



EXACOMPTA CLAIREFONTAINE

HALF-YEAR FINANCIAL REPORT

30 JUNE 2023

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Board of Directors

François Nusse, Chairman and Chief Executive Officer

Dominique Daridan

Louise de l'Estang du Rusquet

Céline Goblot

Charles Nusse

Frédéric Nusse

Gabriel Nusse

Guillaume Nusse

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Laurent Nusse

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Emmanuel Renaudin

Caroline Tamponnet

Caroline Valentin

Statutory Auditors

BATT AUDIT, 54000 Nancy
Pascal François

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Nicolas Aubrun – Hugues De Noray

To the Shareholders,

1. REVIEW AND APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

(€000)	H1 2023	H1 2022
Revenue	421,860	398,210
Operating income	46,206	13,507
Net income before tax	44,831	11,884
Net income after tax	38,218	8,808
Group share	38,218	8,808

First half 2023 earnings were boosted by two non-recurring items:

- a €10.5 million capital gain on sale of real estate;
- the award of subsidies to cover electricity costs, primarily through the carbon offsetting scheme, totalling €6.7 million in first half 2023 including €5.5 million in respect of prior years.

1.1 PAPER PRODUCTION

European deliveries of printing and writing papers fell 23% versus first half 2022 (tonnage, CEPI statistics).

Production by our five paper machines fell 8% to 125,140 tonnes of paper reels as a result of scheduled shutdowns due to the low volume of orders. Deliveries of papers dropped 11.5% and inventories swelled considerably.

Our energy contracts signed under highly favourable conditions made a positive contribution to these results. Pulp prices also fell sharply.

1.2 PROCESSING

GfK market research consultants again noted real-term stability in revenue from manufactured papers in France and a 2.7% decline in filing item revenue versus first half 2022.

Our sales in this segment rose 4.2% in first half 2023, while volumes declined in most product categories after the stellar first half 2022 performance.

Margins applied allowed us to maintain profits in this segment.

1.3 FINANCIAL POSITION - DEBT

At 30 June 2023, gross borrowings stood at €227,638,000 including €48,158,000 of financial liabilities arising from the capitalisation of leases. Consolidated shareholders' equity was €505,632,000.

The Group has negotiated additional lines of credit with its banks totalling €11.1 million. Commercial paper outstanding at 30 June 2023 amounted to €25 million out of a global programme of €125 million. With gross cash and cash equivalents of €79,343,000 at 30 June 2023, Group net borrowings amounted to €148,295,000.

Excluding financial liabilities generated by the application of IFRS 16, net debt at 30 June 2023 was €100,137,000 compared to €118,976,000 at 30 June 2022.

1.4 SHARE AND SHAREHOLDER INFORMATION

The share listed at €120 on 2 January 2023 and €126 on 30 June 2023. The number of shares traded during first half 2023 was 15,462.

The capital of the parent company is composed of 1,131,480 shares and did not change during the period. Our principal shareholder, Ets Charles Nusse, held 910,395 shares with double voting rights, representing 80.46% of the capital, at 30 June 2023. LG Invest, a minority shareholder, crossed the 5% ownership threshold on 21 September 2021.

The parent company does not have a share buyback programme and there are no employee shareholders.

2. RISK FACTORS

Risk factors related to economic activity and financial risks are of the same kind as those described in Section 2.4 of the 2022 Annual Report. There were no material changes during first half 2023. Provisions for financial risks at 30 June 2023 are presented in Note 2.6 to the consolidated half-year financial statements.

3. OUTLOOK

The outlook for the second half is uncertain, as the order backlog will not allow us to maintain full capacity in several production units. Full-year operating income could be close to the first half figure excluding the €16 million non-recurring items recognised in the first half.

4. GREENHOUSE GAS EMISSIONS

The 2022 statement of non-financial performance was published prior to the Exacompta Clairefontaine Group Shareholders' Meeting on 25 May 2023.

The following information supplements and updates the information provided in this declaration.

The free allowances of CO₂ received by the Group amount to 56,667 tonnes for 2023. Any further emissions allowances required are purchased on the European exchange market.

Net CO₂ emissions during first half 2023 totalled 44,271 tonnes.

Exacompta Clairefontaine S.A.

