests	Total equity
Balance as at January 1, 2021	**606.2**	**367.0**	**(12.9)**	**(193.4)**	**(24.2)**	**(5.4)**	**13.8**	**2,903.4**	**509.8**	**4,164.3**	**30.9**	**4,195.2**
Changes in cash flow hedges	–	–	–	–	10.7	–	–	–	–	10.7	–	10.7
Currency translation differences	(0.0)	(0.0)	–	17.2	–	–	–	0.0	(0.0)	17.2	(0.1)	17.1
Other comprehensive income	**(0.0)**	**(0.0)**	**–**	**17.2**	**10.7**	**–**	**–**	**0.0**	**(0.0)**	**27.9**	**(0.1)**	**27.8**
Net income	–	–	–	–	–	–	–	–	352.0	352.0	3.4	355.4
Total comprehensive income for the period	**(0.0)**	**(0.0)**	**–**	**17.2**	**10.7**	**–**	**–**	**0.0**	**352.0**	**379.9**	**3.4**	**383.2**
Acquisition of treasury shares	–	–	(3.4)	–	–	–	–	–	–	(3.4)	–	(3.4)
Share-Based payments	–	–	–	–	–	–	1.3	–	–	1.3	0.0	1.3
Issue of treasury shares to employees	–	–	2.9	–	–	–	(2.9)	–	–	–	–	–
Dividends	–	–	–	–	–	–	–	(253.9)	–	(253.9)	(0.0)	(254.0)
Scope changes	0.0	–	(0.00)	–	–	–	–	0.0	(0.0)	0.0	1.1	1.1
Appropriation of net income	–	–	–	–	–	–	–	509.8	(509.8)	–	0.0	0.0
Balance as at June 30, 2021	**606.2**	**367.0**	**(13.4)**	**(176.2)**	**(13.5)**	**(5.4)**	**12.2**	**3,159.3**	**352.0**	**4,288.2**	**35.3**	**4,323.5**
Changes in cash flow hedges	–	–	–	–	4.7	–	–	–	–	4.7	–	4.7
Actuarial gain/(loss) on post-employment benefit obligations	–	–	–	–	–	4.2	–	–	–	4.2	–	4.2
Currency translation differences	0.0	0.0	–	(7.8)	–	–	–	(0.0)	0.0	(7.8)	(0.1)	(7.9)
Other comprehensive income	**0.0**	**0.0**	**–**	**(7.8)**	**4.7**	**4.2**	**–**	**(0.0)**	**0.0**	**1.1**	**(0.1)**	**1.0**
Net income	–	–	–	–	–	–	–	–	521.0	521.0	3.6	524.6
Total comprehensive income for the period	**0.0**	**0.0**	**–**	**(7.8)**	**4.7**	**4.2**	**–**	**(0.0)**	**521.0**	**522.1**	**3.5**	**525.7**
Acquisition of treasury shares	0.0	–	0.2	–	–	–	–	0.0	–	0.2	–	0.2
Share-Based payments	–	–	–	–	–	–	1.3	–	–	1.3	–	1.3
Dividends	–	–	–	–	–	–	–	(0.0)	–	(0.0)	(5.1)	(5.1)
Balance as at December 31, 2021	**606.2**	**367.0**	**(13.2)**	**(183.9)**	**(8.9)**	**(1.2)**	**13.4**	**3,159.3**	**873.0**	**4,811.8**	**33.8**	**4,845.6**
Changes in cash flow hedges	–	–	–	–	20.2	–	–	–	–	20.2	0.0	20.2
Changes in fair value of debt instruments	–	–	–	–	–	–	(12.8)	–	–	(12.8)	–	(12.8)
Currency translation differences[(1)]	(0.0)	–	–	118.9	–	–	–	(0.0)	–	118.9	(0.3)	118.6
Other comprehensive income	**(0.0)**	**–**	**–**	**118.9**	**20.2**	**–**	**(12.8)**	**(0.0)**	**–**	**126.4**	**(0.3)**	**126.1**
Net income	–	–	–	–	–	–	–	–	606.1	606.1	1.7	607.8
Total comprehensive income for the period	**(0.0)**	**–**	**–**	**118.9**	**20.2**	**–**	**(12.8)**	**(0.0)**	**606.1**	**732.5**	**1.4**	**733.9**
Acquisition of treasury shares	–	–	(5.2)	–	–	–	–	–	–	(5.2)	–	(5.2)
Share-Based payments	–	–	–	–	–	–	1.4	–	–	1.4	–	1.4
Issue of treasury shares to employees	–	–	2.4	–	–	–	(2.4)	–	–	–	–	–
Dividends	–	–	–	–	–	–	–	(435.2)	–	(435.2)	(0.8)	(436.0)
Scope changes	–	–	–	–	–	–	–	0.0	–	0.0	3.0	3.0
Appropriation of net income	–	–	–	–	–	–	–	873.0	(873.0)	–	(0.0)	(0.0)
Other[(2)]	–	–	–	–	11.4	–	(11.6)	0.3	–	–	–	–
Balance as at June 30, 2022	**606.2**	**367.0**	**(15.9)**	**(65.0)**	**22.7**	**(1.2)**	**(12.0)**	**3,597.4**	**606.1**	**5,105.4**	**37.4**	**5,142.8**

[(1)] *Currency translation reserves have been positively impacted by the application of hyperinflation accounting in the Group's subsidiary in Turkey. See Note 2.1*
[(2)] *Reclassification between equity components*

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(in EUR million)	Notes	For the six months period ended 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**815.8**	**451.1**
Adjustments for:			
Rental Fleet	14	1,880.2	1,859.6
Other property, equipment and right-of-use assets		21.9	25.1
Intangible assets		11.2	9.0
Regulated prov., contingency and expenses provisions		19.9	21.4
Depreciation and provision		**1,933.3**	**1,915.2**
(Profit)/loss on disposal of property and equipment		5.6	13.1
(Profit)/loss on disposal of intangible assets		4.2	3.0
Profit and losses on disposal of assets		**9.8**	**16.1**
Fair value of derivative financial instruments		5.3	14.0
Interest Charges [1]	*10a*	*95.7*	*65.2*
Interest Income [1]		*(445.9)*	*(421.1)*
Net interest income		**(350.2)**	**(355.9)**
Other		0.3	0.6
Amounts received for disposal of rental fleet	14	1,998.5	1,849.7
Amounts paid for acquisition of rental fleet	14	(4,620.4)	(4,325.2)
Change in working capital		32.5	88.6
Interest Paid[1]		*(37.6)*	*(38.4)*
Interest Received[1]		*453.0*	*427.0*
Net interest paid		**415.5**	**388.6**
Income taxes paid		(99.6)	(39.1)
Net cash inflow/(outflow) from operating activities		**140.8**	**3.6**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of other property and equipment		(19.5)	(39.3)
Acquisition of intangible assets		(27.2)	(7.1)
Effect of change in group structure		16.4	2.7
Long term investment		35.7	50.0
Loans and receivables from related parties		(187.5)	(8.7)
Other financial investment		18.0	(3.4)
Net cash inflow/(outflow) from investing activities		**(164.2)**	**(5.7)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of borrowings from financial institutions		7,789.4	4,155.8
Repayment of borrowings from financial institutions		(7,702.7)	(3,718.4)
Proceeds from issued bonds		740.0	900.1
Repayment of issued bonds		(110.8)	(1,036.0)
Payment of lease liabilities		(13.6)	(14.0)
Dividends paid to company's shareholders	12	(435.2)	(253.9)
Dividends paid to minority interest		(0.8)	(0.0)
Increase/decrease in treasury shares		(5.2)	(3.4)
Net cash inflow/(outflow) from financing activities		**261.2**	**30.1**
Exchange gains/(losses) on cash and cash equivalents		**10.2**	**0.2**
Effect of hyperinflation adjustments		**(42.0)**	**–**
Net increase/(decrease) in cash and cash equivalents		**205.9**	**28.3**
Cash & cash equivalents at the beginning of the period	**17**	**(75.7)**	**(121.0)**
Cash & cash equivalents at the end of the period	**17**	**130.2**	**(92.7)**

[1]Consolidated statement of cash flows for the six months period ended June 30, 2021 has been restated due to reclassification of EUR 5.6 million between Interest charged and Interest income. Impact of this reclassification on Net interest income is nil. Details of this restatement are disclosed in Note 10 Revenues and Cost of Revenues.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. GENERAL INFORMATION

ALD ("the Company") and its subsidiaries (together "the Group") is a service leasing and vehicle fleet management group with a fleet of more than 1,761,000 vehicles. The Group provides financing and management services in 43 countries in the world including the following businesses:

<u>Full service leasing</u> : Under a full-service lease, the client pays the leasing company a regular monthly lease payment to cover financing, depreciation of the vehicle and the cost of various services provided in relation to the use of the vehicle (such as maintenance, replacement car, tyre management, fuel cards and insurance).

