MARCH 31, 2021

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I - HALF-YEARLY MANAGEMENT REPORT

Half-year highlights

- **COVID-19 crisis**

In the crisis environment created by Covid-19, the Group is facing a wide range of uncertainties that make it extremely difficult to assess the various impacts on the Group's results in the very short and even medium term. These impacts will depend on a number of factors, including the date of recovery of our activities, the preventive measures decided by the governments of the countries in which the Group operates, and the impact that this crisis will have in the short term on consumer behavior.

The Compagnie des Alpes Group has been monitoring the Covid-19 pandemic on a regular basis since January 2020. Business continuity and recovery plans that include strict sanitary protocols have been drawn up in consultation with the public authorities to ensure the safety of the Group's employees and to allow visitors to be hosted under the best possible sanitary conditions.

In this context, the Group wishes to reiterate that it has abandoned the EBITDA margin objectives for both the Ski Areas and the Leisure Parks that it had announced in December 2019.

The Group's Business

The first half-year of 2020/2021 was atypical, as the vast majority of sites remained shut down, by decision of the authorities, due to the sanitary crisis. Thus, only two ski areas saw limited activity in October, and almost all of the leisure parks were shut down after only a few days of operation at the start of the Halloween season. Since then, only Grévin Montreal and Chaplin's World were allowed to reopen at the end of the first half-year.

As a result, Compagnie des Alpes' consolidated revenue for the first half-year of 2020/2021 amounted to €31.5 million, compared with €470.5 million for the same period of the previous financial year, a decline of 93.3% (-93.0% on a comparable scope basis).

Ski Areas' revenue for the first half-year 2020/2021 were €2.5 million, compared with €350.2 million for the same period last year. The activity was essentially generated by the areas that were open during the All Saints' Day school vacations before being forced to shut down on October 29 and not reopen for the entire half-year, as decided by the authorities.

The Leisure Parks business also suffered greatly from the consequences of the sanitary crisis. As a result, revenue for the first half-year of 2020/2021 amounted to €27.6 million, compared with €103.2 million for the same period last year.

Indeed, most sites were able to open for the start of the Halloween season. Although attendance was good, the opening hours of some parks were shortened (Parc Astérix and Walibi Rhône-Alpes), while others were unable to offer the usual product (the Belgian, Dutch and Austrian parks). However, all of these sites had to shut down before the end of this major commercial period, i.e., at the end of October/beginning of November, upon request from the authorities in the countries where the Group operates. They were then not allowed to reopen over the Christmas period and were still almost all closed at the end of the first half-year. Only Grévin Montreal has been authorized to reopen since February 26 and Chaplin's World in Switzerland since March 12.

Revenue from Holding and Support Activities for the first half-year 2020/2021 amounted to €1.5 million compared with €17.2 million for the same period last year. This drop is primarily due to the impact of the sanitary crisis on the Travelfactory business, particularly the organization of stays and the sale of packages in ski areas.

Outlook

Concerning the Ski Areas, as stated above, the direct impact of the non-opening of the Ski Areas until the end of the winter season represents a loss of revenue of approximately €400 million, i.e. nearly 99% of the revenue generated by this business unit during the 2018/2019 financial year (excluding the 2 Alpes resort), the last reference year before the impact of the sanitary crisis.

For the summer season, the French Government has given its agreement to the ski lift companies to reopen from May 19th. Compagnie des Alpes is therefore confident that the 4th quarter will occur under good operating conditions. However, the Group points out that the 2 Alpes ski area has no longer been included in the Group's scope of consolidation since December 1, 2020, and that summer revenue for ski lifts is therefore likely to represent approximately €4 million.

With regard to Leisure Parks revenue, as mentioned above, the loss of revenue related to the shut-down of the various parks due to the sanitary crisis amounts to €65 million this half-year compared with the same period of the 2018/2019 financial year, and €75 million compared with the first half-year 2019/2020. The non-opening of the parks in April has already resulted in an additional shortfall of approximately €40 million in relation to revenue for the 2018/2019 financial year, the last reference year before the impact of the sanitary crisis.

The opening schedule for the Group's various sites has become clearer in recent weeks, both in France and abroad.

Grévin Montreal already reopened on February 26, followed by Chaplin's World (Switzerland) on March 12. Since then, Walibi Belgium and Bellewaerde have been able to welcome visitors again since May 8 with sanitary rules similar to those of last summer. The reopening of the two Belgian aquatic sites, which are still closed today, is expected to take place, subject to the evolution of the sanitary conditions and to the final approval of the authorities, on June 9. Familypark in Austria and Walibi Holland in the Netherlands also opened to visitors on May 19 and 21, respectively.

In France, Grévin Paris has been able to welcome public again since May 19, France Miniature since May 21 and Parc Astérix, Futuroscope and Walibi Rhône-Alpes should be able to do so as of June 9, again with sanitary rules similar to those of last summer and a capacity of 2/3 of their maximum and less than 1,000 people per attraction simultaneously until June 30, with these limitations to be lifted as of July 1.

For the sites that have been able to reopen, visitor interest is obvious despite the circumstances, even if it will take a few more weeks for it to reach last summer's level.

Thus, with equivalent sanitary rules, Compagnie des Alpes is confident in its ability to benefit from the reopening of the sites in similar proportions to last summer.

Expense reductions

In view of the efforts made by the Group since the beginning of the financial year, Compagnie des Alpes confirms that it will be able to compensate for the loss of revenue from its ski areas and leisure parks by reducing its operating expenses by at least 30% (excluding the indemnification mechanism), compared with the 25% to 30% range initially announced.

Annual Capex allocation

As announced on March 25, the Group has adjusted its annual capital expenditure allocation to approximately €140 million. This amount reflects a continued effort to support the relaunch of activity in the territories where the Group operates.

As of March 31, 2021, net capital expenditure amounted to €59.2 million, net of the €51.1 million proceeds from the disposal of the Deux Alpes public service concession ("PSC") assets.

Aid schemes

In reaction to the major difficulties experienced by companies operating in the tourism industry in particular, the French government has set up aid schemes from which the Group has benefited.

Accordingly, in December 2020, when it was announced that ski lifts would be closed in order to prevent the spread of the Covid-19 epidemic, the French government introduced the principle of an exceptional support scheme for ski lift operators whose business is particularly affected by the Covid-19 epidemic in France. The aim of this scheme is to partially offset the fixed expenses and security costs incurred by these operators.

Under a specific authorization granted by the European Commission on March 19, an aid scheme was set up to partially offset the losses caused by the Covid-19 pandemic for French ski lift operators. This partial offset of fixed costs was then the purpose of decree No. 2021-311 published on March 25.

Its net impact on pre-tax cash flow is expected to be approximately €165 million, compared with an estimate of approximately €150 to 160 million announced by the Group on March 25.

It was partially settled in April/May for an amount of €135 million, with the balance to be settled in June.

In accordance with the IFRS standards, this indemnity, which is treated as a public subsidy, must be accounted for on a pro rata basis of the annual fixed expenses that it offsets. As a result, 51% of the indemnities have been recognized, for a net amount of €83.2 million at March 31, 2021.

In addition, due to the shutdown of the leisure parks and ski lifts, the Group is benefiting from the partial unemployment allowance scheme. This scheme, which applies to both permanent and seasonal staff, has allowed the Group to benefit from indemnities amounting to 22.6 M€ during the first half of 2020/2021. The Group has also benefited from exemptions from social security contributions and payment aid amounting to €4.1 million as of March 31, 2021.

Outside France, the Group has benefited from similar indemnities for an amount of €3.8 million, as well as from subsidies granted for an amount of €1.3 million in Switzerland and Canada.

Liquidity

In the context of the Covid-19 pandemic, the Group has closely monitored its major sources of liquidity in order to be able to anticipate any possible restrictions and to ensure that it is in a financial position to meet its operating, capital expenditure and interest payment needs, if required.

In addition to the aid measures, the Group:

- in December 2020, took out a second State-Guaranteed Loan, known as “SAISON”, for an amount of €269 million for a period of one year.

- in April 2021, extended until 2026 the State-Guaranteed Loan of €200 million that had been made available to the Group in June 2020 for an initial period of one year.

As at March 31, 2021, the Group’s major sources of liquidity were as follows:

- overdraft facilities amounting to approximately €144 million, which were confirmed in June 2020 for a period of one year;

- a revolving credit line of €250 million expiring in May 2023, undrawn at March 31, 2021.

In total, the Group had a liquidity position of €416.4 million as of March 31, 2021, corresponding to the amount of its cash and undrawn confirmed credit lines and overdrafts.

Finally, the Group has negotiated a covenant holiday for the test dates of September 30, 2020 and March 31, 2021.

The Group also points out that it does not have any significant short-term debt maturities.

- **Changes in governance**

A Board of Directors meeting was held on March 25, following the Shareholders' Meeting and decided, in line with its decision of January 28, to confirm the separation of the duties of Chairman and Chief Executive Officer. This decision was made in view of the expiry of Dominique Marcel's term of office and the subsequent need to implement a new governance structure for the Group.

This separation is particularly well-suited to the period in which the Company is operating: it ensures continuity in the management of the Group, with Dominique Marcel continuing to chair the Board of Directors, while providing for a succession in executive duties.

The Board of Directors has therefore decided to renew Dominique Marcel's term of office as Chairman and Chief Executive Officer until May 31, 2021, and to appoint Dominique Thillaud as Deputy Chief Executive Officer until the same date. Still in order to ensure continuity in the governance of the Company, it is planned that Dominique Marcel will become Chairman of the Board of Directors as of June 1. Dominique Thillaud will then be appointed Chief Executive Officer and Loic Bonhoure Deputy Chief Executive Officer for a term of 4 years.

In this context, the stepping down of Dominique Marcel from his position as Chairman and CEO on May 31 is a triggering event for the termination indemnity as contemplated by the Board of Directors on January 28. The performance criteria as determined since 2009 have been met.

Consequently, the amount of the termination indemnity has been recorded as of March 31, 2021 for an amount of €1.16 million including social security contributions, but will not be paid until after September 30, 2021.

- **Public service concessions for the 2 Alpes ski area**

On November 28, 2019, the conceding municipalities notified Deux Alpes Loisirs (DAL), a subsidiary of Compagnie des Alpes, of their decision to terminate the public service concession (PSC) agreements prematurely in order to allow for a competitive bidding process with a view to establishing a sole public service concession for the entire ski area, effective December 1, 2020.

In June 2020, following approval by the municipalities of Les Deux Alpes and Saint-Christophe-en-Oisans, a public service concession agreement was entered into with Société Touristique de l'Alpe d'Huez (SATA), in its capacity as successful bidder, for the construction and operation of the Deux Alpes ski area.

On January 29, 2020, Compagnie des Alpes filed a claim against the early termination of the public service concession agreements, together with an indemnity claim in the amount of €7.95 million.

In addition, on August 6, 2020, Compagnie des Alpes filed a request for termination of the agreement entered into between the conceding municipalities and Société Touristique de l'Alpe d'Huez. On February 1, 2021, a statement of claim was filed seeking compensation for the Group in the amount of €322.5 million (estimated loss resulting from the failure to award the agreement to DAL).

DAL, SATA and the Municipalities have attempted to bring their negotiations to a successful outcome through conciliation proceedings.

A settlement agreement was reached between SATA and DAL regarding the takeover of the concession assets, and SATA has now paid all amounts owed to DAL.

Although DAL and the Municipalities had almost reached an agreement, the Municipalities are now disputing the amounts that have been discussed for months. They have not yet paid the amounts owed to DAL, even though DAL transferred the operation of the resort to SATA on December 1. The discrepancies mainly concern:

- the early termination indemnity due under the concession agreement, with the Municipalities refusing to pay on the grounds that DAL allegedly received no revenue this year due to the Covid pandemic and therefore has no prejudice, whereas the agreement provided for the indemnity to be calculated based on results prior to the termination and a payment prior to the termination of the agreement;
- the payment by the Municipalities for the use of the land necessary for the operation of the ski lifts, even though this land is owned by DAL itself.

As a result of the failure of the conciliation procedure, DAL issued a formal notice to the conceding municipalities to pay the amount of €11.4 million, of which €3.9 million was owed by SATA for the property it had transferred to the latter. SATA paid the amount due for the assets handed over, i.e., €3.9 million.

1.1 Consolidated income statement for the first half-year 2020/2021

(in millions of euros)	H1 2020/2021 Actual scope (1)	FY 2020/2021 Comparable scope (2)	FY 2019/2020 Comparable scope (3)	Change % Comparable scope (2) - (3) / (3)	H1 2019/2020 Actual scope (4)	Change % (1) - (4) / (4)
Revenue	31.5	31.0	440.6	*-93.0%*	470.5	-93.3%
EBITDA (gross operating income)	-17.2	-16.1	135.7	*-111.9%*	148.2	-111.6%
EBITDA/Revenue	*-54.7%*	*-52.0%*	*30.8%*	*-268.8%*	*31.5%*	*-273.5%*
NET OPERATING INCOME	-137.7	-138.2	65.7	*-310.5%*	74.5	-284.9%
Net cost of debt and miscellaneous	-17.9				-5.1	-252.2%
Income tax expense	17.5				-27.3	164.0%
Equity method	8.4				8.6	-2.2%
NET INCOME	**-129.7**				**50.8**	**-355.4%**
Minority interests	7.1				-3.1	329.5%
NET INCOME GROUP SHARE	**-122.6**				**47.7**	**-357.1%**

(1) The change on a comparable scope basis excludes revenue of the 2 Alpes ski area, which has been removed from the Group's scope of consolidation since December 1, 2020.

Overall, the Compagnie des Alpes Group's results for the first half of 2020/2021 were heavily impacted by the COVID-19 pandemic, with a loss of €409.6 million in revenue on a comparable scope basis (-€439 million on an actual scope basis).

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) was negative at -€17.2 million on an actual scope basis and -€16.1 million on a comparable scope basis, due to a very slight loss of business on the Deux Alpes PSC agreements in October and November 2020. Last year, EBITDA was €148.2 million on an actual scope basis and €135.7 million on a comparable scope basis, despite a shortened season, particularly in the ski areas.

The Group's EBITDA takes into account, for a total amount of €115.1 million, the aid and indemnities obtained, i.e.:

- indemnities paid to ski lift companies for their net amount, i.e. €83.2 million,
- partial unemployment allowances for €22.6 million
- €9.3 million in other aids or subsidies obtained in France and abroad.

Independently of the aids obtained, the Group has reduced its fixed expenses, on a comparable scope basis, by €143.7 million, i.e., savings of over 30% of the loss of revenue.

Net operating income was -€137.7 million (-€138.2 million on a comparable scope basis). Following the exit of the Deux Alpes PCSs on December 1, 2020, net depreciation and amortization amounted to €67.8 million, compared with €71.6 million for the same period of the previous financial year.