Consolidated financial statements for the six months ended 30 June 2023

Half-year consolidated financial statements

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1. Consolidated financial statements

Consolidated financial position

€000	30/06/2023	31/12/2022	Notes
NON-CURRENT ASSETS	356,927	352,754	
Goodwill	44,266	44,266	(2.1.1)
Intangible assets	20,336	19,449	(2.1.1)
Property, plant and equipment	286,585	285,430	(2.1.2)
Financial assets	4,946	2,901	(2.1.3)
Deferred taxes	794	708	(2.4)
CURRENT ASSETS	600,741	562,342	
Inventories	304,182	292,966	(2.2.1)
Trade and other receivables	214,390	145,670	(2.2.2)
Advances	2,586	4,665	
Taxes receivable	240	321	
Cash and cash equivalents	79,343	118,720	(2.2.3)
TOTAL ASSETS	957,668	915,096	

SHAREHOLDERS' EQUITY	505,632	471,369	
Share capital	4,526	4,526	
Consolidated reserves	462,888	439,787	
Net income – Group share	38,218	27,056	
Shareholders' equity – Group share	505,632	471,369	
Minority interests	0	-	
NON-CURRENT LIABILITIES	206,388	195,175	
Non-current loans and borrowings	125,621	114,370	(2.6)
Lease liabilities (IFRS 16)	35,663	33,109	(2.6)
Deferred taxes	25,512	27,427	(2.4)
Provisions	19,592	20,269	(2.5)
CURRENT LIABILITIES	245,648	248,552	
Trade payables	81,583	94,230	
Current loans and borrowings	53,859	66,476	(2.6)
Lease liabilities (IFRS 16) – short term	12,495	10,768	(2.6)
Provisions	4,217	3,347	(2.5)
Tax liabilities	5,224	888	
Other payables	88,270	72,843	(2.10)
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	957,668	915,096	

Consolidated income statement

€000	H1 2023	H1 2022	Notes
Revenue	421,860	398,210	
- Sales of products	411,479	393,329	
- Sales of services	10,381	4,881	
Other operating income	34,267	20,733	
- Reversal of depreciation/amortisation	-	16,874	(2.1.2, 2.1.3)
- Subsidies	6,763	184	
- Other income	27,504	3,675	
Change in inventories of finished products and work-in-progress	21,098	30,084	(2.2.1)
Goods and materials used	(220,889)	(227,722)	
External expenses	(60,138)	(61,007)	
Personnel expenses	(102,269)	(97,357)	
Taxes and duties	(5,557)	(5,606)	
Depreciation/amortisation	(24,324)	(22,546)	(2.1.1, 2.1.2)
Other operating expenses	(17,842)	(21,282)	(2.1.3)
Operating income – before goodwill impairment	46,206	13,507	
Goodwill impairment / badwill gain	-	-	(2.1.1)
Operating income – after goodwill impairment	46,206	13,507	
Financial income	3,312	2,124	
Financial expenses	(4,687)	(3,747)	
Net financial items	(1,375)	(1,623)	(2.9)
Income taxes	(6,613)	(3,076)	(2.4, CFS)
CONSOLIDATED NET INCOME	38,218	8,808	
Net income – minority share	0	0	
Net income – Group share	38,218	8,808	
Net income for the period	38,218	8,808	
Number of shares	1,131,480	1,131,480	(2.3)
Earnings per share (basic and diluted)	33.78	7.78	

Comprehensive income statement

€000	H1 2023	H1 2022
Net income	38,218	8,808
Actuarial gains/losses on post-employment benefits	1,236	430
Tax on items not reclassified to profit or loss	(309)	(107)
Items not reclassified to profit or loss	927	323
Currency translation differences arising from foreign entities' financial statements	580	1,375
Tax on items reclassified to profit or loss	-	-
Items reclassified to profit or loss	580	1,375
Items of other comprehensive income	-	-
Total comprehensive income	39,725	10,506
Attributable to:		
- the Group	39,725	10,506
- minority interests	-	-

Statement of changes in consolidated shareholders' equity

€000	Share capital	Additional paid-in capital	Reserves and consolidated results	Actuarial gains/losses	Currency translation adjustments	Total – Group share	Total – minority interests	Total shareholders' equity
Shareholders' equity at 31/12/2021	4,526	92,745	341,838	1,958	4,098	444,398	767	445,165
Dividends distributed			(4,164)			(4,164)		(4,164)
Net income for the period			27,056			27,056		27,056
Items of other comprehensive income				619	1,563	2,182		2,182
Reclassification of actuarial gains/losses			1,958	(1,958)		-		-
Fizzer acquisition – minority interests			(5,086)			(4,319)	(767)	(5,086)
Put option on Fizzer minority interests			6,100			6,100		6,100
Other restatements			116			116		116
Shareholders' equity at 31/12/2022	4,526	92,745	367,818	619	5,661	471,369	-	471,369
Dividends distributed			(4,979)			(4,979)		(4,979)
Net income for the period			38,218			38,218		38,218
Items of other comprehensive income				927	580	1,507		1,507
Reclassification of actuarial gains/losses			619	(619)		-		-
Other restatements			(483)			(483)		(483)
Shareholders' equity at 30/06/2023	4,526	92,745	401,193	927	6,241	505,632	-	505,632

