FINEXSI AUDIT

ERNST & YOUNG Audit

TDF Infrastructure

Period from January 1 to June 30, 2023

Statutory auditors' review report on the condensed interim consolidated financial statements

FINEXSI AUDIT
14, rue de Bassano
75116 Paris
S.A. au capital de € 57 803
412 029 357 R.C.S. Paris

Commissaire aux Comptes
Membre de la compagnie
régionale de Paris

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

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

TDF Infrastructure

Period from January 1 to June 30, 2023

Statutory auditors' review report on the condensed interim consolidated financial statements

To the President,

In our capacity as statutory auditors of TDF Infrastructure and in accordance with your request in connection with a potential refinancing, we have performed a review of the accompanying condensed interim consolidated financial statements for the period from January 1 to June 30, 2023.

The preparation of these condensed interim consolidated financial statements is your responsibility. Our role is to express a conclusion on these condensed interim consolidated financial statements based on our review.

We conducted our review in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement. A review 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 interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – IFRS as adopted by the European Union applicable to interim financial information.

Paris and Paris-La Défense, September 7, 2023

The Statutory Auditors

FINEXSI AUDIT	ERNST & YOUNG Audit
Olivier Roussel	Thierry Cornille

TDF INFRASTRUCTURE SAS GROUP

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

Consolidated statement of comprehensive income, 6 months period ended June 30, 2023

In thousands euros	*Notes*	June 2023 (6 month)	Dec 2022 (12 month)	June 2022 (6 month)
Revenue	*7.1*	**412 774**	**769 466**	**380 304**
Other income	*7.2*	4 356	1 594	(1 578)
Consumed purchases	*7.3*	(67 942)	(89 427)	(42 981)
Personnel costs	*7.4*	(56 201)	(109 898)	(62 593)
External expenses	*7.5*	(34 957)	(57 208)	(24 886)
Profit on disposal of non-current operating assets	*7.6*	754	7 716	(58)
Other expenses	*7.2*	(10 466)	(19 532)	(14 197)
EBITDA		**248 319**	**502 711**	**234 011**
Depreciation, amortisation and impairment losses	*7.7*	(111 685)	(213 357)	(101 305)
Current Operating Income		**136 634**	**289 353**	**132 706**
Impairment of goodwill & intangible assets identified in business combinations	*7.7/8.1/8.2*	-	-	-
Other operating income	*7.8*	1 038	3 547	410
Other operating charges	*7.8*	(640)	(1 050)	(619)
Operating Income		**137 032**	**291 850**	**132 497**
Income from cash and cash equivalents		142	(42)	(167)
Gross finance costs		(78 587)	(148 564)	(88 688)
Net finance costs	*7.9*	**(78 445)**	**(148 606)**	**(88 855)**
Other financial charges	*7.9*	(7 825)	(10 336)	(2 924)
Share of net profits of associates	*13*	-	547	271
Income tax	*7.10*	(28 810)	(65 566)	(28 521)
NET INCOME FOR THE YEAR		**21 952**	**67 890**	**12 468**
Other comprehensive loss				
Currency translation differences		77	(4)	(5)
Cash flow hedge		(1 687)	42 062	21 538
Actuarial gains		1 336	1 966	6 650
Income tax on other comprehensive loss		90	(11 372)	(7 281)
Income and expenses recognized directly in equity	*7.9/7.10*	**(184)**	**32 652**	**20 902**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**21 768**	**100 541**	**33 370**

Net income for the year attributable to			
Owners of the company	23 900	72 243	14 091
Non controlling interests	(1 948)	(4 353)	(1 622)
Total comprehensive income for the year attributable to			
Owners of the company	23 973	98 499	31 718
Non controlling interests	(2 206)	2 042	1 653

Income per share			
Basic (in euros)	2	7	1

Consolidated balance sheet as of June 30, 2023

In thousands euros	*Notes*	June 2023	Dec 2022	June 2022
Non-current assets				
Goodwill	*8.1*	1 716 612	1 716 612	1 716 612
Intangible assets	*8.2*	846 267	790 642	716 286
Property, plant and equipment	*8.3*	2 176 625	2 097 313	2 042 523
Shares in associates	*13*	-	6 516	6 241
Financial assets available for sale		83	83	83
Other non-current assets	*8.5*	10 680	9 600	8 206
Derivated financial assets	*8.4*	31 383	36 969	23 737
Deferred tax assets		6 294	13 976	11 717
TOTAL NON-CURRENT ASSETS		**4 787 944**	**4 671 711**	**4 525 405**
Current assets				
Inventories	*8.5*	14 883	12 276	9 535
Trade receivables	*8.5*	273 638	158 976	365 737
Other current assets	*8.5*	96 791	86 696	103 015
Derivated financial assets	*8.4*	11 192	7 293	-
Cash and cash equivalents		48 805	56 843	76 486
TOTAL CURRENT ASSETS		**445 309**	**322 084**	**554 772**
TOTAL ASSETS		**5 233 253**	**4 993 796**	**5 080 177**

In thousands euros	*Notes*	June 2023	Dec 2022	June 2022
Share capital		300 000	300 000	300 000
Additionnal paid-in-capital		1 010 375	1 010 375	1 010 375
Currency translation reserve		(158)	(235)	(236)
Hedging reserve		23 807	24 802	12 700
Other reserves and Retained earnings		(1 561 676)	(1 460 005)	(1 456 748)
Net income for the year - attributable to owners of the company		23 900	72 243	14 091
Non-controlling interests		4 776	7 746	7 355
TOTAL EQUITY		**(198 976)**	**(45 074)**	**(112 463)**
Non-current liabilities				
Bond	*9.1*	1 591 004	1 589 963	1 588 924
Bank debt	*9.1*	848 457	784 420	562 776
Shareholders' debt	*9.1*	1 063 599	1 063 599	1 063 599
Other financial debts	*9.1*	72 747	63 994	62 160
Lease liability (IFRS 16)	*9.1*	230 025	220 461	216 886
Provisions	*9.3*	79 212	85 358	89 360
Deferred tax liabilities		238 226	249 115	241 039
Other non-current liabilities	*9.4*	363 186	343 034	262 666
TOTAL NON-CURRENT LIABILITIES		**4 486 456**	**4 399 943**	**4 087 410**
Current liabilities				
Bank debt	*9.1*	-		10 000
Bond	*9.1*	-	-	219 967
Other financial debts	*9.1*	30 531	6 679	28 511
Lease liability (IFRS 16)	*9.1*	44 462	49 345	42 578
Provisions	*9.3*	19 920	16 366	15 889
Trade payables	*9.4*	268 147	230 589	214 233
Tax and social liabilities	*9.4*	154 801	152 261	181 398
Other current liabilities	*9.4*	284 352	70 503	233 739
Accrued interest		143 559	113 182	158 914
TOTAL CURRENT LIABILITIES		**945 773**	**638 926**	**1 105 230**
TOTAL EQUITY AND LIABILITIES		**5 233 253**	**4 993 796**	**5 080 177**

Consolidated statement of cash flows
6 months period ended June 30, 2023

In thousands euros	*Notes*	June 2023 (6 month)	Dec 2022 (12 month)	June 2022 (6 month)
Net income from continuing operations		**21 952**	**67 890**	**12 468**
Non-cash items and other adjustments				
Depreciation, amortisation and impairment		111 702	213 343	101 314
Change in provisions and non-cash expenses		7 361	(4 397)	(9 599)
Gain on disposal of non-current assets		143	(7 604)	105
Total income tax		28 808	65 566	28 521
Finance items		77 011	159 791	102 362
Cash generated from operating activities before changes in working capital	*10.1*	**246 977**	**494 589**	**235 171**
Income tax paid		(37 721)	(81 021)	(47 200)
Change in working capital	*10.2*	(39 707)	157 108	(64 937)
Net cash from operating activities		**169 549**	**570 676**	**123 034**
Acquisitions of non-current operating assets		(199 215)	(429 929)	(207 618)
Proceeds from disposal of non-current operating assets		260	11 199	434
Dividends from non consolidated companies		-	686	-
Acquisition of controlling interests, net of cash & cash equivalents acquired		(175)	(453)	(186)
Net proceeds from disposals of subsidiaries		5 807	(1 658)	(1 525)
Change in other financial assets		(16)	(136)	(115)
Net cash used in investing activities	*10.3*	**(193 339)**	**(420 291)**	**(209 010)**
Dividends paid by parent company		-	(100 000)	-
Dividends paid to non-controlling interests		(383)	(765)	(383)
Proceeds from bond		-	-	-
Bond debt repayments		-	(220 100)	-
Proceeds from bank debt		288 000	630 000	360 000
Bank debt repayments		(225 000)	(60 000)	-
Proceeds from other financial debts		23 296	2 101	20 159
Other financial debts repayments		(24 691)	(96 326)	(70 859)
Premium given on financial instruments		-	(2 199)	(2 199)
Fees related to the refinancing		(150)	(16 511)	(16 383)
Income from cash and cash equivalents		142	(56)	9
Financial interests (including financial lease)		(45 528)	(457 897)	(356 105)
Net cash from financing activities	*10.4*	**15 686**	**(321 753)**	**(65 761)**
Effect of exchange rate changes on cash		66	(12)	
Net change in cash and cash equivalents		**(8 038)**	**(171 380)**	**(151 737)**
Opening cash & cash equivalents		**56 843**	**228 224**	**228 224**
Closing cash & cash equivalents		**48 805**	**56 843**	**76 486**

Consolidated statement of changes in equity

In thousands euros	Number of outstanding shares	Attributable to owners of the company						**Non-controlling interests**	**Total Equity**
		Share capital	Additional paid-in capital	Currency translation reserve	*Cash flow hedging reserves*	Other reserves and retained earnings	Total		
At December 31st, 2021	10 000 000	**300 000**	**1 010 375**	**(231)**	**-**	**(1 371 133)**	**(60 989)**	**7 532**	**(53 459)**
Consolidated net income						14 091	14 091	(1 622)	**12 469**
Other comprehensive loss				(5)	12 700	4 935	17 630	3 275	**20 905**
Total comprehensive income		**300 000**	**1 010 375**	**(236)**	**12 700**	**(1 352 107)**	**(29 268)**	**9 185**	**(20 085)**
Dividends paid							-	(765)	**(765)**
Dividends not distributed						(100 000)	(100 000)		**(100 000)**
Stock options valuation						223	223		**223**
Changes of interest in controlled entities and changes in consolidation scope						9 229	9 229	(1 065)	**8 164**
At June 30th, 2022	10 000 000	**300 000**	**1 010 375**	**(236)**	**12 700**	**(1 442 655)**	**(119 816)**	**7 355**	**(112 463)**
At December 31st, 2022	10 000 000	**300 000**	**1 010 375**	**(235)**	**24 802**	**(1 387 758)**	**(52 816)**	**7 746**	**(45 074)**
Consolidated net income						23 900	23 900	(1 948)	**21 952**
Other comprehensive loss				77	(995)	991	73	(258)	**(185)**
Total comprehensive income		**300 000**	**1 010 375**	**(158)**	**23 807**	**(1 362 867)**	**(28 843)**	**5 541**	**(23 307)**
Dividends paid							-	(765)	**(765)**
Dividends not distributed						(175 000)	(175 000)		**(175 000)**
Stock options valuation						96	96		**96**
Changes of interest in controlled entities and changes in consolidation scope							-		**-**
At June 30th, 2023	10 000 000	**300 000**	**1 010 375**	**(158)**	**23 807**	**(1 537 771)**	**(203 747)**	**4 776**	**(198 976)**

Notes to the consolidated financial statements

1. Highlights of the period

Eurozone interest rates and macroeconomic context

At June 30, 2023, the change in interest rates in the eurozone led the Group to assess if there were impairment indicator, resulting in particular from an increase in the discount rate used at the time of the impairment tests of assets.
The sensitivity analyzes that have been carried out do not indicate any risk of impairment on goodwill, intangible and tangible fixed assets.