Other income and expenses include:

- A €55.2 million impairment of the goodwill of the Leisure Parks business unit;
- Net income of €2.5 million from the exit from the Deux Alpes PSC agreements, taking into account a reversal of the provision for retirement benefits.

After taking into account the cost of net debt (-€12.2 million), other financial income and expenses (-€5.7 million), tax income (+€17.5 million) and income from companies accounted for under the equity method (+€8.4 million), the Net Income Attributable to the Group was a loss of -€122.6 million, compared with a profit of €47.7 million in the first half of the previous financial year.

1.2 Revenue

Revenue for the 1st half-year 2020/2021 amounted to €31.5 million, down -93.3% due to the sanitary crisis which led the Group to shut down its leisure parks in October and not to open its ski areas throughout the 2020/2021 winter season.

(in millions of euros)	H1 2020/2021 Actual scope (1)	FY 2020/2021 Comparable scope (2)	FY 2019/2020 Comparable scope (3)	Change % Comparable scope (2) - (3) / (3)	H1 2019/2020 Actual scope (4)	Change % (1) - (4) / (4)
Ski Areas	2,5	1,9	320,3	-99,4%	350,2	-99,3%
Leisure parks	27,6	27,6	103,2	-73,3%	103,2	-73,3%
Holding and Support Activities	1,5	1,5	17,2	-91,5%	17,2	-91,5%
REVENUE	**31,5**	**31,0**	**440,6**	**-93,0%**	**470,5**	**-93,3%**

1.2.1. Ski areas

This half-year's activity was essentially generated by the Tignes and 2 Alpes ski areas that were open during the All Saints' Day school vacations before being forced to shut down on October 29, as decided by the authorities when implementing the second national lock-down.

In the context of the sanitary crisis, the activity of the ski areas could not start and the ski lifts were still closed, by decision of the authorities, at the time of the closing of the half-yearly financial statements, resulting in a blank season for our sites.

1.2.2. Leisure parks

The Leisure Parks business also suffered greatly from the consequences of the sanitary crisis. As a result, revenue for the first half-year of this financial year amounted to €27.6 million, compared with €103.2 million for the same period in 2019/2020.

The parks' offer for the Halloween season had been adjusted to ensure strict compliance with sanitary regulations, in particular with a shorter opening period, which reduced attendance. Nevertheless, customer interest remained strong, confirmed by high pre-sales. However, the operation of most of the sites during this period was interrupted by a shut-down request from the Belgian authorities on October 24, the Dutch authorities on October 26, the French authorities on October 29 and the Austrian authorities on November 2.

As for the Christmas period, which represented revenue exceeding €21 million last year (in particular due to the "corporate" activity and the opening of Parc Astérix to the general public during the holidays), there was no activity this year, since these sites (Futuroscope, Parc Astérix, Grévin Paris) were not authorized to open to the public.

1.2.3. Holding and Support Activities

During the first half-year 2020/2021, revenue from Holding and Support Activities amounted to €1.5 million compared with €17.2 million for the same period last year. The consulting business remained stable and this decline is mainly due to the impact of the crisis on the Travelfactory business.

1.3 Earnings Before Interest, Taxes, Depreciation and Amortization

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) were negative at -€17.2 million on an actual scope basis and -€16.1 million on a comparable scope basis, due to a very slight loss of business on the Deux Alpes PSC agreements in October and November 2020. Last year, EBITDA was +€148.2 million on an actual scope basis and €135.7 million on a comparable scope basis, despite a shortened season, particularly in the ski areas.

(in millions of euros)	H1 2020/2021 Actual scope (1)	FY 2020/2021 Comparable scope (2)	% of revenue 2020/2021 Comparable scope	FY 2019/2020 Comparable scope (3)	% of revenue 2019/2020 Comparable scope	Change % Comparable scope (2) - (3) / (3)	H1 2019/2020 Actual scope (4)	Change % (1) - (4) / (4)
Ski Areas	31.7	32.8	1683.8%	163.1	50.9%	*-79.9%*	175.6	*-82.0%*
Leisure parks	-34.9	-34.9	-126.6%	-13.3	-12.9%	*-162.7%*	-13.3	*-162.7%*
Holding and Support Activities	-14.0	-14.0		-14.1		*0.5%*	-14.1	*0.5%*
EBITDA	**-17.2**	**-16.1**	**-52.0%**	**135.7**	**30.8%**	***-111.9%***	**148.2**	***-111.6%***

EBITDA for the ski areas remains positive at €32.8 million on a comparable scope basis, due to the indemnities paid to the ski lift companies, which were accounted for 51% as of March 31, 2021, for a net amount of €83.2 million, as well as partial unemployment allowances and exemptions from social security contributions and payment aids for €17.4 million and €0.9 million respectively.

Cost-cutting plans have also been initiated to compensate for the almost total loss of revenue during the 2020/2021 winter season.

EBITDA for the leisure parks was negative at -€34.9 million, compared with -€13.3 million for the same period in the previous financial year. It was strongly impacted by the loss of income during the Halloween and Christmas vacation periods, due to the early closure on October 27 in France, and the reduction in the number of events scheduled during these peak periods. Similarly, cost-cutting and partial unemployment allowance plans have been launched. The partial unemployment allowances amounted to €4.4 million and other aid or subsidies obtained in France and abroad amounted to €5.5 million.

EBITDA for the holding and support activities remained stable at -14 M€ at March 31, 2021. It reflects divergent trends:

- EBITDA for the Travelfactory subgroup deteriorated sharply to -€3.2 million, compared with -€0.6 million for the same period of the previous financial year, due to the blank season in the ski areas;
- similarly, EBITDA for other real estate activities included in the scope of consolidation fell from +€0.9 million to -€0.6 million for the same reasons;
- EBITDA for holding activities improved by €3.9 million to -€10.1 million, due to the absence of a business premium (or PEPA premium) and of savings plans implemented at the headquarter level (including the use of partial unemployment). Only digital projects, considered essential for the Group and the recovery of business after the crisis, have been maintained and are ongoing. In addition, an additional personnel expense of €1.16 million has been recognized in the first half-year 2021 in connection with the change in governance.

1.4 Capital expenditure

(in millions of euros)	H1 2020/2021 Actual scope (1)	FY 2020/2021 Comparable scope (2)	% of revenue 2020/2021 Comparable scope	FY 2019/2020 Comparable scope (3)	% of revenue 2019/2020 Comparable scope	Change % Comparable scope (2) - (3) / (3)	H1 2019/2020 Actual scope (4)	Change % (1) - (4) / (4)
Ski Areas	-18.2	32.2	1651.7%	36.9	11.5%	*-12.8%*	50.1	*-136.2%*
Leisure parks	23.6	23.6	85.7%	38.8	37.7%	*-39.1%*	38.8	*-39.1%*
Holding and Support Activities	2.6	2.6		2.4		*8.8%*	2.4	*8.8%*
NET CAPITAL EXPENDITURE	**8.1**	**58.4**	**188.5%**	**78.1**	**17.7%**	***-25.2%***	**91.4**	***-91.1%***

The level of capital expenditure is one of the main performance indicators monitored by the Group, along with its revenue and EBITDA. However, considering the seasonal nature of the business and of capital expenditure, the Investment/Revenue ratio should be considered over the full year.

In the Ski Areas, net capital expenditure was impacted by the disposal of the assets of the Deux Alpes PSC to Société Touristique de l'Alpe d'Huez (SATA). Adjusted for this disposal and on a comparable scope basis, it amounted to €32.2 million, down €4.7 million. It mainly comprises ski lifts, snow-making and grooming equipment.

In the Leisure Parks division, it amounted to €23.6 million, down €15.2 million, and reflects the cost-cutting plans decided in the context of the sanitary crisis facing the Group.

In Holding and Support Activities, it corresponds mainly to capital expenditure in websites, CRM and datalake for our two businesses and for TravelFactory.

1.5 Net operating Income

(in millions of euros)	H1 2020/2021 Actual scope (1)	FY 2020/2021 Comparable scope (2)	% of revenue 2020/2021 Comparable scope	FY 2019/2020 Comparable scope (3)	% of revenue 2019/2020 Comparable scope	Change % Comparable scope (2) - (3) / (3)	H1 2019/2020 Actual scope (4)	Change % (1) - (4) / (4)
EBITDA	-17.2	-16.1	-52.0%	135.7	30.8%	*-111.9%*	148.2	*-111.6%*
Amortization, depreciation and provisions	-67.8	-66.9	-215.7%	-68.4	-15.5%	*2.2%*	-71.6	*5.4%*
Other operating income and expenses	-52.7	-55.2	-178.0%	-2.1	-0.5%		-2.1	
NET OPERATING INCOME	**-137.7**	**-138.2**	**-445.7%**	**65.7**	**14.9%**	***-310.5%***	**74.5**	***-284.9%***

Net operating income was -€137.7 million on an actual scope basis, down €212.2 million, due to the sanitary crisis that led to the shut-down of our sites in October 2020. Amortization and depreciation decreased by €1.5 million on a comparable scope basis as the first half-year 2019/2020 depreciation and amortization charges included an exceptional depreciation charge of €2.45 million in respect of Grévin Montreal.

1.6 Net Income

The cost of debt increased by €6.7 million due to the increase in average financial debt, additional costs incurred on the USPP and various overdraft fees or margins and an additional €4.3 million cost recognized to reflect the impact of the decision to extend the first SGL from 2 years to 6 years. Financial expenses resulting from the application of IFRS 16 increased by €0.7 million to €1.9 million.

The Group recorded current and deferred tax income of €17.5 million. This amount takes into account the capitalization of tax losses carried forward in the amount of €13.3 million.

Income from companies accounted for under the equity method amounted to +€8.4 million, compared with +€8.6 million in March 2020. It mainly corresponds to the share in Compagnie du Mont-Blanc's income for €9.2 million due to the indemnities paid to the ski lift companies and the insurance indemnities received.

Net Income Attributable to the Group was a loss of -€122.6 million, compared with a profit of €47.7 million in the first half of the previous financial year.

1.7 Financial flows

(in millions of euros)	H1 2020/2021 Actual scope	H1 2019/2020 Actual scope
Operating cash flows from continuing operations after borrowing cost and tax	-12,9	117,3
Net capital expenditure (CAPEX, net of disposals)	-5,7	-87,1
Change in receivables and payables on non-current assets	-2,4	-4,3
FREE CASH FLOW	**-21,0**	**25,9**
Acquisitions/Disposals of non-current financial assets	-21,3	-0,5
Change in financial debt and lease liabilities	171,2	-78,5
Dividends (including minority interests in subsidiaries)	0,0	-22,0
Changes in working capital and other	-103,1	76,8
CHANGE IN CASH POSITION	**25,9**	**1,6**

- **Flows**

Operating cash flow fell by €117.3 million to -€12.9 million.

After restatement of the disposal of the Deux Alpes assets, net capital expenditure was down by €32.2 million as of March 31, 2021, due to the savings plans implemented in the context of the sanitary crisis and in the absence of visibility on our reopening dates.

The reduction in free cash flow is therefore mainly the result of the decrease in operating cash flow due to the COVID-19 crisis which caused the shutdown of our sites in October 2020.

After taking into account the lease commitment liability of €172.9 million, the Group's net debt amounted to €979.9 million, compared with €577.9 million at March 31, 2020 and €824.7 million at September 30, 2020. Excluding IFRS 16, net debt amounted to €807.0 million compared to €465.3 million in March 2020 and €647.7 million in September 2020.

A new State-Guaranteed Loan (known as "season" SGL) was taken out in December 2020, with the Group's historical partners, for an amount of €269 million. Following the implementation of this Season SGL, the Group has made the decision not to renew its NEU CP falls, bringing its outstanding amount down to zero at March 31, 2021.

The change in working capital is explained by the absence of activity and the resulting decrease in operating liabilities, as well as by a net receivable of €83.2 million related to indemnities to ski lift companies not received by March 31, 2021.

- **Financial structure ratios**

The rolling net debt/EBITDA ratio is not respected due to negative EBITDA. However, the Group has obtained an agreement from all of its banking and debt security partners to suspend this leverage covenant (covenant holiday*)* for September 30, 2020 and March 31, 2021.

The holiday covenant agreement provides for certain substitute covenants covering the first half of 2021. They mainly concern:

(i) compliance with minimum liquidity levels;

(ii) a commitment not to exceed consolidated net capital expenditure of 190 M€ over a rolling 12-month period and;

(iii) a commitment to maintain the Group's consolidated net debt, excluding IFRS 16, at less than €850 million.

All of these substitute covenants have been complied with as at March 31, 2021.

1.8 Post year-end events

On April 28, 2021, in accordance with the delegation of powers granted by the shareholders' meeting of March 25, the Board of Directors acknowledged the completion of the share capital decrease by reduction of the par value of the shares. The company's share capital is now €12,281,725.50, divided into 24,563,451 shares; the amount of the capital decrease, i.e., €174,953,982.99, has been posted to the Capital Premiums account.

The Group also announces that it has obtained an agreement from all of its relevant banking partners to suspend its 3.5x leverage covenant for the next two dates on which it was to be tested, i.e., September 30, 2021 and March 31, 2022. This agreement allows the Group to continue on the path it has set for itself.

In addition, the affected bondholders have also confirmed that they have accepted the suspension of the leverage test for the two dates referred to above.

As part of this renegotiation, the group has undertaken to comply with substitute covenants covering the period from September 30, 2021 to March 31, 2022, in line with what was done last September. These mainly concern :

(i) compliance with minimum liquidity levels;

(ii) a commitment not to exceed consolidated net capital expenditure of €190 million over a rolling 12-month period and;

(iii) a commitment to maintain the Group's consolidated net debt below €850 million.

It should be noted that:

- Concerning the minimum liquidity, it must be more than €250 million per month;
- Concerning the amount of consolidated net capital expenditure over a rolling 12-month period at the test dates of September 30, 2021 and March 31, 2022, it must not exceed €190 million if the Company carries out a share capital increase by September 30, 2021, and €175 million if it does not;
- Concerning the Group's consolidated net debt, it should not exceed €750 million if the Company carries out a share capital increase by September 30, 2021, and €850 million if it does not;
- The Group will respect a maximum debt leverage of 9x at 31 March 2022 assuming no capital increase and 7x if it does not.

