D'Ieteren Group

2023 Half-Yearly Financial Report

Content

Declaration by Responsible Persons

Statement on the true and fair view of the condensed consolidated interim financial statements and the fair overview of the management report.

Nicolas D'Ieteren, Chairman of the Board of Directors, and Olivier Périer, Deputy Chairman of the Board of Directors, certify, on behalf and for the account of D'Ieteren Group SA/NV, that, to the best of their knowledge, these condensed consolidated interim financial statements which have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union, give a true and fair view of the equity, financial position and financial performance of D'Ieteren Group SA/NV and the entities included in the consolidation as a whole, and the interim management report includes a fair overview of the development and performance of the business and the position of D'Ieteren Group SA/NV, and the entities included in the consolidation, together with a description of the principal risks and uncertainties which they are exposed to.

Interim management report

Strong 2023 half year results

Half-year 2023 highlights

D'Ieteren Group reports strong H1-23 results and revises its 2023 guidance slightly upwards.

D'Ieteren Group pursued its growth path during the first semester, driven by a generally strong operational performance and the consolidation of PHE. The Group's key performance indicator (KPI) – the *adjusted* consolidated profit before tax, Group's share[1] – reached €548.9m, up by 46.5% compared to H1-22 (restated at €374.8m, see below) including PHE, and with Belron at 50.07% for both periods. On a like-for-like basis, excluding PHE, the KPI grew by 25.6% YoY.

- **Belron's** *adjusted* profit before tax, Group's share[1] improved by 34.8% YoY to €286.8m, reflecting solid top-line evolution and strong fall-through with a significant *adjusted* operating margin[1] improvement at 21.9% primarily reflecting higher sales and strong cost control.
- **D'Ieteren Automotive**, boosted by the upturn in car production levels at the VW Group, market share gains, a positive price / mix effect and other mobility activities, posted a 42.1% growth in *adjusted* profit before tax, Group's share[1] to €143.2m. The Belgian new car market[2] was up by 34.8% YoY.
- **PHE**, consolidated since August 2022, contributed for €78.0m to the *adjusted* profit before tax, Group's share[1]. This solid contribution stems from positive top-line developments, including pricing initiatives to mitigate inflationary pressure, as well as profitability improvement in recently acquired entities.
- **TVH** recorded an *adjusted* profit before tax, Group's share[1] of €36.9m, down by -33.6% YoY, the decrease being essentially due to the effect of the cyberattack incurred on March 19th which led to a significant temporary interruption of activity.
- **Moleskine** was impacted by a more cautious inventory management by retail and online accounts, especially in the first quarter. Revenues for H1-23 declined by -6.0% YoY, while *adjusted* operating result[1] increased by 22.6% thanks to significant cost control initiatives. These were more than offset at the *adjusted* profit before tax, Group's share[1] level, which came in at -€4.6m in H1-23 due to higher non-cash financial charges related to the shareholder loan.
- **Corporate & Unallocated** (including corporate and real estate activities) reported an *adjusted* profit before tax, Group's share[1] of €8.6m compared to €5.0m in H1-22, largely thanks to financial income. The net cash position[3] of the segment at the end of June 2023 stands at €934.9m (€612.0m excluding inter-segment loans).
- **Free cash flow[6]** Group's share reached €186.1m, primarily driven by Belron and the sale of Mondial Pare-Brise at PHE, as well as positive operational developments, and despite a significant increase in working capital at D'Ieteren Automotive due to bottlenecks in delivering new cars to end-customers.

Note that 2022 figures have been restated. The **restatements** performed mainly include the following:

- The finalisation of the purchase price allocation of TVH in the second half of 2022, already reflected in the 2022 annual consolidated financial statements (see note 17 of the 2022 annual consolidated financial statements). The restatement on the 30 June 2022 consolidated statement of profit or loss is only related to the additional amortisation of customer contracts.
- The finalisation of the purchase price allocation of PHE in the first semester of 2023 (see note 13 of the interim financial statements for more information about the adjustments made to the provisional fair value of assets acquired and liabilities assumed at acquisition date).
- The correction of the accounting of post-employment benefits schemes in the D'Ieteren Automotive and Belron segments.
- The classification of share-based payment expenses and other long-term incentive plans as *adjusting* items[1] at D'Ieteren Automotive, Moleskine, TVH and Corporate & Unallocated segments.

Outlook 2023

Following a strong H1-23, D'Ieteren Group revises its guidance slightly upwards, now expecting its *adjusted* profit before tax, Group's share[1] **to be above €960m** including the additional interest costs linked to Belron's term loan issuance in April 2023. This upgrade takes into account a good operational performance of its businesses, as well as the reclassification of share-based payment expenses and other long-term incentive plans as *adjusting* items[1] at D'Ieteren Automotive, Moleskine, TVH, PHE and Corporate & Unallocated segments (€31.1m in H1-23 and c.€50m expected for the full-year).

It assumes average foreign exchange rates that are in line with the rates that prevailed at the end of H1-23 and a 50.01% stake in Belron.

The operational changes pertain to the following elements:

- At **Belron**, FY-23 margin should improve by more than 200bps compared to FY-22.
- **D'Ieteren Automotive** expects the Belgian market to record 480,000 new registrations in 2023, and D'Ieteren Automotive's volumes will remain high, though constrained by the capacity to deliver the vehicles. The inventory impact related to the bottlenecks in deliveries should persist until the first quarter 2024.
- **TVH**'s results will reflect a lower volume growth environment and a decline in operating profit margin for the full year.
- **Moleskine**, having experienced, especially in the first quarter and in the US, a cautious inventory management by retail and online accounts, expects to gradually recover in the coming quarters, leading to a low FY-23 sales growth.

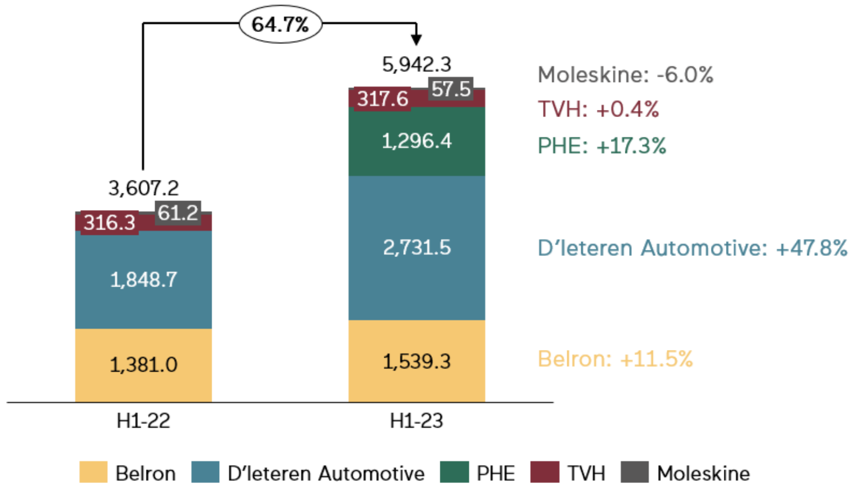
Key developments in H1-23

- In February 2023, PHE has closed the disposal of Mondial Pare-Brise.
- On April 7th, Belron has successfully allocated a new USD term loan of €800m equivalent which, together with c.€300m available liquidity, has been upstreamed to the shareholders of Belron.
- In May 2023, D'Ieteren Group has completed its solidarity-based share buyback programme of €150m which started on 4 September 2019. As a result, D'Ieteren Group acquired 1,593,621 own shares during the programme, of which 934,692 have been cancelled in May 2020 after the first phase of the programme, and 658,929 in May 2023 after the second phase. The solidarity-based share buy-back programme has generated €362,786 to be allocated to D'Ieteren Group's future philanthropic projects.
- Also in May 2023, D'Ieteren Group and other shareholders have bought additional shares in Belron from the Employee Benefits Trust. The new shareholding structure is as follows:
    - D'Ieteren Group: 50.3% (average economic interest for H1-23: 50.07%)
    - CD&R: 20.4%
    - H&F, GIC and BlackRock: 18.2%
    - Management & Atessa: 11.0%.
- After almost 8 years, Arnaud Laviolette is retiring as Group CFO as of 1 September 2023. Following his departure, Edouard Janssen is appointed Group CFO and Nicolas Saillez is appointed Group CIO (Chief Investment Officer). Together with Amélie Coens (Chief Legal Officer), they are joining Francis Deprez in the Group Executive Committee.
- D'Ieteren Group submitted its Science Based Target to SBTi and took part in the CDP 2023 assessment for the first time.

Group Summary

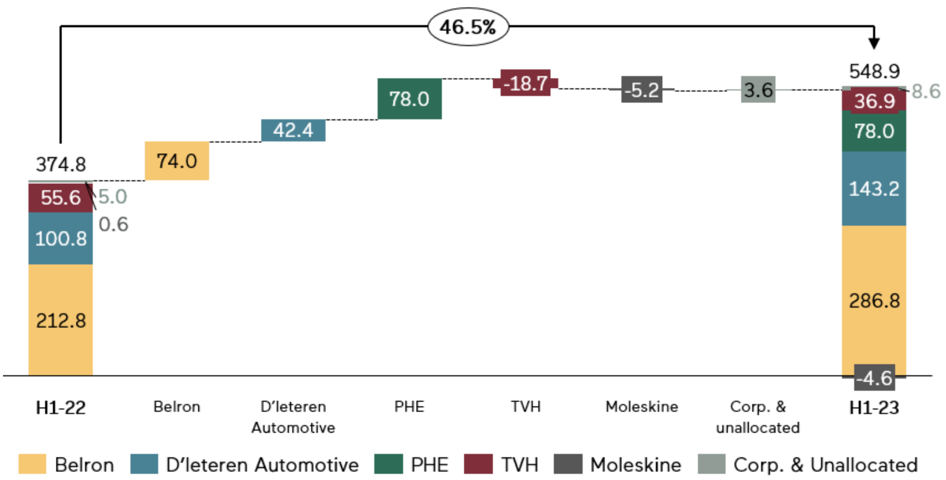
Consolidated sales under IFRS amounted to **€4,085.4m (+113.9% YoY)**. This figure excludes Belron and TVH and includes PHE at 100% for the full semester. **Sales, Group's share**[1] amounted to **€5,942.3m (+64.7% YoY)** with Belron at 50.07% for both periods.

Sales, Group's share[1] (€m)



The **consolidated profit before tax under IFRS** reached €351.6m (€205.1m in H1-22). The key performance indicator, the ***adjusted*** **consolidated profit before tax, Group's share**[1], amounted to €548.9m, an increase of 46.5% over H1-22 and of 25.6% excluding PHE (Belron at 50.07% for both periods).

Evolution of the *adjusted* consolidated profit before tax, Group's share[1] (€m)



The **Group's share in the net result** equalled €285.9m (€180.3m in H1-22). **The *adjusted* net profit, Group's share**[1]**,** reached €381.4m (50.07% stake in Belron) compared to €273.5m (50.01% stake in Belron) in H1-22.

The net cash position[3] **of "Corporate & Unallocated"** amounted to **€934.9m** at the end of June 2023 (€612.0m excluding inter-segment loans) compared to €634.9m at the end of December 2022 and €1,001.0m at the end of June 2022.

Belron

€m	H1-2022 APM (non-GAAP measures)[1] Adjusted items	Adjusting items	Total	H1-2023 APM (non-GAAP measures)[1] Adjusted items	Adjusting items	Total	% change adjusted items	% change total
VGRR prime jobs (in million)	-	-	6.6	-	-	6.7	-	*1.5%*
External sales	*2,758.1*	-	2,758.1	*3,074.3*	-	3,074.3	*11.5%*	*11.5%*
Operating result	*495.9*	*-52.6*	443.3	*673.3*	*-82.4*	590.9	*35.8%*	*33.3%*
Net finance costs	*-71.0*	*-125.5*	-196.5	*-100.8*	*-2.2*	-103.0	*42.0%*	*-47.6%*
Result before tax (PBT)	*425.1*	*-178.1*	247.0	*572.8*	*-84.6*	488.2	*34.7%*	*97.7%*
Adjusted PBT, group's share[1] (@ 50.07%)	*212.8*	-	-	*286.8*	-	-	*34.8%*	-

Sales

Belron's total sales (at 100%) **increased by 11.5%** to €3,074.3m in H1-23. While total prime jobs increased by 1.5% YoY, Belron benefited from positive price / mix, increased recalibration revenues (penetration rate of 35.2%) and increased sales from value-added products and services (VAPS) (attachment rate of 22.2%).

The increase in sales is comprised of 10.1% organic[5] growth, contribution from acquisitions of 1.9% and a negative currency effect of -0.5%.

Organic growth[5] **in North America** (59% of total) was at 7.1%. The **Eurozone** (28% of total) showed a 12.3% organic[5] growth and it was 18.8% in the **Rest of World** (13% of total).

Results

The **operating result** (at 100%) for the half year increased by 33.3% YoY to €590.9m and the ***adjusted* operating result**[1] improved by 35.8% to €673.3m. This reflects higher sales and strong cost control. The group-wide **transformation programme** is making satisfactory progress and incurred costs of €66.3m for the half year of which €28.8m of *adjusting* items[1] related to system integrators fees (H1-22: €56.7m costs of which €20.2m in *adjusting* items[1]).

***Adjusted* operating result[1] margin** improvement from 18.0% in H1-22 to 21.9% in H1-23. This mainly reflects higher sales and strong cost control. In addition, the Group benefited from steps taken to address inflationary pressures, the impact of this is expected to be less pronounced during the second half of 2023. In the second half of the year the Group intends to invest in building further capacity for the future.

***Adjusting* items**[1] at the level of the operating result totalled -€82.4m of which -€28.8m of fees to system integrators (see details in the APMs section).

The **profit before tax** reached €488.2m in H1-23 (€247.0m in H1-22).

The ***adjusted* profit before tax, Group's share**[1] increased by 34.8% YoY to €286.8m on a comparable basis (assuming 50.07% stake in H1-23 and H1-22).

Net debt and free cash flow

The **free cash flow**[6] (after tax) amounted to €409.0m (€199.2m in H1-22). The strong increase in free cash flow[6] generation versus last year of €209.8m is largely explained by the better operational performance, as well as a strong improvement in working capital and a lower cash outflow from *adjusting* items[1]. These effects were partially offset by higher cash interest paid (due to the new debt issuance and higher interest rates) and higher taxes paid.

Belron's **net financial debt**[3] reached €4,537.0m (100%) at the end of June 2023 compared to €4,020.1m at the end of December 2022. The increase of €516.9m is mainly explained by the dividend paid to Belron's shareholders (€1,091.3m, of which €572.9m to D'Ieteren Group) following April 2023 new debt issuance, partially compensated by the €409.0m free cash flow generation in H1-23.

Belron's Senior Secured Net Leverage Ratio (Senior Secured indebtedess[3]/proforma EBITDA post-IFRS 16[4] multiple) reached 3.03x at the end of June 2023 compared to 2.95x at the end of December 2022.

Sustainability

Belron reached 96% vehicle glass waste recycling, up from 89% in FY-22, driven by strong progress in the US and stable performance by nearly all businesses around the world.

Regarding its recently submitted plan to SBTi, as Belron's global fleet of c. 11,000 vehicles represents the largest part of its direct emissions (scope 1) and against its ambition to reduce its fleet emissions by at least two thirds by 2030, the company began the rollout of EVs in France where it is on track to have a 100% EV technician fleet by year end. It also introduced EVs in the US and UK as part of on-going trials.

Belron deployed a new renewable energy strategy and plan. Since the beginning of the year, 5 additional countries are now sourcing renewable electricity.

D'Ieteren Automotive

€m	H1-2022 APM (non-GAAP measures)[1] Adjusted items	H1-2022 APM (non-GAAP measures)[1] Adjusting items	H1-2022 Total	H1-2023 APM (non-GAAP measures)[1] Adjusted items	H1-2023 APM (non-GAAP measures)[1] Adjusting items	H1-2023 Total	% change adjusted items	% change total
New vehicles delivered (in units)	-	-	46,902	-	-	66,362	-	41.5%
External sales	1,848.7	-	1,848.7	2,731.5	-	2,731.5	47.8%	47.8%
Operating result	96.7	-7.7	89.0	146.6	-8.2	138.4	51.6%	55.5%
Net finance costs	-1.2	10.2	9.0	-6.3	-	-6.3	-	-
Result before tax (PBT)	98.7	2.5	101.2	141.5	-8.2	133.3	43.4%	31.7%
Adjusted PBT, group's share[1]	100.8	-	-	143.2	-	-	42.1%	-

Market and deliveries

The Belgian new car market significantly rebounded following a period of shortage of vehicle components production. Excluding de-registrations within 30 days[2], the number of Belgian **new car registrations** increased by 34.8% YoY in the first half of 2023 to 259,088 units. The **business segment**'s share in new car sales increased further to 66.7% of total new car registrations (including self-employed). **New energy** share in the market mix continued to increase as well from 32.4% in H1-22 to 44.1% in H1-23. D'Ieteren Automotive remains the leader in full electric vehicles in Belgium with a 27.8% market share. The first half 2023 was positively impacted by the change in fiscal regulation for hybrid vehicles as from July 1st 2023.

D'Ieteren Automotive's overall **net market share** increased by 61bps to 22.9%. This was mainly driven by VW, Cupra and Skoda.

The total number of **new vehicles**, including commercial vehicles, delivered by D'Ieteren Automotive in H1-23 reached 66,362 units (+41.5%). The order book at end-June 2023 remains high, above 90,000 vehicles.