In addition, following the financial results of the first half of 2023, and based on the future outlooks which have been updated and which are currently envisaged for its activity, the Group also observed that all macroeconomic factors observed, in particular those related to inflation, do not indicate any risk of impairment.

Disposal of Monaco Media Diffusion

On February 16, 2023, the Group sold its stake in Monaco Media Diffusion.
As of December 31, 2022, this entity was accounted for under the equity method (see note 6.2, 13 and note 16).

One-year extension of the Capex facility

On February 20th, 2023, TDF Infrastructure SAS obtained the agreement from all lenders concerned, allowing to exercise a one-year extension option bringing to March 26, 2026, the maturity of the syndicated acquisition and capex facility (« Capex Facility 2021»).

2. General presentation

The Group's consolidation head company, TDF Infrastructure SAS, is a "société par actions simplifiées" (simplified joint stock company) with a registered office at 92 120 Montrouge - 155 bis Avenue Pierre Brossolette.

As a partner to television, radio, telecommunication operators and local governments, the Group performs the following activities:

- Telecommunications: design, deployment, maintenance, and management of 2G, 3G, 4G, 5G telecommunication networks infrastructure, hosting on roof tops and indoor areas, datacenters and Edge Computing solutions, hosting of broadcasting and reception equipment on proprietary sites,
- digital network facilities in France through the deployment and marketing of Very High-Speed optical fiber networks,
- audiovisual services (TV and radio digital broadcasting, radio FM broadcasting).

The Group draws upon its recognized expertise and over 20 400 terrestrial sites mainly in France and focuses on rolling out its telecommunication infrastructures and developing new digital solutions: ultra high-definition television, private mobile networks etc.
In addition, the Group operates in the optical fiber business, to accelerate the penetration of digital network infrastructures in France, through the deployment, management and marketing of Very High-Speed optical fiber networks.
The Group operates in markets characterized by sweeping changes in both technology and regulations (for example, some businesses are subject to pricing constraints imposed by local regulatory authorities).

2.1 Presentation of the financial statements

The main performance indicators used by the Group are:

EBITDA, which is equivalent to current operating income before depreciation, amortization, and impairment of assets.

EBITDAaL (EBITDA after Leases, see note 5), which corresponds to EBITDA adjusted for:

- charges corresponding to operating leases,
- charges booked in relation to the application of IFRS 2 which are non-cash in nature,
- charges corresponding to severance payments and all fees directly related (lawyers, etc.)

Current operating income, which is equivalent to operating income before:

- Any impairment of goodwill,
- "Other operating income" and "other operating expenses", which may include;
    - Material and unusual gains or losses on sale and/or impairment of non-current tangible and intangible assets;
    - Certain restructuring charges;
    - Gains or losses on sale of subsidiaries net of selling costs, liquidation costs and acquisition costs of subsidiaries;
    - Other operating income and expenses, such as a provision for material litigation, changes in provisions for dismantling affecting income and related to changes in calculation assumptions.

3. Basis of preparation

3.1 Statement of compliance

The TDF Infrastructure Group condensed consolidated financial statements, for the 6 months ended June 30, 2023, have been prepared in accordance with IAS34 – Interim financial reporting. As condensed financial statements, they include selected explanatory notes and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2022.

IFRS can be downloaded from the following website: https://ec.europa.eu/info/index.fr

The condensed consolidated financial statements at June 30, 2023, are audited and were prepared under the supervision of the management of the Group, and faithfully reflect the results for the period in accordance with IFRS.

The condensed consolidated financial statements at June 30, 2023, were approved by the Chairman of TDF Infrastructure SAS on September 7, 2023.

3.2 Functional and presentation currency

The consolidated financial statements are stated in thousands of euros, which is the presentation and functional currency of the Group's consolidation head company.

3.3 Basis of measurement

Financial statements have been drawn up on the historical cost basis, except for the following items that are recognized at fair value: financial instruments held for trading, available-for-sale financial instruments and liabilities arising from cash-settled share-based transactions.

3.4 Judgments and estimates

In the process of drawing up the consolidated financial statements, the measurement of certain balance sheet items requires the use of assumptions, estimates or assessments. This is notably the case with goodwill (notes 3.7 and 8.1), tangible and intangible assets (notes, 8.2 and 8.3), amounts of provisions (notes 9.2 and 9.3), deferred tax valuation (notes 3.8 and 7.10), recognition of revenue. These assumptions, estimates and assessments are made based on information available or situations existing at the time the financial statements are drawn up and may subsequently turn out different from future conditions.

At each closing date, the Group identifies the assets for which a disposal has been initiated and assesses if the sale is highly probable as required by IFRS 5.
IFRS 5 states that an entity shall classify a non-current asset (or disposal Group) as held for sale if its book value will be recovered principally through a sale transaction rather than through continuing use. For the sale to be highly probable the asset (or disposal Group held for sale) must be available for immediate sale in its present condition and management must be committed to the sale.
In addition, the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification. In this case the non-current asset (or disposal Group) is valued at the lower of its carrying value and fair value less costs to sell.

Most Group entities have multi-year agreements with large customers. During the term of the agreements and upon expiry and/or renewal, discussions take place between those entities and their customers over the conditions, particularly financial, that have applied to these agreements. In view of this, where applicable, the entities record in their books the expected benefits and obligations under the agreements, including their best estimate of the effect of consequences deriving from the terms thereof. These estimates are uncertain by nature, and the final results may prove significantly different from estimates made at the date of preparation of the financial statements.

The Group is not subject to significant seasonal fluctuations.

3.5 Error corrections

No error correction has been accounted for during the year.

3.6 Standards and interpretations in force

The accounting policies are unchanged compared to those used in the preparation of the consolidated financial statements for the year ended December 31, 2022.

As of June 30, 2023, no amendment to IFRS standards has a significant impact on the Group's financial statements.

3.7 Impairment tests

For interim financial statements, unless any impairment loss indicator is identified, no impairment test on goodwill, on intangible assets with an indefinite useful life, and on other tangible and intangible assets, is performed.

The current context linked to the evolution in eurozone rates (see note 1) has led the Group to assess the existence of an impairment indicator, resulting in particular from an increase in the discount rate used at the time of the impairment tests of assets.
The sensitivity analyzes that have been carried out do not indicate any risk of impairment on goodwill, intangible and tangible fixed assets.
In addition, as of June 30, 2023, the Group's results remain in line with the last formally approved business plan.

In accordance with the operating segments presented (see note 5) and the application of IFRS 8, the CGUs or groups of CGUs that were selected for goodwill impairment testing are Towers France, Fiber, PSN Infrastuktura and Levira.

3.8 Income tax

The measurement of the interim income tax expense is calculated by applying pre-tax profit for the period to the effective annual forecasted income tax rate (see note 7.10). The forecasted effective tax rate is calculated excluding any impacts of disposal of subsidiary or activity and in particular excluding any impairment of goodwill if it is not subject to tax.

3.9 Exchange rates used for the period

The following were the functional currencies used in the Group:

	Average	Closing	Opening	Average N-1
Polish zloty	0,216014	0,225423	0,213872	0,213399

4. Financial risk management

4.1 Credit risk

The total carrying value of financial assets takes account of the maximum exposure to credit risk.

Trade receivables

For some major TV, Radio and Telecom customers, sales invoices are issued in advance in compliance with contractual terms.
Trade receivables are subject to provisions for impairment depending on the risks incurred and on ageing.

Short–term investments

The Group places its cash with first class banking institutions, the objective being to generate a secure, as opposed to a speculative, return. Cash is invested in euro-denominated money market UCITS and in term deposits with a maturity of under 3 months.

4.2 Market risk

A. Management of interest rate risk

Exposure to the Group's interest rate risk can be analyzed below:

	June 2023		Dec 2022	
In thousands euros	**Outstanding**	**% of the debt**	**Outstanding**	**% of the debt**
Fixed interest rate debt	2 990 570	77,1%	2 974 424	78,7%
Variable interest rate debt	890 255	22,9%	804 037	21,3%
Total before hedging	**3 880 825**	**100,0%**	**3 778 461**	**100,0%**
Fixed interest rate debt	3 334 070	85,9%	3 263 174	86,4%
Variable interest rate	546 755	14,1%	515 287	13,6%
Total after hedging	**3 880 825**	**100,0%**	**3 778 461**	**100,0%**

At June 30, 2023, closing date, the Group notably bears:
- €1 063.6m of debt with fixed interest rate towards Tivana France Holdings (indirect shareholder);
- €1 600m of bond debt with fixed rates (excluding loan issuance costs);
- €274.5m related to lease liabilities related to IFRS 16 application,
- €450m of variable rate bank debt on Revolving and Capex Facility lines;
- €413m of floating rate term loan (excluding loan issuance costs) following the drawdowns on the new financing line dedicated to Fiber entities activity (see below).

The Group has implemented a floating rate debt hedging policy in order to manage its exposure to interest rate fluctuations, and thus subscribed derivatives instruments to hedge defined tranches of the bank debt dedicated to Fiber entities activity :
- two swaps with a fixed rate of 0.9588%,
- one cap of 0.5% strike to hedge part of the debt from July 2023 and for which a premium of 2.2m€ has been paid in 2022.

See also note 8.4

As of June 30th, 2023, the notional amount hedged by derivated instruments is €343.5m.

Sensitivity analysis of cash flows for variable rate instruments

As of June 30, 2023

Sensitivity analysis of cash flows for variable rate instruments takes account of all variable flows from derivative and non-derivative instruments. The analysis was carried out on the assumption that the value of financial borrowings and derivatives as of June 30th, 2023, remain constant throughout the year.