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II - CONSOLIDATED FINANCIAL STATEMENTS, SUMMARIES AND NOTES

1. INCOME STATEMENT, CONSOLIDATED BALANCE SHEET, CASH FLOW STATEMENT AS AT MARCH 31, 2021

Income statement

(in thousands of euros)	Notes	31/03/2021	31/03/2020
REVENUE	4.1	**31,527**	**470,502**
Other operating income		2,410	1,222
Production transferred to inventory		196	268
Consumables used		-17,365	-49,994
External services		-42,109	-73,974
Taxes and similar payments		-9,087	-27,039
Payroll costs and employee profit-sharing		-67,385	-148,441
Other operating income and expenses	4.3	84,579	-24,298
EBITDA	4.2	**-17,234**	**148,247**
Amortization, depreciation and provisions		-67,769	-71,628
Other operating income and expenses	4.4	-52,710	-2,130
NET OPERATING INCOME		**-137,714**	**74,489**
Gross cost of debt		-12,157	-5,487
Income on cash and cash equivalent		-	-
NET COST OF DEBT	4.5	**-12,157**	**-5,487**
Other financial income and expenses	4.5	-5,703	416
Income tax expense	4.6	17,459	-27,270
Share of net income of associate companies	4.7	8,433	8,627
INCOME FROM CONTINUING OPERATIONS		**-129,681**	**50,776**
Income from discontinued operations		-	-
NET INCOME		**-129,681**	**50,776**
Net income - share of non-controlling interests		7,131	-3,108
NET INCOME - SHARE OF PARENT COMPANY SHAREHOLDERS		**-122,550**	**47,668**
Net income per share of parent company shareholders		-5.00 €	1.94 €
Diluted earnings per share of parent company shareholders		-4.99 €	1.94 €

Statement of comprehensive income

(in thousands of euros)	Notes	31/03/2021	31/03/2020
Net profit at fair value, before tax			
Cash flow hedges		640	126
Translation differences		-629	-44
Impact of operations under the equity method		203	105
Tax effects of these items		-185	-40
SUB-TOTAL: RECYCLABLE ITEMS UNDER INCOME		**30**	**146**
Financial assets at fair value through equity		0	0
Actuarial gains (losses) on employee benefits		2,651	3,726
Impact of operations under the equity method		1	368
Tax effects of these items		-1,492	-1,193
SUB-TOTAL: NON-RECYCLABLE ITEMS UNDER INCOME		**1,161**	**2,901**
NET INCOME FOR THE PERIOD		**-129,681**	**50,776**
TOTAL INCOME RECOGNIZED FOR THE PERIOD		**-128,491**	**53,823**
Attributable to:			
the shareholders of the Company		-121,386	50,560
non-controlling interests		-7,105	3,263

BALANCE SHEET ASSETS

(in thousands of euros)	Notes	31/03/2021	30/09/2020
Goodwill	*5.1*	214,989	270,189
Intangible assets	*5.2*	78,083	78,328
Property, plant and equipment	*5.3*	544,148	542,517
Concession assets	*5.3*	581,519	585,564
Right of use of the IFRS16 asset	*7*	165,511	170,470
Investments in associate companies	*5.4*	87,374	80,910
Non-current financial assets	*5.6*	47,214	41,112
Other non-current assets		-	-
Deferred tax assets	*5.10*	25,756	20,897
NON-CURRENT ASSETS		**1,744,594**	**1,789,986**
Inventories		25,171	23,166
Accounts receivable	*5.5*	155,889	79,728
Other receivables		13,275	12,697
Current taxes	*5.6*	5,252	8,177
Current financial assets	*5.6*	63	174
Cash and cash equivalents		22,369	16,470
CURRENT ASSETS		**222,020**	**140,412**
Assets held for sale	5.12	1,458	59,372
TOTAL ASSETS		**1,968,072**	**1,989,770**

BALANCE SHEET LIABILITIES

(in thousands of euros)	Notes	31/03/2021	30/09/2020
SHAREHOLDERS' EQUITY			
Share Capital		186,829	186,829
Additional paid-in capital		260,089	260,089
Reserves		164,413	293,535
SHAREHOLDERS' EQUITY - SHARE OF PARENT COMPANY SHAREHOLDERS		**611,331**	**740,453**
Shareholders' equity - share of non-controlling interests		39,677	49,477
TOTAL SHAREHOLDERS' EQUITY		**651,008**	**789,931**
Non-current provisions	*5.8*	64,040	64,769
Non-current financial liabilities	*5.9*	776,351	532,228
Lease liability - Share over one year	*7*	162,533	165,791
Other non-current liabilities			2,000
Deferred tax liabilities	*5.10*	10,300	22,070
NON-CURRENT LIABILITIES		**1,013,224**	**786,858**
Current provisions	*5.8*	17,791	16,911
Current financial liabilities	*5.9*	52,988	131,940
Lease liability - Share under one year	*7*	10,403	11,252
Operating liabilities		165,412	182,609
Current taxes		641	607
Other debt		53,910	57,809
CURRENT LIABILITIES		**301,145**	**401,129**
Liabilities held for sale	5.12	2,694	11,852
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1,968,072**	**1,989,770**

STATEMENT OF CASH FLOWS

(in thousands of euros)	Notes	31/03/2021	31/03/2020
Net income (group share)		-122,550	47,668
Interest of non-controlling interests		-7,131	3,108
COMPREHENSIVE NET INCOME		**-129,681**	**50,776**
Amortization, depreciation and provision increases and reversals		119,437	75,498
Gains or losses on disposal		1,843	-2,178
Share of net income of associate companies		-8,433	-8,627
Dividends received from associate companies		2,674	2,072
Impact of fair value and effective rate		1,654	-497
Other		-371	223
OPERATING CASH FLOW		**-12,877**	**117,268**
Net cost of debt		10,271	4,345
Tax expense (including deferred taxes)		-17,459	27,270
OPERATING CASH FLOW BEFORE COST OF NET FINANCIAL DEBT AND TAXES		**-20,065**	**148,882**
Change in accounts receivable and payable		-91,124	54,083
Other cash flow timing differences		-4,341	723
Tax paid		2,950	-6,454
CASH FLOW FROM OPERATING ACTIVITIES		**-112,581**	**197,235**
Acquisition of property, plant and equipment and intangible assets	*6.1*	-61,022	-93,842
Disposal of property, plant and equipment and intangible assets	*6.1*	52,925	2,461
NET CAPITAL EXPENDITURE		**-8,097**	**-91,381**
Acquisition of non-current financial assets and other		-51	-1,746
Disposal of non-current financial assets		0	1,705
Loans or repayments of financial advances		-10,494	-481
Changes in the scope of consolidation		1	0
NET FINANCIAL INVESTMENTS		**-10,544**	**-522**
CASH FLOWS FROM INVESTING ACTIVITIES		**-18,641**	**-91,903**
CDA share capital increase		0	-26
CHANGES IN SHARE CAPITAL		**0**	**-26**
CASH OUTFLOWS ON PURCHASES OF SECURITIES OF CONTROLLED COMPANIES		**-10,722**	
Dividends paid parent company shareholders		0	-17,120
Dividends paid to minority shareholders of subsidiaries		0	-4,968
Dividends to be paid		-2	44
NET DIVIDENDS PAID		**-2**	**-22,044**
Repayment of borrowings		-93,066	-79,157
New borrowings		269,204	5,476
CHANGE IN FINANCIAL DEBT	*6.2*	**176,138**	**-73,681**
GROSS FINANCIAL INTEREST PAID		**-3,412**	**-3,042**
CHANGE IN LEASE LIABILITIES	*7*	**-4,919**	**-4,890**
CASH FLOWS FROM FINANCING ACTIVITIES		**157,082**	**-103,683**
IMPACT OF OTHER MOVEMENTS		**26**	**-15**
CHANGE IN CASH POSITION DURING PERIOD		**25,886**	**1,634**
NET CASH POSITION AT BEGINNING OF REPORTING PERIOD		**-6,062**	**-26,356**
NET CASH POSITION AT REPORTING DATE	*6.3*	**19,824**	**-24,721**

(in thousands of euros)	Share Capital	Capital premiums	Revaluation of financial instruments	Translation adjustments	Consolidated reserves	Net income attributable to shareholders of the parent company	Shareholders' equity - share of shareholders of the parent company	Shareholders' equity - share of non-controlling interests	Total shareholders' equity
POSITION AT SEPTEMBER 30, 2019	**186,425**	**260,089**	**2,633**	**-1,456**	**357,524**	**62,244**	**867,459**	**60,528**	**927,987**
CDA share capital increase	404				-404		-		-
Net income 2020						-104,345	-104,345	-6,069	-110,414
Other items of comprehensive income 2020			-5,870	-149	1,071		-4,948	14	-4,934
Comprehensive income 2020			**-5,870**	**-149**	**1,071**	**-104,345**	**-109,293**	**-6,055**	**-115,348**
Appropriation of earnings for prior reporting period					62,244	-62,244	-		-
Dividend payout					-17,100		-17,100	-4,969	-22,069
Other changes					-613		-613	-26	-639
POSITION AT SEPTEMBER 30, 2020	**186,829**	**260,089**	**-3,237**	**-1,605**	**402,722**	**-104,345**	**740,453**	**49,478**	**789,931**
CDA share capital increase	0				0		-		-
Net income 2021						-122,550	-122,550	-7,131	-129,681
Other items of comprehensive income 2021			455	-629	1,339		1,165	25	1,190
Comprehensive income 2021			**455**	**-629**	**1,339**	**-122,550**	**-121,385**	**-7,106**	**-128,491**
Appropriation of earnings for prior reporting period					-104,345	104,345	-		-
Dividend payout					0		0	6	6
Other changes					-7,737		-7,737	-2,701	-10,438
POSITION AT MARCH 31, 2021	**186,829**	**260,089**	**-2,782**	**-2,234**	**291,979**	**-122,550**	**611,331**	**39,677**	**651,008**

2. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Group presentation

The Compagnie des Alpes Group's main activity is the management of leisure facilities. It mainly operates in the fields of ski area and leisure park operations. The Group's parent company is Compagnie des Alpes, having its registered office at 50-52 boulevard Haussmann, 75009 Paris.
The interim consolidated financial statements as at March 31, 2021 were approved for publication by the Board of Directors on May 31, 2021. They are expressed in thousands of euros, unless otherwise indicated.

Half-year highlights

All the highlights of the half-year are referred to in Section 1 "Activities and results of operations for the period from October 1, 2020 to March 31, 2021"

- **COVID-19 crisis**

In the crisis environment created by Covid-19, the Group is facing a wide range of uncertainties that make it extremely difficult to assess the various impacts on the Group's results in the very short and even medium term. These impacts will depend on a number of factors, including the date of recovery of our activities, the preventive measures decided by the governments of the countries in which the Group operates, and the impact that this crisis will have in the short term on consumer behavior.

The Compagnie des Alpes Group has been monitoring the Covid-19 pandemic on a regular basis since January 2020. Business continuity and recovery plans that include strict sanitary protocols have been drawn up in consultation with the public authorities to ensure the safety of the Group's employees and to allow visitors to be hosted under the best possible sanitary conditions.

In this context, the Group wishes to reiterate that it has abandoned the EBITDA margin objectives for both the Ski Areas and the Leisure Parks that it had announced in December 2019.

The Group's Business

The first half-year of 2020/2021 was atypical, as the vast majority of sites remained shut down, by decision of the authorities, due to the sanitary crisis. Thus, only two ski areas saw limited activity in October, and almost all of the leisure parks were shut down after only a few days of operation at the start of the Halloween season. Since then, only Grévin Montreal and Chaplin's World were allowed to reopen at the end of the first half-year.

As a result, Compagnie des Alpes' consolidated revenue for the first half-year of 2020/2021 amounted to €31.5 million, compared with €470.5 million for the same period of the previous financial year, a decline of 93.3% (-93.0% on a comparable scope basis).

Ski Areas' revenue for the first half of 2020/2021 are €2.5m, compared with €350.2 million for the same period last year. The activity was essentially generated by the areas that were open during the All Saints' Day school vacations before being forced to shut down on October 29 and not reopen for the entire half-year, as decided by the authorities.

The Leisure Parks business also suffered greatly from the consequences of the sanitary crisis. As a result, revenue for the first half-year of 2020/2021 amounted to €27.6 million, compared with €103.2 million for the same period last year.

Indeed, most sites were able to open for the start of the Halloween season. Although attendance was good, the opening hours of some parks were shortened (Parc Astérix and Walibi Rhône-Alpes), while others were unable to offer the usual product (the Belgian, Dutch and Austrian parks). However, all of these sites had to shut down before the end of this major commercial period, i.e., at the end of October/beginning of November, upon request from the authorities in the countries where the Group operates. They were then not allowed to reopen over the Christmas period and were still almost all closed at the end of the first half-year. Only Grévin Montreal has been authorized to reopen since February 26 and Chaplin's World in Switzerland since March 12.

This drop is primarily due to the impact of the sanitary crisis on the Travelfactory business, particularly the organization of stays and the sale of packages in ski areas.

Outlook

Concerning the Ski Areas, as stated above, the direct impact of the non-opening of the Ski Areas until the end of the winter season represents a loss of revenue of approximately €400 million, i.e. nearly 99% of the revenue generated by this business unit during the 2018/2019 financial year (excluding the 2 Alpes resort), the last reference year before the impact of the sanitary crisis.

For the summer season, the French Government has given its agreement to the ski lift companies to reopen from May 19th. Compagnie des Alpes is therefore confident that the 4th quarter will occur under good operating conditions. However, the Group points out that the 2 Alpes ski area has no longer been included in the Group's scope of consolidation since December 1, 2020, and that summer revenue for ski lifts is therefore likely to represent approximately €4 million.

With regard to Leisure Parks revenue, as mentioned above, the loss of revenue related to the shut-down of the various parks due to the sanitary crisis amounts to €65 million this half-year compared with the same period of the 2018/2019 financial year, and €75 million compared with the first half-year 2019/2020. The non-opening of the parks in April has already resulted in an additional shortfall of approximately €40 million in relation to revenue for the 2018/2019 financial year, the last reference year before the impact of the sanitary crisis.

The opening schedule for the Group's various sites has become clearer in recent weeks, both in France and abroad.

Grévin Montreal already reopened on February 26, followed by Chaplin's World (Switzerland) on March 12. Since then, Walibi Belgium and Bellewaerde have been able to welcome visitors again since May 8 with sanitary rules similar to those of last summer. The reopening of the two Belgian aquatic sites, which are still closed today, is expected to take place, subject to the evolution of the sanitary conditions and to the final approval of the authorities, on June 9. Familypark in Austria and Walibi Holland in the Netherlands also opened to visitors on May 19 and 21, respectively.

In France, Grévin Paris has been able to welcome public again since May 19, France Miniature since May 21 and Parc Astérix, Futuroscope and Walibi Rhône-Alpes should be able to do so as of June 9, again with sanitary rules similar to those of last summer and a capacity of 2/3 of their maximum and less than 1,000 people per attraction simultaneously until June 30, with these limitations to be lifted as of July 1.

For the sites that have been able to reopen, visitor interest is obvious despite the circumstances, even if it will take a few more weeks for it to reach last summer's level.

