



YOUR OPERATIONAL LEASING SOLUTION FOR SUSTAINABLE TRANSPORTATION

H1 2021 results

- Restated revenue from activities of €52.5 million, up €1.2 million
- Resilient business performance with EBITDA of €21.3 million and the Group share of net income amounting to €2.0 million
- Favourable outlook with strong investments

Touax Group continued to deliver a positive performance while the health crisis caused further disruption. Its results were stable against the same period in 2020, with the exception of sales fees, which declined but were partially offset by sales of owned equipment. The growth in the shipping container leasing business, driven by the shortage of containers, limited asset returns and therefore sales of used containers and sales fees.

ANALYSIS OF H1 2021 REVENUE FROM ACTIVITIES

The restated presentation of revenue from activities is as follows:

Restated Revenue from activities (in € thousand)	Q1 2021	Q2 2021	H1 2021	Q1 2020	Q2 2020	H1 2020
Leasing revenue on owned equipment	13,229	13,633	26,862	13,426	13,336	26,762
Ancillary services	2,745	3,747	6,492	3,044	2,997	6,041
Total leasing activity	15,974	17,380	33,354	16,470	16,333	32,803
Sales of owned equipment	7,085	8,328	15,413	5,872	7,216	13,088
Total sales of equipment	7,085	8,328	15,413	5,872	7,216	13,088
Total of owned activity	23,059	25,708	48,767	22,342	23,549	45,891
Syndication fees	17	946	963	232	231	463
Management fees ^(a)	897	891	1,788	937	919	1,856
Sales fees	591	358	949	2,128	882	3,010
Total of management activity	1,505	2,195	3,700	3,297	2,032	5,329
Other capital gains on disposals	0	6	6	15	0	15
Total Others	0	6	6	15	0	15
Total Restated Revenue from activities	24,564	27,909	52,473	25,654	25,581	51,235

(a) The "Leasing revenue from investor-owned equipment" line is replaced by "Management fees".

Note: New segmentation of revenue from activities between owned activities and management activities.

In order to enable a more detailed and more accurate reading of its activities, the Group has adjusted its key indicators:

- Revenue from activities is restated in order to present owned activities separately from management activities.
- For management activities, leasing revenue from investor-owned equipment is replaced by management fees, which correspond to the net contribution of the leasing management activity to the Group's performance. This presentation directly shows syndication fees, management fees and sales fees.

This new presentation has no impact on EBITDA, operating income or net income. The accounting presentation of revenue and the contribution by division is presented in the appendix to the press release.

Total restated revenue from activities in H1 2021 amounted to €52.5 million (€54.2 million at constant scope and currency¹), compared to €51.2 million in the same period in 2020, an increase of +2.4%. Owned activities increased by €2.9 million, with an increase in sales of owned equipment, particularly in modular buildings.

The management activity shrank by €1.6 million with a drop in sales fees on investor-owned equipment due to the relatively seasonal nature of these sales and the shortage of available containers owing to the sharp recovery in international trade over the past year.