Statement of consolidated cash flows

€000	H1 2023	H1 2022	Notes
Total consolidated net income	38,218	8,808	
<ul style="list-style-type: none"> • Depreciation, amortisation and provisions • Gains or losses on sales • Currency translation adjustments 	25,707 (10,442) (562)	23,274 514 343	(2.1.4 to 2.1.6, 2.5) (2.4)
<i>Cash flow before cost of borrowings and tax</i>	<i>52,921</i>	<i>32,939</i>	
<ul style="list-style-type: none"> • Cost of borrowings • Tax charge for the period and deferred taxes 	1,573 6,613	227 3,076	
<i>Cash flow after cost of borrowings and tax</i>	<i>61,107</i>	<i>36,242</i>	
<ul style="list-style-type: none"> • Change in operating working capital 	(79,040)	(107,557)	Balance sheet
(1) Net cash flow from operating activities	(17,933)	(71,315)	
<ul style="list-style-type: none"> • Purchases of fixed assets • Sales of fixed assets • Changes in consolidation 	(28,089) 23,727 (2,468)	(13,459) 544 -	(2.1.4 to 2.1.6)
(2) Net cash flow from investing activities	(6,830)	(12,915)	
<ul style="list-style-type: none"> • New borrowings • Loans repaid • Lease liability payments • Change in interest paid • Dividends paid 	18,073 (17,187) (7,005) (1,400) (4,979)	18,446 (27,293) (5,899) (508) (4,164)	(Change in shareholders' equity)
(3) Net cash flow from financing activities	(12,498)	(19,418)	
(4) Currency effect on cash	317	172	
(1+2+3+4) Total cash flow	(36,944)	(103,476)	
Opening cash	86,432	140,300	
Closing cash	49,488	36,824	
Change in cash	(36,944)	(103,476)	

Change in cash

€000	30/06/2023	31/12/2022	Change	30/06/2022
Reported cash and cash equivalents	79,343	118,720	(39,377)	93,365
Bank overdrafts	(29,855)	(32,288)	(2,433)	(56,541)
Net cash and cash equivalents	49,488	86,432	(36,944)	36,824

Presentation of the consolidated financial statements

1- General principles – statement of compliance

The EXACOMPTA CLAIREFONTAINE Group consolidated financial statements are prepared in accordance with IFRS (International Financial Reporting Standards), as adopted within the European Union. The Exacompta Clairefontaine Group summary consolidated half-year financial statements were prepared in accordance with IAS 34 – *Interim financial reporting*. They were approved by the Board of Directors on 21 September 2023.

No changes were made compared to the accounting rules and methods applied to the 2022 full-year consolidated financial statements.

2- Adoption of new standards

The Group did not opt for early application of any standard, amendment or interpretation that is not mandatory in 2023.

3- Consolidated entities

On 5 May 2023 the Group took control of I'D, the company that holds the real estate assets of TCPF, acquired in late 2022. No goodwill was recognised in relation to the company's consolidation.

2. Notes to the consolidated half-year financial statements

2.1 Non-current assets

2.1.1 Intangible assets and goodwill

At 30 June 2023 (€000)	Goodwill	Concessions, licences, trademarks and similar rights	Other	Total intangible assets
Gross value b/fwd	51,266	60,995	11,249	72,244
Purchases		268	2,996	3,264
Sales		(3,730)	(124)	(3,854)
Changes in consolidation scope				
Currency translation adjustments		91	(1)	90
Transfers and other changes		2,174	(2,150)	24
Gross value c/fwd	51,266	59,798	11,970	71,768
Amortisation and write-downs b/fwd	7,000	45,648	7,147	52,795
Sales		(3,712)	(124)	(3,836)
Changes in consolidation scope				
Amortisation		2,193	203	2,396
Write-downs				
Reversals				
Currency translation adjustments		79	(2)	77
Transfers and other changes				
Amortisation and write-downs c/fwd	7,000	44,208	7,224	51,432
Net book value b/fwd	44,266	15,347	4,102	19,449
Net book value c/fwd	44,266	15,590	4,746	20,336

Trademarks

“Concessions, licences, trademarks and similar rights” includes trademarks totalling €5,367,000. No impairment was recorded in the first half 2023 financial statements.

Goodwill

Goodwill mainly pertains to the businesses of the Digital department (€23.2 million) and Manufactured Papers (€17.1 million).

The segment information shows the breakdown of goodwill by business and geographic segment.

Given the sustained performance by all departments and the leeway resulting from impairment tests carried out at 31 December 2022, the Group considers that there is no evidence of impairment liable to have a material impact on cash flow forecasts. As such, impairment tests on the CGUs were not deemed necessary for the first half 2023 closing procedure.

2.1.2 Property, plant and equipment

No changes in useful life leading to a material change in the accounting estimates were identified during the period.

IFRS 16 – Leases

As it is not possible to determine the interest rates implicit in the leases, the Group uses its incremental borrowing rate to measure the lease liability. It is established by reference to the interest rates of loans, whether taken out or not, that have similar maturities and payment profiles. In particular, it is established based on 7-10 year maturities applicable to real estate leases, which represent almost 90% of Group leases in terms of right-of-use asset value.