An increase / decrease of 25 basis points in variable rates would have the following impact on a forward-looking basis on the outstanding debt as of June 30, 2023:

In thousands euros	June 2023	
	Result	Equity
Interests rates (increase of 25pts)	-	3 475
Interests rates (decrease of 25pts)	-	(3 500)

As of June 30, 2023, derivate financial instruments classified as hedge instruments are recognized at fair value and taking into account the effectiveness tests carried out by the Group, the changes in fair value are recognized in other comprehensive income.

B. Exchange risk

The Group's functional currency is euro. The Group has little exposure to exchange rate fluctuations in other currencies.

4.3 Liquidity risk

To ensure liquidity, the Group has available resources of €470.8m (€541.8m on December 31, 2022), of which €335.3m can only be used the Fiber operating segment.

The available liquidity consists of:

- Cash and cash equivalents of €48.8m as of June 30, 2023 (€56.8m on December 31, 2022), of which €13.3m exclusively available for the Fiber operating segment;
- A Revolving Credit Facility negotiated under a Credit Agreement signed on December 5, 2018, for an amount of €250.0m, by TDF Infrastructure SAS to cover its own needs and those of its subsidiaries in respect of acquisitions, capital expenditure and working capital. As of June 30, 2023, this line is used for an amount of €150.0m.
- A credit line, exclusively dedicated to the financing of Fiber operating segment, signed on February 17, 2022, available for €735m by TDF Fibre to ensure both the partial refinancing of the roll-out already made, the development of existing networks and future needs associated with the takeover or rollout of new networks. As of June 30, 2023, this non-recourse line is used for an amount of €413.0m exclusively on the term loan.

As of June 30, 2023, the Group's available liquidity must be analyzed with regard to the bank and bond financing transactions carried out in July 2023, which enabled the Group to increase its available liquidity overall by €700m on the Towers operating segment:

- €75m through refinancing and increase of the revolving credit facility,
- €175m through the subscription of a new syndicated capex facility agreement "Capex Facility 2023",
- €450m following the bond refinancing operation (new issue of €600m and concurrent tender offer on the existing debt in the amount of 150 million).

See the note 4.4, and the note 15 on significant subsequent events, for the description of these bond and bank financing transactions.

Contractual maturities of financial debt break down as follows (including interest payments):

In thousands euros	June 2023		Maturities		
	Book value	Cash flow	< 1 year	1 to 5 years	> 5 years
Financial debts - Nominal	3 629 877	3 629 877	30 531	1 256 968	2 342 378
Loan issue expenses	(23 539)	-	-	-	-
Financial interest	141 699	853 972	261 905	431 552	160 515
Lease liability (IFRS 16)	274 487	274 487	44 462	131 897	98 128
Financial interest on lease liability (IFRS 16)	1 860	115 277	13 614	39 899	61 764
Trade payables	268 147	268 147	268 147	-	-
Total financial liabilities	**4 292 531**	**5 141 760**	**618 659**	**1 860 316**	**2 662 785**

In thousands euros	Dec 2022		Maturities		
	Book value	Cash flow	< 1 year	1 to 5 years	> 5 years
Financial debts - Nominal	3 534 272	3 534 272	6 679	1 256 719	2 270 874
Loan issue expenses	(25 617)	-	-	-	-
Financial interest	111 383	828 189	218 921	424 158	185 110
Lease liability (IFRS 16)	269 807	269 807	49 345	133 652	86 810
Financial interest on lease liability (IFRS 16)	1 799	113 383	8 102	41 868	63 413
Trade payables	230 589	230 589	230 589	-	-
Total financial liabilities	**4 122 233**	**4 976 240**	**513 636**	**1 856 397**	**2 606 207**

See the notes 4.4 and 9.1 which describe the split, the nature, and the characteristics of financial debts.

As of June 30, 2023, we have:
- the shareholder debt, towards Tivana France Holdings for €1 063.6m (indirect shareholder of the Group), with a fixed rate interests of 5.5% and a maturity on March 20, 2030;
- the bond debt issued on April 7, 2016, for €800m, with a fixed coupon of 2.50% and a maturity on April 7, 2026.
- the bond debt issued on December 1, 2021, for €800m, with a fixed coupon of 1.750% and a maturity on December 1, 2029.
- The non-recourse bank debt dedicated to the financing of Fiber operating segment, signed on February available for €735m, which has been drawn down for €413m with a 7 years maturity (term on February 17, 2029).

Note that on July 24, 2023, the bond debt issued on April 7, 2016 has been partially repaid for €150m as part of the concurrent tender offer that was made simultaneously to the issue of the new bond debt amounted to €600m (fixed coupon of 5.625% and maturity on July 21, 2028).
See the note 15 on significant subsequent events, for the description of these bond and bank financing transactions.

Financial expenses are calculated up to the contractual maturity of the liabilities to which they relate.

Maturities on financial debts (bank and bond debts) correspond to contractual maturities, without presuming any early repayments.

Concerning variable interest rate debts associated to derivated instruments, the interests rate retained are:
- the rates after hedging on the hedged part of the debt,
- the rates prevailing at the reporting date, for the non-hedged part of the debt.

Regarding the shareholder loan of €1 063.6m towards Tivana France Holdings, quarterly interests on that debt can be:

- capitalized
- paid
- or the payment can be deferred, without the interests being capitalized.

Therefore, within the liquidity risk disclosure section, the following assumptions are made:

- interests that are neither capitalized nor paid are disclosed with a maturity under one year,
- future interests are paid every quarter until maturity, without considering the deferred payments or capitalization mechanisms that are authorized by the loan documentation.

4.4 Indebtedness

The Group has contracted an unsecured senior debt towards bondholders (« bond debt ») and bank lenders (« bank debt »).

Bond debt

As of June 30, 2023, the characteristics of bond debts of the Group are unchanged compared to December 31, 2022.

However, the refinancing operation carried out in July 2023 by TDF Infrastructure SAS led to :

- The issue on July 21, 2023 of a new bond of €600 million with fixed coupon of 5,625% and a maturity on July 21, 2028. The characteristics are presented in the tab below,
- On July 24, 2023, a repayment of €150 million as part of the concurrent tender offer on the bond issued on April 7, 2016 (with a maturity in April 2026). The nominal amount of this debt is therefore €650 million after the transaction.

In thousands euros	Nominal amount	Market	Maturity	Fixed coupon	Periodicity payment
Term debt					
Debt issued on July 21, 2023	**600,0**	Euronext Paris	21-juil.-28	5.625%	coupon annually paid on July 21

See the note 15 on significant subsequent events, for the description of these bond and bank financing transactions.

Bank debt

Revolving credit facility

As of June 30, 2023, as of December 31, 2022, the Group has a €250 million revolving credit facility negotiated under the Credit Agreement.
As of June 30, 2023, this line is used for €150 million (amount unchanged since December 31, 2022)

The conditions of this agreement have not changed compared to December 31, 2022.

The bank agreement includes a financial covenant to be respected if the credit line is used:

- A ratio of net debt to EBITDA which must be less than 5.50x,
- For the calculation of this ratio, certain adjustments, defined in the bank agreement, must be applied,
- The covenant is calculated and communicated to the lenders' agent every semester, based on June and December financial statements,
- At end of June 2023, the Group is compliant with the covenant.

However, the refinancing operation carried out by TDF Infrastructure SAS on July 10, 2023 led to the replacement of the €250 million credit line signed in 2018 by a new revolving credit line for an amount of €325 million.

The characteristics of this new facility are as following:

In thousands euros	**Initial amount**	**Depending in the group's rating**			Margin applied to EURIBOR	Maturity
		Moody's	**Fitch**	**S&P**		
Revolving Facility	**325,0**	Baa2 or above	BBB	BBB or above	0,60%	10-juil.-28
		Baa3	BBB-	BBB-	0,70%	
		Below Baa3	Below BBB-	Below BBB-	1,10%	

- The contractual maturity is July 10, 2028, with two one-year extension options that can extend the maturity until July 2030,
- This new credit line is at floating rate and contractually provides the application of a margin above EURIBOR depending on the Group's financial rating (0.70% in July 2023),
- In addition to the margin, a commission for use is provided in the event of a draw down on the credit line that varies from 0.10% to 0.40% per year depending on the amount of the line used,
- The contract provides for restrictive terms (subject to exceptions contained in the bank agreement) governing, in a similar way to the previous agreement, the possibility for Group companies to perform certain operations,
- It should be noted that given the existence of the non-recourse bank debt dedicated to Fiber operating segment, TDF Infrastructure appointed TDF Fibre and its subsidiaries as « Special Purpose Company » as part of the banking documentation. Therefore, TDF Fibre and its subsidiaries are not included in the financial covenant calculations.

The new bank agreement also includes a financial covenant to be respected if the credit line is used:
- A ratio of net debt to EBITDA which must be less than 7.00x.
- For the calculation of this ratio, certain adjustments, defined in the bank agreement, must be applied,
- The covenant is calculated and communicated to the lenders' agent every semester, based on June and December financial statements

See the note 15 on significant subsequent events, for the description of these bond and bank financing transactions.

<u>Capex facility</u>

As of June 30, 2023, as of December 31, 2022, the Group has a 300 million euros capex facility ("Capex Facility 2021") negotiated under a syndicated loan, signed on March 26th, 2021.
As of June 30th, 2023, as of December 31st, 2022, this line is totally used.

On February 20th, 2023, TDF Infrastructure SAS obtained the agreement from all lenders concerned, allowing to exercise a one-year extension option bringing to March 26, 2026, the maturity of this credit line (see note 1).

Other conditions remain unchanged from December 31, 2022.

The bank agreement related to the Capex Facility 2021 also includes a financial covenant to be respected:
- A ratio of net debt to EBITDA which must be less than 6.00x.
- For the calculation of this ratio, certain adjustments (similar to previous documentation), defined in the bank agreement, must be applied,
- The covenant is calculated and communicated to the lenders' agent every semester, based on June and December financial statements,
- At end of June 2023, the Group is compliant with the covenant.

Otherwise, in addition of the existing capex facility, the refinancing operation carried out by TDF Infrastructure SAS on July 10, 2023 led to the subscription of a new capex facility line ("Capex Facility 2023") of €175 million.

Its main characteristics are as following:

In thousands euros	Initial amount	Depending in the group's rating			Margin applied to EURIBOR	Maturity
		Moody's	Fitch	S&P		
Capex Facility 2023	**175,0**	Baa2 or above	BBB	BBB or above	1,10%	10-juil.-26
		Baa3	BBB-	BBB-	1,25%	
		Below Baa3	Below BBB-	Below BBB-	1,50%	

- The contractual maturity is July 10, 2026, with two one-year extension options that can extend the maturity until July 2028,
- The availability period during which the Group can draw on this line extends until July 2025,
- This new facility line is at floating rate and contractually provides the application of a margin above EURIBOR depending on the Group's financial rating (1.25% in July 2023),
- The contract provides for restrictive terms (subject to exceptions contained in the bank agreement) governing, in a similar way to the previous agreement, the possibility for Group companies to perform certain operations,
- It should be noted that given the existence of the non-recourse bank debt dedicated to Fiber operating segment, TDF Infrastructure appointed TDF Fibre and its subsidiaries as « Special Purpose Company » as part of the banking documentation. Therefore, TDF Fibre and its subsidiaries are not included in the financial covenant calculations.