Sales

In this context, D'Ieteren Automotive's **sales** increased by 47.8% to €2,731.5m supported mainly by volumes, as well as price / mix and other mobility services:

- New vehicles sales increased by 49.1% to €2,233.6m
- Used cars sales gained 40.1% YoY, reaching €219.9m
- Spare parts and accessories sales gained 13.0%, reaching €159.4m
- Revenues from after-sales activities amounted to €35.9m (+31.5% YoY)
- Other revenues from new or developing activities related to mobility more than tripled YoY to €82.7m.

Results

The **operating result** reached €138.4m (+55.5% YoY) and the ***adjusted* operating result**[1] (€146.6m) increased by 51.6% leading to a record margin of 5.4%. This evolution was largely driven by the sales trends.

***Adjusting* items**[1] in operating result were at -€8.2m, primarily related to the cash-settled share-based payment expense recognised as part of the Long-Term Incentive Plan (LTIP) put in place in April 2021 amounting to -€7.3m (-€7.7m in the prior period, as restated to classify the share-based payment and long-term incentive program expenses of the Group as *adjusting* items[1]) (see details in the APMs section).

The **profit before tax** reached €133.3m (+31.7%) or €141.5m (+43.4%) excluding *adjusting* items[1].

The ***adjusted* profit before tax, Group's share**[1], improved by 42.1% to €143.2m. The contribution of the equity accounted entities amounted to €2.4m (€5.1m in H1-22).

Net debt and free cash flow

The **free cash flow**[6] (after tax) equalled -€21.2m in H1-23 compared to €122.9m in H1-22. The decline YoY mainly reflects:

- a significant cash outflow from working capital, driven by a sharp increase in inventory as the deliveries from the factories accelerated, with vehicles being delivered even earlier than when customers need them, and some bottlenecks due to logistic issues, while H1-22 saw a significant inflow in working capital due to receivables and inventories at very low levels and;
- an increase in capital expenditures mainly related to Poppy's fleet;
- an increase in cash taxes due to the strong operating results; and
- an increase in acquisitions spend (mainly Jennes and several acquisitions at Lucien).

These elements were partly compensated for by a better operational performance and lower cash outflow from *adjusting* items[1].

The situation on the inventory side explained above should persist until Q1-24.

D'Ieteren Automotive's **net financial debt**[3] increased from €210.8m at the end 2022 to €310.5m at the end of June 2023. This is mainly due to the working capital impact of inventories on free cash flow. D'Ieteren Automotive's leverage ratio net debt[3] / LTM *adjusted*[1] EBITDA[4] was at 1.4x at the end of June 2023.

Sustainability

D'Ieteren Automotive has launched a strategic plan in line with its ESG ambitions, called Project ZERO. This plan, which is in line with the SBTi guidelines, aims to reduce the company's (incl. subsidiaries) CO_2 emissions (scopes 1,2,3) by 50% by 2030, in order to achieve Net Zero by 2050 at the latest. It sets out the key elements on which to build to achieve this, namely the mass electrification of vehicles sold, investment in low-carbon mobility activities and increasing the life cycle of low-polluting vehicles. Among other developments, D'Ieteren Automotive continued to invest in soft mobility with the expansion of Lucien and the purchase of 7 shops across Belgium.

PHE

NB: The figures presented below represent D'Ieteren Group's PHE segment, composed of PHE operating company and PHE's holding company.

€m	H1-2023		
	APM (non-GAAP measures)[1]		
	Adjusted items	Adjusting items	Total
External sales	1,296.4	-	1,296.4
Operating result	123.8	-35.3	88.5
Net finance costs	-41.7	0.7	-41.0
Result before tax (PBT)	82.2	-34.6	47.6
Adjusted PBT, group's share[1]	78.0	-	-

Sales

PHE's H1-23 **total sales** (at 100%), excluding Mondial Pare-Brise, were at €1,296.4m (+17.3% versus H1-22). This strong performance comprises a 12.2% organic growth and 5.1% from acquisitions.

France (65.3% of total) showed a 12.1% organic growth[4] and international activities' (34.7% of total) organic growth was 12.4%, highlighting a strong level of activity and market share gains in a context of high but gradually declining pricing impact.

Results

Operating result for H1-23 stood at €88.5m. The ***adjusted* operating result**[1] came in at €123.8m, representing a strong *adjusted* operating margin[1] of 9.5%. This performance is resulting from the positive top-line developments, profitability improvement in recently acquired entities, as well as cost containment initiatives in the context of inflationary pressure (energy, personnel).

***Adjusting* items**[1] were at -€35.3m at the operating result level (see details in the APMs section), primarily reflecting the amortisation of customer relationships recognised as intangibles (-€12.9m) following the purchase price allocation finalised by the Group and the cash-settled share-based payment expense of -€17.8m.

The **profit before tax** reached €47.6m and the ***adjusted* profit before tax, Group's share**[1] amounted to €78.0m.

Net debt and free cash flow

Free cash flow[6] for PHE segment after acquisitions and the disposal of Mondial Pare-Brise was at €17.7m, driven by strong operational results and €92.1m proceeds from the disposal of Mondial Pare-Brise partly offset by:

- a working capital outflow primarily related to PHE's decision to contain finance costs by decreasing significantly non-recourse factoring (impact on working capital of -€103.8m);
- capital expenditures of -€22.5m (1.7% of sales);
- cash interests paid of -€40.3m; and
- -€11.8m of cash taxes.

PHE's stand-alone free cash flow (as per PHE definition) was at €40.4m.

Net financial debt[3] according to D'Ieteren Group's definition amounts to €1,203.0m at the end of June 2023, compared to €1,231.8m at the end of December 2022. This decrease is mainly attributable to the proceeds from the disposal of Mondial Pare-Brise (€92.1m, net of cash disposed of) and strong operational results, partially compensated by the working capital outflow in H1-23. This definition does not include the put options granted to non-controlling shareholders holding minority interests in some of PHE's direct and indirect subsidiaries and the put options granted to minority investors (including management and several partners and independent distributors), who invested alongside D'Ieteren Group in the holding company of PHE, up to a combined ownership of c.9%. The leverage ratio net financial debt[3] / EBITDA[4] (post-IFRS 16), according to lenders' definition, was 3.7x at the end of June 2023, down from 4.0x at the end of 2022.

Sustainability

PHE has launched the double materiality assessment with the help of an external advisor, which will enable the company to identify the key ESG focus areas to be addressed as part of its new integrated sustainability strategy.

TVH

€m	H1-2022 APM (non-GAAP measures)[1] Adjusted items	H1-2022 Adjusting items	H1-2022 Total	H1-2023 APM (non-GAAP measures)[1] Adjusted items	H1-2023 Adjusting items	H1-2023 Total	% change adjusted items	% change total
External sales	*790.8*	-	790.8	*794.0*	-	794.0	*0.4%*	*0.4%*
Operating result	*143.9*	-38.3	105.6	*106.1*	-53.3	52.8	*-26.3%*	*-50.0%*
Net finance costs	*-4.9*	3.9	-1.0	*-13.9*	-6.1	-20.0	-	-
Result before tax (PBT)	*139.0*	-34.4	104.6	*92.2*	-59.4	32.8	*-33.7%*	*-68.6%*
Adjusted PBT, group's share[1]	*55.6*	-	-	*36.9*	-	-	*-33.6%*	-

Sales

TVH posted **total sales** (at 100%) of €794.0m in H1-23, which represents a 0.4% YoY growth, of which 0.5% organic[4], 1.2% external and -1.3% related to a negative currency translation impact. Sales growth was largely impacted by the cyberattack, which prevented most systems from working between March 19th and April 5th. Systems became progressively operational since April 5th and were fully restored by April 17th thanks to significant efforts and energy from the teams. While activity was strong prior to the attack and is normalizing, the one-off sales loss due to the attack is estimated at c.€85m. Sales were also impacted by €10.8m of lost sales from the CIS region.

Results

Operating result (at 100%) stood at €52.8m, and ***adjusted* operating result**[1] at €106.1m (-26.3% YoY), representing an *adjusted* operating margin[1] of 13.4%, mainly reflecting the impact of the cyberattack and personnel and SG&A increases.

There were c.€20m total costs related to the IT and business transformation programme Innovatis, primarily related to various new software solutions that are being implemented. €8.0m of these costs relate to system integrators fees and were reported as *adjusting* items[1].

***Adjusting* items**[1] at the operating result level totalled -€53.3m (see details in the APMs section), primarily related to the purchase price allocation finalised in the second half of 2022. It also notably includes the -€8.0m of fees to system integrators from the Innovatis programme as stated above.

The **profit before tax** reached €32.8m in H1-23 and the ***adjusted* profit before tax, Group's share**[1] amounted to €36.9m, down by -33.6% compared to the same period last year.

Net debt and free cash flow

Free cash flow[6] generation improved compared to the same period last year, at -€18.7m versus -€43.2m. This evolution was mainly driven by a significantly lower outflow from working capital as last year's inventories were increased voluntarily to cope with supply chain issues and allow for continued strong growth. The improvement was further driven by lower spending on acquisitions and less taxes paid. These elements were offset by higher capital expenditures, namely related to growth investments such as the Innovatis programme and warehouse automation projects.

TVH **net financial debt**[3] (100%) slightly increased to €907.2m at the end of June 2023 from €900.1m at the end of 2022 (including the shareholder loans of which €40.6m inter-segment loan from D'Ieteren Group's Corporate & Unallocated segment). The leverage ratio net financial debt[3] / LTM *adjusted*[1] EBITDA[4] stands at 3.1x (excluding shareholder loan) due to the EBITDA[4] impact of the cyberattack.

Sustainability

Alongside the other workstreams in its sustainability roadmap, TVH pursued its decarbonization trajectory by increasing the production of renewable energy. New solar panels enabled the company to add 270 kW to its peak power capacity of 5500kW in H1, with the aim of adding 1500 kW by the end of the year.

With regards to people safety, a single global dashboard was set up to collect all data on occupational accidents and their impacts in all plants worldwide.

Moleskine

€m	H1-2022			H1-2023			% change adjusted items	% change total
	APM (non-GAAP measures)[1]			APM (non-GAAP measures)[1]				
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total		
External sales	*61.2*	-	61.2	*57.5*	-	57.5	*-6.0%*	*-6.0%*
Operating result	*5.3*	*-1.6*	3.7	*6.5*	*-1.2*	5.3	*22.6%*	*43.2%*
Net finance costs	*-4.7*	-	-4.7	*-11.1*	-	-11.1	-	-
Result before tax (PBT)	*0.6*	*-1.6*	-1.0	*-4.6*	*-1.2*	-5.8	-	-
Adjusted PBT, group's share[1]	*0.6*	-	-	*-4.6*	-	-	-	-

Sales

Moleskine's **sales** declined by -6.0% YoY in H1-23 to €57.5m. The organic[4] decline of -6.2% was slightly compensated by a 0.2% positive currency impact.

Sales evolution by region:

- **EMEA** (44% of total): posted 0.8% YoY growth, primarily due to a strong performance in retail, a positive growth in wholesale with some big orders from key accounts, offset by declines in the other channels.
- **Americas** (43% of total): declined by -12.3% YoY, still impacted in wholesale by cautious inventory management, while direct channels posted a strong YoY performance.
- **APAC** (10% of total): declined by -3.3% YoY. Retail nicely rebounded versus last year. This was offset by a negative trend in the other channels.

Results

Operating result increased from €3.7m in H1-22 to €5.3m in H1-23. *Adjusted* operating result[1] stood at €6.5m, increasing by 22.6% despite the negative sales evolution thanks to a strong focus on costs.

Adjusting items[1] at the operating result level amounted to -€1.2m in H1-23 (see more details in the APMs section).

Adjusted operating margin[1] stood at 11.3% compared to 8.7% in H1-22.

The **profit before tax** amounted to -€5.8m from -€1.0m and the ***adjusted* profit before tax, Group's share**[1] stood at -€4.6m, down from €0.6m in H1-22 as a result of higher non-cash financial charges related to the shareholder loan.

Net debt and free cash flow

Free cash flow[6] increased versus H1-22, at €5.9m (€2.9m in H1-22), reflecting primarily the improvement in working capital requirements and a better *adjusted*[1] EBITDA[4].

Moleskine's net financial debt[3] stayed broadly stable in H1-23 compared to the end of 2022, at €278.5m (of which €282.3m of inter-segment financing), as the capitalized interests related to the inter-segment financing were compensated by the positive free cash flow generation. Excluding the inter-segment loan, Moleskine is now in a net financial cash[3] position.

Sustainability

Moleskine's carbon emission reduction target - to reduce its direct emissions by 42% by 2030 - was approved by the Science Based Target initiative.

Corporate and unallocated

€m	H1-2022 APM (non-GAAP measures)[1] Adjusted items	H1-2022 Adjusting items	H1-2022 Total	H1-2023 APM (non-GAAP measures)[1] Adjusted items	H1-2023 Adjusting items	H1-2023 Total	% change adjusted items	% change total
Operating result	-1.2	-3.3	-4.5	-5.1	-3.0	-8.1	-	-
Net finance costs	6.2	-	6.2	13.7	-	13.7	121.0%	121.0%
Result before tax (PBT)	5.0	-3.3	1.7	8.6	-3.0	5.6	72.0%	229.4%
Adjusted PBT, group's share[1]	5.0	-	-	8.6	-	-	72.0%	-

Results

The segment "Corporate and Unallocated" mainly includes the Corporate and Real Estate activities (D'Ieteren Immo S.A.). The ***adjusted* operating result**[1] declined to -€5.1m versus -€1.2m in H1-22. This is primarily due to higher expert fees (the expert fees related to PHE's acquisition were reported as *adjusting* items[1] in H1-22). The H1-23 reported operating result includes -€3.0m of *adjusting* items[1] relating to the equity-settled share based payment scheme (-€1.9m in the prior period, as restated to classify the share based payment and long-term incentive programme expenses of the Group as *adjusting* items[1] - see details in the APMs section).

Net finance income evolution was mainly due to inter-segment financing interests.

***Adjusted* profit before tax, Group's share**[1] reached €8.6m (€5.0m in H1-22) thanks to the improvement in financial income.

Net cash

The **net cash**[3] position of "Corporate & Unallocated", which includes Corporate, increased to €934.9m at the end of June 2023 (€612.0m excluding inter-segment loans) compared to €634.9m at the end of December 2022 (€322.0m excluding inter-segment loans), primarily resulting from the dividend received from the Belron segment (€572.9m), partially compensated by the dividend paid out to the shareholders of D'Ieteren Group in June 2023 (-€160.7m), the acquisition of treasury shares (-€58.6m) and the acquisition in May 2023 of additional Belron's shares (-€50.0m, previously held by the Employee Benefits Trust).

Notes

[1] *In order to better reflect its underlying performance and assist investors in gaining a better understanding of its financial performance, D'Ieteren Group uses Alternative Performance Measures ("APMs"). These APMs are non-GAAP measures, i.e. their definitions are not addressed by IFRS. D'Ieteren Group does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures. Refer to the APMs section for the definition of these performance indicators.*

[2] *In order to provide an accurate picture of the car market, Febiac publishes market figures excluding registrations that have been cancelled within 30 days. Most of them relate to vehicles that are unlikely to have been put into circulation in Belgium by the end customer.*

[3] *The net financial debt is not an IFRS indicator. D'Ieteren Group uses this Alternative Performance Measure to reflect its indebtedness. This non-GAAP indicator is defined as the sum of the borrowings minus cash, cash equivalents and investments in non-current and current financial assets. Refer to the APMs section.*

[4] *EBITDA is not an IFRS indicator. This APM (non-GAAP indicator) is defined as earnings before interest, taxes, depreciation and amortization. Since the method for calculating the EBITDA is not governed by IFRS, the method applied by the Group may not be the same as that adopted by others and therefore may not be comparable.*

[5] *"Organic growth" is an Alternative Performance Measure used by the Group to measure the evolution of revenue between two consecutive periods, at constant currency and excluding the impact of change in perimeter of consolidation or business acquisitions.*

[6] *Free cash flow is not an IFRS indicator. This APM measure is defined as [Adjusted EBITDA +/- other non-cash items – change in working capital – capital expenditures – capital paid on lease liabilities – taxes paid – net interest paid – acquisitions + disposals – employee share plans – cash-flow from adjusting items +/- other cash items]*

[7] *D'Ieteren Group measures three non-financial dimensions throughout its businesses, namely customer satisfaction, employee engagement and CO_2 emissions.*

Appendix

Alternative Performance Measurement (APM) – Non-Gaap Measurement

Framework and definitions

In order to better reflect its underlying performance and assist investors, securities analysts and other interested parties in gaining a better understanding of its financial performance, the Group uses Alternative Performance Measures ("APMs"). These alternative performance metrics are used internally for analysing the Group's results as well as its business units.

These APMs are non-GAAP measures, i.e. their definition is not addressed by IFRS. They are derived from the audited IFRS accounts. The APMs may not be comparable to similarly titled measures of other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Group's performance or liquidity under IFRS. The Group does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures.

Each line of the statement of profit or loss (see below), and each subtotal of the segment statement of profit or loss (see below), is broken down in order to provide information on the *adjusted* result and on the *adjusting* items.

The *adjusting* items are identified by the Group in order to present comparable figures, giving to the investors a better view on the way the Group is measuring and managing its financial performance. They comprise the following items, but are not limited to:

(a) Recognised fair value gains and losses on financial instruments (i.e. change in fair value between the opening and the end of the period, excluding the accrued cash flows of the derivatives that occurred during the period), where hedge accounting may not be applied under IAS 39/IFRS 9 (in this case recognised fair value gains and losses being directly accounted for in the Consolidated Statement of Comprehensive Income);

(b) Exchange gains and losses arising upon the translation of foreign currency loans and borrowings at the closing rate;

(c) Impairment of goodwill and other non-current assets;

(d) Amortisation of intangible assets with finite useful lives recognised in the framework of the allocation as defined by IFRS 3 of the cost of a business combination;

(e) Share-based payment and long-term incentive program expenses;

(f) Other material items that derive from events or transactions that fall within the ordinary activities of the Group, and which individually or, if of a similar type, in aggregate, are separately disclosed by virtue of their size or incidence.