Low-value asset leases were excluded.

Lease categories at 30/06/2023

€000	Real estate	Industrial equipment	Other	Total
Right-of-use assets	78,209	3,313	4,456	85,978
Depreciation	33,530	1,901	2,672	38,103
Net amount	44,679	1,412	1,784	47,875

In the first half 2023 income statement, the depreciation charge on right-of-use assets amounts to €7,018,000 and lease interest payments amount to €198,000.

Leases are aggregated in the tables of changes in property, plant and equipment.

At 30 June 2023 (€000) Incl. IFRS 16 right-of-use assets	Land and buildings	Plant and equipment	Other PP&E	Advances and PP&E in progress	Total
Gross value b/fwd	330,450	577,941	65,817	12,736	986,944
Purchases	14,619	3,963	1,446	13,705	33,733
Sales	(76,304)	(4,174)	(3,147)		(83,625)
Changes in consolidation scope	2,967		10		2,977
Currency translation adjustments	175	484	76	41	776
Transfers and other changes	4,399	3,343	908	(8,674)	(24)
Gross value c/fwd	276,306	581,557	65,110	17,808	940,781
Depreciation and write-downs b/fwd	210,909	439,800	50,805	0	701,514
Sales	(64,452)	(3,308)	(2,425)		(70,185)
Changes in consolidation scope	505		10		515
Depreciation	8,553	11,133	2,242		21,928
Write-downs					
Reversals					
Currency translation adjustments	(61)	421	64		424
Transfers and other changes		(406)	406		
Depreciation and write-downs c/fwd	155,454	447,640	51,102	0	654,196
Net book value b/fwd	119,541	138,141	15,012	12,736	285,430
Net book value c/fwd	120,852	133,917	14,008	17,808	286,585

2.1.3 Financial assets

At 30 June 2023 (€000)	Unconsolidated equity interests	Loans	Other receivables	Total
Gross value b/fwd	1,337	908	1,824	4,069
Purchases		2	2,100	2,102
Sales		(9)	(64)	(73)
Changes in consolidation scope			4	4
Currency translation adjustments			33	33
Transfers and other changes				
Gross value c/fwd	1,337	901	3,897	6,135
Write-downs b/fwd	1,168	0	0	1,168
Purchases/sales				
Changes in consolidation scope				
Write-downs	21			21
Reversals				
Currency translation adjustments				
Transfers and other changes				
Write-downs c/fwd	1,189	0	0	1,189
Net book value b/fwd	169	908	1,824	2,901
Net book value c/fwd	148	901	3,897	4,946

Unconsolidated equity interests and other long-term investments are stated at cost if there is no reliable fair value.

Intercompany receivables, loans and other financial assets are valued at amortised cost. The book value is equal to the fair value.

Other receivables mainly comprise deposits and guarantees totalling €3,618,000.

2.1.4 Table of maturities of other financial assets

At 30 June 2023 (€000)	< 1 year	1-5 years	> 5 years	Total
Loans	54	189	658	901
Other financial assets	706	2,059	1,132	3,897
Financial assets and receivables	760	2,248	1,790	4,798

2.2 Current assets

2.2.1 Inventories by type

At 30 June 2023 (€000)	Raw materials	Work-in-progress	Semi-finished and finished goods	Total
Gross value b/fwd	124,870	29,052	156,241	310,163
Change	(8,640)	2,709	17,734	11,803
Changes in consolidation scope				
Gross value c/fwd	116,230	31,761	173,975	321,966
Write-downs b/fwd	9,631	1,221	6,345	17,197
Additions	8,524	870	3,529	12,923
Reversals	(7,198)	(1,117)	(4,029)	(12,344)
Changes in consolidation scope				
Currency translation adjustments and other	3		5	8
Write-downs c/fwd	10,960	974	5,850	17,784
Net book value b/fwd	115,239	27,831	149,896	292,966
Net book value c/fwd	105,270	30,787	168,125	304,182

2.2.2 Write-down of other current assets

€000	Write-downs b/fwd	Additions	Reversals	Changes in consolidation scope and other differences	Write-downs c/fwd
Trade receivables	2,518	811	(552)	23	2,800
Other receivables	241				241
Total	2,759	811	(552)	23	3,041

Statement of maturities of trade and other receivables

€000	< 1 year	1-5 years	> 5 years	Total
Trade and similar receivables	194,099			194,099
Taxes and social security contributions receivable	14,287			14,287
Other receivables	3,684			3,684
	212,070			212,070
Impairment				(3,041)
Financial assets				209,029
Prepaid expenses				5,361
Reported trade and other receivables				214,390

2.2.3 Cash and cash equivalents

€000	30/06/2023	31/12/2022	Change
Cash at bank	43,690	52,040	(8,350)
Cash equivalents	35,653	66,680	(31,027)
Total	79,343	118,720	(39,377)

Financial assets held for trading (marketable securities) are assets valued at fair value through profit or loss. The book value of €35,653,000 equals the market value at 30 June 2023. The book value is equal to the fair value.