The bank agreement also includes a financial covenant to be respected if the credit line is used:
- A ratio of net debt to EBITDA which must be less than 7.00x,
- For the calculation of this ratio, certain adjustments (similar to existing documentation), defined in the bank agreement, must be applied,
- The covenant is calculated and communicated to the lenders' agent every semester, based on June and December financial statements.

See the note 15 on significant subsequent events, for the description of these bond and bank financing transactions.

<u>Bank debt line dedicated to Fiber entities.</u>

As of June 30, 2023, as of December 31, 2022, through the entity TDF Fibre, the Group has a non-recourse bank loan dedicated to Fiber operating segment, with an available amount of €735 million:
- €700 million of term loan composed by 2 tranches,
- €35 million of revolving credit line.

As of June 30, 2023, this bank line is used for €413m (against €350m at December 31, 2022).

Other conditions remain unchanged from December 31, 2022.

It should be noted that this financing contractually provides for the application of an evolutive margin to the EURIBOR on tranche A of the term debt (2.1% as of June 30, 2023, against 1.95% as of December 31, 2022), as well as on the revolving credit line (2.1% as of June 30, 2023, compared to 1.95% as of December 31, 2022).
The margin applied to tranche B of the term debt remains fixed at the rate of 2.1%.

The bank agreement related to credit line dedicated to Fiber entities also includes financial covenants to be respected:
- A loan life coverage ratio higher than 1.35x,
- For the calculation of this ratio, certain adjustments, defined in the bank agreement, must be applied,
- The covenant is calculated and communicated to the lenders' agent every semester, based on June and December financial statements, until the end of the availability period (i.e. February 17, 2025),
- At end of June 2023, the Group is compliant with the covenants.

5. Operating segments

Pursuant to IFRS 8, the Group reports its results and assets by operating segment. The determination of the operating segments reflects the Group's internal reporting structure. The results of all operating segments are regularly reviewed by Group senior management with a view to assessing their performance and to taking decisions on the resources to allocate to each segment.

Each of the CGUs or group of CGUs corresponds to an operating segment except PSN Infrastruktura and Levira (see note 3.7) which are not presented separately and are part of the Towers segment because they are below the quantitative thresholds required by IFRS 8 (i.e., 10% of revenues, assets, and profits, taken individually) and correspond to the aggregation criteria defined by the standard.

This segmentation reflects the fact the Group's operations are focused primarily on the nature and the distinction of costs which are necessary for the infrastructure's deployment, maintenance, and operation to be able to provide services to the Group's customers.
Also, the operating segments disclosed highlight the characteristics of the Group's activities, notably for financing purposes of each segment.

Under IFRS 8, the Group discloses revenue by business lines which are broken down as follows:
- Television: carrying and broadcasting digital signals and related services, provision of uplink services, temporary or permanent rental of 'space' (satellite transponder time), allowing TV broadcasting to given territories,
- Radio: carrying and broadcasting signals and related services,
- Telecom and Services: hosting of broadcasting and reception equipment on Group's sites, providing maintenance and engineering services, locating sites, data centers, high speed networks,
- Fiber (FTTH): roll-out, operation and marketing of optical fiber networks,

Finally, figures disclosed hereafter represent the way the Group activity is reviewed internally, in particular the key indicator « EBITDAaL », which is EBITDA:
- restated from expenses related to operating leases,
- restated from charges booked in application of IFRS 2 (which are in the Group's case without cash impact),
- restated from all charges corresponding to severance payments and recognized over the period (legal and transactional severance payments) among the Group, and all fees directly related (lawyers, etc.)

Therefore, indicators below are disclosed without any presentation impact related to operating leases restatement under IFRS 16 :
- Operating cash available after operating leases,
- Operating capex excluding increase of Right of use asset,
- Net debt excluding Shareholder's loan, accrued interests and lease liability

External net debt disclosed below does not include the fair value of hedging instruments.

	In thousands euros	Towers			Fiber			Total				
		June 2023 (6 month)	Dec 2022 (12 month)	June 2022 (6 month)	June 2023 (6 month)	Dec 2022 (12 month)	June 2022 (6 month)	June 2023 (6 month)	Dec 2022 (12 month)	June 2022 (6 month)	Variation June 2023 / June 2022	in %
Result	**Revenue**	**379 450**	**717 791**	**356 257**	**33 324**	**51 675**	**24 047**	**412 774**	**769 466**	**380 304**	**32 470**	**8,5%**
	EBITDA	226 207	474 036	221 150	22 112	28 675	12 861	248 319	502 711	234 011	- 14 308	6,1%
	EBITDAaL	196 923	418 897	193 062	22 112	28 675	12 861	219 035	447 572	205 923	- 13 112	6,4%
	Depreciation, amortisaton and impairment losses	(94 832)	(187 443)	(90 041)	(16 853)	(25 914)	(11 264)	(111 685)	(213 357)	(101 305)	(10 381)	10,2%
	Current Operating income	**131 375**	**286 592**	**131 109**	**5 259**	**2 761**	**1 597**	**136 634**	**289 353**	**132 706**	**3 928**	**3,0%**
	Impairment of goodwill & intangible assets identified in business combinaisons	-	-	-	-	-	-	-	-	-	-	-
	Other operating income and charges	398	2 497	(209)	-	-	-	398	2 497	(209)	607	-290,6%
	Operating Income	**131 773**	**289 090**	**130 900**	**5 259**	**2 761**	**1 597**	**137 032**	**291 850**	**132 497**	- **4 535**	**3,4%**
Flow	Net cash from operating activities after operating leases (a)	95 548	342 930	79 095	43 064	169 767	13 978	138 612	512 697	93 073	45 539	48,9%
	Net cash from operating capex and operating disposals (b)	(99 982)	(154 182)	(81 357)	(98 970)	(264 548)	(125 826)	(198 952)	(418 730)	(207 183)	8 231	-4,0%
	Operating cash available after operating leases (a) + (b)	**(4 434)**	**188 748**	**(2 262)**	**(55 906)**	**(94 781)**	**(111 848)**	**(60 340)**	**93 967**	**(114 110)**	**53 770**	**-47,1%**
Balance sheet	**Operating capex excluding increase of Right of use asset**	**140 945**	**234 183**	**106 553**	**69 295**	**191 207**	**96 745**	**210 240**	**425 390**	**203 298**	**6 943**	**3,4%**
	External net debt excluding Shareholders loan, accrued interests and lease liability	**2 038 107**	**2 007 301**	**2 008 344**	**455 810**	**380 908**	**387 492**	**2 493 917**	**2 388 209**	**2 395 836**	**98 081**	**4,1%**
	Leverage	**4,82**	**4,79**	**5,04**	**12,02**	**13,28**	**14,23**	**5,41**	**5,34**	**5,63**	**- 0,21**	**-3,8%**

6. Discontinued operations, assets held for sale and disposed entities

6.1 Discontinued operations

At June 30, 2023, as at December 31, 2022, the Group does not have any discontinued operations in the meaning of IFRS 5.

6.2 Assets held for sale and disposed entities

At June 30, 2023, the Group does not have any assets held for sale in the meaning of IFRS 5.

The entity Monaco Media Diffusion was sold during 2023 first half year. This entity was accounted for under the equity method.

As of December 31, 2022 :
- share of net profits of this entity under the equity method amounted to €0.5m,
- share in this entity amounted to €6.5m

7. Notes to the statement of comprehensive income

7.1 Revenue

In thousands euros	June 2023 (6 month)	June 2022 (6 month)
Digital Television	77 058	80 310
Radio	56 923	57 212
Total Broadcasting Services	**133 981**	**137 522**
Telecom: site hosting	214 381	188 639
Telecom: other services	26 114	26 865
Total Telecoms & Services	**240 495**	**215 504**
Fiber	**33 322**	**24 299**
Others	4 976	2 979
Total revenue	**412 774**	**380 304**

7.2 Other income and expenses (in current operating income)

In thousands euros	June 2023 (6 month)	June 2022 (6 month)
Other income	**4 356**	**(1 578)**

Other income and expenses mainly comprise compensations from insurance and change in work in progress.

In thousands euros	June 2023 (6 month)	June 2022 (6 month)
Business tax	(2 986)	(2 630)
Property tax	(5 801)	(5 319)
Other taxes	(2 997)	(2 983)
Provision on receivables - Prov. for risks and charges	2 696	(1 010)
Other operating expenses	(1 378)	(2 256)
Other expenses	**(10 466)**	**(14 197)**

The line "Provision on receivables – Prov. For risks and charges" includes changes in provision for risks and charges and changes in provisions on trade receivable and other current assets. The reversals of provision for risks and charges correspond to conclusions reached concerning litigation already provisioned, and to successful negotiations for the Group.

The lines Property tax and Other taxes are impacted by the effect of the IFRIC 21 standard. Indeed, according to IFRIC 21, annual charges related to Property tax, IFER and C3S taxes have to be fully recognized on January 1st.

7.3 Consumed purchases

In thousands euros	June 2023 (6 month)	June 2022 (6 month)
Material purchases	(24 441)	(32 871)
Energy and fuels	(52 249)	(32 905)
Other purchases including change in inventory	(8 329)	(9 313)
Capitalized purchases	17 076	32 108
Consumed purchases	**(67 942)**	**(42 981)**

7.4 Personal cost

In thousands euros	June 2023 (6 month)	June 2022 (6 month)
Salaries & wages	(55 931)	(53 251)
Social security contributions	(17 637)	(16 819)
Tax contributions on salaries & wages	(4 315)	(4 240)
Statutory employee profit sharing	(6 795)	(6 262)
Post-employment benefits : defined benefit plans	(903)	(984)
Post-employment benefits : defined contributions	(5 813)	(5 316)
Share based payments	(93)	(223)
Other personnel costs	(4 452)	(3 975)
Capitalized personnel costs	39 738	28 477
Total personnel costs	**(56 201)**	**(62 593)**

Other personnel costs largely comprise of contractual employee profit sharing, various staff expenses (workers' council, lunch contribution, Committees for Occupational Health and Safety etc.), and accruals for vacation and other employee costs.

In addition, personnel costs include -€1.6m (-€1.7m in as of June 30, 2022) corresponding to severance payments recognized over the period (legal and transactional severance payments) among the Group, and all fees directly related such as legal fees.