Adjusted result consists of the IFRS reported result, excluding *adjusting* items as listed above.

The Group uses as key performance indicator the *adjusted* consolidated result before tax, Group's share (*Adjusted* PBT, Group's share). This APM consists of the segment reported result before tax (PBT), taking into account the result before tax of the discontinued operations, and excluding *adjusting* items and the share of minority shareholders.

Presentation of the APMs in the consolidated statement of profit or loss for the 6-month period ended 30 June

€m	2023			2022(1)		
	Total	*Of which*		**Total**	*Of which*	
		Adjusted result	*Adjusting items*		*Adjusted result*	*Adjusting items*
Revenue	**4,085.4**	*4,085.4*	-	**1,909.9**	*1,909.9*	-
Cost of sales	-3,157.2	*-3,157.2*	-	-1,613.4	*-1,613.4*	-
Gross margin	**928.2**	*928.2*	-	**296.5**	*296.5*	-
Commercial and administrative expenses	-715.5	*-668.0*	*-47.5*	-216.2	*-200.9*	*-15.3*
Other operating income	28.2	*28.2*	-	10.2	*7.5*	*2.7*
Other operating expenses	-16.8	*-16.6*	*-0.2*	-2.3	*-2.3*	-
Operating result	**224.1**	*271.8*	*-47.7*	**88.2**	*100.8*	*-12.6*
Net finance costs	-44.7	*-45.4*	*0.7*	10.5	*0.3*	*10.2*
Finance income	6.8	*5.6*	*1.2*	13.6	*3.4*	*10.2*
Finance costs	-51.5	*-51.0*	*-0.5*	-3.1	*-3.1*	-
Share of result of equity-accounted investees, net of income tax	172.2	*223.5*	*-51.3*	106.4	*199.5*	*-93.1*
Result before tax	**351.6**	*449.9*	*-98.3*	**205.1**	*300.6*	*-95.5*
Income tax expense	-63.4	*-66.2*	*2.8*	-25.0	*-27.3*	*2.3*
Result from continuing operations	**288.2**	*383.7*	*-95.5*	**180.1**	*273.3*	*-93.2*
Discontinued operations	-	-	-	-	-	-
RESULT FOR THE PERIOD	**288.2**	*383.7*	*-95.5*	**180.1**	*273.3*	*-93.2*
Result attributable to:						
Equity holders of the Company	**285.9**	*381.4*	*-95.5*	**180.3**	*273.5*	*-93.2*
Non-controlling interests	2.3	*2.3*	-	-0.2	*-0.2*	-
Earnings per share						
Basic (€)	5.33	*7.11*	*-1.78*	3.34	*5.06*	*-1.72*
Diluted (€)	5.29	*7.05*	*-1.76*	3.30	*5.01*	*-1.71*
Earnings per share - Continuing operations						
Basic (€)	5.33	*7.11*	*-1.78*	3.34	*5.06*	*-1.72*
Diluted (€)	5.29	*7.05*	*-1.76*	3.30	*5.01*	*-1.71*

(1) As restated – Refer to note 1 of the 2023 condensed consolidated financial statements for more information on the restatement of comparative information.

Presentation of APMs in the segment statement of profit or loss for the 6-month period ended 30 June

The Group's reportable operating segments are D'Ieteren Automotive, Belron, Moleskine, TVH and PHE (as from 4th August 2022 – including the holding company of the PHE Group). The other segments are disclosed in the category "Corporate & Unallocated" (D'Ieteren Group, corporate and real estate activities). These operating segments are consistent with the Group's organisational and internal reporting structure, and with the requirements of IFRS 8 "Operating Segments".

Despite their classification as equity-accounted investees, Belron and TVH remain separate reportable operating segments, reflecting the Group's internal reporting structure.

€m	**2023**							
	D'Ieteren Automotive	**Belron (100%)**	**Moleskine**	**TVH (100%)**	**PHE**	**Corp. & unallocated**	**Eliminations**	**Group**
External revenue	2,731.5	3,074.3	57.5	794.0	1,296.4	-	-3,868.3	4,085.4
Inter-segment revenue	-	-	-	-	-	-	-	-
Segment revenue	**2,731.5**	**3,074.3**	**57.5**	**794.0**	**1,296.4**	**-**	**-3,868.3**	**4,085.4**
Operating result (being segment result)	**138.4**	**590.9**	**5.3**	**52.8**	**88.5**	**-8.1**	**-643.7**	**224.1**
Of which Adjusted result	*146.6*	*673.3*	*6.5*	*106.1*	*123.8*	*-5.1*	*-779.4*	*271.8*
Adjusting items	*-8.2*	*-82.4*	*-1.2*	*-53.3*	*-35.3*	*-3.0*	*135.7*	*-47.7*
Net finance costs	-6.3	-103.0	-11.1	-20.0	-41.0	13.7	123.0	-44.7
Finance income	0.6	9.6	0.1	4.6	1.9	3.1	-13.1	6.8
Finance costs	-6.9	-112.6	-1.2	-23.5	-42.9	-0.5	136.1	-51.5
Inter-segment financing interest	-	-	-10.0	-1.1	-	11.1	-	-
Share of result of equity-accounted investees, net of income tax	1.2	0.3	-	-	0.1	-	170.6	172.2
Result before tax	**133.3**	**488.2**	**-5.8**	**32.8**	**47.6**	**5.6**	**-350.1**	**351.6**
Of which Adjusted result	*141.5*	*572.8*	*-4.6*	*92.2*	*82.2*	*8.6*	*-442.8*	*449.9*
Adjusting items	*-8.2*	*-84.6*	*-1.2*	*-59.4*	*-34.6*	*-3.0*	*92.7*	*-98.3*
Income tax expense	-41.0	-163.9	-0.2	-11.5	-19.3	-2.9	175.4	-63.4
Result from continuing operations	**92.3**	**324.3**	**-6.0**	**21.3**	**28.3**	**2.7**	**-174.7**	**288.2**
Of which Adjusted result	*101.8*	*387.8*	*-4.8*	*70.0*	*58.9*	*5.6*	*-235.6*	*383.7*
Adjusting items	*-9.5*	*-63.5*	*-1.2*	*-48.7*	*-30.6*	*-2.9*	*60.9*	*-95.5*
Discontinued operations	-	-	-	-	-	-	-	-
RESULT FOR THE PERIOD	**92.3**	**324.3**	**-6.0**	**21.3**	**28.3**	**2.7**	**-174.7**	**288.2**

Attributable to:	**D'Ieteren Automotive**	**Belron(*)**	**Moleskine**	**TVH(*)**	**PHE**	**Corp. & unallocated**		**Group**
Equity holders of the Company(*)	**92.8**	**162.4**	**-6.0**	**8.5**	**25.5**	**2.7**		**285.9**
Of which Adjusted result	*102.3*	*194.2*	*-4.8*	*28.0*	*56.1*	*5.6*		*381.4*
Adjusting items	*-9.5*	*-31.8*	*-1.2*	*-19.5*	*-30.6*	*-2.9*		*-95.5*
Non-controlling interests	-0.5	-	-	-	2.8	-		2.3
RESULT FOR THE PERIOD	**92.3**	**162.4**	**-6.0**	**8.5**	**28.3**	**2.7**		**288.2**

(*) Belron at 50.07% (weighted average economic percentage for the period) and TVH at 40.00% – see note 10 of the 2023 condensed consolidated financial statements.

Presentation of APMs in the segment statement of profit or loss for the 6-month period ended 30 June (continued)

€m	2022[1]						
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	Corp. & unallocated	Eliminations	Group
External revenue	1,848.7	2,758.1	61.2	790.8	-	-3,548.9	1,909.9
Inter-segment revenue	-	-	-	-	-	-	-
Segment revenue	**1,848.7**	**2,758.1**	**61.2**	**790.8**	**-**	**-3,548.9**	**1,909.9**
Operating result (being segment result)	**89.0**	**443.3**	**3.7**	**105.6**	**-4.5**	**-548.9**	**88.2**
Of which *Adjusted result*	*96.7*	*495.9*	*5.3*	*143.9*	*-1.2*	*-639.8*	*100.8*
Adjusting items	*-7.7*	*-52.6*	*-1.6*	*-38.3*	*-3.3*	*90.9*	*-12.6*
Net finance costs	9.0	-196.5	-4.7	-1.0	6.2	197.5	10.5
Finance income	10.6	5.7	1.7	13.3	1.3	-19.0	13.6
Finance costs	-1.6	-202.2	-1.1	-13.2	-1.5	216.5	-3.1
Inter-segment financing interest	-	-	-5.3	-1.1	6.4	-	-
Share of result of equity-accounted investees, net of income tax	3.2	0.2	-	-	-	103.0	106.4
Result before tax	**101.2**	**247.0**	**-1.0**	**104.6**	**1.7**	**-248.4**	**205.1**
Of which *Adjusted result*	*98.7*	*425.1*	*0.6*	*139.0*	*5.0*	*-367.8*	*300.6*
Adjusting items	*2.5*	*-178.1*	*-1.6*	*-34.4*	*-3.3*	*119.4*	*-95.5*
Income tax expense	-23.7	-104.2	-	-25.2	-1.3	129.4	-25.0
Result from continuing operations	**77.5**	**142.8**	**-1.0**	**79.4**	**0.4**	**-119.0**	**180.1**
Of which *Adjusted result*	*73.1*	*308.9*	*0.6*	*104.4*	*3.3*	*-217.0*	*273.3*
Adjusting items	*4.4*	*-166.1*	*-1.6*	*-25.0*	*-2.9*	*98.0*	*-93.2*
Discontinued operations	-	-	-	-	-	-	-
RESULT FOR THE PERIOD	**77.5**	**142.8**	**-1.0**	**79.4**	**0.4**	**-119.0**	**180.1**

Attributable to:	D'Ieteren Automotive	Belron(*)	Moleskine	TVH(*)	Corp. & unallocated	Group
Equity holders of the Company(*)	**77.7**	**71.4**	**-1.0**	**31.8**	**0.4**	**180.3**
Of which *Adjusted result*	*73.3*	*154.5*	*0.6*	*41.8*	*3.3*	*273.5*
Adjusting items	*4.4*	*-83.1*	*-1.6*	*-10.0*	*-2.9*	*-93.2*
Non-controlling interests	-0.2	-	-	-	-	-0.2
RESULT FOR THE PERIOD	**77.5**	**71.4**	**-1.0**	**31.8**	**0.4**	**180.1**

(1) As restated – Refer to note 1 of the 2023 condensed consolidated financial statements for more information on the restatement of comparative information.

(*) Belron at 50.01% and TVH at 40% – see note 10 of the 2023 condensed consolidated financial statements.

In both periods, the columns "Eliminations" reconcile the segment statement of profit or loss (with the 6-month results of Belron and TVH presented on all lines under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net results of Belron and TVH presented in the line "share of result of equity-accounted investees, net of income tax", representing the share of the Group in the 6-month net results of Belron and TVH).

Explanations and details of the figures presented as *adjusting* items

€m	2023						
	D'Ieteren Automotive	**Belron (100%)**	**Moleskine**	**TVH (100%)**	**PHE**	**Corp. & unallocated**	**Total (segment)***
Adjusting items							
Included in operating result	**-8.2**	**-82.4**	**-1.2**	**-53.3**	**-35.3**	**-3.0**	**-183.4**
Re-measurements of financial instruments	*-*	*0.1 (d)*	*-*	*-*	*-*	*-*	*0.1*
Amortisation of customer contracts	*-*	*-18.0 (e)*	*-*	*-22.3 (k)*	*-14.1 (o)*	*-*	*-54.4*
Amortisation of brands with finite useful life	*-*	*-1.6 (f)*	*-*	*-*	*-*	*-*	*-1.6*
Amortisation of other intangibles with finite useful life	*-*	*-*	*-*	*-15.3 (k)*	*-*	*-*	*-15.3*
Share-based payment and long-term incentive program expenses	*-7.3 (a)*	*-18.6 (g)*	*-1.2 (j)*	*-1.8 (l)*	*-17.8 (p)*	*-3.0 (s)*	*-49.7*
Other adjusting items	*-0.9 (b)*	*-44.3 (h)*	*-*	*-13.9 (m)*	*-3.4 (q)*	*-*	*-62.5*
Included in net finance costs	**-**	**-2.2**	**-**	**-6.1**	**0.7**	**-**	**-7.6**
Re-measurements of financial instruments	*-*	*-*	*-*	*0.1 (n)*	*1.2 (r)*	*-*	*1.3*
Other adjusting items	*-*	*-2.2 (i)*	*-*	*-6.2 (m)*	*-0.5*	*-*	*-8.9*
Included in equity accounted result	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Included in segment result before taxes (PBT)	**-8.2**	**-84.6**	**-1.2**	**-59.4**	**-34.6**	**-3.0**	**-191.0**

* Total of the *adjusting* items at the level of each segment. The *adjusting* items presented in the Belron & TVH segments should be deducted from this total to reconcile with the Group figures reported in the segment statement of profit or loss.

€m	2022(1)					
	D'Ieteren Automotive	**Belron (100%)**	**Moleskine**	**TVH (100%)**	**Corp. & unallocated**	**Total (segment)***
Adjusting items						
Included in operating result	**-7.7**	**-52.6**	**-1.6**	**-38.3**	**-3.3**	**-103.5**
Re-measurements of financial instruments	*-*	*2.7 (d)*	*-*	*-*	*-*	*2.7*
Amortisation of customer contracts	*-*	*-15.5 (e)*	*-*	*-22.3 (k)*	*-*	*-37.8*
Amortisation of brands with finite useful life	*-*	*-1.8 (f)*	*-*	*-*	*-*	*-1.8*
Amortisation of other intangibles with finite useful life	*-*	*-*	*-*	*-15.3 (k)*	*-*	*-15.3*
Share-based payment and long-term incentive program expenses	*-7.7 (a)*	*-19.3 (g)*	*-1.6 (j)*	*-0.7 (l)*	*-1.9 (s)*	*-31.2*
Other adjusting items	*-*	*-18.7 (h)*	*-*	*-*	*-1.4 (t)*	*-20.1*
Included in net finance costs	**10.2**	**-125.5**	**-**	**3.9**	**-**	**-111.4**
Re-measurements of financial instruments	*-*	*-*	*-*	*3.9 (n)*	*-*	*3.9*
Foreign exchange losses on net debt	*-*	*-127.3 (i)*	*-*	*-*	*-*	*-127.3*
Other adjusting items	*10.2 (c)*	*1.8 (i)*	*-*	*-*	*-*	*12.0*
Included in equity accounted result	**-**	**-**	**-**	**-**	**-**	**-**
Included in segment result before taxes (PBT)	**2.5**	**-178.1**	**-1.6**	**-34.4**	**-3.3**	**-214.9**

(1) As restated to present the share-based payment and long-term incentive program expenses as *adjusting* items.

* Total of the *adjusting* items at the level of each segment. The *adjusting* items presented in the Belron & TVH segments should be deducted from this total to reconcile with the Group figures reported in the segment statement of profit or loss.

Explanations and details of the figures presented as *adjusting* items (continued)

D'Ieteren Automotive

(a) The cash-settled share-based payment expense recognised as part of the Long-Term Incentive Plan (LTIP) put in place in April 2021 amounts to -€7.3m (-€7.7m in the prior period, as restated to classify the share-based payment and long-term incentive program expenses of the Group as *adjusting* items).

(b) In the period, other *adjusting* items in operating result mainly include fees from system integrators in relation to the finance transformation program initiated in 2023.

(c) In the prior period, other *adjusting* items included in net finance costs related to a consolidated gain of €10.2m recognized on the loss of exclusive control of Lizy and MyMove following the entry into capital by investors for 29% in Lizy and 33% in MyMove (both through capital increases). The consolidated gain represented the difference between the fair value of the non-controlling interests retained in the companies (39% in Lizy and 56% in MyMove) and the carrying amount of the assets and liabilities of the subsidiaries at the date the control was lost. These two entities are accounted for as equity accounted investees as from the 1st of January 2022.

Belron

(d) Fair value of fuel hedge instruments (used by Belron USA to hedge its fuel exposure) amounts to €0.1m (€2.7m in the prior period) and arises from changes in the "clean" fair value of derivatives. Change in "clean" fair value of derivatives corresponds to the change of "dirty" fair value (i.e. the change of value between the opening and the end of the period) excluding the accrued cash flows of the derivatives that occurred during the period.

(e) In the framework of the recent acquisitions (mainly in the United States), certain customer contracts were recognised as intangible assets with a finite useful life. The amortisation amounts to -€18.0m in the current period and -€15.5m in the prior period.

(f) The amortisation of brands with finite useful lives (certain brands are no longer considered to be intangibles with indefinite useful lives since there is now a limit to the period over which these assets are expected to generate cash inflows) amounts to -€1.6m (-€1.8m in the prior period).

(g) In the current period, employee costs of -€18.6m are recognised in relation to the restricted share units ('RSUs') awarded by the Board of Directors of Belron in December 2021 to employees, of which -€16.0m of share-based payment charge and -€2.6m of associated payroll taxes (-€19.3m in the prior period, of which -€20.2m of share-based payment charge and -€2.8m of associated payroll taxes).

(h) In the current period, other *adjusting* items of -€44.3m mainly include -€28.8m of fees from system integrators in relation to the business transformation program, -€3.2m of acquisitions related costs and -€7.9m one-off costs incurred following the alignment to the new inventory provisioning policy adopted by Belron.
In the prior period, other *adjusting* items of -€18.7m notably included -€20.2m of fees from system integrators in relation to the business transformation program.