ANALYSIS OF THE CONTRIBUTION BY DIVISION

Restated Revenue from activities (in € thousand)	Q1 2021	Q2 2021	H1 2021	Q1 2020	Q2 2020	H1 2020
Leasing revenue on owned equipment	9,152	9,223	18,375	9,199	9,118	18,317
Ancillary services	1,873	1,724	3,597	1,462	2,044	3,506
Total leasing activity	11,025	10,947	21,972	10,661	11,162	21,823
Sales of owned equipment	320	403	723	939	662	1,601
Total sales of equipment	320	403	723	939	662	1,601
Total of owned activity	11,345	11,350	22,695	11,600	11,824	23,424
Syndication fees	0	0	0	214	231	445
Management fees ^(a)	463	470	933	373	395	768
Total of management activity	463	470	933	587	626	1,213
Total Freight railcars	11,808	11,820	23,628	12,187	12,450	24,637
Leasing revenue on owned equipment	1,688	1 745	3,433	1,636	1,626	3,262
Ancillary services	683	972	1,655	1,246	439	1,685
Total leasing activity	2,371	2 717	5,088	2,882	2,065	4,947
Sales of owned equipment	41	0	41	0	0	0
Total sales of equipment	41	0	41	0	0	0
Total of owned activity	2,412	2 717	5,129	2,882	2,065	4,947
Management fees ^(a)	6	6	12	0	0	0
Total of management activity	6	6	12	0	0	0
Total River barges	2,418	2 723	5,141	2,882	2,065	4,947
Leasing revenue on owned equipment	2,384	2,654	5,038	2,578	2,581	5,159
Ancillary services	191	1,054	1,245	285	642	927
Total leasing activity	2,575	3,708	6,283	2,863	3,223	6,086
Sales of owned equipment	3,480	3,524	7,004	4,064	4,192	8,256
Total sales of equipment	3,480	3,524	7,004	4,064	4,192	8,256
Total of owned activity	6,055	7,232	13,287	6,927	7,415	14,342
Syndication fees	17	946	963	18	0	18
Management fees ^(a)	428	415	843	564	524	1,088
Sales fees	591	358	949	2,128	882	3,010
Total of management activity	1,036	1,719	2,755	2,710	1,406	4 116
Total Containers	7,091	8,951	16,042	9,637	8,821	18,458
Leasing revenue on owned equipment	5	11	16	13	11	24
Ancillary services	(2)	(3)	(5)	51	(128)	(77)
Total leasing activity	3	8	11	64	(117)	(53)
Sales of owned equipment	3,244	4,401	7,645	869	2,362	3,231
Total sales of equipment	3,244	4,401	7,645	869	2,362	3,231
Total of owned activity	3,247	4,409	7,656	933	2,245	3,178

¹ Based on a comparable structure and average exchange rates for H1 2020

Other capital gains on disposal	0	6	6	15	0	15
Total Others	0	6	6	15	0	15
Total Miscellaneous and eliminations	3,247	4,415	7,662	948	2,245	3,193

Total Restated Revenue from activities	24,564	27,909	52,473	25,654	25,581	51,235
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(a) The "Leasing revenue from investor-owned equipment" line is replaced by "Management fees".

The **Freight Railcars** business declined by €1 million (-4.1%), mainly due to a temporary decrease in railcar sales to customers and investors:

- The Group-owned asset business contracted with a €0.9 million fall in owned equipment sales, while the owned asset leasing activity held up well.
- Management activity declined as no syndication was carried out in the first half of 2021. Management fees nevertheless increased compared to H1 2020.

The **River Barges** business increased its revenue by €0.2 million, buoyed by owned asset leasing revenue, which recorded an average utilisation rate of 99.3% over the first half of 2021.

The **Containers** business contracted by €2.4 million despite an exceptional performance by the leasing activity. The average utilisation rate over the period was 99.7%, reflecting the shortage of containers, but the volume of containers for sale was very low. As a result, sales of Group-owned equipment and syndication fees fell.

The **Modular Buildings** activity in Africa, presented in the "Other" line, grew by €4.4 million, with a higher number of deliveries during the first half of 2021.

ANALYSIS OF THE FIRST HALF RESULTS

Key figures (in € million)	06/2021	06/2020	12/2020
Restated Revenue from activities	52.5	51.2	111.6
Of which Freight railcars	23.6	24.6	47.2
Of which River barges	5.1	4.9	11.8
Of which Containers	16.0	18.5	39.8
Of which Miscellaneous and eliminations	7.7	3.2	12.7
EBITDA	21.3	22.6	46.8
Current operating income	9.3	10.8	23.3
Operating income	9.3	10.8	23.2
Profit before taxes	3.4	4.6	10.0
Consolidated net profit (loss) (Group's share)	2.0	2.5	5.9
Including net income from continuing activities	2.0	2.5	6.0
Including net income from discontinued activities	0.0	0.0	-0.1
Earnings per share (€)	0.28	0.35	0.84
Total non-current assets	342.8	347.6	334.5
Total assets	480.3	458.0	474.0
Total shareholders' equity	145.7	123.7	146.7
Net financial debt (a)	227.0	208.0	189.6
Operating cash flow of the retained operations (b)	-26.3	0.6	-1.2
Loan-to-value ratio	57%	54%	54%

(a) including €192.4 million in debt without recourse at 30 June 2021.