<u>Fleet management:</u> Fleet management services include the provision of outsourcing contracts to clients under which the vehicle is not owned by the Group but is managed by the Group and for which the client pays fees for the various fleet management services provided. These services are generally identical to those listed under the full-service leasing above, with the exception of the financing service, as the vehicle is owned by the client.

The company is a French « Société Anonyme » incorporated in Société Générale group. Its registered office is located at 1-3 Rue Eugène et Armand Peugeot Corosa 92500 Rueil-Malmaison.

The company is a subsidiary of the Société Générale group (79.82% ownership).

The interim condensed consolidated financial statements are presented in millions of Euros, which is the Group's presentation currency and values are rounded to the nearest million, unless otherwise indicated. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

NOTE 2. MAJOR EVENTS OF THE PERIOD

2.1. MACROECONOMIC ENVIRONMENT

With the continuation of Covid 19 and Russian Federation's invasion of Ukraine in February 2022, the world economy faces a series of significant challenges such as global effects on commodity markets, supply chains, inflation and slowing down of global growth.

Global inflation has risen sharply from its lows in mid-2020, with rebounding global demand, supply shortages and soaring food and energy prices, especially since Russia's invasion of Ukraine. Markets expect inflation to peak in mid-2022 and then decline, but to remain elevated even after these shocks subside and monetary policies are tightened further. Taking account of rapidly rising inflation in its main markets, ALD continues to develop strategies which protect its margins by revising its pricing parameters more frequently, reinforcing customer advisory on more sustainable and innovative products and by maintaining its strict funding policy by hedging its liquidity, interest rates and foreign exchange risks at contract origination.

The Group's current situation in Russia

ALD Group is following with the utmost attention the development of the situation in Ukraine and Russia, and it is committed to supporting its clients and all its employees. ALD complies rigorously with legislation in force and diligently applies all necessary measures to strictly observe international sanctions as soon as they become public.

Acknowledging the impact of the uncertain geopolitical environment, ALD announced on April 11, 2022 that ALD Automotive OOO, which operates in Russia and through its branch in Kazakhstan, and in ALD Belarus LLC, will no longer enter into any new commercial transactions in these countries.

Going concern status of ALD Automotive OOO in Russia and ALD Automotive LLC in Belarus is not compromised over the next 12 months. Both entities continue to serve their customers and manage existing fleet.

In May 2022, Russia issued legislation which outlines temporary restrictions and a special procedure on the payment of dividends by Russian limited liabilities companies to their foreign participants connected with "unfriendly states". Current legislation effectively blocks payment of dividends unless the foreign participant receives authorisation from the Central Bank of Russia or the Ministry of Finance to withdraw such amounts. ALD Group continues monitoring changing global framework of international sanctions and an evolving Russian government guidance in order to anticipate the impact of such guidance.

As at June 30, 2022, the Group has circa 19,000 funded vehicles in Russia, Belarus and Kazakhstan and a combined total assets of EUR 358.1 million (December 31, 2021: EUR 231.9 million) of which cash and cash equivalents are EUR 27.4 million. Increase in total assets between two periods is attributable to a positive translation effect in Euro due to appreciation of Russian Ruble.

Total equity of the above-mentioned entities amounts to EUR 200 million as at June 30, 2022.

The Group's current situation in Ukraine

Despite the war, ALD continues its business operations and servicing its clients in Ukraine where the Group currently has circa 5,000 funded vehicles under leasing contracts. As to date circa 300 vehicles are operating in Poland and Romania and circa 300 vehicles are located in the occupied territories. The rest of the fleet which remains operational in the country is at risk of being damaged.

As at the end of June 30, 2022 ALD has booked a provision charge of EUR 29.2 million in the income statement. This amount aims to cover potential losses which the Group estimates at 50% of the funded fleet and customer receivables. Considering current business operations and customer behaviours, management believes this level of provisioning to be a conservative position. ALD continues to review the situation with the local management.

After booking the provision, total assets of ALD Ukraine as at June, 30 amount to EUR 44.9 million (December 31, 2021: EUR 70.6 million).

Used car sales

The used car sector has been positively impacted by the limited production capacity of new cars due to ongoing shortage in the supply of semiconductors as well as shortages of other materials used in car manufacturing as a result of the war in Ukraine. As global demand has increased, these supply-chain issues caused delays in the delivery of new cars, including by ALD.

Used car sales continue to remain exceptionally strong in the first semester of 2022, with a record result of EUR 432.7 million (June 30, 2021: EUR 125.3 million).

Credit Risk and expected credit losses

In the current macroeconomic environment, determining the recoverability of receivables remains a key source of estimating uncertainty for the Group due to the increase of customers likely to be facing financial difficulty or insolvency. Management has given careful consideration to indicators that the Group's customers may be experiencing financial difficulty, such as later than normal payments or partial payments and recognise impairment losses or make realistic provisions based on the losses expected.

As in the previous financial year, the Group has not yet seen any significant deterioration in the recoverability of customer receivables in 2022. The provision on sound receivables has slightly increased to EUR 26.1 million (December 31, 2021: EUR 24.8 million).

Expected credit losses are reassessed at each reporting date and reflect all reasonable information that is available at the reporting date. Management has reviewed the Group's provision matrix used in determining the expected credit losses, including the revision of the expected loss rates and assessed the potential impairment or write-off of receivables. The Group continues monitoring economic conditions and other various factors in determining loss rates.

In 2022 the main considerations in the forward looking provision calculation, which were used in 2020 and 2021, have been reviewed in the context of the latest economic environment. The forward looking provision has increased slightly to EUR 9.7 million (December 31, 2021: EUR 9.2 million).

The main considerations in the forward looking provision calculation are:

- Analysis of customer portfolio to identify individual customers or sectors which are likely to be more impacted by current macroeconomic environment. This resulted in the inclusion of small and medium entities, partnerships and private customers in the provision. Initial analysis was performed in 2020 and further in 2021 considering Covid-19 impacts. Analysis has now been broadened to take into account not only Covid-19 evolution but also other macroeconomic aspects such as country growth prospects, inflation, interest rates, unemployment as well as Russia and Ukraine war impact.
- Central uplift factors between 0% to 30% applied to the PD rates defined in the previous model are gradually being removed and replaced by local uplift factors defined by each individual country based on latest available data on customer activity and individual country economic situations.

Revised forward looking provision calculation model has no significant impact on current forward looking provision level.

In 2022 there has been no deterioration in the cost of risk. Management considers the current level of provisions to be adequate. The Group will continue to monitor the provision parameters, including the relevance of the local uplift factors, according to the macroeconomic situation.

Hyperinflation in Turkey

On March 16, 2022, the International Practices Task Force of the Centre for Audit Quality, a standard reference for identifying countries with hyperinflation, published a working paper including Turkey in the list of hyperinflationary economies. Consequently, from January 1, 2022 onwards, the Group has been applying the provisions of the IAS 29 standard (“Financial Reporting in Hyperinflationary Economies”) to prepare the separate financial statements in Turkish Lira of the ALD entity located in Turkey (before their conversion into Euros as part of the consolidation process).

In accordance with these provisions, the accounting value of some balance sheet items presented at cost is adjusted, at closing date, with the effects of inflation recorded over the period. In ALD Turkey's accounts, these adjustments were applied to the tangible fixed assets representative of the Rental fleet, as well as to the various components of equity.

On the date of the first application of this hyperinflation treatment (January, 1 2022), the impact of these adjustments is recorded in the Group’s consolidated reserves; on that date, the translation differences on the entity concerned shall be reclassified to those same financial aggregates. For the subsequent closing periods, inflation adjustments for the eligible assets and equity items, as well as for expenses and income for the period, are recorded in the “Unrealised gains and losses on financial instruments and other”. Once restated, the Turkish Lira financial statements of ALD Turkey are converted into Euro on the basis of the exchange rate applicable at the balance sheet date.