(i) In the current period, other *adjusting* items in net finance costs relates to the additional financing operated in April 2023 (total amount of $870m – or €800m equivalent – with a maturity of 6 years).
In the prior period, foreign exchange losses on net debt and other *adjusting* items in net finance costs related to the refinancing operated in April 2021. It included -€127.3m of non-cash foreign exchange losses arising upon the translation of the USD Term Loan at the closing rate (the foreign exchange movements on these borrowings did not qualify for quasi-equity accounting) and €1.8m of fair value gain on the ineffective portion of interest rate swaps.

Moleskine

(j) In the period, the provision for the Long-Term Incentive Program (LTIP) amounts to -€1.2m (-€1.6m in the prior period, as restated to classify the share-based payment and long-term incentive program expenses of the Group as *adjusting* items).

TVH

(k) The amortisation of customer contracts and other intangible assets with finite useful lives recognised as part of the purchase price allocation finalised by the Group in the second half of 2022 amounts to -€22.3m and -€15.3m, respectively (-€22.3m and -€15.3m in the prior period, restated – refer to note 1 of the 2023 condensed consolidated financial statements for more information on the restatement of comparative information).

(l) The provision for the Long-Term Incentive Program (LTIP) amounts to -€1.8m (-€0.7m in the prior period, as restated to classify the share-based payment and long-term incentive program expenses of the Group as *adjusting* items).

(m) In the current period, other *adjusting* items include -€8.0m of fees from system integrators in relation to the IT and business transformation programme and -€12.1m (-€5.9m in operating result and -€6.2m in finance costs) related to the full impairment (total impairment charge of -€12.8m, of which -€0.7m in tax expense) of the net assets of TVH Russia, classified as held for sale since 30 June 2022.

(n) The re-measurement of financial instruments of €0.1m (€3.9m in the prior period) relates to the change in fair value of interest rates swaps.

Explanations and details of the figures presented as adjusting items (continued)

PHE

(o) In the current period, following the purchase price allocation finalised by the Group (see note 13 of the 2023 condensed consolidated financial statements) customer relationships have been recognised as intangible assets with finite useful lives. The amortisation amounts to -€12.9m. The remaining -€1.2m relates to the amortisation of customer contracts identified as intangible assets with finite useful lives following the acquisitions performed by PHE since the closing of the acquisition by the Group on the 4th of August 2022.

(p) In the current period, the cash-settled share-based payment expense of -€17.8m represents the portion of the fair value of the free shares granted to PHE's key management personnel as part of the Management Reward Plan, which is spread over their vesting period (see note 7 of the 2023 condensed consolidated financial statements for more information).

(q) Other *adjusting* items in operating result mainly includes costs related to acquisitions and to the restructurings and transformation programme.

(r) The re-measurement of financial instruments of €1.2m relates to the change in fair value of interest rates swaps and caps.

Corporate & unallocated

(s) In the period, the charge of -€3.0m mainly relates to the equity-settled share-based payment scheme, whereby share options are granted to officers and managers of the Corporate & unallocated segment (€-1.9m in the prior period, as restated to classify the share-based payment and long-term incentive program expenses of the Group as *adjusting* items).

(t) In the prior period, other *adjusting* items in operating result included €2.7m of gain on the disposal of a property in Belgium, and -€4.1m of fees incurred in relation to the acquisition of Parts Holding Europe (closing of the acquisition on the 4th of August 2022).

Adjusted result before tax, Group's share (*adjusted* PBT, Group's share)

€m	2023							2022(1)					
	D'Ieteren Automotive	Belron (50.07%)	Moleskine	TVH (40%)	PHE	Corp. & unallocated	Total (segment)	D'Ieteren Automotive	Belron (50.01%)	Moleskine	TVH (40%)	Corp. & unallocated	Total (segment)
Segment reported PBT	**133.3**	**488.2**	**-5.8**	**32.8**	**47.6**	**5.6**	**701.7**	**101.2**	**247.0**	**-1.0**	**104.6**	**1.7**	**453.5**
Less: adjusting items in PBT	8.2	84.6	1.2	59.4	34.6	3.0	191.0	-2.5	178.1	1.6	34.4	3.3	214.9
Segment adjusted PBT	**141.5**	**572.8**	**-4.6**	**92.2**	**82.2**	**8.6**	**892.7**	**98.7**	**425.1**	**0.6**	**139.0**	**5.0**	**668.4**
Share of the Group in tax on adjusted results of equity-accounted investees	1.2	-	-	-	-	-	1.2	1.9	-	-	-	-	1.9
Share of third parties in adjusted PBT	0.5	-286.0	-	-55.3	-4.2	-	-345.0	0.2	-212.5	-	-83.4	-	-295.7
Segment adjusted PBT, Group's share	**143.2**	**286.8**	**-4.6**	**36.9**	**78.0**	**8.6**	**548.9**	**100.8**	**212.6**	**0.6**	**55.6**	**5.0**	**374.6**

(1) As restated – Refer to note 1 of the 2023 condensed consolidated financial statements for more information on the restatement of comparative information.

In the period, the percentage used for computing the segment *adjusted* PBT, Group's share of Belron amounts to 50.07% (50.01% in the prior period). See note 10 of the 2023 condensed consolidated financial statements.

Key Performance Indicator (based on *adjusted* PBT, Group's share)

€m	2023							2022(1)					
	D'Ieteren Automotive	Belron (50.07%)	Moleskine	TVH (40%)	PHE	Corp. & unallocated	Total (segment)	D'Ieteren Automotive	Belron (50.07%)	Moleskine	TVH (40%)	Corp. & unallocated	Total (segment)
Segment adjusted PBT, Group's share	**143.2**	**286.8**	**-4.6**	**36.9**	**78.0**	**8.6**	**548.9**	**100.8**	**212.6**	**0.6**	**55.6**	**5.0**	**374.6**
Adjustment of the share of the Group (comparable basis with 2023)	-	-	-	-	-	-	-	-	0.2	-	-	-	0.2
Adjusted PBT, Group's share (key performance indicator)	**143.2**	**286.8**	**-4.6**	**36.9**	**78.0**	**8.6**	**548.9**	**100.8**	**212.8**	**0.6**	**55.6**	**5.0**	**374.8**

(1) As restated – Refer to note 1 of the 2023 condensed consolidated financial statements for more information on the restatement of comparative information.

The column Belron has also been restated based on the weighted average economic percentage used for computing the segment *adjusted* PBT in 2023 (weighted average percentage of 50.07% in 2023 and 50.01% in 2022) to make both periods comparable.

Net debt

In order to better reflect its indebtedness, the Group uses the concept of net debt. This non-GAAP measure, i.e. its definition is not addressed by IFRS, is an Alternative Performance Measure ("APM") and is not presented as an alternative to financial measures determined in accordance with IFRS.

Net debt is based on loans and borrowings less cash, cash equivalents and non-current and current asset investments. It excludes the fair value of derivative debt instruments. The hedged loans and borrowings (i.e. those that are accounted for in accordance with the hedge accounting rules of IAS 39) are translated at the contractual foreign exchange rates of the related cross currency swaps. The other loans and borrowings are translated at closing foreign exchange rates.

€m	30 June 2023						30 June 2022				
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	Corp. & unallocated
Non-current loans and borrowings	128.9	4,706.8	9.1	560.8	1,117.7	4.7	118.5	4,059.3	12.4	722.1	4.9
Current loans and borrowings	240.5	213.6	4.6	431.6	162.4	0.7	37.0	197.5	26.8	260.1	0.6
Inter-segment financing	-	-	282.3	40.6	-	-322.9	-	-	269.5	40.6	-310.1
Adjustment for hedged borrowings	-	-12.5	-	-	-	-	-	-27.8	-	-	-
Gross debt	**369.4**	**4,907.9**	**296.0**	**1,033.0**	**1,280.1**	**-317.5**	**155.5**	**4,229.0**	**308.7**	**1,022.8**	**-304.6**
Less: cash and cash equivalents	-55.3	-370.9	-17.5	-125.5	-77.1	-262.2	-164.5	-428.7	-20.1	-140.0	-98.2
Less: current financial investments	-	-	-	-0.3	-	-350.9	-	-	-	-	-593.2
Less: other non-current receivables	-3.6	-	-	-	-	-4.3	-3.7	-	-	-	-2.8
Less: other current receivables	-	-	-	-	-	-	-	-	-	-	-2.2
Total net debt	**310.5**	**4,537.0**	**278.5**	**907.2**	**1,203.0**	**-934.9**	**-12.7**	**3,800.3**	**288.6**	**882.8**	**-1,001.0**

In both periods, the inter-segment loans comprise amounts lent by the Corporate & unallocated segment to the Moleskine segment (non-recourse loan in the framework of the acquisition, increased by €12.8m compared to 30 June 2022, representing €5.4m of capitalized interests recognised in profit or loss in H2 2022, €10.0m of capitalized interests recognised in profit or loss in H1 2023 and -€2.6m of cash interest payments in H2 2022), and to the TVH segment (shareholder loan from the Corporate & unallocated segment put in place on 1st October 2021 in the framework of the acquisition of a 40% stake in TVH, of which €0.6m represents accrued interests).

D'Ieteren Automotive's net financial position decreased from a net cash surplus of €12.7m at the end of June 2022 to a net debt of €210.8m at the end of December 2022 and a net debt of €310.5m at the end of June 2023. The increase in the net debt compared to December 2022 is mainly the result of a -€21m free cash flow, -€43m of additions to lease liabilities and -€40m of gross financial debt acquired from business combinations. The free cash-flow consumption is mainly explained by a cash outflow from change in net working capital (-€95m), net capital expenditure (-€37m), tax paid (-€18m), and acquisition of subsidiaries (-€24m, net of cash acquired), despite a strong *adjusted* EBITDA of €166m (an increase of +€56m compared to H1 2022).

Belron's net financial debt reached €4,537.0m at the end of June 2023. This compares with €3,800.3m at the end of June 2022 and €4,020.1m at the end of December 2022. The increase of €516.9m compared to December 2022 is mainly explained by the dividend paid to Belron's shareholders (€1,091.3m, of which €572.9m to D'Ieteren Group) following the additional financing operated in April 2023 (total amount of $870m – or €800m equivalent – with a maturity of 6 years), partially compensated by a €409m free cash flow generation in H1 2023 (strong *adjusted* EBITDA of €803m, partially compensated by -€46m of net Capex, -€89m of tax, -€98m of interests paid, -€93m of lease repayments, -€34m of cash outflow from *adjusting* items and -€24m acquisition of subsidiaries), the proceeds from the disposal of own shares to existing shareholders (€150.0m, of which €50.0m to D'Ieteren Group), the repurchase of shares to MRP participants (-€23m) and favourable foreign exchange impact on cash and external debt of €46m.

Moleskine's net debt reached €278.5m (of which €282.3m of inter-segment financing) at the end of June 2023, compared to €288.6m at the end of June 2022 and €275.7m (of which €272.3m of inter-segment financing) at the end of December 2022. The slight increase compared to December 2022 is explained by the capitalized interests related to the inter-segment financing partially compensated by the positive free cash flow generation during the semester. The external bank loan (€15m as of 31 December 2022) has been fully reimbursed during the first semester of 2023.

Net debt (continued)

The net debt of TVH amounts to €907.2m at the end of June 2023 (of which €40.6m of inter-segment financing), compared to €882.8m at the end of June 2022 and €900.1m at the end of December 2022. The slight increase compared to the 31 December 2022 is mainly explained by the -€19m free cash-flow consumption during the first semester, despite an *adjusted* EBITDA of €125m, compensated by adverse change in net working capital (-€50m), Capex (-€48m), tax (-€27m), cash outflow from *adjusting* items (-€7m) and interests paid (-€11m).

PHE's net financial debt amounts to €1,203.0m at the end of June 2023, compared to €1,231.8m at the end of December 2022. This decrease is mainly due to the proceeds from the disposal of Mondial Pare-Brise (€92m, net of cash disposed of), and the strong *adjusted* EBITDA of €168m, compensated by change in working capital (-€126m), Capex (-€23m), lease repayments (-€24m), tax (-€12m) and interests paid (-€40m). The adverse movement in net working capital is mainly explained by the decision of PHE to decrease significantly non-recourse factoring by using cash received from the disposal of Mondial Pare-Brise (and therefore to reduce associated finance costs).
PHE's net financial debt excludes the put options granted to non-controlling shareholders holding minority interests in some of PHE's direct and indirect subsidiaries (valued at €108.9m at 30 June 2023) and the put options granted to minority investors (including management and several partners and independent distributors), who invested alongside D'Ieteren Group in the holding company of PHE, up to a combined ownership of c.9% (valued at €160.5m at 30 June 2023, increased by €23.1m compared to 31 December 2022, of which €17.8m related to the vesting and change in fair value of the free shares granted to PHE's key management personnel as part of the Management Reward Plan, recognised in profit or loss as *adjusting* items). It also excludes the deferred considerations on acquisitions of €34.9m (presented in the lines "other payables" and "trade and other payables" in the consolidated statement of financial position).

The net cash position (including inter-segment financing loans) of the Corporate & unallocated segment decreased from €1,001.0m at the end of June 2022 to €634.9m at the end of December 2022 and stood at €934.9m at the end of June 2023. The increase in the net financial position compared to 31 December 2022 is primarily the result of the dividend received from the Belron segment (€572.9m), partially compensated by the dividend paid out to the shareholders of D'Ieteren Group in June 2023 (-€160.7m), the acquisition of treasury shares (-€58.6m) and the acquisition in May 2023 of additional Belron's shares (-€50.0m, previously held the Employee Benefit Trust). The additional shares acquired increased the fully diluted percentage of the Group in Belron from 50.01% to 50.30%, leading to a weighted average economic percentage of 50.07% in H1 2023 (see note 10 of the 2023 condensed consolidated financial statements for more information).

Major risk factors

This report should be read together with the section "Risk Factors" of our 2022 financial and directors' report (pages 67-69 and 125-138), which describes various risks and uncertainties to which the Group is or may become subject. The risks described in the 2022 financial and director's report are not the only risks facing the Group. Additional risks and uncertainties not currently known to the Group or that the Group currently deems to be immaterial also may materially adversely affect its business, financial condition and/or operating results.

Condensed Consolidated Interim Financial Statements

Consolidated Statement of Profit or Loss

6-month period ended 30 June

€m	Notes	2023	2022(1)
Revenue	5	**4,085.4**	**1,909.9**
Cost of sales		-3,157.2	-1,613.4
Gross margin	4	**928.2**	**296.5**
Commercial and administrative expenses		-715.5	-216.2
Other operating income		28.2	10.2
Other operating expenses		-16.8	-2.3
Operating result	4	**224.1**	**88.2**
Net finance costs	4	-44.7	10.5
Finance income		6.8	13.6
Finance costs		-51.5	-3.1
Share of result of equity-accounted investees, net of income tax	10	172.2	106.4
Result before tax		**351.6**	**205.1**
Income tax expense	8	-63.4	-25.0
Result from continuing operations		**288.2**	**180.1**
Discontinued operations		-	-
RESULT FOR THE PERIOD		**288.2**	**180.1**
Result attributable to:			
Equity holders of the Company		**285.9**	**180.3**
Non-controlling interests ("NCI")		2.3	-0.2
Earnings per share			
Basic (€)	6	5.33	3.34
Diluted (€)	6	5.29	3.30
Earnings per share - Continuing operations			
Basic (€)	6	5.33	3.34
Diluted (€)	6	5.29	3.30

(1) As restated. Refer to note 1 for more information on the restatement of comparative information.

The notes on pages 29 to 46 are an integral part of these condensed consolidated interim financial statements.
The Group uses Alternative Performance Measures (non-GAAP measures) to reflect its financial performance – See interim management report and press release.

Consolidated Statement of Comprehensive Income

6-month period ended 30 June

€m	Notes	2023	2022[1]
Result for the period		**288.2**	**180.1**
Other comprehensive income			
Items that will never be reclassified to profit or loss (net of tax):		-2.3	-1.2
Re-measurements of defined benefit liabilities/assets		*0.1*	*9.7*
Equity-accounted investees - share of OCI	*10*	*-2.4*	*-10.9*
Items that may be reclassified subsequently to profit or loss (net of tax)		9.7	67.4
Translation differences		*-0.1*	*1.5*
Cash flow hedges: fair value gains (losses)		*1.2*	*-*
Equity-accounted investees - share of OCI	*10*	*8.6*	*65.9*
Other comprehensive income, net of tax		**7.4**	**66.2**
Total comprehensive income for the period		**295.6**	**246.3**
being: attributable to equity holders of the Company		***293.3***	***246.5***
attributable to non-controlling interests ("NCI")		***2.3***	***-0.2***

(1) As restated. Refer to note 1 for more information on the restatement of comparative information.

The notes on pages 29 to 46 are an integral part of these condensed consolidated interim financial statements.