Thus, with equivalent sanitary rules, Compagnie des Alpes is confident in its ability to benefit from the reopening of the sites in similar proportions to last summer.

Expense reductions

In view of the efforts made by the Group since the beginning of the financial year, Compagnie des Alpes confirms that it will be able to compensate for the loss of revenue from its ski areas and leisure parks by reducing its operating expenses by at least 30% (excluding the indemnification mechanism), compared with the 25% to 30% range initially announced.

Annual Capex allocation

As announced on March 25, the Group has adjusted its annual capital expenditure allocation to approximately €140 million. This amount reflects a continued effort to support the relaunch of activity in the territories where the Group operates.

As of March 31, 2021, net capital expenditure amounted to €59.2 million, net of the €51.1 million proceeds from the disposal of the Deux Alpes public service concession ("PSC") assets.

Aid schemes

In reaction to the major difficulties experienced by companies operating in the tourism industry in particular, the French government has set up aid schemes from which the Group has benefited.

Accordingly, in December 2020, when it was announced that ski lifts would be closed in order to prevent the spread of the Covid-19 epidemic, the French government introduced the principle of an exceptional support scheme for ski lift operators whose business is particularly affected by the Covid-19 epidemic in France. The aim of this scheme is to partially offset the fixed expenses and security costs incurred by these operators.

Under a specific authorization granted by the European Commission on March 19, an aid scheme was set up to partially offset the losses caused by the Covid-19 pandemic for French ski lift operators. This partial offset of fixed costs was then the purpose of decree No. 2021-311 published on March 25.

Its net impact on pre-tax cash flow is expected to be approximately €165 million, compared with an estimate of approximately €150 to 160 million announced by the Group on March 25.

It was partially settled in April/May for an amount of €135 million, with the balance to be settled in June.

In accordance with the IFRS standards, this indemnity, which is treated as a public subsidy, must be accounted for on a pro rata basis of the annual fixed expenses that it offsets. As a result, 51% of the indemnities have been recognized, for a net amount of €83.2 million at March 31, 2021.

In addition, due to the shutdown of the leisure parks and ski lifts, the Group is benefiting from the partial unemployment allowance scheme. This scheme, which applies to both permanent and seasonal staff, has allowed the Group to benefit from indemnities amounting to 22.6 M€ during the first half of 2020/2021. The

Group has also benefited from exemptions from social security contributions and payment aid amounting to €4.1 million as of March 31, 2021.

Outside France, the Group has benefited from similar indemnities for an amount of €3.8 million, as well as from subsidies granted for an amount of €1.3 million in Switzerland and Canada.

Liquidity

In the context of the Covid-19 pandemic, the Group has closely monitored its major sources of liquidity in order to be able to anticipate any possible restrictions and to ensure that it is in a financial position to meet its operating, capital expenditure and interest payment needs, if required.

In addition to the aid measures, the Group:

- in December 2020, took out a second State-Guaranteed Loan, known as “SAISON”, for an amount of €269 million for a period of one year.

- in April 2021, extended until 2026 the State-Guaranteed Loan of €200 million that had been made available to the Group in June 2020 for an initial period of one year.

As at March 31, 2021, the Group’s major sources of liquidity were as follows:

- overdraft facilities amounting to approximately €144 million, which were confirmed in June 2020 for a period of one year;

- a revolving credit line of €250 million expiring in May 2023, undrawn at March 31, 2021.

In total, the Group had a liquidity position of €416.4 million as of March 31, 2021, corresponding to the amount of its cash and undrawn confirmed credit lines and overdrafts.

Finally, the Group has negotiated a covenant holiday for the test dates of September 30, 2020 and March 31, 2021.

The Group also points out that it does not have any significant short-term debt maturities.

- **<u>Changes in governance</u>**

A Board of Directors meeting was held on March 25, following the Shareholders' Meeting and decided, in line with its decision of January 28, to confirm the separation of the duties of Chairman and Chief Executive Officer. This decision was made in view of the expiry of Dominique Marcel's term of office and the subsequent need to implement a new governance structure for the group.

This separation is particularly well-suited to the period in which the company is operating: it ensures continuity in the management of the Group, with Dominique Marcel continuing to chair the Board of Directors, while providing for a succession in executive duties.

The Board has therefore decided to renew Dominique Marcel's term of office as Chairman and Chief Executive Officer until May 31, 2021, and to appoint Dominique Thillaud as Deputy Chief Executive Officer until the same date.

Still in order to ensure continuity in the governance of the company, it is planned that Dominique Marcel will become Chairman of the Board of Directors as of June 1. Dominique Thillaud will then be appointed Chief Executive Officer and Loic Bonhoure Deputy Chief Executive Officer for a term of 4 years.

In this context, the stepping down of Dominique Marcel from his position as Chairman and CEO on May 31 is a triggering event for the termination indemnity as contemplated by the Board of Directors on January 28. The performance criteria as determined since 2009 have been met.

Consequently, the amount of the termination indemnity has been recorded as of March 31, 2021 for an amount of €1.16 million including social security contributions, but will not be paid until after September 30, 2021.

- **<u>Public service concessions for the 2 Alpes ski area</u>**

On November 28, 2019, the conceding municipalities notified Deux Alpes Loisirs (DAL), a subsidiary of Compagnie des Alpes, of their decision to terminate the public service concession agreements prematurely in order to allow for a competitive bidding process with a view to establishing a sole public service concession for the entire ski area, effective December 1, 2020.

In June 2020, following approval by the municipalities of Les Deux Alpes and Saint-Christophe-en-Oisans, a public service concession agreement was entered into with Société Touristique de l'Alpe d'Huez (SATA), in its capacity as successful bidder, for the construction and operation of the Deux Alpes ski area.

On January 29, 2020, Compagnie des Alpes filed a claim against the early termination of the public service concession agreements, together with an indemnity claim in the amount of €7.95 million.

In addition, on August 6, 2020, Compagnie des Alpes filed a request for termination of the agreement entered into between the conceding municipalities and Société Touristique de l'Alpe d'Huez. On February 1, 2021, a statement of claim was filed seeking compensation for the Group in the amount of €322.5 million (estimated loss resulting from the failure to award the agreement to DAL).

DAL, SATA and the Municipalities have attempted to bring their negotiations to a successful outcome through conciliation proceedings.

A settlement agreement was reached between SATA and DAL regarding the takeover of the concession assets, and SATA has now paid all amounts owed to DAL.

Although DAL and the Municipalities had almost reached an agreement, the Municipalities are now disputing the amounts that have been discussed for months. They have not yet paid the amounts owed to DAL, even though DAL transferred the operation of the resort to SATA on December 1. The discrepancies mainly concern:

- the early termination indemnity due under the concession agreement, with the Municipalities refusing to pay on the grounds that DAL allegedly received no revenue this year due to the Covid pandemic and therefore has no prejudice, whereas the agreement provided for the indemnity to be calculated based on results prior to the termination and a payment prior to the termination of the agreement;
- the payment by the Municipalities for the use of the land necessary for the operation of the ski lifts, even though this land is owned by DAL itself.

As a result of the failure of the conciliation procedure, DAL issued a formal notice to the conceding municipalities to pay the amount of €11.4 million, of which €3.9 million was owed by SATA for the property it had transferred to the latter. SATA paid the amount due for the assets handed over, i.e., €3.9 million.

1 - PREPARATION METHODS

1.1 - Statement of compliance

These summary interim consolidated financial statements as of March 31, 2021 have been prepared in accordance with IAS 34, Interim Financial Reporting. The summary interim financial report should be read in conjunction with the annual financial statements for the financial year ended September 30, 2020 and takes into account the standards and interpretations effective as of October 1, 2020.

1.2 - Accounting principles and policies

The main accounting policies applied in the preparation of the consolidated financial statements are outlined below. Unless otherwise indicated, they are applied consistently across all reporting periods presented.
In application of EU regulation 1606/2002 of July 19, 2002 on international accounting standards, the annual consolidated financial statements of the Compagnie des Alpes Group for the reporting period ended March 31, 2021 were drawn up in conformity with the International Financial Reporting Standards (IAS/IFRS), as adopted by the European Union at March 31, 2021, and in accordance with the historical cost convention, with the exception of certain financial assets and liabilities, which were valued at their fair value, as required under IFRS.

The accounting principles used are identical to those applied for the 2020 financial year, with the exception of the specific principles for interim financial statements described below:

Specific rules for interim financial statements

Income received and expenses incurred on a seasonal or cyclical basis during a financial year are not anticipated or deferred to an interim date if it is not appropriate to anticipate or defer them to the end of the financial year. The accounting consequences of this seasonality of transactions by activity are therefore primarily as follows:

- Taxes:
  - recognition at March 31, for companies benefiting at that date of a tax expense calculated on the basis of the effective situation, after taking into account any existing tax losses carried forward that are effectively recoverable;
  - recognition at March 31, for companies with a loss-making status at that date, of a deferred tax credit due to the loss for the half-year. In the particular context of the sanitary crisis, a deferred tax asset has been recognized on losses generated during the period only to the extent that their recovery over a reasonable period seems likely.

- for the calculation of the tax credit or expense, the rate applied corresponds to the tax rate in force in the jurisdictions where the Group operates (i.e., for France, 28.9% including the social security contribution on profits).

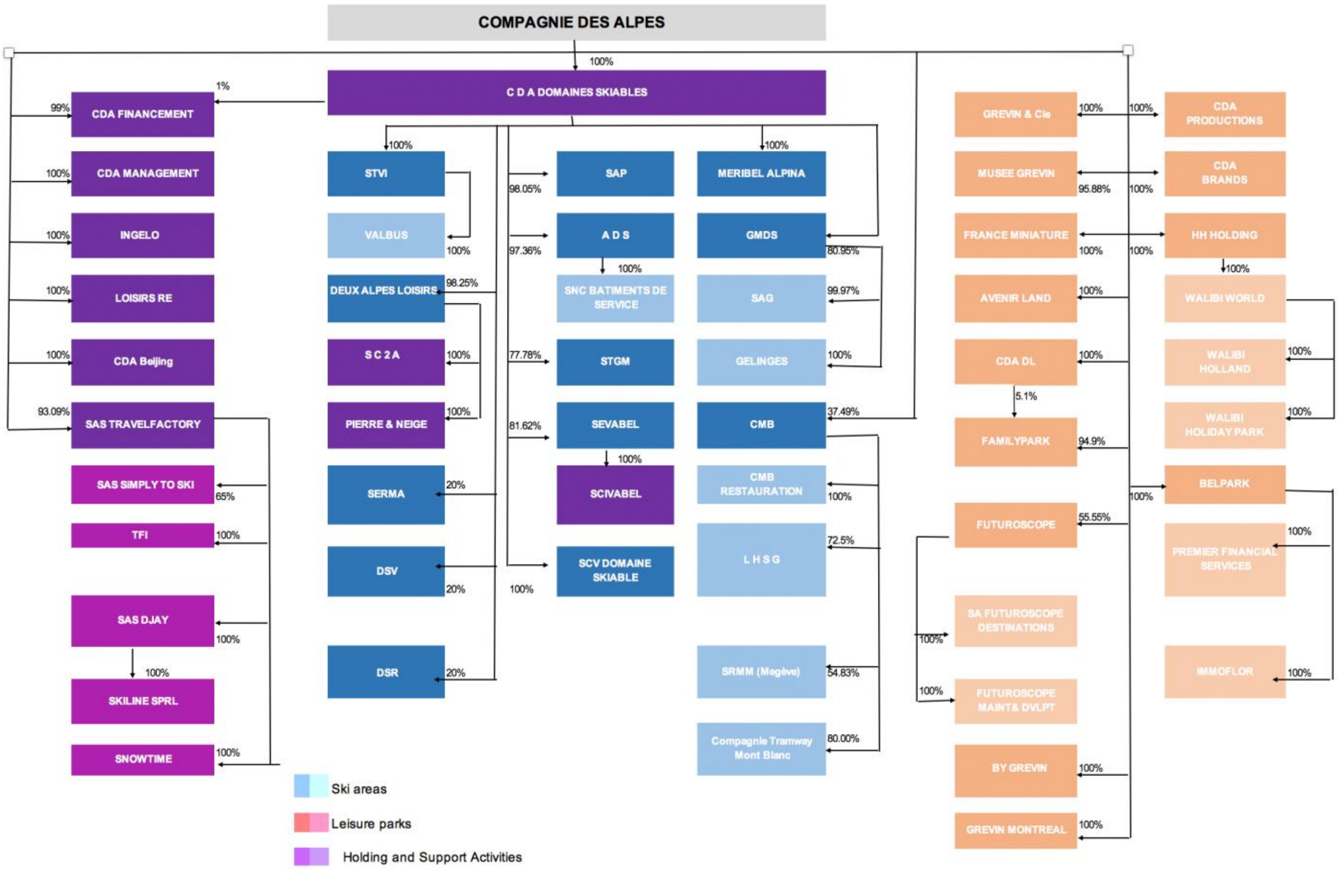
- Personnel expenses
  For operating companies, the principle is to allocate employee profit-sharing expenses to the financial year:
  - for the Ski Areas business, the projected annual expense is recorded at March 31,
  - for the Leisure Parks business, no accounting is done for the period ended March 31, except for companies with material activity throughout the year.

1.3 - Key assumptions and estimates

The preparation of the consolidated financial statements in accordance with IFRS is based on assumptions and estimates made by the Executive Management to calculate the value of assets and liabilities at the reporting date and the income and expense items for the year. The actual results may differ from these estimates.
The main sources of uncertainty relating to key assumptions and assessments relate to goodwill (Note 5.1), estimates of the value of associates (Note 5.4) and financial assets at fair value (Note 5.6), as well as the impacts of the Covid-19 crisis (see highlights).

2 - ORGANIZATIONAL CHART OF THE COMPAGNIE DES ALPES GROUP

SIMPLIFIED ORGANIZATION OF THE CDA GROUP AS AT MARCH 31, 2021



Compagnie des Alpes holds 97.89% of the double voting rights of Musée Grévin.
The percentages shown above are the percentage of ownership.

3 - SCOPE OF CONSOLIDATION

The Group has decided to consolidate Gelinges, held by GMDS (Grand Massif Domaine Skiable), as of October 1, 2020. This company owns buildings used to maintain ski lifts and is intended to carry out diversification activities.

Moreover, the group has acquired 10% of the shares of Futuroscope, previously held by the Vienne Department.

As a reminder, on August 27, 2020, the Travel Factory sub-group had acquired 100% of the share capital of Snowtime, a Dutch tour operator, for €0.3 million, generating a first consolidation goodwill of €0.8 million.