As at January 1, 2022, total impact of the first time application of IAS 29 was increase in the Group consolidated equity of EUR 41.3 million.

As at June 30, 2022, gains from all hyperinflation adjustments in the Leasing Contract Margin amount to EUR 39.5 million and total net gain recorded in “Net Income” (including impact of deferred taxation) is EUR 27.5 million.

Proposed acquisition of Leaseplan

On January 6, 2022, the Group has announced in a press release the signing of a memorandum of understanding to acquire 100% of LeasePlan from a consortium led by TDR Capital. Total consideration is estimated at EUR 4.9 billion and would be made through a combination of cash and shares. At expected closing by end of 2022, Société Générale would own around 53% of the Group and LeasePlan shareholders would hold 30.75%. This strategic operation would generate significant value for shareholders through scale effects and synergies.

On April 22, 2022 another major milestone was reached with the signing of the framework agreement, which is a binding agreement confirming the terms of the transaction. It is a key step allowing the parties to prepare for the completion of the transaction. The main next steps leading to closing are the regulatory and antitrust filings. The closing of the transaction is expected by the end of 2022, subject to customary closing conditions.

As at June 30, 2022 the Group has incurred EUR 41.3 million of preparation costs associated with this transaction recorded in “Total operating expenses”.

NOTE 3. BASIS OF PREPARATION AND ACCOUNTING POLICY CHANGES

3.1. BASIS OF PREPARATION

The Group's interim condensed consolidated financial statements for the six months period ended June 30, 2022 are prepared in accordance with International Financing Reporting Standards (IFRS) as adopted by the European Union.

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34, "Interim financial reporting", using the same accounting policies as those described in Note 3 of the audited annual consolidated financial statements for the year ended December 31, 2021.

Since interim condensed consolidated financial statements do not include all of the annual financial statement disclosures required under IFRS, they should be read in conjunction with the consolidated financial statements and accompanying notes for the year ended December 31, 2021.

Presentation of consolidated income statement and statement of cash flows have been changed in 2022 due to application of hyperinflation accounting (IAS 29) by the Group.

In the income statement, caption "Unrealised gains and losses on financial instruments" has been renamed to "Unrealised gains and losses on financial instruments and other" due to inclusion of hyperinflation adjustments in it.

Statement of cash flows contains a new caption "Effects of hyperinflation adjustments".

For further information see Note 2.1 Macroeconomic environment (paragraph "Hyperinflation in Turkey").

3.2. NEW AND AMENDED STANDARDS AND INTERPRETATIONS APPLICABLE AS FROM JANUARY 1, 2022

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2021, except for the adoption of new standards effective as of January 1, 2022. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2022, but do not have an impact on the interim condensed consolidated financial statements of the Group.

<u>Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37</u>

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.
This amendment had no impact on the interim consolidated financial statements of the Group as at June 30, 2022.

Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements. The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the interim consolidated financial statements of the Group as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arisen during the period.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the interim consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

These amendments had no impact on the interim consolidated financial statements of the Group as it is not a first-time adopter.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement.

These amendments had no impact on the interim condensed consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

IAS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

These amendments had no impact on the interim consolidated financial statements of the Group as it did not have assets in scope of IAS 41 as at the reporting date.

3.3. FUTURE ACCOUNTING POLICY CHANGE

IASB publishes accounting standards, amendments and interpretations, some of which have not been adopted by the European Union as at June 30, 2022. They are required to be applied from annual periods beginning on January 1, 2023 at the earliest or on the date of their adoption by the European Union. They were therefore not applied by the Group as at June 30, 2022.

IFRS 17 Insurance Contracts

The IFRS 17 "Insurance Contracts" standard was published on May 18, 2017 and modified by the amendments adopted on June 25, 2020 and December 9, 2021. This new standard will replace IFRS 4 "Insurance Contracts" that was issued in 2004 and which currently allows entities to use national requirements for the accounting of insurance contracts. The Group will implement the IFRS 17 "Insurance Contracts" standard once it becomes effective on 1 January 2023.

IFRS 17 provides new rules for the recognition, measurement, presentation and disclosure of insurance contracts that are within scope (insurance contracts issued and reinsurance contracts held).

Grouping of Contracts

Under IFRS 17, the measurement of Insurance Contracts issued are required to be aggregated into homogeneous portfolios, where the contracts are subject to similar risks and managed together. Each portfolio is then required to be disaggregated into groups where the groups are segregated according to three levels of profitability:

- Onerous Contracts
- Profitable with no significant risk of becoming onerous; and
- Other profitable contracts.

The groups are determined upon initial recognition of the insurance contracts issued and each group must only contain contracts that are issued within the same 12 month period.

Similar requirements apply for Reinsurance Contracts held in terms of establishing portfolios and groups. However, the key difference is the Groups are segregated according to two levels of profitability:

- Reinsurance Contracts held that are in a net gain position; and
- Reinsurance Contracts held that are in a net loss position.

Measurement Model

The General Model provided for the measurement of insurance contracts on the balance sheet will be based on a building-block approach: a discounted best estimate of future cash flows, a risk adjustment and a contractual service margin.

The risk adjustment represents a margin for uncertainties in the estimated future cash flows with respect to non-financial risks. The contractual service margin represents the unearned profit in the insurance contract.

A positive contractual service margin will result in the profit being recognised over the duration of the contract as the insurance service is provided. However, in the case of expected loss-making contracts (Onerous Contracts), the loss will be immediately recognised in the income statement as soon as the insurance contract has been identified as being onerous.

At each valuation date, the liability for insurance contracts on the balance sheet is measured using current assumptions as the sum of two components:

1. Liability for Remaining Coverage: relates to insured events that have not yet occurred under existing insurance contracts (i.e. unexpired risk or future service); and
2. Liability for Incurred Claims: relates to insured events that have already occurred (i.e. expired risk or past service).

Premium Allocation Approach

A simplified measurement approach called the Premium Allocation Approach (PAA) is permitted under the IFRS 17 standard where certain eligibility criteria are met:

a) short-term contracts (12 months coverage or less);
b) contracts where the coverage is greater than 12 months but the measurement of the liability for remaining coverage under the PAA would not differ materially to that measured using the General Model.

All contracts with 12 months coverage or less are automatically eligible whereas eligibility testing is required for contracts with coverage or greater than 12 months to support the justification outlined in (b) above.

ALD Re DAC, a reinsurance subsidiary of the ALD Group, intends to apply the PAA at the first adoption of IFRS 17 in 2023 and in subsequent reporting periods. The majority of ALD Re DAC's insurance contracts are for 12 months of coverage.

The PAA provides a simplified approach for measuring the liability for remaining coverage only. The liability for incurred claims will still be measured using the General Model (however, only using the discounted best estimate of future cash flows and the risk adjustment building blocks).

Accounting treatment under the PAA

The following accounting treatments apply under the PAA approach:

- the insurance revenue is recognised on a straight line basis over the duration of the insurance contract (unless the expected release of risk differs materially from a straight line basis).
- losses on groups of insurance contracts that are onerous at initial recognition are recognised immediately in the income statement. The loss is calculated as the difference between the measurement of the liability for remaining coverage under the General Model and the PAA.
- for contracts with a coverage period of one year or less, insurers can choose whether to effectively defer acquisition or recognise immediately as an expense.
- discounting of the liability for remaining coverage is not required under the PAA where there is no significant financing component (i.e. the time between providing the coverage and receiving the premium is 12 months or less).
- discounting of the liability for incurred claims is required for all claims (where the time between incurring and settling the claim is expected to be longer than 12 months). The discount rates to be used are not prescribed and instead are derived by the Company.
- no explicit risk adjustment is required for the liability for remaining coverage, however, this is still required for the liability for incurred claims.

Risk adjustment

Under IFRS 17, the risk adjustment is the compensation that the entity requires for bearing uncertainty about the amount and timing of cash flows that arise from non-financial risk. The risk adjustment is an entity specific measurement. The calculation must be explicit (separate from best estimate cash flows and discounting) and disclosure of the confidence level in the financial statements is required. The release of the risk adjustment over time (over the settlement period of claims) results in a recognition of profit.