Consolidated Statement of Financial Position

€m	Notes	30 June 2023	31 December 2022[1]	30 June 2022[1]
Goodwill	9/13	564.4	560.2	89.9
Intangible assets		1,253.7	1,239.8	440.1
Property, plant & equipment	4	642.1	566.1	272.3
Investment property		41.0	41.8	33.4
Equity-accounted investees	10	1,063.2	1,360.6	1,380.0
Financial investments		0.8	2.6	0.1
Deferred tax assets		71.7	58.8	48.3
Other receivables		78.5	75.8	50.1
Non-current assets		**3,715.4**	**3,905.7**	**2,314.2**
Inventories	4	1,430.8	1,191.7	464.4
Financial investments	4	350.9	128.6	593.2
Derivative financial instruments		7.0	4.1	-
Current tax assets		10.1	9.2	7.2
Trade and other receivables	4	983.1	698.6	316.5
Cash and cash equivalents		412.1	345.8	282.8
Assets classified as held for sale	4	-	131.8	3.2
Current assets		**3,194.0**	**2,509.8**	**1,667.3**
TOTAL ASSETS		**6,909.4**	**6,415.5**	**3,981.5**
Capital & reserves attributable to equity holders		3,260.0	3,145.0	3,065.0
Non-controlling interests ("NCI")		14.4	12.7	0.7
Equity		**3,274.4**	**3,157.7**	**3,065.7**
Employee benefits		45.5	44.9	17.3
Provisions	4	28.6	18.1	25.6
Loans & borrowings	4	1,260.4	1,232.5	135.8
Put options granted to non-controlling interests	4	266.6	244.7	-
Other payables		12.9	32.5	0.1
Deferred tax liabilities		287.2	272.3	135.2
Non-current liabilities		**1,901.2**	**1,845.0**	**314.0**
Provisions	4	15.9	15.5	7.3
Loans & borrowings	4	408.2	368.1	64.4
Put options granted to non-controlling interests	4	10.3	5.8	-
Current tax liabilities		48.5	11.7	17.0
Trade and other payables	4	1,250.9	984.7	512.6
Liabilities directly associated with the assets held for sale	4	-	27.0	0.5
Current liabilities		**1,733.8**	**1,412.8**	**601.8**
TOTAL EQUITY AND LIABILITIES		**6,909.4**	**6,415.5**	**3,981.5**

(1) As restated. Refer to note 1 for more information on the restatement of comparative information.

The notes on pages 29 to 46 are an integral part of these condensed consolidated interim financial statements.

Consolidated Statement of Changes in Equity

€m	Capital and reserves attributable to equity holders								
	Share capital	Share premium	Treasury shares reserve	Hedging reserve	Retained earnings	Cumulative translation differences	Total Group's share	Non-controlling interests	Equity
At 1 January 2022	**160.0**	**24.4**	**-47.4**	**-3.9**	**2,810.6**	**30.8**	**2,974.5**	**0.4**	**2,974.9**
Restatement[1]	-	-	-	-	-23.7	-	-23.7	-	-23.7
At 1 January 2022 (restated)	**160.0**	**24.4**	**-47.4**	**-3.9**	**2,786.9**	**30.8**	**2,950.8**	**0.4**	**2,951.2**
Profit for the period[1]	-	-	-	-	180.3	-	180.3	-0.2	180.1
Other comprehensive income[1]	-	-	-	47.3	-13.9	32.8	66.2	-	66.2
Total comprehensive income for the period (restated)	**-**	**-**	**-**	**47.3**	**166.4**	**32.8**	**246.5**	**-0.2**	**246.3**
Movement of treasury shares	-	-	-30.0	-	-	-	-30.0	-	-30.0
Dividends	-	-	-	-	-113.8	-	-113.8	-	-113.8
Other movements	-	-	-	-	11.5	-	11.5	-	11.5
Total contribution and distribution	**-**	**-**	**-30.0**	**-**	**-102.3**	**-**	**-132.3**	**-**	**-132.3**
Acquisition of subsidiary with NCI	-	-	-	-	-	-	-	0.3	0.3
Loss of control of subsidiaries	-	-	-	-	-	-	-	0.2	0.2
Total change in ownership interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.5**	**0.5**
At 30 June 2022 (restated)	**160.0**	**24.4**	**-77.4**	**43.4**	**2,851.0**	**63.6**	**3,065.0**	**0.7**	**3,065.7**
At 1 January 2023	**160.0**	**24.4**	**-134.1**	**54.0**	**2,955.9**	**105.0**	**3,165.2**	**12.7**	**3,177.9**
Restatement[1]	-	-	-	-	-20.2	-	-20.2	-	-20.2
At 1 January 2023 (restated)	**160.0**	**24.4**	**-134.1**	**54.0**	**2,935.7**	**105.0**	**3,145.0**	**12.7**	**3,157.7**
Profit for the period	-	-	-	-	285.9	-	285.9	2.3	288.2
Other comprehensive income	-	-	-	-3.0	-2.3	12.7	7.4	-	7.4
Total comprehensive income for the period	**-**	**-**	**-**	**-3.0**	**283.6**	**12.7**	**293.3**	**2.3**	**295.6**
Movement of treasury shares (see note 11)	-	-	-58.6	-	-	-	-58.6	-	-58.6
Treasury shares - cancellation (buy back programme - see note 11)	-	-	105.9	-	-105.9	-	-	-	-
Dividends (see note 11)	-	-	-	-	-160.7	-	-160.7	-	-160.7
Movement arising from transactions with MRP participants (see note 10)	-	-	-	-	40.8	-	40.8	-	40.8
Put options - movement of the period (see note 4)	-	-	-	-	-11.3	-	-11.3	-	-11.3
Other movements (see notes 7 & 10)	-	-	-	-	11.9	-	11.9	-1.0	10.9
Total contribution and distribution	**-**	**-**	**47.3**	**-**	**-225.2**	**-**	**-177.9**	**-1.0**	**-178.9**
Transactions with NCI without change in control	-	-	-	-	-0.4	-	-0.4	0.4	-
Total change in ownership interests	**-**	**-**	**-**	**-**	**-0.4**	**-**	**-0.4**	**0.4**	**-**
At 30 June 2023	**160.0**	**24.4**	**-86.8**	**51.0**	**2,993.7**	**117.7**	**3,260.0**	**14.4**	**3,274.4**

(1) As restated. Refer to note 1 for more information on the restatement of comparative information.

The notes on pages 29 to 46 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Cash Flows

6-month period ended 30 June

€m	Notes	2023	2022
Cash flows from operating activities - Continuing			
Result for the period(1)		288.2	180.1
Income tax expense	8	63.4	25.0
Share of result of equity-accounted investees, net of income tax(1)	10	-172.2	-106.4
Net finance costs	4	44.7	-10.5
Operating result from continuing operations		**224.1**	**88.2**
Depreciation and amortisation		87.4	23.2
Other non-cash items		-5.0	-5.4
Share-based payment and other employee benefit expenses	4/7	29.3	11.4
Change in net working capital	4	-228.1	66.6
Cash generated from operations		**107.7**	**184.0**
Income tax paid		-34.6	-12.7
Net cash from operating activities		**73.1**	**171.3**
Cash flows from investing activities - Continuing			
Purchase of property, plant and equipment and intangible assets		-69.3	-22.8
Sale of property, plant and equipment and intangible assets		3.4	4.1
Net capital expenditure		**-65.9**	**-18.7**
Acquisition of subsidiaries (net of cash acquired)	4	-30.9	-6.0
Acquisition of equity-accounted investees	10	-50.0	-
Disposal of subsidiaries (net of cash disposed of)	4	92.2	-
Proceeds from the sale of/(investments in) financial assets	4	-223.1	-49.0
Interest received		5.2	1.7
Dividends received from equity-accounted investees	10	577.8	4.5
Reimbursment of loans granted to equity-accounted investees		-	2.3
Loans to employees in relation to Long Term Incentive Plan and stock options		-1.5	-1.5
Net cash from investing activities		**303.8**	**-66.7**
Cash flows from financing activities - Continuing			
Acquisition of treasury shares	11	-69.9	-54.4
Disposal of treasury shares	11	11.3	24.4
Repayment of lease liabilities		-36.6	-10.0
Proceeds from loans and borrowings	4	79.3	6.0
Repayment of loans and borrowings	4	-96.0	-26.8
Interest paid		-48.1	-2.6
Dividends paid by the Company	11	-160.7	-113.6
Dividends paid to non-controlling interests of consolidated subsidiaries		-0.8	-
Net cash from financing activities		**-321.5**	**-177.0**
Cash flows from continuing operations		**55.4**	**-72.4**
TOTAL CASH FLOW FOR THE PERIOD		**55.4**	**-72.4**
Reconciliation with statement of financial position			
Cash at the beginning of the period		345.8	295.1
Cash included in non-current assets classified as held for sale		11.2	-
Cash equivalents at the beginning of the period		-	59.5
Cash and cash equivalents at the beginning of the period		**357.0**	**354.6**
Total cash flow for the period		55.4	-72.4
Effects of movement in exchange rates		-0.3	0.6
Cash and cash equivalents at the end of the period		**412.1**	**282.8**

(1) As restated for 2022. Refer to note 1 for more information on the restatement of comparative information.

The notes on pages 29 to 46 are an integral part of these condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Financial Statements

Note 1: General information

D'Ieteren Group SA/NV (the Company) is a public company incorporated and domiciled in Belgium, whose controlling shareholders are listed in note 11 of these Condensed Consolidated Financial Statements. The address of the Company's registered office is: Rue du Mail 50, B-1050 Brussels (Belgium).

In existence since 1805, and across family generations, D'Ieteren Group seeks growth and value creation by pursuing a strategy on the long term for its businesses and actively encouraging and supporting them to develop their position in their industry and geographies. The Group currently owns the following businesses:

- Belron (50.30% in fully diluted economic rights at 30 June 2023, equity-accounted investee) has a clear purpose: "making a difference by solving people's problems with real care". It is the worldwide leader in vehicle glass repair, replacement and recalibration, and operates in 37 countries, through wholly owned businesses and franchises, with market leading brands – including Carglass®, Safelite® and Autoglass®. In addition, Belron manages vehicle glass and other insurance claims on behalf of insurance customers.
- D'Ieteren Automotive (100% owned) distributes Volkswagen, Audi, SEAT, Škoda, Bentley, Lamborghini, Bugatti, Cupra, Rimac, Microlino, Maserati and Porsche vehicles in Belgium. It has a market share of 22.5% and 1.2 million vehicles on the road. Its business model is evolving towards "improving the lives of citizens with fluid, accessible and sustainable mobility".
- PHE (100% in economic rights – see note 33 of the 2022 annual consolidated financial statements) is a leader in the independent distribution of spare parts for vehicles in Western Europe, present in France, Belgium, The Netherlands, Luxemburg, Italy and Spain. Its mission aims at "promoting affordable and sustainable mobility".
- TVH (40% owned – equity accounted-investee) is a leading global independent distributor for aftermarket parts for material handling, construction & industrial, and agricultural equipment. It operates in 26 countries worldwide. It has a unique operating model and has a clear purpose of "keeping customers going and growing".
- Moleskine (100% owned) is a premium and aspirational lifestyle brand which develops and sells iconic branded notebooks and writing, travel and reading accessories through a global multichannel platform. Its purpose is to "unleash the human genius through hands on paper to empower creativity and knowledge in each individual and the entire world".
- D'Ieteren Immo (100% owned) groups together the Belgian real estate interests of D'Ieteren Group. It owns and manages 35 sites. It also pursues investment projects and carries out studies into possible site renovations.

The Company is listed on Euronext Brussels under the ticker DIE.

These condensed consolidated interim financial statements have been authorised for issue by the Board of Directors on the 7th of September 2023.

Restatement of comparative information

According to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity and the condensed consolidated statement of cash flows have been restated for 2022.

The restatements performed mainly include the following:

- The finalisation of the purchase price allocation of TVH in the second half of 2022, already reflected in the 2022 annual consolidated financial statements (see note 17 of the 2022 annual consolidated financial statements) and impacting the comparative figures in these interim financial statements.
- The finalisation of the purchase price allocation of PHE in the first semester of 2023 (see note 13).
- The correction of the accounting of some post-employment benefits in the D'Ieteren Automotive and Belron segments. The adjustment in the Belron segment is an additional obligation in relation to one of the pension schemes, as identified in note 34 of the 2022 consolidated financial statements.
- The change in accounting policy on write-down on inventories at Moleskine level, impacting the retained earnings at 1 January 2022, already reflected in the 2022 annual consolidated financial statements.

The tables below show the amount of restatement operated in the segment statement of profit or loss for the 6-month period ended 30 June 2022 and the segment statement of financial position as at 30 June 2022 and 31 December 2022 and reconcile the segment information to the Group IFRS consolidated figures.

The finalisation of the purchase price allocation of TVH has had the following impact on the segment statement of profit or loss for the period ended 30 June 2022.

€m - restatement of the segment statement of profit or loss	**30 June 2022**		
	TVH (100%)	Eliminations	Group
Segment revenue	**-**	**-**	**-**
Operating result	**-37.6**	**37.6**	**-**
Net finance costs	-	-	-
Share of result of equity-accounted investees, net of income tax	-	-11.3	-11.3
Result before tax	**-37.6**	**26.3**	**-11.3**
Income tax expense	9.4	-9.4	-
Result from continuing operations	**-28.2**	**16.9**	**-11.3**
of which: attributable to equity holders of the Company (*)	***-11.3***	***-***	***-11.3***

*TVH at 40%.

The restatement relates to the amortisation of intangible assets (mainly customer contracts and technology) and to the depreciation of the fair-value adjustment recognised on fixed assets (mainly buildings) recognised as part of the finalisation of the purchase price allocation, together with their corresponding deferred tax impacts. This translates in the Group's 2022 half year consolidated statement of profit or loss into an impact of -€11.3m in the line "share of result of equity-accounted investees, net of income tax", representing the share of the Group (40%) in the restatement of the net result of TVH.

The purchase price allocation of TVH is also impacting the segment statement of financial position as at 30 June 2022. The restatement operated in the statement of financial position at 30 June 2022 and 31 December 2022 in the D'Ieteren Automotive and Belron segments relate to the adjustments to post-employment benefits.

€m - restatement of the segment statement of financial position	**30 June 2022**					
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	Eliminations	Group
Goodwill	-	-	-	-331.9	331.9	-
Intangible assets	-	-	-	1,037.5	-1,037.5	-
Property, plant & equipment	-	-	-	39.4	-39.4	-
Equity-accounted investees	-	2.1	-	-	-31.7	-29.6
Financial investments	-	-2.1	-	-	2.1	-
Deferred tax assets	1.4	-	-	-	-	1.4
Non-current assets	**1.4**	**-**	**-**	**745.0**	**-774.6**	**-28.2**
Inventories	-	-	-1.4	-	-	-1.4
Current assets	**-**	**-**	**-1.4**	**-**	**-**	**-1.4**
TOTAL ASSETS	**1.4**	**-**	**-1.4**	**745.0**	**-774.6**	**-29.6**
Capital & reserves attributable to equity holder of the Company (*)	**-4.1**	**-12.7**	**-1.4**	**-16.9**	**-**	**-35.1**
Employee benefits	5.5	25.4	-	-	-25.4	5.5
Deferred tax liabilities	-	-	-	269.2	-269.2	-
Non-current liabilities	**5.5**	**25.4**	**-**	**269.2**	**-294.6**	**5.5**
Current liabilities	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL EQUITY AND LIABILITIES	**1.4**	**12.7**	**-1.4**	**252.3**	**-294.6**	**-29.6**

*TVH at 40% and Belron at 50.01%

€m - restatement of the segment statement of financial position	31 December 2022				
	D'Ieteren Automotive	Belron (100%)	PHE	Eliminations	Group
Goodwill	-	-	-421.0	-	-421.0
Intangible assets	-	-	490.2	-	490.2
Equity-accounted investees	-	2.3	-	-14.3	-12.0
Financial investments	-	-2.3	-	2.3	-
Deferred tax assets	1.4	-	-	-	1.4
Non-current assets	**1.4**	**-**	**69.2**	**-12.0**	**58.6**
Assets classified as held for sale	-	-	59.6	-	59.6
Current assets	**-**	**-**	**59.6**	**-**	**59.6**
TOTAL ASSETS	**1.4**	**-**	**128.8**	**-12.0**	**118.2**
Capital & reserves attributable to equity holder of the Company (*)	**-4.1**	**-12.0**	**-4.1**	**-**	**-20.2**
Employee benefits	5.5	24.0	-	-24.0	5.5
Deferred tax liabilities	-	-	132.9	-	132.9
Non-current liabilities	**5.5**	**24.0**	**132.9**	**-24.0**	**138.4**
Current liabilities	**-**	**-**	**-**	**-**	**-**
TOTAL EQUITY AND LIABILITIES	**1.4**	**12.0**	**128.8**	**-24.0**	**118.2**

* Belron at 50.01%

The restatement of the statement of financial position at 31 December 2022 in the PHE segment relates to the purchase price allocation (see note 13 for more information about the adjustments made to the provisional fair value of assets acquired and liabilities assumed at acquisition date).

In the consolidated statement of changes in equity, the restatement of -€23.7m in the retained earnings on the 1st of January 2022 is related to the same adjustments as disclosed above and attributable for -€4.1m to D'Ieteren Automotive segment and for -€19.6m to Belron segment. In the consolidated statement of other comprehensive income for the 6-month period ended 30 June 2022, a restatement of +€7.0m is included in the line "Equity-accounted investees - share of OCI" and represents the share of the Group in the OCI movement recorded on the post-employment benefit obligation in the Belron segment.

Risks and uncertainties

The ongoing war in Ukraine and the current uncertain economic environment have a significant impact on the world economy and have increased the overall uncertainties, inflationary pressures and market instability. The Board of Directors considered the impact of these risks on the basis of preparation of this half-yearly financial report.

The Group continues to take measures to minimise the impact of these risks on cash flows and is ensuring that it has the necessary liquidity structure in place for the foreseeable future. Taking this into account, the Board of Directors has a reasonable expectation that the Group is well placed to manage its business risks, has enough funds to continue to meet its liabilities as they fall due and to continue in operational existence for the foreseeable future. This half-yearly financial report has therefore been prepared on a going concern basis.