7.5 External expenses

In thousands euros	June 2023 (6 month)	June 2022 (6 month)
Real estate	(3 290)	(1 103)
Technical subcontracting	(74 847)	(88 721)
Administrative subcontracting	(11 667)	(9 795)
Expenses linked to personnel	(6 829)	(5 942)
Surveys & consulting fees	(2 393)	(3 424)
External & internal communication costs	(673)	(612)
Corporate fees	(3 454)	(2 726)
Insurance	(1 801)	(1 980)
Other capitalized charges	69 998	89 416
External expenses	**(34 957)**	**(24 886)**

7.6 Profit on disposal of non-current operation assets

Profit on disposals over the various periods disclosed mainly corresponds to assets sales completed by TDF SAS.

7.7 Depreciation, amortization, and impairment losses

In thousands euros	June 2023 (6 month)	June 2022 (6 month)
Amortisation of intangible assets	(27 479)	(20 829)
Depreciation of tangible assets	(65 948)	(62 315)
Depreciation of assets related to right of use (IFRS 16)	(21 744)	(21 081)
Write-back of investment subsidies	3 303	3 091
Impairment of intangible assets	-	-
Impairment of tangible assets	183	(172)
Depreciation, amortisation and impairment losses	**(111 685)**	**(101 305)**

7.8 Other operating income and charges

Other operating income and charges mainly include income and costs, which are significant and unusual, and are recognized in non-recurrent operating income (below EBITDA, see also the note 2.1) notably:
- the effects and adjustments related to acquisitions and disposals of entities on the disclosed and previous periods;
- different changes on provisions for dismantling, for which the corresponding asset is fully depreciated, following the update of the best estimate of the outflow related to the future dismantling.

7.9 Net finance costs

Net finance costs can be broken down as follows:

In thousands euros	June 2023 (6 month)	June 2022 (6 month)
Revenues from available funds placed	142	(167)
Total financial revenue (a)	**142**	**(167)**
Finance expenses linked to debt : Bond	(16 930)	(20 068)
Finance expenses linked to debt : Bank debt revolving	(3 545)	(241)
Finance expenses linked to debt : Shareholder	(31 737)	(49 323)
Finance expenses linked to debt : Capex facility	(5 586)	(1 411)
Finance expenses linked to debt : Fiber project	(7 644)	(4 293)
Finance expenses linked to debt : Financial lease	(628)	(426)
Finance interests linked to lease liability : IFRS 16	(9 149)	(9 290)
Finance expenses linked to debt : Other debts	(1 141)	(1 788)
Refinancing costs	(150)	(14 887)
Result on financial instruments measured at amortized cost (b)	**(76 510)**	**(101 727)**
Capitalisation & amortisation of loan issue expenses (c)	**(2 077)**	**13 039**
Profit (loss) related to derivatives (d)	**-**	**-**
Total finance expenses (e) = (b) + (c) + (d)	**(78 587)**	**(88 688)**
Net financial debt cost (a) + (e)	**(78 445)**	**(88 855)**

Concerning the shareholder loan of €1063.6m towards Tivana France Holdings (amount unchanged vs 2022) quarterly interests on that debt can be, according to what TDF Infrastructure determines:

- capitalized
- paid
- or the payment can be deferred, without the interests being capitalized.

On June 30, 2023, the decrease in the cost of this debt is explained by the decrease of the shareholder loan's interest rate (5.5% as of June 30, 2023 against 7.7% as of June 30, 2022). The decrease has been enacted during the second half of the year 2022, with retroactive effect from January 1, 2022. Thus, the change was not yet effective in the financial statements as of June 30, 2022.

Refinancing costs and capitalization & amortization of loan issue expenses was impacted in 2022 by the signing of the new bank debt dedicated to Fiber entities activity, generating issuance costs for €14.7m, which have been capitalized in reduction of the debt.

Finally, the line « finance expenses linked to debt : Fiber project » presents the interests of the new bank debt and the result (gains or losses) of corresponding hedging instruments (see note 4.2 and 8.4).

See notes 4.4 and 9.1 describing the change in financial debt and their characteristics.

On June 30, 2023, excluding shareholder debts and lease liability, the average interest rate on financial debt is 2.97% (2.53% at June 30, 2022), including financing costs and hedging income.

Other financial income and charges are as follows:

In thousands euros	**June 2023 (6 month)**	**June 2022 (6 month)**
Net discounting costs excluding net debt	(7 154)	(2 415)
Forex gains (losses)	7	(10)
Other financial expenses & Income	(678)	(499)
Other financial revenues / charges	**(7 825)**	**(2 924)**

Net discounting costs mainly concern discounting effects on provisions and deferred income.

Finance income and expenses recognized under other comprehensive income are as follows:

In thousands euros	**June 2023 (6 month)**	**June 2022 (6 month)**
Currency translation differences for foreign operations	77	(5)
Effective portion of changes in fair value of cash flow hedges	(1 687)	21 538
Income tax on other comprehensive income	436	(5 563)
Finance income and expenses recognised in other comprehensive income net of tax	**(1 174)**	**15 970**

7.10 Income tax

From April 1, 2015, a tax consolidation group was created headed by Tivana France Holdings (single shareholder of TDF Infrastructure Holding SAS since March 31, 2015, itself sole shareholder of TDF Infrastructure SAS). All French entities owned directly or indirectly at least 95% by Tivana France Holdings SAS are included in this tax group ("French tax group").

The scope of the tax consolidation group being therefore greater than the consolidation of TDF Infrastructure SAS group, it should be noted that the effects of the tax consolidation (recognition of the tax group benefit and the Tax Group's tax loss carried forward) are not recognized in these consolidated financial statements. On the contrary, each entity calculates its tax expense on its own and recognizes its tax loss carried forward (or not) on its own, according to its own results and its own perspective to use or not the tax loss carried forward it generates.

Since January 1st, 2023, a new tax consolidation group has been created headed by TDF Fibre. All subsidiaries owned by TDF Fibre (Val d'Oise Fibre, Yvelines Fibre, Val de Loire Fibre, Anjou Fibre et FG Fibre) are directly owned at 100% and thus included in this tax consolidation group ("Fiber tax group").
Thus, as of June 30, 2023, the income taxes of the above entities are determined and analyzed within the limits of the new tax group scope. In particular, the tax group benefit generated over 2023 is of €0.4m.

The income tax expense is calculated applying the effective interest method as prescribed under IAS 34, based on the annual forecast and June 2023 earnings. The forecasted effective tax rate is calculated excluding any impacts of disposal of subsidiary or activity and in particular excluding any impairment of goodwill if it is not subject to tax.

The income tax of the period is analyzed below:

In thousands euros	June 2023 (6 month)	June 2022 (6 month)
Current tax expense	(30 355)	(32 338)
Other income tax expense	(1 566)	(2 116)
Deferred tax expense	3 111	5 933
Income tax expense from continuing operations	**(28 810)**	**(28 521)**
Income tax from discontinued operations and disposed entities	-	
Total income tax	**(28 810)**	**(28 521)**

Note that among the €30.4m of current tax expenses mentioned above, €30.0m concern entities belonging to the tax consolidation group ("French tax group"), of which TDF SAS, and are actually offset at the tax consolidation group level by loss of other companies, such as Tivana France Holdings SAS, TDF Infrastructure Holding SAS or TDF Infrastructure SAS (see hereafter).

Income tax recognized in other comprehensive income is analyzed below:

	June 2023 (6 month)			June 2022 (6 month)		
In thousands euros	Pre-tax	Tax (Expense) / Credit	Net of tax	Pre-tax	Tax (Expense) / Credit	Net of tax
Currency translation differences for foreign operations	77		77	(5)		(5)
Cash flow hedges	(1 687)	435	(1 252)	21 538	(5 563)	15 975
Actuarial gains on defined benefit plan	1 336	(345)	991	6 650	(1 718)	4 932
Others	-		-	-		-
Total	**(274)**	**90**	**(184)**	**28 183**	**(7 281)**	**20 902**

The reconciliation between the theoretical income tax based on a theoretical income tax rate and the income tax based on the effective tax rate method (as prescribed by IAS 34 for interim financial statements and based on annual forecasts) is provided below:

In thousands euros	June 2023 (6 month) Value	June 2023 (6 month) Rate	June 2022 (6 month) Value	June 2022 (6 month) Rate
Profit for the period	21 952		12 468	
Total income tax for the period	(28 810)		(28 521)	
Profit excluding income tax	50 762		40 989	
Theoretical income tax based on the French statutory income tax rate	**(13 112)**	**25,83%**	**(10 588)**	**25,83%**
Non-deductible interest	(4 281)	8,43%	(5 031)	12,27%
Other income tax expenses (CVAE, etc)	(894)	1,76%	(1 474)	3,60%
Impact of disposals of entitoies, of goodwill impairment and non deductible provisions			-	
Impairment of tax loss carried forward	(9 131)	17,99%	(11 703)	28,55%
Effect of difference in foreign tax rates (theoretical rate)	(276)	0,54%	(617)	1,51%
Deferred tax on "CVAE" (1)	138	-0,27%	224	-0,55%
Other permanent differences	(1 225)	2,41%	(516)	1,26%
Effect of tax rate changes				
Others	(29)	0,06%	1 183	-2,89%
Actual income tax	**(28 810)**	**56,75%**	**(28 522)**	**69,58%**

(1) This deferred tax income relates to the Group decision to classify CVAE as income tax

As of June 30, 2023, the theoretical income tax rate used corresponds to the preponderant rate in the Group's French activities.

At June 30, 2023, depreciations or non-recognition of tax loss carried forward assets are mainly related to TDF Infrastructure SAS (€9.1m as at June 30, 2023, against €11.7 as of June 30, 2022).
These deferred tax assets are not recognized, since these entities do not have strong enough forecasts demonstrating consumption of tax loss carried forward but note that a tax consolidation is actually done above TDF Infrastructure SAS level (see above).

8. Notes to the balance sheets: assets

Except for deferred taxes that are classified as non-current assets or liabilities, assets and liabilities are classified as current when the amounts are expected to be recovered or settled no more than 12 months after the reporting date. If this is not the case, they are classified as non-current.

8.1 Goodwill

In accordance with the operating segments presented (see note 5) and the application of IFRS 8, the CGUs or groups of CGUs that were selected for goodwill impairment testing are Towers France, Fiber, PSN Infrastuktura and Levira.

As of June 30, 2023, the Group goodwill breakdown among the various CGUs or CGU groups is as follows:

In thousands euros	Dec 2022	Change in consolidation scope : acquisitions	Impairment losses	June 2023
Tower France	1 716 612	-	-	1 716 612
Total	**1 716 612**	**-**	**-**	**1 716 612**

The current context linked to the change in eurozone rates (see note 1) has led the Group to assess the existence of an impairment indicator, resulting in particular from an increase in the discount rate used at the time of the impairment tests of assets.
The sensitivity analyzes that have been carried out do not indicate any risk of impairment on goodwill, intangible and tangible fixed assets.