4 - INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

The summary information intended for strategic analysis and decision-making by the Group's Chairman, Chief Executive Officer and Deputy Chief Executive Officer (the chief operating decision-makers referred to in IFRS 8) is organized according to the following indicators, broken down by operating segment:

- Revenue,
- Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and EBITDA margin: EBITDA measures the current operating performance of the segments (revenue – direct costs, which include re-invoicing of operational services provided by support subsidiaries and holding companies);
- Net capital expenditure and net rate of capital expenditure (Capital expenditure/Revenue).

4.1 Consolidated revenue

Revenue in the Ski areas segment mainly consists of sales of ski lift passes (approximately 99% of the business line revenue).

Revenue in the Leisure parks segment mainly comprises sales of admission tickets (approximately 54% of the business line revenue, excluding pandemic period), with the remainder coming from restaurants, stores, merchant services and various ancillary businesses.

Performance by geographic area is presented for the businesses in France and outside of France based on the destination of revenue recorded.

Geographic area *(in thousands of euros)*	**Ski areas**	**Leisure parks**	**Holding and support activities**	**31/03/2021**	**31/03/2020**
France	2,471	20,319	1,425	24,215	439,705
Outside of France	0	7,272	40	7,312	30,797
Total at 31/03/2021	**2,471**	**27,591**	**1,465**	**31,527**	**0**
Total at 31/03/2020	**350,183**	**103,167**	**17,152**	**0**	**470,502**

4.2 EBITDA by business segment

EBITDA breaks down as follows:

(in thousands of euros)	Ski areas 31/03/2021	Ski areas 31/03/2020	Leisure parks 31/03/2021	Leisure parks 31/03/2020	Holding and support activities 31/03/2021	Holding and support activities 31/03/2020	Total 31/03/2021	Total 31/03/2020
Revenue	2,471	350,183	27,591	103,167	1,465	17,152	31,527	470,502
EBITDA	**31,685**	**175,604**	**-34,923**	**-13,293**	**-13,996**	**-14,064**	**-17,234**	**148,247**
Operating margin (EBITDA/Revenue)	1282.3%	50.1%	NS	NS	NS	NS	NS	31.5%

Figures for capital expenditure by segment are also shown below, together with the proportion of revenue they account for.

(in thousands of euros)	Ski areas 31/03/2021	Ski areas 31/03/2020	Leisure parks 31/03/2021	Leisure parks 31/03/2020	Holding and support activities 31/03/2021	Holding and support activities 31/03/2020	Total 31/03/2021	Total 31/03/2020
NET CAPITAL EXPENDITURE	**-18,161**	**50,129**	**23,637**	**38,844**	**2,621**	**2,409**	**8,097**	**91,381**
Capital expenditure as a proportion of revenue	-735.0%	14.3%	85.7%	37.7%	178.9%	14.0%	25.7%	19.4%

4.3 Other operating income and expenses

Other operating income and expenses break down as follows:

(in thousands of euros)	31/03/2021	31/03/2020
Indemnities ski lifts	83,235	0
Proceeds from disposal of Deux Alpes Loisirs assets	169	0
Proceeds from disposal of other assets	1,176	972
PSC, trademark and other fees	-1,382	-25,362
Other operating income and expenses	1,381	91
OTHER OPERATING INCOME AND EXPENSES	**84,579**	**-24,299**

Indemnities paid to ski lift activities are detailed in the highlights of the first half-year.

4.4 Other operating income and expenses

They break down as follows:

(in thousands of euros)	31/03/2021	31/03/2020
Goodwill impairment	-55,200	-2,781
Exceptional income and expenses related to the early termination of the Deux Alpes PSC	2,490	
Exceptional indemnities		651
OTHER OPERATING INCOME AND EXPENSES	**-52,710**	**-2,130**

The impairment of goodwill breaks down as follows:

(in thousands of euros)	31/03/2021	31/03/2020
Travelfactory goodwill impairment		-2,781
Leisure Parks BU goodwill impairment	-55,200	
GOODWILL IMPAIRMENT	**-55,200**	**-2,781**

4.5 Cost of debt, other financial income and expenses

(in thousands of euros)	31/03/2021	31/03/2020
Interest expense on borrowings	-10,271	-4,345
Interest expense on lease liabilities	-1,886	- 1,142
NET COST OF DEBT	-12,157	-5,487
Losses on financial transactions *	-499	0
Other financial income	-90	-188
Foreign exchange income	290	-492
Impact on profit or loss of securities valued at FVR **	-3,144	988
Impairment of financial receivables	-2,293	
Dividends received	33	108
OTHER FINANCIAL INCOME AND EXPENSES	-5,703	416

* Share of losses of non-consolidated companies (tax transparency)

** Including provisions for losses of subsidiaries

The net cost of debt includes an expense of €4.3 million for the extension of the first SGL for 5 years, until 2026.

Other financial income and expenses include adjustments as at March 31, 2021 to the value of non-consolidated interests in accordance with IFRS 9 (real estate agencies, leasehold and building portage companies, others).

4.6 Income tax expense

The income tax expense breaks down as follows:

(in thousands of euros)	31/03/2021	31/03/2020
Current taxes	361	-35,704
Deferred taxes	17,098	8,434
TOTAL	17,459	-27,270

The reconciliation between the standard tax rate in France and the effective tax rate is outlined below (the effective tax rate is the ratio of income tax to net income of consolidated companies).

The reconciliation between the income tax expense and the pre-tax income is shown below:

	31/03/2021	31/03/2020
NET INCOME BEFORE TAX	**-147,137**	**78,048**
Current tax rate	*28.00%*	*31.00%*
Theoretical tax expense	-41,198	24,195
Effects of:		
Difference between actual tax rate and theoretical rate	4,170	1,508
Non-deductible expenses / non-taxable income	14,343	3,138
Tax loss carried forward not recognized in assets	7,680	773
Income from associate companies recognized net of tax	-2,362	-2,675
Other	-92	332
TOTAL INCOME TAX EXPENSE	-17,459	27,270

Tax loss carried forward for which no deferred tax was recognized, stood at €28.5 million at March 31, 2021 (of which €9.7 million relate to foreign subsidiaries), and equate to a deferred tax asset of €7.7 million.

4.7 Share of net income of associate companies

Companies *(in millions of euros)*	**Country**	**Share of net income of associate companies**
31/03/2020		
Groupe Cie du Mont-Blanc	France	5.0
SERMA (Avoriaz)	France	2.4
DSV (Valmorel)	France	0.7
DSR (La Rosière)	France	0.6
TOTAL		**8.6**
31/03/2021		
Groupe Cie du Mont-Blanc	France	9.2
SERMA (Avoriaz)	France	-0.5
DSV (Valmorel)	France	-0.3
DSR (La Rosière)	France	0.0
TOTAL		**8.4**

5 - INFORMATION ON THE CONSOLIDATED BALANCE SHEET

5.1 Goodwill

Goodwill breaks down as follows:

(in thousands of euros)	Gross amount	Impairment	Net amount
At 30/09/2019	**344,575**	**-13,063**	**331,512**
Changes in the scope of consolidation	0	0	0
Other changes	-8,373	-52,950	-61,323
Activities held for sale	-4,196	4,196	0
At 30/09/2020	**332,006**	**-61,817**	**270,189**
Changes in the scope of consolidation	0	0	0
Other changes	0	-55,200	-55,200
At 31/03/2021	**332,006**	**-117,017**	**214,989**

The “Impairment” column includes an impairment of the goodwill of the Leisure Parks business unit for an amount of €55.2 million.

As at March 31, 2021, net goodwill breaks down as follows, by major business segment of the Group.

(in thousands of euros)	31/03/2021	30/09/2020
Ski areas	127,959	127,959
Leisure parks	87,030	142,230
Holding and Support Activities	0	0
TOTAL	**214,989**	**270,189**

Procedures for carrying out goodwill and asset impairment tests

In the crisis environment created by COVID-19, the Group is facing a wide range of uncertainties that make it extremely difficult to assess the various impacts on the Group's results in the very short term. These impacts will depend on a number of factors, including the date of recovery of our activities further to the second lock-down, and the preventive measures decided by the governments of the countries in which the Group operates.

The Covid-19 sanitary crisis has resulted in a further shutdown of the Group's activities between the end of October 2020 and the end of March 2021. The resumption of operations will likely occur in the 3rd quarter of financial year 2020/2021. These items are an indication of impairment.

Insofar as the information known to date does not allow for a precise estimate of the consequences on the projections, the values of the goodwill have been assessed on the basis of:

i) the 5-year plans estimated and revised in February/March 2021,
ii) and supplemented by the sensitivity analyses described in the note below,
iii) after taking into account the discount rates recalculated as at March 31, 2021.

In this context of uncertainty, the Group has modeled two scenarios, medium and degraded, as follows:

- The "medium" scenario assumes:
  - (i) a shutdown of ski areas for the entire 20/21 winter season, a 2021 summer season broadly similar to that of the 2020 summer season, then a 2022 winter season 10% below its 2019 level in terms of attendance, followed by a gradual return to pre-crisis levels over 2023, the reference year being 2018/2019 ;
  - (ii) the early shutdown of the Leisure Parks until June 2021, a level of activity in the third and fourth quarters similar to that of the previous financial year, then a Halloween/Christmas season at a level 50% below that experienced before the crisis and a return to normal in the third and fourth quarters of 2022.
  - (iii) The revision of TravelFactory's revenue and margin in line with that of our ski areas;
  - (iv) conservative margins have been applied to the EBITDA rates of the normative year of the leisure parks and the TravelFactory sub-group.

- The "degraded" scenario takes into account, in addition to the assumptions of the "medium" scenario, post-sanitary crisis recovery scenarios that are more degraded than anticipated, specifically:
  - (i) For Ski Areas, a 5% decline in revenue during the 2021-2022 winter season and a decline in EBITDA equal to 60% of the loss in revenue; a 4% decline in revenue during the 2022-2023 winter season and a decline in EBITDA equal to 60%;
  - (ii) For the Leisure Parks, a decline in revenue of 10% in 2021/2022 and a reduction in EBITDA equal to 70% of the loss of revenue; a decline in revenue of 4% in 2022/2023 and a decline in EBITDA of 70%;
  - (iii) The conservative margins on EBITDA rates in the medium scenario have also been taken into account.
- Both scenarios take into account a return to normal during the life of the plan. Indeed, management is assuming a return to normal in the course of 2023 to regain its trajectory in 2024.

As the risks are reflected in the cash flows of each business, a single discount rate has been determined for the two main businesses tested. This rate, which stands at 7% (compared to 6.5% at March 31, 2020 and 7% at September 30, 2020), was determined on the basis of the analyses of external experts updated at March 31, 2021.

A WACC rate of 11% was used for the impairment tests relating to the Travelfactory sub-group, in order to take into account the level of risk of its tour operator activity (unchanged compared to September 30, 2020).

Beyond the five-year period of the plan, the terminal value is calculated on the basis of cash flows to perpetuity using an average growth rate of between 1% and 2% (this being adjusted on the basis of the specific outlook for each entity and their positioning). This growth rate is considered reasonable for the leisure sector in the medium and long term.

These valuations are supported internally by additional tests (including sensitivity analyses) carried out on the basis of criteria monitored internally (i.e. investments and margin rate).

Impairment test results

Due to the new shutdown of its activities since 28 October 2020, the sharp slowdown in activity expected for financial year 2020/2021 and the uncertainty weighing on the short and medium-term outlook triggered by the global sanitary crisis, the Group recognized an impairment of the book value of its goodwill for a total amount of €55.2 million over the financial year. These impairments are based on the "medium" scenario as described above, which, before impairment, showed a negative comfort margin of -€55.2 million for the Leisure parks.

- Overall sensitivity to the WACC and to the perpetual growth rate:

Sensitivity tests are conducted by varying the basic assumptions underpinning the business plan (change in revenue) on the one hand, or the discount rate, on the other hand.

It should be noted that impairment tests are carried out at the business segment level in order to reflect the measurement of value creation, the monitoring of performance and the level of strategic decision-making within the Group.

- Overall sensitivity of the tests to the WACC and to the growth rate according to the “medium” scenario:

Ski areas (excluding companies accounted for under the equity method)

The table below shows the positive difference between the enterprise values and the capital used (€720.5 million).

		Discount rate		
		6.5%	7.0%	7.5%
	1.0%	206.4	119.2	45.5
	1.25%	250.0	155.1	75.7
LT growth rate	1.5%	297.9	194.4	108.3
	1.75%	350.8	237.3	143.8
	2.0%	409.7	284.6	182.5

Leisure parks

The table below shows the positive difference between the enterprise values and the capital used (€581.7 million).

		Discount rate		
		6.5%	7.0%	7.5%
	1.5%	9.6	-56.8	-111.9
	1.75%	43.0	-29.7	-89.6
LT growth rate	2.0%	80.0	0.0	-65.3
	2.25%	121.5	32.9	-38.7
	2.5%	168.1	69.4	-9.4

- Overall sensitivity of the tests to the WACC and to the growth rate according to the “degraded” scenario:

Ski areas (excluding companies accounted for under the equity method)

The table below shows the positive difference between the enterprise values and the capital used (€720.5 million).

		Discount rate		
		6.5%	7.0%	7.5%
	1.0%	184.1	97.3	24.1
	1.25%	227.5	133.1	54.1
LT growth rate	1.5%	275.2	172.2	86.6
	1.75%	328.0	215.1	122.0
	2.0%	386.6	262.2	160.6

The sensitivity analysis carried out would have the sole consequence of reducing the “headroom” calculated on the Ski areas’ CGU but would not result in an impairment loss.

Leisure parks

The table below shows the positive difference between the enterprise values and the capital used (€581.7 million).

		Discount rate		
		6.5%	7.0%	7.5%
LT growth rate	1.5%	-25.8	-91.9	-146.8
	1.75%	7.6	-64.9	-124.5
	2.0%	44.6	-35.1	-100.2
	2.25%	86.1	-2.3	-73.6
	2.5%	132.7	34.3	-44.3

5.2 Intangible assets

By type, intangible assets break down as follows:

(in thousands of euros)	At 30/09/2020	Acquisitions	Disposals	Increases	Reversals	Other changes	At 31/03/2021
Gross amount							
Use rights	82 330	0	0			0	82 330
Software	45 737	2 024	-107			103	47 757
Business intangibles	9 363	0	0			0	9 363
Trademarks and brands	43 098	0	0			0	43 098
Contracts and customer relations	2 637	0	0			0	2 637
Highway interchange concession Parc Astérix	6 290	0	0			0	6 290
Cinematographic films and works	11 170	336	-2 841			70	8 735
Other intangible assets	20 605	224	0			1 258	22 087
Intangible assets in progress	2 741	2 308	-5			-1 425	3 619
SUB-TOTAL: GROSS AMOUNT	**223 970**	**4 892**	**-2 953**			**6**	**225 915**
Amortization, depreciation and impairment							
Amort. and dep. Use rights	-73 970			-209	0	0	-74 179
Dep/amort. /Software	-34 401			-2 823	107	676	-36 441
Amort. and dep. Business intangibles	-7 979			-69	0	0	-8 048
Amort. and dep. Contracts and customer relatio	-1 582			-264	0	0	-1 846
Amort. and dep. Highway interchange concessi	-2 022			-31	0	0	-2 053
Amort. and dep. Cinematographic films and wo	-10 110			-715	2 829	-70	-8 066
Amort. and dep. Other intangible assets	-15 579			-1 015	0	-606	-17 200
SUB-TOTAL: DEPRECIATION AND AMORTIZATION AND IMPAIRMENT	**-145 643**			**-5 126**	**2 936**	**0**	**-147 832**
NET AMOUNT	**78 328**	**4 892**	**-2 953**	**-5 126**	**2 936**	**6**	**78 083**

Investments in the first half-year mainly consisted of expenditure on websites, digital projects (CRM, rollout of datalakes) and IT software.