The impact of the ongoing war in Ukraine in the medium and long term remains uncertain. Belron had franchise activities in Russia which have been suspended and in Ukraine, where operations paused at the start of the war, but were resumed in June 2022. The contribution of the franchised activities in those two countries were not financially meaningful. However, Belron sourced some glass (less than 5% of the total) from Russia and had therefore found alternative sources of supply. The conflict is also impacting TVH, which had decided to stop operating in Russia in 2022. The activity in Russia is qualified as "Assets/Liabilities held for sale" since the 30 June 2022, and the net assets of TVH Russia have been fully impaired as of 30 June 2023, as TVH management is uncertain as to whether the carrying value of the remaining assets in Russia can be recovered. Moleskine's exposure to the region is immaterial. The Group and Group's activities are monitoring the situation on a daily basis, complying with any applicable sanctions.

Alternative Performance Measurement – Non-GAAP measurement

In order to better reflect its underlying performance and assist investors in gaining a better understanding of its financial performance, the Group uses Alternative Performance Measures ("APMs"). These APMs are non-GAAP measures, i.e. their definition is not addressed by IFRS. The Group does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures. These APMs are presented in the interim management report and in the press release.

Note 2: Basis of preparation and accounting policies

Note 2.1: Basis of Preparation

These condensed consolidated interim financial statements are for the six months ended 30 June 2023. They are presented in euro, which is the Group's functional currency. They have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union ("EU"). They do not include all the information required for a complete set of IFRS financial statements. They have been prepared in a condensed format, with selected explanatory notes to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements. Therefore, they should be read in conjunction with the 2022 annual consolidated financial statements.

These condensed consolidated interim financial statements are prepared on the assumption that the Group operates on a going concern basis and will continue in operation for the foreseeable future.

In preparing these condensed consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the 2022 annual consolidated financial statements (see note 1 of these interim financial statements).

The assumptions used for the preparation of these condensed consolidated interim financial statements reflected the reasonable and supportable information which were available as at 30 June 2023.

Note 2.2: Significant Accounting Policies

The accounting policies applied are consistent with those summarised in note 35 of the 2022 annual consolidated financial statements.

The new standards and amendments to standards that are mandatory for the first time for the Group's accounting period beginning on 1 January 2023 are listed below:

- IFRS 17 Insurance Contracts (issued on 18 May 2017); including Amendments to IFRS 17 (issued on 25 June 2020) (endorsed by the EU);
- Amendments to IFRS 17 Insurance contracts: initial application of IFRS 17 and IFRS 9 – Comparative information (issued on 9 December 2021) (endorsed by the EU);
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (issued on 7 May 2021) (endorsed by the EU);
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (issued on 12 February 2021) (endorsed by the EU);
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (issued on 12 February 2021) (endorsed by the EU);
- Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules (effective immediately but not yet endorsed in the EU – disclosures are required for annual periods beginning on or after 1 January 2023).

These new standards do not have a material impact on the Group's financial statements.

The standards, amendments and interpretations to existing standards issued by the IASB but not yet effective in 2023 have not been early adopted by the Group.

They are listed below:

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (effective 1 January 2024 – subject to endorsement by the EU);
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (effective 1 January 2024 – subject to endorsement by the EU);
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (effective 1 January 2024 – subject to endorsement by the EU).
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (effective 1 January 2025 - subject to endorsement by the EU)

These amendments are not expected to have a material impact on the Group's consolidated financial statements.

Note 3: Seasonality

D'Ieteren Automotive

The automobile distribution activities experience a higher demand for new vehicles (under normal conditions, sales of new vehicles represent generally about 80% of total external revenue of the segment) in the first half of the year. This phenomenon is usually further increased every two years by the impact of the Brussels' Car and Motorcycle Show (the last one took place in January 2023).

Belron

Belron experiences some natural increases in business at the end of the winter, and in mid-summer prior to the start of the holiday season.

Moleskine

The Moleskine segment experiences some natural increases in business during the year. The sales are highly concentrated over the last quarter, as the Christmas and New Year gifting period approaches.

TVH

The spare parts distribution activities of TVH for material handling, construction, industrial, and agricultural equipment experience fairly stable demand throughout the year. Slightly lower activities are noticeable during holiday periods such as the summer months (July/August) and at the end of the year (December).

PHE

A small peak in demand may occur during the months preceding summer holiday season, however the distribution activity of spare parts for vehicles faces relatively stable demand during the year.

Note 4: Segment information

The Group's reportable operating segments are D'Ieteren Automotive, Belron, Moleskine, TVH and PHE (as from 4th of August 2022 – including the holding company of the PHE Group - see note 26 of the 2022 consolidated financial statements). The other segments are disclosed in the category "Corporate & Unallocated" (D'Ieteren Group, corporate and real estate activities). These operating segments are consistent with the Group's organisational and internal reporting structure, and with the requirements of IFRS 8 "Operating Segments".

D'Ieteren Automotive comprises the automobile distribution activities of the Group through D'Ieteren Automotive SA/NV and its subsidiaries, affiliates and joint ventures. Belron comprises Belron Group s.a. and its subsidiaries, affiliates and joint ventures. Moleskine includes Moleskine S.p.a. and its subsidiaries, affiliates and joint ventures. TVH includes TVH Global NV and its subsidiaries, affiliates and joint ventures. PHE includes Parts Holding Europe SAS and its holding company, its subsidiaries, affiliates and joint ventures. Despite their classification as equity-accounted investees, Belron and TVH remain separate reportable operating segments, reflecting the Group's internal reporting structure. The segment "Corporate & unallocated" comprises the corporate department and the real estate activities of the Group, through its wholly owned subsidiary D'Ieteren Immo SA/NV (see note 1).

These operating segments are consistent with the Group's organisational and internal reporting structure.

Note 4.1: Segment Statement of Profit or Loss - Operating Segments (6-month period ended 30 June)

€m	Notes	2023							
		D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
External revenue		2,731.5	3,074.3	57.5	794.0	1,296.4	-	-3,868.3	4,085.4
Segment revenue	5	**2,731.5**	**3,074.3**	**57.5**	**794.0**	**1,296.4**	**-**	**-3,868.3**	**4,085.4**
Operating result (being segment result)		**138.4**	**590.9**	**5.3**	**52.8**	**88.5**	**-8.1**	**-643.7**	**224.1**
Net finance costs		-6.3	-103.0	-11.1	-20.0	-41.0	13.7	123.0	-44.7
Finance income		0.6	9.6	0.1	4.6	1.9	3.1	-13.1	6.8
Finance costs		-6.9	-112.6	-1.2	-23.5	-42.9	-0.5	136.1	-51.5
Inter-segment financing interest		-	-	-10.0	-1.1	-	11.1	-	-
Share of result of equity-accounted investees, net of income tax	10	1.2	0.3	-	-	0.1	-	170.6	172.2
Result before tax		**133.3**	**488.2**	**-5.8**	**32.8**	**47.6**	**5.6**	**-350.1**	**351.6**
Income tax expense	8	-41.0	-163.9	-0.2	-11.5	-19.3	-2.9	175.4	-63.4
Result from continuing operations		**92.3**	**324.3**	**-6.0**	**21.3**	**28.3**	**2.7**	**-174.7**	**288.2**
Discontinued operations		-	-	-	-	-	-	-	-
RESULT FOR THE PERIOD		**92.3**	**324.3**	**-6.0**	**21.3**	**28.3**	**2.7**	**-174.7**	**288.2**

Attributable to:	D'Ieteren Automotive	Belron(*)	Moleskine	TVH(*)	PHE	Corp. & unallocated	Group
Equity holders of the Company(*)	**92.8**	**162.4**	**-6.0**	**8.5**	**25.5**	**2.7**	**285.9**
Non-controlling interests	-0.5	-	-	-	2.8	-	2.3
RESULT FOR THE PERIOD	**92.3**	**162.4**	**-6.0**	**8.5**	**28.3**	**2.7**	**288.2**

(*) Belron at 50.07% (weighted average economic percentage for the period) and TVH at 40% – see note 10.

€m	2022(1)						
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	Corp. & unallocated	Eliminations	Group
External revenue	1,848.7	2,758.1	61.2	790.8	-	-3,548.9	1,909.9
Segment revenue	**1,848.7**	**2,758.1**	**61.2**	**790.8**	**-**	**-3,548.9**	**1,909.9**
Operating result (being segment result)	**89.0**	**443.3**	**3.7**	**105.6**	**-4.5**	**-548.9**	**88.2**
Net finance costs	9.0	-196.5	-4.7	-1.0	6.2	197.5	10.5
Finance income	10.6	5.7	1.7	13.3	1.3	-19.0	13.6
Finance costs	-1.6	-202.2	-1.1	-13.2	-1.5	216.5	-3.1
Inter-segment financing interest	-	-	-5.3	-1.1	6.4	-	-
Share of result of equity-accounted investees, net of income tax	3.2	0.2	-	-	-	103.0	106.4
Result before tax	**101.2**	**247.0**	**-1.0**	**104.6**	**1.7**	**-248.4**	**205.1**
Income tax expense	-23.7	-104.2	-	-25.2	-1.3	129.4	-25.0
Result from continuing operations	**77.5**	**142.8**	**-1.0**	**79.4**	**0.4**	**-119.0**	**180.1**
Discontinued operations	-	-	-	-	-	-	-
RESULT FOR THE PERIOD	**77.5**	**142.8**	**-1.0**	**79.4**	**0.4**	**-119.0**	**180.1**

Attributable to:	D'Ieteren Automotive	Belron(*)	Moleskine	TVH(*)	Corp. & unallocated	Group
Equity holders of the Company(*)	**77.7**	**71.4**	**-1.0**	**31.8**	**0.4**	**180.3**
Non-controlling interests	-0.2	-	-	-	-	-0.2
RESULT FOR THE PERIOD	**77.5**	**71.4**	**-1.0**	**31.8**	**0.4**	**180.1**

(1) As restated – Refer to note 1 for more information on the restatement of comparative information.
(*) Belron at 50.01% and TVH at 40% – see note 10.

In both periods, the column "Eliminations" reconciles the segment statement of profit or loss (with the 6-month results of Belron and TVH presented on all lines under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net results of Belron and TVH presented in the line "share of result of equity-accounted investees, net of income tax" representing the share of the Group – 50.07% in 2023 and 50.01% in 2022; see note 10 – in the net result of Belron and the share of the Group – 40%; see note 10 – in the net result of TVH).

In the consolidated statement of profit or loss, the increase in the lines "Cost of sales" and "Commercial & administrative expenses" compared to the 6-month-period ended 30 June 2022 is mainly attributable to the integration of PHE in the 6-month period ended 30 June 2023 and to the operating performance of the D'Ieteren Automotive segment (refer to the interim management report for more information). The increase in the lines "Other operating income" and "Other operating expenses" compared to the 6-month-period ended 30 June 2022 is mainly attributable to the integration of PHE in the 6-month period ended 30 June 2023. Similarly, the increase of the consolidated gross margin of the Group is mainly due to the integration of PHE.

In the consolidated statement of profit or loss, the increase in the net finance costs compared to the 6-month period ended 30 June 2022 is mainly attributable to the integration of PHE in the 6-month period ended 30 June 2023, to the existence in 2022 of a consolidated gain of €10.2m recognised in the D'Ieteren Automotive segment on the loss of exclusive control of Lizy and MyMove, and to the additional finance costs in the D'Ieteren Automotive segment mainly resulting from an increase in the average net financial debt over the period (refer to the management report for more information) and the increase in average interest rates.

In both periods, in the TVH segment, the line "Operating result" includes, amongst other amounts, the amortisation of customer contracts and other intangible assets with finite useful lives recognised as part of the purchase price allocation finalised by the Group in the second half of 2022 (-€22.3m and -€15.3m, respectively, in both periods). Refer to note 17 of the 2022 annual consolidated financial statements for more information on the purchase price allocation.

In 2022, in the Belron segment, the line "finance costs" included, amongst other amounts, costs related to the refinancing operated in April 2021 (-€127.3m of non-cash foreign exchange losses arising upon the translation of the USD Term Loan at the closing rate). A new structure was implemented in September 2022 which allows the foreign currency movements on these borrowings to naturally flow through the translation reserve in the statement of financial position prospectively, without impacting the profit or loss. In 2023, the net finance costs in the Belron segment includes the additional interests arising from the new financing issued in April 2023.

In 2023, in the TVH segment, the increase in net finance costs compared to the 6-month period ended 30 June 2022 is mainly due to increased short term funding as a result of working capital financing needs and to adverse foreign exchange fluctuation in USD. It also includes -€6.2m of impairment on financial assets of TVH Russia as TVH management is uncertain as to whether the carrying value of the remaining assets in Russia can be recovered. The total impairment of TVH Russia amounts to -€12.8m (the remaining -€6.6m is recorded in operating result for -€5.9m and tax expense for -€0.7m).

Note 4.2: Segment Statement of Financial Position - Operating Segments

€m	Notes	30 June 2023							
		D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
Goodwill	9/13	62.4	742.6	48.8	788.6	450.1	3.1	-1,531.2	564.4
Intangible assets		37.8	512.8	409.6	1,037.0	806.3	-	-1,549.8	1,253.7
Property, plant & equipment		157.5	924.6	14.6	501.7	292.0	178.0	-1,426.3	642.1
Investment property		0.1	-	-	-	-	40.9	-	41.0
Equity-accounted investees	10	125.2	2.7	-	-	7.1	-	928.2	1,063.2
Financial investments		0.1	8.8	-	-	0.7	-	-8.8	0.8
Derivative financial instruments		-	143.7	-	2.4	-	-	-146.1	-
Employee benefits		-	95.1	-	-	-	-	-95.1	-
Deferred tax assets		27.8	21.7	12.5	21.6	11.5	19.9	-43.3	71.7
Other receivables		5.0	29.3	1.2	9.6	26.6	45.7	-38.9	78.5
Non-current assets		**415.9**	**2,481.3**	**486.7**	**2,360.9**	**1,594.3**	**287.6**	**-3,911.3**	**3,715.4**
Inventories		880.0	392.9	31.0	501.6	519.8	-	-894.5	1,430.8
Financial investments		-	-	-	0.3	-	350.9	-0.3	350.9
Derivative financial instruments		-	25.6	-	-	7.0	-	-25.6	7.0
Current tax assets		2.6	5.4	2.4	6.1	2.9	2.2	-11.5	10.1
Trade and other receivables		441.4	430.6	32.5	388.3	503.3	5.9	-818.9	983.1
Cash and cash equivalents		55.3	370.9	17.5	125.5	77.1	262.2	-496.4	412.1
Current assets		**1,379.3**	**1,225.4**	**83.4**	**1,021.8**	**1,110.1**	**621.2**	**-2,247.2**	**3,194.0**
TOTAL ASSETS		**1,795.2**	**3,706.7**	**570.1**	**3,382.7**	**2,704.4**	**908.8**	**-6,158.5**	**6,909.4**
Equity		**-**	**-**	**-**	**-**	**-**	**3,274.4**	**-**	**3,274.4**
Employee benefits		14.3	36.9	1.9	5.0	28.7	0.6	-41.9	45.5
Provisions		23.4	54.7	2.5	0.9	2.1	0.6	-55.6	28.6
Loans & borrowings		128.9	4,706.8	9.1	560.8	1,117.7	4.7	-5,267.6	1,260.4
Inter-segment loan		-	-	279.8	40.0	-	-319.8	-	-
Derivative financial instruments		-	2.1	-	-	-	-	-2.1	-
Put options granted to non-controlling interests		7.0	-	-	-	259.6	-	-	266.6
Other payables		0.8	9.0	-	4.1	12.1	-	-13.1	12.9
Deferred tax liabilities		1.3	92.3	118.6	270.2	146.6	20.7	-362.5	287.2
Non-current liabilities		**175.7**	**4,901.8**	**411.9**	**881.0**	**1,566.8**	**-293.2**	**-5,742.8**	**1,901.2**
Provisions		-	48.2	5.6	2.2	5.1	5.2	-50.4	15.9
Loans & borrowings		240.5	213.6	4.6	431.6	162.4	0.7	-645.2	408.2
Inter-segment loan		-	-	2.5	0.6	-	-3.1	-	-
Derivative financial instruments		-	3.9	-	-	-	-	-3.9	-
Put options granted to non-controlling interests		0.5	-	-	-	9.8	-	-	10.3
Current tax liabilities		42.5	175.3	0.4	6.2	3.3	2.3	-181.5	48.5
Trade and other payables		722.6	766.0	27.5	197.3	489.5	11.3	-963.3	1,250.9
Current liabilities		**1,006.1**	**1,207.0**	**40.6**	**637.9**	**670.1**	**16.4**	**-1,844.3**	**1,733.8**
TOTAL EQUITY AND LIABILITIES		**1,181.8**	**6,108.8**	**452.5**	**1,518.9**	**2,236.9**	**2,997.6**	**-7,587.1**	**6,909.4**

For the segment statement of financial position as per 31 December 2022, see note 4 of the 2022 annual consolidated financial statements.