In addition, following the financial results of the first half of 2023, and based on the future outlooks which have been updated and which are currently envisaged for its activity, the Group also observed that all macroeconomic factors observed, in particular those related to inflation, do not indicate any risk of impairment.

8.2 Intangible assets

Intangible assets are analyzed below:

In thousands euros	Total
Gross value at January 1, 2023	**1 246 514**
Acquisitions	74 467
Disposals	(3 743)
Reclassifications	8 636
Changes in consolidation scope	(0)
Currency translation adjustments	9
Gross value at June 30, 2023	**1 325 883**

In thousands euros	Total
Amortization at January 1, 2023	**(349 619)**
Charge of the period	(27 479)
Disposals	3 743
Changes in consolidation scope	(0)
Currency translation adjustments	(8)
Amortization at June 30, 2023	**(373 363)**

In thousands euros	Total
Impairment losses at January 1, 2023	**(106 256)**
Disposals	-
Impairment losses at June 30, 2023	**(106 256)**
Carrying amount at at January 1, 2023	**790 642**
Carrying amount at June 30, 2023	**846 267**

Since no trigger event occurred at June 30, 2023 (see the note 3.7), no impairment test was performed on brands with an indefinite useful life (included in intangible assets). The net book value of these brands is €23.0m at June 30, 2023.

As of June 30, 2023, acquisitions of intangible assets mainly include completed or in progress roll-out of fiber optic networks in sparsely populated areas, in accordance with IFRIC 12 standard (Service Concession Arrangements) which is into force for this activity.

8.3 Property, plant, and equipment

Property, plant, and equipment are analyzed below:

In thousands euros	Land & buildings	Broadcasting network	Office furniture, office and computer equipment	Others		**Total**
Gross value at January 1, 2023	**1 348 113**	**2 011 315**	**62 336**	**655 862**		**4 077 625**
Acquisitions	76 312	43 909	7 083	50 201		**177 504**
Disposals	(6 118)	(14 055)	(300)	(6 631)		**(27 104)**
Reclassifications	(8 327)	5 227	513	(14 875)		**(17 462)**
Other changes in consolidation scope	0	0	0	(0)		**0**
Currency translation adjustments	35	119	7	56		**217**
Gross value at June 30, 2023	**1 410 015**	**2 046 516**	**69 638**	**684 613**	**-**	**4 210 783**

In thousands euros	Land & buildings	Broadcasting network	Office furniture, office and computer equipment	Others		**Total**
Amortization at January 1, 2023	**(392 888)**	**(1 141 179)**	**(36 139)**	**(362 938)**	**-**	**(1 933 145)**
Charge of the period	(34 205)	(31 368)	(2 190)	(16 643)		**(84 406)**
Disposals	6 015	14 034	299	6 565		**26 913**
Reclassifications	4 148	(269)	(2)	(107)		**3 770**
Other changes in consolidation scope	(0)	(0)	(0)	0		**(0)**
Currency translation adjustments	(30)	(92)	(7)	(37)		**(166)**
Amortisation at at June 30, 2023	**(416 961)**	**(1 158 874)**	**(38 039)**	**(373 160)**		**(1 987 034)**

In thousands euros	Land & buildings	Broadcasting network	Office furniture, office and computer equipment	Others		**Total**
Impairment losses at January 1, 2023	**(6 445)**	**(37 021)**	**(6)**	**(3 702)**		**(47 175)**
Charge of the period	-	(2)	-	185		**183**
Disposals	-	2	-	(122)		**(120)**
Impairment losses at June 30, 2023	**(6 445)**	**(37 022)**	**(6)**	**(3 648)**		**(47 122)**
Carrying amount at at January 1, 2023	**948 782**	**833 119**	**26 188**	**289 220**		**2 097 313**
Carrying amount at June 30, 2023	**986 607**	**850 620**	**31 593**	**307 805**		**2 176 625**

Tangible assets notably include assets recognized under the right of use (IFRS 16), thus presented in Land-Buildings and Other tangible assets.

8.4 Derivated financial instruments

In 2022, and in conjunction with the raising of bank debt line by TDF Fibre, the Group has implemented a variable rate debt hedging policy in order to manage its exposure to interest rate fluctuations.
Interests on bank debt dedicated to Fiber entities activity are calculated based on EURIBOR (3 and 6 months) plus margin, as described in the note 4.4.

Thus, the Group subscribed derivative instruments to hedge defined tranches of the new bank debt:

- two swaps with a fixed rate of 0.9588%,
- one cap of 0.5% strike to hedge one part of the debt from 2023 and for which a premium of 2.2m€ has been paid in 2022.

Derivative financial instruments are recognized at fair value, and their characteristics as of June 30, 2023, are as follows:

June 2023	Notional amount of interest rate hedging contracts by maturity date				Derivatives Fair value (Excluding Accrued interest)	
In thousands euros	**Total**	< 1 year	1 to 5 years	> 5 years	**Assets**	**Liabilities**
Cash flow hedging						
Lender swap fixe rate (0,9855%) / borrower floating rate	340 000		340 000		35 963	
Lender Cap * / borrower floating rate	3 500		3 500		6 612	
					42 575	

The cap took effect as of June 30th, 2023.

The notional amount of hedging instruments will change depending on the financing drawdown by the Fiber segment, in order to maintain the required level of hedged debt in particular concerning the cap.

As of December 31, 2022 the characteristics of derivative financial instrument were as follows :

Dec 2022	Notional amount of interest rate hedging contracts by maturity date				Derivatives Fair value (Excluding Accrued interest)	
In thousands euros	**Total**	< 1 year	1 to 5 years	> 5 years	**Assets**	**Liabilities**
Cash flow hedging						
Lender swap fixe rate (0,9855%) / borrower floating rate	288 750			288 750	37 808	
Lender Cap * / borrower floating rate	3 500			3 500	6 454	
					44 262	

The cap didn't have effect as of December 31st, 2022.

8.5 Trade receivables and other current and non-current assets

Other current and non-current assets are as follows:

	June 2023			Dec 2022		
In thousands euros	Gross	Depreciation	Net	Gross	Depreciation	Net
Inventories,including items in progress	18 315	(3 432)	14 883	15 563	(3 288)	12 276
Total inventories	**18 315**	**(3 432)**	**14 883**	**15 563**	**(3 288)**	**12 276**

	June 2023			Dec 2022		
In thousands euros	Gross	Depreciation	Net	Gross	Depreciation	Net
Trade accounts receivables	279 523	(6 419)	273 104	165 465	(6 603)	158 862
Trade receivables on disposal of assets	534	-	534	114	-	114
Total trade accounts receivables	**280 057**	**(6 419)**	**273 638**	**165 579**	**(6 603)**	**158 976**

Change in the trade accounts receivables is mainly related to seasonality effect in customer invoicing on certain activities of the Group.

	June 2023			Dec 2022		
In thousands euros	Gross	Depreciation	Net	Gross	Depreciation	Net
Credit notes not yet received	96	-	96	51	-	51
Advance payment - corporate income tax	1 808	-	1 808	297	-	297
Tax and social security receivables	76 411	-	76 411	71 995	-	71 995
Prepaid expenses	4 351	-	4 351	1 983	-	1 983
Other receivables	15 255	(1 130)	14 125	13 500	(1 130)	12 370
Total other current assets	**97 921**	**(1 130)**	**96 791**	**87 826**	**(1 130)**	**86 696**
Non-current receivables	4 110	-	4 110	3 523	-	3 523
Loans, security deposit, guaranty	6 646	(76)	6 570	6 153	(76)	6 077
Total other non current assets	**10 756**	**(76)**	**10 680**	**9 676**	**(76)**	**9 600**

9. Notes on the balance sheet: equity and liabilities

Except for deferred taxes that are classified as non-current assets or liabilities, assets and liabilities are classified as current when the amounts are expected to be recovered or settled no more than 12 months after the reporting date. If this is not the case, they are classified as non-current.

9.1 Financial debt

As of June 30, 2023, the main part of financial debt consists of unsecured senior external debt held by bondholders (bond debt), bank debt, Fiber non-recourse project debt, as well as a shareholder loan. Overall, the Group's financial debt is analyzed and has varied as described below:

In thousands of euros	**Dec 2022**	Increase	Decrease	Others	**Juin 2023**
Bond	1 589 963	(150)	1 191	-	1 591 004
including term debt	*1 600 000*	-	-	-	*1 600 000*
including loan issuance costs	*(10 037)*	*(150)*	*1 191*	-	*(8 996)*
Bank debt	448 489	225 000	(224 879)	-	448 610
including loan issuance costs	*(1 511)*	-	*121*	-	*(1 390)*
including revolving debt	150 000	*225 000*	*(225 000)*	-	*150 000*
including capex facility	*300 000*	-	-	-	*300 000*
Fiber project debt	335 931	63 000	916	-	399 847
including loan issuance costs	*(14 069)*	-	*916*	-	*(13 153)*
including term debt	350 000	*63 000*	-	-	*413 000*
including revolving debt	-	-	-	-	-
Shareholders' debt	1 063 599	-	-	-	1 063 599
Finance lease debt	6 311	*2 391*	(1 700)	-	7 002
Operational investments debts	16 550	*7 939*	(645)	210	24 054
Lease liability (IFRS 16)	269 807	*42 387*	(21 849)	(15 858)	274 487
Other financial debts	47 812	*23 296*	(6)	1 120	72 222
Financial debt	**3 778 462**	**363 863**	**(246 972)**	**(14 528)**	**3 880 825**

In thousands of euros	**Dec 2021**	Increase	Decrease	Others	**Juin 2022**
Bond	1 807 701	-	1 190	-	1 808 891
including term debt	*1 820 100*	-	-	-	*1 820 100*
including loan issuance costs	*(12 399)*	-	*1 190*	-	*(11 209)*
Bank debt	227 005	(194)	370	991	228 172
including loan issuance costs	*(2 995)*	*(194)*	*370*	*991*	*(1 828)*
including revolving debt	-	-	-	-	-
including capex facility	*230 000*	-	-	-	*230 000*
Fiber project debt	-	*345 313*	*282*	*(991)*	*344 604*
including loan issuance costs	-	*(14 687)*	*282*	*(991)*	*(15 396)*
including term debt	-	*350 000*	-	-	*350 000*
including revolving debt	-	*10 000*	-	-	*10 000*
Shareholders' debt	1 063 599	-	-	-	1 063 599
Finance lease debt	5 883	2 456	(1 741)	*(215)*	6 383
Operational investments debts	17 339	-	(450)	*(619)*	16 270
Lease liability (IFRS 16)	259 354	28 740	(20 800)	*(7 830)*	259 464
Other financial debts	102 259	20 159	(47 868)	(6 532)	68 018
Financial debt	**3 483 140**	**396 474**	**(69 017)**	**(15 196)**	**3 795 401**

Bond debt

As of June 30,2023, no change since December 31st, 2022.