Presentation of the financial performance

On the consolidated income statement, the profits and losses related to the insurance contracts issued and the reinsurance contracts held are presented under Services Margin. The IFRS 17 income statement distinguishes between:

- Insurance revenue (income) from the insurance and reinsurance contracts issued;
- Insurance service expenses from the insurance and reinsurance contracts issued;
- Income and expenses related to the reinsurance contracts held;
- Financial income and expenses of the insurance and reinsurance contracts issued; and
- Financial income and expenses of the reinsurance contracts held.

The expenses for the services relating to the insurance and reinsurance contracts issued will then include a share of Operating Expenses that are considered directly attributable to the execution of the contracts which will thus be deducted from the Services Margin.

Application of the IFRS 17 standard

The initial application of IFRS 17 as at January 1, 2023 will be retrospective and the comparative figures on the 2022 financial year will be restated.

The differences in measurement of the insurance assets and liabilities resulting from the retrospective application of IFRS 17 as at January 1, 2022 will be presented directly under “Equity”. The retrospective measurement of these assets and liabilities may be subject to a simplified approach where historical data necessary is not available.

Transition

At this stage of the project aiming at implementing the IFRS 17 standard by the Group’s insurance entity, the consequences of its application in terms of amounts in the consolidated financial statements have been reasonably estimated and they do not present material amounts for the Group.

Preparation for the first-time application of IFRS 9 “Financial instruments” to the legal entities operating in the insurance sector

On January 1, 2023, the Group subsidiary ALD Ireland Re DAC operating in the insurance sector will, for the first time, apply the IFRS 9 “Financial instruments” standard the application of which was deferred for this entity according to the possibilities offered by the amendments to the IFRS 17 and IFRS 4 standards published by the IASB on 25 June 2020 and extended by regulations (EU) 2017/1988 and (EU) 2020/2097 of the European Commission.

The initial application of IFRS 9 by the insurance entities of the Group as at January 1, 2023 will be retrospective.

For consistency purpose with the IFRS 17 transition arrangements, and in order to provide more relevant information, the Group intends to restate the comparative figures for the 2022 financial year relating to the financial instruments concerned of its insurance entities.

At this stage, application of IFRS 9 in the insurance entity is being assessed by the Group and preliminary conclusions are that there will be no material impacts on the Group financial statements at the time of the first adoption.

NOTE 4. ESTIMATES AND ASSUMPTIONS

The preparation of the interim condensed consolidated financial statements requires the management of both the Group and its subsidiaries to use certain estimates and assumptions that may have an impact on the reported values of assets, liabilities and contingent liabilities at the reporting date and on items of income and expense for the period.

Majority of estimates and assumptions, which are based on historical experience and other factors believed to be reasonable in the circumstances, are used to assess the carrying amount of assets and liabilities. Actual results may differ significantly from these estimates if different assumptions or circumstances apply.

In preparing these interim condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were largely the same as those that applied to the consolidated financial statements for the year ended December 31, 2021. However, as a result of the uncertainty associated with the macroeconomic environment, the Group has continually reviewed its selection of appropriate assumptions and development of reliable estimates that underlie various accounting conclusions. For further details see Note 2.1 Macroeconomic environment

NOTE 5. EXCHANGE RATE

For the six months ended June 30, 2022, the balance sheets, income statements and cash flow statements of certain subsidiaries whose functional currency differs from the presentation currency used in ALD' s accounts have been translated (i) at the exchange rate prevailing at June 30, 2022 for the balance sheet, and (ii) at the average exchange rate for the period ended at June 30, 2022 for the income statement, statement of comprehensive income and cash flow statement except in the case of significant fluctuations in exchange rates. Subsidiary in Turkey which operates in a hyperinflationary economy have been translated wholly at the period-end rate.

Translation differences have been recorded in equity.

The main exchange rates used in the interim condensed consolidated financial statements for the six months ended June 30, 2022 and for the six months ended June 30, 2021 are based on Paris stock exchange rates and are as follows:

	June 30, 2022		December 31, 2021	June 30, 2021
	Period-end Rate	Average Rate	Period-end Rate	Average Rate
EUR / Russian Ruble	56.5996	85.2667	85.3004	89.6054
EUR / Turkish Lira	17.3220	17.3220	15.2335	9.5126
EUR / Pound Sterling	0.8582	0.8422	0.8403	0.8684
EUR/ Brazilian Real	5.4229	5.5579	6.3101	6.4917
EUR/ Mexican Peso	20.9641	22.1747	23.1438	24.3207
EUR/ Swedish Krona	10.7300	10.4753	10.2503	10.1299
EUR/ Ukrainian Hryvnia	29.4025	32.1362	30.8765	33.3679

NOTE 6. SEASONALITY AND CYCLICALITY

As the Group leases assets to its clients for durations that normally range between three to four years, the impact of seasonality and cyclicality is relatively limited.

NOTE 7. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: credit risk, asset risk, damage risk and treasury risk (including liquidity risk, interest rate risk and foreign exchange risk).

The interim condensed consolidated financial statements do not include all financial risk management policies and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual financial statements for the year ended December 31, 2021.

There have been no changes in the risk management department or in any risk management policies since the year end.

NOTE 8. SEGMENT INFORMATION

The Board of Directors approves the decisions taken by the Group's Executive Committee which is the main decision making body (comprising of the Group's CEO, Deputy CEOs, CFO, CAO, CCO, Group Regional Directors and Group Human Resources Director)[14].

Management considers the performance of the following geographical segments: Western Europe, Central and Eastern Europe, Northern Europe and South America, Africa, Asia and Rest of the World.

There were no changes in the segmentation during the first six months of 2022.

The Group's Executive Committee assesses the performance of the operating segments based on a measure of revenue and profit before tax as presented in the interim condensed consolidated financial statements. They also check to ensure that no customer represents more than 10% of the total revenue.

Revenue and Profit before Tax

Sales between segments are carried out at arm's length. The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the income statement.

	Six months ended June 30, 2022		Six months ended June 30, 2021	
(in EUR million)	Profit before tax	Revenue from external customers	Profit before tax	Revenue from external customers (2)(3)
Western Europe	605.7	4,265.5	292.1	4,049.3
Nordic	54.5	510.3	47.8	521.7
Continental & Eastern Europe	121.8	534.7	85.2	517.4
LatAm, Africa, Asia & Rest of world	33.8	215.0	25.9	179.6
TOTAL	**815.8**	**5,525.5**	**451.1**	**5,268.0**

There has been no inter-segment revenue as at June 30, 2022.

(14) CEO: Chief Executive Officer, CFO: Chief Financial Officer and CAO: Chief Administrative Officer, CCO: Chief Commercial Officer

(in EUR million)	Six months ended June 30, 2022 Revenue from external customers	Six months ended June 30, 2021 Revenue from external customers [2][3]
Leasing contract revenues [2][3]	2,365.6	2,216.2
Service revenues	1,156.7	1,056.7
Proceeds of cars sold	2,003.2	1,995.1
TOTAL	**5,525.5**	**5,268.0**

Other disclosures

(in EUR million)	June 30, 2022 Rental fleet NBV	 Total assets	 Net financial debt [4]
Western Europe	18,081.4	23,392.5	17,082.1
Nordic	1,833.9	2,043.0	78.7
Continental & Eastern Europe	2,177.3	2,341.1	1,319.3
LatAm, Africa, Asia & Rest of world	819.6	1,050.5	735.2
TOTAL	**22,912.2**	**28,827.0**	**19,215.3**

(in EUR million)	December 31, 2021 Rental fleet NBV	 Total assets	 Net financial debt [4]
Western Europe	17,226.5	22,047.3	16,340.7
Northern Europe	1,885.7	2,061.5	78.3
Continental & Eastern Europe	1,917.0	2,025.9	1,289.1
South America, Africa and Asia	682.1	856.8	656.4
TOTAL	**21,711.3**	**26,991.4**	**18,364.6**

Revenue from external customers and Rental Fleet by countries with yearly Revenues in excess of €500 million is detailed below:

Revenue from external customers by entity (EUR million)

	Six months period ended June 30, 2022 Revenue from external customers (EUR million)	Six months period ended June 30, 2021 Revenue from external customers (EUR million) [2][3]	June 30, 2022 Rental Fleet NBV (EUR million)	December 31, 2021 Rental Fleet NBV (EUR million)
France	1,151.2	1,105.9	5,120.3	4,977.0
Italy	633.3	735.1	2,385.9	2,224.9
UK	592.1	530.8	2,264.6	2,238.8
Germany	522.6	452.0	2,324.4	2,292.1

Spain	384.5	371.7	1,845.4	1,764.2
Netherlands	343.8	334.9	1,486.4	1,466.8
Belgium	339.0	314.3	1,508.1	1,455.3
Other Countries	1,559.1	1,423.4	5,977.1	5,292.2
	5,525.5	**5,268.0**	**22,912.2**	**21,711.3**

(2) At June 30, 2021 reclassification of EUR 14.8 million between "Cost of services revenues" and "Leasing contract revenues – operating leases" was required to present revenues from operating leases correctly. Volume rebates paid to customers, previously reported in the "Cost of services revenues", were reclassified to "Leasing contract revenues" as those rebates are driven by the levels of leasing revenues generated from customers and not services revenues. This reclassification has resulted in the reduction of "Leasing contract revenues" and subsequently "Leasing contract margin".