€m	30 June 2022[1]						
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	Corp. & unallocated	Eliminations	Group
Goodwill	38.0	670.2	48.8	787.5	3.1	-1,457.7	89.9
Intangible assets	29.0	500.0	411.1	1,068.0	-	-1,568.0	440.1
Property, plant & equipment	75.0	856.5	17.7	471.4	179.6	-1,327.9	272.3
Investment property	0.1	-	-	-	33.3	-	33.4
Equity-accounted investees	124.5	2.1	-	-	-	1,253.4	1,380.0
Financial investments	0.1	-	-	7.6	-	-7.6	0.1
Derivative financial instruments	-	118.2	-	0.2	-	-118.4	-
Employee benefits	-	131.8	-	-	-	-131.8	-
Deferred tax assets	18.8	43.8	6.9	10.8	22.6	-54.6	48.3
Other receivables	4.6	28.1	1.2	6.8	44.3	-34.9	50.1
Non-current assets	**290.1**	**2,350.7**	**485.7**	**2,352.3**	**282.9**	**-3,447.5**	**2,314.2**
Inventories	429.7	382.6	34.7	472.0	-	-854.6	464.4
Financial investments	-	-	-	0.3	593.2	-0.3	593.2
Derivative financial instruments	-	13.6	-	-	-	-13.6	-
Current tax assets	1.3	5.5	5.3	7.6	0.6	-13.1	7.2
Trade and other receivables	277.2	435.1	32.3	375.5	7.0	-810.6	316.5
Cash and cash equivalents	164.5	428.7	20.1	140.0	98.2	-568.7	282.8
Assets classified as held for sale	0.1	-	-	24.8	3.1	-24.8	3.2
Current assets	**872.8**	**1,265.5**	**92.4**	**1,020.2**	**702.1**	**-2,285.7**	**1,667.3**
TOTAL ASSETS	**1,162.9**	**3,616.2**	**578.1**	**3,372.5**	**985.0**	**-5,733.2**	**3,981.5**
Capital & reserves attributable to equity holders	-	-	-	-	3,065.0	-	3,065.0
Non-controlling interests	-	-	-	-	0.7	-	0.7
Equity	**-**	**-**	**-**	**-**	**3,065.7**	**-**	**3,065.7**
Employee benefits	14.6	28.9	2.0	3.4	0.7	-32.3	17.3
Provisions	20.6	52.3	4.9	1.5	0.1	-53.8	25.6
Loans & borrowings	118.5	4,059.3	12.4	722.1	4.9	-4,781.4	135.8
Inter-segment loan	-	-	268.2	40.0	-308.2	-	-
Other payables	-	13.3	0.1	0.7	-	-14.0	0.1
Deferred tax liabilities	1.5	106.5	112.8	287.1	20.9	-393.6	135.2
Non-current liabilities	**155.2**	**4,260.3**	**400.4**	**1,054.8**	**-281.6**	**-5,275.1**	**314.0**
Provisions	-	43.5	2.0	2.3	5.3	-45.8	7.3
Loans & borrowings	37.0	197.5	26.8	260.1	0.6	-457.6	64.4
Inter-segment loan	-	-	1.3	0.6	-1.9	-	-
Derivative financial instruments	-	0.6	-	-	-	-0.6	-
Current tax liabilities	16.0	93.5	0.3	16.2	0.7	-109.7	17.0
Trade and other payables	468.7	751.8	32.8	208.9	11.1	-960.7	512.6
Liabilities directly associated with the assets held for sale	0.5	-	-	1.8	-	-1.8	0.5
Current liabilities	**522.2**	**1,086.9**	**63.2**	**489.9**	**15.8**	**-1,576.2**	**601.8**
TOTAL EQUITY AND LIABILITIES	**677.4**	**5,347.2**	**463.6**	**1,544.7**	**2,799.9**	**-6,851.3**	**3,981.5**

(1) As restated – Refer to note 1 for more information on the restatement of comparative information.

The increase of the goodwill in the D'Ieteren Automotive segment (+€13.2m compared to the 31 December 2022), mainly reflects the acquisitions performed in the first semester of 2023 (Jennes and several acquisitions at Lucien). Acquisitions of subsidiaries in this segment (net of cash acquired) amount to €24.4m.

In the consolidated statement of financial position, the increase in Property, plant and equipment compared to 31 December 2022 mainly arise from additional capital expenditures and the recognition of right-of-use assets following acquisitions performed in H1 2023 in the D'Ieteren Automotive segment.

In both periods, the lines "Financial investments" mainly comprise investments in a portfolio of marketable securities in the Corporate and unallocated segment (mainly corporate bonds in Europe). These investments are accounted at amortised cost (corporate bonds) and fair value through profit or loss (equity instruments). Related cash movements of -€223.1m in 2023 is included in the line "proceeds from the sale of / (investment in) financial assets" in the condensed consolidated statement of cash flows. Amounts of underlying investments being large, with short maturities and very quick turnover, acquisitions and disposals of underlying assets are not separately disclosed.

In the consolidated statement of financial position, the increase in Inventories compared to 31 December 2022 mainly arises from the D'Ieteren Automotive segment. The increase in the Trade and other receivables and Trade and other payables compared to 31 December 2022 is mainly explained by the D'Ieteren Automotive segment and the PHE segment. These movements imply a cash outflow from change in working capital of -€228.2m in the condensed consolidated statement of cash flows.

In the PHE segment, at 31 December 2022, the lines "Assets classified as held for sale" and "Liabilities directly associated with the assets held for sale" included the assets and liabilities of PHE's specialised glass repair activity. The disposal occurred in February 2023. The consideration received (net of cash disposed of) amounted to €92.1m, included in the line "Disposal of subsidiaries, net of cash disposed of" in the condensed consolidated statement of cash flows.

In the TVH segment, at 31 December 2022, the lines "Assets classified as held for sale" and "Liabilities directly associated with the assets held for sale" included the assets and liabilities of TVH Russia. The net assets have been fully impaired in 2023, leading to an impairment charge of -€12.8m (-€5.9m in operating result, -€6.2m in finance costs and -€0.7m in tax expense) as TVH management is uncertain as to whether the carrying value of the remaining assets in Russia can be recovered.

At 30 June 2023, the increase in the long-term and short-term provisions compared to 31 December 2022 mainly relates to the additional provision for the long-term incentive programs (LTIP) in the D'Ieteren Automotive segment (-€7.3m), and the Moleskine segment (-€1.2m). The related non-cash charges are included in the line "Share-based payment and other employee benefit expenses" in the condensed consolidated statement of cash flows. The remaining -€20.8m included in the line "Share-based payment and other employee benefit expenses" in the condensed consolidated statement of cash flows relate to the share-based payment expenses in the PHE (-€17.8m – see below) and the Corporate and unallocated (-€3.0m) segments.

In the Belron segment, the long-term loans and borrowings include the additional financing operated in April 2023 (total amount of $870m – or €800m equivalent – with a maturity of 6 years). The proceeds of the new loan, together with available liquidity on the balance sheet allowed for the distribution of a dividend to Belron's shareholders (€1,091.3m, of which €572.9m to D'Ieteren Group). The dividend received from the Belron segment is included in the line "Dividends received from equity-accounted investees" in the condensed consolidated statement of cash flows.

In the PHE segment, the lines "Put options granted to non-controlling interests" include the put options granted to PHE's non-controlling interests holding minority interests in some of PHE's direct and indirect subsidiaries (€108.9m at 30 June 2023) and the put options granted to minority investors (including management and several partners and independent distributors) who invested alongside D'Ieteren Group in the holding company of PHE up to a combined ownership of c. 9% (valued at €160.5m at 30 June 2023, increased by €23.1m compared to 31 December 2022, of which €17.8m related to the vesting and change in fair value of the free shares granted to PHE's key management personnel as part of the Management Reward Plan, recognised in profit or loss as a cash-settled share-based payment expense). Refer to note 33 of the 2022 annual consolidated financial statements for more information on this management reward plan. With the exception of the free shares granted to PHE management, the change in the carrying amount of the liability associated with these put options is accounted for directly in equity and amounts to -€11.3m for the period ended 30 June 2023 on a consolidated basis.

In both periods, the lines "inter-segment loans" include the shareholder loan from the Corporate and unallocated segment to the TVH segment put in place on 1st October 2021 in the framework of the acquisition of a 40% stake in TVH, of which €0.6m represents capitalised interests, classified in the line "inter-segment loan" in the current liabilities, and the amounts lent by the Corporate & unallocated segment to the Moleskine segment (non-recourse loan in the framework of the acquisition; increased by €12.8m compared to 30 June 2022, representing €15.4m of capitalised interests and -€2.6m of cash payments in H2 2022).

In both periods, the column "Eliminations" reconciles the segment statement of financial position (including the assets and liabilities of Belron and TVH) to the IFRS consolidated statement of financial position (with Belron and TVH presented as equity-accounted investees – see note 10).

In both periods, right-of-use assets recognised under IFRS 16 are included in the line "Property, plant and equipment". The related lease liabilities are accounted for under "Loans and borrowings".

Note 5: Revenue

Disaggregation of revenue issued from contracts with customers for the 6-month period ended 30 June 2022 and 30 June 2023 is presented in the table below:

€m	2023	2022
D'Ieteren Automotive		
New vehicles	2,233.6	1,498.4
Used cars	219.9	157.0
Spare parts and accessories	159.4	141.1
After-sales activities	35.9	27.3
Other revenue	82.7	24.9
Subtotal D'Ieteren Automotive	**2,731.5**	**1,848.7**
Moleskine		
Europe, Middle-East and Africa (EMEA)	25.5	25.3
America	26.3	30.0
Asia-Pacific (APAC)	5.7	5.9
Subtotal Moleskine	**57.5**	**61.2**
PHE		
France	846.2	-
International	450.2	-
Subtotal PHE	**1,296.4**	**-**
Total Revenue	**4,085.4**	**1,909.9**

In the consolidated statement of profit or loss, the increase in revenue in 2023 compared to the 6-month period ended 30 June 2022 is mainly attributable to the PHE segment (€1,296.4m in H1 2023) and to the increase in revenue in the D'Ieteren Automotive segment (refer to interim management report for more information).

Note 6: Earnings per share

Earnings per share ("EPS") and earnings per share for continuing operations ("Continuing EPS") are shown above on the face of the consolidated statement of profit or loss. Basic and diluted EPS are based on the result for the period attributable to equity holders of the Company (based on the result from continuing operations attributable to equity holders of the Company for the continuing EPS), after adjustment for participating shares (each participating share confers one voting right and gives right to a dividend equal to one eighth of the dividend of an ordinary share).

The Group has granted options to employees over ordinary shares of the Company. Such shares constitute the only category of potentially dilutive ordinary shares.

The weighted average number of ordinary shares outstanding during the period is 53,024,684 (53,400,301 in the comparative period ending at 30th June 2022) and the weighted average number of ordinary shares taken into account for diluted EPS is 53,427,285 (53,989,854 in the comparative period). The decrease in the average number of ordinary shares outstanding is the result of the movement in treasury shares.

Note 7: Share-based payments

Corporate

There is in the Group an equity-settled share-based payment scheme. Since 1999, share option schemes have been granted to officers and managers of the Corporate & unallocated segment, in the framework of the Belgian law of 26 March 1999. The underlying share is the ordinary share of D'Ieteren Group SA/NV. Under these schemes, vesting conditions are three years' service from grant date and holders of vested options are entitled to purchase shares at the exercise price of the related scheme during the exercise period.

A reconciliation of the movements in the number of outstanding options during the period is as follows:

	Number (in units)	
	30 June 2023	**30 June 2022**
Outstanding options at the beginning of the period	766,348	1,009,331
Granted during the period	168,500	183,000
Exercised during the period	-192,658	-400,520
Outstanding options at the end of the period	**742,190**	**791,811**
of which: exercisable at the end of the period	*52,190*	*85,311*

All outstanding options are covered by treasury shares (see note 11).

During the period, one new plan totalling 168,500 options was granted at the exercise price of €185.17 and with an exercise period starting 1 January 2027 and ending in March 2033. A non-cash charge of €2.5m (covering the options granted from 2020 to 2023) has been recognised in employee benefit expenses in the period and presented in the line "Share-based payments and other employee benefit expenses" in the condensed consolidated statement of cash flows and in the line "other movements" in the consolidated statement of changes in equity.

<u>D'Ieteren Automotive</u>

In April 2021, D'Ieteren Automotive implemented a new Long-Term Incentive Plan (LTIP) classified as a cash-settled share-based payment plan. The incentives have been granted in the form of stock options to selected key managers of D'Ieteren Automotive and its subsidiaries. Underlying shares are ordinary shares of D'Ieteren Automotive SA/NV (non-listed shares).

In 2021, D'Ieteren Automotive granted to the managers 272,604 options. In 2022, another 38.339 options have been granted as well as 42.337 options in the first semester 2023, translating into 353.280 options granted as of the end of June 2023 (on a total number of available options for this plan of 369,668 options – representing c. 10% of the issued capital). All those options may be exercised from the third calendar year after the offer has been made in 2021 (starting 15 March 2025) during three exercise periods, the last period ending on the 21 March 2027. All granted options are therefore outstanding as at 30 June 2023 with a weighted average remaining contractual life of 3.7 years.

The fair value of the options granted has been assessed on the 30 June 2023 based on the classical closed-form Black & Scholes formula for European options. IFRS 2 "Share-based Payments" requires D'Ieteren Automotive to remeasure the fair value of the liability at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in profit or loss for the period. In 2023, a non-cash charge of €7.3m (HY-2022: €7.7m) has been recognised in employee benefit expenses for this share-based payment plan. This non-cash charge is presented in the line "Share-based payment and other employee benefit expenses" in the consolidated statement of cash flows.

<u>PHE</u>

Following the acquisition of PHE by the Group, a Management Reward Plan (MRP) has been put in place, whereby the Group granted free shares to PHE's key management personnel. In 2022, the Group granted free "ratchet" shares. These shares have no economic value until a liquidity event occurs (the holders of the shares will then be entitled to an amount equal to a percentage of the Project Capital Gain). In March 2023, free ordinary shares and preference shares were granted to PHE's key management personnel, each category of shares having different rights at liquidity. Free preference shares bear a fixed annual compounding interest of 7%.

This management reward plan is a cash-settled share-based payment in scope of IFRS 2. The Group will therefore account in profit or loss for the fair value of the free shares granted to management over the vesting period (being one year as from the grant date), with a corresponding increase in liability. Before and beyond vesting, the change in fair value of the liability will be accounted for in profit or loss.

At 30 June 2023, the Group accounted for a non-cash share-based payment expense of -€17.8m (presented in the line "Share-based payment and other employee benefit expenses" in the condensed consolidated statement of cash flows) with a corresponding increase in liability. The fair value of these shares has been assessed on the 30 of June 2023 by a third-party based on a binomial approach.

Note 8: Income tax expense

The Group's consolidated effective tax rate for the 6-month period ended 30 June 2023, excluding the share of the Group in the net result of equity-accounted investees is 35.3% (25.3% for the six months period ended 30 June 2022). The increase in effective tax rate is primarily the result of unrecognised deferred tax assets on current year tax losses, as well as charges recognised as part of the Long-Term Incentive Plans (LTIP) and share-based payment expenses in the PHE and D'Ieteren Automotive segments, that are not tax deductible.

Note 9: Goodwill and non-current assets

IAS 36 "Impairment of Assets" requires an impairment test to be performed annually and at each reporting date when there is an indication of a possible impairment (a triggering event).

The Board of Directors of the Company did not identify any indication of possible impairment on the Moleskine and PHE CGUs, on its investments in Belron and TVH (equity-accounted investees) nor on the assets of D'Ieteren Automotive for the period ended 30 June 2023.

As per 31 December 2022, the carrying value of the goodwill included €880.1m goodwill in the PHE segment of which €332.0m of goodwill acquired at acquisition date and €518.3m of additional provisional goodwill, representing the difference between the consideration paid to acquire 100% of PHE on 4th of August 2022, and the assets acquired and liabilities assumed. Refer to note 26 of the 2022 consolidated financial statements for more information on the business combination.

At 31 December 2022, the Group had not finalised the acquisition accounting and hence no fair value adjustments had been recognised on the acquired assets or liabilities assumed, because the Group was not in a position to reasonably measure those adjustments. As permitted by IFRS 3 "Business Combinations" (maximum period of 12 months to finalise the acquisition accounting), the provisional goodwill has been reviewed and reallocated mainly to brands and other intangible assets (see note 1 for the restatement figures at 31 December 2022 and note 13 for the final figures at acquisition date).

Note 10: Equity-accounted investees

At 30 June 2023, the entities accounted for using the equity method are Volkswagen D'Ieteren Finance, Skipr, Lizy and MyMove in the D'Ieteren Automotive segment, Belron, and TVH. PHE also holds equity-accounted investees, but no further information is provided since they are not considered material to the Group.

€m	**30 June 2023**					**31 December 2022(1)**				
	D'Ieteren Automotive	**Belron**	**TVH**	**PHE**	**Group**	**D'Ieteren Automotive**	**Belron**	**TVH**	**PHE**	**Group**
Interests in joint ventures	125.2	-286.6	1,217.5	7.1	1,063.2	128.8	14.9	1,211.9	5.0	1,360.6
Total of equity-accounted investees	**125.2**	**-286.6**	**1,217.5**	**7.1**	**1,063.2**	**128.8**	**14.9**	**1,211.9**	**5.0**	**1,360.6**

(1) As restated. Refer to note 1 for more information on the restatement of comparative information.

€m	**30 June 2023**					**30 June 2022(1)**			
	D'Ieteren Automotive	**Belron**	**TVH**	**PHE**	**Group**	**D'Ieteren Automotive**	**Belron**	**TVH**	**Group**
Share of profit in joint ventures	1.2	162.4	8.5	0.1	172.2	3.2	71.4	31.8	106.4
Total of share of result after tax of equity-accounted investees	**1.2**	**162.4**	**8.5**	**0.1**	**172.2**	**3.2**	**71.4**	**31.8**	**106.4**

(1) As restated. Refer to note 1 for more information on the restatement of comparative information.

Belron

In 2022 and in 2023, Belron Group s.a. ("BGSA"), the joint venture holding the Belron activities (see note 1 for more information), is accounted for as an equity-accounted investee, and is owned 50.30% in economic rights by the Group on fully diluted basis as at 30 June 2023. The Group has joint control over BGSA as a result of some reserved matters being shared with Clayton, Dubilier & Rice ("CD&R"). In May 2023, D'Ieteren Group and other shareholders have bought additional shares in Belron from the Employee Benefit Trust. Belron's shareholding structure is now as follows: 50.30% D'Ieteren Group, 20.44% CD&R, 18.25% H&F, GIC and BlackRock Private Equity Partners, 11.01% management & the family holding company of Belron's former CEO.