However, see the notes 4.4 and 15 describing the bond refinancing operation occurred in July 2023.

Bank debt

Revolving credit line subscribed as part of the “Credit Agreement” as of December 5th, 2018

At June 30 2023, revolving line is used for €150m (amount unchanged compared to December 31,2022). This line has a maturity date on December 5, 2025.

However, see the notes 4.4 and 15 describing the bank refinancing operation occurred in July 2023.

Capex facility

At June 30, 2023, and as of December 31, 2022, the Capex Facility 2021 line is used for an amount of €300m.
On February 20th, 2023, TDF Infrastructure SAS obtained the agreement of all lenders concerned, allowing to exercise a one-year extension option bringing to March 26, 2026, the maturity of the syndicated acquisition and capex facility (see note 1).

However, see the notes 4.4 and 15 describing the bank refinancing operation occurred in July 2023.

Bank debt line dedicated to Fiber entities

In 2022, through the entity TDF Fibre, the Group has a non-recourse bank loan dedicated to Fiber operating segment, with an available amount of €735 million and a 7-year maturity:

- €700 million of term loan composed by 2 tranches,
- €35 million of revolving credit line.

See also the note 4.4.

As of June 30th, 2023:

- the term loan is used for €413m (€350m as of December 31,2022)
- the revolving credit line is not used (as of December 31,2022)

The loan issue expenses (including issue discount) disclosed as a deduction from the debt balance (according to effective interest rate IFRS method) amount to €13.2m as of June 30, 2023.

Shareholders loans

No change since December 31, 2022.

Operational investments debts

As part of the development of the fiber business within the Group, the companies dedicated to the roll-out of optical fiber networks are required, in accordance with the applicable accounting standards, to recognize as investments, since the beginning of each public delegation contract, certain specific fees that will be paid to the local authorities. The discounted amount of outstanding fees at June 30, 2023, is €24.1m.

Lease liability (IFRS 16)

In accordance with the application of IFRS 16, a financial debt was recognized under the lease liability.
In relation with the principles of the standard:

- New leases concluded during the period are recognized as an increase in lease liability for the present value of expected payments,
- Decrease in lease liability represents the part of rental paid on the period and affected to the repayment of the financial debt, after deduction of the interest expenses (see the note 7.9).

Other financial debts

Other financial debts of €72.2m at June 30, 2023 (€47.8m as of December 31, 2022) correspond to:

- Current accounts with Tivana France Holdings and TDF Infrastructure Holding (direct and indirect shareholders of the Group) for a total amount of €26,6m (€3.3 as of December 31, 2022);
- Shareholder loans granted for an amount of €45.4m, to the entity TDF Fibre by Caisse des Dépôts following an equity investment of 20,5% in this entity (€44.2 as of December 31, 2022).

Financial debt (excluding accrued interests) is analyzed by maturity below:

In thousands euros	June 2023	< 1 year	1 to 5 years	> 5 years
Bond debt	1 591 004	-	796 390	794 614
Bank debt	448 610	-	448 610	-
Fiber project debt	399 847	-	-	399 847
Shareholders' debt	1 063 599	-	-	1 063 599
Finance lease debt	7 002	2 816	4 186	-
Operational investments debts	24 054	847	2 782	20 425
Lease liability (IFRS 16)	274 487	44 462	131 897	98 128
Other financial debts	72 222	26 868	-	45 354
Financial debt	**3 880 825**	**74 993**	**1 383 865**	**2 421 967**

In thousands euros	Dec 2022	< 1 year	1 to 5 years	> 5 years
Bond debt	1 589 963	-	795 766	794 197
Bank debt	448 489	-	448 489	-
Fiber project debt	335 931	-	-	335 931
Shareholders' debt	1 063 599	-	-	1 063 599
Finance lease debt	6 311	2 338	3 946	27
Operational investments debts	16 550	763	2 773	13 014
Lease liability (IFRS 16)	269 807	49 345	133 652	86 810
Other financial debts	47 812	3 578	-	44 234
Financial debt	**3 778 462**	**56 024**	**1 384 626**	**2 337 812**

9.2 Employee benefits

No significant change since December 31st, 2022.

9.3 Provisions

In thousands euros	Dec 2022	Provisions additions	Provisions utilisations	Provisions unused	Discounting	Currency translation adjustment	Others	Juin 2023
Prov. for post-employment benefits (pension, retirement benefit)	32 259	1 472	(46)	-	-	1	(1 336)	32 350
Provision for claims and disputes	8 621	220	-	(1 596)	-	-	-	7 245
Provision for dismantling, decommissioning and restoring sites	59 232	-	(1 162)	(744)	876	-	(507)	57 695
Prov for bringing into compliance of sites	461	-	-	-	-	-	-	461
Other provisions	1 150	232	(2)	-	-	1	-	1 381
Total provisions	**101 724**	**1 924**	**(1 210)**	**(2 340)**	**876**	**2**	**(1 843)**	**99 132**
Presented as current	**16 366**							**19 920**
Presented as non-current	**85 357**							**79 212**

In thousands euros	Dec 2021	Provisions additions	Provisions utilisations	Provisions unused	Discounting	Currency translation adjustment	Others	June 2022
Prov. for post-employment benefits (pension, retirement benefit)	32 054	(5 458)	(155)	-	-	(0)	-	26 441
Provision for claims and disputes	4 925	1 840	(8)	(40)	-	-	-	6 717
Provision for dismantling, decommissioning and restoring sites	79 656	481	(1 278)	(500)	246	-	(11 517)	67 088
Prov for bringing into compliance of sites	1 554	-	(11)	(1 082)	-	-	-	461
Other provisions	4 411	201	(70)	-	-	(0)	-	4 542
Total provisions	**122 600**	**(2 936)**	**(1 522)**	**(1 622)**	**246**	**(0)**	**(11 517)**	**105 249**
Presented as current	**13 020**							**15 889**
Presented as non-current	**109 580**							**89 360**

A provision is recognized when:

- there exists a current, legal, or implicit, obligation arising from a past event,
- it is likely that an outflow of resources representing economic benefits will be required to discharge this obligation, and
- the value of the obligation can be estimated with a sufficient degree of reliability.

Such obligations may be of a legal, regulatory, technical, or contractual nature. They may also stem from the Group's practices or public commitments that have given rise to legitimate expectations on the part of the third parties concerned that the Group will assume certain responsibilities.

The amount recognized as a provision is the best estimate of the outflow of economic benefits required to settle the present obligation at the reporting date. If the value cannot be estimated reliably, no provision is recognized; the obligation is then disclosed as a contingent liability (see note 12.1).

Claims and disputes, other provisions

Claims and disputes mainly arise from litigation the Group is facing, as well provisions for negative disposal result of entities.

These provisions are assessed and updated by senior management applying prudence in relation to damages claimed and the status of each case.

Provisions for dismantling, decommissioning, and restoring sites

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", the amount recognized as a provision is the best estimate of the expenditure required to settle the Group's obligations.

The provision is discounted to present value using a rate that reflects the time value of money, based on the yield of a risk-free bond. This actuarial estimate is reviewed every year and, if necessary, the provision is adjusted in the following way (in accordance with IFRIC 1):

- by addition or deduction to/from the corresponding dismantling asset,
- or if the dismantling asset is already totally depreciated, the provision adjustment is taken to profit or loss.

9.4 Other current and non-current liabilities

Other liabilities are analyzed below:

In thousands euros	June 2023	Dec 2022
Trade payables	230 510	192 281
Trade payables on fixed assets aquisitions	37 637	38 309
Corporate income tax liabilities	3 972	6 274
Tax and social liabilities	150 829	145 987
Divivdend payable	175 382	-
Other current liabilities	108 970	70 502
Current liabilities	**707 300**	**453 354**
Other non-current liabilities	**363 186**	**343 034**
Total liabilities	**1 070 486**	**796 388**

The tax and social liabilities primarily include *cotisation foncière des entreprises* (i.e., "CFE"), social security payables, VAT, and employee vacation provisions.

As of June 30, 2023, the current liabilities include a dividend payable of €175m, to be paid by TDF Infrastructure SAS to TDF Infrastructure Holding SAS (sole shareholder of the Group). The payment of this dividend, enacted by decision of the sole shareholder on March 31st, 2023, was paid in cash in July 2023.

Other current and non-current liabilities include deferred income of €435.5m (€357.2m as of December 31, 2022) of which €356.2m is maturing after one year (€326.9m at December 31, 2022).

10. Cash flows

10.1 Cash generated from operating activities before changes in working capital

Cash generated from operating activities excludes cash flows on non-current asset sales/purchases, income tax and finance costs which are disclosed under Cash flows from investing activities, Income tax paid and Cash flows from financing activities respectively.

10.2 Changes in working capital

In thousands euros	June 2023 (6 month)	Dec 2022 (12 month)	June 2022 (6 month)
Changes in inventories	(2 577)	3 900	6 636
Changes in trade receivables	(114 230)	(43 636)	(249 826)
Changes in trade payables	38 394	9 620	(8 441)
Changes in prepaid income	72 918	153 590	166 203
Changes in other working capital	(34 212)	33 633	20 490
Changes in working capital	**(39 707)**	**157 108**	**(64 937)**

10.3 Net cash used in investing activities

At June 30, 2023, the line « Net proceeds from disposals of subsidiaries » corresponds to the disposal of the entity Monaco Media Diffusion in February 2023 (see note 1).

10.4 Net cash used in financing activities

At June 30, 2023
- drawdowns and repayment of debts are principally composed of:
  - drawdowns related to the use of the revolving credit line for a cumulated amount of €225m, which generated a repayment of €(225)m over the period,
  - drawdowns on the term loan dedicated to the Fiber entities activity for €63m,
  - current account net proceeds with TDF Infrastructure Holding and Tivana France Holdings (direct and indirect shareholders of the Group) for €23.3m,
  - cash outflows for rents of €(21.8)m presented as repayment of lease liability.
- the line « Financial interests » mainly corresponds to:
  - the €(20)m payment related to the annual coupon on the €800m bond debt issued on April 7, 2016,
  - cash outflows for rent presented as interests' expenses, in accordance with the application of IFRS 16.

At June 30, 2022
- drawdowns and repayment of debts are principally composed of:
  - drawdowns on the new term loan dedicated to the Fiber entities activity for €350m,
  - drawdowns on the new revolving credit line dedicated to the Fiber entities activity for €10m,
  - current account net proceeds with TDF Infrastructure Holding and Tivana France Holdings (direct and indirect shareholders of the Group) for €20.2m,
  - net cash-out of €(47.9)m related to the partial repayment of the shareholder loan granted by Caisse de Dépôts to Fiber entities, following the reorganization of the capital of TDF Fibre (see notes 1 and 9.1).
  - cash outflows for rents of €(20.8)m presented as repayment of lease liability.
- the refinancing cost of €(16.4)m mainly corresponds to cash outflows of issuance costs of the new debt signed in 2022 and dedicated to the Fiber entities activity;
- the line « Financial interests » mainly corresponds to:
  - the €(20)m payment related to the annual coupon on the €800m bond debt issued on April 7, 2016,
  - the €(320.0)m payment of interests on shareholder's debt towards Tivana France Holdings (indirect shareholder of the Group),
  - cash outflows for rent presented as interests' expenses, in accordance with the application of IFRS 16.