2.3 Shareholders' equity

The parent company's share capital consists of 1,131,480 shares with a par value of 4 euros each, totalling €4,525,920, and did not change during the period. A double voting right is granted to each fully paid-up share which has been registered for at least two years in the name of the same shareholder. ETABLISSEMENTS CHARLES NUSSE holds 80.46% of the share capital.

2.4 Deferred taxes

The principal sources of deferred taxes are trademarks, regulated provisions, public subsidies, internal profits on inventories and provisions.

Change in deferred taxes

€000	30/06/2023	31/12/2022	Change
Deferred tax assets	794	708	86
Deferred tax liabilities	25,512	27,427	(1,915)
Net deferred tax	24,718	26,719	(2,001)

Breakdown of tax charge

€000	H1 2023	H1 2022
Current tax	(8,923)	(2,647)
Deferred taxes	2,310	(429)
Tax income/(charge)	(6,613)	(3,076)

2.5 Provisions

€000	Provisions b/fwd	Additions	Reversals	Other changes	Provisions c/fwd
Post-employment benefits	20,269	1,271	(709)	(1,239)	19,592
Non-current provisions	20,269	1,271	(709)	(1,239)	19,592
Provisions for contingent liabilities	2,374	1,596	(401)		3,569
Other provisions for charges	973	205	(600)	70	648
Current provisions	3,347	1,801	(1,001)	70	4,217

Provisions for post-employment benefits are provisions for pensions and similar obligations. The other changes correspond to actuarial adjustments recorded under comprehensive income.

Post-employment benefits mainly consist of retirement indemnities.

They are calculated at each closing date according to the following main parameters:

- probability of retirement, staff turnover and mortality;
- projected salary increases;
- discounting the resulting liability at 3.80%.

The amounts paid to insurance organisations are deducted from provisions.

Net change in the provision for pensions and similar obligations

€000	H1 2023	H1 2022
Liability b/fwd	20,269	21,939
Cost of services rendered	1,328	1,606
Financial expense	641	65
Changes for the period	(1,410)	(1,215)
→ o/w new recruits	12	78
→ o/w departures during the period	(1,422)	(1,293)
Liability excluding actuarial gains and losses	20,828	22,395
Actuarial gains and losses under comprehensive income	(1,236)	(430)
Liability c/fwd	19,592	21,965

The recorded liability includes €15,684,000 of obligations under the plan applicable to French companies and €3,908,000 under plans applicable to foreign companies.

2.6 Loans, borrowings and lease liabilities

Statement of liquidity risk

€000	< 1 year	1-5 years	> 5 years	Total
Loans from financial institutions	21,803	73,621	15,000	110,424
Lease liabilities	12,495	29,479	6,184	48,158
Other borrowings	26			26
Bank loans and overdrafts	29,855			29,855
Subtotal	64,179	103,100	21,184	188,463
Shareholder loan accounts (credit balance)	2,000		37,000	39,000
Accrued interest	175			175
Total	66,354	103,100	58,184	227,638

Medium and long-term financing excluding IFRS 16 lease liabilities consists of loans negotiated at fixed rates.

The fair value of borrowings is equal to the book value.

Change in borrowings

€000	31/12/2022	Cash flows	Non-cash items			30/06/2023
			Changes in consolidation scope	New leases	Foreign exchange losses	
Bank loans and overdrafts	32,288	(2,432)	-	-	(1)	29,855
Loans from financial institutions	116,326	(5,989)	90	-	(3)	110,424
Lease liabilities	43,877	(7,254)	-	11,463	72	48,158
Total bank borrowings	192,491	(15,675)	90	11,463	68	188,437
Shareholder loans	32,000	7,000	-	-	-	39,000
Other payables	112	(86)	-	-	-	26
Total other borrowings	32,112	6,914	-	-	-	39,026
Accrued interest	120	55				175
Total borrowings	224,723	(8,706)	90	11,463	68	227,638

2.7 Issuance & financial instruments programmes

Commercial paper

Short-term needs are financed by commercial paper issued by Exacompta Clairefontaine. A fixed rate determined at the moment of issue is paid on the commercial paper, which has a maximum term of 365 days.

At the interim balance sheet date, €25 million of commercial paper had been issued out of a maximum authorised outstanding amount of €125 million.

Lines of credit

Lines of credit are in place with several banks for a total amount of €145 million, with maturities not exceeding five years. Lines of credit are indexed to Euribor and the average commitment fee charged is 0.23%. Drawdowns are charged on the basis of the amount and the maturity date of each line of credit.

The term of drawdowns ranges from ten days to twelve months. No amounts were drawn as at 30 June 2023.