5.3 Property, plant and equipment (owned and under concession)

By type, property, plant and equipment break down as follows:

(in thousands of euros)	At 30/09/2020	Acquisitions	Subsidies	Disposals	Increases	Reversals	Changes in the scope of consolidation	Other	At 31/03/2021
Gross amount									
Land and improvements	78,162	13		-198			2		77,979
Ski run and trail works	106,441	501						2,139	109,081
Snow-making	187,249	121						671	188,041
Buildings, offices, shops, other spaces	460,608	450		-1,151			604	1,040	461,551
Ski lifts	848,231	7,422		-1,421				5,967	860,199
Grooming machines	47,322	4,973		-3,396				137	49,036
Rides	463,211	704		-418				-272	463,225
Materials and equipment	213,998	1,518		-748			10	2,077	216,855
Other items of property, plant and equipment	107,095	647	-360	-717				517	107,182
Property, plant and equipment in progress	84,538	37,223		-3				-10,246	111,512
Advances and down-payments on non-current assets	2,054	755						-1,316	1,493
SUB-TOTAL: GROSS AMOUNT	**2,598,909**	**54,326**	**-360**	**-8,052**			**616**	**715**	**2,646,154**
Depreciation and amortization									
Land and improvements	-33,630				-723		-1		-34,354
Ski run and trail works	-47,272				-1,021				-48,293
Snow-making	-125,978				-2,640				-128,618
Buildings, offices, shops, other spaces	-266,365				-8,663	891	-193		-274,330
Ski lifts	-482,793				-19,279	1,367		18	-500,687
Grooming machines	-31,465				-2,768	3,301			-30,932
Rides	-248,873				-11,344	392		83	-259,742
Materials and equipment	-155,678				-6,766	739	-5	-729	-162,439
Other items of property, plant and equipment	-78,773				-3,145	1,102		-275	-81,091
SUB-TOTAL: DEPRECIATION AND AMORTIZATION	**-1,470,827**				**-56,349**	**7,792**	**-199**	**-902**	**-1,520,486**
NET AMOUNT	**1,128,082**	**54,326**	**-360**	**-8,052**	**-56,349**	**7,792**	**417**	**-187**	**1,125,668**
Gross amount of directly-owned assets	1,274,788	31,281	-32	-5,231			616	746	1,302,168
Depreciation of directly-owned assets	-732,270				-29,381	4,669	-199	-837	-758,018
NET AMOUNT OF DIRECTLY-OWNED ASSETS	**542,518**	**31,281**	**-32**	**-5,231**	**-29,381**	**4,669**	**417**	**-91**	**544,149**
Gross amount of concession assets	1,324,121	23,045	-328	-2,821				-31	1,343,986
Depreciation of concession assets	-738,557				-26,968	3,123		-65	-762,467
NET AMOUNT OF CONCESSION ASSETS	**585,564**	**23,045**	**-328**	**-2,821**	**-26,968**	**3,123**		**-96**	**581,519**
NET AMOUNT	**1,128,082**	**54,326**	**-360**	**-8,052**	**-56,349**	**7,792**	**417**	**-187**	**1,125,668**

Gross capital expenditure for the period amounted to €54 million and mainly break down as follows:

- in the Ski areas segment (€26.9 million), this related to the completion of capital expenditure programs prior to the 2020/2021 winter season and to the initial works for the 2020/2021 season. They mainly correspond to capital expenditure relating to the development of Ski areas (ski run and trail works, ski lifts and artificial snow);
- in the Leisure parks segment (€26.1 million), this breaks down into capital expenditure to step up appeal (€17.8 million) and capital expenditure for maintenance and miscellaneous investments (€8.3 million);
- Finally, the “Other” column mainly contains the allocation of non-current assets as of March 31, 2021 and translation adjustments.

The breakdown by business segment and geographic area is as follows:

REGION OR COUNTRY *(in thousands of euros)*	Notes	Ski areas	Leisure parks	Holding and support activities	31/03/2021	30/09/2020
FRANCE		640,133	286,347	24,658	951,138	958,010
OTHERS (excl. France)		0	251,460	1,152	252,612	248,399
TOTAL PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS		**640,133**	**537,807**	**25,810**	**1,203,750**	**1,206,409**
Intangible assets	5.2	6,524	56,386	15,173	78,083	78,328
Property, plant and equipment	5.3	633,609	481,421	10,637	1,125,667	1,128,081
TOTAL PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS IN THE BALANCE SHEET		**640,133**	**537,807**	**25,810**	**1,203,750**	**1,206,409**

5.4 Shareholdings held in associates

(in thousands of euros)	31/03/2021	30/09/2020
VALUE OF SECURITIES AT BEGINNING OF REPORTING PERIOD	**80,910**	**82,011**
Changes in the scope of consolidation and miscellaneous	206	244
Net income for the period (*)	8,433	727
Dividends paid	-2,175	-2,072
VALUE OF SECURITIES AT END OF REPORTING PERIOD	**87,374**	**80,910**
of which:		
Compagnie Du Mont-Blanc	57,620	49,271
Avoriaz	22,734	24,228

(*): including an impairment of €4.4 million at 30/09/2020.

5.5 Operating receivables

(in thousands of euros)	31/03/2021	30/09/2020
Trade receivables:		
Gross amount	*11,862*	*19,146*
Impairment for proven credit losses	*-1,741*	*-1,831*
Impairment for expected credit losses	*-300*	*-300*
NET AMOUNT:	**9,821**	**17,016**
Advances and down-payments	4,094	3,061
Tax and payroll receivables	28,624	32,748
Other accounts receivable	113,351	26,903
TOTAL	**155,889**	**79,728**

Other accounts receivable include indemnities to ski lift companies recorded at March 31, but paid in April and May 2021.

5.6 Financial assets and other current and non-current assets

(in thousands of euros)	31/03/2021 Non-current	Current	Total	30/09/2020 Non-current	Current	Total
FINANCIAL ASSETS						
Available-for-sale financial assets						
Securities of non-consolidated controlled companies	3,677		3,677	5,029		5,029
Securities of non-controlled companies measured at fair value through income	1,439		1,439	1,439		1,439
Securities of non-controlled companies measured at fair value through shareholders' equity	4,610		4,610	4,609		4,609
Loans and receivables associated with shareholdings	45,322		45,322	35,684		35,684
Deposits and guarantees	1,398		1,398	1,403		1,403
Derivatives on financing transactions		-	-		0	0
Other financial assets	463	63	526	200	174	374
GROSS AMOUNT	**56,909**	**63**	**56,972**	**48,364**	**174**	**48,538**
Impairment	-9,695		-9,695	-7,252		-7,252
NET FINANCIAL ASSETS	**47,214**	**63**	**47,277**	**41,112**	**174**	**41,286**
Investment subsidies to be received		2,068	2,068		4,608	4,608
Receivables on disposal of property, plant and equipment		2,067	2,067		1,874	1,874
Prepaid expenses		9,140	9,140		6,215	6,215
Tax and CICE receivables		5,252	5,252		8,177	8,177
OTHER ASSETS	**-**	**18,528**	**18,528**	**-**	**20,874**	**20,874**
TOTAL CURRENT AND NON-CURRENT FINANCIAL ASSETS	**47,214**	**18,591**	**65,805**	**41,112**	**21,048**	**62,160**

5.7 Shareholders' equity

Treasury stock

Pursuant to the share buyback program authorized by the Combined Ordinary and Extraordinary Shareholders' Meeting of March 7, 2019, CDA's liquidity contract consisted of the following at March 31, 2021:

- 18,629 shares representing a gross book value of €408k
- outstanding cash of €435k (principal and accrued interest).

Stock options

There are 132,640 performance shares (representing 0.5% of the share capital) that had not yet vested at March 31, 2021. The options and allotments of free share plans are realized through the issue of new shares released through the special incorporation of reserves.

The main terms of the stock option and performance share plans at March 31, 2021 are described below:

PLAN FOR THE GRANT OF PERFORMANCE SHARES *	Plan No. 19	Plan No. 20	Plan No. 21	Plan No. 22	Plan No. 23	Total
Date of Shareholders' Meeting	10/03/2016	10/03/2016	08/03/2018	08/03/2018	05/03/2020	
Implementation date (decision of the Chairman and Chief Executive Officer upon delegation of the Board of Directors)	18/03/2016	28/03/2017	23/03/2018	25/04/2019	25/06/2020	
Number of shares that can be subscribed at the outset	61,900	59,400	65,100	67,050	74,790	
Of which Board of Directors	0	0	0	0	0	
Number of beneficiaries	170	159	158	165	198	
Date of vesting of the performance shares	43,177	43,552	43,913	44,311	44,737	
Number of performance shares vested	50,850	49,950	53,050	0	0	
Expired or cancelled stock options/performance shares	11,050	9,450	12,050	6,100	3,100	
Outstanding stock options/performance shares	0	0	0	60,950	71,690	132,640

(*) the granting of which is based on economic factors

The total change in performance share awards can be summarized as follows:

Grants of performance shares	At 31/03/2021	At 30/09/2020	At 30/09/2019
Rights granted at beginning of reporting period	**134,940**	**122,650**	**116,350**
Rights granted	0	74,790	67,050
Rights expired	-2,300	-9,450	-10,800
Rights exercised	0	-53,050	-49,950
Grants adjustments	0	0	0
Rights granted at reporting date	**132,640**	**134,940**	**122,650**

The expense recognized for stock option and performance share plan awards was €553k at March 31, 2021.

5.8 Non-current and current provisions

Non-current provisions

Non-current provisions comprise the following items:

		Income			
	30/09/2020	Increases	Reversals	Other	31/03/2021
Post-employment benefits	52,769	1,821	-498	-2,190	51,901
Other non-current contingencies	12,000	165	-26	0	12,139
TOTAL	**64,769**	**1,986**	**-524**	**-2,190**	**64,040**

Provisions for “Other non-current contingencies” cover, in particular, provisions for site restoration (in the amount of €8.4 million). They also include provisions for long-service awards (in the amount of €1.5 million).

The change in the “Post-employment benefits” item in the “Other” column results from the recognition in equity of actuarial losses/gains for the period, mainly due to changes in the discount rate (0.8% instead of 0.6% at September 30, 2020) and in the average retirement age for managers (65 instead of 62 at September 30, 2020).

Current provisions

Current provisions cover the risks directly related to the operation of the Group's sites. The change in current provisions breaks down as follows:

		Income		
	30/09/2020	Increases	Reversals	31/03/2021
Provision for major repairs	6,136	903	-166	6,873
Other	10,775	2,241	-2,098	10,918
TOTAL	**16,911**	**3,144**	**-6,277**	**17,791**

Provisions for major repairs are only for the Ski areas and are intended to cover work on lifts under leasing contracts.

Other current provisions mainly relate to ongoing litigation for €5.5 million, social and tax audits for €1.2 million, provisions for negative net position of non-consolidated companies (€1.7 million) and provisions for miscellaneous risks for €1.7 million.

5.9 Financial debt

Breakdown of financial debt

	31/03/2021			30/09/2020		
(in thousands of euros)	Non-current	Current	Total	Non-current	Current	Total
Bonds	259,582		259,582	259,530		259,530
Borrowings from credit institutions	513,500	39,962	553,462	268,725	105,512	374,237
Other borrowings and similar debt	700		700	700		700
Lease finance	4		4	4		4
Accrued interest		10,144	10,144		3,091	3,091
Bank credit balances and similar		2,545	2,545		22,532	22,532
Employee profit-sharing	2,403		2,403	2,999		2,999
Miscellaneous	162	337	499	270	805	1,075
SUB-TOTAL	**776,351**	**52,988**	**829,339**	**532,228**	**131,940**	**664,168**
Lease liabilities IFRS16	162,533	10,403	172,936	165,791	11,252	177,043
TOTAL	**938,884**	**63,391**	**1,002,275**	**698,019**	**143,192**	**841,212**

Structure of debt

Fixed-rate debt mainly corresponds to bonds subscribed by CDA and CDA Financement (€260 million); the SGLs for €200 million and €269 million; and bank financing of €20.63 million.

The variable-rate debt includes a bank loan of €54 million as well as short-term bank credit lines.

Financial debt breaks down by maturity as follows:

(in millions of euros)	TOTAL	Less than 1 year	From 1 to 2 years	From 2 to 3 years	From 3 to 4 years	From 4 to 5 years	Over 5 years
31/03/2021 (with IFRS16)	1002.3	62.1	304.5	72.0	215.0	75.7	273.0
31/03/2021 (excluding IFRS16)	829.3	53.0	294.7	62.2	206.0	68.1	145.4
30/09/2020 (With IFRS16)	841.2	143.2	242.7	33.3	121.0	68.2	232.8
30/09/2020 (excluding IFRS16)	664.2	131.9	231.3	21.9	109.6	58.7	110.8

Bond debt

The €260 million bond debt of Compagnie des Alpes breaks down as follows:

- a loan of €65 million issued on the USPP market (“USPP”), under French law, for an average period of 10 years and final maturity at 12 years;
- a loan of €45 million issued on the Euro PP market for a period of 8 years;
- a loan of €50 million issued on the USPP market (“USPP”), under French law, for an average period of 10 years and final maturity at 12 years;
- a loan for an amount of €100 million issued in May 2014 on the Euro PP market, with a maturity of ten years.

At March 31, 2021, the fair value of the four bond loans was as follows:

- 2014 bond loan: €106.7 million
- Euro PP 2017 loan: €46.6 million
- USPP 2017 loan: €53.3 million
- USPP 2019 loan: €76.7 million.