(3) At June 30, 2021 reclassification of EUR 5.6 million between "Other Interest Income" and "Other Interest Charges" was required to present interest charges correctly. Interest Income received from financial instruments has been presented on a net basis with interest costs on financial instruments where these instruments are embedded in the same structured funding transaction and are designed to remove market risk from this transaction.

(4) Net financial debt is defined as the sum of Borrowings from financial institutions (non-current and current) less cash and cash equivalents, as presented in the Group's consolidated balance sheet.

NOTE 9. CHANGES IN THE SCOPE OF CONSOLIDATION

At June 30, 2022, all companies are fully consolidated, except 2 companies accounted using the equity method. Changes in the scope of consolidation compared to December 2021 are as follows:

- In the first semester of 2022, ALD Automotive Euro Leasing B.V has been added to the scope, where ALD holds 50.1% of shares and 49.9% are held by external shareholder FCLH Ltd.
- Also in the first semester of 2022, Ford Fleet Management UK Limited has been added to the scope of consolidated. This entity is wholly owned by ALD Automotive Euro Leasing B.V.
- In the first semester of 2022, Soluciones De Renting Y Movilidad, S.L. (Sociedad Unipersonal) (previously referred to as Bansabadell Renting) has been added to the consolidation scope. ALD holds 100% of shares in this subsidiary.

The impact of including these subsidiaries in the scope of consolidation is not material.

NOTE 10. REVENUES AND COST OF REVENUES

10a. Leasing contract margin

	Six months period ended June	
(in EUR million)	2022	2021
Leasing contract revenue -operating leases(1)(2)	**2,344.1**	**2,197.7**
Interest income from finance lease	17.6	17.2
Other interest income(2)	3.9	1.3

Leasing contract revenues [1]	**2,365.6**	**2,216.2**
Leasing contract costs - depreciation	**(1,827.1)**	**(1,780.2)**
Leasing contract costs - financing:		
Interest charges on loans from financial institutions[2]	(70.2)	(62.9)
Interest charges on issued bonds	(11.6)	(7.7)
Other interest charges[2]	(13.9)	5.4
Total interest charges [2]	**(95.7)**	**(65.2)**
Leasing contract costs - depreciation and financing	**(1,922.8)**	**(1,845.4)**
Trading derivatives	(4.5)	(4.8)
Imperfectness of derivatives at fair value hedges	–	(0.9)
Imperfectness of derivatives at cash flow hedges	(0.7)	(0.1)
Unrealised gains/losses on derivative financial instruments	**(5.3)**	**(5.8)**
Unrealised Foreign Exchange Gains or Losses	2.5	(8.3)
Hyperinflation - net monetary gain	39.5	–
Total Unrealised gains/losses on financial instruments and other	**36.8**	**(14.0)**
Leasing contract margin	**479.6**	**356.8**

[1] For the six months ended June 30, 2021 reclassification of EUR 14.8 million between "Cost of services revenues" and "Leasing contract revenues – operating leases" was required to present revenues from operating leases correctly. Volume rebates paid to customers, previously reported in the "Cost of services revenues", were reclassified to "Leasing contract revenues" as those rebates are driven by the levels of leasing revenues generated from customers and not services revenues. This reclassification has resulted in the reduction of "Leasing contract revenues" and subsequently "Leasing contract margin".

[2] For the six months ended June 30, 2021 reclassification of EUR 5.6 million between "Other Interest Income" and "Other Interest Charges" was required to present interest charges correctly. Interest Income received from financial instruments has been presented on a net basis with interest costs on financial instruments where these instruments are embedded in the same structured funding transaction and are designed to remove market risk from this transaction.

"Other interest income" comprises income received from financial instruments and also income received for cash deposits with third party counterparts.

"Leasing contract costs – depreciation" is comprised of both regular depreciation costs and movement in the calculation for fleet depreciation which is analysed in each entity during the fleet revaluation process which assesses the expected used car prices of the vehicles in the fleet compared to their contractual residual value.

Used vehicles prices have continued to rise during the first semester of 2022 driving exceptional high profit from the Used Car Sales activity. These market conditions are expected to last longer than originally anticipated and at least for the rest of 2022.

This assessment has had two impacts in the first six months of 2022 in the Depreciation costs:

- an income of EUR 40.5 million (June 30, 2021: EUR 12.7 million) deriving from the fleet revaluation exercise considering the expected roll-off of the fleet portfolio

- a reduction in depreciation costs of EUR 62.7 million compared to the expected costs in relation to vehicles whose sales proceeds are forecast to be in excess of their net book value and for which depreciation has been adjusted or stopped.

In addition, ALD has booked a provision for Ukraine in the Depreciation costs for the amount of EUR 26.8 million. This amount aims to cover potential losses which the Group estimates at 50% of the funded fleet (See Note 2.1 Macroeconomic environment).

10b. Service margin

	Six months period ended June	
(in EUR million)	**2022**	**2021**
Services revenue	1,156.7	1,056.7
Cost of services revenues[1]	(831.0)	(741.9)
Services margin	**325.7**	**314.7**

[1] See Note 10a.

Revenues and costs are derived from the various service components included within the contractual lease instalments, such as maintenance and tyres, damage risk retention and replacement vehicles.

10c. Used car sales result

	Six months period ended June	
(in EUR million)	**2022**	**2021**
Proceeds of cars sold	2,003.2	1,995.1
Cost of cars sold[3]	(1,570.5)	(1,869.8)
Used car sales result	**432.7**	**125.3**

[3] Cost of cars sold represents the written down value of the vehicle and any additional disposal costs.

The used car sector has been positively impacted by the limited production capacity of new cars due to ongoing shortage in the supply of semiconductors as well as shortages of other materials used in car manufacturing as a result of the war in Ukraine. As global demand has increased, these supply-chain issues caused delays in the delivery of new cars, including by ALD.

10d. Revenues

Revenues that are included within the margins analysed in the sections 10a, 10b and 10c, are shown in the following table. They are analysed into Revenues derived from the Rental activity and Proceeds of Cars sold at the end of the leasing period.

	Six months period ended June	
(in EUR million)	**2022**	**2021**
Services Revenues	**1,156.7**	**1,056.7**
Leasing contract revenue - operating leases[1]	2,344.1	2,197.7
Interest revenue [2]	21.5	18.5
Leasing contract revenues [1]	**2,365.6**	**2,216.2**
Sub-Total - Revenues from Rental Activity[1]	**3,522.3**	**3,272.9**

Proceeds of Cars Sold	2,003.2	1,995.1
Total Revenues[(1)]	**5,525.5**	**5,268.0**

Total Revenues excluding Interest Income[(1)]	**5,079.6**	**4,846.9**

[(1) (2)] See Note 10a.

NOTE 11. INCOME TAX EXPENSE

Income tax expense

(in EUR million)	**Six months period ended June 30, 2022**	**Six months period ended June 30, 2021**
Current tax	(113.5)	(63.5)
Deferred tax	(94.4)	(32.2)
Income tax expense	**(207.9)**	**(95.6)**

Income tax expense is recognised based on the tax rate that would be applicable to expected total annual profit or loss. The effective average annual tax rate that is expected to be used for the year ended on December 31, 2022 is 25.5% (21.33% for the year ended December 31, 2021).

In the first six months of 2022 there was a EUR 1.3 million benefit in the current tax due to the 2016 and 2017 Stability Law introduced in Italy which provides a tax benefit to encourage the purchase of new tangible assets (EUR 7.3 million at June 30, 2021). This benefit allows an additional 40% increase of depreciation that can be deducted from the taxable base and is only available to businesses receiving income and not individuals. The benefits of the Stability Law in Italy was only applicable for five years and is now winding down.