Related covenants are not relevant to the half-year financial statements, as the associated ratios are calculated on the basis of the annual consolidated financial statements.

Financial instruments

The Group may use options contracts to hedge forecast transactions, in particular for purchases of raw materials in US dollars which constitute its main exposure to currency risk. The Group implemented no currency hedging arrangements during the first half. Other transactions performed to hedge exchange rate risks are non-material.

2.8 Fair value of financial instruments

Accounting classes and fair value

The table below shows the fair value of financial assets and liabilities as well as their book value as recorded in the statement of financial position.

€000	Note	Assets at acquisition cost	Measured at FVTPL	Loans and receivables	Total book value	Fair value
Unconsolidated equity interests	2.1.3	148			148	148
Loans	2.1.3			901	901	774
Other receivables	2.1.3			3,897	3,897	3,897
Cash and cash equivalents	Assets		79,343		79,343	79,343
Trade and intercompany receivables	2.2.2			191,299	191,299	191,299
Total assets		148	79,343	196,097	275,588	275,461

€000	Note	Fair value of derivatives	Other financial liabilities	Total book value	Fair value
Loans from financial institutions	2.6		110,424	110,424	110,424
Lease liabilities	2.6		48,158	48,158	48,158
Other borrowings	2.6		26	26	26
Bank loans and overdrafts	2.6		29,855	29,855	29,855
Shareholder loan accounts (credit balance)	2.6		39,000	39,000	39,000
Amounts payable on fixed assets	2.10		3,435	3,435	3,435
Trade payables	Liabilities		81,583	81,583	81,583
Total liabilities		–	312,481	312,481	312,481

Ranking of fair values

The table below shows the breakdown of financial instruments recognised at fair value based on their valuation method. The levels are defined as follows:

- Level 1: fair value measured using (unadjusted) prices quoted on active markets for identical assets and liabilities.
- Level 2: fair value measured using observable data, other than the quoted prices included in level 1, for the asset or liability, either directly (prices) or indirectly (derived from prices).
- Level 3: fair value measured using data not based on observable market data.

€000	Note	Level 1	Level 2	Level 3
<u>Assets</u>				
Cash and cash equivalents	Assets	79,343	–	–
<u>Liabilities</u>	–	–	–	–

2.9 Financial income and expenses

€000	H1 2023	H1 2022
Income from other receivables and marketable securities	651	227
Other financial income	142	43
Reversal of provisions and write-downs	-	-
Foreign exchange losses	2,519	1,854
Total financial income	3,312	2,124
Increase in provisions and write-downs	21	21
Interest and financial expenses	1,771	684
Foreign exchange losses	2,878	2,841
Other financial expenses	17	201
Total financial expenses	4,687	3,747

2.10 Other current liabilities

€000	30/06/2023	31/12/2022
Advances and down payments received	1,329	1,225
Taxes and social security contributions payable	56,982	44,141
Fixed asset payables	3,435	3,887
Other liabilities	24,327	22,237
Deferred income	2,197	1,353
Total	88,270	72,843

2.11 Related parties

Group companies benefit from the leadership provided by Ets Charles Nusse and pay a fee equal to 0.6% of the added value for the previous year.

Manufacturing, logistics and office facilities are leased to certain Group companies on arm's length terms. These leases have been adjusted following the application of IFRS 16.

Transactions carried out by the Group with Etablissements Charles Nusse.

€000	30/06/2023 (six months)	30/06/2022 (six months)
<u>Balance sheet</u>		
Current account balances:		
Financial liabilities	37,000	30,000
Financial liabilities (short-term)	2,000	2,000
<u>Income statement</u>		
Financial expenses	517	80
Fees	867	777
Leases excluding expenses	4,221	3,942

3. Segment information

As in the financial statements, segment information is presented for the prevailing consolidation scope at each balance sheet date.

Correspondence with the consolidated balance sheet:

- "Other assets allocated" includes inventories and advances;
- "Unallocated assets" consists of tax receivable and deferred tax assets.

➤ Segment information by business – 30/06/2023 (6 months)

€000	Paper	Processing	Inter-segment transactions	Total
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Segment income statement

Revenue	202,348	303,345	(83,833)	421,860
Depreciation/amortisation (net of reversals)	6,779	17,545		24,324
Write-downs and provisions	3,292	(1,093)		2,199
Operating income/(loss) (excl. goodwill impairment)	31,623	15,696	(1,113)	46,206
Goodwill impairment				

Segment assets

Net PP&E and intangible assets	114,495	192,426		306,921
<i>o/w capex</i>	8,210	17,325		25,535
Goodwill		44,266		44,266
Trade receivables	63,040	166,224	(37,965)	191,299
Other receivables	4,891	18,943	(743)	23,091
<i>Balance sheet total</i>	67,931	185,167	(38,708)	214,390
Other assets allocated	94,710	218,941	(6,883)	306,768
<i>Unallocated assets</i>				1,034
Total assets	277,136	640,800	(45,591)	873,379