Redeemable bank debt

The redeemable bank debt, in the amount of €74.63 million, breaks down as follows:

- a redeemable term loan of €80 million fully mobilized on October 31, 2017, of which the outstanding capital was equal to €54 million as at March 31, 2021. This loan was taken out with the Group’s long-standing banking partners, plus a Chinese bank. The last maturity dates of the loan are in February 2022 (€20 million) and February 2023 (€16 million).
- a redeemable term loan of €25 million fully mobilized on October 18, 2017, of which the outstanding capital was equal to €20.63 million as at March 31, 2021. This loan was granted by a new French banking partner, with a final maturity of seven years.

Bank debt repayable in fine

The bank debt repayable in fine, in the amount of €474 million, breaks down as follows:

- a term loan of €5 million mobilized on March 23, 2020 and granted by an Austrian partner with a final maturity of six years;

- a State-guaranteed Loan (SGL) in the amount of €200 million mobilized on June 29, 2020 and taken out with the Group’s long-standing banking partners, for an initial period of 12 months. The Group decided to extend this SGL for a period of one to five years, at the request of the Group, with a deferred repayment of one year. The capital will be redeemed over four years (€50 million in FY2022/23; €50 million in FY2023/24; €50 million in FY2024/25; €50 million in FY2025/26)

- a State-guaranteed Loan (SGL) referred to as “season” (Season SGL) in the amount of €269 million mobilized on December 28, 2020 and taken out with the Group’s long-standing banking partners, for an initial period of 12 months. It may be extended for a period of one to five years at the Group’s request.

Revolving bank debt

The Group has a revolving credit facility for a maximum amount of €250 million expiring on May 6, 2023. The revolving credit facility is undrawn at March 31, 2021.

Market financing

Compagnie des Alpes has set up a program to issue Negotiable European Commercial Paper (NEU CP), for a maximum amount of €240 million, which was registered on February 4, 2019 with Banque de France.

This program is backed by a €250 million revolving credit facility (maturing in May 2023), to which a swingline sub-limit of €80 million has been added.

The program is run by four Investment Agents (BNP Paribas, CACIB, CIC and Société Générale), and the Domiciliary Agent is CACEIS Corporate Trust.

The NEU CP program is undrawn as of March 31, 2021.

Hedging instruments

- Interest rate hedging

The Group arranged interest rate hedging instruments (debt-backed) for its floating-rate commitments.

At March 31, 2021, the hedges implemented amounted to €54 million.

The hedging instruments used consist of two fixed-rate swaps representing €54 million of hedged debt, respectively 0.35% maturing in 2023 and 0.27% maturing in 2022, activated with the mobilization of the €80 million facility on October 31, 2017 (redeemed in the amount of €26 million as at March 31, 2021).

The fair-value impact of hedging instruments is recognized under borrowings from credit institutions (-€0.2 million).

31/03/2021	Financial assets (a)		Financial liabilities (b)		Exposure of net debt before hedging (c) = (b) - (a)		Interest-rate-hedging instruments (d)		Net debt exposure after hedging (e) = (c) + (d)	
(in millions of euros)	Fixed Rate	Floating rate	Fixed Rate	Floating rate	Fixed Rate	Floating rate	Fixed Rate	Floating rate	Fixed Rate	Floating rate
Less than 1 year	22.4		16.2	36.8	-6.2	36.8		34	27.8	2.8
From 1 to 2 years			274.6	20.2	274.6	20.2		20	294.6	0.2
From 2 to 3 years			62.0	0.2	62.0	0.2			62.0	0.2
From 3 to 4 years			205.9	0.2	205.9	0.2			205.9	0.2
From 4 to 5 years			62.9	5.1	62.9	5.1			62.9	5.1
Over 5 years			145.1	0.2	145.1	0.2			145.1	0.2
TOTAL	**22.4**		**766.7**	**62.7**	**744.3**	**62.7**		**54**	**798.3**	**8.7**

- Exchange rate hedging

The Group's international activities are mainly carried out in the Euro zone (with the exception of activities in Canada, Switzerland and China, which are not significant in terms of the Group's fixed assets). Investments in foreign subsidiaries are made in the currency of the relevant countries.

In this context, the Group considers that its exposure to foreign exchange risk is currently not material.

The only transactions in place as of March 31, 2021 are:

- forward purchases of US dollars for a total amount of USD 2 million as well as a foreign exchange option for an amount of USD 1.3 million to cover the needs of subsidiaries.

For other operations outside the euro zone, the Group does not use currency hedging operations for the following reasons:

- intra-group flows in foreign currencies are limited;
- revenue from sales is realized in the same currency as operating expenses.

Liquidity

The Compagnie des Alpes Group anticipates its financing needs: when the Finance Department draws up its multi-year plans, it ensures that it always has sufficient liquidity to cover capital expenditure and current operations, and cope with any exceptional events.

In the medium term, the Compagnie des Alpes Group benefits from the diversified debt described above, based on a buffer of bank and disintermediated financing, reinforced in a context of uncertainty related to the Covid-19 pandemic by two SGLs (loans from a banking pool, bilateral bank loans, bond loans, revolving credit facility) whose maturities are smoothed over time.

In the short term, through the use of confirmed bank overdraft facilities that are not subject to covenants, and/or through a NEU CP program (Negotiable European Commercial Paper) capped at €240 million.

At March 31, 2021, the Group had net financial debt of €807 million (excluding IFRS 16).

As of March 31, 2021, the Group had a significant buffer of undrawn confirmed credit facilities:

- 250 million in medium and long-term financing can be mobilized at any time;
- for short-term requirements, €144 million is available at any time in the form of confirmed overdrafts;
- in addition, cash and cash equivalents amounted to €22.4 million.

Information on repayment clauses

Banking covenants

The bonds and bank loans taken out in 2017 and 2019, the revolving loan, as well as the bank loan entered into with an Austrian bank are subject to a joint covenant. It corresponds to the “Consolidated net debt/Consolidated EBITDA” financial ratio, which is reviewed twice a year, on March 31 and September 30, and should be less than 3.5.

In a context of uncertainty related to the Covid-19 pandemic, CDA obtained an agreement with all the banking and bond partners concerned, to put in place a covenant holiday from September 2020 to March 2021. Although there is no financial consideration, this agreement provides for certain alternative commitments covering the period from September 30, 2020 to March 31, 2021. These mainly concern compliance with minimum liquidity levels, a commitment not to exceed consolidated net capital expenditure of €190 million over a rolling 12-month period and a commitment to maintain the Group’s consolidated net debt below €850 million.

These commitments have been met as of March 31, 2021.

Other repayment clauses

Other repayment clauses relate mainly to:

- Caisse des Dépôts et Consignations' direct or indirect shareholding in Compagnie des Alpes (which must be at least equal to 33.34% of the share capital and voting rights of CDA);
- Compagnie des Alpes' shareholding in CDA Financement, which must remain greater than or equal to 99.9%;

Any shareholdings purchased by one or more persons, other than the Caisse des Dépôts et Consignations, which acting in concert would acquire at least 33.34% of the share capital and voting rights in Compagnie des Alpes.

Interest rate information

	31/03/2021		30/09/2020	
(in millions of euros)	**Amount**	**Rate**	**Amount**	**Rate**
Fixed rate borrowings	817.8	1.52%	576.2	2.00%
Floating-rate borrowings	8.7	1.30%	83.9	0.96%
Shareholdings and miscellaneous	2.9		4.1	
TOTAL EXCLUDING IFRS16	**829.3**	**1.49%**	**664.2**	**1.77%**
Miscellaneous IFRS16	172.9		**177.0**	
TOTAL WITH IFRS16	**1,002.3**		**841.2**	

5.10 Deferred taxes

	31/03/2021	30/09/2020
Total deferred tax assets in the balance sheet	25,756	20,897
Total deferred tax liabilities in the balance sheet	-10,300	-22,070
NET DEFERRED TAX POSITION	**15,456**	**-1,173**

(in thousands of euros)	Tax loss carried forward	Post-employment and similar commitments	Deferred tax assets on employee profit-sharing	Regulated provisions	Valuation adjustments	Maintenance components	Provisions for non-deductibles	Deferred tax liabilities on tax risks	Leases	Financial instruments	Brands	Other	TOTAL
30/09/2020	**20,039**	**13,369**	**422**	**-21,484**	**-12,071**	**-3,463**	**-888**	**-1,087**	**1,111**	**286**	**-2,325**	**4,919**	**-1,173**
Change	13,274	-969	-379	703	51	838	-37	0	61	-194	0	3,280	16,629
31/03/2021	**33,313**	**12,399**	**44**	**-20,781**	**-12,020**	**-2,625**	**-925**	**-1,087**	**1,172**	**92**	**-2,325**	**8,199**	**15,456**

Usually, the recovery period for deferred tax assets on tax losses carried forward is five years.

5.11 Financial instruments by category, fair value and impact on income

IFRS 9, which has been applicable from 2018, defines three categories of financial instruments:

- financial assets and liabilities at fair value through other items of comprehensive income;
- financial assets and liabilities at fair value through the net income statement;
- loans and receivables measured at amortized cost.

Financial instruments recognized in the balance sheet at fair value are broken down according to the following fair value levels:

- level 1, which includes measurements based on a price listed on an active market; in general, the market value corresponds to the last listed price;
- level 2, which includes measurements based on data that can be observed on the market, not included in level 1;
- level 3, which includes measurements based on data that can be observed on the market; in general, the valuation of securities of non-controlled companies is based on the share of the net position.

Fair values were determined on the basis of information available at the closing date of March 31, 2021 (last available statements) and therefore do not take into account the impact of future changes.

There were no transfers of financial instruments between level 1 and level 2 or any transfers to or from level 3 at March 31, 2021.

		Balance sheet value							Fair value level of financial assets at fair value		
Financial and other assets *(in thousands of euros)*	**Notes**	**Fair value through net income [(1)]**	**Fair value of hedging instruments [(1)]**	**shareholders' equity - Fair value through other items of comprehensive income [(1)]**	**Debt instruments - Fair value through other comprehensive income [(1)]**	**Equity instruments - measured according to their standard of reference [(1)]**	**Amortized cost [(1)]**	**Fair value of financial assets at amortized cost**	**Level 1**	**Level 2 [(3)]**	**Level 3**
Trade receivables	5.5						9 821	[(2)]			
Tax and payroll receivables	5.5						28 624	[(2)]			
Other operating receivables [(a)]	5.5						117 445	[(2)]			
Tax receivables							5 252	[(2)]			
Other receivables							13 275	[(2)]			
Loans and receivables associated with shareholdings							35 703	[(2)]			
Deposits and guarantees							1 398	[(2)]			
Other financial assets							450	[(2)]			
Cash and cash equivalents							22 369	[(2)]			
TOTAL FINANCIAL ASSETS RECOGNIZED AT AMORTIZED COST		**0**	**0**	**0**	**0**	**0**	**234 336**				
Securities of non-controlled companies	5.6			4 610							4 610
Derivatives on financing transactions			0						0		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH SHAREHOLDER'S EQUITY		**0**	**0**	**4 610**	**0**	**0**	**0**	**0**	**0**	**0**	**4 610**
Securities of non-controlled companies		1 439								1 439	0
companies		3 677								100	3 577
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH INCOME		**5 116**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1 539**	**3 577**
TOTAL FINANCIAL ASSETS		**5 116**	**0**	**4 610**	**0**	**0**	**234 336**	**0**	**0**	**1 539**	**8 187**

(1) Financial assets are presented in accordance with the provisions of IFRS 9 "Financial Instruments" in force at October 1, 2018 or according to their reference standard.

(2) The Group does not disclose the fair value of financial assets such as accounts receivable, tax receivables, other receivables or cash and cash equivalents, as their net book value, after impairment, is a reasonable approximation of fair value.

(3) The fair value of real estate agencies was assessed by taking into account the estimated value of business assets, determined on the basis of observable market coefficients, applied to the revenue generated according to the activities of the agencies (seasonal rentals, apartments under lease, property management, transactions, etc.)

(a) Includes "Other accounts receivable" and "Advances and down-payments" referenced previously in note 5.5

Financial and other liabilities *(in thousands of euros)*	Notes	Balance sheet value: Hedging derivatives (1)	Balance sheet value: Other financial liabilities	Fair value of financial liabilities at amortized cost	Fair value level of financial liabilities at fair value: Level 1	Level 2	Level 3
Operating trade payables			62,348	(1)			
Fixed asset trade payables			22,760	(1)			
Tax and payroll payables			64,065	(1)			
Tax liabilities			641	(1)			
Other operating liabilities			38,998	(1)			
Other miscellaneous debt			290	(1)			
Adjustment accounts			30,861	(1)			
Bonds	5.9		259,582	(1)			
Borrowings from credit institutions	5.9		553,462	(1)			
Other financial and similar borrowings	5.9		890	(1)			
Employee profit-sharing	5.9		2,403	(1)			
Bank credit balances	5.9		2,545	(1)			
Accrued interest	5.9		10,144				
TOTAL FINANCIAL LIABILITIES RECOGNIZED AT AMORTIZED COST		**0**	**1,048,989**				
Derivatives on financing transactions		313			313		
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH SHAREHOLDER'S EQUITY		**313**	**0**		**313**		
Derivatives on financing transactions							
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH INCOME		**0**	**0**				
TOTAL FINANCIAL LIABILITIES		**313**	**1,048,989**		**313**	**0**	**0**

(1) The Group does not disclose the fair value of financial liabilities such as operating liabilities and other liabilities, borrowings from credit institutions and other borrowings, since their book value is a reasonable approximation of fair value.

5.12 Assets and liabilities held for sale

Assets held for sale *(in thousands of euros)*	31/03/2021	30/09/2020
Own property, plant and equipment	1,458	5,033
Concession assets	0	51,385
Inventories	0	1,839
Deferred taxes	0	1,115
ASSETS HELD FOR SALE	**1,458**	**59,372**

Liabilities held for sale *(in thousands of euros)*	30/09/2020	30/09/2020
Provision for risks related to the termination of the PSC	2,150	10,467
Tax and payroll payables	544	1,385
LIABILITIES HELD FOR SALE	**2,694**	**11,852**

The requirements of IFRS 5 were applied to the assets and liabilities of Deux Alpes Loisirs at the year-end date of September 30, 2020, and were maintained on March 31, 2021.

Concession-related assets have been transferred and indemnified at December 1, 2020 by the transferee of the public service concession agreements based on their net book value. Own assets have also been sold at their market value. The sale of the other owned assets is under negotiation with potential purchasers.

As part of the transfer of personnel, the related social security and tax liabilities have been transferred to the purchaser.

In accordance with IFRS 5, residual assets held for sale are recognized at the lower of their book value and their fair value net of disposal costs.