As at June 30, 2022, EUR 14.5 million deferred tax charge was booked in respect of the temporary differences as a result of application of hyperinflation accounting in the Group's subsidiary in Turkey.

NOTE 12. DIVIDENDS

A dividend related to the period ended December 31, 2021 for an amount of EUR 435.2 million (EUR 1.08 per share) was paid to ALD shareholders on June 2nd, 2022 of which dividend paid to Société Générale is EUR 348.3 million (a dividend related to the period ended December 31, 2020 for an amount of EUR 253.9 million (EUR 0.63 per share) was paid to ALD shareholders on June 1st, 2021 of which dividend paid to Société Générale was EUR 203.2 million).

NOTE 13. GOODWILL

As part of the interim condensed consolidated financial statements, and in accordance with the Group accounting policies, no impairment tests on goodwill were performed at June 30, 2022. Taking into account the strong results of the first semester and after considering the most recent forecasts, no indications of impairment have been identified.

NOTE 14. RENTAL FLEET

(in EUR million)	Rental fleet
At January 1, 2021	
Cost	27,749.3
Accumulated depreciation & impairment	(7,672.3)
Carrying amount As at January 1, 2021	**20,077.0**
Year ended December 31, 2021	
Opening net book amount	20,077.0
Additions	8,767.8
Disposals	(3,530.5)
Depreciation charge	(3,708.5)
Currency translation differences	105.5
Closing net book amount as at December 31, 2021	**21,711.3**
At December 31, 2021	
Cost	29,917.0
Accumulated depreciation & impairment	(8,205.7)
Carrying amount as at December 31, 2021	**21,711.3**
At June 30, 2022	
Opening net book amount	21,711.3
Additions	4,620.4
Disposals	(1,998.5)
Depreciation charge	(1,880.2)
Scope changes	284.5
Hyperinflation adjustment	110.3
Currency translation differences	64.3
Closing net book amount as at June 30, 2022	**22,912.2**
Cost	31,568.2
Accumulated depreciation & impairment	(8,656.0)
Carrying amount as at June 30, 2022	**22,912.2**

At June 30, 2022, there was no impairment on the “Rental fleet”.

The Group concluded a number of asset-backed securitisation programmes which involve the sale of future lease instalment receivables and, in some cases, related residual value receivables originated by various ALD subsidiaries to special purpose companies which are included in the consolidated financial statements of the Group.

As a result of this sale net book value of securitised operating lease assets amount to EUR 2,312 million at June 30, 2022 (EUR 2,068 million at June 30, 2021). The transferred lease receivables cannot be sold.

For further details on the securitisation transactions and transferred assets reference is made to the Note 20.

NOTE 15. OTHER NON-CURRENT AND CURRENT FINANCIAL ASSETS

(in EUR million)	June 30, 2022	December 31, 2021
Long-term investments (10 years)	244.1	279.9
Other current financial assets	348.8	380.7
Other	62.6	122.6

Total	655.5	783.2

Long-term investments are a resource resulting from the policy of the Group and of its main shareholder, Société Générale, to monitor the Group's interest rate risk through the matching of assets and liabilities by maturity. Available equity is considered as a long term resource which needs to be matched with long-term assets (refer to Interest rate risks management in financial risk management section in the consolidated financial statements for the year ended December 31, 2021). Equity reinvestments are made in long term amortising deposits within Société Générale in order to remain within the interest rate sensitivity limit set for each entity (variation in the net present value of the future residual fixed rate positions, surplus or deficit, for a 1% parallel increase in the yield curve). These deposits will roll-out in approximately 4.5 years' time and will not be renewed.

"Other current financial assets" include equity reinvestments with Société Générale maturing within one year, other liquid investments and short-term deposits.

The movement in "Other" is explained by inclusion of Soluciones De Renting Y Movilidad, S.L. (Sociedad Unipersonal), previously referred to as Bansabadell Renting, in the scope of consolidation as at June 30, 2022. Remaining EUR 62.6 million relates to the investment in Fleetpool entity which will be consolidated in the Group financial statements in the second half of 2022 and other equity investments.

NOTE 16. RECEIVABLES FROM CLIENTS AND FINANCIAL INSTITUTIONS

This item includes amounts receivable under lease contracts and trade receivables, after deduction of allowances for debtor risks, where necessary.

(in EUR million)	June 30, 2022	December 31, 2021
Amounts receivable under finance lease contracts	752.4	790.3
Provision for impairment of receivables under finance lease	(12.3)	(13.0)
- Of which		
provision for doubtful receivables	*(8.0)*	*(8.0)*
provision for sound receivables	*(3.6)*	*(4.0)*
provision for sound receivables (forward looking)	*(0.7)*	*(1.0)*
Amounts receivable from credit institutions[1]	426.8	240.7
Trade receivables	1,141.3	1,012.0
Provision for impairment of trade receivables	(181.9)	(171.8)
- Of which		
provision for doubtful receivables	*(160.1)*	*(152.0)*
provision for sound receivables	*(12.6)*	*(11.6)*
provision for sound receivables (forward looking)	*(9.2)*	*(8.2)*
Provision for customer disputes	(25.9)	(30.6)
Total receivables	**2,100.5**	**1,827.6**

[1] Mainly towards Société Générale – no impairment provision has been calculated on these receivables due to their inter-group nature. Increase in these receivables relates to excess cash from current accounts deposited with Société Générale and loan receivable from Fleetpool subsidiary not yet consolidated in the financial statements as at June 30, 2022.

The fair value of receivables is equivalent to the carrying value.

Fir further information about Credit risk, refer to Note 2.1 Macroeconomic environment.

The maturity analysis of Trade receivables is as follows:

(in EUR million)	June 30, 2022	December 31, 2021
Trade receivables not overdue	783.4	670.2
Past due up to 90 days	164.5	144.1
Past due between 90 - 180 days	27.9	23.9
Past due over 180 days	165.5	173.8
Total	**1,141.3**	**1,012.0**

NOTE 17. CASH AND CASH EQUIVALENTS

(in EUR million)	June 30, 2022	December 31, 2021
Cash at bank and on hand	194.8	112.2
Short-term bank deposits	85.2	40.5
Cash and cash equivalents excl. bank overdrafts	**279.9**	**152.7**
Bank overdrafts	(149.7)	(228.4)
Cash and cash equivalents, net of bank overdrafts(1)	**130.2**	**(75.7)**

(1) The balance includes EUR 27.4 million of cash and cash equivalents in Russia which is currently restricted for access by the Group due to the temporary Russian legislation on currency control restrictions.

As ALD operates its own re-insurance program the cash balance includes funds required for this business.

NOTE 18. FINANCIAL ASSETS AND LIABILITIES

The company's financial assets and liabilities are categorised as follows:

Financial assets

Financial asset category

As at June 30, 2022 (EUR million)	Carrying Value	Fair Value Level 1	Fair Value Level 2	Fair Value Total
Financial assets measured at fair value				
Derivative financial instruments in hedge	41.9		41.9	41.9
Derivative financial instruments not in hedge	33.9		33.9	33.9
Other current financial assets	278.8	278.8		278.8
Financial assets not measured at fair value				
Receivables from clients and from financial institutions	2,100.5		2,100.5	2,100.5
Investment in associates	8.3			
Other non-current and current financial assets	376.7			
Cash and cash equivalents	279.9			

Total	3,120.0	278.8	2,176.2	2,455.0

Financial asset category

As at December 31, 2021 (EUR million)	Carrying Value	Fair Value Level 1	Fair Value Level 2	Fair Value Total
Financial assets measured at fair value				
Derivative financial instruments in hedge	27.4		27.4	27.4
Derivative financial instruments not in hedge	11.2		11.2	11.2
Other current financial assets	260.3	260.3		260.3
Financial assets not measured at fair value				
Receivables from clients and from financial institutions	1,827.6		1,827.6	1,827.6
Investment in associates	7.9			
Other non-current and current financial assets	522.9			
Cash and cash equivalents	152.7			
Total	**2,810.0**	**260.3**	**1,866.2**	**2,126.6**