Segment liabilities

Current provisions	3,177	1,040		4,217
Trade payables	31,446	88,102	(37,965)	81,583
Other payables	30,199	58,814	(743)	88,270
<i>Unallocated liabilities</i>				5,224
Total liabilities	64,822	147,956	(38,708)	179,294

➤ Segment information by geographic area – 30/06/2023 (6 months)

€000	France	Europe	Outside Europe	Total
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Revenue	219,198	185,022	17,640	421,860
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Net PP&E and intangible assets	257,023	40,666	9,232	306,921
<i>o/w capex</i>	20,493	1,117	3,925	25,535
Goodwill	27,122	17,144		44,266
Trade receivables	156,299	32,690	2,310	191,299
Other receivables	16,175	4,289	2,627	23,091
<i>Balance sheet total</i>	172,474	36,979	4,937	214,390
Other assets allocated	259,639	37,039	10,090	306,768
<i>Unallocated assets</i>				1,034
Total assets	716,258	131,828	24,259	873,379

➤ Segment information by business – 30/06/2022 (6 months)

€000	Paper	Processing	Inter-segment transactions	Total
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Segment income statement

Revenue	187,102	291,065	(79,957)	398,210
Depreciation/amortisation (net of reversals)	6,380	(708)		5,672
Write-downs and provisions	391	(396)		(5)
Operating income/(loss) (excl. goodwill impairment)	10,954	3,428	(875)	13,507
Goodwill impairment				

Segment assets

Net PP&E and intangible assets	113,975	190,027		304,002
<i>o/w capex</i>	2,927	10,325		13,252
Goodwill		45,288		45,288
Trade receivables	68,767	168,949	(40,938)	196,778
Other receivables	3,492	15,779	(65)	19,206
<i>Balance sheet total</i>	72,259	184,728	(41,003)	215,984
Other assets allocated	79,244	191,268	(4,377)	266,135
<i>Unallocated assets</i>				2,453
Total assets	265,478	611,311	(45,380)	833,862

Segment liabilities

Current provisions	1,582	1,541		3,123
Trade payables	39,012	97,823	(40,938)	95,897
Other payables	22,700	54,938	(65)	77,573
<i>Unallocated liabilities</i>				0
Total liabilities	63,294	154,302	(41,003)	176,593

➤ Segment information by geographic area – 30/06/2022 (6 months)

€000	France	Europe	Outside Europe	Total
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Revenue	210,796	170,896	16,518	398,210
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Net PP&E and intangible assets	250,638	48,353	5,011	304,002
<i>o/w capex</i>	11,424	1,650	178	13,252
Goodwill	34,122	11,166		45,288
Trade receivables	162,605	31,949	2,224	196,778
Other receivables	14,136	2,080	2,990	19,206
<i>Balance sheet total</i>	176,741	34,029	5,214	215,984
Other assets allocated	219,867	37,778	8,490	266,135
<i>Unallocated assets</i>				2,453
Total assets	681,368	131,326	18,715	833,862

4. Consolidated entities

All companies are fully consolidated and wholly owned.

Name	Address
EXACOMPTA CLAIREFONTAINE	88480 ETIVAL CLAIREFONTAINE
A.F.A.	132 Quai de Jemmapes - 75010 PARIS
CARTOREL	384 Rue des Chênes Verts - 79410 ECHIRE
CFR Ile Napoléon	RD 52 - 68490 OTTMARSHEIM
PAPETERIES DE CLAIREFONTAINE	19 Rue de l'Abbaye - 88480 ETIVAL CLAIREFONTAINE
CLAIREFONTAINE RHODIA	RD 52 - 68490 OTTMARSHEIM
CLAIRCELL	ZI – Rue de Chartres - 28160 BROU
COGIR	10 Rue Beauregard - 37110 CHATEAU-RENAULT
REGISTRES LE DAUPHIN	27 Rue George Sand - 38500 VOIRON
MADLY	6 Rue Henri Becquerel - 69740 GENAS
EVERBAL	2 Route d'Avaux - 02190 EVERGNICOURT
EXACOMPTA	138-140 Quai de Jemmapes - 75010 PARIS
LAVIGNE	6 Rue Dewoitine - 78140 VELISY-VILLACOUBLAY
PAPETERIE DE MANDEURE	14 Rue de la Papeterie - 25350 MANDEURE
MANUCLASS	ZI d'Etriché - 49500 SEGRE-EN-ANJOU-BLEU
CLAIRCELL INGENIERIE	ZI – Rue de Chartres - 28160 BROU
EDITIONS QUO VADIS	14 Rue du Nouveau Bêle - 44470 CARQUEFOU
RAYNARD	6 Rue de la Peltière - 35130 LA GUERCHE DE BRETAGNE
RAINEX	Lieudit Saint-Mathieu – ZI - 78550 HOUDAN
ROLFAX	ZI Route de Montdidier - 60120 BRETEUIL
PAPETERIES SILL	Rue du Moulin - 62570 WIZERNES
PAPETERIES DU COUTAL	ZI du Coutal - 24120 TERRASSON-LAVILLEDIEU
PHOTOWEB	1 Rue des Platanes - 38120 SAINT-EGREVE
INVADERS CORP	144 Quai de Jemmapes - 75010 PARIS
FIZZER	15 Rue Edouard Herriot - 14160 DIVES-SUR-MER
DIGITAL VALLEY PORTUGAL	Rua Saraiva de Carvalho 1, n°1C - 1250-240 LISBOA
BRAUSE PRODUKTION (Germany)	51149 KÖLN
EXACLAIr GmbH (Germany)	51149 KÖLN
RODECO (Germany)	51149 KÖLN
PUBLIDAY MULTIDIA (Morocco)	Parc industriel de Bouskoura, lot n°4 - 20180 BOUSKOURA
ERNST STADELMANN (Austria)	Bahnhofstrasse 8 - 4070 EFERDING
EXACLAIr (Spain)	08110 MONTCADA I REIXAC
EXACLAIr (Belgium)	Boulevard Paepsem, 18D - 1070 ANDERLECHT