Concerning the table of changes in financial liabilities disclosed in note 9.1:

- At June 30, 2023:
    - increase in lease liability following IFRS 16 over the period (€42.4m), has no cash impact, the counterpart being the recognition of a fixed asset under right of use of assets rent,
    - the change in bond issuance costs (€2.1m) and the increase in finance lease debts (€2.4m) have no cash impact,
    - increase of operational investments debts (€7.9m) has no cash impact, the counterpart being the recognition of a fixed asset,
    - thus, after restatement of these items, changes in financial debts disclosed in note 9.1 represent a net cash impact of €62m.

- At June 30, 2022:
    - increase in lease liability following IFRS 16 over the period (€28.7m), has no cash impact, the counterpart being the recognition of a fixed asset under right of use of assets rent,
    - the change in bond issuance costs (€13m) and the increase in finance lease debts (€2.5m) have no cash impact,
    - thus, after restatement of these items, changes in financial debts disclosed in note 9.1 represent a net cash impact of €309.3m.

11. Workforce

Total Group headcount is as follows:

	June 2023	Dec 2022
France	1 857	1 809
International	127	118
Total workforce at closing	**1 984**	**1 927**

12. Contingent liabilities and off-balance sheet commitments

12.1 Contingent liabilities (assets)

Contingent liabilities correspond to:

- Possible obligations arising from past events whose existence will only be confirmed by the occurrence of uncertain future events that are beyond the company's control; or
- Present obligations arising from past events, which are not recognized because it is not probable that an outflow of resources representing economic benefits will be required to settle the obligation or because the obligation amount cannot be measured with sufficient reliability.

Contingent liabilities as of June 30, 2023

In June 2018, the French Competition Authority initiated a procedure against the Group.
Early 2020, the French Competition Authority decided to discontinue this procedure. Following this decision, a plea was filed which is still pending.

No other significant change since December 31, 2022.

12.2 Firm commitments

A. Operating lease commitments – Group as lessee

At June 30, 2023, the Group directly recognizes in financial debt the lease liability related to rights of use of leases, in accordance with IFRS 16 (see the note 9.1).

B. Firm purchase commitments

Firm purchase commitments made by the Group are as follows:

In thousands euros	June 2023	< 1 year	1 to 5 years	> 5 years
Commitment of capex	189 017	188 551	297	169
Commitment others	134 843	27 835	23 139	83 869
Total	**323 860**	**216 386**	**23 436**	**84 038**

In thousands euros	Dec 2022	< 1 year	1 to 5 years	> 5 years
Commitment of capex	201 325	200 571	601	153
Commitment others	124 776	18 059	26 100	80 617
Total	**326 101**	**218 630**	**26 701**	**80 770**

C. Firm commitments to provide services

Under multi-year contracts with customers, Group entities have committed to provide services in the following business lines:

In thousands euros	June 2023 Actual	Projection	< 1 year	1 to 5 years	> 5 years
Digital Television	77 058	360 584	130 957	226 289	3 338
Radio	56 923	310 448	103 172	203 983	3 293
Total Broadcasting Services	**133 981**	**671 032**	**234 129**	**430 272**	**6 631**
Telecom: site hosting	214 381	2 272 052	332 615	1 111 250	828 187
Telecom: other services	26 114	145 634	24 304	40 645	80 685
Total Telecoms & Services	**240 495**	**2 417 686**	**356 919**	**1 151 895**	**908 872**
Fiber	**33 322**	**1 035 641**	**24 984**	**190 013**	**820 644**
Others	4 976	2 129	1 391	738	-
Total revenue / future contractual revenue	**412 774**	**4 126 488**	**617 424**	**1 772 918**	**1 736 147**

In thousands euros	Dec 2022 Actual	Projection	< 1 year	1 to 5 years	> 5 years
Digital Television	158 557	405 676	142 409	258 414	4 853
Radio	114 706	312 877	99 115	208 683	5 078
Total Broadcasting Services	**273 263**	**718 553**	**241 524**	**467 097**	**9 931**
Telecom: site hosting	381 879	2 264 201	319 267	1 067 421	877 513
Telecom: other services	55 657	132 974	21 769	34 933	76 272
Total Telecoms & Services	**437 536**	**2 397 175**	**341 036**	**1 102 354**	**953 785**
Fiber	**51 844**	**812 973**	**37 690**	**145 379**	**629 904**
Others	6 823	2 441	1 939	502	-
Total revenue / future contractual revenue	**769 466**	**3 931 142**	**622 189**	**1 715 332**	**1 593 620**

The above table shows known and estimated information to date. In future periods, certain contracts may be subject to pricing adjustments.

12.3 Contingent commitments

Guarantees given and received

At June 30, 2023, the Group has given and received bank guarantees, contracted in the course of business, which respectively amount to €85.6m and €11.2m, vs. respectively €85.7m and €10.6m on December 31, 2022.

Commitments under bank agreements

No change on those commitments since December 31, 2022

Other commitments

No significant change since December 31, 2022.

13. Shares in associates

Monaco Media Diffusion entity has been disposed on February 16, 2023. She was accounted for under the equity method (see the notes 1 and 6.2).

In thousands euros	June 2022 (6 month)
Revenue	**1 776**
EBITDA	**935**
OPERATING INCOME (LOSS)	**758**
Financial income and expenses	(76)
Income tax	(128)
NET INCOME	**554**

14. Related party disclosures

14.1 Compensation of key management personnel

No new compensation scheme towards key management personnel has been set up during 2023 first half year.

14.2 Transactions with related parties

The related parties at TDF Infrastructure SAS Group level are identified as:
1. Companies owned directly or indirectly by TDF Infrastructure Holding SAS,
2. Companies owned directly or indirectly by Tivana France Holdings or its shareholders, especially Brookfield Infrastructure group, Public Sector Pension Investment Board (PSP Investments), APG Asset Management N.V. and Arcus Infrastructure Partners,
3. Companies in which directors of the companies included in the TDF Infrastructure SAS group scope are company representatives,
4. Key management personnel.

The main transactions of the period made with related parties of the TDF Infrastructure SAS group are:

- Interest charges invoiced to the Group by Tivana France Holdings amounting over the period €31.8m and related to the shareholder loan of €1 063.6m; accrued interests on this loan are of €124.1m at June 30, 2023 (€92.2m as of December 31, 2022), and is disclosed as current liabilities by prudence (see also the note 4.3);
- A dividend payable to TDF Infrastructure Holding SAS of €175m. This undistributed dividend is disclosed in current liabilities on June 30, 2023, and was paid in July 2023;
- net receipts of €23.3m from shareholders current accounts (with Tivana France Holdings and TDF Infrastructure Holding);
- €0.1m of income and €3m of expenses recognized by the Group over the period related to the management fees agreement with Tivana France Holdings.

Related party transactions were carried out on an arm’s length basis on normal commercial terms.

15. Significant subsequent events

Bank debt refinancing

On July 10, 2023, TDF Infrastructure SAS announced that it has successfully signed a €500 million bank financing, that includes the refinancing and upsizing of the revolving credit facility, as well as the signing of a new syndicated capex facility agreement.

Revolving credit facility

The refinancing operation carried out in July 2023 led to the replacement of the €250 million credit line signed in 2018 (see the note 4.4) by a new revolving credit line for an amount of €325 million, for which the contractual maturity is July 10, 2028, with two one-year extension options that can extend the maturity until July 2030.

New Capex Facility

Simultaneously, the Group signed an additional syndicated €175 million capex facility agreement ("Capex Facility 2023"), for which the contractual maturity is July 10, 2026, with two one-year extension options that can extend the maturity until July 2028.

This credit line comes as an addition to the first capex facility line from 2021 "Capex Facility 2021" (see note 4.4).

Bond refinancing : bond issue on July 21, 2023 and tender offer on the existing bonds.

On July 21, 2023, TDF Infrastructure SAS announced the successful settlement of €600 million bonds, with a fixed coupon of 5.625% and a maturity on July 21, 2028.

The proceeds of the new bonds will be used for general corporate purposes and to finance the concurrent tender offer, carried out simultaneously on a part of the existing bond of €800 million due on April 7, 2026, generated thus a partial reimbursement of €150 million on July 24, 2023.

16. Consolidation scope

List of consolidated companies	Operating segment	Countries	UGT	Share capital in € thousands	% Intérêts June 2023	% Intérêts Dec 2022	% Intérêts June 2022	Observations
Full consolidation								
TDF Infrastructure SAS	Towers	**France**	Towers France	**300 000**	**100%**	**100%**	**100%**	
TDF SAS		France		166 957	100%	100%	100%	
SNC Drouot		France		1	100%	100%	100%	
AD Valem Technologies SAS		France		500	100%	100%	100%	
Belvedere		France		164	70%	70%	70%	
TDF FTTH		France		150	100%	100%	100%	
TORM		France		2 613	100%	100%	100%	
ITAS Anet		France		14 616	100%	100%	100%	
ITEA		France		225	100%	100%	100%	
PSN Infrastruktura	Towers	Poland	PSN	985	100%	100%	100%	
Levira	Towers	Estonia	Levira	9 587	49%	49%	49%	
Talinna Teletorn Foundation		Estonia		13	49%	49%	49%	
Levira Central Europe		Estonia		5	49%	49%	49%	
TDF Fibre	Fiber	France	Fiber	10 881	79,5%	79,5%	79,5%	
Val d'Oise Fibre		France		10 000	79,5%	79,5%	79,5%	
Yvelines Fibre		France		4 650	79,5%	79,5%	79,5%	
Val de Loire Fibre		France		42 429	79,5%	79,5%	79,5%	
Anjou Fibre		France		12 929	79,5%	79,5%	79,5%	
FG fibre		France		50	79,5%	79,5%		Entity acquired on July 25th 2022
Equity method								
Monaco Média Diffusion (Ex MCR)	Towers	Monaco	Tower France	549		49%	49%	Entity disposed on February 16th 2023

The Estonian subsidiary Levira, in which TDF SAS holds a 49% equity stake and whose financial and operating policies are determined by the Group, is fully consolidated.

As a reminder, the Group acquired 70% of the TORM's shares on May 31, 2021. In accordance with IFRS 3 and considering the valuation of the sale agreement obtained on the 30% still held by the historical shareholder, the interest percentage applied is 100%.