Financial liabilities

Financial liability category

As at June 30, 2022 (EUR million)	Carrying Value	Fair Value Level 1	Fair Value Level 2	Fair Value Total
Financial liabilities measured at fair value				
Derivative financial instruments in hedge	48.0		48.0	48.0
Derivative financial instruments not in hedge	37.1		37.1	37.1
Financial liabilities not measured at fair value				
Bank borrowings	14,197.0		14,197.0	14,197.0
Bonds issued	5,298.3	3,818.1	1,882.6	5,700.7
Trade payables	926.8		926.8	926.8
Total	**20,507.2**	**3,818.1**	**17,091.5**	**20,909.6**

Financial liability category

As at December 31, 2021 (EUR million)	Carrying Value	Fair Value Level 1	Fair Value Level 2	Fair Value Total
Financial liabilities measured at fair value				
Derivative financial instruments in hedge	5.0		5.0	5.0
Derivative financial instruments not in hedge	6.1		6.1	6.1
Financial liabilities not measured at fair value				
Bank borrowings	13,848.6		13,848.6	13,848.6
Bonds issued (1)	4,668.7	2,720.0	1,963.6	4,683.6
Trade payables	828.7		828.7	828.7
Total	**19,357.2**	**2,720.0**	**16,652.1**	**19,372.1**

[1] Fair value of corporate bonds (EMTN programme) was previously disclosed under level 2. Transfer to level 1 is required as these financial instruments are traded in active markets and their fair value is based on quoted market prices as at the balance sheet date.

NOTE 19. SHARE-BASED PAYMENTS

Summary of 2022 Long-term incentives

	Plan 9	Plan 10.A	Plan 10.B
Date of Board meeting	March 29,2022	March 29,2022	March 29,2022
Total number of shares granted	409,602	12,720	12,723
Vesting date	March 31, 2025	March 31, 2025	March 31, 2026
Holding period end date	no holding period	September 30, 2025	September 30, 2026
Fair value (in EUR)	9.53	9.43	8.75
Number of employees in the plan	374	6	6

Summary of 2021 Long-term incentives

	Plan 7	Plan 8.A	Plan 8.B
Date of Board meeting	March 26,2021	March 26,2021	March 26,2021
Total number of shares granted	264,223	9,913	9,914
Vesting date	March 31, 2024	March 31, 2023	March 31, 2024
Holding period end date	no holding period	September 30, 2023	September 30, 2024
Fair value (in EUR)	10.72	11.44	10.72
Number of employees in the plan	280	5	5

Summary of 2020 Long-term incentives

	Plan 5	Plan 6.A	Plan 6.B
Date of Board meeting	March 27,2020	March 27,2020	March 27,2020
Total number of shares granted	253,281	17,316	17,319
Vesting date	March 31, 2023	March 31, 2022	March 31, 2023
Holding period end date	no holding period	September 30, 2022	September 30, 2023
Fair value (in EUR)	7.25	7.75	7.25
Number of employees in the plan	264	5	5

Vesting conditions are based on ALD's profitability, as measured by the average Group Net Income over the 4, 3 or 2 years of the vesting period. The ALD Group Net Income corresponds to the published ALD Group Net Income.

At June 30, 2022 641 employees benefit from the long-term incentives plans granted by ALD SA.

Expenses recorded in the income statement

(in EUR Million)	June 30, 2022	June 30, 2021
Net expenses from free share ALD plans	(1.4)	(1.3)

NOTE 20. BORROWINGS FROM FINANCIAL INSTITUTIONS, BONDS AND NOTES ISSUED

(in EUR million)	June 30, 2022	December 31, 2021
Bank borrowings	9,345.9	9,407.1
Non-current borrowings from financial institutions	**9,345.9**	**9,407.1**
Bank overdrafts	149.7	228.4
Bank borrowings	4,701.3	4,213.1
Current borrowings from financial institutions	**4,851.1**	**4,441.5**
Total borrowings from financial institutions	**14,197.0**	**13,848.6**
Bonds and notes-originated from securitisation transactions	1,421.7	1,628.8
Bonds and notes-originated from EMTN programme	2,300.0	1,600.0
Non-current bonds and notes issued	**3,721.7**	**3,228.8**
Bonds and notes-originated from securitisation transactions	460.9	334.8
Bonds and notes-originated from EMTN programme	1,115.7	1,105.1
Current bonds and notes issued	**1,576.6**	**1,439.9**
Total bonds and notes issued	**5,298.3**	**4,668.7**
Total borrowings from financial institutions and bonds	**19,495.3**	**18,517.3**

There are no non-cash items from all outstanding sources of borrowings.

Maturity of borrowings and bonds

(in EUR million)	June 30, 2022	December 31, 2021
Less than 1 year	6,427.7	5,881.4
1-5 years	12,868.5	12,581.1
Over 5 years	199.1	54.8
Total borrowings and bonds	**19,495.3**	**18,517.3**

Currencies

The carrying amounts of the Group's borrowings are denominated in the following currencies:

(in EUR million)	June 30, 2022	December 31, 2021
Euro	14,744.8	13,684.7
UK Pound	2,426.2	2,543.3
Danish Krone	367.3	376.9
Swedish Krona	359.2	388.5
Other currencies	1,597.7	1,523.9
Total borrowings and bonds	**19,495.3**	**18,517.3**

External funding

Local external groups and third parties provide 31.7% of total funding, representing EUR 6,182 million at June 30, 2022 (29.1% and EUR 5,392 million at December 31, 2021).

An amount of EUR 883 million or 4.5% of total funding is provided by external groups. Included within this amount is loan of EUR 250 million granted by the European Investment Bank in September 2019. This will enable the Group to develop its range of hybrid and electric vehicles across the EU, particularly in France, Germany, Italy, Spain, Belgium and the Netherlands.

The residual external funding (EUR 5,298 million) has been raised through asset-backed securitisations and unsecured bonds.

Asset-backed securitisation programme

In June 2015 a private securitisation deal was set up in Belgium for EUR 300 million. This deal was renewed and increased by EUR 60 million in June 2018. In June 2020 this EUR 360 million deal was renewed for two additional years. The deal was renewed and increased by EUR 40 million in June 2022 (reaching an outstanding amount EUR 400 million).

The private securitisation deal set up in December 2013 in the Netherlands was renewed for EUR 236 million in December 2020 for 6 additional months. In June 2021 this deal was renewed and increased by EUR 164 million (reaching an outstanding amount EUR 400 million) for two additional years.

A private securitisation deal was set up in the UK in December 2018 for GBP 414 million with a revolving period of 1 year. The deal has been renewed in December 2019 for two additional years and again in December 2021 for a 14 month period.

A public securitisation deal has been set up in Germany in October 2020 for EUR 350 million with a revolving period of 1 year. The transaction entered the amortisation phase in November 2021.

A public securitisation deal has been set up in France in October 2021 for EUR 400 million with a revolving period of 1 year.

The following debt securities are currently issued:

Programme and special purpose company	Originator	Country	Currency	Amount [1]
ALD Funding Limited	ALD	UK	GBP	414 million
Axus Finance NL B	ALD	Netherlands	EUR	400 million
Axus Finance SPRL	ALD	Belgium	EUR	400 million
Red & Black Auto Lease Germany SA, compartment 3	ALD	Germany	EUR	195.5 million
FCT Red & Black Auto Lease France 1	ALD	France	EUR	400 million

[1] *Transaction outstanding amount at 30 June 2022*

The maturity of the asset-backed securitisation programmes is as follows:

(in EUR million)	June 30, 2022	December 31, 2021
Less than 1 year	460.9	334.8
1-5 years	1,421.7	1,628.8
Over 5 years	–	–
Total securitisation programme	**1,882.6**	**1,963.6**

Transferred assets and associated liabilities

Securitisation programmes involve the sale of future lease instalment receivables and, in some cases, related residual value receivables originated by various ALD subsidiaries to special purpose companies which are included in the consolidated financial statements of the Group. ALD continues to retain substantially all of the risks and rewards of the lease receivables as in all asset-backed securitisation programmes they subscribed to the first class of notes which will result in ALD bearing any realised losses. Therefore, ALD continues to recognise the transferred lease assets in their entirety.