(b) including purchases and sales of equipment

Group **EBITDA** stood at €21.3 million at 30 June 2021, down slightly (by €1.2 million) from H1 2020. The decrease in syndications and sales fees in the Freight Railcars and Containers divisions was partially offset by the increase in owned asset sales in the Modular Buildings business. There was also a one-off

increase in operating expenses in the Railcars business, with more repairs and servicing completed to make assets available for leasing more quickly.

The **Group share of net income** came to €2.0 million for H1 2021 (vs. €2.5 million a year earlier).

FINANCIAL STRUCTURE

The balance sheet total stood at €480 million at 30 June 2021, compared with €474 million at 31 December 2020.

As expected and following the €81.9 million capital increase carried out by Touax Rail on 30 September 2020 the Group is continuing its investment program. Tangible assets (non-current assets excluding goodwill + inventories) amounted to €390 million versus €364 million at 31 December 2020.

In light of the investment policy, nominal gross debt increased to €269 million versus €252 million at 31 December 2020, while Group net debt came to €227 million versus €190 million at the end of 2020.

At 30 June 2021, the Group's loan-to-value ratio was 57% compared with 54% at end-December 2020. This slight increase was due to the increase in investments in new equipment over the period (particularly in the Freight Railcars division) – by nature, a larger portion of these investments is financed by lenders.

Shareholders' equity, Group share increased to €93.7 million over the period, compared with €92.3 million at 31 December 2020.

OUTLOOK

Touax is pursuing its strategy of investing in owned assets and equipment under management in all its businesses with a significant order book for more than €77.6 million at 30 June 2021. The outlook is positive and restated revenue from activities is expected to gradually rise.

The three long-term leasing businesses for sustainable, environmentally-friendly transportation are resilient and promising.

From a structural and medium to long-term perspective, the growth of e-commerce, which increases demand for logistics, environmental policies such as Europe's Green Deal, the various government stimulus packages in the infrastructure sector and increased outsourcing, which encourages leasing, should continue to underpin investment in our three asset classes.

UPCOMING EVENTS

- 22 September 2021: SFAF webcast to present the 2021 interim financial statements
- 24 September 2021: Webcast to present the 2021 interim financial statements (in English)
- 15 November 2021: Q3 2021 revenue from activities

TOUAX Group leases out tangible assets (freight railcars, river barges and containers) on a daily basis worldwide, both on its own account and for investors. With €1.1 billion in assets under management, TOUAX is a European leader in the leasing of this type of equipment.

TOUAX is listed on the EURONEXT stock market in Paris - Euronext Paris Compartment C (ISIN code: FR0000033003) - and is listed on the CAC® Small, CAC® Mid & Small and EnterNext®PEA-PME 150 indices.

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APPENDIX 1: Accounting presentation of revenue from activities

Revenue from activities (in € thousand)	Q1 2021	Q2 2021	TOTAL	Q1 2020	Q2 2020	TOTAL
Leasing revenue on owned equipment	13,229	13,633	26,862	13,426	13,336	26,762
Leasing revenue on managed equipment	11,072	10,912	21,984	13,681	12,739	26,420
Ancillary services	3,084	3,946	7,030	4,579	4,489	9,068
Management fees on managed assets	157	166	323	81	84	165
Total leasing activity	27,542	28,657	56,199	31,767	30,648	62,415
Sales of owned equipment	7,085	8,328	15,413	5,872	7,216	13,088
Margins on sale of managed equipment	591	358	949	2,128	873	3,001
Total sales of equipment	7,676	8,686	16,362	8,000	8,089	16,089
Fees on syndication	17	946	963	232	231	463
Other capital gains on disposals	0	6	6	15	0	15
Total Others	17	952	969	247	231	478
Total Revenue from activities	35,235	38,295	73,530	40,014	38,968	78,982

Revenue from activities was mainly affected by the decrease in leasing revenue from investor-owned equipment, the impact of which was limited to a decline in restated management fees, and in revenue from ancillary services.