EXACLAIR Inc. (USA)	143 West 29th Street - NEW YORK
EXACLAIR Ltd (UK)	Oldmedow Road - KING'S LYNN, Norfolk PE30 4LW
QUO VADIS International Ltd (Canada)	1055 Rue Begin - Ville Saint Laurent - QUEBEC H4R 1V8
EXACLAIR Italia Srl (Italy)	Via Soperga 36 - 20127 MILANO
QUO VADIS Japon Co Ltd (Japan)	Sangenjaya Combox 4F 1-32-3 Kamjuma Setagaya-Ku, TOKYO
QUO VADIS Editions Inc (USA)	120 Elmview Avenue - HAMBURG, NY 14075-3770
SCHUT PAPIER (Netherlands)	Kabeljauw 2 - 6866 HEELSUM
BIELLA SCHWEIZ (Switzerland)	Erlenstrasse 44 - 2555 BRÜGG
FALKEN (Germany)	Am Bahnhof 5 - 03185 PEITZ
DELMET PROD (Romania)	Industriei 3 - 070000 BUFTEA
EUROWRAP AB (Sweden)	Hamilton Advokatbyrå, Box 715 - 101 33 STOCKHOLM
EUROWRAP A/S (Denmark)	Odinsvej 30 - 4100 RINGSTED
EUROWRAP Ltd (UK)	Unit 2 Pikelaw Place, West Pimbo Industrial Estate - SKELMERSDALE WN8 9PP
BLOCKX (Belgium)	Le Tombeu 10 - 4550 NANDRIN
TCPF (Belgium)	3 Rue du Dossey - 4020 LIEGES
I'D (Belgium)	6 Rue des Ramiers - 4030 GRIVEGNEE

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Statutory Auditors' limited review report
on the consolidated interim financial
statements

Period from 1 January to 30 June 2023

EXACOMPTA CLAIREFONTAINE
A French limited company (*société anonyme*)
88480 ETIVAL CLAIREFONTAINE

STATUTORY AUDITORS' LIMITED REVIEW REPORT ON THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Period from 1 January to 30 June 2023

EXACOMPTA CLAIREFONTAINE
A French limited company (*société anonyme*)
88480 ETIVAL CLAIREFONTAINE

To the Chairman of the Board of Directors,

In our capacity as statutory auditors of EXACOMPTA CLAIREFONTAINE and in response to your request, we have conducted a limited review of the attached consolidated interim financial statements of your company for the period from 1 January 2023 to 30 June 2023.

The consolidated interim financial statements were prepared under the responsibility of the Board of Directors. It is our responsibility, based on our limited review, to express an opinion on these consolidated interim financial statements.

We conducted our limited review in accordance with professional standards applicable in France and the professional policies of the *Compagnie Nationale des Commissaires aux Comptes* (French National Institute of Statutory Auditors) relating to such engagements. A limited review mainly involves the conducting of interviews with the senior executives responsible for accounting and financial matters and the implementation of analytical procedures. The work is of limited scope compared to the work required for an audit performed in accordance with auditing standards applicable in France. Accordingly, a limited review provides only a moderate degree of assurance, less than that provided by an audit, that the consolidated interim financial statements, taken as a whole, are free from material misstatements.

On the basis of our limited review, we did not identify any material misstatements that cause us to question the compliance of the consolidated interim financial statements with IFRS standard IAS 34 - Interim financial reporting, as adopted by the European Union.

Paris and Nancy, 26 September 2023

The Statutory Auditors,

ADVOLIS

BATT AUDIT

Hugues de Noray

Nicolas Aubrun

Pascal François