(in EUR million)	Receivables from clients (finance and operating leases)	Cash collateral deposited	Total
At June 30, 2022			
Carrying amount of transferred assets	2,327.8	36.0	2,363.8
Carrying amount of associated liabilities[1]			(1,882.6)
Net carrying amount position			**481.2**
Fair value of transferred assets	2,506.1	36.0	2,542.1
Fair value of associated liabilities[1]			(1,882.6)
Net fair value position as at December 31, 2022			**659.5**
At December 31, 2021			
Carrying amount of transferred assets	2,489.6	36.0	2,525.6
Carrying amount of associated liabilities[1]			(1,963.6)
Net carrying amount position			**562.0**
Fair value of transferred assets	2,543.4	36.0	2,579.4
Fair value of associated liabilities[1]			(1,963.6)
Net fair value position as at December 31, 2021			**615.8**

(1) Bonds and notes originated from asset-backed securitisation transactions

EMTN programme

Within this programme, the Group has the following outstanding bonds issued as at June 30, 2022:

- a bond in July 2017 for an amount of EUR 600 million maturing in July 2022 at a fixed rate of 0.875%
- a bond in October 2018 for an amount of EUR 500 million maturing in October 2022 at a fixed rate of 1.25%
- a bond in July 2019 for an amount of EUR 500 million maturing in July 2023 at a fixed rate of 0.375%
- a bond in October 2020 for an amount of EUR 600 million maturing in October 2023 at a fixed rate of 0.375%
- a bond in February 2021 for an amount of EUR 500 million maturing in February 2024 at a fixed rate of 0%
- a bond in March 2022 for an amount of EUR 700 million maturing in March 2026 at a fixed rate of 1.25%

The bond issued in October 2018 was an inaugural Positive Impact Bond (Green Bond), a EUR 500m 4-years senior note at a fixed rate of 1.250%.

Société Générale funding

Following the external funding raised in recent years, the funding raised through Société Générale has remained stable at 68.3 % as at June 30, 2022 (71% as at December 31, 2021).

Most of the funding provided by the SG group is granted through Société Générale Luxembourg and Société Générale Paris. SG Luxembourg and SG Paris fund ALD Group Central Treasury which then grants loans in different currencies to 21 ALD subsidiaries as well as to the holding companies. The total amount of loans granted by SG Luxembourg and Société Générale Paris amounted to EUR 11,527 million at June 30, 2022 (10,876 million at December 31, 2021) with an average maturity of 1.8 years.

The remaining SG funding is provided either by local SG branches or subsidiaries. . As at June 30, 2022 the total amount of loans granted to the Group by Société Générale, including local branches and subsidiaries, was EUR 13,314 million (EUR 13,125 million as at December 31, 2021).

At June 30, 2022 the Group has undrawn borrowing facilities of EUR 3.7 billion (EUR 2.4 billion at December 31, 2021) of which EUR 485.9 million are committed undrawn borrowing facilities. Providing there is a market liquidity, these facilities are readily available to ALD entities.

Guarantees given

A guarantee at first demand has been granted to a British Financial institution for an amount of GBP 120 million on behalf of ALD Automotive UK, under the conditions negotiated in the frame of the distribution agreement concluded with this financial institution.

A guarantee at first demand has been granted to a landlord for an amount of EUR 6.5 million on behalf of ALD RE DAC Ireland, under the conditions negotiated in the frame of the premises rental agreement concluded with this landlord.

A guarantee at first demand has been granted to ING Luxembourg for an amount of EUR 52 million on behalf of Axus Luxembourg SA, under the condition negotiated in the frame of the distribution agreement concluded with this financial institution.

NOTE 21. TRADE AND OTHER PAYABLES

(in EUR million)	June 30, 2022	December 31, 2021
Trade payables	926.8	828.7
Deferred leasing income	393.7	389.9
Other accruals and other deferred income	578.1	582.7
Advance lease instalments received	443.2	325.5
Accruals for contract settlements	237.0	191.2
VAT and other taxes	287.3	254.6
Other[1]	42.0	0.5
Trade and other payables	**2,908.3**	**2,573.3**

(1) The increase in Other is due to the timing of VAT payable to the relevant local authorities.

NOTE 22. EARNINGS PER SHARE

Basic earnings per share

(in EUR million)	2022	As at June 30, 2021
Net income attributable to owners of the parent	606.1	352.0
Weighted average number of ordinary shares with voting rights (in thousands)	403,027	403,063
Total basic earnings per share (in cents)	**1.50**	**0.87**

Following the combined General Meeting held in 2022, 2021 and 2019 ALD SA was authorised to purchase its own shares for the purposes of attributing, covering and paying off any scheme for the allocation of free shares, employee savings scheme and any other form of allocation to employees and executive directors of the Company or of companies related to it under the conditions set out in applicable legislative and regulatory provisions. Total number of shares making up current share capital 404,103,640. As at June 30, 2022 total number of shares to which voting rights are attached, excluding shares without voting rights (treasury shares, etc.) is 402,951,934. Weighted average number of ordinary shares with voting rights is 403,027,273.

Diluted earnings per share

(in EUR million)	2022	As at June 30, 2021
Net income attributable to owners of the parent	606.1	352.0
Weighted average number of ordinary shares (in thousands)	404,104	404,104
Total diluted earnings per share (in cents)	**1.50**	**0.87**

Rights to free ordinary shares granted to employees will be settled with treasury shares under the long-term incentives employee plans. Treasury shares are included in the calculation of diluted earnings per share assuming all outstanding rights will vest.

NOTE 23. RELATED PARTIES

Related party transactions relate mainly to transactions with companies of the Société Générale Group ("SG"), the Group majority shareholder. There was no material change in the first six months of 2022 in the nature of the transactions conducted by the group with related parties from those at December 31, 2021 which were referred to in note 34 "Related Parties" of the consolidated financial statements for the year ended December 31, 2021.

Significant related party transactions occurred as of June 30, 2022 and June 30, 2021 are disclosed below:

- Société Générale and its subsidiaries are customers of ALD Group. The fleet is leased to SG Group at normal market conditions. More than 60 % of the fleet is leased by ALD France and represented a total rental income of EUR 9.9 million as at June 30, 2022 (EUR 8.1 million as at June 30, 2021)
- The overall amount of IT services subcontracted to Société Générale and its subsidiaries amounted to EUR 11.2 million in the six months period ended June 30, 2022 and EUR 10.7 million in the six months period ended June 30, 2021;
- Some Group entities share premises with SG or with SG business divisions in some countries (mainly ALD France and ALD Denmark which represent more than 90 % of the total rentals paid to SG). Rentals of SG premises to the Group, priced at arm's length, amounted to EUR 0.2 million in the six months period ended June 30, 2022 and EUR 0.3 million in the six months period ended June 30, 2021 for ALD France and ALD Denmark.
- Rental contract brokerage's commission paid to SG by ALD France represented EUR 1.6 million for the six months period ended June 30, 2022 and EUR 1.5 million for the six months period ended June 30, 2021;
- The overall amount of insurance premium paid by ALD Italy to Sogessur in the course of a Third Party Liabilities (TPL) insurance policy amounted to EUR 27.6 million for the six months period ended June 30, 2022 and EUR 31.5 million for the six months period ended June 30, 2021;
- Corporate services provided by Société Générale have been subject to compensation of EUR 3.8 million for the six months period ended June 30, 2022 and EUR 4.8 million for the six months period ended June 30, 2021;
- As at June 30, 2022 68% of the Group's funding was provided through SG at a market rate representing EUR 13,314 million (respectively 71 % representing EUR 13,126 million as at December 31, 2021 and 69 % representing EUR 12,534 million as at June 30, 2021);
- Overall Group guarantees released by SG Group in case of external funding amounted to EUR 1,123.8 million as at June 30, 2022 (EUR 1,079.1 million as at December 31, 2021 and EUR 1,066.9 million as at June 30, 2021);

SG also provides ALD Group with derivatives instruments for a total amount of EUR 19.8 million in assets and EUR 44.6 million in liabilities as at June 30, 2022 (respectively EUR 17.7 million in assets and EUR 4.4 million in liabilities as at December 31, 2021, and EUR 25.3 million in assets and EUR 15.0 million in liabilities as at June 30, 2021). ALD Group has long-term cash deposits with SG for a total of EUR 311.4 million as at June 30, 2022 (as at December 31, 2021 the total was EUR 387.4 million). These deposits will roll-out in approximately 4.5 years' time and will not be renewed.

NOTE 24. EVENTS AFTER THE REPORTING PERIOD

There has been no events after the reporting period of June 30, 2022.