6 - CASH FLOW STATEMENT INFORMATION

6.1 Acquisition of intangible assets and property, plant and equipment

(in thousands of euros)	Notes	31/03/2021	31/03/2020
Acquisitions of intangible assets	5.2	-4,892	-4,317
Acquisition of property, plant and equipment (net of subsidies)	5.3	-53,966	-84,132
ACQUISITIONS OF INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT		**-58,858**	**-88,449**
Changes in debt on non-current assets		-2,164	-5,393
ACQUISITIONS OF INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT IN THE STATEMENT OF CASH FLOWS		**-61,022**	**-93,842**
Sale price of intangible assets		11	0
Sale price of property, plant and equipment		2,045	1,372
Sale price of assets held for sale		51,062	0
Change in receivables on asset disposals		-193	1,089
DISPOSAL OF FIXED ASSETS IN THE STATEMENT OF CASH FLOWS		**52,925**	**2,461**

The breakdown of capital expenditure over the financial year is discussed in Notes 5.2 and 5.3.

6.2 Change in financial debt

			"Non-cash" changes				
(in thousands of euros)	30/09/2020	Cash flows	Acquisitions	Currency effect	Other	Fair Value	31/03/2021
Long term borrowings	531,346	256,646			-4,956	190	783,226
Short-term borrowings	105,518	-80,193			14,625		39,949
Employee profit-sharing and miscellaneous	3,879	-315		652	-914	0	3,302
Lease liabilities	177,047	-4,919	1,205	-392			172,940
Assets hedging long-term borrowings	889					-576	313
BORROWINGS (excluding bank credit balances)	**818,680**	**171,219**	**1,205**	**260**	**8,755**	**-386**	**999,731**
Bank credit balances and similar	22,532	-19,984	-4				2,545
BORROWINGS IN THE CONSOLIDATED BALANCE SHEET	**841,212**	**151,235**	**1,201**	**260**	**8,755**	**-386**	**1,002,275**

6.3 Net cash position

(in thousands of euros)	31/03/2021	31/03/2020
CASH ASSETS IN THE BALANCE SHEET	**22,369**	**14,077**
Bank credit balances and similar	-2,545	-38,795
NET CASH POSITION IN THE STATEMENT OF CASH FLOWS	**19,824**	**-24,718**

7 - APPLICATION OF IFRS 16 - Leases

This note presents the effects of the application of the IFRS 16 - Leases standard on the Group's consolidated financial statements.

7.1 Impact of IFRS 16 on the financial statements

The book value of the rights of use and the lease liability as well as the changes recorded during the period break down as follows:

Rights of use *(in thousands of euros)*	Land	Buildings	Technical installations / equipment	Other fixed assets	Total	Lease liabilities
AT SEPTEMBER 30, 2020	**107,137**	**51,465**	**10,503**	**1,365**	**170,470**	**177,043**
Increases	3,435	525	139	357	**4,456**	**4,415**
Exits		-3,210				**-3,210**
Amortization, depreciation and impairment	-2,184	-2,726	-801	-242	**-5,953**	
Interest expense on lease liabilities*						**-1,886**
Lease payments*						**-3,034**
Translation adjustments		-301			**-301**	**-393**
Miscellaneous				50	**50**	
AT MARCH 31, 2021	**108,388**	**45,753**	**9,841**	**1,530**	**165,511**	**172,936**

* change in lease liabilities in the statement of cash flows

By type, the right-of-use of the IFRS 16 assets break down as follows:

(in thousands of euros)	At 30/09/2020	Increase	Decrease	Increases	Change of scope	Translation adjustments	Other	At 31/03/2021
Right of use of the asset								
Land and improvements	110,143	235					784	111,162
Ski run and trail works	1,598							1,598
Buildings, offices, shops and other spaces	61,491	515				-392	-4,129	57,485
Ski lifts	9,848							9,848
Snow-making	1,079							1,079
Grooming machines	497	139					-96	540
Rides	1,777						-1,619	158
Other fixed assets	2,175	357					-71	2,461
SUB-TOTAL RIGHT OF USE	**188,608**	**1,246**				**-392**	**-5,131**	**184,331**
Amortization/depreciation of right-of-use								
Land and improvements	-4,499			-2,135			2,416	-4,218
Ski run and trail works	-105			-49				-154
Buildings, offices, shops and other spaces	-10,026			-2,726		91	979	-11,683
Ski lifts	-945			-446				-1,391
Snow-making	-135			-66				-201
Grooming machines	-141			-112			96	-157
Rides	-1,477			-177			1,619	-35
Other fixed assets	-810			-242			71	-981
SUB-TOTAL: DEPRECIATION AND AMORTIZATION	**-18,138**			**-5,953**		**91**	**5,181**	**-18,820**
NET AMOUNT	**170,470**	**1,246**		**-5,953**		**-301**	**50**	**165,511**

The impact on the consolidated income statement breaks down as follows:

- On the Group's income statement:

(in thousands of euros)	31/03/2021			31/03/2020		
	Published	IFRS16 impact	Without IFRS16	Published	IFRS16 impact	Without IFRS16
EBITDA	-17,235	7,361	-24,595	148,247	6,398	141,849
Net operating income	-137,714	1,365	-139,079	74,489	638	73,851
Net financial income	-12,157	-1,886	-10,271	-5,487	-1,142	-4,345

- On the EBITDA of business lines:

EBITDA (gross operating income)	Ski areas		Leisure parks		Holding and support ac		Total	
(in thousands of euros)	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020
EBITDA PUBLISHED	**31,685**	**175,604**	**-34,923**	**-13,293**	**-13,996**	**-14,064**	**-17,234**	**148,247**
IFRS 16 impact	2,187	1,518	4,364	4,097	810	783	7,361	6,398
EBITDA WITHOUT IFRS16	**29,498**	**174,086**	**-39,287**	**-17,391**	**-14,806**	**-14,847**	**-24,595**	**141,848**

The amounts recognized in the income statement for the first half of the year in respect of leases and concession agreements are as follows:

(in thousands of euros)	At 31/03/2021	At 31/03/2020
Variable rent leases		-5
Short-term or low-value asset lease contracts	-2,055	-3,478
Variable fees for concession contracts	-2,382	-9,291
Amortization and impairment of right-of-use assets	-5,953	-5,717
Interest on lease liabilities	-1,886	-1,142
TOTAL	**-12,276**	**-19,633**

Variable rent leases correspond to the contracts of certain sites whose payments are indexed to the future performance of the site. The Group does not anticipate any significant change in its variable lease expense in future periods.

7.2 Amendment to IFRS 16 "Reductions in rents linked to Covid-19"

The amendment to IFRS 16 "Reductions in rents linked to Covid-19" was adopted by the EU on 09/10/2020 (EU regulation No. 2020/1434) and is applicable no later than June 1, 2020 for financial years beginning on January 1, 2020 (or after this date).

This amendment to IFRS 16 only allows lessees (and not lessors) to choose to apply a practical simplification measure. This accounting option provides only lessees with the ability to exempt themselves from assessing whether a Covid 19-related rent relief is a contract modification.
In practice, the application of the amendment leads lessees to recognize reductions in rents linked to Covid-19 as if they were not a modification of the contract. This amounts to recognizing the impact of the reduction in rent in the lessee' income for the period (negative variable rent), and not spreading it over the residual term of the contract. The right of use is not impacted and its amortization continues without change.

This amendment only concerns reductions in rents related to Covid-19 that meet the following three cumulative conditions:

- the change in lease payments results in the revised lease consideration being substantially the same as, or less than, the lease consideration immediately prior to the change;
- if there is a reduction in rent payments, this only applies to payments originally due no later than June 30, 2021;
- there must be no substantial change in the other terms and conditions of the contract.

This exemption is an accounting option that must be applied consistently to contracts with similar characteristics and in similar circumstances (or to all contracts).

It is to be applied retroactively.

Pursuant to this amendment, the reduction in rent for the Chaplin's World Museum granted by the lessor was recognized as a rent reduction in the income for the period for an amount of €355k.

8 - OFF-BALANCE SHEET COMMITMENTS

The Group's main off-balance sheet commitments are as follows:

(in thousands of euros)	31/03/2021	31/03/2020
Sureties and endorsements	56	56
Liability guarantee given	10,569	10,701
Purchase commitments granted	0	10,713
Other	53,274	57,011
COMMITMENTS GIVEN	**63,899**	**78,481**
Liability guarantee received	500	2,050
Sureties received	9,124	9,784
Other	-	-
COMMITMENTS RECEIVED	**9,624**	**11,834**

- The Group's commitments in terms of rent amounted to €2.1 million. They represent contracts considered to be of low value or with a duration of less than one year and not restated in accordance with IFRS 16 (see Note 7).
- In the context of the creation of real estate companies to stimulate the refurbishment of the real estate assets of the resorts, the ski lift companies provide investors with guaranteed rents during the refurbishment period, and also when putting the assets back on the market. These commitments amount to approximately €13.7 million.
- The real estate commitments of the Deux Alpes Loisirs sub-group: its subsidiary SC2A provided a guarantee to cover up to €2.3 million in current lease payments.
- The financing facilities granted by CDA Financement to the SAP Invest, SAP Location, Val-d'Isère Immobilier and Panoramic and not used at March 31, 2021 amounted to €1.8 million.
- As part of the Futuroscope transformation plan, the following guarantees were granted by Compagnie des Alpes SA:
    - a letter of intent has been signed guaranteeing 25% of the amount of the works commitment relating to the installations and buildings of the current park, estimated at €100 million, i.e., a maximum lump sum equal to €25 million;
    - a letter of intent was signed guaranteeing two years of rents from the current park amounting to €6.2 million;
    - lastly, a rental guarantee for one quarter was given for the second park, which is planned to be built, for an amount of €279k.

- The guarantees granted are as follows:
    - two parent-company guarantees at first request amounting to a total of €9.6 million granted to the City of Paris for Jardin d'Acclimatation, the first for €8.6 million in relation to the operating fees until 2041, and the second for €1 million in relation to the performance of the contractual investment program until 2024;
    - in December 2017, as part of the Public Service Concession between SCV Domaine Skiable and SIGED, CDA granted a first demand payment guarantee for the corresponding fees. This guarantee covers an amount of €600k for financial year 2019/2020;
    - a bank guarantee and parent company guarantee at first request of CHF750k, granted for the By Grévin site;
    - as part of the Travelfactory purchase, the parties granted each other put and call options in relation to the balance of the Company's shares for a total maximum residual amount of €975k, over the remaining period of 6 months.

- As at March 31, 2021, the commitments received break down as follows:
  - The sureties received mainly come from:
    - guarantees of €6.8 million granted to ADS on land transactions;
    - sureties received from suppliers for €1.1 million for works on Parc Astérix;
    - a surety received on the tourist service guarantees for Futuroscope Destination in the amount of €1.2 million.
  - a €0,5 million liability guarantee received a the time of the acquisition of Cassiopée;
  - when acquiring Futuroscope (in January 2011), the sellers provided Compagnie des Alpes with a liability guarantee indemnifying it in the event of inspection by tax, tax-related, social, customs, social security, and other public bodies. These guarantees remain in force until the corresponding legal and regulatory terms expire.

- Moreover, under the various contracts signed by the Compagnie des Alpes Group, the subsidiaries may enter into agreements on investment budgets. Such agreements are variable and can be reviewed, mainly with regard to their term, amount and nature, depending on the contract and implementation opportunities. In light of certain lease contracts signed by the Leisure parks, these investment budget agreements may concern all of the Group's subsidiaries.

9 - EVENTS SUBSEQUENT TO YEAR-END

On April 28, 2021, in accordance with the delegation of powers granted by the shareholders' meeting of March 25, the Board of Directors acknowledged the completion of the share capital decrease by reduction of the par value of the shares. The company's share capital is now €12,281,725.50, divided into 24,563,451 shares; the amount of the capital decrease, i.e., €174,953,982.99, has been posted to the Capital Premiums account.

The Group also announces that it has obtained an agreement from all of its relevant banking partners concerned to suspend its 3.5x leverage covenant for the next two dates on which it was to be tested, i.e., September 30, 2021 and March 31, 2022. This agreement allows the group to continue on the path it has set for itself.

In addition, the affected bondholders have also confirmed that they have accepted the suspension of the leverage test for the two dates referred to above.

As part of this renegotiation, the group has undertaken to comply with substitute covenants covering the period from September 30, 2021 to March 31, 2022, in line with what was done last September. These mainly concern (i) compliance with minimum liquidity levels, (ii) a commitment not to exceed consolidated net capital expenditure of €190 million over a rolling 12-month period and (iii) a commitment to maintain the Group's consolidated net debt below €850 million.

It should be noted that:

- Concerning the minimum liquidity, this must be more than €250 million per month;
- Concerning the amount of consolidated net capital expenditure over a rolling 12-month at the test dates of September 30, 2021 and March 31, 2022, this must not exceed €190 million if the Company carries out a share capital increase by September 30, 2021, and €175 million if it does not;
- Concerning the Group's consolidated net debt, it should not exceed €750 million if the Company carries out a share capital increase by September 30, 2021, and €850 million if it does not;
- The Group will respect a maximum debt leverage of 9x at 31 March 2022 assuming no capital increase and 7x if it does not.

III - STATUTORY AUDITORS' CERTIFICATE

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

(For the period from October 1, 2020 to March 31, 2021)

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

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

MAZARS
61, rue Henri Regnault
92400 Courbevoie

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

(For the period from October 1, 2020 to March 31, 2021)

To the Shareholders
COMPAGNIE DES ALPES
50/52 Boulevard Haussmann
75009 PARIS

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

- the review of the accompanying condensed half-yearly consolidated financial statements of Compagnie des Alpes, for the period from October 1, 2020 to March 31, 2021 ;
- the verification of the information presented in the half-yearly management report.

Due to the global crisis related to the Covid-19 pandemic, the condensed half-yearly consolidated financial statements of this period have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of our procedures.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I - Conclusion on the financial statements

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

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

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

Without qualifying our conclusion, we draw your attention to the notes “Half-year highlights” and “5.1 Goodwill” to the condensed half-yearly consolidated financial statements, which respectively set out the impacts of the Covid-19 crisis and the assumptions and procedures used by management for carrying out goodwill impairment tests in this context of uncertainties.

II - Specific verification

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

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

Neuilly-sur-Seine and Courbevoie, June 4, 2021

The Statutory Auditors

PricewaterhouseCoopers Audit	MAZARS
Philippe VOGT	Gilles RAINAUT

IV CERTIFICATE BY PERSON IN CHARGE OF THE FINANCIAL STATEMENTS

I hereby declare that, to the best of my knowledge, the condensed consolidated financial statements presented in the half-year financial report have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all the companies included in the consolidation, and that the half-yearly management report gives a fair description of the material events that occurred during the first six months of the financial year and their impact on the half-year financial statements, of the main related-party transactions, as well as a description of the main risks and uncertainties for the remaining six months of the financial year.

Done in Paris on 1 June 2021

Dominique Thillaud

Chief Executive Officer