Table showing the transition from summary accounting presentation to restated presentation

Revenue from activities (in € thousand)	H1 2021	Restatement	Restated H1 2021	H1 2020	Restatement	Restated H1 2020
Leasing revenue on owned equipment	26,862		26,862	26,762		26,762
Ancillary services	7,030	-539	6,491	9,068	-3,025	6,043
Total leasing activity	33,892	-539	33,353	35,830	-3,025	32,805
Sales of owned equipment	15,413		15,413	13,088		13,088
Total sales of equipment	15,413	0	15,413	13,088	0	13,088
Total of owned activity	49,305	-539	48,766	48,918	-3,025	45,893
Leasing revenue on managed equipment	21,984	-21,984	0	26,420	-26,420	0
Fees on syndications	963		963	463		463
Management fees on managed assets	323	1,465	1,788	165	1,689	1,854
Margins on sale of managed equipment	949		949	3,001	9	3,010
Total of management activity	24,219	-20,519	3,700	30,049	-24,722	5,327
Other capital gains on disposals	6		6	15		15
Total Others	6	0	6	15	0	15
Total Restated Revenue from activities	73,530	-21,057	52,473	78,982	-27,747	51,235

APPENDIX 2: Accounting presentation of the contribution by division

Revenue from activities (in € thousand)	H1 2021	Restatement	H1 2021 Restated	H1 2020	Restatement	H1 2020 Restated
Leasing revenue on owned equipment	18,375		18,375	18,317		18,317
Ancillary services	3,792	-196	3,596	3,757	-250	3,507
Total leasing activity	22,167	-196	21,971	22,074	-250	21,824
Sales of owned equipment	723		723	1,601		1,601
Total sales of equipment	723	0	723	1,601	0	1,601
Total of owned activity	22,890	-196	22,694	23,675	-250	23,425
Leasing revenue on managed equipment	6,718	-6,718	0	6,852	-6,851	1
Fees on syndication	0		0	445		445
Management fees on managed assets	257	677	934	109	658	767
Total leasing activity	6,975	-6,041	934	7,406	-6,193	1,213
Freight railcars	29,865	-6,237	23,628	31,081	-6,444	24,637
Leasing revenue on owned equipment	3,433		3,433	3,262		3,262
Ancillary services	1,655		1,655	1,685		1,685
Total leasing activity	5,088	0	5,088	4,947	0	4,947
Sales of owned equipment	41		41	0		0
Total sales of equipment	41	0	41	0	0	0
Total of owned activity	5,129	0	5,129	4,947	0	4,947
Management fees on managed assets	12		12	0		0
Total leasing activity	12	0	12	0	0	0
River barges	5,141	0	5,141	4,947	0	4,947
Leasing revenue on owned equipment	5,038		5,038	5,159		5,159
Ancillary services	1,588	-342	1,246	3,703	-2,775	928
Total leasing activity	6,626	-342	6,284	8,862	-2,775	6,087
Sales of owned equipment	7,004		7,004	8,256		8,256
Total sales of equipment	7,004	0	7,004	8,256	0	8,256
Total of owned activity	13,630	-342	13,288	17,118	-2,775	14,343
Leasing revenue on managed equipment	15,266	-15,266	0	19,568	-19,568	0
Fees on syndication	963		963	18		18
Management fees on managed assets	54	788	842	56	1,031	1,087
Margins on sales of managed equipment	949		949	3,001	9	3,010
Total leasing activity	17,232	-14,477	2,755	22,643	-18,529	4,114
Containers	30,862	-14,820	16,042	39,761	-21,303	18,458
Leasing revenue on owned equipment	16		16	24		24
Ancillary services	-5		-5	-77		-77
Total leasing activity	11	0	11	-53	0	-53
Sales of owned equipment	7,645		7,645	3,231		3,231
Total sales of equipment	7,645	0	7,645	3,231	0	3,231
Total of owned activity	7,656	0	7,656	3,178	0	3,178
Other capital gains on disposal	6		6	15		15
Total Others	6	0	6	15	0	15
Miscellaneous and eliminations	7,662	0	7,662	3,193	0	3,193
Total revenue from activities	73,530	-21,057	52,473	78,982	-27,747	51,235