Following the transaction described above, the Group's share in the net result of Belron for the 6-month period ended 30 June 2023 corresponds to a weighted average economic percentage in the ordinary shares over the period (50.07%). For the six-month period ended 30 June 2022, the Group's share in the net result of Belron was 50.01%, corresponding to the Group's percentage of ownership in the ordinary shares on 30 June 2022.

A Management Reward Plan (MRP) involving about 250 key employees was set up in 2018. The participants of the MRP acquired non-voting equity instruments in BGSA (representing the fair value of various classes of equity instruments, being all treated as equity under IFRS). Part of the issued equity consists of "ratchet shares" which will allow management to enjoy additional returns if certain performance hurdles (IRR and Cash on Cash) are satisfied at exit. The share of the Group in the net result of BGSA in 2022 (50.01%) and 2023 (50.07%) already takes into account the dilutive impact of these MRP shares.

The detailed statement of financial position of Belron as included in its own financial statements (not adjusted for consolidated adjustments) is disclosed in note 4.2 "Segment information".

At half year 2023, Belron performed a review for indicators of impairment and concluded that there was no impairment to be recognised.

At half year 2023, based on IAS28, the Board of Directors of the Company did not identify any indication of possible impairment (a triggering event) on its investment in Belron (equity-accounted investee) and therefore did not perform an impairment test.

In the consolidated statement of comprehensive income, the lines "Equity-accounted investees – share of OCI" include -€2.2m of remeasurements of defined benefit assets/liabilities, -€4.1m of movements in cash flow hedges reserve (interest rate swaps and cross currency interest rate swaps used to partially hedge the debt) and €15.3m related to translation differences.

The table below presents the revenue, profit before tax, the net result, and the other comprehensive income for the 6-month period ended 30 June 2022 and 30 June 2023. The Group's share in net result is computed based on the Group's percentage of ownership in the ordinary shares (50.01%) in 2022 and the Group's weighted average percentage of ownership in the ordinary shares (50.07%) in 2023.

€m - Belron		**30 June 2023**	**30 June 2022(1)**
Revenue (100%)		3,074.3	2,758.1
Profit before tax (100%)		488.2	247.0
Result for the period (100%)		324.3	142.8
Other comprehensive income (100%)		18.0	80.6
Profit (or loss) and total comprehensive income (100%)		342.3	223.4
Group's share of profit (or loss) and comprehensive income		**171.4**	**111.7**
of which:	*Group's share of profit (or loss)*	*162.4*	*71.4*
	Group's share of other comprehensive income	*9.0*	*40.3*

(1) As restated. Refer to note 1 for more information on the restatement of comparative information.

The reconciliation of the Group's share in the net assets of BGSA from 31 December 2022 to 30 June 2023 is presented below. The Group's share in the net assets of BGSA at 30 June 2023 is negative as a result of the dividends distributed by BGSA in 2023. The negative balance does not result in D'Ieteren Group SA/NV being liable for the negative net assets of the joint venture.

€m - Belron	
Group's share of net assets at 31 December 2022(1)	**14.9**
Group's share in profit (or loss) and comprehensive income	171.4
Group's share in buyback of MRP shares	40.8
Group's share in dividends	-572.9
Purchase of shares by the Group	50.0
Other movements (Group's share)	9.2
Group's share of net assets at 30 June 2023	**-286.6**

(1) As restated. Refer to note 1 for more information on the restatement of comparative information.

In the period, BGSA purchased own shares from previous MRP participants for an amount of €30.4m (2022: €42.7m). As the repurchase transaction took place at fair value (the fair value of the own shares repurchased corresponds to the cash-out made to acquire these shares at transaction date), the transaction did not impact the carrying amount of the equity-accounted investee that the Group owns in BGSA as at 30 June 2023 (these shares will be re-purchased in the future by existing and new participants of the MRP).

However, BGSA sold own shares (previously acquired from MRP participants) to new investors in 2023, leading to a disposal gain of €40.8m, Group's share, being the difference between the fair market value on the disposal and the carrying value of the shares, resulting in an increase in the carrying amount of the equity-accounted investee that the Group owns in BGSA.

Following the closing of the transaction with Belron's new shareholders on 17 December 2021, Belron's Board of Directors has agreed to reward employees with a cash bonus (paid in December 2021) and restricted share units ('RSUs') to thank them for their loyal contribution to the company's success. Under the proposed terms of the equity-settled component of the scheme, BGSA awarded restricted share units ('RSUs') to each participant in the scheme. On vesting, each RSU will entitle the holder to receive an ordinary non-voting share in BGSA. Vesting period is currently estimated at 5 years and may be revised if subsequent information indicates that the length of the vesting period is likely to differ from this estimate. This equity-settled component of the scheme is a share-based payment arrangement. Accordingly, it is classified, and accounted for, as an equity-settled share-based payment transaction in BGSA own financial statements, in accordance with IFRS 2.

Each year during the expected vesting period, the Group will therefore account for its share in the share-based payment expense of BGSA (in the line "share of result of equity-accounted investee, net of income tax" in the consolidated statement of profit or loss and in the line "other movements" in the consolidated statement of changes in equity) and a corresponding increase in the value of the equity-accounted investee (in the consolidated statement of financial position), to reflect its share in the increase of BGSA shareholders equity. In the period, the increase in the value of the equity-accounted investee relating to this share-based payment plan amounts to €7.2m (2022: €9.7m). This reward will have no economic impact whatsoever on the Group and other shareholders and there will be no dilution to the 50.30% fully diluted stake held by the Group as of 30 June 2023.

TVH

Under the shareholders' agreement, the Group has joint control on TVH with Wehold (the holding company of the family shareholder), some key reserved matters being shared. TVH is therefore accounted for as an equity-accounted investee in the Group's consolidated financial statement. A shareholder loan of €40m has also been put in place between the Corporate & unallocated segment and TVH as part of the acquisition.

In the second half of 2022, in accordance with IAS 28, the Group finalised the purchase price allocation of TVH. The implicit goodwill existing at the date of acquisition represents the difference between the Group's share in the net assets acquired and the acquisition price (including acquisition costs).

The group's share of profit in TVH for the 6-month period ended 30 June 2023 is €8.5m, representing a decrease of -€23.3m compared to the 6-month period ended 30 June 2022. This variation is mainly explained by the cyberattack which occured in March 2023 and led to an interruption of activities during two weeks. Systems and operations have been fully restored since April.

In the consolidated statement of comprehensive income, the lines "Equity-accounted investees – share of OCI" include -€0.2m of remeasurements of defined benefit assets/liabilities and -€2.6m related to translation differences.

The detailed statement of financial position of TVH is disclosed in note 4.2 "Segment information".

The table below presents the revenue, profit before tax and the net result of TVH for the 6-month period ended 30 June 2023 and 30 June 2022.

€m - TVH		**30 June 2023**	**30 June 2022[1]**
Revenue (100%)		794.0	790.8
Profit before tax (100%)		32.8	104.6
Result for the period (100%)		21.3	79.4
Other comprehensive income (100%)		-7.0	36.4
Profit (or loss) and total comprehensive income (100%)		14.3	115.8
Group's share of profit (or loss) and comprehensive income (40%)		**5.7**	**46.4**
of which:	*Group's share of profit (or loss)*	*8.5*	*31.8*
	Group's share of other comprehensive income	*-2.8*	*14.6*

(1) As restated. Refer to note 1 for more information on the restatement of comparative information.

The reconciliation of the Group's share in the net assets of TVH starting from the 31 December 2022 to 30 June 2023 is presented below:

€m - TVH	
Group's share of net assets at 31 December 2022	**1,211.9**
Group's share in profit (or loss) and comprehensive income	5.7
Other movements (Group's share)	-0.1
Group's share of net assets at 30 June 2023	**1,217.5**

At half year 2023, based on IAS 28, the Board of Directors of the Company did not identify any indication of possible impairment (a triggering event) on its investment in TVH (equity-accounted investee) and therefore did not perform an impairment test.

D'Ieteren Automotive

The largest equity-accounted investee in the D'Ieteren Automotive segment is the joint venture Volkswagen D'Ieteren Finance (VDFin), owned 50% minus one share by the Group and 50% plus one share by Volkswagen Financial Services (a subsidiary of the Volkswagen group), active in a full range of financial services related to the sale of the Volkswagen group vehicles on the Belgian market.

The following table summarises the financial information of VDFin as included in its own financial statements, adjusted for differences in accounting policies, and also reconciles this summarised financial information to the carrying amount of the Group's interest in VDFin.

€m - VDFin (100% - except otherwise stated)	30 June 2023	31 December 2022
Non-current assets	1,647.5	1,810.5
Current assets (excluding cash and cash equivalents)	1,586.6	980.2
Cash and cash equivalents	123.3	135.2
Non-current liabilities (excluding financial liabilities)	-6.2	-5.9
Non-current financial liabilities	-1,359.9	-1,325.2
Current liabilities (excluding financial liabilities)	-168.7	-182.2
Current financial liabilities	-1,616.8	-1,203.4
Net assets	205.8	209.2
Group's share of net assets (49.99%) and carrying amount of interest in joint venture	**102.9**	**104.6**

€m - VDFin (100% - except otherwise stated)	30 June 2023	30 June 2022
Revenue	270.5	255.0
Profit before tax	8.9	13.3
Result for the period	6.5	9.2
Other comprehensive income	-	-
Profit (or loss) and total comprehensive income	6.5	9.2
Group's share of profit (or loss) and comprehensive income (49.99%)	**3.2**	**4.6**

The three other equity-accounted investees in the D'Ieteren Automotive segment are Skipr (as from the 1st of July 2021), Lizy and MyMove (as from the 1st of January 2022).

The financial information of Skipr, Lizy and MyMove are not material to the Group and are not separately disclosed.

The Group's share in the net assets of Skipr at 30 June 2023 amounts to €12.2m and the Group's share in the profit or loss of Skipr for the 6-month period ended 30 June 2023 amounts to -€1.0m.

The Group's share in the net assets of Lizy and MyMove at 30 June 2023 amounts to €7.6m and €2.5m respectively and the Group's share in their profit or loss for the 6-month period ended 30 June 2023 amounts to -€0.7m and -€0.3m respectively.

Note 11: Capital and reserves

The Ordinary General Meeting of 25 May 2023 decided to distribute a gross ordinary dividend of €3.0 per share for the year 2022. Payment of the dividend has been done in June 2023. The aggregate dividend paid amounts to €160.7m.

Treasury shares (770,828 at the end of the period; 1,256,732 at 31 December 2022; with a corresponding net movement of -€58.6m in the Treasury shares reserve during the period) are held in the framework of the liquidity contract and to cover the stock option plans set up by the Company since 1999 (see note 7 of these condensed consolidated interim financial statements and note 9 of the 2022 annual consolidated financial statements). In May 2023, the Company cancelled 658,929 ordinary own shares acquired in the context of the share buyback programme. The total number of ordinary shares therefore decreased from 54,367,928 at 31 December 2022 to 53,708,999 at 30 June 2023, without change in ordinary share capital (EUR 160.0 million).

The controlling shareholders are listed below:

Shareholders with controlling interest according to the declaration of transparency dated 2 November 2011, and to further communications to the company (as at 30 June 2023).	**Capital shares**		**Participating shares**		**Total voting rights**	
	Number	**%**	**Number**	**%**	**Number**	**%**
s.a. de Participations et de Gestion, Brussels	12,740,605	23.72%	0	0	12,740,605	21.70%
Reptid Commercial Corporation, Dover, Delaware	1,904,875	3.55%	0	0	1,904,875	3.24%
Mrs Catheline Périer-D'Ieteren	-	0.00%	1,250,000	25.00%	1,250,000	2.13%
Mr Olivier Périer	10,000	0.02%	0	0	10,000	0.02%
The four abovementioned shareholders (collectively "SPDG Group") are associated.	**14,655,480**	**27.29%**	**1,250,000**	**25.00%**	**15,905,480**	**27.09%**
Nayarit Participations s.a., Brussels	17,684,020	32.93%	0	0	17,684,020	30.12%
Mr Nicolas D'Ieteren	10,000	0.02%	3,750,000	75.00%	3,760,000	6.40%
The two abovementioned shareholders (collectively "Nayarit Group") are associated.	**17,694,020**	**32.94%**	**3,750,000**	**75.00%**	**21,444,020**	**36.53%**
The shareholders referred to as SPDG Group and Nayarit Group act in concert.						

Note 12: Financial instruments

Financial instruments measured at fair value in the consolidated statement of financial position

All Group's financial assets and liabilities measured at fair value in the consolidated statement of financial position are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted market prices in an active market (that are unadjusted) for identical assets and liabilities;
- Level 2: valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable);
- Level 3: valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

At the end of December 2022 and June 2023, all Group's financial assets and liabilities measured at fair value in the consolidated statement of financial position are classified in level 2 except the equity instruments included in the line "financial investments", classified in level 1, the contingent considerations and the put options (and associated call options) granted to non-controlling interests classified in level 3.

Fair value disclosed

For all Group's financial assets and liabilities not measured at fair value in the consolidated statement of financial position, their fair value approximates their carrying amount.

Note 13 – Business combinations

At 31 December 2022, the Group did not finalise the acquisition accounting of Parts Holding Europe (acquired on the 4th of August 2022) and hence no fair value adjustments have been recognised on the acquired assets and liabilities assumed, because the Group was not in a position to reasonably measure those adjustments. As permitted by IFRS 3 "Business Combinations" (maximum period of 12 months to finalise the acquisition accounting), the provisional allocation has been reviewed in the first semester of 2023 and reallocated to brands and other intangible assets.

The following table summarises the adjustments made to the provisional purchase price allocation. Other acquisitions performed by the Group are not considered material and are not separately disclosed.

€m - 4th of August 2022	PHE - provisional fair value	Adjustments	PHE - final fair value
Intangible assets	311.7	495.6	807.3
Property, plant & equipment	280.0	-	280.0
Financial investments	4.7	-	4.7
Derivative financial instruments	2.1	-	2.1
Deferred tax assets	24.2	-	24.2
Other revenue	24.7	-	24.7
Inventories	463.6	-	463.6
Derivative financial instruments (short-term)	0.7	-	0.7
Trade and other receivables	393.7	-	393.7
Cash & cash equivalents (excluding cash included in assets classified as held-for-sale)	91.9	-	91.9
Assets classified as held for sale	75.1	59.6	134.7
	-	-	-
Employee benefits	-28.0	-	-28.0
Loans & borrowings	-1,128.2	-	-1,128.2
Put options granted to non-controlling interests	-80.5	-	-80.5
Other payables	-37.8	-	-37.8
Deferred tax liabilities	-13.4	-134.2	-147.6
Provisions (short-term)	-5.6	-	-5.6
Loans & borrowings (short-term)	-165.4	-	-165.4
Put options granted to non-controlling interests (short-term)	-4.9	-	-4.9
Current tax liabilities	-	-	-
Trade and other payables	-455.4	-	-455.4
Liabilities directly associated with the assets held for sale	-30.7	-	-30.7
Net assets acquired	-277.5	421.0	143.5
Non-controlling interests ("NCI")	-1.8	-	-1.8
Goodwill	850.3	-421.0	429.3
TOTAL IDENTIFIABLE NET ASSETS ACQUIRED AND LIABILITIES ASSUMED, INCLUDING GOODWILL	571.0	-	571.0
Consideration satisfied by:	571.0	-	571.0
Cash payment	571.0	-	571.0
TOTAL CONSIDERATION	571.0	-	571.0

The €807.3m intangible assets recognised on acquisition date include €246.6m of brands and €530.9m of customer contracts. The brands recognised in the PHE segment have an indefinite useful life, since, given the absence of factors that could cause their obsolescence and in light of the life cycles of the products to which they relate, there is no foreseeable limit to the period over which these assets are expected to generate net cash inflows for the Group. The customer contracts in scope of this purchase price, whose value was determined with the excess earnings method, will be amortised over 21 years as from the acquisition date (4th of August 2022). The amount of amortisation of these customer contracts amounts to -€13.0m in 2023 for the first semester.

The adjustment booked in deferred tax liabilities is to be put in relation with the adjustment related to intangible assets. The deferred tax liabilities related to the customer contracts will be reversed over the same remaining useful lives of the underlying customer contracts.

The €59.6m adjustment on the assets classified as held for sale relates to the portion of the goodwill allocated to Mondial Pare-Brise, the specialised glass repair activity of PHE, disposed of in February 2023. The net assets disposed of therefore corresponded to the consideration received.

Note 14: Subsequent events

No significant transactions out of the ordinary course of business occurred between the closing date and the date these condensed consolidated interim financial statements were authorised for issue.

Auditor's Report

Statutory auditor's report to the board of directors of D'Ieteren Group SA on the review of the condensed consolidated interim financial information as at 30 June 2023 and for the 6-month period then ended

Introduction

We have reviewed the accompanying consolidated statement of financial position of D'Ieteren Group SA as at 30 June 2023, consolidated statements of profit or loss, comprehensive income, changes in equity and the condensed consolidated statement of cash flows for the 6-month period then ended, and notes to the condensed consolidated interim financial information ("the condensed consolidated interim financial information"). The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". 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 International Standards on Auditing 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2023 and for the 6-month period then ended is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Zaventem, 7 September 2023

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
Statutory Auditor
represented by

Axel Jorion
Bedrijfsrevisor / Réviseur d'Entreprises